



Office of Inspector General | United States Postal Service

Audit Report

Highway Contract Route Irregularity Reporting - Chicago Network Distribution Center

Report Number NL-AR-18-005 | February 22, 2018



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Highlights

Objective

Our objective was to assess the effectiveness of the U.S. Postal Service's irregularity reporting process for highway contract routes (HCR) at the Chicago Network Distribution Center (NDC).

Each NDC reports HCR irregularities using the Yard Management System (YMS). The YMS automatically creates a Postal Service (PS) Form 5500, Contract Route Irregularity Report, when an irregularity occurs. A contract irregularity occurs when an HCR contractor does not satisfactorily perform a contracted service. The irregularity is either non-chargeable (the contractor is not at fault) or chargeable (the contractor is at fault).

In fiscal years (FY) 2016 and 2017, the Postal Service reported over 1.4 million irregularities nationwide (over 300,000 non-chargeable irregularities and over 1,100,000 chargeable irregularities). The Postal Service received over \$49.2 million in reimbursements nationwide for the chargeable irregularities.

This is the second and final report in our series examining HCR irregularities.

What the OIG Found

We determined the Postal Service's irregularity reporting process for the Chicago NDC was ineffective because the Chicago NDC did not submit reimbursement requests for chargeable irregularities or maintain all PS Forms 5500 for contract renewal reviews.

Chicago NDC administrative officials (AO) did not submit any reimbursement requests for the more than 22,000 YMS chargeable irregularities they reported during FYs 2016 and FY 2017. This occurred because HCR contract terms and conditions did not align with PS Form 5500 requirements or the August 2017 AO training guidance.

The contract only allows reimbursement for missed trips; however, PS Form 5500 identifies late operations as a chargeable offense and the AO training

identified missed trips, contractor failures resulting in the contractor being early or late, unacceptable equipment, and mechanical breakdowns as chargeable irregularities. We believe reconciling these inconsistencies should result in contractors complying with the delivery schedules.

We estimated the Postal Service, based on its contractor rates, incurred questioned costs of over \$197,000 in FY 2016, and \$691,000 in FY 2017, by not submitting the reimbursement requests for all chargeable irregularities.

We also identified 11 of 25 Chicago NDC HCR contracts costing over \$22.8 million that AOs renewed without a complete review of chargeable irregularities. The Postal Service requires a review of HCR past performance, which includes a review of PS Form 5500 prior to contract renewal. Chicago NDC AOs reviewed PS Forms 5500 at the NDC prior to contract renewal, but said they did not have the forms for trips not originating at the NDC other than those sent from AOs at facilities where irregularities occurred.

Further, the Postal Service has a one-year retention policy, which does not allow for contract renewal review of all chargeable irregularities because HCR contract terms range from two to four years. We will not be making a recommendation about the retention policy because our previous report still has an open recommendation that covers this finding.

What the OIG Recommended

We recommended management:

- Reconcile the differences between the Transportation and Contract Delivery Service Terms and Conditions and PS Form 5500 and the 2017 AO training requirements for chargeable irregularities and the inconsistency of what a contractor can charge the Postal Service compared to what the Postal Service can charge the contractor.
- Ensure Postal Service Forms 5500 are forwarded to AOs managing the HCR in a specified timeframe when irregularities occur.

Transmittal Letter



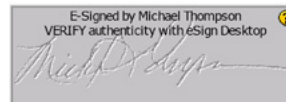
OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

February 22, 2018

MEMORANDUM FOR: SUSAN M. BROWNELL
VICE PRESIDENT, SUPPLY MANAGEMENT

ROBERT CINTRON
VICE PRESIDENT, NETWORK OPERATIONS

ERICA BRIX
ACTING VICE PRESIDENT, GREAT LAKES AREA



FROM: Michael L. Thompson
Deputy Assistant Inspector General
for Mission Operations

SUBJECT: Audit Report – Highway Contract Route Irregularity Reporting
– Chicago Network Distribution Center
(Report Number NL-AR-18-005)

This report presents the results of our audit of Highway Contract Route Irregularity Reporting – Chicago Network Distribution Center (Project Number 17XG023NL000).

