

Mail Delivery, Customer Service, and Property Conditions Review – Union Post Office, Union, NJ

AUDIT REPORT

Report Number 22-170-3-R23 | October 19, 2022



Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

October 19, 2022

MEMORANDUM FOR: MICHAEL P DEIGNAN
MANAGER, NEW JERSEY DISTRICT

A handwritten signature in black ink that reads "Joseph E. Wolski".

FROM: Joseph E. Wolski
Director, Field Operations

SUBJECT: Audit Report – Mail Delivery, Customer Service, and Property Conditions
Review – Union Post Office, Union, NJ (Report Number 22-170-3-R23)

This report presents the results of our audit of Mail Delivery, Customer Service, and Property Condition – Union Post Office, Union, NJ.

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

Attachment

cc: Postmaster General
Corporate Audit and Response Management
Chief Retail & Delivery Officer & Exec Vice President
Delivery Operations Vice President
Retail & Post Office Operations Vice President
Processing and Maintenance Operations Vice President
Atlantic Area Retail & Delivery Operations Vice President

Results

Background

This interim report presents the results of our self-initiated audit of mail delivery, customer service, and property conditions at the Union Post Office in Union, NJ (Project Number 22-170-3). The Union PO is in the New Jersey District of the Atlantic Area and services ZIP Codes 07040, 07083 and 07088. These ZIP Codes serve about 80,153 people in a predominantly urban area.¹ We judgmentally selected the Union Post Office based on the number of Stop-the-Clock (STC)² scans occurring at the delivery unit, rather than at the customer's point of delivery, and indicators for undelivered mail.³

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery, customer service, and property conditions at the Union Post Office in Union, NJ.

To accomplish our objective, we focused on five audit areas: delayed mail, package scanning, truck arrival scans, arrow keys,⁴ and property conditions. Specifically, we reviewed delivery metrics including the number of routes and carriers, mail arrival time, amount of reported delayed mail, package scanning, and distribution up-time.⁵ During our site visit we reviewed mail conditions; package and truck arrival scanning procedures; arrow key security procedures; and unit safety, security, and maintenance conditions. We also analyzed the scan status of mailpieces at the carrier cases and in the "Notice Left" area⁶ and interviewed unit management and employees. We discussed our observations and conclusions as summarized in

Table 1 with management on October 3, 2022, and included their comments where appropriate.

The Union Post Office is one of three delivery units⁷ the U.S. Postal Service Office of Inspector General (OIG) reviewed during the week of August 15, 2022, that are serviced by the Dominick V. Daniels Processing and Distribution Center (P&DC). We are issuing this interim report to provide the Postal Service with timely information regarding the conditions we identified at the Union Post Office. We will issue a separate report⁸ providing the Postal Service with the overall findings and recommendations for all three delivery units. See [Appendix A](#) for additional information about our scope and methodology.

Results Summary

We identified issues affecting mail delivery, customer service, arrow keys, and property conditions at the Union Post Office. Specifically, we found issues with four of the five areas we reviewed (see Table 1).

Table 1. Summary of Results

| Audit Area | Issues Identified | |
|------------------------|-------------------|----|
| | Yes | No |
| Delayed Mail | X | |
| Package Scanning | X | |
| Truck Arrival Scanning | | X |
| Arrow Keys | X | |
| Property Conditions | X | |

Source: Results of our fieldwork during the week of August 15, 2022.

¹ We obtained ZIP Code information related to population and urban/rural classification from Esri, which is based on 2010 Census Bureau information. Of the people living in this ZIP Code, about 80,153 (100 percent) are considered to be urban.

² A scan event that indicates the U.S. Postal Service has completed its commitment to deliver or attempt to deliver the mail piece. Examples of STC scans include "Delivered", "Available for Pick-up", and "No Access".

³ The undelivered mail metrics include Customer 360 (C360) inquiries, Informed Delivery inquiries, and non-delivered routes.

⁴ 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 keys are accountable property and are subject to strict controls.

⁵ Time of day that clerks have completed distributing mail to the carrier routes.

⁶ The area of a delivery unit where letters or packages that the carriers were unable to deliver are stored for customer pickup.

