



September 21, 2007

VICE PRESIDENTS, AREA OPERATIONS

LYNN MALCOLM
VICE PRESIDENT, CONTROLLER

SUBJECT: Management Advisory – Maintenance and
Repair Payments to Commercial Vendors Using
Postal Service Form 8230, Authorization for
Payment (Report Number DR-MA-07-005)

This report presents the results of our self-initiated review of maintenance and repair purchases using U.S. Postal Service (PS) Form 8230, Authorization for Payment (Project Number 06XG031DR001). We evaluated whether the Postal Service's maintenance and repair service payments to commercial vendors using PS Form 8230 were cost-effective. This report is the result of our ongoing review of the Postal Service's Use of Commercial Vendors for Maintenance and Repair Service in the Southwest Area (Project Number 06X0G31DR000).

Results in Brief

The Postal Service's use of PS Form 8230 to pay commercial vendors for maintenance and repair services was not cost-effective. In fiscal year (FY) 2006, the Postal Service processed over 75,000 PS Forms 8230, disbursing about \$19.2 million to commercial vendors for maintenance and repair services, even though the Voyager Card was the most cost-effective payment method for these services. This occurred because management officials did not (1) always realize the cost and time impacts of using PS Form 8230 and, therefore, did not monitor its use; (2) always pursue alternate methods of paying vendors who did not accept the Voyager Card; and (3) ensure all unit personnel received training on Voyager Card use and approval limits. In addition, using the PS Form 8230 payment process did not provide the controls necessary to reconcile and validate the reasonableness of maintenance payments for each vehicle serviced.

As a result, the U.S. Postal Service Office of Inspector General (OIG) estimated the Postal Service incurred over 12,000 labor hours annually to prepare and process PS Forms 8230. Further, with continued use of PS Form 8230 for maintenance and repair services, the Postal Service will spend at least \$1,269,718 in unnecessary expenses over the next 10 years; not have sufficient assurance that vehicle maintenance expenses are appropriate; and not receive revenues from Voyager Card rebates of over \$301,799.¹ The OIG will report \$1,269,718 as funds put to better use and \$301,799 as recoverable revenue loss in our *Semiannual Report to Congress*. (See Appendix A.)

We recommended the Vice Presidents, Area Operations, require district management to discontinue using PS Form 8230 (with some exceptions) and to provide information and training on the Voyager Card and PS Form 8230 process. In addition, we recommended the Vice President, Controller, eliminate one clerk position at the San Mateo Accounting Service Center through attrition.

Background

The Voyager Card is the approved and most efficient method to pay commercial vendors for maintenance and repair services. The Postal Service initiated the Voyager Card program in January 2000 to pay for all commercial vehicle fuel/oil needs, maintenance, repair, towing, shuttling, servicing, washing, and polishing. The Voyager Card is the only credit card approved for these purposes.

The Voyager Card program requires monthly reconciliation of payments to identify potential improper or unreasonable payments. The reconciliation identifies issues such as payments for similar repairs within three accounting periods, individual transactions exceeding \$250, and multiple payments that exceed the card's daily limit. In most cases, repair and maintenance costs exceed the \$250 Voyager Card individual transaction limit. However, the *Postal Service Voyager Site Fleet Guide*, dated April 2004, allows higher limits with approval of the Vehicle Maintenance Facility (VMF) manager. Vendors that do not accept the Voyager Card because of the cost of the specialized equipment can use the Voyager Tele Trans system for

¹ The potential rebates are calculated for a 2-year period based on FY 2006 actual and FY 2007 projected sales.

payment. The Tele Trans system does not require the vendor to purchase specialized equipment to request payment and is of no cost to the Postal Service.

In contrast to the Voyager Card, VMF and Vehicle Post Office (VPO) personnel must manually prepare PS Forms 8230. This includes completing the form, attaching the invoice and mailing the package to the Imaging and Scanning Center. Center personnel then scan the documents and send them electronically for further processing. As shown in Table 1, the Postal Service processed 75,778 payments (valued at about \$19.2 million) to pay commercial vendors for about 21 percent of vehicle repair and maintenance services using PS Form 8230 in FY 2006. The Postal Service incurred processing costs that ranged from \$9.52 to \$12.29² for each PS Form 8230 payment. Had the purchases been made with the Voyager Card, the Postal Service would have avoided these processing costs and received a combined 1.15 percent rebate based on the volume of sales and early payments.

Table 1
FY 2006 Payments to Commercial Vendors

Area	Number Processed	PS Form 8230 Dollar Value	Voyager Card Dollar Value	Total	Percentage of PS Form 8230 Payments to Total Payments
NEW YORK METRO	13,509	\$2,928,927.16	\$11,258,818.10	\$14,187,745.26	20.64
SOUTHWEST	9,373	2,728,113.29	4,327,612.63	7,055,725.92	38.67
GREAT LAKES	7,002	2,396,357.58	11,440,076.75	13,836,434.33	17.32
EASTERN	11,270	2,229,631.32	9,101,748.99	11,331,380.31	19.68
PACIFIC	7,315	2,180,774.71	4,259,898.84	6,440,673.55	33.86
NORTHEAST	7,731	2,050,668.79	6,708,733.08	8,759,401.87	23.41
WESTERN	9,194	1,745,694.12	6,415,932.61	8,161,626.73	21.39
CAPITAL METRO	3,997	1,353,352.20	6,597,329.30	7,950,681.50	17.02
SOUTHEAST	5,648	1,287,309.90	10,617,691.60	11,905,001.50	10.81
OTHER ³	739	312,124.41	0.00	312,124.41	100.00
TOTAL	75,778	\$19,212,953.48	\$70,727,841.90	\$89,940,795.38	21.36

Source: Enterprise Imaging Workflow System (eIWS)

² All PS Forms 8230 related to vehicle maintenance and repair incurred a processing cost of \$9.52. About half of the forms require some follow-up action at the accounting service center, and therefore incur an additional cost of \$2.77 each.

³ Vehicles assigned to headquarters and the Inspection Service, which VMFs maintain.

Objective, Scope, and Methodology

Our overall objective was to evaluate whether the Postal Service's payments to commercial vendors using PS Form 8230 for maintenance and repair services was cost-effective. To accomplish this objective, we interviewed headquarters management and selected area, district, and unit VMF personnel⁴ to determine the usage of, and costs associated with using, the PS Form 8230. We evaluated controls established for the Voyager Card compared to PS Form 8230. We used computer-processed data from the eIWS and the eFleet/Voyager database. We did not test controls over these systems. However, we checked the reasonableness of results by confirming our analyses and results with management.

