



# OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

## Unscheduled Leave in the Chicago District

### Audit Report

Report Number  
HR-AR-15-006

May 21, 2015





# OFFICE OF INSPECTOR GENERAL

## UNITED STATES POSTAL SERVICE

### Highlights

***District management did not effectively oversee unscheduled leave, which led to 635 of 7,804 employees (8 percent) using 344,121 of 737,787 unscheduled leave hours (47 percent).***

### Background

Unscheduled leave is any absence from work that is not requested or approved in advance and could require management to replace experienced employees, resulting in additional workhours or overtime. This could negatively impact workplace productivity and morale.

The U.S. Postal Service Office of Inspector General (OIG) monitors unscheduled leave using the Human Resources Risk Model, which identifies risks that could impact employee morale, productivity, efficiency, and costs. During the last 3 quarters of fiscal year (FY) 2014, the Chicago District was identified as having the highest percentage of unscheduled leave, ranging from 13.5 to 17.3 percent, compared to other districts, with ranges from 5.3 to 10.1 percent. Our objective was to assess unscheduled leave activity in the Chicago District and identify opportunities to reduce it.

### What The OIG Found

District management did not effectively oversee unscheduled leave, which led to 635 of 7,804 employees (8 percent) using 344,121 of 737,787 unscheduled leave hours (47 percent). These employees averaged 542 hours compared to the remaining 7,169 employees, averaging 55 hours of leave. We referred these employees to the OIG's Office of Investigations for further review.

At three sites we visited, representing 185 of the 635 employees (29 percent), 40 of 60 supervisors (67 percent) did not receive training on the Enterprise Resource Management System — the Postal Service's leave management system — and 32 (53 percent) did not receive training on leave controls. In addition, supervisors did not consistently use the system to monitor unscheduled leave use. Further, district officials did not have an oversight process to review the management of unscheduled leave activity. Finally, district Labor Relations personnel did not review leave management, as required.

Reducing the group of 635 employees' average individual leave usage of 542 hours, to the remaining employees' average leave usage of 55 hours, would reduce about 309,000 of the 737,787 total unscheduled leave hours (42 percent). This represents about \$3.3 million that could be used more efficiently in FY 2014.

### What The OIG Recommended

We recommended management train supervisors and provide guidelines on the Enterprise Resource Management System and leave control. We also recommended management establish processes to ensure reviews of employees' attendances and leave management are completed.

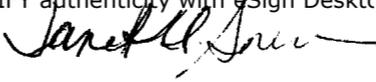
# Transmittal Letter



OFFICE OF INSPECTOR GENERAL  
UNITED STATES POSTAL SERVICE

May 21, 2015

**MEMORANDUM FOR:** GREGORY W. JOHNSON  
MANAGER, CHICAGO DISTRICT

E-Signed by Janet Sorensen  
VERIFY authenticity with eSign Desktop  


**FROM:** Janet M. Sorensen  
Deputy Assistant Inspector General  
for Revenue and Resources

**SUBJECT:** Audit Report – Unscheduled Leave in the Chicago District  
(Report Number HR-AR-15-006)

This report presents the results of our audit of Unscheduled Leave in the Chicago District (Project Number 15RG007HR000).

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Monique P. Colter, director, Human Resources and Support, or me at 703-248-2100.

Attachment

cc: Corporate Audit and Response Management

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# Findings

***Unscheduled leave is any absence from work that is not requested or approved in advance. Unplanned leave could require management to replace experienced employees, which results in additional workhours or overtime.***

***District management did not effectively oversee unscheduled leave, which led to employees using excessive unscheduled leave during FY 2014.***

## Introduction

This report presents the results of our self-initiated audit of Unscheduled Leave in the Chicago District (Project Number 15RG007HR000). We based this project on an analysis of the U.S. Postal Service Office of Inspector General's (OIG) fiscal year (FY) 2014 Human Resources Risk Model, which identifies risks that could impact employee morale, productivity, efficiency, and costs. Our objective was to assess unscheduled leave activity in the Chicago District and identify opportunities to reduce unscheduled leave. See [Appendix A](#) for additional information about this audit.

