



# OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

## Delivering Results, Innovation, Value, and Efficiency 3 – Optimize Retail Platform

### Audit Report

Report Number  
CP-AR-16-008

July 13, 2016





# OFFICE OF INSPECTOR GENERAL

## UNITED STATES POSTAL SERVICE

### Highlights

***Management made a \$276 million change to a roadmap metric's FY 2016 target in the charter without submitting a change request for the ELT's approval.***

### Background

In fiscal year (FY) 2011, the U.S. Postal Service's Executive Leadership Team (ELT), consisting of senior level managers, developed a plan for profitability under the Delivering Results, Innovation, Value, and Efficiency (DRIVE) initiative framework. This framework was designed to improve business strategy development and execution. Currently, there are 14 active DRIVE initiatives, including DRIVE Initiative 3 – Optimize Retail Platform.

The DRIVE Initiative 3 charter outlines its nine roadmaps for optimizing retail channels and access points, simplifying retail products and services, and enhancing the customer's experience. These project roadmaps are intended to contribute to the initiative's overall goals of creating a sustainable retail network, optimizing content and product offerings, and creating a transformative customer centric retail environment.

Our objective was to determine whether DRIVE Initiative 3 used established DRIVE project management processes.

### What the OIG Found

Generally, management followed DRIVE project management processes; however, there were two exceptions that did not significantly impact the overall success of the DRIVE initiative. Management made a \$276 million change to a roadmap

metric's FY 2016 target in the charter without submitting a change request for the ELT's approval. Management considered this change an update that did not require a formal change request.

Postal Service policy requires a change control form for changes to charters and full ELT approval if the change adjusts the initiative's financial target by \$100 million or more.

Additionally, the Strategic Management Office manager initially requested and approved two exception requests, which is contrary to the requirement that different individuals request and approve them. Management realized this was an error and the requests were resubmitted; however, the new requestor was not authorized to submit exception requests.

These actions may increase the risk the initiative will not meet its goals and objectives, and the ELT will not be able to accurately evaluate Drive Initiative 3.

### What the OIG Recommended

We recommended management reiterate DRIVE policy to specifically address submission of a change request or justification for charter roadmap metric changes, segregation of duties, and adherence to controls for the exception requests policy.

# Transmittal Letter

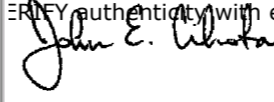


OFFICE OF INSPECTOR GENERAL  
UNITED STATES POSTAL SERVICE

July 13, 2016

**MEMORANDUM FOR:** KELLY M. SIGMON  
VICE PRESIDENT, RETAIL AND  
CUSTOMER SERVICE OPERATIONS

EMIL J. DZURAY, JR.  
DIRECTOR, STRATEGIC PLANNING

E-Signed by John Cihota  
VERIFY authenticity with eSign Desktop  


**FROM:** John E. Cihota  
Deputy Assistant Inspector General  
for Finance, Pricing, and Investments

**SUBJECT:** Audit Report – Delivering Results, Innovation,  
Value, and Efficiency Initiative 3 – Optimize Retail Platform  
(Report Number CP-AR-16-008)

This report presents the results of our audit of Delivering Results, Innovation, Value, and Efficiency Initiative 3 – Optimize Retail Platform (Project Number 16TG008MI000).

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Charles L. Turley, director, Cost, Pricing, and Investments, or me at 703-248-2100.

Attachment

cc: Corporate Audit and Response Management

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# Findings

***DRIVE Initiative 3 has nine roadmaps designed to optimize retail channels and access points, simplify retail products and services, and enhance the customer's experience.***

***Generally, management followed DRIVE project management processes. However, there were two exceptions that did not significantly impact the overall success of the DRIVE initiative.***

## Introduction

This report presents the results of our self-initiated audit of the U.S. Postal Service's Delivering Results, Innovation, Value, and Efficiency (DRIVE) Initiative 3 - Optimize Retail Platform (Project Number 16TG008MI000). Our objective was to determine whether DRIVE Initiative 3 used established DRIVE project management processes. See [Appendix A](#) for additional information about this audit.

