

Capping Report - Efficiency of Selected Processes at Select Retail Units, Arizona-New Mexico District

AUDIT REPORT

Report Number 23-020-R23 | March 21, 2023



Lake Havasu City Post Office



Phoenix Sierra Adobe Station



Yuma Main Office

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Phoenix Sierra
Adobe Station

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

March 21, 2023

MEMORANDUM FOR: TINA M. SWEENEY
DISTRICT MANAGER (A), ARIZONA-NEW MEXICO

A handwritten signature in black ink, appearing to read "John T. Littlejohn", is centered below the "MEMORANDUM FOR" section.

FROM: John T. Littlejohn
Director, Financial Controls

SUBJECT: Audit Report – Capping Report – Efficiency of Selected Processes
at Select Retail Units, Arizona-New Mexico District (Report Number
23-020-R23)

This capping report presents the results of our audits of the Efficiency of Selected Processes in the Arizona-New Mexico District.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Frank McElligott, Audit Manager, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit Response Management

Results

Background

This report presents a summary of the results of our self-initiated audits assessing the efficiency of selected processes at three selected retail units in the Arizona–New Mexico (AZ–NM) District (Project Number 23–020). These retail units include Yuma Main Office, Lake Havasu City Post Office, and Phoenix–Sierra Adobe Station in the AZ–NM District of the WestPac Area. We previously issued interim reports¹ to district management for each of these retail units regarding the conditions we identified.

Objective, Scope, and Methodology

Our objective was to review cash and stamp inventories, daily reporting activities, clock ring errors, and employee separations at the Yuma Main Office, the Lake Havasu City Post Office, and the Phoenix–Sierra Adobe Station. Our audit review scope period was April 1 through September 30, 2022.

To accomplish our objective, we reviewed data regarding inventories, daily reporting activities, clock ring errors, and employee separations to identify at risk transactions.² We conducted physical counts of all cash, stamp, and money order inventories, reviewed stamp transfers, and evaluated selected internal controls. We also observed daily closing procedures, traced selected transactions to source documentation, and interviewed unit personnel. We determined the cause of clock ring errors and the steps taken to resolve them and reviewed compliance with procedures for separated employees, including timely suspending system access, and collecting and protecting accountable property.

The U.S. Postal Service Office of Inspector General (OIG) reviewed Yuma Main Office, Lake Havasu City

Post Office, and Phoenix–Sierra Adobe Station during the week of November 14, 2022. We are issuing this capping report to provide the Postal Service with overall findings and recommendations for all three post offices.

We conducted these audits from November 2022 through March 2023 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 March 07, 2023, and included their comments where appropriate.

We assessed the reliability of data from the Enterprise Data Warehouse (EDW),³ Retail Systems Software (RSS)⁴ inventory reports, and Time and Collection System (TACS)⁵ reports by reviewing related documentation, tracing selected information to supporting source records, and interviewing knowledgeable Postal Service employees. We determined that the data were sufficiently reliable for the purposes of this report.

Results Summary

We identified issues regarding cash and inventories, and clock ring errors at all three retail units. In addition, we identified issues regarding daily reporting activities at two of the retail units. Lastly, we did not identify any issues with employee separations at the three units (see [Table 1](#)).

1 Efficiency of Selected Processes – Yuma Main Office, Yuma, AZ ([Report Number 23-020-1-R23](#), dated February 2, 2023), Efficiency of Selected Processes – Lake Havasu City Post Office, Lake Havasu City, AZ ([Report Number 23-020-2-R23](#), dated February 2, 2023), and Efficiency of Selected Processes Phoenix–Sierra Adobe Station, Phoenix, AZ ([Report Number 23-020-3-R23](#), dated February 2, 2023).

2 We did not review city or rural carriers.

3 A repository intended for all data and the central source for information on retail, financial, and operational performance. Mission-critical information comes to EDW from transactions that occur across the mail delivery system, points-of-sale, and other sources.

4 The hardware and software retail transaction system used in post offices.

5 A web-based automated payroll program that collects and processes time and attendance data and provides “real time” workhour data to help run day-to-day operations.

Table 1. Summary of Results

Controls Reviewed	Deficiencies Identified – Yes or No		
	Yuma	Lake Havasu City	Phoenix-Sierra Adobe
Cash and Inventories	Yes	Yes	Yes
Daily Reporting Activities	Yes	No	Yes
Clock Ring Errors	Yes	Yes	Yes
Employee Separations	No	No	No

Source: OIG summary of results from fieldwork during week of November 14, 2022.