We reviewed and analyzed FY 2006 payments made to commercial vendors using PS Form 8230 recorded in general ledger account 54543, Vehicle Maintenance and Repair. We determined the number of PS Forms 8230 the Postal Service processed and the potential additional revenue based on total sales and early payment rebates offered by the Voyager Card. We conducted this review from September 2006 through September 2007 in accordance with the President's Council on Integrity and Efficiency, *Quality Standards for Inspections*. We discussed our observations and conclusions with management officials April 3 through April 7, 2007 and included their comments where appropriate.

Prior Audit Coverage

We did not identify any prior audits or reviews related to the objective of this review.

Maintenance and Repair Payments Using PS Form 8230

The Postal Service's use of PS Form 8230 to pay commercial vendors for maintenance and repair services was not cost-effective. In FY 2006, the Postal Service processed over 75,000 PS Forms 8230, disbursing about \$19.2 million to commercial vendors for maintenance and repair services. The Postal Service unnecessarily incurred over 12,000 labor hours annually to process these forms when they could have used the more cost-effective Voyager Card to pay for these services. The labor hours included a clerk at the San Mateo Accounting Service Center dedicated

⁴ We interviewed five area Vehicle Maintenance Program analysts, 19 district VMF managers, and three unit VMF managers.

to processing the PS Forms 8230, in addition to VMF personnel who processed these forms as part of their regular duties.

This occurred because management officials did not: (1) always realize the cost and time impacts of using PS Form 8230 and, therefore, did not monitor its use; (2) always pursue alternate methods of paying vendors who did not accept the Voyager Card; and (3) ensure all unit personnel received training on Voyager Card use and approval limits.

In addition, the PS Form 8230 payment process did not provide the controls necessary to reconcile and validate the reasonableness of maintenance payments for each vehicle serviced.

As a result, the Postal Service will spend at least \$1,269,718 more than necessary if they continue use of PS Form 8230 for maintenance and repair services; will lose revenue of over \$301,799, from Voyager Card rebates; and will have reduced assurance that vehicle maintenance expenses are appropriate. (See Appendix A for an explanation of the funds put to better use and the recoverable revenue.)

PS Form 8230 Cost
and Time Impacts

Management officials did not always realize the cost and time impacts of using PS Form 8230 and, therefore, did not monitor its use. The Postal Service incurs costs⁵ ranging from \$9.52 to \$12.29 for each PS Form 8230 payment and uses approximately 12,000 hours annually to process the forms. One area official interviewed thought the processing cost was about one-third of the actual cost while another area official was not aware that the Postal Service could have received approximately a 1.15⁶ percent rebate for each dollar spent if the purchases had been made with the Voyager Card. In FY 2006, the rebates would have been about \$199,000 as shown in Table 2.⁷

⁵ See Appendix A for details on the PS Form 8230 processing costs.

⁶ The 1.15 percent is the combination of the 0.63 percent total sale and the 0.52 percent early payment rebate for FY 2006.

⁷ Table 2 shows FY 2006 rebates without the offset for forgone interest. Forgone interest is deducted in our revenue loss computation for reporting purposes in our *Semiannual Report to Congress*. This is further explained in Appendix A.

Table 2
FY 2006 PS Form 8230 Expenditures and
Potential Voyager Card Rebates

Areas	Number of PS Forms 8230 Processed	Expenditures for FY 2006	Rebate Amount at 1.15%
New York Metro	13,509	\$2,928,927.16	\$33,682.66
Southwest	9,373	2,728,113.29	31,373.30
Great Lakes	7,002	2,396,357.58	27,558.11
Eastern	11,270	2,229,631.32	25,640.76
Pacific	7,315	2,180,774.71	25,078.91
Northeast	7,731	2,050,668.79	23,582.69
Western	9,194	1,745,694.12	20,075.48
Capital Metro	3,997	1,353,352.20	15,563.55
Southeast	5,648	1,287,309.90	14,804.06
Other (see footnote 2)	739	312,124.41	3,589.43
Totals	75,778	\$19,212,953.48	\$220,948.97
Totals Less 10% ⁸	68,200	\$17,291,658.13	\$198,854.07

Source: eIWS

Voyager Card Acceptance

Area and district management did not always pursue alternate methods of payment to vendors who did not accept the Voyager Card. During our review, Postal Service vehicle maintenance officials voiced concerns about situations where vendors did not accept the Voyager Card or the Tele Trans system as a method of payment. These included vendors the Postal Service used infrequently and those that were located in remote areas that did not accept any form of credit card. According to Postal Service officials, the Voyager Card was not accepted in all locations such as the Caribbean District, where the local banking system discourages vendors from accepting payments with the Voyager Card. In two areas, district VMF managers stated they were not aggressive with the Voyager Tele Trans program while another stated many users needed training to make them aware the Voyager Card was not just a gas card.

While the OIG acknowledges there are some situations where Voyager Card cannot be used, more could be done to increase usage. For example, where the commercial vendors accept other credit cards but do not have the

⁸ The OIG reduced the number of transactions and dollar value by 10 percent to account for locations that cannot use the Voyager Card.

Voyager Card equipment, the Tele Trans system⁹ is a potential alternative.¹⁰

Voyager Card Training	District officials did not ensure they trained all unit personnel on Voyager Card use and approval limits. Specifically, 16 district VMF managers interviewed identified training as a problem. For example, VPO personnel indicated they used PS Form 8230 because the payments to commercial vendors for maintenance and repair services often exceed the Voyager Card individual transaction limit of \$250. Our review indicated that in five of the nine postal areas, the average payment for commercial maintenance and repair was greater than \$250. VPO personnel were not aware that Postal Service guidance allows VMF management to approve a higher Voyager Card limit.
Controls to Reconcile Payments	The PS Form 8230 process did not provide the controls necessary to reconcile and validate the reasonableness of maintenance payments for each vehicle serviced. Specifically, in FY 2006 the Postal Service made \$19.2 million (or about 21 percent) in payments to commercial vendors using PS Form 8230. However, unlike payments made with the Voyager Card, the PS Form 8230 process does not provide controls to identify potential problems such as frequent or similar repairs on the same vehicle and payments exceeding approval or daily limits. For example, during our review, we identified 1,783 payments made using the PS Form 8230 — many exceeding \$1,500. ¹¹ However, none of these payments were reconciled to the individual vehicle work history ¹² for reasonableness of expenditures. Unlike the Voyager Program, the PS Form 8230 is not required to be reconciled on a monthly basis and since the originator does not receive a statement from the account center, the Postal Service's assurance that vehicle repairs are appropriate and funds properly spent diminishes.

