

# Tennessee District: Delivery Unit Operations



## AUDIT REPORT

Report Number 23-100-R23 | August 21, 2023

**Desoto Carrier Annex**



**Cordova Main Post Office**



**Germantown Main Post Office**



**Hickory Hill Station**



**Collierville Main Post Office**



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# Transmittal Letter



OFFICE OF INSPECTOR GENERAL  
UNITED STATES POSTAL SERVICE

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August 21, 2023

**MEMORANDUM FOR:** OMAR R. COLEMAN  
MANAGER, TENNESSEE DISTRICT

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

**FROM:** Joseph E. Wolski  
Director, Field Operations

**SUBJECT:** Audit Report – Tennessee District: Delivery Unit Operations (Report  
Number 23-100-R23)

This report presents the results of our audit of mail delivery, customer service, and property conditions review at the Tennessee District.

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

Attachment

cc: Postmaster General  
Chief Retail & Delivery Officer & Executive Vice President  
Vice President, Delivery Operations  
Vice President, Retail & Post Office Operations  
Vice President, Processing and Maintenance Operations.  
Vice President, Southern Area Retail & Delivery Operations  
Director, Retail & Post Office Operations Maintenance  
Corporate Audit and Response Management

# Results

## Background

This report presents a summary of the results of our self-initiated audits assessing mail delivery, customer service, and property conditions at five select delivery units in the Tennessee District in the Southern Area (Project Number 23-100). These delivery units included the Collierville Main Post Office (MPO), Cordova MPO, Desoto Carrier Annex, Germantown MPO, and Hickory Hill Station.

We judgmentally selected these delivery units based on the number of Customer 360<sup>1</sup> (C360) inquiries, Informed Delivery<sup>2</sup> contacts associated with the unit, undelivered route information, and stop-the-clock (STC)<sup>3</sup> scans performed at the unit.

We previously issued interim reports<sup>4</sup> to district management for each of these units regarding the conditions we identified. In addition, we issued a report on the efficiency of operations at the Memphis Processing and Distribution Center and Mail

Processing Annex,<sup>5</sup> which service these five delivery units. The delivery units have a combined total of 98 city routes and 99 rural routes that serve about 311,542 people in several ZIP Codes (see Table 1), which are considered urban communities.<sup>6</sup>

## Objective, Scope, and Methodology

Our objective was to evaluate mail delivery, customer service, and property conditions at the Collierville MPO, Cordova MPO, Desoto Carrier Annex, Germantown MPO, and Hickory Hill Station in the Tennessee District.

We reviewed delivery metrics, including the number of routes and carriers, mail arrival time, amount of reported delayed mail, package scanning, and distribution uptime.<sup>7</sup> In addition, during our site visits the week of May 1, 2023, we reviewed mail conditions; package and truck arrival scanning procedures; arrow key<sup>8</sup> security procedures; and unit safety, security, and maintenance conditions.

**Table 1. Service Area and Population**

Delivery Units	Service Area ZIP Codes	Population	City Routes	Rural Routes
Collierville MPO	38017 and 38027*	47,868	15	19
Cordova MPO	38016 and 38018	78,549	0	48
Desoto Carrier Annex	38103, 38106, 38126, and 38136*	46,690	37	0
Germantown MPO	38138, 38139, and 38183*	39,970	20	10
Hickory Hill Station	38115, 38125, 38141	98,465	26	22
<b>Total</b>		<b>311,542</b>	<b>98</b>	<b>99</b>

\*ZIP Codes 38027, 38136, and 38183 service Post Office Boxes.

Source: U.S. Postal Service Office of Inspector General (OIG) analysis of Postal Service National Labeling List and Esri data.

- 1 A cloud-based application that enables Postal Service employees to diagnose, resolve, and track customer inquiries.
- 2 Informed Delivery is a free and optional notification service that gives residential customers the ability to digitally preview their letter-sized mail and submit inquiries for mailpieces that were expected for delivery but have not arrived.
- 3 A scan event that indicates the Postal Service has completed its commitment to deliver or attempt to deliver the mailpiece. Examples of STC scans include "Delivered," "Available for Pick-Up," and "No Access."
- 4 Collierville MPO in Collierville, TN: Delivery Unit Operations (Report Number 23-100-1-R23, dated June 27, 2023); Cordova MPO, Cordova, TN: Delivery Unit Operations (Report Number 23-100-2-R23, dated June 27, 2023); Desoto Carrier Annex, Memphis, TN: Delivery Unit Operations (Report Number 23-100-3-R23, dated June 27, 2023); Germantown MPO in Germantown, TN: Delivery Unit Operations (Report Number 23-100-4-R23, dated June 27, 2023); and Hickory Hill Station, Memphis, TN: Delivery Unit Operations (Report Number 23-100-5-R23, dated June 27, 2023).
- 5 *Efficiency of Operations at the Memphis Processing and Distribution Center and Mail Processing Annex, Memphis, TN* (Report Number 23-099-R23, dated June 27, 2023).
- 6 We obtained ZIP Code information related to population and urban/rural classification from Esri, which is based on 2010 Census Bureau information.
- 7 Time of day that clerks have completed distributing mail to the carrier routes.
- 8 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.

We also analyzed the scan status of mailpieces at and around carrier cases and in the “Notice Left” area.<sup>9</sup> Finally, we interviewed unit management and employees.

We conducted this audit from June through August 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 discussed our observations and conclusions with management on August 1, 2023, and included their comments where appropriate.

In planning and conducting the audit, we obtained an understanding of delivery operations internal control structure to help determine the nature, timing, and extent of our audit procedures. We reviewed the management controls for overseeing the program and mitigating associated risks. Additionally, we assessed the internal control components and underlying principles, and we determined that the following three components were significant to our audit objective:

- Control Activities
- Information and Communication
- Monitoring

We developed audit work to ensure that we assessed these controls. Based on the work performed, we identified internal control deficiencies that were significant within the context of our objectives. Our recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of data from the Product Tracking and Reporting (PTR)<sup>10</sup> system, the Delivery Condition Visualization (DCV) tool,<sup>11</sup> the Surface Visibility Web (SVWeb)<sup>12</sup> database, and the electronic Facilities Management System (eFMS)<sup>13</sup> 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.

