



OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

Solution for Enterprise Asset Management System – Vehicle Maintenance Facility Data

Management Advisory Report

Report Number
DR-MA-15-004

September 18, 2015





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UNITED STATES POSTAL SERVICE

Highlights

This management advisory discusses errors noted in vehicle maintenance data during an earlier audit of vehicle maintenance facility efficiency nationwide.

Background

The U.S. Postal Service operates one of the world's largest transport and delivery fleets, which includes over 211,000 delivery, transport, and administrative vehicles. The Postal Service maintains the fleet using the Vehicle Maintenance Program at 316 Postal Service vehicle maintenance facilities and commercial garages throughout the country. Its Solution for Enterprise Asset Management (SEAM) system is a web-based application designed to improve fleet inventory tracking and visibility and standardize asset tracking and maintenance repair functions.

This management advisory discusses errors noted in vehicle maintenance data during an earlier audit of vehicle maintenance facility efficiency nationwide. Our objective was to assess the accuracy and timeliness of selected vehicle maintenance facility operational data in SEAM.

What the OIG Found

We found inaccurate and untimely vehicle maintenance data in SEAM from fiscal year (FY) 2012 through Quarter I, FY 2015. Specifically, our analysis showed work orders had inaccurate repair times and costs and incorrectly remained open in a "complete status" in SEAM. Work orders are changed to a "complete status" when all parts and labor have been entered into the database and the work order is ready for management's

review. Our analysis also showed that 325,520 work orders had been completed and were awaiting review, indicating that management did not perform a timely review of the work orders. Our analysis also showed that work orders were awaiting review for an average of 145 days. There is no established time for management to perform their review.

These conditions occurred because staff and management were unable to correct errors in the system on commercial work orders, there was inadequate management oversight and training for staff, and there were limited edit checks and exception reports for "complete status" work orders in the system. VMF personnel are now able to correct commercial work orders as necessary; therefore, we are not making recommendations on this issue.

Maintenance records and *Business Intelligence* reports showing maintenance costs and delinquent scheduled maintenance were not always accurate, resulting in data reliability errors totaling over \$292 million. We also verified that incorrect dollar amounts were not paid in SEAM; however, the incorrect data remained in the *Business Intelligence* reports.

Without accurate and timely data, management has limited assurance that maintenance and cost data is sufficient and reliable for making operational decisions.



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What the OIG Recommended

We recommended management update SEAM to generate exception reports to help monitor the accuracy and timely closure of work orders in “complete status.” We also

recommended management provide SEAM training for vehicle maintenance staff and improve vehicle maintenance facility repair operations and policies to ensure work orders are reviewed and closed timely.

Transmittal Letter

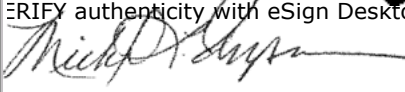


OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

September 18, 2015

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

EDWARD F. PHELAN, JR.,
VICE PRESIDENT, DELIVERY OPERATIONS

E-Signed by Michael Thompson
VERIFY authenticity with eSign Desktop


FROM: *for*
Robert J. Batta
Deputy Assistant Inspector General
for Mission Operations

SUBJECT: Management Advisory – Solution for Enterprise Asset
Management System – Vehicle Maintenance Facility Data
(Report Number DR-MA-15-004)

This advisory presents the results of our review of the U.S. Postal Service's Solution for Enterprise Asset Management System – Vehicle Maintenance Facility Data (Project Number 15XG002DR002). Our objective was to assess the accuracy and timeliness of selected Postal Service vehicle maintenance facility operational data.

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

Attachment

cc: Corporate Audit and Response Management

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Findings

The Postal Service operates one of the world's largest transport and delivery fleets, which includes over 211,000 delivery, transport, and administrative vehicles. The Postal Service maintains the fleet using the Vehicle Maintenance Program at 316 Postal Service VMFs and commercial garages throughout the country.

Introduction

This management advisory presents the results of our review of the U.S. Postal Service's Solution for Enterprise Asset Management¹ System (SEAM) – Vehicle Maintenance Facility (VMF) Data. Our objective was to assess the accuracy and timeliness of selected Postal Service VMF operational data² in SEAM. This management advisory is the result of errors noted in vehicle maintenance data during the U.S. Postal Service Office of Inspector General's (OIG) VMF efficiency nationwide audit.³ See [Appendix A](#) for additional information about this advisory.

