



AUDIT REPORT

Delivery Scanning Issues – La Vergne Post Office, La Vergne, TN

December 9, 2019

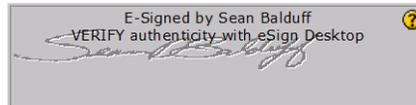


Report Number 20-077-R20



December 9, 2019

MEMORANDUM FOR: CHRISTOPHER L. ALEXANDER
MANAGER, TENNESSEE DISTRICT



FROM: Sean Balduff
Director, Delivery and Retail Response Team

SUBJECT: Audit Report – Delivery Scanning Issues – La Vergne Post
Office, La Vergne, TN (Report Number 20-077-R20)

This report presents the results of our audit of Delivery Scanning Issues at the La Vergne Post Office, La Vergne, TN.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Sherry Hilderbrand, Operations Manager, at shilderbrand@uspsioig.gov, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit Response Management
Vice President, Delivery and Retail Operations
Vice President, Eastern Area

Background

This report presents the results of our self-initiated audit of the package delivery scanning process on select routes at the La Vergne Post Office in La Vergne, TN (Project Number 20-077). The La Vergne Post Office is in the Tennessee District within the Eastern Area. This audit was designed to provide U.S. Postal Service management with timely information on potential mail delivery risks at the La Vergne Post Office.

This unit has 18 rural delivery routes (including one auxiliary route) delivered by 26 carriers (17 full time and 9 part time). We chose the La Vergne Post Office based on the number of stop-the-clock¹ (STC) scans occurring at the delivery unit. We used geolocation data to identify units with STC scans that occurred at the delivery unit instead of the intended delivery address. The La Vergne Post Office had 17,611 STC scans at the delivery unit between June and August 2019 (see Table 1).

Table 1. STC Scans at the La Vergne Post Office

| June | July | August | Total |
|------|-------|--------|--------|
| 91 | 6,979 | 10,541 | 17,611 |

Source: U. S. Postal Service Office of Inspector General (OIG) analysis USPS Product Tracking and Reporting System data.

Objective, Scope, and Methodology

Our objective was to evaluate the package delivery scanning process on select routes at the La Vergne Post Office in La Vergne, TN

To accomplish our objective, we analyzed STC scans at the delivery unit. We also obtained and analyzed delivery metrics such as mail arrival, distribution up time, and the number of routes and carriers. During our site visit from October 22-23, 2019, we conducted delivery unit observations and interviewed delivery unit personnel to verify data and identify causes for STC scans at the delivery unit and reviewed arrow lock key security procedures.

We relied on computer-generated data from the Product Tracking and Reporting system. Although we did not test the validity of controls over this system, we assessed the accuracy of the data by testing the completeness and reasonableness of the data, observing operations at the unit, and interviewing Postal Service personnel knowledgeable about the data. We determined the data were sufficiently reliable for the purposes of this report.

We conducted this audit from October through December 2019, in accordance with generally accepted government auditing standards. Those standards require that we

¹ A scan event that indicates that the USPS has completed its commitment as it applies to service measurement on a mail piece.

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 discussed our observations and conclusions with management on November 18, 2019 and included their comments where appropriate.

Finding #1: Package Delivery Scanning

We determined that employees were improperly scanning packages at the unit and not following package scanning and handling policies. Our data analysis between June and August 2019 showed that employees scanned 17,611 packages at the unit rather than at the appropriate delivery point. We noted that 17,392 (99 percent) of the scans were addressed to one business. Per Postal Service policy,² carriers must perform accurate STC scans for packages at the point of delivery.

We interviewed the carrier who performed the scans for the business that represented 99 percent of the scans done at the unit. The carrier stated that the “Delivered” scans were being performed at the unit so that they would not have to spend so much time scanning them at the delivery point. During our audit, management took corrective action by creating a firm sheet³ for the business. Due to the corrective action taken, we are not making a recommendation related to this issue.

In addition, we conducted observations on October 22, 2019, and judgmentally selected 35 packages that were at the unit before the carriers arrived for the day to review their scanning and tracking data. Of the 35 packages we identified, 16 were in the carrier cases and 19 were in the “Notice Left”⁴ area. We found that 4 of the 16 packages in the carrier cases and 9 of the 19 packages in the “Notice Left” area were missing a scan or had improper scans or handling. Specifically:

- Seven packages had a “Delivered” scan
- Five had no STC scan
- One package had a scan from September 27 of “Addressee Unknown”

The package scanning issues occurred because local management did not adequately enforce scanning procedures. The Postal Service’s goal is to ensure mail is delivered to the correct address with proper service, which includes scanning every mailpiece ensuring 100 percent visibility throughout the process.⁵

Customers rely on accurate scan data to track their packages in real time. When employees do not scan mailpieces correctly, customers are unable to determine the actual status of their packages. By improving scanning operations, management can

² *No Delivery/No Attempt and Scanning Document*, November 2015.