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

Attachment

cc: Postmaster General
Corporate Audit Response Management
Chief Operating Officer and Executive Vice President

Results

Introduction/Objective

This report presents the results of our self-initiated audit of the irregularity reporting process for highway contract routes (HCR) at the Chicago Network Distribution Center (NDC) (Project Number 17XG023NL000). The objective of this self-initiated audit was to assess the effectiveness of the U.S. Postal Service's irregularity reporting process for HCRs at the Chicago NDC. See [Appendix A](#) for additional information about this audit.

In fiscal years (FY) 2016 and 2017, the Postal Service reported about 1.4 million irregularities nationwide (about 300,000 non-chargeable irregularities and over 1,100,000 chargeable irregularities). The Postal Service received over \$49.2 million in reimbursements for the chargeable irregularities.

We judgmentally selected the Chicago NDC for review because the reported irregularities increased by about 144 percent between FYs 2015 and 2016.¹ The Chicago NDC, located in the Great Lakes Area, reported over 11,000 irregularities in FY 2015, and over 28,000 irregularities in FY 2016.² The Jacksonville NDC, located in the Southern Area, had the highest increase during this period and it was the first NDC reviewed in our series examining HCR irregularities.³ The Dallas NDC had the second highest increase (about 156 percent) but is also located in the Southern Area, so we chose to conduct this review at the Chicago NDC to focus on a different postal area.

Background

In FY 2017, the Postal Service spent over \$3.6 billion for about 8,200 HCR contracts. The Postal Service uses these competitive fixed-price contracts to transport mail between post offices, NDCs, and other designated stops.

An HCR contract irregularity occurs when an HCR contractor does not satisfactorily perform a contracted service. The irregularity is either non-chargeable (the contractor is not at fault) or chargeable (the contractor is at fault).

Each NDC reports HCR irregularities using the Yard Management System (YMS). The YMS automatically creates a Postal Service (PS) Form 5500, Contract Route Irregularity Report, when an NDC irregularity occurs. HCR irregularities commonly include missed, late arriving, and late departing trips (see [Appendix B](#)). The YMS uses scanning to track HCR vehicles entering the facility yard, docking at the facility, or leaving for another facility.

YMS produces a PS Form 5500 to record the type of irregularity that has occurred and the time and location of its occurrence. Once YMS produces a PS Form 5500, NDC administrative officials (AO) are responsible for determining if the irregularity is non-chargeable or chargeable. The AO is also responsible for taking corrective actions, calculating and submitting reimbursement requests, and elevating unresolved irregularities to the contracting officer. This information should be used when HCR past performance is considered during contract award decisions.

Finding # 1 Chargeable Irregularities

We found that AOs at the Chicago NDC did not submit reimbursement requests for any of the chargeable irregularities identified in FYs 2016 and 2017. This occurred because HCR contracts' Transportation and Contract Delivery Service Terms and Conditions (T&C) did not align with the PS Form 5500 requirement for chargeable irregularity reimbursements or with a 2017 AO training on chargeable irregularities. As a result, the Postal Service is missing reimbursement opportunities on chargeable irregularities.

“We found that AOs at the Chicago NDC did not submit reimbursement requests for any of the chargeable irregularities identified in FYs 2016 and 2017”

¹ In September 2016, the Postal Service retired the Transportation Information Management Evaluation System (TIMES), the system used to capture irregularities from the Yard Management System (YMS), and replaced it with Surface Visibility Web (SVWeb).

² We did not include FY 2017 data in this determination because we initially thought that the data was unreliable. When we extracted HCR irregularity data for FY 2017, Quarters 1 through 3, we found about 4.8 million irregularities nationwide, or a 712 percent increase compared to total irregularities reported for FY 2016. After working with the Postal Service, it was determined that a line item was missing from our initial query. After confirming the corrected query with the Postal Service, we determined the data was reliable and took a statistical sample of FY 2017 data for review.


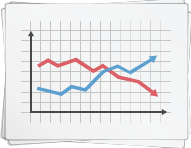





³ *Highway Contract Route Irregularity Reporting – Jacksonville Network Distribution Center*, Report Number [NL-AR-17-010](#), dated September 7, 2017.

Request for Reimbursement

We identified over 22,000 chargeable irregularities occurring at the Chicago NDC that were reported in FYs 2016 and 2017. Chicago AOs did not submit any reimbursement requests for any of these irregularities, including missed trips (see Table 1).

