Florida 1 District: Delivery Operations

AUDIT REPORT
Report Number 24-085-R24 | August 7, 2024

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Transmittal Letter

OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

August 7, 2024

MEMORANDUM FOR: MAGED AZIZ
MANAGER, FLORIDA 1 DISTRICT

[signature: Joseph E. Wolski]

FROM: Joseph E. Wolski
Director, Field Operations, Atlantic & WestPac

SUBJECT: Audit Report – Florida 1 District: Delivery Operations
(Report Number 24-085-R24)

This report presents the results of our audit of mail delivery and property conditions in the Florida 1 District.

All recommendations require U.S. Postal Service Office of Inspector General (OIG) concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. Recommendations 1, 2, 3, and 5 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 recommendation 4 closed with issuance of this report.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Monica Brym, 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. To fulfill this role, the Postal Service is committed to ensuring that its delivery platform and services are always a trusted, visible, and valued part of America's social and economic infrastructure. This includes leveraging people, technology, and systems to provide world-class visibility of mail and packages as they move through the Postal Service's integrated system. 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 report includes a review of delivery operations across the Florida 1 District. It further presents a summary of the results of our audits of delivery operations and property conditions at three select delivery units in the Florida 1 District in the Southern Area (Project 24-085). These delivery units include the Lake Jackson, Leon, and Westside Stations. This report responds to concerns raised by U.S. Representative Neil Dunn about delivery operations in the Tallahassee region.

We previously issued interim reports[1] to district management for each of the three delivery units regarding the conditions we identified. In addition, we issued reports on the efficiency of operations at the Tallahassee Processing and Distribution Facility (P&DF),[2] which services these three delivery units. We judgmentally selected the three delivery units based on the number of Customer 360[3] (C360) inquiries related to delivery, Informed Delivery[4] contacts associated with the unit, and stop-the-clock (STC)[5] scans performed at the unit, compared to the district average. The units were also chosen based on first and last mile failures[6] and undelivered routes.

The three delivery units had a total of 76 city routes, 33 rural routes, and 3 highway contract routes (HCR)[7] that served about 200,335 people in multiple ZIP Codes (see Table 1), which are predominantly urban communities.[8] Specifically, of the people living in these Zip Codes, 180,354 (90 percent) live in urban communities and 19,981 (10 percent) live in rural communities.

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1 *Lake Jackson Station, Tallahassee, FL: Delivery Operations* (Report Number 24-085-1-R24, dated June 7, 2024); *Leon Station, Tallahassee, FL: Delivery Operations* (Report Number 24-085-2-R24, dated June 7, 2024) and *Westside Station, Tallahassee, FL: Delivery Operations* (Report Number 24-085-3-R24, dated June 7, 2024).
2 *Efficiency of Operations at the Tallahassee Processing and Distribution Facility, Tallahassee, FL* (Report Number 24-084-R24, dated June 7, 2024).
3 A cloud-based application that enables Postal Service employees to diagnose, resolve, and track customer inquiries.
4 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.
5 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 Pickup," and "No Access."
6 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 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. First and last mile failures can occur due to processing, transportation, or delivery operations.
7 Highway contract routes are routes that are serviced by contractors.
8 We obtained ZIP Code information related to population and urban/rural classification from 2020 Census Bureau information.

Table 1. Service Area and Population

Delivery Units	Service Area ZIP Code	Population	City Routes	Rural Routes	HCR Routes
Lake Jackson Station	32303, 32312, 32318	81,621	32	23	0
Leon Station	32301	28,645	22	0	0
Westside Station	32304, 32305, 32310	90,069	2	10	3
Total		200,335	76	33	3

Source: OIG analysis of Postal Service Address Management System and Census data.

We conducted text analysis on C360 inquiries for the entire Florida 1 District between October 31, 2022, and March 31, 2024. In total, we reviewed and categorized the customer notes for 187,219 inquiries[9] (see Figure 1).

Package delivery and package scanning issues accounted for 57 percent of the complaints over this 17-month period, which made up more than half of the C360 comments. Examples of customer comments about packages and mail delivery included:

- Expressing concern about the location of their delivered packages.

- Receiving "delivered" scans for packages that had not been delivered.

- Packages being scanned away from the delivery point.

Mail forwarding issues accounted for 10 percent of the complaints over the same 17-month period. Complaints about mail forwarding in this district are higher than other regions we visited this fiscal year. Examples of customer complaints about mail forwarding in Florida 1 included:

- Expressing concerns about not receiving mail at new address.

- Mail not arriving at forwarded address.

