

Cambridge Post Office in Cambridge, MD: Delivery Operations

AUDIT REPORT

Report Number 23-156-1-R24 | November 20, 2023



Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

November 20, 2023

MEMORANDUM FOR: DAVID C. GUINEY
MANAGER, MARYLAND 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 – Cambridge Post Office in Cambridge, MD: Delivery
Operations (Report Number 23-156-1-R24)

This report presents the results of our audit of mail delivery operations and property conditions at the Cambridge Post Office in Cambridge, MD.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Ricardo Martinez, Audit 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, Atlantic Area Retail & Delivery Operations
Director, Retail & Post Office Operations Maintenance
Corporate Audit and Response Management

Results

Background

The U.S. Postal Service’s mission is to provide timely, reliable, secure, and affordable mail and package delivery to more than 160 million residential and business addresses across the country. The U.S. Postal Service Office of Inspector General (OIG) reviews delivery operations at facilities across the country and provides management with timely feedback in furtherance of this mission.

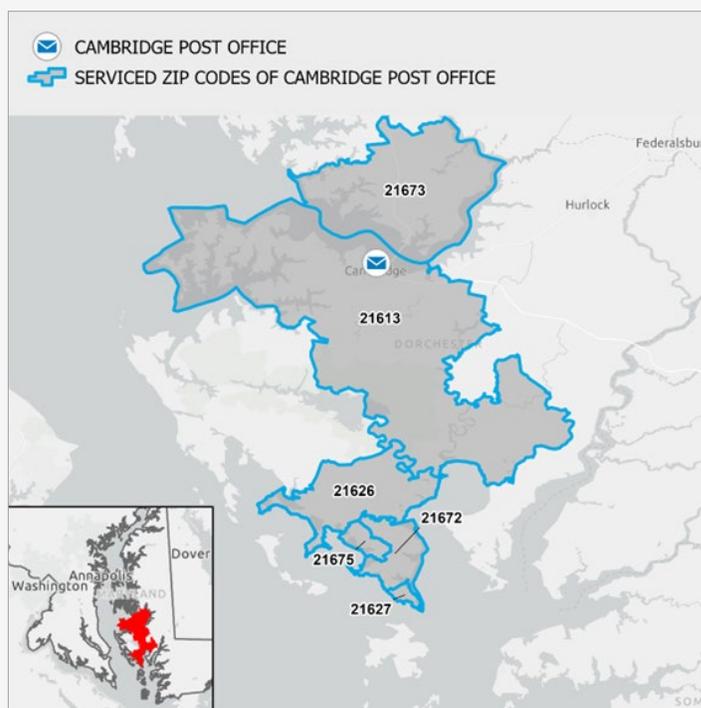
This interim report presents the results of our self-initiated audit of delivery operations and property conditions at the Cambridge Post Office in Cambridge, MD (Project Number 23-156-1). The Cambridge Post Office is in the Maryland District of the Atlantic Area and services ZIP Codes 21613, 21626, 21627, 21672, 21673, and 21675 (see Figure 1). These ZIP Codes serve about 21,351 people in a predominantly urban area. Specifically, of the people living in these ZIP Codes, about 14,969 (70 percent) are considered living in urban communities and about 6,382 (30 percent) are considered living in rural communities.¹

This delivery unit has 10 rural routes and 11 city routes. The Cambridge Post Office is one of three delivery units² the OIG reviewed during the week of September 11, 2023, that are serviced by the Eastern Shore Processing and Distribution Facility (P&DF).

We assessed all units serviced by the Eastern Shore P&DF based on the number of Customer 360³ (C360) delivery-related inquiries,⁴ Informed Delivery⁵ contacts, Stop-the-Clock (STC)⁶ scans performed away from the delivery point, and undelivered route information between May 1 and July 31, 2023. We also reviewed first and last mile failures⁷ between April 29 and July 28, 2023.

We judgmentally selected the Cambridge Post Office primarily based on scans performed at the delivery unit. Specifically, the unit had an average of 10.9 scans per route performed at the delivery unit compared to the district average of 5.9.⁸

Figure 1. ZIP Codes Serviced by the Cambridge Post Office



Source: U.S. Postal Service Office of Inspector General.

