



AUDIT REPORT

Mail Delivery and Customer Service Operations – Chatsworth Post Office, Chatsworth, CA

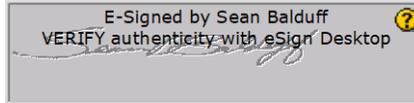
March 3, 2020





March 3, 2020

MEMORANDUM FOR: ALFRED SANTOS
MANAGER, SIERRA COSTAL DISTRICT



FROM: Sean Balduff
Director, Delivery and Retail Response Team

SUBJECT: Audit Report – Mail Delivery and Customer Service
Operations – Chatsworth Post Office, Chatsworth, CA
(Report Number 20-150-R20)

This report presents the results of our audit of Mail Delivery and Customer Service Operations – Chatsworth Post Office, Chatsworth, CA.

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

Attachment

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

Background

This report presents the results of our self-initiated audit of Mail Delivery and Customer Service Operations at the Chatsworth Post Office in Chatsworth CA (Project Number 20-150). The Chatsworth Post Office is in the Sierra Coastal District of the Pacific Area. This audit was designed to provide U.S. Postal Service management with timely information on potential scanning and mail delivery risks at the Chatsworth Post Office.

The unit has 27 city routes delivered by 49 city carriers. We chose the Chatsworth Post Office based on the number of stop-the-clock¹ (STC) scans occurring at the delivery unit.

Objective, Scope, and Methodology

Our objective was to review select mail delivery and customer service operations at the Chatsworth Post Office in Chatsworth, CA.

To accomplish our objective, we reviewed delivery metrics including the number of routes and carriers, mail arrival time, amount of reported delayed mail, package scanning, distribution up-time,² and carriers return to office time. During our site visits on January 14-15, 2020, we reviewed unit safety and security procedures, mail conditions, and Voyager card and arrow lock key³ security procedures. We analyzed the scan status of mailpieces at the carrier cases and in the “Notice Left”⁴ area and interviewed unit management and employees.⁵

We relied on computer-generated data from the Product Tracking and Reporting System. Although we did not test the validity of controls over these systems, we assessed the accuracy of the data by reviewing existing information, comparing data from other sources, observing operations, and interviewing Postal Service officials knowledgeable about the data. Therefore, we determined the data were sufficiently reliable for the purposes of this report.

We conducted this audit from January through March 2020, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a

¹ A scan event that indicates the Postal Service has completed its commitment to deliver or attempt to deliver the mail piece. Examples of stop-the-clock scans include “Delivered”, “Available for Pick-up”, “No Access”, and Business Closed”.

² Time of day that clerks have completed distributing mail to the carrier routes after it has arrived from the processing center.

³ A distinctively shaped key carriers use to open mail-receiving receptacles such as street collection boxes and panels of apartment house mailboxes equipped with an arrow lock. Arrow lock keys are accountable property and subject to strict controls.

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

⁵ The city carriers we interviewed had from two to 33 years of service.

reasonable basis for our finding and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our finding and conclusions based on our audit objective. We discussed our observations and conclusions with management on February 7, 2020, and included their comments where appropriate.

Finding # 1: Package Delivery Scanning and Handling

We determined that employees were improperly scanning packages at the unit and not following package scanning and handling policies. We used geolocation data to identify STC scans that occurred at the delivery unit property instead of the intended delivery address. Our data analysis of scans performed between September and November 2019 showed that employees performed STC scans for 46,193 packages at the unit rather than at the delivery point (see Table 1).

Table 1. STC Scans at Delivery Unit

September	October	November	Total
13,027	13,831	19,335	46,193

Source: Postal Service Product Tracking and Information System.

We further noted that 44,316 (96 percent) of these scans were for three businesses and were scanned as “Delivered” at the unit instead of at the business address. The remaining 1,877 STC scans were improperly scanned at the unit for various routes and addresses (see Table 2).

Table 2. STC Scans by Delivery Address

Delivered To	Number of Scans	Percentage of Scans
Business Address 1	33,879	73%
Business Address 2	6,662	15%
Business Address 3	3,775	8%
All Other	1,877	4%
Total	46,193	100%⁶

Source: Postal Service Product Tracking and Information System.

⁶ Total percentage is off by 1 percent due to rounding.

Postal Service policy⁷ requires carriers to perform accurate STC scans for packages at the point of delivery. We interviewed the carrier who performed the scans at the unit for the three businesses we identified above. The carrier stated that the “Delivered” scans were being performed at the unit because there was often nobody to sign for them at the delivery point. During our audit, management took corrective action by instructing the carrier to scan firm sheets⁸ at the delivery point for each business.

Discussions with carriers and management indicated that many of the other 1,877 scans were correctly scanned at the unit, but with the incorrect scan code. Examples include packages that should have received “Vacation Hold” or “Business Closed” scans, but instead received “Delivered” scans due to local legacy practices. During our audit, the postmaster began reviewing local practices and has started preparing refresher training for employees on proper scanning procedures.

