

September 27, 1999

ROBERT J. SHEEHAN  
MANAGER, ATLANTA DISTRICT

SUBJECT: Review of Periodicals in the Atlanta District  
(Report Number AC-MA-99-002)

This management advisory report presents the results of our review of the United States Postal Service's (USPS) Periodicals regarding issues we observed at the Atlanta Processing and Distribution Center (Project Number 99PR002DS000). We conducted a review in response to a request from the Chairman of the Subcommittee on the Postal Service. The Chairman expressed concerns about timely delivery of Periodicals. This report resulted from the review of the processing of Periodicals class mail at three postal facilities.<sup>1</sup> At two of the three facilities, we found no issues requiring management attention. Our observations for those were reported in a separate letter advisory (Review of Periodicals, Report Number AC-LA-99-001, September 27, 1999) to Postal management.

---

**Results in Brief**

During our review of the Atlanta Processing and Distribution Center, we found deficiencies in processing operations that potentially affected timely delivery of Periodicals. Specifically, we found that the date and time often were not placed on the Periodicals mail containers, mixed classes of mail were sent to delivery units, and Periodicals mail was not worked on a first-in, first-out basis. We suggested the Plant Manager, Atlanta Processing and Distribution Center, document verbal instruction requiring employees to place the date and time on incoming Periodicals mail containers and ensure employees are fully aware of date and time requirements. We also suggested the plant manager train

---

<sup>1</sup> We visited the Atlanta Processing and Distribution Center, the Dominick V. Daniels Processing and Distribution Center in Kearny, New Jersey and the Royal Oak Michigan Processing and Distribution Center

employees regarding national mail policy that prohibits commingling of Periodicals with other classes of mail and requires mail to be worked on a true first-in, first-out basis, and conduct periodic reviews to ensure compliance with mail policy. Management agreed with our suggestions. Management's comment is included in the appendix of this report.

---

**Background**

Effective July 1, 1996, second-class mail was renamed Periodicals. Periodicals service is designed for newspapers, magazines, and other periodical publications whose primary purpose is the transmission of information to an established list of subscribers or requesters. Periodicals must be issued regularly, at a stated frequency (at least four times a year), from a known office of publication, and formed of printed sheets. Mailers of periodicals may request a specific delivery date for their publications. The USPS makes all reasonable operating efforts to meet such requests, but does not guarantee delivery for this class of mail on a specific date.

Following reclassification, many postal customers experienced a decline in what had formerly been known as second-class mail, now Periodicals. The National Newspaper Association conducted a survey and found that publishers of periodicals, especially publishers of daily or weekly "community" newspapers, actually saw a decrease in delivery service for their publications. Newspapers were reporting an increase in customer complaints and subscription cancellations as a result of the decline in delivery performance. Newspapers were not the only periodical to be affected, however; other types of periodical publications were receiving less than desirable levels of service.

On September 18, 1998, a national policy statement for the processing of Periodicals was issued. This statement set policy for handling Periodicals and clearly stated management's commitment to improve service for this class of mail. Included in this policy were instructions for processing, distribution, transportation, and delivery of Periodicals as well as policy that prohibits the commingling of mail and requires random quality control reviews.

---

**Objective, Scope, and Methodology**

Our objective was to review the processing and delivery of Periodicals at the Atlanta Processing and Distribution Center. At this facility, we conducted interviews and observed operations to assess the processing of Periodicals. Additionally, we visited delivery units serviced by the plant to assess the condition of the mail as it came from the plant and to determine how Periodicals were treated at the delivery units.

We conducted our review from November 1998 through August 1999 in accordance with the President's Council on Integrity and Efficiency, Quality Standards for Inspections. In completing our review, we conducted interviews, performed field visits and observations, and reviewed USPS policies and other pertinent documents. We discussed our conclusions and observations with appropriate management officials and included their comments, where appropriate.

---

**Observations**

We found deficiencies in processing operations that potentially affected timely delivery of Periodicals at the Atlanta facility. Specifically, we found that the date and time often were not placed on the mail, mixed classes of mail were sent to delivery units, and mail was not worked on a first-in, first-out basis.

---

**Date and Time Not Placed on Mail**

Periodicals containers at the Atlanta facility were not properly labeled. Workers at the Atlanta facility were not following verbal instruction to place the date and time on container labels or placards. Additionally, we observed several containers of Periodicals that were not labeled. According to USPS management, there is a 24-hour turnover period for processing Periodicals; therefore, proper labeling is critical. Failure to identify mail as Periodicals or to record the date and time they are received could result in Periodicals being delayed past the 24-hour turnover period.

---

**Mixed Classes of Mail**

Periodicals sent to the delivery units were mixed with other classes of mail. This occurred when employees combined Periodicals with other classes of mail in mail containers and failed to identify the mixed mail classes on the container label. Some of the containers had Periodicals mixed with

Standard Mail (A). Additionally, we observed many instances where Standard Mail (A) was placed on top of Periodicals. As a result, Periodicals could be delayed since Periodicals and Standard Mail (A) have different delivery standards.

