



OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

Delayed Inbound International Mail

Audit Report

Report Number
MS-AR-17-009

September 7, 2017





OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

Highlights

When inbound international mail arrives at airports via inbound commercial carrier flights, ground handlers (which can either be employees of the respective airlines or contracted employees of the airlines) unload the receptacles of mail from the airplane and tender them to the ISC.

Background

About 621 million pieces of international mail entered the U.S. from foreign countries in fiscal year (FY) 2016. More than 95 percent of this mail was accepted by the U.S. Postal Service at one of its five International Service Centers (ISC) in San Francisco, New York, Los Angeles, Miami, and Chicago.

The remaining segment was mostly accepted at either the Honolulu Processing and Distribution Center or the New Jersey International Network Distribution Center.

When inbound international mail arrives at airports via inbound commercial carrier flights, ground handlers (which can either be employees of the respective airlines or contracted employees of the airlines) unload the receptacles of mail from the airplane and tender them to the ISC. These initial operations mainly fall under the responsibility of the foreign postal operators and their agreements with the air carriers or ground handlers.

Postal Service employees monitor the airfield to assess the status of inbound international mail receptacles and manually document their assessments by completing reports known as ramp reports. Employees use these reports to document key mailing information including the airline, the country of origin, the foreign dispatch date (the date when the mail is scanned and assigned to a flight in the foreign country), and the number of receptacles waiting to be brought to the ISC.

The Universal Postal Union (UPU) Letter Post Manual states that mail should be tendered at the ISC within one to two hours maximum after the airplane's arrival. Our objective was to evaluate the timeliness of mail arrival at the Postal Service's ISCs.

What the OIG Found

We found significant delays in the Postal Service's receipt of inbound international mail at the ISCs. Our analysis of all 5.4 million receptacles received at the ISCs between April 1, 2016, and March 31, 2017, with flight log data, showed the following:

- About 4.3 million receptacles, or about 80 percent of the mail tendered to the Postal Service, exceeded the 2-hour UPU guidance.
- Of these 4.3 million receptacles, about 63 percent arrived between 2 and 12 hours; about 20 percent took between 12 and 24 hours, and about 17 percent took longer than 24 hours.
- Delays were more prevalent during the end-of-year peak mailing season.



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These delays occurred because airport ground handlers did not transport the mail to the ISCs in a timely manner after the flights arrived. While the Postal Service does not have the authority to manage the ground handlers, it has opportunities to improve its monitoring of the delays. Specifically, the Postal Service's ramp reports are not being completed consistently across all ISCs. In addition, available data — such as the actual flight arrival date and time the mail arrives at the airport to better indicate how long a receptacle has been in the U.S. — is not incorporated into its inbound mail monitoring and reporting processes.

The Postal Service is coordinating with the foreign postal operators, ground handlers, and others on notifying the respective parties of the delays and developing corrective actions. These actions should help improve the identification and movement of delayed mail by increasing the visibility and awareness of the issue. As such, we are not making a recommendation to increase coordination.

Continued inbound international mail delays present service and public safety and security concerns, both of which could reflect poorly on the Postal Service's brand and image. For example, we found instances where the delayed mail at one ISC resulted in rain-damaged and unsecured mail. In addition, Postal Service acceptance operations are structured to more efficiently handle timely, steady streams of incoming mail; delayed and clustered mailings tend to produce more inefficient inbound mail operations.

What the OIG Recommended

We recommended management develop a consistent ramp reporting process across all ISCs and a mechanism for incorporating available data into its inbound mail monitoring and reporting processes.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

September 7, 2017

MEMORANDUM FOR: ROBERT CINTRON
VICE PRESIDENT, NETWORK OPERATIONS

E-Signed by Janet Sorensen
VERIFY authenticity with eSign Desktop 


FROM: Janet M. Sorensen
Deputy Assistant Inspector General
for Retail, Delivery and Marketing

SUBJECT: Audit Report – Delayed Inbound International Mail
(Report Number MS-AR-17-009)

This report presents the results of our audit of Delayed Inbound International Mail (Project Number 17RG009MS000).

