



October 16, 2006

JERRY D. LANE
VICE PRESIDENT, CAPITAL METRO AREA

SUBJECT: Management Advisory – Delivery and Retail Standard Operating Procedures – Capital Metro Area (Report Number DR-MA-07-001)

This report presents the results of our review of the implementation of Delivery and Retail Standard Operating Procedures (SOP) in the Capital Metro Area (Project Number 06XG016DR003). Our overall objective was to assess implementation of Delivery and Retail SOP in the Capital Metro Area. This is one in a series of reports on Delivery and Retail operations issued under the Value Proposition Agreement between the Vice President, Delivery and Retail, and the U.S. Postal Service Office of Inspector General (OIG) Delivery and Retail directorate. The information in this report will be included in a nationwide capping report assessing implementation of Delivery and Retail SOP.

The Capital Metro Area, selected districts and delivery and retail unit officials implemented the Delivery and Retail SOP for city and rural delivery and Function 4 (customer service) operations. Implementation included training supervisors and managers, developing action steps for “vital few” units, and outlining future plans to complete remaining reviews and certifications by the end of fiscal year 2006. Officials also certified delivery and retail units under Morning Standard Operating Procedures (AMSOP) and Rural Delivery Standard Operating Procedures (RDSOP) and conducted Function 4 reviews. Based on our review of the city and rural delivery and Function 4 SOP, the Capital Metro Area implemented each component of the SOP except for selected aspects of AMSOP, Delivery Point Sequencing (DPS), matching workhours to workload, RDSOP, and Retail Data Mart Window Operations Survey (RDM WOS). During our review, officials implemented corrective actions to improve the AMSOP, DPS, and RDSOP.

Unit officials did not always adhere to policies to adequately match workhours to workload. As a result, unit officials' ability to monitor carrier street performance and customer service issues may be impacted. In addition, supervisors did not effectively consult with carriers and correct performance issues to better manage overtime hours. Finally, supervisors were unable to determine whether the volume for parcels and accountable packages increased or decreased each day on a carrier's route.

The RDM WOS component needs improvement because unit officials were not using the RDM WOS to determine the proper staff scheduling needed to manage retail window operations. As a result, unit management cannot adequately schedule window coverage to meet customer demands, and area and district officials cannot establish realistic annual work budget goals at the area and district levels.

Finally, area officials were continuing to address the challenges associated with the “vital few” performers, which include developing action steps for units identified as “vital few.”

We recommended the Vice President, Capital Metro Area, direct the Capital and Baltimore District Managers to ensure unit officials match workhours to workload by updating route base information when changes occur; completing Postal Service Forms 1017-B, Unauthorized Overtime Record, to document unauthorized overtime; and providing current and readily available route base information for parcels and accountable mail. In addition, we recommended the Vice President, Capital Metro Area, direct the Capital and Baltimore District Managers to ensure unit officials use the RDM WOS to determine staffing required to meet customer demands during peak hours.

Management agreed with our findings and recommendations and has taken or planned corrective actions to address issues identified in this report. Management’s comments and our evaluation of these comments are included in the report.

The OIG considers all recommendations significant, and therefore requires OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. These recommendations should not be closed in the follow-up tracking system until the OIG provides written confirmation the recommendations 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 F. Oliver, Director, Delivery and Retail, or me at (703) 248-2100.

E-Signed by Colleen McAntee 
VERIFY authenticity with Approve!


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TABLE OF CONTENTS

Executive Summary	i
Part I	
Introduction	1
Background	1
Objective, Scope, and Methodology	3
Prior Audit Coverage	4
Part II	
Results	5
Implementation of Standard Operating Procedures in the Capital Metro Area	5
Morning Standard Operating Procedures	7
Delivery Point Sequencing	9
Matching Workhours to Workload	11
Recommendations	12
Management’s Comments	12
Evaluation of Management’s Comments	14
Rural Delivery Standard Operating Procedures	15
Retail Data Mart Window Operations Survey	16
Recommendation	16
Management’s Comments	17
Evaluation of Management’s Comments	17
“Vital Few” List	18
Appendix A. Prior Audit Coverage	19
Appendix B. Capital Metro Area Implementation of Delivery and Retail Standard Operating Procedures	22
Appendix C. Management’s Comments	23

EXECUTIVE SUMMARY

Introduction

This report presents the results of our review of the implementation of Delivery and Retail Standard Operating Procedures (SOP) in the Capital Metro Area (Project Number 06XG016DR003). Our overall objective was to assess implementation of Delivery and Retail SOP in this area.

Results in Brief

The Capital Metro Area and officials in selected districts and delivery and retail units implemented the Delivery and Retail SOP for city and rural delivery and retail operations. Implementation included training supervisors and managers, developing action steps for “vital few” units and outlining future plans to complete remaining reviews and certifications by the end of fiscal year 2006. Officials also certified delivery and retail units under Morning Standard Operating and Rural Delivery Standard Operating Procedures (AMSOP and RDSOP, respectively) and conducted Function 4 (customer service) reviews.

Based on our review of the SOP for city and rural delivery and Function 4 operations, the Capital Metro Area implemented each component except for AMSOP, Delivery Point Sequencing, matching workhours to workload, RDSOP and Retail Data Mart Window Operations Survey (RDM WOS). Officials implemented corrective actions during our review to improve the AMSOP, DPS and RDSOP.

Unit officials did not always adhere to policies to adequately match workhours to workload. As a result, unit officials’ ability to monitor carrier street performance and customer service issues may be impacted. In addition, supervisors did not effectively consult with carriers and correct their performance issues to better manage overtime hours. Finally, supervisors were unable to determine whether the volume for parcels and accountable packages increased or decreased each day on a carrier’s route.

The RDM WOS component needs improvement because unit officials were not using the RDM WOS to determine if the staff needed to manage retail window operations. As a result, unit management cannot adequately schedule window coverage to meet customer demands, and area and district officials cannot establish realistic annual work budget goals at the area and district levels.

Finally, area officials were continuing to address the challenges associated with the “vital few” performers, which include developing action steps for units identified as “vital few.”

**Summary of
Recommendations**

We recommended the Vice President, Capital Metro Area, direct the Capital and Baltimore District Managers to ensure unit officials match workhours to workload by updating route base information when changes occur; completing Postal Service Forms 1017-B, Unauthorized Overtime Record, to document unauthorized overtime; and providing current and readily available route base information for parcels and accountable mail.

In addition, we recommended the Vice President, Capital Metro Area, direct the Capital and Baltimore District Managers to ensure that unit officials use the RDM WOS to determine staffing required to meet customer demands during peak hours.

