



## Mail Delivery Issues – Minuet Carrier Annex, Charlotte, NC

September 19, 2019



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Report Number DRT-AR-19-021



September 19, 2019

**MEMORANDUM FOR:** LESLIE E. JOHNSON-FRICK  
MANAGER, MID-CAROLINAS DISTRICT

Janet Sorensen 



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

**SUBJECT:** Audit Report – Mail Delivery Issues – Minuet Carrier Annex,  
Charlotte, NC (Report Number DRT-AR-19-021)

This report presents the results of our audit of mail delivery issues at the Minuet Carrier Annex, Charlotte, NC (Project Number 19RG034DRT000).

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

Attachment

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

## Background

This report presents the results of our self-initiated audit of mail delivery issues at the Minuet Carrier Annex, in Charlotte, NC (Project Number 19RG034DRT000). The Minuet Carrier Annex is in the Mid-Carolinas District of the Capital Metro Area. This audit was designed to provide U.S. Postal Service management with timely information on potential mail delivery risks at the Minuet Carrier Annex.

City delivery for the Minuet Carrier Annex serves Zip Codes 28209 and 28210 and has a total of 62 routes (60 regular city carrier routes and two auxiliary routes) delivered by 86 carriers (69 full-time regular city carriers and 17 city carrier assistants<sup>1</sup>). The Minuet Carrier Annex also has 17 clerks who perform retail and customer service functions. We selected the Minuet Carrier Annex based on our analysis of carriers returning after 6:00 p.m. data from the Enterprise Data Warehouse (EDW).

## Objective, Scope, and Methodology

The objective of this audit was to assess mail delivery service at the Minuet Carrier Annex in Charlotte, NC.

To accomplish our objective, we analyzed delivery metrics such as carriers return to office time, mail arrival time, distribution up-times<sup>2</sup> (DUT), and the number of routes and carriers to assess performance of delivery operations. In addition, we analyzed Enterprise Customer Care<sup>3</sup> (eCC) case data to assess customer concerns. During our site visit on July 23 and 24, 2019, we observed delivery operations, reviewed scanning procedures on packages, interviewed management and employees, evaluated the process completed by delivery supervisory personnel in response to eCC cases, and reviewed arrow lock key security procedures.

We relied on computer-generated data from EDW, Scan Point Management Systems,<sup>4</sup> and Customer Service Daily Reporting System.<sup>5</sup> Although we did not test the validity of controls over these systems, we assessed the accuracy of the data by testing the completeness and reasonableness of the data, observing operations at the unit, and interviewing Postal Service officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report.

We conducted this audit from July through September 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

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<sup>1</sup> A non-career, bargaining unit employee who performs the full range of city career duties.

<sup>2</sup> Time clerks sort and distribute mail to each carrier.

<sup>3</sup> A Postal Service application used to record and track customer complaints received by letter, phone, visit, or through the Postal Service website.

<sup>4</sup> An application for the internal measurement of specific Customer Service operations utilizing scanning technology to evaluate performance by comparing actual scans to scheduled scans.

<sup>5</sup> A delivery unit-based system that provides a snapshot of the daily condition of the mail at the point in time when the carriers have departed for the street and provides a formal delayed mail reporting tool.

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 August 21, 2019 and included their comments where appropriate.

**Finding #1: Carriers Returning After 6 p.m.**

Carriers at the Minuet Carrier Annex were returning to the office after 6 p.m. Specifically, during Quarter (Q)2 and Q3 of fiscal year (FY) 2019, about 29 percent of carriers returned by 6 p.m., 82 percent returned by 7 p.m., and 98 percent returned by 8 p.m. (see Table 1). The Postal Service’s goal is to have 100 percent of carriers return to the office by 6 p.m.<sup>6</sup>

**Table 1. Minuet Carrier Annex Carriers Returning By 6:00 p.m.**

FY 2019 Quarters	Percentage of Carriers Returning By 6:00 p.m.	Percentage of Carriers Returning By 7:00 p.m.	Percentage of Carriers Returning By 8:00 p.m.
Q2	24.10%	71.00%	97.00%
Q3	33.80%	92.90%	99.60%
<b>Total Avg %</b>	<b>28.95%</b>	<b>81.95%</b>	<b>98.30%</b>

Source: U.S. Postal Service Office of Inspector General (OIG) analysis of City Carriers Returning After 6 p.m. data from EDW-Delivery Data Mart.