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

Attachment

cc: Corporate Audit and Response Management
Postmaster General
Executive Director, International Operations (A)
Managing Director, Global Business

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Findings

Postal Service employees monitor the airfield to assess the status of inbound international mail receptacles and manually document their assessments by completing reports. Employees use these reports to document key mailing information including the airline, the country of origin, the foreign dispatch date, and the number of receptacles waiting to be brought to the ISC.

Introduction

This report presents the results of our self-initiated audit of the U.S. Postal Service's delayed inbound international mail (Project Number 17RG009MS000). Our objective was to evaluate the timeliness of mail arrival at the Postal Service's International Service Centers (ISC). See [Appendix A](#) for additional information about this audit.

About 621 million pieces of international mail¹ entered the U.S. from foreign countries in fiscal year (FY) 2016. More than 95 percent of this mail was accepted by the Postal Service at one of its five ISCs that are located in San Francisco, New York, Los Angeles, Miami, and Chicago. The remaining segment was mostly accepted at either the Honolulu Processing and Distribution Center (P&DC) or the New Jersey International Network Distribution Center.

When inbound international mail arrives at airports via inbound commercial carrier flights, ground handlers (which can either be employees of the respective airlines or contracted employees of the airlines) unload the receptacles² of mail from the airplane and tender them to the ISC (see Figure 1). These initial operations mainly fall under the responsibility of the foreign postal operators and their agreements with the air carriers or ground handlers.

Figure 1. Examples of International Inbound Receptacles (i.e., Unit Load Device)



Source: OIG photographs taken at the [REDACTED] in December 2016.

Postal Service employees monitor the airfield to assess the status of inbound international mail receptacles and manually document their assessments by completing reports (ramp reports). Employees use these reports to document key mailing information including the airline, the country of origin, the foreign dispatch date (the date when the mail is scanned and assigned to a flight in the foreign country), and the number of receptacles waiting to be brought to the ISC.

In addition to this ramp report data, the Postal Service also receives data for various other transportation and processing scans along the path of travel for the incoming container including:

¹ For the purposes of this report, we focused on all international mailings that enter the Postal Service ISCs located in San Francisco, New York, Los Angeles, Miami, and Chicago.
² Receptacles contain multiple individual mailings.

About 4.3 million receptacles, or about 80 percent of the mail tendered to the Postal Service, exceeded the 2-hour UPU guidance.

- *Departure Flight Date/Time* — The scheduled and actual flight departure date and time.
- *Arrival Flight Date/Time* — The scheduled and actual flight arrival date and time.
- *Dispatch Closed Date/Time* — The date and time the foreign post records the closing of a dispatch prior to departure.
- *Dispatch Date* — Date when the mail is scanned and assigned to a flight in the foreign country.
- *Facility Arrival Date* — Local date that the mail arrived at the facility.
- *Yard Arrival Date/Time* — The arrival local date time.
- *Mail Registration Device (MRD) Scan* — Completed by the ground handlers upon delivery to the ISC.

