



Office of Inspector General | United States Postal Service

Audit Report

Employee Background Screening: San Francisco, Bay-Valley, and Sierra Coastal Districts

Report Number HR-AR-18-004 | May 29, 2018



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Highlights

Objective

Our objective was to assess the U.S. Postal Service’s employee background screening process in the San Francisco, Bay-Valley, and Sierra Coastal districts to determine whether they ensured individuals selected for employment were suitable to maintain the safety and security of the mail and uphold public trust in the Postal Service.

We selected the San Francisco, Bay-Valley, and Sierra Coastal districts because they had the highest turnover rates for employees of the eight districts in the Pacific Area.

The Postal Service’s background screening process involves four key groups: the Human Resources Shared Services Center (HRSSC), a Postal Service contractor, district Human Resources (HR) officials, and the Postal Inspection Service. Both career and non-career employees are subject to the same background screening process.

At a high level, the hiring process includes pre-screening, where information is gathered to gauge the candidate’s suitability. Then there is an interview process, where an initial hiring decision is made. With a favorable initial decision, the applicant undergoes a more in-depth background screening to validate that information provided is accurate. Upon receipt of those results, management either upholds or rescinds the hiring decision.

“District HR officials did not consistently comply with background screening processes.”

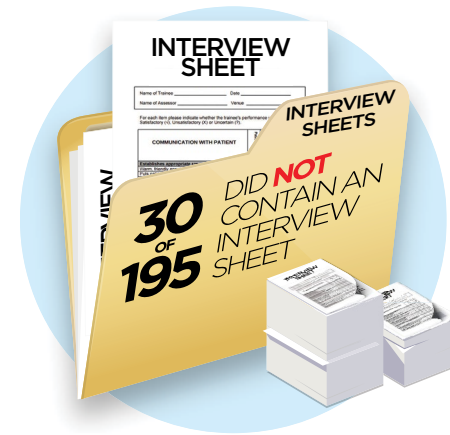
In fiscal years (FY) 2016 and 2017, these districts hired 14,443 career and non-career employees. We evaluated a statistical sample of 225 employees, 221 of who were non-career employees and four of who were career employees.

What the OIG Found

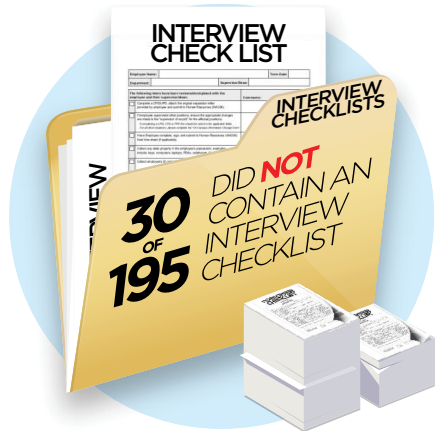
San Francisco, Bay-Valley, and Sierra Coastal district Human Resources (HR) officials did not consistently comply with background screening processes. Key documentation substantiating whether employees received complete background screenings prior to hiring during FYs 2016 and 2017 was missing. Specifically, we found:

- Thirteen percent (30 of the 225) of the pre-employment investigative files — or 1,877 projected over the universe — were missing.

Of the 195 files we reviewed:



- Thirty (15 percent or 2,166 projected over the universe) of the available files did not contain an Interview Sheet, which documents the interviewer’s notes.



- Thirty (15 percent or 2,166 projected over the universe) of the available files did not contain the Interview Checklist, which documents the interviewer’s hiring recommendation.



- Ninety-eight (50 percent, or 7,221 projected over the universe) of the available files did not contain the Post-Offer Checklist, which certifies that all post-offer activities, including confirmation that the applicant meets suitability requirements, have been completed and met.

In addition, Postal Service officials could not provide evidence that electronic National Agency Check with Inquiries (eNACI) were conducted for 70 employees, 33 of whom are actively employed by the Postal Service. The eNACI process verifies the employee’s FBI criminal history check, employment history, criminal conviction history, education, references, and residence.

