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DIVISION

UNITED STATES GENERAL ACCOUNTING OFFICE

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The Honorable H. John Heinz, III
House of Representatives



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Dear Mr. Heinz:

Pursuant to your request of May 7, 1976, we reviewed allegations that were made concerning mismanagement in the United States Postal Service. Because the allegations concentrated primarily on practices at the Pittsburgh Post Office, the major portion of our review was at that facility.

A summary of our findings with regard to the allegations follows. A more detailed discussion of the allegations is in the enclosure.

Using clerks for mail handler
duties is authorized

Allegations were made that the Pittsburgh Post Office practices craft discrimination by using higher salaried clerks to perform the duties usually assigned to lower salaried mail handlers.

Crossing of craft lines does take place at the Pittsburgh Post Office. However, this practice is permitted on a temporary basis in accordance with the National Agreement between the Postal Service and the unions.

We found no indication that the crossing of craft lines had resulted in financial irresponsibility and waste nor did we find that the Pittsburgh Post Office's efficiency had been adversely affected by such practice. We did find, however, that there are unresolved problems concerning union jurisdiction over certain postal duties. These problems are national in scope and a jurisdictional committee composed of Postal Service and union officials is currently examining the claims made by the unions.

GGD-77-1

Grievances are resolved
but not timely

It was alleged that an excessive number of mail handler grievances exist and few grievances involving contractual interpretations have been resolved.

For the period covered by the 1973 and 1975 National Agreements, we found that only 43 of 655 total contractual grievances from the Pittsburgh Post Office had not been resolved as of August 13, 1976. However, contractual grievances generally are not settled within timeframes designated in the National Agreements. In most cases, designated timeframes are mutually extended by both the unions and the Postal Service.

Information made available
to unions

It was alleged that the mail handlers union has encountered excessive delays at the Pittsburgh Post Office in securing Postal Service records which would document mismanagement and the use of temporary employees in mail handler positions.

We found no evidence to support this allegation. On the contrary, evidence which was provided showed management was cooperative with the union in furnishing information when requested.

Use of overtime and excessing
of employees was justified

Allegations were made that during March 1976, Postal Service officials scheduled the transfer of 52 excess (surplus) mail handlers to bulk mail centers in Philadelphia and Washington, D.C., despite the continued use of temporary employees in the nearby bulk mail center at Warrendale, Pennsylvania, where 125 employees had been scheduled for overtime and 7-day work-weeks.

The allegation is basically true. However, the use of temporary employees at the Warrendale Bulk Mail Center was the result of short-term needs and not a case of casual employees filling positions that would otherwise be available to full-time mail handlers on a long-term basis. In fact, as of August 1976, the bulk mail center had eliminated all casual positions.

While initial plans did call for excessed mail handlers to be reassigned to bulk mail centers in Philadelphia and Washington, D.C., this never materialized. Postal Service management recognized the advantages of assigning these excessed employees to the Warrendale Bulk Mail Center and did so.

Reassignment between
tours was limited

Allegations were made that too much reassignment of employees between tours occurs in the Pittsburgh Post Office and that temporary employees are used instead of career employees.

We found no indication that too much reassignment occurs at the Pittsburgh Post Office. With respect to the alleged use of temporary (casual) employees instead of career employees, the number of casual employees at the Pittsburgh Post Office is within the limitations set forth in the National Agreement.

Bidding mismanagement
did not occur

The allegation of bidding mismanagement relates to incidences in mid-1975 when the Pittsburgh Post Office advertised 184 clerk vacancies. There were no successful bidders and the positions were not filled. In March 1976, management excessed 23 clerks from the Pittsburgh Post Office to the Warrendale Bulk Mail Center despite an alleged shortage of clerks at the Post Office.

Vacancies for clerks did exist in mid-1975. However, with the start of operations at the Warrendale Bulk Mail Center and the transfer of certain functions to that facility, there was a decrease in the need for clerks at the Pittsburgh Post Office. As a result, the Post Office excessed 23 clerks in March 1976. Pittsburgh Post Office officials informed us that they do not presently have a need for additional clerks.

Many unheard grievances withdrawn
for jurisdictional consideration

It was alleged that the postal workers' union has a large number of contractual grievances which have not as yet been heard at arbitration.

'As of August 31, 1976, there were 319 postal workers' union appeals relating to the 1973 Agreement which were pending at the national level. However, management and the union have mutually agreed that 300 of these are jurisdictional and therefore have been withdrawn for consideration by the labor/management jurisdictional committee.

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We will be pleased to meet with you or your staff to discuss the enclosed material further if you so desire.

