



March 31, 2006

ELLIS A. BURGOYNE  
VICE PRESIDENT, DELIVERY AND RETAIL

SUBJECT: Audit Report – City Letter Carrier Operations – National Capping Report  
(Report Number DR-AR-06-004)

This report summarizes the results of our self-initiated audit of City Letter Carrier Operations in the Pacific and Great Lakes Areas (Project Number 06XG009DR000). This report summarizes a series of five reports on city letter carrier operations issued under the Value Proposition Agreement between the vice president, Delivery and Retail, and the U.S. Postal Service Office of Inspector General's Delivery and Retail directorate. Our overall objective was to assess the management of city letter carrier operations.

Opportunities existed to improve the management of city letter carrier operations within the U.S. Postal Service. Specifically, delivery facility supervisors and managers could more effectively match workhours with workload by better using Postal Service Form 3996, Carrier – Auxiliary Control, as a tool to manage daily delivery operations. Delivery facility supervisors and managers also could improve delivery efficiency by more consistently using operational data from the Delivery Operations Information System (DOIS). In addition, supervisors and managers needed to more effectively use the Managed Service Points (MSP) base information to monitor carrier performance, and track and document letter carriers' unauthorized overtime occurrences and take corrective action. Managing delivery facilities using delivery policy, procedures, and management tools could reduce the unjustified and unauthorized time occurring on routes.

We recommended district managers direct station managers and supervisors to enforce the policy for carriers to complete required forms when volume or workload indicates that additional time on the route is needed, and instruct supervisors to address carrier requests and only authorize time requested. We also recommended district managers require supervisors and managers to use DOIS Reports in a timely manner to manage daily operations and to use MSP more effectively. In addition, we recommended district managers require supervisors and managers to consistently document unauthorized overtime on required forms and take corrective action.

District management in the Pacific and Great Lakes Areas agreed with our findings, recommendations, unrecoverable costs of \$7,061,060, and implemented actions and developed initiatives to address the issues in the reports.

During our review (September 2005), the vice president, Delivery and Retail, issued a letter stating that delivery and retail units will officially implement standard delivery management practices and operating procedures beginning in fiscal year 2006. Therefore, no additional recommendations are included in this report.

We appreciate the cooperation and courtesies provided during all the audits of city letter carrier operations. If you have any questions or need additional information please contact Rita Oliver, director, Delivery and Retail, or me at (703) 248-2100.

E-Signed by Mary Demory   
VERIFY authenticity with Approve!  


**for**  
Colleen A. McAntee  
Deputy Assistant Inspector General  
for Core Operations

Attachments

cc: William P. Galligan  
James Kiser  
Steven R. Phelps

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## EXECUTIVE SUMMARY

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### Introduction

This report summarizes the results of our self-initiated audits of city letter carrier operations in the Pacific and Great Lakes Areas. The overall objective was to assess the management of city letter carrier operations.

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### Results in Brief

Our audits determined that opportunities existed to improve the management of city letter carrier operations. Delivery facility supervisors and managers did not adequately match workhours with workload because they did not often use U.S. Postal Service Form 3996, Carrier – Auxiliary Control, as a tool to manage daily operations. The “3996 audits” performed at the five districts identified 12,435 unjustified hours (97 percent) of the total 12,877 hours that were expended on routes with time used over 8 hours during the 5-month periods of our reviews. We projected the sampled results to all similarly sized delivery facilities in each district for a total of 343,332 unjustified hours. Headquarters management and the U.S. Postal Service Office of Inspector General agreed to 50 percent of the total WebEIS variance as unrecoverable costs for the five district audits, which amounted to \$7,061,060. (See Appendices A and B.)

Supervisors and managers did not always timely view Delivery Operations Information System (DOIS) operational reports to assist in managing delivery operations. This occurred because supervisors felt uncomfortable with some reports, were rushed in the morning and relied on experience, or did not view DOIS reports as a high priority.

Delivery facility managers did not consistently use Managed Service Points (MSP) base information to effectively monitor carrier street performance. Supervisors stated they did not always have time to review and analyze DOIS reports and, in some cases, had not received MSP training. We reviewed the base MSP information for all routes at the facilities sampled in the five districts and identified 614 of 1,193 routes where office or street times had excessive interval times or were out of sequence.