⁹ Commercial vendors using the Tele Trans system are charged a 3.5 percent surcharge per transaction. The surcharge is a customary practice by credit card companies. Vendors who accept charge cards usually have the fee built into their prices.

¹⁰ Another alternative is the Vehicle Repair Maintenance Agreement, which can be established through VPO and finance personnel with the assistance of the VMF manager. Vendor payments are processed directly from the VMF to the accounting service center, avoiding the Scanning and Imaging Center costs.

¹¹ For FY 2006, 1783 payments were greater than \$1,500 for a total of \$4,949,281.

¹² The Voyager program provides a monthly statement that requires each payment to be reconciled to the individual vehicle.

Recommendations

We recommend the Vice Presidents, Area Operations, direct District Managers to:

1. Discontinue use of Postal Service Form 8230, Authorization for Payment, to pay commercial vendors for vehicle maintenance and repair services except for those limited situations where vendors do not accept credit cards in accordance with Voyager Site Fleet Card Guide, paragraph 2.4, April 2004.
2. Provide Vehicle Maintenance Facility and Vehicle Post Office personnel with information explaining the cost impact of using the Postal Service Form 8230.
3. Require Vehicle Maintenance Facility managers, in conjunction with Vehicle Post Office and Finance personnel, to pursue alternate methods of payment when the Voyager Card is not accepted including use of Vehicle Repair Maintenance Agreements.
4. Require Vehicle Maintenance Facility and Vehicle Post Office managers to reconcile, validate, and monitor Postal Service Form 8230 payments for those locations that must continue using the form.
5. Provide training to Vehicle Maintenance Facility and Vehicle Post Office managers on the process for obtaining increased Voyager Card approval limits.


**Management's
Comments**

Management in all nine areas agreed¹³ in principle with the intent of the findings and recommendations 1 – 5. Management initiated action to: 1) discontinue use of PS Form 8230, except for limited situations where vendors do not accept credit cards; 2) provide information on cost impact and alternate methods of payment; and, 3) provide training. Management in three of the areas raised questions about some aspects of the monetary impact. Management's verbatim comments, from each of the nine areas, are included in Appendix B.

¹³ Management in the Great Lakes Area initially disagreed with recommendation 3; however, after subsequent discussions with the Vehicle Maintenance Program Analyst and the Finance Manager on July 31, 2007, management agreed in principle.

Evaluation of Management's Comments	Management's comments were responsive to our findings and recommendations 1 through 5. Management's actions, taken or planned should address the issues raised in the findings. Although the Eastern, Pacific, and Northeast Area had concerns with the monetary impact, we do not plan to pursue the issues through the formal resolution process. We believe the monetary impacts included in the reports were based on reasonable assumptions.
Recommendation	We recommend the Vice President, Controller: 6. Eliminate one clerk position at the San Mateo Accounting Center through attrition.
Management's Comments	Management agreed with the finding and recommendation. Management stated they would monitor the volume and eliminate one clerk through attrition when they see a stable shift from use of the PS Form 8230 process to use of the Voyager Card.
Evaluation of Management's Comments	Management's comments are responsive to our finding and recommendation. Management's planned actions should correct the issues identified in the finding. The OIG considers recommendation 6 significant, and therefore requires OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed for recommendation 6. This recommendation should not be closed in the follow-up tracking system until the OIG provides written confirmation that it can be closed.

We appreciate the cooperation and courtesies provided by your staff during the review. If you have any questions or need additional information, please contact Rita Oliver, Director, Delivery, or me at (703) 248-2100.

E-Signed by Colleen McAntee
VERIFY authenticity with Approve


Colleen A. McAntee
Deputy Assistant Inspector General
for Mission Operations

Attachments

cc: Patrick R. Donahoe
William P. Galligan
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Jo Ann Mitchell
Wayne Corey
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APPENDIX A

COST CALCULATION OF PS FORM 8230 PROCESSING COSTS

PS Form 8230 Processing Cost						
Project Year	FY	Reduction of One Clerk Position at San Mateo ¹⁴	Elimination of Postage on 68,200 PS Forms 8230 ¹⁵	Elimination of Scanning Costs on 68,200 PS Forms 8230 ¹⁶	Total Savings	Discounted at 5.25% Per Year
0	2007	\$36,387	\$8,525	\$31,031	\$75,943	\$75,943
1	2008	\$74,374	\$17,050	\$64,048	\$155,472	147,717
2	2009	\$76,010	\$17,050	\$66,098	\$159,158	143,676
3	2010	\$77,682	\$17,050	\$68,213	\$162,945	139,757
4	2011	\$79,391	\$17,050	\$70,395	\$166,837	135,958
5	2012	\$81,138	\$17,050	\$72,648	\$170,836	132,272
6	2013	\$82,923	\$17,050	\$74,973	\$174,946	128,698
7	2014	\$84,747	\$17,050	\$77,372	\$179,169	125,230
8	2015	\$86,612	\$17,050	\$79,848	\$183,510	121,866
9	2016	\$88,517	\$17,050	\$82,403	\$187,970	118,602
FY PS Form 8230 Processing Cost Savings						\$1,269,718

COST CALCULATION OF REVENUE LOSS FROM VOYAGER CARD REBATES

Early Payment Rebates						
Voyager Rebates	Early Payment Rebate – FY 2006	Early Payment Rebate FY 2007	Forgone Interest FY 2006 – 20 days FY 2007 – 22 days	Rebate – FY 2006	Rebate – FY 2007	Total Early Payment Rebate
Early Payment Rebate	\$89,916.62 ¹⁷	\$95,968.70 ¹⁸	\$48,549.37 ¹⁹ \$53,411.80 ²⁰	\$41,367.25 ²¹	\$42,556.90 ²²	\$83,924.15
Sales Volume Rebate						
		Sales Amount	Rebate Percentage	Rebate – FY 2006	Rebate – FY 2007	Total Sales Rebate
Rebate From Sales		\$17,291,658.13	0.63%	\$108,937.45 ²³	\$108,937.45	\$217,874.90
Total Voyager Rebates — Early Payment and Sales (Revenue)				\$150,304.70	\$151,494.35	\$301,799.05

¹⁴ Reduction of one clerk position at San Mateo Accounting Service Center at \$72,773 per year, FY 2007.