Figure 1. C360 Inquiry Analysis
Source: OIG analysis of C360 inquiries.
Note: The category "Other" includes issues with PO Boxes.
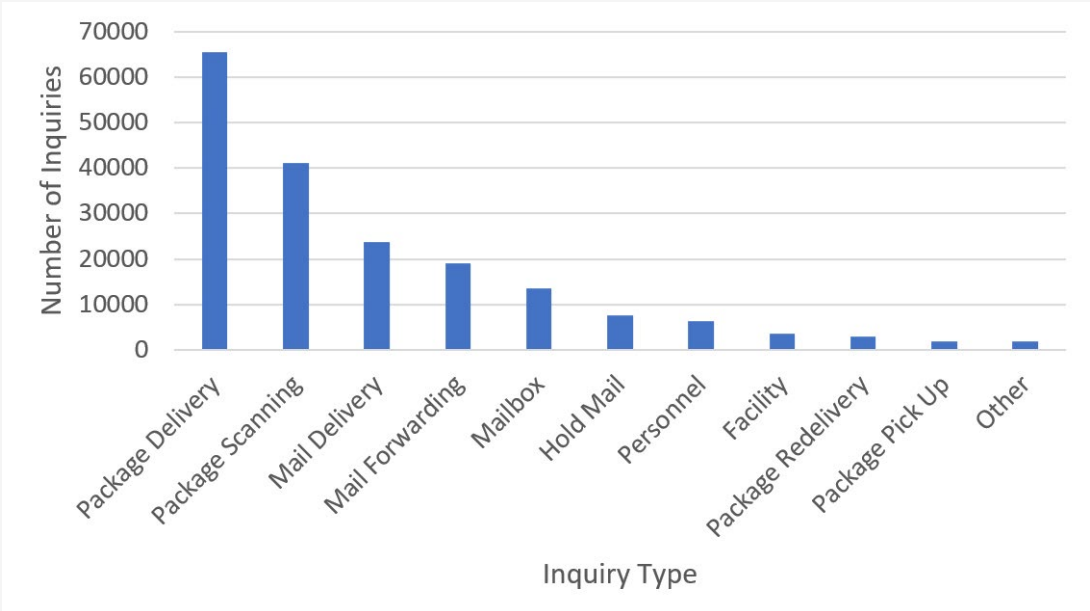
9   We removed 75,967 inquiries — including voice messages and inquiries in which the text description of the ticket was less than 40 characters — and excluded another 3,806 as outliners.

We also analyzed the Postal Service's Triangulation Report[10] to determine how the Florida 1 District performed for mail and package delivery in relation to all 50 Postal Service districts. Each day, the Postal Service provides an opportunity ranking, wherein they rank all 50 districts from 1 through 50, where 1 indicates the poorest performing district and 50 is the top performing district. For the period from January 1 through March 31, 2024, the Florida 1 District had an average opportunity rank of 31 for mail delivery and 27 for package delivery, placing this district at the average for both mail and package delivery (see Table 2).

Table 2. Florida 1 District Average Opportunity Rank Out of All 50 Districts

Month	Mail Delivery Opportunity Rank	Package Delivery Opportunity Rank
January	31	27
February	32	28
March	30	26
Average	**31**	**27**

Source: Postal Service Triangulation report.

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery operations in the Florida 1 District.

To accomplish our objective, we focused on five audit areas: delayed mail, package scanning, arrow keys,[11] 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, and distribution uptime.[12] During our site visits 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" area,[13] and interviewed unit management and employees.

In addition to summarizing our findings at the three delivery units, we conducted an analysis of service performance scores for First-Class Mail, Marketing Mail, Priority Mail, and Ground Advantage products within the Florida 1 District. We discussed our observations and conclusions, as summarized in Table 3, with management on July 24, 2024, and included their comments, where appropriate. See Appendix A for additional information about our scope and methodology.

Results Summary

We identified issues related to service performance across the Florida 1 District and issues affecting delivery operations and property conditions at all three delivery units we visited. Specifically, we found delayed mail and deficiencies with package scanning, arrow keys, carrier timekeeping, and property conditions (see Table 3). We also identified issues with the separation of packages for dispatch at the Lake Jackson and Westside Stations.

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10 The Triangulation Report is designed to provide the health of operations within a delivery unit regarding mail and package delivery. The report includes an analysis of several key performance indicators including C360 inquiries, first and last mile failures, route coverage, employee availability, and scanning integrity.
11 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.
12 Time of day that clerks have completed distributing mail to the carrier routes.
13 The area of a delivery unit where letters or packages that the carriers were unable to deliver are stored for customer pickup.

Table 3. Summary of Issues Identified

Controls Reviewed	Issues Identified – Yes or No		
	Lake Jackson Station	Leon Station	Westside Station
Delayed Mail	Yes	Yes	Yes
Package Scanning	Yes	Yes	Yes
Carrier Complement and Timekeeping	Yes	Yes	Yes
Arrow Keys	Yes	Yes	No
Property Conditions	Yes	Yes	Yes
Other: Package Separation for Dispatch	Yes	N/A	Yes

Source: Interim reports from select units.

We identified an issue with both the management and security of arrow keys at Leon Station (see Finding #3). ██████████████████████████ ████████████████████████████████ ████████████████████████████ We identified both carrier complement and timekeeping issues at the Leon Station and only timekeeping issues at the Lake Jackson and Westside Stations. (see Finding #4).

What We Found

On the morning of April 2, 2024, we identified about 5,409 pieces of delayed mail.[14] See Table 4 for the number of pieces for each mail type and Figure 2 for examples of delayed mail found at the units.

In addition, management at all three units did not report this mail as undelivered in the Deliver Condition Visualization (DCV)[15] system.

Table 4. Type of Delayed Mail

Type of Mail	Lake Jackson Station	Leon Station	Westside Station	Total
Letters	3,380	182	693	4,255
Flats	208	74	790	1,072
Packages	26	0	56	82
Total	**3,614**	**256**	**1,539**	**5,409**

Source: OIG count of delayed mail identified during our site visits at the three facilities on April 2, 2024.

Figure 2. Examples of Delayed Mail at the Units

Delayed Mail at Lake Jackson Station

Station Delayed Mail at Leon Station

Delayed Mail at Westside Station

Source: OIG photo taken April 2, 2024.

Source: OIG photo taken April 2, 2024.

Source: OIG photo taken April 2, 2024.

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14 Count of mail included individual piece counts and OIG estimate based on Postal Service conversion factors in 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.