Supervisors and managers at the districts sampled did not always properly track and document letter carriers’ unauthorized overtime. Supervisors said they attempted to speak with carriers about unauthorized overtime, but did not

often track occurrences and fill out the PS Form 1017-B, Unauthorized Overtime Record, log.

Area and district management comments to our individual reports were responsive to our recommendations and discussed actions already implemented or initiatives developed to address the findings and recommendations. During our review (September 2005), the vice president, Delivery and Retail, issued a letter stating that delivery and retail units will officially implement standard delivery management practices beginning in fiscal year 2006. A key component of city delivery standardization is the morning standard operating procedures (AM SOP) program and new Delivery Standard Operating Procedures related to our district findings and recommendations.

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**Summary of  
Recommendations**

We are making no additional recommendations in this report. Management's comments to our individual reports and actions implemented, including those by the vice president, Delivery and Retail, were responsive to our recommendations and their planned actions should correct the issues identified in the reports.

## INTRODUCTION

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### Background

The Delivery Operations Information System (DOIS), deployed in fiscal year (FY) 2002, provides operational data to supervisors and managers at delivery facilities to help them manage daily carrier operations and reduce costs. DOIS provides workload assessment data to project carrier office and street times and performance metrics from prior days. An objective of DOIS is to help match workhours to workload each day to maintain unit efficiency. The U.S. Postal Service developed DOIS at an estimated cost of nearly \$100 million. Training personnel to use the system has cost approximately \$1.2 million.

Routes in a city delivery facility have an established office and street time (usually 8 hours) based on the last route inspection. One aspect of a delivery facility's daily operations is city letter carriers preparing and submitting Postal Service (PS) Forms 3996, Carrier – Auxiliary Control, to request overtime or assistance on their routes. The supervisor reviews each request and approves the additional time, decreases the time, assigns assistance, curtails mail, or denies the request. The supervisor bases this decision on the daily workload or mail volume the delivery facility receives.

To determine the amount of unauthorized and unjustified overtime on routes, supervisors can perform a “3996 audit” of a delivery facility's activities. Using the DOIS Workload Status Report,<sup>1</sup> PS Form 3996,<sup>2</sup> and the Route/Carrier Daily Performance Report,<sup>3</sup> a supervisor reviews several factors:

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

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<sup>1</sup> Workload Status Reports give management data such as volume, parcel, and delivery point sequenced mail for them to use in making effective decisions in matching workhours to workload.

<sup>2</sup> Carriers complete PS Forms 3996 to request overtime or auxiliary assistance on their routes for days when they estimate the route will exceed 8 hours because of workload and volume.

<sup>3</sup> The Route/Carrier Daily Performance Report helps supervisors evaluate the performances of all routes within a delivery unit for a single day.

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

Managed Service Points (MSP) is a computerized tool designed to monitor consistency of delivery time and enhance street management. The Postal Service developed MSP in-house at an estimated cost of \$700,000. The Postal Service then rolled MSP into DOIS at a cost of \$1.1 million. Although the intent of MSP was to ensure better on-time delivery, supervisors can also use it to help improve carrier street time.

Before MSP, there was no system to provide reports on street performance. With MSP, letter carriers use mobile data collection devices (DCDs) to scan barcodes placed at service points reflecting key elements of the employee workday. At the conclusion of each workday, the carrier downloads the MSP data from the DCD into DOIS. Management compares this data to the route MSP base information that employees store in DOIS to generate reports supervisors use to evaluate the carrier's performance.

During FY 2005, Delivery Operations Management implemented AM Standard Operating Procedures (AM SOP). The objectives of the procedures were to:

1. Provide a standardized procedure for the management of a.m. Delivery Service Operations.
2. Provide consistent, timely, and cost-effective delivery services by ensuring all supervisors, managers, and postmasters are printing, reviewing and acting upon reports in a timely manner in order to make better business decisions.

The AM SOP states that carriers are to accurately and timely complete PS Forms 3996 to match workhours to workload, and supervisors must timely analyze them and take action. In addition, supervisors must print DOIS reports and use them to conduct office and street management.

The vice president, Delivery and Retail, issued a letter on September 30, 2005, stating that delivery and retail units will officially implement standard delivery management practices beginning in FY 2006. A key component of city delivery standardization is the AM SOP program and new Delivery SOPs. The procedures state that the delivery supervisor's primary responsibility is to match workhours to workload.