¹⁵ Elimination of postage on 68,200 PS Forms 8230. Cost of postage was calculated as remaining constant because any future price increases are unknown at this time.

¹⁶ Elimination of scanning costs on 68,200 PS Forms 8230 escalated at 3.2 percent per year.

¹⁷ FY 2006 Potential Early Payment rebate based on \$17,291,658.13 times the 10-day payment cycle rebate percentage (0.52 percent).

¹⁸ FY 2007 Potential Early Payment rebate based on \$17,291,658.13 times the 8-day payment cycle rebate percentage (0.555 percent).

¹⁹ The interest forgone by the Postal Service when paying Voyager 20 days early.

²⁰ The interest forgone by the Postal Service when paying Voyager 22 days early.

²¹ Lost Revenues computed by (Potential Early rebate FY 2006 – FY 2006 Foregone Interest).

²² Lost Revenues computed by (Potential Early rebate FY 2007 – FY 2007 Foregone Interest).

²³ Total Sales rebate based on \$17,291,658.13 times the Total Sale rebate percentage (0.63 percent).

APPENDIX B. MANAGEMENT'S COMMENTS

LYNN MALCOLM
VICE PRESIDENT, CONTROLLER



July 6, 2007

KIM H. STROUD

SUBJECT: Draft Management Advisory – Maintenance and Repair Payments to
Commercial Vendors Using Postal Service Form 8230, Authorization for
Payment (Report Number DR-MA-07- DRAFT)

This provides Postal management's response to the subject audit report. We appreciate the opportunity to review and provide comments.

The following addresses the specific recommendation to the Controller:

Recommendation #6

Eliminate one clerk position at the San Mateo Accounting Service Center through attrition.

Response

Management agrees with this recommendation provided that the reduction in workload actually occurs. We will monitor the volume and eliminate one clerk through attrition when we see a stable shift from the Form 8230 process to the Voyager Card.


Lynn Malcolm

cc: Kathleen Ainsworth
Susan Brownell
Wayne Corey
Katherine S. Banks

SYLVESTER BLACK
VICE PRESIDENT, WESTERN AREA OPERATIONS



July 9, 2007

KIM H. STROUD
DIRECTOR, AUDIT REPORTING
1735 NORTH LYNN STREET
ARLINGTON, VA 22209-2020

SUBJECT: Draft Management Advisory – Maintenance and Repair Payment
Report DR-MA-07-DRAFT

We have reviewed your Draft Management Advisory regarding the usage of PS Form 8230 for payments to commercial vendors for vehicle maintenance and repair services. We appreciate the opportunity to respond to your recommendations and have outlined our efforts to further reduce the usage of PS Form 8230 in the Western Area. Our responses to your recommendations are listed below:

1. Discontinue use of Postal Service Form 8230, Authorization for Payment, to pay commercial vendors for vehicle maintenance and repair services except for those limited situations where vendors do not accept credit cards in accordance with Voyager Site Fleet Card Guide, paragraph 2.3, and April 2004.

Response: We agree with this recommendation. It is consistent with our on-going emphasis. Since April, Western Area has made a concerted effort to reduce Form 8230 usage by communicating to VMF Managers the preferred payment methods are Voyager, Tele Trans and VRMAs. In addition, the Form 8230 usage report, generated each month by Headquarters, is monitored by the Area Maintenance staff and distributed to all VMF managers for their action. Unique circumstances such as geographic constraints, small operations, and state emissions requirements will necessitate a certain amount of continued usage of Forms 8230.

2. Provide Vehicle Maintenance Facility and Vehicle Post Office personnel with information explaining the cost impact of using the Postal Service Form 8230.

Response: We agree with this recommendation. All VMFs were informed by Area Delivery Programs in both April and May of the inherent cost of using the manual Forms 8230. Additionally, the VMFs were reminded to emphasize and expand the utilization of the Voyager program wherever possible.

3. Require Vehicle Maintenance Facility managers in conjunction with Vehicle Post Office and Finance personnel to pursue alternate methods of payment when the Voyager card is not accepted including use of Vehicle Repair Maintenance Agreements.

Response: We agree with this recommendation. It is consistent with our on-going policies. We are constantly evaluating new opportunities, including alternative payment services, that will not only improve our internal controls but also streamline the cost-controlling processes. We agree that further reduction of PS Form 8230 usage will not only reduce manual processing costs but will also increase rebate revenues as noted in appendix A of the draft report.

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4. Require Vehicle Maintenance Facility and Vehicle Post Office managers to reconcile, validate and monitor Postal Service Form 8230 payments for those locations that must continue to use the form.

Response: We agree with this recommendation. We have sent the attached letter of clarification to our Clusters, highlighting the key controls that need to be established in order to give assurances that expenses are appropriate and not duplicated. We recognize that a monthly reconciliation process is a critical step to detecting the possibility of misuse and fraud in fleet card operations.

5. Provide training to vehicle Maintenance Facility and Vehicle Post Office managers on the process for obtaining increased Voyager Card approval limits.

Response: We agree with this recommendation. We have sent the attached letter of clarification instructing offices to work with their VMFs on setting the appropriate dollar limits for Voyager card purchases. We will continue to monitor the progress of this option as we maximize the usage of the Voyager program.


Sylvester Black

Attachment

VICE PRESIDENT
CAPITAL METRO AREA OPERATIONS



July 10, 2007

Kim H Stroud
Director, Audit Reporting
1735 North Lynn Street
Arlington, VA 22209-2020

SUBJECT: Draft Management Advisory – Maintenance and Repair Payments to Commercial
Vendors using Postal Service Form 8230, Authorization for Payment
(Report DR-MA-07-DRAFT)

Capital Metro Area disagrees with the rebate amounts because of the ambiguous methodology. For example, one of your emails indicated that the rebates would be adjusted to include calculation and rounding errors. This office has taken the following actions in regard to the findings and recommendations of the audit:

Recommendation #1: Discontinue use of Postal Service Form 8230, Authorization for Payment, to pay commercial vendors for vehicle maintenance and repair services except for those limited situations where vendors do not accept credit cards in accordance with Voyager Site Fleet Card Guide, paragraph 2.4, and April, 2004.

Response: Capital Metro Area Finance will send out correspondence to the Districts explaining the cost impact of Forms 8230 and that credit card payments should be used to pay commercial vendors for vehicle maintenance and repair services except for those situations where vendors do not accept credit cards. Districts will receive this correspondence by July 31, 2007.

