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RELEASED

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OCT 2 1973

B-114874

The Honorable Thaddeus J. Dulski
Chairman, Committee on Post Office and Civil Service
House of Representatives

Dear Mr. Chairman:

Your March 19, 1973, letter requested that we assist the Subcommittee on Postal Facilities, Mail, and Labor Management and the Subcommittee on Postal Service in connection with the field hearings they would be having as part of your Committee's investigation of Postal Service activities. On May 4, 1973, we briefed staff members of the Subcommittee on Postal Service and a staff member of your Committee on our examination of the quality of mail service provided by the Miami, Florida, Post Office and gave them copies of enclosures I through XIX. The Subcommittee used this data during its hearings in Miami on the mail service provided by the Miami Post Office. This letter summarizes our briefing.

The theme of our briefing was that the Miami Post Office had not consistently met the Postal Service's mail delivery standards but had improved its performance since the end of 1972. Significant quantities of first-class mail did not meet the standards because of mail processing delays and wrong destination routings due to sorting errors. Other factors affecting mail service included a significant reduction in the mail processing labor force during a period of increasing mail volume, the failure to receive a letter sorting machine which had been scheduled for installation before the Christmas surge, and low employee morale.

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BACKGROUND

The Miami Post Office's average number of employees decreased from 4,510 during the period July 1971 to March 1972 to 4,237 during the period July 1972 to March 1973, a decrease of 6.1 percent. During these same periods, the Miami Post Office's mail volume increased by about 108 million pieces--an increase of about 10.6 percent. To process the increasing volume, employees worked 893,801 overtime hours, an increase of 402,032 hours, or 81.8 percent. This significant increase in overtime was cited by postal union officials as a factor contributing to low employee morale.

The Miami office's approved budget for postal fiscal year (PFY) 1973 was based on an anticipated 6.5-percent increase in workload--the total number of times individual pieces of mail are handled; however, through the first 9 months of PFY 1973, the actual increase was 13.5 percent, or about twice the anticipated amount.

The Miami office handles about 1.3 billion pieces of mail a year, or about 4 million pieces daily. Through the first 9 months of PFY 1973, productivity at the Miami office steadily increased from 752 to 842 total distributed pieces handled per mail processing hour, an increase of 11.9 percent.

According to Miami postal officials, the handling of an increasing mail volume with a decreasing number of employees was possible because:

1. Management and supervision improved.
2. An additional letter sorting machine was installed.
3. Attention to productivity increased because of changes requiring post offices to operate within a specific budget.

DELIVERY STANDARDS

The Postal Service has established standards which provide for the delivery of 95 percent of first-class mail

in 1, 2, or 3 days depending on the destination or the distance the mail must travel. For example, 95 percent of intra-sectional center facility mail (origin and destination within the Miami Sectional Center Facility area) should be delivered in 1 day. Except during the Christmas period, the Miami office generally met this standard.

However, the standard of 1-day delivery of mail to sectional center areas outside the Miami area but within southern Florida generally was not met. For instance, from September 15, 1972, to April 13, 1973, mail going from Miami to these sectional center areas met the standard in only one of fifteen 2-week periods. Mail going the opposite direction met the standard during three of the fifteen 2-week periods.

Also the standards of 2- and 3-day delivery of 95 percent of the mail going to northern Florida and all other States (except for Alaska and Hawaii which are not included in the 2- and 3-day standards) were not being met. From March 3 through March 30, 1973, only 87 percent of the mail designated to be delivered in 2 days and only 88 percent of the mail to be delivered in 3 days were delivered within those times. Of the three States designated to receive 2-day delivery, none received 95 percent of their mail within 2 days and only one received at least 95 percent of its mail within 3 days. Of the 45 States and the District of Columbia designated to receive 3-day delivery, only 15 States received at least 95 percent of their mail within 3 days.

Delayed mail

Despite the productivity gains achieved by the Miami office, significant quantities of first-class mail did not meet the delivery standards due to transporting and processing delays. For example, during the 7 months ended April 1973, about 2.5 million pieces of first-class mail were delayed. Although a 1-day delay in delivery of mail may not be important to--or even noticed by--most mailers, it could cause considerable hardship in some cases, such as a retiree waiting for a pension check.

Miami postal officials said much of the delayed mail was caused by the failure to receive an additional letter sorting machine scheduled for delivery before Christmas, excessive unscheduled absences from work, and minor transportation problems.

Excessive unscheduled absences were the most frequently mentioned reason for the delayed mail. For example, from January 1 through April 16, 1973, excessive absences occurred on 28 of the 31 days mail was delayed. Miami officials are attempting to correct this problem, principally through eliminating overtime.

Misdirected mail

The Miami office misdirected significant quantities of mail. An important document being sent from Miami to Boston, for example, if mistakenly routed to another State, usually results in a 5-day delay in delivery.

Mail sorted on letter sorting machines can be misdirected because of machine or operator errors. From July 1972 through March 1973, misdirected mail resulting from such errors totaled 7.6 million pieces--about 4.6 percent of the volume of machine sorted mail during that period.

The Postal Service has developed a device for checking letter sorting machines to determine built-in errors and to check the performances of machine operators to identify those with a high error rate that would indicate a need for additional training. Because the machines have a built-in error rate of at least 1 percent, it is questionable whether the Postal Service will succeed in reducing the error rate to that experienced in manual sorting--estimated by postal officials to be 1 percent or less.

REDUCTIONS IN SERVICE

The Miami office has made several reductions in service. For example, from July 1, 1971, to April 27, 1973, the Miami office cut the number of two-trip delivery routes from 118

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to 38, a 68-percent decrease, and reduced the number of collection hours by 21 percent and the number of collections after 5 p.m. by 36 percent.

EMPLOYEE MORALE

Officials of the National Association of Letter Carriers and the American Postal Workers Union cited several factors contributing to low employee morale, of which the three primary factors were:

1. Many employees were shifted from day to night work.
2. Overtime was required before the regular work tour.
3. Temporary employees were assigned to the preferred daytime tour while regulars worked at night.

Miami's postal labor leaders told us management's attitude toward them had improved, and both labor and management expressed optimism for better relations in the future.