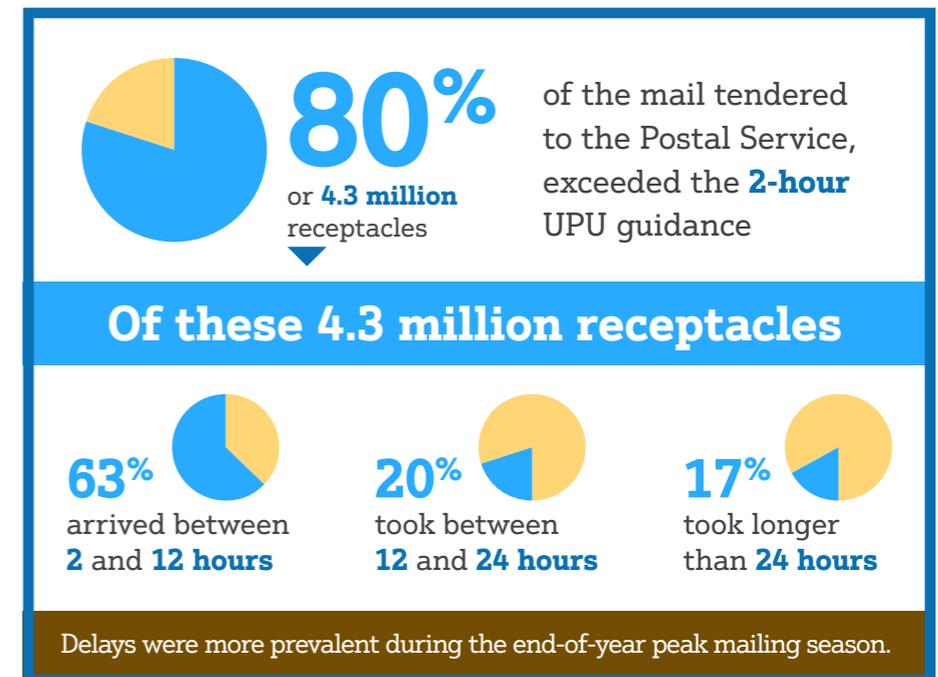
The Universal Postal Union (UPU)³ Letter Post Manual states that mail should be tendered at the ISC within one to two hours after the airplane’s arrival.

Summary

We found significant delays in the Postal Service’s receipt of inbound international mail at the ISCs. Our analysis of all 5.4 million receptacles⁴ received at the ISCs between April 1, 2016, and March 31, 2017, with flight log data, showed the following:

- About 4.3 million receptacles, or about 80 percent of the mail tendered to the Postal Service, exceeded the 2-hour UPU guidance.
- Of these 4.3 million receptacles, about 63 percent arrived between 2 and 12 hours, about 20 percent took between 12 and 24 hours, and about 17 percent took longer than 24 hours.
- Delays were more prevalent during the end-of-year peak mailing season.

These delays occurred because airport ground handlers did not transport the mail to the ISCs in a timely manner after the flight arrived. While the Postal Service does not have the authority to manage the ground handlers, it has opportunities to improve its monitoring of the delays. Specifically, the Postal Service’s ramp



³ The UPU sets the rules for international mail exchanges and makes recommendations to stimulate growth in mail, parcel and financial services volumes and improve quality of service for customers.

⁴ The Postal Service received a total of 9.3 million international inbound receptacles for the 12-month period between April 1, 2016, and March 31, 2017. Of these records, we were able to obtain and match accompanying flight information for 5.4 million records. We excluded 299 records that appeared to be data anomalies. See [Appendix A](#) for more information about our analysis.

reports are not being completed consistently across all ISCs. In addition, available data — such as the actual flight arrival date and time the mail arrives at the airport to better indicate how long a receptacle has been in the U.S. — is not incorporated into its inbound mail monitoring and reporting processes.

The Postal Service is coordinating with the foreign postal operators, ground handlers, and others on notifying the respective parties of the delays and developing corrective actions. These actions should help improve the identification and movement of delayed mail by increasing the visibility and awareness of the issue. As such, we are not making a recommendation to increase coordination.

Continued inbound international mail delays present service and public safety and security concerns, both of which could reflect poorly on the Postal Service’s brand and image. For example, we found instances where the delayed mail at one ISC resulted in rain-damaged and unsecured mail. In addition, Postal Service acceptance operations are structured to more efficiently handle steady streams of incoming mail. Delayed and clustered mailings tend to produce more inefficient inbound mail operations.

Delayed Inbound International Mail

We found significant delays in the Postal Service’s receipt of inbound international mail at the ISCs. Our analysis of all 5.4 million receptacles received at the ISCs between April 1, 2016, and March 31, 2017, with flight data, showed that:

- About 4.3 million receptacles, or about 80 percent of the mail tendered to the Postal Service, exceeded the 2-hour UPU guidance.
- Of these 4.3 million receptacles, about 63 percent arrived between 2 and 12 hours, about 20 percent took between 12 and 24 hours, and about 17 percent took longer than a day.

Further, our analysis showed mail took on average between 14 and 35 hours to be tendered to the Postal Service at the five ISCs (see Table 1).