Sincerely yours,

Victor L. Lowe
Director

Enclosure

ENCLOSURE

ENCLOSURE

INFORMATION ON ALLEGED
MISMANAGEMENT IN THE
U.S. POSTAL SERVICE

By letter dated May 7, 1976, Congressman H. John Heinz, III, requested the General Accounting Office to investigate allegations of mismanagement in the U.S. Postal Service. Because the allegations concentrated primarily on practices at the Pittsburgh Post Office, the major portion of our review was at that facility.

The allegations covered the subjects of (1) craft discrimination, (2) official grievances, (3) unavailability of information, (4) overtime/excessing, (5) reassignments, (6) bidding mismanagement, and (7) unheard grievances. A discussion of our findings with regard to each allegation follows.

As part of our review, we interviewed Postal Service officials at the Washington, D.C. Headquarters, the Eastern Regional Office in Philadelphia, the Pittsburgh Post Office, and the Warrendale Bulk Mail Center. We also interviewed local union representatives. We reviewed the Postal Service's log books on grievances and tour reports which account for the time expended by each employee in an operational status. Additionally, we obtained statistical data dealing with the number of employees, volume of mail, and budgetary data at the Pittsburgh and Warrendale facilities. We also audited the documentation submitted by the mail handlers union relating to craft discrimination which allegedly resulted in inflationary costs of \$442,000.

We did not attempt to determine if jurisdictional violations of the National Agreement occurred or to interject ourselves in dispute settlements.

LABOR/MANAGEMENT RELATIONS
GOVERNED BY LABOR AGREEMENTS

The labor/management relations in the United States Postal Service (USPS) are governed by a National Agreement between the Service and four national unions ^{1/} recognized for collective bargaining purposes. Since passage of the Postal Reorganization Act which granted the Postal Service independent status in 1971, three contracts have been negotiated with the unions--the 1971 agreement which covered the period July 20, 1971 to July 20, 1973; the 1973 agreement which covered the period July 21, 1973 to July 20, 1975, and the 1975 agreement which covers the period July 21, 1975 to July 20, 1978.

The agreements set forth the rights and obligations of the Postal Service and the unions on a wide range of topics such as work assignments, salaries and wages, and no strike provisions. Under the agreements, the Postal Service has committed itself to rely primarily on a regular work force comprised of full-time and part-time employees.

A supplemental work force comprised of casuals and public policy employment program employees is used, but the size of the supplemental work force and its duration of employment is limited. Casuals are temporary employees who are limited in a calendar year to two 90-day terms and one 21-day term during the Christmas period. Public Policy employees (postal assistants, programs for severely handicapped, job opportunity, and veterans readjustment appointees), may be utilized as a supplemental work force, but their number must be reduced as expeditiously as possible.

The nature of the basic duties that members of each craft union are permitted to perform is generally understood. In practice, however, jurisdictional disputes between unions are common.

The agreements establish the framework for resolving disputes between labor and management through a grievance-arbitration procedure. This procedure provides employees an opportunity to appeal management decisions at the local, regional, and national levels of management and to seek final and binding arbitration of adverse decisions made at the national level.

^{1/}The American Postal Workers Union, AFL-CIO; the National Association of Letter Carriers, AFL-CIO; National Post Office Mail Handlers, Watchmen, Messengers and Group Leaders Division of the Laborers' International Union of North America, AFL-CIO; and the National Rural Letter Carriers' Association.

Mail operations in the
Pittsburgh area

The major mail processing facilities in the Pittsburgh area are:

- the Pittsburgh Post Office in center city serving stations and branches in the metropolitan area,
- the Air Mail Facility at the Greater Pittsburgh International Airport, and
- the bulk mail center in Warrendale, Pennsylvania.

The Pittsburgh Post Office controls mail operations in 183 associate offices. The bulk mail center, which is about 20 miles from the Pittsburgh Post Office, is under the jurisdiction and operational control of the Postal Service's Eastern Region headquarters in Philadelphia. The center started operations in November 1975 and provides service to a wide geographic area including parts of western Pennsylvania, West Virginia, northeastern Ohio, and western New York. The center was designed to handle primarily packages and other bulk mail.

USING CLERKS FOR MAIL HANDLER DUTIES
PERMITTED IN NATIONAL AGREEMENT

Allegations were made that the Pittsburgh Post Office practices craft discrimination by using higher salaried clerks to perform the duties usually assigned lower salaried mail-handlers. This practice was alleged to (1) violate the Postal Reorganization Act, (2) result in financial irresponsibility and waste, and (3) cause inefficient mail handling and resultant delay.

Crossing of craft lines does take place at Pittsburgh. However, this practice is permitted on a temporary basis by the National Agreement between the Postal Service and the unions. We found no indication that the crossing of craft lines had resulted in financial irresponsibility and waste nor did we find that Pittsburgh's efficiency had been adversely affected by such practice.

