



OFFICE OF **INSPECTOR GENERAL**

UNITED STATES POSTAL SERVICE

Postmasters and Supervisors Performing Bargaining Unit Work

Management Advisory Report

Report Number
HR-MA-16-004

May 10, 2016





OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

Highlights

Background

On December 5, 2014, the U.S. Postal Service reached a settlement with the American Postal Workers Union (APWU) for \$56 million, resolving a long-standing dispute dating back to the 1970s. This dispute involved the number of hours postmasters and supervisors could devote to bargaining unit work. Bargaining unit work is the work of career or non-career employees who are represented by a labor organization (union) that negotiates with the Postal Service for wages, hours, and other terms and conditions of employment. Prior to the settlement there were no established workhour limits.

In the settlement, the Postal Service agreed to pay bargaining unit employees if postmasters and supervisors at level 18 post offices performed more than 15 hours per week of bargaining unit work. Level 18 post offices are small to medium-sized facilities managed by postmasters paid at an Executive Administrative Schedule 18 level. Postmasters at level 18 facilities may remotely manage the operations of up to 10 post offices.

Postmasters and supervisors must record all hours spent performing bargaining unit work in an electronic web application and provide the information to the APWU. The APWU reviews the hours and identifies clerks eligible for payment when

supervisory personnel exceed the 15 workhours per week limit. The Postal Service pays the identified clerk. Clerks are paid at the appropriate rate, which could include overtime or other forms of increased pay rates. Clerks are eligible to receive payment even if they were on leave when the violation occurred. These payments are additional to the clerk's salary.

Our objective was to assess the Postal Service's management of workhours for postmasters and supervisors performing bargaining unit work.

What the OIG Found

The Postal Service did not effectively manage workhours for postmasters and supervisors performing bargaining unit work to ensure they complied with the agreement and controlled costs. Specifically, postmasters and supervisors exceeded the 15 workhours per week threshold by 829,484 hours from December 2014 through September 2015. As a result, the Postal Service made payments totaling about \$11.2 million.

Our analysis of the payments showed that total payments made to the ten clerks who received the largest payment amounts ranged from \$31,602 to \$20,423, with the single largest individual payment being \$23,899.



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Payments were widespread, occurring in five of seven areas and 61 of 67 Postal Service districts. The Northern New England District paid over \$1.4 million, which was the largest total payment made per district. Overall, these payments were made due to vacant clerk positions that took months to fill, worksharing between clerks and postmasters, clerks detailed to other facilities creating staff shortages at assigned facilities, or clerks detailed to supervisory positions instead of lead clerk positions.

Additionally, employees in three of the 61 districts used the wrong grievance code to process payments. The remaining six districts did not make any payments for the period reviewed.

Although the agreement for postmasters and supervisors performing bargaining unit work was effective December 5, 2014, officials did not provide training and launch the electronic web application for postmasters and supervisors to record their bargaining unit workhours until March 2015. Additionally, some postmasters and supervisors continued to assume all payments were automatic and did not realize they could evaluate situations to determine whether there were emergencies or extenuating circumstances that could impact payments.

Finally, officials in three districts that used the wrong code were not aware of the proper code to record workhours for postmasters and supervisors performing bargaining unit work until we brought it to their attention during the review.

To further identify and address systemic issues regarding postmasters and supervisors exceeding established limits for performing bargaining unit work, a cross-functional team met during the week of August 10, 2015, and created an action plan to address staffing shortages and developed tools to track and monitor bargaining unit workhours, including standard operating procedures for the payment process. Additionally, they provided detailed guidance for postmasters and supervisors to manage their bargaining unit workhours.

Due to management's actions, the number of hours exceeding the 15 workhour per week threshold for postmasters and supervisors performing bargaining unit work decreased by 65 percent from October 1, 2015 to March 4, 2016. However, the Postal Service must continue to monitor staffing and workhours and payments and provide guidance to field offices to reduce the risk of making unnecessary and fraudulent payments.



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What the OIG Recommended

We recommended management continue to monitor vacancies and postmaster and supervisor workhours used to perform bargaining unit work and related payments. We also recommended they continue providing guidance to field offices

to ensure they comply with the established agreement and communicate to postmasters and supervisors that situations due to emergencies or extenuating circumstances should be reviewed to determine the validity of payments.