**Summary of
Management’s
Comments**

Management agreed with the findings and recommendations. However, they did not agree with the statement that all components of the SOP were implemented except for AMSOP, Delivery Point Sequencing, matching workhours to workload, RDSOP and Retail Data Mart Window Operations Survey (RDM WOS). Management agreed however, that their concerns were addressed in Appendix B. Capital and Baltimore District management stated all offices have received the proper training for SOP implementation. Capital and Baltimore District management gave details of planned oversight processes to ensure that data is properly maintained and accurate in the Delivery Operations Information System. Management in both districts has required stricter oversight to ensure appropriate use of Postal Service control forms, such as PS Form 1017B, Unauthorized Use of Overtime.

Finally, management in both districts has implemented follow-up measures to ensure that unit managers have received training on RDM WOS and are properly using this tool to staff retail operations. Management's comments, in their entirety, are included in Appendix C.

**Overall Evaluation of
Management's
Comments**

Management's comments are responsive to the findings and recommendations, and their actions taken or planned should correct issues identified in the report.

INTRODUCTION

Background

Each day the U.S. Postal Service receives and delivers over 700 million pieces of mail. The Postal Service delivers mail to 144 million city and rural addresses across a network of around 37,000 post offices and retail outlets. To receive and deliver the mail, the Postal Service has an annual field budget of approximately \$60 billion of which roughly 51 percent is used for delivery and retail operations. Annual salary and benefits in fiscal year (FY) 2006 for rural and city carriers totaled about \$22 billion and around \$8 billion for Function 4 (customer service) operations. The Capital Metro Area's FY 2006 budget was \$779 million for city delivery operations, \$246 million for rural delivery operations, and \$404 million for Function 4¹ operations. The Capital Metro Area is responsible for four districts² and services approximately 1,308 delivery and retail units.³

To ensure the efficient use of resources, the Vice President, Delivery and Retail, issued a letter on September 30, 2005, stating that all delivery and retail units will officially implement the Standard Operating Procedures (SOP) beginning in FY 2006 to establish standard practices for managing all delivery and retail functions. In November 2005, Postal Service senior management officials requested audit assistance from the U.S. Postal Service Office of Inspector General (OIG) to assess implementation of the SOP and determine how the area is monitoring the units on the "vital few"⁴ list. In response to the request, the OIG began its nationwide review of implementation of the SOP in January 2006.

The SOP consists of procedures to manage city and rural delivery and Function 4 operations. Postal Service officials must implement the SOP consistently and establish a review process to validate that the programs are operable. Officials must also take appropriate responsibility for

¹ Function 4 operations include customer service activities for nonsupervisory hours of employees at post office windows, vending equipment services, and miscellaneous administrative and Central Forwarding System operations.

² In July 2006, Capital Metro Operations assumed responsibility for three other districts (Greater South Carolina, Mid-Carolinas, and Greensboro). However, the scope of this review only included the Baltimore, Capital, Northern Virginia, and Richmond Districts.

³ Some of these units do not have all three components: city delivery, rural delivery, and retail operations. Therefore, they do not have budgeted workhours for all three operations.

⁴ "Vital few" units have the largest opportunity for improvement in city and rural delivery and Function 4 operations and require specific management actions.

developing plans that will assure that SOP are understood and functional.

Morning Standard Operating Procedures (AMSOP) are an important component of city delivery SOP. AMSOP standardizes daily city carrier functions to align actual workhours to base workhours. The FY 2006 goal was to certify⁵ all level 22⁶ and above Delivery Operations Information System (DOIS) sites by September 30, 2006.

For rural delivery, the Rural Delivery Standard Operating Procedures (RDSOP) standardizes daily rural carrier functions to align actual workhours to standard workhours. The FY 2006 goal was to certify⁷ 75 percent of units with 10 or more rural routes and those units identified as “vital few.”

The Function 4 operations goal is to provide a standardized and comprehensive structure for the development of an integrated review cycle that continually identifies and quantifies savings opportunities. In addition, management should conduct Function 4 Business Reviews⁸ to identify units with the largest opportunity for workhour improvements.

A key component of the SOP is the identification of “vital few” units. These units have the largest opportunity for improvement in city and rural delivery and Function 4 operations and require specific management actions. Postal Service Headquarters provides area officials with the “vital few” list quarterly based on the performance of the previous quarter. The area monitors the “vital few” units and develops action plans to correct their performance issues in city and rural delivery and Function 4 operations.

⁵ District program managers conduct a certification audit of a city delivery unit’s operations to determine if supervisors are matching workhours to workload, time attendance reports, office configuration and use of authorized overtime. Units must achieve a score of 95 or greater for certification.

⁶ A level 22 post office is a grade level assigned to the postmaster of a post office according to the total number of workload service credits attributed to the facility. The credits are based on a combination of the responsibilities of the postmaster, the number of employees, the size of the facility, and various operations performed within each post office.

⁷ District program managers conduct a formalized rural management review focusing on improving efficiency in an evaluated workload environment to more closely align actual to standard hours, reduce overtime, and reduce auxiliary assistance hours. Units must achieve a score of 85 or greater for certification.

⁸ The on-site review focuses on improving efficiency in an evaluated workload environment, which will result in closer alignment of actual hours to budgeted hours. Function 4 SOP teams complete the on-site reviews and an Integrated Operations Business Plan Committee provides critical support to ensure attainment of major organizational targets.

Postal Service Headquarters provided delivery and retail standardization training to Area Managers of Delivery Support Programs on September 8 and 9, 2005. In addition, Postal Service Headquarters issued a memorandum on October 13, 2005, to each area outlining the area's responsibility for training managers on the SOP. Each area was responsible for training districts by October 31, 2005. The districts were responsible for completing training for all levels of management by November 15, 2005. Further, Postal Service Headquarters requested that each area establish a review process to validate whether the SOP were adopted to ensure consistent implementation. Finally, Postal Service Headquarters informed area officials that the "vital few" list requires their attention and monitoring, which includes action plans to correct performance issues in city and rural delivery and Function 4 operations.

Objective, Scope, and Methodology

Our overall objective was to assess implementation of Delivery and Retail SOP in the Capital Metro Area. Specifically, we determined whether Capital Metro Area officials have implemented SOP in city and rural delivery and Function 4 operations. The scope of this review focused on whether area officials implemented the SOP at the area level and at selected district and delivery and retail unit locations within the area. We did not determine the effectiveness of the implemented SOP at this time, but plan to perform future reviews and identify opportunities to increase revenue, reduce costs, and improve customer service.

We visited Postal Service Headquarters and the Capital Metro Area to interview management officials and obtain performance data. We judgmentally selected for review the Capital and Baltimore Districts and the [REDACTED], [REDACTED], [REDACTED], and [REDACTED] delivery and retail units based on discussions with Postal Service officials and review of FY 2006 delivery and retail performance data for week 10.⁹ We reviewed and analyzed performance data obtained from Postal Service systems from October 2005 through June 2006 and discussed the results with Postal

⁹ Week 10 performance data was only for that specific week. The weekly performance data roll-up processes began in week 14, with year-to-date information available beginning with week 19.

