March 31, 2011

DEAN J. GRANHOLM
VICE PRESIDENT, DELIVERY AND POST OFFICE OPERATIONS

DAVID E. WILLIAMS
VICE PRESIDENT, NETWORK OPERATIONS

SUBJECT: Audit Report – Overtime Usage (Report Number HR-AR-11-003)

This report presents the results of our audit of the U.S. Postal Service's overtime usage (Project Number 10YG021HR000). Our objective was to determine the reasons for increases in Postal Service overtime usage in fiscal year (FY) 2010.[1] This self-initiated audit addresses financial and operational risks. See Appendix A for additional information about this audit.

The Postal Service faces a number of challenges, which are compounded by the current economic environment. This includes a continuing decline in mail volume combined with a growing number of delivery addresses. From 2006 to 2010, mail volume declined 19.7 percent, from 213 billion pieces to 171 billion pieces while, on average, 1.4 million new addresses have been added every year. In addition, the Postal Service experienced a net loss for FY 2009 of $3.8 billion and a net loss for FY 2010 of $8.5 billion. Given these challenges, the Postal Service has to ensure it manages mail operations effectively and efficiently.

On April 1, 2010 an article in FederalSoup.com[2] stated that reports filed with the Postal Regulatory Commission (PRC) showed that the Postal Service paid bargaining unit employees approximately $1.3 billion in overtime during the first 6 months of FY 2010. This reflected an increase of $56 million over the same period last year. We initiated this audit to assess the reasons for the significant increases in overtime in light of the declining mail volume.

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[1] The original objective "to assess whether the Postal Service is effectively managing overtime usage and determine the reason for significant increases in overtime usage" has been changed to "determine the reason(s) for increases in overtime usage in FY 2010."

[2] FederalSoup.com, dated April, 1, 2010
http://www.federalsoup.com/forum_posts.asp?TID=23324&PID=217976&title=usps-reduces-staff-and-increases-ot

Conclusion

We reviewed the Postal Service's overtime usage in FY 2010 and found it paid $2.86 billion in overtime compared to $2.44 billion in FY 2009, representing an increase of 17.2 percent, or $419.5 million[3]. We also determined that, although overtime usage increased, overall workhours were reduced by 77.3 million and costs by $1.51 billion during this period. According to management, this increase in overtime usage was due to a reduction in personnel, mail rerouting, and equipment deployment delays and updates. We found that these things contributed to increased overtime usage and that the Postal Service did not effectively plan for overtime usage as it exceeded its planned overtime hours by 67.8 percent in FY 2010.

Overtime Usage Increased

The Postal Service's overtime hours used in FY 2010 exceeded overtime hours used in FY 2009 by 14.3 percent (or 9.6 million hours) at a cost of $419.5 million. In FY 2010, 39,220 employees left the Postal Service (20,897 from the voluntary early retirement authority (VERA)[4] incentive and 18,323 through attrition) which contributed to these increases in overtime. While the reduction in personnel was an intended outcome of the VERA, Postal Service officials stated there were places that had more attrition than workload decreases and other places where there was not enough attrition to account for the decreased workload. They also stated that because Article 12 requires the Postal Service to provide up to 180 days notice, whenever possible, before moving employees, they could not match workforce to workload at the onset of the VERA.

In addition, we found that management used overtime to offset the increased workload at network distribution centers (NDC) that resulted from the national network conversion of bulk mail centers to NDCs.[5] We also found that the Flats Sequencing System[6] (FSS) deployment delays also contributed to overtime usage. See Appendix B for our detailed analysis of this topic.

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[3] Data obtained from Enterprise Data Warehouse (EDW) Labor Utilization Report and EDW Overtime Workhours Detail Report.

[4] VERA allows agencies that are undergoing substantial restructuring, reshaping, right-sizing, transfer of function or reorganization to temporarily lower age and service requirements in order to increase the number of employees eligible for retirement.