USPS OIG Recommendations:

A graphic with a blue background. On the left, there is a photograph of a woman in a light-colored blazer sitting at a desk, writing in a notebook. To the right of the photo is a white arrow pointing right. Above the arrow is the USPS OIG logo and the text "USPS OIG Recommended that Management:". The text "USPS OIG Recommended that Management:" is in red, bold font. The background of the graphic is a dark blue gradient.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

May 10, 2016

MEMORANDUM FOR: KELLY SIGMON
VICE PRESIDENT, RETAIL & CUSTOMER SERVICE

DOUGLAS A. TULINO
VICE PRESIDENT, LABOR RELATIONS

E-Signed by Janet Sorensen
VERIFY authenticity with eSign Desktop


FROM: Janet M. Sorensen
Deputy Assistant Inspector General
for Revenue and Resources

SUBJECT: Management Advisory – Postmasters and Supervisors
Performing Bargaining Unit Work
(Report Number HR-MA-16-004)

This management advisory addresses concerns regarding Postmasters and Supervisors Performing Bargaining Unit Work (Project Number 15RG038HR000). This self-initiated advisory was prompted by our review of payment data related to postmasters and supervisors exceeding established limits on performing bargaining unit work.

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

Attachment

cc: Corporate Audit and Response Management

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Findings

Postmasters and supervisors exceeded the 15 hours per week threshold by 829,484 hours from December 2014 through September 2015.

Introduction

This management advisory addresses concerns regarding postmasters and supervisors performing bargaining unit work (Project Number 15RG038HR000). This self-initiated advisory was prompted by our review of related payment data. Our objective was to assess management of workhours for postmasters and supervisors performing bargaining unit work.

On December 5, 2014, the U.S. Postal Service reached a settlement with the American Postal Workers Union (APWU) for \$56 million. This settlement resolved a long-standing dispute dating back to the 1970s regarding how much bargaining unit work postmasters and supervisors could perform.¹ Prior to the settlement there were no established workhour limits.

The Postal Service agreed to pay bargaining unit employees if postmasters and supervisors at level 18 post offices performed more than 15 hours per week of bargaining unit work. Level 18 post offices are small to medium-sized facilities managed by postmasters paid at the Executive Administrative Schedule (EAS) 18 level. These postmasters may remotely manage the operations of up to 10 post offices.

Postmasters and supervisors must record all hours spent performing bargaining unit work in an electronic web application² and provide the information to the APWU. The APWU reviews this information and identifies the number of excess workhours and the clerk eligible for payment. The Postal Service pays the identified clerk. Clerks are paid at the appropriate rate, which could include overtime and other forms of increased pay rates. Clerks are eligible to receive payment even if they were on leave when the violation occurred. These payments are additional to the clerk's salary.

Summary

The Postal Service did not effectively manage postmasters' and supervisors' bargaining unit workhours to ensure they complied with the agreement and controlled costs. Specifically, postmasters and supervisors exceeded the 15 hours per week threshold by 829,484 hours from December 2014 through September 2015. As a result, the Postal Service made payments totaling about \$11.2 million.

Payments made to the ten clerks that received the largest payment amounts ranged from \$20,423 to \$31,602. Payments were widespread, occurring in five of seven areas and 61 of 67 Postal Service districts. The Northern New England District paid over \$1.4 million, which was the largest total payment made by a district. Additionally, three of the 61 districts used the wrong grievance code to process payments. The remaining six of the 67 districts did not make any payments for the period reviewed.

Although the agreement for postmasters and supervisors performing bargaining unit work was effective December 5, 2014, officials did not provide training and launch the electronic web application for postmasters and supervisors to record their bargaining unit workhours until March 2015. Additionally, some postmasters and supervisors continued to assume all payments were automatic and did not realize they could evaluate situations to determine whether there were emergencies or extenuating circumstances that could impact payments. Finally, officials in three districts that used the wrong code were not aware of the proper code to record workhours for postmasters and supervisors performing bargaining unit work until we brought it to their attention during the review.

¹ The dispute relates to the *Collective Bargaining Agreement between the American Postal Workers Union, American Federation of Labor - Congress of Industrial Organizations and the U.S. Postal Service*, Article 1, Section 6, Paragraph B, page 4, November 21, 2010.

² The Web 1260 is an electronic application used to track workhours for postmasters, supervisors, or other appropriate designees who perform Function 4 bargaining unit work at level 18 post offices.

Postmasters and Supervisors Performing Bargaining Unit Work

The Postal Service did not effectively manage workhours for postmasters and supervisors performing bargaining unit work to ensure they complied with the agreement and controlled costs. Specifically, postmasters and supervisors exceeded the 15 workhours per week threshold by 829,484 hours from December 2014 through September 2015. As a result, the Postal Service made payments totaling about \$11.2 million.

