ACQUISITION INTEGRATION TOOLKIT

COMPANION REFERENCE

Fleet Terms, Acronyms and FAQs

A plain-language companion to the Fleet Acquisition Guide

Companion Reference · Version 1.0 · November 2026

Use this reference when reviewing seller records, planning vehicle and contract transfers, and deciding which vehicles and drivers can operate after closing.

How to use this reference

Terms are grouped in six sections that follow the order of the Fleet Acquisition Guide, followed by sixteen frequently asked questions. Acronyms are spelled out under each term. Bracketed numbers point to the official sources listed at the end. Scale the review to the fleet's actual vehicles, use and jurisdictions.

Section	Covers
1. Vehicle inventory and ownership	Know exactly which vehicles are in the deal and who owns them.
2. Costs, leases and vendors	Understand the cost of keeping the fleet available, not just buying it.
3. Maintenance and fleet technology	Check the condition of each vehicle and the systems supporting it.
4. Drivers, crashes and insurance	Eligibility, coverage and reimbursement are separate questions.
5. Regulated-operation acronyms	Screen whether these apply before requesting a full commercial-carrier program.
6. Credentials and professional terms	Know what a designation establishes, and what it does not.
Frequently asked questions	Interpreting seller records, closing decisions, costs and continuity

SECTION 1

Vehicle inventory and ownership

Know exactly which vehicles are in the deal and who owns them.

Term	What it means and what to check
Fleet / unit	A fleet is the group of vehicles managed for an organization. A unit is one vehicle or other tracked asset. Confirm whether trailers, rentals, leased vehicles and personal vehicles used for work are included.
VIN *Vehicle Identification Number*	The vehicle's identifying number. Use it to reconcile titles, registrations, insurance, maintenance and physical vehicles. A unit number is an internal label and is not a substitute for the VIN.
Title / registration	A title documents ownership under the applicable state system. Registration authorizes the vehicle for road use under that jurisdiction's rules. A current registration does not by itself resolve ownership, liens or insurance.
Lien / lien release	A lien is a creditor's legal interest in the vehicle. A lien release documents the release of that interest. Confirm payoff, release and transfer requirements with the lender and title authority.
Vehicle schedule / reconciliation	A schedule lists the vehicles covered by an agreement, policy or record set. Reconciliation compares those lists by VIN and investigates missing, duplicate, sold, totaled or misidentified vehicles.
Upfit / payload	An upfit is installed equipment or a modification, such as shelving, a lift or a service body. Payload is the weight carried, including people, cargo and equipment. Upfits can reduce remaining payload capacity.
GVWR / GCWR *Gross Vehicle Weight Rating / Gross Combination Weight Rating*	Manufacturer ratings for the loaded vehicle or combination. Actual loaded weight is different. Ratings, actual weight and use may affect which rules apply. [1]

SECTION 2

Costs, leases and vendors

Understand the cost of keeping the fleet available, not just buying it.

Term	What it means and what to check
TCO *Total Cost of Ownership*	A life-cycle view of cost: acquisition or lease, financing, fuel, maintenance, insurance, administration and other expenses, less disposal proceeds. State the period and included costs so comparisons are meaningful.
CPM *Cost per Mile*	Defined fleet costs divided by miles driven over the same period. Specify whether it includes fuel, lease payments, depreciation, insurance and overhead; different definitions produce different results.
CapEx / OpEx *Capital Expenditures / Operating Expenditures*	Common budget labels for investment in longer-lived assets and for ongoing expenses. Accounting treatment depends on the arrangement and applicable rules; confirm with finance.

Term	What it means and what to check
Depreciation / residual value	Depreciation allocates an asset's cost over time for accounting or tax purposes. Residual value is an estimated or contractual value at the end of a period. Neither necessarily equals the actual sale price.
Open-end / closed-end lease	An open-end lease commonly leaves the lessee exposed to the difference between the agreed residual and the sale proceeds. A closed-end lease commonly places more residual risk with the lessor but may impose mileage, condition and other charges. Read the actual terms.
Buyout / early termination	A buyout is the amount and process for purchasing a leased vehicle. Early termination ends an agreement before its scheduled end and may create fees or other obligations. Obtain a dated, unit-specific calculation.
Assignment / change-of-control consent	Assignment means transferring contractual rights or obligations. A change-of-control clause may require notice or consent even when the same entity remains the customer. Review each agreement's actual requirements.
FMC *Fleet Management Company*	A provider of services such as leasing, maintenance, registration, fuel management and reporting. Identify which services it performs and which responsibilities remain with the business.
SLA *Service Level Agreement*	Defined service commitments, such as response times, availability or reporting. Verify escalation contacts and whether service and system access will continue through closing.