### Results Summary

We identified issues affecting mail delivery, customer service, and property conditions at all five delivery units. Specifically, we found delayed mail and deficiencies with package scanning, truck arrival scanning, arrow key controls, and property conditions (see Table 2).

**Table 2. Summary of Issues Identified**

Controls Reviewed	Deficiencies Identified				
	Collierville MPO	Cordova MPO	Desoto Carrier Annex	Germantown MPO	Hickory Hill Station
Delayed Mail	Yes	Yes	Yes	Yes	Yes
Package Scanning	Yes	Yes	Yes	Yes	Yes
Truck Arrival Scanning	Yes	Yes	No	Yes	Yes
Arrow Lock Keys	Yes	Yes	Yes	No	Yes
Property Conditions	Yes	Yes	Yes	Yes	Yes

Source: Interim reports from select units.

<sup>9</sup> The area of a delivery unit where letters or packages that the carriers were unable to deliver are stored for customer pickup.

<sup>10</sup> A system of record for all delivery status information for mail and packages with trackable services and barcodes.

<sup>11</sup> 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.

<sup>12</sup> Surface Visibility collects end-to-end data by linking multiple scans of a single asset to create visibility data to support planning, management, and optimization of the surface network.

<sup>13</sup> 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.

## Finding #1: Delayed Mail

### What We Found

On the morning of May 2, 2023, we identified about 37,897 pieces<sup>14</sup> of delayed mail at the five delivery units. In addition, management at the Desoto Carrier Annex and Hickory Hill Station did not accurately

report this mail in DCV<sup>15</sup>, and management at the Collierville MPO, Cordova MPO, and Germantown MPO did not report any delayed mail. See Table 3 for the number of pieces for each mail type and Figures 1 and 2 for examples of delayed mail found at carrier cases.

**Table 3. Type of Delayed Mail**

Type of Mail	Collierville MPO	Cordova MPO	Desoto Carrier Annex	Germantown MPO	Hickory Hill Station	Total
Letters	14,035	875	1,915	1,391	7,784	26,000
Flats	10,176	3	225	1,155	283	11,842
Packages	0	54	1	0	0	55
<b>Total</b>	<b>24,211</b>	<b>932</b>	<b>2,141</b>	<b>2,546</b>	<b>8,067</b>	<b>37,897</b>

Source: OIG count of delayed mailpieces identified during our visit on May 2, 2023.

**Figure 1. Delayed Mail at the Collierville MPO**



Source: OIG photo taken on May 2, 2023.

**Figure 2. Delayed Mail at the Germantown MPO**



Source: OIG photo taken on May 2, 2023.

<sup>14</sup> Count of mail included individual piece counts and estimates based on conversion factors.

<sup>15</sup> The Desoto Carrier annex reported 254 delayed mailpieces, and the Hickory Hill Station reported 5,434.

## Why Did It Occur

Delayed mail occurred for multiple reasons, including insufficient staffing to accommodate mail volume and competing priorities. In addition, the delayed mail was not reported in DCV because of a lack of training and management oversight. Specifically:

- Management at the Collierville MPO stated the unit did not have enough employees to distribute the mail in the hot case area each day due to a shortage of four clerks. Specifically, the unit had a complement of eight clerks, but had three vacancies, and one clerk was on extended medical leave. The postmaster stated he requested to borrow clerks from other stations from the post office operations manager, but he could not provide any supporting documentation for this request. In addition, management stated five routes were not completely delivered on Monday, May 1, 2023, due to unscheduled absences. Unit management stated they did not verify that all mail was delivered and properly reported in the DCV system because other responsibilities took priority, such as scheduling staff and performing tasks normally completed by a PM supervisor, who was on extended leave.
- Management at the Cordova MPO did not verify that all mail was cleared from the unit and taken to the street for delivery the previous day. Specifically, the postmaster stated that the previous day had been a heavy mail day and not all the mail was sorted before the carriers departed for the street. In addition, the postmaster stated that he had to leave early that day unexpectedly and that he was the one who typically reported delayed mail volumes in DCV.
- Management at the Desoto Carrier Annex stated that the unit had delayed mail because carriers sometimes brought mail back due to dog interference or because delivery points were blocked by vehicles or construction. Management stated that carriers annotate on Postal Service Form 1571, *Undelivered Mail Report*, the reason why mail could not be delivered. However, carriers were not annotating on the form the correct number of undelivered mailpieces. The PM supervisor did not know that he was required to record such mail as delayed in DCV, and the AM supervisor assumed that it had been reported. Further, the customer service manager did not monitor that the delayed mail counts in DCV were accurate.
- Carriers at the Germantown MPO stated that much of the mail we identified in the cases was due to management's instructions to return to the unit by a specified time. Specifically, management sent a message the previous evening to all carriers through the package scanners stating, "only do packages everyone back at 7 pm per management." In addition, some carriers were not using the 3M case<sup>16</sup> for mis-sequenced mail, but instead were instructed by the acting postmaster to place it back in their cases upon returning from their routes. Furthermore, the PM supervisor was not aware of the delayed mail at the carrier cases because she did not complete a thorough walkthrough of the unit the previous evening.
- Management at the Hickory Hill Station stated they received letter mail on the last truck the previous day and reported it as delayed mail in DCV because they did not have time to sort it before the carriers left for the street. The mail was located under packages and was not identified until the clerks were done sorting the packages.

