



AUDIT REPORT

Mail Delivery Issues – Cedar Elm Station San Antonio, TX

July 19, 2019



Report Number DRT-AR-19-011



July 19, 2019

MEMORANDUM FOR: STEVEN HERNANDEZ
MANAGER, RIO GRANDE DISTRICT

E-Signed by Hilderbrand, Sherry 
VERIFY authenticity with eSign Desktop
Sherry A. Hilderbrand

FROM: Sherry A. Hilderbrand
Director, Delivery and Retail Response Team

SUBJECT: Audit Report – Mail Delivery Issues – Cedar Elm Station,
San Antonio, TX (Report Number DRT-AR-19-011)

This report presents the results of our Cedar Elm Station, San Antonio, TX, Mail Delivery Issues audit (Project Number 19RG026DRT000).

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

Attachment

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

Background

This report presents the results of our self-initiated audit of mail delivery issues at the Cedar Elm Station in San Antonio, TX (Project Number 19RG026DRT000). We conducted the audit to provide U.S. Postal Service management with timely information on potential operational risks at the Cedar Elm Station.

The Cedar Elm Station is in the Rio Grande District of the Southern Area. This delivery unit has 61 delivery routes (39 city and 22 rural) delivered by 89 carriers (52 city and 37 rural). We selected this unit based on our analysis of Enterprise Customer Care (eCC) complaint cases.

In fiscal year (FY) 2019, Quarters (Q) 1 and 2, the station had 1,710 eCC cases and 85 percent were regarding “Where Is My Package” and “Where Is My Mail” (see Table 1).

Table 1. Cedar Elm FY 2019, Q1 and Q2 eCC Cases

Inquiry Type	Count	Total Percentage
Where Is My Package	1,136	66.4%
Where Is My Mail	318	18.6%
Personnel	132	7.7%
Postal Facility	64	3.7%
USPS.com	56	3.3%
Business	4	0.2%
Total	1,710	

Source: U.S. Postal Service of Inspector General (OIG) analysis of eCC data.

In addition, we reviewed the stop-the-clock (STC) scan data from the Product Tracking and Reporting (PTR) system. Specifically, we used geolocation data to identify packages with STC scans that occurred at the delivery unit instead of the intended delivery address. The unit had 1,380 scans that occurred at the delivery unit between February and April 2019 (see Table 2). The scans occurred on multiple routes and were intended for multiple delivery addresses throughout the timeframe.

Table 2. Stop-The-Clock Scans of “Delivered” at Delivery Unit

February	March	April	Total
313	426	641	1,380

Source: OIG analysis of PTR system data.

Objective, Scope, and Methodology

Our objective was to evaluate the package delivery scanning process on select routes at the Cedar Elm Station in San Antonio, TX.

We reviewed eCC complaint data from October 1, 2018, through March 31, 2019, and conducted observations at the Cedar Elm Station on June 4 and June 5, 2019. We analyzed the scan status of mailpieces at the carrier cases and in the notice left area. In addition, we interviewed unit managers and employees.

We relied on computer-generated data from the PTR and eCC systems. We did not test the validity of controls over these systems; however, we verified the accuracy of the data by performing various tests and using reasonableness assertions. We determined that the data were sufficiently reliable for the purposes of this report.

We conducted this audit from May through July 2019, 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 reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on June 28, 2019, and included their comments where appropriate.

Finding # 1: Package Delivery Scanning

We determined unit employees were improperly scanning packages at the unit and not following package scanning and handling policies. Specifically, we conducted an observation on June 4, 2019, and judgmentally selected 45 packages that were in the facility before the carriers arrived for the day to review their scanning and tracking data. Of the 45 packages we identified, 25 were at the carrier cases and 20 were in the notice left area. We found six (13 percent) of 45 packages did not have an STC scan to show visibility to the customers and four packages (9 percent) were scanned as “delivered” at the unit instead of the delivery point. These packages were scanned on February 13, April 5, May 15, and June 1, 2019, and were still at the unit on June 4, 2019.

According to policy,¹ the Postal Service’s goal is to make sure mail is delivered to the correct address with proper service, which includes performing accurate STC scans for mailpieces, ensuring 100 percent visibility throughout the process.²

¹ Handbook M-41, *City Delivery Carrier Duties and Responsibilities*, Sections 122 and 131, March 1998.

² *SCANNING at a Glance – Delivering 100 Percent Visibility*, August 2011.

The mailpiece scanning issues occurred because of employee oversight and local management did not adequately enforce scanning procedures.

Customers rely on accurate scan data to track their packages in real time. By improving scanning operations, management can potentially improve mail visibility, increase customer satisfaction, enhance the customer experience and Postal Service brand.