Service officials.¹⁰ We relied on data from these systems to conduct interviews and analysis. However, we did not directly audit the systems, but discussed with Postal Service officials the relevance of the data to delivery and retail performance during our fieldwork.

We conducted this review from January through October 2006 in accordance with President's Council on Integrity and Efficiency, *Quality Standards for Inspections*. We discussed our observations and conclusions with management officials and included their comments where appropriate.

Prior Audit Coverage

The OIG has issued 12 audit reports related to delivery and retail operations. While none of these reports are directly related to our objective, they do identify opportunities to improve management of delivery and retail operations issues. The details of the reports are included in Appendix A.

¹⁰ During our review timeframe, we analyzed performance data roll-up information for week 19 year-to-date and week 34 year-to-date.

RESULTS

Implementation of Standard Operating Procedures in the Capital Metro Area

The Capital Metro Area and officials in selected districts and delivery and retail units implemented the SOP in city and rural delivery and Function 4 operations which included:

- Completing SOP training between October and November 2005 for supervisors and managers responsible for city and rural delivery and Function 4 operations at the district and unit levels.¹¹
- Developing approved action steps for “vital few” units.
- Outlining future plans to complete reviews on the remaining AMSOP, RDSOP, and Function 4 Business Review locations by September 30, 2006.

Capital Metro Area officials certified 6 percent (5 of 78) of their level 22 and above DOIS sites under AMSOP.¹² During FY 2006, week 34 year-to-date, the area city delivery office hours (percent to standard) exceeded standard workhours by 105.31 percent. This was a decrease from week 19 year-to-date, when the office hours exceeded the standard hours by 105.81 percent. During this same period, the deliveries per hour percentage exceeded the same period last year percentage by 1.58 percent. This was an increase from week 19 year-to-date, when the deliveries per hour percentage exceeded the same period last year percentage by 1.29 percent.¹³

Further, area officials had certified 11 percent (12 of 109)¹⁴ of their rural units. During FY 2006, week 34 year-to-date, rural delivery total actual workhours exceeded standard workhours by 6.27 percent. This was a decrease from week 19 year-to-date, when the actual hours exceeded the standard hours by 8.51 percent.

Finally, area officials conducted Function 4 Business Reviews at 39 percent (22 of 57) of their planned

¹¹ The area conducted a leadership meeting for all Executive Administration and Salary managers in city and rural delivery and Function 4 operations. In addition, the SOP were placed on the area's website.

¹² This data is current as of May 2006.

¹³ We are planning a future review on city carrier street performance.

¹⁴ This data is current as of May 2006.

locations.¹⁵ During FY 2006, week 34 year-to-date, Function 4 total earned hour variance was 610,772 workhours. This was an increase from week 19 year-to-date when the earned hour variance was 317,834 workhours. During the same period, the window staffing efficiency for week 34 year-to-date was 74.8 percent. This was a decrease from week 19 year-to-date when the window staffing efficiency was 76.6 percent.

Based on our review of the city and rural delivery and Function 4 SOP, the Capital Metro Area implemented each component of the SOP except for AMSOP, Delivery Point Sequencing (DPS), matching workhours to workload, RDSOP, and Retail Data Mart Window Operations Survey (RDM WOS). (See Appendix B.) Officials implemented corrective actions to improve the AMSOP, DPS and RDSOP components during our review.

Unit officials did not always adhere to policies to adequately match workhours to workload. As a result, unit officials' ability to monitor carrier street performance and customer service issues may be impacted. In addition, supervisors did not effectively consult with carriers and correct their performance issues to better manage overtime hours. Finally, supervisors were unable to determine whether the volume for parcels and accountable packages increased or decreased each day on a carrier's route.

In addition, the RDM WOS component needs improvement because unit officials were not using the RDM WOS to determine the staff needed to manage retail window operations. As a result, unit management cannot adequately schedule window coverage to meet customer demands, and area and district officials cannot establish realistic annual work budget goals at the area and district levels.

Finally, area officials were continuing to address the challenges associated with the "vital few" performers, which include developing action steps for units identified as "vital few."

¹⁵ This data is current as of May 2006.

**Morning Standard
Operating
Procedures**

Although the Capital Metro Area implemented the SOP, the four delivery and retail units reviewed in the Baltimore and Capital Districts have not been certified under AMSOP.

The Capital District has 21 delivery and retail units that met the FY 2006 AMSOP certification criteria. As of July 2006, only one of the 21 units passed the AMSOP certification audit and was AMSOP certified. The remaining units did not pass the audits because they did not match workhours to workload; properly measure mail volume; or accurately record clock rings. Also, delivery and retail units did not meet certification requirements because they were classified as historical buildings, which restricted modifications to meet floor plan requirements. Further, delivery and retail units did not always complete Postal Service (PS) Forms, 1017-B, Unauthorized Overtime Record, and PS Form 3996, Carrier — Auxiliary Control.

The Baltimore District has 20 delivery and retail units that met the FY 2006 AMSOP certification criteria. As of July 2006, only two of the 20 facilities were AMSOP certified. The remaining units did not pass AMSOP certification audits because of the physical layout of some of the older buildings, restrictions placed on making structural changes to historic buildings, and some resistance to change on the part of managers and carriers. In addition, the units could not meet the standards set for the performance measures.

AMSOP was implemented nationally during FY 2005 for city delivery units to standardize daily city carrier functions to align actual workhours to base workhours. The FY 2006 goal is that all level 22 and above DOIS sites become AMSOP certified by September 30, 2006. In order to have an effective AMSOP process, officials must work jointly to create and establish procedures for daily commitments towards each other's success. The expectation is that "vital few" units will develop area approved action plans for improvement to avoid being on the "vital few" list the next quarter and to help them achieve certification status.

Capital Metro Area and district officials developed a monthly tracking system to monitor the AMSOP certification process

and to schedule re-audits for those units that had not passed the certification audit to meet the FY 2006 goals.

As a result of these conditions, the Postal Service goal of improving units' efficiency in an evaluated workload environment and alignment of actual to standard hours could be adversely impacted for units not certified. Since officials implemented action to address AMSOP certification, we are not making any recommendations.

Delivery Point Sequencing

The Capital Metro Area did not achieve the national average for DPS mail. Their FY 2005 DPS score was an average of 71 percent, which is 6 percent below the national average.¹⁶ With the Postal Service continuing to have delivery growth, an increase in DPS letters is essential to decreasing cased letter volume and, therefore, time spent by the carriers in the office. As shown in Table 1, nationally, the DPS percentage is approximately 77 percent, with some areas achieving DPS percentages in the 80s.