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery operations and property conditions at the Cambridge Post Office in Cambridge, MD.

1 We obtained ZIP Code information related to population and urban/rural classification from 2020 Census Bureau information.
2 The other two units were the Easton Post Office, Easton, MD (Project Number 23-156-2) and Salisbury Post Office, Salisbury, MD (Project Number 23-156-3).
3 A cloud-based application that enables Postal Service employees to diagnose, resolve, and track customer inquiries.
4 A compilation of package inquiry, package pickup, daily mail service, and hold mail inquiries.
5 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.
6 A scan event that indicates the Postal Service has completed its commitment to deliver or attempt to deliver the mail piece. Examples of STC scans include "Delivered," "Available for Pick-up," and "No Access."
7 A first mile failure occurs when a mailpiece is collected and does not receive a processing scan at the P&DC on the day that it was intended. A last mile failure occurs after a mailpiece has been processed at the P&DF on a final processing operation and it is not delivered to the customer on the day it was intended. First and last mile failures can occur due to processing, transportation, or delivery operations.
8 U.S. Postal Service Office of Inspector General (OIG) analysis of Postal Service's Product Tracking and Reporting (PTR) System data. PTR is the system of record for all delivery status information for mail and packages with trackable services and barcodes.

To accomplish our objective, we focused on five audit areas: delayed mail, package scanning, arrow keys,⁹ carrier complement and timekeeping, and property conditions. Specifically, we reviewed delivery metrics, including the number of routes and carriers, mail arrival time, amount of reported delayed mail, package scanning, carrier complement and timekeeping, and distribution up-time.¹⁰ During our site visit we observed mail conditions; package scanning procedures; arrow key security procedures; timekeeping documentation; and unit safety, security, and maintenance conditions. We also analyzed the scan status of mailpieces in the “Notice Left” area¹¹ and interviewed unit management and employees. We discussed our observations and conclusions as summarized in Table 1 with management on November 2, 2023, and included their comments, where appropriate.

We are issuing this interim report to provide the Postal Service with timely information regarding conditions we identified at the Cambridge Post Office. We will issue a separate report¹² that provides the Postal Service with the overall findings and recommendations for all three delivery units. See [Appendix A](#) for additional information about our scope and methodology.

Results Summary

We identified issues affecting delivery operations and property conditions at the Cambridge Post Office. Specifically, we found issues with four of the five areas we reviewed (see Table 1).

Table 1. Summary of Results

Audit Area	Issues Identified	
	Yes	No
Delayed Mail		X
Package Scanning	X	
Arrow Keys	X	
Carrier Complement and Timekeeping	X	
Property Conditions	X	

Source: Results of our fieldwork during the week of September 11, 2023.

We did not identify any issues with delayed mail. On the morning of September 12, 2023, we reviewed the carriers’ cases at Cambridge Post Office and found no instances of delayed mailpieces.

Further, on the morning of September 14, 2023, we observed the unit’s arrow key safeguarding procedures and found no issues. However, we did identify issues with the arrow key inventory log (see [Finding 2](#)).

In addition, we reviewed the unit’s carrier complement and did not identify any issues with the complement. We determined that all carriers assigned to the unit had reported to work between May 6 and July 28, 2023. However, we identified issues with timekeeping management (see [Finding 3](#)).

⁹ 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.

¹⁰ Time of day that clerks have completed distributing mail to the carrier routes.

¹¹ The area of a delivery unit where letters or packages that the carriers were unable to deliver are stored for customer pickup.

¹² Project Number 23-156.

Finding #1: Package Scanning

What We Found

Employees improperly scanned and managed packages at the delivery unit.

We reviewed package scanning data that occurred at the unit and removed any potentially accurate scans performed.¹³ In total, employees improperly scanned 273 packages at the delivery unit between May and July 2023 (see Table 2). Further analysis of the STC scan data for these packages showed that 49.5 percent of them were scanned “Delivered.”

Table 2. STC Scans at Delivery Unit

STC Scan Type	Count	Percentage
Delivered	135	49.5%
No Secure Location Available	74	27.1%
Delivery Attempted - No Access	49	17.9%
Delivery Exception - Animal Interference	11	4.0%
Receptacle Full / Item Oversized	3	1.1%
Refused	1	0.4%
Total	273	100%

Source: OIG analysis of the PTR System data. PTR is the system of record for all delivery status information for mail and packages with trackable services and barcodes.

