

OFFICE OF INSPECTOR GENERAL UNITED STATES POSTAL SERVICE

# Rehabilitation Assignments for Employees Injured on Duty

# Audit Report

August 27, 2012

**Report Number HR-AR-12-004** 

August 27, 2012

Injured on Duty

Report Number HR-AR-12-004



OFFICE OF INSPECTOR GENERAL UNITED STATES POSTAL SERVICE

HIGHLIGHTS

## **BACKGROUND:**

The Federal Employees' Compensation Act (FECA) provides various benefits to civilian federal employees who sustain injuries or an occupational disease as a result of their employment. The U.S. Postal Service is the largest FECA participant compared to other federal agencies. In 2011, the Postal Service paid \$1.2 billion in workers' compensation claims. Additionally, there are about 16,497 employees with disabilities that are expected to be permanent or prolonged who are currently receiving workers' compensation benefits.

A rehabilitation assignment is provided when the effects of an employee's injury are considered permanent and/or the employee has reached maximum medical improvement. The Postal Service developed the Rehabilitation Program to fulfill its legal obligation to provide work for employees injured on duty. The program facilitates the proper placement and accommodation of employees injured on duty.

The objectives of our audit were to review Postal Service policy on rehabilitation assignments for employees injured on duty and determine whether these employees could perform certain contract work.

# WHAT THE OIG FOUND:

**Rehabilitation Assignments for Employees** 

The Postal Service has contract work that can potentially be made available as rehabilitation assignments to employees injured on duty. Specifically, we identified a contract that provides auto services, including transporting vehicles in need of repair and maintenance, to 28 vehicle maintenance facilities (VMFs) or repair garages. We found that employees who have been injured on the job and are able to return to work could perform some of this work at 10 of the 28 aforementioned VMFs. There is also the potential for other VMFs to provide similar rehabilitation assignments.

#### WHAT THE OIG RECOMMENDED:

We recommended that management establish and implement a plan (that includes staffing and training) to allocate a portion of the vehicle transport services performed at the 28 VMFs to employees injured on duty. We also recommended assessing the feasibility of providing similar rehabilitation assignments at the remaining 281 VMFs.

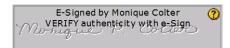
Link to review the entire report.



August 27, 2012

#### MEMORANDUM FOR: DEAN J. GRANHOLM VICE PRESIDENT, DELIVERY AND POST OFFICE OPERATIONS

DEBORAH M. GIANNONI-JACKSON VICE PRESIDENT, EMPLOYEE RESOURCE MANAGEMENT



FROM:

*for* Michael A. Magalski Deputy Assistant Inspector General for Support Operations

**SUBJECT:** Audit Report – Rehabilitation Assignments for Employees Injured on Duty (Report Number HR-AR-12-004)

This report presents the results of our audit of Rehabilitation Assignments for U.S. Postal Service Employees Injured on Duty (Project Number 11YG048HR000).

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

Attachments

cc: Megan Brennan Susan Brownell Linda DeCarlo Corporate Audit and Response Management

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#### Introduction

This report presents the results of our audit on rehabilitation assignments for employees injured on duty (Project Number 11YG048HR000). Our objectives were to review U.S. Postal Service policy on rehabilitation assignments for employees injured on duty and determine whether those employees could perform certain contract work. This self-initiated audit addresses financial and operational risk. See Appendix A for additional information about this audit.

Postal Service employees are covered by the Federal Employees' Compensation Act (FECA).<sup>1</sup> Enacted in 1916, FECA provides various benefits<sup>2</sup> to civilian federal employees who sustain injuries or an occupational disease as a result of their employment.<sup>3</sup> The Postal Service is the largest FECA participant compared to other federal agencies. For chargeback year<sup>4</sup> 2011, the Postal Service paid \$1.2 billion in workers' compensation claims and \$67 million in administrative fees.