Postal Service made payments totaling about \$11.2 million.

Payments to the ten clerks who received the largest payment amounts ranged from \$20,423 to \$31,602, with the largest single payment being \$23,899. These payments were additional to the clerks' regular salaries. Also, clerks were eligible to receive payment even if they were on leave when the violation occurred. Payments were widespread, occurring in five of seven areas (see Table 1). Also, 61 of 67 Postal Service districts paid clerks because supervisory personnel performed more than 15 hours of bargaining unit work (see Appendix B for a list of the 61 districts and summary of payments).³ The Northern New England District had the largest dollar amount of total payments during the period reviewed, at over \$1.4 million (see Table 2 for the top 10 total payments).

Table 1. Top 10 Total Payments to Individual Clerks

Employee	Amount Paid ⁴	Area	District
Clerk 1	\$31,602	Eastern	Ohio Valley
Clerk 2	27,241	Eastern	South Jersey
Clerk 3	26,661	Western	Dakotas
Clerk 4	23,899	Northeast	Northern New Jersey
Clerk 5	23,785	Eastern	South Jersey
Clerk 6	23,765	Capital Metro	Northern Virginia
Clerk 7	22,661	Southern	Oklahoma
Clerk 8	22,644	Eastern	South Jersey
Clerk 9	22,408	Western	Central Plains
Clerk 10	\$20,423	Northeast	Albany

Source: Grievance Arbitration Tracking System (GATS), September 30, 2015.

³ The remaining six districts did not make any payments for the period reviewed.

⁴ The amount paid for eight of the 10 clerks is the sum for two to six payments. The remaining two employees — Clerks 4 and 6 — received one lump sum payment.

Overall, payments were made due to vacant clerk positions that took months to fill, worksharing between clerks and postmasters, clerks detailed to other facilities, which created staff shortages at assigned facilities, or clerks detailed to supervisory positions instead of to lead clerk positions.

Table 2. Top 10 Total Payments by District

	District	Amount Paid
1	Northern New England	\$1,445,492
2	Northland	\$543,682
3	Seattle	\$430,044
4	Dakotas	\$397,279
5	Oklahoma	\$393,580
6	Ohio Valley	\$390,762
7	Central Plains	\$358,768
8	Central PA	\$328,297
9	South Jersey	\$321,266
10	Albany	\$317,632

Source: GATS, September 30, 2015.

Overall, payments were made due to vacant clerk positions that took months to fill, worksharing between clerks and postmasters, clerks detailed to other facilities, which created staff shortages at assigned facilities, or clerks detailed to supervisory positions instead of to lead clerk positions.

The Postal Service did not fill vacant clerk positions promptly and a clerk and postmaster shared the clerk’s workload. For example:

- At two different post offices in the Southern Area, two clerks received payment for violations that occurred prior to their hiring. The clerks were paid \$19,030 and \$16,626, respectively, after the Postal Service hired them to fill vacant clerk positions⁵ that had been open for 4 to 5 months. Prior to hiring the clerks, the postmasters at both post offices were the only employees and performed over 15 hours of bargaining unit work per week.
- A clerk in the Southern Area normally worked only a few hours a day at a facility and the postmaster normally performed the majority of the bargaining unit work. This practice continued after the agreement was effective. With implementation of the 15 workhour per week limit, the clerk was paid \$14,788 because the postmaster exceeded the hours spent performing bargaining unit work dating back to December 5, 2014.

Often the Postal Service detailed clerks to other facilities, which created staffing shortages at the clerk’s assigned facility and contributed to clerks receiving large payments. For example:

- In the Northeast Area, a clerk was paid \$17,555 while on paid leave and detailed to another Post Office as a clerk. During the clerk’s leave and detail, the postmaster had no coverage and exceeded the allowed 15 hours of bargaining unit work.

⁵ The positions were vacant from December 5, 2014, until May 30, 2015, at one Post Office and the other from January 4 until April 4, 2015.

Headquarters officials conducted a cross-functional team meeting the week of August 10, 2015, to address issues and opportunities regarding postmasters and supervisors performing bargaining unit work.

- In the Eastern Area, a clerk was paid \$23,238 while detailed to another Post Office as the officer in charge (OIC)⁶. During the detail, the postmaster performed bargaining unit work until the employee returned.
- In the Western Area, a clerk received \$11,467 after completing a detail as the OIC at the same facility. The employee's bargaining unit time spent as the OIC was recorded as required by the contract.