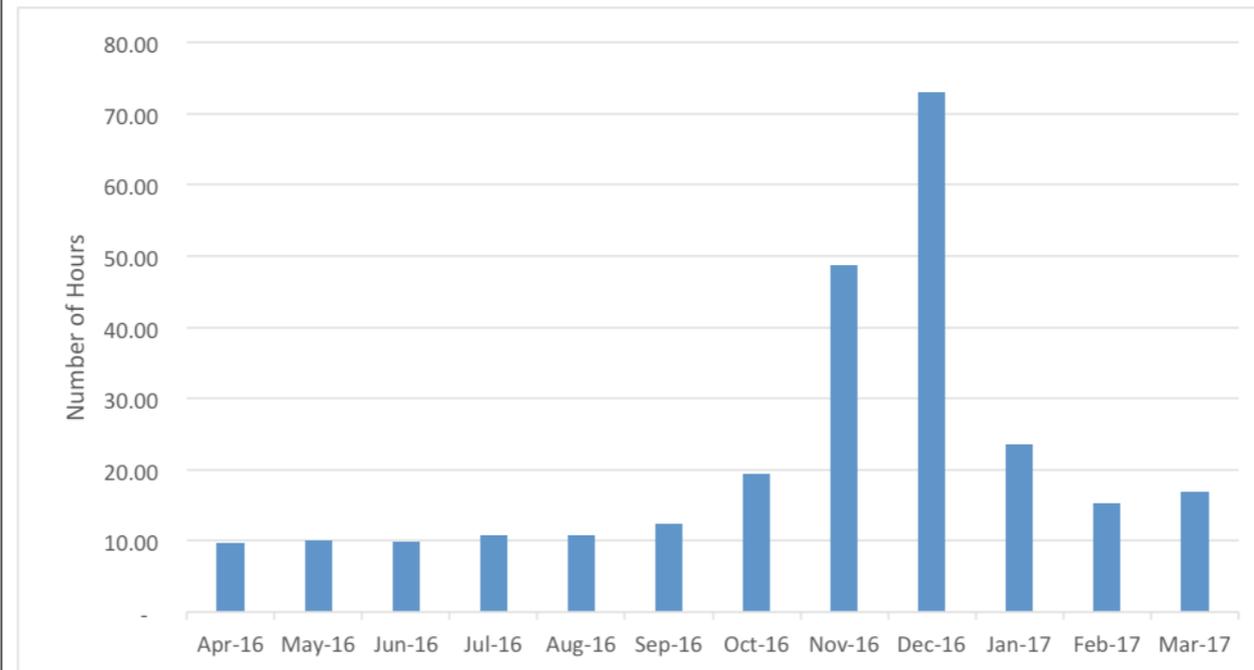
Table 1. Timeframes Between Flight Arrival and When Mail was Tendered at Each ISC

ISC	Average Hours	Maximum Hours	Receptacles
██████████	35	2,653	733,249
██████████	20	2,810	2,831,388
██████████	20	2,786	784,691
██████	19	1,634	156,187
██████	14	2,687	876,267
Nationwide	21	2,810	5,381,782

Source: U.S. Postal Service Office of Inspector General (OIG) analysis of Global Business System (GBS) data for the time period of April 1, 2016, through March 31, 2017.

Further analysis showed that delays were more prevalent during the peak mailing season (October through January). See Figure 2 below.

Figure 2. Average Time Between Flight Arrival and When Mail was Tendered at the ISC (by month)



Source: OIG analysis of GBS data for the time period of April 1, 2016, through March 31, 2017.

In addition, these delays varied among originating countries (see Table 2).