Providing gainful employment within medically defined work restrictions is in the best interest of both employees and the Postal Service. In addition, FECA requires the Postal Service to make every effort to find adequate work within an employee's date-of-injury position,<sup>5</sup> craft, tour, and facility in accordance with their medical limitations. Management expects employees who fully or partially recover from their injuries to return to work; however, if adequate work is not available, management places them on the Office of Workers' Compensation Programs' (OWCP) periodic roll. Also included on the periodic roll are employees with disabilities that are expected to be permanent or prolonged who are receiving workers' compensation benefits. As of March 31, 2012, the Postal Service had 16,497 employees on the periodic roll.

The Postal Service developed the current Rehabilitation Program in December 1995 to fulfill its legal obligation to provide work for employees injured on duty.<sup>6</sup> The program facilitates the proper placement and accommodation of employees injured on duty. Reassignment or reemployment of these individuals must comply with applicable collective bargaining agreements.<sup>7</sup> As of March 31, 2012, the Postal Service has placed 4,233 employees with work-related disabilities in rehabilitation assignments and 1,411 rehabilitation assignments are pending review.<sup>8</sup>

<sup>&</sup>lt;sup>1</sup> 5 U.S.C. §81.

<sup>&</sup>lt;sup>2</sup> Benefits include wage replacement, medical treatment, and vocational rehabilitation.

<sup>&</sup>lt;sup>3</sup> FECA is administered by the Department of Labor's (DOL) Office of Workers' Compensation Programs (OWCP).

<sup>&</sup>lt;sup>4</sup> The chargeback year (July 1 through June 30) is the period when the DOL bills agencies for workers' compensation benefit claims.

 $<sup>\</sup>frac{5}{2}$  The employee's position at the time the injury occurred.

<sup>&</sup>lt;sup>6</sup> 5 U.S.C. §8151.

<sup>&</sup>lt;sup>7</sup> The four major Postal Service unions are: The American Postal Workers Union (APWU), the National Association of Letter Carriers (NALC), the National Postal Mail Handlers Union (NPMHU), and the National Rural Letter Carriers' Association (NRLCA).

<sup>&</sup>lt;sup>8</sup> Pending review indicates an assignment has been identified; however, a final placement determination is made once additional steps related to compensation are addressed.

## Conclusion

The Postal Service has contract work that it can potentially make available to employees on the periodic roll as rehabilitation assignments. Specifically, the U.S. Auto Club's (USAC) Motoring Division, Inc. contract provides auto services, including shuttling<sup>9</sup> vehicles. We found that 10 of the 28 Postal Service vehicle maintenance facilities (VMFs)<sup>10</sup> which use USAC employees to transport vehicles in need of maintenance or repair could potentially provide work for employees on the periodic roll and it is possible that additional VMFs may be able to provide similar assignments. Additionally, we reviewed telecommunications and utility invoice billing services currently performed by Tangoe and EnergyUnited to determine the potential for in-sourcing some or all of those services. We found that the work performed under these two contracts was more comprehensive than the payment of invoices and required specific knowledge and skills that may not be suited for rehabilitation assignments.

## **U.S. Auto Club**

The Postal Service has a fleet of 212,758 vehicles, which are serviced at 309 VMFs for scheduled maintenance and repairs. USAC provides the necessary shuttle service to move these vehicles from their assigned locations for maintenance, repair, or transfer. However, the VMFs are not mandated to use USAC for this purpose. VMF management has the discretion to use local, independent contractors to transport vehicles if it is more cost effective. Management indicated that they outsourced the transport of vehicles because of the decline of VMF personnel who would normally perform this service.

Of the 309 VMFs, only 28 currently use USAC to shuttle vehicles. The remaining 281 VMFs use local contractors for this purpose. We surveyed the 28 VMF managers and determined that 10 can use employees currently on the periodic roll to shuttle vehicles. Specifically, these 10 managers stated that, together, they can employ 31 of these employees on a part-time basis.<sup>11</sup> This is because employees on the periodic roll can drive all the vehicles shuttled for the Postal Service at the 10 VMFs to drop-off locations rather than having USAC tow them. The remaining 18 indicated they could not accommodate such employees because they cannot guarantee them a 4-hour shift.<sup>12</sup>

<sup>&</sup>lt;sup>9</sup> Shuttling involves using a tow truck to move vehicles from one place to another.

