

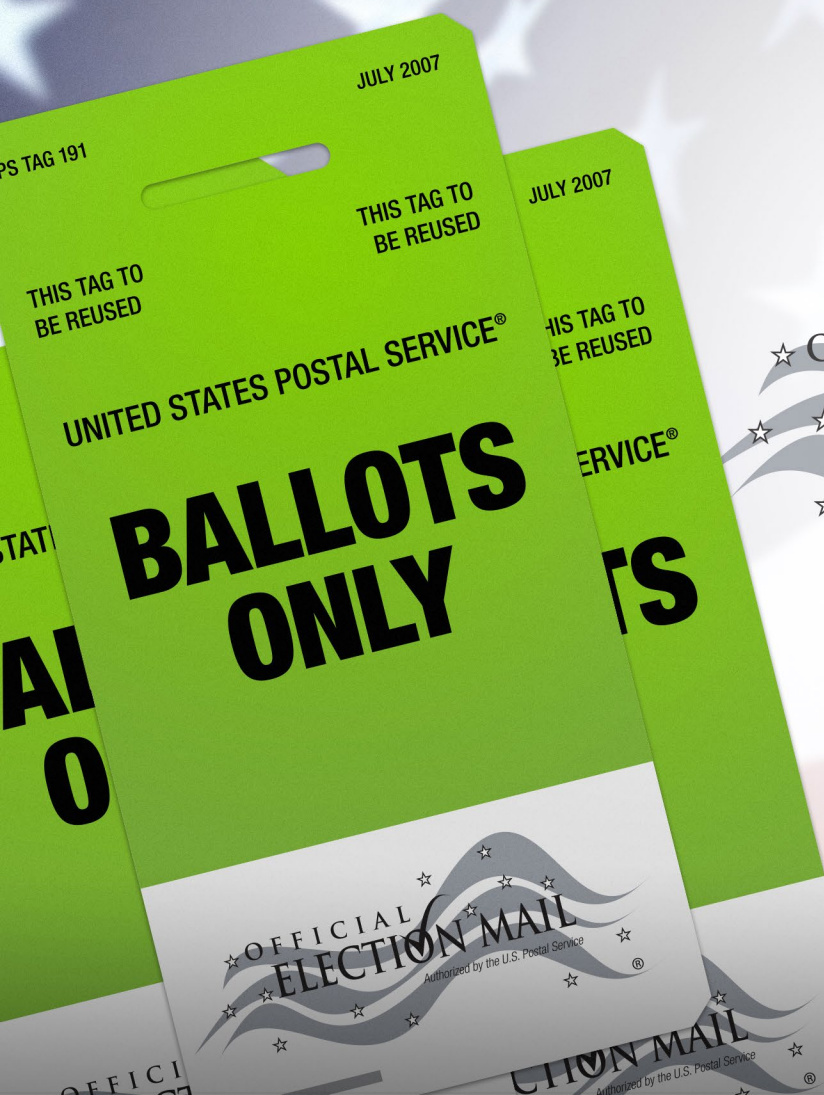


Office of Inspector General | United States Postal Service

## Audit Report

# Processing Readiness for Election and Political Mail for the 2018 Midterm Elections

Report Number NO-AR-18-007 | June 5, 2018



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# Highlights

## Objective

The objective of our audit was to evaluate the U.S. Postal Service's readiness for timely processing of election and political mail for the 2018 midterm elections.

Election mail is a mailpiece that an authorized election official creates for voters participating in the election process, while political mail is mail used for political campaign purposes.

General and midterm elections are scheduled every four and two years, respectively. Special elections are also held outside of this cycle for specific purposes, often to fill an office that has become vacant. The next midterm elections will be held on November 6, 2018.

We conducted site observations at six mail processing facilities that were processing election and political mail for five special elections held on January 16 and January 23, 2018. The sites we selected were the Milwaukee, WI, Pittsburgh, PA, and St. Paul, MN, Processing and Distribution Centers (P&DC); the Charleston, SC, Processing and Distribution Facility (P&DF); and the St. Paul and Pittsburgh Network Distribution Centers (NDC). We also observed Business Mail Entry Unit (BMEU) operations at the Milwaukee, Pittsburgh, and St. Paul P&DCs and the Charleston P&DF.