[5] According to the *NDC Communications Plan*, dated May 2009, existing bulk mail centers will be realigned into three tiers of NDCs. Tier 3 sites will be the gateway sites for consolidating mail.

[6] One daily activity of Postal Service letter carriers is to manually sort flat mail into delivery sequence order. Examples of flat mail include magazines, large envelopes, newspapers, and catalogs. The Postal Service uses high-speed automated equipment to perform this function for letter mail, but carriers currently handle the flat mailpieces manually. To improve this process, the Postal Service is developing the FSS.

Planning

Although the Postal Service had a number of issues contributing to its increase use of overtime, we found that management did not effectively plan for overtime usage.

Specifically, the Postal Service exceeded overtime costs by $1.15 billion in FY 2010. Chart 1 shows that the Postal Service used less than its planned overtime hours by 14.3 percent in FY 2009; however it exceeded its planned overtime hours by 67.8 percent in FY 2010, with the Western Area having the greatest variance (104.9 percent)[7]. This occurred because management did not account for the reduction in personnel, the impact of mail rerouting or equipment deployment delays when developing their FY 2010 plan; nor did they make the necessary adjustments as significant changes occurred. As a result, the budget was not accurate and the anticipated cost savings and efficiencies the Postal Service expected to realize from VERA and other potential cost savings initiatives may not have been fully realized. In addition, at a time when the Postal Service is experiencing record losses, accurate budget planning is important to ensure effective management of its resources. See Appendix B for our detailed analysis of this topic.

Chart 1: Actual and Planned Overtime Hours by Area

Area	FY 2010			FY 2009		
	Actual	Planned	Percentage in Excess of Plan	Actual	Planned	Percentage in Excess of Plan
Northeast	12,261,730	6,844,405	79.1%	10,447,850	10,298,022	-17.4%
Eastern	10,575,005	6,303,294	67.8	8,805,133	11,189,431	-20.1
Western	12,248,823	5,977,493	104.9	9,925,738	11,877,355	-23.4
Pacific	6,647,009	5,293,719	25.6	6,067,733	7,533,214	-9.5
Southwest	7,563,838	4,292,503	76.2	6,541,255	5,247,938	-15.6
Southeast	8,996,004	5,680,758	58.4	8,506,694	9,643,524	-5.8
Great Lakes	10,389,534	5,776,781	79.8	9,764,503	10,205,093	-6.4
Capital Metro	7,179,835	4,952,882	45.0	6,259,923	6,681,777	-14.7
Other	259,965	249,505	4.2	261,426	522,779	0.6
Total	**76,121,743**	**45,371,340**	**67.8%**	**66,580,255**	**73,199,133**	**-14.3%**

We recommend the vice president, Delivery and Post Office Operations, and the vice president, Network Operations:

1. Develop and implement a plan to attain alignment between current workload and workforce levels, by location, to ensure effective and efficient use of Postal Service resources.

2. Ensure significant changes impacting operations and resources are accounted for in the budget plan.

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[7] Data obtained from eFlash.

Management's Comments

Management agreed with the recommendations, stating with regard to recommendation 1, that Headquarters Operations currently identifies opportunities to align workload and workforce levels by location to ensure effective and efficient use of Postal Service resources. Management stated they will continue to manage this alignment through constant use and monitoring of their Breakthrough Productivity Initiatives, strategy development, and oversight attainment. In addition, they will communicate their findings to area-level management, and closely administer the variance programs for each operation. In February 2011, they began holding monthly[8] discussions with each area vice president and manager, Operations Support, on productivity, workhour, and overtime performance in the form of business reviews. Management stated in subsequent communications that part of their process includes weekly tracking of the progress toward each strategy by area; and Operations provides "recovery plans" to the areas showing the levels of workhour and overtime usage that must be adhered to for the remainder of the year in order to achieve the fiscal plan if slippage has occurred. Finally, management indicated they will develop a budget plan, that addresses the alignment issues identified in the report. They expect to complete this plan by the end of the summer 2011.