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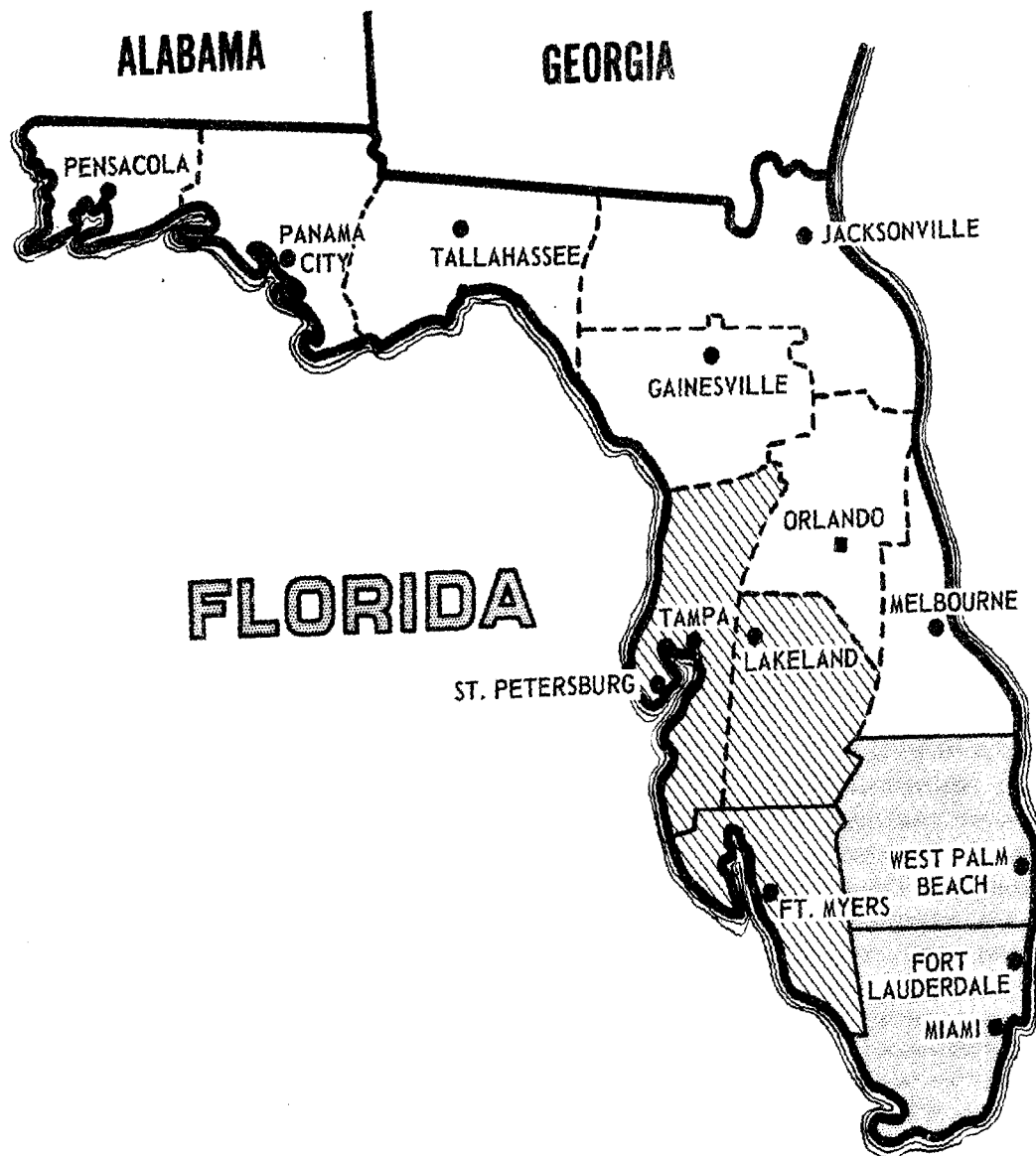
Miami postal officials generally agreed with our findings. We do not plan to distribute this letter further unless you agree or publicly announce its contents.