We also reviewed data in the DCV system for the entire district for April 2, 2024,[16] and found a low volume of reported delayed mail. Specifically, of the 226 units listed in the DCV system for the Florida 1 District, three (1.3 percent) reported 4,215 total pieces of delayed mail on April 2, 2024. The lack of reporting of delayed mail by the units we visited and the low reporting of delayed mail across the district could indicate a more widespread issue with accurately reporting delayed mail.

In addition, we analyzed service performance scores for First-Class Mail, Marketing Mail, Priority Mail, and Ground Advantage products mailed within the Florida 1 District from October 1, 2023, through March 31, 2024.[17] This analysis showed that the Florida 1 District performance scores for First-Class Mail did not meet

the target score in most of the district, including the Tallahassee area. In addition, Priority Mail and Ground Advantage performance scores were below the target scores in much of the district; the Tallahassee area performed the worst in the district, well below the target scores in both. Marketing Mail generally met the target score in much of the district, including the Tallahassee area. See Figure 3 for heat maps showing the performance for each product in the Florida 1 District.

Failures may have had a negative impact on customer perceptions within the district. At the Tallahassee P&DF, which services delivery units in the Tallahassee region, we identified issues with processing mail for timely dispatch to the delivery units and delayed mail.[18]

Figure 3. Service Performance Heat Maps By 3-Digit Zip Code in the Florida 1 District Between October 1, 2023, through March 31, 2024
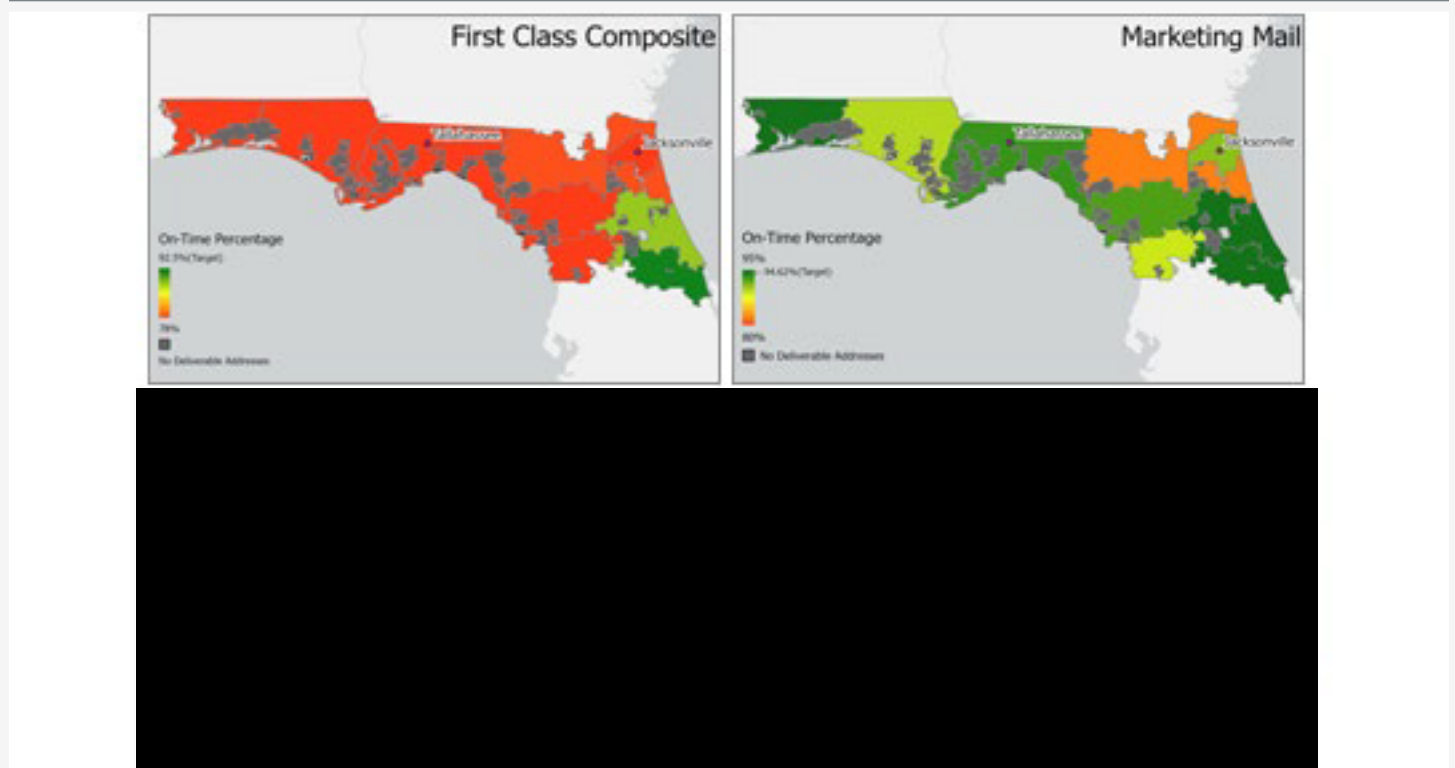
Source: OIG analysis of Postal Service Informed Visibility (IV) and Enterprise Data Warehouse (EDW) data. IV provides comprehensive and integrated capabilities for data-driven real time service performance measurement and diagnostics of market-dominant products, mail inventory and predictive workloads of all mail to include packages, and end-to-end tracking and reporting for mail. EDW is a repository intended for all data and the central source for information on retail, financial, and operational performance.