Finding #1: Cash and Inventories

What We Found

Cash and stamps were not always managed effectively (see Table 2).

At the Yuma Main Office, we found a retail floor stamp shortage totaling \$343. In addition, there was unsecured retail floor stamp stock contained in an unlocked tool chest in an open vault; and an unsecured cashier’s check in the amount of \$275.

At the Lake Havasu City Post Office, we found unit cash reserves shortages of \$20 and \$2. Also, a retail floor stamp shortage of \$1,132, a unit reserve stamp shortage of \$951, and a lobby sales shortage of \$72. In addition, we identified stamp stock totaling \$2,884 and cash totaling \$498, related to rural carrier credits, not counted as unit reserve stamp stock for over five years.

At the Phoenix–Sierra Adobe Station, we found blank international money orders with a value up to \$25,900⁶ and blank domestic money orders with a value up to \$8,000⁷ not recorded in RSS. In addition, blank international money orders with a value up to \$3,500⁸ were listed on the inventory report and missing from the unit. Further, six of 35 PS Forms 17, *Stock Requisition/Stamp Return*, totaling \$80,035, did not contain a witness signature.

Table 2. Cash and Inventory Issues

#	Issues	Yuma Main Office	Lake Havasu City Post Office	Phoenix-Sierra Adobe Station	Corrective Action Taken Yes or No
1	Retail Floor Stamp (Shortage)	(\$343)	(\$1,132)	0	No
2	Unit Cash Reserves (Shortage)	0	(\$20), (\$2)	0	No
3	Unit Reserve Stamp (Shortage)	0	(\$951)	0	No
4	Lobby Sales (Shortage)	0	(\$72)	0	No
5	Rural Carrier Credits Not Counted (Stock and Cash)	0	\$2,884, \$498	0	No
6	International Money Orders Not Recorded	0	0	\$25,900	Yes
7	Domestic Money Orders Not Recorded	0	0	\$8,000	Yes
8	International Money Orders Missing	0	0	\$3,500	Yes
9	PS Forms 17 Incomplete	0	0	\$80,035	No

Source: OIG interim reports issued February 2, 2023.

6 Value is based on \$700 maximum face value of a Postal Service international money order (37 international X \$700 = \$25,900).

7 Value is based on \$1,000 maximum face value of a Postal Service domestic money order (8 domestic X \$1,000 = \$8,000).

8 Value is based on \$700 maximum face value of a Postal Service international money order (5 international X \$700 = \$3,500).

Why Did It Occur

Outside Tolerance

Unit management at the Yuma Main Office did not know the specific reasons for the shortage in the retail floor stamp inventory. At the Lake Havasu City Post Office, unit management did not know the specific reasons for the shortages in the cash and stamp inventories. Also, they did not know the correct procedures for handling rural carrier credits and did not audit the stock quarterly as required.

Cash and Inventory Security

- The tool chest lock was broken at the Yuma Main Office and was not replaced due to other duties taking priority. In addition, a sales associate did not secure a cashier's check due to lack of oversight.
- Unit manager at the Phoenix-Sierra Adobe Station was not aware of the unrecorded money orders because they were not included on the inventory list when the unit reserve stock was transferred to him in July 2022. Also, he did not inspect the entire vault for potential 'unaccounted for' stock during the stock transfer. The 37 blank international money orders were from 1997 and should have been shredded. The manager mentioned that he was not aware of missing international money orders until the audit team brought it to his attention. He did not sign for the money orders and had no knowledge of their existence. He plans to report the missing money orders to the United States Postal Inspection Service.
- The unit manager started at the Phoenix-Sierra Adobe Station in July 2022. The PS Forms 17 missing the witness signature were processed prior to his assignment.