Table1. Chargeable Irregularities

Chargeable Irregularities not Submitted for Reimbursement

|  Fiscal Year | Type Code* 1 | Type Code 2 | Type Code 3 | Type Code 9 | No Type |  Total Chargeable Irregularity Instances |
|--|---|---|---|--|--|--|
| |  Contract Failure |  Unacceptable Equipment |  Mechanical Breakdown |  Other |  Other | |
| FY 2016 | 7,066 | 19 | 29 | 28 | 18 | 7,160 |
| FY 2017 | 15,159 | 46 | 121 | 0 | 0 | 15,326 |
| Un-submitted Reimbursement Requests | 22,225 | 65 | 150 | 28 | 18 | 22,486 |

Source: Enterprise Data Warehouse (EDW) and SVWeb.

*Type Codes 1, 2, and 3 represent the reasons the contractor arrives early or departs late. Type Code 9 and No Type Code represent an unknown reason.

Postal Service policy requires AOs to ensure that HCRs run on schedule because HCR transportation schedules are prepared to complement mail processing and delivery schedules, service standards, and the schedules of intersecting routes at the offices served.⁴ PS Form 5500 identifies late operations as a chargeable offense at the Postal Service's discretion. Additionally, Postal Service Headquarters conducted an AO training session in August 2017 that instructed

AOs to monitor contractor performance and submit requests for reimbursement for chargeable irregularities. The AO training identified chargeable irregularities that include missed trips and contractor failures that resulted in the contractor being early or late, unacceptable equipment, and mechanical breakdowns (see [Appendix B](#)).

⁴ Handbook PO-501, *Highway Contract Administration*, dated June 1981.

Contract Alignment with Policy

The T&C for HCR contracts did not align with the PS Form 5500 requirement for chargeable irregularity reimbursements or the 2017 AO training guidance. The T&C has one chargeable irregularity that allows the Postal Service to withhold HCR compensation if a particular delivery is missed.⁵ Chicago NDC management confirmed that they only submit reimbursements for a missed trip. Further, in management comments to a previous audit⁶, Supply Management stated that they did not believe the Postal Service could request reimbursement from the HCR contractor for chargeable irregularities other than missed trips.

We believe that reconciling this inconsistency should cause the contractors to comply with the delivery schedules in the Statement of Work.

Missed Reimbursement Opportunity

The Postal Service is missing reimbursement opportunities for chargeable irregularities from HCR contractors. The YMS automatically computes the number of minutes the HCR contractor was either early or late due to the irregularity. We used the rates provided to contractors for calculating reimbursement when the Postal Service is at fault to calculate the value of the over 22,000 chargeable irregularities not submitted for reimbursement. We estimated the value of the chargeable irregularities could be \$197,134 of incurred questioned costs in FY 2016, and \$691,705 in FY 2017, because AOs did not submit reimbursement requests for over 17,000 chargeable irregularities.

Recommendation #1

Vice President, Network Operations, in coordination with Vice President, Supply Management, reconcile the differences between the Transportation and Contract Delivery Service Terms and Conditions, Postal Service Form 5500, Contract Route Irregularity Report, and the 2017 training requirements for chargeable irregularities and the inconsistency between what a contractor can charge and what the Postal Service can charge.

Finding #2 Incomplete Review of Chargeable Irregularities for Highway Contract Routes

We also identified 11 of 25 Chicago NDC HCR contracts costing over \$22.8 million that the AOs renewed without a complete review of chargeable irregularities. This occurred because the AOs said they did not have PS Forms 5500 for trips not originating at the Chicago NDC other than those sent from AOs at the facilities where the irregularities occurred. Further, the Postal Service has a one-year retention policy which does not allow for contract renewal review of all chargeable irregularities because the HCR contract terms range from two to four years. As a result, HCR contracts can be renewed without a complete review of irregularity records.

Incomplete Review of Postal Service Forms 5500

We identified 11 Chicago NDC HCR contracts costing over \$22.8 million that the AOs renewed without a complete review of chargeable irregularities. Management Instruction MI SP-CS-2009-1, Conducting Highway Contract Route Surveys, dated January 15, 2009, requires a review of irregularities before contract renewals. AOs at the Chicago NDC reviewed available PS Forms 5500 prior to contract renewal; however, without all forms being available, their reviews were incomplete.