## What the OIG Found

The Postal Service was not ready for the January 2018 special elections; however, since our field work it has improved readiness and should be ready for the timely processing of election and political mail for the 2018 midterm elections. Additionally, it has adequate response time for any further 2018 midterm election needs.

We found that communication between headquarters and the mail processing facilities needed improvement. Specifically, we found that plant managers at the six mail processing facilities we visited and seven of the eight election and political mail coordinators we interviewed said that headquarters did not notify them of the special elections in their processing service areas. The Manager, Operations Integration and Support, notified mail processing facilities by email

about the special elections on January 18, 2018, after the start of our field work and the special elections.

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***“We found that communication between headquarters and the mail processing facilities needed improvement.”***

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In addition, we found employees at the Milwaukee and St. Paul P&DCs and the Charleston P&DF did not have an adequate understanding of the procedures for processing election and political mail. When election and political mail guidance, training, and service talks are not timely, employees are more likely to make errors or cause delays in the handling of election and political mail.

For example, we found election and political mail processing errors at three of the six sites we visited:

- St. Paul NDC employees moved political mail to the P&DC staging area without telling P&DC management about the transfer. Other mail was staged in front of it, which could have caused the political mail not to be seen and expedited.
- There was a sort plan error at the Charleston P&DF that caused additional manual sorting of election mail at the delivery station.
- An employee at the Milwaukee P&DC removed ballots from automated mail processing because he believed the equipment would damage the mail.

We brought these issues to the attention of local management, who immediately corrected them during our site visits.

Finally, we found the Postal Service had not updated its internal election and political campaign mail website since 2016. This website includes standard operating procedures, services talks, handouts, presentations, and other resources for managers and employees to use during elections. The Manager,



Election and Political Mailing Service Products, said there had been no significant changes to the website's information since 2016. They updated the internal site by the end of February 2018, after our field work was complete.

The eight election and political mail coordinators we interviewed cited five different websites they use to gather election and political mail information. One of the five websites was updated in February 2018, but the other four were not. We also found that the Postal Service posted two different lists of election and political mail coordinators for customers on USPS.com — one dated 2016 and the other dated 2018. We determined that the names of 38 of 74 coordinators (or over 51 percent) were different on the two published lists. We brought the four additional website and coordinator list discrepancies to the attention of the Manager, Operations Integration and Support, who corrected them immediately. When internal and external websites are outdated, users don't know what election information is the most current.

The Postal Service's *Processing Operations Management Order* (POMO-003-16) published in 2016 requires election and political mail area and district coordinators to communicate to all employees and act as the liaison for operations with headquarters, area, and district election and political mail teams. The election and political mail information in POMO-003-16 was updated and reissued in February 2018, after our field work and the special elections were complete. Election and political mail area and district coordinators are also supposed to conduct webinars, give employee service talks to provide election and political mail training to employees, and implement standard operating procedures. The training was provided to employees between February and April of 2018.

The Postal Service uses Informed Visibility to measure near real-time Intelligent Mail Barcode tracking information. We identified that in Quarter 1, FY 2018, the national performance score for election and political mail was about 92 percent — around 4 percent below the goal and more than 4 percent below the Quarter 1, FY 2017 score. The Manager, P&DC Operations, said that service performance decline reflects the overall service performance decline and is not isolated to election and political mail. He said several weather-related issues, as well as air transportation hub issues, contributed to the service performance decline.

## What the OIG Recommended

We recommended management:

- Ensure an annually updated and documented communication plan that includes all Postal Service election documents and web pages for headquarters and mail processing facilities for general, midterm, and special elections is available;
- Conduct standardized election and political mail training for all mail processing employees at least annually; and
- Update internal and external website information, including processing instructions and election and political mail coordinator contact information, annually at a minimum and no less than six months before, a general, midterm, or special election.