The manager, Post Office Operations (MPOO), and postmasters representing the 10 clerks who received the largest total payments stated that postmasters and supervisors exceeded the 15-hour threshold due to limited resources. They stated they shared available resources to fill clerk shortages in their respective districts.

Although the agreement for postmasters and supervisors performing bargaining unit work was effective December 5, 2014, officials did not provide training and launch the electronic web application for postmasters and supervisors to record their bargaining unit workhours until March 2015. Additionally, some postmasters and supervisors continued to assume all payments were automatic and did not realize they could evaluate situations to determine whether there were emergencies or extenuating circumstances that could impact payments. As a result of not initially having sufficient controls in place for postmasters and supervisors to manage bargaining unit workhours, \$11.2 million in disbursements were at risk in unnecessary and fraudulent payments in FY 2015.

Headquarters officials conducted a cross-functional team meeting the week of August 10, 2015, to address issues and opportunities regarding postmasters and supervisors performing bargaining unit work. Subsequently, they created an action plan to address staffing shortages and developed tools to track and monitor bargaining unit workhours, including standard operating procedures for the payment process. They also provided detailed guidance for postmasters and supervisors to manage their bargaining unit workhours.

As a result of the August 2015 meeting, management also created tools to monitor staffing levels and bargaining unit work performed by postmasters and supervisors at all level 18 facilities weekly. They also emphasized filling vacancies within 60 days of their opening. Due to management's actions, postmaster and supervisor workhours exceeding the threshold decreased by 65 percent from October 1, 2015 to March 4, 2016⁷; however, the Postal Service must continue to monitor staffing, workhours, and payments and provide guidance to field offices to reduce the risk of making unnecessary and fraudulent payments.

Grievance Issue Code

Postal Service officials representing three of the 61 districts (Baltimore, the Caribbean, and Honolulu) used the wrong grievance issue code to process payments related to postmasters and supervisors performing bargaining unit work. The Postal Service designated grievance issue code 016210 for related payments, while these officials used code 016200 because they were not aware of the appropriate code until we brought it to their attention.

⁶ An OIC is a career employee appointed to temporarily fill a postmaster vacancy.

⁷ The 65 percent decrease in payments occurred from the beginning of FY 2016 to March 4, 2016 (the most current data available) after management effectively implemented controls from the August 10 cross-functional team meeting.

Recommendations

We recommend management continue monitoring vacancies and supervisor/postmaster workhours and providing guidance to field offices, and communicate to postmasters and supervisors any situation that occurs due to emergencies or extenuating circumstances.

We recommend the vice president, Labor Relations, and the vice president, Retail and Customer Service:

1. Continue to monitor vacancies and postmaster and supervisor workhours used to perform bargaining unit work and related payments.
2. Continue to provide guidance to field offices to promote compliance with the established agreement for postmasters and supervisors performing bargaining unit work.
3. Communicate to postmasters and supervisors that situations that occur due to emergencies or extenuating circumstances should be reviewed to determine the validity of the payments.

Management's Comments

Management disagreed with our finding that the Postal Service did not effectively manage postmasters and supervisors performing bargaining unit work and found our statement that the Postal Service did not provide training until March 2015 to be misleading and inaccurate. Management stated that they implemented numerous activities immediately following the resolution in December 2014, including a letter addressed to area Labor Relations managers on December 8, 2014, and a follow-up teleconference on December 9, 2014, with area Human Resources and Labor Relations managers to address specific issues associated with the 40-year dispute. They also developed an initial set of questions and answers in April 2015 to address the first set of issues arising from the resolution. The Postal Service did not object to our recommendations and stated that management has already implemented the three recommendations.

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

Evaluation of Management's Comments

The U.S. Postal Service Office of Inspector General considers management's comments responsive to the recommendations in the report. We consider all recommendations closed with the issuance of this report.

Management's initial efforts to brief and communicate with area management officials during the initial stages of the resolution was not effective in controlling payments. We identified numerous examples of postmasters or supervisors exceeding the requirements of the agreement during the audit and they continued to assume all payments were automatic, not realizing they could evaluate situations to determine whether there were emergencies or extenuating circumstances that could impact payments. Finally, we did not find evidence that Postal Service officials provided official training to the field until they launched the electronic web application for postmasters and supervisors to record their bargaining unit workhours in March 2015.