Sincerely yours,



Comptroller General
of the United States

Enclosures - 19



**MAIL VOLUME AND MANPOWER VARIATIONS
IN MIAMI POST OFFICE**

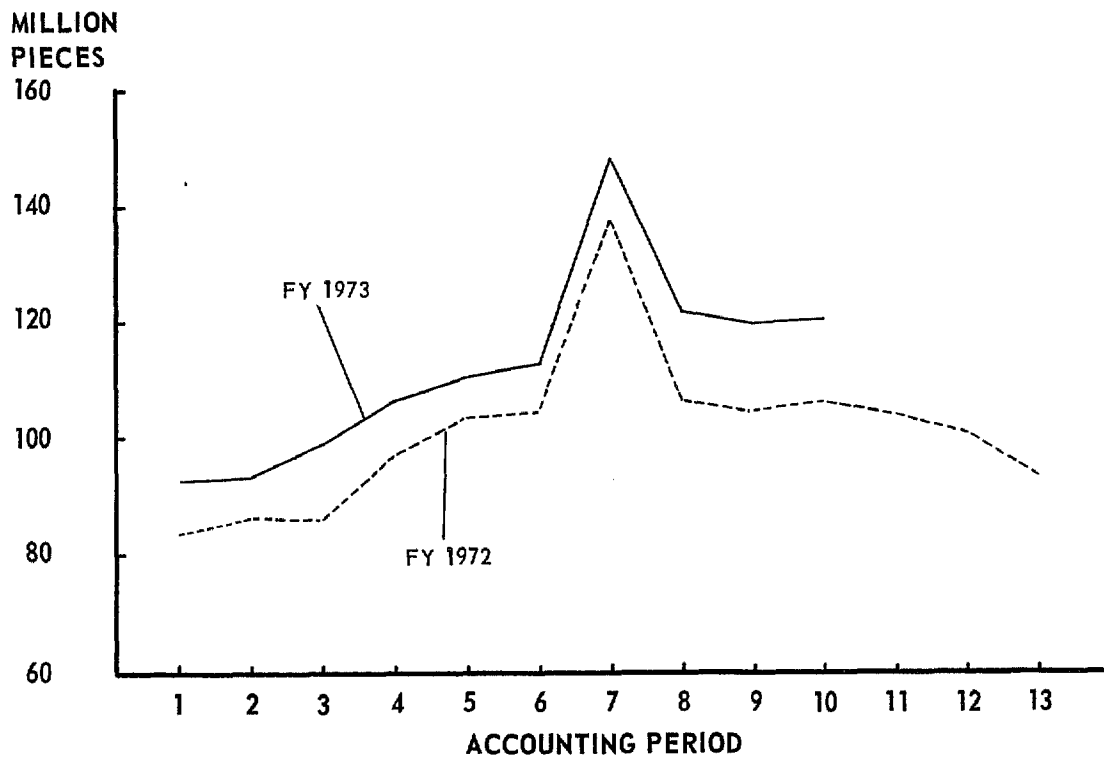


**DIFFERENCES BETWEEN
July 1971 - March 1972
and
July 1972 - March 1973**



MAIL VOLUME	-----	10.6%
EMPLOYEES	-----	-6.1%
OVERTIME	-----	81.8%

MAIL VOLUME - MIAMI POST OFFICE

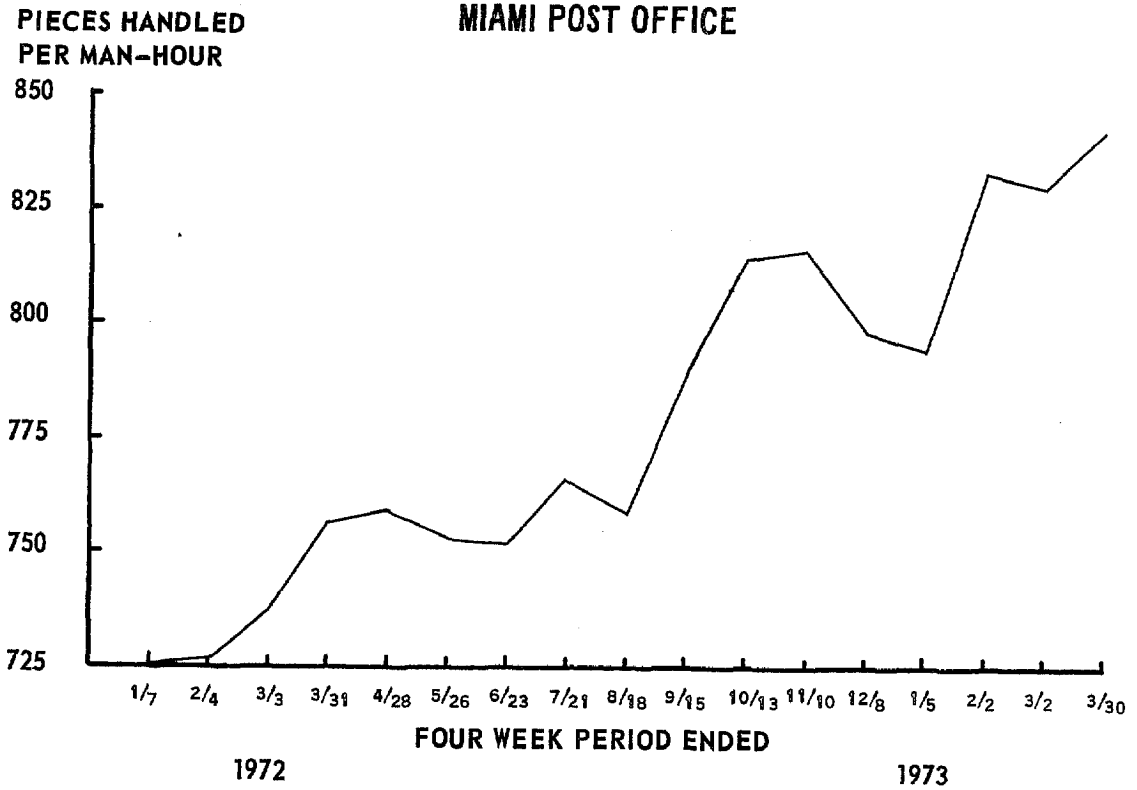


**ANTICIPATED MAIL VOLUME INCREASE
MIAMI POST OFFICE**



INCREASE EXPECTED BY POST OFFICE AREA	-----	7.9%
INCREASE BUDGETED BY REGION	-----	6.5%
INCREASE ACTUALLY EXPERIENCED	-----	13.5%