Regarding the mail found at the carrier cases, carriers did not deliver the mail from the previous day for various reasons. One carrier stated that they were unfamiliar with the route, another stated the working mail was not sorted before they left for the street, and one stated that the mailbox was blocked. The acting PM supervisor stated he did not report the undelivered mail in DCV because he did not have access and believed the AM supervisor would enter the mail in DCV. However, the AM supervisor stated it was an oversight, as she was not aware the carriers had undelivered mail at their cases. The acting station manager had been at the unit for two months and stated that she was aware of this issue along with

<sup>16</sup> The area of the delivery unit where carriers place their missent, missorted, and mis-sequenced mail.

many others and was prioritizing their order of completion.

### What Should Have Happened

Management should have ensured that all mail was processed and delivered daily, and that there were enough resources to deliver all the mail each day. Postal Service policy<sup>17</sup> states that all types of First-Class Mail, Priority Mail, and Priority Mail Express are always committed for delivery on the day of receipt. In addition, managers are required<sup>18</sup> to report all mail in the delivery unit after the carriers have left for their street duties as either delayed or curtailed in DCV. Further, management must update DCV if volumes have changed prior to the end of the business day.

### 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.

### Management Actions

During our audit, management at the Hickory Hill Station took corrective action on May 3, 2023, by implementing a procedure in which all carriers must complete PS Form 1571 upon returning to the unit, explaining the reason why mail was not delivered. Carriers must also place the mail and the form in a designated area so that managers can review them, sign the form, and enter the number of mailpieces in DCV.

#### Recommendation #1

We recommend the **District Manager, Tennessee District**, coordinate with Southern Area Human Resources to fill clerk vacancies at the Collierville Main Post Office.

#### Recommendation #2

We recommend the **District Manager, Tennessee District**, develop and execute a plan to ensure that all committed mail is delivered daily, and that management conducts a daily sweep to identify delayed mail at the Collierville Main Post Office, Cordova Main Post Office, Desoto Carrier Annex, Germantown Main Post Office, and Hickory Hill Station.

#### Recommendation #3

We recommend the **District Manager, Tennessee District**, develop and execute a plan to verify that all delayed mail volume is entered into the proper system, and management systematically enforces reporting compliance at the Collierville Main Post Office, Cordova Main Post Office, Desoto Carrier Annex, and Germantown Main Post Office.

#### Recommendation #4

We recommend the **District Manager, Tennessee District**, develop and execute a training plan that instructs management on the proper use of the 3M case at the Germantown Main Post Office.

## Finding #2: Package Scanning

### What We Found

Employees improperly scanned packages at all five delivery units. In total, employees scanned 1,466 packages at the delivery units instead of at the customers' delivery points between January and March 2023 (see [Table 4](#)). Further analysis of the STC scan data for these packages showed that 54.84 percent of them were scanned as "Delivered." This data does not include scans that could properly be made at a delivery unit, such as "Delivered – PO Box" and "Customer (Vacation) Hold," but rather, represents scans performed at the delivery unit that should routinely be made at the point of delivery.

<sup>17</sup> *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.

<sup>18</sup> *Informed Visibility Delivery Condition Visualization User Guide*, March 2023.

**Table 4. STC Scans at Delivery Unit**

STC Scan Type	Delivery Units					Total	Percent
	Collierville MPO	Cordova MPO	Desoto Carrier Annex	Germantown MPO	Hickory Hill Station		
Delivered	171	236	248	86	63	804	54.84%
Delivery Attempted - No Access	73	62	68	27	194	424	28.92%
Receptacle Full / Item Oversized	64	68	0	4	49	185	12.62%
No Secure Location Available	4	13	0	0	2	19	1.30%
Refused	6	5	2	0	0	13	0.89%
No Authorized Recipient	1	1	0	0	0	2	0.14%
Delivery Exception - Animal Interference	1	3	4	6	5	19	1.30%
<b>Total</b>	<b>320</b>	<b>388</b>	<b>322</b>	<b>123</b>	<b>313</b>	<b>1,466</b>	<b>100.00%*</b>

Source: OIG analysis of the Postal Service’s 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 May 2, 2023, before carriers arrived for the day, we selected 230 packages to review and analyze for scanning and tracking history. We judgmentally selected 131 packages from the carrier cases and 99 packages from the “Notice Left” area.<sup>19</sup>

Of the 131 sampled packages at the carrier cases, 59 (45.04 percent) had missing scans, improper scans, or handling issues. For example, 20 of these packages were scanned “Delivery Attempted – No Access to Delivery Location” away from the delivery point; fourteen had a “Delivered” scan, which should only be performed when a package is successfully left at the customer’s point of delivery; and thirteen packages were missing STC scans to let the customer know the reason for non-delivery.

Of the 99 packages sampled from the “Notice Left” area, seven (7.07 percent) had missing scans, improper scans, or handling issues. For example, three had a “Delivered” scan, which should only be performed when a package is successfully left at the customer’s point of delivery; two were scanned “No Secure Location Available” away from the delivery point; one was missing an STC scan to let the customer know the reason for non-delivery; and one was scanned “No Such Number,” but was not placed in the “Return to Sender” area. In addition, 36 packages (36.36 percent) should have been returned to sender. These packages ranged from three to 564 days past their return dates.<sup>20</sup>

<sup>19</sup> The Desoto Carrier Annex did not have a “Notice Left” area.

<sup>20</sup> *Notice Left and Return Guidelines*, dated July 2007, states that domestic packages should be returned to sender on the 15th calendar day after a notice is left, and international packages should be returned to sender on the 30th calendar day after a notice is left.

## Why Did It Occur

These scanning issues occurred because unit management did not adequately monitor and enforce proper package scanning and handling procedures. Specifically, management at the Cordova MPO, Germantown MPO, and Hickory Hill Station did not know they had scanning issues. Further, management at the Collierville MPO, Desoto Carrier Annex, and Germantown MPO were aware of their responsibility but competing priorities impeded their review of scanning. In addition, management at the Collierville MPO stated they had not properly trained new staff.

The packages in the Collierville MPO and Germantown MPO “Notice Left” area were not returned due to inadequate management oversight. Specifically, management at the Collierville MPO stated he did not assign a clerk to review packages in the “Notice Left” area; and management at the Germantown MPO stated the packages were not properly marked with the date of attempted delivery, and the responsible clerk did not follow up.