We acknowledged that, as a result of the August 2015 meeting, management implemented effective controls to manage costs. Due to their actions, postmaster and supervisor workhours exceeding the threshold decreased by 65 percent from October 1, 2015, to March 4, 2016.

Appendices

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Appendix A: Additional Information

Background

On December 5, 2014, the Postal Service reached a settlement with the APWU for \$56 million, which resolved a long-standing dispute dating back to the 1970s regarding the number of workhours postmasters and supervisors could use to perform bargaining unit work. Prior to the settlement there were no established limits. The Postal Service agreed to pay bargaining unit employees if postmasters and supervisors at level 18 post offices performed more than 15 hours per week of bargaining unit work. Level 18 post offices are small to medium-sized facilities managed by postmasters paid at the EAS 18 level who also may remotely manage the operations of up to 10 post offices.

Postmasters and supervisors must record all hours spent performing bargaining unit work in an electronic web application and provide the information to the APWU. The APWU reviews the hours and identifies the excess hours and the clerk eligible for payment.

Objective, Scope, and Methodology

Our objective was to assess the Postal Service's management of postmasters and supervisors performing bargaining unit work. The scope of this advisory included a review postmasters and supervisors performing bargaining unit work and related payments for December 5, 2014, through September 30, 2015. To accomplish our objective, we:

- Reviewed policies and procedures for postmasters and supervisors performing bargaining unit work.
- Interviewed Postal Service labor relations officials, MPOO employees, and APWU representatives to gain an understanding of the policies and procedures for postmasters and supervisors who perform bargaining unit work and their related roles and responsibilities.
- Reviewed payment data for postmasters and supervisors performing bargaining unit work from GATS for the period of December 5, 2014 through September 30, 2015.
- Analyzed the top 10 combined payments made to individual clerks.
- Identified and documented internal controls used to ensure proper payments.
- Analyzed GATS payment data for judgmentally selected employees who received related payments and compared the data to submitted Postal Service Forms 3972, Leave Year Absence Analysis, to determine if employees received payment while on paid leave.
- Reviewed the national staffing complement for level 18 facilities.

We conducted this performance audit from July 2015 through May 2016, in accordance with the Council of the Inspectors General on Integrity and Efficiency, *Quality Standards for Inspection and Evaluation*. We discussed our observations and conclusions with management on March 15, 2016, and included their comments where appropriate.

We assessed the reliability of GATS and Enterprise Data Warehouse data by tracing the related payments to supporting documentation and discussing the data with management officials knowledgeable about the data. We determined the data were sufficiently reliable to for the purpose of this report.

Prior Audit Coverage

Report Title	Report Number	Final Report Date	Monetary Impact (in Millions)
<i>Grievance Settlements and Payments Follow-Up</i>	HR-AR-13-008	9/27/2013	\$97 in FY 2011; \$87 in FY 2012

Report Results: The report found that documentation supporting grievance settlements and payments significantly improved since FY 2010. We reviewed 600 randomly selected grievance case files from 10 districts and found that 503 (84 percent) contained all required documentation and 554 (92 percent) of the settlements and payments were adequately supported. However, 97 files did not contain all of the required documentation, including 46 that did not have support for settlements and payments, resulting in about \$3.4 million in unsupported questioned costs. We identified various reasons contributing to unsupported payments and missing case file documentation, including improper storage and transfer of case files, and issues with grievance monitoring. Management agreed with our findings and recommendation but disagreed with the monetary impact.

Appendix B: Total Payments by District

The table below depicts the total amount of payments made by 61 of 67 district for the period reviewed (December 5, 2014 through September 30, 2015).⁸

	District	Amount Paid
1	Northern New England	\$1,445,492
2	Northland	543,682
3	Seattle	430,044
4	Dakotas	397,279
5	Oklahoma	393,580
6	Ohio Valley	390,762
7	Central Plains	358,768
8	Central PA	328,297
9	South Jersey	321,266
10	Albany	317,632
11	Greater Indiana	311,378
12	Northern New Jersey	297,418
13	Western NY	285,914
14	Philadelphia Metropolitan	283,641
15	Western PA	255,105
16	Baltimore	245,872
17	Arkansas	241,828
18	Greater South Carolina	228,249
19	Rio Grande	222,695
20	Westchester	214,022
21	Northern Ohio	210,184
22	Nevada-Sierra	204,350
23	Gulf Atlantic	194,000
24	Sacramento	187,072
25	Central Illinois	177,506
26	Alaska	166,033
27	Arizona	157,726
28	Appalachian	151,686
29	Alabama	151,415

⁸ The Postal Service began making payments for postmasters and supervisors performing bargaining unit work in February 2015.

