



July 15, 2021

JOSEPH WOLSKI
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Audit Resolution – Terminal Handling Services - Denver, CO (Audit Number 20-314-R21), Recommendations 3 and 4

Representatives of the Office of the Inspector General (OIG) and USPS management held an audit resolution meeting on June 28, 2021, to discuss management's disagreement with Recommendations #3 and #4 as stated in the May 28, 2021, management response in the subject audit report.

As a result of the meeting, an agreement was reached pertaining to Recommendations #3 and #4, which reads as follows from the June 4, 2021 audit report:

Recommendation #3:

We recommend the Vice President, Logistics, assess the functionality of the scale and the efficiency of the scale's location at the Denver Terminal Handling Service supplier's operations and take action as appropriate.

In order to close recommendation #3 management has agreed to and implemented the following actions which the OIG reviewed and found sufficient to close this recommendation:

Management agrees with the recommendation.

The THS has provided the certificate of calibration for the scale at the Denver THS. The Supplier will continue to provide weights at the volumes for the operation as required. The Supplier will determine the location of the scale at the facility based on the operational needs and facility configuration.

Recommendation #4:

We recommend the **Vice President, Logistics**, establish a process for contract oversight to include verification that, at a minimum, the Denver Terminal Handling Service supplier is weighing mail and reporting accurate density figures and is tracking and reporting irregularities to the Postal Service so that liquidated damages can be pursued consistent with assessments outlined in the contract.

In order to close the recommendation #4 management has agreed to and implemented the following actions which the OIG reviewed and found sufficient to close this recommendation:

Provide current documentation detailing the process for tracking and reporting irregularities so that liquidated damages can be pursued consistent with assessments outlined in the contract.

Mary Taylor
Senior Director, Air Logistics

The recommendation status will be changed to “Agreed” in both the OIG’s and management’s tracking systems for recommendations #3 and #4.

Target Implementation Date: July 31, 2021

Responsible Official: Manager, Air Transportation Operations

Sincerely,



Recoverable Signature

X

Mary T. Taylor

Mary Taylor
Senior Director, Air Logistics

Signed by:

Mary Taylor