The Postal Service operates one of the world's largest transport and delivery fleets, which includes over 211,000 delivery, transport, and administrative vehicles. The Postal Service maintains the fleet using the Vehicle Maintenance Program at 316 Postal Service VMFs and commercial garages throughout the country.

SEAM⁴ is a web-based application designed to improve fleet inventory tracking and visibility and standardize asset tracking and maintenance repair functions. The SEAM system and VMF staff members create maintenance and repair work orders. When a mechanic begins maintenance and repair activities at a facility, he creates a work order to track all activities and notifies the manager when the work is completed and the work order is ready for review. The manager reviews the work performed and the accuracy of the information on the work order prior to closing it. The system officially closes the work order 90 days after management's review. The commercial work order process is similar. See [Appendix B](#) for a flowchart of the Postal Service's VMF work order process and [Appendix C](#) for a flowchart of the commercial work order process.

Summary

We found inaccurate and untimely vehicle maintenance data in SEAM from FY 2012 through Q1, FY 2015. Specifically, our analysis showed work orders⁵ had inaccurate repair times and costs and incorrectly remained open in a "complete status"⁶ in SEAM. Work orders are changed to a "complete status" when all parts and labor have been entered into the database and the work order is ready for management's review. Our analysis also showed that 325,520 work orders had been completed and were awaiting review, indicating that management did not perform a timely review of the work orders. Furthermore, our analysis also showed work orders were waiting for review for an average of 145 days. There is no established time for management to perform their review. These conditions occurred because staff and management was unable to correct errors in the system on commercial work orders, there was inadequate management oversight and training for staff, and there were limited edit checks and exception reporting for "complete status" work orders in SEAM. VMF personnel are now able to make corrections to commercial work orders, as necessary; therefore, we are not making recommendations on these issues.

Maintenance records and *Business Intelligence* reports⁷ showing maintenance costs and delinquent scheduled maintenance were not always accurate, resulting in data reliability errors totaling over \$292 million. We also verified that incorrect dollar amounts were not paid in SEAM; however, this incorrect data remained in the *Business Intelligence* reports.

1 On April 20, 2009, the postmaster general approved \$32.3 million for Phase I of the Asset Management Integration Decision Analysis Report.

2 Our analysis of data is for fiscal year (FY) 2012 through Quarter (Q) 1, FY 2015.

3 *Vehicle Maintenance Facility Efficiency Nationwide - Capping Report* (Report Number DR-AR-15-006, dated April 28, 2015) and other locations, but does not include all VMFs.

4 The primary benefits of SEAM include eliminating duplicate data entry and systems at VMFs, capturing transactions in real time, and automating update of consignment parts.

5 The VMF and commercial work orders analyzed represent the 48 sample sites from the *Vehicle Maintenance Facility Efficiency Nationwide - Capping Report* (Report Number DR-AR-15-006, dated April 28, 2015) and other locations, but does not include all VMFs.

6 All parts and labor have been entered into SEAM by a mechanic and work is complete.

7 The *Business Intelligence* reports include the *Delinquent Scheduled Maintenance* report and the *Vehicle Maintenance Cost* report.

Some VMF SEAM work order records had inaccurate repair times and costs for parts.

Without accurate and timely data, management has limited assurance that maintenance and cost data is sufficient and reliable for making operational decisions.

Vehicle Maintenance Facility Data

Some VMF SEAM work order records had inaccurate repair times and costs for parts. We reviewed 182 work orders, for 48⁸ VMFs, and found that 20 of them (11 percent) had incorrect labor hours and costs for the period FY 2012 through FY 2015, Q1⁹ (see [Table 1](#)).

8 VMFs selected from the Eastern, Great Lakes, Northern, Southern and Western areas were reviewed in *Vehicle Maintenance Facility Efficiency Nationwide Capping Report* (Report Number DR-AR-15-006, dated April 28, 2015).
9 The OIG analyzed transaction repair data for this period.