What Should Have Happened

Outside Tolerance

Postal Service policy states the postmaster or unit manager is responsible for ensuring that controls are in place for maintaining an accurate inventory for all accountable paper, such as money orders, in the postal retail unit.⁹ Also, Postal Service policy states that the unit reserve should be audited at least once a year.¹⁰ In addition, a supervisor must count rural

stamp credits at least once every four months to ensure the credit is properly maintained. No tolerance is applied to rural stamp credits.¹¹

An independent count of the unit reserve stock must be performed by the unit stock custodian and the replacement custodian when accountability is transferred to or from the unit reserve stock custodian.¹²

Cash and Inventory Security

The postmaster, manager, or supervisor must provide adequate security for all accountable items, which include Postal Service funds (cash, checks, and money orders) and stamp stock, and ensure proper entry of all financial transactions.¹³

When stamp stock is received, employees must count the stock and verify, with a witness, the amount reported on PS Form 17 and sign the form as the person receiving the stock (a witness signature is required).¹⁴

Effect on the Postal Service and Its Customers

Improperly accounting for cash, money orders, and stamp stock, physically and in financial records, increases the risk of loss and opportunities for theft to occur and go unnoticed. Further, if employees do not maintain controls over nonmail items, there is an increased risk of identity and property theft. We consider the unrecorded and missing blank money orders totaling \$37,400 and the PS Forms 17, *Stock Requisition/Stamp Return*, processed without a witness totaling \$80,035, at Phoenix-Sierra Adobe Station as accountable items at risk.¹⁵

Recommendation #1

We recommend the **Manager, Arizona-New Mexico District**, reiterate to Yuma Main Office, Lake Havasu City Post Office, and Phoenix-Sierra Adobe Station unit management and personnel, the requirements to secure accountable items, properly manage cash and inventory, and conduct financial reviews.

Recommendation #2

We recommend the **Manager, Arizona-New Mexico District**, reiterate the requirement for field unit managers at the Phoenix-Sierra Adobe Station to verify PS Form 17 transactions are accurate, properly witnessed, and supported.

⁹ Handbook F-101, *Field Accounting Procedures*, Section 11-3.1, September 2022.

¹⁰ Handbook F-101, Section 2-4.6.

¹¹ Handbook F-101, Section 13-2.7.

¹² Handbook F-101, Section 11-10.2.2.

¹³ Handbook F-101, Section 3-1.1.

¹⁴ Handbook F-101, Section 13-2.8.

¹⁵ Assets or accountable items at risk of loss is a category due to lack of inadequate internal controls. Examples include, but are not limited to cash, stamps, or money orders.

Finding #2: Daily Financial Reporting Process

What We Found

We identified issues relating to accuracy and timeliness of financial reporting activities at two retail units. Specifically, we found the following issues:

- Yuma Main Office and Phoenix-Sierra Adobe Station management did not always properly perform daily financial reporting activities, including the timely review of the PS Form 1412, *Daily Financial Report*,¹⁶ to ensure the accuracy and timeliness of supporting documentation for all necessary transactions at close out.
- Yuma Main Office unit personnel did not file any emergency travel documentation with PS Form 1412. They input emergency travel advances electronically and did not file the travel advance, along with the money order receipt, with the PS Form 1412 as required.
- Phoenix-Sierra Adobe Station unit personnel did not include proper documentation and support for 25 of 415 transactions, totaling \$9,316.¹⁷
- Phoenix-Sierra Adobe Station unit management did not maintain a unit financial differences log.

Why Did it Occur

Unit management at the Yuma Main Office was unaware of their responsibility to review final PS Form 1412 documentation daily and the need to file supporting documentation. In addition, unit supervisors at the Phoenix-Sierra Adobe Station performed random (not daily) reviews of the PS Form 1412 for accuracy and support due to frequent rotation of supervisors at the unit. Further, the unit manager misinterpreted the requirement to maintain a separate financial differences log at the unit.

What Should Have Happened

Postal Service policy states:

- Retail Associates, at the time of closing, must verify that PS Form 1412 entry amounts match the supporting documentation.¹⁸

- The closeout employee must confirm that all required supporting documentation is submitted and follow the closing procedures that require filing the PS Form 1412 with the supporting documentation.¹⁹
- Field unit managers must review supporting documentation for all entries included on PS Forms 1412 and concur with the overall presentation of the report each day.²⁰
- Field unit managers must review PS Forms 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*, to ensure they are completed properly and include the appropriate signatures.²¹
- Review and maintain a file for all financial differences expensed to the unit.²²

Effect on the Postal Service and Its Customers

When unit management does not ensure that the review of financial reports is performed daily, including verifying supporting documentation, the Postal Service has an increased risk of undetected theft, lost revenue, and fraudulent activity. Furthermore, delayed processing creates a backlog of work for unit personnel and does not ensure good customer service.