Beginning in 2010, the U.S. Postal Service Board of Governors and Executive Leadership Team (ELT)<sup>1</sup> began a concerted effort to educate Congress, Postal Service employees, customers, and the public about the Postal Service's financial situation and options for improving it. In fiscal year (FY) 2011, the ELT developed a plan to be profitable under the DRIVE initiative framework.

DRIVE initiatives are designed to improve business strategy development and execution. Each DRIVE initiative focuses on a portfolio of strategic efforts intended to meet ambitious performance and financial goals. For FY 2016, there are 14 active DRIVE initiatives.

Each DRIVE initiative consists of roadmaps<sup>2</sup> and projects with annual and cumulative goals for cutting costs, growing revenue, and improving business performance. An initiative's charter outlines its goals and the roadmaps for reaching them. Every initiative has specific measurable outcomes that should be realistic and include deadlines. The Strategic Management Office (SMO)<sup>3</sup> provides project management guidance and standardized processes<sup>4</sup> for managing initiatives and reporting to the ELT.

The Technology Management Office System (TMOS) is a dashboard reporting and monitoring tool that allows the ELT to monitor the real-time health, quality, and timeliness of DRIVE projects. The SMO or roadmap owner<sup>5</sup> manually enters project information into the TMOS, which uses a color-coded traffic light report to show progress.

DRIVE Initiative 3 has nine roadmaps designed to optimize retail channels and access points, simplify retail products and services, and enhance the customer's experience. These project roadmaps are intended to contribute to the overall initiative goals of creating a sustainable retail network, optimizing content and product offerings, and creating a transformative customer centric retail environment.

## Summary

Generally, management followed DRIVE project management processes. However, there were two exceptions that did not significantly impact the overall success of the DRIVE initiative.

Management made a \$276 million change to a roadmap metric's FY 2016 target in the charter without submitting a change request for the ELT's approval. Management stated that this was an update and, therefore, did not require a formal change request. The *DRIVE Governance Controls Guide* states changes to charters require a change control form and the full ELT must approve them if they change the value of the initiative's financial target by \$100 million or more.

<sup>1</sup> The ELT is a decision-making body consisting of senior advisors to the Postmaster General who consider and set the strategic agenda.

<sup>2</sup> A set of plans developed to achieve the DRIVE initiative's objectives by identifying key metrics, milestones, activities, interdependencies, and project risk.

<sup>3</sup> The SMO helps senior management identify, develop, and implement strategic initiatives. The office uses a structured process that ensures strategic initiatives are supported by rigorously tested data, are aligned with corporate priorities, include appropriate cross-functional involvement, and deliver results.

<sup>4</sup> *DRIVE Governance Controls Guide*, September 30, 2014, establishes the requirements and procedures for the DRIVE process.

<sup>5</sup> The roadmap owner establishes and maintains the roadmap to achieve charter objectives.

**The DRIVE Governance Controls Guide states that exceptions may be requested by the ELT sponsor, initiative lead, or the roadmap owner for the SMO manager's approval.**

Additionally, the SMO manager requested and approved two exception requests, which is contrary to the requirement that separate individuals request and approve them. Management indicated this was an error, and the requests were resubmitted; however, the new requestor was not authorized to submit exception requests.

These instances may increase the risk that the initiative will not meet its goals and objectives, and the ELT will not be able to accurately evaluate the initiative.

**Project Management Processes**

On December 23, 2015, management changed the Adjusted Alternate Access Revenue roadmap metric in the charter to \$3.3 billion without ELT approval. As of December 3, 2015, the Drive Initiative 3 charter indicated the FY 2016 target for the roadmap metric was \$3.1 billion. This change had a net impact of \$276 million (see Table 1). Management stated \$3.1 million was an estimate and on December 23 the Finance group determined the metric was \$3.3.million. Management considered the December 23 action an update that did not require a formal change request.