This condition occurred due to:

- **Late Arriving and Unsorted Working Mail:** Mail from the Charlotte and Mid-Carolinas Processing and Distribution Centers (P&DC) arrived late to the Minuet Carrier Annex. During Qs 2 and 3 of FY 2019, 503 of the 1,166 trips (43 percent) from the Charlotte and Mid-Carolinas P&DCs to the Minuet Carrier Annex were late. These late trips ranged from one minute to almost seven hours late and averaged 53 minutes late. In addition, during our observations on July 23 and 24, 2019, we observed mail arriving after the agreed upon time for the last scheduled trip from the P&DCs (see Table 2). This late arriving and unsorted working mail required additional sorting by clerks and casing by carriers.

<sup>6</sup> *Staffing and Scheduling Tool, Function 4 Applications User Guide, 2016.*

**Table 2. Late Arriving and Unsorted Working Mail at the Minuet Carrier Annex**

Date	Zip Code	Scheduled Arrival Time	Actual Arrival Time	Late Arriving Mail Included
7/23/2019	28209	6:00 A.M.	7:15 A.M.	Three all-purpose containers (APC) <sup>7</sup> and three Gaylords <sup>8</sup> of parcels, 155 inches of working letters, and 165 inches of working flats.
	28210	6:00 A.M.	7:15 A.M.	Three APCs and three Gaylords of parcels, 245 inches of working letters, and 300 inches of working flats.
7/24/2019	28209	6:00 A.M.	8:25 A.M.	Delivery Point Sequence (DPS) <sup>9</sup> mail, three APCs of parcels, one Bulk Mail Center container <sup>10</sup> of parcels, 145 inches of working letters, and 140 inches of working flats.
	28210	6:00 A.M.	8:25 A.M.	DPS mail, three APCs, one wire cage, two Gaylords, two Non-Linear Measurement (NLM) <sup>11</sup> APCs of flats, 134 inches of working letters, and 169 inches of working flats.

Source: OIG observation of scheduled trips from Charlotte P&DC to Minute Carrier Annex.

The unit did not have an Integrated Operating Plan (IOP)<sup>12</sup> with the Charlotte and Mid-Carolinas P&DCs and the unit’s Mail Arrival Profile (MAP)<sup>13</sup> currently on file is outdated. An updated and signed IOP, which must be on file at the unit, would help ensure consistency during personnel changes. In addition, the Postal Service designed the MAP to help stabilize mail flow by setting delivery unit and processing facility expectations for arrival and quality of mail.<sup>14</sup> For example, the carrier’s start time shown on the current MAP is 8:00 a.m., while the current actual carrier’s start time is 8:30 a.m. Unit management was not aware of when the MAP currently on file was last updated.

<sup>7</sup> A wheeled multi-purpose container constructed of square steel tubing and sheet material that is nestable and used to transport, stage, and distribute sacks, trays, and bundles.

<sup>8</sup> A pallet-size box used for shipping mail in bulk quantities. It is usually constructed of triple wall corrugated fiberboard that fits on standard pallets.

<sup>9</sup> An automated process of sorting mail by carrier routes into delivery order, eliminating the need for carriers to sort the mail manually in the delivery unit prior to their departure for their routes.

<sup>10</sup> A tall four-sided container made of steel or aluminum with wheels. This type of mail equipment is used to transport parcels and bulk mail between postal facilities.