Recommendation #3

We recommend the **Manager, Arizona-New Mexico District**, confirm that field unit managers at the Yuma Main Office and Phoenix-Sierra Adobe Station review daily financial reports to verify transactions are accurate, properly witnessed, and supported.

Recommendation #4

We recommend the **Manager, Arizona-New Mexico District**, reiterate the requirement for field unit managers at the Phoenix-Sierra Adobe Station to review and maintain a file for all financial differences expensed to the unit.

¹⁶ All postal retail units, regardless of size or revenue, must report their financial activity to Accounting Services electronically at the close of each business day.

¹⁷ The total for all 415 transactions examined. The total for the 25 unsupported or incomplete forms was \$550.

¹⁸ Handbook F-101, Section 5-3.1. c.

¹⁹ Handbook F-101, Section 5-3.2. b.

²⁰ Handbook F-101, Section 2-4.1.

²¹ Handbook F-101, Sections 2-4.1.

²² Handbook F-101, Sections 2-4.1 (l), (h), (j), (k), and (e).

Finding #3: Clock Ring Errors and Warnings

What We Found

Management at all three offices corrected fatal clock ring errors timely, avoiding payroll adjustments. All three offices had clock ring warnings.²³

- At Yuma Main Office, we found 977 warnings from April 1 to September 30, 2022, that we considered avoidable. Specifically, nine retail unit employees did not always adhere to scheduled start times. We found 347 warnings representing nine retail unit personnel starting their workday outside the five-minute allowance period, and for those where work hours differed from actual start times, no documentation to support temporary schedule adjustments were authorized.
- At Lake Havasu City Post Office, we found 1,231 warnings from April 1 to September 30, 2022, that we consider to be avoidable. We determined that 723 of the warnings represented eight-unit personnel starting their workday outside the five-minute allowance period. Furthermore, the Lead Sales Service Associate (LSSA) had not been assigned TACS duties.
- At Phoenix-Sierra Adobe Station we found 1,767 warnings from April 1 to September 30, 2022, related to retail sales and service employees (clerks) clock rings. During our analysis of 672 of the 1,767 warnings, we found unit management did not address 544 of 549 warnings related to unit personnel starting their workday outside the five-minute allowance period.
- In addition, Phoenix-Sierra Adobe Station management did not always retain:
 - PS Form 1017-B, *Unauthorized Overtime Record*,²⁴ documentation to support the reasons for deleting 90 clock rings consisting of overtime, sick, and annual leave transactions.
 - PS Form 1017-A, *Time Disallowance Record*,²⁵ documents related to the 11 clock ring warnings for missing disallowed time comments.

- Documentation related to adjudication of 22 clock ring warnings related to overtime transactions greater than hours worked.
- Further, the LSSA completed TACS training and had access to the TACS system but did not always perform TACS duties as required.

Why Did It Occur

The supervisor at the Yuma Main Office was aware of the policy but did not have time to follow-up with employees clocking in after the five-minute allowance period. Management did not enforce the policy regarding late arrivals but instead cleared the clock ring errors daily, allowing employees to continue arriving outside of the allowance period.

The clock ring issues at Lake Havasu City occurred due to lack of oversight regarding enforcement of the policy for late arrivals. Also, although the LSSA attended TACS training, her TACS access has not yet been granted.

The clock ring error issues at the Phoenix-Sierra Adobe Station occurred due to:

- The LSSA tasked with TACS responsibility did not mention to unit management that unit employees clocked in outside of their scheduled start time as listed in TACS reports.
- Unit supervisors maintained PS Forms 1017-A and 1017-B documentation for the letter carriers' clock ring disallowances. However, due to lack of oversight, they did not realize the binders did not include similar documentation for clerk clock ring disallowances.
- The unit manager reassigned the TACS duties to a unit supervisor due to consistent errors made by the LSSA.

What Should Have Happened

Postal Service policy²⁶ states the following:

- Upon arrival, employees who are required to use time clocks must clock in at their scheduled reporting time. Employees must not be permitted to clock in more than five minutes before or after their scheduled reporting time.²⁷

²³ Messages which address issues other than fatal errors but should also be reviewed. They may be informational only (i.e., "Nonscheduled Begin Tour") or may require action (i.e., an instance of "Missing OT Transaction") that needs to be addressed with a Code 91 entry (overtime transaction). Unlike fatal errors, which disappear when the error is corrected, most warning messages do not disappear (i.e., "Nonscheduled Begin Tour/End Tour").