Table 2. Time between Flight Arrival and When the Mail Was Tendered at the ISC (by country, for the 20 countries with the most receptacles)

Origin Country	Average Hours	Maximum Hours	Receptacles
██████████	170	2,653	46,173
██████████	37	894	50,236
██████████	36	928	65,316
██████████	35	693	43,666
██████████	31	1,029	78,753
██████████████████	29	993	72,626
██████████████	28	1,634	225,242
██████████	24	2,810	1,462,683
██████████████	22	941	132,299
██████████	21	1,258	82,458

Origin Country	Average Hours	Maximum Hours	Receptacles
[REDACTED]	17	1,084	78,121
[REDACTED]	16	835	65,784
[REDACTED]	15	867	43,798
[REDACTED]	14	2,685	231,702
[REDACTED]	12	989	138,665
[REDACTED]	12	915	1,263,286
[REDACTED]	11	871	50,543
[REDACTED]	11	1,052	139,562
[REDACTED]	10	722	316,120
[REDACTED]	5	558	79,286

Source: OIG analysis of GBS data for the time period of April 1, 2016, through March 31, 2017.

These delays varied across airlines and across contracted ground handlers (see Tables 3 and 4).

Table 3. Time Between Flight Arrival and When the Mail was Tendered at the ISC (by air carrier, for the 10 air carriers with the most receptacles)

Air Carrier	Average Hours	Maximum Hours	Receptacles
[REDACTED]	28	1,346	185,483
[REDACTED]	25	2,810	178,022
[REDACTED]	24	1,434	174,490
[REDACTED]	23	1,634	217,725
[REDACTED]	20	2,687	203,557
[REDACTED]	19	2,800	459,100
[REDACTED]	15	2,729	635,567
[REDACTED]	14	1,173	308,942
[REDACTED]	14	959	266,457
[REDACTED]	9	1,853	643,230

Source: OIG analysis of GBS data for the time period of April 1, 2016, through March 31, 2017.

Table 4. Time Between Flight Arrival and When the Mail was Tendered at the ISC (by ground handler, for the 16 ground handlers with records in GBS)

Delays occurred because airport ground handlers did not transport the mail to the ISCs in a timely manner after the flight arrived.

Ground Handler	Average Hours	Maximum Hours	Receptacles
[REDACTED]	39	1,069	34,113
[REDACTED]	26	170	255
[REDACTED]	22	2,805	434,147
[REDACTED]	21	263	186
[REDACTED]	20	318	915
[REDACTED]	20	2,557	213,652
[REDACTED]	17	2,778	629,849
[REDACTED]	13	2,704	407,453
[REDACTED]	13	2,193	28,023
[REDACTED]	12	2,800	692,348
[REDACTED]	12	242	1,971
[REDACTED]	10	2,436	71,394
[REDACTED]	8	175	106
[REDACTED]	7	2,687	387,991
[REDACTED]	6	393	4,143
[REDACTED]	5	178	355

Source: OIG analysis of GBS data for the time period of April 1, 2016, through March 31, 2017.

These delays occurred because airport ground handlers did not transport the mail to the ISCs in a timely manner after the flight arrived. The Postal Service also identified a key limitation associated with these operations — they do not have the authority to manage the ground handlers. While the Postal Service continues to monitor these delays via daily ramp reports, it has opportunities to improve its monitoring of the delays based on the concerns below:

- *Inconsistent ramp reporting processes across ISCs:* The [REDACTED] ISCs record the number of receptacles and dispatch dates found at the airfield, while the [REDACTED] ISC only reports the number of receptacles. [Figure 3](#) illustrates the differences between some of these reports.

Figure 3. Comparison of [REDACTED] and [REDACTED] ISC Ramp Reports

Note: Notice the differences in the information contained in both reports. For example, the [REDACTED] report contains rows for specific Unit Load Device (ULD) Container IDs and columns for the "Oldest Date".

[REDACTED] ISC Ramp Report

International Inbound Inventory — Ramp Report								
ISC			Tour			Name		Date (MM/DD/YYYY)
[REDACTED]			Tour 2					5/23/2017
Origin Country	# of Pallets / AKEs	Oldest Date (MM/DD/YYYY)	Cargo Location	Ground Handler	Airline Code	Airline	ULD Container ID	Additional Notes
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED] ISC Ramp Report

ISC [REDACTED] YEAR COUNT		
Tour-1		5/23/2017
Ground Handler	Airline Code	No. Of ULD's
[REDACTED]	[REDACTED]	2
[REDACTED]	[REDACTED]	1
[REDACTED]	[REDACTED]	6
[REDACTED]	[REDACTED]	10
[REDACTED]	[REDACTED]	3
[REDACTED]	[REDACTED]	5
[REDACTED]	[REDACTED]	2
[REDACTED]	[REDACTED]	1
[REDACTED]	[REDACTED]	0
[REDACTED] [REDACTED]		30

Source: Ramp reports for the [REDACTED] ISCs, May 2017.