<sup>&</sup>lt;sup>10</sup> VMFs typically serve as repair garages for Postal Service vehicles. Along with the expected repair and wash bays and associated support areas, these facilities include an administrative area, employee facilities, and fuel islands. <sup>11</sup> Vehicles have to be shuttled before or after a carrier's shift leaving only a 4-hour time frame for part-time work.

<sup>&</sup>lt;sup>12</sup> The *FECA Procedure Manual* deems a job offer suitable when 4 hours of work are provided.

As of March 31, 2012, the Postal Service had 16,497 employees on the periodic roll, either awaiting rehabilitation assignments or not yet able to return to work.<sup>13</sup> Driving vehicles to various locations for the VMFs could provide gainful employment for some of these employees. Postal Service officials agreed that some of the employees on the periodic roll may be able to perform the work in question; however, they will have to make these decisions on a case-by-case basis since they have to match the work assignment with the employees' limitations and vocational abilities. The employees would also have to pass the Postal Service's Safe Driver Program.<sup>14</sup> Further, the Postal Service is required to make every effort to find adequate work within an employee's date-of-injury position, craft, tour, and facility.<sup>15</sup>

Opportunities to provide rehabilitation assignments to additional employees currently on the periodic roll may also exist at the 281 VMFs currently using local contractors for shuttling services. In-sourcing at least a portion of the shuttle services at these facilities could help the Postal Service comply with its legal responsibilities under FECA and would result in reduced contract costs.<sup>16</sup> In FY 2011, the Postal Service spent \$3.5 million for vehicle shuttle services for the 10 VMFs cited in this report.<sup>17</sup>

#### Tangoe and EnergyUnited

We reviewed the Tangoe and EnergyUnited contracts, which provide consolidated telecommunication and energy billing services, respectively. The services include ordering, billing, auditing, rate analysis, and reporting. We determined that the work performed by these contractors requires skills and a knowledge base not readily available within the current Postal Service workforce. See Appendix B for additional information about the Tangoe and EnergyUnited contracts.

#### **Recommendations**

We recommend the vice president, Delivery and Post Office Operations, in coordination with the vice president, Employee Resource Management:

1. Establish and implement a plan to allocate a portion of the vehicle shuttle services work performed at the 28 vehicle maintenance facilities included in our audit for employees on the periodic roll.

<sup>&</sup>lt;sup>13</sup> Management stated they could not provide the number of employees on the periodic roll who are able to return to work because of the strict requirements regarding the placement of injured employees on rehabilitation assignments; however, they indicated 2,479 of the 16,497 employees have been deemed totally non-employable.

<sup>&</sup>lt;sup>14</sup> This program includes vehicle training courses along with a check for a safe driving record and a valid license. <sup>15</sup> Guidelines for Assignment of Limited Duty and Rehabilitation Employees; July 1, 2011.

<sup>&</sup>lt;sup>16</sup> We could not determine the savings related to the use of employees on the periodic roll because necessary information, such as the number of vehicles shuttled and number of contract employees used, is not maintained in the Vehicle Management Accounting System (VMAS).
<sup>17</sup> According to Postal Service management at headquarters, Human Resources management is responsible for

<sup>&</sup>lt;sup>17</sup> According to Postal Service management at headquarters, Human Resources management is responsible for identifying individuals on the periodic roll who are capable of performing assignments in Operations (in this case, at the VMFs); while managers in Operations are responsible for making job offers to these employees once they have been identified.

2. Assess the feasibility of allocating a portion of the shuttle services at the remaining 281 vehicle maintenance facilities to rehabilitation assignments.

We recommend the vice president, Employee Resource Management:

3. Establish a training plan for employees on the periodic roll who receive and accept an offer to perform vehicle shuttle service work.

