Post-Hearing Questions for the Record
Questions for Ms. Melinda Perez
Deputy Assistant Inspector General for Audit, USPS Office of Inspector
General

Questions from Chairman Gerald E. Connolly
Subcommittee on Government Operations

February 14, 2022, Hearing: "Waiting on the Mail: Postal Service Standard
Drops in Baltimore and the Surrounding Area"

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1. **In its report on Baltimore's Processing and Distribution Center (P&DC), the Office of Inspector General (OIG) identified a number of manager and supervisor vacancies, resulting in "inadequate management oversight of operations and employees" and "a decrease in productivity." In response to the OIG's recommendation to fill these vacancies, management at the Baltimore P&DC set a target implementation date of January 31, 2022, for filling remaining positions.**

    a. **What is the status of these manager and supervisor vacancies at the Baltimore P&DC?**

        Response:

        As of late February 2022, the Baltimore P&DC had zero vacant supervisor positions and two vacant manager positions. The Postal Service was in the process of filling both vacant manager positions. The OIG's recommendation tied to the manager and supervisor vacancies will remain open until all the positions have been filled.

    b. **Has the OIG reviewed productivity at other P&DCs across the nation? If yes, is the decline in productivity the OIG identified at the Baltimore P&DC a pattern across the nation, or is it unique to Baltimore? If the decline is unique to Baltimore, why?**

        Response:

        We have reviewed productivity at other P&DCs, although we have not conducted a nationwide review. Our recent and ongoing work at processing facilities indicates that productivity has decreased at some of these P&DCs; therefore, decreased productivity is not unique to the Baltimore P&DC. The cause for the decline in productivity at the Baltimore P&DC was a lack of managers and supervisors. Our recommendation to fill the vacant manager and supervisor positions should improve productivity at the Baltimore P&DC.

    c. **Aside from filling manager and supervisor vacancies, what recommendations**

does the OIG have for addressing the decline in productivity identified at the Baltimore P&DC?

Response:

Our audit scope occurred during the COVID-19 pandemic, and the Postal Service experienced decreased employee availability during this time. In addition, the lack of managers and supervisors resulted in inadequate management oversight of operations and employees at the Baltimore P&DC, which contributed to a decrease in productivity.

We also recommended that the Chesapeake Division Director, Processing Operations, control unscheduled leave by analyzing absences and discussing attendance with employees, when appropriate; prioritize and track replacement of the tray management system; develop a plan for adequate supervision and coordination to bring mail to the dock on time for transport; and provide training to increase scans when a container is loaded onto a truck. These scans ensure management has accurate information when making operational decisions.

2. **In the same report, the OIG found that the Baltimore P&DC's tray management system has been inoperable since March 2019. According to your written testimony,**

> **[Postal management] disagreed with our recommendation to prioritize and track the replacement of the broken equipment. Postal management said the Baltimore plant was a top priority for its Processing Facility modernization plan, and therefore could be updated, expanded, or replaced as part of that plan. The Postal Service did not, however, provide a timeline or state any specific actions that would be completed.**

a. **What actions is the OIG taking to ensure that, in a timely manner, Postal management replaces the broken tray management system or otherwise takes concrete steps to modernize the Baltimore P&DC under the Processing Facility Modernization Plan?**

Response:

The Postal Service is removing the Tray Management System, but we will ensure they have an efficient process to move the mail throughout the facility before we close the recommendation. In addition, we will continue to monitor and hold discussions with the Postal Service on the development of the Network Modernization Plan and how this plan impacts the Baltimore P&DC, to include timelines for implementation.

b. **The Postal Service describes its plans to modernize its delivery**

network in its *Delivering for America* **plan. You have told the Subcommittee that the OIG will issue an audit report to the Postal Service on the plan by March 31, 2022. To your knowledge, what progress has the Postal Service made in developing this network modernization plan? What specific initiatives have been or will be implemented in Baltimore?**

Response:

With respect to our review of the Postal Service's *Delivering for America* plan, we have extended our anticipated report issuance date from March to May 2022. We will keep you and your staff updated on the status of this project. The Postal Service provided updates in its Integrated Financial Plan, issued in November 2021, on the status of the initiatives in its plan. Regarding performance in Baltimore, the OIG is conducting an audit on the ten lowest performing mail processing plants, which includes two processing facilities in the Baltimore area. We expect to also issue that report in May 2022.

3.   **The public can access Postal Service delivery performance data from more than one website. In particular, the OIG, Postal Service, and Postal Regulatory Commission (PRC) each host their own service performance website showing Postal Service delivery performance across the country.**

a.   **Is the OIG working with the Postal Service and the PRC to avoid duplicative efforts and to streamline access to Postal Service delivery performance data? If yes, how? If not, please explain why the OIG, Postal Service, and PRC should each provide their own service performance websites to the public.**

Response:

Our service performance webpage, which we launched in June 2021, was designed to meet two objectives. The first was to create a centralized location on our website for OIG work on service performance, to make it easier for postal customers and other postal stakeholders to find.