Regarding recommendation 2, management stated when they make significant changes that impact operations and resources, they will communicate those changes in writing,[9] to Headquarters Finance. Currently, when slippage occurs in planned workhours, overtime hours, performance to national strategies, and/or service performance, each Headquarters Operations department supplies the field with reports and graphs. These illustrate the level of performance necessary for the field to attain planned goals for the remainder of the fiscal year in order to adhere to the original plan. Management stated its efforts to implement our recommendations are ongoing. See Appendix C for management's comments.
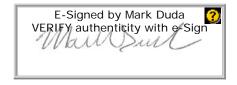
Evaluation of Management's Comments

Management agreed with the findings and recommendations, and their corrective actions planned should address the issues identified in the report.
The OIG considers all recommendation significant, and therefore requires OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. These 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.

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[8] Management stated in subsequent communication with the OIG (email dated March 30, 2011) that these reviews are conducted monthly.
[9] Management stated in subsequent communication that they would communicate changes to Finance in writing.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Andrea Deadwyler, director, Human Resources and Security, or me at 703-248-2100.

E-Signed by Mark Duda
VERIFY authenticity with e-Sign

Mark W. Duda
Deputy Assistant Inspector General
 for Operations

Attachments

cc: Frank Neri
     Jim Herrmann
     Corporate Audit and Response Management

APPENDIX A: ADDITIONAL INFORMATION

BACKGROUND

The principal objectives of Postal Service compensation policies are to provide compensation for Postal Service work that is comparable to compensation paid for comparable levels of work in the private sector of the U.S.

Postal Service overtime is a premium eligible employees receive for work performed after 8 paid hours in any 1-service day or 40 paid hours in any 1-service week. The overtime rate is one and one-half times the basic hourly rate. The Fair Labor Standards Act (FLSA) also requires payment of overtime wages to employees who work in excess of 40 hours in an FLSA work week.

The Postal Service has designed its payroll system with the controls necessary to ensure that it pays all employees properly and in compliance with FLSA requirements. There are two different time card reporting procedures which are followed based on the type of overtime to be paid to the employee – overtime for time actually worked and overtime guaranteed for time not worked. It is the supervisor's responsibility to review time cards and either approve or disapprove the overtime.

The Postal Service faces a number of challenges, which are compounded by the current economic environment. This includes a continuing decline in mail volume combined with a growing number of delivery addresses. From 2006 to 2010, mail volume declined 19.7 percent, from 213 billion pieces to 171 billion pieces, while, on average, 1.4 million new addresses have been added every year.

OBJECTIVE, SCOPE, AND METHODOLOGY

Our objective was to determine the reasons for increases in Postal Service overtime usage in FY 2010.

To accomplish our objective, we analyzed Postal Service regular workhours and overtime hours used for FY 2008 through FY 2010. We also calculated Postal Service regular workhour costs and overtime usage costs for FY 2008 through FY 2010.

To discuss increased overtime in FY 2010 and how the Postal Service tracks and monitors it we interviewed:

- Northeast and Capital Metro area vice presidents.

- Great Lakes, Western, Northeast, and Capital Metro area finance managers.

- Chicago and Southern New England district managers.

- Hawkeye and Northern New England district senior plant managers.

- Hawkeye, Northern New England, Southern New England, and Chicago district finance managers.

- Washington, DC, and Waldorf, MD postmasters.

- The Carol Stream, IL officer-in-charge.

We judgmentally selected the Western and Northeast areas for review because these areas used the most overtime in FY 2010. We selected the Great Lakes Area because it had a lower increase in overtime usage. We also wanted to determine how Great Lakes officials managed overtime.

We selected the Capital Metro Area because of the numerous hotline complaints pertaining to overtime usage which resulted in a referral we made to OIG's Office of Investigation during the audit.