DPS is the process of getting barcoded mail into the carrier’s walk sequence so the carrier can deliver it without manual sorting before going to the street. The goal of DPS is to improve efficiency and thus reduce costs. Increasing DPS letters percentage equates to decreasing cased letter volume and time spent by the carriers in the office.

Table 1. Average Delivery Point Sequencing Percentages for FY 2005

Area	Actual DPS% End of FY 2005
Western	82
Northeast	82
Southwest	80
Southeast	79
Pacific	76
Great Lakes	76
Eastern	75
New York Metro	72
Capital Metro Area	71
National	77

Source: Information provided by Postal Service Headquarters officials

Capital Metro Area officials implemented corrective actions to improve their DPS scores, which include establishment of a cross-functional DPS team at the area level and in each district. The DPS teams consist of officials from the Plant, Customer Service, Address Management Systems, Marketing, and the district office. The DPS teams’ responsibilities include creating the sort programs and updates for use on barcode sorters and monitoring the edit

¹⁶ We are planning a future audit that will incorporate DPS percentages to identify opportunities to increase revenue, reduce costs, and improve customer service.

book submission process. Since officials implemented corrective action to improve DPS scores, we are not making any recommendations.

Matching Workhours to Workload

Delivery and retail unit officials did not always adhere to policies to adequately match workhours to workload. Unit officials stated this occurred because:

- They did not always remember to update Managed Service Points (MSP) base information when route changes occurred. We reviewed the base MSP information for all routes at the four delivery units sampled and identified 72 of 113 routes where office or street times had excessive interval times or were out of sequence.
- They did not always complete PS Forms 1017B. The sampled delivery units in the Capital District had current PS Forms 1017-B; however, unit officials did not consistently use the form. In addition, they did not cite corrective actions on the forms. Supervisors at the sample delivery units in the Baltimore District did not use PS Form 1017-B to record unauthorized overtime occurrences.
- They often approved time based on knowledge of the route and what they thought was reasonable for parcels and accountable mail rather than using information from the last route inspection in DOIS. The sampled delivery units did not keep route base information readily available for parcels and accountable packages. The [REDACTED] Post Office obtained a listing of base parcels for each route but did not have a column for base accountable packages. However, the other sampled delivery units did not obtain a listing. Delivery and retail unit officials stated adding accountable mail to the listing of base parcels was useful because this data is critical to knowing whether the volume of these items increases or decreases each day on a carrier's route.

The delivery unit supervisor's primary responsibility is to match workhours to workload. All other delivery unit management personnel must assist in this effort by filtering out any duties that do not support the supervisor's primary responsibility. Supervisors must concentrate on ensuring that all workload is properly assessed and the tools used are accurate. Unit managers must play an active role in

leading, managing, and coaching daily unit operations. The carriers' first hour of casing must be uninterrupted, therefore, the supervisor must assess the workload and insure that mail presentation is completed prior to carriers reporting.

As a result, unit officials' ability to monitor carrier street performance and customer service issues may be impacted. In addition, supervisors cannot effectively consult with carriers and correct their performance issues to better manage overtime hours. Finally, supervisors are unable to accurately determine whether the volume for parcels and accountable packages increases or decreases each day on a carrier's route.

Recommendation

We recommend the Vice President, Capital Metro Area, direct the Managers, Capital and Baltimore Districts, to ensure that unit officials:

1. Update route base information when changes occur.

**Management's
Comments**

Capital District management agreed with our finding and recommendation. They stated that the effective use of DOIS performance reports is a major tool necessary for monitoring and improving delivery performance as well as delivery staff maintaining a full understanding of components used to determine performance targets. Management also stated this effort will be enhanced through daily interaction with postmasters, area managers, and managers, Post Office Operations, as it relates to the nonperforming delivery units that show negative trends of exceeding projected workhours. In addition, management stated they expect that DOIS performance reports will be used to drive the right behavior in terms of managing available workhours against available workload.

Baltimore District management agreed with our finding and recommendation. Baltimore District management stated that all postmasters, managers, and supervisors have been trained on the proper procedures to ensure that base data is maintained and accurate in the DOIS. Management also stated they will reissue a letter signed by all postmasters,

managers, and supervisors, stating that they are aware of these processes and the processes are in place in their units.

Recommendation

We recommend the Vice President, Capital Metro Area, direct the Managers, Capital and Baltimore Districts, to ensure that unit officials:

2. Complete Postal Service Forms 1017-B, Unauthorized Overtime Record, to document unauthorized overtime and take corrective actions.

**Management's
Comments**

Capital District management agreed with our finding and recommendation. They stated proper usage of Postal Service related control forms is an essential tool needed to achieve results. PS Form 1017B, Unauthorized Use of Overtime; PS Form 3996, Auxiliary Assistance; and PS Form 1813, Carrier Late Leaving and Returning Report, are a few examples of documents that require review and completion on a daily basis. Management also stated these types of reports will be reviewed during on-site reviews conducted by senior management and operations staff. Finally, management stated all units were expected to comply with managing workhours based upon available workload by October 1, 2006.

Baltimore District management agreed with our finding and recommendation, and stated corrective action is being taken at most of their delivery units. Management also stated this is a process that all delivery units should be performing. In addition, management stated they will ensure that these procedures are being followed in every delivery unit.

Recommendation

3. Provide current and readily available route base information for parcels and accountable mail.

**Management's
Comments**

Capital District management agreed with our finding and recommendation. Capital District management stated the delivery unit's base route information is a direct download

from the most recent route inspection, which included the adjusted base route parcels and accountables. Management also stated the district's operations will reissue the steps necessary for delivery units to retrieve this information from DOIS by October 1, 2006.

Baltimore District management agreed with our finding and recommendation. They stated these procedures will be monitored when the route base data is updated. Management also stated all postmasters, managers, and supervisors have been trained on the proper procedures to ensure that base data is maintained and accurate in the DOIS. In addition, management stated they will issue a letter signed by all postmasters, managers, and supervisors, stating that they are aware of these processes and the processes are in place in their units.

**Evaluation of
Management's
Comments**

Management's comments are responsive to the finding and recommendations 1 through 3. Management's actions taken or planned should correct the issues identified in the finding.

**Rural Delivery
Standard Operating
Procedures**

Although Baltimore District officials had identified the “vital few” units, they had not identified delivery and retail units with 10 or more routes because they were preparing for the National Rural Mail Count that began on February 24, 2006. Baltimore District officials indicated that they realize effective implementation of the standardized rural delivery operating procedures will more closely align actual to standard hours, reduce overtime, and reduce auxiliary assistance hours.