Recommendation #1: We recommend the **Manager, Rio Grande District**, instruct the unit management to ensure staff follow delivery standard operating procedures for scanning mailpieces.

Finding #2: Customer Complaints Not Resolved Timely

We determined the Cedar Elm Station did not resolve customer complaints timely. Our review of complaints recorded in the eCC system showed the Cedar Elm Station received 1,710 complaints from October 1, 2018, through March 31, 2019. Our analysis of eCC data showed that 47 percent of the complaints received during this period were either not resolved or were not resolved timely (see Table 3).

**Table 3. Cedar Elm Station Timeline for Resolving Complaints
October 1, 2018 – March 31, 2019**

Number of Days to Resolve Complaint	Number of Occurrences	Percentage of Complaints Not Resolved Within Timeframe
6+ Days	139	8%
4 – 5 Days	667	39%
1 – 3 Days	904	0%
Total	1,710	47%

Source: OIG analysis of complaints recorded in the eCC system.

Postal Service policy³ goal is for eCC complaints to be resolved within three business days. This condition occurred because management did not want to close out complaint cases prematurely to minimize the occurrence of complaint cases being reopened. Complaint management is vital to the eCC resolution process and can increase customer loyalty and retention.

³ Standard Operating Procedures, eCC Resolution Process, September 29, 2016.

Recommendation #2: We recommend the **Manager, Rio Grande District**, instruct unit management to adhere to customer service procedures for resolving customer complaints.

Management's Comments

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

Regarding recommendation 1, management stated they instructed the Cedar Elm Station manager to ensure staff follow Standard Work Instructions for Business Closed, Vacation Hold, and other undeliverable pieces and will instruct staff to follow Standard Operating Procedures for Scanning. The target implementation date is July 26, 2019.

Regarding recommendation 2, management will instruct the Cedar Elm Station manager to follow the eCC resolution process. The target implementation date is July 26, 2019.

Evaluation of Management's Comments

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

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. Recommendations should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed.

APPENDIX A. MANAGEMENT'S COMMENTS

DISTRICT MANAGER, CUSTOMER SERVICE & SALES
RIO GRANDE DISTRICT



July 17, 2019

LAZERICK POLAND
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Draft Audit Report – Mail Delivery Issues – Cedar Elm Station San Antonio, TX (Report # DRT-AR-19)

Thank you for the opportunity to respond to the Office of Inspector General (OIG) draft audit report "Mail Delivery Issues, San Antonio TX Cedar Elm Station (Report Number DRT-AR-19-DRAFT)."

Management agrees with the findings and recommendations of the OIG pertaining to the Cedar Elm Station.

Recommendation #1:

Recommended that the Manager, Rio Grande District, instruct the unit management to ensure staff follow delivery standard operating procedures for scanning mail pieces.

Management Response/Action Plan:

The Manager, Rio Grande District instructed the Manager, Cedar Elm Station to ensure staff follow the Standard Work Instruction for Business Closed, Vacation Hold, and other undeliverable pieces dated September 24, 2018. The Manager, Rio Grande District will instruct the Manager, Cedar Elm Station to ensure staff follow the Standard Operating Procedures for Scanning. The Manager, Rio Grande District will instruct the Manager, Cedar Elm Station to ensure a firm sheet is created when delivering more than 6 pieces to a single address.

Target Implementation Date:

July 26, 2019

Responsible Official:

Michael A. Moreno
Manager, Customer Services Operations

Recommendation #2:

Recommended that the Manager, Rio Grande District, instruct the unit management to adhere to customer service procedures for resolving customer complaints.

1 POST OFFICE DRIVE
SAN ANTONIO, TX 78284-0001
210-368-5548
FAX: 210-368-5511

- 2 -

Management Response/Action Plan:

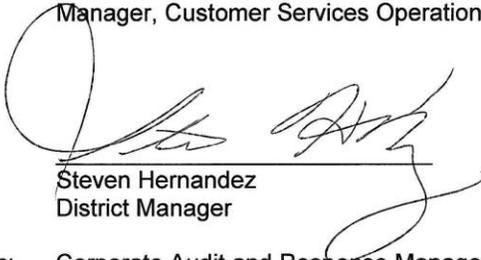
The Manager, Rio Grande District will instruct the Manager, Cedar Elm Station to follow the eCC Resolution Process dated September 26, 2016.

Target Implementation Date:

July 26, 2019

Responsible Official:

Michael A. Moreno
Manager, Customer Services Operations



Steven Hernandez
District Manager

cc: Corporate Audit and Response Management
Kevin L. McAdams
Larry P. Munoz