These inconsistencies limit the Postal Service's ability to comprehensively analyze ramp report data across all ISCs.

- *No mechanism for incorporating available data (such as the actual flight arrival date and time the mail arrives at the airport) into its monitoring and reporting processes:* The Postal Service relies on the dispatch date—the date when the mail is scanned and assigned to a flight in the foreign country—as the starting point for its ramp report analysis. While we acknowledge that this is a useful data point and is readily available on the receptacle at the airport, it does not provide a sufficiently reliable representation of how long the receptacle has been in the U.S. The Postal Service captures data—such as the arrival flight date and time—that would give Postal Service officials a better indication of how long a receptacle has been in the U.S. The Postal Service, however, lacks a mechanism for incorporating this data into its applicable monitoring and reporting processes. This shortcoming limits the Postal Service’s ability to capture a comprehensive understanding of the timeliness of the ground handler service, as well as the overall movement of mail prior to it being tendered at the ISC.

Postal Service officials stated they continue to monitor these delays and that they are actively coordinating with the foreign postal operators, ground handlers, and others on developing corrective actions and notifying the respective parties of the delays. The Postal Service is also:

- Taking daily inventory of ramp conditions, that includes mail dispatch dates, ground handler information, receptacle number, and origin country. Postal Service managers stated these reports are already shared with foreign postal operators and Postal Service executive leadership, and that these reports have helped generate notable service improvements.
- Coordinating with International Postal Affairs, Kahala Posts Group,⁵ and airlines regarding ground handling issues and identifying best practices. These groups also plan to communicate issues to the UPU to increase visibility/awareness of the delayed mail. These actions should help improve the identification and movement of delayed mail, by increasing the visibility/awareness of the issue. Therefore, we are not making a recommendation to increase coordination.

Continued inbound international mail delays present service and public safety and security concerns, both of which could reflect poorly on the Postal Service’s brand and image. For example, we found instances where the delayed mail at one ISC resulted in rain-damaged and unsecured mail (see Figures 4 and 5). Delays make it difficult for the Postal Service to properly plan for the acceptance and processing of mail and ultimately causes delays in the delivery to customers. In addition, Postal Service acceptance operations are structured to more efficiently handle timely, steady streams of incoming mail; delayed and clustered mailings tend to produce more inefficient inbound mail operations.

⁵ The Kahala Posts Group is an international alliance of eleven postal administrations — Australia, Canada, China, France, Hong Kong, Japan, Korea, Spain, Thailand, the United Kingdom, and the United States.

Figure 4. Rain Damaged Mail Delivered to the [REDACTED] ISC



Source: Photographs taken by Postal Service employees at the [REDACTED] ISC on January 25, 2016.

Figure 5. Unsecured Delayed Inbound International Mail Unloaded at Airport



Source: Photographs taken by Postal Service employees at the [REDACTED] ISC on November 13, 2016.

Recommendations

We recommend management develop a consistent ramp reporting process across all ISCs and a mechanism for incorporating available data into its inbound mail monitoring and reporting processes.

We recommend the Vice President, Network Operations:

1. Develop a consistent ramp reporting process across all International Service Centers.
2. Develop a mechanism for incorporating available data into its inbound mail monitoring and reporting processes.

Management's Comments

Management agreed with our finding and recommendation 1 and disagreed with recommendation 2.

Regarding recommendation 1, management stated it has increased efforts to comply with ramp reporting procedures at the ██████ ISC by retraining ramp clerks, and has been providing required data elements consistently since August 14, 2017. Additionally, standard templates and instructions were issued to all ISCs to ensure consistency in the daily ramp reports. Management stated these actions were implemented on August 14, 2017.