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16   This date represents the first day of our on-site visits at the delivery units in Tallahassee.
17   This mail originated and was destined for locations in the Florida 1 District.
18   OIG Report Number 24-084-R24.

Why Did It Occur

The delayed mail identified at the three delivery units occurred because unit management did not provide adequate oversight to verify that the mail was cleared from the unit and any delayed mail was reported in the DCV system. At all three units, the closing supervisors did not conduct an adequate walkthrough of the unit to check for delayed mail. Additionally, carriers at the Westside Station were not completing Postal Service (PS) Form 1571, *Undelivered Mail Report*,[19] to document undelivered mailpieces.

The District Manager attributed the service performance scores for his district to a few poor performing regions. He stated that the Tallahassee region has traditionally been, and continues to be, one of the worst performing areas in the district and acknowledged that they are now focusing on making improvements in that region. For example, the district recently brought in a new postmaster in the Tallahassee region and plans to implement a training program for managers district-wide, starting with the poor performing regions.

What Should Have Happened

Management should have conducted an adequate walkthrough of the workroom floor to verify that all mail was delivered, determined the reason the undelivered mail was brought back from the street and assured it was properly documented on PS Forms 1571. Postal Service policy[20] 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 required[21] 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. Further, management must update the DCV system 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 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.

Management Actions

During our audit, district management provided documentation showing they had trained the supervisors at all three sites on proper mail delivery practices, including delivery of all committed mail daily, and the proper reporting of delayed mail in the DCV system. District management also provided documentation that they were monitoring delivery operations for delayed mail at all three stations.

Recommendation #1

We recommend the **District Manager, Florida 1 District**, implement plans to train management at all delivery units in the Tallahassee region on proper reporting of delayed mail.

Postal Service Response

Management agreed with the finding and the associated recommendation. Management's target implementation date is August 31, 2024. See Appendix B for management's comments in their entirety.

OIG Evaluation

The OIG considers management's comments responsive to the recommendation.

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19   PS Form 1571, *Undelivered Mail Report*, lists all mail distributed to the carrier for delivery that was left in the office or returned undelivered.
20   *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.
21   *Informed Visibility Delivery Condition Visualization* User Guide, August 2023.

Finding #2: Package Scanning

What We Found

Employees scanned packages improperly at the delivery unit, scanned packages away from the intended delivery point, or handled packages incorrectly at all three units.

In total, employees improperly scanned 1,773 packages at the three delivery units instead of at the customers' delivery points between December 2023 and February 2024 (see Table 5). Further analysis of the STC scan data for these packages showed that 53.6 percent of them were scanned "Delivery Attempted - No Access" and 36.2 percent were scanned "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.

In addition, employees at Lake Jackson and Leon Stations improperly scanned a total of 371 scans away from the delivery unit and over 1,000 feet[22] from the intended delivery point between December 2023 and February 2024 (see Table 6). We removed scans that could have been performed within policy, such as "Animal Interference" and "Unsafe conditions." Further analysis of the STC scan data for these packages showed that 91.6 percent of them were scanned "Delivered."

Table 5. STC Scans at Delivery Unit

STC Scan Type	Delivery Units			Total	Percent
	Lake Jackson Station	Leon Station	Westside Station		
Delivery Attempted - No Access to Delivery Location	425	357	169	951	53.6%
Delivered	63	16	562	641	36.2%
Refused	14	65	2	81	4.6%
Receptacle Full/ Item Oversized	9	10	48	67	3.8%
No Secure Location Available	9	2	16	27	1.5%
Delivery Exception - Animal Interference	2	1	3	6	0.3%
Total	**522**	**451**	**800**	**1,773**	**100%**

Source: OIG analysis of the 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.

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22 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.

Table 6. STC Scans Over 1,000 Feet Away From the Delivery Point

STC Scan Type	Delivery Units			Total	Percent
	Lake Jackson Station	Leon Station	Westside Station		
Delivered	205	135	0	340	91.6%
Delivery Attempted- No Access to Delivery Location	9	11	0	20	5.4%
Delivered to Agent for Final Delivery	9	0	0	9	2.4%
Held at Post Office at Customer Request	1	0	0	1	0.3%
Refused	5	0	0	1	0.3%
Total	**229**	**146**	**0**	**371**	**100%**

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

For example, the map below (see Figure 4) shows an instance where a carrier at the Lake Jackson Station scanned a package as delivered 2.7 miles away from the delivery point.

Figure 4. Scan Away From the Delivery Point in Tallahassee, Florida
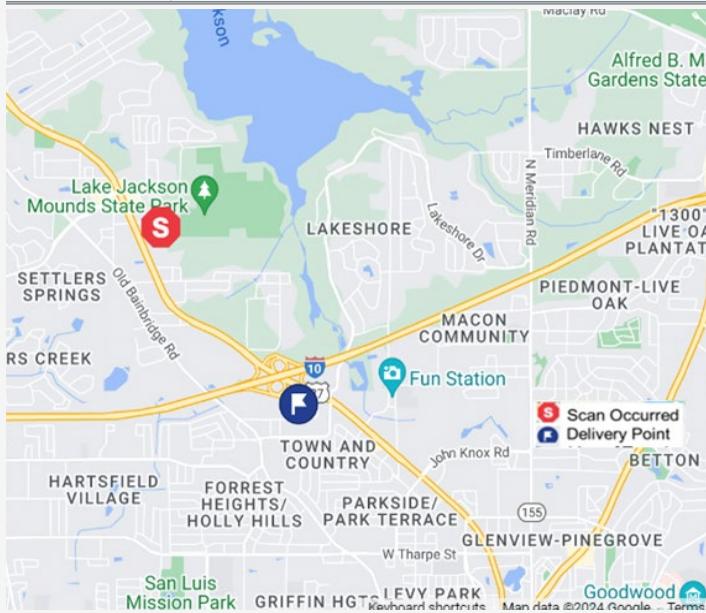
Source: Postal Service Single Package Look Up.