There are unresolved problems concerning union jurisdiction over certain postal duties. However, these problems are national in scope and a jurisdictional committee composed of Postal Service and union representatives is currently investigating the claims by the mail handlers, postal workers, and other unions.

Crossing of craft lines allowed
for effective utilization of workforce

The National Agreement permits management to effectively utilize manpower, including assigning employees across craft lines on a temporary basis. However, the Agreement does not include specific time limitations for such temporary assignments.

Our analysis of documentation provided with the request found clerks were assigned to mail handler functions in 212 instances during March 1976. However, the assignments were for relatively short periods of time. While the temporary assignments ranged from 10 minutes to 8 hours, clerks were assigned for periods of 2 hours or less in more than 50 percent of the instances.

The Pittsburgh Postmaster said that he uses clerks in mail handler work functions. For example, if clerks do not have any work or finish early, they are sent to the "loose pack" operation which is basically a mail handler's job. The Postmaster claimed that the mail handlers want more jobs to be made available in Pittsburgh and that if he yielded to such a request, it would lead to an inflated budget.

Complaints concerning craft discrimination are not unique to the mail handlers' union. The president of the local postal workers' union told us that if there is any craft discrimination, it really was against his union. For example, within the "loose pack" operation, there were 60 jobs that were awarded to mail handlers about 2 years ago. These jobs had been historically performed by clerks. Furthermore, he explained that craft discrimination is not one sided--i.e., only clerks performing mail handler work. He showed us 20 grievances filed by his union where mail handlers had crossed craft lines and were performing clerk work. In these grievances, the postal workers' union was striving to have each of the mail handlers paid at the higher clerk rate if they perform a clerical assignment. The grievances were at the arbitration stage of the grievance process as of August 1976.

The president of the local letter carriers' union told us that there may be isolated instances of craft discrimination, but when the whole operation of the post office is considered, there was no substance to the mail handlers' union allegations. He reasoned that if the volume of mail decreases, the number of personnel initially processing it will also decrease. The same rule does not necessarily apply to his craft, however, because the letter carrier still has to cover the same geographical route. He believed that craft discrimination was an internal matter which should be resolved at the national level.

We do not know the extent to which craft lines have been crossed at Pittsburgh. Such a determination would require detailed analysis of thousands of work status reports. Furthermore, the results of this time-consuming task would not be conclusive because of craft jurisdictional disputes in certain operations.

Economic impact of
crossing craft lines
overstated by union

It was alleged that management was using clerks earning \$5.62 an hour to perform the duties of mail handlers earning \$5.36 an hour and this practice cost Pittsburgh Post Office \$442,000 in extra wages during March 1976.

We found that although crossing of craft lines did occur, the economic impact was not as great as alleged. Typed copies of forms used by Pittsburgh to account for time expended by each individual employee in an operational status were submitted by the mail handlers' union as evidence of craft discrimination and support for inflationary costs. To determine the time spent by clerks in mail handler functions, the union had identified the clerks in the mail handler operation and recorded the minutes and hours spent in that function. The mail handlers' union also provided adding machine tapes of the minutes and hours the union extracted from these forms and its calculations of the inflationary costs.

The documentation indicated that there were at least 259 instances of clerks performing mail handler functions for a total of 787 hours and 20 minutes. The union calculated that this cost the Pittsburgh Post Office \$442,000 in extra wages in March 1976.

In verifying the data, we found that:

- Of the 36 work status pages provided, three pages were duplicated and three pages were triplicated, thus affecting the total time spent on mail handler functions. The nine extra pages resulted in an overstatement of 105 hours and 5 minutes for clerks performing mail handler duties.
- In 12 instances, mail handlers performing mail handler functions were counted as clerks. This caused an overstatement of 49 hours and 45 minutes.
- The decimal point on the adding machine tape was misplaced two places. The corrected total was \$4,424.06 rather than the \$442,406.40 provided by the union.

--The calculation of inflationary costs was on the basis of the clerk's full hourly rate rather than the difference of 26 cents between the lower mail handler's rate of \$5.36 and higher clerk's rate of \$5.62.

Our audit of the data disclosed that there were 212 instances of clerks performing mail handler functions for a total of 622 hours and 30 minutes. We calculated the economic impact to be \$161.85.

Crossing craft
lines did not
affect efficiency

It was alleged that the practice of using clerks in mail handler functions had led to inefficient mail handling and delays.

We found no evidence that this practice had resulted in any degradation of Pittsburgh's efficiency. The Postal Service measures the quality of mail service by judging how well it meets standards for first-class and other mail delivery. The Service's goal is 95 percent delivery of (1) local and designated area mail in 1 day, (2) selected States' mail in 2 days, and (3) cross-country mail in 3 days.