Table 1. Analysis of SEAM Maintenance Repair Records FY 2012 – Q1, FY 2015

Item Number	Work Order Type	Days Open	Estimated Repair Time (Hours)	Actual Hours Charged to Work Orders	Labor Costs	Total Parts Cost	Dollar Value of Work Order Keying Errors
1	Unscheduled ¹⁰	314	7	5,311,865	\$276,004,521	¹¹	\$276,004,521
2	Unscheduled	2	0	0	9,630,598		9,630,598
3	Unscheduled	140	2	17,521	910,407		910,407
4	Unscheduled	1	0	0	684,308		684,308
5	Unscheduled	2	0	0	467,350		467,350
6	Scheduled ¹²	333	8	8,773	455,850		455,850
7	Scheduled	169	13	8,773	455,845		455,845
8	Road Calls ¹³	452	5	7,787	404,587		404,587
9	Unscheduled	459	2	5,206	270,519		270,519
10	Scheduled	418	4	2,900	150,700		150,700
11	Road Calls	3	0	0		54,398	54,398
12	Road Calls	3	0	0	52,211		52,211
13	Scheduled	418	15	761	39,562		39,562
14	Scheduled	458	12	730	37,952		37,952
15	Road Calls	209	5	510	26,515		26,515
16	Scheduled	1	0	0	15,552		15,552
17	Unscheduled	210	22	252	13,084		13,084
18	Unscheduled	0	0	0	13,500		13,500
19	Scheduled	288	7	250	13,000		13,000
20	Unscheduled	198	6	245	12,735		12,735
Totals					\$289,658,796	\$54,398	\$289,713,194

Source: OIG analysis of SEAM Work Order Report.

- 10 Unscheduled Maintenance Account Code (AC) 24 reflects the cost of work generated by a Postal Service Form 4565, Vehicle Repair Tag. Separate work orders are required for each repair.
- 11 All blanks in the table represent correct SEAM entries for parts and labor costs.
- 12 Scheduled Maintenance AC 22 covers the cost of scheduled maintenance, which includes work generated by inspection and lubrication and the cost of body and fender work caused by ordinary wear and tear.
- 13 Road Calls AC 23 covers the cost of making road calls (except accidents) and effecting repairs including bringing a vehicle back to the garage.

In our analysis of these work orders, we verified that the incorrect dollar amounts were not paid, but remained in the Business Intelligence reports.

SEAM had over 325,520 work orders open in a “complete status” awaiting review.

We also found additional input and keying errors for five judgmentally selected VMF locations outside the selected 48 sites. We selected 48 locations from our previous audit and judgmentally selected the additional five locations based on high labor and parts costs (see Table 2).

Table 2. Additional Analysis of SEAM Maintenance Repair Records FY 2012 – Q1, FY 2015

Item Number	Work Order Type	Days Open	Estimated Repair Time (Hours)	Actual Hours Charged to Work Orders	Labor Costs	Total Parts Cost	Dollar Value of Work Order Keying Errors
1	Scheduled	225	0	0		\$1,525,045	\$1,525,045
2	Scheduled	441	1	9,528	495,080		495,080
3	Scheduled	396	14	8,775	455,965		455,965
4	Scheduled	384	0	4,200	218,242		218,242
5	Unscheduled	305	1	2,163	112,364		112,364
Totals					\$1,281,651	\$1,525,045	\$2,806,696

Source: OIG analysis of SEAM Work Order Report.

The following are examples of inaccuracies from Tables 1 and 2.

- One transaction for a break light repair showed unscheduled maintenance contract labor costs for a Long Life Vehicle of \$9,630,598. This occurred because the clerk input the invoice number (“9630598”) into the cost field instead of using the correct number associated with the labor amount of \$45 (see Table 1).
- The estimated repair time for a work order was 7 hours. Management stated the mechanic tried to enter 0.4¹⁴ workhours for the actual repair time, but entered “5,311,865” as the actual labor hours used. This caused the SEAM report to erroneously calculate over \$276,000,000 in labor costs (see Table 1).
- The invoiced parts cost was incorrect. The amount entered was \$1,525,045; however, the correct amount was \$1,525.45 (see Table 2).¹⁵

In our analysis of these work orders, we verified that the incorrect dollar amounts were not paid, but remained in the *Business Intelligence* reports. The VMF creates a work order when a mechanic begins maintenance and repair work to track all repair activities. When the work order is complete, the manager reviews it for accuracy and then closes it (see Appendix B). The process for commercial work orders is similar to the process for VMF work orders (see Appendix C). There is no established time for management to perform their work order review.

Further, SEAM had over 325,520 work orders open in a “complete status” awaiting review. OIG analysis showed these work orders remained open in “complete status” an average of 145 days before VMF management reviewed and closed them. Supply Management officials stated that SEAM automatically generates an exception report for work orders in “released status,” which is the initial phase of creating a work order. However, the system does not generate an exception report for work orders that are

¹⁴ The mechanic should have entered four-tenths of an hour (19 to 24 minutes) but entered an incorrect amount.