## **Management's Comments**

Management agreed with recommendations 1 and 2 and stated that, while identification of rehabilitation employees able to perform shuttle service work is a local issue, the recommendations are an opportunity for all Delivery Operations staff to assist the Postal Service in reducing OWCP costs and future liabilities. As such, management stated they will issue a memorandum to all district and area managers directing the local human resources group to consult with VMF management in their process of evaluating proper placement of injured employees. Management also stated this will be a joint effort to assess the feasibility of using rehabilitation employees to shuttle vehicles. Management expects to implement corrective actions for recommendations 1 and 2 by September 30, 2012.

Management disagreed with recommendation 3, stating the Postal Service already has extensive training programs required for all employees who operate postal vehicles. Furthermore, any employee offered a modified duty assignment involving shuttle service work would have to meet the qualification standards before the offer is extended. See Appendix C for management's comments in their entirety.

#### **Evaluation of Management's Comments**

The U.S. Postal Service Office of Inspector General (OIG) considers management's comments responsive to recommendations 1 and 2 and corrective actions should resolve the issues identified in the report.

We consider management's comments regarding recommendation 3 non-responsive. Management stated their reason for disagreeing with the recommendation is that they already have an extensive training program for employees operating postal vehicles, and any employee assigned to the shuttle service work would have to meet the qualification standards before a modified assignment is extended. We acknowledged in the report the existence of the Safe Driver Program and the need for individuals operating postal vehicles to successfully complete the program. We also understand that employees assigned to shuttle work must meet the required qualification standards. However, the intent of the recommendation was for management to establish a plan to train individuals on the periodic roll who are physically able to perform shuttle service work. This would increase the pool of employees available for shuttle work assignments, thereby, reducing the number of employees on the periodic roll and

# Rehabilitation Assignments for Employees Injured on Duty

resulting in cost savings for the Postal Service. The increasing costs associated with the Postal Service's worker's compensation program and its future liability make it imperative that management explore all avenues for returning injured employees to work. We view the disagreement on this recommendation as unresolved and plan to pursue it through the formal audit resolution process.

The OIG considers recommendations 1 through 3 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.

## Appendix A: Additional Information

#### Background

A rehabilitation assignment is provided when the effects of an employee's injury are considered permanent and/or the employee has reached maximum medical improvement. Employees in permanent rehabilitation positions have the same rights to pursue promotional and advancement opportunities as other employees and they can work outside of their craft and/or facility. All rehabilitation assignments are reviewed to determine whether the employee is properly placed in a duty assignment. Additionally, the identification of these assignments is made in conjunction with local Health and Human Resource managers and the District Reasonable Accommodation Committee. Management also holds interactive meetings with injured employees to discuss available work assignments.

Management expects employees who fully or partially recover from their injuries to return to work and, if it appears the disability will continue for at least 60 days, the Department of Labor's OWCP may place them on the periodic roll. Where either prolonged or permanent disability is expected, compensation for wage loss is paid via the OWCP. The OWCP informs employees that benefits for total disability are payable only while they are unable to perform their regular duties at work. The average number of Postal Service employees on the periodic roll increased from about 12,000 in FY 2007 to about 16,000 in FY 2011, as depicted in Figure 1.

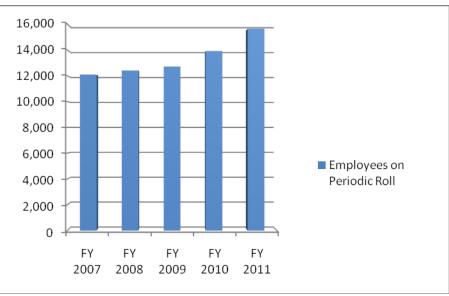


Figure 1: Average Number of Employees on the Periodic Roll, FYs 2007–2011

Source: Injury Compensation Performance Analysis System.

