

Office of Inspector General | United States Postal Service

Audit Report

U.S. Postal Service International Mail Operations and Performance Data

Report Number 21-197-R22 | June 2, 2022



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Highlights

Background

International mail is primarily processed through the U.S. Postal Service's International Service Centers (ISC). ISC operations focus on the timely and secure movement of international mail and packages. ISC staff use equipment to perform processing scans for events such as mail arrival and departure and customs clearance. Scan data is recorded in the Product Tracking and Reporting (PTR) system and converted to message scripts for customers tracking packages on USPS.com.

What We Did

Our objective was to assess the Postal Service's international mail operations and performance data. We reviewed key international operations and data, including analyzing 543 packages judgmentally selected at ISCs from May-December 2021.

Findings

Our review of international mail operations and performance data found scanning deficiencies, processing delays, and confusing messages. Package data showed missing, delayed, simultaneous, and non-sequential scans. For example, [REDACTED] of the packages we sampled were missing an ISC departure scan and we found notable processing delays at the ISCs, with some packages [REDACTED]

ISC management acknowledged the scanning issues and processing delays for outbound and inbound packages and attributed them to factors including staff not performing scans or workload pressures (e.g., ISCs processing additional volume for other plants). While the extent of these factors varied across the ISC network, the overall scanning and processing issues highlighted concerns with management's ability to effectively monitor scan performance and reduce delays.

We also found instances of confusing and vague USPS.com messages displayed to customers regarding ISC-related processing events. For example, customers received "processed through" messages although their packages remained for processing at the ISC. These issues were caused by outdated business rules for transmitting data between PTR and USPS.com for international packages.

Recommendations

We recommended management (1) improve monitoring of operational scan performance at ISCs, including reinforcing procedures with staff, (2) develop strategies for reducing processing delays at ISCs, including effectively balancing workloads, and (3) review the business rules governing USPS.com tracking for international packages to promote clear and accurate messages.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

June 2, 2022

MEMORANDUM FOR: MIKE L. BARBER
VICE PRESIDENT, PROCESSING AND MAINTENANCE
OPERATIONS

DANE A. COLEMAN
VICE PRESIDENT, EASTERN REGIONAL PROCESSING
OPERATIONS

TODD S. HAWKINS
VICE PRESIDENT, WESTERN REGIONAL PROCESSING
OPERATIONS (ACTING)

MARC D. McCRERY
VICE PRESIDENT, CUSTOMER EXPERIENCE

GARY C. REBLIN
VICE PRESIDENT, INNOVATIVE BUSINESS TECHNOLOGY

A handwritten signature in black ink, reading "Amanda H. Stafford", is positioned above the "FROM:" field.

FROM: Amanda H. Stafford
Deputy Assistant Inspector General
for Retail, Delivery and Marketing

SUBJECT: Audit Report – International Mail Operations and Performance
Data (Report Number 21-197-R22)

This report presents the results of our audit of International Mail Operations and Performance Data.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Janet Sorensen, Director, Sales, Marketing & International, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit Response Management

Results

Introduction/Objective

This report presents the results of our self-initiated audit of the U.S. Postal Service’s international mail operations and performance data (Project Number 21-197). Our objective was to assess international mail operations and performance data. See [Appendix A](#) for additional information about this audit.

The Postal Service reported international revenue of over ██████████ in fiscal year (FY) 2021 (see Table 1).

Table 1. FY 2021 Postal Service International Data (data in thousands)

| Category | Revenue | Mailpieces |
|-------------------------------|----------|------------|
| Inbound Mailing and Shipping | ████████ | ██████ |
| Outbound Mailing and Shipping | ████████ | ██████ |
| Other International Services | ██████ | ██████ |
| Total | ████████ | ██████ |

Source: Postal Service FY 2021 Revenue, Piece, and Weight report.

The Postal Service primarily processed these international mailings – along with other international military and diplomatic mailings¹ – at its five International Service Centers (ISC) in New York, Miami, Chicago, San Francisco, and Los Angeles.² The Postal Service coordinates with the Universal Postal Union (UPU),³ the Postal Inspection Service, Customs and Border Protection (CBP), the Census

Bureau, and other governmental agencies that control U.S. import and export regulations to ensure efficient processing and security of international mailings.

The Postal Service’s international operations focus on timely and secure movement of inbound and outbound mail through the ISCs. The Postal Service restructured management of its international mailing operations in late 2021, moving day-to-day supervision of the ISCs under their respective regional processing operations centers, with the New York and Miami ISCs reporting to the Eastern region and the Chicago, Los Angeles, and San Francisco ISCs reporting to the Western region. The headquarters International Processing Operations group supports these operations.

These groups collect and analyze key performance data when managing these international mail operations. This data is primarily collected during operational scans of barcoded mailpieces⁴ at the ISCs — scans that are performed manually by ISC staff using hand-held scanners or automatically by equipment. Postal Service management stated certain ISC operational scans are required (see [Table 2](#)).

“The Postal Service’s international operations focus on timely and secure movement of inbound and outbound mail through the ISCs.”

¹ These mailings are done in conjunction with the U.S. Department of Defense and Department of State and are considered domestic mail.

² The San Francisco ISC is scheduled to close in August 2022. Additional information on this facility closure is available in a recent OIG report titled *San Francisco International Service Center Closure* (Report Number 21-267-R22, dated May 13, 2022).

³ The UPU is an agency of the United Nations whose primary functions include overseeing international mail, exchanges and making recommendations to stimulate growth in mail and improve quality of service for customers.

⁴ Barcoded mailpieces include packages, flats, and letters. We refer to these barcoded mailings as “packages” throughout this report.

Table 2. Key ISC Scanning Events

| Scan Events | Required or Optional |
|----------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Inbound | |
| Arrived at ISC | Required |
| Inbound Into Customs (only for items presented to CBP) | Required |
| Inbound Out of Customs (only for items presented to CBP) | Required |
| Depart from ISC | Optional |
| Outbound | |
| Arrived at ISC | Other ^a |
| International Dispatch Ready – Postal Service processing is complete, and the mailing is ready for dispatch (departure) out of the ISC | Required |

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

^aPostal Service management stated this scan is required for outbound (export) mailings entered directly at the ISC but is not required for export mailings that were originally accepted at other Postal Service facilities (e.g., Post Office or Bulk Mail Entry Unit) and subsequently routed to the ISC.

Note: There are other scans required before and after the barcoded mailpiece (i.e., package) is at the ISC.