¹⁵ This is an entry from the five judgmentally selected sites.

in a “complete status” to alert the manager to review and close out the work order, see Table 3. As indicated earlier, there is no timeframe for management to review work orders.

Table 3. Average Number of Days Work Orders in 'Complete Status' FY 2012 - Q1, FY 2015

Work Order Type	Work Orders Reviewed	Average Days Work Orders In Complete Status Until Closed

Source: OIG analysis of SEAM Work Order Report.

In addition, SEAM generated Preventive Maintenance Inspection (PMI)¹⁶ work orders that management did not always review and close timely. PMI work orders created in prior fiscal years will remain in a “released status” until a mechanic completes the work or management reviews and closes them. This can result in a large number of SEAM-generated work orders remaining in the system waiting for management action.

We identified and reviewed 101,395 scheduled maintenance work orders and found that 69,964 were SEAM-generated PMI work orders from FY 2013. At the time of our review, 60,640 work orders were in a “released status” and management closed 54 percent during Q3, FY 2014. Management closed the remaining 9,324 work orders in FY 2014 with no labor costs or comments indicating approval for closure.¹⁷ We also found that one VMF¹⁸ closed 9,669 work orders from June through September 2014¹⁹ that had been in a “released status” since FY 2012 (see Table 4). The manager stated completed VMF work orders were not closed out for 2 years beginning January 2012 and that this occurred before he arrived at the VMF and he inherited the issue. He did not know why the work orders were left open.

Table 4. SEAM-Generated PMI Work Orders FY 2012 - Q1, FY 2015

[illegible]

Source: OIG analysis of SEAM Work Order Report.

16 VMF managers must ensure each vehicle receives periodic maintenance.

17 Per our discussion with Postal Service Headquarters staff.

18 We observed this during our *Vehicle Maintenance Facility Efficiency Nationwide Capping Report* audit (Report Number DR-AR-15-006, dated April 28, 2015), which included 48 VMFs.

19 Handbook PO-701, *Fleet Management*, March 1991, updated with *Postal Bulletin* revisions through October 23, 2008. The VMF manager must account for all work orders on a weekly basis.

These conditions occurred because:

- The SEAM Help Desk cannot correct SEAM system input errors for commercial work orders.²⁰ SEAM does not allow managers to input changes for commercial work orders after management approval; however, commercial work orders are held for 30 days before San Mateo Accounting Services makes payment on them, which allows managers to resubmit work orders for correction, if necessary.²¹ After 30 days, management cannot correct a work order error, but can issue a credit. On January 12, 2015,²² SEAM management issued a bulletin allowing managers to review commercial work orders and correct errors before submission; therefore, we will not make a recommendation on this issue.
- There was inadequate management oversight and training. Management did not always review work orders for errors, make corrections, and approve and close work orders timely. Per Postal Service policy, VMF supervisors are to maintain all necessary control procedures to ensure maintenance work is performed in a safe manner and related costs are not excessive, review the quality and costs of outside contractual maintenance, and follow-up with corrective action when warranted.²³ In addition, management was not familiar with the SEAM database reports to provide oversight.
- VMF work orders did not have edit checks for workhours charged above standard repair time. On January 12, 2015, SEAM management issued a *Vehicle Maintenance Bulletin*²⁴ addressing labor hour entries. Mechanics receive an error notice for any entries over 12 hours and mechanics are able to input negative entries to correct labor hours;²⁵ therefore, we will not make a recommendation on this issue.

SEAM did not automatically generate an exception report showing work orders in “complete status” on a daily, weekly, or monthly basis. Internal control standards²⁶ state that program managers need both operational and financial data to determine whether they are meeting their agencies’ strategic and annual performance plans and accountability goals for effective and efficient use of resources. In addition, pertinent information should be identified, captured, and distributed in a way that permits people to perform their duties efficiently.

Without accurate and timely data, management has limited assurance that maintenance and cost data is sufficient and reliable for operational decision-making. Maintenance records and *Business Intelligence* reports were not always accurate, resulting in data reliability errors totaling over \$292 million.

20 Supply Management officials stated that management can correct errors on work orders created by VMF staff.

21 During this window, it is possible for the VMF to call the Help Desk in San Mateo to request it not make payment.

22 *SEAM Note Supply Management* update issued January 12, 2015.

23 Handbook PO-701, *Fleet Management*, March 1991, updated with *Postal Bulletin* revisions through October 23, 2008. The VMF manager must account for all work orders on a weekly basis.