Recommendation #2: Provide Vehicle Maintenance Facility and Vehicle Post Office personnel with information explaining the cost impact of using Postal Service Form 8230.

Response: The cost impact of Forms 8230 will be explained in the July 31, 2007 correspondence to the Districts.

Recommendation #3: Require Vehicle Maintenance Facility managers in conjunction with Vehicle Post Office and Finance personnel to pursue alternate methods of payment when the Voyager Card is not accepted including use of Vehicle Repair Maintenance Agreements.

Response: Area and District Finance Managers along with Area and District Vehicle Maintenance Managers will work to pursue alternate methods of payment when the Voyager Card is not accepted. One alternative is to revisit those vendors that do not take the Voyager Card and work on getting them on board.

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Recommendation #4: Require Vehicle Maintenance Facility and Vehicle Post Office managers to reconcile, validate and monitor Postal Service Form 8230 payments for those locations that must continue using the form.

Response: So that all areas are following the same procedures, instructions for reconciling, validating and monitoring Forms 8230 should be developed and sent to the areas from Finance, Headquarters. The Capital Metro Area will ensure that the instructions are sent to District Vehicle Maintenance for compliance when the instructions are received.

Recommendation #5: Provide training to Vehicle Maintenance Facility and Vehicle Post Office managers on the process for obtaining increased Voyager Card approval limits.

Response: Area Vehicle Maintenance Program Analyst will send refresher training instructions to District Vehicle Maintenance Facilities and Vehicle Post Offices concerning the process for obtaining increased Voyager Card approval limits by July 31, 2007.

If you have any questions, please call Tim O'Reilly, Manager Finance, Capital Metro Area at 301-548-1417.


Jerry D. Lane

cc: Area Manager, Finance
Manager, Area Maintenance Operations
Vehicle Maintenance Program Analyst

VICE PRESIDENT
CAPITAL METRO AREA OPERATIONS



July 27, 2007

Kim H Stroud
Director, Audit Reporting
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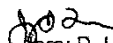
SUBJECT: Draft Management Advisory – Maintenance and Repair Payments to Commercial Vendors using Postal Service form 8230, Authorization for Payment (Report DR-MA-07-DRAFT)

Reference is made to Capital Metro Area's report sent to you dated July 10, 2007, concerning the above subject audit. Based on the additional information received concerning the rebate process, this Area agrees with your calculation of potential rebates. In accordance with the responses sent to you on July 10, 2007, below are follow-up actions taken:

Recommendations #1 and #2: We indicated that we would send correspondence to the Districts explaining the cost impact of PS Forms 8230 and instruct them to use the Voyager credit card to pay commercial vendors for vehicle maintenance and repair services except for those situations where vendors do not accept credit cards. See attached correspondence dated July 27, 2007.

Recommendation #5: We indicated that the Area Vehicle Maintenance Program Analyst would send refresher training instructions to District Vehicle Maintenance Facilities and Vehicle Post Offices concerning the process for obtaining increased Voyager Card. See email attached dated July 11, 2007 instructing Capital Metro's District Vehicle Maintenance Facilities and Vehicle Post Offices to take the refresher training. The referenced training includes instructions on increasing card limits.

This is a final report. If you have any questions, please call Tim O'Reilly, Manager Finance, Capital Metro Area at 301-548-1417.


Jerry D. Lane

Attachments

cc: Area Manager, Finance
Area Manager, Maintenance Operations
Vehicle Maintenance Program Analyst

VICE PRESIDENT, AREA OPERATIONS
NEW YORK METRO AREA



July 13, 2007

KIM H. STROUD
DIRECTOR, AUDIT REPORTING
OFFICE OF INSPECTOR GENERAL

SUBJECT: Draft Management Advisory - Maintenance and Repair Payments to
Commercial Vendors Using Postal Service Form 8230, Authorization for Payment
Report Number DR-MA-07-DRAFT)

The New York Metro Area concurs with the findings in the OIG report referenced above.
The following responds to the OIG's recommendations:

Recommendation #1: *Discontinue use of Postal Service Form 8230, Authorization for Payment, to pay commercial vendors for vehicle maintenance and repair services except for those limited situations where vendors do not accept credit cards in accordance with Voyager Site Fleet Card Guide, paragraph 2.4, April, 2004.*

Response: The New York Metro Area concurs with this recommendation, and the Vice President, Area Operations, issued a policy to District Managers dated July 11, 2007 (copy attached).

Recommendation #2: *Provide Vehicle Maintenance Facility and Vehicle Post Office personnel with information explaining the cost impact of using the Postal Service Form 8230.*

Response: The New York Metro Area concurs with this recommendation, and the Area Vehicle Maintenance Programs Analyst issued a memorandum to Vehicle Maintenance Managers and Managers, Operations Programs Support, dated July 12, 2007 (copy attached).

Recommendation #3: *Require Vehicle Maintenance Facility managers in conjunction with Vehicle Post Office and Finance personnel to pursue alternate methods of payment when the Voyager Card is not accepted including use of Vehicle Repair Maintenance Agreements.*

Response: The New York Metro Area concurs with this recommendation, and the Vice President, Area Operations, issued a policy to District Managers dated July 11, 2007 (copy attached).

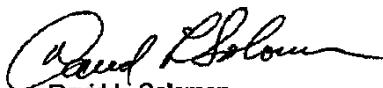
142-02 20th Avenue, Room 318
Flushing, NY 11351-0001
718-321-5823
FAX: 718-321-7150

Recommendation #4: *Require Vehicle Maintenance Facility and Vehicle Post Office managers to reconcile, validate and monitor Postal Service Form 8230 payments for those locations that must continue using the form.*

Response: The New York Metro Area concurs with this recommendation, and the Vice President, Area Operations, issued a policy to District Managers dated July 11, 2007 (attached).

Recommendation #5: *Provide training to Vehicle Maintenance Facility and Vehicle Post Office managers on the process for obtaining Voyager Card approval limits.*

Response: This issue was not a finding in the New York Metro Area and, therefore, no further action is required.



David L. Solomon

Attachment

cc: S. Forte
J. Branco
L. Castellano
T. Hayes
B. Roughley

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Flushing, NY 11351-0001
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FAX: 718-321-7150

TEFFY J. WILSON
VICE PRESIDENT, AREA OPERATIONS
SOUTHEAST AREA



July 13, 2007

MEMORANDUM FOR: Ms. Kim H. Stroud
Director
Auditor Reporting
1735 North Lynn Street
Arlington, VA 22209-2020

SUBJECT: DR-MA-07-DRAFT Maintenance and Repair Payments to
Commercial Vendors Using Postal Service Form 8230,
Authorization for Payment

We have reviewed the subject draft report and offer the following comments in response to the recommendations:

Recommendations We recommend the Vice Presidents, Area Operations direct District Managers to:

1. Discontinue use of Postal Service Form 8230, Authorization for Payment, to pay commercial vendors for vehicle maintenance and repair services except for those limited situations where vendors do not accept credit cards in accordance with Voyager Site Fleet Card Guide, paragraph 2.4, April 2004.