In 155 of the 225 eNACI certificates we reviewed (69 percent), four showed that employees were hired by management even though the Inspection Service determined they were not suitable for employment. At the time of this audit, the Postal Service still employs one of the four, but not the other three.

These conditions occurred because district HR officials are not validating that Certificates of Completion are being uploaded into eOPF and there is no oversight mechanism from the district HR generalist/manager to ensure this process is complete.

When Certificates of Completion are not maintained in eOPF, the Postal Service cannot validate the accuracy of the information provided to determine an individual’s suitability for employment. In addition, Certificates of Completion may identify potential disqualifying factors, which hiring officials need to make informed hiring decisions.

What the OIG Recommended

We recommended management develop internal controls to ensure that pre-employment files are established and that all required pre-employment documents are maintained in the files in accordance with policy. We also recommended management implement an oversight process to ensure that district HR officials are validating that Certificates of Completion are in employees’ eOPFs and assess the need for conducting new eNACIs for the 33 missing Certificates of Completion.

Transmittal Letter



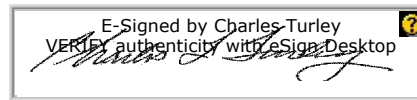
OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

May 29, 2018

MEMORANDUM FOR: JEFFREY WILLIAMSON
CHIEF HUMAN RESOURCES OFFICER AND EXECUTIVE
VICE PRESIDENT

GUY COTTRELL
CHIEF POSTAL INSPECTOR

LARRY MUNOZ
VICE PRESIDENT (A) – PACIFIC AREA



FROM: Charles L. Turley
Deputy Assistant Inspector General
for Supply Management & Human Resources

SUBJECT: Audit Report – Employee Background Screening: San
Francisco, Bay-Valley, and Sierra Coastal Districts
(Report Number HR-AR-18-004)

This report presents the results of our audit of the U.S. Postal Service's Employee Background Screening: San Francisco, Bay-Valley, Sierra Coastal Districts (Project Number 17SMG025HR000).

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

Attachment

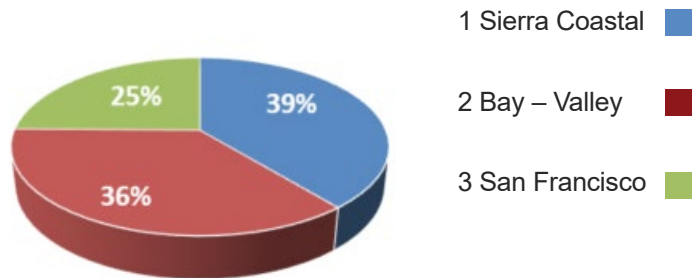
cc: Postmaster General
Bay-Valley District Manager
San Francisco District Manager
Sierra Coastal District Manager
Corporate Audit Response Management

Results

Introduction/Objective

This report presents the results of our self-initiated audit of the U.S. Postal Service’s Employee Background Screening in the San Francisco, Bay-Valley, and Sierra Coastal districts (Project Number 17SMG025HR000). Our objective was to assess the Postal Service’s employee background screening process in these districts to determine whether the process is sufficient to ensure individuals selected for employment are suitable to maintain the safety and security of the mail and uphold public trust in the Postal Service.

Figure 1: Hires by District



For fiscal years (FY) 2016 and 2017, we reviewed a statistical sample of 225 employees hired in the three Pacific Area districts, 221 of who were non-career employees and four of who were career employees. During this period, these districts hired a total of 14,443 employees — the Sierra Coastal District hired 5,638; the Bay-Valley District hired 5,232; and the San Francisco District hired 3,573. Of the 14,443 employees, 14,250 were non-career employees and 193 were career employees. Figure 1 provides an overview of the percentage of hires by district.

Background

The Postal Service must ensure that it carefully screens and evaluates individuals it considers for employment so the conduct of these individuals will reflect favorably on the organization. The Postal Service’s background screening process involves four key groups: the Human Resources Shared Services Center (HRSSC), a Postal Service contractor, district Human Resources (HR) officials, and the Postal Inspection Service.