# Transmittal Letter



OFFICE OF INSPECTOR GENERAL  
UNITED STATES POSTAL SERVICE

June 5, 2018

**MEMORANDUM FOR:** ROBERT CINTRON,  
VICE PRESIDENT, NETWORK OPERATIONS

E-Signed by Michael Thompson  
VERIFY authenticity with eSign Desktop  


**FROM:** Michael L. Thompson  
Deputy Assistant Inspector General  
for Mission Operations

**SUBJECT:** Audit Report – Processing Readiness for Election and  
Political Mail for the 2018 Midterm Elections  
(Report Number NO-AR-18-007)

This report presents the results of our audit of the Processing Readiness for Election and Political Mail for the 2018 Midterm Elections (Project Number 18XG002NO000).

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Margaret McDavid, Director, Network Processing, or me at 703-248-2100.

Attachment

cc: Postmaster General  
Corporate Audit Response Management  
Chief Operating Officer and Executive Vice President  
Vice President, Capital Metro Area  
Vice President, Eastern Area  
Acting Vice President, Great Lakes Area  
Vice President, Western Area

# Results

## Introduction/Objective

This report presents the results of our self-initiated audit of the U.S. Postal Service's Processing Readiness for Election and Political Mail for the 2018 Midterm Elections (Project Number 18XG002NO000). The objective of our audit was to evaluate the Postal Service's readiness for timely processing of election and political mail for the 2018 midterm elections.

## Background

The Postal Service is responsible for the proper acceptance, processing, delivery, and recording of election and political mail and expedites eligible election and political mail through its network of 248 mail processing facilities. Election mail is any mailpiece that an authorized election official creates for voters participating in the voting process, while political mail is any mailpiece a registered political candidate or campaign or political party committee uses to promote political candidates, referendums, or political campaigns.



General elections and midterm elections are held every four and two years, respectively, and the next midterm elections will be held on November 6, 2018. Special elections are also held outside of this cycle for specific purposes, often to fill a vacancy.

In response to our prior audit, *Political Mail Strategy* (Report Number MR-MA-16-001, dated February 23, 2016), the Postal Service established an internal election and political mail website that is a centralized source of internal guidance on managing election and political mail. Additionally, the Postal Service implemented a tracking system, which uses data from the Intelligent Mail Barcode (IMb) to manage election and political mail customer issues.

We conducted site observations at six mail processing facilities that were processing election and political mail for five special elections held on January 16 and January 23, 2018. The sites we selected were the Milwaukee, WI, Pittsburgh, PA, and St. Paul, MN, Processing and Distribution Centers (P&DC); the Charleston, SC, Processing and Distribution Facility (P&DF); and the St. Paul, MN, and Pittsburgh, PA, Network Distribution Centers (NDC). We also observed Business Mail Entry Unit (BMEU) operations at the Milwaukee, Pittsburgh, and St. Paul P&DCs and the Charleston P&DF.

## Finding #1: Lack of Readiness for the January 2018 Special Elections

We found that communication between headquarters and the mail processing facilities needed improvement. Specifically, plant managers at the six mail processing facilities we visited and seven of the eight election and political mail coordinators we interviewed said that headquarters did not notify them of the special elections in their processing service areas. The managers and coordinators indicated that they first learned of these elections from our auditors. The Manager, Operations and Integration Support, notified mail processing facilities about the special elections by email on January 18, 2018, after the start of our field work and the special elections.

We found that employees at the Milwaukee and St. Paul P&DCs and the Charleston P&DF did not have an adequate understanding of the procedures for processing election and political mail.

We determined management had not consistently given training to ensure that employees are prepared for processing election and political mail. We interviewed nine employees and none of them had received election and political mail training for the January 2018 special elections. Specifically, four employees had not received training since 2016, four were unsure when they received training, and one had only been onboard for two months and had not received any training yet. Additionally, three of the eight election and political mail coordinators (or 37 percent) said they had not trained management or employees. As a result, employees were not aware of proper operating procedures for processing election and political mail.