The *DRIVE Governance Controls Guide* states that charter development controls apply to charters that are new or updated as part of the annual corporate planning process. Changes to charters at other times are managed through the change control process. Further, it states that if an initiative's financial target is changed by \$100 million or more, full ELT approval is required.

**Table 1. Charter Metric – Adjusted Alternate Access Revenue Metric Change Calculation**



Source: U.S. Postal Service Office of Inspector General (OIG) analysis.

According to the charter, Adjusted Alternate Access Revenue is a key factor in achieving real revenue growth above the rate of inflation. When a change request is not completed and the rationale for the change is not communicated, there is an increased risk that the ELT will lack information it needs to provide optimum strategic direction.

Additionally, the SMO manager requested and approved exception requests for two roadmap metrics that were entered into the TMOS before financial targets were established. Requestor and approver roles should be assumed by different individuals responsible for documenting the exception log. The SMO manager recognized the error and the SMO liaison resubmitted the two exceptions as the "requester," with the SMO manager approving them. However, the SMO liaison is not authorized to request exceptions.

The DRIVE Governance Controls Guide states that exceptions may be requested by the ELT sponsor, initiative lead, or the roadmap owner for the SMO manager's approval.

<sup>6</sup> We consider the unapproved metric change as other impact.

## Corrective Action

The audit team identified a milestone date for one of the roadmap metrics was incorrectly entered into the TMOS as “November 16, 2016,” instead of “November 16, 2015.” The SMO manager took corrective action and updated the system; therefore, an audit recommendation was not warranted.

# Recommendation

***We recommended management reiterate DRIVE policy to specifically address submission of a change request or justification for charter roadmap metric changes, segregation of duties, and adherence to controls for the exception requests policy.***

We recommend the director, Strategic Planning:

1. Reiterate Delivering Results, Innovation, Value and Efficiency governance policy to initiative leads and roadmap owners, specifically addressing the requirements to:
  - a. Submit a change request or formal justification for changes to roadmap metric financial targets.
  - b. Segregate duties related to requesting and approving exceptions per the policy to deviate from an identified control.
  - c. Allow only appropriate management personnel to request and approve exceptions to deviate from an identified control.

## Management's Comments

Management agreed with the recommendation and stated that it is part of their current process; therefore, no further actions are required.

Management also stated that the report contained information that was factually inaccurate. The report stated "...On December 23, 2015, management changed the Adjusted Alternate Access Revenue roadmap metric in the charter to \$3.3 billion without ELT approval." Management disputes that this statement is factually accurate. Management further states the referenced charter was a draft placeholder and agreed to by the ELT team. At a later date, the ELT team finalized and approved the Integrated Financial Plan (IFP) with the revised metric value. Management also stated that the metric was increased from the initial estimate; therefore, there was no monetary impact at risk. Management did not agree with the other impact of \$276 million.

See [Appendix B](#) for management's comments in their entirety.

## Evaluation of Management's Comments

The OIG considers management's comments nonresponsive to the recommendation in the report since management will be taking no action.

The OIG reiterates the factual accuracy of the information in the report. Per the *Drive Governance Controls Guide*, full ELT approval is required if the value of initiative financial target is being changed by \$100 million or more. The ELT team agreed to the initial draft placeholder but, since the updated or rebaselined metric exceeded the \$100 million threshold prescribed by the governance, it warranted full ELT approval.

The OIG concurs the roadmap metric was increased from the initial metric; however, the governance does not delineate between increases or decreases in metrics to warrant ELT approval. The approval threshold was established at \$100 million to help mitigate the risk associated with increasing or decreasing a metric of this magnitude.

Management's assertion that the initial metric was a draft placeholder until the IFP was approved does not comply with the established governance. The control mechanism to communicate metric changes is the change request process. As the ELT team presented and agreed to the initial metric, whether a draft placeholder or not, the rebaselining of the metric in excess of the established threshold required full ELT team approval, via the change request process. This did not occur.