The Postal Service’s hiring process includes pre-screening to determine eligibility and suitability, conducting background investigations¹, issuing security clearances, and conducting 90-day employee evaluations. As of October 28, 2016, with the passing of the Ban the Box legislation, there was a change in the Postal Service’s pre-screening process. Since the legislative change, the HRSSC no longer orders criminal and drug testing prior to extending a job offer. Currently, after the applicant accepts a job, district HR personnel initiate the process for an investigative background check. Once completed, the Postal Inspection Service determines whether an applicant’s investigative results are favorable, favorable with exceptions, or unfavorable. At a high level, the hiring process includes pre-screening, where information is gathered to gauge the candidates’ suitability. Then there is an interview process, where an initial hiring decision is made. With a favorable initial decision, the applicant undergoes a more in-depth background screening to validate that information provided is accurate. Upon receipt of those results, management either upholds or rescinds the hiring decision. [Figure 2](#) provides an overview of the Postal Service’s hiring process.

¹ The electronic National Agency Check with Inquiries (eNACI) process verifies the employee’s FBI criminal history check, employment history, criminal conviction history, education, references, and residence.

Figure 2: Postal Service Hiring Process



Source: Developed by the U.S. Postal Service Office of Inspector General (OIG) and validated by the HRSSC as of October 27, 2017.

2 The Sierra Coastal District hired a total of 5,638 employees in FYs 2016 and 2017.
3 The Bay-Valley District hired a total of 5,232 employees in FYs 2016 and 2017.
4 The San Francisco District hired a total of 3,573 employees in FYs 2016 and 2017.

Career employees are appointed without time limitation and receive full benefits, including retirement, health insurance, and life insurance. Non-career employees typically hold limited-term appointments and are hired to provide flexibility and supplemental assistance to the regular workforce. Both career and non-career employees are subject to the same background screening process.

Finding #1: Pre-Employment Investigative File Management

Postal Service district HR officials could not provide 30 of 225 (13 percent, or 1,877 projected over the universe of employees hired in the three districts) pre-employment investigative files for employees who were hired in their districts. Specifically:

- Nineteen of 30 files (63 percent or 1,183 projected over the universe of employees hired in this district)² were missing in the Sierra Coastal District.
- One of 30 files (3 percent or 52 projected over the universe of employees hired in this district)³ was missing in the Bay-Valley District.
- Ten of 30 files (33 percent or 571 projected over the universe of employees hired in this district)⁴ were missing in the San Francisco District.

For the 195 pre-employment files provided, Postal Service district officials did not consistently maintain the Interview Sheet, Interview Checklist, and Post-Offer Checklist. These documents are required as part of the hiring process as they contain key information on an applicant’s suitability for employment and assist the hiring official in making the hiring decision. We found that:

“Thirteen percent (30 of 225) of the pre-employment investigative files were missing. Of the 195 available files, district officials did not consistently maintain key documentation.”

- Thirty of 195 available files (15 percent or 2,166 projected over the universe of employees hired in the three districts) did not have the Interview Sheet, which documents the interviewer’s notes on the applicant’s compatibility for the position they applied for based on established performance elements.
- Thirty of 195 available files (15 percent or 2,166 projected over the universe of employees hired in the three districts) did not have the Interview Checklist, which documents the interviewer’s recommendation for Postal Service employment. If the applicant is not recommended, the interviewer must provide the reason for non-eligibility or suitability.
- Ninety-eight of 195 available files (50 percent, or 7,221 projected over the universe of employees hired in the three districts) did not have the Post-Offer Checklist, which certifies that all post-offer activities, including suitability requirements, have been completed and met.

Postal Service policy requires hiring officials to establish a pre-employment investigative file for each applicant. The file is the repository for all hiring information, which includes documents collected at the pre-employment orientation, information obtained during suitability screening, investigative results recorded on the Interview Sheet and Checklist, and the completed and signed Post-Offer Checklist. These records must be retained at Postal Service HR offices for five years.⁵

These conditions occurred because management did not have a standard process in place to ensure pre-employment investigative files were established and maintained for hired employees. For example, the Bay-Valley District conducted periodic file reviews to help ensure files were complete and maintained; however, the Sierra Coastal and San Francisco districts did not conduct similar periodic reviews. Additionally, the Sierra Coastal District maintained pre-employment investigative files at field offices but not at the district office, as required, which may have contributed to this district having the highest number of missing files.

