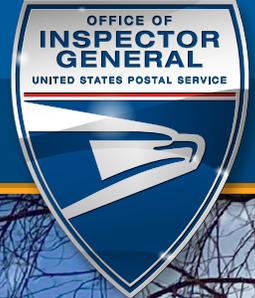


Efficiency of Operations at the Southern Maine Processing and Distribution Center, Scarborough, ME

AUDIT REPORT

Report Number 23-075-R23 | May 10, 2023



Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

May 10, 2023

MEMORANDUM FOR: CHRISTINE BRISK
NEW ENGLAND DIVISION DIRECTOR, PROCESSING

RICHARD GAUDET
NEW ENGLAND DIVISION DIRECTOR, LOGISTICS

A handwritten signature in black ink, reading "Joseph E. Wolski", is centered below the recipient information.

FROM: Joseph E. Wolski
Director, Field Operations

SUBJECT: Audit Report – Efficiency of Operations at the Southern Maine
Processing and Distribution Center, Scarborough, ME
(Report Number 23-075-R23)

This report presents the results of our audit of the Efficiency of Operations at the Southern Maine Processing and Distribution Center in Scarborough, ME.

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

Attachment

cc: Postmaster General
Chief Processing and Distribution Officer and Executive Vice President
Chief Logistics Officer and Executive Vice President
Vice President, Processing and Maintenance Operations
Vice President, Logistics
Vice President, Eastern Region Processing Operations
Atlantic Regional Director, Logistics
Corporate Audit Response Management

Results

Background

This report presents the results of our self-initiated audit of the efficiency of operations at the Southern Maine Processing and Distribution Center (P&DC) in Scarborough, ME (Project Number 23-075). We conducted this audit to provide U.S. Postal Service management with timely information on operational risks at this P&DC. We selected the Southern Maine P&DC based on Congressional interest. The Southern Maine P&DC is in the New England Processing Division and processes letters, flats, and parcels. The Southern Maine P&DC services multiple 3-digit ZIP Codes in urban and rural communities¹ (see Table 1).

Table 1. Population Demographics

| 3-Digit ZIP Codes | Urban Population | Rural Population | Total Population |
|-------------------|------------------|------------------|------------------|
| 039-043 | 365,366 | 391,181 | 756,547 |
| 045 | 8,038 | 40,852 | 48,890 |
| 048 | 12,743 | 26,920 | 39,663 |
| Total | 386,147 | 458,953 | 845,100 |

Source: Postal Service National Distribution Labeling List and Esri.

Objective, Scope, and Methodology

Our objective was to evaluate the efficiency of operations at the Southern Maine P&DC.

To accomplish our objective, we focused on four audit areas: mail clearance times;² delayed mail; late, canceled, and extra outbound trips; and load scans. Specifically, we analyzed the Southern Maine P&DC's Enterprise Data Warehouse (EDW)³ information for productivity, workhours, overtime, and load scans from March 2022 through February 2023. We reviewed Surface Visibility Web (SVWeb)⁴ data

¹ We obtained ZIP Code information related to population and urban/rural classification from Esri, which is based on 2010 Census Bureau information.

² The latest time committed mail can clear an operation for proper dispatch or delivery.

³ A repository intended for data and the central source for information on retail, financial, and operational performance. Mission-critical information comes to EDW from transactions that occur across the mail delivery system, points-of-sale, and other sources.

⁴ A website dedicated to the Surface Visibility program, which provides real-time transportation updates and reports on the movement of trailers in the surface network. The data captured to identify early, on-time, late, or canceled trips is also used to evaluate and improve transportation schedules.

⁵ A server-based software application that stores End-of-Run data from mail processing equipment in a relational database.

⁶ The five delivery units were Industrial Park Annex, Saco, ME (Project Number 23-076-1); Lewiston Post Office, Lewiston, ME (Project Number 23-076-2); Main Office Carrier Station, Portland, ME (Project Number 23-076-3); Sanford Main Post Office, Sanford, ME (Project Number 23-076-4); and Southern Maine Carrier Unit, Scarborough, ME (Project Number 23-076-5).

for late, canceled, and extra outbound trips from March 2022 to February 2023. Further we reviewed Web End of Run (Web EOR)⁵ for clearance times data from November 24, 2022, to February 24, 2023. During our site visit from March 13 to 16, 2023, we interviewed P&DC management and observed mail processing and dock operations.

