

Bayamon Post Office, Bayamon, PR: Delivery Operations

AUDIT REPORT

Report Number 24-079-1-R24 | May 22, 2024



Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

May 22, 2024

MEMORANDUM FOR: CARLOS E. DEL TORO
MANAGER, PUERTO RICO DISTRICT

A handwritten signature in black ink, reading "Sean Balduff", is centered below the memorandum header.

FROM: Sean Balduff
Director, Field Operations Central & Southern

SUBJECT: Audit Report – Bayamon Post Office, Bayamon, PR: Delivery Operations
(Report Number 24-079-1-R24)

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

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

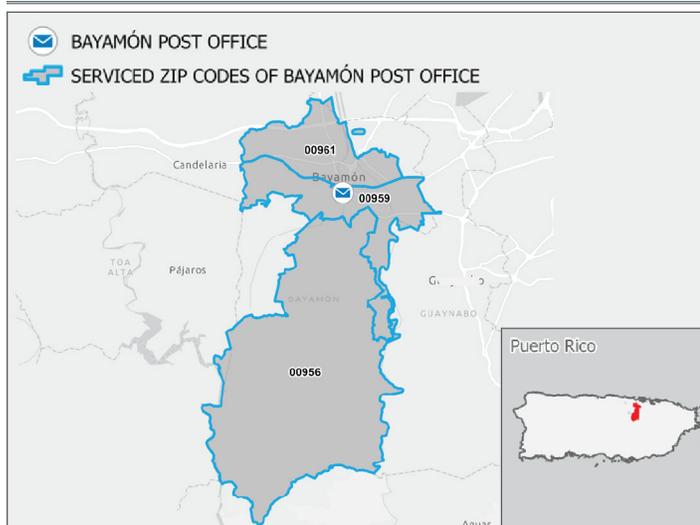
Results

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 Bayamon Post Office in Bayamon, PR (Project Number 24-079-1). The Bayamon Post Office is in the Puerto Rico District of the Southern Area and services ZIP Codes 00956, 00959, 00960,¹ and 00961 (see Figure 1). These ZIP Codes serve 145,692 people in a predominantly urban area.²

Figure 1. ZIP Codes Serviced by the Bayamon Post Office



Source: OIG.

- 1 The ZIP Code 00960 is used for Post Office boxes.
- 2 We obtained ZIP Code information related to population and urban/rural classification from 2020 Census Bureau information.
- 3 Contract delivery service, formerly known as highway contract routes, are independent contractors required to provide the same services provided on either city routes or rural routes.
- 4 The other two units were the Toa Baja Post Office (Project Number 24-079-2) and the Guaynabo Post Office (Project Number 24-079-3).
- 5 A cloud-based application that enables Postal Service employees to diagnose, resolve, and track customer inquiries.
- 6 A compilation of package inquiry, package pickup, daily mail service, and hold mail inquiries.
- 7 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.
- 8 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.”
- 9 First mile failures occur when a mailpiece is collected and does not receive a processing scan at the Processing and Distribution Center (P&DC) on the day that it was intended. Last mile failures occur after the mailpiece has been processed at the P&DC on a final processing operation and is not delivered to the customer on the day it was intended.

This delivery unit has 50 city routes, six rural routes, and three contract delivery service (CDS)³ routes. The Bayamon Post Office is one of three delivery units⁴ the OIG reviewed during the week of March 18, 2024, that are serviced by the San Juan Mail Processing Annexes (MPA) 2 and 3.

We assessed all units serviced by the San Juan MPAs 2 and 3 based on the number of Customer 360⁵ (C360) delivery-related inquiries,⁶ Informed Delivery⁷ contacts, and Stop-the-Clock⁸ (STC) scans performed away from the delivery point between November 1, 2023 and January 31, 2024. We also reviewed first and last mile failures⁹ between November 4, 2023 and February 2, 2024.

We judgmentally selected the Bayamon Post Office primarily based on the number of C360 inquiries related to delivery, Informed Delivery contacts, and STC scans performed away from the delivery point. The unit was also chosen based on first and last mile failures. See Table 1 for a comparison of some of these metrics between the unit and the rest of the district.