Unscheduled leave is any absence from work that is not requested or approved in advance. Unplanned leave could require management to replace experienced employees, which results in additional workhours or overtime. This could negatively impact workplace productivity and morale. During the last 3 quarters of FY 2014, the Chicago District was identified as having the highest percentage of unscheduled leave, ranging from 13.5 to 17.3 percent, compared to other districts, with ranges from 5.3 to 10.1 percent.

## Conclusion

District management did not effectively oversee unscheduled leave, which led to employees using excessive unscheduled leave during FY 2014. We identified 635 of 7,804 employees (8 percent) who used 344,121 of 737,787 unscheduled leave hours (47 percent). These employees averaged 542 hours compared to the remaining 7,169 employees, averaging 55 hours of leave. We referred the records of those employees with excessive leave to the OIG's Office of Investigations for further review.

At three sites<sup>1</sup> we visited, representing 185 of the 635 employees (29 percent), 40 of 60 managers and supervisors (67 percent) did not receive training on the Enterprise Resource Management System (eRMS) — the Postal Service's leave management system — and 32 (53 percent) did not receive training on leave controls. In addition, supervisors did not consistently use the system to monitor unscheduled leave use. Further, district officials did not have an oversight process to review the management of unscheduled leave activity. Finally, district Labor Relations personnel did not review leave management, as required.

Reducing the 635 employees' average leave usage of 542 hours to the remaining employees' average leave usage of 55 hours would reduce about 309,000 of the 737,787 total unscheduled hours (42 percent). This represents about \$3.3 million that the Postal Service could use more efficiently in FY 2014.

## Unscheduled Leave Controls

District management did not effectively oversee unscheduled leave, which led to employees using excessive unscheduled leave during FY 2014.

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<sup>1</sup> The three sites visited were the Chicago International Service Center, the Grand Crossing Carrier Annex, and the Wicker Park Station.