²⁴ Managers and supervisors are required to complete a PS Form 1017-B the first time a non-exempt employee incurs unauthorized overtime. Serves as a cumulative record of unauthorized overtime.

²⁵ Form used only when a supervisor observes, or has reason to know, that an employee did not work, while "on the clock". The supervisor must document the basis for any such disallowance. Serves as a cumulative record of disallowed time.

²⁶ Handbook F-21, *Time and Attendance*, Section 142.21, February 2016.

²⁷ Handbook F-21, Section 133.63.

- Management is responsible for ensuring that employees clock in and out according to their assigned schedules, identifying any deviation from the scheduled tour by more than 0.08 hours (five minutes), acting on all leave requests, acting on all requests for temporary schedule changes, and completing supporting forms as required by established procedures.²⁸
- Unit personnel must complete PS Form 1017-A or PS Form 1017-B in its entirety and document the reason for disallowance with the first incident of disallowed time. These forms should be secured from unauthorized access in locked cabinets or desk drawers.²⁹
- On July 16, 2021, multiple headquarters' officials issued a letter to all district managers stating that all units must have LSSAs trained and assigned TACS timekeeping duties.³⁰

Effect on the Postal Service and its Customers

Unresolved timekeeping errors can result in the issuance of incorrect paychecks, requiring payroll adjustments. In addition, when the LSSA is not trained and assigned TACS duties, the Postal Service could be exposed to financial liability resulting from grievance settlements.

During our fieldwork, the unit supervisor at the Phoenix-Sierra Adobe Station created PS Forms 1017-A and 1017-B for each applicable clerk and placed them in a binder labeled, "Clerks 1017s", as corrective action for the identified issue. Therefore, there will be no recommendation for this specific finding in this report.

Recommendation #5

We recommend the **Manager, Arizona-New Mexico District**, reiterate to Yuma Main Office, Lake Havasu City Post Office, and Phoenix-Sierra Adobe Station unit management the requirement to address employee tardiness and retain documentation supporting actions taken in locked drawers or cabinets.

Recommendation #6

We recommend the **Manager, Arizona-New Mexico District**, direct Phoenix-Sierra Adobe Station unit management to provide additional timekeeping training to their Lead Sales Service Associate and assign timekeeping duties to this employee.

Management's Comments

Management agrees with all findings, recommendations, and other impact.

Regarding recommendation 1, management stated they will provide a stand-up talk to all required personnel on the proper handling of accountable items. Additionally, management will ensure all personnel complete, in the Integrated Human Resources System (HERO), the course *Daily Closeout and 1412 Certification*. The target implementation date is May 31, 2023.

Regarding recommendation 2, management stated they will ensure unit managers at Phoenix-Sierra Adobe complete HERO Course *Field Stamp Stock Management*. The target implementation date is May 31, 2023.

Regarding recommendation 3, management at Phoenix-Sierra Adobe Station and Yuma Main Office will review daily financial reports daily for the previous day to validate transactions are accurate and properly witnessed and supported. The target implementation date is May 31, 2023.

Regarding recommendation 4, management stated they will maintain a financial differences log at the unit level and review daily for accuracy. The target implementation date is May 31, 2023.

Regarding recommendation 5, management stated they will conduct stand-up talks with all employees on maintaining proper schedules and attendance. The Manager, Arizona-New Mexico District will direct the Managers of Post Office Operations to conduct period reviews of schedules for compliance. Associated documents will be secured. The target implementation date is May 31, 2023.

Regarding recommendation 6, management stated they will provide coaching, one on one training and supervision to the Lead Sales Service Associate at Phoenix-Sierra Adobe Station and will assign timekeeping duties. The target implementation date is May 31, 2023.

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

²⁸ Handbook F-21, Section 114.1.

²⁹ TACS Supervisor's Training, *Participant's Workbook*, June 2022, Draft.

³⁰ Resulting from a February 2016 grievance settlement with the American Postal Workers Union.

Evaluation of Management's Comments

The OIG considers management's comments responsive to the recommendations in the report, and planned actions should resolve the issues identified in the report. All recommendations require OIG concurrence before closure. The OIG requests written confirmation when corrective actions are completed. The recommendations should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed.

Appendices

Appendix A: Management's Comments.....10



Appendix A: Management's Comments



March 13, 2023

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Efficiency of Selected Processes at Select Retail Units, Arizona-New Mexico District (Project Number 23-020-DRAFT)

Thank you for providing the Postal Service with an opportunity to review and comment on the findings and recommendations contained in the draft audit report, *Efficiency of Selected Processes at Select Retail Units, Arizona-New Mexico District*.

