



BACKGROUND:

The U.S. Postal Service manages the world's largest civilian vehicle fleet of about 200,000 owned vehicles to primarily support mail delivery. This fleet includes about 185,000 light-duty delivery vehicles consisting of minivans and about 163,000 right-hand-drive vehicles, of which about 142,000 are known as long-life vehicles (LLVs). The expected service life of the LLVs is 24 years, and they are now between 18 and 25 years old. In 2011, the Postal Service delivered to about 151.5 million delivery points, 6 days a week. Our objective was to assess delivery fleet strategies that could be applicable to the Postal Service using industry comparative analysis.

WHAT THE OIG FOUND:

The Postal Service does not have a comprehensive fleet management strategy but has some elements of a strategy in place to operate, sustain, and renew its delivery fleet. In June 2011, management also developed a plan to purchase new vehicles; however, the Postal Service's continuing financial situation prevents the plan's implementation. A robust and centralized strategy ensures that opportunities to reduce costs, improve fleet effectiveness, improve safety, adequately plan for future needs, and maximize the return on investment are available to management.

After examining delivery fleet practices at organizations with a wide spectrum of fleet management expertise, we identified 32 best practices for consideration by the Postal Service. The best practices fall into three categories:

- ③ Strategy.
- ③ Asset optimization.
- ③ Asset acquisition.

The U.S. Postal Service Office of Inspector General plans to conduct future work on vehicle replacement (type and technology considerations).

WHAT THE OIG RECOMMENDED:

We recommended that management develop and implement a comprehensive fleet management strategy that is managed from headquarters by a dedicated team of specialists whose primary focus is to use identified best practices for the management of the Postal Service's vehicle fleet. We also recommended that management establish an annual new vehicle replacement strategy, as part of a comprehensive fleet management strategy, to replace part of the fleet each year, spread out the expenditures over time, and ensure the overall operational functionality of the fleet.