The Postal Service's *Processing Operations Management Order* (POMO-003-16) published in 2016 requires election and political mail area and district coordinators to conduct webinars and service talks to provide election and political mail training to employees, and to implement standard operating procedures. The election and political mail information in POMO-003-16 was updated and reissued in February 2018 after our field work was complete. The training was provided to employees between February and April 2018.

When election and political mail guidance, training, and service talks are not timely, employees are more likely to make errors or cause delays in the handling of election and political mail. For example, we found election and political mail processing errors at three of the six sites we visited:

- St. Paul NDC employees moved political mail to the P&DC staging area without telling P&DC management or recording it on the political mail log.

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***“We determined management had not consistently given training to ensure that employees are prepared for processing election and political mail.”***

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Other mail was staged in front of it which could have caused the political mail not to be seen and expedited.

- There was a sort plan error at the Charleston P&DF that caused additional manual sorting of election mail at the delivery station.
- An employee at the Milwaukee P&DC removed ballots from automated mail processing because he believed the equipment would damage the mail.

We brought these issues to the attention of local management, who immediately corrected them during our site visits.

#### **Recommendation #1**

**The Vice President, Network Operations**, ensure annually an updated and documented communication plan that includes all Postal Service election documents and web pages for headquarters and mail processing facilities for general, midterm, and special elections is available.

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#### **Recommendation #2**

**The Vice President, Network Operations**, ensure that management conduct standardized election and political mail training for all mail processing employees at least annually.

### **Finding #2: Readiness Opportunity for the 2018 Midterm Elections**

We found the Postal Service had not updated its internal election and political campaign mail website since 2016. The website includes standard operating procedures, service talks, handouts, presentations, and other resources for management and employees to use during elections.

In 2016, the Postal Service established an internal election and political mail website that is a centralized source for internal guidance on managing election and political mail. The Manager, Election and Political Mailing Service Products, said there had been no significant changes to the website's information since 2016. They updated the internal site by the end of February 2018, after our field

*“When internal and external websites are outdated, users don’t know what information is accurate for any election.”*

work was complete. The eight coordinators we interviewed cited five different websites they used to gather election and political mail information. One of the five websites<sup>1</sup> was updated in February 2018, but the other four were not updated or contained inaccurate information. We brought the four additional websites’ discrepancies to the attention of the Manager, Operations Integration and Support, who corrected them immediately.

We also found that two different lists of election and political mail coordinators were posted for customers on USPS.com — one

dated 2016 and the other dated 2018. We determined that the names of 38 of 74 coordinators (or over 51 percent) were different on the two published lists. Additionally, one of the coordinators informed headquarters that the 2018 list of coordinators for their area was still wrong. We brought the coordinator list discrepancies to the attention of the Manager, Operations Integration and Support, who corrected them immediately. When internal and external websites are outdated, users don’t know what information is accurate for any election.

POMO-003-16 requires election and political mail area and district coordinators to communicate pertinent information to all employees and act as the liaison for operations with headquarters, area, and district election and political mail teams. Additionally, it is anticipated that management will update this POMO, communicate the updated version to all election and political mail coordinators, and post it on the internal election and political mail website. The election and political mail information in POMO-003-16 was updated and reissued in February 2018 after our field work was complete.

The Postal Service uses Informed Visibility (IV) to measure near real-time IMb tracking information. We identified that in Quarter (Q)1, fiscal year (FY)

2018, the national performance score for election and political mail was about 92 percent — around 4 percent below the national goal of 96 percent and more than 4 percent below that of Q1, FY 2017 (see Table 1). The Manager, P&DC Operations, said service performance decline reflects overall service performance decline and is not isolated to election and political mail. He said several weather-related issues, as well as air transportation hub issues, contributed to the service performance decline.

**Table 1. Political Mail Performance Scores**

Time Period	Processing Score	National Goal	Difference
FY 2017 Quarter 1	96.74%	96%	0.7%
FY 2018 Quarter 1	92.33%	96%	(3.7%)
Difference	(4.41%)		

Source: IV political mail performance data.

