



Office of Inspector General | United States Postal Service

Audit Report

Payments to Injured Employees

Report Number 20-156-R20 | September 30, 2020



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Highlights

Objective

Our objective was to determine whether the U.S. Postal Service is properly paying its injured employees.

Postal Service employees are covered by the Federal Employees' Compensation Act (FECA). The U.S. Department of Labor's (DOL) Office of Workers' Compensation Programs (OWCP) administers FECA, determines injured employees' eligibility for benefits, and pays direct compensation to claimants or their beneficiaries. In 1974, FECA was amended, increasing benefits and significantly changing the law by adding provisions such as continuation of pay, which allows for an employee to elect to continue receiving salary from the employer, in lieu of annual or sick leave, for up to 45 days if the employee is absent from work due to disability or medical treatment from a work-related injury. The Postal Service is responsible for paying the injured worker continuation of pay while DOL adjudicates the workers' compensation benefit claim. The DOL will begin making payments, following adjudication, to compensate for the loss of wages or wage-earning capacity due to the job-related injury.

Employees may receive both salary from the Postal Service and workers' compensation payments from DOL for the same payroll period, but those payments cannot be for the same workhours, except when an employee has suffered a loss of wage-earning capacity as the result of the job-related injury. The Postal Service reimburses the DOL each year through a chargeback process. For the 2018 and 2019 chargeback years, the Postal Service reimbursed the DOL over \$1.3 billion each year.

Workers' compensation disability payments are payments made to injured employees for the loss of wages or wage-earning capacity and do not include reimbursement for incurred medical costs. In chargeback years 2018 and 2019, disability compensation totaled over \$800 million for each year.

Our audit was in the fieldwork stage when the President of the U.S. issued the national emergency declaration concerning the novel coronavirus disease outbreak (COVID19) on March 13, 2020. The results of this audit do not reflect any process and/or operational changes that may have occurred as a result of the pandemic.

Findings

The Postal Service did not always properly pay injured employees who elected to receive continuation of pay prior to receiving workers' compensation benefits. Using data analytics, we identified and selected all 155 transactions in which workers' compensation claimants charged 80 or more continuation of pay hours to their timecards while they received workers' compensation payments during calendar years 2018 and 2019. The Postal Service duplicated payments in 97 of 155 transactions by paying continuation of pay benefits directly to the injured employees and also reimbursing the DOL for workers' compensation payments for the same workhours.

In addition, for 71 of the 97 transactions, the Postal Service provided continuation of pay benefits beyond the maximum 45-day limit. As a result, the Postal Service overpaid these injured employees \$126,202.

Further, the Postal Service did not always process OWCP claims accurately and timely. We statistically selected a sample of 207 out of 439,491 transactions between January 2018 and December 2019 in which injured employees were paid by the Postal Service for normal workhours and also received workers' compensation benefits for the same payroll period. The Postal Service processed 97.6 percent of the transactions properly; however, five transactions were not accurately or timely processed. Specifically:

- Two injured employees' supervisors did not timely inform Human Resources management that an employee returned to full-time work or was working hours in excess of those determined by the OWCP based on the disability. We referred one of these cases to our Office of Investigations for further review.

- An injured employee claimed the same hours on two separate claims for compensation and Human Resources management approved both claims. We reviewed payroll records for four months prior to and after these two claims and did not identify any additional issues.
- Two injured employees' field supervisors did not enter OWCP-Leave Without Pay hours in the payroll system.

Management stated that field supervisors and district personnel missed these items during the payroll or claims approval process. In addition, the Postal Service workers' compensation program is a manual process that heavily relies upon timely coordination and accurate information between district personnel, field supervisors, and employees.

Because the Postal Service did not process OWCP claims accurately and timely, we estimated it overpaid injured employees \$3.9 million annually in workers' compensation benefits during calendar years 2018 and 2019, and will overpay \$3.9 million annually in calendar years 2020 and 2021 if corrective actions are not taken to address the issues.