Regarding recommendation 2, management disagreed that the Postal Service should develop a mechanism for incorporating additional data into its monitoring and reporting process. Management stated that while it was correct that leveraging flight arrival data would be useful in determining compliance with UPU standards, the responsibility for compliance does not lie with the Postal Service. Management reiterated from our report that the origin foreign postal operator has contractual oversight with their air carriers and the air carriers' subcontracted ground handlers. Management stated its position that the current ramp reporting and communication processes are sufficient to focus the responsible parties on problem areas for correction.

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

Evaluation of Management's Comments

The OIG considers management's comments responsive for recommendation 1 and unresponsive for recommendation 2.

Regarding recommendation 1, we reviewed the current ramp reports and verified they are being completed in a consistent manner. As such, we consider management's corrective action to be sufficient and recommendation 1 will be closed with the issuance of this report.

Regarding recommendation 2, while we understand management's position that the foreign postal operators ultimately have contractual oversight with their air carriers and the air carriers' subcontracted ground handlers, we continue to believe that incorporating additional data (which the Postal Service already collects) into the monitoring and reporting process would help the Postal Service better understand the timeliness of the ground handler's service and provide more accurate data when communicating these delays to foreign postal operators. Such corrective actions are still needed as continued delays present operational and public safety and security concerns, both of which could reflect poorly on the Postal Service's brand and image.

We view the disagreement on recommendation 2 as unresolved until we coordinate a resolution with management. Recommendation 2 requires OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. This recommendation should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendation can be closed.

Appendices

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Appendix A: Additional Information

Background

About 621 million pieces of international mail⁶ entered the U.S. from foreign countries in FY 2016. More than 95 percent of this mail was accepted by the Postal Service at one of its five ISCs in San Francisco, New York, Los Angeles, Miami, and Chicago. The remaining segment was mostly accepted at either the Honolulu P&DC or the New Jersey International Network Distribution Center.

When inbound international mail arrives at airports via inbound commercial carrier flights, ground handlers (which can either be employees of the respective airlines or contracted employees of the airlines) unload the receptacles of mail from the airplane and transport the receptacles to the ground handler facility at the airport. At this facility, the contents of the container are separated and processed. The ground carriers then transport the receptacles with mailings destined for Postal Service customers for tendering at the ISC. These initial operations mainly fall under the responsibility of the foreign postal operators and their agreements with the air carriers or ground handlers.

Postal Service employees monitor the airfield to assess the status of inbound international mail receptacles and manually document their assessments by completing ramp reports. Ramp reports document key mailing information including the airline, the country of origin, the foreign dispatch date (the date when the mail is scanned and assigned to a flight in the foreign country), and the number of receptacles waiting to be brought to the ISC.

Objective, Scope, and Methodology

Our objective was to evaluate the timeliness of mail arrival at the Postal Service's ISCs.

To accomplish our objective, we:

- Visited and observed operations at the [REDACTED] and [REDACTED] ISCs.
- Reviewed the Postal Service's inbound international mail policies and procedures, including those pertaining to the receipt, monitoring, and reporting of international mail items at the ISCs.
- Reviewed data on all 5.4 million receptacles received at the ISCs between April 1, 2016, and March 31, 2017, with flight log data from GBS. In doing so, we identified when the receptacles arrived at the destination airport and compared that to the actual time they were tendered to the Postal Service at the ISCs. We calculated and analyzed the resulting time differences. We limited our analysis to receptacles that were tendered to the ISCs between 0 and 120 days from the recorded arrival date/time to exclude potentially anomalous data. We excluded 299 records that appeared to be data anomalies.
- Interviewed managers, staff, and ground handlers at the [REDACTED] and [REDACTED] ISCs.
- Interviewed Postal Service Headquarters officials about delayed mail at the ISCs.

We conducted this performance audit from November 2016 through September 2017 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

⁶ For the purposes of this report, we focused on all international mailings that enter the Postal Service ISCs located in San Francisco, New York, Los Angeles, Miami, and Chicago.

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 3, 2017, and included their comments where appropriate.

We assessed the reliability of inbound international mail data generated from [REDACTED]. We verified the data for reasonableness by conducting limited data testing, reviewing prior OIG work, and discussing it with knowledgeable Postal Service staff. We also excluded potentially anomalous results from our data analysis.