We also found issues with scanning and handling of packages in the unit. On the morning of September 12, 2023, before carriers arrived for the day, the carriers’ cases did not contain any packages. However, on September 13, 2023, we reviewed all 21 packages in the “Notice Left” section, and two (9.5 percent) had missing scans. Specifically, the two packages were missing an “Arrival-at-Unit” scan, which is a required scan for performance measurement.

Further, three packages in the “Notice Left” area were not returned to the sender, as required.¹⁴ One was

scanned no authorized recipient available but was not returned to sender. Two ranged from 20 to 28 days past their scheduled return dates.

Why Did It Occur

These scanning issues occurred because unit management did not adequately monitor and enforce proper package scanning and handling procedures. Although management stated they regularly enforce proper scanning procedures during stand-up talks, they did not monitor STC scans made away from the delivery point. For example, a carrier stated that she scans packages in the office as “Delivered” for one of her business customers who brings and picks up packages at the unit. Further, unit management stated that packages in the “Notice Left” section were not regularly reviewed because there was no designated clerk to review them, and the clerks only reviewed the packages if they had extra time.

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,¹⁵ which includes scanning packages at the time and location of delivery.¹⁶ Packages on the “Notice Left” area should have been reviewed for second notices and returned to sender if they remained after the prescribed number of days.¹⁷

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 and return undeliverable mail timely, customers are unable to determine the actual status of their packages. By improving scanning operations and handling procedures, management can improve mail visibility, increase customer satisfaction, and enhance the customer experience and the Postal Service brand.

¹³ This data does not include scans that could properly be made at a delivery unit, such as “Delivered - PO Box” and “Customer (Vacation) Hold.” Additionally, PO Box scans at the unit were only counted when the delivery point was an address away from the unit. This category does not include mail addressed for a PO Box.

¹⁴ *Notice Left and Return Guidelines*, April 2016, 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.

¹⁵ *Delivery Done Right the First Time* stand-up talk, March 2020.

¹⁶ *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

¹⁷ *Notice Left and Return Guidelines*, April 2016.

Finding #2: Arrow Keys

What We Found

Unit management did not properly manage arrow keys. On the morning of September 14, 2023, we reviewed the unit's inventory log for arrow keys and conducted a physical inventory of keys at the unit. We identified 19 keys listed on the inventory log, however, we found two spare keys that were not accounted for on the inventory log. Unit management had not updated the inventory log to reflect the two spare keys and had not updated the arrow inventory key log since August 2023.

Why Did It Occur

Management did not provide sufficient oversight to properly manage arrow keys. Specifically, unit management stated that the unit had not updated its arrow key log due to prioritizing mail delivery. In addition, unit management stated that the two spare keys were not being used.

What Should Have Happened

Management should have verified that arrow key security procedures were properly followed. According to Postal Service policy,¹⁸ management must keep an accurate inventory of all arrow keys.

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.

¹⁸ Standard Work: Arrow Key Accountability, January 2022 and USPS Arrow Key Standard Work, January 2022.

Finding # 3: Timekeeping

What We Found

We determined that management did not print and retain PS Forms 1017-A, *Time Disallowance Record*¹⁹ for seven disallowed time occurrences between May 21 and August 12, 2023.

Why Did It Occur

Regarding disallowed time, unit management stated they did not know that they were required to keep and document the forms for these disallowed time occurrences.

What Should Have Happened

Postal Service policy²⁰ states unit personnel must complete PS Form 1017-A and PS Form 1017-B, *Unauthorized Overtime Record* entries and place them in a notebook binder that is secured from unauthorized access documenting the reason for the disallowed time or unauthorized overtime.

Effect on the Postal Service and Its Customers

When proper documentation of time disallowance is not completed, management could incur excess administrative time. In addition, the Postal Service risks violation of the Fair Labor Standards Act²¹ when unit management does not maintain documentation that shows the justifiable reason and employee notification for disallowed time.