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**Objectives, Scope,  
and Methodology**

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

During our audit, we visited the Santa Ana and San Diego Districts in the Pacific Area and the Chicago, Detroit, and Greater Indiana Districts in the Great Lakes Area. To accomplish our objectives, we randomly selected six delivery facilities in each district having between 30 and 55 routes.

To determine whether delivery facility supervisors/managers adequately matched workhours with workload, we randomly selected 20 days for each delivery facility and conducted "3996 audits" for each day to quantify the amount of unjustified time. We also observed the delivery facility supervisors' and station managers' morning activities of measuring and recording mail volume, reviewing DOIS Workload Status Reports, and approving overtime.

To determine whether delivery facility supervisors and managers effectively used DOIS reports in a timely manner, we analyzed the time each day that supervisors first generated the Workload Status, Route/Carrier Daily Performance, and MSP Overview Reports. We also reviewed base MSP information for all routes at the six delivery facilities and reviewed the use of the log for PS Forms 1017-B.

This audit<sup>4</sup> was conducted from December 2004 through March 2006 in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. We relied on data obtained from the Web Enabled Enterprise Information System (WebEIS) and DOIS. We did not audit these systems, but performed a limited data integrity review to support our reliance on data. We discussed our observations and conclusions with management officials and included their comments where appropriate.

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**Prior Audit Coverage**

The U.S. Postal Service Office of Inspector General (OIG) has issued five audit reports related to our objectives. The reports all identified opportunities to improve management of city letter carrier operations at the districts audited. (See Appendix C.)

The OIG also issued one audit report related to the objectives prior to beginning this work under the Value Proposition:

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

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<sup>4</sup> Project Number 05YG007DR000 – *City Letter Carrier Operations – Great Lakes Area* and Project Number 05YG005DR000 – *City Letter Carrier Operations – Pacific Area* – will be closed out with this report.

## AUDIT RESULTS

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<b>Workhours to Workload</b>	<p>Delivery facility supervisors and managers could more effectively match workhours with workload. The “3996 audits” performed at the five districts (30 individual delivery facilities) identified 12,435 unjustified hours (97 percent) of the total 12,877 hours that were expended on routes with time used over 8 hours during the 5-month periods of our reviews. The unjustified hours occurred primarily because carriers did not often submit PS Forms 3996 to document their requests for additional time. In addition, carriers did not always properly complete PS Forms 3996 and supervisors did not always approve their requests. We projected the sampled results to all similarly sized delivery facilities in each district for a total of 343,332 unjustified hours. Headquarters management and the OIG agreed to 50 percent of the total WebEIS variance as unrecoverable costs for the five district audits, which amounted to \$7,061,060. (See Appendices A and B.)</p>
PS Form 3996, Carrier – Auxiliary Control	<p>Carriers did not consistently submit PS Forms 3996 to request additional time for routes. Of the 599 days<sup>5</sup> reviewed in the five district audits, 8,614 of the 10,495 total unjustified hours (82 percent) were the result of carriers not submitting the forms. Though the PS Form 3996 has been required for years, delivery facility and district management have not emphasized the use of the form as a tool to help manage daily operations. Instead, supervisors verbally discussed workload issues with carriers. Supervisors felt the verbal discussions with carriers took less time and were less confrontational.</p> <p>When carriers submitted PS Forms 3996, they did not always properly document their requests for additional time. For example, carriers listed reasons on PS Form 3996 for overtime, but did not list corresponding amounts of time. In addition, supervisors did not always properly approve or disapprove carriers’ requests.</p> <p>Postal Service Handbook M-41, <i>City Delivery Carrier Duties and Responsibilities</i>, Section 131.41 (updated with <i>Postal Bulletin</i> revisions through April 2001), states that the carrier is responsible for completing PS Form 3996 if management authorizes overtime or auxiliary assistance for the office or</p>

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<sup>5</sup> Twenty days at six facilities equals 120 days, times four districts equals 480 days. Twenty days at five facilities, plus 19 days at one facility, equals 119 days at one district. The two total 599 days.

the street. In addition, Section 28 states that the carrier must show the reason for requesting assistance on his/her route in detail on PS Form 3996. In addition, PS Form 3996 has a section for management to approve or disapprove carriers' overtime requests.

The sampled delivery facilities also did not always keep route information readily available for parcels, accountables,<sup>6</sup> and full coverage times.<sup>7</sup> This data is critical because the volume for these items may increase or decrease each day on a carrier's route. Without this information, supervisors do not have objective data to approve overtime requests.