We agree to discontinue use of Postal Service Form 8230 except where vendors do not accept credit cards.

2. Provide Vehicle Maintenance Facility and Vehicle Post Office personnel with information explaining the cost impact of using the Postal Service Form 8230.

The Area agrees with implementing this recommendation. The Southeast Area will publish cost impact data in SEA Update. Each district will be directed to publish this cost impact data in their respective district-wide publications.

3. Require Vehicle Maintenance Facility (VMF) managers, in conjunction with Vehicle Post Office and Finance personnel, to pursue alternate methods of payment when the Voyager Card is not accepted, including use of Vehicle Repair Maintenance Agreements.

We agree with this recommendation. SEA Vehicle Maintenance Programs Analyst (VMPA) and SEA Financial Systems Analyst will work with districts and require documentation that current vendors not using Voyager have been

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-2-

notified via letter and personal contact of alternate payment sources other than Voyager. We will require Districts to track and keep a file of letters mailed to the vendors. Follow-up letters will be sent yearly. This action will be implemented by August 2007.

4. Require Vehicle Maintenance Facility and Vehicle Post Office managers to reconcile and validate Postal Service Form 8230 payments for those locations that must continue using the form.

We agree with this information and will have Finance and VMPA monitor use of PS Form 8230. SEA VMPA will forward a copy of Qtr 3 2007 8230 payments to the Managers of Operations Programs Support & VMFs to reconcile and validate. Copies of this information are also being forwarded to the District Finance managers. Implementation will be no later than August 2007.

5. Provide training to Vehicle Maintenance Facility and Vehicle Post Office managers on the process for obtaining increased Voyager Card approval limits.

We agree with this recommendation. The SEA will prepare a letter to the districts for distribution to the VMFs and VPOs regarding the process of obtaining increased Voyager Card approval limits. Implementation will be no later than August 2007.

If you have any questions regarding our response, please let me know.



Terry J. Wilson

TIMOTHY C. HANEY
VICE PRESIDENT, AREA OPERATIONS
NORTHEAST AREA



July 9, 2007

KIM H. STROUD
Director, Audit Reporting
Office of the Inspector General
United States Postal Service

SUBJECT: Draft Management Advisory-Maintenance and Repair Payments to
Commercial Vendors Using Postal Service Form 8230, Authorization for
Payment (Report Number DR-MA-07-DRAFT)

The attached responds to the findings, recommendations, funds put to better use and recoverable revenue loss contained in the subject audit.

Recommendation 1

We agree with the recommendation. A directive will be issued to all District and VMF Managers, within 30 days, to utilize the correct payment hierarchy for vehicle repairs. The Voyager Card will be required as the primary form of payment. VRMAs (Vehicle Repair Maintenance Agreements) will be initiated and the use of Tele Trans system will be explored. The use of PS Forms 8230 will be used as a last alternative.

Recommendation 2

We agree with the recommendation. A communication will be issued to the field within 30 days informing them of the costs associated with the use of PS Forms 8230.

Recommendation 3

We agree with the recommendation. An analysis has been initiated to determine the vendors most utilized and management will be required to pursue VRMAs where feasible.

Recommendation 4

We agree with the recommendation. A directive will be issued to District and VMF Managers, within 30 days, requiring that PS Form 8230 payments are reconciled and validated. Offices use of PS Form 8230 will be monitored.

Recommendation 5

We agree with the recommendation. Training will be provided to VMF and Post Office management on the process for obtaining increased Voyager Card approval limits. This training will be completed during PQ 1, FY 08.

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WINDSOR, CT 06006-7010
860-285-7040
Fax 860-285-1253

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While we agree that funds could be put to better use if the most efficient payment hierarchies are utilized, it is extremely difficult to validate that all transactions could have been paid via the Voyager Card. It should be noted that feedback received from vendors indicates that they are reluctant to spend \$1200 for set up in order to accept the Voyager card and to incur a 3.5% surcharge per transaction. In addition, even though many PS Forms 8230 can be eliminated there will be offset costs associated with initiating VRMAs and entering the data for payment by the VMF. Although the VMF Managers have the ability to increase the limits of the Voyager card, it is cumbersome and time consuming to call US Bank each time a repair exceeds the \$250.00 limit. Further analysis of Northeast Area FY 06 transactions indicated that 78% were under the \$250 limit. We have discussed the possibility of increasing the card limits across the board but have determined that we would have increased risk if limits were arbitrarily increased.

Concerning the recoverable revenue loss from Voyager Card rebates we agree that there was some loss but cannot validate that every transaction would have been accepted as a Voyager Card payment. Analysis of FY 06 transactions indicated that \$1,502,516.65 or 74% of the total dollar amount were from transactions greater than \$250. If we move the majority of these PS Forms 8230 payments to VRMAs we will not receive Voyager rebates for these payments in the future.

Despite the challenges posed by the above, we will continue to monitor this payment process and improve efficiencies.



Timothy C. Haney

Attachments

cc: William Doran, NEA Manager Delivery Programs
Elizabeth Doell, NEA Manager Finance

ELLIS A. BURGOYNE
VICE PRESIDENT, SOUTHWEST AREA OPERATIONS



July 16, 2007

Colleen A. McAntee
Deputy Assistant Inspector General
For Missions Operations
Office of Inspector General
United States Postal Service

SUBJECT: Draft Management Advisory – Maintenance and Repair Payments to
Commercial Vendors Using Postal Service Form 8230,
Authorization for Payment (Report # DR-MA-07-DRAFT)

Having reviewed the above referenced report, including your recommendations to reduce dependency and usage of PS Form 8230 where applicable, we are in concurrence with all five recommendations as follows:

RECOMMENDATION 1: Discontinue the use of PS Form 8230, *Authorization for Payment*, to pay commercial vendors for vehicle maintenance and repair services except for those limited situations where vendors do not accept credit cards in accordance with *Voyager Site Fleet Card Guide*, Paragraph 2.4, April 2004.