The efficiency ratings for the four quarters in fiscal year 1976 for the Pittsburgh Post Office follow.

<u>Pittsburgh Post Office</u> <u>Delivery Efficiency</u>				
<u>Delivery</u> <u>standard</u>	<u>Quarters of FY 1976</u>			
	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>
-----Percent efficiency-----				
1-day	97	92	97	97
2-day	97	89	97	96
3-day	99	97	99	99

As shown, Pittsburgh exceeded the national standard of 95 percent in all instances except for the overnight and 2-day standard in the second quarter. This was primarily due to the increased volume of mail during Christmas. During the third quarter, which included March 1976 (the month cited in the allegation), Pittsburgh exceeded the national standard in every category of delivery.

The overall problem of
union jurisdiction to be
resolved at national level

A large number of craft jurisdictional disputes arise because each union tries to protect its members. Nationally, as of August 1976, there were about 1,046 mail handler and clerk grievances that were set aside by mutual agreement because the issue involved work jurisdiction. Of these, 23 were mail handler grievances from Pittsburgh.

Currently, a jurisdictional committee, composed of representatives from the unions and the Postal Service, is meeting at the national level to examine the claims by the mail handlers, postal workers, and other unions. Their goal is to determine once and for all the duties that belong to each craft. For example, the committee is trying to resolve whether the "loose pack" operation should be performed by the clerks or mail handlers.

The National Agreement provides that in the event a dispute is not resolved within 180 days after the date it is first considered by the committee, any of the unions claiming jurisdiction over duties may request the dispute be arbitrated.

GRIEVANCES RESOLVED BUT NOT
WITHIN ESTABLISHED TIMEFRAMES

It was alleged that an excessive number of mail handler grievances exist and few grievances involving contractual interpretations have been resolved.

We found that for the period covered by the 1973 and 1975 National Agreements, only 43 of 655 total contractual grievances from the Pittsburgh Post Office had not been resolved as of August 13, 1976. However, there are a large number of grievances, Postal Service-wide, which have been appealed to the national level and not settled.

Contractual grievances generally are not settled within time frames designated in the National Agreements. In most cases, designated timeframes are mutually extended by both the unions and the Postal Service.

Procedures for
handling grievances
established in Agreements

Grievances can be filed by an employee or a union because of a disagreement or complaint concerning the interpretation of, application of, or compliance with agreements between the unions and the Postal Service. The National Agreement contains specific procedures for handling grievances. The Agreement also specifies timeframes within which the procedures are to be accomplished.

The procedure for handling grievances vary somewhat depending upon whether they relate to contractual issues or disciplinary actions. Contractual grievances proceed through the following five steps.

1. The grievance is heard by the immediate supervisor.
2. The grievance is heard by the installation head or his designee.
3. The grievance is heard at the regional office level.
4. The grievance is heard at the national headquarters level.
5. The grievance is heard in arbitration.

If a grievance is not settled at a given step, the union may appeal it to the next higher step. Generally, the decision of the arbitrator is final. It can be overruled only if it can be proved that the arbitrator exceeded his authority or committed fraud.

The process for grievances concerning disciplinary action begins in the same manner as for contractual grievances. If not settled locally, the union may appeal it to the regional level. If the grievance is not settled at the regional level, the union may appeal it directly to final and binding arbitration.

Most Pittsburgh Post Office
grievances have been resolved

Based on statistics provided by the Postal Service, most contractual grievances filed at Pittsburgh and appealed to higher levels have been settled. The following table shows the number of contractual grievances from Pittsburgh that were filed and those which have not been settled.

Pittsburgh Post Office
Contractual Grievances
As of August 1976

	1973 Labor Agreement 7/21/73 to 7/20/75			1975 Labor Agreement 7/21/75 to 8/13/76		
	<u>Mail</u> <u>handlers</u>	<u>Postal</u> <u>workers</u>	<u>Letter</u> <u>carriers</u>	<u>Mail</u> <u>handlers</u>	<u>Postal</u> <u>workers</u>	<u>Letter</u> <u>carriers</u>
Filed at Pittsburgh	436	700	158	219	462	93
In process (8-13-76)	-	-	-	8	1	4
Appealed to Region	66	548	42	98	264	9
In process (8-13-76)	-	-	-	-	-	-
Appealed to National	30	244	42	26	36	-
In process (8-13-76)	24	-	-	11	-	-
Appealed to Arbitration	-	113	6	-	-	-
In process (8-13-76)	-	89	1	-	-	-

Most contractual grievances at Pittsburgh have been resolved. However, we did find a large number unresolved at the national level for the entire Postal Service. As of July 31, 1976, 1,220 grievances filed under the 1973 Agreement and 7,552 filed under the 1975 Agreement were pending at the national level.

