Subject: INFORMATIONAL: Motor Fleet Management change in rate structure

Date: November 28, 2011

TO: Deans, Directors and Department Heads; All University Managers and Supervisors

FROM: Carly Perin, Director, Facilities Services Business Operations

Please note: Because this message is being sent to both the DDD list and all University managers and supervisors, we recognize that you may receive duplicate emails, and we apologize for any inconvenience this may cause.

This message is to provide notice of Motor Fleet Management's (MFM) change in rate structure for using Motor Fleet vehicles to become effective January 1, 2012. In response to the impact of recent budget reductions for every agency, the following important changes are being made to the costs of using MFM vehicles at UNC:

1. MFM will no longer charge a minimum monthly usage of 1,050 miles. Your department will be billed only for actual miles used. Please note that it is imperative that mileage log data continue to be submitted to our office no later than the 5th of each month following the month of use. This does not change the MFM requirement for minimum monthly mileage of 1,050 unless you have an exemption.

2. MFM is also reducing the vehicle rate charged by one cent per mile. The new rate schedule can be found at http://www.fac.unc.edu/Portals/FacWeb2010/Documents/New Rates.pdf for reference that will show the impact by type of vehicle.

3. There will be a flat $35 per month assessment per vehicle to pay for insurance and unrecovered actual cost (for vehicle losses).

MFM feels that this new rate structure is a more appropriate model for these times. During the coming months, MFM and UNC will closely monitor vehicle usage, mileage reporting, and compliance with both reporting and usage requirements to ensure the fleet is optimally managed. Based on fuel price volatility, if there is a need to increase rates for next fiscal year, you will be notified prior to budget development. We expect this new rate structure to remain in place for the next 18 months.

Please share this information with any other staff who need to be made aware of this.

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