# UNSCHEDULED LEAVE HOURS

## IN THE CHICAGO DISTRICT

**Unscheduled Leave Occurrences**

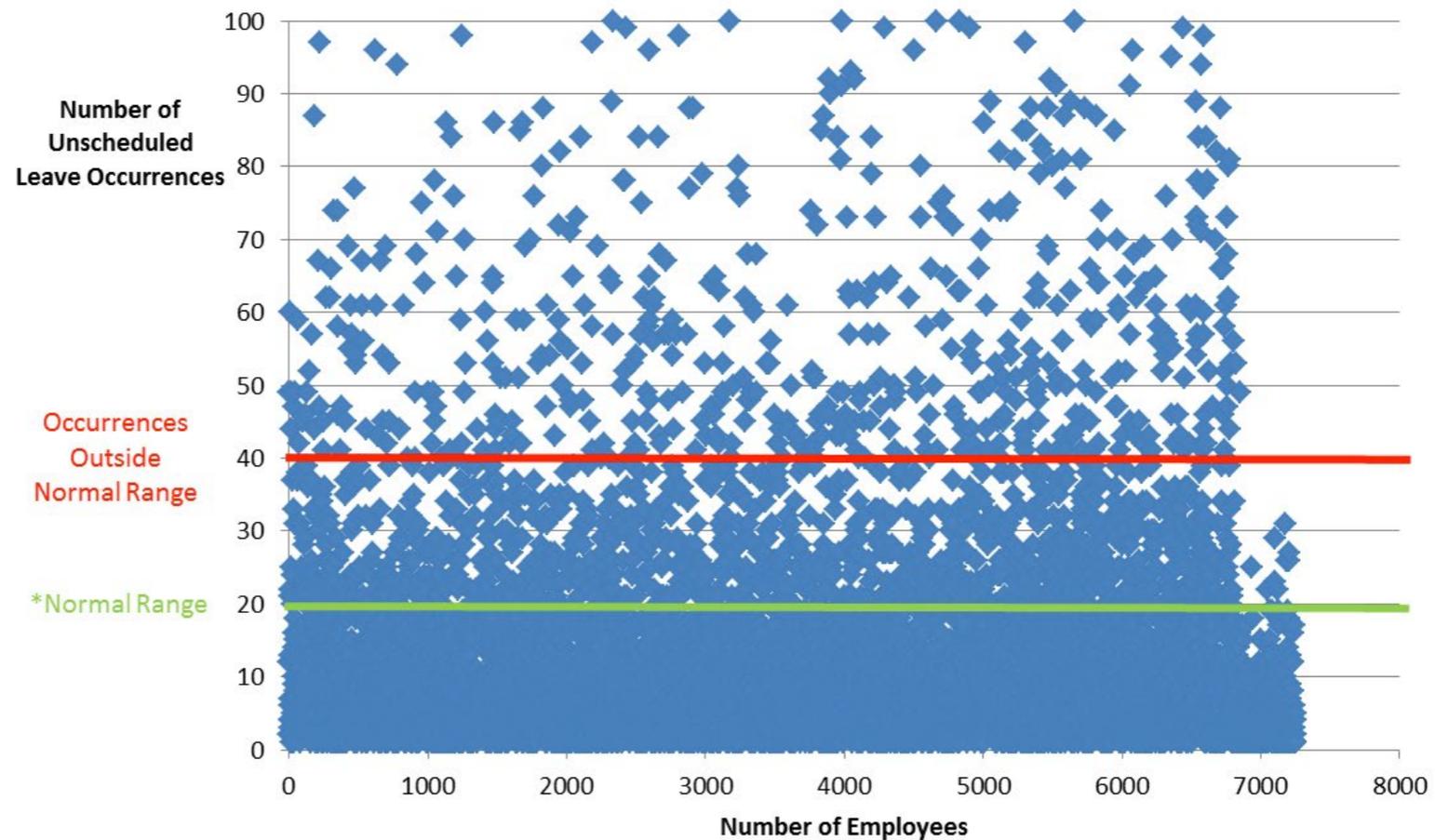
**Percentage of Employees**

**Percentage of Unscheduled Leave Hours**

**Average Yearly Hours Per Employee**

We identified two distinct groups by displaying each employee's total unscheduled leave occurrences<sup>2</sup> on a scatter plot graph.<sup>3</sup> In Figure 1, the data points shown above the 40 occurrence (red) line represent the 635 employees with total unscheduled leave hours outside the leave usage activity of the remaining 7,169 employees, who are represented by the remaining data points displayed below the 40 occurrence line (the normal range).

**Figure 1. Unscheduled Leave Occurrences Scatter Plot Graph**



Source: Enterprise Data Warehouse (EDW) system.

The 635 employees with 40 or more unscheduled leave occurrences used 344,121 of 737,787 total unscheduled leave hours during FY 2014 (or 47 percent). The remaining 7,169 employees had 39 or fewer occurrences each, and used a total of 393,666 unscheduled leave hours (or 53 percent). See [Figure 2](#).

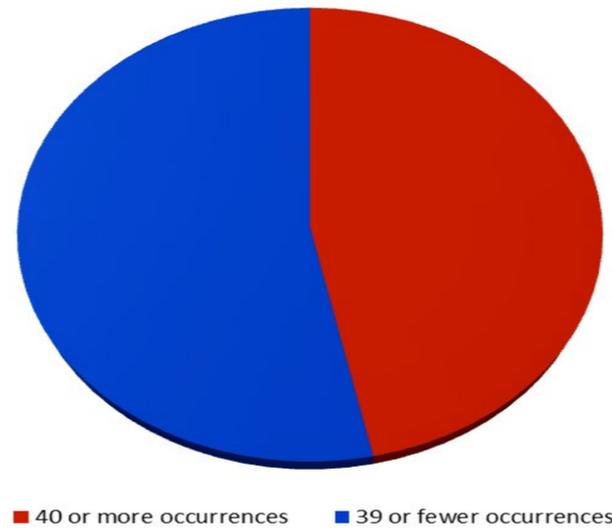
We compared the Chicago District with the similar-sized Philadelphia Metropolitan District. Philadelphia Metropolitan District employees only used 493,153 hours of unscheduled leave compared with the Chicago District's 737,787 hours.

The Central Plains District was ranked one of the lowest districts nationwide in unscheduled leave, with only 118,587 hours during FY 2014. District management attributed this to a successful gradual reduction in sick leave and any leave other than Family

<sup>2</sup> For our analysis, we considered an occurrence to be each individual day an employee was absent from work and included each hour of the absence.

<sup>3</sup> A scatter plot graph represents plotted points that show the relationship between two sets of data.

**Figure 2. Unscheduled Leave Hours**



Source: EDW.

and Medical Leave Act<sup>4</sup> (FMLA) leave. They implemented mandatory weekly attendance meetings with managers and supervisors until progress was achieved. In addition, supervisors had 100 percent timely responses to eRMS unscheduled leave notifications and Labor Relations provided field personnel with 1-hour training sessions covering topics such as proper attendance control.