About 1,046 of the 1,220 grievances pending under the 1973 Agreement involve disputes over craft jurisdiction for certain jobs. These disputes must be resolved by a jurisdictional committee composed of representatives from the unions and the Postal Service. Determining which duties should be performed by each craft is a complex problem and must be resolved through agreement among members of the jurisdictional committee or the disputing union may arbitrate the issue.

The large number of 1975 Agreement grievances are pending for the following reasons.

--Union and Postal Service officials were attempting to settle grievances from the 1973 Agreement thus 1975 Agreement grievances began to build up.

--Staffing at Postal Service and Union headquarters permits processing about 600 to 700 grievances a month while the postal workers' union alone is appealing about 1,000 grievances a month to the national level.

--The inordinately high number of grievances filed by the postal workers union under the 1975 National Agreement as compared to the 1973 National Agreement, the reasons for which have not as yet been fully determined by the Postal Service.

Service not meeting timeframes
for settling grievances

While the National Agreement specifies timeframes for settling grievances appealed by the unions, we found that many were not settled within these timeframes. For example, the following table shows how long it has taken to settle mail handler grievances from Pittsburgh.

Timeframes for Processing Pittsburgh Post Office
Mail Handler Contractual Grievances
As of August 1976

Settlement level	Mail Handler contractual grievances				
	Specified time frames (days)	Settled within time frame	Not settled within time frame	Days required to settle	
		(grievances)			Range
	<u>1973 Contract</u>				
Pittsburgh	10	189	247	1-171	23.3
Regional	15	5	61	1- 90	24.7
National	30	0	6	78-593	283.0
Arbitration		(none appealed)			
	<u>1975 Contract</u>				
Pittsburgh	10	30	189	1-120	32.3
Regional	15	1	97	1- 90	29.1
National	30	0	15	62-142	67.3
Arbitration		(none appealed)			

Timeframes are mutually extended by both the unions and the Postal Service for various reasons. Postal officials told us that, many times, it's just a problem of finding a convenient time of getting together because of other pressing problems, staff availability, delays in obtaining needed information, or general unavailability of parties involved.

UNIONS APPARENTLY RECEIVE
INFORMATION WHEN REQUESTED

It was alleged that the mail handlers union has encountered excessive delays at Pittsburgh in securing Postal Service records which would document mismanagement and the use of temporary employees in mail handler positions.

We found no evidence to support the allegation. On the contrary, interviews with presidents of local unions and Service officials indicate that management was cooperative with the union in furnishing information when requested.

According to the National Agreement, the Postal Service, upon the request of the unions, is required to provide all relevant information necessary for collective bargaining or to determine whether to file or to continue processing a grievance. The Director, Employee and Labor Relations at Pittsburgh, said that records to which the unions are entitled are provided within one working day of the request. Pittsburgh issued a policy directive on September 5, 1975, detailing the kind of information that should be made available to the unions. Certain information, such as detailed management surveys, are considered privileged information and are not disseminated. However, overviews of surveys are prepared and are available to unions if requested. To the best of the Director's knowledge, the mail handlers union had never requested a management overview.

The president of the local mail handlers' union told us that in the past he had some difficulty with Postal Service officials in obtaining records he had requested. For example, he cited the tour work report which he sometimes requested on the weekend. He had to wait until Monday following the weekend to obtain copies because the copying equipment was not always readily available during the weekend shifts. He claimed that through this delaying procedure, management hoped that he would forget what information he requested--but he doesn't. In discussing this with Pittsburgh officials, they told us that access to copying machines is not possible over the weekends because the administrative offices where they are located are closed.

The president of the local mail handlers' union told us that most of his requests for information are in writing. We asked him to provide us with documentation of specific requests for information from Pittsburgh management that were denied. The documentation was never provided during the course of our review although we attempted on several occasions to obtain it.

The Deputy Postmaster General stated that management at Pittsburgh had no knowledge of any union request or demand for information which was not provided that was relevant to any grievance filed by the union involving the interpretation, application of, or compliance with the provisions of the National Agreement or the local memorandum of understanding. The president of the local mail handlers' union had filed 30 grievances on various alleged contract violations, but no grievance dealt with or contained an allegation that management had failed to provide information requested by the union. The Deputy Postmaster General concluded that management endeavored to cooperate in furnishing information requested by the union.

We asked the presidents of the local letter carriers' union and the local postal workers' union if they had any difficulty at Pittsburgh in obtaining information from management. Both replied negatively. Their general feeling was that management was very responsive to requests for information despite time, effort, and the cost to the Postal Service to have it provided.