Table 1. Delivery Metric Comparison Between November 1, 2023 and January 31, 2024

Delivery Metric	Unit Average per Route	District Average per Route
C360 Delivery Inquiries	5.8	4.3
Informed Delivery Contacts	3.6	2.3

Source: OIG analysis of Postal Service’s C360, Informed Delivery, Facility Database, and Product Tracking and Reporting (PTR) System data extracted on February 26, 2024. PTR is the system of record for all delivery status information for mail and packages with trackable services and barcodes.

Objective, Scope, and Methodology

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

To accomplish our objective, we focused on five audit areas: delayed mail, package scanning, arrow keys,¹⁰ inaccurate 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.¹¹ 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 at the carrier cases and in the “Notice Left” area¹² and interviewed unit management and employees. We discussed our observations and conclusions as summarized in Table 2 with management on May 2, 2024, 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 Bayamon Post Office. We will issue a separate report¹³ that provides the Postal Service with the overall findings and recommendations for all three delivery units, as well as the district. See [Appendix A](#) for additional information about our scope and methodology.

Results Summary

We identified issues affecting delivery operations and property conditions at the Bayamon Post Office. Specifically, we found issues with all five areas we reviewed (see Table 2).

Table 2. 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 March 18, 2024.

We did not identify inaccuracies with carrier complement. However, we did identify issues with timekeeping management (see [Finding #4](#)).

¹⁰ 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.

¹¹ Time of day that clerks have completed distributing mail to the carrier routes.

¹² The area of a delivery unit where letters or packages that the carriers were unable to deliver are stored for customer pickup.

¹³ Project Number 24-079.

Finding #1: Delayed Mail

What We Found

On the morning of March 19, 2024, we identified about 5,279¹⁴ delayed mailpieces at carrier cases, in the dispatch area, and in the parking lot. Specifically, we identified 145 letters at two carrier cases and 694 pieces of delayed collection mail – including letters, flats, and packages – from March 18, 2024. This mail was also not reported in the Delivery Condition

Visualization (DCV)¹⁵ system. We also identified 4,440 packages the unit received that morning, which were committed for delivery that day. Management stated they are usually one day behind with getting the mail out due to heavy package volumes. See Table 3 for the number of pieces for each mail type and Figures 2 and 3 for examples of delayed mail found at the unit.

Table 3. Types of Delayed Mail Identified

Type of Mail	Carrier Cases	Dispatch Area	Parking Lot	Total Count of Delayed Mail
Letters	145	454	0	599
Flats	0	15	0	15
Packages	0	225	4,440	4,665
Totals	145	694	4,440	5,279

Source: OIG count of delayed mailpieces identified during our visit on March 19, 2024.

Figure 2. Delayed Collection Mail



Source: OIG photo taken on March 19, 2024.

Figure 3. Mail Received and Committed for Delivery on March 19, 2024



Source: OIG photos taken on March 19, 2024.

¹⁴ OIG estimate based on Postal Service conversion factors in Management Instruction PO-610-2007-1, *Piece Count Recording System* and Handbook M-32, *Management Operating Data Systems*, Appendix D.

¹⁵ 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.

Why Did It Occur

Management stated the mail found at the carrier cases was not reported in the DCV system due to an oversight. They also stated they did not know they had to report the collection mail as delayed, since it was supposed to be dispatched on the 2:30 A.M. truck the following morning. However, that truck was unable to take the mail because it was not going directly to the MPAs.

Management stated unexpected mail volume and insufficient staffing also contributed to mail delays. For example, we observed trucks that were normally used to pick up collection mail bringing additional packages to the unit. Management stated that only five of their 19 clerks are dedicated to package distribution. These clerks are scheduled in the morning, leaving no one to distribute the extra package volume when it arrived in the afternoon and evening.

We reviewed route adjustment data for the unit and determined that the routes were last adjusted in 2015. The average volume from the last route adjustments was only nine packages per route. However, the delivery unit averaged 127 packages per route from January 6 to March 22, 2024, with one of the routes averaging 274 packages per day. This increase in package volume caused routes to routinely become overburdened.