---

**Mail Not Worked on  
First-In, First-Out Basis**

Periodicals were not worked on a first-in, first-out basis. Plant management stated that their first-in, first-out system was based on the day rather than the hour the mail was received. As such, the Periodicals in the staging area were set up so that the newest mail was located at the front of the staging area and worked first. Mail that came into the plant first stayed at the back of the staging area and was not worked until all the mail in front of it, including any new Periodicals that came in on subsequent loads, had been worked. However, this could result in Periodicals being delayed on those days where more mail volume is received than can be processed. We noted that best practices at other plants we visited included using the day and time received to establish which mailings needed to be worked first.

---

**Suggestions**

We suggest the Plant Manager, Atlanta Processing and Distribution Center:

1. Document current verbal instruction requiring employees to place the date and time on incoming Periodicals containers.
2. Ensure employees are fully aware of the date and time requirements by disseminating the documented instruction and conducting training.
3. Ensure affected employees are trained regarding national mail policy prohibiting the commingling of Periodicals with other classes of mail and requiring mail to be worked on a first-in, first-out basis.
4. Conduct periodic reviews to ensure compliance with the mail policy.

---

**Management's  
Comments**

The Plant Manager, Atlanta Processing and Distribution Center agreed with our suggestions. Management indicated that they have or plan to take the following actions:

- validate previous verbal instruction by issuing written instruction requiring opening unit employees to place both the date and time of arrival on incoming Periodical mail containers;
- make employees aware of this guideline by disseminating written policy, having supervisors conduct training, and addressing the policy at the next plant-wide meeting to be held in September;
- train affected employees on national mail policies that prohibit the commingling of Periodicals with Standard A mail and require mail to be worked on a first-in, first-out basis. This training should be completed by September 30, 1999; and
- schedule periodic reviews to ensure compliance with these mail policies.

---

**Evaluation of  
Management  
Comments**

Management's comments are responsive to the issues raised in the report. The implemented and planned actions by management satisfy the intent of our suggestions.

We appreciated the cooperation and courtesies provided by your staff during our review. If you have any questions, please contact me at (703) 248-2300.

Richard F. Chambers  
Assistant Inspector General  
for Performance

Attachment

cc: Robert T. Davis  
Alan B. Kiel  
John R. Gunnels

ATLANTA DISTRICT MANAGER  
CUSTOMER SERVICE AND SALES



September 14, 1999

Richard F. Chambers  
Assistant Inspector General for Performance  
1735 N. Lynn Street  
Arlington, VA 22209-2020

The following is a written response to your letter of August 31, 1999, and Project number 99 R002DS000, Review of Periodicals in the Atlanta District.

The Plant Manager, Atlanta Processing & Distribution Center, has taken the following actions relative to your suggestions:

1. Written instructions have been issued to support the previous policy requiring opening unit employees to place both the date and the time on incoming Periodical Mail containers.
2. Employees are currently being made aware of the date and time requirements through the written policy, through training done by their individual supervisors, and at the next scheduled series of Plant-wide meetings later this month.
3. Affected employees are being trained regarding national mail policy prohibiting the commingling of Periodicals with Standard A mail and requiring mail to be worked on a first-in, first-out basis. This training should be completed by September 30, 1999.
4. Periodic reviews are being scheduled by the Manager of the Atlanta P&DC to follow up on compliance to these mail policies.

Should you require any additional information with regard to this, please contact Mr. George Martin, Plant Manager, Atlanta P&DC, at (404) 765-7400.

  
Robert J. Sheehan  
District Manager, Atlanta District

3900 CROWN ROAD  
ATLANTA, GA 30304-9997

---

Major Contributors to  
This Report



# Report Synopsis

## GENERAL INFORMATION

REPORT NUMBER: \_\_\_\_\_ REPORT DATE: \_\_\_\_\_

REPORT TITLE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EVALUATOR-IN-CHARGE: \_\_\_\_\_ DIRECTOR: \_\_\_\_\_

## FINDINGS/OBSERVATION

NUMBER OF FINDING/OBSERVATIONS: \_\_\_\_\_

**NONCURRENCES:** Mgmt did not agree. \_\_\_\_\_  
(Indicate finding/observation headings and numbers) \_\_\_\_\_

- 1.
- 2.
- 3.
- 4.

## RECOMMENDATIONS/SUGGESTIONS

NUMBER OF RECOMMENDATION/SUGGESTIONS: \_\_\_\_\_

**NONCURRENCES:** Mgmt did not agree. \_\_\_\_\_  
(Indicate recommendation/suggestion headings and numbers) \_\_\_\_\_

- 1.
- 2.
- 3.
- 4.

NUMBER OF CORRECTIVE ACTIONS TAKEN DURING AUDIT: \_\_\_\_\_

TOTAL FUNDS PUT TO BETTER USE: \_\_\_\_\_

TOTAL QUESTIONED COST: \_\_\_\_\_

UNSUPPORTED COST INCLUDED IN QUESTIONED COST: \_\_\_\_\_

**Report Summary:**

Provided a one to two paragraph summary of the your report. Be sure to identify purpose, any requestors, results, and whether management concurred with the observations and suggestions. ***(Report Title, Report Number and date issued)***