Postal Service Headquarters officials established RDSOP reviews as a national requirement for FY 2006, to help create a consistent understanding of the requirements necessary for well-run, highly efficient rural delivery operations. The reviews focus on improving efficiency in an evaluated workload environment. The RDSOP required 75 percent of all units identified as “vital few” and units with 10 or more rural routes to achieve certification status by September 30, 2006. Units with less than 10 rural routes and not part of the “vital few” will complete a self-review.

To improve performance, Baltimore District officials have identified all units with 10 or more rural routes and they have begun conducting their certification audits. In addition, district officials were tracking and monitoring the results to ensure that 75 percent of these units achieved certification status by September 30, 2006. Since officials implemented corrective action during the review, we are not making any recommendations.

**Retail Data Mart
Window Operations
Survey**

Delivery and retail unit officials were not using the RDM WOS to determine the proper staff scheduling needed to manage retail window operations. This occurred because unit officials received retail SOPs from district officials mandating that they place a sales and services associate at every window for full coverage during peak hours of 11:00 a.m. through 2:00 p.m. regardless of the number of customers in the retail facilities. In addition, unit officials stated they were over staffing to meet the wait-time-in-line requirement in the event a Mystery Shopper¹⁷ came to the facility.

The RDM WOS tool is used during standardized Function 4 on-site reviews at retail postal units. The tool provides information on the retail workload based on the number and types of transactions conducted at the retail counter.¹⁸ Postal Service officials convert the retail workload information to earned workhour data. Also, the results assist management in determining productivity levels and the staff needed to meet customer demands and attain established annual workhour budget goals. The RDM WOS provides information on ranking opportunity in retail, based on actual performance versus earned workhours.¹⁹

As a result, unit management cannot adequately schedule window coverage to meet customer demands and area and district officials cannot establish realistic annual work budget goals at the area and district levels.

Recommendation

We recommend the Vice President, Capital Metro Area, direct the Managers, Capital and Baltimore Districts, to:

4. Ensure that unit officials use the Retail Data Mart Window Operations Survey to determine staffing required to meet customer demands during peak hours.

¹⁷ The Mystery Shopper program is a diagnostic tool that provides timely and reliable data, which can be used to identify trends and retail process improvement opportunities.

¹⁸ The types of transactions include Priority and Express Mail®, stamp and money order purchases, passports, and mailboxes. Postmasters assign mobile units, at their discretion, to retail postal units in order to provide limited retail activity in remote locations such as retirement homes and community centers.

¹⁹ The rankings are based on the highest hours of variance between reported and earned hours.

**Management's
Comments**

Capital District management agreed with our finding and recommendation. They stated training was provided to all supervisors in Customer Services with retail responsibility. Management also stated they expect managers and postmasters to take a more active role in promoting proper staffing of retail units and capturing identified cost savings from on-site reviews. In addition, management stated area managers and managers, Post Office Operations, must ensure RDM WOS implementation and follow-up to ensure compliance. Finally, management stated the Window Operations Survey Exception Report will be used to identify "vital few" offices for the first pay period of FY 2007, and these offices will be required to submit action plans for improvement by November 1, 2006.

Baltimore District management agreed with our finding and recommendation, and stated training has been provided on the proper utilization of RDM WOS. Management also stated that sign-off sheets will be provided to the district showing that every postmaster, manager, and supervisor has been trained on RDM WOS and is properly using the tool. In addition, management stated Operations Programs Support will be conducting office reviews to ensure that these recommendations are being followed.

**Evaluation of
Management's
Comments**

Management's comments are responsive to the finding and recommendation, and their actions taken or planned should correct the issues identified in the finding.

“Vital Few” Lists

Area officials are continuing to address the challenges associated with the “vital few” performers, which include developing action steps for units identified as “vital few.” To address performance issues, Capital Metro Area officials tasked all districts with assigning a Labor Distribution Code 45 improvement coordinator in an effort to improve retail efficiency. Area officials also monitor and track performance by reviewing DOIS performance reports on a weekly basis to identify underperforming units. When underperforming units are identified, area officials send an email to district officials directing them to address performance issues with unit officials. Finally, district officials conduct weekly teleconferences with those units identified on the “vital few” list to improve performance.

APPENDIX A

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 (total 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 Managed Service Points (MSP) to monitor city letter carriers' street time to correct negative trends, or properly document letter carriers' unauthorized overtime occurrences and take corrective action.

AM Standard Operating Procedures - Fiscal Year 2005 Financial Installation Audit (Report Number FF-AR-06-096, dated March 20, 2006). The report outlined that at 28 of the 36 post offices, stations, and branches where AMSOP are applicable, management had begun implementation. Of those, 11 had obtained certification, and 17 were at various stages of certification. At the time of our work, eight units had not begun implementation. Several factors contributed to units not being certified. These factors included issues with the mail arrival agreement with the processing and distribution plant, posting and following the AMSOP, and Function 4 activities. We made no recommendations in this report to management.

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 (total 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.

Address Management Systems – Southwest Area – Rio Grande District (Report Number DR-AR-06-001, dated January 25, 2006). The report outlined opportunities to improve the quality of Address Management System (AMS) data and put \$988,945 of processing and delivery costs over the next 10 years to better use. Management agreed with our findings and recommendations and the \$988,945 in funds put to better use.

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 (total unrecoverable costs of \$2,020,200). We also noted 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 (total 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 (total 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.

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 \$92,726 – 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.

Function 4 – Customer Service Operations (Report Number DR-AR-04-014, dated September 30, 2004). The Postal Service can improve the effectiveness and efficiency of the Function 4 customer service process in meeting or exceeding its program goals of monitoring and measuring the potential savings of customer service operations. Specifically, Postal Service managers could improve customer service operations by fully utilizing the standardized Function 4 reviews and sharing proven practices.

City Letter Carrier Office Preparation in the Dallas District (Report Number DR-AR-04-005, dated July 26, 2004). The report stated that opportunities exist to improve Dallas District city letter carrier office preparation operations. Specifically, impediments existed that adversely affected delivery supervisors' and managers' ability to adequately match workhours with workload. In addition, city letter carriers' work activities were not always appropriate to ensure they departed the delivery unit as scheduled. Further, supervisors/managers did not use the DOIS to assist in managing office activities.

City Letter Carrier Street Management and Route Inspections in the Fort Worth District (Report Number DR-AR-04-001, dated June 22, 2004). The report stated that street management and route inspections were generally efficient and effective at the [REDACTED] and [REDACTED] Stations. Delivery unit supervisors monitored city delivery carrier's street time to conserve workhours by performing at least the minimum number of required street observations. However, while a route inspection was conducted at the [REDACTED] Station delivery unit, post route adjustment procedures were not followed to maintain routes at 8 hours.