## 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,<sup>21</sup> which includes scanning packages at the time and location of delivery.<sup>22</sup> Packages in the “Notice Left” area should have been reviewed for second notices and returned to sender if they remained after the prescribed number of days.

## 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 the Postal Service brand.

<sup>21</sup> *Delivery Done Right the First Time* stand-up talk, March 2020.

<sup>22</sup> *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

<sup>23</sup> The trailer barcode on the back door and inside right and left walls of the trailer.

## Recommendation #5

We recommend the **District Manager, Tennessee District**, develop and execute a plan to verify that unit management systematically reviews package scanning performance data daily and enforces compliance, and all employees are trained on standard operating procedures for package scanning and handling at the Collierville Main Post Office, Cordova Main Post Office, Desoto Carrier Annex, Germantown Main Post Office, and Hickory Hill Station.

## Finding #3: Truck Arrival Scanning

### What We Found

Employees did not scan all incoming trailer/truck barcodes<sup>23</sup> at the Collierville MPO, Cordova MPO, Germantown MPO, and Hickory Hill Station, as required. We reviewed data related to morning truck arrival scans from January 1 through March 31, 2023, and found that employees did not perform a scan for 807 of 917 (88.00 percent) scheduled incoming trucks (See Table 5).

**Table 5. Truck Arrival Scans Between January 1 and March 31, 2023**

Delivery Units	Inbound AM Trips	Missed Arrive Scans	Percentage Missing
Collierville MPO	156	101	64.74%
Cordova MPO	323	323	100.00%
Germantown MPO	214	214	100.00%
Hickory Hill Station	224	169	75.45%
<b>Total</b>	<b>917</b>	<b>807</b>	<b>88.00%</b>

Source: OIG analysis of data extracted from the Postal Service’s SVWeb System. SVWeb collects end-to-end data by linking multiple scans of a single asset to create visibility data to support planning, management, and optimization of the surface network.

## Why Did It Occur

Management did not monitor scan performance data to verify that all trucks received an arrival scan. Specifically:

- Management at the Collierville MPO stated that they were focused on mail delivery and trying to balance staff shortages. In addition, management had not resolved scanner functionality issues.
- Management at the Cordova MPO indicated they were unaware of their responsibility.
- Management at the Germantown MPO indicated they were not aware of any reports available for monitoring truck scanning performance and had not recently provided training to reinforce the scanning requirement.
- Management at the Hickory Hill Station stated she was unaware of the issue.

### What Should Have Happened

Management should have performed reviews of truck arrival tracking reports to verify that employees were performing all expected truck scans. According to Postal Service Policy,<sup>24</sup> employees must scan the trailer barcode on Postal Service trailer/trucks and Highway Contract Route trucks arriving at the delivery unit during local operating hours.

### Effect on the Postal Service and Its Customers

When employees do not scan the truck barcode, the Postal Service does not receive timely transportation information and is unable to address issues that may be causing mail delays, which could affect customer service.

#### Recommendation #6

We recommend the **District Manager, Tennessee District**, develop and execute a plan that requires management to review truck/trailer arrival scanning performance data daily and enforce compliance at the Collierville Main Post Office, Cordova Main Post Office, Germantown Main Post Office, and Hickory Hill Station.

#### Recommendation #7

We recommend the **District Manager, Tennessee District**, train responsible personnel on standard operating procedures for truck/trailer arrival scanning at the Cordova Main Post Office and Germantown Main Post Office.

## Finding #4: Arrow Keys

### What We Found

Unit management did not properly manage and safeguard arrow keys at the Collierville MPO, Cordova MPO, Desoto Carrier Annex, and Hickory Hill Station. Specifically, management at the Hickory Hill Station could not locate 14 keys that were listed on the inventory log. None of these keys had been reported as missing to the U.S. Postal Inspection Service. We also found 51 keys not listed on the inventory logs across three of the units (see Table 6). Additionally, at the Collierville MPO and Cordova MPO, management did not properly safeguard arrow keys. Specifically, keys were not always kept in a secure location, with three found at the [REDACTED] and six stored in an [REDACTED].

Table 6. Arrow Key Inventory

Delivery Units	Keys on Inventory Log	Missing Keys	Keys Found at the Unit	
			Listed on Log	Not Listed on Log
Collierville MPO	25	0	25	0
Cordova MPO	27	0	27	6
Desoto Carrier Annex	31	0	17	14
Germantown MPO	0	0	0	0
Hickory Hill Station	26	14	12	31
<b>Total</b>	<b>109</b>	<b>14</b>	<b>81</b>	<b>51</b>

Source: OIG analysis of arrow key inventory during our visit the week of May 1, 2023.

### Why Did It Occur

These issues occurred because management at the Collierville MPO, Cordova MPO, Desoto Carrier Annex, and Hickory Hill Station did not properly manage and safeguard arrow keys due to competing priorities.

<sup>24</sup> United States Postal Service Standard Operating Procedure – Subject: Trailer Scans at the Delivery Units (DU).

In addition, management at the Cordova MPO stated he forgot the six keys were in the [REDACTED]. Further, management at the Hickory Hill Station stated the clerk was not aware the inventory log needed to be updated and maintained. The Hickory Hill Station AM supervisor was aware of the requirement to report missing keys to the Postal Inspection Service but was unaware of the missing keys.

### What Should Have Happened

Management should have verified that arrow key security procedures were properly followed. According to Postal Service policy,<sup>25</sup> management must keep an accurate inventory of all keys and conduct a semiannual physical survey of all building keys. Missing keys must be immediately reported to the Postal Inspection Service. In addition, policy states that arrow keys must remain secured until they are individually assigned 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 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 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 open mail receptacles, lost or damaged keys can result in undelivered mail.

#### Recommendation #8

We recommend the **District Manager, Tennessee District**, develop and execute a training plan that instructs management and assigned staff at the Hickory Hill Station on the proper arrow key inventory process.