Management did not indicate that they would take corrective action for the recommendation as their position is that the recommendation is part of the current process. As the findings were not material to DRIVE Initiative 3, we will not pursue the matter through the audit resolution process and consider the recommendation closed, not implemented with the issuance of this report.

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## Appendix A: Additional Information

### Background

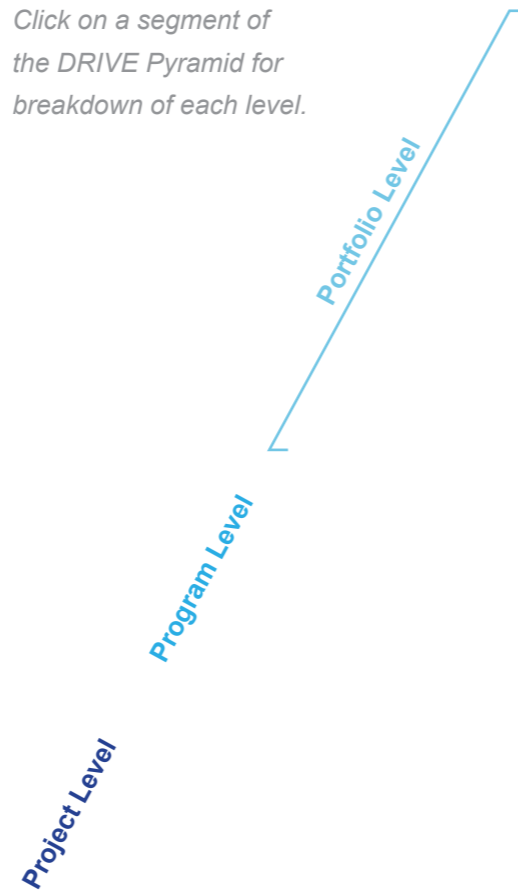
Beginning in 2010, the Postal Service Board of Governors and ELT began a concerted effort to educate Congress, Postal Service employees, customers, and the public about the Postal Service's financial situation and options for improving it. In FY 2011, the ELT developed a plan to be profitable under the DRIVE initiative framework.

The DRIVE process was designed to improve business strategy development and execution. DRIVE focuses on a portfolio of strategic initiatives to meet ambitious performance and financial goals. Currently, there are 14 DRIVE initiatives aligned with four core strategies<sup>7</sup> and seven operational objectives.<sup>8</sup>

The DRIVE organizational structure refers to the three levels of management as initiatives, roadmaps, and projects. Roadmaps are the collection of program level activities critical to the success of an initiative. They consist of projects with clearly identified impacts and indicators, milestones, interdependencies, and risks. Each year the ELT sponsors recommend initiatives to include in the DRIVE portfolio (see Figure 1).

#### Figure 1. DRIVE Pyramid

*Click on a segment of the DRIVE Pyramid for breakdown of each level.*



Source: *TMOS DRIVE User Guide*, dated October 16, 2015, page 8.

<sup>7</sup> Invest in the future, speed the pace of innovation, engage and empower employees, and support product growth through network efficiency.

<sup>8</sup> Grow revenue from innovation, core products, and markets; optimize the value of infrastructure; build competitive workforce of the future; improve customer experience; leverage technology to drive business value; strengthen financial and risk management capabilities; and assure executive transparency.

The Postal Service established DRIVE in FY 2011 to improve its business strategy by identifying initiatives that:

- Contain significant and measurable outcomes that:
  - Have greater than \$50 million in revenue contribution or cost reduction.
  - Improve key stakeholder alignment.
  - Greatly enhance key capabilities.
  - Grow revenue from new products, markets, and customers.
- Aggressively address cost in the next few years to get ahead of the revenue plan.
- Are critical to either the short- or long-term success of the Postal Service.
- Require extensive cross-enterprise coordination and ELT visibility.
- Merit using top staff and resources.