City Carrier Productivity - Letter Carrier Delays in the Baltimore District (Report Number TD-AR-03-011, dated July 28, 2003). The report stated that early reporting wasted carriers' morning time, and exposed the Baltimore District to potential unnecessary evening overtime costs. It was noted supervisors and managers were not using DOIS to manage carrier schedules, and consequently, could not use the system to evaluate carrier scheduling or take corrective action.

APPENDIX B CAPITAL METRO AREA IMPLEMENTATION OF DELIVERY AND RETAIL STANDARD OPERATING PROCEDURES

SOP Areas	Capital Metro Area Officials Implemented Procedures	Dates SOP Implemented	SOP Areas for Improvement ²⁰
City Delivery			
AMSOP	Yes	10/2005	No*
Integrated Operations	Yes	10/2005	No
Delivery Point Sequencing	Yes	10/2005	No*
Collection Point Management	Yes	10/2005	No
Scanning Performance	Yes	10/2005	No
Matching Workhours to Workload	Yes	10/2005	Yes
Volume Recording	Yes	10/2005	No
Route Evaluations and Adjustments	Yes	10/2005	No
“Vital Few” Service Improvements	Yes	10/2005	No
Rural Delivery			
RDSOP	Yes	10/2005	No*
Growth and Delivery Point Management	Yes	10/2005	No
Function 4			
Function 4 Business Review	Yes	10/2005	No
RDM WOS	Yes	10/2005	Yes

* Corrective action was taken during the review.

Source: Information provided by Postal Service Capital Metro Area officials

²⁰ OIG determination based on review results.

APPENDIX C. MANAGEMENT'S COMMENTS

VICE PRESIDENT
CAPITAL METRO AREA OPERATIONS



October 6, 2006

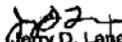
Kim H. Stroud
Director, Audit Reporting
1735 N Lynn Street
Arlington, VA 22209-2020

SUBJECT: Delivery and Retail Standard Operating Procedures – Capital Metro Area
(Report Number DR-MA-06-DRAFT)

This is in response to your memorandum dated August 31, concerning the Delivery and Retail Standard Operating Procedures. Attached are the responses from both Capital and Baltimore Districts.

The Capital Metro Area is in agreement with the findings noted, with the exception of the statement in the executive summary that all Delivery and Retail Standard Operating procedures were implemented at the Area level except AMSOP, Delivery Point Sequencing, matching workhours to workload, RDSOP and RDM WOS. Our concern with this statement was raised and acknowledged at your exit meeting, and we believe that it is clarified on Appendix B of your report. Capital Metro is committed to the Delivery and Retail Standardization process and has taken the recommendations of the Office of Inspector General under advisement and will take corrective actions as recommended.

If there are any further questions, please feel free to contact Jeff Becker at 301-548-1415.


Jerry D. Lane

Attachment

cc: Jeff Becker
Timothy Hanev
Bill Miner

1600 GAITHERSBURG WOODWINE ROAD
GAITHERSBURG, MD 20888-9998
301 548-1418
FAX: 301 548-1471

PHYSICAL ADDRESS:
8 MONTGOMERY VILLAGE AVENUE
SUITE 855
GAITHERSBURG, MD

CAPITAL PERFORMANCE CLUSTER



September 27, 2006

JERRY D. LANE
VICE PRESIDENT, CAPITAL METRO OPERATIONS

MANAGER		9/28	
CAPITAL METRO OPERATIONS			
OPERATIONS SUPPORT	ACTION	INFO	
DELIVERY	<input checked="" type="checkbox"/>		
IN-PLANT SUPPORT	<input type="checkbox"/>		
MAINTENANCE	<input type="checkbox"/>		
DND	<input type="checkbox"/>		
HUMAN RESOURCES	<input type="checkbox"/>		
FINANCE	<input type="checkbox"/>		
MARKETING	<input type="checkbox"/>		
SALES	<input type="checkbox"/>		
DISTRICT MANAGERS	<input type="checkbox"/>		
SENIOR PLANT MANAGERS	<input type="checkbox"/>		
DISTRIBUTION LIST	<input type="checkbox"/>		
PENDING DATE:			
COMMENTS:	<i>[Signature]</i>		

SUBJECT: Transmittal of Draft Report – Delivery and Retail Standard Operating Procedures – Capital Metro Area (Report No. DR-MA-06-DRAFT)

Attached is the response from Capital District relative to subject draft report from the Office of the Inspector General on the implementation process of the Delivery and Retail Standard Operating Procedures in Capital District and our results.

The report is general in nature in that it does not identify specific findings for each of the District Offices or the five (5) delivery units visited. In response, we have provided some background information for those items listed under "Results" in the Table of Contents, as well as identified actions to be implemented in FY 07 to ensure successful completion of the implementation. Time lines and the responsible manager have also been identified.

It is our expectation that the actions identified will be completed and the time lines will be met.

Timothy C. Haney
Timothy C. Haney
District Manager, Customer Services & Sales

Cc: Mgr., OPS
PM, WDC
MPOO A
MPOO B

900 BRENTWOOD RD NE
WASHINGTON DC 20066-9998
(202) 636-2210

Capital District Executive Summary Response

1. Implementation of Standard Operating Procedures in the Capital Metro Operational Area

All offices were provided with the required training for proper SOP implementation. Offices were targeted for AM/SOP, RD/SOP and Function 4 Business Review in FY 06, however few offices achieved the targets to be certified nor were workhour savings opportunities achieved through Function 4 Business Plan reviews. We have plans in place to accomplishing these items in FY 07. The F 4 Business Plan was submitted to the Area Office on Friday, September 22, 2006. The RD/SOP certification program has been assigned to the District Rural Analyst to provide the support and tools necessary to accomplish certification through the MPOOs by end of PQ 3 / FY 07. Finally, the Route Examination and Adjustment Team Leader (REATL) is tasked with increasing efforts to review and provide the direction necessary to achieve certification in the level 22 and above offices by the end of PQ 3 / FY 07. The overall responsibility for accomplishment of these expectations are with the MPOOs and the Postmasters of the respective delivery units.

2. Morning Standard Operating Procedures

The Capital District, Operations Programs Support Staff has conducted over 60 offices reviews in an attempt to certify delivery units, however to date, there has not been any office that has met all of the criteria needed to achieve certification. The issues cited and/or negative findings during these reviews require additional focus on the core duties and responsibility of local management in achieving and managing an efficient operation. These negative findings are and will be escalated to the respective Postmaster and Area Manager / MPOO of issues that require their direct attention in terms of resolution at there level. It is the expectation of the Capital District that all level 22 delivery units will achieve certification by the end of PQ 3. This will be an on-going process that is targeted to start by November 30, 2006 with the first certified delivery unit. The efforts discovered during this process will be cascaded to other non certified sites in order that corrective measures can be implemented as units prepare for future certification audits by OPS staff.

