



May 6, 2022

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Audit Resolution – Capping Report of Mail Operations and Delayed Mail at Select Processing and Distribution Centers, Project Number 21-222-R22 (Recommendations 1, 2, 3)

Representatives of the Office of the Inspector General (OIG) and United States Postal Service (USPS) management held an audit resolution meeting on April 19, 2022, to discuss management's disagreement with Recommendations 1, 2 and 3 as stated in the December 2, 2021, management response in the subject audit report.

As a result of the meeting, an agreement was reached pertaining to Recommendations 1, 2 and 3, which reads as follows from the December 10, 2021, final audit report:

Recommendation 1:

We recommend the **Vice President, Processing and Maintenance Operations**, provide additional training to management with an emphasis on how local processing management should use Mail Condition Visualization (MCV) reports to identify root causes for delayed inventory to provide a more accurate representation of mail conditions at the facility.

Recommendation 2:

We recommend the **Vice President, Processing & Maintenance Operations**, develop supplemental guidance for local management reiterating that mail should be finalized on a last processing operation.

Recommendation 3:

We recommend the **Vice President, Processing & Maintenance Operations**, coordinate with management to determine if Content Identification Number codes need to be changed or added for situations where the designed mail flow does not correctly finalize

mail that is not processed on a last processing operation, so that mail is not counted as delayed inventory.

The status of each recommendation will be changed to "Agreed" in both the OIG's and management's tracking systems.

To close recommendations 1, 2 and 3, management agrees to take the following actions:

Management will restate the policy on use of MCV and how to interpret MCV Delayed Categories. Information will be provided on:

- MCV applications available
- User Guide
- Blue-Tube videos detailing MCV Dashboard explanations
- How to use Export feature to examine "Delayed Inventory" (DI) reasons
- DI mitigation strategies

Management will also issue a memo on the mail flow and implications when mail does not reach expected final operation. Content Identification Numbers (CIN) are used in conjunction with mail piece details, by MCV application to assist in determining the expected day of delivery and final operations. When conditions exist that would prohibit finalizing mail on expected depth of sort, MCV can flag these mail pieces as "Delayed Inventory". The MCV application and available download files in comma-separated values should be used to analyze pieces flagged as DI. Mail that fits the characteristic for failing to meet expected final scan by day of delivery can be explained when investigating causes for DI reported.

Target Implementation Date: 06/30/2022

Responsible Official: Sr. Director Strategic Planning & Implementation



Mike L. Barber