<sup>11</sup> NLM mail includes Advance recorded, mailer facing slips, and special conversions.

<sup>12</sup> A contract between the mail processing plant and the delivery unit. It contains written expectations between mail processing facilities, transportation, customer services operations, and the delivery unit for the arrival time and the quantity of the unit’s mail.

<sup>13</sup> The MAP includes where the mail is coming from; days of operation; arrival/departing times; and mail type percentage by trip.

<sup>14</sup> *Field Operations Standardization Development, Morning Standard Operating Procedures II Guidebook*, Section 2.2.2, 2013.

As a result, late arriving and unsorted mail contributed to the unit missing its DUT. Carriers must wait for DUT to be completed to retrieve the remainder of the route's mail and packages to be delivered that day. Our analysis showed that during the 30-day period ended July 22, 2019, the Minuet Carrier Annex did not meet its DUT of 8:30 a.m. on 21 of the 25 (84 percent) reportable days. Additionally, we observed the unit's DUT was late 36 minutes on July 23, 2019 and one hour and 55 minutes on July 24, 2019.

Unit management stated that district leadership has changed significantly over the last six months. For example, the plant manager position has turned over three times in the last six months. New district management has collaborated on several issues including developing a sort plan to determine which offices get their mail processed first based on impact to the district rather than the past practice of giving priority to offices that are farther away from the P&DC in terms of distance.

- **Route Inspections and Adjustments:** Management had not conducted annual inspections of letter carrier routes on 18 of the 24 routes (75 percent) for Zip Code 28209 and 29 of the 38 routes (76 percent) for Zip Code 28210. Unit management did not provide any reasons why the route inspections were not performed but acknowledged that they needed to evaluate 17 of the unit's routes due to growth on the routes. Route adjustments are an important part of the city delivery service and something which management must continuously review and evaluate. In addition to maintaining an appropriate daily workload, management should review routes annually.<sup>15</sup> The promptness and efficiency with which they make adjustments depend directly on management conducting route inspections which include carrier workhours, mail volumes, and delivery points. Careful analysis of the data will assist the delivery service manager in determining any areas for service improvement.

When mail arrives on time and is properly sorted, clerks will be able to distribute the mail to the carriers enabling them to leave on time for their routes. In addition, conducting route inspections and adjusting routes as necessary may enable carriers to perform their routes more efficiently. These actions would help the carriers return to the unit by the 6:00 p.m. goal, thus reducing excess overtime and penalty overtime.

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<sup>15</sup> Handbook M-39, *Management of Delivery Services*, Section 211.1, Selecting Period for Mail Counts and Route Inspections.

**Recommendation #1:** We recommend the **District Manager, Mid-Carolinas District**, update the Integrated Operating Plan and Mail Arrival Profile for the Minuet Carrier Annex and the Charlotte and Mid-Carolinas Processing and Distribution Centers to reflect accurate mail arrival times and mail mix.

**Recommendation #2:** We recommend the **District Manager, Mid-Carolinas District**, instruct unit management to review and conduct annual route inspections and adjust city routes as needed for service improvement.

### **Finding #2: Package Delivery Scanning**

We determined that unit employees were not following package and handling policies. Specifically, during our fieldwork on July 23, 2019, we judgmentally selected 53 packages that were in the unit before the carriers arrived to review their scanning and tracking data. Of the 53 packages selected, 17 were in the parcel distribution area, 22 were at the carrier cases, and 14 were in the notice left area. We found that the packages in the parcel distribution and notice left areas were scanned properly. However, five of the 22 packages in the carrier cases did not have Stop-the-Clock scans.

This discrepancy occurred because supervisors did not check carrier cases to ensure the packages were properly scanned. The station manager stated that supervisors are supposed to check the cases every night and indicated supervisors will re-emphasize proper procedures to employees. The Postal Service's goal is to make sure mail is delivered to the correct address with proper service, which includes scanning every mailpiece and ensuring it receives 100 percent visibility throughout the process.<sup>16</sup>

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 the Postal Service brand.