#### Recommendation #9

We recommend the **District Manager, Tennessee District**, establish a schedule to periodically review arrow keys to ensure they are properly logged and accounted for at the Collierville Main Post Office, Cordova Main Post Office, Desoto Carrier Annex, and Hickory Hill Station.

## Finding #5: Property Conditions

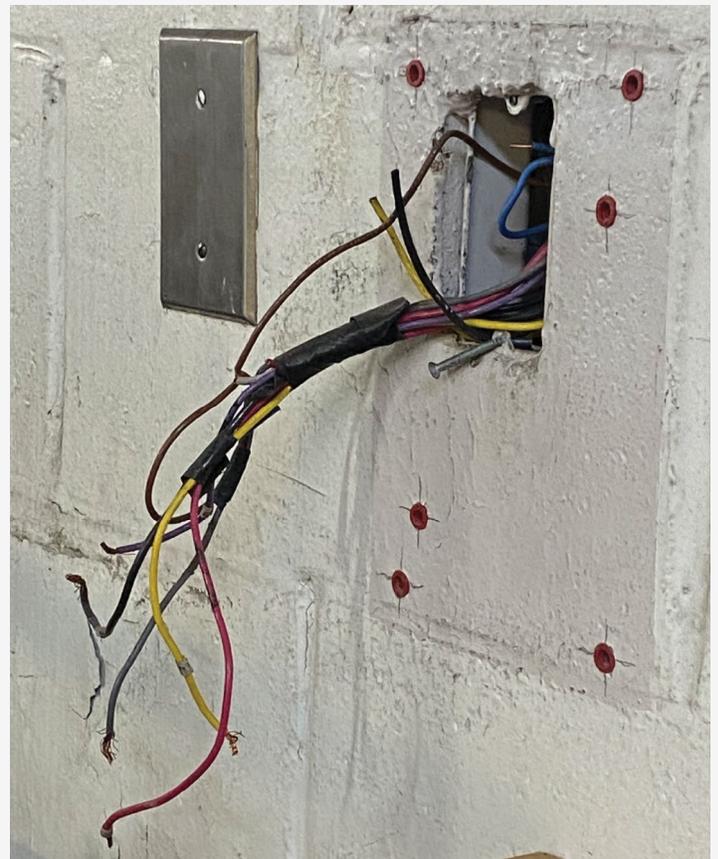
### What We Found

We found safety, security, and maintenance issues at all five delivery units.

#### Property Safety:

At the Collierville MPO, we found all eight fire extinguishers were missing monthly inspections; exposed wires in the workroom area (see Figure 3); two blocked inspection service doors in the workroom area; an unsecured ladder in the loading dock area; and an uneven surface at the loading dock entrance into the facility, posing a potential trip hazard.

Figure 3. Exposed Wires in Workroom



Source: OIG photo taken May 2, 2023.

At the Cordova MPO, we found all five fire extinguishers on-site were missing updated monthly and annual inspections; an Inspection Service door was blocked by miscellaneous materials, including an unsecured step ladder; no manual fire alarm pulls observed in the facility; numerous electrical cord daisy chains were observed on top of carrier cases;

<sup>25</sup> Standard Work: Arrow Key Accountability, January 2022 and USPS Arrow Key Standard Work, January 2022.

crumbling concrete curb and sidewalk cracks at the front of building; and a loading dock guard rail was damaged with bent and exposed metal edges.

At the Desoto Carrier Annex, we identified missing annual and monthly inspections on all fire extinguishers; unmounted fire extinguishers in the workroom area and hallway to the offices, including four fire extinguishers sitting on the floor; a blocked electrical panel in the workroom; and rusted railing and crumbling concrete on the steps and landing of the Caller Service entrance (see Figure 4).

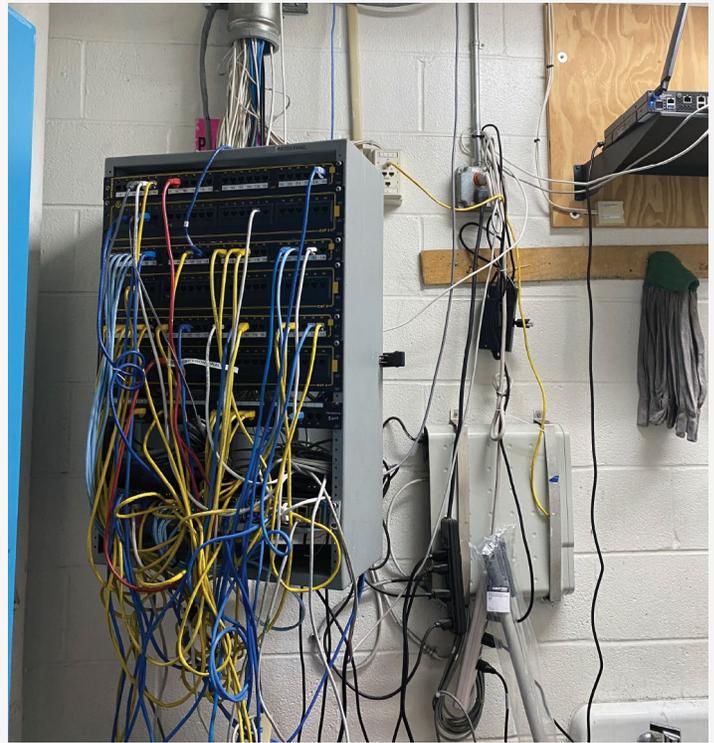
**Figure 4. Rusted and Crumbling Concrete at Caller Service Area**



Source: OIG photo taken May 2, 2023.

At the Germantown MPO, we identified missing monthly inspections for all eight fire extinguishers. Also, one extinguisher was not mounted. We also identified multiple cords plugged into power strips near a water source in the server room (see Figure 5); a portable heater located behind the counter in the retail lobby that was plugged into an extension cord; one unsecured ladder; and large potholes in the rear parking lot.