We also interviewed headquarters personnel who assist area offices in forecasting fiscal year overtime budgets to learn about the budget process and timelines.

We reviewed the *Employee Labor Relations Manual* for any relevant information on the Postal Service's responsibilities related to overtime. In addition, we reviewed contracts between the Postal Service and the four major unions for overtime process.

We conducted this performance audit from April 2010 through February 2011 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 conclusion based on our audit objective. We discussed our observations and conclusions with management officials on January 31, 2011, and included their comments where appropriate.

To perform this audit we relied on computer-generated data from eFlash and EDW. We assessed the reliability of eFlash and EDW data by reviewing existing documentation related to the data sources for FY 2010 and performed reasonableness checks of data extracted from eFlash and EDW. Additionally, we corresponded with a Postal Service official knowledgeable about eFlash data. Based on our tests of the computer-generated data from these systems, we determined that the data were sufficiently reliable for the purposes of this report.
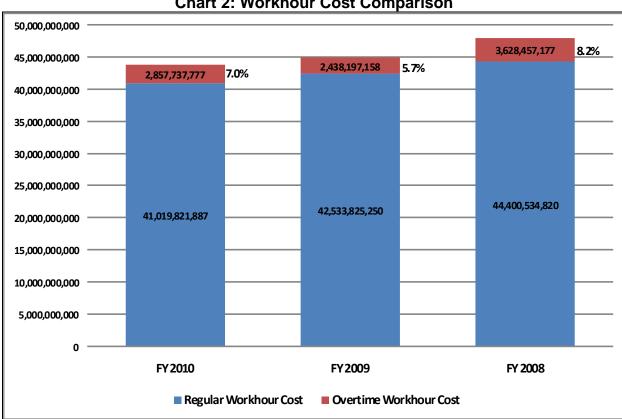
PRIOR AUDIT COVERAGE

Report Title	Report Number	Final Report Date	Monetary Impact	Report Results
Function 4 Overtime Workhours	MS-AR-10-002	4/26/2010	$79.6 million	The report stated that management should strengthen time and attendance procedures to reduce Function 4 unauthorized overtime costs. Some Function 4 employees clocked in before and clocked out after their assigned workhours, resulting in 1.2 million and 965,000 unauthorized overtime workhours for FYs 2008 and 2009, respectively. In addition, the report stated that preventing employees from clocking in before and clocking out after their assigned workhours is more cost-efficient than detecting unauthorized workhours after they occur. Management disagreed with the finding and recommendation to implement an automated solution to prevent employees from clocking in before and clocking out after their schedules without approval.

APPENDIX B: DETAILED ANALYSIS

Overtime Usage Increased

The Postal Service's overtime costs in FY 2010 were $2.86 billion compared to $2.44 billion in FY 2009. Total overtime hours increased by 14.3 percent (or 9.6 million hours) at a cost of $419.5 million. In addition, the Postal Service exceeded its planned overtime costs for FY 2010 by $1.15 billion. Overtime workhour costs accounted for approximately 7.0 percent, 5.7 percent, and 8.2 percent of total workhour costs in FY 2010, 2009, and 2008, respectively (see Chart 2)[10]. In addition, overtime workhours occurred in various functions including mail processing, city carriers, and customer service. Out of the 76,119,321 total overtime workhours, mail processing used 16,554,669; city carriers used 42,150,277; customer service used 11,487,753; and other functions used 5,926,622 (see Chart 3[11] on page 8).

Management stated increased overtime usage in FY 2010 was due to a reduction in personnel, mail rerouting, and equipment deployment delays and updates.

Chart 2: Workhour Cost Comparison

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[10] Chart 2 illustrates data obtained from the EDW National Workhour Report and EDW Overtime Workhours Detail Report.
[11] Chart 3 illustrates data obtained from eFlash.