The 635 Chicago District employees with 40 or more unscheduled leave occurrences, or 8 percent of the district’s complement, averaged about 542 hours of unscheduled leave per employee. The other 7,169 employees with 39 or fewer occurrences averaged about 55 hours per employee (see Table 1).

**Table 1. Summary of Unscheduled Leave Hours in the Chicago District**

Group	Complement	Unscheduled Leave Hours	Percentage of Total Unscheduled Leave Hours	Average Yearly Hours Per Employee
40 or More Occurrences	635	344,121	47%	542
39 or Fewer Occurrences	7,169	393,666	53%	55
<b>Total</b>	<b>7,804</b>	<b>737,787</b>	<b>100%</b>	

Source: EDW.

<sup>4</sup> The FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for certain family and medical reasons, such as birth of a child, care for a dependent, or a serious health condition.

***The top three unscheduled leave types recorded for the 635 employees with 40 or more occurrences of unscheduled leave, which represented 86 percent of all other types of unscheduled leave, were Absent Without Leave (AWOL), sick leave, and Leave Without Pay (LWOP) during FY 2014.***

The top three unscheduled leave types recorded for the 635 employees with 40 or more occurrences of unscheduled leave, which represented 86 percent of all other types of unscheduled leave<sup>5</sup>, were Absent Without Leave (AWOL), sick leave, and Leave Without Pay (LWOP) during FY 2014. About 41 percent of total unscheduled leave hours were AWOL for this group of employees. Employees who do not inform their supervisors about a work absence in advance are considered AWOL until details of the occurrences are reviewed.<sup>6</sup> After reviewing the circumstances of the absence, management may charge the absence as LWOP and the employee may be considered AWOL for corrective action purposes.<sup>7</sup> LWOP is an authorized absence from duty in a nonpay status and employees may use LWOP when they have no available leave.

Sick leave was the second most frequently used type of leave. It represented a combined total of 92,419 hours of total unscheduled leave for the group (about 27 percent) and is composed of the following categories:

- Sick Leave - Regular
- Full Day LWOP in Lieu of Sick Leave
- Annual Leave in Lieu of Sick Leave

Employees who are incapacitated and cannot perform their assigned duties may request sick leave provided they have not used all of their sick leave allowance. When an employee exhausts their sick leave allowance, management can grant them Full Day LWOP in Lieu of Sick Leave. Employees may also request annual leave instead of sick leave.<sup>8</sup> Full Day LWOP was the third most frequently used type of leave. It represented about 62,052 hours of total unscheduled leave (about 18 percent). See Table 2.

**Table 2. Type of Leave Most Frequently Used by Employees With 40 or More Unscheduled Leave Occurrences**

Rank	Leave Type	Unscheduled Leave Hours	Percentage of Total Unscheduled Leave Hours
1	Absent Without Leave	139,982	41%
2	Sick Leave: <sup>9</sup>	92,419	27%
	Sick Leave – Regular	48,414	14%
	Full Day LWOP in Lieu of Sick Leave	32,888	10%
	Annual Leave in Lieu of Sick Leave	11,117	3%
3	Full Day LWOP	62,052	18%
<b>Total</b>		<b>294,453</b>	<b>86%</b>

Source: EDW.

<sup>5</sup> There are 32 other types of unscheduled leave.

<sup>6</sup> Handbook F-21, *Time and Attendance*, Section 142.33, Absent Without Leave, page 43, dated August 2009.

<sup>7</sup> *Employee Labor Relations Manual (ELM)* 37, Section 513.64, Absence Without Leave, page 32, dated September 2014.

<sup>8</sup> ELM 37, Section 513.61, Insufficient Sick Leave, page 321, dated September 2014.

<sup>9</sup> If sick leave is approved but the employee does not have enough sick leave to cover the absence, the difference is charged, at the employee's option, to LWOP or annual leave.

The other 7,169 employees with 39 or fewer occurrences (92 percent of the district’s total complement) accounted for 393,666 of total unscheduled leave hours (or 53 percent).