USE OF OVERTIME AND EXCESSING
OF EMPLOYEES WAS JUSTIFIED

Allegations were made that during March 1976, postal officials scheduled the transfer of 52 excess (surplus) Pittsburgh mail handlers to bulk mail centers in Philadelphia and Washington, D.C., despite the continued use of temporary employees in the nearby Warrendale, Pennsylvania, Bulk Mail Center where 125 employees had been scheduled for overtime and 7-day work-weeks.

The allegation is basically true. However, the use of temporary (casual) employees at the Warrendale Bulk Mail Center was the result of short-term needs and not a case of casual employees filling positions that would otherwise be available to full-time mail handlers on a long-term basis. As of August 1976, the bulk mail center had eliminated all casual positions. While initial plans did call for excessed mail handlers to be reassigned to bulk mail centers in Philadelphia and Washington, D.C., this never materialized. Postal Service management recognized the need to assign these employees to the Warrendale Bulk Mail Center and did so.

The following table shows the total number of personnel, by craft, excessed by Pittsburgh and transferred to Warrendale.

Pittsburgh Post Office Employees
Excessed to Warrendale Bulk Mail Center

<u>Date</u>	<u>Mail handlers</u>	<u>Clerks</u>	<u>Total</u>
10-25-75	84	0	84
3- 6-76	26	6	32
3-24-76	<u>20</u>	<u>17</u>	<u>37</u>
	<u>130</u>	<u>23</u>	<u>153</u>

Both the mail volume and personnel complement of the Pittsburgh Post Office have been declining over the past few years. This trend coupled with the opening of the Warrendale Bulk Mail Center, which was designed to handle by machines much of the bulk mail previously processed manually at Pittsburgh, resulted in excess clerks and mail handlers.

Pittsburgh employed 717 less people at the end of fiscal year 1976 than it did at the end of fiscal year 1974. Mail volume in fiscal year 1976 was about 10 percent less than it was in fiscal year 1974. The decline in personnel and mail volume is detailed in the following tables.

Number of Employees at
The Pittsburgh Post Office

	<u>1974</u>	<u>June</u> <u>1975</u>	<u>1976</u>
<u>American Postal Workers</u>			
Full-time	2,898	2,898	2,807
Part-time	<u>400</u>	<u>243</u>	<u>181</u>
Total	<u>3,298</u>	<u>3,141</u>	<u>2,988</u>
<u>Mail Handlers</u>			
Full-time	698	674	482
Part-time	<u>124</u>	<u>89</u>	<u>62</u>
Total	<u>822</u>	<u>763</u>	<u>544</u>
<u>National Association</u> <u>of Letter Carriers</u>			
Full-time	1,473	1,454	1,409
Part-time	<u>226</u>	<u>194</u>	<u>182</u>
Total	<u>1,699</u>	<u>1,648</u>	<u>1,591</u>
<u>National Association</u> <u>of Rural Carriers</u>			
Full-time	<u>3</u>	<u>3</u>	<u>2</u>
Total	<u>3</u>	<u>3</u>	<u>2</u>
<u>Management Personnel</u>			
Full-time	<u>414</u>	<u>410</u>	<u>394</u>
Total	<u>414</u>	<u>410</u>	<u>394</u>
Grand total	<u>6,236</u>	<u>5,965</u>	<u>5,519</u>

Volume of Mail at
The Pittsburgh Post Office

	<u>Fiscal year</u>			<u>Total</u>
	<u>1974</u>	<u>1975</u>	<u>1976</u>	
	<u>(000 omitted)</u>			
Letters	1,063,837	1,021,605	988,358	3,073,800
Flats	264,759	257,836	200,942	723,537
Parcel Post	<u>31,503</u>	<u>32,175</u>	<u>15,268</u>	<u>78,946</u>
Total	<u>1,360,099</u>	<u>1,311,616</u>	<u>1,204,568</u>	<u>3,876,283</u>
Small parcels and rolls	<u>137,217</u>	<u>141,986</u>	<u>Not available</u>	

During the period November 1975 through June 1976--the Warrendale Bulk Mail Center used from 49 to 196 casual employees. These employees worked 12,448 overtime hours or an average of 1,556 hours a month. The following tables detail the use of casual employees and overtime at both the Pittsburgh Post Office and Warrendale Bulk Mail Center.