Recommendations

We recommended management:

- Reiterate to field supervisors the requirement to input continuation of pay hours in the payroll system.
- Enhance systems to automatically calculate days of continuation of pay per employee and limit supervisor ability to enter continuation of pay hours when the 45-day limit is reached.
- Reiterate to field supervisors the requirement to timely communicate to Human Resources management when injured employees return to work or experience change in pre-determined work hours; and to record workers' compensation leave without pay hours.
- Enhance relevant systems to provide automated tools and edit checks to reduce reliance on manual procedures during the payroll and claims approval process.

Transmittal Letter


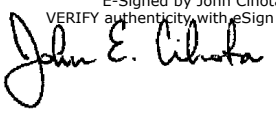


OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

September 30, 2020

MEMORANDUM FOR: SIMON STOREY
VICE PRESIDENT, EMPLOYEE
RESOURCE MANAGEMENT

CARA M. GREENE
VICE PRESIDENT, CONTROLLER

E-Signed by John Cihota
VERIFY authenticity with eSign Desktop 


FROM: John Cihota
Deputy Assistant Inspector General
for Finance and Pricing

SUBJECT: Audit Report – Payments to Injured Employees
(Report Number 20-156-R20)

This report presents the results of our audit of Payments to Injured Employees.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Lorie Nelson, Director, Finance, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit Response Management

Results

Introduction/Objective

This report presents the results of our self-initiated audit of Payments to Injured Employees (Project Number 20-156). Our objective was to determine whether the U.S. Postal Service is properly paying its injured employees. See [Appendix A](#) for additional information about this audit.

Background

Postal Service employees are covered by the Federal Employees' Compensation Act (FECA). Enacted in 1916, FECA provides various types of benefits to civilian federal employees who sustain injuries or an occupational disease as a result of their employment. In 1974, FECA was amended, increasing benefits and significantly changing the law by adding provisions such as continuation of pay (COP).¹ This amendment eventually led to the establishment of the Postal Service's Injury Compensation Program.

The U.S. Department of Labor's (DOL) Office of Workers' Compensation Programs (OWCP) administers FECA, determines the injured employee's eligibility for benefits, and pays direct compensation to claimants or their beneficiaries. Based on the employee's injury condition, the DOL will adjudicate the claim and place the claimant either on the periodic roll² or the daily roll.³ Injured employees on the periodic roll automatically receive workers' compensation payments every 28 days. However, employees on the daily roll must submit DOL form CA-7, Claim for Compensation, every 14 days to continue receiving workers' compensation.

The Postal Service reimburses the DOL each year through a chargeback process. For chargeback years⁴ 2018 and 2019, the Postal Service reimbursed the DOL over \$1.3 billion each year, totaling over \$2.6 billion. Workers' compensation disability payments are payments made to injured employees for the loss of wages or wage-earning capacity and do not include reimbursement

for incurred medical costs. In chargeback years 2018 and 2019, disability compensation totaled over \$800 million for each year.

Finding #1: Continuation of Pay

The Postal Service did not always properly pay injured employees who elected to receive COP prior to receiving workers' compensation benefits. Using data analytics, we identified and selected all 155 transactions in which workers' compensation claimants charged 80 or more COP hours to their timecards while they received workers' compensation payments during calendar years (CY) 2018 and 2019. Depending on the date of the injury, employees may receive both COP from the Postal Service and workers' compensation payments from DOL for the same payroll period, but those payments cannot be for the same workhours. The Postal Service duplicated payments in 97 of the 155 transactions by paying COP benefits directly to injured employees while also reimbursing the DOL for workers' compensation payments for the same work hours. In addition, for 71 of the 97 transactions, the Postal Service provided COP benefits beyond the 45-day limit. As a result, the Postal Service overpaid these injured employees \$126,202.



For chargeback years 2018 and 2019, the Postal Service reimbursed the DOL over \$1.3 billion each year, totaling over \$2.6 billion.

- ¹ Federal Employees' Compensation Act 20 CFR 10.200; FECA PM 2-807, requires the employer, not the Office of Workers' Compensation Programs, to continue the employee's regular pay, up to 45 calendar days of wage loss, following a traumatic injury.
- ² When medical evidence indicates that disability is expected to continue for more than 60 to 90 days, compensation is usually paid on the periodic roll.
- ³ When the initial anticipated period of disability is unclear, or disability is expected to continue for fewer than 60 to 90 days, compensation is usually paid on the daily roll.
- ⁴ DOL's chargeback year runs from July 1 through June 30, and DOL bills the Postal Service each August for the expenses incurred from the previous chargeback year.