We also found issues with scanning and handling of packages at all three units. On the morning of April 2, 2024, before carriers arrived for the day, we selected 170 packages[23] to review and analyze scanning and

tracking history. Of the 170 sampled packages, 85 (50 percent) had improper scans or handling, including:

- Twenty-eight packages (22 from the carrier cases and six from the "Notice Left") were scanned "Delivery Attempted – No Access," and were scanned away from the delivery point. These scans occurred between 0.5 and 7.3 miles away from the delivery point.

- Eighteen packages (14 from the carrier cases and four from the "Notice Left" area) were scanned "Delivered" or "Delivered, Left with Individual," which should only be performed when a package is successfully left at the customer's delivery address.

- Thirteen packages from the "Notice Left" area were scanned "Available for Pickup" but were scanned at the unit with no delivery attempted.

- Six packages (four from the "Notice Left" area and two from the carrier case) were scanned "Held at Post Office at Customer Request" and were scanned at the unit with no delivery attempted.

- Five packages from the carrier cases were scanned "Insufficient Address" that should have been returned to the sender.

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23 We judgmentally selected 90 packages from the carrier cases and 80 packages from the "Notice Left" area.

- Five packages from the "Notice Left" area were scanned "No Authorized Recipient Available" that should have been returned to the sender.

- Four packages from the "Notice Left" area were scanned "No Secure Location Available" and were scanned away from the delivery point.

- Three packages (two from the carrier case and one from the "Notice Left" area) should have been processed for return. One from the carrier case and one from the "Notice Left" were scanned "Return to Sender" and one from the carrier case was scanned "Return to Post Office for Address Verification."

- Two packages from the "Notice Left" area were missing STC scans to inform the customer of the status of their package.

- One package from the carrier case was missing an "Arrival-at-Unit" scan, which is a required scan for performance measurement.

Why Did It Occur

These scanning issues occurred because unit management did not adequately monitor and enforce proper package scanning and handling procedures. Management at the Lake Jackson and Westside Stations stated that they did not review scanning integrity reports because other duties, such as getting the mail delivered, took priority. Management at the Leon Station was unaware of the high number of improper scans made by employees at the unit. The station manager at Leon Station also explained the unit had an ongoing issue with nine apartment buildings on their routes that refused to receive packages and directions from postal management to allow carriers on these routes to scan packages at the unit. However, the unit did not have documentation to support the refusal by the apartments or directions provided by postal management. In addition, management at Lake Jackson Station stated that some of the carriers may need training on how to properly scan the packages.

What Should Have Happened

Local 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,[24] which includes scanning packages at the time and location of delivery.[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. Package scanning was one of the top three customer complaints in this district. By improving scanning operations, management can improve mail visibility, increase customer satisfaction, and enhance both the customer experience and the Postal Service brand.

Management Actions

During our audit, district management provided documentation that all employees at all three units were trained on the standard operating procedures for package scanning and handling. District management also provided documentation demonstrating that they monitored the units for compliance with package scanning procedures. We consider the issue resolved; therefore, we are not making a recommendation for this finding.

Postal Service Response
Management generally agreed with the finding.

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24 *Delivery Done Right the First Time* stand-up talk, March 2020.
25 *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

Finding #3: Arrow Keys

What We Found

Unit management did not properly manage arrow keys at the Lake Jackson Station and Leon Station. On the morning of April 3, 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. Specifically, at the two units, we could not locate 11 of the 77 keys on the certification lists. Unit management had not reported any of the missing keys to the U.S. Postal Inspection Service. In addition, we identified 13 keys that were not included on the list (see Table 7). Further, management at Leon Station did not properly safeguard arrow keys. We observed arrow keys at the unit stored in ███████████, unsecured in ██████ and in ██████████ that was not secured.

Why Did It Occur

Management did not provide sufficient oversight to properly manage arrow keys at the Lake Jackson and Leon Stations and safeguard arrow keys at the Leon Station. Specifically,

- Management at the Lake Jackson Station had not conducted the arrow key certification and

acknowledged the supervisor who updated the arrow key inventory in March 2024 did not properly account for the keys in the unit.

- Management at the Leon Station was unaware that he had entered the arrow key information incorrectly the previous week and was not aware of the extra keys we found. Management did not properly safeguard the arrow keys because they prioritized mail and package deliveries.

What Should Have Happened

Local 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, and missing keys must be immediately reported to the U.S. Postal Inspection Service. In addition, policy also 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.

Table 7. Arrow Key Inventory

Delivery Units	Keys on Inventory Log	Missing Keys	Keys Found at Unit	Keys Not Listed on Log
Lake Jackson Station	51	6	51	6
Leon Station	24	5	26	7
Total	**75**	**11**	**77**	**13**

Source: OIG analysis of arrow key inventory during our April 2, 2024, visits.

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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.

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.

Management Actions

During our audit, district management provided documentation showing that supervisors at all three units were provided training on the proper arrow key management and security procedures. District management also provided documentation demonstrating they are monitoring that proper arrow key security procedures are followed at all three units.