The Postal Service’s Product Tracking Reporting (PTR) system collects scan event information for each package. Figure 1 shows an example of key PTR data excerpts for an outbound package. The PTR event descriptions (see the “Event” column) illustrate various operational activities, such as arrival (i.e., “Arrived”), departure (i.e., “Dispatch Ready”), or processing (i.e., “Enroute/Processed”).

Figure 1. PTR Data Example

| Barcode Number | Event | Location | Time |
|----------------|-----------------------------------------|----------------------------------------------|----------------|
| | PRE-SHIPMENT INFO SENT TO USPS | SHAWNEE, KS 66216 | 06/16/21 11:23 |
| | SHIPMENT ACCEPTANCE | MISSION, KS 66202 | 06/17/21 16:48 |
| | ORIGIN ACCEPTANCE | SHAWNEE, KS 66216 | 06/17/21 19:15 |
| | ENROUTE/PROCESSED | KANSAS CITY, MO 64121 | 06/17/21 20:30 |
| | ARRIVED AT INTERNATIONAL SERVICE CENTER | ISC CHICAGO IL (USPS), UNITED STATES | 07/11/21 15:07 |
| | INTERNATIONAL DISPATCH READY | ISC CHICAGO IL (USPS), UNITED STATES | 07/12/21 07:45 |
| | ACCEPTED BY ORIGIN AIRLINE CARRIER | O'HARE INTERNATIONAL, CHICAGO, UNITED STATES | 07/15/21 08:37 |
| | ORIGIN AIRLINE CARRIER DEPARTED/UPLIFT | O'HARE INTERNATIONAL, CHICAGO, UNITED STATES | 07/17/21 12:17 |
| | ORIGIN AIRLINE CARRIER DEPARTED/UPLIFT | HANEDA, TOKYO, JAPAN | 07/19/21 19:20 |
| | ORIGIN AIRLINE CARRIER DEPARTED/UPLIFT | HANEDA, TOKYO, JAPAN | 07/26/21 10:00 |
| | ORIGIN AIRLINE CARRIER DEPARTED/UPLIFT | NARITA, TOKYO, JAPAN | 07/27/21 05:09 |
| | PROCESSED THROUGH OFFICE OF EXCHANGE | BRISBANE AUSTRALIA | 08/01/21 07:04 |
| | DELIVERED | AUSTRALIA | 08/05/21 08:50 |

Source: OIG data extracted from the Postal Service’s PTR system for package number [REDACTED] identified on July 6, 2021, at the Chicago ISC.

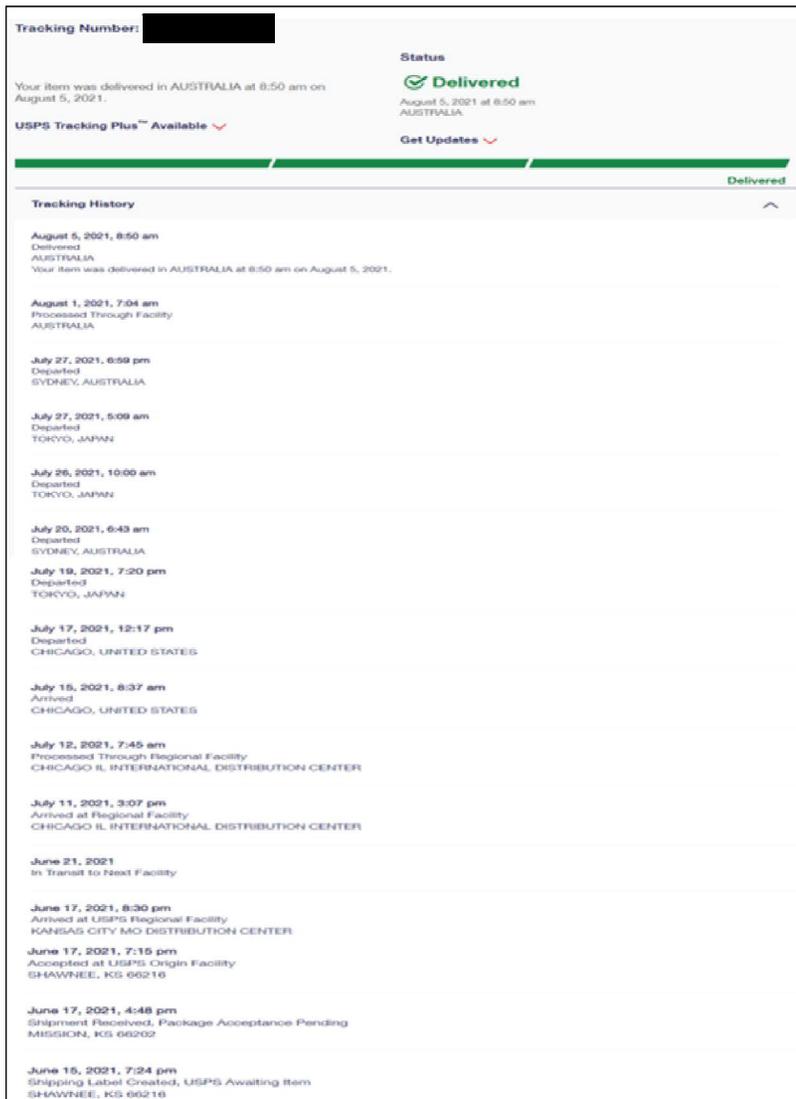
Both Postal Service staff and customers use this PTR data to monitor the movement of international packages. For example, customers can search the status of their packages using the assigned identification (ID) barcode number through the USPS Tracking® system on USPS.com.⁶ When doing so, real-time package data is queried from PTR and converted to message scripts that are displayed to the customer. Figure 2 shows the messages provided on USPS.com for the package from Figure 1.

“Both Postal Service staff and customers use this PTR data to monitor the movement of international packages.”

⁵ The Enroute/Processed event can also reflect a myriad of operational activities including arrival, departure, or processing.

⁶ USPS.com or USPS Tracking is a free service the Postal Service offers customers to provide end-to-end tracking of an item. See https://tools.usps.com/go/TrackConfirmAction_input.

Figure 2. Example of Message Returned on USPS.com Tracking Website



Source: OIG data extracted from the USPS.com Tracking website for package number [REDACTED] from Figure 1.

The transmittal of data from PTR to USPS.com and the method used to convert the data to customer messages on USPS.com are governed by a set of business rules specific to international mail and managed by the Postal Service’s Customer Experience group.