Table 1 shows the total number of injured employees, by area, that received both COP and workers' compensation payments for the same work hours.

Table 1: Employees by Postal Service Area that Received Both Continuation of Pay and Workers' Compensation Payments for the Same Work Hours

Area	Employees Paid COP and Workers' Compensation for the Same Workhours
Capital Metro	9
Eastern	21
Great Lakes	15
Northeast	21
Pacific	10
Southern	18
Western	3
Total	97

Source: U.S. Postal Service Office of Inspector General (OIG) analysis.

An injured Postal Service employee must file DOL Form CA-1, Federal Notice of Traumatic Injury and Claim for Continuation of Pay/Compensation, with the DOL to receive workers' compensation. The Postal Service is responsible for paying the injured worker COP while DOL adjudicates the workers' compensation

benefit claim. The DOL will begin making payments, following adjudication, to compensate for the loss of wages or wage-earning capacity due to the job-related injury.

Injured Postal Service employees' supervisors input COP hours into the Postal Service Enterprise Resource Management System (ERMS)⁵ and Postal Service district Injury Compensation Specialists (ICS) review and approve those hours. Upon district ICS approval, supervisors finalize the COP hours in the Time and Attendance Collection System (TACS)⁶ or Rural Time and Attendance Collection System (RTACS)⁷ for payment. However, supervisors sometimes bypass the ERMS approval process and input COP hours directly into TACS or RTACS. A district Human Resources manager stated that supervisors sometimes submit hours directly in TACS to ensure payroll hours are recorded timely for processing. Further, since ERMS is not integrated with RTACS, rural carrier supervisors may bypass ERMS to avoid entering leave in both systems.

When supervisors input COP hours directly into TACS, district ICSs cannot oversee COP entitlement and usage or prevent unauthorized COP payments to an injured employee. Further, when overpayments occur, the Postal Service must retroactively adjust the employee's pay records, establish an accounts receivable, and issue an invoice for the overpayment to correct the error.

Management corrected 57 of 97 duplicate payments prior to our audit as a result of ICS periodic case reviews.⁸ In addition, management corrected 31 of 97 as a result of our audit, and stated they plan to correct the remaining nine. We consider the 40 duplicate payments corrected as a result of our audit or not yet corrected, valued at \$37,213, as questioned costs.⁹ Table 2 shows corrective actions taken by Postal Service area.

⁵ A leave management system designed to identify unscheduled absence occurrences and provide managers with information on employees' attendance.

⁶ An automated system primarily used to collect and calculate time and attendance of Postal Service employees.

⁷ RTACS incorporates the functions of rural time and attendance system processing in mainframe environment. It implements rural functions under the TACS with the additional capability of capturing rural time via the electronic badge readers used by TACS.

⁸ ICSs monitor and review cases regularly by comparing CA-7 information, TACS records, and DOL records.

⁹ Questioned costs are unnecessary, unreasonable, unsupported, or an alleged violation of law, regulation, or contract. May be recoverable or unrecoverable and are usually a result of historical events.

Table 2: Correction of Duplicate COP Payments by Postal Service Area

Area	COP Adjustment Made Prior to Our Audit		COP Adjustment Made as a Result of Our Audit		Corrective Action Not Completed		Total	
	Number	Dollars	Number	Dollars	Number	Dollars	Number	Dollars
Capital Metro	4	\$7,792	5	\$6,568	0	\$0	9	\$14,360
Eastern	14	23,164	7	7,584	0	0	21	30,748
Great Lakes	11	16,684	2	1,130	2	429	15	18,243
Northeast	11	19,904	5	4,038	5	2,429	21	26,371
Pacific	7	10,314	3	3,643	0	0	10	13,957
Southern	10	11,131	6	5,669	2	2,169	18	18,969
Western	0	\$0	3	\$3,554	0	\$0	3	\$3,554
Total	57	\$88,989	31	\$32,186	9	\$5,027	97	\$126,202

Source: OIG analysis.