When pre-employment investigative files are missing or incomplete, the Postal Service cannot validate that all required steps in the hiring process have been completed and all background information for individuals has been fully vetted and available for hiring officials to make informed hiring decisions. For the districts reviewed, there were 150 (9,676 projected over the universe) employees hired who did not have supporting documentation showing that all hiring process steps were completed.

Recommendation #1

The Acting Vice President, Pacific Area, in coordination with all district managers, institute a standard process to help ensure that pre-employment files are established and maintained along with all required pre-employment documentation in accordance with the retention policy.

Finding #2: National Agency Check with Inquiries Certifications

Postal Service officials could not provide evidence that they conducted 70 of 225 (31 percent, or 4,477 projected over the universe of employees hired in the three districts) eNACIs.⁶ When an eNACI is completed, a Certificate of Completion is provided indicating the results.

The current process includes the following:

- District HR official requests the Inspection Service to conduct an eNACI.
- Inspection Service completes the eNACI search and emails the Certificate of Completion to the district HR official.

“Postal Service officials could not provide evidence that eNACIs were conducted for 70 employees, 33 of whom are actively employed by the Postal Service.”

⁵ Handbook EL-312, *Employment and Placement*, Section 512.22, Pre-employment Orientation, pg. 93; and Handbook AS-353, *Guide to Privacy, the Freedom of Information Act, and Records Management*, Appendix E, USPS 100.100.

⁶ An eNACI search is conducted after an employee is hired.

- District HR official assesses the Certificate of Completion determination and mails the certificate to the HRSSC.
- The HRSSC uploads the Certificate of Completion into the employee's electronic Official Personnel Folders (eOPF).

Upon review of the employee's eOPF and subsequent request for their Certificate of Completion, the following supporting documentation could not be provided by the district:

- Twenty-nine of 70 (41 percent, or 1,860 projected over the universe of employees hired in this district) Certificates of Completion were not maintained in the employee's eOPF in the Sierra Coastal District;
- Ten of 70 (14 percent, or 680 projected over the universe of employees hired in this district) Certificates of Completion were not maintained in the employee's eOPF in the Bay-Valley District; and
- Thirty-one of 70 (44 percent, or 1,822 projected over the universe of employees hired in this district) Certificates of Completion were not maintained in the employee's eOPF in the San Francisco District.

We conducted independent screenings for the 70 employees without evidence of an eNACI search.⁷ The results yielded three alerts:

- One employee had a misdemeanor conviction of driving under the influence that occurred after the employee's hire date. However, the employee had the same hire and end date; therefore, this employee never performed duties as an employee of the Postal Service.
- One employee's name and SSN did not match. We did not conduct any further searches.
- One employee had a misdemeanor conviction of grand theft; however, the conviction was disclosed during the pre-screening process. Based on Postal Service criteria, criminal convictions do not automatically disqualify

applicants from postal employment. This individual is currently employed with the Postal Service.

Additionally, 33 of the 70 employees for whom there was no evidence of an eNACI search are currently employed with the Postal Service. These 33 employees also had other discrepancies (i.e., missing documentation) with their pre-employment investigative files.

Of the 155 Certificates of Completion provided, four employees who were hired had unfavorable eNACI determinations. One of the four began as a city carrier assistant (CCA) in the San Francisco District and is currently employed by the Postal Service as a career employee. The other three are no longer employed by the Postal Service. The four unfavorable determinations were as follows:

- One CCA was convicted of making threats to commit a crime resulting in great bodily harm and brandishing a deadly weapon and was served an order of protection, which expires in 2018. This employee was offered employment in February 2016 in the Bay-Valley District but the offer was rescinded in the same month due to an unfavorable eNACI determination. Subsequently, the San Francisco District hired the employee in May 2016 and is currently a career employee.
- One Postal Support Employee mail processing clerk hired in the San Francisco District was convicted of driving under the influence and subsequently resigned.
- One CCA hired in the San Francisco District was charged with possession of marijuana, which resulted in three years' probation. This employee was subsequently terminated.
- One CCA hired in the Bay-Valley District had an active warrant and subsequently resigned.