Recommendation #2

We recommend the **District Manager, Florida 1 District**, confirm missing keys are reported to the U.S. Postal Inspection Service at the Lake Jackson and Leon Stations.

Recommendation #3

We recommend the **District Manager, Florida 1 District**, verify extra arrow keys are properly accounted for in the arrow key certification list at the Lake Jackson and Leon Stations.

Postal Service Response

Management generally agreed with the finding and the associated recommendations. Management's target implementation date is August 31, 2024.

OIG Evaluation

The OIG considers management's comments responsive to the recommendations.

Finding # 4: Carrier Complement and Timekeeping Management

What We Found

We identified carrier complement issues at the Leon Station. Specifically, we determined that two of the 27 carriers assigned to the unit had not reported to work for at least 12 consecutive weeks between December 2, 2023, and March 1, 2024. One carrier was transferred to another unit, and the other carrier has been in the termination process for over a year.

In addition, we identified timekeeping issues at the Lake Jackson, Leon, and Westside Stations. Specifically,

- At the Lake Jackson and Leon Stations, management did not complete, print, or retain PS Forms 2240, *Pay, Leave, or Other Hours Adjustment Request*,[28] between December 2, 2023, through March 1, 2024. At the Lake Jackson Station, management did not complete 11 pay adjustments. For three of those pay adjustments, unit management did not print and retain PS Forms 2240. At the Leon Station, management did not complete, print, or retain the PS Forms 2240 for two pay adjustments.

- At the Lake Jackson, Leon, and Westside Stations, management did not print and retain PS Forms 1017-A, *Time Disallowance Record*,[29] or PS Forms 1017-B, *Unauthorized Overtime Record*[30] for the 43 occurrences that occurred at the units. Further, management did not complete PS Forms 1017-A or 1017-B entries in the Time and Attendance Collection System (TACS)[31] or retain hard copies.

- None of the three units retained copies of the Form 1017-A or 1017-B in a secure area.

Why Did It Occur

Local management did not provide adequate oversight for carrier complement or employee pay adjustments and overtime. In addition, management at all three units were unaware of the policy to retain PS Forms 1017-A or 1017-B in a secure location. For example:

- At the Lake Jackson Station, the supervisor responsible for the pay adjustments could not explain why three of the records were missing or why his name was on the entries, and for the remaining eight pay adjustments, the supervisor did not follow up to obtain the employees signatures and annotate a discussion. The PM supervisor was unaware of how to resolve disallowed time occurrences.

- At the Leon Station, the station manager did not follow up to ensure that the carrier transfer process was completed by the manager at the new unit. In addition, he stated that he did not keep up with resolving and printing the timekeeping forms because he prioritized mail delivery.

- The supervisor at the Westside Station stated that he was unaware of the policies to print Forms 1017-A and 1017-B and to annotate that they had discussed the matter with the employee. He also stated he did not know it was a requirement to resolve entries in the system. The station manager acknowledged the pay adjustments must be completed and the printed forms secured but that other duties took priority, such as getting the mail out for delivery each day.

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28 Form used to adjust either an employee's pay or to adjust timecard data that 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.

What Should Have Happened

Postal Service management must process timely separations to properly reflect employee status and to maximize the office's part-time carrier complement. Postal Service policy[32] 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. Policy[33] 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.

Effect on the Postal Service and Its Customers

When inactive employees are not removed from the employee rolls, replacements are unable to be hired. 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 Act[34] when unit management does not maintain documentation that shows the justifiable reason and employee notification for disallowed time.

Management Actions

During our audit, district management provided documentation showing that supervisors at all the three units were provided training on timekeeping record requirements and are following these requirements. District management also provided documentation demonstrating it is monitoring compliance with timekeeping record requirements at all three units. In addition, management provided documentation that Leon Station removed the two employees not active from their rolls. We consider the issue resolved; therefore, we are not making a recommendation for this finding.

Postal Service Response

Management generally agreed with the finding and the associated recommendation. Management's target implementation date is August 31, 2024.

OIG Evaluation

The OIG considers management's comments responsive to the recommendation.

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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.

Finding # 5: Property Conditions

What We Found

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

Property Safety:

- At the Lake Jackson Station, we found a loose ceiling fan with exposed wire; dock doors blocked with pallets and wire cages; a light on top of a carrier case not secured; a ladder in the electrical room not strapped to the wall; and all eight fire extinguishers missing monthly inspections, of which one was on the floor, and one was blocked by equipment.

- At the Leon Station, we found a loose dock ramp railing with broken concrete bases, a set of wooden steps not properly secured to the loading dock, a handicap accessible parking ramp with tripping hazard, two fading handicap accessible parking signs, several unsecured parking concrete blocks in the customer parking lot, electrical panels locked in a security cage and inaccessible, and all six fire extinguishers at the unit missing updated monthly and annual inspections.

- At the Westside Station, we found three unsecured ladders on the workroom floor; a handicap rail concrete support in front of the customer entrance deteriorating and posing a potential fall hazard to customers; several electrical sockets and light switches missing plate covers or broken; several junction boxes also missing covers; and 13 fire extinguishers missing monthly and annual inspections, of which four were missing monthly tags, three were not mounted, and one was blocked.

Property Security:

- At the Lake Jackson Station, we found unlocked and unsecured dock doors and no sign in the parking lot stating that all vehicles are subject to search.

- At the Leon Station, we found some lights over the customers' and employees' parking areas not lit and no sign in the parking lot stating that all vehicles are subject to search.

- At the Westside Station, we found faded, illegible parking lot signage indicating all vehicles are subject to search and no "US Property No Trespassing" signs around the facility perimeter.