⁷ The other two units were the Belleville Annex, Belleville, NJ (Project Number 22-170-1) and the Kearny Main Post Office, Kearny, NJ (Project Number 22-170-2).

⁸ Project Number 22-170.

Finding #1: Delayed Mail

What We Found

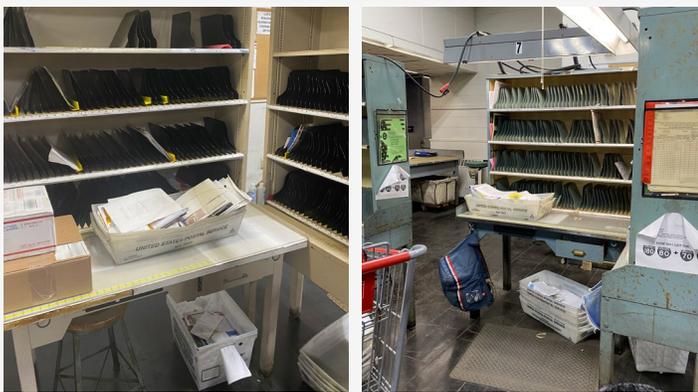
On the morning of August 16, 2022, we identified about 1,566 delayed mailpieces at 30 carrier cases. Of the 1,566 mailpieces, 541 were incomplete deliveries from the previous day and 1,025 were mailpieces from the previous day that should have been placed in the Undeliverable as Addressed Mail section. In addition, this mail was not reported as undelivered in the Delivery Condition Visualization (DCV)⁹ system. See Table 2 for the number of pieces for each mail type and Figure 1 for examples of delayed mail found at carrier cases.

Table 2. Type of Delayed Mail

| Type of Mail | OIG Estimated Count of Delayed Mail |
|--------------|-------------------------------------|
| Letters | 1,351 |
| Flats | 215 |
| Total | 1,566 |

Source: OIG count of delayed mailpieces identified during our August 16, 2022 visit.

Figure 1. Examples of Delayed Mail in the Carrier Cases



Source: OIG photos taken August 16, 2022.

Why Did It Occur

Carriers brought mail that included incomplete deliveries from the previous day back from the street for various reasons. One carrier stated that they

do not deliver after dark, another had to leave for personal reasons, and one stated that they did not have an arrow key to open the boxes for delivery. Some mail was brought to management's attention on a Postal Service (PS) Form 1571, *Undelivered Mail Report*, (see Figure 2) which was signed by management and placed with the mail. The PM supervisor stated that he reported the undelivered mail to the postmaster via email but did not report it in DCV. The postmaster stated that the PM supervisor forgot to report the delayed volume in DCV.

The remaining mail at the carrier cases should have been placed in proper separations for subsequent processing. The manager had been at the unit for one month and stated that she was aware that she had to address issues and was prioritizing their order of completion. She gave a service talk about the mail and explained that carriers should be placing the mail in the specified places. Management also implemented a procedure in which all carriers must present any returned mail and explain the reason why upon returning to the unit. Management then determines whether it is a valid reason or sends someone out to deliver it.

Figure 2. Example of PS Form 1571

Source: OIG photo taken August 16, 2022.

⁹ A tool for unit management to manually self-report delayed mail, which provides a snapshot of daily mail conditions at the point in time when carriers have departed for the street.

What Should Have Happened

Management should have reported the delayed mail in DCV as required.¹⁰ Postal Service policy¹¹ states that all types of First-Class Mail, Priority Mail, and Priority Express Mail are committed for delivery on the day of receipt.

Effect on the Postal Service and Its Customers

When mail is delayed, there is an increased risk of customer dissatisfaction, which may adversely affect the Postal Service brand. In addition, inaccurate reporting of delayed mail in DCV provides management at the local, district, area, and headquarters levels with an inaccurate status of mail delays and can result in improper actions taken to address issues.

¹⁰ *Informed Visibility Delivery Condition Visualization User Guide*, March 2022.

¹¹ *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.