Postal Service policy states that the submitting office⁸ is responsible for follow-up, as needed, to finalize the personal suitability determination and ensure that the Certificate of Completion is filed in the employee's eOPF.

⁷ The OIG contracted a vendor to conduct the independent screenings, which included a social security trace, multi-state criminal check, and criminal county/federal searches.

⁸ Local services is the submitting office.

These conditions occurred because district HR officials are not validating that Certificates of Completion are being uploaded into eOPF. District HR officials stated that they receive between 20 and 50 Certificates of Completion from the Inspection Service daily. The current process does not include an oversight mechanism from the district HR generalist/manager to ensure this process is complete.

The employee hired in the San Francisco District with an unfavorable Certificate of Completion determination was subject to the same background screening process as that conducted in the Bay-Valley District. As such, San Francisco District HR officials had the same information as Bay-Valley District HR officials. This individual was hired at the discretion of management.

When Certificates of Completion are not maintained in eOPFs, the Postal Service cannot validate the accuracy of the information provided to determine the individual's suitability for employment. In addition, Certificates of Completion may identify potential disqualifying factors. There are currently 33 employees employed in the Bay-Valley, San Francisco, and Sierra Coastal districts without adequate evidence of eNACI determinations.

Recommendation #2

The Acting Vice President, Pacific Area, in coordination with all district managers, implement an oversight process to ensure that district Human Resources officials are validating that Certificates of Completion are in employees' electronic Official Personnel Folders.

Recommendation #3

The Acting Vice President, Pacific Area, in coordination with all district managers, for the 33 missing Certificates of Completion, assess the need for conducting a new electronic National Agency Check with Inquiries.

Management's Comments

Management agreed with all the recommendations; however, commented that the findings did not specifically identify pre-employment background screening deficiencies.

Regarding the findings, management stated that the report did not specifically identify pre-employment background screening deficiencies and noted that the NACI investigation is a post-offer activity that is requested after a candidate accepts a job offer. Standard Form 85 (NACI application) is submitted on or before first day of employment and the results can take four to six weeks for the Postal Inspection Service to process. Therefore, management cannot address unfavorable determinations in most cases until after the employee has onboarded. Management further stated that while the OIG review found some discrepancies in these three districts, the audit identified the need to improve quality control and recordkeeping for all Pacific Area districts.

Regarding recommendation 1, management is developing a Standard Operating Procedure (SOP) that complies with Handbook EL-312 to ensure pre-employment files are established and maintained along with all required pre-employment documentation in accordance with the retention policy. The target implementation date is June 30, 2018.

Regarding recommendation 2, management stated that as part of the SOP, Pacific Area districts will be required to conduct periodic self-audits, cross-district audits, and periodic area reviews to ensure that district HR officials are validating that Certificates of Completion are in employees' eOPFs. The target implementation date is June 30, 2018.

Regarding recommendation 3, management will assess the need to conduct a new eNACI for the 33 missing Certificates of Completion. The target implementation date is June 30, 2018.

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's comment that the report did not specifically identify any pre-employment background screening deficiencies is inaccurate. In addition to the missing eNACI Certificates of Completion, our audit found instances of missing pre-employment files and files with incomplete documentation. These are important parts of the background screening process. When pre-employment investigative files are missing or incomplete, the Postal Service cannot substantiate whether all required steps in the hiring process have been completed and all background information has been fully vetted and available for hiring officials to make informed hiring decisions.

In response to management's comments regarding the NACI investigation, we are aware that this is a post-offer activity that is requested after a candidate accepts a job offer. However, contrary to management's assertion that they cannot address unfavorable determinations until after the employee has onboarded, district HR officials stated that they do not bring employees onboard until after they receive their NACI determination from the Inspection Service. Specifically, once an applicant accepts a job offer, district HR officials request, via email, that the applicant complete their eNACI application prior to their entrance on duty date.

