

FLEET MANAGER'S MANUAL DEFINITIONS

Acquisition Cost: The cost of the motor vehicle, including options.

Annual Depreciation: The projected depreciation charge per year. The charge is calculated by subtracting the resale value from the depreciable cost and dividing by the number of depreciation years.

Annual Motor Vehicle Cost: The price of a motor vehicle divided by the number of years an average motor vehicle is used.

Assignment: The act of distributing a state vehicle to a designated person, unit or location. Designation to a person or unit is considered a long-term assignment. A designation to a location is considered as an assignment to a motor pool.

Automobile (Auto): A motor vehicle that is designed primarily for transport of passengers and personal effects including sedans, coupes and station wagons.

Break-Even Analysis: A business analysis tool involving a detailed analysis of fixed costs, variable costs and other parameters of an asset (e.g. motor vehicles) or services in order to make cost, volume and revenue comparisons and decisions.

Break-even analysis is used in fleet management to establish break-even points for mileage reimbursements, vehicle assignment and use, etc. and is usually stated in terms of vehicle mileage and age requirements.

Break-Even Point: A threshold (boundary line) or financial crossover point (using the break-even analysis method) that identifies when revenues exactly match the costs of the asset or service. The break-even point is primarily used to alert management that some action is necessary, usually before the asset or service reaches the break-even point.

The break-even point, as used in mileage reimbursement, is the annual vehicle mileage established for each type of vehicle in order to determine at what point it is financially more advantageous to provide a state motor vehicle to an employee instead of paying the employee a mileage reimbursement for the employee's use of a privately owned motor vehicle and vice versa. The break-even point for fiscal year 2004 is 12,000 miles or a mileage reimbursement of \$3,600 per year.

Business Miles: The total number of miles the vehicle has been driven in the performance of state business during the fiscal year less the total number of commute miles (if any).

Cargo Van (CV): A motor vehicle that is designed primarily for the transportation of cargo or property and has a designated seating capacity of not more than 2 persons.

Collision Insurance: An automobile insurance coverage against damage to the policyholder's vehicle caused by collision with another vehicle, object or by upset.

Commute Miles: The total number of miles traveled in a state owned or leased motor vehicle to and from the employee's residence and official work station while not on state business or in travel status.

Commuting: Authorized use of a state-owned or leased motor vehicle in accordance with Executive Order 2003-23T, for purposes of traveling to and from the employee's residence and official work station while not on state business or in travel status.

Comprehensive Insurance: An automobile insurance coverage against damage to the policyholder's vehicle caused by fire, theft, vandalism, falling objects and various other perils. This coverage is also referred to as "other than collision" coverage in most insurance policies.

Cost Per Mile (CPM): The cost of tires, oil, fuel, batteries; all internal and external labor, and parts; and all other items associated with maintaining the vehicle, but excludes the cost of accidents. The cost per mile calculation is usually evaluated on a quarterly basis.

To calculate cost per mile, total all costs accrued during the quarter, then divide that figure by the total number of miles driven during the same quarter.

Depreciation: An accounting function which measures the loss in value of a vehicle over the estimated useful life of the vehicle, less the resell value (if any).

Depreciable Cost: Acquisition cost less the resale value.

Depreciation Years: The projected number of years that the motor vehicle is expected to be utilized before resale or disposal.

FleetOhio: An internet enabled management information system, used to capture data related to operating and managing the state's fleet. This includes inventory tracking, operational costs and motor pools.

Fuel Card: A fuel purchase card assigned to the motor vehicle by the Voyager Fuel Network program, to be used when purchasing retail fuel dispensing services, fluids and other minor vehicle maintenance items. Purchases cannot exceed the monthly monetary limits placed on such purchases by DAS Fleet Management/ Voyager Fuel Network, unless otherwise authorized.

Fuel Cost: The average price per gallon of motor fuel divided by the miles per gallon fuel efficiency of a motor vehicle.

Fuel Card: A credit card issued to state entities to be used to procure fuel from participating fueling stations. The state's current fuel card is referred to as "Voyager."

Gross Vehicle Weight (GVW): The weight of vehicle including all equipment, fuel, body, load and occupants as specified by the manufacturer.

Insurance Cost: The cost of insuring a motor vehicle per year divided by the number of miles an average motor vehicle is driven per year.

Law Enforcement Agency: A department, board, bureau, or commission that employs Law Enforcement Officers (see definition of Law enforcement Officer).

Law Enforcement Officer: An officer, agent, or employee of a state agency upon whom, by statute, a duty to conserve the peace or to enforce all or certain laws is imposed and the authority to arrest violators is conferred, within the limits of that statutory duty and authority.

Law Enforcement Vehicle: Any vehicle that is used by a law enforcement officer and law enforcement agency or any vehicle that is equipped with specialized equipment that is not normally found in such a vehicle and that is used to carry out a state agency's specific and specialized duties and responsibilities.

Liability Insurance: Pays the claimant on behalf of the insured, if the insured is legally liable for bodily injury or property damage due to negligence.

License Plate – Gratis: A license plate issued to a state entity from the Bureau of Motor Vehicles for state motor vehicles that clearly indicates that the plate is for use by a state government entity. This type of plate does not require annual registration.

License Plate – Regular: A license plate issued to a state entity from the Bureau of Motor Vehicles for state motor vehicles that is of the same type that is issued to non-state entities to be used for covert or undercover purposes. This type of plate requires annual registration.