Management agrees with the three findings in the report related to cash and inventories, daily financial reporting process, and clock ring errors and warnings and has begun taking action to address.

Following are our comments on each of the six recommendations.

Recommendation 1:

We recommend the **Manager, Arizona-New Mexico District**, reiterate to Yuma Main Office, Lake Havasu City Post Office, and Phoenix-Sierra Adobe Station unit management and personnel, the requirements to secure accountable items, properly manage cash and inventory, and conduct financial reviews.

Management Response/Action Plan:

Management agrees with this recommendation.

Management will provide a stand-up talk to all required personnel on the proper handling of accountable items. Additionally, management will ensure all personnel complete HERO course *Daily Closeout and 1412 Certification*.

Target Implementation Date: 05/31/2023

Responsible Official: Manager, Arizona-New Mexico District

Recommendation 2:

We recommend the **Manager, Arizona-New Mexico District**, reiterate the requirement for field unit managers at the Phoenix-Sierra Adobe Station to verify PS Form 17 transactions are accurate, properly witnessed, and supported.

Management Response/Action Plan:

Management agrees with this recommendation.
Management will ensure unit managers at Phoenix-Sierra Adobe complete HERO Course *Field Stamp Stock Management*.

Target Implementation Date: 05/31/2023

Responsible Official: Manger, Customer Service – Phoenix-Sierra Adobe Station

Recommendation 3:

We recommend the **Manager, Arizona-New Mexico District**, confirm that field unit managers at the Yuma Main Office and Phoenix-Sierra Adobe Station review daily financial reports to verify transactions are accurate, properly witnessed, and supported.

Management Response/Action Plan:

Management agrees with this recommendation.
Management at Phoenix-Sierra Adobe Station and Yum MPO will review daily financial reports daily for the previous day to validate transactions are accurate and properly witnessed and supported.

Target Implementation Date: 05/31/2023

Responsible Official:

Manger, Customer Service – Phoenix-Sierra Adobe Station
Postmaster, Yuma MPO

Recommendation 4:

We recommend the **Manager, Arizona-New Mexico District**, reiterate the requirement for field unit managers at the Phoenix-Sierra Adobe Station to review and maintain a file for all financial differences expensed to the unit.

Management Response/Action Plan:

Management agrees with this recommendation.
Management will maintain a financial differences log at the unit level and review daily for accuracy.

Target Implementation Date: 05/31/2023

Responsible Official: Manger, Customer Service – Phoenix-Sierra Adobe Station

Recommendation 5:

We recommend the **Manager, Arizona-New Mexico District**, reiterate to Yuma Main Office, Lake Havasu City Post Office, and Phoenix-Sierra Office, and Phoenix-Sierra Adobe Station unit management the requirement to address employee tardiness and retain documentation supporting actions taken in locked drawers or cabinets.

Management Response/Action Plan:

Management agrees with this recommendation. Management will conduct stand-up talks with all employees on maintaining proper schedules and attendance. The **Manager, Arizona-New Mexico District** will direct the MPOOs to conduct period reviews of schedules for compliance. Associated documents will be secured.

Target Implementation Date: 05/31/2023

Responsible Official:

Manger, Customer Service – Phoenix-Sierra Adobe Station
Postmaster, Yuma MPO
Postmaster, Lake Havasu City Post Office

Recommendation 6:

We recommend the **Manager, Arizona-New Mexico District**, direct Phoenix-Sierra Adobe Station unit management to provide additional timekeeping training to their Lead Sales Service Associate and assign timekeeping duties to this employee.

Management Response/Action Plan:

Management agrees with this recommendation. Management will provide coaching, one on one training and supervision to the Lead Sales Service Associate at Phoenix-Sierra Adobe Station and will assign timekeeping duties.

Target Implementation Date: 05/31/2023

Responsible Official: Manger, Customer Service – Phoenix-Sierra Adobe Station

E-SIGNED by TINA.M SWEENEY
on 2023-03-13 17:04:01 CDT

Tina M. Sweeney
Acting Manager, Arizona-New Mexico District

cc: Vice President, Area Retail & Delivery Operations (WestPac)
Corporate Audit Response Management

OFFICE OF INSPECTOR GENERAL

UNITED STATES



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