SECTION 3

Maintenance and fleet technology

Check the condition of each vehicle and the systems supporting it.

Term	What it means and what to check
PM *Preventive Maintenance*	Scheduled servicing intended to reduce failures and keep vehicles fit for use. Review the time, mileage or engine-hour intervals and whether the work was actually completed.
Deferred maintenance / replacement backlog	Deferred maintenance is postponed service or repair. A replacement backlog is the group of vehicles that need replacing. Estimate safety consequences, downtime and near-term spending separately.
Roadworthy / out of service	Roadworthy means suitable for safe road operation under applicable requirements. "Out of service" may mean an internal restriction or a formal regulatory order. Identify the reason, the required fix and the person authorized to release the restriction.
Safety recall	A manufacturer or NHTSA action addressing a safety defect or a failure to meet safety standards. Check the VIN and manufacturer instructions, including any driving restrictions. A lookup does not replace a condition inspection. [2]
DVIR *Driver Vehicle Inspection Report*	A record of vehicle inspection findings used in certain regulated operations. Requirements vary by operation and vehicle; do not assume every passenger vehicle needs the same report. Confirm defects were corrected.

Term	What it means and what to check
Telematics / GPS *GPS: Global Positioning System*	Telematics collects or transmits vehicle and driving data; GPS supports location tracking. Verify devices, subscriptions, access rights, alerts and lawful data handling.
Driver scorecard / exception alert	A scorecard summarizes selected measures such as speeding or harsh braking. An alert flags a defined event. Check data accuracy, thresholds, and who reviews and acts on the results.
OEM / OBD *Original Equipment Manufacturer / On-Board Diagnostics*	OEM information supports specifications and service decisions. OBD data can identify diagnostic issues but is not a complete condition assessment.
EV / BEV / PHEV / ICE *Electric Vehicle / Battery Electric Vehicle / Plug-in Hybrid Electric Vehicle / Internal Combustion Engine*	EV is a broad term. For electrified fleets, assess charging access, battery condition, range under actual use and service capability.

SECTION 4

Drivers, crashes and insurance

Eligibility, coverage and reimbursement are separate questions.

Term	What it means and what to check
MVR *Motor Vehicle Record*	A driving-history record from the relevant licensing authority. Review it through a lawful process against the buyer's and insurer's criteria. It is one part of eligibility, not a complete risk assessment.
Authorized driver / assigned driver	An authorized driver has approval to drive under the organization's process. An assigned driver is linked to a particular vehicle. Assignment alone does not prove eligibility, insurance coverage or permission for every use.
POV / gray fleet *Privately Owned Vehicle*	Gray fleet (often spelled grey fleet) is a common term for personal vehicles used for business. Include these drivers in the risk review even when their vehicles are absent from the company asset list.
Mileage reimbursement / vehicle allowance	Mileage reimbursement pays according to business miles under a defined method. An allowance pays a set amount under an arrangement. Neither by itself establishes insurance coverage or resolves tax treatment.
Preventable / at-fault crash	Preventability asks whether reasonable actions could have avoided the crash under a defined review method. Fault concerns legal or insurance responsibility. The conclusions may differ; document the basis for each.
Loss run / open claim	A loss run is an insurer's claims-history report. An open claim remains unresolved. Compare claims with crash records and confirm the valuation date, outstanding issues and responsible insurer.

Term	What it means and what to check
Liability / physical damage coverage	Auto liability coverage addresses covered injury or property damage liability to others. Physical damage coverage addresses covered damage to the insured vehicle, subject to the actual policy, deductibles and exclusions.
HNOA *Hired and Non-Owned Auto*	Coverage for vehicles the business rents or hires and vehicles it does not own, such as employees' cars. Confirm the exact policy scope; do not assume it pays for damage to those vehicles.
COI / deductible / SIR *Certificate of Insurance / Self-Insured Retention*	A COI summarizes insurance but does not change the policy. Deductibles and SIRs leave defined amounts with the insured; payment and defense arrangements vary.

SECTION 5

Regulated-operation acronyms

Screen whether these apply before requesting a full commercial-carrier program.