Chart 3: FY 2010 and FY 2009 Major Function Overtime Usage

Function Title	FY 2010 Total Overtime Hours	Percentage of FY 2010	FY 2009 Total Overtime Hours	Percentage of FY 2009	FY 2010 versus FY 2009 Percentage Change
Mail Processing	16,554,669	21.7%	11,651,387	17.5%	42.1%
City Carriers	42,150,277	55.4%	39,933,386	60.0%	5.6%
Customer Service	11,487,753	15.1%	9,900,152	14.9%	16.0%
Others	5,929,044	7.8%	5,095,330	7.7%	16.4%
Total	76,121,743	100.0%	66,580,255	100.0%	14.3%

Reduction in Personnel

According to Postal Service officials, 20,897 employees took advantage of the VERA incentive. Of these, 18,028 were clerk craft and 2,869 were mail handler craft within the mail processing and customer service functions. From FY 2009 to FY 2010, the Postal Service experienced the most significant increases in overtime in mail processing consistent with the largest reduction in personnel as a result of the VERA.[12] While city carriers accounted for the largest number of overtime hours, their overtime usage did not increase as significantly as the other functions from FY 2009 to FY 2010.

The Postal Service estimates the net savings from the VERA could be as much as $650 million[13] from FY 2010 through FY 2012; however, because the workload and workforce were not aligned, there is an increased risk the Postal Service may not fully realize anticipated savings.

A Postal Service official at the Capital Metro area stated that the area had about 3,286 fewer employees than they had last year. This included approximately 1,717 employees who opted for the VERA (see Chart 4). Of those employees who left through attrition or opted for the VERA, 1,556 were clerks; 359 were mail handlers; and 810 were carriers. The remaining 561 employees were primarily in the maintenance craft or were Executive and Administrative Schedule (EAS) supervisory employees. The official stated that reduction in personnel caused overtime increases in the area. The Capital Metro Area accounted for 9.6 percent of increased overtime usage from FY 2009 through FY 2010; it also accounted for 9.4 percent of the Postal Service's total overtime in FY 2010.

A Postal Service official in the Great Lakes Area stated that they lost 2,770 employees as a result o the VERA (see Chart 4). In addition, retirement and attrition were higher than expected. The area lost another 3,112 employees through attrition in FY 2010. The employees, who left through attrition or opted for the VERA, consisted of 2,939 clerks; 933 mail handlers; 933 carriers; and 1,077 maintenance, casual, and other non-bargaining positions. As a result, certain locations had too many employees and not enough work while others had too much work for the number of employees they had available.

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[12] Postal Service officials also stated they lost another 18,323 employees through attrition in FY 2010. During this period, the Postal Service was in a hiring freeze and did not hire career employees.
[13] VERA savings equals $650 million estimated as follows: $250 million in FY 2010, $300 million in FY 2011, and $100 million in FY 2012.

Mail Rerouting

We found that the national network conversion of all bulk mail centers to NDCs resulted in a significant workload increase for the Des Moines NDC. The Postal Service started the NDC Tier 3 process[14] with the Pittsburgh NDC. According to Postal Service officials, the NDC process in Pittsburgh went so well that management accelerated the NDC schedule, which included the Des Moines NDC. A large amount of mail was redirected from other Postal Service facilities to this facility in a short timeframe. Prior to the NDC conversion in Des Moines, the mail handler complement was 161 and the clerk complement was 94. As of December 1, 2010, the Des Moines NDC had 282 mail handlers and 127 clerks. The target mail handler complement of 326 and the clerk complement of 142 have still not been satisfied. Employees needed to process the additional mail were not in place at the beginning of FY 2010, resulting in high overtime rates in the district. Overtime increases at the Des Moines NDC represented 64.4 percent of the Hawkeye District's total overtime increases in FY 2010.