3. Delivery Point Sequencing

The closing of a major plant due to anthrax had significantly decreased DPS volume from October 2001 thru March 2004 with only one of our three plants operating at full capacity. After marginal increases through Q1, FY 05, Capital District implemented the DPS Team approach, prior to the roll out of Delivery

and Retail Standard Operating Procedures. There has been consistent improvement from that point in time.

	Qtr 1	Qtr 2	Qtr 3	Qtr 4
FY 2005	62.92	66.79	73.00	78.23
FY 2006	77.59	77.32	78.41	

The causes for low performance were identified:

- Inaccurate reporting
- Lack of feedback from delivery units
- Plants did not address feedback issues
- Standard volumes sent out unworked or carrier routed
- Delivery units not back flowing automation candidate mail

Actions implemented included:

- Ongoing Volume Recording Training (from January 2005)
- Quarterly M-Record Review
- Backflow SOP revised to include feedback from the Plant on the reverse side
- Plants moved questionable standard volumes to a DPS environment
- Daily reports to the leadership team
- Weekly reports to the field
- Low performing offices visited Plants early AM to watch DPS processing for their units
- Utilization of D-SMART and other AMS options to code mail

Year to Date (thru 9/25/06) Capital District Performance:

	=/> 85%	80% - 84.9%	75% - 79.9%	70% - 74.9%	<70%
# of Units	5	22	30	10	5
% of Tot Units	6.9	30.6	41.7	13.9	6.9

Our biggest opportunity is in the five (5) delivery units with less than 70% achievement. These offices encompass our major business deliveries. It is our expectation that we improve and reach a 3% vs SPLY improvement by the end of PQ 1.

atching Workhours to Workload

The results of workhour/workload performance indicators within Capital District delivery units during FY 06 are not indicative of the efforts made by senior management relative to addressing the task of matching workhours to available workload. The effective use of DOIS performance reports are major tools necessary for monitoring and improving delivery performance as well as delivery staff maintaining a full understanding of components used to determine

performance targets such as Office Effectiveness, Street Effectiveness, Percent to Standard and other DOIS performance measurement indicators.

This effort will be enhanced through daily interaction with Postmasters, Area Managers and MPOOs as it relates to the non performing delivery units that show negative trends of exceeding projected workhours. It is Capital District's expectations that DOIS performance reports will be used to drive the right behavior in terms of managing available workhours against available workload.

These efforts will also require a stronger focus with local management in addressing non compliance issues. Proper usage and documentation on postal related control forms that are essential tools needed to achieve these results, such as completion of PS Form 1017, Unauthorized Use of Overtime; PS Form 3996 Auxiliary Assistance; PS Form 1813 Carrier Late Leaving and Returning Report are a few examples of documents that require review and completion on a daily basis. These types of reports will be reviewed when conducting on-site reviews by senior managers (Postmasters / Area Managers / MPOO) in addition to OPS staff. We expect all units to comply by October 1, 2006 with managing workhours based upon available workload. However, when circumstances warrant additional time for unusual circumstances, these issues must be approved by management using PS Form 3996, all other time should prompt management to annotate PS Form 1017 for unauthorized overtime. The delivery unit's base route information is a direct download from the most recent route inspection which included the adjusted base route parcels and accountables. The district's OPS will re-issue the steps necessary for delivery units to retrieve this information from DOIS by FY 07.

Overall the Capital District has shown consistent improvement with overall deliveries per hour performance indicator (DPH) % vs SPLY. We will continue our efforts and expect to achieve noticeable improvement by maintaining street efficiency while improving percent to standard in the office which will reduce office hours.

5. Rural Delivery Standard Operating Procedures

Although not required, all rural delivery offices in Capital District completed a RD SOP self audit as of January 9, 2006. The preliminary reviews reflected a district efficiency rating of 90%. We have identified eleven (11) offices that met the criteria for RD SOP certification in FY 2006 (three (3) Category 1 and eight (8) Category 2 offices). No certifications were completed in FY 06 as a result of delivery units not achieving the % to STD target.

Manager, Post Office Operations (MPOO) is responsible to ensure the completion of this task with support from the District Rural Analyst. We have begun the implementation of Rural Route Scheduler and will complete implementation by the beginning of FY 07. Category 1 offices are providing weekly reports to OPS

for review. Joint RD SOP reviews will be conducted with certifications completed by the end of PQ 2 / FY 07.

6. Retail Data Mart Window Operations Survey

RDM WOS implementations commenced Quarter 1 FY 2006. Training was provided to all supervisors, customer services with retail responsibility. Training included how to pull and review the staffing graphs. During Quarter 2, FY 2006 offices were required to pull their reports and forward them to OPS with corrective actions. Offices were slow to respond. The district did not have an active and efficient F4 Team to capture the savings. Currently, we have in place a F4 Team that is tasked with completion of the F4 Business Plan. Members will be cross trained in the F4 Review process in order to ensure adequate and uninterrupted team staffing.

To be successful in FY 2007 managers and postmasters are expected to take a more active role in promoting proper staffing of retail units and capturing identified cost saving from on-site reviews. Area managers and MPOOs must ensure RDM WOS implementation and follow-up to ensure compliance. The WOS Exception Report will be utilized to identify 'vital few' offices for the first pay period of FY 07. These offices will be required to submit action plans for improvement by Nov 1, 2006.

7. Vital Few List

As indicated in the OIG audit, continued effort has been made to identify and address vital few offices for the desired performance improvement. Performance reports are generated from the District, Area and HQs level which show potential opportunity offices for reviews as well as determining delivery units that are impacted by external operations. At the District level we have identified coordinators that are subject matter experts that are assigned to track and identify vital few offices using performance indicators such as DPS %, DOIS workhour variances, percent to standard, carrier after 1700 / 1800, MSP, AM/SOP and Rural RD/SOP, etc. This information is communicated via performance reports generated to the field as well as performance related assessment that are discussed with the District Manager during weekly staff meetings. The vital few list is a continued process with the intentions to exceed current weekly performance. The two MPOOs and the Postmaster of Washington DC are the lead or responsible managers that are tasked with achieving the improvement and performance goals established for their area.