³ A list of packages for delivery to one address documented with a single barcode.

⁴ The area of a postal facility where letters or packages that the carriers were unable to deliver are stored and available for customer pickup.

⁵ Standup Talk - *Delivering a Positive Customer Service Experience-Delivery Done Right, and Scanning at a Glance, Delivering 100% Visibility.*

potentially improve mail visibility, increase customer satisfaction, and enhance the customer experience and Postal Service brand.

During our audit, management took corrective action by providing stand-up talks with all carriers and clerks at the unit. In addition, management stated they are now spot-checking parcels at the delivery unit to ensure proper scanning procedures are being followed. These actions were completed by October 30, 2019. Due to the corrective action taken, we are not making a recommendation related to this issue.

Finding #2: Arrow Lock Key Management

La Vergne Post Office management did not properly manage arrow lock keys.⁶ Specifically, management did not maintain a current inventory log of the 34 arrow lock keys assigned to the unit. Management used a daily log to assign arrow lock keys to carriers; however, the daily log listed only eight of the arrow lock keys assigned to the unit and did not list the remaining 26 keys.

Postal Service policy⁷ states that each unit must maintain a record of arrow lock keys. According to unit management, this condition occurred because the supervisor who maintained the arrow lock key inventory was detailed to another unit and the existence and location of the listing was unknown. When there is insufficient oversight and supervision of accountable items such as arrow lock keys, there is an increased risk of mail theft.

Recommendation #1: We recommend the **Manager, Tennessee District**, instruct the La Vergne Post Office Postmaster to follow applicable Postal Service policies and procedures to ensure proper security and accountability of arrow lock keys.

Management's Comments

Management agreed with all findings and the recommendation in the report. See [Appendix A](#) for management's comments in their entirety.

Regarding recommendation 1, management stated the Postmaster for the La Vergne Post Office was instructed to follow security and accountability policies and procedures for the arrow lock keys on December 6, 2019.

Evaluation of Management's Comments

The OIG considers management's comments responsive to the recommendations in the report. We consider recommendation 1 closed with the issuance of this report.

⁶ A distinctively shaped key used by carriers to open mail-receiving receptacles such as street collection boxes and panels of apartment house mailboxes equipped with an arrow lock. The top of the key is stamped with an image of an arrow below "U.S.P.S." Arrow lock keys are accountable property and are subject to strict controls.

⁷ *Postal Operations Manual*, Issue 9, Section 633.51, July 2002, with revisions through August 30, 2019.

Appendix A. Management's Comments

DISTRICT MANAGER
TENNESSEE DISTRICT



December 5, 2019

LAZERICK POLAND
DIRECTOR, AUDIT OPERATIONS

SUBJECT: **Delivery Scanning Issues – La Vergne Post Office, La Vergne, TN**
Project Number 20-077

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Finding #2: Arrow Lock Key Management

La Vergne Post Office management did not properly manage arrow lock keys.² Specifically, management did not maintain a current inventory log of the 34 arrow lock keys assigned to the unit. Management used a daily log to assign arrow lock keys to carriers; however, the daily log listed only eight of the arrow lock keys assigned to the unit and did not list the remaining 26 keys.

Management Response:

Management agrees with both findings.

Recommendation #1: We recommend the **Manager, Tennessee District**, instruct the La Vergne Post Office Postmaster to follow applicable Postal Service policies and procedures to ensure proper security and accountability of arrow lock keys.

Management Response/Action Plan:

Management agrees with Recommendation #1. The District Manager, Tennessee District, has directed the Postmaster, LaVergne TN, to follow applicable Postal Service policies and procedures to ensure proper security and accountability of arrow lock keys.

¹ *No Delivery/No Attempt and Scanning Document*, November 2015.

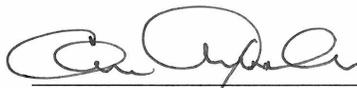
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Target Implementation Date:

December 6, 2019

Responsible Official:

District Manager



Christopher Alexander
District Manager, Tennessee District

CC: Corporate Audit Response Management
Vice President, Delivery and Retail Operations
Vice President, Eastern Area