Number of Employees

	<u>Pittsburgh Post Office</u>				<u>Bulk Mail Center</u>			
	<u>Full-</u> <u>time</u>	<u>Part-</u> <u>time</u>	<u>Casuals</u>	<u>Total</u>	<u>Full-</u> <u>time</u>	<u>Part-</u> <u>time</u>	<u>Casuals</u>	<u>Total</u>
<u>1975</u>								
June	5,029	526	59	5,614				
July	4,979	526	55	5,560				
Aug.	4,984	499	-	5,483				
Sept.	4,915	492	-	5,407				
Oct.	4,818	548	133	5,499				
Nov.	4,104	620	167	5,591	301	64	49	414
Dec.	4,879	446	89	5,414	418	65	91	574
<u>1976</u>								
Jan.	4,868	444	25	5,337	364	-	94	458
Feb.	4,854	432	22	5,308	363	13	196	572
Mar.	4,833	417	22	5,272	361	40	191	592
Apr.	4,799	415	22	5,236	361	43	123	527
May	4,733	410	22	5,165	405	97	104	606
June	4,720	476	13	5,209	428	106	58	592

Number of Overtime Hours

	<u>Pittsburgh Post Office</u>				<u>Bulk Mail Center</u>			
	<u>Full-</u> <u>time</u>	<u>Part-</u> <u>time</u>	<u>Casuals</u>	<u>Total</u>	<u>Full-</u> <u>time</u>	<u>Part-</u> <u>time</u>	<u>Casuals</u>	<u>Total</u>
<u>1975</u>								
June	11,227	1,465	256	12,948				
July	15,329	1,360	314	17,003				
Aug.	13,994	1,612	99	15,705				
Sept.	12,035	928	-	12,963				
Oct.	18,125	1,308	5	19,438				
Nov.	6,404	485	87	6,976	2,933	1,133	1	4,067
Dec.	86,951	5,606	450	93,017	6,919	1,907	1,715	10,541
<u>1976</u>								
Jan.	8,085	959	88	9,132	4,069	38	194	4,301
Feb.	3,577	416	34	4,027	8,339	120	2,371	10,830
Mar.	1,876	324	11	2,211	8,970	928	4,541	14,439
Apr.	2,891	401	40	3,332	1,213	202	148	1,563
May	4,426	584	120	5,130	11,181	3,200	2,955	17,336
June	3,242	718	97	4,057	2,355	1,121	523	3,999

The General Manager of the Warrendale Bulk Mail Center told us that the Postal Service staffed the center with a large number of part-time employees and casuals because (1) the start of operations in November 1975 was close to the anticipated Christmas mail rush, and (2) operations were new and management planned to reduce the work force as increased efficiency levels were reached. Basically, the Postal Service did not want to staff the bulk mail center with more full-time personnel than required in the long run because if it did, it would later be faced with the problem of excess full-time employees.

The National Agreement requires that all postal installations having at least 200 man years of employment be composed of 90 percent full-time employees. Part-time employees may constitute the remaining 10 percent of the regular work force. Employment of casuals cannot exceed more than 5 percent of the regular workforce.

In February and March 1976, when the use of casuals reached its peak at the new bulk mail center at Warrendale, casuals made up about 34 percent of the labor force. However, during our visit to the bulk mail center in August 1976, there were no casual employees at the center. Also, 40 part-time positions were being converted into an equal mix of full-time clerk and mail handler jobs. Bulk mail center management felt that they would soon meet the full-time to part-time ratio of 90:10 required by the National Agreement.

LIMITED REASSIGNMENT OF EMPLOYEES BETWEEN TOURS

Allegations were made that too many employees at the Pittsburgh Post Office were being involuntarily reassigned between work tours. Also, it was alleged that management's practice of using temporary employees (casuals) instead of career employees to allow greater flexibility and fewer repercussions in layoffs and the staffing of peak periods was unfair to career employees.

We found no evidence to support the allegation that too much reassignment occurs in Pittsburgh involving particular tours. Between February 6 and April 30, 1976, 41 employees were involuntarily reassigned to a full-time unassigned status because they were excess to the needs of their section of duty. The National Agreement provides that unassigned regular employees can be assigned to another tour of duty within the installation according to the needs of the post office. Of the 41 employees in an unassigned status, 5 mail handlers subsequently remained on the same tour, and 26 mail handlers and 10 clerks were reassigned to new tours of duty. There were no other involuntary reassignments at Pittsburgh from January 1975 to August 1976.

With respect to the use of casuals instead of career employees, this practice is permitted by the National Agreement providing the total number of casual employees does not exceed 5 percent of the regular work force. Our analysis of personnel statistics at the Pittsburgh Post Office for the period January to June 1976 showed no instances where the 5 percent rule was exceeded for any month.

BIDDING MISMANAGEMENT AND LARGE
NUMBER OF UNHEARD GRIEVANCES
ARE NOT RELATED

It was alleged that 500 grievances were filed since 1971 citing mishandling of the bidding procedure and not one of these had been resolved. The president of the local postal workers' union, who made the allegation, informed us that poor bidding procedures and the 500 unheard grievances are unrelated situations.

