

Questions for Ms. Tammy Hull
Inspector General, U.S. Postal Service Office of Inspector
General

Questions from Chairman Gerald E. Connolly
Subcommittee on Government Operations

November 16, 2022, Hearing: “The Holiday Rush: Is the
Postal Service Ready?”

1. Unlike the Postal Service itself, the Postal Service Office of Inspector General (OIG) provides locality pay to its employees. How does locality pay assist the OIG in recruiting the employees it needs?

Response:

The USPS OIG has nearly 100 offices located nationwide to operationally support its mission to ensure efficiency, accountability, and integrity in the U.S. Postal Service. These offices are in various geographical locations with different costs of living. By offering a salary structure with locality pay, the OIG can recruit employees in these various locations and provide compensation that is comparable to the labor market and encourage prospective employees to consider higher cost of living locations. By law, the OIG is required to maintain compensation and benefits that are comparable with other federal Offices of Inspector General (39 U.S.C. § 1003(b)).

2. A 2022 OIG audit found that the Postal Service was not able to measure service performance for 17% of the identifiable mail-in ballots sent in the 2022 primary elections. How can the Postal Service improve the measurement of service performance for mail-in ballots?

Response:

In our *Election Mail Readiness for the 2022 Mid-Term Elections*¹ report, we recommended the Postal Service establish a policy to retain data on ballots with barcode tracking that are excluded from measurement and continue working with mailers of Election Mail to identify why ballots are excluded. This will ensure data on exclusions is retained and the Postal Service can work with the mailers to determine root causes and solutions. The Postal Service expects to implement this recommendation by December 31, 2022.

3. During the past four years, on-time delivery performance for both packages and mail dropped during the first quarter of the fiscal year (October-December). Increases in mail volume and inclement weather events contribute to this drop in on-time delivery rates, placing additional strain on the Postal Service’s workforce and logistics network. Why is there a drop in peak season delivery

¹ [Election Mail Readiness for the 2022 Mid-Term Elections](#) (Report Number 22-093-R22, September 26, 2022).

performance and how can it be mitigated or eliminated?

Response:

Each year, increased mail volume during the Postal Service's peak mailing season — November through January — significantly strains the Postal Service's processing and distribution network. In the past, the Postal Service faced challenges in ramping up its processing, transportation, and delivery networks to meet the needs of the increase in volume. Specifically, it did not have enough employees available and/or sufficient facility space to timely process and deliver the increased volume, which led to declines in service performance. In October 2021, Postal Service management implemented a new, year-round strategy focused on building-up employee complement, multi-year leases for facility space, and processing capacity. This helped the Postal Service maintain sufficient capacity to handle the increased volume and mitigate poor service scores.

4. In the 2021 calendar year, the Postal Service implemented a year-round strategy to prepare for peak season, focusing on a year-round recruitment strategy. Was this strategy successful?

Response:

Beginning in October 2021, the Postal Service implemented a year-round strategy of increasing employee complement and facility space to help meet the needs of peak season. In our *Service Performance During the Fiscal Year 2022 Peak Season*² audit report, we found Postal Service management implemented initiatives to address the main causes of low performance from the prior peak mailing season. As a result, service performance for all mail classes increased 10-20 percentage points from the prior peak seasons. Those initiatives included:

- Hiring approximately 51,000 additional temporary employees to assist with the additional workload.
- Leasing 46 package support annexes with two- to five-year lease terms for use beyond peak season to help maintain space in high demand areas.
- Leasing 51 temporary mail processing and logistics annexes to process packages during the FY 2022 peak mailing season.
- Adding six surface transfer centers to help alleviate dock congestion.
- Increasing package processing capacity by deploying and installing 89 package sorting machines in processing facilities.

We will be evaluating the Postal Service's performance during the current, FY23 peak mailing season. We will keep you and your staff updated on the status of this audit project, which should be completed by summer 2023.