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 our audit was career and non-career employees hired in FYs 2016 and 2017 in the San Francisco, Bay-Valley, and Sierra Coastal districts. In FY 2017, the Pacific Area had the highest monthly and cumulative turnover rates of 4.14 and 45.54 percent, respectively, for all Postal Service crafts for all seven areas⁹ (see Table 1). We selected the San Francisco, Bay-Valley, and Sierra Coastal districts because they had the highest turnover rates for non-career employees of the eight districts in the Pacific Area¹⁰ during the same period.

Table 1: Area Flexible Workforce Turnover Rate for All Crafts – FY 2017

Area	YTD Monthly Average	YTD Cumulative Average
Pacific	4.14%	45.54%
Western	3.31%	36.41%
Northeast	3.31%	36.41%
Capital Metro	2.97%	32.67%
Eastern	2.97%	32.67%
Southern	2.79%	30.69%
Great Lakes	2.70%	29.70%
National	3.16%	34.76%

Source: Staffing & Scheduling Tool (SST), HR RPTS, Turnover Rate, as of September 19, 2017.

⁹ The turnover cumulative year to date (YTD) rate is calculated by multiplying the YTD monthly average by 11 months (October 2016 – August 2017). We used 11 months' of data in the calculations because the fiscal year had not ended at the time of our review.

¹⁰ The Los Angeles District ranked second; however, the district was audited last year. Therefore, we selected the next ranked district.

To accomplish our objective, we:

- Reviewed applicable federal, Postal Service, and Postal Inspection Service regulations, policies, and procedures related to the employee background screening process.
- Reviewed payroll and Web Complement Information System (webCOINS) data to identify employees (career and non-career) who were hired during FYs 2016 – 2017 for the San Francisco, Bay-Valley, and Sierra Coastal districts.
- Selected a statistical sample of 225 employees (221 non-career and four career) hired in the last two fiscal years (2016 - 2017), which included employees who were subsequently terminated or resigned.
- Interviewed Postal Service HR officials to determine what level security clearances and background screenings are conducted for career and non-career employees, the officials' roles and responsibilities in the hiring process, and the required training for hiring officials.
- Interviewed Postal Inspection Service security personnel to gain a full understanding of the current NACI background investigations process conducted for all Postal Service employees and discontinuance of the Special Agency Check with Inquiries (SACI) for non-career employees.
- Reviewed employees' OPFs to verify they had an eNACI or SACI Certificate of Completion and determine favorable or unfavorable status. Favorable eligibility and suitability decisions make it possible for the applicant to advance in the hiring process. A negative decision in any of the suitability factors — employment history, military service, or criminal conviction history — disqualifies an applicant (see Table 2).
- Reviewed training records for employees who are certified interviewers in the three districts visited.

Table 2: Suitability Factors

Suitability Factors — Partial List of Reasons for Disqualification

- a. Dismissal from prior employment for cause.
- b. Criminal or other conduct which, if engaged in by a postal employee, would undermine the efficiency of the Postal Service.
- c. Intentionally false statements, deception, or fraud in application, examination, or information furnished incident to appointment by the Postal Service.
- d. Refusal to furnish testimony or information to the Postal Service that has been requested incidental to appointment by the Postal Service.
- e. Current habitual use of intoxicating beverages to excess.
- f. Current abuse of narcotics or dangerous drugs.
- g. Reasonable doubt as to the loyalty of the applicant to the government of the United States.
- h. Conviction for theft or embezzlement.
- i. Conviction of crimes of violence including assault with a deadly weapon.
- j. Discharge for illegal strike activity.
- k. Any legal or other disqualification that makes the applicant unfit for postal employment.

Source: EL-312, Exhibit 522 Suitability Factors – Partial List of Reasons for Disqualification.

We conducted this performance audit from September 2017 through May 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 2, 2018, and included their comments where appropriate.