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Delivery Supervisor  
Duties

During our audits, we observed delivery supervisors' morning duties of measuring mail, reviewing DOIS reports, approving overtime, and interacting with carriers. We were impressed with the level of dedication and pride delivery supervisors exhibited in ensuring the mail was delivered each day. We also witnessed the difficulty of their duties, especially during the critical morning hours.

In our view, two particular challenges these supervisors face may have indirectly contributed to the incidents of unjustified time we identified. First, there were concerns about pay. Supervisors expressed concern that the pay level was the same whether they managed a 12-route delivery facility or a more demanding 35-route facility. In addition, we found that letter carriers temporarily acting as supervisors were reluctant to apply for full-time supervisor positions because of the demands of the job and the pay level. One supervisor told us he is now earning less as a full-time delivery supervisor than he was as a letter carrier. These types of circumstances can be detrimental to some individuals' motivation. Second, there were concerns with personnel turnover. We sometimes found high turnover in delivery facilities and various supervisors and managers placed on details to other positions and/or in other facilities, which made continuity and consistency of operations more difficult.

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<sup>6</sup> Accountable mailpieces include Express Mail and certified mail packages the carrier must deliver, and usually require the customer's signature.

<sup>7</sup> Full coverage is the additional time granted to a city letter carrier to deliver mail on a particular day to all possible delivery points on a route.

**Supervisors’ Use of  
DOIS Reports**

Supervisors and managers did not always timely view DOIS operational reports to assist in managing delivery operations. This occurred because supervisors were uncomfortable with some reports, felt rushed in the morning and relied on experience, or did not view DOIS reports as a high priority. The DOIS Quality Assessment of September 9, 2002, states that supervisors must use DOIS to manage daily facility operations.

Supervisors and managers did not always review the Workload Status, Route/Carrier Daily Performance, and MSP Overview Reports in a timely manner to manage delivery operations and provide objective data for approving carrier overtime requests. (See Table 1.)

**Table 1. Supervisors’ DOIS Activity  
5-Month Period at each District**

Districts Reviewed	Days Workload Status Report Not Viewed Before 8:00 a.m. or 8:30 a.m. <sup>8</sup>	Days Route/Carrier Daily Performance Report Not Viewed Before 8:00 a.m.	Days MSP Overview Report Not Viewed	Workdays
Santa Ana	291	346	338	762
San Diego	281	245	224	762
Chicago	169	98	116	744
Detroit	28	278	254	750
Greater Indiana	112	204	185	750
<b>TOTAL</b>	<b>881</b>	<b>1,171</b>	<b>1,117</b>	<b>3,768</b>

Source: Postal Service DOIS Reports

Supervisors did not view the Workload Status Report before the required time in 881 of 3,768 instances (23 percent); did not view the Route/Carrier Daily Performance Report before 8:00 a.m. in 1,171 of 3,768 instances (31 percent); and did not view the MSP Overview Report in 1,117 of 3,768 instances (30 percent).

Supervisors affected their ability to make decisions in matching workhours to workload when they did not review operational data such as mail volume, carrier performance, and street delivery activities in the DOIS. In addition,

<sup>8</sup> The time for viewing the Workload Status Report was 8:00 a.m., but the Detroit and Greater Indiana Districts adhered to an area policy stating the report must be viewed by 8:30 a.m.

improving the review of DOIS reports would help delivery supervisors and managers take timely corrective action to address carrier performance issues. A large capital investment was made in the DOIS to assist supervisors; however, our audits found supervisors did not use this management tool to its fullest extent.

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**Managed Service  
Points Base  
Information**

Delivery facility managers did not consistently use MSP base information to effectively monitor carrier street performance. We reviewed the base MSP information for all routes at the facilities sampled in the five districts and identified 614 of 1,193 routes (52 percent) where office or street times had excessive interval times or were out of sequence during the audit scope period.<sup>9</sup>

Examples of out-of-sequence conditions included:

- Return to office time before the last delivery.
- Excessive return to office time.
- Two different streets with the exact same scan time.
- Delivery times defaulted to 12:00 a.m.

The out-of-sequence times occurred as a result of supervisors not having a current PS Form 3999, Inspection of Letter Carrier Route; not using a current form to update the route pivot plans; or not updating the pivot plan to reflect new starting times or carriers' lunch breaks. The route pivot plan is a detailed description of the route that the city delivery carrier should follow while delivering mail on the street. The manager or supervisor must update the form and the pivot plan to reflect any route changes to ensure the correct placement of MSP scan points.