The Postal Service originally established DRIVE with five key project management phases:

**Initiation** - define a new project, complete a project charter with measurable objectives, and authorize project launch.

**Planning** - define the course of action to achieve project objectives; and create and receive approval for the project scope, schedule, budget, resources, quality standards, and risk management plan.

**Executing** - perform the defined work, including managing the team and approving any changes to the plan.

**Monitoring and Controlling** - track, review, and report on the progress of the project. Analyze changes to plan schedules, costs, and scope; and manage necessary course corrections.

**Closing** - receive sign-off that project outcomes have met the objectives, close all activities, and archive documents and lessons learned.

The SMO manages projects through the TMOS by tracking performance and progress on milestones, risk, impacts, and roadmap completion. The TMOS is a color-coded traffic light dashboard view for executive and cross-functional insight into strategies, programs, and projects. The red, yellow, and green traffic light colors show changes from planned financial and non-financial metrics. The SMO has standardized processes for managing program initiatives and reporting to the ELT. These include criteria to approve and manage initiatives, such as formatting charters uniformly, reporting metrics quarterly, and communicating with project managers.

DRIVE Initiative 3 – Optimize Retail Platform consists of nine roadmaps to optimize retail channels and access points, simplify retail products and services, and enhance the customer’s experience. The Postal Service’s goal is to increase revenue, produce cost savings, and increase customer satisfaction.

### **Objective, Scope, and Methodology**

Our objective was to determine whether DRIVE Initiative 3 used established DRIVE project management processes. The scope of this audit was the FY 2016 DRIVE 3 charter and nine roadmaps and their associated goals. To accomplish our audit objective we:

- Reviewed procedures and criteria related to DRIVE initiatives.
- Reviewed and evaluated the nine DRIVE Initiative 3 roadmaps and their respective goals in TMOS.
- Discussed DRIVE Initiative 3 project management with Retail and Customer Service personnel, including establishing metrics and milestones that align with overall portfolio goals.
- Reviewed, evaluated, and discussed the testing of roadmap milestones and established metrics with the SMO to determine whether the DRIVE planning processes were followed and whether established goals within the DRIVE portfolio were aligned.
- Reviewed and evaluated requests submitted to the SMO for changes to established milestones and metrics as well as the subsequent approval process. We discussed the approval process with SMO personnel and roadmap owners.
- Reviewed available reports in the TMOS to obtain information on DRIVE Initiative 3 project management and project lifecycles.
- Discussed the validation of reported results with roadmap owners, initiative leads, and SMO personnel.
- Reviewed and compared supporting documentation of project metrics with the metrics reported in the TMOS.

We conducted this performance audit from January through July 2016, in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on June 9, 2016, and included their comments where appropriate.

We assessed the reliability of computer-generated data from the TMOS by comparing key information against separately prepared documents provided by management. We found project information is manually entered in the TMOS by the SMO manager or roadmap owners. Although we identified discrepancies, we determined that the data were sufficiently reliable for the purposes of this report.

