



August 8, 2005

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MANAGER, SAN DIEGO DISTRICT

SUBJECT: Audit Report – City Letter Carrier Operations – San Diego District
(Report Number DR-AR-05-014)

This report presents the results of our self-initiated audit of City Letter Carrier Operations in the San Diego District (Project Number 05YG005DR002). This is the second in a series of six reports on city letter carrier operations issued under the Value Proposition Agreement with the vice president, Delivery and Retail, and the Office of Inspector General's (OIG) Delivery and Retail directorate. The overall objective was to assess the management of city letter carrier operations.

Opportunities exist to improve the management of city letter carrier operations in the district. Specifically:

- Delivery facility supervisors and managers did not adequately match workhours with workload when approving Postal Service Forms 3996, Carrier – Auxiliary Control. We projected the sample results for a total of 53,835 unjustified hours over the five-month period May 1 through September 30, 2004. We agreed with headquarters and Pacific Area delivery management to unrecoverable costs of \$1,423,935 and we will report it as such in our Semiannual Report to Congress.
- Delivery facility supervisors and managers did not timely view the Delivery Operations Information System (DOIS) Reports to manage daily operations.
- Delivery facility supervisors and managers did not consistently use the Managed Service Points (MSP) base information to monitor carrier performance.
- Delivery facility supervisors and managers did not always properly document letter carriers' unauthorized overtime occurrences and take appropriate corrective action.

We recommended the manager, San Diego District, direct delivery facility supervisors and managers to enforce the policy for carriers to properly complete required forms, instruct supervisors to only authorize time that carriers request, and obtain and use correct time factors for approving and justifying requests for additional time. In addition, we recommended the manager require supervisors and managers to use DOIS Reports

in a timely manner to manage daily operations. We also recommended the manager require supervisors and managers to use MSP more effectively and consistently document unauthorized overtime on required forms and take appropriate corrective action.

Management agreed with our findings and recommendations and has initiatives completed and planned addressing the issues in this report. Management's comments and our evaluation of these are included in this report.

The OIG considers recommendations 1 and 2 significant and requires OIG concurrence before closure. The OIG considers the support provided by management detailing corrective actions taken to be sufficient to close these recommendations.

We appreciate the cooperation and courtesies provided by your staff during the audit. If you have any questions or need additional information please contact Rita Oliver, Director, Delivery and Retail, or me at (703) 248-2300.

/s/ Mary W. Demory

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EXECUTIVE SUMMARY

Introduction

This report presents the results of our self-initiated audit of city letter carrier operations in the San Diego District. The overall objective was to assess the management of city letter carrier operations.

Results in Brief

Opportunities exist to improve the management of city letter carrier operations in the San Diego District. Specifically:

- Delivery facility supervisors and managers did not effectively match workhours with workload. This occurred primarily because carriers did not always submit Postal Service (PS) Form 3996, Carrier – Auxiliary Control, to document their requests for additional time. As a result, we projected the six delivery facilities had 10,094 unjustified hours that were not supported by volume or workload from May 1 through September 30, 2004. We projected the sample results to all 32 similarly sized delivery facilities in the district for a total of 53,835 unjustified hours. We agreed to unrecoverable costs of 50 percent¹ of the total variance in the Web Enabled Enterprise Information System, which amounts to \$1,423,935.
- Supervisors and managers did not always timely view the Delivery Operations Information System (DOIS) Reports such as the Workload Status, Route/Carrier Daily Performance, and Managed Service Points (MSP) Overview Reports to manage daily operations effectively. This occurred because supervisors relied on their personal experience and placed less emphasis on the DOIS Reports because the time variances were occurring with carriers' office activities and not with street delivery.
- Supervisors and managers did not consistently use the MSP base information in DOIS to monitor carrier performance effectively. This occurred because they were not using PS Form 3999, Inspection of Letter

¹Postal Service Headquarters and Pacific Area Delivery management stated that more than 50 percent of the variance would be too high because managers cannot capture that much in a reasonable amount of time. However, Postal Service officials thought that 50 percent of the variance was a reasonable figure.

Carrier Route, or another current form to update the route pivot plan.

- Supervisors and managers did not always properly document letter carriers' unauthorized overtime and take appropriate corrective action to assist in managing overtime issues. Supervisors said that documenting unauthorized overtime was a low priority.

**Summary of
Recommendations**

We recommended the manager, San Diego District, direct delivery facility supervisors and managers to enforce the policy for carriers to submit a PS Form 3996 when workload or volume indicates the need for additional time and require them to properly document the reasons for the request. The manager should also instruct supervisors to only authorize time that carriers request and keep route base information readily available. In addition, the manager should direct supervisors and managers to use DOIS Reports timely to manage daily delivery operations and review MSP base information to monitor carrier performance.

Finally, the manager, San Diego District, should require supervisors and managers to consistently document unauthorized overtime on required forms and take appropriate corrective action.

**Summary of
Management's
Comments**

Management agreed with our findings and recommendations. Management provided support for actions already taken, such as instituting management guidelines and providing training on the proper use of PS Form 3996 and DOIS. In addition, management has provided or scheduled MSP training for all DOIS offices in the San Diego District. Management issued a memorandum reiterating the current policies requiring supervisors to document unauthorized overtime. Management's comments, in their entirety, are included in Appendix E of this report.

**Overall Evaluation of
Management's
Comments**

Management's actions taken or planned are responsive to our findings and recommendations and should correct the issues identified in the findings.