The Postal Service’s ability to promote efficient international operations and meet increasing mailer/customer needs regarding complete, accurate, and timely tracking data will be critical to maintaining its position in the global mailing and shipping marketplace.

Findings Summary

International mail operations and performance data were hindered by scanning deficiencies, processing delays, and confusing messages. We analyzed 543 judgmentally selected inbound and outbound packages while performing site observations at the various ISCs between May and December 2021, and each package was physically observed by OIG staff at an ISC. We then queried and analyzed PTR and USPS.com tracking data for each package.⁷ In doing so, we analyzed the completeness and timing of the “arrival” and “departure” scans – regardless of if they were required or optional according to Postal Service officials. This approach was chosen as arrival and departure scan data is needed to (a) provide management with information on how long packages are at ISCs and (b) provide customers with “complete” and “real-time” package visibility consistent with the Postal Service’s stated expectations (see below):

No matter what volume of mailings you send, you can track your mail or packages as it moves through the course of the mailing and handling system.

Complete visibility of mail provides real-time information about mail to customers and the U.S. Postal Service, including service performance data. This visibility into mailing activities allows the Postal Service to better manage

“International mail operations and performance data were hindered by scanning deficiencies, processing delays, and confusing messages.”

⁷ To allow for scanning and processing updates, we waited for at least seven days before querying and analyzing the accompanying PTR and USPS.com data for each package.

its operations, increase route efficiency, improve service, and control costs. Mail visibility gives customers insight into mailing activities and provides them analytics to drive business decisions.⁸

See Appendix B for additional information on this package analysis.

Finding #1: Deficient Operational ISC Scans

Deficiencies in scanning for international packages were observed across all ISCs. Scans should be done in a complete, timely, sequential manner that accurately reflects the package’s processing at the ISC. Our analysis of PTR scanning data for the 543 packages showed missed arrival and departure scans, delayed scans, simultaneous scans, and non-sequential scans, as follows:

- **Missed arrival and departure scans:** These expected scan events — which together accurately measure the length of time a package was at the ISC — were not consistently completed for the packages we reviewed. PTR data showed:

- [REDACTED] did not have an Arrival at ISC scan.
- [REDACTED] did not have a Departure from ISC scan.
- [REDACTED] did not have both the Arrival and Departure from ISC scans (see example in Figure 3).

Figure 3. International Package PTR Example – No ISC Arrival or Departure Scans

| Barcode Number | Event | Location | Date & Time |
|----------------|-----------------------------------|--------------------------------------|----------------|
| [REDACTED] | FOREIGN ACCEPTANCE | POLAND | 06/09/21 14:21 |
| [REDACTED] | FOREIGN ARRIVAL AT OUTWARD OFFICE | WARSZAWA WER, POLAND | 06/13/21 07:46 |
| [REDACTED] | FOREIGN INTERNATIONAL DISPATCH | WARSZAWA WER, POLAND | 06/15/21 15:24 |
| [REDACTED] | ORIGIN POST IS PREPARING SHIPMENT | WARSZAWA WER, POLAND | 06/15/21 17:11 |
| [REDACTED] | INBOUND OUT OF CUSTOMS | ISC NEW YORK NY(USPS), UNITED STATES | 06/22/21 15:45 |
| [REDACTED] | ENROUTE/PROCESSED | PHOENIX, AZ 85043 | 06/25/21 17:20 |

Source: OIG data extracted from the Postal Service’s PTR system for package number [REDACTED] identified on June 22, 2021, at the New York ISC.
 Note: The only scan event that occurred at the New York ISC was the “Inbound Out of Customs” scan.

- **Delayed scans:** We found [REDACTED] of the observed packages did not have a recorded scan event (i.e., an arrival scan or any other processing scan) at the ISC prior to the date and time the OIG staff member physically reviewed the package at the ISC. Our subsequent analysis of the package data showed notable scanning delays — on average, the first recorded ISC scan event occurred [REDACTED] after we observed the package.
- **Simultaneous scans:** We found that [REDACTED] showed scans for different ISC processing events occurring either at the same time or within minutes of each other. Figure 4 shows an example of a package with arrival, departure, and processing scan events occurring simultaneously at 15:14 (3:14 pm) on 5/27/2021.

Figure 4. International Package PTR Example – Simultaneous Scans

| Barcode Number | Event | Location | Date and Time |
|----------------|-----------------------------------------|----------------------------------------------|----------------|
| [REDACTED] | PRE-SHIPMENT INFO SENT TO USPS | DALLAS, TX 75244 | 04/26/21 13:11 |
| [REDACTED] | SHIPMENT ACCEPTANCE | DALLAS, TX 75244 | 04/26/21 14:09 |
| [REDACTED] | ORIGIN ACCEPTANCE | DALLAS, TX 75244 | 04/27/21 18:20 |
| [REDACTED] | ENROUTE/PROCESSED | COPELLE, TX 75099 | 04/27/21 19:35 |
| [REDACTED] | INTERNATIONAL DISPATCH READY | ISC CHICAGO IL (USPS), UNITED STATES | 05/27/21 15:14 |
| [REDACTED] | ARRIVED AT INTERNATIONAL SERVICE CENTER | ISC CHICAGO IL (USPS), UNITED STATES | 05/27/21 15:14 |
| [REDACTED] | ENROUTE/PROCESSED | CHICAGO, IL 60666 | 05/27/21 15:14 |
| [REDACTED] | ACCEPTED BY ORIGIN AIRLINE CARRIER | O'HARE INTERNATIONAL, CHICAGO, UNITED STATES | 05/28/21 12:26 |
| [REDACTED] | ORIGIN AIRLINE CARRIER DEPARTED/UPLIFT | O'HARE INTERNATIONAL, CHICAGO, UNITED STATES | 05/28/21 19:18 |

Source: OIG data extracted from the Postal Service’s PTR system for package number [REDACTED] identified on May 20, 2021, at the Chicago ISC.
 Note: The highlighted scan events occurred at the Chicago ISC at simultaneous dates and times.

- **Non-sequential scans:** We found that [REDACTED] showed scans that were not consistent with typical processing order. For example, Figure 5 shows a package in which the Into Customs Scan occurred before the arrival at ISC scan.

⁸ U.S. Postal Service, *Visibility and Tracking* found at <https://postalpro.usps.com/visibility-and-tracking>.