Lifetime Operating Cost: The projected operating cost of the motor vehicle over its lifetime. Lifetime operating cost should include all fuel, maintenance and repairs (including non-reimbursed accident damage) and vehicle liability insurance.

Management Information System: A computer software system designed to assist manager's plan and direct business and organizational operations.

Mileage Reimbursement: A payment made to a state employee who utilizes a privately owned motor vehicle while on authorized state business.

Mileage Reimbursement Rate: This is the rate that the Office of Budget and Management determines should be paid to a state employee who utilizes a privately owned motor vehicle while on authorized state business. The current rate is \$.40 per mile.

Miles Per Gallon (MPG): The ratio of the number of miles traveled to the number of gallons of gasoline burned.

Mini Passenger Van (MPV): A motor vehicle that is designed primarily for the transportation of persons and personal effects and has a designated seating capacity of not more than seven persons.

Minimum Business Miles Per Year: This is the minimum number of business miles per year an employee of a state agency must drive in order to qualify for approval by DAS to receive a motor vehicle for business use. The minimum business mile per year is the same as the mileage breakeven point (12,000 miles).

Motor Pool: A centrally managed group of motor vehicles available to state employees for necessary business related travel only. These vehicles are typically housed overnight on or at state owned or leased property and signed in and out by employees on a short-term basis and returned to the pool upon completion of the task.

Motor Vehicle: Any automobile, car minivan, passenger van, sport utility vehicle, or pickup truck with a gross vehicle weight of less than twelve thousand pounds.

Motor vehicle does not include any vehicle that is used by a law enforcement officer and law enforcement agency or any vehicle that is so described and that is equipped with specialized equipment that is not normally found in such a vehicle and that is used to carry out a state agency's specific and specialized duties and responsibilities.

Operating Cost: The maintenance cost of a motor vehicle per year is divided by the product resulting when the number of miles an average motor vehicle is driven per year is multiplied by the number of years an average motor vehicle is used.

Operating Cost Per Mile: The projected operating cost per mile over the lifetime of the motor vehicle. Operating cost per mile is calculated by dividing the lifetime operating cost by the actual or projected mileage.

Passenger Van (PV): A motor vehicle that is designed primarily for the transportation of persons and personnel effects and has a designated seating capacity of eight or more persons.

Passenger Vehicle: Passenger vehicles include the price agreement categories and/or any other passenger vehicle categories as determined by the Fleet Administrator

Pick-Up Truck (PU): A motor vehicle that is designed primarily for transportation of persons and property or cargo and has a designated open cargo area that may or may not be covered with a camper shell, tarp, and removable top, or similar structure (includes all pickup trucks of all sizes).

Projected Commute Mileage: This is the total number of projected commute mileage, home to office/office to home, using the most direct route, for a fiscal year.

Projected Mileage: The total number of miles, both commute and business miles, that the motor vehicle is projected to travel during a fiscal year.

Projected Net Business Mileage: This is the total projected mileage less the projected commute mileage for a fiscal year.

Reimbursement Rate Per Mile: The reimbursement per mile rate for travel expenses as provided by rule of the director of budget and management adopted under division (B) of section 126.31 of the Revised Code.

Resale Value: The projected value, less selling fees, of the vehicle when ready for resale.

Replacement Cycle: The criteria established to determine when the replacement of a state vehicle is necessary. A replacement cycle has a time and mileage element, and is established according to vehicle type and use.

Specialized Equipment: Devices or tools essential in the performance of an employee's job duties. These devices, which may be independent of a motor vehicle or attached to a motor vehicle, are of a nature that the state could not reasonably expect the employee to attach or carry in his or her personal vehicle.

Sport Utility Vehicle (SUV): A motor vehicle that is designed primarily for transportation of persons and property that combines the load-hauling and passenger-carrying capacities of a large station wagon or minivan with features and suspensions designed for off-road driving such as a more upright seating stance and higher ground clearance. (Includes all SUV's both 2WD and 4WD).

State Agency: Every organized body, office, or agency established by the laws of the state for the exercise of any function of state government, other than any state-supported institution of higher education, the office of the governor, lieutenant governor, auditor of state, treasurer of state, secretary of state, or attorney general, the general assembly or any legislative agency, or the courts or any judicial agency.

State Agent: A person or legal entity appointed in writing by a State agency to perform specified work. An agent is not an independent contractor. Agents, whether paid or unpaid, are subject to the direction and control of the agency. An agency may not call people agents for the primary purpose of justifying their transportation in a State vehicle.

State Employee: Any person holding a position subject to appointment, removal, promotion or reduction by an appointing officer of any state agency, office, commission, department, board, institution, or other state entity.

State Entity: Is a state agency as set forth above and any and all other legal entities established by the laws of this state for any function of state government. A state entity may include the office of the governor, lieutenant governor, auditor of state, treasurer of state, secretary of state, or attorney general, the general assembly or any legislative agency, or the courts or any judicial agency.

Undercover Vehicles: A motor vehicle that is used by a state entity for covert or undercover purposes and requires the use of a “regular” state license plate instead of a gratis state plate.

Vehicle Management Commission: A commission required by Section 125.833 of the Ohio Revised Code required to periodically review the implementation of the fleet management program by the Department of Administrative Services under Section 125.832 of the Revised Code and may recommend to the department and the general assembly modifications to the department’s procedures and functions and other statutory changes.

Vehicle Disposal: Transfer of vehicle ownership from a state entity to another state entity or to a private sector entity.