OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

HIGHLIGHTS

September 21, 2012

Global Positioning System Technology for Highway Contract Routes

Report Number NL-AR-12-009

BACKGROUND:

This report presents the results of our audit on Global Positioning System (GPS) technology for highway contract routes (HCR).

The U.S. Postal Service initiated a GPS program for selected HCRs in November 2010 to have visibility of mail during transport. The program required that all 'long-haul' routes (over 50 miles) provide tracking information every 30 minutes during transport. As of April 2012, about 960 routes were included in the program. About $3.3 billion is spent on all contracted highway transportation per year.

Our objective was to assess the U.S. Postal Service's GPS strategies for contracted highway transportation routes.

WHAT THE OIG FOUND:

Opportunities exist for the Postal Service to improve and expand the use of GPS for HCRs. We found the GPS program was capturing limited data and not providing useful reports for highway transportation route management. This occurred because of inadequate planning and implementation and limited highway transportation route contractor participation requirements. Additionally, insufficient system reporting capabilities and inadequate data retention requirements were contributing factors. Consequently, the program was not being used and had not achieved its intended results even though it cost at least $1.6 million. We also determined the program could potentially include additional routes; provide maximum use of actionable reports with enhanced data analytics; use real-time alerts and enhanced geo-fencing (or assigning geographical borders); and include fuel analysis and route optimization information. There are also opportunities for integration with existing systems for enhanced transportation management.

WHAT THE OIG RECOMMENDED:

We recommended the Postal Service improve existing GPS functionality by updating and reinforcing policies and procedures; improving the monitoring and validation process to ensure supplier compliance; and reviewing and updating standard system reports to facilitate monitoring of supplier compliance and performance. We also recommended adding more HCRs and reporting capabilities to include exception reporting, establishing adequate GPS data retention policies, and exploring an end-to-end GPS platform with full-range functionality.