Management Action

While we were onsite, management at the Cambridge Post Office took corrective action by creating a binder and documented disallowed time occurrences.

¹⁹ Form used only when a supervisor observes, or has reason to know, that an employee did not work, while "on the clock." The supervisor must document the basis for any such disallowance. These forms serve as a cumulative record of disallowed time.

²⁰ Handbook F-21, *Time and Attendance*, February 2016.

²¹ 29 USC § 201-219.

Finding # 4: Property Conditions

What We Found

We found safety, security, and maintenance issues at the Cambridge Post Office, including:

Property Safety:

- All 11 fire extinguishers were missing monthly and annual inspections; monthly inspections were last performed in August 2021 and annual inspections were performed in June 2018.
- Five fire extinguishers were not clearly marked with proper signage and paint.
- One Postal Inspection Service door was blocked (see Figure 2).
- Three fire extinguishers were blocked and inaccessible (see Figure 3).
- A plastic container containing approximately one gallon of flammable liquid was stored on the open floor in the vestibule section of the loading dock area.

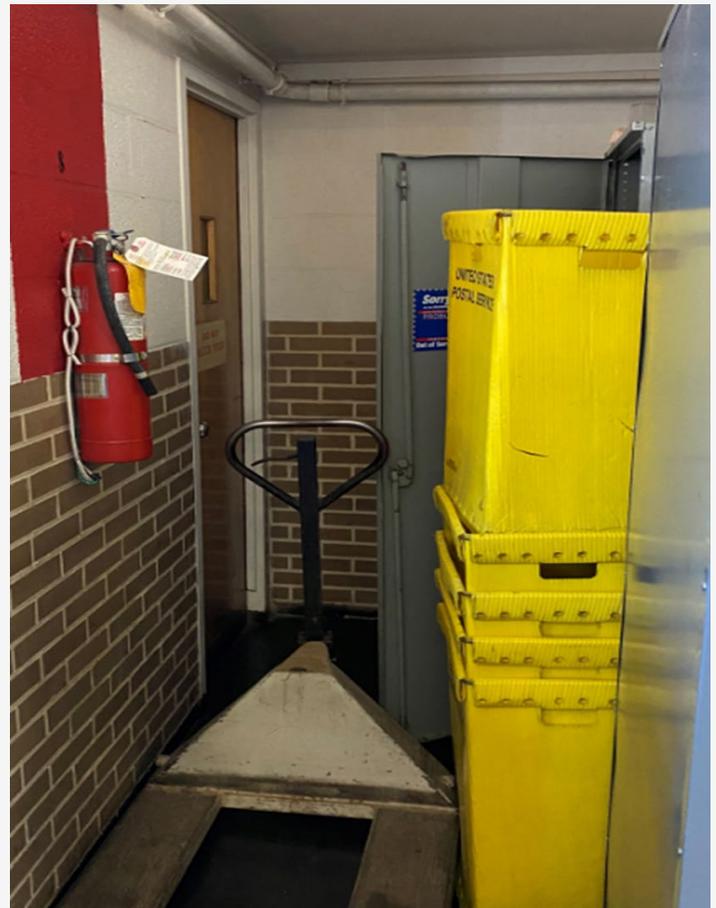
Property Security:

- One broken key lock located on the outside door of the loading dock platform that employee personnel, BMEU customers, and truck driver use to enter the workroom area (see Figure 4). There is an additional keylock installed on the door which secures the unit.

Property Maintenance:

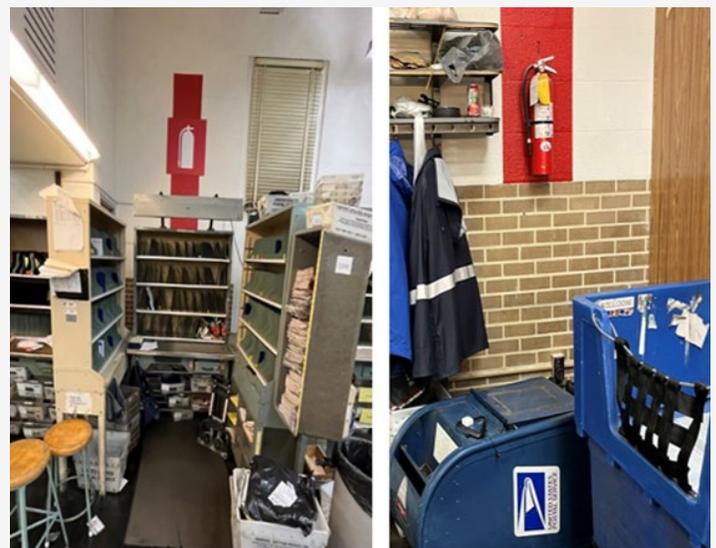
- One inoperable toilet in women's restroom – out-of-service due to water leaks
- Excess water on the floor in men's restroom due to leaking toilet in adjacent women's restroom. Two maintenance employees were repairing the toilets on Thursday, September 14, 2023.