## Objectives, Scope, and Methodology

Our objectives were to review Postal Service policy on rehabilitation assignments for employees injured on duty and determine whether those employees could perform certain contract work. Our scope was Postal Service employees injured on duty and on the OWCP periodic roll as of March 31, 2012; and work that falls under the USAC, Tangoe, and EnergyUnited contracts.

To accomplish our objectives, we reviewed Postal Service policies<sup>18</sup> covering reassignment or reemployment of employees injured on duty. We interviewed Postal Service Supply Management officials and OIG Supply Management personnel to identify contract work that could potentially provide rehabilitation assignments for employees on the periodic roll.

Additionally, we reviewed 190 categories of contracted services and judgmentally selected six service areas involving work that could potentially be in-sourced and performed by employees on the periodic roll. We then reviewed these six areas with Postal Service Supply Management officials and determined that only the Tangoe and USAC contracts provided potential for in-sourcing opportunities and rehabilitation assignments. We subsequently identified and included the EnergyUnited contract.

#### U.S. Auto Club

The USAC contract was initiated in 2005 and involves shuttling vehicles weighing less than 1 ton, such as jeeps, long-life vehicles (LLVs),<sup>19</sup> and mini-vans. The contractor uses tow trucks to shuttle multiple vehicles from their assigned location to the servicing VMF for maintenance, repair, or transfer. The shuttle service schedules both short- and long-distance vehicle movement based on vehicle maintenance schedules and vehicle availability. Generally, vehicles are dropped off and picked up prior to postal carriers going out on their delivery routes, or after they return from their routes at the end of the day.

We obtained and reviewed the USAC contract and interviewed the contract officer representative (COR) and contract manager to discuss the contract and determine the skills and/or requirements needed to perform shuttle service work and the reason the work was outsourced.

We reviewed Vehicle Maintenance Bulletin VMB-01-12, *Vehicle Maintenance Repair Agreement for Shuttling Service*, to identify the procedures for payment and reconciliation of USAC invoices. We also reviewed Postal Service policy<sup>20</sup>

open interior for carrying mail with a cargo capacity of 1,000 pounds and 108 cubic feet of space.

 <sup>&</sup>lt;sup>18</sup> Employee and Labor Relations Manual, Issue 30, Section 546, December, 2011; Handbook EL-505, Injury Compensation, Rehabilitation Program, December 1995; and APWU Agreement - 2010 through 2015 (Chapter 13).
 <sup>19</sup> LLVs are right-hand drive vehicles used for curbline delivery of mail directly to mail boxes. These vehicles have an

<sup>&</sup>lt;sup>2d</sup> Handbook PO-701, *Fleet Management.* 

and spoke with Postal Service officials to gain an understanding of oversight regarding VMAS.

We obtained supplier payment history data from the Accounts Payable Excellence System and the Enterprise Data Warehouse to determine contract costs and what the savings would be if employees on the periodic roll performed shuttle work. We found, however, that shuttle service costs are not isolated in these systems. After consultation with Postal Service officials, we were able to obtain shuttle service costs from the VMAS for analysis. We could not make a determination on the savings related to the use of employees on the periodic roll because necessary information, such as the number of vehicles shuttled and number of contract employees used, is not maintained in these systems for analysis.

We surveyed the 28 VMF managers who use the USAC contract to obtain:

- A general understanding of shuttle service work.
- The percentage of drivable shuttled vehicles.
- The portion of work that could be potentially performed by employees on the periodic roll.
- The number of positions that could be identified as rehabilitation assignments for these employees.

Based on the survey, we determined the percentage of drivable vehicles. Additionally, we determined the portion of work available by identifying the number of vehicles that employees on the periodic roll could drive. We then divided that number by the total number of shuttled vehicles for FY 2011.

We interviewed the director of Safety and Health to determine the training needed to perform USAC shuttle service work and the number of employees on the periodic roll.

#### Tangoe and EnergyUnited

The Postal Service awarded a contract to Tangoe on August 30, 2006, for telecommunication expense management services, which provide the Postal Service with centralized ordering, billing, reporting, and bill auditing. The Postal Service paid \$14.5 million in contract costs from FYs 2007 through 2011 (the average annual contract cost is about \$3 million).