PRODUCTIVITY MEASUREMENT FOR MIAMI POST OFFICE



DELAYED FIRST-CLASS MAIL

October 1972 to April 1973

POST OFFICE

MILLION PIECES

MIAMI

2.5

**LSM ERRORS RESULTING IN MIS-SENT
OUT-GOING FIRST-CLASS MAIL**

July 1972 to March 1973

POST OFFICE

MILLION PIECES

MIAMI

7.59

**MAIL PROCESSED ON LSM'S REQUIRING REHANDLING
OUT-GOING FIRST-CLASS MAIL
MIAMI POST OFFICE
JULY 1972 TO MARCH 1973**

	<u>MILLION PIECES</u>
BYPASSED	4.92
ERRORS	7.59
TOTAL	12.51

SERVICE STANDARDS

REORGANIZATION

BEFORE

AFTER

NONE

FIRST CLASS

OVERNIGHT: INTRA-SCF & ADJOINING SCF'S
DESIGNATED LOCALLY

SECOND DAY: 6 00 MILES

THIRD DAY: NATIONWIDE

AIRMAIL

OVERNIGHT: 600 MILES PLUS
DESIGNATED AREAS

SECOND DAY: NATIONWIDE CONTIGUOUS
STATES

**OVERNIGHT DELIVERY
REQUIREMENTS**

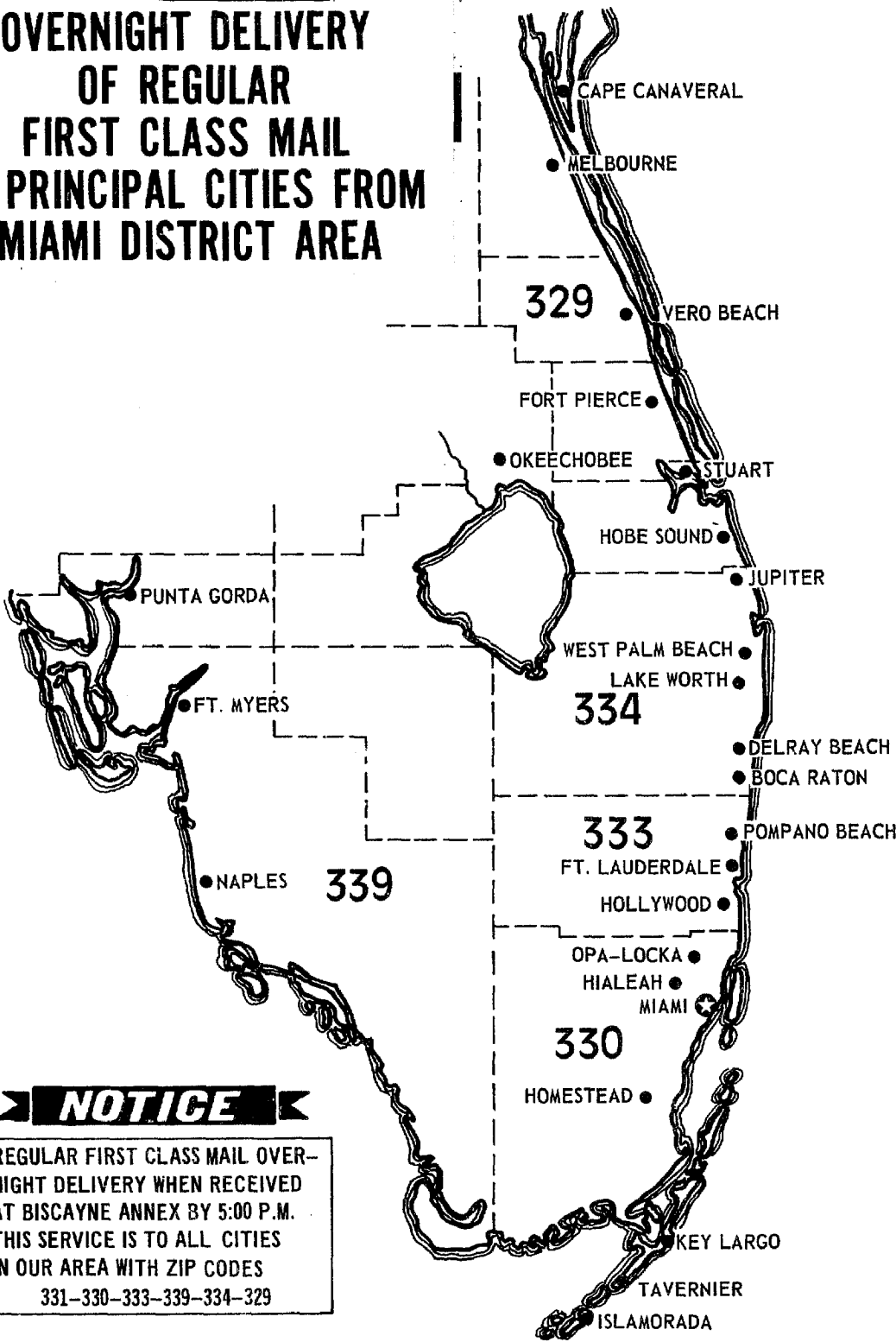
FIRST CLASS

MAILED BY 5:00 P.M. AT
POST OFFICE OR COLLEC-
TION BOXES MARKED
WITH STAR

AIRMAIL

MAILED BY 4:00 P.M. AT
POST OFFICE OR
WHITE TOP COLLECTION
BOXES

OVERNIGHT DELIVERY OF REGULAR FIRST CLASS MAIL TO PRINCIPAL CITIES FROM MIAMI DISTRICT AREA

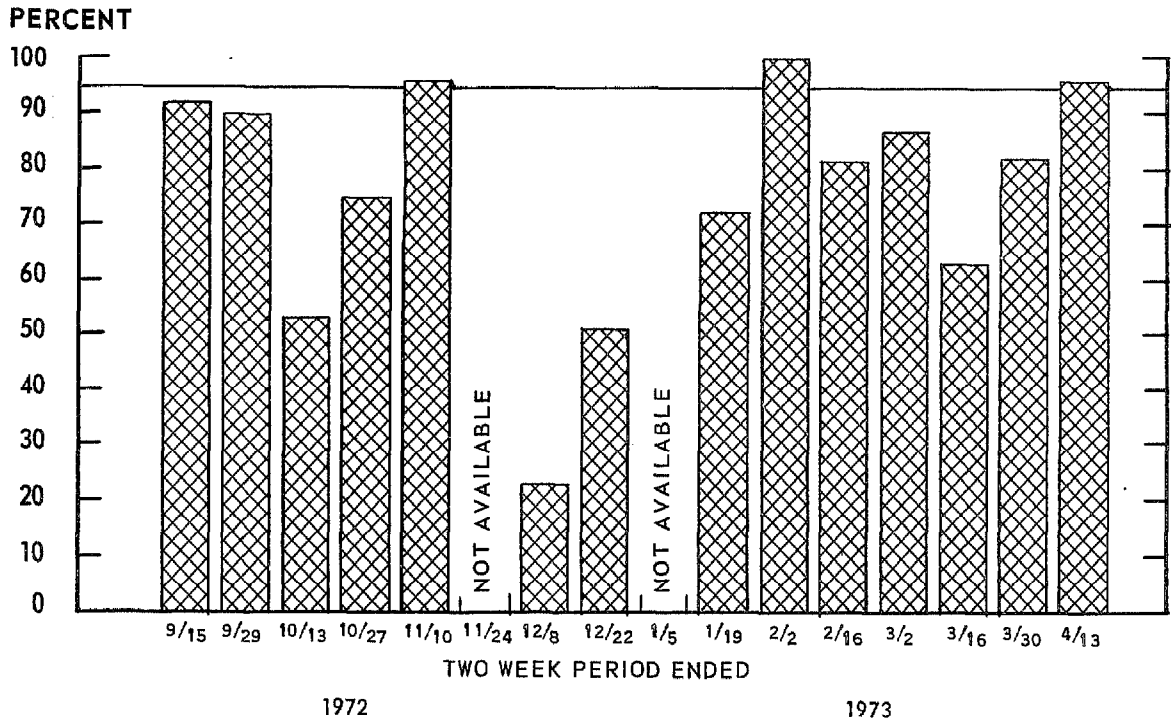


NOTICE

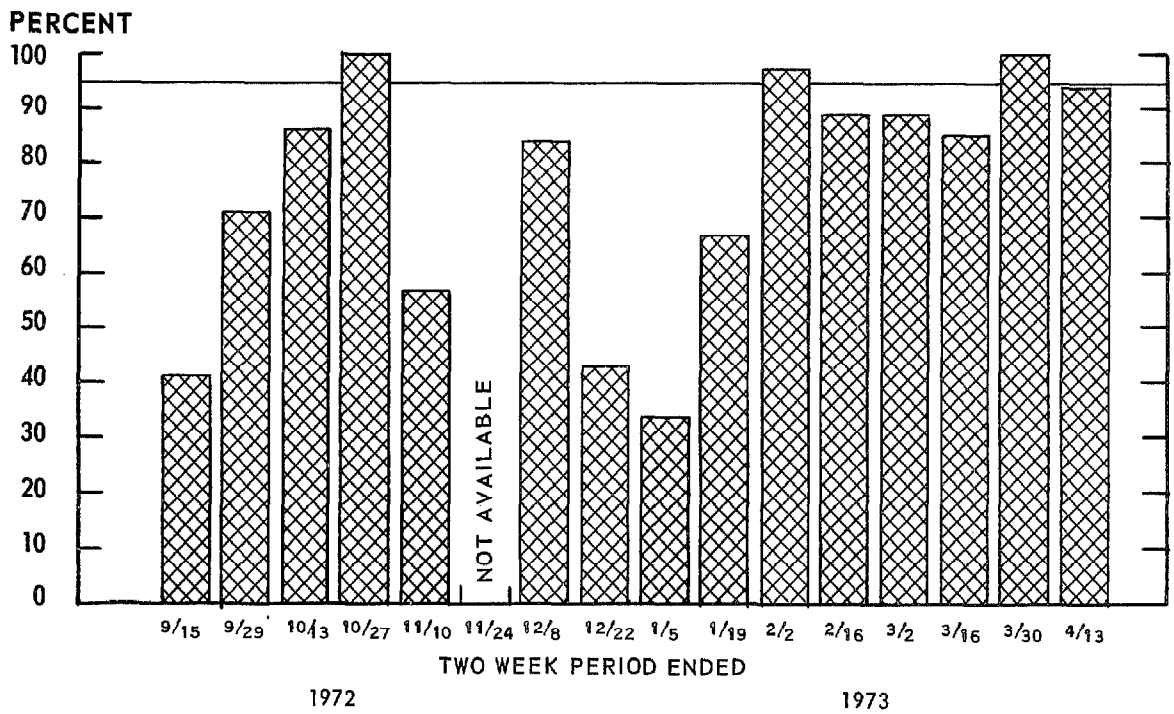
REGULAR FIRST CLASS MAIL OVER-
NIGHT DELIVERY WHEN RECEIVED
AT BISCAYNE ANNEX BY 5:00 P.M.
THIS SERVICE IS TO ALL CITIES
IN OUR AREA WITH ZIP CODES
331-330-333-339-334-329