Not meeting election and political mail service performance goals reflects poorly on the Postal Service’s goodwill, brand, and public image; and poses an increased risk that customers’ dissatisfaction might drive them to reduce their business with the Postal Service, potentially resulting in loss of revenue.

### **Recommendation #3**

**The Vice President, Network Operations**, ensure that management update internal and external website information, including processing instructions and election and political mail coordinator contact information, annually at a minimum and no less than six months before, a general, midterm, or special election.

<sup>1</sup> Website updated: [about.usps.com > Government Services > Election Mail > Election Mail Coordinators](https://about.usps.com/government-services/election-mail/election-mail-coordinators) (external)

Websites not updated or containing inaccurate information: a) Processing Center Operations > 2018 Political and Election Mail > All Documents (internal); b) [Election 2018 website](#) (internal); c) [BMA > Political Campaign / Official Election Mail](#) (internal); d) [usps.com > Business > Political Mail > Tips > USPS Political Mail Contacts](https://usps.com/business/political-mail/tips-usps-political-mail-contacts) (external).



## Management's Comments

Management agreed with our findings and recommendations, stating that all recommendations are already in place. In subsequent communication, management provided a target implementation date of March 31, 2016, for all three recommendations.

Regarding recommendation 1, management said they have a comprehensive communication plan for elections. Management said that Network Operations maintains a repository for all election and political mail documents and that all facilities have access to the site, which is updated as required.

Regarding recommendation 2, management said they provide training to all areas and districts in the country for all functions not just mail processing and the training includes all employees. Management said they are conducting a review of the training frequency.

Regarding recommendation 3, management said they are responsible for updating the internal website and are updating information as it is received. Management said they work closely with the election and political mail committees internally and externally to share information.

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 in the report and corrective actions should resolve the issues identified in the report when repeated annually.

Regarding recommendation 1, we found the Postal Service had not updated its internal election and political campaign mail website since 2016. We found no subsequent communication on election and political mail until January 18, 2018, after the start of our field work and the special elections. Therefore, we made this recommendation to ensure an updated and documented communication plan for general, midterm, and special elections is updated annually.

Regarding recommendation 2, during our January 2018 site visits we found that employees did not have an adequate understanding of the procedures for processing election and political mail. Employees we interviewed said they had not received training since 2016, were unsure of when they received training, or had not received training. Therefore, we made this recommendation to ensure that management conducts standardized election and political mail training for all mail processing employees at least annually.

Regarding recommendation 3, we found that internal and external website information was not updated from 2016 until after our January 2018 site visits. Therefore, we made this recommendation to ensure that management updates internal and external website information annually, at a minimum, and no less than six months before a general, midterm, or special election.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. 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

## Scope and Methodology

The scope of this project was election and political mail processing for the 2018 midterm elections. To accomplish our objective, we:

- Reviewed the effectiveness of Postal Service actions taken as a result of our *Political Mail Strategy* audit (Report Number MR-MA-16-001, dated February 23, 2016).
- Reviewed the Postal Service's election and political mail processing strategy, policies, procedures, and related documents and tools.
- Reviewed the information and content on the Postal Service's USPS.com and the internal election and political mail website to determine if sufficient guidance is provided.
- Collected and analyzed Postal Service data on election and political mail service performance.
- Interviewed Postal Service Headquarters officials; members of the Political Mail Steering Committee; and selected area, district, and processing facilities personnel on election and political mail strategies, policies, and procedures, and data used to analyze timely processing reports.
- Identified lessons learned from the last election cycle and determined whether they have been included in the FY 2018 instructions.
- Observed the processing of election and political mail in conjunction with special elections held in SC, WI, and PA.
- Interviewed election officials and a political association official to determine their concerns about how the Postal Service handles and processes election and political mail.

We judgmentally selected six mail processing facilities handling election and political mail for January 2018 special elections as shown in Table 2. We selected these facilities for site visits to identify best practices and opportunities for improvement.