Term	What it means and what to check
DOT / FMCSA / NHTSA *Department of Transportation / Federal Motor Carrier Safety Administration / National Highway Traffic Safety Administration*	FMCSA oversees federal motor carrier safety; NHTSA oversees vehicle safety standards and recalls. State agencies also have roles. [1, 2]
CMV *Commercial Motor Vehicle*	A regulatory term whose definition depends on the rule being applied. Vehicle size, weight, passenger capacity, hazardous materials and use matter. A company-owned vehicle is not automatically a CMV for every federal requirement. [1]
CDL *Commercial Driver's License*	A license required for specified vehicle classes or operations, with applicable endorsements and restrictions. Some CMVs do not require a CDL. Confirm the vehicle, combination, load, use and state requirements. [1]
USDOT number / MC number / operating authority	A USDOT number identifies the registered entity. An MC number is associated with certain operating-authority records. Operating authority is permission for specified operations and is distinct from safety registration. Confirm what the business actually needs. [1, 3]
DQ file / MEC *Driver Qualification file / Medical Examiner's Certificate*	Records of regulated driver qualification and medical fitness, where applicable. A valid driver's license alone does not show that the qualification file is complete.
HOS / RODS / ELD *Hours of Service / Records of Duty Status / Electronic Logging Device*	HOS governs driving and duty limits for covered operations. RODS record duty status; an ELD records specified data electronically. Applicability and exceptions require review. [4]
DOT drug and alcohol program / Clearinghouse	A regulated testing program, and FMCSA's database of specified drug and alcohol violations for covered CDL drivers. Both are distinct from a general employer drug policy; confirm applicability and required processes. [5]

Term	What it means and what to check
IRP / IFTA / UCR *International Registration Plan / International Fuel Tax Agreement / Unified Carrier Registration*	Separate registration and tax programs that may apply to certain commercial operations. They are not interchangeable; obtain jurisdiction-specific review. [6]

SECTION 6

Credentials and professional terms

Know what a designation establishes, and what it does not.

Term	What it means and what to check
CAFM *Certified Automotive Fleet Manager*	A professional fleet management credential administered through NAFA, covering broad fleet management competencies. It is not a driver's license, operating permit or certification that a business is compliant. [7]
CAFS *Certified Automotive Fleet Specialist*	A NAFA professional credential focused on selected fleet management disciplines. Verify current status and scope directly with the issuer when evaluating a person's qualifications. [7]
NAFA *NAFA Fleet Management Association*	A professional association providing fleet education, resources and credential programs. Membership and certification are separate; membership alone does not establish a credential. [7]
ASE *National Institute for Automotive Service Excellence*	An organization offering automotive service certifications. Review a technician's specific certification areas and current status rather than treating the acronym as approval for every repair. [8]
OEM training / professional credential / regulatory authorization	Manufacturer training, a professional designation and legal authorization serve different purposes. Match the evidence to the work being assigned; none automatically replaces the others.
Policy / SOP / driver handbook *SOP: Standard Operating Procedure*	A policy states rules, authority and consequences. An SOP explains the steps. A driver handbook communicates practical expectations. Keep them aligned with actual work and applicable requirements.
Day 1 readiness / interim control	Readiness means a specific vehicle, driver and activity can operate with required protections and permissions. An interim control is a temporary safeguard; a plan to obtain insurance or repair brakes is not itself protection.
Action owner / closure evidence	The owner is accountable for resolving an issue. Closure evidence shows completion, such as a repair record, approved driver review, lender release or coverage confirmation. Check that the fix works in practice.

FREQUENTLY ASKED QUESTIONS

Interpreting seller records and making the closing decisions

1. What is the best starting point?

Build a VIN-by-VIN list, then match it to ownership, insurance, leases, maintenance and a sample of physical vehicles. Identify rentals, trailers and personal-vehicle business use separately.

2. How much history should we request?

The guide recommends 12 to 24 months of spending and, typically, three to five years of available crash and claim history. These are diligence starting points, not universal record-retention rules. Ask about older unresolved events that were significant.

3. Does every company vehicle trigger DOT rules or require a CDL?

No. Screen weight ratings and actual weights, combinations, routes, passengers, hazardous materials and use. CMV, CDL, hours-of-service and testing requirements use different applicability tests, and state rules can also matter. [1, 4, 5]

4. Can the buyer simply keep the seller's USDOT number?

Do not assume so. A USDOT number identifies a legal entity. The same entity continuing after an ownership change is different from a new entity acquiring assets. Have a specialist confirm registration and authority arrangements before operations begin. [3]

5. Can drivers keep using their assigned vehicles on Day 1?

Only after eligibility, roadworthiness, coverage and operating requirements are confirmed. Document any restrictions by driver, vehicle or activity, and tell supervisors and drivers.