PERCENTAGE OF MAIL DELIVERED OVERNIGHT

FROM MIAMI TO WEST PALM BEACH

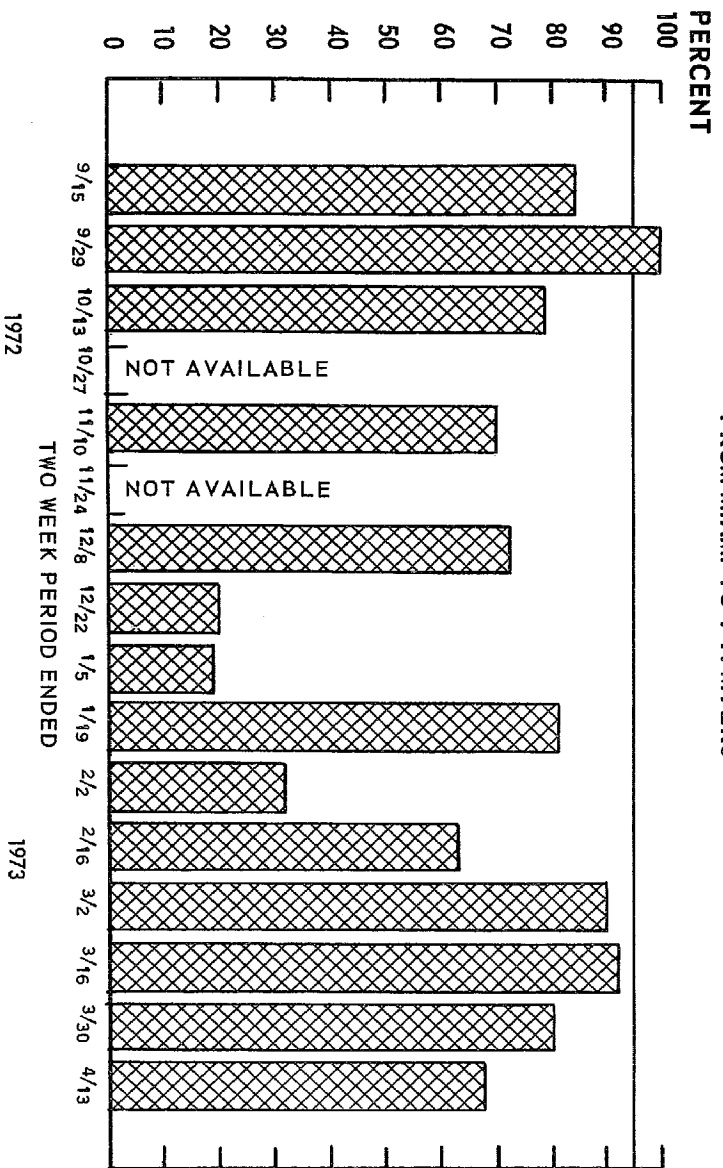


FROM WEST PALM BEACH TO MIAMI

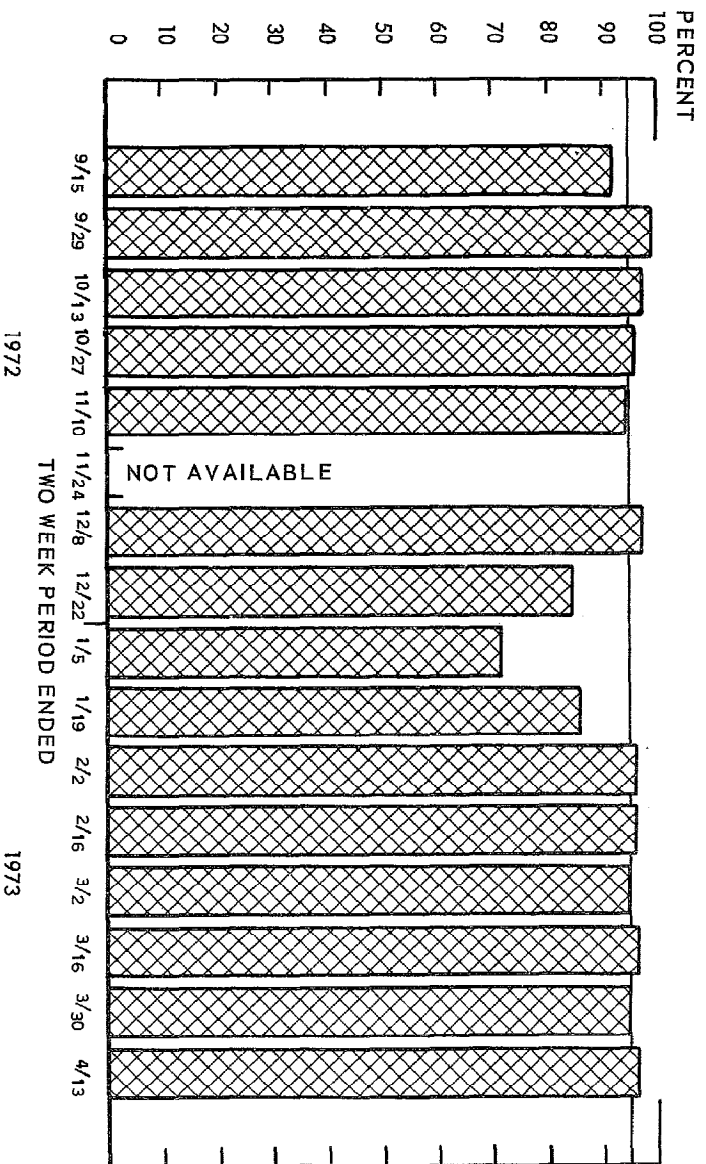


PERCENTAGE OF MAIL DELIVERED OVERNIGHT

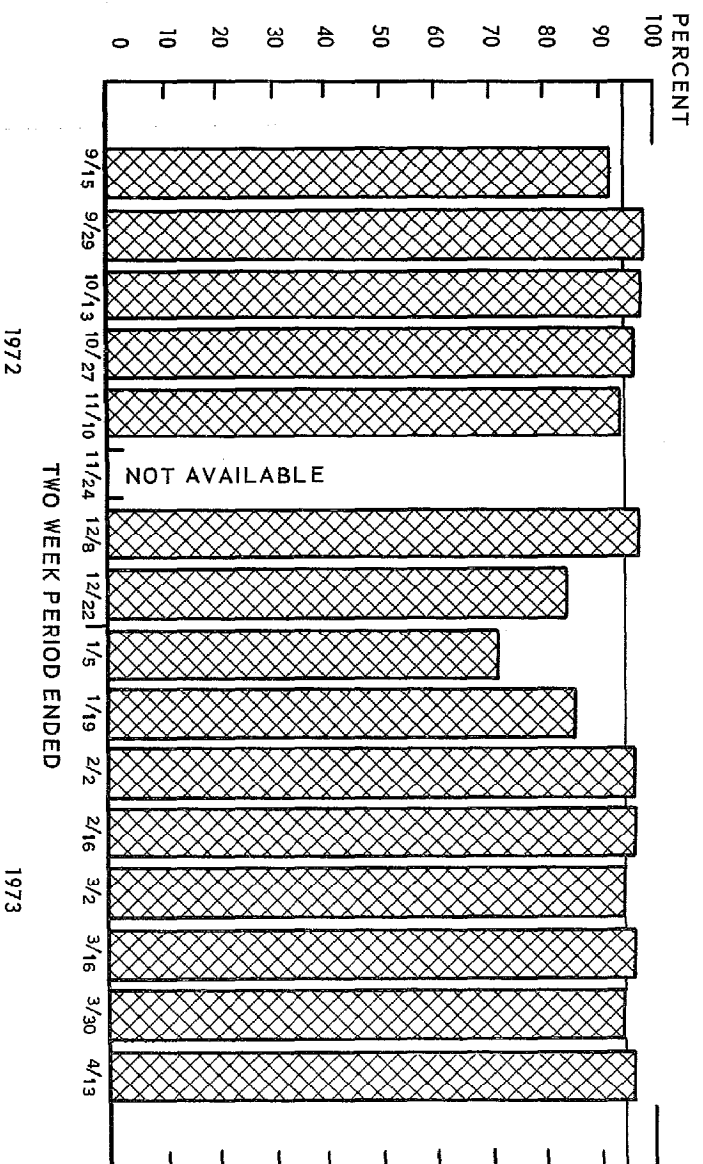
FROM MIAMI TO FT. MYERS



**PERCENTAGE OF MAIL DELIVERED OVERNIGHT
FROM INTRA-SCF AREAS TO MIAMI**

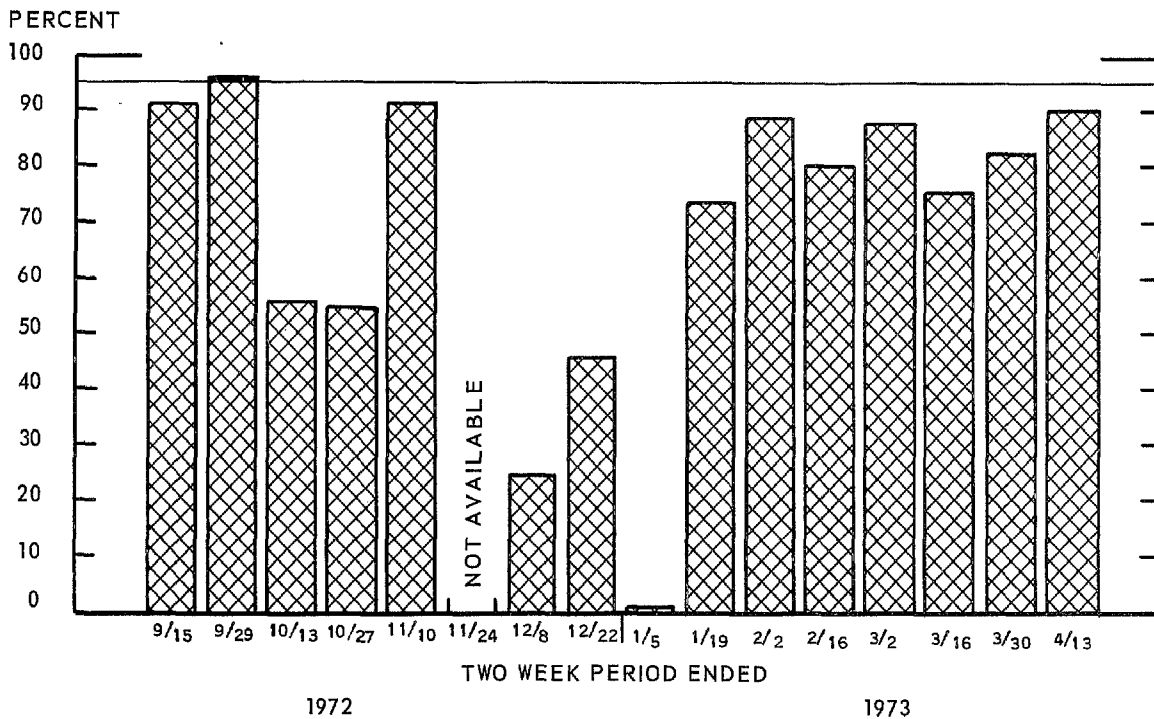


FROM MIAMI TO INTRA-SCF AREAS