Recommendation #1

We recommend the **Vice President, Employee Resource Management**, reiterate to field supervisors the requirement to input continuation of pay hours into the Employee Resource Management System.

Recommendation #2

We recommend the **Vice President, Employee Resource Management**, and the **Vice President, Controller**, enhance the Enterprise Resource Management System and the Time and Attendance Collection System, respectively, to automatically calculate days of continuation of pay per employee and limit supervisor's ability to enter continuation of pay hours when the 45-day limit is reached.

Finding #2: Claims Process

The Postal Service did not always process OWCP claims accurately and timely. We statistically selected a sample of 207 transactions from a universe of 439,491, from January 2018 through December 2019, in which injured employees were paid by the Postal Service for workhours and also received workers' compensation benefits during the same payroll period. We obtained and reviewed payroll and workers' compensation records for the 207 injured employees and found the Postal Service processed 97.6 percent of the transactions properly; however, we determined five transactions totaling \$4,124 which were not accurately or timely processed. Specifically:

- One injured Postal Service employee's supervisor did not timely inform the ICS that the employee returned to full-time work. Postal Service policy¹⁰ requires supervisors to conduct all necessary coordination and follow up with ICS. The employee was not required to file DOL form CA-7 because he was on the periodic roll. The DOL terminated workers' compensation benefit payments two pay periods after the employee returned to work. We notified the ICS, who confirmed the injured employee was overpaid \$2,145. The ICS notified the DOL to request a refund.

“When claims are not processed properly, the risk of overpayment increases.”

Using data analytic procedures, we also identified an injured employee, not in our sample, who received workers' compensation benefits more than 13 months after returning to full-time work. We notified Postal Service management and they agreed the employee was overpaid. We calculated a possible overpayment of more than \$49,000.

- One injured Postal Service employee's supervisor did not timely inform the ICS that the employee was working more hours than those established in the initial Loss Wage Earning Capacity (LWEC)¹¹ decision. Postal Service policy requires supervisors to conduct all necessary coordination and follow up with ICS. For the period April 29 through May 26, 2018, we determined the DOL overpaid the injured employee 18 workhours, or about \$575. We researched further and found the injured employee's LWEC status changed from full disability to partial disability in June 2013. However, payroll records indicated the employee continued to work hours in excess of those in the modified LWEC since that time. We estimated that the DOL overpaid the injured employee more than \$53,000 over seven years. We notified the ICS of the overpayment and they confirmed that for the pay period we reviewed, the injured employee worked more hours than they did when the LWEC was

established. The ICS stated they will request a modification of the employee's LWEC from the DOL. We referred this issue to our Office of Investigations for further review.

- One injured Postal Service employee claimed the same OWCP-Leave Without Pay (LWOP) hours on two separate claims for compensation and the ICS approved the hours for both payment claims. We notified the ICS, who confirmed they overpaid the employee four hours, or about \$125. The ICS notified the DOL to request a refund. We reviewed payroll records for four months prior to and after these two claims and did not identify any additional issues.
- Field supervisors did not enter OWCP-LWOP hours in TACS for two injured Postal Service employees. Postal Service policy¹² states that injured employees' absences while they are receiving workers' compensation should be recorded as OWCP-LWOP in their payroll records. Management stated that when field supervisors do not input OWCP-LWOP hours, the system defaults to the non-scheduled leave work code. While this does not affect payment to the employee, it could affect the employee's service credit hours, which impacts retirement. Further, district ICSs rely on payroll records to verify hours claimed when certifying workers' compensation hours for payment by the DOL. As a result of our audit, district Human Resources management initiated an adjustment to correct the employee's payroll records.

Management stated that field supervisors and ICSs missed these items during the payroll or claims approval process. In addition, the Postal Service workers' compensation program is a manual process that heavily relies upon timely coordination and accurate information between the district ICSs, employees, and field supervisors.

