**Fiscal Year Changes with Fleet Management**

With the new fiscal year starting in July, there are a few noticeable changes that will be occurring within Fleet Management. The two most notable changes center around a long term lease rate reduction combined with fuel pass through. Other topics include accident reports, a new process for billing information, and a proposed new lease form, as well as, some additional helpful reminders.

All currently long term leased vehicles (4 months or longer in duration), will see a 14% decrease in the monthly lease amount based on FY 17 rates. In addition to the reduction, all vehicles will now be allocated unlimited miles per month. There will not be a “per mile” charge for use. Depending on the amount of miles driven monthly, some departments may see large reductions in their monthly lease totals due to the omission of the mileage rates. All departments should see reductions in their monthly lease totals. On a similar note, all short term rental rates (up to 4 months in duration) will remain the same for FY 18.

In addition to the long term lease rate reductions, starting July 1, 2017 all fuel purchases made with the UT WEX fuel card will be charged back to the leasing department. Fleet Management experienced great success with this approach with the short term rentals in FY 17 and will now use the same process for all rentals. Campus-wide management of the fuel consumption of vehicles will allow the University to potentially reduce its overall amount of fuel purchased. All fuel data will be provided to requesting departments for review. Additionally, all drivers are encouraged to return all fuel purchase receipts to the appropriate individual in their department. Fleet Management does not need any future fuel receipts returned to us. To aid departments in their fuel reconciliations, we also have a new receipt printer for our onsite fuel island. Keep in mind, all fuel purchased onsite is averaging 40 to 50 cents cheaper per gallon when compared to retail stations.

As a reminder, all damage to University vehicles *must* be reported at the time of the occurrence. The incident must be recorded and filed using Risk Management’s “Driver Report of Vehicle Accident” form. These forms can be found with Risk Management or with Fleet Management via our website (fleetmanagement.utk.edu) or in person at our location. Costs associated with avoidable damage is becoming a growing concern with $15k worth of repairs completed on average each month. Repairs due to negligence must be charged back to the leasing department.

Due to several of the changes taking affect in fiscal year 2018, Fleet Management has proposed completing a mass update of all lease agreements with UT departments. Many of these agreements have been rolled over for years and are in need of updating. The new form has not been released yet, but we hope to have all lease agreements (350+) updated by the end of calendar year 2017.

To assist with the University’s new Electronic Ledger Reconciliation process, Fleet Management has started attaching all remittance advices directly to the charging document number. We will no longer be mailing out hard copies of the transfer voucher to departments. Similarly, we are working through Office 365 to post all fuel purchases to a centralized location. Contact our business area for details.

Here are a couple of short term rental reminders that will streamline the rental process when retrieving or returning vehicles. We have several new forms on our website that need to be used instead of the old forms. You will need your valid driver’s license and personnel number in order to rent a vehicle. Finally, all vehicles must be fueled onsite upon return.

Fleet Management values the opportunity to assist our students and University through the management of the University’s fleet. Any compliments or suggestions are greatly appreciated to aid us in this task. We work hard to offer a great value to the University and are looking forward to excelling in a new fiscal year.