Delivery managers and supervisors stated they did not always remember to update the pivot plans and base information. Also, some delivery supervisors said they had not received much or any MSP training and did not always have time to review and analyze DOIS reports. MSP was initially developed to improve customer service; however, the program can also be an effective tool to help supervisors monitor and address any carrier street performance issues.

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<sup>9</sup> Out-of-sequence conditions occur when the scheduled times for the route do not occur in chronological order.

**Unauthorized Time**

Supervisors and managers in the districts sampled did not always properly track and document letter carriers' unauthorized overtime. Supervisors stated that unauthorized overtime was not a high priority among all their other tasks. Supervisors also said they attempted to speak with carriers about unauthorized overtime, but did not often track occurrences by filling out the PS Form 1017-B, Unauthorized Overtime Record, log.

As shown in Table 2, there were 528 1017-B log entries for all 599 days sampled at the 30 delivery facilities<sup>10</sup> reviewed. We noted that 373 of the entries occurred at just three facilities. The other 27 delivery facilities had only 155 entries over the same 599 days.

**Table 2. Summary of PS Form 1017-B Log Entries**

<b>District Reviewed</b>	<b>Total Number of 1017-B Entries for Sampled Days in each District</b>	<b>Number of Days Sampled</b>
Santa Ana	2	119
San Diego	16	120
Chicago	228	120
Detroit	211	120
Greater Indiana	71	120
<b>Overall</b>	<b>528</b>	<b>599</b>

Source: Postal Service Delivery Facility Records

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

Supervisors said documenting unauthorized overtime was not a high priority. As part of the AM SOP, supervisors are required to accurately complete, analyze, and act upon PS Form 1017-B. Because supervisors did not document unauthorized overtime, they could not as effectively consult

<sup>10</sup> Six delivery facilities randomly sampled in five districts equals 30 delivery facilities sampled.

with carriers or correct carrier performance issues to assist in managing overtime hours.

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<b>District Management Implemented Corrective Actions</b>	District management agreed with the findings and recommendations of the five reports. Based on these findings, officials implemented some new procedures and provided some training in MSP and unauthorized overtime to correct issues identified in the reports.
<b>Headquarters Management Corrective Action</b>	Based on our findings and recommendations in these reports, the vice president, Delivery and Retail, issued a letter on September 30, 2005, stating that delivery and retail units will officially implement standard delivery management practices beginning in FY 2006. A key component of city delivery standardization is the AM SOP program and new Delivery SOPs. The procedures establish standard practices for managing all delivery and retail functions at the unit level and oversight responsibilities at each tier of management above the unit level. For example, the procedures state that the delivery supervisor's primary responsibility is to match workhours to workload.
<b>OIG Nationwide Review</b>	In January 2006, the OIG initiated audits to assess implementation of the Delivery and Retail SOPs in selected areas, districts, and delivery and retail units.

**APPENDIX A. SUMMARY OF DISTRICT “3996 AUDITS”**

<b>Number</b>	<b>District</b>	<b>5-Month Period</b>	<b>Total Time Used Greater than 8 Hours in Minutes</b>	<b>Total Unjustified Time in Minutes</b>	<b>Total Unjustified Percentage</b>	<b>Total Routes Greater than 8 Hours</b>	<b>No PS Form 3996 but Route Greater than 8 Hours</b>
1	Santa Ana	05/01/04 – 09/31/04	132,251	127,587	97	2,039	1,606
2	San Diego	05/01/04 – 09/31/04	98,397	95,435	97	1,656	1,371
3	Chicago	09/01/04 – 01/31/05	218,872	216,354	99	2,427	2,264
4	Detroit	01/01/05 – 05/31/05	140,274	136,415	97	1,918	1,709
5	Greater Indiana	01/01/05 – 05/31/05	182,851	171,402	94	2,455	1,664
	<b>TOTALS</b>		<b>772,645</b>	<b>747,193</b>	<b>97</b>	<b>10,495</b>	<b>8,614</b>
		<b>Minutes converted to hours</b>	<b>12,877</b>	<b>12,453</b>			