What Should Have Happened

Postal Service policy¹⁶ states that all types of First-Class Mail, Priority Mail, and Priority Express Mail are always committed for delivery on the day of receipt. In addition, managers are required¹⁷ to report all mail in the delivery unit after the carriers have left for their street duties as either delayed or curtailed in the DCV system. Management must also update the DCV system if volumes have changed prior to the end of the business day. Furthermore, management is required to perform route reviews at least annually consisting of an analysis of workhours and mail volumes.¹⁸

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 the DCV system 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.

Postal Service Response

The Postal Service agreed with this finding. See [Appendix B](#) for management's comments in their entirety.

¹⁶ Committed Mail & Color Code Policy for Marketing Mail stand-up talk, February 2019.

¹⁷ Informed Visibility Delivery Condition Visualization User Guide, August 2023.

¹⁸ Handbook M-39, Management of Delivery Services, Section 21 – Advance Preparations, June 2019.

Finding #2: Package Scanning

What We Found

Employees improperly scanned and mishandled packages at the delivery unit. We reviewed package scanning data for scans that occurred at the unit and removed any potentially accurate scans performed.¹⁹ In total, employees improperly scanned 491 packages at the delivery unit between November 2023 and January 2024 (see Table 4). Further analysis of the STC scan data for these packages showed that 38 percent of them were scanned “No Secure Location Available.”

Table 4. STC Scans at Delivery Unit

STC Scan Type	Count	Percentage
No Secure Location Available	187	38.1%
Delivery Attempted - No Access to Delivery Location	125	25.5%
Delivered	85	17.3%
Receptacle Full / Item Oversized	49	10.0%
Refused	38	7.7%
No Authorized Recipient	7	1.4%
Total	491	100%

Source: OIG analysis of the Postal Service’s PTR System data.

In addition, on the morning of March 19, 2024, before carriers arrived for the day, we selected 49 packages²⁰ to review and analyze scanning and tracking history. Of the 49 sampled packages, nine (18 percent) had improper scans or handling issues, including:

- Five packages from the carrier cases were scanned “Delivery Attempted – No Access” during the time when the establishment was open for business.
- Three packages (two from the carrier cases and one from the “Notice Left” area) were missing

STC scans to let customers know the reason for non-delivery.

- One package from a carrier case was scanned “Available for Pickup” using an in-office scanner and placed in the “Notice Left” area by mistake on March 12, 2024. The carrier found the package and placed it at their case for delivery on March 19, 2024.

Further, three packages in the “Notice Left” area were not returned to the sender, as required. These packages ranged from six to 18 days past their scheduled return dates.

We also analyzed package scans performed over 1,000 feet²¹ from the intended delivery point between November 2023 and January 2024. However, we could not perform an accurate review because the data was impacted by unique addressing issues in Puerto Rico. These include both addressing standardization and geospatial identification issues. For example, the address [REDACTED] is the address for 14 different delivery points in a single ZIP Code. This can lead to inaccurate data showing a package was scanned away from the delivery point, even when it was appropriately scanned and delivered to the correct address.

District management began proactively working with Postal Service Headquarters and other federal agencies prior to our audit to improve the addressing standardization and certify delivery points across the Puerto Rico District.

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 has a process in place to ensure packages received an STC scan, management did not verify the proper STC scan was completed.

¹⁹ 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, P.O. 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 P.O. Box.
²⁰ We reviewed all 19 packages from the carrier cases and judgmentally selected 30 packages from the “Notice Left” area.
²¹ Packages are expected to be scanned within a designated buffer distance from the delivery point. The OIG evaluates any package that was scanned more than 1,000 feet from the delivery point.

In addition, management stated the packages in the “Notice Left” area were not returned timely because the clerk was not utilizing their time efficiently to review the packages daily. The clerk was using the time to print out the second notices that are generated in My Post Office (MyPO)²² instead of reviewing the return to sender date in the system.

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,²³ which includes scanning packages at the time and location of delivery.²⁴ 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.²⁵

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 improve mail visibility, increase customer satisfaction, and enhance the customer experience and the Postal Service brand.