The Postal Service awarded a contract to EnergyUnited on August 10, 2007, for utility expense management services, with an annual cost of about \$40 million. In addition to overall utility management and rate optimization services, the contract required the development and maintenance of the Utility Management System, which handles consumption data for electricity, natural gas, and fuel oil bill management.

# Rehabilitation Assignments for Employees Injured on Duty

We obtained and reviewed the Tangoe and EnergyUnited contracts to determine whether employees on the periodic roll could potentially perform the work. We met with the COR and contract manager for both contracts to obtain an understanding of the contracts and determine the payment history and why the work was outsourced. Additionally, we interviewed San Mateo Accounting Service Center officials to determine the skill requirements needed to perform invoice billing activities and searched the Postal Service's intranet to identify the occupational codes and the job requirements for performing this type of work.

We visited the Tangoe office to observe invoice billing activities and to determine the skills and physical requirements necessary to process and pay invoices. We also met with Postal Service Energy Initiative managers to determine why and how the EnergyUnited contract was implemented. We reviewed the Energy Policy Act of 2005 and the Energy Independence and Security Act of 2007 to identify the energy reduction goals established for federal agencies and how the acts relate to the use of EnergyUnited.

We conducted this performance audit from September 2011 through August 2012, 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. We discussed our observations and conclusions with management on July 18, 2012, and included their comments where appropriate.

#### **Prior Audit Coverage**

The OIG report titled *U.S. Postal Service's Use of Employees in Rehabilitation Status* (Report Number HR-AR-10-002, dated May 27, 2010) concluded that the Postal Service has spent, on average, \$71 million per year contracting out call center work that employees in rehabilitation status could perform. In addition, the Postal Service could realize cost savings of about \$349 million over 10 years if they in-sourced contract call center work using Postal Service employees in rehabilitation status. The report recommended the president, Mailing and Shipping Services, require Postal Service officials at Customer Contract Solutions to establish a plan to in-source all call center work, including a staffing and training plan. The report also recommended the vice president, Labor Relations, expedite negotiations and finalize an agreement with the APWU that addresses staffing for in-sourced call center work. Management agreed with both recommendations, stating that they would develop a full plan to in-source call center work, including detailed cost estimates and a timeline of activities.

## **Appendix B: Detailed Information**

#### Tangoe

The Postal Service identified a need to centralize the management of its voice services<sup>21</sup> to increase the identification of savings opportunities and ensure that review and payment of vendor invoices at the districts is done in a cost-effective manner. According to Postal Service officials, they did not have employees with the specific knowledge and skills to consolidate and effectively manage voice services, which include ordering, billing, auditing, and reporting. The required skill set includes knowledge of accounting or related experience and the ability to pass Postal Service accounting exams that are a prerequisite for accounting positions. Services provided by Tangoe include, but are not limited to, the monthly processing and payment of 4,500 invoices, resolution of all invoice disputes, auditing of invoices to ensure carrier compliance with contract terms, and development of reports on usage patterns of end users. Because of the skills required to perform these services, Postal Service officials indicated they did not think this work would be appropriate for a rehabilitation assignment. Our on-site observation of work performed by Tangoe and interviews with various company officials confirmed management's position.

#### EnergyUnited

Prior to August 2007, the Postal Service was unable to capture detailed systematic consumption data because the process for paying utility invoices for more than 37,000 locations was decentralized. Specifically, each local facility had a contract specialist responsible for paying the energy and utility invoices. Through a subsequent downsizing of the organization, these positions were eliminated.

The Postal Service then decided to outsource the work to:

- Address the need to centralize billing services into one repository to ensure proper measurement and management of energy consumption.
- Reduce costs and facilitate compliance with the Energy Policy Act of 2005.<sup>22</sup>
- Address the shortage of resources and expertise available within the Postal Service necessary to process 14,000 monthly invoices and perform tax recoupment and rate optimization.