Unavailability of Postal Service Forms 5500

Chicago NDC AOs did not have all PS Forms 5500. We found the forms were unavailable for trips that did not originate at the Chicago NDC unless the originating facility forwarded the PS Form 5500. The OIG statistical sample

“We also identified 11 of 25 Chicago NDC HCR contracts costing over \$22.8 million that the AOs renewed without a complete review of chargeable irregularities.”

⁵ The T&C authorizes a contractor to request additional payments from the Postal Service when the Postal Service is responsible for a delay. In addition, it is silent on a comparable provision allowing for an adjustment to the Postal Service when the contractor is responsible for a delay. There is no adjustment for delays outside the control of either party.

⁶ Highway Contract Route Irregularity Reporting – Jacksonville Network Distribution Center, Report Number NL-AR-17-010, dated September 7, 2017.

consisted of 289⁷ irregularities reported in FYs 2016 and 2017, and NDC personnel could not locate 170 PS Forms 5500.

AOs said that they would not have PS Forms 5500 for trips that did not originate at the Chicago NDC 5500 unless AOs from the originating facilities sent them. Additionally, PS Forms 5500 are only to be retained for one year,⁸ however, the one-year retention policy does not allow for a contract renewal review of all chargeable irregularities because HCR contract terms range from two to four years. We will not be making a specific recommendation about the retention policy at this time because our prior report has an open recommendation that covers this issue.⁹

Disbursements at Risk

We determined the Postal Service is at risk of losing about \$7 million in disbursements to HCR contractors for renewing 11 contracts during FYs 2016 and 2017 based on the review of incomplete irregularity records.

Recommendation #2

Acting Vice President, Great Lakes Area, in coordination with Vice President, Network Operations, ensure Postal Service Form 5500, Contract Route Irregularity Report, are forwarded within an established timeframe to the administrative officers managing the highway contract route when irregularities occur.

Management's Comments

Management disagreed with the first finding and all of recommendation 1 and the monetary impact. Management agreed with the second finding and recommendation 2, but disagreed with disbursements at risk.

Management disagreed with finding 1 stating there is no conflict with the AO training and the policy of the T&C. Specifically, the training states a “request to deduct the supplier’s pay for omitted services” only and does not present any conflicting information.

Regarding recommendation 1, management disagreed, stating that AO training is in alignment with the T&C.

Management disagreed with the monetary impact and disbursements at risk, but did not provide the basis of this disagreement.

Regarding recommendation 2, management agreed and identified that Headquarters Surface Transportation Operations is working with the Great Lakes Area Distribution Network to improve the process of issuing, receiving, and forwarding PS Forms 5500 to the AO and the Supply Management staff. Management is also working to automate PS Form 5500. The target implementation date is September 2018.

See [Appendix C](#) for management’s comments in their entirety.

⁷ Our sample selection included a review of 208 irregularities reported in FY 2016, and 81 irregularities reported in FY 2017.

⁸ The Postal Service’s Electronic Records and Information Management System (eRIMS) identifies a one-year retention period for PS Forms 5500.

⁹ *Highway Contract Route Irregularity Reporting – Jacksonville Network Distribution Center*, Report Number [NL-AR-17-010](#), dated September 7, 2017.

Evaluation of Management's Comments

The OIG considers management's comments unresponsive to recommendation 1.

Regarding the first finding and recommendation 1, the OIG does not believe the T&C aligns with AO training guidance. The guidance does state "request to deduct the supplier's pay for omitted services", but the training does not define what is meant by "omitted". Omitted can be defined as missed, but it can also be defined as a failure. Any late trip is a failure to meet the schedule. Additionally, the training identifies irregularities that are chargeable, which include reasons for a contractor being late. This lack of clarity leads to our conclusion of misalignment. Further, PS Form 5500 allows for the identification of other irregularities and does not to restrict reimbursement requests only to missed trips.

Regarding monetary impact, the OIG used the HCR rate for late trips caused by the Postal Service to calculate the damages. Since contractors can use this rate

when the Postal Service is late, the OIG believes it is reasonable to use the same rate when contractors are late.

The OIG considers management's comments responsive to recommendation 2 and corrective actions should resolve the issues we identified in the report.