Prior Audit Coverage

Report Title	Objective	Report Number	Final Report Date	Monetary Impact
<i>Prohibited Inbound International Mailings</i>	Evaluate the Postal Service's processes for handling prohibited inbound international mailings such as cigarettes and prescription drugs.	MS-AR-17-008	7/18/2017	None
<i>Inbound International Mail Operations – [REDACTED] International Service Center</i>	Assess inbound international mail operations and safety and security concerns with inbound mail at the [REDACTED] ISC.	MS-AR-17-003	12/30/2016	None
<i>Inbound International Mail Operations – [REDACTED] International Service Center</i>	Highlight significant safety and security weaknesses at the Postal Service's [REDACTED] ISC.	MS-MT-16-004	9/28/2016	\$1,050,530
<i>Inbound International Mail Operations – [REDACTED] International Service Center</i>	Highlight significant inbound international mail security weaknesses at the Postal Service's [REDACTED] ISC.	MS-MT-16-003	9/21/2016	None
<i>International Inbound Mail Verification</i>	Highlight significant international inbound mail verification weaknesses at Postal Service ISCs at the [REDACTED] International Airport locations.	MR-MT-16-001	1/28/2016	None
<i>U.S. Postal Service Handling of Inbound International Mail at the [REDACTED] International Service Center in [REDACTED]</i>	Determine whether the Postal Service is complying with established inbound international mail policies and procedures.	NO-MA-15-006	9/3/2015	None

Appendix B: Management's Comments

ROBERT CINTRON
VICE PRESIDENT, NETWORK OPERATIONS



August 29, 2017

LORI LAU DILLARD

SUBJECT: Draft Audit Report – Delayed Inbound International Mail at the
International Service Centers
(Report Number MS-AR-17-DRAFT)

This correspondence is in response to Audit Report – Delayed Inbound International Mail (OIG Recommendations Project Number 17RG009MS000). The United States Postal Service (Postal Service) management agrees in part with the findings and recommendations in this audit report prepared by the United States Postal Service Office of Inspector General (OIG).

In the instant Report, the OIG recommended that the Vice President, Network Operations:

Recommendation 1:

Develop a consistent ramp reporting process across all International Service Centers.

Management Response/Action Plan:

Management agrees with the OIG findings and recommendations related to consistent ramp reporting.

As the Audit Report reflects, inconsistent ramp reporting occurred at the [REDACTED] International Service Center (ISC). The [REDACTED] ISC has increased efforts to comply with elements of ramp reporting by retraining ramp clerks and has been providing required data elements consistently since 8/14/2017. Additionally, standard templates and work instructions were reissued to all ISCs to ensure consistent reporting of daily ramp reports.

Target Implementation Date:

August 14, 2017.

Recommendation 2:

Develop a mechanism for incorporating available data into its inbound mail monitoring and reporting processes.

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Management Response/Action Plan:

Management agrees with the OIG findings and recommendations, in part, related to findings of root causes for delays in tendering inbound international mail to the various International Service Centers as well as the conclusion drawn that additional data would be useful in evaluating compliance with Universal Postal Union (UPU) requirements; however, management does not agree with the OIG's recommendation that the Postal Service should develop a mechanism for incorporating additional data into its monitoring and reporting processes.

Although it is correct that leveraging flight arrival time data would be useful in determining compliance with the UPU's standards regarding the tendering of mail to the relevant foreign office of exchange within one to two hours after the airplane's arrival, the responsibility for compliance does not fall on the Postal Service to ensure that the UPU standard is being met when airport ground handlers tender such mail to the Postal Service's International Service Centers. As stated in the Audit Report, the origin foreign postal operator has contractual oversight with their air carriers and the air carriers' subcontracted ground handlers. It is the Postal Service's position that current ramp reporting and communication processes are sufficient to focus the responsible parties on problem areas for correction.

Target Implementation Date:

There is no target implementation date, as the Postal Service does not agree to alter its inbound mail monitoring and processing in the above noted regard.



Robert Cintron



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