5. On October 28, the Postal Service announced it planned to hire 28,000 temporary employees to prepare for peak season. On November 10th, Postmaster General DeJoy said that the Postal Service plans to hire 20,000.

² [Service Performance During the Fiscal Year 2022 Peak Mailing Season](#) (Report Number 22-039-R22, June 23, 2022).

Based on the new goal of 20,000 seasonal workers, will the Postal Service have enough workers in place to maintain service standards during the peak season?

Response:

In our *Fiscal Year 2023 Peak Season Preparedness*³ audit, we found that despite the decrease in planned hires, management believes the Postal Service will be able to timely process, transport, and deliver the peak season volume because there are more experienced career employees this year, higher employee availability, increased package processing capacity, and an overall more stable workforce. Additionally, management does not expect package and mail volume to increase compared to last year.

We are evaluating the Postal Service's overall service performance during the FY23 peak season and will keep you informed of the status of our audit.

³ [*Fiscal Year 2023 Peak Season Preparedness*](#) (Report Number 22-163-R23, Nov. 14, 2022).

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Questions from Rep. Jamie Raskin

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1. Ms. Hull, in previous hearings, our Subcommittee has heard about the Postal Service’s workforce recruitment and retention challenges. Could you comment on how Postmaster DeJoy’s proposal to consolidate Sorting and Delivery Centers could affect postal workers and mail carriers, many of whom may be forced to work at a new processing center much farther from their communities?

Response:

The Postal Service has announced its intention to consolidate delivery operations at more than 200 post offices and other facilities into larger, regional hubs known as Sorting and Delivery Centers (S&DCs). The OIG plans to examine the Postal Services plans around these consolidations and how well these plans were communicated internally to employees, as well as external stakeholders, including labor unions and management organizations that represent postal employees. We will keep you and your staff updated on the status of our audit project.

2. In 2010, the Postal Service launched the Delivery Unit Optimization Initiative. After the Office of the Inspector General reviewed this initiative, they concluded: “We could not determine whether the 1,500 consolidations reduced costs or improved operational efficiencies in delivery units.”

The Postal Service failed to implement the OIG’s recommendations on this particular initiative, which ultimately failed to produce any obvious improvements in operational efficiencies. In Postmaster General DeJoy’s new optimization and consolidation proposal, the Postal Service is again attempting to make drastic changes without coordinating with important stakeholders. Do you have any recommendations on how the Postal Service can learn from its past experience

Response:

In a July 2022 audit,⁴ we assessed the underlying metrics and assumptions of the Postal Service’s 10-year plan, *Delivering for America*. The 10-year plan discusses the Postal Service’s plan for making changes to its network. We issued two recommendations in this report. First, we found The Postal Service did not conduct studies to determine how changes related to mail service standards could impact specific demographic groups, and

⁴ [*Assumptions and Metrics Underlying the Delivering for America 10-Year Plan*](#) (Report Number 21-224-R22, July 6, 2022).

we recommended that the Postal Service develop guidance that details the requirements for when a distributive impact study should be performed. Second, we found information about initiatives contained in the plan were not centrally located. We recommended the Postal Service enhance the *Delivering for America* Plan's website, to provide comprehensive communications regarding plan progress, status on initiatives, future plans, and outcomes. Postal management agreed with both recommendations, and the target implementation date is June 24, 2023.

Additionally, in our November 2020 *Deployment of Operational Changes*⁵ audit report, which provided an evaluation of operational changes made in the summer of 2020, we found the Postal Service's communication with Congress and customers was lacking in completeness and clarity. We noted the Postal Service did not fully respond to questions and document requests made by members of Congress and did not broadly communicate planned changes with mailing industry customers or coordinate on potential service impacts. In response to our audit, management agreed to develop a communications strategy to inform Congress and customers about future strategic initiatives. We will be evaluating those efforts to improve communications regarding the upcoming network changes in our recently announced audit work.

⁵ [*Deployment of Operational Changes*](#) (Report Number 21-014-R21, Nov. 6, 2020).