Equipment Deployment Delays and Updates

According to Postal Service officials, the FSS deployment delays attributed to overtime usage. Since FSS deployments were delayed, workhour savings were not realized in FY 2010, therefore, some areas had to use overtime for those planned workhours. Postal Service management originally planned 3,232,450 clerk, mail handler, and mail carrier workhours savings in FY 2010. However, Postal Service management redistributed 798,292 FSS workhours back to field budgets based on the deployment delays. Since FSS machines were not deployed on schedule, city and rural carriers in the Northeast area had additional work. In addition, management did not fill Northeast Area rural carrier vacancies, resulting in additional overtime. Northeast Area management stated city and rural carrier workloads were impacted because carriers spent more time sorting mail than on the street delivering mail.

A Postal Service official in the Northern New England District stated that the Southern Maine Processing and Distribution Center had operational changes resulting in higher overtime usage. He stated that this facility lost their Automated Package Processing System[15] (APPS). Management replaced the APPS machine with two Small Parcel Bundle Sorters, which were not nearly as efficient as the removed APPS.

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[14] Tier 3 NDC locations include Pittsburgh, PA; Des Moines, IA; Denver, CO; and Memphis, TN.
[15] The APPS is an automated parcel and bundle sorting system, which combines state-of-the-art sorting technology with proven mechanical subsystems.
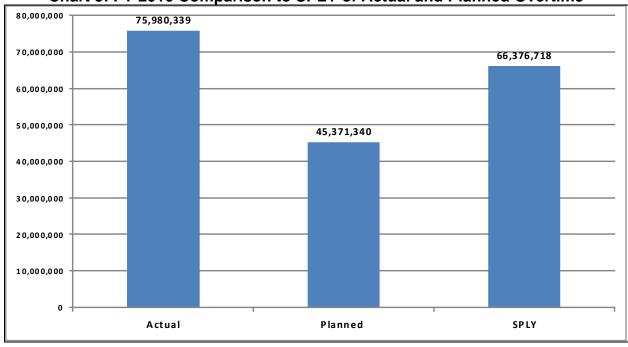
Chart 4: FY 2010 Overtime Increases, VERA, NDC, and FSS Comparison

Area	Overtime Increases (Hours)	VERA Participants	NDC Tier Sites	FSS Machine Deployment Delays
Western	2,323,085	3,019	5	0
Northeast	1,813,880	3,522	2	9
Eastern	1,769,872	2,887	4	0
Southwest	1,022,583	2,236	2	0
Capital Metro	919,912	1,717	3	2
Great Lakes	625,031	2,770	3	0
Pacific	579,276	2,272	2	0
Southeast	489,310	2,433	0	5
Other	-1,461	41	0	0
Total	**9,541,488**	**20,897**	**21**	**16**

Planning

The Postal Service exceeded its budgeted overtime hours by 67.5 percent in FY 2010 (see Chart 5).[16]

Chart 5: FY 2010 Comparison to SPLY of Actual and Planned Overtime

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[16] Chart 5 illustrates data obtained from the EDW Overtime Workhours Detail Report and EDW Overtime Workhours Detail Report.

This occurred because management did not account for or make adjustments based on the reduction in personnel, equipment deployment delays or the impact of mail rerouting in the development of their FY 2010 plan. As a result, the budget for overtime and workhours was not accurate and the Postal Service may not have fully realized the anticipated cost savings resulting from the VERA and other operational efficiencies.

Postal Service officials stated that they developed the FY 2010 plan during April and May 2009 and the VERA was not announced until August 2009.[17] Management did not adjust the plan based on anticipated personnel reductions associated with the VERA and, as a result, they did not budget for the additional overtime required to offset those reductions and maintain operations.

With regard to mail rerouting, management stated they expedited their plans for rerouting the mail for the NDC conversion and redirected a large volume of mail to Pittsburgh, PA; Des Moines, IA; Denver, CO; and Memphis, TN facilities in a short period of time and used overtime to keep processing that mail. The Postal Service phased in NDCs from August through November 2009. Postal Service officials stated that the FY 2010 plan was approved in July 2009 but the NDC implementation did not start until August 2009. Management did not adjust the plan.

