

December 21, 2021

The Honorable Chris Van Hollen United States Senate Washington, DC 20510-2005

Dear Senator Van Hollen:

This responds to your November 22 letter to Postmaster General Louis DeJoy, regarding a recent Office of Inspector General (OIG) report concerning mail delivery and customer service operations at nine selected locations in Baltimore.

Understanding your concerns about the service delays experienced by your constituents, be assured that the U.S. Postal Service is doing everything possible to provide timely and consistent service, particularly during the holiday season.

In preparation for the 2021 holidays, the Postal Service carefully studied the 2020 season to identify specific actions to improve service. Contending with the COVID-19 pandemic, the 2020 holiday season was impacted by dramatic increases in package volume that outstripped our processing capacity, staffing shortages, and disrupted and unreliable transportation networks. To prepare for 2021, the Postal Service focused on adding employees, expanding our package processing capabilities, and strengthening our transportation networks. The Postal Service is now well-positioned to process and deliver the more than 12 billion letters, cards, and packages we anticipate this peak season. Since the start of peak, we have delivered 519 million packages, of which 38.4 million were delivered on December 6 alone.

With regard to your questions about the status of the OIG's recommendations in its November 4, 2021, report, postal management agreed with the recommendations, and our response and plans can be found on the OIG website at https://www.uspsoig.gov/sites/default/files/document-library-files/2021/21-194-R22.pdf. Postal management is addressing the recommendations as detailed in our responses to your specific questions below:

1. Both nationally and for the State of Maryland, please provide a progress report on the number of additional package sorting machines added by the Postal Service, the number of seasonal employees hired for this holiday season, and the number of annex facilities acquired to handle peak season surges?

Recognizing the 2020 staffing shortages, we set a national goal to hire 40,000 additional employees, and we conducted hiring events, often weekly, in many locations around the country. Our processing plants currently have more than 22,000 employees when compared to November 2020, and in the ramp up to this holiday season, we have already

exceeded last year's peak season staffing levels. To improve employee retention, we converted more than 33,000 pre-career employees to career status before peak season. Since August 28, in Maryland, we have hired 2,245 employees, to include 450 mail handler assistants and 804 postal support employees (PSEs) in our processing facilities, 151 PSEs in customer service functions, 685 city carrier assistants, and 335 rural carrier associates.

To improve the flow of mail into and out of our facilities, we are leasing annexes to acquire more than 4 million square feet of additional space across 70 processing, logistics, and delivery annexes. We have procured 112 package sorters to expedite increased package volumes; this will enable the Postal Service to process 4.5 million additional packages each day. We have added air carriers to our air transportation network, emphasized reliability among our surface transportation providers, and expanded the surface transfer center network to increase long-haul transportation utilization and mitigate potential driver shortages.

In Maryland, specifically, we leased additional space in Baltimore and Forestville for Package Sorting Annexes, and added six significant sorting equipment packages to aid parcel processing. Also, we established six added delivery annexes with more than 250 employees. These annexes will allow us to provide more consistent parcel delivery for customers, alleviate space constraints in our regular delivery units, and provide more flexibility to maintain consistent delivery.

2. The OIG report on Baltimore post offices recommended that USPS, "Develop and implement a plan to monitor and ensure compliance with package scanning and handling procedures." What has been done to implement this, which USPS committed to do by November 19?

To monitor and maintain compliance, the Baltimore Postmaster is implementing regularized checks and measures of scanning data. The Postmaster monitors package scanning and handling reports daily, to include All Scanning Performance, Scanning Integrity, and other scan reports. These are shared with delivery units and supervisors each day, and Customer Service Operations Managers conduct any necessary corrective actions, reporting back daily to the Baltimore Postmaster. To improve understanding of the various scanning tools and data, weekly training is provided to the entire district, with recordings available for those unable to attend.

3. The OIG recommended opening a new city carrier training academy for the Baltimore region. What has been done to implement this recommendation, which USPS committed to do by November 30?

The Maryland District opened a new city carrier training academy at Nottingham Station on November 29. This facility supplements the driver training course at the Baltimore Incoming Mail Facility, reducing the time between a carrier's initial hiring and training. Together these two facilities can train as many as 32 carriers each week.

- 4. The OIG recommended that USPS establish key metrics for when the Baltimore postmaster should request help from outside the area to deliver mail.
 - a. Please provide the metrics established to implement this recommendation, which USPS committed to do by November 30.

The metrics include retail and delivery employee availability, non-delivery rate, and percentage of last-mile delivery failures.

b. What additional support, if any, has been provided to the Baltimore region due to lagging performance on these metrics?

Daily district-wide teleconferences are held by the District Manager of Operations Integration where performance toward the metrics is evaluated and plans are developed to address shortcomings. If it is determined that the Baltimore region has insufficient capacity, resources from the surrounding Maryland District are moved, as needed.

c. Please provide the established threshold and key metrics used at the headquarters level to determine Districts and units falling below the threshold?

Key metrics measured by Headquarters are the same as the metrics measured at the District. Performance is not measured by "thresholds" because a static standard would be inappropriate and counter-productive in a dynamic business environment. Managing Districts or individual units of the Postal Service without taking into account the business environment or the particular events or conditions at a particular time would be an unsound business practice.

d. At the headquarters level, what necessary actions are taken to address mail processing and delivery issues to regions that fall below the threshold?

Effective business management, especially of a complex and highly interconnected enterprise like the Postal Service, must account for the totality of the business environment at any particular time. Prescribed "thresholds" and "necessary actions," would be counterproductive and are not used in modern logistics. That said, we have taken several actions across the agency to adequately prepare for peak season and ensure the timely delivery of mail and packages. As explained in response to Question 1, these actions focused on hiring additional employees, growing our processing capabilities, and expanding our surface transportation network. We believe the Postal Service is well-positioned for a successful peak season.

The important position that the Postal Service occupies in the fabric of the nation is apparent, now more than ever. Please be assured that the Postal Service's mission to efficiently and effectively deliver to every address in the country will continue to be our highest priority.

Thank you for writing. If I can be of assistance in other postal matters, please let me know.

Sincerely,

Scott R. Slusher

Director, Government Liaison

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