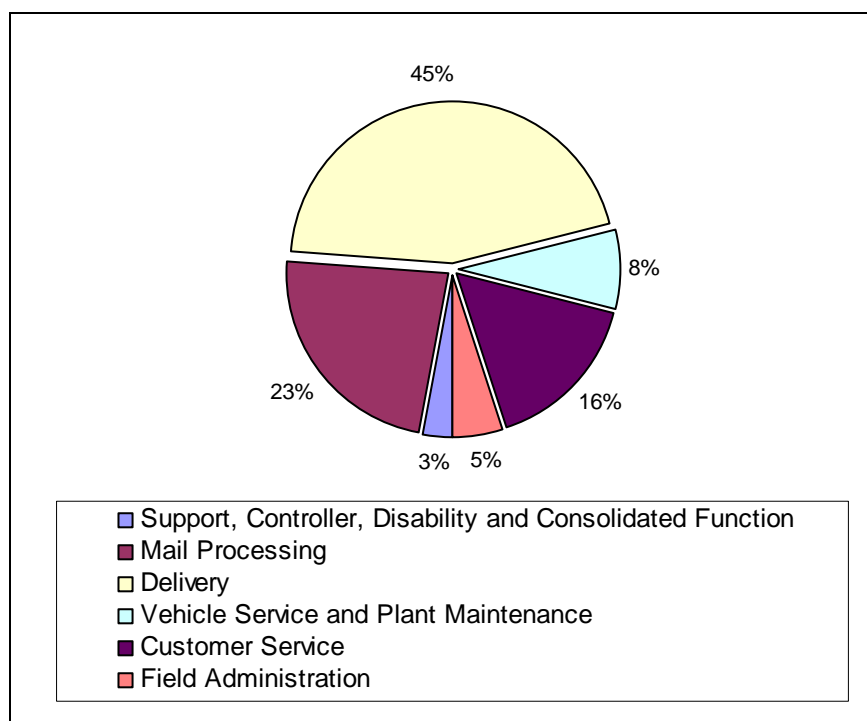
INTRODUCTION

Background

The Postal Service delivered over 200 billion pieces of mail to more than 143 million addresses in fiscal year (FY) 2004 and expects to deliver to an additional 1.6 million addresses in FY 2005. The Delivery Operations Information System (DOIS), deployed in FY 2002, provides operational data to the delivery facility supervisors and managers to assist them in managing daily carrier operations and reducing costs. This data includes mail volume, mail arrival and dispatch times, and projected office and street hours for routes.

As shown in Figure 1, delivery operations constitute 45 percent of the workhours in the FY 2005 field operating budget, which is mainly attributable to office and street workhours. Salary and benefits for rural and city carriers totaled approximately \$21 billion. Also, in the FY 2005 field budget, the Postal Service established a goal to reduce delivery workhours by 6.2 million. City delivery hours are budgeted as 73 percent of total delivery workhours.²

Figure 1. FY 2005 Field Budget Workhours



²Total delivery workhours for FY 2005 were budgeted at 631,731,535. Of the total delivery workhours, 458,064,595 (or 73 percent) were charged to the city delivery function code (2B).

The Pacific Area consists of 753 delivery facilities³ in ten districts. The Pacific Area's FY 2005 budget performance goal is to reduce city delivery workhours by 721,889, representing a cost savings of \$25,413,240. The San Diego District—with 96 delivery facilities—is the third largest district in the Pacific Area.

Each delivery facility's mail volume, mail arrival and dispatch times, and office and street hours vary and are managed by the delivery facility supervisor or manager. In addition, routes in a city delivery facility have an established office and street time (usually eight hours) based on the last route inspection. One aspect of daily delivery facility operations is preparation and submission of Postal Service (PS) Form 3996, Carrier – Auxiliary Control, by city letter carriers requesting overtime or assistance on their routes. The supervisor reviews each request and either approves the additional time, decreases the time, or denies the carrier's request. The supervisor bases this decision on the daily workload or mail volume received in the delivery facility.

Unauthorized time is time worked that is not authorized by the supervisor/manager. For example, when a carrier requests 1 hour of additional time, but uses 1 hour and 30 minutes, the extra 30 minutes is unauthorized time. Unjustified time occurs when the workload or volume does not support the hours used. Using the above example, if the carrier worked 1 hour and 30 minutes of extra time, but the workload only supported 30 minutes, the extra 1 hour would be classified as unjustified time. A carrier can have both unauthorized and unjustified time, simultaneously.

To determine the amount of unauthorized and unjustified overtime on routes, a "3996 audit" of a delivery facility's activities can be performed. Using the DOIS Workload Status Report,⁴ the PS Form 3996,⁵ Route/Carrier Daily

³A delivery facility is a building with one or more delivery units. A delivery unit is a group of routes that usually belong to a ZIP Code. However, some ZIP Codes with a few routes can be combined to form one delivery unit and a ZIP Code with a large number of routes may be split into more than one delivery unit.

⁴Workload Status Reports provide management with data such as volume, parcel, and delivery point sequenced mail to make effective decisions in matching workhours to workload.

⁵Carriers complete a PS Form 3996 to request overtime or auxiliary assistance on their route for a day when they estimate the route will exceed eight hours because of workload and volume.

Performance Report,⁶ and Carrier Control Workload Sheets,⁷ several factors are reviewed:

- The amount of time the carrier requests for the route.
- The amount of time the supervisor approves for the route.
- The total time the carrier uses on the route.
- The justified and unjustified time.

In addition to reviewing the PS Form 3996, an analysis of the completed PS Forms 1017-B, Unauthorized Overtime Record, can be conducted to determine if supervisors are correcting carrier performance issues.

Managed Service Points (MSP) is a computerized tool designed to monitor consistency of delivery time and enhance street management using mobile data collection devices. Letter carriers scan barcodes placed at service points reflecting key elements of the employee workday. Seven basic scan points are required:

1. Hot Case⁸
2. Depart to Route
3. First Delivery
4. Last Delivery Before Lunch
5. First Delivery After Lunch
6. Last Delivery
7. Return to Office

At the conclusion of each workday, the carrier downloads the MSP data collected into DOIS. Management compares this data to the MSP base information employees store in DOIS to generate reports supervisors can use to better understand the carrier's performance.

⁶The Route/Carrier Daily Performance Report helps supervisors evaluate the performances of all routes within a delivery unit for a single day.

⁷The Carrier Workload Control Sheet contains the base statistics for a route such as volume, number of deliveries, street factors, and accountables as determined by the last route inspection.

⁸A hot case is a location within the delivery facility where employees resort mail missent from the processing plant and give it to the assigned carrier.

**Objectives, Scope,
and Methodology**

Our overall objective was to assess the management of city letter carrier operations. Specifically, we determined whether delivery supervisors and managers adequately matched workhours with workload, used DOIS Reports in a timely manner to manage operations, and effectively used the MSP base information to monitor carrier performance.

Additionally, we assessed whether delivery facility supervisors/managers properly tracked unauthorized time by documenting a letter carrier's unauthorized time and taking corrective action. Our audit scope reviewed city letter carrier operations for the five-month period May 1 through September 30, 2004.

To accomplish our objectives, we randomly selected six delivery [REDACTED]
San Diego District: [REDACTED]

[REDACTED] To determine whether delivery facility supervisors/managers adequately matched workhours with workload, we randomly selected 20 days from a 5-month scope period of May 1 through September 30, 2004, at each delivery facility and conducted "3996 audits" for each day to quantify the amount of unjustified time. We also observed the delivery facility supervisors' and station managers' morning activities of measuring and recording mail volume, reviewing Workload Status Reports, and approving overtime.

To determine whether delivery facility supervisors and managers effectively used DOIS Reports in a timely manner, we analyzed required morning report data from the Workload Status, Route/Carrier Daily Performance, and MSP Overview Reports. Additionally, we reviewed the base MSP information for all routes at the six delivery facilities and reviewed the use of the log for PS Forms 1017-B.