Lastly, management stated the FY 2010 budget included savings from workhour reductions they expected to achieve from the deployment of FSS; however, since deployment was delayed, the Postal Service did not realize workhour savings. Headquarters officials held meetings with field personnel regarding FSS deployment and delays and provided a schedule showing delays beginning in mid-FY 2009.

The mission of the budgeting process is to help management make informed choices about the provision of services and capital assets and to promote stakeholder participation in the process. Management should continually evaluate the program and financial performance and make adjustments that encourage progress toward achieving goals.[18]

Management had knowledge of each of these changes prior to the beginning of the FY 2010 budget period and could have made the necessary adjustments to the budget to account for the impact on operations and overtime usage.

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[17] On March 27, 2009, the Postal Service posted information about the VERA on its employee website, Liteblue. However, the Postal Service could not move forward with the VERA until the Office of Personnel Management approved it in August 2009. The Postal Service budget was approved in July 2009.

[18] Government Finance Officers Association's Best Practices in Public Budgeting" Principle III – Develop a Budget with the Approaches to Achieve Goals and Principle IV – Evaluate Performance and Make Adjustments, http://www.gfoa.org/services/nacslb/

APPENDIX C: MANAGEMENT'S COMMENTS

UNITED STATES POSTAL SERVICE

March 7, 2011

LUCINE WILLIS
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Transmittal of Draft Audit Report – Overtime Usage
(Report Number HR-AR-11-DRAFT)

Thank you for providing the opportunity to review and comment on the subject report. We agree with the recommendations.

Recommendation 1:
Develop and implement a plan to attain alignment between current workload and workforce levels, by location, to ensure effective and efficient use of Postal Service resources.

Management Response/Action Plan:

Headquarters Operations currently identifies opportunities which align workload and workforce levels at the site level to ensure effective and efficient use of Postal Service resources. We will continue to manage this alignment through constant use, monitoring, and communication to the Area level of our Breakthrough Productivity Initiatives, strategy development and oversight of attainment, and close administration of our variance programs for each operation. Our variance programs drive the use of the most economical work hour and category of employee. Processing Operations and Delivery and Post Office Operations communicates progress or slippage to these initiatives with weekly reports and bi-weekly telecoms with the Area Managers, In-Plant Support and Area Managers, Delivery Programs Support.

In addition, scheduled discussions of productivity, work hour and overtime performance are held in the form of business reviews with each Area Vice President and Manager, Operations Support. These reviews include the Chief Operating Officer and the operational Vice Presidents at Headquarters.

Target Implementation Date:

Ongoing

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<u>Responsible Officials:</u>

Elizabeth Schaefer, Manager, Delivery Operations
Greg Graves, Manager, Customer Service Operations
Frank Neri, Manager, Processing Operations

<u>Recommendation 2:</u>
Ensure significant changes impacting operations and resources are accounted for in the budget plan.

<u>Management Response/Action Plan:</u>

When significant changes that impact operations and resources occur, we agree to communicate those changes to Headquarters Finance for the opportunity to update the budget plan.

However, whenever slippage occurs in attainment of planned work hours, overtime hours, performance to national strategies, and/or service performance, each Headquarters Operations department currently supplies the field with reports and graphs. These illustrate the levels of performance which are necessary for the field to achieve for the remainder of the fiscal year in order to attain the original plan.

<u>Target Implementation Date:</u>

Ongoing

<u>Responsible Officials:</u>

Elizabeth Schaefer, Manager, Delivery Operations
Greg Graves, Manager, Customer Service Operations
Frank Neri, Manager, Processing Operations

This report and management's response do not contain information that may be exempt from disclosure under the Freedom of Information Act.

Dean J. Granholm
Vice President
Delivery and Post Operations

David E. Williams
Vice President
Network Operations

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cc: Ms. Schaefer
Mr. Neri
Ms. Grooman
Mr. Duda
Mr. Herrmann
CARM