Postal Service Response

The Postal Service agreed with this finding.

²² MyPO is used to manage the delivery unit’s daily service requests including Package Pickup and Pickup on Demand.

²³ *Delivery Done Right the First Time* stand-up talk, March 2020.

²⁴ *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

²⁵ *Notice Left and Return Guidelines*, April 2016. 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.

Finding #3: Arrow Keys

What We Found

Unit management did not properly manage and safeguard arrow keys. On the morning of March 21, 2024, we reviewed the unit's arrow key certification list in the Retail and Delivery Applications and Reports (RADAR)²⁶ system and conducted a physical inventory of keys at the unit. We determined 16 of the 80 keys located at the unit were not listed on the inventory log and 18 of the 82 keys listed on the inventory log could not be located. Additionally, we found one illegible arrow key which we were not able to identify.

Unit management had not reported any of the missing keys to the U.S. Postal Inspection Service. In addition, arrow keys were not always kept secure. Specifically, arrow keys were kept in [REDACTED]

Why Did It Occur

Management did not provide sufficient oversight to properly manage arrow keys. Specifically, the supervisor who conducted the March 2024 monthly inventory stated they had only been at the Bayamon Post Office for a week, and they were not familiar with the arrow keys at the unit. Therefore, instead of conducting a physical inventory of the arrow keys, the supervisor stated they used the February 2024 inventory and the sign-in/sign-out log for keys that were illegible. As a result, management was not aware there were missing keys.

In addition, management did not properly safeguard the arrow keys because the lock used to secure the arrow keys broke the week prior to our visit. Management stated they did not have time to repair it before we arrived.

What Should Have Happened

Management should have verified that arrow key security procedures were properly followed. According to Postal Service policy,²⁷ management must keep an accurate inventory of all arrow keys.

Any missing keys must be immediately reported to the U.S. 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.

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.

Postal Service Response

The Postal Service agreed with this finding.

²⁶ The arrow key certification in RADAR provides a national platform for all facilities to verify current inventory and account for all arrow keys.

²⁷ USPS Arrow Key Guidebook Standard Work Instructions, updated August 2023.

Finding #4: Timekeeping Management

What We Found

We determined that management did not complete, print, or retain Postal Service (PS) Forms 2240, *Pay, Leave, or Other Hours Adjustment Request*,²⁸ for any of the nine pay adjustments made between November 4, 2023 and January 26, 2024.

In addition, the unit had 50 disallowed time occurrences and 172 instances of unauthorized overtime for the same period. Management did not print and retain PS Forms 1017-A, *Time Disallowance Record*,²⁹ for any of the 50 occurrences. They also did not print and retain PS Forms 1017-B, *Unauthorized Overtime Record*³⁰ for 168 of the 172 occurrences. Further, management did not complete PS Forms 1017-A or 1017-B entries in the Time and Attendance Collection System (TACS)³¹ for any of these occurrences.

Why Did It Occur

Regarding pay adjustments, disallowed time, and unauthorized overtime, management stated they were aware of the policy for completing and retaining the forms but were focused on competing operational duties, such as getting the mail processed and delivered.

What Should Have Happened

Postal Service policy³² states that pay adjustment certifications are to be kept on file and attached to supporting documentation for the current calendar year plus the three previous years. Policy³³ further states unit personnel must complete PS Form 1017-A and PS Form 1017-B entries and place them in a notebook binder that is secured from unauthorized access documenting the reason for the disallowed time or unauthorized overtime.

²⁸ Form used to adjust either an employee's pay or to adjust timecard data which has been incorrectly reported to the postal data center.

²⁹ 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.

³⁰ Managers and supervisors are required to complete a PS Form 1017-B the first time a non-exempt employee incurs unauthorized overtime. These forms serve as a cumulative record of unauthorized overtime.

³¹ The system used by Postal Service to automate the collection of employee time and attendance information.

³² *AdjustPay User Guide*, Course No. 31202-25, Updated February 9, 2017.

³³ Handbook F-21, *Time and Attendance*, Section 146 – Approving Entries, February 2016.

³⁴ 29 USC § 201-219.