RESPONSE: Management concurs; acknowledging there are limited situations which necessitate use of PS Form 8230, hence, *complete elimination* of PS Form 8230 use, although desirable, would not be a viable option or in the best interest of the Postal Service.

COURSE OF ACTION: The Southwest Area Manager of Maintenance Operations will generate a letter of instruction delineating the necessity for PS Form 8230 use, reduction to include educational information and directing each Vehicle Maintenance Facility and Vehicle Post Office manager to reassess their respective PS Form 8230 use and to revisit vendor(s) which currently do not accept the Voyager Card; the intent of which will be to convince said vendor(s) to implement the Voyager Card program and/or implementing Vehicle Maintenance Repair Agreements (VMRA) where practical. Estimated completion date for this course of action will be no later than close of business August 17, 2007.

RECOMMENDATION 2: Provide Vehicle Maintenance Facility and Vehicle Post Office personnel with information explaining the cost impact of using the PS Form 8230.

RESPONSE: Management concurs; the provision of cost impact will encourage respective managers to be proactive, enhancing desired success.

COURSE OF ACTION: Explanatory cost impact information will be incorporated in the letter of instruction detailed in the foregoing response to Recommendation 1.

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DALLAS TX 75222-4748
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FAX: 214-808-8227

RECOMMENDATION 3: Require Vehicle Maintenance Facility managers in conjunction with Vehicle Post Office and Finance personnel to pursue alternate methods of payment when the Voyager Card is not accepted, including use of Vehicle Repair Maintenance Agreements.

RESPONSE: Management concurs; alternate forms of payment, including Vehicle Maintenance Repair Agreements, where practical, should be pursued, should a vendor not accept the Voyager Card.

COURSE OF ACTION: Pursuing alternate forms of payment will be emphasized and incorporated in the letter of instruction detailed in response to Recommendation 1.

RECOMMENDATION 4: Require Vehicle Maintenance Facility and Vehicle Post Office managers to reconcile, validate, and monitor PS Form 8230 payments for those locations that must continue using the form.

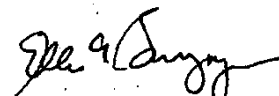
RESPONSE: Management concurs; reconciling, validating, and monitoring of PS Form 8230 payments will enhance each respective manager to be cognizant of the reasoning and necessity to continually pursue desired results of cost containment.

COURSE OF ACTION: A directive to reconcile, validate, and monitor, PS Form 8230 payments will be including in the letter of instruction detailed in response to Recommendation 1.

RECOMMENDATION 5: Provide training to Vehicle Maintenance Facility and Vehicle Post Office managers on the process for obtaining increased Voyager Card approval limits.

RESPONSE: Management concurs. Due to management personnel changes, training should be revisited ensuring those "new" to vital management positions and those who received the initial Voyager Fleet Card training in conjunction with Voyager Fleet Card Program roll-out, are knowledgeable of the process to increase Voyager Fleet Card limits.

COURSE OF ACTION: Explanation of the Voyager Fleet Card process will be incorporated in the letter of instruction detailed in response to Recommendation 1.


Ellis A. Burgoyne

JO ANN FEINDT
VICE PRESIDENT, GREAT LAKES AREA OPERATIONS



August 1, 2007

Kim H. Stroud
Director, Audit Reporting
Office of the Inspector General
1735 North Lynn Street
Arlington, Virginia 22209-2020

SUBJECT: Draft Management Advisory – Maintenance and Repair Payments to Commercial Vendors Using Postal Service Form 8230, Authorization for Payment (Report Number DR-MA-07-DRAFT)

In general we agree that the VMFs should continue the effort to move vehicle repair payments away from the Form 8230 process and resulting paper checks to the Voyager card. However we disagree with the recommended processes presented in this report and the projected savings presented. Historically the number of Form 8230 payments has been decreasing, therefore to use a number of 8230s found in FY 07 seems an unrealistic estimate of the number of Form 8230s that will be processed each of the next ten years. The proposed number of Form 8230s should take into consideration the reducing amount of payments processed which would affect all of the calculations attributed to processing costs savings.

Recommendation [# 1]:

We recommend the vice president, Great Lakes Area Operations:

Discontinue use of Postal Service Form 8230, Authorization for Payment, to pay commercial vendors for vehicle maintenance and repair services except for those limited situations where vendors do not accept credit cards in accordance with Voyager Site Fleet Card Guide, paragraph 2.4, April 2004.

Response: We disagree with this recommendation

The Form 8230 is still a valid method of paying vendors for supplies and services rendered. We have and will continue to exhort the VMFs to expand the use of the Voyager card whenever possible, but we feel that a blanket statement to discontinue all Form 8230 payments will result in delayed or missed payments to our vendors. We feel that a methodical approach to expanding the Voyager Card's use through monitoring and training will be a more effective strategy to accomplish this goal.

Recommendation [# 2]:

We recommend the vice president, Great Lakes Area Operations:

Provide Vehicle Maintenance Facility and Vehicle Post Office personnel with information explaining the cost impact of using the Postal Service Form 8230.

Response: We agree with this recommendation

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630/539-5858
FAX: 630/539-7171

- 2 -

As part of our ongoing monitoring and training, we remind the managers and purchasing employees that the use of the Voyager card is generally less expensive than other methods of payment.

Recommendation [# 3]:

We recommend the vice president, Great Lakes Area Operations:

Require Vehicle Maintenance Facility managers in conjunction with Vehicle Post Office and Finance personnel to pursue alternate methods of payment when the Voyager Card is not accepted including use of Vehicle Repair Maintenance Agreements.

Response: We disagree with this recommendation

Although we urge VMF managers to look for and assist the vendors with alternative payment methods when Voyager is not accepted, we don't feel that requiring the VMF manager to do this in every instance is prudent. Due to workload and vendor history it may be appropriate to use a Form 8230 to make a payment rather than delay payment while looking for an alternative payment method.

Recommendation [# 4]:

We recommend the vice president, Great Lakes Area Operations:

Require Vehicle Maintenance Facility and Vehicle Post Office managers to reconcile, validate and monitor Postal Service Form 8230 payments for those locations that must continue using the form.

Response: We agree with this recommendation

We will require payments made with the Form 8230 to be associated with the vehicle repair history.