**Recommendation #3:** We recommend the **District Manager, Mid-Carolinas District**, instruct unit management to ensure staff follow delivery standard operating procedures for scanning mailpieces.

### **Finding #3: Arrow Lock Key Management**

Minuet Carrier Annex management did not properly manage Arrow lock keys.<sup>17</sup> Specifically, management did not [REDACTED] to reflect the actual

<sup>16</sup> *Postal Service Fact Sheet, World Class Visibility – Scanning and Postal Service Delivery Done Right.*

<sup>17</sup> Accountable items that carriers use to open mail-receiving receptacles.

number of Arrow lock keys at the unit. We compared the actual number on the Arrow lock keys at the unit to the daily log and found that eight of the 46 keys listed on the log were not in the cart.

The station manager stated that upon completion of their duties, carriers must return the Arrow lock keys daily to a clearance clerk. The manager also acknowledged that the deficiency occurred due to insufficient management oversight.

According to policy,<sup>18</sup> keys must remain secured until they are individually assigned to personnel. A supervisor or clerk must supervise employees signing out or using a “key check” system to receive keys to ensure accuracy between the keys and the key inventory log. Further, Postal Service policy<sup>19</sup> states that key inventories should be completed semiannually and management must ensure accountable items are properly handled.

Insufficient oversight and supervision of accountable items such as the arrow lock keys could put mail and packages — [REDACTED]

The station manager indicated that the Mid-Carolinas District is in the process of implementing procedures to ensure the security and accountability of Arrow lock keys at all units in the city of Charlotte; [REDACTED]

**Recommendation #4:** We recommend the District Manager, Mid-Carolinas District, instruct unit management to [REDACTED] and follow policy for properly securing arrow lock keys.

## Management’s Comments

Management agreed with the findings and recommendations 1, 3, and 4, but disagreed with aspects of recommendation 2 related to route inspections.

Regarding recommendation 1, management agreed with our recommendation and will update the IOP and MAP. Management’s target implementation date is November 30, 2019.

Regarding recommendation 2, management did not agree with conducting route inspections but does agree to follow the requirements of Handbook M-39, Section 211.1 to conduct annual route reviews. Local management will complete this task by performing street management including PS Form 3999 to determine if a full route

<sup>18</sup> Arrow /Mail Key Accountability Guide, August 2017.

<sup>19</sup> Arrow/Mail Key Accountability Guide, August 2017 and Handbook M-39, Section 111.2, Management OD DELIVERY Services, , March 2004.

inspection needs to be conducted per the National Association of Letter Carriers contract. Management's target implementation date is November 30, 2019.

Regarding recommendation 3, management agreed and gave service talks to all employees at the Minuet Carrier Annex on proper scanning. This action was completed as of August 31, 2019.

Regarding recommendation 4, management agreed and has implemented a daily checklist with all employees required to use Arrow keys and the postmaster will perform weekly Arrow key audits at the site. In addition, management identified the eight keys that could not be located during the audit and they are now a part of the accountability process. These actions will be fully implemented by September 30, 2019. Management will submit copies of the daily log put in place as well as the audit tool they are using as part of their request to close this recommendation.

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

### **Evaluation of Management's Comments**

The OIG considers management's comments responsive to the recommendations and the actions taken should resolve the issues identified in the report.

Regarding recommendation 2, we view management's proposed corrective action to conduct route reviews sufficient to satisfy the intent of our recommendation and consider management's comments to be responsive. We consider recommendation 3 closed with the issuance of this report.

Recommendations 1, 2, and 4 require OIG concurrence before closure. The OIG requests written confirmation when corrective actions are completed.