As shown in Table 3, these employees frequently used the following unscheduled leave types:

**Table 3. Type of Leave Most Frequently Used by Employees With 39 or Fewer Unscheduled Leave Occurrences**

<b>Rank</b>	<b>Leave Type</b>	<b>Unscheduled Leave Hours</b>	<b>Percentage of Total Unscheduled Leave Hours</b>
<b>1</b>	Sick Leave:	222,068	56%
	Sick Leave – Regular	180,734	46%
	Annual Leave in Lieu of Sick Leave	26,252	7%
	Full Day LWOP in Lieu of Sick Leave	15,082	4%
<b>2</b>	Full Day LWOP	39,607	10%
<b>3</b>	Annual Leave – Emergency	38,329	10%
<b>Total</b>		<b>300,004</b>	<b>76%</b>

Source: EDW.

Sick leave was the most frequently used leave type, representing about 222,068 of this group’s total unscheduled leave hours (or 56 percent). In addition, Full Day LWOP and Annual Leave – Emergency each represented 10 percent of total unscheduled leave hours used.

Currently, the Postal Service has a Delivering Results, Innovation, Value, and Efficiency (DRIVE) initiative to improve employee availability by reducing career employees’ use of sick leave and LWOP.<sup>10</sup> This initiative aims to gradually reduce total unscheduled leave nationally in each of the next 3 fiscal years. The initiative’s target for FY 2015 is 6.15 percent. According to the district manager, the district is currently addressing sick leave and LWOP in Lieu of Sick Leave use and is working toward the national unscheduled leave goal.

We conducted reviews at three sites, where 185 employees used 77,245 of the district’s total reported unscheduled leave hours (22 percent).<sup>11</sup> See [Table 4](#).

<sup>10</sup> DRIVE Initiative 45 – Building the Workforce of the Future.

<sup>11</sup> The remaining 450 employees at the district’s other 61 facilities who have 40 or more occurrences used 266,876 of the district’s total reported unscheduled leave hours (or 78 percent) for this group.

***At the three sites we reviewed, management also had ineffective controls over unscheduled leave and little or no coordinated oversight.***

**Table 4. Employees With 40 or More Unscheduled Leave Occurrences at the Three Sites Reviewed**

<b>Group</b>	<b>Complement</b>	<b>Unscheduled Leave Hours</b>	<b>Percentage of Total Unscheduled Leave Hours</b>
Chicago International Service Center	141	56,368	
Grand Crossing Carrier Annex	29	12,454	
Wicker Park Station	15	8,423	
<b>Site Totals</b>	<b>185</b>	<b>77,245</b>	<b>22%</b>
Other District Employees	450	266,876	78%
<b>Total</b>	<b>635</b>	<b>344,121</b>	<b>100%</b>

Source: EDW.

These 185 employees accounted for a significant portion of the 40 or more unscheduled leave occurrences per employee group — about 36 percent of total Full Day LWOP, about 20 percent of total sick leave, and about 15 percent of total AWOL hours.

At the three sites we reviewed, management also had ineffective controls over unscheduled leave and little or no coordinated oversight. Specifically:

- Of the 60 managers and supervisors whose training records we reviewed, 40 (67 percent) did not receive supervisory eRMS training. Additionally, 32 of the 60 managers and supervisors (53 percent) did not receive leave control training, which informs them how to complete employee attendance reviews.<sup>12</sup> Discussions with five supervisors at the three sites determined that some completed eRMS and leave control training many years ago, even as far back as calendar year 2000.
- Station managers and supervisors at two of the three sites we visited did not sufficiently use eRMS to access and review available reports, such as the Employee Key Indicator. This report provides details of available leave balances, unscheduled leave dates and types, and administrative action taken for each employee. Supervisors at these two sites stated they did not fully use eRMS because they were either unaware of it or were aware but did not use it.<sup>13</sup>
- The district manager did not have an oversight process to review the management of unscheduled leave activity. Instead, district officials periodically reviewed sick leave usage, but did not address excessive usage of the other types of unscheduled leave, such as AWOL and LWOP. As a result, employees recorded high usage of these types of leave. In addition, at one site we visited, supervisors did not always review employee attendance. Consequently, management did not continually ensure they obtained all required supporting documentation from employees and that it was completed timely. For nine of 13 employees whose records we reviewed, management initiated corrective action for excessive unscheduled leave occurrences. The nine employees had a total of 1,406 unscheduled leave occurrences during FY 2014, 934 of which (or 66 percent) were not supported with a required Postal Service (PS) Form 3971.