The EnergyUnited contract awarded on August 10, 2007, includes overall utility management, bill payment and auditing, facility energy management, rate analysis and

<sup>&</sup>lt;sup>21</sup> Voice services include local voice dial tone and mobile devices and services.

<sup>&</sup>lt;sup>22</sup> Section 102(a)(1) of the act requires all federal agencies, including the Postal Service, to reduce their energy consumption by 20 percent by 2015.

optimization, and procurement in competitive markets. Postal Service officials indicated this work would not be a proper rehabilitation assignment for employees on the periodic roll because of the technical knowledge and understanding required to analyze any exceptions or variances with the utility invoices and perform reporting functions. They added that the work performed by EnergyUnited goes well beyond transactional work and would require research, analysis, and decision-making that go beyond what is generally required of a craft employee.<sup>23</sup> Our fieldwork confirmed management's position.

<sup>&</sup>lt;sup>23</sup> Craft employees are individuals organized along craft lines based on the nature of their work and most are represented by one of four unions — APWU, NALC, NRLCA, or NPMHU.

#### **Appendix C: Management's Comments**



August 15, 2012

Lucine M. Willis Director, Audit Operations 1735 North Lynn Street Arlington, VA 22209-2020

SUBJECT: Draft Audit Report – Rehabilitation Assignments for Employees Injured on Duty (Report Number HR-AR-12-DRAFT)

Thank you for the opportunity to review and comment on this subject draft audit report.

The objectives of this audit were to review U.S. Postal Service (USPS) policy on rehabilitation assignments for employees injured on duty and determine whether these employees could perform certain contract work. The OIG identified contract work that provides transporting vehicles in need of repair and maintenance to vehicle maintenance facilities (VMFs) and suggest that injured on duty employees coming back to work could perform some of this work.

While identification of these employees and evaluating their working capabilities is a local issue, this is an opportunity for all Delivery Operations staff to assist the USPS in reducing Office or Workers' Compensation Program (OWCP) costs and future liabilities.

#### **Recommendation 1**

We recommend the vice president, Delivery and Post Office Operations, in coordination with the vice president, Employee Resource Management:

 Establish and implement a plan to allocate a portion of the vehicle shuttle services work performed at the 28 vehicle maintenance facilities included in our audit, for employees on the periodic roll.

#### **Response:**

Agree. A memorandum signed by the vice presidents for Delivery and Post Office Operations and Employee Resource Management will be issued to all district and area managers, copying all VMF managers, directing the local Human Resources group to consult with VMF management in their process of evaluating proper placement of injured employees. -2-

This will be a joint effort to assess the feasibility of using rehabilitation employees to shuttle vehicles. The memorandum will be issued by September 30.

Responsible Manager: Philip F. Knoll, Jr.

Target Implementation Date: September 30, 2012

#### **Recommendation 2**

2. Assess the feasibility of allocating a portion of the shuttle services at the remaining 281 vehicle maintenance facilities to rehabilitation assignments.

#### **Response:**

Agree. Action contained in response to Recommendation 1 will cover this recommendation.

Responsible Manager: Philip F. Knoll, Jr.

Target Implementation Date: September 30, 2012

#### **Recommendation 3**

We recommend the vice president, Employee Resource Management:

Establish a training plan for employees on the periodic roll who receive and accept an offer to perform vehicle shuttle service work.

#### Response:

Disagree. The USPS already has extensive training programs required for all employees who operate postal vehicles. Any employee assigned to this task as a modified duty would have to meet the qualification standards before the offer is extended. Details regarding the Safe Driver Program can be found in EL-804.

This report as well as management's response do not contain information that may be exempt from disclosure under the Freedom of Information Act (FOIA).

Dean J. Granholm Vice President Delivery and Post Office Operations

Allo

Deborah Giannoni-Jackson Vice President Employee Resource Management

-3-

cc: Ms. Brennan Ms. Brownell Ms. DeCarlo Corporate Audit and Response Management