**Table 2. Site Selection**

Mail Processing Facility	Special Election District	Special Election Date
<b>Milwaukee P&amp;DC</b>	Wisconsin State Assembly Districts 58 and 66	January 16, 2018
<b>St. Paul NDC</b>	Wisconsin U.S. Senate District 10	January 16, 2018
<b>St. Paul P&amp;DC</b>	Wisconsin U.S. Senate District 10	January 16, 2018
<b>Charleston P&amp;DF</b>	South Carolina U.S. House District 99	January 16, 2018
<b>Pittsburgh P&amp;DC</b>	Pennsylvania U.S. House District 35	January 23, 2018
<b>Pittsburgh NDC</b>	Pennsylvania U.S. House District 35	January 23, 2018

Source: Sites selected based on January 2018 special election dates.

We conducted this performance audit from November 2017 through June 2018, 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 May 1, 2018, and included their comments where appropriate.

We assessed the reliability of computer-generated data from IV by interviewing agency officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report.

## Prior Audit Coverage

Report Title	Objective	Report Number	Final Report Date	Monetary Impact
<i>Political Mail Strategy</i>	Evaluate existing political mail strategies and identify opportunities for the Postal Service to grow political mail.	<a href="#">MR-MA-16-001</a>	2/23/2016	N/A
<i>Election Mail Opportunities</i>	Evaluate voting methods to identify opportunities to increase voting by mail.	<a href="#">MS-AR-15-007</a>	8/4/2015	\$2.1 million additional yearly revenue, or \$32 million over five years.



# Appendix B: Management's Comments

ROBERT CINTRON  
VICE PRESIDENT  
NETWORK OPERATIONS



May 18, 2018

LORI LAU DILLARD

SUBJECT: Processing Readiness for Election and Political Mail for the 2018  
Midterm Elections  
(Report Number NO-AR-18-DRAFT)

The following is provided in response to your audit of Processing Readiness for Election and Political Mail for the 2018 Midterm Elections. Management agrees with the report's findings and recommendations.

Management's response to the recommendations audit report may be found below.

**Recommendation #1:**

We recommend the Vice President, Network Operations, develop a documented communication plan that includes all Postal Service election documents and web pages before the 2018 midterm elections and thereafter annually for headquarters and mail processing facilities for general, midterm, and special elections.

**Management Response to Recommendation:**

Management agrees with this recommendation. The USPS has a comprehensive communication plan for the elections. Network Operations maintains a repository for all of its Political/Election mail correspondence which includes, POMOs, SWIs, Coordinator lists, Audit Checklists, BMEU/Plant Political/Election mail log templates, Issue log entry site, All Clear entry site, and various other important documents. All facilities have access to site, updates are made to the site as required.

**Target Implementation Date:**

Already in place

475 L'Enfant Plaza SW, RM 7E11  
WASHINGTON, DC 20020-7607  
202 268-4373

**Recommendation #2:**

We recommend the Vice President, Network Operations, ensure that management conduct standardized election and political mail training for all mail processing employees at least annually.

**Management Response to Recommendation:**

Management agrees with Recommendation 2. We agree in part, the USPS HQ functions provide training to all areas and districts in the country for all functions not just Mail processing. The training is cascaded to all employees. A review of the frequency is being reviewed. The website is updated with the latest information as required.

**Target Implementation Date:**

Already in place

**Recommendation #3:**

We recommend the Vice President, Network Operations, ensure that management update internal and external website information, including processing instructions and election and political mail coordinator contact information, annually, at a minimum, and no less than six months before a general, midterm, or special election.

**Management Response to Recommendation:**

Management agrees in part, the USPS is responsible to update the internal Website. Information is constantly updated as we receive information. We work closely with the Political/Election mail Committees internally and externally to share information.

**Target Implementation Date:**

Already in place

**Responsible Official:**

Manager Network Operations (Area), and Manager, Operation Integration Support



Robert Cintron  
Vice President  
Network Operations

cc: Manager, Corporate Audit Response Management



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