We also conducted on-site observations at the unit on the morning of January 14, 2020, before the carriers arrived for the day. During our observations, we judgmentally selected 40 packages that were at the carrier cases or the “Notice Left” area to review their scanning and tracking data (see Table 3). Of the 40 packages we reviewed, 14 (35 percent) were missing a scan or had improper scans and 10 (25 percent) were not handled and processed as required.

Table 3. Review of Packages at the Unit

Location of Packages	Number of Packages Reviewed	Number of Packages with Scan Errors	Number of Packages with Improper Handling & Processing
Carrier Cases	11	10	0
“Notice Left” Area	29	4	10 ⁹
Total	40	14	10

Source: U.S. Postal Service Office of Inspector General (OIG).

Specifically, for packages selected on the carrier cases, we found:

- Seven packages were improperly scanned “Delivered”. Of these:
 - Three were for customers on vacation and should have been scanned “Vacation Hold”.
 - One should have been scanned as “Receptacle Full” according to the carrier who made the scan.
 - Three were scanned “Delivered” at the unit instead of the point of delivery.

⁷ *No Delivery/No Attempt and Scanning Document*, November 2015.

⁸ A list of packages for delivery to one address documented with a single barcode.

⁹ This includes three of the four packages on the “Notice Left” shelves that had scan errors.

- Three packages had scans indicating they were out for delivery the previous day but did not receive a STC scan indicating why they had not been delivered.

For packages selected from the “Notice Left” area, we found that:

- Two were scanned “Delivered”.¹⁰ A package should not receive a “Delivered” scan until the customer picks it up.
- Two did not have a STC scan indicating why they had not been delivered.
- Ten had scans that were more than 15 days old and should have been returned to sender.¹¹ These ten packages ranged from three to 23 days past their return dates.

These 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.¹²

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

Recommendation #1: We recommend the **Manager, Sierra Coastal District**, instruct the Chatsworth Post Office Postmaster to ensure employees follow standard operating procedures for proper scanning and handling of all packages, including using firm sheets, periodically reviewing and monitoring scan data for compliance, and providing carriers with refresher training on scanning procedures.

Management’s Comments

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

Regarding recommendation 1, management stated that all employees have been instructed to follow standard operating procedures for proper scanning, including the use of firm sheets, by performing accurate STC scans for packages at the point of delivery. In subsequent communications, management provided documentation

¹⁰ A “Delivered” scan is routinely made when a package is successfully left at the delivery address.

¹¹ *Postal Bulletin* 222111: Notice Left and Return Guidelines.

¹² Standup Talk - *Delivering a Positive Customer Service Experience-Delivery Done Right*, and *Scanning at a Glance, Delivering 100% Visibility*.

showing that all carriers at the unit were provided a stand-up talk and refresher training on or before February 20, 2020. In addition, management provided documentation showing they are reviewing and monitoring scan data for compliance on a daily basis.

Evaluation of Management's Comments

The OIG considers management's comments responsive to the recommendation in the report.

We consider recommendation 1 closed with the issuance of this report.

Appendix A: Management's Comments

District Manager
Sierra Coastal District



February 25, 2020

LAZERICK POLAND
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Mail Delivery and Customer Service Operations – Chatsworth Post
Office, Chatsworth, CA (Report Number: DR 20-150)

Management has reviewed the results of the report and agrees there is
opportunity to improve the scanning process in Chatsworth Post Office

Recommendation #1:

We recommend the Manager, Sierra Coastal District, instruct the Chatsworth Post
Office Postmaster to ensure employees follow standard operating procedures for
proper scanning and handling of all packages, including using firm sheets,
periodically reviewing and monitoring scan data for compliance, and providing
carriers with refresher training on scanning procedures.

Management Response/Action Plan:

The Chatsworth Post Office management has acknowledged the scanning procedural
defects identified during the review and has corrected the improper scanning
practices. All employees have been instructed to follow the proper scanning standard
operating procedures, including the use of firm sheets, by performing accurate STC
scans for packages at the point of delivery. The stand-up talk was given on 01-15-
2020, 01-22-2020, 01-25-2020, 02/01/2020 to inform all employees. Senior
Operations Manager oversight of the Chatsworth Post Office scanning procedures
have been set in place.

Operations Programs has issued a District wide MDD/Scanning Standard Operating
Procedure for all carriers to refresh employee knowledge of proper scanning
practices. A message went out to all delivery units directing them to give the stand-
up.

Target Implementation Date:

February 29, 2020

Responsible Official:

Postmaster – Chatsworth Post Office
Senior Operations Manager – 5

District Manager
Sierra Coastal District



Alfred Santos
District Manager
Sierra Coastal District

cc: *Kevin L. McAdams, VP Delivery Operations*
Larry P. Munoz, Pacific Area Vice President
[REDACTED] Manager Accounting Pacific Area
[REDACTED] Senior Operations Manager