24 Management issued SEAM bulletins in January and February 2015. The bulletins state that PMIs will be generated in 2-week intervals to prevent duplicate generation and that commercial work orders above \$20,000 will require a third-level review.

25 Mechanics can no longer input more than 12 hours of time on a single line.

26 United States Government Accountability Office *Green Book, Standards for Internal Controls*, November 1999, pg. 19.

Recommendations

We recommend management update the SEAM system to generate exception reports; provide continuous opportunities for SEAM system training; and improve vehicle maintenance facility repair operations and policies to ensure work orders are reviewed and closed timely.

We recommend the vice president, Supply Management, and the vice president, Delivery Operations, coordinate to:

1. Update the Solution for Enterprise Asset Management system to generate exception reports to assist in monitoring the accuracy and timely closure of work orders in “complete status.”

We recommend the vice president, Delivery Operations:

2. Provide continuous opportunities for Solution for Enterprise Asset Management system training to improve knowledge of system features and capabilities for vehicle maintenance staff.
3. Improve vehicle maintenance facility repair operations and policies to ensure work orders are reviewed and closed timely.

Management's Comments

Management agreed with the findings, recommendations and other impacts. They agreed that SEAM input errors contained in the *Business Intelligence* reporting system affect data reliability.

In response to recommendation 1, Supply Management agreed that the SEAM system should be updated to generate an exception report to assist in monitoring the accuracy and timely closure of work orders in “complete status.” Management stated that two reports have been developed to identify “complete status” work orders that need to be closed and commercial work orders that are awaiting action for payment.

A SEAM Note of the Week message was sent to all VMF employees notifying them of these newly developed reports on July 21, 2015.

In response to recommendation 2, Fleet Management agreed that training is needed to improve knowledge of system features. Management stated there are two courses listed on the Learning Management System titled “SEAM (Oracle) Navigation” and “SEAM VMF Work order Process.” These two courses provide continuous growth for VMF personnel. Also, a course is being offered in FY 2016 at the National Center for Employee Development. This course will provide high level instruction for VMF personnel. The target implementation date is April 30, 2016.

In response to recommendation 3, Fleet Management agreed with the finding. Management stated guidance would be issued to the VMFs describing procedures to follow daily to ensure work orders are reviewed and closed timely. The target implementation date is December 31, 2015.

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

Evaluation of Management's Comments

The OIG considers management's comments responsive to the recommendations and corrective actions should resolve the issues identified 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 Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed.

Appendices

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Appendix A: Additional Information

Background

The Postal Service operates one of the world's largest transport and delivery fleets, which includes over 211,000 delivery, transport, and administrative vehicles. The Postal Service maintains the fleet using the Vehicle Maintenance Program at 316 Postal Service VMFs and commercial garages throughout the country.

SEAM is a web-based application designed to improve inventory tracking and visibility and standardize asset tracking and maintenance repair functions. The system and maintenance staff creates maintenance and repair work orders. When a mechanic begins maintenance and repair activities in the facility, he creates a work order that tracks all activities. When repair work is completed, the mechanic notifies the manager that the order is ready for review. The manager reviews the work order for errors and closes it. SEAM officially closes the work order 90 days after management review.

Objective, Scope, and Methodology

Our objective was to assess the accuracy and timeliness of selected Postal Service VMF operational data. This management advisory is the result of errors noted in vehicle maintenance data during an OIG audit on vehicle maintenance facility efficiency nationwide.²⁷ To accomplish our objective we:

- Obtained, reviewed, and analyzed SEAM work orders for FY 2012 – Q1, FY 2015, for the 48 selected VMFs²⁸ in the Eastern, Great Lakes, Northeast, Southern, and Western areas.
- Identified and compared FY 2012 – Q1, FY 2015, VMF and commercial labor expenditures for maintenance.
- Analyzed commercial and Postal Service VMF work orders with expenditures greater than \$10,000 to review estimated versus actual repair time, timeliness of work order processes, and parts and labor costs.
- Identified concerns with the management of maintenance work orders for PMIs, data accuracy, and vehicle maintenance costs.
- Conducted interviews with Postal Service Headquarters, district, and VMF management officials to obtain information on SEAM vehicle operational cost data and operations.

We conducted this review from February through September 2015, 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 August 5, 2015, and included their comments where appropriate.

We assessed the reliability of SEAM data by interviewing agency officials knowledgeable about the data and SEAM database. Our discussions concluded that management relied on these systems to manage operations. Consequently, we determined that the data were not always accurate and we noted these occurrences in this advisory.

