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UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

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GENERAL GOVERNMENT
DIVISION

Accounting and Financial Operations
by the Office of Congressional Relations
Specific Approval

B-201555

RELEASED

The Honorable John G. Hutchinson
House of Representatives

Dear Mr. Hutchinson:

See title on form 415

Subject: Personnel management practices and
leasing of office space, Postal
Service Mountaineer District Office
and Charleston, West Virginia, Post
Office (GGD-81-35)

In response to your September 9, 1980, letter, we have reviewed certain matters at the Postal Service's Mountaineer District Office, St. Albans, West Virginia, and at the Charleston, West Virginia, Post Office. As agreed in our November 6, 1980, meeting, we examined actions involving the

- time it took the Postal Service to handle appeals of two dismissal actions,
- selection of employees for vacant positions,
- use of temporary duty assignments, and
- move of the District Office from Charleston to St. Albans, West Virginia.

TIME REQUIRED TO HANDLE
APPEALS OF DISMISSAL ACTIONS

By letters dated April 9, 1980, two Charleston, West Virginia, Post Office supervisors were informed of the intention to remove them from the Postal Service for "impeding the Postal Service efficiency and economy by improper enforcement of time and attendance procedures."

Initial appeals by the two supervisors were denied at the local level and they were removed and placed in a non-pay status effective May 16, 1980. Both supervisors filed appeals with the Service's Eastern Region. As a result, a

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hearing was held on June 19-20, 1980, at the Charleston, West Virginia, Post Office. The hearing officer issued his report on August 8, 1980. On August 13, 1980, the Regional Director, Employee and Labor Relations, issued a decision which reduced the removal actions to 14-day suspensions. Both supervisors received back pay and benefits.

The appeal process which the supervisors were required to follow establishes strict time limits for certain actions. No time limits, however, are established for actions which must be taken on appeals by Postal Service management, although expected or normal times are set out as guidelines. For example, the Service's Employee and Labor Relations Manual states that a hearing on an appeal should be held as soon as possible after a request and that a hearing report should be prepared as soon as possible after the hearing, usually within 30 days. For these two removal actions, a hearing was held about 5 weeks after the request and the issuance of the hearing report required another 7 weeks, exceeding the suggested time (i.e. 30 days) by 19 days. The hearing officer told us that it normally takes about 30 days to prepare a report on such appeals. He also told us that preparation of this report was delayed by his work on another arbitration matter and by personal leave.

The two supervisors were without pay for a total of about 90 days, which does not seem consistent with the spirit implied by the Service's manual. However, the Assistant Postmaster General, Employee Relations Department, told us that hearing officers conduct hearings as a collateral duty and that 90 days is a typical time period for these type of cases. The Regional Postmaster General agreed that appeals of disciplinary actions should be settled in the shortest possible time and believed that these two cases were handled properly in accordance with postal regulations.

PROCEDURES USED TO FILL
VACANT POSITIONS

To determine whether prescribed policies and procedures were followed in filling vacant positions, we reviewed 18 selections (nine Postmasters and nine other management positions). The selections reviewed included those specifically mentioned in the enclosure to your letter.

In view of the concern expressed about best qualified candidates not being selected, we directed our review towards

determining whether (1) vacancies were appropriately announced, (2) applicants' qualifications were considered by a review panel, and (3) selections were made from a list of best qualified candidates prepared by a review panel. These steps were generally followed for 17 of the 18 selections reviewed with the one clear exception being that of the director of finance position at the Charleston Management Sectional Center.

An April 1980 vacancy announcement for this position resulted in two applications. In view of the limited competition, a second announcement was issued in June 1980 which resulted in six additional applications.

A review panel was not convened to select the best qualified applicants. Instead, an individual occupying a management associate position 1/ at Postal Service Headquarters was, as recommended by the Manager of Employee Development, Eastern Region, selected by the District Manager to fill this position on a temporary basis.

Because our review indicated that at least four of the eight applicants for this position seemed to be well qualified, we asked the District Manager why he decided to fill the position with a temporary appointment rather than selecting one of the individuals who applied for the job. He told us that he took advantage of an opportunity to obtain a highly qualified individual he could evaluate in the job and possibly get him to accept a permanent appointment as Director of Finance.

Although the appointment of the Management Associate as Director of Finance did not violate selection procedures, we believe that such situations (i.e. the discontinuance of the competitive selection process) should be avoided whenever possible because of adverse affects on employee morale. The Assistant Postmaster General, Employee Relations Department, informed us that filling a non-bargaining position noncompetitively following circulation of a

1/A management associate position is an executive development position and individuals occupying such positions can be assigned to permanent positions without having to compete against other Postal Service employees.

vacancy announcement is not uncommon. The Assistant Postmaster General pointed out that, usually, qualified employees who meet the requirements for noncompetitive selection are not aware of a vacancy until it is announced.

USE OF TEMPORARY
DUTY ASSIGNMENTS

The enclosure to your letter questioned the use of temporary duty assignments to fill permanent positions for extended periods of time because of the extra costs.

The information we gathered on the use of this practice in the Mountaineer District Office indicates that the Service's Eastern Region makes extensive use of temporary duty assignments to fill permanent positions. The information also indicates that the practice is expensive. For example, travel costs for the person temporarily assigned for 1 year as Manager of the Clarksburg Management Sectional Center exceeded \$10,000.

It should be noted that temporary duty assignments are made for employee development purposes which may justify the required costs. However, the number of people involved and the length of the assignments raise some doubt about whether employee development objectives are being accomplished in the most economical manner. Accordingly, we plan to perform additional work in this area. If warranted, the results of this work will be reported to either the Postmaster General or to the Congress.

WHY THE MOUNTAINEER
DISTRICT OFFICE WAS MOVED

The Mountaineer District Office was moved from Charleston to St. Albans, West Virginia, on March 1, 1980. The annual lease cost of the St. Albans office space--3,148 square feet--is about \$28,200 which includes utilities and janitorial services. The space is leased for 5 years with two 3-year renewal options. The office space in Charleston--2,120 square feet--was leased for \$7,340 per year plus utilities and janitorial services estimated to cost at least \$6,400 per year by the Service's Eastern Region.

District records supporting the move from Charleston to St. Albans indicated that the District Office needed more space and that the rent for the new office space

was comparable to the prevailing rental rates in the area. The reasonableness of the rent being paid for the office space in St. Albans was confirmed by comparable rental data developed by the Service.

To determine if the Charleston space was too small, we computed space requirements using the (1) grade levels of authorized personnel at the Mountaineer District Office, and (2) space criteria contained in the Service's Administrative Support Manual. Our computation supported the District's contention that the Charleston space was too small.

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To issue this report promptly, we did not take the time necessary to obtain written agency comments, but Postal Service officials were asked to review a draft of the report. Their comments were considered in preparing the final draft and included in the report where appropriate.

As arranged with your office, no further distribution of this report will be made until 10 days from the date of the report unless you publicly release its contents earlier. At that time, we will send copies to interested parties and make copies available to others upon request.

Sincerely yours,

Daniel F. Stanton
For William J. Anderson
Director