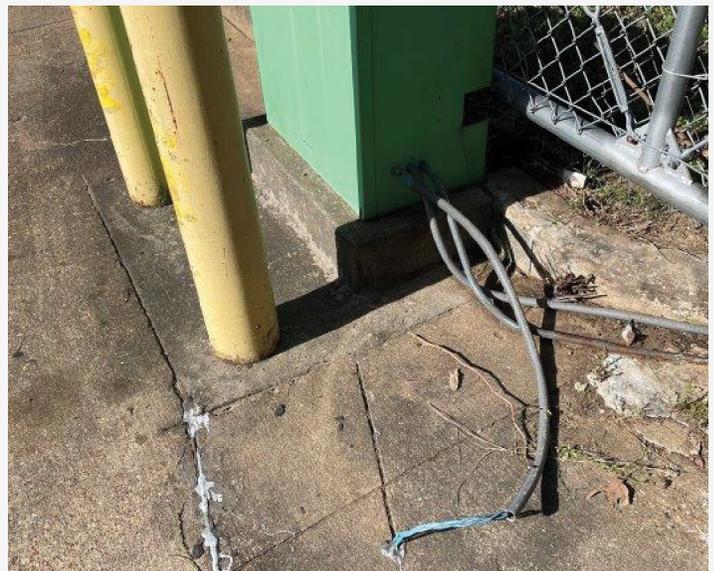
**Figure 5. Multiple Cords in Server Room Plugged Into Power Strips**



Source: OIG photo taken May 3, 2023.

At the Hickory Hill Station, we identified fire extinguishers missing monthly inspections, one not securely mounted, and one blocked; exposed wiring (see Figure 6); a low hanging power outlet; and a cracked light switch.

**Figure 6. Exposed Wiring**



Source: OIG photo taken May 3, 2023.

**Property Security:**

At the Cordova MPO, we found no sign posted in the delivery unit employee parking lot stating that vehicles may be subject to search; the outermost customer lobby glass door did not close properly; and the employee parking lot gate was not working and has damaged concrete pylons.

At the Germantown MPO, we identified doors to the electrical/furnace room and storage room located on the loading dock that could not be locked.

At the Hickory Hill Station, we found no sign posted in the delivery unit employee parking lot stating that vehicles may be subject to search; inoperative electronic gate and damaged perimeter fence leading to the loading dock and employee parking lot; and a broken electronic alarm door lock.

**Property Maintenance:**

At the Collierville MPO, we identified an active water leak and two damaged walls in the workroom area.

At the Cordova MPO, we identified wall damage and a cut-out in the men’s restroom (see Figure 7); numerous stained, damaged, or missing ceiling tiles throughout the facility due to roof leaks, including the customer lobby; some lights did not work at the employee and customer parking lots, while other lights were on; one loading dock platform was out of order; and the workroom water fountain was not functioning and blocked off.

**Figure 7. Men’s Bathroom Wall Damaged**

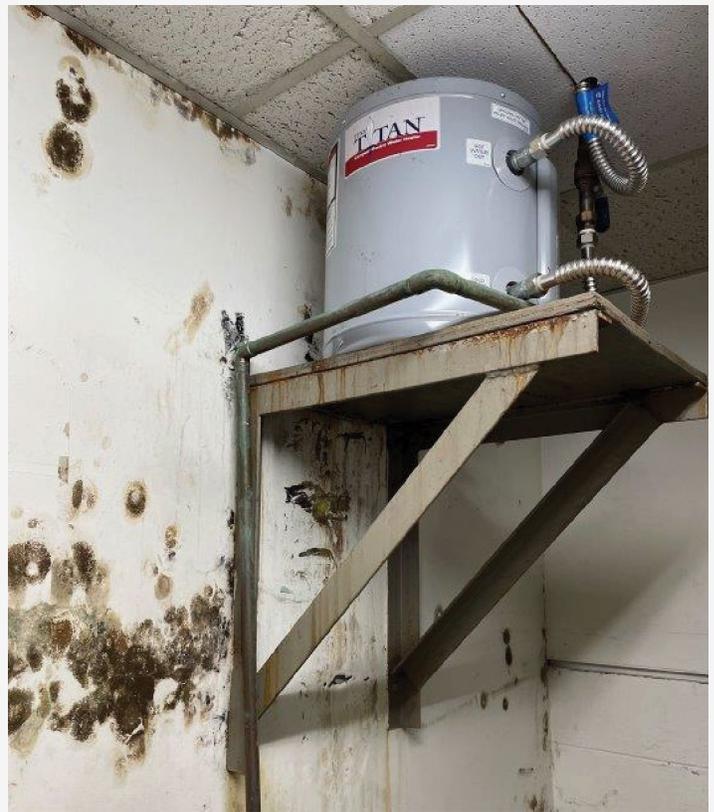


Source: OIG photo taken May 3, 2023.

At the Desoto Carrier Annex, we identified stained and missing ceiling tiles in the women’s locker room, workroom, and offices; rusted/corroded stall walls and dark wax build-up on parts of the floor in the women’s restroom; vibrating, loud plumbing in one sink of the men’s restroom; and rusted ceiling overhang in the dock and Caller Service areas.

At the Hickory Hill Station, we identified leaky pipes and potential mold in the maintenance room (see Figure 8); a damaged counter, floors, and PO Boxes in the customer retail area; and overgrown landscaping.

**Figure 8. Potential Mold in Maintenance Room**



Source: OIG photo taken May 3, 2023.

**Why Did It Occur**

Management at Collierville MPO, Cordova MPO, Germantown MPO, and Hickory Hill Station did not take the necessary actions to ensure that property conditions were identified, reported, and corrected because they were unaware of some issues and other duties, such as addressing customer inquiries and getting the mail out for delivery each day, took priority. Specifically, management at Collierville MPO

stated they were not aware of the uninspected fire extinguishers and blocked inspection service doors in the workroom area; management at Cordova MPO stated they do not routinely walk around the facility to look for property issues like the ones we found, or just had not noticed them; the acting postmaster at the Germantown MPO stated he was not aware that fire extinguishers required monthly inspections; and management at Hickory Hill Station stated that, since her arrival in March 2023, she has submitted two work orders regarding the broken gate into the employee parking lot.