Claim of bidding
mismanagement not accurate

The allegation of bidding mismanagement relates to incidences in June, July, and August 1975, when Pittsburgh advertised 184 clerk vacancies. There were no successful bidders for these vacancies and the positions were not filled. In March 1976, management excessed 23 clerks from the Pittsburgh Post Office to the Warrendale Bulk Mail Center despite an alleged shortage of clerks at Pittsburgh.

The president of the local postal workers' union contends that management will not fill the vacant clerk positions at Pittsburgh because under provisions of the National Agreement, the excessed clerks would be recalled from the bulk mail center to the Pittsburgh Post Office. The 1975 Agreement permits employees, who are involuntarily reassigned, to file at the time of reassignment, a written request to be returned to the first vacancy in the level, in the craft or occupational group in the installation from which reassigned. In view of this, the union has helped all the clerks who were involuntarily reassigned to the bulk mail center to file written requests to be returned to Pittsburgh as vacancies materialize. The president believes that since management does not wish to be forced, according to the National Agreement, to recall clerks who were excessed a short time ago, the Pittsburgh clerk vacancies that still exist will not be readvertised or filled.

The Director of Employee and Labor Relations at Pittsburgh told us that vacancies for clerks did exist in mid-1975. The positions remained vacant until November 1975 when the post office promoted 121 part-time clerks to full-time positions. Subsequent to the start of operations at the Warrendale Bulk Mail Center and the transfer of certain functions to the center, there was a decrease in the need for clerks at Pittsburgh. As a result, 23 clerks were excessed in March 1976.

The Director further stated there is presently no need for additional clerks at Pittsburgh. However, Pittsburgh will be obtaining two letter sorting machines in a few months and machine qualified clerks will be needed. Pittsburgh is currently training personnel to become machine qualified. When the machines are obtained, it is anticipated that the jobs will be filled from the existing work force.

Unheard grievances
await action at national level

With respect to the 500 unheard grievances, the president of the local postal workers' union explained that this is not a local problem at Pittsburgh nor at the Eastern Region Headquarters. Instead it is a problem at the national headquarters where thousands of grievances are on file awaiting arbitration. Grievances which concern discipline are usually given prompt attention at arbitration. However, the postal workers' union grievances, which relate to the National Agreement, have not as yet been heard at arbitration.

As of August 31, 1976, there were 319 postal workers' union appeals relating to the 1973 Agreement which were pending at the national level. However, management and the national union have mutually agreed that 300 of these are jurisdictional grievances and, therefore, may be submitted by the unions to the labor-management jurisdictional committee.



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-178253

December 28, 1973

40317

Lewis and Roca
First National Bank Plaza
One Hundred West Washington Street
Phoenix, Arizona 85003

Attention: Paul G. Ulrich, Esq.

Gentlemen:

We refer to your letter of November 9, 1973, and prior correspondence protesting on behalf of the Aviation Specialties Company against the Bureau of Indian Affairs (BIA) cancellation of a telegraphic request for bids, solicitation No. 2428, issued March 7, 1973.

The solicitation sought bids on helicopter freight services for emergency delivery of food, fuel, and animal feed to certain groups of Indians. The telegraphic bids were to be opened at 2 p.m. on March 1973.

Just prior to bid opening, it was ascertained by BIA officials that the Arizona National Guard had agreed to provide the necessary services as a training mission. The solicitation was canceled immediately thereafter and notification to all firms initially contacted was made by telegram and telephone.

As of the time of the cancellation and therefore prior to solicitation bid opening the agency knew that the services of a commercial helicopter service were no longer required. Even in a situation where cancellation of a solicitation has occurred after bid opening but before award, section 1-2.404-1 of the Federal Procurement Regulations and our decisions have permitted such action on this basis. See B-174225, November 2, 1971; B-173670, November 18, 1971.

It is contended that the use of military equipment in this instance is a clear violation of the Department of Defense (DOD) policy as set forth in DOD Directive 4500.9, November 29, 1971, against the use of DOD transportation capabilities to move non-DOD material. As such, it is alleged that the cancellation was improper. We do not believe, however, that the violation of the DOD policy would affect the propriety of the solicitation's cancellation. Where an item or service is no longer needed prior to bid opening, irrespective of the reason, an agency has no choice but to cancel the solicitation.

[Protest of BIA Solicitation Cancellation]

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From the standpoint of procurement law, we are unable to conclude that the cancellation of the solicitation by BIA was improper. Accordingly, we have no alternative other than to deny the protest.

However, since you cite the foregoing situation and a number of others as circumstances wherein DOD policy on the use of military transportation for nonmilitary purpose is being violated, we are bringing this matter to the attention of our audit staff for consideration in possible future reviews of DOD activities.

Sincerely yours,

RF. KELLER
[Deputy Comptroller General
of the United States