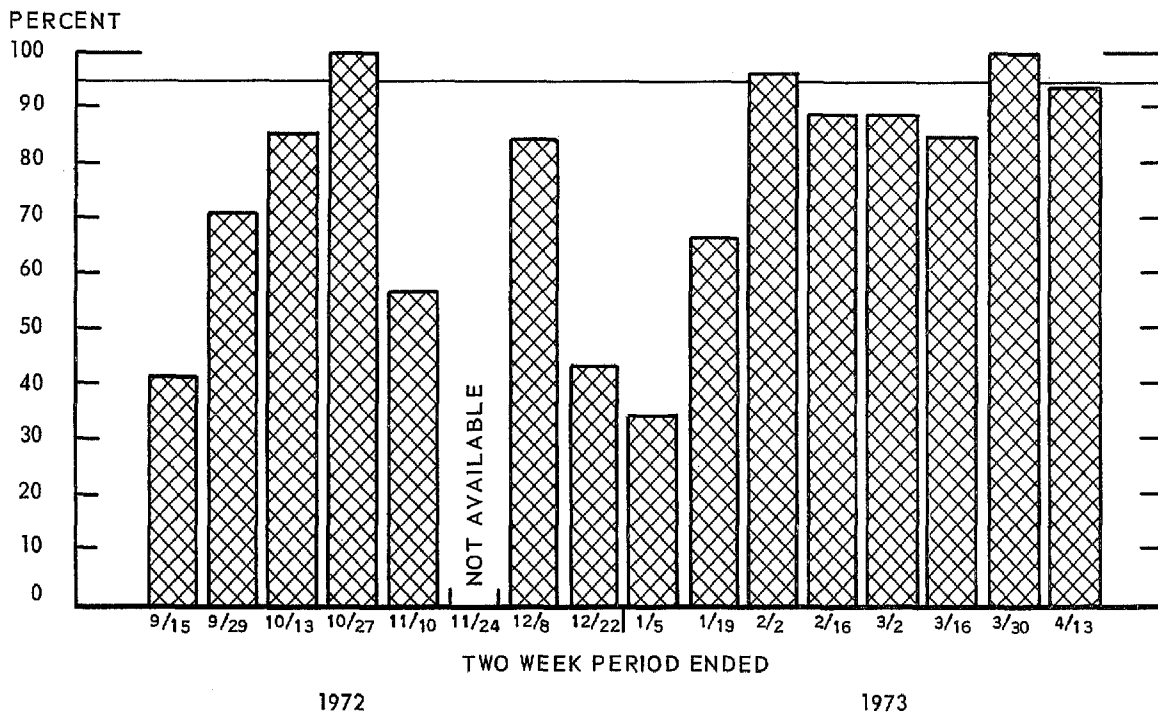


PERCENTAGE OF MAIL DELIVERED OVERNIGHT

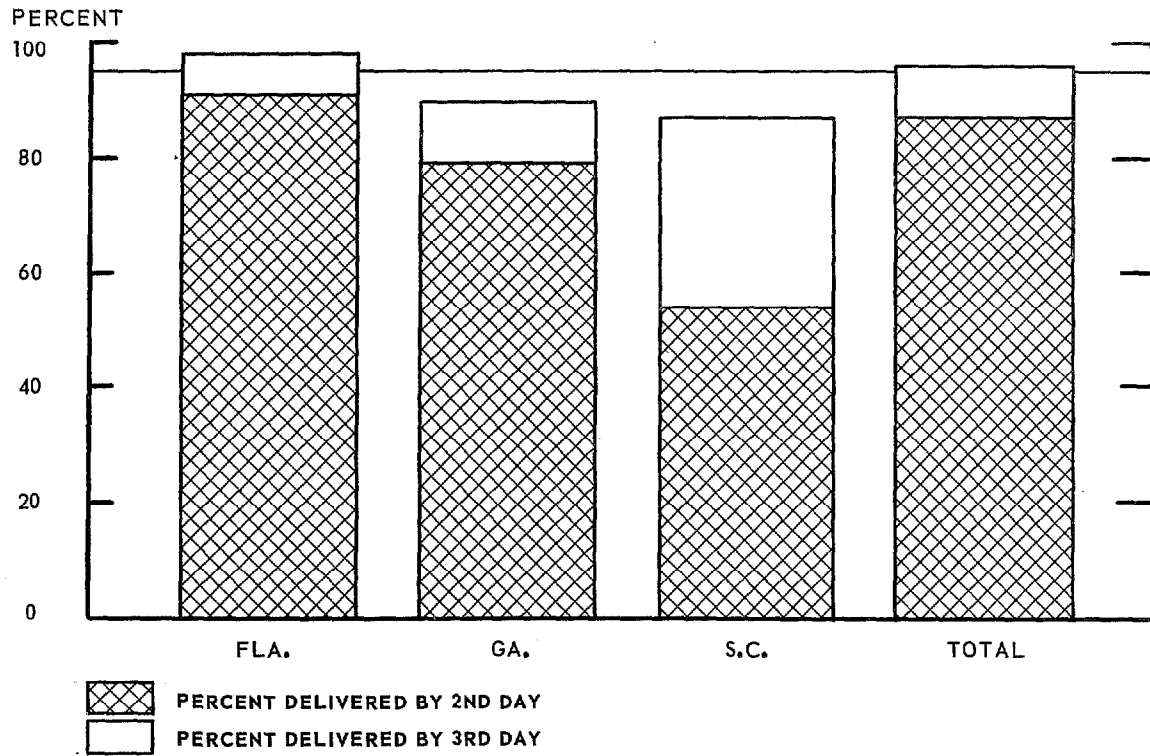
FROM MIAMI TO INTER-SCF AREAS



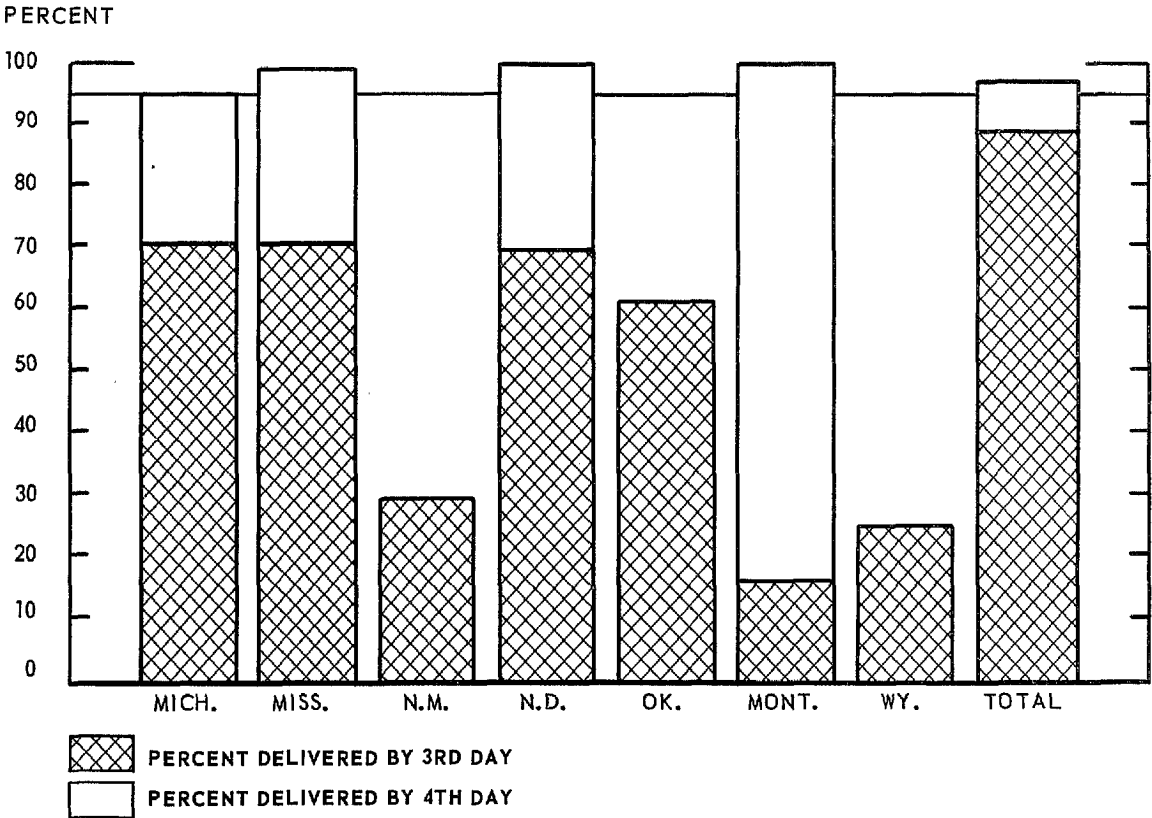
FROM INTER-SCF AREAS TO MIAMI



**PERCENT OF MAIL DELIVERED FROM MIAMI TO
TWO DAY STANDARD DESTINATION STATES (3/3/73-3/30/73)**



**PERCENT OF MAIL DELIVERED FROM MIAMI TO
THREE DAY STANDARD DESTINATION STATES (3/3/73 - 3/30/73)**



**REDUCTION IN SERVICES FOR
MIAMI POST OFFICE**

	<u>NUMBER</u>		<u>PERCENTAGE DECREASE</u>
	<u>JULY 1972</u>	<u>APRIL 1973</u>	
COLLECTION HOURS	5812	4585	21.1
COLLECTION BOXES	1879	1719	8.5
COLLECTION AFTER 5 P.M.	1879	1197	36.3
DELIVERIES - 2 TRIP	118	38	67.8

LOW EMPLOYEE MORALE RESULTING FROM:

- MANDATORY OVERTIME
- SHIFTS IN TOURS
- TEMPORARY EMPLOYEES
- JOB EVALUATION PROGRAM
- LOSS OF JOB SECURITY AND RIGID DISCIPLINE
- BAD PUBLICITY