Property Maintenance:

- At the Lake Jackson Station, we found black dust on and around the air vents through the facility, numerous stained or broken ceiling tiles over workroom area, a dirty break room with a sink and wall in need of repair, an inaccessible storage room in disarray, and downed tree limbs by the parking lot.

- At the Leon Station, we found drainage issues in the loading dock and mail vehicle parking areas; repairs needed in the bathrooms; numerous stained and damaged ceiling tiles over the employee workroom area; a non-functioning water heater with a rust-through base; a bent and damaged metal fence post at the mail vehicle parking lot; several low tree branches at the customer parking area; broken and missing asphalt at the loading dock ramp; various light fixtures needing repairs, some with exposed wires; missing letters at the unit's front exterior signage; missing light fixture covers in the customer PO Box area; cobweb and broken ceiling tile at the main customer entrance; and missing wall paint in a corner of the customer PO Box area.

- At the Westside Station, we found walls in the lobby and workroom floor needed repainting; several lights on the workroom floor not working due to leaks from the roof; loading dock area with damaged gutter allowing rain to trickle down where carriers load their vehicles; parking lot needed resurfacing and parking bumpers deteriorating; multiple stained, missing, broken, and misaligned ceiling tiles throughout the facility; a loose water pipe socket in men's bathroom; and broken floor tiles in customer lobby.

Why Did It Occur

Local management did not provide sufficient oversight and take the necessary actions to verify that property condition issues were identified and corrected. Management was not aware of most of the issues we identified, or they were aware but other duties, such as getting the mail out for delivery each day, took priority over addressing maintenance issues. At Leon Station, management submitted maintenance requests for those issues they were aware of, such as the issues in the bathrooms and the workroom lighting. The station manager pointed to some of the supplies that they had received, such as replacement light tubes and a new bathroom sink and faucet. However, maintenance employees have not come to the unit to complete the repairs. At Westside Station, management was in the process of working with the landlord to fix some building 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. 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 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 penalties; and enhance the customer experience and Postal Service brand.

Management Actions

During our audit, district management provided documentation showing that they have addressed all property conditions issues identified at the Leon and Westside Stations, and all but one issue at the Lake Jackson Station. Specifically, at the Lake Jackson Station the downed tree limbs by the parking lot have not been addressed. See Figures 5, 6 and 7 for examples of issues resolved at the three units.
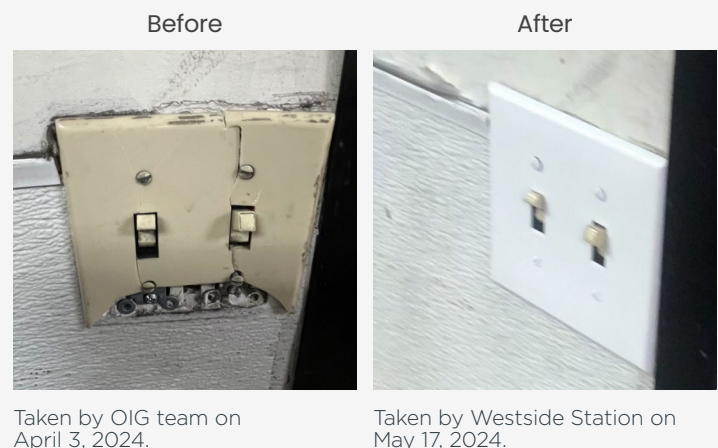
Figure 5. Lake Jackson Station: Storage Room in Disarray and Not Accessible

Before	After

Taken by OIG team on April 3, 2024.

Taken by Lake Jackson Station on April 8, 2024.
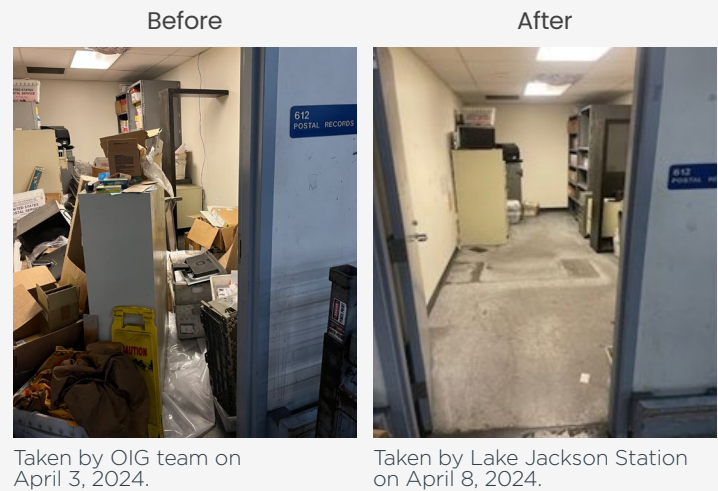
Figure 6. Leon Station: Missing "Subject to Search" Signage

Before	After

Taken by OIG team on April 3, 2024.

Taken by Leon Station on June 15, 2024.

Figure 7. Westside Station: Broken Light Switch Cover

Before	After

Taken by OIG team on April 3, 2024.

Taken by Westside Station on May 17, 2024.

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

Recommendation #4

We recommend the **District Manager, Florida 1 District**, resolve the downed tree limbs by the parking lot at the Lake Jackson Station.

Postal Service Response

Management generally agreed with the finding, recommendation and has taken action to address the downed tree limbs by the parking lot at the Lake Jackson Station.