We conducted this audit from December 2004 through August 2005, in accordance with generally accepted government auditing standards and included such tests of internal controls as were considered necessary under the circumstances. We relied on data obtained from the Web Enabled Enterprise Information System (WebEIS) and DOIS. We did not directly audit these systems, but

performed a limited data integrity review to support our data reliance. We discussed our observations and conclusions with appropriate management officials and included their comments where appropriate.

Prior Audit Coverage

The Office of Inspector General (OIG) has issued three audits related to our objectives.

City Letter Carrier Operations – Rio Grande District (Report Number DR-AR-05-009, December 2, 2004). The report outlined opportunities to improve the management of city letter carrier operations in the Rio Grande District. Delivery facility supervisors and managers did not adequately match workhours with workload. We projected the three delivery facilities had 5,318 unjustified hours (at an estimated cost of \$193,947) not supported by volume or workload over the five-month period October 1, 2003, through February 29, 2004. We reported 2,543 of the unjustified hours—or \$92,762—as unrecoverable costs. We also noted that supervisors/managers did not effectively use DOIS to manage daily operations and delivery unit supervisors and managers did not consistently perform street management or effectively use MSP to monitor city letter carriers' street time to correct negative trends.

City Letter Carrier Office Preparation in the Dallas District (Report Number DR-AR-04-005, July 26, 2004). The report stated that opportunities exist to improve Dallas District city letter carrier office preparation operations. Specifically, impediments existed that adversely impacted delivery facility supervisors'/managers' ability to adequately match workhours with workload. In addition, city letter carriers' work activities did not always ensure they departed the delivery facility as scheduled and supervisors/managers did not use the DOIS to assist in managing office activities.

City Carrier Productivity – Letter Carrier Delays in the Baltimore District (Report Number TD-AR-03-011, July 28, 2003). The report stated that early reporting wasted carriers' morning time and exposed the Baltimore District to potential unnecessary evening overtime costs. It was noted

supervisors/managers were not using DOIS to manage carrier schedules and, consequently, could not use the system to evaluate carrier scheduling or take corrective action.

AUDIT RESULTS

City Letter Carrier Operations

Opportunities exist to improve the management of city letter carrier operations in the San Diego District. Specifically:

- Delivery facility supervisors and managers did not effectively match workhours with workload. As a result, we projected the six delivery facilities had 10,094 unjustified hours that were not supported by volume or workload from May 1 through September 30, 2004. We projected the sample results to all 32 similarly sized delivery facilities in the district for a total of 53,835 unjustified hours. We agreed to unrecoverable costs of 50 percent of the total variance within WebEIS, which amounts to \$1,423,935. (See Appendix D.)
- Supervisors and managers did not timely use DOIS Reports such as the Workload Status, Route/Carrier Daily Performance and MSP Overview Reports to effectively manage daily operations.
- Supervisors and managers did not consistently use MSP base information to effectively monitor carrier performance.
- Supervisors and managers did not always properly document letter carriers' unauthorized overtime occurrences and take appropriate corrective action.

Workhours to Workload Not Adequately Matched

Delivery facility supervisors and managers did not adequately match workhours with workload. We projected the sample results in the 32 similarly sized delivery facilities in the district for a total of 53,835 unjustified hours with unrecoverable costs of \$1,423,935 over the five-month period, May 1 through September 30, 2004. The unjustified hours occurred primarily because carriers did not always properly complete and submit PS Form 3996 to document their requests for additional time. In addition, supervisors/managers authorized time not requested by carriers, did not take action on PS Forms 3996 and/or did not keep route base delivery facility supervisors information readily available. Further, supervisors/managers did not

always ensure parcels were counted to properly match workhours with workload.

Postal Service Handbook M-41, City Delivery Carrier Duties and Responsibilities, Section 131.41 (updated with Postal Bulletin revisions through April 2001) states that it is the carrier's responsibility to complete items on PS Form 3996 if overtime or auxiliary assistance is authorized for the office or the street.

Management Instruction, PO-610-2000-1, Piece Count Recording System, dated December 2000, states that effective day-to-day management of a delivery facility requires evaluation of the facility's daily mail volume. The Postal Service uses volume data on a daily basis to assess the workhours needed for any given day.

Unjustified Time

We analyzed delivery facility information⁹ and conducted "3996 audits" for 120¹⁰ days at six randomly sampled delivery facilities from May 1 through September 30, 2004. The "3996 audits" identified 1,591 unjustified hours (or 97 percent) of the total 1,640 hours that were expended on routes with time used over 8 hours. We projected the sample results to all 32 similarly sized delivery facilities in the district for a total of 53,835 unjustified hours at a projected cost of over \$1.9 million.¹¹

The "3996 audit" process assesses individual route times used over eight hours. The process cannot differentiate between time that is truly unjustified and time that is not supported by documentation. The Total Variance Factor in the Postal Service's WebEIS shows the difference between projected workhours for the workload identified in DOIS and the actual workhours used by the carriers. Pacific Area delivery management and the OIG agreed to 50 percent of the WebEIS variance from May 1 through September 30, 2004, as unrecoverable costs, which amounts to \$1,423,935.¹² (See Appendix D.)

⁹DOIS Workload Status Reports, PS Forms 3996, and Router/Carrier Daily Performance Reports.

¹⁰We randomly selected 20 days from the 5-month period, May 1 through September 30, 2004, for six randomly sampled delivery facilities (6 x 20 days = 120 days).

¹¹Postal Service Finance memorandum dated March 5, 2004, shows the national average labor rate for city letter carriers in FY 2004. The 53,835 hours multiplied by \$36.47 equals \$1,963,362.

¹²The WebEIS shows the total variance between the projected workhours for the workload identified in DOIS and the actual workhours used by the carriers. The total variance for the 32 similarly sized delivery facilities is \$2,847,869 for May 1 through September 30, 2004.

PS Form 3996 –
Carrier – Auxiliary
Control

Carriers did not always submit PS Forms 3996 to request additional time on routes. Of the 120 days we reviewed, 84 percent (1,331 of 1,591) of the total unjustified hours were the result of no documentation. This occurred because delivery facility management did not emphasize to carriers the importance of using the form. Further, supervisors often verbally approved overtime with carriers.

When carriers submitted PS Forms 3996, they did not always properly document their request for additional time. For example, carriers requested time with no reasons listed, or listed reasons with no corresponding amount of time.

Postal Service Handbook M-41, City Delivery Carrier Duties and Responsibilities, Chapter 2, Section 28, (updated with Postal Bulletin revisions through April 2001) states that the carrier must show the reason for requesting assistance on his/her route in detail on PS Form 3996.

Supervisors Authorized
Additional Time

Supervisors authorized time that was not requested by the carrier on PS Form 3996. In addition, supervisors did not always take action on submitted PS Forms 3996 because Postal Service managers relied on their experience to determine route needs. Also, delivery facility management did not establish expectations that directed delivery facility supervisors to approve only time requested by the carrier and justified by the workload.