When claims are not processed properly, the risk of overpayment increases. Further, when supervisors and ICSs do not communicate timely, errors could remain undetected for extended periods. In addition, inaccurate payroll records,

¹⁰ Postal Service Handbook EL-505, *Injury Compensation*, General Provisions of the FECA Responsibilities, February 2017.

¹¹ When a partially injured employee returns to work with an actual wage loss, the DOL prepares a formal LWEC decision. LWEC provides that an injured employee will not be penalized for returning to a lower-paying job because of a disabling condition. It also permits the adjustment of compensation to reflect partial rather than total disability.

¹² Postal Service Handbook F-21, *Time and Attendance*, Section 345.1, Timecard Recording, February 2016.

such as miscoded OWCP-LWOP hours, affect both the Postal Service's OWCP program and its employees. LWOP, excluding OWCP-LWOP, in excess of six months in a calendar year does not count toward service time, which impacts employee retirement.

Based on the error rate for the three items in our sample (1.45 percent),¹³ we estimated that the Postal Service overpaid employees \$7,848,070 from the universe (\$541,246,228) of workers' compensation payments where injured employees were paid by the Postal Service for workhours and also received workers' compensation benefits during the same payroll period. We considered that amount questioned costs for the two-year period from January 2018 through December 2019. If management does not take corrective actions, the Postal Service may overpay injured employees \$7,848,070 for the two-year period from January 2020 through December 2021.¹⁴

Recommendation #3

We recommend the **Vice President, Employee Resource Management**, reiterate to supervisors the requirement to timely communicate to Injury Compensation Specialists when injured employees return to work or experience a change in Loss Wage Earning Capacity status; and record workers' compensation leave without pay hours.

Recommendation #4

We recommend the **Vice President, Controller**, and the **Vice President, Employee Resource Management**, enhance relevant systems to provide automated tools and edit checks to reduce reliance on manual procedures during the payroll and claims approval process.

Management's Comments

Management generally agreed with all of the findings and recommendations. However, in separate correspondence, management disagreed with the full monetary impact associated with the findings. Management stated describing the impact as Questioned Costs and Funds Put to Better Use is not appropriate because they believe those amounts are recoverable. They stated the true impact

should reflect costs associated with pay adjustments or collection efforts, not the amount that was paid in error and later recovered.

Management stated the Postal Service has an important fiduciary responsibility to contain costs associated with work-related injuries. They also stated these costs are charged back to the Postal Service by the OWCP and directly impact the budget and total operating expenses of the office where the injury occurred. Further, they stated that active involvement and claims management at all levels are paramount to accomplishing cost control and employee welfare goals.

Regarding recommendation 1, management will develop and distribute standard work instructions to field supervisors and managers regarding the process for properly entering and tracking continuation of pay hours. Management plans to implement this action by November 1, 2020.

Regarding recommendation 2, management plans to implement corrective actions in two phases:

- Phase I: Management will establish a role in the ERMS which will allow for the appropriate assignment of roles and access for all users with a business need to enter leave. Management will not implement system edits to prevent the overuse of COP leave since the ERMS currently has necessary controls in place. Management plans to implement this action by June 30, 2021.
- Phase II: Management will modify TACS to stop data entry of leave directly in the Clock Ring Editor and Time Card modules. Management stated users will not be able to circumvent the ERMS edits by entering COP leave directly into TACS. Management plans to implement this action by September 30, 2021.

Regarding recommendation 3, management will develop awareness materials to outline the requirements for notification of change in work status for injured on duty employees. Management will also develop and distribute standard work instructions to all field supervisors and managers regarding the process for notification. Management plans to implement these actions by November 1, 2020.

¹³ We included only those items that affected payments to employees.

¹⁴ Considered Funds Put to Better Use. These are funds that could be used more efficiently by implementing recommended actions.

Regarding recommendation 4, management will modify TACS to prevent users from changing the injury compensation labor distribution code, thus enabling the TACS system to clearly identify employees in injury status. Only Human Resources users will be able to move the employee out of a workers compensation status. In addition, management will create a report to systematically identify employees that have returned to work but still have an 'Injured on Duty' or 'OWCP' indicator on the Employee Master File. This report will be automatically generated and sent to Human Resources personnel to remove the employee from COP or OWCP. Management plans to implement these actions by June 30, 2021.