²⁷ *Vehicle Maintenance Facility Efficiency Nationwide Capping Report* (Report Number DR-AR-15-006, dated April 28, 2015).

²⁸ VMF sites from the *Vehicle Maintenance Facility Efficiency Nationwide Capping Report* (Report Number DR-AR-15-006, dated April 28, 2015).

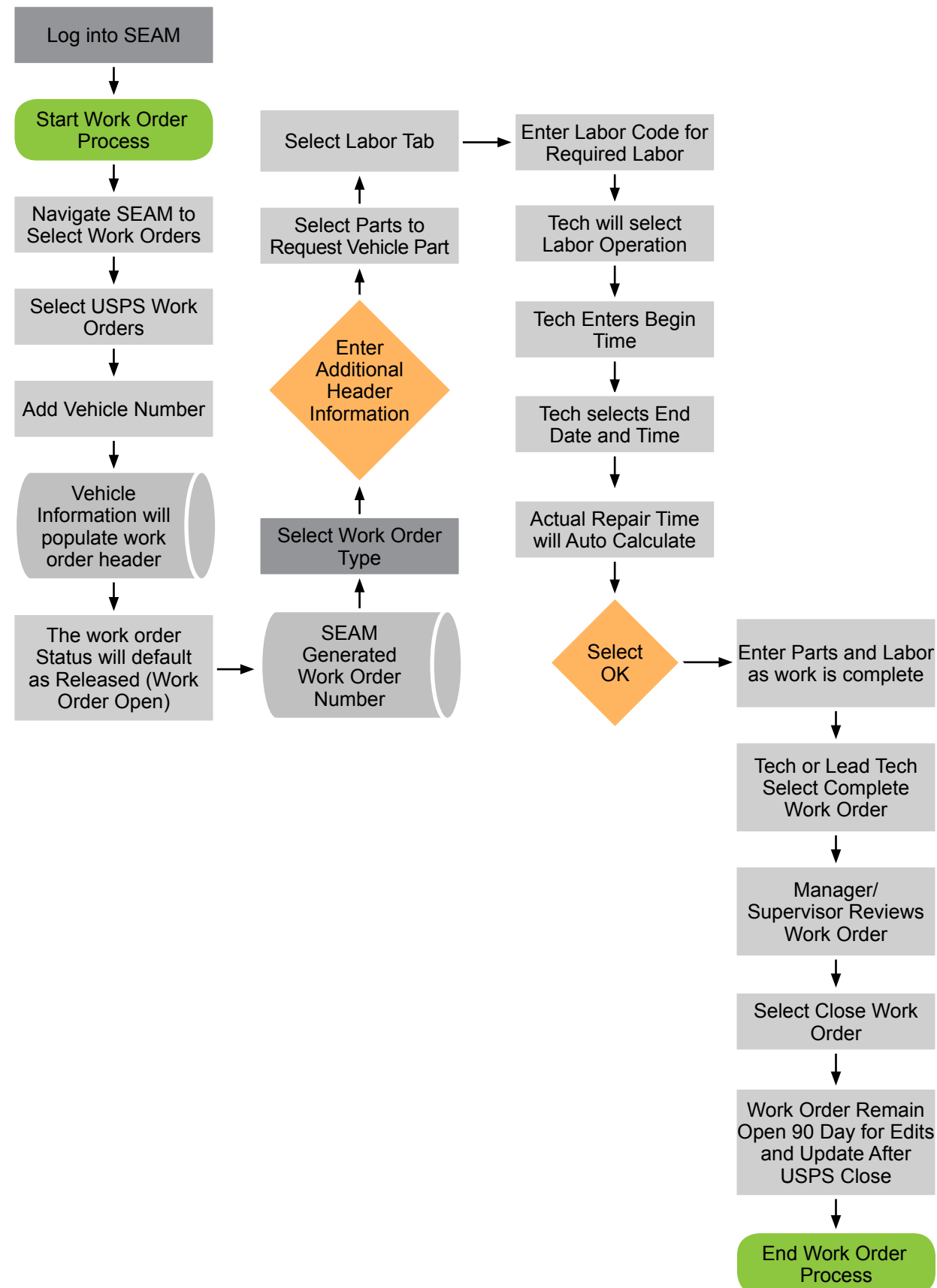
Prior Audit Coverage

Report Title	Report Number	Final Report Date	Monetary Impact
<i>Vehicle Maintenance Facility Efficiency Nationwide Capping Report</i>	DR-AR-15-006	4/28/2015	\$21,858,233

Report Results: This report determined that VMF operations were not operating at peak efficiency. Specifically, undistributed labor workhour orders was 11 percent of total maintenance labor costs and exceeded the established target of 3 percent. In addition, overhead (supervisory and support) labor costs were 24 percent of total maintenance labor costs and under the established overhead target of 30 percent and the VMF had 109 vacant administrative and supervisory positions. We recommended management reduce 431,129 undistributed workhours for maintenance and repairs and right-size staffing at VMFs to improve operations. Management agreed with the findings, but disagreed with our recommendations and monetary impact; however, they suggested alternative corrective actions that satisfied the intent of the recommendations.