## Prior Audit Coverage

Report Title	Report Number	Final Report Date	Monetary Impact
<i>U.S. Postal Service's Delivering Results, Innovation, Value, and Efficiency Initiative 51 – Leverage Technology and Data to Drive Business Value</i>	MI-AR-16-003	12/23/2015	None
<p><b>Report Results:</b> DRIVE Initiative 51 managers did not follow established DRIVE project management processes to measure whether DRIVE Initiative 51 is helping the Postal Service meet its performance and financial goals. We determined that 22 of the 33 charter metrics measured the deployment or implementation of equipment, systems, and processes rather than the performance and savings. In one case, we conducted our own performance analysis and determined the labor savings were about \$2 million less than the projected \$6.7 million. Additionally, managers did not follow processes for updating the TMOS and managing milestones. These issues occurred because the SMO did not ensure DRIVE governance and documentation procedures were followed. Management agreed with all recommendations but disagreed with the labor savings. Management also disagreed that processes were not followed to establish performance targets and update and manage milestones.</p>			
<i>U.S. Postal Service's Delivering Results, Innovation, Value, and Efficiency Management Initiative 25, Improve Customer Experience</i>	MI-AR-16-001	11/16/2015	\$6.6 million
<p><b>Report Results:</b> The audit found that DRIVE 25 managers did not follow DRIVE project management processes when planning DRIVE 25 goals. Specifically, Consumer and Industry Affairs management based project goals on daily business operations in the Consumer and Industry Affairs group instead of identifying goals to improve business performance. In addition, DRIVE Initiative 25 is intended to measure call center operations and customer satisfaction, but managers did not develop processes to enhance the Postal Service brand and increase loyalty and revenue. As a result, the Postal Service could put about \$6.6 million to better use over the next 4 years by not renewing the customer survey contract. We also found inconsistencies with data reported in the TMOS for 12 of 21 goals and identified eight changes made to project goals without proper authorization. Management agreed they would review TMOS data and include change request requirements in DRIVE training, but will keep the customer service contract.</p>			
<i>U.S. Postal Service's Delivering Results, Innovation, Value, and Efficiency Management Initiative 30, Achieve 100 Percent Customer and Revenue Visibility</i>	MI-AR-15-004	6/12/2015	None
<p><b>Report Results:</b> The audit identified that DRIVE 30 managers did not follow established project management processes. Specifically, two roadmaps had gaps of more than 2 to 3 months between milestone dates. In addition, 83 changes, additions, or removals to project milestones were made in the TMOS without completing the required change request form. The Meter Product Visibility goal of a 2 percent improvement per year is not bold and aggressive, as it is not based on any activities that would improve the project goal beyond past performance. Management agreed to follow DRIVE governance by establishing milestones at 4-to 6-week intervals and to follow DRIVE governance when making changes to the initiative. However, management disagreed with one recommendation, stating that the “bold and aggressive” language this report refers to is not specifically called out in current governance guidelines.</p>			

Report Title	Report Number	Final Report Date	Monetary Impact
<i>U.S. Postal Service's Delivering Results, Innovation, Value, and Efficiency Initiative 43, Building a World-Class Package Platform</i>	MI-AR-15-003	5/4/2015	None
<p><b>Report Results:</b> The audit found that DRIVE 43 managers established cumulative goals of a 35 percent increase in domestic package volume and a \$13.6 billion domestic revenue net contribution by FY 2016. However, they did not include these goals in the underlying projects or establish a way to accurately measure progress toward meeting the revenue net contribution goal. In addition, changes to and removal of project goals occurred without proper authorization and separation of duties. These issues occurred because the SMO did not ensure DRIVE governance and documentation procedures were followed. Management partially agreed with the recommendations; however, they stated they will revise DRIVE governance guidelines to clarify the relationship between goals and charters.</p>			
<i>U.S. Postal Service's Delivering Results, Innovation, Value, and Efficiency Initiative 42, Market New and Existing Services</i>	DP-AR-14-005	9/10/2014	None
<p><b>Report Results:</b> The audit found that DRIVE 42 managers did not follow DRIVE project management processes when planning and evaluating overall project metrics and revenue goals. Management established an FY 2014 revenue goal of \$5.2 billion without a system in place to accurately measure achievement. Another goal was not aggressive and the cumulative goal of DRIVE Initiative 42 was \$8 billion less than the combined goals of the five underlying projects. These issues occurred because there is no independent audit process in DRIVE to promote accountability and ensure that goals are measurable, realistic, and accurate. Management partially agreed with the recommendations; however, they stated that initiative leaders and the ELT are responsible for setting specific initiative targets.</p>			
<i>U.S. Postal Service's Delivering Results, Innovation, Value, and Efficiency Initiative 6, Improve Employee Availability</i>	DP-AR-14-001	3/7/2014	None
<p><b>Report Results:</b> The audit found that the DRIVE 6 managers did not use established DRIVE project management practices. The five projects comprising the initiative were being accomplished outside of DRIVE. This occurred because there was no separation of duties between the DRIVE initiative lead and the RMO. We also noted that there was no independent internal audit process to oversee DRIVE management. Management agreed with our recommendations but disagreed that changes to projects were not made because the same person was both initiative lead and RMO. Management also stated that they used established DRIVE project development management processes and asserted that DRIVE governance does not prohibit initiatives that existed prior to DRIVE.</p>			
<i>Delivering Results, Innovation, Value, and Efficiency Management</i>	DP-AR-13-008	6/19/2013	None
<p><b>Report Results:</b> The audit found the Postal Service's DRIVE program compares favorably to best-in-class program management practices; however, it does not ensure that projects will be successful. DRIVE does not use an important best practice that requires regular audits and controls for each project at the program manager level. Further, a formal policy supporting the overall program management process has not been developed. Management agreed with our findings and recommendations yet thinks DRIVE does control and provide reviews or "audits" of strategic programs and projects through bi-weekly deep-dive meetings.</p>			