See [Appendix B](#) for management's comments in their entirety.

Evaluation of Management's Comments

The OIG considers management's comments responsive to the recommendations in the report and corrective actions should resolve the issues identified in the report. Regarding monetary impact, we acknowledge that the amounts may be recoverable and that there may be additional costs associated with pay adjustments and collection. However, since management was either not aware of or had not yet corrected the issues we identified during our audit, we continue to believe the impact is conservative and appropriate.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. All recommendations should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed.

Appendices

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Appendix A: Additional Information

Scope and Methodology

The scope of the audit included injured employees who received a workers' compensation payment¹⁵ and a payroll payment for the same period in CYs 2018 and 2019. We obtained workers' compensation data from the OIG's internally maintained workers' compensation database¹⁶ and payroll data from the Postal Service's TACS system. Using data analytics, we identified and selected all 155 transactions in which workers' compensation claimants had 80 or more COP hours charged to their timecards while they received workers' compensation payments. We then statistically selected another sample of 207 transactions from the remaining universe of 439,491 transactions.

To achieve our objective, we:

- Extracted and reviewed payment information in the Postal Service's Injury Compensation Performance Analysis System (ICPAS)¹⁷ and case documentation in DOL's eCOMP.¹⁸
- Reviewed Postal Service applicable flowcharts, system documentation, and policies and procedures.
- Reviewed FECA policies and procedures promulgated by the DOL's OWCP.
- Held discussions with applicable key personnel involved with the management of the workers' compensation program at Postal Service Headquarters, areas, and the following judgmentally selected¹⁹ district offices:
 - Baltimore
 - Greensboro
 - Gulf Atlantic
 - South Florida

- Triboro

- Performed walkthroughs of the processes and procedures in place for workers' compensation claim approval and payment review at selected district offices.
- Tested a sample of injured employees who received workers' compensation payments during the same timeframe they recorded COP hours in the Postal Service TACS.
- Tested a sample of injured employees who received workers' compensation payments during the same timeframe as they recorded workhours and overtime hours in the Postal Service TACS.

We conducted this performance audit from March through September 2020 in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on September 9, 2020, and included their comments where appropriate.

We assessed the reliability of the Postal Service TACS data and the OIG's internally maintained OWCP data by reconciling selected transactions to other payroll and workers' compensation databases and comparing the OWCP and TACS payment amounts to annual DOL FECA liability and Postal Service payroll reports. We determined that the data were sufficiently reliable for the purposes of this report.

¹⁵ Limited to DOL payments to injured employees to compensate for the loss of wages or wage-earning capacity.

¹⁶ The OIG obtains workers' compensation data from the DOL and updates the OIG workers' compensation database every two weeks.

¹⁷ A Postal Service system management uses to administer its injury compensation program. The system has the case management file, a five-year medical billing history, compensation payment history, and pre-programmed reports. It is updated about every two weeks.

¹⁸ A DOL website that provides federal agencies with an electronic system for recording workplace injuries and illnesses, and processing claims under FECA.

¹⁹ We selected the Baltimore District due to its proximity to the OIG team. We selected the other four locations based on audit findings.

Prior Audit Coverage

The OIG did not identify any prior audits or reviews related to the objective of this audit within the last five years.

Appendix B: Management's Comments



September 25, 2020

LAZERICK C. POLAND
DIRECTOR, AUDIT OPERATIONS

SUBJECT: **Payments to Injured Workers
(Project Number 20-156-DRAFT)**

Thank you for providing the Postal Service with an opportunity to review and comment on the recommendations contained in the draft audit report, Payments to Injured Workers.

Employee Resource Management generally agrees with the findings outlined in the report. The Postal Service has an important fiduciary responsibility to contain costs associated with work related injuries. These costs are charged back to the Postal Service by the U.S. Department of Labor, Office of Workers' Compensation Programs (OWCP), in addition to an administrative fee. The costs are reflected on Line 2J of the Financial Performance Report, directly impacting the budget and total operating expenses of the finance office where the injury occurred.