We assessed the reliability of Postal Service payroll data for FYs 2016 - 2017 by comparing the data to the webCOINS nature of action codes for employees hired during the same time period. In addition, we compared employees' entrance on duty dates in the payroll data with their Postal Service Form 50, Notification of Personnel Action, in their eOPFs. 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 (in millions)
<i>Non-Career Employee Background Screening in the Los Angeles District</i>	Assess the Postal Service's employee background screening process for non-career employees to determine whether it ensured that individuals selected for employment in the Los Angeles District were suitable to maintain the security of the mail and uphold the public trust.	AR-17-004	3/3/2017	\$16,554

Appendix B: Management's Comments

VICE PRESIDENT
AREA OPERATIONS



May 16, 2018

LORI LAU DILLARD
DIRECTOR, AUDIT OPERATIONS

Subject: Employee Background Screening (Report No. HR-AR-18 DRAFT)
Pacific Area Response

This letter is in response to the Draft Audit Report regarding Employee Background Screening: San Francisco, Bay Valley, Sierra Coastal Districts (Report No. HR-AR-18), dated May 4, 2018.

As evidenced by the report, the OIG's objective: *"Our objective was to assess the U.S. Postal Service's employee background screening process in the San Francisco, Bay-Valley, and Sierra Coastal districts to determine whether they ensured individuals selected for employment were suitable to maintain the safety and security of the mail and uphold public trust in the Postal Service"*.

It is our understanding that the San Francisco, Bay-Valley, and Sierra Coastal districts were selected because they had the highest turnover rates for employees of the eight districts in the Pacific Area.

OIG Findings: The OIG identified report states San Francisco, Bay-Valley, and Sierra Coastal district Human Resources (HR) officials did not consistently comply with background screening processes stating, "Key documentation was missing to substantiate whether employees received complete background screenings prior to hiring during FYs 2016 and 2017."

Response: The OIG report did not specifically identify any pre-employment background screening deficiencies. However, it should be noted, the NACI investigation is a post offer activity and is requested after the candidate accepts their job offer. The SF-85 (NACI Application) is submitted on or before first day of employment. NACI investigation results can take 4-6 weeks for processing by the Postal Inspection Service. Therefore, unfavorable determinations cannot be addressed in most cases, until after the employee has onboarded. This is contrary to the pre-employment background checks initiated by HRSSC at the time job offers are made.

While the OIG review in these three Districts found some discrepancies, the audit identified the need to improve quality control and record keeping of all the Pacific Area Districts.

Recommendation #1:

The Vice President, Pacific Area, in coordination with all district managers, institute a standard process to help ensure that pre-employment files are established and maintained along with all required pre-employment documentation in accordance with the retention policy.

1

Managements Response/Action Plan to Recommendation #1:

Agree: Pacific Area is developing a Standard Operating Procedure in compliance with EL-312 Employment Placement Handbook to ensure pre-employment files are established and maintained along with all required pre-employment documentation in accordance with the retention policy.

Recommendation #2: The Vice President, Pacific Area, in coordination with all district managers, implement an oversight process to ensure that district Human Resources officials are validating that Certificates of Completion are in employees' electronic Official Personnel Folders.

Managements Response/Action Plan to Recommendation #2:

Agree: As part of the Standard Operating Procedure Pacific Area districts will be required to conduct periodic self-audits, cross-district audits, as well as periodic Area reviews conducted to ensure district Human Resources officials are validating that Certificates of Completion are in employees' electronic Official Personnel Folders.

Recommendation #3: The Vice President, Pacific Area, in coordination with all district managers, for the 33 missing Certificates of Completion, assess the need for conducting a new electronic National Agency Check with Inquiries.

Managements Response to Recommendation #3:

Agree: For the 33 missing *Certificates of Completion*, the District HR Manager (or designee), will assess the need for conducting a new electronic NACI and will provide confirmation to Pacific Area Human Resources of completion.

Target Implementation Date:

June 2018

Responsible Official:

District Manager Human Resources, with oversight by the Pacific Area Human Resources.

With regard to the monetary impact, there was no clarification as the table on page 11 addresses Los Angeles District.



Larry Munoz
Vice President, Pacific Area Operations

CC: Jeffrey Williamson, Chief Human Resource Officer and Executive
Guy Cottrell, Chief Postal Inspector
Sally K. Haring, Manager, Corporate Audit Response Management
Antoinette Simon, Pacific Area Manager Human Resource
Pacific Area District Managers: Bay Valley, San Francisco, Sierra Coastal



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