Effect on the Postal Service and Its Customers

When proper documentation of pay adjustments, time disallowance, and unauthorized overtime is not completed, management could incur additional managerial workhours. In addition, the Postal Service risks violation of the Fair Labor Standards Act³⁴ when unit management does not maintain documentation that shows the justifiable reason and employee notification for disallowed time.

Postal Service Response

The Postal Service agreed with this finding.

Finding #5: Property Conditions

What We Found

We found safety and security issues at the Bayamon Post Office:

Property Safety:

- Three fire extinguishers were missing monthly inspections.
- Two fire extinguishers were not mounted on the wall (see Figure 4).
- The fire alarm for the hearing impaired was hanging from the ceiling and not mounted on the wall (see Figure 4).
- The pedestrian door on the dock was blocked by pallets of packages (see Figure 5).
- The microwave in the employee breakroom was plugged into a power surge protector instead of the wall outlet.

Figure 4. Unmounted Fire Extinguishers and Fire Alarm



Source: OIG photos taken March 20, 2024.

Figure 5. Blocked Dock Door



Source: OIG photo taken March 20, 2024.

Property Security:

- The sensor on the Postal Service vehicle parking lot gate was covered with a glove to keep the gate open during business hours (see Figure 6).

Figure 6. Blocked Gate Sensor



Source: OIG photo taken March 20, 2024.

Why Did It Occur

Management did not provide sufficient oversight and take the necessary actions to verify that property condition issues were corrected. Management stated they were aware of the items we identified, but other duties, such as getting the mail out for delivery each day, took priority over addressing the safety issues. In addition, management stated they were aware the gate remained open during business hours and that it is a continuous problem. The carriers block the sensor to keep the gate open, so they do not have to wait for someone to open the gate upon their return. There is a keypad near the gate, but the carriers do not want to leave their vehicles to open the gate.

What Should Have Happened

Management should have provided sufficient oversight of personnel responsible for maintaining facilities, reported safety issues as they arose, and followed up to ensure resolution. The Postal Service requires management to maintain a safe environment for employees and customers.³⁵

Effect on the Postal Service and Its Customers

Management's attention to safety and security deficiencies can reduce the risk of injuries to employees and customers; reduce related costs, such as workers' compensation claims, lawsuits and penalties; and enhance the customer experience and Postal Service brand.

Postal Service Response

The Postal Service agreed with this finding.

³⁵ Postal Service Handbook EL-801, *Supervisor's Safety Handbook*, July 2020.

Appendix A: Additional Information

We conducted this audit from March through May 2024 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. We will issue a separate report that provides the Postal Service with the overall findings and recommendations for the Bayamon Post Office, Toa Baja Post Office, and the Guaynabo Post Office, as well as the district. Our recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of PTR, DCV, and TACS 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.

Appendix B: Management's Comments



May 10, 2024

JOHN CIHOTA
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Management Response: Bayamon Post Office, Bayamon PR: Delivery Operations
(Report Number 24-079-1-DRAFT)

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

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

Management has begun taking steps to address the five findings.

Delayed Mail: A standard operating procedure and standard work instructions are already established. Local management was retrained on the proper recording of delayed and/or curtailed mail volume in DCV. Reviews will be conducted to monitor compliance.

Package Scanning: Management will retrain applicable employees on standard operating procedures for scanning and handling packages and will conduct daily reviews to ensure compliance.

Timekeeping: Management has been retrained on proper record keeping for disallowed time and unauthorized overtime. The 1017-A and 1017-B logs are established and management will monitor to ensure compliance.

Arrow Keys: Management will adhere to standard operating procedures for Arrow Key management including updating key logs, reporting missing arrow keys to the US Postal Inspection Service, and ensuring arrow keys are verified and secured daily. Additionally, management will conduct reviews to monitor compliance.

Property Conditions: Local management is working to abate all reported property conditions with their control and, if necessary, will submit work orders for those requiring repair by other resources.

E-SIGNED by CARLOS E DEL TORO
on 2024-05-10 15:22:32 EDT

Carlos Del Toro
Manager, Puerto Rico District

Cc: Corporate Audit & Response

OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE



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