The sampled delivery facilities did not keep route information readily available for parcels, accountables,¹³ and full coverage times.¹⁴ This data is critical because the volume for these items may increase or decrease each day on a carrier's route. Without this information, supervisors do not have objective data to approve overtime requests. We also noted that carriers combined their requests for multiple factors instead of separating each factor with the specific amount of additional time needed on PS Form 3996. Therefore, it was not obvious how much time the carriers specifically requested for volume, meeting time, and full coverage. Supervisors also approved time with combined

¹³Accountable mailpieces include Express Mail and certified mail packages the carrier must deliver, and usually require the customer's signature.

¹⁴Full coverage is the additional time granted to a city letter carrier to deliver mail on a particular day to all possible delivery points on a route.

factors and did not make any notes about how much they approved for each factor. This also made it difficult to objectively justify time.

The delivery facilities incurred unjustified workhours as a result of carriers not submitting PS Forms 3996 or submitting incomplete documentation and supervisors/managers approving time that was not justified by the workload.

We noted significant improvement in the submission of PS Forms 3996 by carriers after our audit scope period. We judgmentally sampled 12 days from November 2004 through February 2005, and found delivery facility supervisors and managers were directing carriers to complete PS Forms 3996 when requesting additional time on a route.

Parcel Counts

Supervisors did not ensure carriers counted parcels properly to match workhours with workload in two of the six delivery facilities reviewed. For example, carriers counted parcels that were used in daily volume. In addition, delivery facility management counted parcels for as little as four routes, took an average of the parcels on the four routes, and then used this average for the remaining routes within the delivery facility. This occurred because supervisors felt overwhelmed with responsibilities and did not have time to count parcels for each route.

Postal Service Handbook M-39, Management of Delivery Services, Section 111.2 (updated with Postal Bulletin revisions through March 2004) states that it is the delivery service manager's responsibility to "record on the appropriate form(s) the daily workload for each route."

Management Instruction PO-610-2000-1 states that effective day-to-day management of a delivery facility requires evaluation of the facility daily mail volume. The Postal Service uses volume data on a daily basis to assess the workhours needed for any given day.

As a result of not counting parcels, delivery facility supervisors/managers could not adequately match workhours with workload.

Recommendations	<p>We recommend the manager, San Diego District:</p> <ol style="list-style-type: none">1. Direct station managers and supervisors to enforce the policy for carriers to complete a Postal Service Form 3996, Carrier – Auxiliary Control, when workload or volume indicates the carrier will need additional time for the route and require carriers to properly document reasons for their request of additional time.2. Instruct station managers and delivery facility supervisors to only authorize time requested by carriers and justified by the workload.
Management's Comments	<p>Management agreed with our finding, unrecoverable costs, and recommendations 1 and 2. Management sent a directive to all district delivery management instructing that a properly completed PS Form 3996 is required for any instance of overtime usage by a carrier. In addition, management conducted training during April and June 2005 on the proper use of PS Form 3996 and DOIS.</p>
Recommendations	<ol style="list-style-type: none">3. Require station managers and delivery facility supervisors to keep route base information readily available that shows base parcels, accountables, and full coverage times.4. Have station managers require delivery facility supervisors/managers to count or validate parcels for each route in order to adequately match workhours to workload.
Management's Comments	<p>Management stated that, although they could not find a reference requirement for recommendation 3, they found merit in having base route information readily available. Management established a matrix for each office to use that identifies each route's base parcels, accountables, and full coverage street time. Management agreed with recommendation 4 and stated that volume recording is an item validated on audits conducted by district personnel.</p>

**Evaluation of
Management's
Comments**

Management's comments are responsive to our finding and recommendations 1, 2, 3, and 4. Management's actions taken or planned should correct the issues identified in the finding.

Supervisors Did Not Timely View DOIS Reports

Supervisors and managers did not timely view DOIS operational reports to assist in managing carrier activities in all six sampled delivery facilities. This occurred because supervisors relied on their delivery experience to make decisions. According to the Delivery Operations Information System Quality Assessment, September 9, 2002, it is critical that supervisors use DOIS to manage daily facility operations.

Supervisors and managers did not always review the Workload Status, Route/Carrier Daily Performance, and MSP Overview Reports at the appropriate time. As illustrated in Table 1, supervisors were not using the operational delivery data available to manage their delivery facility.

**Table 1. Supervisors' DOIS Activity
May 1 Through September 30, 2004
(127 days)**

Six Randomly Sampled Delivery Facilities	Days Workload Status Report NOT Viewed Before 8 a.m.	Days Route/Carrier Daily Performance Report NOT Viewed Before 8 a.m.	Days MSP Overview Report NOT Viewed
[REDACTED]	37	14	15
[REDACTED]	45	27	6
[REDACTED]	53	57	50
[REDACTED]	125	126	126
[REDACTED]	4	8	21
[REDACTED]	17	13	6
TOTAL	281	245	224

The Workload Status and Route Carrier Daily Performance Reports were not always viewed by 8:00 a.m. as required. In the San Diego District, the Workload Status Report was viewed after 8:00 a.m. in 281 of 762¹⁵ instances (or 37 percent of the time) and the Route/Carrier Daily Performance Report was either not viewed at all or viewed after 8:00 a.m. in 245 of 762 instances (or 32 percent of the time). The MSP Overview Report was not viewed in 224 of 762 (or 29 percent) instances required at facilities sampled in the San Diego District from May 1 through September 30,

¹⁵127 workdays times 6 delivery facilities equals 762.

2004. Supervisors/managers did not review DOIS Reports in a timely manner because they relied more on their delivery experience than on the reports and placed less emphasis on the DOIS Reports because the time variances were occurring with carriers' office activities and not with street delivery.

Delivery Operations Information System Quality Assessment, September 9, 2002, and the Pacific Area AM Standard Operating Procedures (AM SOP), October 29, 2004, states it is critical that supervisors use DOIS to manage daily facility operations and review reports timely.

As a result, supervisors/managers who do not retrieve and review Workload Status, Route/Carrier Daily Performance, and MSP Overview Reports timely may not be making effective decisions in matching workhours to workload and addressing carrier performance issues.

The AM SOP procedures are currently being instituted in all delivery facilities with a reemphasis on the use of DOIS Reports. We reviewed the use of DOIS Reports again after our audit scope period and found facilities were improving their timely use of operational data.

Recommendations

We recommend the manager, San Diego District:

5. Direct station managers and supervisors to review Workload Status and Route Carrier Daily Performance Reports by 8:00 a.m. so they can accurately match workload to workhours and address carrier performance issues.
6. Direct station supervisors and managers to comply with the Pacific Area's AM Standard Operating Procedures, which requires daily review of the Managed Service Points Overview Report.