<sup>12</sup> The Postal Service has a current Strategic Training Initiative requiring supervisors to receive training in fundamentals of attendance control.

<sup>13</sup> *Resource Management - "The Next Generation,"* dated December 2004, explains that eRMS provides supervisors with real-time data and administrative and report functions to manage scheduled and unscheduled leave.

Postal Service policy requires supervisors to evaluate employee performance daily. Supervisors should counsel and instruct employees, as necessary, giving attention to evidence of good performance, as well as areas for improvement.<sup>14</sup> In addition, Postal Service officials must maintain and review PS Forms 3971 and 3972 to control unscheduled absences<sup>15</sup> and employees must provide acceptable evidence for absences when required.<sup>16</sup> The district manager stated that unscheduled leave activity is not part of a supervisor's annual performance evaluation. The site managers mentioned that they did not conduct employee attendance reviews due to time constraints and other duties. Management at two of the sites indicated they did not have a process to ensure they obtain the required documentation from employees when they return to duty.

- Labor Relations personnel did not review leave management with supervisors but primarily helped prepare employee corrective actions. The manager, Labor Relations, stated that the office did not have the resources to review leave management. Currently, the office has four labor relations specialists; however, it had 11 specialists during calendar year 2005. Labor Relations' role in the review process is to provide guidance in applying Postal Service rules and regulations regarding attendance. The specialists should play an integral role in managing leave, including participating in leave analysis and audits, identifying patterns of leave abuse, and recommending appropriate administrative action.<sup>17</sup>

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<sup>14</sup> ELM 37, Section 372, Sound Supervision, page 372, dated September 2014.

<sup>15</sup> ELM 37, Section 511.42, Management Responsibilities, page 292, dated September 2014.

<sup>16</sup> ELM 37, Section 511.43, Employee Responsibilities, page 292, dated September 2014.

<sup>17</sup> *Labor Relations Role in Leave Management*, Modules 1 and 2, dated September 2012.

# Recommendations

***We recommend management train supervisors and provide guidelines on the Enterprise Resource Management System and leave control. We also recommend management establish processes to ensure reviews of employees' attendances and leave management are completed.***

We recommend the manager, Chicago District:

1. Provide Enterprise Resource Management System and leave control training to managers and supervisors.
2. Develop and implement consistent guidelines to ensure supervisors use the Enterprise Resource Management System to effectively manage unscheduled leave.
3. Establish an oversight process to ensure managers and supervisors complete employee attendance reviews; Postal Service (PS) Form 3971, Request for or Notification of Absence, and PS Form 3972, Absence Analysis, and other required supporting documentation are completed, timely reviewed, and maintained.
4. Establish an oversight process to ensure Labor Relations personnel perform leave management reviews, as required.

## Management's Comments

Management agreed with the findings and recommendations and, in subsequent correspondence, disagreed with our monetary impact. Management stated that they have an opportunity to reduce unscheduled leave costs; however, the amount stated in our report seemed excessive.

Regarding recommendation 1, management stated that they fully agree and will hold eRMS and leave control training by August 31, 2015.

Regarding recommendation 2, management stated that they fully agree and will develop consistent guidelines to ensure supervisors use the eRMS system. They will issue these guidelines in a policy letter and Standard Operating Procedures (SOP) and disseminate to field personnel. Management will implement the new guidelines and SOP in accordance with completion of the eRMS and leave control training by June 30, 2015.

Regarding recommendation 3, management stated that they fully agree and will establish an oversight process to ensure attendance reviews, PS Forms 3971 and 3972, and other supporting documentation are completed, reviewed, and maintained. This will be completed by June 30, 2015.

Regarding recommendation 4, management stated that they fully agree and will establish an oversight process to ensure Labor Relations personnel perform leave management reviews as required, assess current leave management practices, and identify opportunities for effective leave management. They also stated that the oversight process has been in place and Labor Relations personnel will become an active part of the process beginning June 1, 2015.

For clarity, management noted that the district uses two reports — LWOP Greater Than 1 Year and Total LWOP Hours and Rate — to identify employees and units that should be addressed.

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

## Evaluation of Management's Comments

The OIG considers management's comments responsive to the recommendations and corrective actions should resolve the issues identified in the report.