Figure 5. International Package PTR Example – Out of Order Scans

| Barcode Number | Event | Location | Date and Time |
|----------------|-----------------------------------------|------------------------------------------|----------------|
| | PRE-SHIPMENT INFO SENT TO USPS | MORENO VALLEY, CA 92555 | 12/04/21 00:43 |
| | ORIGIN ACCEPTANCE | MORENO VALLEY, CA 92555 | 12/07/21 21:24 |
| | INTO CUSTOMS | ISC LOS ANGELES CA (USPS), UNITED STATES | 12/07/21 22:39 |
| | CUSTOMS CLEARANCE | ISC LOS ANGELES CA (USPS), UNITED STATES | 12/07/21 22:39 |
| | ENROUTE/PROCESSED | LOS ANGELES, CA 90009 | 12/07/21 22:39 |
| | OUT OF CUSTOMS | ISC LOS ANGELES CA (USPS), UNITED STATES | 12/09/21 10:09 |
| | INTERNATIONAL DISPATCH READY | ISC LOS ANGELES CA (USPS), UNITED STATES | 12/11/21 10:46 |
| | ARRIVED AT INTERNATIONAL SERVICE CENTER | ISC LOS ANGELES CA (USPS), UNITED STATES | 12/11/21 10:46 |
| | ENROUTE/PROCESSED | LOS ANGELES, CA 90009 | 12/11/21 10:46 |

Source: OIG data extracted from the Postal Service's PTR system for package number [REDACTED] identified on December 8, 2021, at the LA ISC.

Note: The highlighted scan events occurred at the LA ISC. Notice the "Arrived at International Service Center" scan occurred on December 11, 2021, four days after the package was scanned at the ISC as "Into Customs" and "Enroute/Processed" on December 7, 2021, and "Out of Customs" on December 9, 2021.

In May 2021, we reported on missing and simultaneous scanning issues for packages at the Chicago ISC.⁹ ISC management attributed missed scans to packages mistakenly bypassing normal acceptance operations and attributed simultaneous scans to an automated processes that expedited acceptance operations at the ISCs. While we recommended management implement processes and controls to ensure proper scanning procedures at the Chicago ISC, management disagreed, stating that proper scanning procedures were in place.

Regarding the current scanning deficiencies across all ISCs, ISC management acknowledged the scanning issues and attributed them to a combination of factors including:

- **Staff not performing scans:** ISC management stated that staff members were not consistently performing scans for a variety of reasons, including lack of training or awareness of the applicable scanning procedures and, in some cases, not following processes. These managers stated that COVID-19-related staffing challenges — high employee unavailability due to taking leave combined with new and inexperienced staff — exacerbated these scan performance issues.
- **Workload pressures:** Management from several ISCs stated workload pressures negatively impacted scan performance. These pressures included having to process additional volume received from other plants and the

inability to “offload” excess to other plants. These additional workloads contributed to workroom floor congestion and hindered mail flow and scanning.

- **Equipment settings:** Headquarters officials installed automated scanning processes on certain processing equipment that allow for simultaneous scan events. This was implemented to help expedite acceptance operations at ISCs.

While we recognize these challenges, particularly those related to staffing and workloads during the pandemic, it remains the responsibility of ISC management officials to ensure that employees follow scanning procedures in a timely manner. Continued scan deficiencies are problematic for the Postal Service and its customers. Deficient scanning provides management with unreliable data for monitoring operations and performance as well as determining corrective actions. This same scan data is fed into PTR and then USPS.com where customers receive real-time package visibility. Therefore, deficient scanning results in unreliable customer tracking information — a condition that can lead to customer dissatisfaction and a decline in brand perception.

To help understand the impact of the operational scan deficiencies, we reviewed international customer complaint data for the 543 package IDs in our analysis. In the few known instances where customers contacted the Postal Service regarding these packages, the information available to the representative was limited due to scan deficiencies identified above — i.e., missing, delayed, simultaneous, and non-sequential scans.

For example, one of the packages, although physically observed at an ISC on July 27, 2021, showed no operational scans — providing no evidence that the package was in the building. For another package, Postal Service data showed simultaneous arrival and dispatch ready scans on April 12. The customer contacted the Postal Service on June 7 and the next ISC scan showed Customs clearance

“Continued scan deficiencies are problematic for the Postal Service and its customers.”

⁹ OIG, *Issues Identified in International Package Operations – Chicago International Service Center* (Report Number 21-101-R21, dated May 12, 2021).

on July 12. We observed the package at the ISC on July 19 and there were no subsequent ISC scans. The next recorded scan was in the destinating foreign country nearly one month later. These examples illustrate negative impact on the customer that directly resulted from deficient scanning operations.

Recommendation #1

We recommend the **Vice Presidents of Processing and Maintenance Operations and Eastern and Western Regional Processing Operations**, improve monitoring of operational scan performance at International Service Centers, including reinforcing procedures with staff.

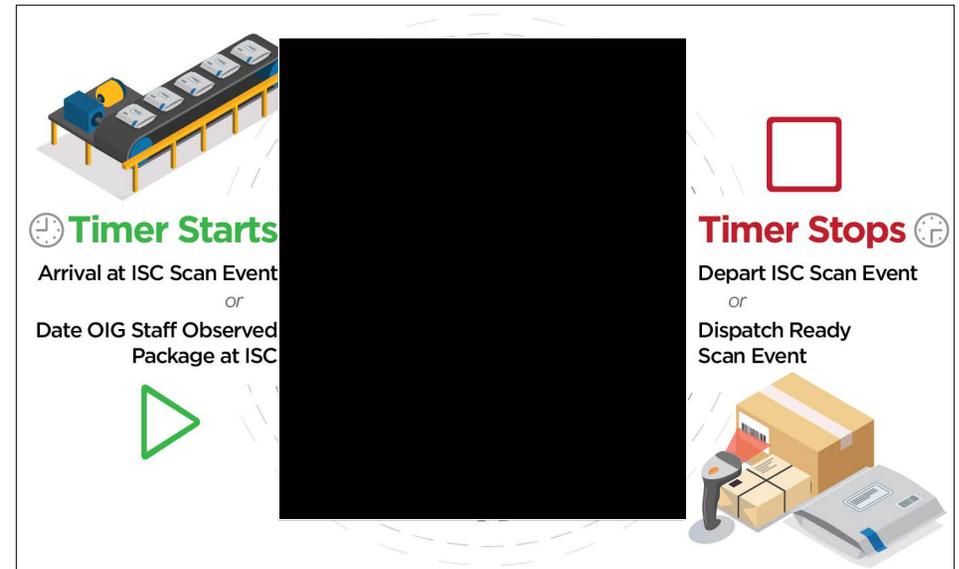
Finding #2: ISC Operational Delays

The Postal Service's international operations focus on timely and secure movement of mail through the ISCs. Data showed that some international packages were delayed at the ISCs. For the 280 packages in our analysis with

departure scan events recorded in PTR,¹⁰ we compared acceptance¹¹ and departure¹² events and found that these packages were being processed at the ISC [REDACTED] (see Figure 6). The OIG recently reported on processing delays, including some packages that were at the ISCs for [REDACTED].¹³

“Continued processing delays would be problematic for the Postal Service and its customers.”