**Management's
Comments**

Management agreed with the finding and recommendations 5 and 6. Station supervisors and managers now complete workload status summaries daily to track the effectiveness of reviewing the report before 8:00 a.m. In addition, the San Diego District has implemented a daily review of a new MSP Overview Report.

**Evaluation of
Management's
Comments**

Management's comments are responsive to the finding and recommendations 5 and 6. Management's actions taken or planned should correct the issues identified in the finding.

**Managed Service
Points Base
Information**

Delivery facility managers did not consistently use MSP base information in DOIS to effectively monitor carrier performance. We reviewed the base MSP information for all routes at the six randomly sampled delivery facilities and identified 158 of 229 (69 percent) routes where office and street times were out-of-sequence.¹⁶

Examples of out-of-sequence conditions included:

- Return to office time before the last delivery.
- Delivery times are defaulted to 12:00 a.m.
- Different streets have the same scan time.

The out-of-sequence times were the result of supervisors not having a current PS Form 3999¹⁷ or not using a current form to update the route pivot plan. The route pivot plan is a detailed description of the route that the city delivery carrier should follow while delivering mail on the street. District officials said there is a need for training on updating pivot plans. Delivery facilities without a recent route adjustment will likely need the training.

As a result of not reviewing the MSP Overview Report on a daily basis (as illustrated in Table 1), supervisors and managers were unable to determine variances between the actual and scheduled times of MSP scan points that could identify carrier performance issues or identify inaccurate MSP base information.

Recommendations

We recommend the manager, San Diego District:

7. Provide additional training to station supervisors and managers in using Managed Service Points more effectively.

¹⁶Out-of-sequence times occur when the scheduled times for the route do not occur in chronological order.

¹⁷PS Form 3999, Inspection of Letter Carrier Route, records all pertinent information concerning a carrier's office and street time, including line of travel details, listing office leave time, first delivery time, lunch time, and last delivery time.

We recommend the manager, San Diego District:

8. Require employees to update Managed Service Points base information when any changes are made to a route.

**Management's
Comments**

Management agreed with the finding and recommendations 7 and 8. Management provided additional MSP training and scheduled training for all DOIS offices in the San Diego District. In addition, management established standard operating procedures to ensure that any time they change a route, the office will recreate the pivot plan which will, in turn, update the MSP base information.

**Evaluation of
Management's
Comments**

Management's comments are responsive to our finding and recommendations 7 and 8. Management's actions taken and planned should correct the issues identified in the finding.

**Unauthorized Time
Not Properly
Documented**

Supervisors/managers did not consistently document letter carriers' unauthorized overtime occurrences using PS Form 1017-B. In the San Diego District there were only 16 entries recorded for any of the 120 sample days for the five-month period May 1 through September 30, 2004. Two facilities had no entries recorded for the entire five-month period and four remaining facilities only had a combined 61 entries, 43 of which were from one facility. Another facility had one entry in the PS Form 1017-B log for the five-month period. Supervisors/managers stated that completing a PS Form 1017-B was a lower priority and they informally discussed unauthorized overtime occurrences with carriers.

The supervisor should have documented the discussion with the carrier regarding the reasons for unauthorized overtime after returning from the route in the remarks section of PS Form 1017-B.

Handbook F-401, Supervisor's Guide to Scheduling and Premium Pay, Chapter, 5, Section F, August 2000, states, "employees are responsible for adhering to their assigned work schedules. A variance from the assigned work schedule will result in unauthorized overtime. Supervisors must document these occurrences on PS Form 1017-B and take appropriate corrective action."

As a result of not documenting unauthorized overtime, supervisors were not able to effectively consult and correct carrier performance issues to assist in managing overtime hours.

Recommendation

We recommend the manager, San Diego District:

9. Reinforce the policy in Handbook F-401, Supervisor's Guide to Scheduling and Premium Pay, to properly complete PS Form 1017-B, Unauthorized Overtime Record, to document unauthorized overtime and take appropriate corrective action.

**Management's
Comments**

Management agreed with the finding and recommendation. Management issued a memorandum to managers reiterating current policies related to the documentation of

unauthorized overtime. Additionally, district management conducted overtime control audits of its delivery units to ensure internal controls are in place and that employees strictly follow guidelines.

**Evaluation of
Management's
Comments**

Management's comments are responsive to the finding and recommendation. Actions taken should correct the issue identified in the finding.

APPENDIX A. SUMMARY OF 120 "3996 AUDITS"

Number	Delivery Facility	Date	Day of Week	Total Time Used Greater Than Eight Hours in Minutes	Total Unjustified Time in Minutes	Total Unjustified Percent	Total Routes Greater Than Eight Hours	No PS Form 3996 but Route Greater Than Eight Hours
1		05/10/04	M	2,059	2,004	97%	30	27
2		05/12/04	W	1,741	1,741	100%	23	23
3		06/03/04	Th	625	625	100%	15	15
4		06/05/04	S	675	675	100%	10	10
5		06/07/04	M	1,346	1,346	100%	26	24
6		06/17/04	Th	884	884	100%	15	14
7		07/09/04	F	1,400	1,400	100%	19	18
8		07/10/04	S	1,495	1,495	100%	12	12
9		07/29/04	Th	1,194	1,194	100%	18	17
10		07/31/04	S	237	237	100%	6	6
11		08/04/04	W	1,643	1,643	100%	29	28
12		08/06/04	F	1,249	1,249	100%	13	13
13		08/21/04	S	1,404	1,404	100%	15	14
14		08/24/04	T	1,184	1,184	100%	19	17
15		08/31/04	T	1,970	1,970	100%	25	24
16		09/01/04	W	1,580	1,580	100%	21	21
17		09/10/04	F	1,388	1,388	100%	19	19
18		09/11/04	S	1,001	1,001	100%	17	17
19		09/18/04	S	1,681	1,681	100%	19	18
20		09/21/04	T	2,226	2,226	100%	29	28
21		05/03/04	M	1,074	963	90%	18	9
22		05/06/04	Th	936	795	85%	18	7
23		05/27/04	Th	1,114	1,114	100%	4	1
24		06/16/04	W	1,301	1,095	84%	20	6
25		06/17/04	Th	684	625	91%	8	7
26		06/26/04	S	350	251	72%	6	2
27		07/03/04	S	369	334	91%	11	7
28		07/16/04	F	391	617	92%	13	6
29		07/20/04	T	174	134	77%	7	5
30		07/24/04	S	367	290	79%	5	3