Regarding disbursements at risk, the OIG believes that without reviewing all chargeable irregularities at contract renewal, the Postal Service does not have a complete understanding of the contractor's past performance. Therefore, the Postal Service could be paying poorly performing contractors.

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

Appendices

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Appendix A: Additional Information

Scope and Methodology

To accomplish our objective, we:

- Reviewed Postal Service policies, procedures, and guidelines identifying processes for HCR irregularity identification, reporting, reimbursement requests, and collections for chargeable irregularities.
- Extracted and analyzed FY 2016 and FY 2017 HCR irregularities and reimbursement request data in EDW to determine the magnitude of reported irregularities nationwide and quantify chargeable irregularities.
- Judgmentally selected the Chicago NDC for review because the reported irregularities increased by about 144 percent between FYs 2015 and 2016. This was the third highest increase of reported irregularities in the nation for this period. The Chicago NDC, located in the Great Lakes Area, reported over 11,000 irregularities in FY 2015 and over 28,000 in FY 2016. The Jacksonville NDC, located in the Southern Area, had the highest increase during this period and, it was the first review in our series examining HCR irregularities. The Dallas NDC had the second highest increase of about 156 percent, but is also located in the Southern Area, so we chose to conduct this review at the Chicago NDC to focus on a different postal area.
- Reviewed and analyzed FY 2016 and 2017 Chicago NDC contracting data in TCSS for the Chicago NDC to obtain contract terms, costs, renewal dates, and the number of renewals done without the required review of irregularities.
- Interviewed Postal Service Headquarters Surface Transportation, Surface Transportation Category Management Team, and Great Lakes Area transportation managers to determine the process for identifying, reporting, and collecting reimbursements for HCR chargeable irregularities.

- Conducted two site visits at the Chicago NDC during the weeks of August 28, 2017 and November 27, 2017 to observe operations; and analyze the process for identifying, reporting, and collecting reimbursements for HCR chargeable irregularities.
- Selected a statistical sample of FY 2016 and FY 2017 reported irregularities for review at the Chicago NDC. We sampled 208 PS Forms 5500 for FY 2016 and 81 PS Forms 5500 for FY 2017.
- Computed questioned costs for FYs 2016 and 2017 related to issue areas identified during the audit.

We conducted this performance audit from August 2017 through February 2018, in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on January 25, 2018 and included their comments where appropriate.

We assessed the reliability of FY 2016 and FY 2017 data by reviewing existing information in EDW and TCSS and interviewing agency officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report.

Prior Audit Coverage

| Report Title | Objective | Report Number | Final Report Date | Monetary Impact |
|---|---|---------------|-------------------|-----------------|
| <i>Highway Contract Route Irregularity Reporting — Jacksonville Network Distribution Center</i> | Assess effectiveness of the Postal Service irregularity reporting process for HCRs at the Jacksonville NDC. | NL-AR-17-010 | 9/7/2017 | \$399,028 |

Appendix B: Examples of Chargeable and Non-Chargeable Irregularities

| Chargeable Irregularities | Non-Chargeable Irregularities |
|---|--|
| Safety violations | Bridge out or detours |
| Late arrival or departures | Late departures caused by the Postal Service |
| Disorderly conduct | Extreme weather conditions |
| Dirty, unsightly appearance | Acts of God |
| Under the influence of drugs and alcohol | Traffic accidents |
| Vehicle breakdowns | |
| Vehicle does not meet the required specifications of the contract | |
| Vehicle appearance does not present a positive image to the Postal Service | |
| Unauthorized passengers | |
| Failure to keep mail secured (vehicle locks must be in working order) | |
| Failure to sign for registered mail or dispatch logs as required | |
| Failure to follow AO instructions that are within the scope of the contract | |
| Threats or violence | |

Source: Postal Service.

Appendix C: Management's Comments



February 12, 2018

LORI LAU DILLARD

SUBJECT: Highway Contract Route Irregularity Reporting – Chicago Network
Distribution Center (Report Number NL-AR-18-DRAFT)

Thank you for the opportunity to review and comment on the subject draft Office of Inspector General ("OIG") audit report "Highway Contract Route Irregularity Reporting – Chicago Network Distribution Center." Management agrees with the report's findings and recommendations except where noted below. Management disagrees with the monetary impact in total.