Finding #2: Package Scanning

What We Found

Employees improperly scanned packages at the delivery unit. In total, employees scanned 1,166 packages at the delivery unit between May and July 2022 (see Table 3). Further analysis of the STC scan data for these packages showed that 65.61 percent of these packages were scanned as “Delivered”. This data exclude scans that could properly be made at a delivery unit, such as “Delivered – PO Box” and “Customer (Vacation) Hold” but, rather, represent scans performed at the delivery unit that should routinely be made at the point of delivery. In addition, we only included “Delivery Attempted – No Access to Delivery Location” scans performed Monday through Friday to avoid legitimate scans for businesses that are closed on weekends.

Table 3. STC Scans at Delivery Unit

| STC Scan Type | May | June | July | Total | Percentage |
|---|------------|------------|------------|--------------|--------------|
| Delivered | 384 | 251 | 130 | 765 | 65.61% |
| Delivery Attempted – No Access to Delivery Location | 176 | 77 | 38 | 291 | 24.96% |
| Receptacle Full / Item Oversized | 19 | 25 | 35 | 79 | 6.78% |
| No Secure Location Available | 6 | 9 | 2 | 17 | 1.46% |
| Delivery Exception – Animal Interference | 1 | 5 | 5 | 11 | 0.94% |
| No Authorized Recipient | 0 | 1 | 1 | 2 | 0.17% |
| Refused | 0 | 1 | 0 | 1 | 0.09% |
| Total | 586 | 369 | 211 | 1,166 | 100%* |

Source: OIG analysis of the Postal Service’s Product Tracking and Reporting (PTR) System data. PTR is the system of record for all delivery status information for mail and packages with trackable services and barcodes.

* Total percentage does not equal 100 percent due to rounding.

In addition, on the morning of August 16, 2022, before carriers arrived for the day, we selected 28 packages¹² to review and analyze scanning and tracking history. Of the 28 sampled packages, seven (25 percent) had improper scans, including:

- Three packages from the carrier cases were scanned at a location other than the point of delivery.
- Two packages from the carrier cases had “Delivery Attempted – No Access to Delivery Location” and were for a closed business and had been at the unit since March and June 2022. These packages should have been returned to sender.
- One package from the carrier cases had a “Delivered” scan, which should only be performed when the package is successfully left at the customer’s point of delivery.
- One package from the carrier cases was missing an STC scan to let the customer know the reason for non-delivery.

Why Did It Occur

These scanning issues occurred because unit management did not enforce proper package scanning and handling procedures. Specifically, unit management stated that they have PM supervisors review the End of Day report¹³ to look for missing package scans. The supervisor then asks the corresponding carrier if they delivered the package and if they did, the carrier manually enters the STC scan in the scanner.

What Should Have Happened

Management should have monitored scan performance daily and enforced compliance. The Postal Service’s goal is to ensure proper delivery attempts for mailpieces to the correct address with proper service,¹⁴ which includes scanning packages at the time and location of delivery.¹⁵

¹² We selected all 20 packages from the carrier cases and eight packages from the “Notice Left” area.

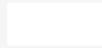
¹³ Displays the number of Arrival at Unit (AAU) scans, the number of STC scans, and the percentage of AAU scans with a corresponding STC scan for each facility in the user’s area or district.

¹⁴ *Delivery Done Right the First Time* stand-up talk, March 2020.

¹⁵ *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

Effect on the Postal Service and Its Customers

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.



Finding #3: Arrow Keys

What We Found

Unit management did not properly manage and safeguard arrow keys. On the morning of August 18, 2022, we reviewed the unit's inventory log for arrow keys and conducted a physical inventory of keys at the unit. We could not locate 24 of the 54 keys (44.44 percent) on the inventory log. We also identified eight additional keys that were not on the inventory log. Additionally, arrow keys were not always kept secure. Specifically, arrow keys were kept inside the [REDACTED] [REDACTED] which was often left open and unattended throughout our visit. We also determined that carriers were not signing the daily log to acknowledge their acceptance and return of the assigned keys.

Why Did It Occur

These conditions occurred due to insufficient management oversight. Specifically, management did not enforce procedures for arrow keys to be properly issued or returned by carriers. Management stated that they do not have a process in place to control arrow keys. Previously, management used timecards to ensure the return of arrow keys, but the unit now uses carrier scanners for timekeeping. Unit management has not implemented another process to maintain control over their arrow keys.