Number	Delivery Facility	Date	Day of Week	Total Time Used Greater Than Eight Hours in Minutes	Total Unjustified Time in Minutes	Total Unjustified Percent	Total Routes Greater Than Eight Hours	No PS Form 3996 but Route Greater Than Eight Hours
31		08/02/04	M	1,322	1,296	98%	15	9
32		08/11/04	W	1,153	975	85%	16	9
33		08/12/04	Th	81	81	100%	6	4
34		08/18/04	W	897	880	98%	22	12
35		08/21/04	S	162	129	80%	4	2
36		08/27/04	F	357	324	91%	11	7
37		09/03/04	F	669	628	94%	13	9
38		09/16/04	Th	809	762	94%	15	7
39		09/18/04	S	364	274	75%	8	5
40		09/24/04	F	386	383	99%	10	8
41		05/01/04	S	160	160	100%	4	4
42		05/06/04	Th	103	103	100%	4	4
43		05/14/04	F	164	164	100%	4	4
44		05/19/04	W	213	213	100%	9	5
45		05/26/04	W	102	102	100%	3	2
46		06/03/04	Th	0	0	0%	0	0
47		06/05/04	S	55	55	100%	2	2
48		06/21/04	M	147	147	100%	3	1
49		07/16/04	F	42	42	100%	2	2
50		07/24/04	S	75	75	100%	4	4
51		08/03/04	T	268	268	100%	6	6
52		08/06/04	F	3	3	100%	2	2
53		08/10/04	T	145	145	100%	6	4
54		08/17/04	T	93	79	85%	6	5
55		08/20/04	F	171	171	100%	4	4
56		08/25/04	W	194	194	100%	3	3
57		09/01/04	W	1,046	1,046	100%	15	14
58		09/07/04	T	1,488	1,488	100%	26	23
59		09/20/04	M	210	210	100%	8	7
60		09/24/04	F	453	453	100%	6	5

Number	Delivery Facility	Date	Day of Week	Total Time Used Greater Than Eight Hours in Minutes	Total Unjustified Time in Minutes	Total Unjustified Percent	Total Routes Greater Than Eight Hours	No PS Form 3996 but Route Greater Than Eight Hours
61		05/01/04	S	198	198	100%	4	4
62		05/13/04	Th	655	655	100%	10	10
63		05/19/04	W	387	387	100%	13	13
64		05/21/04	F	260	260	100%	8	8
65		05/29/04	S	309	309	100%	3	3
66		06/12/04	S	1,809	1,809	100%	26	26
67		06/26/04	S	239	239	100%	6	6
68		07/06/04	T	1,317	1,317	100%	26	26
69		07/08/04	Th	299	299	100%	10	10
70		07/20/04	T	1,154	1,154	100%	12	12
71		08/03/04	T	1,141	1,141	100%	27	27
72		08/18/04	W	897	897	100%	16	16
73		08/21/04	S	242	242	100%	5	5
74		09/01/04	W	1,528	1,528	100%	20	20
75		09/04/04	S	579	579	100%	8	8
76		09/10/04	F	663	663	100%	14	13
77		09/14/04	T	1,259	1,259	100%	25	25
78		09/15/04	W	991	991	100%	20	19
79		09/17/04	F	781	781	100%	14	14
80		09/29/04	W	1,304	1,304	100%	26	23
81		05/08/04	S	650	586	90%	16	10
82		05/24/04	M	32	32	100%	2	2
83		05/28/04	F	491	477	97%	6	3
84		06/21/04	M	75	75	100%	7	3
85		06/24/04	T	191	191	100%	7	3
86		06/28/04	M	323	268	82%	11	5
87		06/29/04	T	289	269	93%	9	6
88		07/03/04	S	33	33	100%	3	0
89		07/09/04	F	25	25	100%	2	1
90		07/16/04	F	118	118	100%	8	5
91		07/19/04	M	272	272	100%	8	6

Number	Delivery Facility	Date	Day of Week	Total Time Used Greater Than Eight Hours in Minutes	Total Unjustified Time in Minutes	Total Unjustified Percent	Total Routes Greater Than Eight Hours	No PS Form 3996 but Route Greater Than Eight Hours
92		07/23/04	F	630	601	95%	12	6
93		08/19/04	Th	154	154	100%	5	5
94		08/24/04	T	40	40	100%	5	4
95		08/25/04	W	140	75	54%	10	5
96		08/30/04	M	232	181	78%	11	4
97		08/31/04	T	110	110	100%	5	4
98		09/08/04	W	208	208	100%	9	8
99		09/10/04	F	228	228	100%	10	7
100		09/11/04	S	152	147	97%	8	3
101		05/05/04	W	1,366	1,290	94%	27	24
102		05/25/04	T	1,820	1,707	94%	32	25
103		06/01/04	T	4,108	3,988	97%	43	33
104		06/03/04	Th	501	484	97%	14	12
105		06/05/04	S	2,072	2,032	98%	23	21
106		06/07/04	M	1,664	1,620	97%	29	25
107		06/25/04	F	873	873	100%	17	15
108		06/26/04	S	548	434	79%	11	7
109		07/08/04	Th	1,279	1,230	96%	11	11
110		07/13/04	T	1,141	1,113	97%	22	21
111		07/14/04	W	842	768	91%	15	11
112		07/16/04	F	303	303	100%	11	10
113		07/27/04	T	1,020	965	95%	17	13
114		08/06/04	F	1,859	1,747	94%	19	15
115		08/18/04	W	1,095	1,070	98%	19	16
116		09/03/04	F	2,659	2,493	94%	35	31
117		09/13/04	M	3,319	2,934	88%	33	26
118		09/15/04	W	1,419	1,380	97%	30	26
119		09/18/04	S	2,263	2,162	96%	34	28
120		09/21/04	T	2,767	2,745	99%	40	32
TOTALS				98,397	95,435		1,656	1,371

APPENDIX B

PROJECTION OF “3996 AUDIT” RESULTS OVER FIVE-MONTH PERIOD

Location	Projection of Unjustified Time (Point Estimate) in Minutes	95 Percent Confidence Interval Lower Bound in Minutes	95 Percent Confidence Interval Upper Bound in Minutes	Relative Precision	Projected Hours Not Justified by Workload in Five-Month Period (May Through Sept. 2004)
██████████	170,498	141,062	199,933	17.3%	2,842
██████	75,495	53,523	97,467	29.1%	1,258
██████████	32,499	10,662	54,337	67.2%	542
██████████	101,676	72,433	130,919	28.8%	1,695
██████	26,105	15,824	36,385	39.4%	435
██████████	199,371	143,673	255,069	27.9%	3,323
Overall					
San Diego: ██████████	3,230,100	1,060,518	5,399,684	67%	53,835

APPENDIX C. TECHNICAL DOCUMENTATION

Sampling

An objective of the audit was to quantify the amount of unjustified time in the San Diego District in the Pacific Area. In support of this objective, the audit team employed a two-stage sample of carrier time, selecting delivery units and delivery days randomly. The sample design allows statistical projection of the minutes of unjustified time total, unjustified office time, unjustified street time, and unexplained unjustified time.