Figure 6. OIG Analysis of International Package Processing Times



Source: OIG analysis of Postal Service PTR data for select international packages.

ISC managers stated that they monitor international operational timeliness using Mail Condition Visualization¹⁴ data and other processes but acknowledged these delays. While we agree with the Postal Service that the delays can be attributed to workload challenges, including offloads of domestic volumes, it is the responsibility of ISC management officials to manage workloads at the ISC in a timely manner, including balancing offloaded volumes. Continued processing delays would be problematic for the Postal Service and its customers. From

¹⁰ We excluded the 263 pieces without a departure scan event from this analysis. To allow for scanning and processing updates, we waited for at least seven days before pulling and recording the accompanying PTR and USPS.com data for each package.

¹¹ The acceptance events included either (a) an arrival event recorded in PTR or (b) the date when the OIG team member observed the package at the ISC.

¹² Packages processed at the ISC often may wait for available transportation to the next facility, particularly for international outbound (export) pieces that may have more limited transportation capacities to certain international destinations. As such, we used the Postal Service's indicator of when the package departed the facility or was dispatch ready.

¹³ OIG, *International Export Package Advanced Electronic Data* (Report Number 21-266-R22, dated December 2, 2021). This report focused on international export packaged determined to have insufficient advance electronic data.

¹⁴ The OIG reviewed Mail Condition Visualization data as part of a series of reports looking into delayed mail at various Postal Service P&DCs. Recent reports included *Mail Operations at the Mid Carolina, NC, Processing and Distribution Center* (Report Number 21-185-R21, dated August 25, 2021), *Mail Operations at the Raleigh, NC, Processing and Distribution Center* (Report Number 21-184-R21, dated August 12, 2021), and *Mail Operations at the Denver, CO, Processing and Distribution Center* (Report Number 21-151-R21, dated July 27, 2021).

a customer service perspective, these delays can drive additional customer inquiries and complaints and threaten the Postal Service's brand integrity.

Recommendation #2

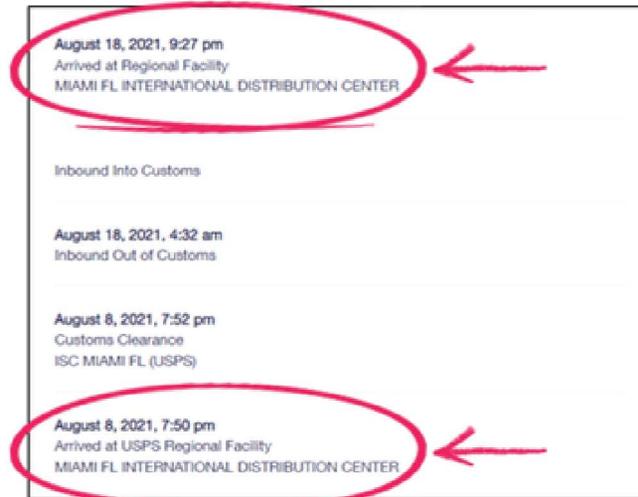
We recommend the **Vice Presidents of Processing and Maintenance Operations and Eastern and Western Regional Processing Operations**, develop strategies for reducing processing delays at International Service Centers, including effectively balancing workloads.

Finding #3: Confusing Customer Messages on USPS.com

We also identified instances of confusing messages presented on USPS.com regarding ISC-related processing events. We uncovered these issues when we compared the messages provided to customers on USPS.com with those of the processing scan events recorded in PTR. These concerns included:

- **Missing events:** When key ISC processing scans were not performed (see the "Missing Scans" discussion in Finding 1), these missing scans would result in processing gaps in the tracking messaging presented on USPS.com. For example, when no arrival or departure scans were performed, there would be no corresponding messages on those activities.
- **Multiple events:** We found instances where package status messages on USPS.com showed multiple arrival and/or departure events (see example in Figure 7). We found that [REDACTED] of the packages analyzed had multiple arrivals events and [REDACTED] had multiple departure events. Postal Service officials stated that current business rules allow different scan events to be messaged as either arrival or departure events when displayed on USPS.com. For example, these rules allow "Arrived at International Service Center" and "Enroute/Processed" scan events (two different processing events) to both be messaged as arrival events on USPS.com.

Figure 7. USPS.Com Example – Duplicate Events



Source: OIG analysis of USPS.com data extracted for package number [REDACTED] identified on August 10, 2021, at the Miami ISC.
Note: There were multiple arrival events shown for the Miami ISC (i.e., "Miami, FL International Distribution Center") on August 8 and August 18.

- **Imprecise processing wording:** We found some instances where messages communicated the package was "processed through" the ISC — implying the package's processing was completed. However, subsequent scanning events indicated additional processing was performed at the ISC (see example in Figure 8). Postal Service officials stated that current business rules use the broader "processed through" terminology to (a) be consistent with messages for other international scan events — some of which was jointly developed with foreign posts and (b) give customers the impression the package is still moving through the network.

Figure 8. USPS.Com Example – Imprecise Processing Wording (“Processed Through”)

| |
|-------------------------------------------------------------------------------------------------------------------------|
| September 28, 2021, 10:54 am Arrived at USPS Regional Facility SAN FRANCISCO CA INTERNATIONAL DISTRIBUTION CENTER |
| September 28, 2021, 10:53 am Inbound Out of Customs |
| Inbound Into Customs |
| September 28, 2021, 9:54 am Processed Through Facility ISC SAN FRANCISCO (USPS) |

Source: OIG analysis of USPS.com data extracted for package number [REDACTED] identified on September 28, 2021, at the San Francisco ISC.

Note: The figure shows all the scan events at the San Francisco ISC for this mailing. Notice the “Processed Through” event on September 28, 2021, at 9:54 a.m. occurred before the ensuing “Inbound Out of Customs” scan at 10:53 a.m.