Appendix B: Vehicle Maintenance Facility Work Order Process

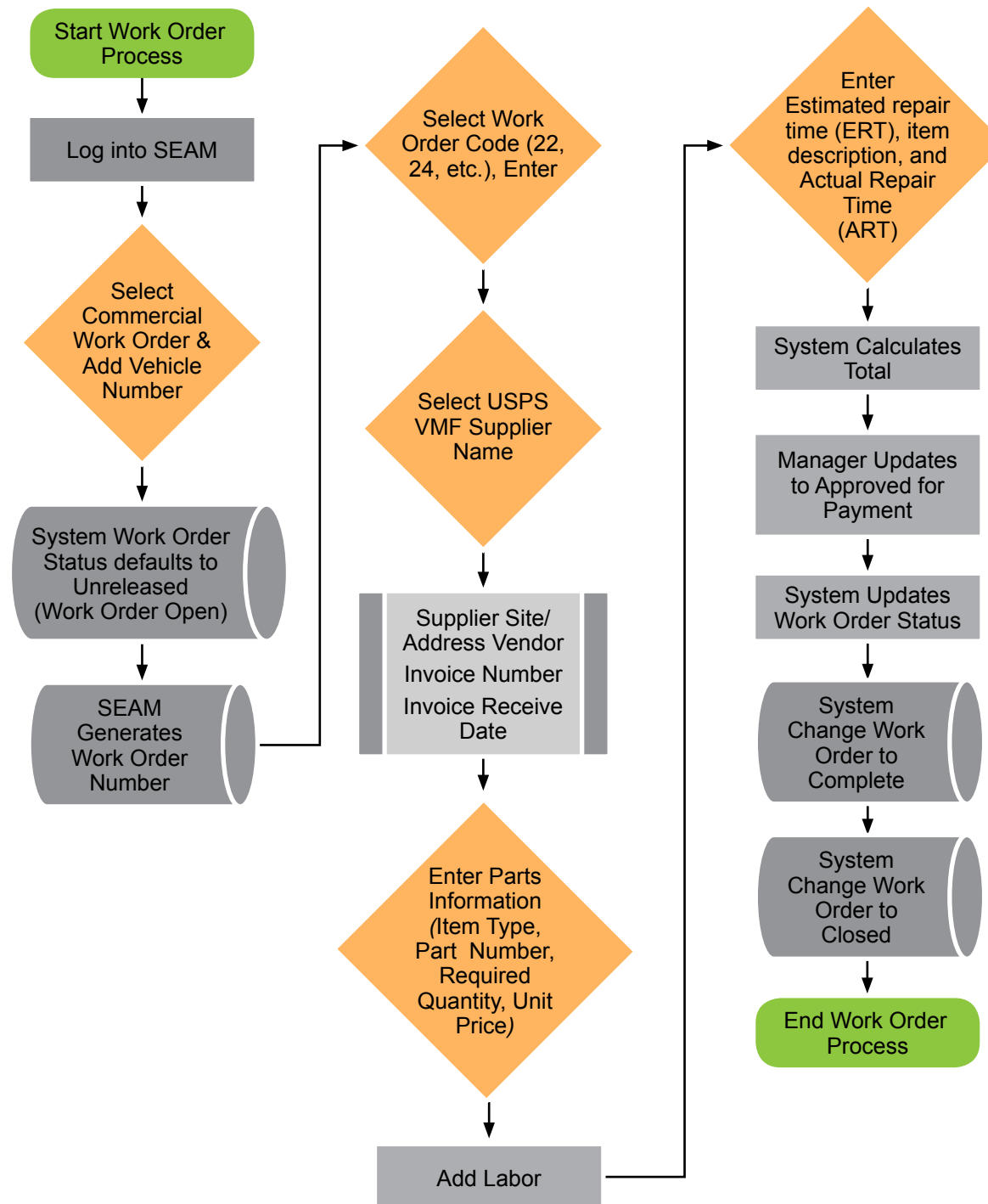
The flowchart represents the process for VMF work orders.