Recommendations 1, 2, and 4 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

LESLIE JOHNSON-FRICK  
DISTRICT MANAGER  
MID-CAROLINAS DISTRICT



September 18, 2019

LAZERICK POLAND  
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Response to Draft Audit Report –Mail Delivery Issues- Minuet Carrier Annex, Charlotte, NC (Report Number DRT-AR-19-DRAFT)

Thank you for the opportunity to respond to the Office of Inspector General (OIG) draft audit report, "Mail Delivery Issues- Minuet Carrier Annex, Charlotte, NC".

Management does agree with the findings noted in the audit report. Regarding finding #2, as it relates to packages with missing scans, we would like to point out that employees at the Minuet Carrier Annex strive to make every scan correctly the first time. In fact, from weeks 45 through 48, employees successfully scanned 78,062 packages with an acceptable delivery event. This translates to an Arrived At Unit/ Acceptable Delivery Event scan rate of 98.89 percent for all packages. While we strive for 100 percent proper scanning, we do realize human error exists, so we continually provide guidance and training to our employees in an effort to reach that goal.

Management does agree with recommendations #1, #3 and #4 as outlined in the audit per the responses below. We disagree with recommendation #2 where it refers to route inspections; however, we have provided an explanation and action that we will take.

### **Recommendation #1**

We recommend the district manager, Mid-Carolinas District update the Integrated Operating Plan and Mail Arrival Profile for the Minuet Carrier Annex as well as the Charlotte and Mid-Carolinas Processing and Distribution Centers to reflect accurate mail arrival times and mail mix.

### **Management Response/Action Plan**

Management agrees with this recommendation and will coordinate with distribution operations and delivery support to update the Integrated Operating Plan and Mail Arrival Profile. Copies of both documents will be submitted to request closure.

2901 SCOTT FUTRELL DRIVE  
CHARLOTTE, NC 28228-9980

**Target Implementation Date**

November 2019

**Responsible Official**

Postmaster of Charlotte, NC  
Manager, In-Plant Support  
Manager, Operations Programs Support

**Recommendation #2**

We recommend the district manager, Mid-Carolinas District instruct unit management to review and conduct annual route inspections and adjust city routes as needed for service improvement.

**Management Response/Action Plan**

Management disagrees with this recommendation as it is written. Management will follow the requirements of the M39, Sec 211.1 to conduct annual route reviews. Local management will complete this task by performing street management, including 3999s, to determine if a full route inspection needs to be conducted per the NALC contract. All completed 3999s will be uploaded to the DOIS mainframe upon completion.

To request closure of this recommendation, we will conduct the route reviews that had not been conducted at the time of this audit and submit PS Form 3999s via upload to the DOIS mainframe.

**Target Implementation Date**

November 2019

**Responsible Official**

Postmaster of Charlotte, NC  
Manager, Operations Programs Support

**Recommendation #3**

We recommend the district Manager, Mid-Carolinas District instruct unit management to ensure staff follows delivery standard operating procedures for scanning mail pieces.

**Management Response/Action Plan**

Management agrees with this recommendation and has implemented it by giving service talks to all employees at the Minuet Carrier Annex on proper scanning. Copies of the service talks will be provided to request closure of this recommendation.

**Target Implementation Date**

Completed August 2019

**Responsible Official**

Postmaster of Charlotte, NC

**Recommendation #4**

We recommend the district manager, Mid-Carolinas District instruct unit management to [REDACTED] and follow policy for properly securing arrow lock keys.

**Management Response/Action Plan**

Management agrees with this recommendation and has implemented it by putting in place a daily checklist with all employees required to use an arrow key. Management oversight has been put in place on a daily basis and the postmaster of Charlotte, NC is performing weekly audits at the site. Additionally, the eight keys that could not be located during the audit have been identified and are now a part of the accountability process. To request closure of this recommendation, we will submit sample copies of the daily log put in place as well as the audit tool being used.

**Target Implementation Date**

September 2019

**Responsible Official**

Postmaster of Charlotte, NC



Leslie Johnson-Frick  
Mid-Carolinas District Manager

cc: Manager, Corporate Audit & Response Management