Audit Universe

The team judgmentally selected the San Diego District, which had [REDACTED] [REDACTED] The audit universe consisted of 127 working days from May 1 through September 30, 2004.

Sample Design and Modifications

We chose a two-stage sample design, with simple random selection of delivery units at the first stage and a simple random sample of delivery days at the second stage. We examined all delivery routes on the days selected. We had no information regarding the variability we might see between delivery units. To size the sample, we considered each delivery unit and delivery day combination as a universe element (a total of 4,064 unit days). We selected a desired confidence level of 95 percent and, for sample size calculation purposes, a desired relative precision for a variable estimate of 20 percent. We considered coefficient of variation (CV) values of 100 percent and 125 percent. With application of the finite population correction, these CVs generated sample sizes of 95 to 145, respectively. We chose to use a total of 120 delivery unit days, randomly selecting six delivery units at the first stage and then randomly selecting 20 delivery days at each of the units.

Results

The value assigned to each delivery unit day is the total number of unjustified minutes in a particular category. Using the total time value as the variable, we applied the equations for the projection of a variable in a two-stage sample using the equations from Chapter 9 of Scheaffer, Mendenhall, and Ott, Elementary Survey Sampling, c. 1996. The results for total unjustified time are summarized in Appendix B.

APPENDIX D

OIG CALCULATION OF UNRECOVERABLE COSTS

As shown in the table below, the OIG identified \$1,963,362¹⁸ in unjustified (unrecoverable) costs. The OIG calculated the unjustified costs through a random sample analysis of PS Form 3996. The “3996 audit” process is an assessment of individual route time greater than eight hours. The audit process cannot differentiate between time that is truly unjustified and time that is simply not supported by documentation. The Total Variance Factor in the Postal Service’s WebEIS shows the difference between projected workhours for the workload identified in DOIS and the actual workhours used by the carriers. Pacific Area Delivery management and the OIG agreed to 50 percent of the WebEIS variance from May 1 through September 30, 2004, as the unrecoverable costs, which amounts to \$1,423,935.¹⁹

	Workhours	Labor Rate	Cost
Unjustified workhours identified by the OIG from May 1 through September 30, 2004, for 32 delivery facilities with 30-50 routes	53,835	\$36.47	\$1,963,362
Workhours using Total Variance Factor in WebEIS for May 1 through September 30, 2004, for 32 delivery facilities with 30-50 routes	78,088	\$36.47	\$2,847,869
Unrecoverable workhours identified by using 50 percent of WebEIS variance	39,044	\$36.47	\$1,423,935

¹⁸Postal Service Finance memorandum dated March 5, 2004, shows the national average labor rate for city letter carriers in FY 2004 was \$36.47. The 53,835 hours multiplied by \$36.47 equals \$1,963,362.

¹⁹Postal Service Finance memorandum dated March 5, 2004, shows the national average labor rate for city letter carriers in FY 2004 was \$36.47. The 39,044 hours multiplied by \$36.47 equals \$1,423,935.

APPENDIX E. MANAGEMENT'S COMMENTS

DISTRICT MANAGER, CUSTOMER SERVICE AND SALES
SAN DIEGO PERFORMANCE CLUSTER



July 26, 2005

MEMORANDUM FOR KIM H. STROUD
DIRECTOR, AUDIT REPORTING
OFFICE OF INSPECTOR GENERAL
1735 N. LYNN ST
ARLINGTON VA 22209-2020

SUBJECT: City Letter Carrier Operations
San Diego District (Report Number DR-AR-05-Draft)

Please accept this communication in response to your transmittal dated June 29, 2005, and signed by Mary W. Demory.

Summary of Recommendations

We recommend the Manager, San Diego District, direct delivery facility supervisors and managers to enforce the policy for carriers to submit a PS Form 3996 when workload or volume indicates the need for additional time and require them to properly document the reasons for the request. The manager should also instruct the supervisors to only authorize time that carriers request and keep route base information readily available. In addition, the manager should direct supervisors and managers to use DOIS Reports timely to manage daily delivery operations and review MSP base information to monitor carrier performance.

Finally, the Manager, San Diego District, should require supervisors and managers to consistently document unauthorized overtime on required forms and take appropriate corrective action.

Response: We agree with the recommendations of the OIG Review and we have responded to each recommendation individually in this communication.

The audit results established a projected usage of 53,835 unjustified workhours, resulting in an assessment of \$1,423,935 in unrecoverable costs. We in the San Diego District agree with this assessment.

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Workhours to Workload Not Adequately Matched Recommendations

1. Direct station managers and supervisors to enforce the policy for carriers to complete a Postal Service Form 3996, Carrier – Auxiliary Control, when workload or volume indicates the carrier will need additional time for the route and require carriers to properly document reasons for their request of additional time.

Response: We agree with the recommendations given in the review.

In April 2005 the Delivery Services Overtime Control Management Guidelines were instituted, which addresses this issue.

The "Overtime Control Management" is a very detailed document that outlines the proper requirements and utilization of the 3996, as well as integrating the utilization of DOIS and matching workhours to workloads.

We have also had training during the past three months (April, May, June) covering proper utilization of DOIS, critical hour, 3996 utilization, and matching of workhour and workloads.

The audience for this training was postmasters and all delivery management.

All operations managers and the Operations Programs Support staff are conducting audits in the delivery units to ensure compliance. These audits also give opportunity for additional training where needed.

A directive has been sent to all delivery management instructing that a properly completed PS-3996 is required for any instance of overtime usage by a carrier.

2. Instruct station managers and delivery facility supervisors to only authorize time requested by carriers and justified by the workload.

Response: We agree with this recommendation and have instructed delivery management in written communications, that it is a requirement that carriers, not management, initiate all requests for overtime and that overtime requests must be justified by workload to deserve approval.

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Recent (April, May, June) training sessions have reinforced this expectation and have specifically instructed the delivery managers on how to accomplish this expectation.

In addition, the Overtime Control Management Program was initiated in April of 2005, and it requires proper utilization of the PS-3996 with emphasis on matching overtime requests to workloads.

All operations managers and the Operations Programs Support personnel are conducting overtime effectiveness and PS-3996 utilization audits daily.

3. Require station managers and delivery facility supervisors to keep route base information readily available that shows base parcels, accountables, and full coverage times.

Response: Although we could find no reference to this requirement, we feel there is merit to its use. Therefore, each office will be required to establish a matrix for use during the commitment process. The matrix will include base route information, including base PP and accountables, as well as full coverage street time, if different from base, on all routes that may use a full coverage as a basis for overtime requests.