**APPENDIX B. OIG CALCULATION OF UNRECOVERABLE COSTS**

<b>District</b>	<b>Unjustified Workhours projected by the OIG from “3996 audits”</b>	<b>Unrecoverable Workhours identified by using 50 percent of the WebEIS variance</b>	<b>Cost of Unrecoverable Workhours using 50 percent of the WebEIS variance</b>	<b>5-Month Period of “3996 audits” and WebEIS variance</b>
Santa Ana	83,864	58,345	2,127,852	05/01/04 – 09/30/04
San Diego	53,835	39,044	1,423,935	05/01/04 – 09/30/04
Chicago	78,248	53,944	2,020,200	09/01/04 – 01/31/05
Detroit	59,208	18,587	723,586	01/01/05 – 05/31/05
Greater Indiana	68,177	19,663	765,487	01/01/05 – 05/31/05
<b>TOTAL</b>	<b>343,332</b>	<b>189,583</b>	<b>7,061,060</b>	

## APPENDIX C

### PRIOR AUDIT COVERAGE

*City Letter Carrier Operations – Greater Indiana District* (Report Number DR-AR-06-003, dated March 28, 2006). The report outlined opportunities to improve the management of city letter carrier operations in the Greater Indiana District. Delivery facility supervisors and managers did not adequately match workhours with workload. We projected the sample results for a total of 68,177 unjustified hours over the 5-month period from January 1 through May 31, 2005, that were not supported by volume or workload. We agreed with headquarters delivery management to unrecoverable costs of \$765,487. We also noted that supervisors and managers did not always view DOIS reports in a timely manner to manage operations, consistently use MSP to monitor city letter carriers' street time to correct negative trends, or properly document letter carriers' unauthorized overtime occurrences and take corrective action.

*City Letter Carrier Operations – Detroit District* (Report Number DR-AR-06-002, dated February 8, 2006). The report outlined opportunities to improve the management of city letter carrier operations in the Detroit District. Delivery facility supervisors and managers did not adequately match workhours with workload. We projected the sample results for a total of 59,208 unjustified hours over the 5-month period from January 1 through May 31, 2005, that were not supported by volume or workload. We agreed with headquarters delivery management to unrecoverable costs of \$723,586. We also noted that supervisors and managers did not always view DOIS reports in a timely manner to manage operations, consistently use MSP to monitor city letter carriers' street time to correct negative trends, or properly document letter carriers' unauthorized overtime occurrences and take corrective action.

*City Letter Carrier Operations – Chicago District* (Report Number DR-AR-05-019, dated September 29, 2005). The report outlined opportunities to improve the management of city letter carrier operations in the Chicago District. Delivery facility supervisors and managers did not adequately match workhours with workload. We projected the sample results for a total of 78,248 unjustified hours over the 5-month period from September 1, 2004, through January 31, 2005, that were not supported by volume or workload. We agreed with headquarters delivery management to unrecoverable costs of \$2,020,200. We also noted that supervisors and managers did not always view DOIS reports in a timely manner to manage operations, consistently use MSP to monitor city letter carriers' street time to correct negative trends, or properly document letter carriers' unauthorized overtime occurrences and take corrective action.

*City Letter Carrier Operations – Santa Ana District* (Report Number DR-AR-05-013, dated August 8, 2005). The report outlined opportunities to improve the management of city letter carrier operations in the Santa Ana District. Delivery facility supervisors and managers did not adequately match workhours with workload. We projected the sample results for a total of 83,864 unjustified hours over the 5-month period from May 1 through September 30, 2004, that were not supported by volume or workload. We agreed with headquarters and Pacific Area delivery management to unrecoverable costs of \$2,127,852. We also noted that supervisors and managers did not always view DOIS reports in a timely manner to manage operations, consistently use MSP to monitor city letter carriers' street time to correct negative trends, or properly document letter carriers' unauthorized overtime occurrences and take corrective action.

*City Letter Carrier Operations – San Diego District* (Report Number DR-AR-05-014, dated August 8, 2005). The report outlined opportunities to improve the management of city letter carrier operations in the San Diego District. Delivery facility supervisors and managers did not adequately match workhours with workload. We projected the sample results for a total of 53,835 unjustified hours over the 5-month period from May 1 through September 30, 2004, that were not supported by volume or workload. We agreed with headquarters and Pacific Area delivery management to unrecoverable costs of \$1,423,935. We also noted that supervisors and managers did not always view DOIS reports in a timely manner to manage operations, consistently use MSP to monitor city letter carriers' street time to correct negative trends, or properly document letter carriers' unauthorized overtime occurrences and take corrective action.