- Vague location:** We found some instances where the location information was not tied to a specific facility. Figure 9 shows an example of USPS.com messages indicating a package arrived at the Miami ISC on August 8; departed the ISC on August 18; and “Arrived, Miami, United States” on August 20, 2021. The corresponding PTR data for the August 20 event showed the package was accepted by the air carrier on that date. Postal Service officials stated the business rules were configured so the information would not reflect a detailed facility name or location when viewed in USPS.com.

Figure 9. USPS.Com Example – Vague Location

| USPS.com DATA | | |
|----------------------------------------------------------------------------------------------------------------|--|--|
| August 20, 2021, 3:00 am Arrived MIAMI, UNITED STATES | | |
| August 18, 2021 In Transit to Next Facility | | |
| August 18, 2021, 9:27 pm Departed USPS Regional Facility MIAMI, FL INTERNATIONAL DISTRIBUTION CENTER | | |
| August 18, 2021, 9:27 pm Processed Through Regional Facility MIAMI, FL INTERNATIONAL DISTRIBUTION CENTER | | |
| August 18, 2021, 9:27 pm Arrived at Regional Facility MIAMI, FL INTERNATIONAL DISTRIBUTION CENTER | | |
| Inbound Into Customs | | |
| August 18, 2021, 4:32 am Inbound Out of Customs | | |
| August 8, 2021, 7:50 pm Customs Clearance ISC MIAMI, FL (USPS) | | |
| August 8, 2021, 7:50 pm Arrived at USPS Regional Facility MIAMI, FL INTERNATIONAL DISTRIBUTION CENTER | | |

| PTR DATA | | |
|-----------------------------------------|-------------------------------------|----------------|
| Event | Location | Date and Time |
| ACCEPT OR PICKUP | JACKSONVILLE, FL 322189998 | 08/07/21 10:57 |
| ENROUTE/PROCESSED | JACKSONVILLE, FL 32099 | 08/07/21 20:50 |
| ENROUTE/PROCESSED | MIAMI, FL 33112 | 08/08/21 19:50 |
| ENROUTE/PROCESSED | MIAMI, FL 33112 | 08/08/21 19:51 |
| INTO CUSTOMS | ISC MIAMI, FL (USPS), UNITED STATES | 08/08/21 19:52 |
| CUSTOMS CLEARANCE | ISC MIAMI, FL (USPS), UNITED STATES | 08/08/21 19:52 |
| ENROUTE/PROCESSED | MIAMI, FL 33112 | 08/09/21 08:55 |
| ENROUTE/PROCESSED | MIAMI, FL 33112 | 08/09/21 09:14 |
| OUT OF CUSTOMS | ISC MIAMI, FL (USPS), UNITED STATES | 08/10/21 19:14 |
| ENROUTE/PROCESSED | MIAMI, FL 33112 | 08/11/21 06:50 |
| ENROUTE/PROCESSED | MIAMI, FL 33112 | 08/11/21 06:51 |
| OUT OF CUSTOMS | ISC MIAMI, FL (USPS), UNITED STATES | 08/11/21 06:54 |
| ENROUTE/PROCESSED | MIAMI, FL 33112 | 08/11/21 06:54 |
| OUT OF CUSTOMS | ISC MIAMI, FL (USPS), UNITED STATES | 08/17/21 15:58 |
| INBOUND INTO CUSTOMS | ISC MIAMI, FL (USPS), UNITED STATES | 08/18/21 04:32 |
| INBOUND OUT OF CUSTOMS | ISC MIAMI, FL (USPS), UNITED STATES | 08/18/21 04:32 |
| ENROUTE/PROCESSED | MIAMI, FL 33112 | 08/18/21 08:04 |
| INTERNATIONAL DISPATCH READY | ISC MIAMI, FL (USPS), UNITED STATES | 08/18/21 21:27 |
| ARRIVED AT INTERNATIONAL SERVICE CENTER | ISC MIAMI, FL (USPS), UNITED STATES | 08/18/21 21:27 |
| ENROUTE/PROCESSED | MIAMI, FL 33112 | 08/18/21 21:27 |
| ACCEPTED BY ORIGIN AIRLINE CARRIER | INTERNATIONAL, MIAMI, UNITED STATES | 08/20/21 03:00 |

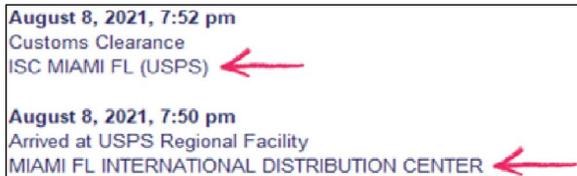
Source: OIG analysis of USPS.com data extracted for package number [REDACTED] identified on August 10, 2021, at the Miami ISC.

Note: USPS.com displays the package arriving at the Miami ISC on August 8, 2021, at 7:50 p.m. and then arriving in “Miami, United States” on August 20, 2021, at 3:00 a.m. The corresponding August 20, 2021, PTR data showed the package was “Accepted by Origin Airline Carrier”.

- Inconsistent facility labels:** We found a variety of instances where USPS.com scripts used different labels to reference operations at a particular ISC. Inconsistencies included:

 - “International Distribution Center” vs. “ISC”: [REDACTED] packages contained inconsistent facility name references. Figure 10 shows an example in which the messages display the “Miami, FL International Distribution Center” in one event and the “ISC Miami, FL” in the other, even though both occurred at the Miami ISC.

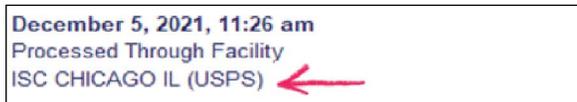
Figure 10. USPS.com Example – Inconsistent Facility Label



Source: Excerpt of package number [REDACTED] from Figure 9.

- **Non-defined acronyms:** [REDACTED] packages referenced an “ISC” without defining the acronym (see example in Figure 11).

Figure 11. USPS.com Example – Non-Defined Acronym



Source: OIG analysis of USPS.com data extracted for package number [REDACTED] identified on December 9, 2021, at the Chicago ISC.

- **“USPS Regional Facility” vs “Regional Facility”:** [REDACTED] packages contained inconsistent usage of the “USPS” label when referring to facilities during ISC processing (see example in Figure 12).

Figure 12. USPS.Com Example – Facility Labels



Source: OIG analysis of USPS.com data extracted for package number [REDACTED] identified on September 28, 2021, at the San Francisco ISC.

Note: The Postal Service used different facility labels – USPS Regional Facility and Regional Facility – for scan events that occurred at the same facility and time.