In addition, management at the Desoto Carrier Annex stated they were aware of the property conditions and are currently taking steps to abate some of them.

### What Should Have Happened

Management should have provided sufficient oversight of 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.<sup>26</sup>

### 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 Postal Service brand.

### Management Actions

During our audit, management addressed all the issues we identified at the Collierville MPO, Desoto Carrier Annex, and Germantown MPO. Management at the Cordova MPO and Hickory Hill Station addressed some issues, such as fire extinguisher inspections; however, some property condition issues remain outstanding.

### Recommendation #10

We recommend the **District Manager, Tennessee District**, provide training for management to periodically review property conditions for safety, security, and maintenance issues at the Collierville Main Post Office, Cordova Main Post Office, Germantown Main Post Office, and Hickory Hill Station.

### Recommendation #11

We recommend the **District Manager, Tennessee District**, address all outstanding building safety, security and maintenance issues at the Cordova Main Post Office and Hickory Hill Station.

## Management's Comments

Management generally agreed with the findings and recommendations in the report. Management disagreed with wording in recommendation 4. See [Appendix A](#) for management's comments in their entirety.

Regarding recommendation 1, management stated the two clerk vacancies at the Collierville MPO have been posted in accordance with the labor contract. This action was completed in July 2023.

Regarding recommendation 2, management stated they will conduct daily sweeps at the five identified offices to ensure all committed mail is delivered. The target implementation date is October 31, 2023.

Regarding recommendation 3, management stated they will conduct reviews to ensure delayed mail is entered in DCV. Additionally, personnel at the four identified offices were given training on how to accurately record delayed mail. The target implementation date is October 31, 2023.

Regarding recommendation 4, management disagreed with this recommendation's requirement to "develop" a plan and stated standard work instructions already exist on proper use of the 3M case. District management reissued the 3M Standard Work Instruction to local management at the Germantown MPO. This action was completed in August 2023.

Regarding recommendation 5, management stated they will review scan data daily and conduct periodic reviews to monitor compliance. Service talks on proper scanning procedures were reissued to the

<sup>26</sup> Occupational Safety and Health Act of 1970 and Postal Service Handbook EL-801, *Supervisor's Safety Handbook*.

five identified offices to remind all employees of their scanning responsibilities. The target implementation date is October 15, 2023.

Regarding recommendation 6, management stated they will review truck arrival scan data daily and conduct periodic reviews to monitor compliance. The target implementation date is October 31, 2023.

Regarding recommendation 7, management stated they would reissue the standard work instructions on how to properly scan inbound truck/trailers to personnel at the Cordova and Germantown MPOs. In subsequent communication, they provided documentation supporting that this was completed in August 2023.

Regarding recommendation 8, management stated a service talk would be given to responsible personnel at Hickory Hill Station on the monthly arrow key inventory certification process. In subsequent communication, they provided documentation supporting that this was completed in August 2023.

Regarding recommendation 9, management stated a process is in place to conduct an arrow key certification monthly. Management monitors the system of record to ensure certifications have been completed. This action was completed in August 2023.

Regarding recommendation 10, management stated they trained local management on how to complete periodic reviews of property conditions for safety, security, and maintenance issues at the Collierville, Cordova, and Germantown MPOs, and Hickory Hill Station. The target implementation date is November 30, 2023.

Regarding recommendation 11, management stated all identified items have been corrected or have workorders submitted. The target implementation date is November 30, 2023.

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

The OIG considers management's comments responsive to the recommendations, and the corrective actions should resolve the issues identified in the report. Although management disagreed with the wording in recommendation 4,

their planned actions should meet the intent of the recommendation.

Regarding recommendations 2, 3, and 6, management subsequently provided a log of daily sweeps for one week; however we require additional information. The results of the daily sweeps should include who conducted the reviews, and details of each review demonstrating how all committed mail was delivered or recorded in DCV as delayed mail. We also need support for reviews of truck arrival scanning.

Regarding recommendation 5, management subsequently provided scan detail reports for some offices, but these reports did not include details related to package scanning.

Regarding recommendation 10, management stated they trained local management on how to conduct periodic reviews of property conditions for safety, security, and maintenance issues; however we require additional support for what the training contains.

Regarding recommendation 11, management provided support for many of the property conditions identified; however we still need the support addressing several outstanding items.

Recommendations 2, 3, 5, 6, 10, and 11 require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. These 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. We consider recommendations 1, 4, 7, 8, and 9 closed upon issuance of this report.

# Appendix A: Management's Comments



August 8, 2023

JOHN CIHOTA  
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Capping Report - Tennessee District: Delivery Unit Operations (23-100-DRAFT)

Thank you for providing the Postal Service with an opportunity to review and comment on the findings and recommendations contained in the draft audit report, *Tennessee District: Delivery Unit Operations*.

Management generally agrees with the five findings in the report related to: Delayed Mail; Package Scanning, Truck Arrival Scanning, Arrow Keys, and Property Conditions.

Management has begun addressing the eleven recommendations and provides the following responses:

**Recommendation 1:**

We recommend the **District Manager, Tennessee District**, coordinate with Southern Area Human Resources to fill clerk vacancies at the Collierville Main Post Office.

**Management Response/Action Plan:**

Management agrees with this recommendation. The two clerk vacancies at the Collierville Main Post Office have been posted in accordance with the labor contract. Management requests closure of this recommendation with issuance of the final report.

**Target Implementation Date:** 10/15/2023

**Responsible Official:** Postmaster, Collierville MPO

**Recommendation 2:**

We recommend the **District Manager, Tennessee District**, develop and execute a plan to ensure that all committed mail is delivered daily, and that management conducts a daily sweep to identify delayed mail at the Collierville Main Post Office, Cordova Main Post Office, Desoto Carrier Annex, Germantown Main Post Office, and Hickory Hill Station.