During the week of March 13, 2023, the U.S. Postal Service Office of Inspector General (OIG) also audited five delivery units⁶ serviced by the Southern Maine P&DC. We will provide the results of those audits to delivery district management in separate reports. See [Appendix A](#) for additional information about our scope and methodology.

Results Summary

We did not identify any deficiencies in the four areas we reviewed that affected the efficiency of operations at the Southern Maine P&DC, but we did identify one other issue related to safety (see Table 2).

Table 2. Summary of Results

| Audit Area | Issues Identified | |
|--|-------------------|----|
| | Yes | No |
| Clearance Times | | X |
| Delayed Mail | | X |
| Late, canceled, and Extra Outbound Trips | | X |
| Load Scans | | X |
| Other Issues | X | |

Source: Results of OIG review conducted the week of March 13, 2023.

For the audit areas where issues were not identified, we performed the following:

- Clearance Times – We analyzed mail processing schedules and data to verify the plant was

meeting the scheduled clearance times. During our visit, we also observed the timely processing of mail.

- Delayed Mail – During our observations, we did not identify any systemic issues related to delayed mail. We reviewed delayed mail counts and confirmed by observations.
- Late, Canceled, and Extra Outbound Trips – We observed departing trucks and analyzed data related to late and extra outbound trips and did not find any systemic issues.
- Load Scans – We analyzed load scan data and observed employees scanning containers loaded onto outgoing trucks. Our observations confirmed the data reported in EDW was accurate.

Finding #1: Safety

What We Found

We observed some trucks and trailers parked at the dock without wheel chocks placed next to the tire to prevent them from rolling away.

Why Did it Occur

The inconsistent use of wheel chocks was due to a lack of management oversight. In response to our observations, facility management conducted a stand-up talk with drivers during the week of our visit regarding the required use of wheel chocks and plan to complete daily yard inspections to identify noncompliance.

What Should Have Happened

Postal Service policy⁷ states that PVS drivers must prevent trailers from rolling away from docks by using wheel chocks.

Effect on the Postal Service and its Customer

When employees do not observe safe working practices and safety rules, there is an increased risk of employee accidents and injuries.

Since Southern Maine P&DC management took corrective action during the site visit, we will not be making a recommendation regarding this issue.

Management's Comments

Management agreed with the finding, conducted a stand-up talk with the drivers, and will continue to monitor for compliance.

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

⁷ Handbook EL-803, *Maintenance Employee's Guide to Safety*, Section 1.-C.

Appendix A. Additional Information

We conducted this audit from March through May 2023, 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 discussed our observations and conclusions with management on April 26, 2023, and included their comments where appropriate.

We assessed the reliability of EDW, SVWeb, and Web EOR by reviewing existing information, observing operations, and interviewing Postal Service officials knowledgeable about the data. We determined the data were sufficiently reliable for the purposes of this audit.

Appendix B: Management's Comments



May 1, 2023

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Efficiency of Operations at the Southern Maine Processing and Distribution Center, Scarborough, ME (Project Number 23-075)

Thank you for providing the Postal Service with an opportunity to review and comment on the finding containing in the draft audit report, *Efficiency of Operations at the Southern Maine Processing and Distribution Center, Scarborough*.

Management agrees with the one finding related to safety. Management immediately addressed the issue by conducting a stand-up talk with drivers on the use of wheel chocks and will continue to monitor for compliance.

E-SIGNED by Christine Brisk
on 2023-05-01 14:42:48 CDT

Christine Brisk
Senior Division Director, Processing Operations

E-SIGNED by Richard.P Gaudet
on 2023-05-01 16:51:04 CDT

Richard Gaudet
New England Division Director, Logistics

cc: Vice President, Regional Processing Operations (Eastern)
Vice President, Logistics
Senior Director, Regional Logistics (Atlantic)
Corporate Audit & Response Management

OFFICE OF INSPECTOR GENERAL

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