In summary, while we recognize the confusing messages related to missing scans are a result of employees not performing corresponding scans, the governing business rules allow confusing or vague messages to be displayed to customers on USPS.com. Postal Service staff acknowledged challenges associated with developing timely and accurate messages and noted these business rules are periodically reviewed by the Customer Experience team during biweekly meetings. The scope of the messaging concerns we identified, however, indicates a more comprehensive review of these business rules is needed.

Research shows that customer expectations regarding tracking continue to grow. Customers are performing more tracking requests and expect accurate, detailed information at various points from acceptance to delivery, with market research indicating the following:

Successfully providing customers visibility into shipping is all about the detail, and the more detailed the better.

Giving your customers easy-to-understand and regular updates becomes even more important for international orders.¹⁵

The current business rules for international packages result in confusing or vague messages that hinder customer visibility and can eventually threaten their loyalty to the Postal Service brand.

Recommendation #3

We recommend the **Vice President, Innovative Business Technology, in coordination with the Vice President, Customer Experience**, review the business rules governing USPS.com tracking for international packages to promote clear and accurate messages.

“Research shows that customer expectations regarding tracking continue to grow.”

¹⁵ *How to Provide Visibility Into Shipping*, ShipStation.com blog, posted November 6, 2021, at <https://www.shipstation.com/blog/how-to-provide-visibility-into-shipping/>.

Management's Comments

Management disagreed with findings 1 and 2 and agreed with finding 3 as well as all of the recommendations.

Regarding finding 1, management stated that although there were some scanning deficiencies, this was not indicative of an inability to effectively monitor scanning performance and reduce delays at the ISCs.

Regarding finding 2, management stated that many times there are elements outside of the Postal Service's control at the ISCs that impact service, such as embargoes, lack of air/surface transportation, export mail security inspections, and Customs import screening requirements. Management also disagreed with the statement, "we found notable processing delays at the ISCs," stating that while the audit demonstrated a few delayed pieces, this is not an overall picture of conditions of the ISCs during this period.

Regarding recommendation 1, management stated that they currently have systems in place to monitor scanning performance and are establishing new review meetings with a weekly cadence to pinpoint scanning deficiencies. Management stated that they are also developing new processes and dashboards for providing additional visibility and monitoring of scan events. The target implementation date is August 31, 2022.

Regarding recommendation 2, management stated that they currently have systems in place for monitoring service performance and are establishing new review meetings with a weekly cadence to pinpoint opportunity lanes for service improvement for export (leg 1) and import (leg 3). Management also stated that they are developing new processes and dashboards for providing additional visibility for service performance and road maps for correcting areas of delay. The target implementation date is August 31, 2022.

Regarding recommendation 3, management stated that the Innovative Business Technology Team has begun an initial review of USPS Tracking business rules for international packages. This team, in collaboration with Customer Experience,

will assess opportunities to refine display rules and update descriptions to provide more consistency and clarity for scans on international packages. Upon completion, management stated that they will develop and implement appropriate changes identified during the assessment. The target implementation date is March 31, 2023.

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

Evaluation of Management's Comments

The OIG considers management's comments responsive to all recommendations.

Regarding management's disagreement with finding 1, our report specifically noted that scan deficiencies are problematic for the Postal Service and its customers because deficient scanning provides management with unreliable data for monitoring operations and performance as well as determining corrective actions. It remains the responsibility of ISC management officials to ensure that employees follow scanning procedures timely.

Regarding management's disagreement with finding 2, we stand by our report, which noted that it is the responsibility of management officials to manage workloads at ISCs timely, including balancing offloaded volumes. While the Postal Service raised concerns about outside elements and whether our package analysis reflects the overall picture at the ISCs, we believe our report provides a fair representation of conditions observed during our audit and the packages we observed on multiple days at all five ISCs. Further, ISC management acknowledged the delays we identified.

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 the recommendations can be closed.

Appendices

Click on the appendix title below to navigate to the section content.

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Appendix A: Additional Information

Scope and Methodology

Our objective was to assess international mail operations and performance data. To accomplish our objective, we:

- Observed operations at the following Postal Service ISCs:
 - Chicago: May 20 and 27; June 10; July 6, 19, and 27; August 11; September 10; October 26; and December 9 (all in 2021).
 - New York: week of June 21, 2021.
 - Miami: week of August 9, 2021.
 - San Francisco: week of September 27, 2021.
 - Los Angeles: week of December 6, 2021.

During these site visits, we interviewed plant managers and judgmentally selected international packages for further analysis (see [Appendix B](#)).

- Reviewed Postal Service policies, procedures, roles, and responsibilities related to inbound and outbound international mail operations and data.
- Reviewed various Postal Service international datasets and reports, including delayed mail, mail verification, staffing complement, transportation, service performance, and customer inquiries. We extracted and reviewed data from the PTR, Surface Visibility, Mail Condition Visualization (MCV), End of Run (WebEOR), and Customer 360 systems. We also reviewed international performance information from the FY 2021 Revenue, Piece, and Weight report and package information from USPS.com.

- Interviewed Postal Service Headquarters and ISC management about international mail operations, service, and performance at the ISCs. We also interviewed the Customer Experience team about messages on USPS.com.
- Reviewed literature on customer tracking and visibility expectations from industry sources.
- Reviewed prior audit work from the USPS OIG, the Government Accountability Office, and other government agencies.

We conducted this performance audit from July 2021 through June 2022 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 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 from each ISC listed above prior to each on-site visit and included their comments where appropriate. We also discussed our observations and conclusions with management on April 26, 2022 and included their comments where appropriate.

We used computer processed data from the PTR, Surface Visibility, MCV, WebEOR, and Customer 360 systems when performing our data analysis. We assessed the reliability of the computer-generated data by discussing the data with headquarters and ISC management, who use this data to oversee ISC operations and performance. We determined the data were sufficiently reliable for the purpose of this report.

Prior Audit Coverage

| Report Title | Objective | Report Number | Final Report Date |
|-----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|---------------|-------------------|
| <i>San Francisco International Service Center Closure</i> | Evaluate the Postal Service's communication and documentation related to the SFO ISCs pending closure. | 21-267-R22 | 5/13/2022 |
| <i>International Export Package Advanced Electronic Data</i> | Highlight significant operational delays of international outbound (export) packages. | 21-266-R22 | 12/2/2021 |
| <i>Issues Identified in International Package Operations - Chicago International Service Center</i> | Provide immediate notification of issues found during our 2020-2021 international Election Mail work. | 21-101-R21 | 5/12/2021 |
| <i>Military and Diplomatic Mail Service</i> | Assess military and diplomatic mail service provided by the Postal Service. | MS-AR-19-003 | 7/31/2019 |

Appendix B: Package Analysis

To augment our assessment of scan performance, operational timeliness, and messages, we performed detailed analysis of individual international packages OIG team members observed at all five ISCs. The following provides additional information on our observations and package selection at the ISCs and related analysis of PTR and USPS.com data.