Active involvement and claims management at all levels are paramount to accomplishing our cost control and employee welfare goals. Close coordination and cooperation between Injury Compensation and supervisory personnel are vital to ensure the best interests of both the employee and the USPS.

The employee's supervisor is in an excellent position to ensure that proper and immediate actions are taken following an injury. He or she has firsthand knowledge of the employee, the working environment and, in many cases, the actual circumstances surrounding the injury. It is the supervisor who is there to ensure that the injured employee is provided with his or her benefits and rights under the Federal Employees' Compensation Act (FECA).

Recommendation #1:

We recommend the **Vice President, Employee Resource Management**, reiterate to field supervisors the requirement to input continuation of pay hours into the Employee Resource Management System.

Management Response/Action Plan:

Management agrees with this recommendation. Standard work instructions regarding the process for properly entering and tracking continuation of pay hours will be developed and distributed to all field supervisors and managers.

Target implementation Date:

November 1, 2020

Responsible Officials:

Sr. Director, Occupational Safety and Health

475 L'Enfant Plaza SW
Washington, DC 20260-5222
www.usps.com

Recommendation #2:

We recommend the Vice President, Employee Resource Management, and the Vice President, Controller, enhance the Enterprise Management Resource System and the Time and Attendance Collection System, respectively, to automatically calculate days of continuation of pay per employee and limit supervisor's ability to enter continuation of pay hours when the 45-day limit is reached.

Management Response/Action Plan:

Management agrees with this recommendation.

Phase I: A Lead Clerk Role will be established within eRMS, which will allow for the appropriate assignment of roles and access for all users with a business need to enter leave in eRMS. Since eRMS currently has all necessary controls to prevent the overuse of COP leave, no additional system edits will be necessary.

Phase II: Implement System Change Request (SCR) 3665 to modify TACS to stop data entry of leave directly into the Clock Ring Editor and Time Card modules. Users will not be able to circumvent the eRMS edits by entering COP leave directly into TACS.

Target implementation Date:

Phase I:

- Requirements review – October 2020
- Development completed – April 2021
- SIT/QA testing completed – May 2021
- Implementation – June 2021

Phase II: (dependent upon successful implementation of Phase I)

- Requirements review – October 2020
- Development completed – June 2021
- SIT/QA testing completed – July 2021
- Implementation – September 2021

Responsible Officials:

Director, National Human Resources (HQ)
Manager, Payroll

Recommendation #3:

We recommend the Vice President, Employee Resource Management, reiterate to supervisors the requirement to timely communicate to Injury Compensation Specialists when injured employees return to work or experience a change in Loss Wage Earning Capacity status; and record workers' compensation leave without pay hours.

Management Response/Action Plan:

Management agrees with this recommendation. Awareness materials will be developed to outline the requirements for notification of change in work status for injured on duty employees. Standard work instructions regarding the process for notification will be developed and distributed to all field supervisors and managers.

Target implementation Date:

November 1, 2020

Responsible Officials:

Sr. Director, Occupational Safety and Health

Recommendation #4:

We recommend the **Vice President, Controller, and the Vice President, Employee Resource Management**, enhance relevant systems to provide automated tools and edit checks to reduce reliance on manual procedures during the payroll and claims approval process.

Management Response/Action Plan:

Management agrees with this recommendation. TACS will implement System Change Request (SCR 3434) to prevent users from changing the LDC value 6700 used for Injury Compensation, thus enabling the TACS system to clearly identify employees in an injury status. Only HR users will be able to move the employee out of a Worker's Compensation status via a PS Form 50 action.

Additionally, a new Payroll SCR will be created to build a report to systematically identify employees that have returned to work but still have an 'Injured on Duty' or 'OWCP' indicator on the Employee Master File. This report will be automatically generated and sent to the HRSSC for action to remove the employee from COP or OWCP.

Target implementation Date:

FY21 Q3

Responsible Officials:

Director, National Human Resources (HQ)
Manager, Payroll



Simon Storey
Vice President
Employee Resource Management



Cara Greene
Vice President,
Controller

Cc: Manager, Corporate Audit Response Management
Manager, Accounting Services
Sr. Director, Occupational Safety & Health

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