## Appendix B: Management's Comments



June 27, 2016

SHERRY FULLWOOD  
DIRECTOR, AUDIT OPERATIONS (A)

SUBJECT: Management Response to Draft Audit Report – Delivering, Results, Innovation, Value, and Efficiency Initiative 3 - Optimize Retail Platform (Report Number CP-AR-16-DRAFT)

Thank you for the opportunity to review and provide comments on the draft audit report for DRIVE Initiative 3. The report identifies a recommendation with three sub bullets and a monetary impact. We agree with the recommendations and disagree with the associated monetary impact.

Prior to responding to your recommendations, we would like to comment on the audit report to correct factual errors.

**Office of Inspector General (OIG) Finding related to "...Adjusted Alternate Access Revenue roadmap metric..." – Page 2 (and various other similar statements in the report)**

The OIG reports states: "...On December 23, 2015, management changed the Adjusted Alternate Access Revenue roadmap metric in the charter to \$3.3 billion without ELT approval."

This statement is factually inaccurate. The change made to the Draft Charter value from \$3.1 billion to \$3.3 billion was approved by the Executive Leadership Team (ELT). The October 20<sup>th</sup> charter referenced in the report was a draft charter agreed upon by the ELT at the September 29<sup>th</sup> Deep Dive meeting and serviced as a place holder until the Integrated Financial Plan (IFP) value was finalized and approved by Finance and the ELT. Since the final IFP value was approved by the ELT, additional approval was not necessary. Also, as your report indicates, the Adjusted Alternate Access Revenue value was increased as compared to the initial October 20<sup>th</sup> estimate; therefore, there was no monetary impact at risk.

**USPS Responses to the Recommendations**

**OIG Recommendation 1:**

Reiterate Delivering Results, Innovation, Value and Efficiency governance policy to initiative leads and roadmap owners, specifically addressing the requirements to:

- a. Submit a change request or formal justification for changes to roadmap metric financial targets.
- b. Segregate duties related to requesting and approving exceptions per the policy to deviate from an identified control.
- c. Allow only appropriate management personnel to request and approve exceptions to deviate from an identified control.



**Management Response/Action Plan:**

Management agrees with these recommendations since they are part of the current process and the SMO followed the appropriate processes. No further action is required.

**Target Implementation Date:** Completed

**Responsible Official:** Director, Office of Strategic Planning



Kelly M. Sigmon  
Vice President, Retail and Customer Service Operations



Emil J. Dzuray, Jr.  
Director, Office of Strategic Planning

cc: [CARMManager@usps.gov](mailto:CARMManager@usps.gov)  
J. O Smith, USPS Manager, Strategic Management Office



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1735 North Lynn Street  
Arlington, VA 22209-2020  
(703) 248-2100