See attachment A – Timeline / Action Plan

Attachment A

<u>Cited Deficiency</u>	<u>Corrective Action</u>	<u>Expected Completion</u>	<u>Responsible Manager</u>	<u>Responsible Senior Mgr</u>
Implementation Of Standard Operating Procedures	Maintain Focus	Completed	MPOO	District of Manager
AM/SOP	Achieve Certification Additional Training Weekly Office Reviews Performance Analysis	End of PQ 3 Nov 30 On-going On-going	Postmaster Manager	MPOO PM / MPOOs
Not Achieving 85 % DPS	Improve DPS % by 3% Backflow Ltr Mail Training - Volume Recording for non certified Supervisors	Dec 31 Oct 1 Oct 31	Postmaster Supervisor Mgr, Del & Customer Service Prog (MDCSP)	MPOOs PM / MPOOs MOPS
	DPS Office Reviews with action planning for all offices < 75%	End of PQ 1	Postmaster	MPOO / Area Mgr
Matching Workhours To Workload	Monitor DOIS Performance Reports / Indicators	Oct 1	Supervisors	Postmaster/MPOO
	Conduct Site Visits	On-going	MPOOs	OPS
	Review Volume Recording	On-going	MPOOs	OPS
	Review Corrective Actions	On-going	Postmaster	MPOOs
Rural Delivery Standard Operating Procedures	Implement Rural Route Scheduler – Cat 1 & 2 Offices	By Oct 1	Postmaster	MPOOs
	Certify – Cat 1 & 2 Offices	QTR 2	Postmaster	MPOOs
RD / WOS	Provide refresh training	Nov 30	MDCSP	MOPS
	Utilize WOS Exception Report to identify 'vital few offices	Nov 1	F4 Coord	MDCSP
Vital Few List	Generate Performance Reports	On-going	District/Area	MOPS



September 28, 2006

MEMORANDUM FOR VICE PRESIDENT, AREA OPERATIONS

SUBJECT: Delivery and Retail Standard Operating Procedures – Capital Metro Area
Report Number DR-MA-06-DRAFT

MANAGER <i>10/2/06</i>		
CAPITAL METRO OPERATIONS		
	ACTION	INFO
OPERATIONS SUPPORT	✓	
DELIVERY		
IN-PLANT SUPPORT		
MAINTENANCE		
DNO		
HUMAN RESOURCES		
FINANCE		
MARKETING		
SALES		
DISTRICT MANAGERS		
SENIOR PLANT MANAGERS		
DISTRIBUTION LIST		
PENDING DATE:		
COMMENTS <i>[Signature]</i>		

Our response to the findings and recommendations of the Office of the Inspector General concerning Delivery and Retail Standard Operating Procedures in the Baltimore District is as follows:

MATCHING WORKHOURS TO WORKLOAD

Recommendation:

Update route base information when changes occur.

Response:

All postmasters, managers and supervisors have been trained on the proper procedures to ensure that base data is maintained and accurate in the Delivery Operations Information System (DOIS). We will reissue a letter signed off by all postmasters, managers and supervisors that they are aware of these processes and that the processes are in place in their units.

Recommendation:

Complete Postal Service Forms 1017-B, Unauthorized Overtime Record, to document unauthorized overtime and take corrective actions.

Response:

Corrective action is being taken at most of our delivery units. This is a process that all delivery units should be performing and have in place. We will ensure that these procedures are being followed in every delivery unit. (See attachment.)

900 E FAYETTE ST RM 309
BALTIMORE MD 21233-6990
410-347-4314

- 2 -

Recommendation:

Provide current and readily available route base information for parcels and accountable mail.

Response:

These procedures will be monitored when the route base data is updated. As stated in our response to the recommendation on updating route base information when changes occur, all postmasters, managers and supervisors have been trained on the proper procedures to ensure that base data is maintained and accurate in the Delivery Operations Information System (DOIS). We will reissue a letter signed off by all postmasters, managers and supervisors that they are aware of these processes and that the processes are in place in their units.

RETAIL DATA MART WINDOW OPERATIONS SURVEY

Recommendation:

Ensure that unit officials use the Retail Data Mart Window Operations Survey to determine staffing required to meet customer demands during peak hours.

Response:

Training has been provided on the proper utilization of RDMWOS. Sign off sheets will be provided to the district showing that every postmaster, manager and supervisor has been trained on RDMWOS and that they are properly utilizing this tool.

Operations Programs Support will be conducting office reviews to ensure that these recommendations are being followed.

The observations and support provided by the Office of Inspector General are appreciated. The above actions will be completed by October 10, 2006.



W. C. Miner
District Manager
Customer Service and Sales



DATE: September 28, 2006

OUR REF: DMCS&S:OPS:WNeal:cs -9993

SUBJECT: Delivery and Retail Standard Operating Procedures – Capital Metro Area
Report Number DR-MA-06-DRAFT

TO: POSTMASTER, BALTIMORE
MANAGER, POST OFFICE OPERATIONS (CENTRAL)
MANAGER, POST OFFICE OPERATIONS (EAST)
MANAGER, POST OFFICE OPERATIONS (WEST)

Attached is a copy of our response to the Area concerning the review conducted by the OIG on Delivery and Retail Standard Operation Procedures in the Baltimore Cluster.

You are hereby directed to forward a copy of our response and the attached sign-off sheet to each of your units and obtain the signatures of your postmasters, managers and supervisors indicating that they have been trained and are aware of what actions need to be taken to correct the four issues identified by the OIG. Some offices will not have to address all of the issues. Only those issues pertaining to their respective office must be checked off.

Return all sign-off sheets to Chuck Garbe, Customer Service Analyst, 900 East Fayette Street, Room 510, Baltimore MD 21233-9333 by October 10.

If you have any questions, please contact Chuck Garbe on 410-347-4230.

A handwritten signature in black ink, appearing to read "W. C. Milner".

W. C. Milner
District Manager
Customer Service and Sales

Attachments

900 E FAYETTE ST RM 309
BALTIMORE MD 21233-9990
410-347-4314

OPERATIONS PROGRAMS SUPPORT
BALTIMORE PERFORMANCE CLUSTER



September 28, 2006

SUBJECT: Response to O.I.G. review - sign off sheet

Training has been received for the proper procedures regarding the following responsibilities:
(check the appropriate box(es)) and sign below.

- Route Base Information in DOIS. All responsible postmasters, managers, and supervisors have been trained on the proper procedures to ensure that base data is maintained and accurate in DOIS. This includes proper base information for packages and accountable mail.
- Unauthorized Overtime: All responsible postmasters, managers, and supervisors have been trained on the proper use of PS form 1017-B, Unauthorized Overtime Record.
- Utilization of Retail Data Mart Window Operations Survey: All responsible postmasters, managers, and supervisors have received training on the proper use of this program.

Office Name

Postmaster/Station Manager

Supervisor, Customer Services

Finance Number

Date

Date

Date

Date

Date

Return completed form by October 10, 2006 to:

Charles Garbe
Customer Service Analyst
Operations Programs Support
900 E Fayette St Rm 510
Baltimore MD 21233-9333

