DISTRIBUTION OF MAIL

EXECUTIVE SUMMARY

Our review of the distribution of mail found that it generally complied with applicable guidance and was cost effective. We are making several recommendations to enhance mail management, including: considering additional automation; promoting efficient use of express mail methods; issuing updated mail guidance; establishing a mail site on the Intranet; and providing additional information to mail room staff.

BACKGROUND

The General Services Administration (GSA) issued guidance to agencies on Federal Mail Management (41 Code of Federal Regulations, 101-9). The guidance requires the agency head to designate a mail manager. This manager develops a mail cost control program and a transition plan for automating mail procedures, among other responsibilities. Commission mail policies and procedures are described in the Mail Management regulation (SECR 22-1).

The Branch Chief of Publishing in the Office of Administrative and Personnel Management (OAPM) is the Commission's mail manager. Approximately 15 staff and a supervisor handle day-to-day distribution of mail in headquarters. Many of these staff members are physically challenged.

According to OAPM, daily mail volume is approximately 800 pieces of express mail and 2500 pieces of regular and interoffice mail. Mail is delivered three times daily (10:30 a.m., 12:30 a.m., and 3:30 p.m.). At 4:30 p.m., outgoing mail not previously picked up is taken to the post office.

OAPM indicated that mail volume has steadily increased over the years. The increase in volume has made it difficult for mailroom staff to always provide timely mail delivery, especially during peak periods.

SCOPE AND OBJECTIVES

Our objective was to determine whether the distribution of mail complied with applicable guidance and was cost effective. During the review, we interviewed mail management staff, observed the operation of the headquarters mailroom, reviewed relevant documentation, and surveyed a judgment sample of headquarters staff.

Our review also included mail distribution in the Operations Center and a field office. It was performed between August and November 2000, in accordance with generally accepted government auditing standards.

AUDIT RESULTS

We found that the distribution of mail generally complied with applicable guidance and was cost effective. Our recommendations to enhance mail management are presented below.

Automation

GSA's mail management guidance (see Background) requires the mail manager to prepare a transition plan for automating mailing procedures. While a plan has not yet been prepared, the mail manager indicated that the mailroom could automate some mail processing functions (*e.g.*, by acquiring a sorting machine). New automation equipment might require enlarging the mailroom, where space is quite limited.

Recommendation A

OAPM should prepare the automation transition plan required by GSA. It should consider hiring a consultant to assist in developing the plan. If necessary, the mailroom should be enlarged when the plan is implemented.

Guidance

The Commission's mail management guidance was issued in 1985 and is out of date. It does not reflect GSA's guidance, issued in 1994, and information in it is wrong (*e.g.*, zip codes, postal and express mail rates). OAPM should update the guidance.

Recommendation B

OAPM should update the mail management guidance (SECR 22-1).

Web Page

OAPM could improve access to mail guidance by implementing a mail web page on the Intranet. The page could include Commission mail regulations, a link to the GSA mail web site, and information on postal and express mail rates and procedures.

Recommendation C

OAPM should implement a mail web page on the Intranet, as discussed above.

Express Mail

Sixteen respondents to our survey indicated that they send express (overnight) mail on Fridays, even though the mail will not be delivered until Monday, when the addressee's building opens. Commission guidance discourages this practice because it is not cost effective.

Express mail costs have increased by 43% between fiscal years 1997 and 2000, from $278,238 to $397,382. Some portion of the increase may be due to unnecessary use of express service. Employees may be unaware that cheaper alternatives can be as effective under certain circumstances.

Recommendation D

OAPM should issue guidance describing less expensive alternatives for expedited mail service and when they are appropriate. The guidance should be posted on the Intranet mail web page (see above).

WORKSHOPS

Other agencies have improved their mail management through outreach efforts. For example, the Department of Energy instituted a Mail Center outreach program to increase employee awareness of mail procedures. This initiative resulted in annual savings of $260,000. Similarly, the Department of Defense implemented annual Mail Management workshops to train its employees.

Recommendation E

OAPM should hold mail management workshops for administrative contacts and other administrative staff. The workshops, which could be held during the annual administrative conference, would cover mail management procedures, including cost effective use of the mail.

EXPRESS MAIL DISTRIBUTION

Under current procedures, the Branch of Filer Support in the Office of Filings and Information Services (OFIS) receives all misaddressed express mail. A Legal Instruments Examiner in the branch reviews the mail to determine where it should be sent. Much of the express mail it receives is not intended for OFIS, resulting in needless delay of this time sensitive material. The distribution of mail to the proper office is a function of the mailroom, not OFIS.

Recommendation F

OAPM should determine where misaddressed express mail should be sent, rather than sending it to OFIS. It should train an employee in document review or hire a Legal Instruments Examiner if necessary.

MAIL STOP NUMBERS

Many of our questionnaire forms were returned to the OIG headquarters office (mail stop 1107), rather than to the Operations Center, even though the envelopes had an Operations Center stop (O-11A). One survey respondent indicated that their mail also sometimes went to the wrong stop. Mailroom staff apparently become confused because several offices have more than one mail stop, including the divisions of Enforcement, Corporation Finance, and Investment Management, and the Office of General Counsel.

Recommendation G

OAPM should tell the administrative contacts to post the mail stop number at the mail receiving point, if the office has multiple stops. It should also remind the mailroom staff to deliver mail to the stop indicated on the mail.
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EMPLOYEE LOCATOR

When the mailroom receives mail without a stop number indicated, the staff attempts to determine the addressee's stop number. Because of frequent turnover and transfers within the Commission, the phone book (which is updated annually) and the employee locator on the Intranet may not be current. For example, we checked fifteen employees hired before September 30, 2000. Three were not in the employee locator as of October 23, 2000.

If the employee cannot be readily located, mail delivery is delayed. A current listing of all employees and their mail stop would help the mailroom and improve mail service. OAPM informed us that the administrative contacts are required to update the employee locator when their office has personnel changes.

Recommendation H

OAPM should remind the administrative contacts to update the employee locator promptly after personnel changes.