Figure 2. Blocked Inspection Service Door



Source: OIG photo taken on September 12, 2023.

Figure 3: Blocked Fire Extinguishers



Source: OIG photos taken on September 12, 2023.

Figure 4: Broken Key Lock



Source: OIG photo taken on September 12, 2023.

Why Did It Occur

Management did not provide sufficient oversight and take the necessary actions to verify that property condition issues were corrected. This occurred because other duties, such as getting the mail out for delivery each day took priority over addressing maintenance issues.

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. Flammable liquids should have been stored in a safe area. The Postal Service requires management to maintain a safe environment for employees.²² In addition, the Occupational Safety and Health Administration (OSHA) requires employers to provide a safe and healthy workplace free of recognized hazards.²³

²² Postal Service Handbook EL-801, *Supervisor's Safety Handbook*.

²³ Occupational Safety and Health Act of 1970.

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 at the Cambridge Post Office took corrective action by fixing the following property condition issues:

Property Safety:

- Performed monthly inspections on all 11 fire extinguishers.
- Removed plastic container that had approximately one gallon of flammable liquid stored on the open floor in the vestibule section of the loading dock area, outside of the custodian room.
- Removed pallet jack and mail transport equipment that blocked Inspection Service door.
- Removed blue collection box and pallet jack that blocked two of three fire extinguishers.

Property Security:

- Fixed broken key lock located on the outside door of the loading dock platform that employee personnel, Business Mail Entry Unit customers, and truck driver use to enter the workroom area.

Property Maintenance:

- Fixed the inoperable toilet in the women's restroom.

Management's Comments

Management agreed with all the findings in the report and has begun to take action to address the findings. See [Appendix B](#) for management's comments in their entirety.

Appendix A: Additional Information

We conducted this audit from August through November 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.

In planning and conducting the audit, we obtained an understanding of the 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 related to all three components that were significant within the context of our objectives. Our recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of PTR, Time and Collection System, and electronic Facilities Management System²⁴ data by reviewing existing information, comparing data from other sources, observing operations, and interviewing Postal Service officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report.

²⁴ 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.

Appendix B: Management's Comments



November 8, 2023

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Cambridge Post Office in the Maryland District: Delivery Operations (Report Number 23-156-1-DRAFT)

Thank you for providing the Postal Service an opportunity to review and comment on the findings contained in the draft audit report, *Cambridge Post Office in the Maryland District: Delivery Operations*.

Management agrees with the four findings in the report on delayed mail, package scanning, timekeeping, arrow keys, and property conditions.

Management has begun taking steps to address the four findings.

Package Scanning: Management at the district level will conduct regular reviews to ensure procedures are being followed for proper scanning.

Timekeeping: The disallowed time cited in the report was not actually disallowed time but clock ring errors that until resolved, appeared as disallowed time. Management established folders for documented timekeeping records and retrained management on how to resolve clock ring errors properly. Reviews will be conducted to ensure compliance with proper record keeping for disallowed time.

Arrow Keys: Management has updated the arrow key inventory log to reflect the arrow keys on hand. Reviews will be conducted to monitor for proper arrow key management.

Property Conditions: All property conditions cited during the audit have been abated and pictures provided as verification.

E-SIGNED by DAVID.C GUINEY
on 2023-11-09 09:50:54 EST

David C. Guiney
Acting Manager, Maryland District

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

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1735 North Lynn Street, Arlington, VA 22209-2020
(703) 248-2100

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