	District	Amount Paid
30	Salt Lake City	\$137,112
31	Hawkeye	131,766
32	Gateway	123,682
33	Connecticut Valley	120,523
34	Portland	116,129
35	Atlanta	115,324
36	Dallas	103,900
37	Mississippi	97,138
38	Greater Michigan	88,254
39	Greater Boston	83,761
40	Fort Worth	80,255
41	Detroit	79,504
42	Kentuckiana	74,059
43	Louisiana	72,159
44	Lakeland	71,840
45	Mid Carolinas	71,190
46	San Diego	69,508
47	Northern Virginia	62,132
48	Bay-Valley	57,242
49	Honolulu	55,313
50	Suncoast	49,101
51	Long Island	41,779
52	Colorado-Wyoming	31,492
53	Tennessee	28,643
54	Sierra Coastal	20,114
55	Greensboro	19,366
56	Houston	19,325
57	Mid-America	13,846
58	San Francisco	6,230
59	Triboro	3,822
60	Richmond	911
61	Caribbean	348
	Total	\$11,158,664

Appendix C: Management's Comments



April 27, 2016

LORI LAU DILLARD
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Postmasters and Supervisors Performing Bargaining Unit Work
(Report Number HR-MA-16-DRAFT)

As noted during our exit conference, the Postal Service disagrees with the OIG's assessment that we failed to effectively manage the issue of Postmasters' and Supervisors' performing bargaining unit workhours. Further, your statements on pages 2 and 4 of the Advisory Report, that the Postal Service did not provide training until March 2015 are both misleading and inaccurate.

You were informed of the numerous activities that the Postal Service implemented immediately following the resolution of this issue in December 2014. Those activities included a letter addressed to Area Labor Relations Managers dated December 8, 2014, a follow-up telecom with our Area Human Resources and Labor Relations Managers the next day December 9., and an initial set of questions and answers that we developed in April 2015 to address the first set of issues arising from this resolution. This December 9 telecom was the first of a series of telecoms that were conducted to address the specific issues associated with this forty year dispute. You were informed that implementing these types of activities is our normal business practice to quickly communicate, inform, and train our field personnel of a resolution that impacts the entire nation. Your advisory report make no intention of the activities we initially implemented to manage this issue.

While there is no objection to the recommendations in the advisory report, it is because those recommendations are nothing more than a reiteration of what the Postal Service had already implemented to manage the issue of postmasters/supervisors performing bargaining unit workhours.

Recommendation 1:

Continue to monitor vacancies and postmaster and supervisor work hours used to perform bargaining unit work and related payments.

Completed (see above response). In addition, as shared there are currently weekly status reports disseminated to field personnel. These include the sites

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WASHINGTON DC 20260

where the bargaining unit work (BUW) limit was exceeded, a listing of offices for which staffing is needed and compliance reports for incomplete recording of BUW performed by postmasters and supervisors.

Recommendation 2:

Continue to provide guidance to field offices to promote compliance with the established agreement for postmasters and supervisors performing bargaining unit work.

Completed (see above response). In addition, the Level 18 Post Office Reference Materials are published on the Retail and Customer Service Operations website for continued guidance to Level 18 postmasters. These documents are updated as needed.

Recommendation 3:

Communicate to postmasters and supervisors that when situations occur due to emergencies or extenuating circumstances should be reviewed to determine the validity of the payments.

Completed (see above response). In addition, Managers, Post Office Operations are required to review the weekly 1260 reports from their assigned offices that exceed the work hour limit to determine the cause and the necessary solution. On April 7, 2015, an initial set of Frequently Asked Questions (FAQs) were sent to the Field. These documents were explained and discussed on a telecom on April 9, 2015, with the Field Retail and Customer Service Operations.

As is customary in our business environment, after quickly addressing issues (as we outlined in this response) that present themselves on complicated matters like the 1.6B resolution, we then address the issue in a more formalized manner. This was done in October 2015 when we issued formalized guidelines to the field. That information was jointly developed by Labor Relations and Retail Operations and communicated to District POOMS and Office of Operations Program Support through webinars.



Doug A. Tulino
Vice President
Labor Relations



Kelly M. Sigmon
Vice President
Retail and Customer Service Operations

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cc: Manager, Corporate Audit Response Management



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