Management agreed that opportunities exist to reduce unscheduled leave costs; however, they stated that the monetary impact amount in our report was excessive. We identified three potential methods for calculating monetary impact and selected the method that resulted in the lowest calculated monetary impact amount and was most reasonably feasible for the district. This method reduced the average leave usage of the district's 635 employees with 40 or more occurrences of unscheduled leave (542 hours) to the average leave usage of the remaining 7,169 employees (55 hours).

We acknowledge that management periodically reviews the district's sick leave usage and commend their efforts for addressing LWOP using the LWOP Greater Than 1 Year and Total LWOP Hours and Rate reports. However, we believe it would also be beneficial for the district to address AWOL usage, which was the most frequently used unscheduled leave type of the district's 635 employees with 40 or more unscheduled leave occurrences and accounted for 139,982 hours (41 percent) of this group's total unscheduled leave during FY 2014.

The OIG considers recommendations 1 and 3 significant, and therefore requires OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. These 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

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## Appendix A: Additional Information

### Background

The Chicago District was ranked number one in unscheduled leave use during the last 3 quarters of FY 2014. Unscheduled leave percentages for these quarters ranged from 13.5 to 17.3 percent. Similar-sized districts had significantly lower unscheduled leave percentages, ranging from 5.3 to 10.1 percent. Rankings are based on the OIG's Human Resources Risk Model, which ranks each district using eRMS data showing the ratio of employees with 20 or more unscheduled leave occurrences to the average number of employees in the district. The Chicago District is comprised of 64 facilities with a total of 7,804 employees.

Unscheduled leave is any leave from work that is not requested and approved in advance. Employees request scheduled absences in writing using PS Form 3971. For unscheduled absences, the supervisor or proper official must be notified as soon as the employee realizes he or she is unable to report for duty. Immediately upon returning to duty, the employee must submit a PS Form 3971 and explain to the supervisor the reason for the unscheduled leave.

Management is responsible for controlling unscheduled leave by informing employees of leave regulations, discussing attendance records with individual employees when warranted, and maintaining and reviewing PS Forms 3971 and 3972.<sup>18</sup> Employees are expected to maintain their assigned schedules, make every effort to avoid unscheduled absences, and provide acceptable supporting documentation for absences when required.<sup>19</sup> Employees should maintain regular attendance and failure to comply may result in disciplinary action.<sup>20</sup> The Postal Service's eRMS provides supervisors with the most current technology to manage leave. This system is designed to provide supervisors with real-time data and administrative and report functions that can identify unscheduled leave.

### Objective, Scope, and Methodology

Our objective was to assess and reduce unscheduled leave activity in the Chicago District. To accomplish our objective, we:

- Reviewed the OIG's Human Resources Risk Model and selected the district with the highest unscheduled leave percentage nationwide for FY 2014.
- Analyzed FY 2014 eRMS data to identify trends in unscheduled leave.
- Conducted site visits to three judgmentally selected facilities: the Chicago International Service Center, the Grand Crossing Carrier Annex, and the Wicker Park Station.
- Reviewed PS Forms 3971 and 3972 and other available supporting documentation of three judgmentally selected employees at each site visited.
- Interviewed Postal Service area, district, and unit managers and supervisors regarding the processes used to control unscheduled leave and observed their use of eRMS.
- Reviewed 60 supervisors' training records — including records of supervisors at the three sites visited — obtained from the Learning Management System.

<sup>18</sup> ELM 37, Section 511.42, Management Responsibilities, page 292, dated September 2014.

<sup>19</sup> ELM 37, Section 511.43, Employee Responsibilities, page 292, dated September 2014.

<sup>20</sup> ELM 37, Section 665.41, Requirement of Regular Attendance, page 682, dated September 2014.

- Reviewed Postal Service policies and procedures relating to unscheduled leave and Labor Relations' leave management policy and employee disciplinary actions for excessive unscheduled leave and return to work procedures.

We conducted this performance audit from October 2014 through May 2015, 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 April 9, 2015, and included their comments where appropriate.

We assessed the reliability of eRMS data by validating the unscheduled leave occurrence data against the Time and Attendance Collection System's<sup>21</sup> unscheduled leave clock ring occurrence data obtained from the EDW and consulted with the eRMS administrator. We determined the data were sufficiently reliable for the purposes of this report.