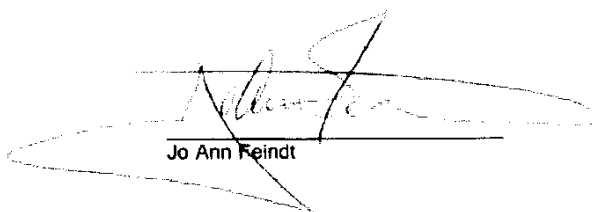
Recommendation [# 5]:

We recommend the vice president, Great Lakes Area Operations:

Provide training to Vehicle Maintenance Facility and Vehicle Post Office managers on the process for obtaining increased Voyager Card approval limits.

Response: We agree with this recommendation.

As part of our ongoing training efforts we already do and will continue to educate the managers on the reasoning and methodology for increasing card limits where it makes sense to do so.



Jo Ann Feindt

MEGAN J. BRENNAN
VICE PRESIDENT, AREA OPERATIONS
EASTERN AREA



July 31, 2007

MEMORANDUM FOR KIM H. STROUD
DIRECTOR, AUDIT REPORTING
OFFICE of INSPECTOR GENERAL

SUBJECT: Draft Management Advisory
Maintenance and Repair Payments to Commercial Vendors Using
Postal Service Form 8230, Authorization for Payment
Report Number DR-MA-07-Draft

In response to the subject Draft Management Advisory, the cost savings assumes that the Voyager card will be used in place of the 8230 as the only payment method. As started in the report, 8230s are necessary in some situations as a payment method and will never be totally eliminated. The number of approved situations using the 8230s can only be determined after monitoring and verifying the usage over a period of months. The use of VMRAs for payments is the best available method when multiple repair services are done on a repeat bases from the same vendor. In those instances, the savings indicated is affected by what other payment method is used other than Voyager in lieu of the 8230.

The recommendations suggested in the report are valid and the following actions will be incorporated:

Recommendation #1: Monitoring the use of 8230s each month and requiring site managers to validate their approvals is an effective way to control and reduce usage. Action – Finance will issue instructions and assist Districts in setting up a system to monitor the use of 8230s and to require site managers to validate the use of 8230s. This will be completed by August 31, 2007.

Recommendation #2: VPO Postmasters and VMF management will be informed of the cost impacts associated with the use of 8230. Action – Information on the cost impacts associated with 8230s will be included in the directive under recommendation #1.

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PITTSBURGH PA 15277-7010
PHONE: 412-494-2510
FAX: 412-494-2582

Recommendation #3: VPO Postmasters and VMF management will be given further instructions on methods of local purchasing and payments and what alternates are available in lieu of using the 8230 based on their individual situations.

Action – Instructions on methods of local purchasing and payments will be reissued by Finance. This will be completed by August 31, 2007.

Recommendation #4: Districts will set up a process to monitor and validate the use of 8230s in situations where the 8230 is the only acceptable payment form available.

Action – Finance will issue instructions and assist Districts in setting up a system to monitor the use of 8230s and to require site managers to validate the use of 8230s. This will be completed by August 31, 2007.

Recommendation #5: Provide training to Vehicle Maintenance Facility and Vehicle Post Office managers on the process for obtaining increased Voyager Card approval limits.

Action – Districts will verify to the Area Vehicle Maintenance Programs Analyst that the Voyager training requirements have been completed. This will be completed by August 31, 2007.

We appreciate the opportunity to respond to your issues. Should you have any questions or require additional information, please contact Frank Fantigrassi, Area Vehicle Maintenance Programs Analyst, at 412-494-2596.


for Megan J. Brennan

cc: Kristin A. Seaver, Manager, Operations Support
George Graves, Manager, Finance
Thomas Duchesne, Manager, Maintenance Operations
Frank Fantigrassi, Vehicle Maintenance Programs Analyst

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MICHAEL J. DALEY
VICE PRESIDENT, PACIFIC AREA OPERATIONS



July 6, 2007

KIM H. STROUD
DIRECTOR, AUDIT REPORTING

SUBJECT: Draft Management Advisory – Maintenance and Repair Payments to Commercial Vendors Using Postal Service Form 8230, Authorization for Payment
(Report Number DR-MA-07-DRAFT)

We have reviewed the draft of the above subject report and have responded to the recommendations as outlined below. We agree with the intent of the proposed savings, however, we do question the amount of savings identified in your draft. It appeared that savings were realized through the elimination of use of the 8230 while the report indicates that this can not happen in its entirety and we agree with this assumption. We feel the reduction in the use of the form must be determined and the savings established accordingly. We did not comment on recommendation six of your report as this is a Headquarters position and again would be based on any reduction on the use of the 8230 form.

1. **Discontinue use of Postal Service Form 8230, Authorization for Payment, to pay commercial vendors for vehicle maintenance and repair services except for those limited situations where vendors do not accept credit cards in accordance with Voyager Site Fleet Card Guide, paragraph 2.4, April 2004.**
Agree with recommendation. We have discussed with our VMF personnel the need to contract with vendors that will accept the Voyager credit card and in those cases where we need to use a vendor that will not accept Voyager we will establish a Vehicle Repair and Maintenance Agreement with payment made through VMAS.
2. **Provide Vehicle Maintenance Facility and Vehicle Post Office personnel with information explaining the cost impact of using the Postal Service Form 8230.**
This has been provided in the past for the VMF Managers and will be expanded to associate offices.
3. **Require Vehicle Maintenance Facility managers in conjunction with Vehicle Post Office and Finance personnel to pursue alternate methods of payment when the Voyager Card is not accepted including use of Vehicle Repair Maintenance Agreements.**
Agree with recommendation. We have discussed with our VMF personnel the need to contract with vendors that will accept the Voyager credit card and in those cases where we need to use a vendor that will not accept Voyager we will establish a Vehicle Repair and Maintenance Agreement with payment made through VMAS.
4. **Require Vehicle Maintenance Facility and Vehicle Post Office managers to reconcile, validate and monitor Postal Service Form 8230 payments for those locations that must continue using the form.**

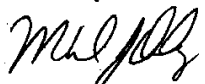
11255 RANCHO CARMEL DR
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While we agree with the need to be aware of charges being made we are not aware of any system that will allow us to monitor and reconcile purchases made via 8230. The 8230 is not generated until after the work is completed which in itself is the review of the work performed.

5. **Provide training to Vehicle Maintenance Facility and Vehicle Post Office managers on the process for obtaining increased Voyager Card approval limits.**
Offices are aware of the means to increase approval limits and VMF's track the issuance of approvals that exceed the \$250 threshold. The problem is that even when these approvals are provided they are shown in the Voyager system as exceptions.

If you have any questions please contact Drew Aliperto, Manager Operations Support at 858-674-3110.

Thank you.



Michael J. Daley