6. Does a valid license mean the driver is approved?

No. Confirm the correct class, endorsements and restrictions, a lawful MVR review, company and insurer criteria, training, and any regulated qualification requirements. Apply a documented, consistent approval process.

7. Is a registration or insurance certificate enough to establish readiness?

No. Resolve title and lien issues, confirm actual policy terms and effective times, inspect condition, and verify driver and operating eligibility. Each document answers a different question.

8. Does every issue have to delay the transaction?

No. Use the guide's three categories: before vehicles are used, business or deal decision, and after closing. The transaction may close while affected vehicles or drivers remain restricted.

FREQUENTLY ASKED QUESTIONS

Controlling costs and keeping the fleet running

9. Will the seller's insurance continue automatically?

Do not assume it will. Have the broker confirm insured entities, vehicles, use types, limits and the exact transition time in writing. Resolve gaps before driving, including rentals and personal vehicles used for work.

10. Does mileage reimbursement cover personal-vehicle risk?

No. Reimbursement, driver approval and insurance are separate. Establish permitted business use, required coverage, screening and crash reporting, and have the broker evaluate non-owned auto exposure.

11. How should we interpret an open recall?

Check VIN-specific information and manufacturer instructions, including any urgent driving or parking restrictions. Schedule the remedy and verify completion. A clean recall search is not proof of overall condition. [2]

12. Can we inherit telematics and camera data?

Confirm contract rights, device ownership, lawful transfer, notices, access controls and retention. Arrange an authorized handoff and someone to respond to alerts. Treat location and driver data as sensitive.

13. How do we compare the cost of two fleets?

Use consistent definitions and periods for TCO and cost per mile, then account for vehicle duty, age, mileage, downtime and replacement needs. Low recent repair spending may reflect deferred work rather than efficiency.

14. What should be ready besides vehicles and drivers?

Fuel and toll access, maintenance and roadside support, insurance evidence, crash instructions, vendor contacts and required registrations. Test access under the correct entity before the seller’s accounts close.

15. What if a lease cannot transfer?

Ask the lessor for permitted options, written consent requirements and dated costs. Leadership, finance and legal advisors should decide whether to assume, buy out, replace or exclude the arrangement.

16. How should we handle missing driver or claim records?

Use the approved secure deal process, start with summaries where they are enough, and limit identifiable information to what is needed and lawfully available. Record gaps and restrict affected activity when readiness cannot be established.

REFERENCE

Sources and reference notes

Bracketed numbers identify supporting sources. Other definitions describe common fleet and business usage. This reference does not reproduce detailed thresholds, tax rules or program deadlines; confirm current requirements for the actual operation.

#	Source	Web address
[1]	FMCSA: USDOT registration and applicability	https://www.fmcsa.dot.gov/registration/do-i-need-usdot-number
[2]	NHTSA: Safety recalls and VIN lookup	https://www.nhtsa.gov/recalls
[3]	FMCSA: Legal name or form-of-business changes	https://www.fmcsa.dot.gov/faq/do-i-need-new-usdot-number-if-i-am-changing-my-companys-legal-name-or-form-business
[4]	FMCSA: General information about the ELD rule	https://www.fmcsa.dot.gov/hours-service/elds/general-information-about-eld-rule
[5]	FMCSA: Drug and alcohol testing applicability	https://www.fmcsa.dot.gov/regulations/drug-alcohol-testing/applicability
[6]	North Dakota DOT: IFTA, IRP and UCR overview	https://www.dot.nd.gov/motor-vehicle/international-registration-plans-ifta-irp-and-ucr
[7]	NAFA: Fleet credentials	https://www.nafa.org/about-nafa/cafm-commission/
[8]	ASE: Certification information	https://www.ase.com/

Sources reviewed November 5, 2026. The state agency overview is a starting point, not a determination of what applies in every jurisdiction. Credentials are included as reference terms for readers and do not describe the qualifications of any author. Program details may change; verify with the issuing organization.

ABOUT THIS REFERENCE

A companion to the Fleet Acquisition Guide, Version 1.0, November 2026; the request periods and decision categories follow that guide. This is a general educational resource and acquisition planning aid, not legal, insurance, tax or regulatory advice or a certification of compliance. Requirements vary by entity, transaction, vehicle, use and jurisdiction. Confirm obligations and coverage with qualified professionals, and handle driver, location and claim information lawfully and securely.