Finding 1: Chargeable Irregularities:

"We found that AOs at the Chicago NDC did not submit reimbursement requests for any of the chargeable irregularities identified in FYs 2016 and 2017. This occurred because HCR contracts' Transportation and Contract Delivery Service Terms and Conditions (T&C) did not align with the PS Form 5500 requirement for chargeable irregularity reimbursements or with a 2017 AO training on chargeable irregularities". "Additionally, Postal Service Headquarters conducted an AO training session in August 2017 that instructed AOs to monitor contractor performance and submit requests for reimbursement for chargeable irregularities".

The Administrative Official (AO) Training provided AOs the five-step process to correct poor performance using PS Form 5500 Contract Route Irregularity Report with the chargeable and non-chargeable irregularities. Management also explicitly stated:

"The Administrative Official should attach the completed PS Form 5500 and request to deduct the supplier's pay for omitted service. The request should be sent to the CO (Processing Network Transportation or Local Distribution Transportation) and copy the Area Network Operations office".

Since the training clearly stated that "request to deduct the supplier's pay for omitted service" only, management does not see any conflicting information in the

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WASHINGTON DC 20260

AO training vs. the policy of the Transportation and Contract Delivery Service Terms and Conditions (T&C).

Finding 2: Incomplete Review of Chargeable Irregularities for Highway Contract Routes

"We also identified 11 of 25 Chicago NDC HCR contracts costing over \$22.8 million that the AOs renewed without a complete review of chargeable irregularities. This occurred because the AOs said they did not have PS Forms 5500 for trips not originating at the Chicago NDC other than those sent from AOs at the facilities where the irregularities occurred."

Management agrees with the finding regarding incomplete review of PS Form 5500 and the unavailability of these forms, but disagrees with the disbursements at risk. Management recognized that the reporting, collecting and reviewing of PS Form 5500 is not standardized across the transportation network. Headquarters Surface Transportation Operations is working with both Visibility Systems and Supply Management on an improved process that will address transportation forms automation. The PS Forms that fall within the scope of this initiative are the 5500, 5397, and 5466. Final processed forms will be distributed directly to HCR AOs via an electronic application for more accurate and efficient processing and reviewing for further action as necessary.

Management's response to the recommendations in the draft audit report may be found below.

Recommendation 1:

Vice President, Network Operations, in coordination with Vice President, Supply Management, reconcile the differences between the Transportation and Contract Delivery Service Terms and Conditions, Postal Service Form 5500, Contract Route Irregularity Report, and the 2017 training requirements for chargeable irregularities and the inconsistency between what a contractors can charge and what the Postal Service can charge.

Management Response to Recommendation 1:

Management disagrees with Recommendation 1 since the AO training is in alignment with the policy of the Transportation and Contract Delivery Service Terms and Conditions (T&C).

Recommendation 2:

Vice President, Great Lakes Area, in coordination with Vice President, Network Operations, ensure Postal Service Form 5500, Contract Route Irregularity Report, are forwarded within an established timeframe to the administrative officers managing the highway contract route when irregularities occur.

- 3 -

Management Response to Recommendation 2:

Management agrees with Recommendation 2. Headquarters Surface Transportation Operations is working with the Great Lakes Area Distribution Network to improve the process of issuing, receiving and forwarding the PS Form 5500 to the AO and the Supply Management staffs.

Management is also working with both Visibility Systems and Supply Management on automating the PS Form 5500 process at all Surface Visibility sites. Surface Visibility enhancements will include implementing logic to aggregate PS Form 5500 (and 5466 Late Slips) created for a given route / trip into final electronic forms that accurately reflect total lateness of a trip. The final delay and irregularity forms will then automatically be sent to AOs via an electronic application in order to more accurately track and reconcile transportation delays. We are also evaluating the opportunities to improve the electronic retention period of 5500 in the Yard Management System and Service Visibility systems.

Target Implementation Date:

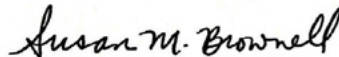
September 2018

Responsible Official:

Manager Network Operations (Area), and Manager, Surface Transportation Operations



Robert Cintron
Vice President
Network Operations



Susan M. Brownell
Vice President
Supply Management



Erica A. Brix
A/Vice President, Area Operations
Great Lakes Area

cc: Manager, Corporate Audit Response Management



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