4. Have station managers require delivery facility supervisors/managers to count or validate parcels for each route in order to adequately match workhours to workload.

Response: We agree with this recommendation. In delivery units that the delivery management has delegated the recording of parcels at the route level, it is understood the delivery management has the responsibility to validate the volume and the volume recording process. This instruction has been sent to all delivery unit management and is an item to be validated on our volume recording audits/reviews being conducted by Operations Support personnel.

Supervisors Did Not Timely View DOIS Reports Recommendations

5. Direct station managers and supervisors to review Workload Status and Route Carrier Daily Performance Reports by 8:00 a.m., so they can accurately match workload to workhours and address carrier performance issues.

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Response: We agree with this recommendation. A workload status summary report is completed daily to track the effectiveness of units pulling the report before 8:00 am. At the time of the review, our effectiveness for pulling the workload status report by 8:00 am was less than 60%. We presently are consistently attaining 98% achievement levels.

6. Direct station supervisors and managers to comply with the Pacific Area's AM Standard Operating Procedures, which requires daily review of the Managed Service Points Overview Report.

Response: We agree with this recommendation. To ensure all offices are in compliance with the AMSOP mandate (page 4 bullet item 3 under Managed Service Points section) to review the MSP Overview Report daily, the San Diego District has created and implemented a daily overview audit report. The report is a rolling 7 day report that tracks what time each DOIS office views the MSP Overview Report. The report lists each DOIS office and the time the office viewed the Overview Report. The report highlights any office that views the report after 8:00 a.m. and provides a percentage of timely report viewing. The report is distributed to all DOIS offices and their respective MPOOs or postmaster. The report is copied to managers in the Operations Programs Office and Quality Office. The report is also available via the San Diego District Operations Programs WEBCAT internet page.

Excerpt of Overview report.

View MSP Overview Report Before 8:30 am								
Delivery Unit	Name	18-Jul	19-Jul	20-Jul	21-Jul	22-Jul	23-Jul	Percent
9190201	Bonita	7:37	7:20	7:51	7:46	7:29	8:05	100.00%
9191001	Chula Vista - Main	12:33	5:58	7:25	6:54	5:28	5:14	83.33%
9191101	Chula Vista - Main	12:01	5:49	5:19	5:56	5:41	5:49	83.33%
9191301	Chula Vista - Eastlake	6:13	6:13	6:10	6:41	6:21	6:56	100.00%
9193201	Imperial Beach	6:54	7:17	7:07	7:30	7:11	7:22	100.00%
9194101	La Mesa - Main	6:39	6:27	6:20	5:22	6:37	6:32	100.00%
9194201	La Mesa - Annex	6:55	7:29	6:56	7:04	6:43	7:42	100.00%
9194501	Lemon Grove	6:22	6:40	6:27	6:16	6:20	6:17	100.00%
9195001	National City	6:48	6:19	6:27	7:02	6:28	12:02	83.33%
9197701	Spring Valley	6:16	5:32	5:34	5:31	6:14	6:33	100.00%
9200701	Encinitas - Cardiff	6:59	6:16	6:38	6:22	7:02	5:57	100.00%
9200801	Carlsbad - Main	6:06	6:16	6:01	6:15	6:18	6:50	100.00%
9200901	Carlsbad - La Costa	3:56	4:15	4:01	7:02	3:51	4:00	100.00%
9201401	Del Mar	6:36	6:29	6:31	6:32	6:22	6:57	100.00%
9201901	El Cajon - Main	6:02	6:09	5:58	5:41	6:30	5:47	100.00%
9202001	El Cajon - Main	5:18	5:16	5:27	5:17	5:26	5:22	100.00%
9202101	El Cajon - Bostonia	5:00	5:30	6:20	5:03	5:32	5:36	100.00%
9202401	Encinitas	7:43	6:22	6:27	6:38	6:44	5:44	100.00%
9202501	Escondido - Main	6:24	6:25	6:42	6:34	6:27	6:26	100.00%

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Using the overview report as the starting point for street management is one of the points emphasized in the District's MSP classes. This report was implemented during the week of May 6, 2005.

Managed Service Points Base Information Recommendations

7. Provide additional training to station supervisors and managers in using Managed Service Points more effectively.

Response: We agree with this recommendation. Additional MSP training has been provided or scheduled for all DOIS offices in the San Diego District. Training provided for MPOO 2 area was on June 21st and 22nd; MPOO 4's area was held on June 29th; MPOO 1's training class was held on July 8th and July 25th. The Postmaster- San Diego's class is scheduled for August 4th and MPOO 3's class is scheduled for August 5th. This will have covered our entire district.

The class covers all aspects of MSP from an overview of the program to in-depth analysis of the reports. The class provided a daily task list to assist the office in using the MSP reports. How the overview, carrier and route reports are created and the calculations behind the reports was discussed. A typical day is discussed using MSP from viewing the overview report to drilling down to the route and carrier reports to resolve missed scans and time discrepancies.

8. Require employees to update Managed Service Points base information when changes are made to route.

Response: We agree with this recommendation. MSP scan times are tied to many different factors in DOIS. The critical part of this link is the pivot plan. When the pivot plan is created (or recreated) MSP recalculates the scan point times (route base information) for the route. To reinforce the importance of this task, Standard Operating Procedures on recreating the pivot plan were given out during the MSP training classes and sent via eMail to all DOIS offices. The SOP was tailored specifically for recreating an existing pivot plan and included what route adjustments necessitate the pivot plan being recreated.

As additional emphasis, the AMS office is including a reminder sheet placed inside each route red book before it is returned to the office. This will help ensure any time a route is changed; the office will recreate the pivot plan which will in turn update the MSP base

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information. The San Diego District will implement a new web page where offices can notify the Operations Program office of any changes to a routes start time. This will allow Operations Programs to monitor the office and ensure the office updates the pivot plan to reflect the routes new start, depart, return and leave times.


Unauthorized Time Not Properly Documented Recommendations

9. Reinforce the policy in Handbook F-401, Supervisor's Guide to Scheduling and Premium Pay, to properly complete PS Form 1017- B, Unauthorized Overtime Record, to document unauthorized overtime and take appropriate corrective action.

Response: Management agrees with audit findings of the OIG that supervisors/managers did not consistently document carrier's unauthorized overtime. A memorandum has been issued by the District Manager to the Managers, Post Office Operations, to reiterate the current policies related to the documentation of unauthorized overtime identified in the audit findings.

In addition, management has conducted Overtime Control Audits of its delivery units to ensure internal controls of overtime are in place and that guidelines outlined in Handbook F-401, Supervisor's Guide to Scheduling and Premium are strictly followed.

Managers Post Office Operations will be strictly responsible to ensure that internal controls of overtime are in place for all of their reporting units.


John E. Platt

cc: Al Iniguez
Richard Ordonez