Source: *SEAM VMF Handbook Coordinator Guide*,
Version 3, 2014, Chapter 5.

Appendix C: Commercial Work Order Process

The flowchart represents the process for commercial work orders.



Source: *SEAM VMF Handbook Coordinator Guide*,
Version 3, 2014, Chapter 8.

Appendix D: Management's Comments



September 11, 2015

LORI LAU DILLARD

SUBJECT: Management Response - Solution for Enterprise Asset Management System –
Vehicle Maintenance Facility Data (Report Number DR-MA-15-DRAFT)

Thank you for providing the United States Postal Service (USPS) with an opportunity to review and comment on this draft Management Advisory Report – Solution for Enterprise Asset Management System (SEAM) – Vehicle Maintenance Facility (VMF) Data.

The objective of this report was to assess the accuracy and timeliness of selected VMF operational data in the SEAM system. The report noted that inaccurate and untimely vehicle maintenance data was found in SEAM from FY 2012 through quarter 1, FY 2015. It was verified that the dollar amount value of \$292 million that was input into SEAM in error was not actually paid to suppliers, but these errors were contained in the Business Intelligence reporting system, affecting the reliability of this data.

The SEAM system has a range of exception reports and ways to query the system to identify completed work orders. The USPS Work Order screen and the Commercial Work Order screen were designed to allow managers to query by status to see which work orders need to be closed for the day. Enhancements have been made to the system prior to this audit to allow corrections on improperly keyed work orders and to prevent significant keying errors.

Management recognizes the importance of data integrity and the corrective actions to the OIG's recommendations within the report should provide enhanced controls for greater data integrity. Management is in general agreement with the findings, recommendations and monetary impact.

OIG Recommendations

We recommend the vice president, Supply Management, and the vice president Delivery Operations, coordinate to:

Recommendation 1: Update the Solution for Enterprise Asset Management system to generate exception reports to assist in monitoring the accuracy and timely closure of work orders in "complete status."

Management Response/Action Plan: Management agrees.

Supply Management has developed two reports in SEAM to assist managers in identifying their completed USPS work orders that need to be closed and commercial work orders that are awaiting action for payment to suppliers. The first report "USPS Work Orders Awaiting Manager Closure" contains all USPS work orders in the "complete" status in their VMF. The second report "Open Commercial Work Orders" contains all Commercial Work Orders that are in the status of Unreleased, Awaiting Approval or Awaiting Changes. These reports have been developed in our reporting server OBIEE (Business Intelligence) to be generated upon demand by VMF management. These reports were developed and a SEAM *Note of the Week* was sent to all VMF employees that are on the "SEAM-VMF Managers" Outlook Distribution List and the "SEAM-All VMF Employees" Outlook Distribution List on July 21, 2015. Information on these reports and the Note of the Week are available on the website.

Target Implementation Date: Completed July 21, 2015

Responsible Official: Manager, Asset Management, Supply Management

Recommendation 2: Provide continuous opportunities for SEAM system training to improve knowledge of system features and capabilities for vehicle maintenance staff.

Management Response/Action Plan: Management Agrees. There are two courses listed on the Learning Management System (LMS) titled "SEAM (Oracle) Navigation" and "SEAM VMF Work Order Process". These courses are available for use as eLearning at any time, and provide opportunities for continuous on-demand training. In 2013 an in-depth resident training course was developed and offered at the National Center for Employee Development. This course has planned offerings that will continue in FY 2016, and provides the highest level of instruction to VMFs.

Target Implementation Date: April 2016

Responsible Official: Manager, Fleet Management

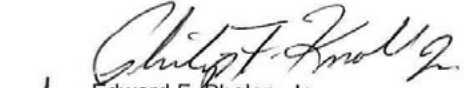
Recommendation 3: Improve vehicle maintenance facility repair operations and policies to ensure work orders are reviewed and closed timely.

Management Response/Action Plan: Management agrees. We will issue guidance to the VMF describing operating procedures to follow within their daily process to ensure work orders are reviewed and closed timely. Additionally, the tools within recommendation 1 will be available for their use with this process.

Target Implementation Date: December 2015

Responsible Official: Manager, Fleet Management


Susan M. Brownell
Vice President, Supply Management


for Edward F. Phelan, Jr.
Vice President, Delivery Operations

cc: Corporate Audit Response Management



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