### Prior Audit Coverage

Report Title	Report Number	Final Report Date	Monetary Impact
Unscheduled Leave in the Los Angeles District	<a href="#">HR-MA-14-004</a>	2/6/2014	None

**Report Results:** Our report determined that the Los Angeles District had one of the highest unscheduled leave percentages nationwide in FYs 2011, 2012, and 2013. During this period, unscheduled leave percentages ranged from 11.1 to 13.2 percent. Other districts with similar-sized workforces had significantly lower unscheduled leave percentages during this period, ranging from 1.8 to 4 percent. Our report found that supervisors did not always monitor unscheduled leave activity, properly document and maintain attendance records, and conduct attendance reviews. In addition, they erroneously added new leave entries during reviews. Management agreed with our findings and recommendations.

<sup>21</sup> An automated program used to collect time and attendance data.

## Appendix B: Management's Comments

JACQUELINE KRAGE STRAKO  
VICE PRESIDENT, OPERATIONS  
GREAT LAKES AREA



May 7, 2015

LORI LAU DILLARD  
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Draft Audit Report – Unscheduled Leave in the Chicago District  
Report Number: HR-AR-15-DRAFT  
Project Number: 15RG007HR000

Management appreciates the efforts the Office of Inspector General (OIG) has taken in regards to reducing unscheduled leave activity in the Chicago District and agrees with the findings. The following is in response to the above subject audit and management's comments on the findings.

**Recommendation 1:**

Provide Enterprise Resource Management System and leave control training to managers and supervisors.

**Management Response/Action Plan:**

Management is in full agreement with the recommendation and will hold ERMS and leave control training in August 2015. Training will ensure supervisors are focusing on the effective management of scheduled and unscheduled absences. Moreover, this training reinforces established timekeeping procedures.

**Target Implementation Date:**

August 2015 is the targeted completion date of the training.

**Responsible Official:**

Manager, Human Resources, Chicago District

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CAROL STREAM IL 60199-1000  
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FAX: 630-539-7171

**Recommendation 2:**

Develop and implement consistent guidelines to ensure supervisors use the Enterprise Resource Management System to effectively manage unscheduled leave.

**Management Response/Action Plan**

Management is in full agreement with the finding and will develop consistent guidelines to ensure supervisors use the ERMS system in the form of a policy letter and Standard Operating Procedure to be issued to the field. Ensuring consistency in managing leave is an important element in successful attendance administration and it will help to reduce or eliminate related costs.

**Target Implementation Date**

The policy/SOP will be implemented in accordance with completion of the ERMS and leave control training, June 2015.

**Responsible Official:**

Manager, Human Resources, Chicago District

**Recommendation 3:**

Establish an oversight process to ensure managers and supervisors complete employee attendance reviews, Postal Service (PS) Forms 3971, Request for or Notification of Absence, and PS Form 3972, Absence Analysis, and other required supporting documentation are completed, timely reviewed and maintained.

**Management Response/Action Plan:**

Management is in full agreement with the finding and will establish an oversight process to ensure attendance reviews, PS forms 3971, 3972, and other supporting documentation are completed, reviewed, and maintained to achieve compliance with leave management indicators.

**Target Implementation Date**

The oversight process will be implemented in June 2015.

**Responsible Official:**

Manager, Finance, Chicago District

**Recommendation 4:**

Establish an oversight process to ensure Labor Relations personnel perform leave management reviews, as required.

**Management Response/Action Plan:**

Management is in full agreement with the recommendation and will establish an oversight process to ensure that Labor Relations personnel perform leave management reviews as required, assess current leave management practices, and identify opportunities for effective leave management.

**Target Implementation Date**

The oversight process has been in place. Labor Relations personnel will become an active part of the process performing leave management reviews starting, June 1.

**Responsible Official:**

Manager, Human Resources, Chicago District

**General Comments:**

For clarity, management notes that the District utilizes two reports that address Leave Without Pay (LWOP), titled "LWOP Greater Than One Year", and Total LWOP Hours & Rate", distributed by Great Lakes Area. These reports help to identify employees and units of LWOP that should be addressed.

Please contact Gregory W. Johnson, District Manager, Chicago, via email or by phone at 312-983-8030, should you have any questions regarding this response.

  
Jacqueline Krage Strako

cc: Gregory W. Johnson, District Manager, Chicago



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