**Management Response/Action Plan:**

Management agrees with this recommendation. Management will conduct daily sweeps at the Collierville Main Post Office, Cordova Main Post Office, Desoto Carrier Annex, Germantown Main Post Office, and Hickory Hill Station to ensure all committed mail is delivered.

Target Implementation Date: 10/31/2023

Responsible Official: Manager Post Office Operations / Manager Customer Service Operations

**Recommendation 3:**

We recommend the **District Manager, Tennessee District**, develop and execute a plan to verify that all delayed mail volume is entered into the proper system, and management systematically enforces reporting compliance at the Collierville Main Post Office, Cordova Main Post Office, Desoto Carrier Annex, and Germantown Main Post Office.

Management Response/Action Plan:

Management agrees with this recommendation. Management will conduct reviews to ensure delayed mail is entered in DCV. Additional, personnel at the Collierville Main Post Office, Cordova Main Post Office, Desoto Carrier Annex, and Germantown Main Post Office were given training on how to accurately record delayed mail.

Target Implementation Date: 10/31/2023

Responsible Official: Manager Post Office Operations / Manager Customer Service Operations

**Recommendation 4:**

We recommend the **District Manager, Tennessee District**, develop and execute a training plan that instructs management on the proper use of the 3M case at the Germantown Main Post Office.

Management Response/Action Plan:

Management disagrees with this recommendation's requirement to "develop" a plan. Standard work instructions already exist on proper use of the 3M case. District management reissued the 3M Standard Work Instruction to local EAS at the Germantown Main Post Office. Management will provide documentation to support closing this recommendation with issuance of the final report.

Target Implementation Date: 10/15/2023

Responsible Official: Manager Post Office Operations

**Recommendation 5:**

We recommend the **District Manager, Tennessee District**, develop and execute a plan to verify that unit management systematically reviews package scanning performance data daily and enforces compliance, and all employees are trained on standard operating procedures for package scanning and handling at the Collierville Main Post Office, Cordova Main Post Office, Desoto Carrier Annex, Germantown Main Post Office, and Hickory Hill Station.

Management Response/Action Plan:

Management agrees with this recommendation. Management will review scan data daily and conduct periodic reviews to monitor compliance. Service talks on proper scanning procedures were reissued to the five identified offices to remind all employees of their scanning responsibilities.

Target Implementation Date: 10/15/2023

Responsible Official: Manager Post Office Operations / Manager Customer Service Operations

**Recommendation 6:**

We recommend the **District Manager, Tennessee District**, develop and execute a plan that requires management to review truck/trailer arrival scanning performance data daily and enforce compliance at the Collierville Main Post Office, Cordova Main Post Office, Germantown Main Post Office, and Hickory Hill Station.

Management Response/Action Plan:

Management agrees with this recommendation. Management will review truck arrival scan data daily and conduct periodic reviews to monitor compliance. The standard work instruction on how to properly scan inbound truck/trailers.

Target Implementation Date: 10/31/2023

Responsible Official: Manager Post Office Operations / Manager Customer Service Operations

**Recommendation 7:**

We recommend the **District Manager, Tennessee District**, train responsible personnel on standard operating procedures for truck/trailer arrival scanning at the Cordova Main Post Office and Germantown Main Post Office.

Management Response/Action Plan:

Management agrees with this recommendation. Management will reissue the standard work instructions on how to properly scan inbound truck/trailers to personnel at the Cordova MPO and Germantown MPO.

Target Implementation Date: 10/15/2023

Responsible Official: Manager Post Office Operations

**Recommendation 8:**

We recommend the **District Manager, Tennessee District**, develop and execute a training plan that instructs management and assigned staff at the Hickory Hill Station on the proper arrow key inventory process.

Management Response/Action Plan:

Management agrees with this recommendation. A service talk will be given to responsible personnel at Hickory Hill Station on the monthly arrow key inventory certification process.

Target Implementation Date: 10/15/2023

Responsible Official: Manager Customer Service Operations

**Recommendation 9:**

We recommend the **District Manager, Tennessee District**, establish a schedule to periodically review arrow keys to ensure they are properly logged and accounted for at the Collierville Main Post Office, Cordova Main Post Office, Desoto Carrier Annex, and Hickory Hill Station.

**Management Response/Action Plan:**

Management agrees with this recommendation. A process is in place to conduct an arrow key certification monthly. Management monitors the system of record to ensure certifications have been completed.

Target Implementation Date: 10/15/2023

Responsible Official: Manager Post Office Operations / Manager Customer Service Operations

**Recommendation 10:**

We recommend the **District Manager, Tennessee District**, provide training for management to periodically review property conditions for safety, security, and maintenance issues at the Collierville Main Post Office, Cordova Main Post Office, Germantown Main Post Office, and Hickory Hill Station.

**Management Response/Action Plan:**

Management agrees with this recommendation. District management trained local EAS on how to complete periodic reviews of property conditions for safety, security, and maintenance issues at the Collierville Main Post Office, Cordova Main Post Office, Germantown Main Post Office, and Hickory Hill Station.

Target Implementation Date: 11/30/2023

Responsible Official: Manager Post Office Operations / Manager Customer Service Operations

**Recommendation 11:**

We recommend the **District Manager, Tennessee District**, address all outstanding building safety, security and maintenance issues at the Cordova Main Post Office and Hickory Hill Station.

**Management Response/Action Plan:**

Management agrees with this recommendation. All identified items have been corrected or have work orders submitted. Documentation to support closing this recommendation with issuance of the final report has been submitted to the OIG.

**Target Implementation Date:** 11/30/2023

**Responsible Official:** Manager Post Office Operations / Manager Customer Service Operations

 E-SIGNED by Omar.R Coleman  
on 2023-08-09 14:27:12 CDT

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Omar R. Coleman  
Manager, Tennessee District

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

# OFFICE OF INSPECTOR GENERAL

UNITED STATES



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