ISC Observations and Package Selection

Team members observed operations at each of the five ISC between May-December 2021 (see [Appendix A](#) for exact dates). During those visits, members judgmentally selected 543 packages for further analysis.¹⁶ These packages were selected from various containers and included both import and export mailings associated with various countries. Containers were staged at different points throughout the ISCs, accessible by the audit team, and may or may not have been affixed with processing placards. For those containers affixed with placards that showed processing dates, the audit team generally focused on those containers at a higher risk of delay (i.e., less recent dates). Specific packages were selected from containers based on accessibility and tracking label visibility. OIG staff then recorded key attribute data including the ISC, barcode tracking number, and observation date for each package.

PTR Analysis

We next focused on collecting and analyzing corresponding PTR data for each package. To begin, we collected corresponding scanning data on each package by entering the barcode tracking number into the Postal Service's Parser tool – a web-based tool that extracts data from PTR and returns a summary of chronological scan events (with dates and times) from the oldest scan to the newest (or from acceptance to delivery).¹⁷ We then analyzed the PTR scan event data output for each package, focusing on the events that occur at the ISC.¹⁸ For example, we assessed the following:

- *Completeness* – did the package record contain ISC acceptance and/or dispatch events?

- *Timing* – what was the length of time between ISC acceptance and dispatch events?
- *Order* – to what extent did the scan events appear to occur in a sequential order?

We also compared scan event data pulled from PTR with key attribute data recorded by the OIG staff (i.e., the date when they observed the package at the ISC).

USPS.com Analysis

We then focused on collecting and analyzing the corresponding messages presented to Postal Service customers on the USPS.com Tracking® web-based platform for each package. To begin, we entered each of the 543 package barcodes into the USPS.com Tracking system and recorded the corresponding output. We then analyzed the output to assess various factors related to the quality, accuracy, and completeness of messages provided to customers. Tests included:

- *Missing events* – to what extent did USPS.com messaging not show key ISC processing events (e.g., arrival or departure)?
- *Duplicative events* – to what extent did USPS.com messaging show duplicate arrival and/or departure events?
- *Imprecise wording* – to what extent did USPS.com messaging show packages were “processed through” and ISC rather than still requiring additional processing?
- *Vague wording* – to what extent did USPS.com messaging show a vague location that was not tied to a specific facility?
- *Inconsistent facility labels* – to what extent did USPS.com messaging show inconsistent facility (e.g., ISC) labels?

¹⁶ Packages were selected from the following ISCs: Chicago (357), Los Angeles (37), Miami (78), New York (49), and San Francisco (22).

¹⁷ To allow for scanning and processing updates, we waited for at least seven days before pulling and recording the accompanying PTR data for each package.

¹⁸ Our analysis focused on the events that would be expected to occur at the ISC, and not events that happened either before the package arrived at the ISC or after it departed the ISC.

We also reviewed how the information presented to customers on the USPS.com website aligned with package information (1) in PTR, (2) recorded by OIG staff during their on-site visits, and (3) related leading practices as described in [Appendix A](#).

Appendix C: Management's Comments



May 20, 2022

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: U.S. Postal Service International Mail Operations
and Performance Data (Report Number 21-197-DRAFT)

Thank you for providing the Postal Service an opportunity to review and comment on the findings and recommendations contained in the draft audit report, *U.S. Postal Service International Mail Operations and Performance Data*.

Management disagrees with the findings for #1 in the fact with the statement "concerns with management's ability to effectively monitor scan performance and reduce delays". Although there were some deficiencies in scanning, this is not indicative of an inability to effectively monitor scanning performance and reduce delays at the International Service Centers (ISCs). In addition, we disagree with finding #2. Many times, there are elements outside the control of the USPS at the ISCs that impact service. These include but are not limited to the following: embargos, lack of air/surface transportation, export mail security inspections, and Customs import screening requirements. The other disagreement is in the statement "we found notable processing delays at the ISCs". The audit demonstrated a few delayed pieces but was not an overall picture of the conditions of all ISCs during this period.

Following are our comments on the report's three recommendations.

Recommendation #1:

We recommend the **Vice Presidents of Processing and Maintenance Operations**, and **Eastern and Western Regional Processing Operations** improve monitoring of operational scan performance at International Service Centers, including reinforcing procedures with staff.

Management Response/Action Plan:

Management agrees with the recommendation. We currently have systems in place for monitoring scanning performance and are establishing new review meetings with weekly cadence to pinpoint any deficiencies in scanning. We are additionally developing new processes and new dashboards for providing additional visibility and monitoring of scan events.

Target Implementation Date: 08/31/2022

Responsible Official: Director, International Processing Operations

Recommendation [2]:

We recommend the **Vice Presidents of Processing and Maintenance Operations, and Eastern and Western Regional Processing Operations** develop strategies for reducing processing delays at International Service Centers, including effectively balancing workloads.

Management agrees with the recommendation. We currently have systems in place for monitoring service performance and are establishing new review meetings with weekly cadence to pinpoint opportunity lanes for service improvement with Leg 1 in-regards to Export and Leg 3 in-regards to Import. We are developing new processes and new dashboards for providing additional visibility for service performance and in providing road maps for correcting areas of delay.

Target Implementation Date: 08/31/2022

Responsible Official: Director, International Processing Operations

Recommendation [3]:

We recommend the **Vice President, Innovative Business Technology**, in coordination with the **Vice President, Customer Experience**, review the business rules governing USPS.com tracking for international packages to promote clear and accurate messages.

Management agrees with the recommendation. The Innovative Business Technology Team has begun an initial review of the USPS Tracking™ business rules for international packages. Innovative Business Technology in collaboration with Customer Experience will assess opportunities to refine display rules and update the descriptions to provide more consistency and clarity for scans on international packages. Upon completion we will develop and implement appropriate changes identified from the assessment.

Target Implementation Date: 03/31/2023

Responsible Official: Director, Mail and Package Information Systems



Mike Barber
Vice President, Processing and Maintenance Operations

E-SIGNED by Gary C Reblin
on 2022-05-21 11:48:04 CDT

Gary C. Reblin
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Marc D. McCreery
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cc: Manager, Corporate Audit Response Management

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