OIG Evaluation

The OIG considers management's comments responsive to the recommendation. Based on the actions taken, we consider recommendation 4 closed upon issuance of this report.

Finding # 6: Separation of Packages for Dispatch

What We Found

Employees at the Lake Jackson and Westside Stations did not properly separate packages destined for the Jacksonville Processing and Distribution Center (P&DC). Specifically, on April 3, 2024, during the unit's evening operations, we observed Ground Advantage[36] and Priority Mail[37] were commingled in the containers designated for dispatch to the P&DC.

Why Did It Occur

Management did not provide oversight to ensure that employees properly separated packages for dispatch to the P&DC. PM supervisors at both Lake Jackson and Westside Stations were unaware of the policy to separate the Priority Mail from Ground Advantage. In addition, management at Lake Jackson indicated that they did not have the ability to print the proper placards to separate the packages.

What Should Have Happened

In July 2023, the Postal Service made significant changes to its parcel processing operations. Specifically, delivery and retail units changed the way they separated packages dispatched to facilitate the introduction of a new package service. On September 26, 2023, the Postal Service implemented[38] additional changes for the preparation and dispatch of packages to processing facilities by delivery units of a specified level.[39] Postal Service requires these units to separate certain classes of packages when dispatching this mail to the processing facility and identifies the placards to be used for the proper separation.

Effect on the Postal Service and Its Customers

Proper mail preparation is required for visibility throughout the Postal Service network. When mail is not properly separated for dispatch to the processing facility, in accordance with procedures, there is an increased likelihood that mail will require additional processing steps. Furthermore, this can result in delays and service failures and an increased risk of customer dissatisfaction, which may adversely affect the Postal Service brand.

Management Actions

During our audit, district management provided documentation showing that they provided training to employees on the separation of packages for dispatch at the Lake Jackson Station.

> **Recommendation #5**
> We recommend the **District Manager, Florida 1 District**, verify management at the Westside Station instruct employees to properly separate, as required, certain classes of packages when dispatching this mail to the processing facility.

Postal Service Response

Management agreed with the finding and the associated recommendation. Management's target implementation date is August 31, 2024.

OIG Evaluation

The OIG considers management's comments responsive to the recommendation.

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36 A service providing an affordable and reliable way to send packages inside the U.S. Packages under 70 pounds arrive in two to five business days.
37 An expedited service that may contain any mailable matter weighing no more than 70 pounds.
38 *Mail Preparation (MTEL) Changes Level 22 and Above Only*, September 2023.
39 All level-22 units and higher are required to follow these package separation requirements.

Appendices

Appendix A: Additional Information

We conducted this audit from April through August 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 in all three components that were significant within the context of our objectives. The actions taken and our recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of PTR, DCV, TACS, IV, and EDW 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

UNITED STATES POSTAL SERVICE

July 25, 2024

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Florida 1 District: Delivery Operations (Report Number 24-085-DRAFT)

Thank you for providing the Postal Service an opportunity to review and comment on the findings contained in the draft audit report *Florida 1 District: Delivery Operations*

Management generally agrees with the findings related to delayed mail, arrow keys, property conditions, and separation of packages for dispatch.

Following are our comments on each of the five recommendations.

Recommendation 1: recommend the District Manager, Florida 1 District, implement plans to train management at all delivery units in the Tallahassee region on proper reporting of delayed mail.

Management Response/Action Plan: Management agrees with this recommendation.

District management will provide training for non-bargaining employees at all delivery units in the Tallahassee region on proper procedures for identifying, quantifying, and reporting delayed mail.

Target Implementation Date: 8/31/2024

Responsible Official: Manager, Florida 1 District

Recommendation 2: We recommend the District Manager, Florida 1 District, confirm missing keys are reported to the U.S. Postal Inspection Service at the Lake Jackson and Leon Stations.

Management Response/Action Plan: Management agrees with this recommendation.

Management will ensure all missing keys at Lake Jackson and Leon Stations are reported to the U.S. Postal Inspection Service.

Target Implementation Date: 8/31/2024

Responsible Official: Manager, Florida 1 District

Recommendation 3: We recommend the District Manager, Florida 1 District, verify extra arrow keys are properly accounted for in the arrow key certification list at the Lake Jackson and Leon Stations.

Management Response/Action Plan: Management agrees with this recommendation.

Management will ensure inventory logs at Lake Jackson and Leon Stations are updated. Additionally, a service talk will be given on proper arrow key management.

Target Implementation Date: 8/31/2024

Responsible Official: Manager, Florida 1 District

Recommendation 4: We recommend the District Manager, Florida 1 District, resolve the downed tree limbs by the parking lot at the Lake Jackson Station.

Management Response/Action Plan: Management agrees with this recommendation.

On July 23, 2024, the downed tree limbs were removed. Management request this recommendation be closed with issuance of the final report.

Target Implementation Date: 08/31/2024

Responsible Official: Manager, Florida 1 District

Recommendation 5: We recommend the District Manager, Florida 1 District, verify management at the Westside Station instruct employees to properly separate, as required, certain classes of packages when dispatching this mail to the processing facility.

Management Response/Action Plan: Management agrees with this recommendation.

Management will conduct a service talk on proper separation of packages and monitor for compliance and ensure proper labeling of containers.

Target Implementation Date: 8/31/2024

Responsible Official: District Manager

E-SIGNED by MAGED.S AZIZ
on 2024-07-26 09:56:54 EDT
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Maged Aziz
Manager, Florida 1 District

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

Contact us via our Hotline and FOIA forms. Follow us on social networks. Stay informed.

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