The second objective was to fill a void we identified – the lack of easily accessible and understandable postal data on service performance. We wanted to create an interactive site that allows people to easily see quarterly service performance data by class of mail over time, at the national level as well as for each postal district. The dashboard includes a map of the U.S. that can be filtered by geographic area, fiscal quarter, and class of mail. To date, we are the only ones providing this level of detail in a more easily accessible and transparent manner.

We informed the Postal Service about our service performance website before it was released. We will continue monitoring the Postal Service and PRC websites to determine if our dashboard is still needed and coordinate as appropriate.

However, as a member of the IG community, we believe it is critical that service performance be properly tracked, measured, and reported transparently.

b. **How is the OIG incorporating customer needs into the development of its own service performance dashboard?**

Response:

As previously mentioned, one of the objectives of our dashboard was to make it easy for postal customers to see and understand service performance information. The feedback we have received so far has been favorable. We also interact with many people in the postal industry on a regular basis, including the postal unions and management associations and mailing industry groups, and we will continue to consider changes and improvements to our dashboard over time.

4. **In your written testimony, you describe OIG efforts to monitor election mail in the fall of 2020 and note that with increased funding, "[The OIG] can provide similar monitoring across the country as the Postal Service rolls out its planned changes."**

Without resource constraints (e.g., in budget, time, or capacity), what real-time monitoring services might the OIG deploy to monitor planned changes to the Postal Service? How would these services improve Postal Service operations and downstream Postal Service customer satisfaction?

Response:

Data analytics is critical in pointing us in the right direction of a problem. However, the Postal Service is also a very large and physical business, and it is often necessary to deploy people to these locations to determine what is happening on the ground to cause the issues we see in the data. We recently formed a new audit team to provide a more comprehensive look at service performance challenges in specific geographic areas. The audits identify both processing and delivery challenges by examining a major processing facility and select delivery units served by it in a geographic area. Our work is complete in Portland, Oregon and we have ongoing work in Columbus, Ohio, San Diego, California, and Indianapolis, Indiana. These audits will help identify challenges in the Postal Service's network and provide a broader look at the mail flow between the processing plants and delivery units.

With additional resources, we plan to conduct more of these audits in geographic areas nationwide, making recommendations to remedy any service performance issues we find in closer to real-time. A wider reach in additional facilities could also assist in identifying the impact of systemic challenges and how changes are impacting service on the ground as they are rolled out. Improved operations in more facilities nationwide can contribute to greater productivity, and increased customer satisfaction in more areas.

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5. **During the February 14, 2022, hearing, Acting Executive Postmaster Eric Gilbert stated in response to a question from fellow witness Chuck Metzger about 480 pieces of missing mail "that no mail [is] staged or warehoused" at his facility.**

   The response seemed to indicate that Mr. Gilbert is not concerned about ensuring proper delivery of mail to his customers if their missing mail is not located in his facility.

   a. **What options do Mr. Metzger and other customers in similar circumstances have to elevate their concerns within the Postal Service or to the Postal Service Office of Inspector General?**

   Response:

   The OIG examines customer concerns throughout the mail stream and in every geographic region. Customers may report their concerns directly to the U.S. Postal Service Office of Inspector General Hotline. Additional information for customers submitting a request is available on our website at [Hotline | USPS Office of Inspector General (uspsoig.gov)](). We take these concerns seriously and use the information provided to generate leads for investigative work and in decisions about where to target our audit work.

   b. **Perhaps the consequence of siloed roles and responsibilities at the Postal Service, Mr. Gilbert's response implies that customer issues that do not fall under his jurisdiction as Baltimore's Executive Postmaster are "not his problem." Does Mr. Gilbert's response reflect broader cultural problems at all levels of leadership in the Postal Service, or are responses like his unique to the Baltimore region?**

   Response:

   In the summer of 2020, the Postal Service underwent a reorganization. This included changing the reporting structure of postal operations. Under the old structure, leadership in postal operations was organized around geographic regions, so there would be one vice president for each of the seven areas, who oversaw mail processing, logistics (transportation), and delivery and retail operations. Under the new structure, leadership in postal operations is now organized around function. This means retail and delivery has a separate reporting structure than mail processing and logistics. The Postal Service has said this was done to improve "line of sight," allowing fewer levels of postal management. It does however mean that the functions are siloed. USPS has said there will be communication between the various functions to ensure coordination and address

problems that span across the functions. At this point, we do not know if lack of communication and cooperation is a widespread problem.

One of the ways we hope to address this potential problem is through our new audit team that focuses on both the processing and delivery functions in specific geographic areas. Our audit team will review one postal plant as well as several of the delivery units it serves. This will shed light on any issues we identify that span across processing and retail and delivery. We have already completed our work in Portland, Oregon and have ongoing work in Columbus, Ohio, San Diego, California, and Indianapolis, Indiana. As we complete more of these types of cluster audits, we should be able to see if there is a widespread problem with lack of communication and coordination between the functions.