What Should Have Happened

Management should have ensured that arrow key security procedures were in place and properly followed. According to Postal Service policy,¹⁶ management must keep an accurate inventory of all keys and conduct a semiannual physical survey of all building keys and immediately report missing keys to the U.S. Postal Inspection Service. In addition, policy¹⁷ states that management must keep arrow keys secured until they individually assign them to personnel. A supervisor or clerk must supervise employees signing out keys on the inventory log. Upon return, arrow keys should be deposited in a secure location and a supervisor or clerk must verify that all keys have been returned and accounted for daily.

Effect on the Postal Service and Its Customers

When there is insufficient oversight and supervision of accountable items such as arrow lock keys, there is increased risk of mail theft. These thefts damage the Postal Service's reputation and diminish public trust in the nation's mail system. Additionally, because arrow keys are used to open mail receptacles, lost or misplaced keys could impact mail delivery.

¹⁶ *Administrative Support Manual* Issue 13, Sections 273.461, 273.464, and 273.471, July 1999 - updated through March 31, 2022.

¹⁷ *Standard Work: Arrow Key Accountability*, January 2022 and *USPS Arrow Key Standard Work*, January 2022.

Finding # 4: Property Conditions

What We Found

We found safety and maintenance issues at the Union Post Office including:

- Fire extinguishers that had not been inspected annually (see Figure 3).
- Loose bollards on the loading dock.
- Storage sheds in the parking lot in disrepair (see Figure 4).
- A hole in the wall above an electrical box.

Figure 3. Fire Extinguisher Missing Annual Inspection



Source: OIG photo taken August 16, 2022.

Figure 4. Sheds in Disrepair



Source: OIG photo taken August 16, 2022.

Why Did It Occur

Management did not take the necessary actions to ensure that facility conditions issues were corrected because of insufficient management oversight. For example, management thought the fire extinguishers were inspected on an automatic renewal basis but were not aware that the previous postmaster had not paid for the service. Further, they did not follow up on reported repairs to verify completion.

What Should Have Happened

Management should have provided sufficient oversight to personnel responsible for maintaining facilities, reported safety and maintenance issues as they arose, and followed up for completion. The Postal Service is required to maintain a safe environment for employees and customers. In addition, the Occupational Safety and Health Administration (OSHA) requires employers to provide a safe and healthy workplace free of recognized hazards.¹⁸

As a result of our audit, management took corrective action on September 9, 2022, and fixed the hole in the wall behind the electrical box (see Figure 5).

Figure 5. Loose Electrical Box Over Hole in Wall



Source: OIG photos taken August 16, 2022.

Source: Postal Service photo provided September 9, 2022.

¹⁸ OSHA Act of 1970 and Handbook EL-801, *Supervisor's Safety Handbook*.

Effect on the Postal Service and Its Customers

Management's attention to maintenance, safety, and security deficiencies can reduce the risk of injuries to employees and customers; reduce related costs, such as workers' compensation claims, lawsuits, and OSHA penalties; and enhance the customer experience and the Postal Service brand.

Management's Comments

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

Appendix A. Additional Information

We conducted this audit from August through October 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 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 relied on computer-generated data from the PTR, DCV, and the electronic Facilities Management System.¹⁹ Although we did not test the validity of the 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. We determined the data were sufficiently reliable for the purposes of this report.

¹⁹ A custom-built Postal Service system used to manage work orders, contracts, and payments for facility construction, repairs, and alteration contracts, along with real estate contracts.

Appendix B: Management's Comments



October 12, 2022

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Mail Delivery, Customer Service, and Property
Conditions Review – Union Post Office, Union, NJ (Report Number 22-170-
3-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, *Mail Delivery, Customer Service, and Property Conditions Review – Union Post Office, Union, NJ*.

Management agrees with the four findings in the report on delayed mail, package scanning, arrow keys, and property conditions.

Management has begun taking steps to address these four findings.

A handwritten signature in black ink, appearing to read "Michael P. Deignan", written over a horizontal line.

Michael P. Deignan
Manager, New Jersey District

cc: Vice President, Area Retail & Delivery Operations (Atlantic)
Manager, Corporate Audit Response Management

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