Concord Main Post Office, Concord, NC: Delivery Operations

AUDIT REPORT

Report Number 25-080-2-R25 | June 17, 2025

OFFICE OF
INSPECTOR
GENERAL
UNITED STATES POSTAL SERVICE

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Transmittal Letter

OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

June 17, 2025

MEMORANDUM FOR: SCOTT MANIER
MANAGER, NORTH CAROLINA DISTRICT

[signature: Joseph E. Wolski]

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

SUBJECT: Audit Report – Concord Main Post Office, Concord, NC: Delivery Operations (Report Number 25-080-2-DRAFT)

This report presents the results of our audit of delivery operations and property conditions at the Concord Main Post Office in Concord, NC.

We appreciate the cooperation and courtesy 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 Concord Main Post Office in Concord, NC (Project Number 25-080-2). The Concord Main Post Office (MPO) is in the North Carolina District of the Atlantic Area and serves about 58,398 people in ZIP Code 28025, which is considered a predominately urban area (see Figure 1). Specifically, 44,472 (76 percent) live in urban communities and 13,926 (24 percent) live in rural communities.[1] The unit also services ZIP Code 28026 for Post Office (PO) Box routes.

Figure 1. ZIP Codes Serviced by the Concord MPO
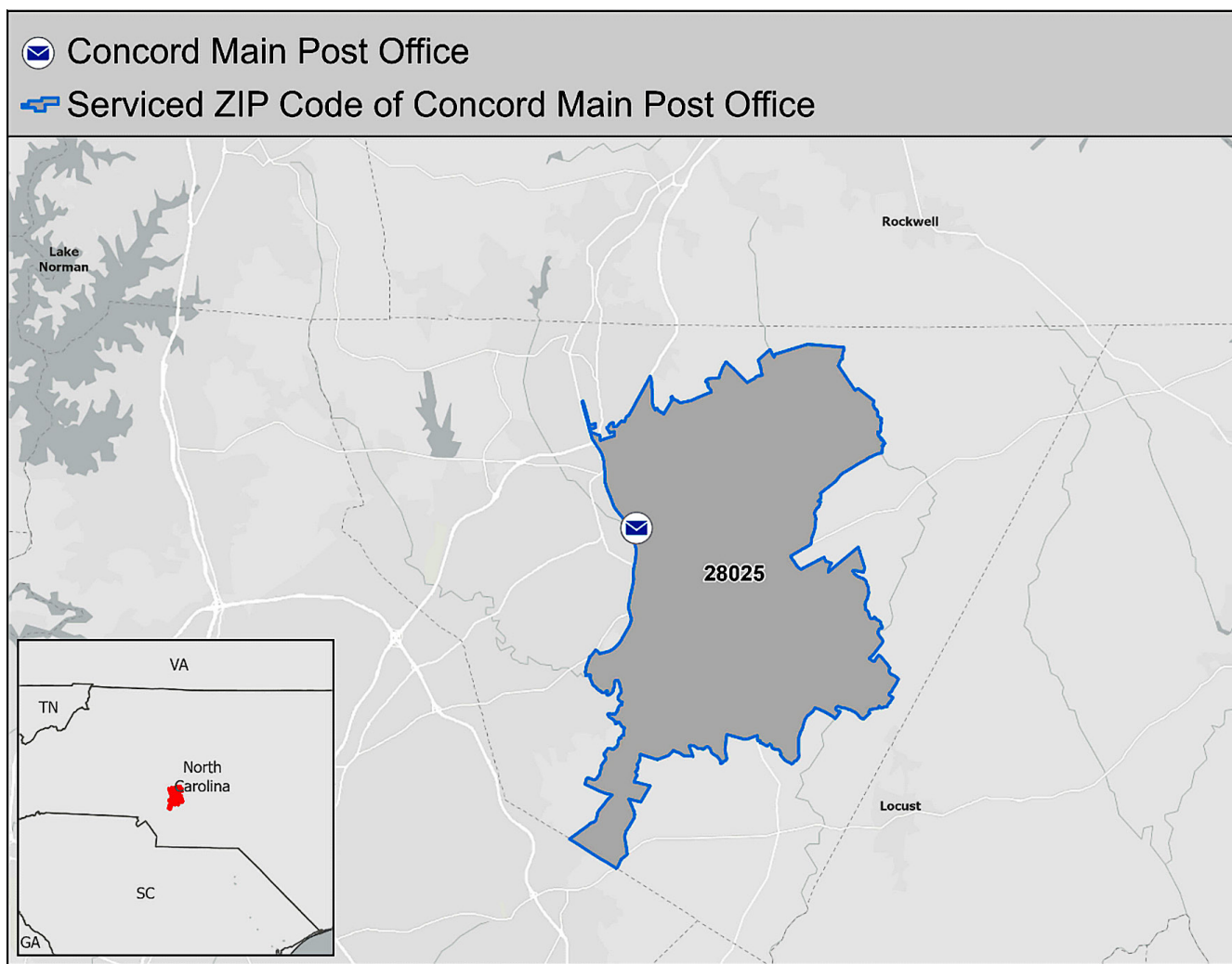
Source: OIG analysis of ZIP Code data.

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[1]   We obtained ZIP Code information related to population and urban/rural classification from 2020 Census Bureau information.

This delivery unit has 23 rural routes and 20 city routes. From February 22 through March 21, 2025, the delivery unit had three supervisors assigned.[2] The Postmaster was on leave pending termination, the acting Postmaster had just arrived from another unit during the week of fieldwork, the PM supervisor was on a higher-level detail from another unit, and an employee from Concord MPO was also on a higher-level detail at the same unit. The acting Postmaster was also acting Postmaster for the Concord Parkway Station and was assigned as the Postmaster for the Mooresville Post Office. As of March 7, 2025,[3] the employee availability rate for the Concord MPO was 84.1 percent year-to-date for fiscal year (FY) 2025, which is under the Postal Service's retail and delivery operations employee availability goal of 93.7 percent for FY 2025. The Concord MPO is one of three delivery units[4] the OIG reviewed during the week of April 7, 2025, that are serviced by the Charlotte Regional Processing and Distribution Center (RPDC).

We assessed all units serviced by the Charlotte RPDC based on the number of Customer 360[5] (C360) delivery-related inquiries,[6] Informed Delivery[7] contacts, stop-the-clock[8] (STC) scans performed away from the delivery point and at the unit, undelivered route information, and first and last mile failures[9] between December 1, 2024 and February 28, 2025.

We judgmentally selected the Concord MPO primarily based on the number of Informed Delivery contacts. Specifically, the unit had an average of 32.8 contacts per route, which exceeded the district average of 23.7. The unit also had instances of undelivered routes.

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery operations and property conditions at the Concord MPO in Concord, NC.

To accomplish our objective, we focused on the following audit areas: delayed mail, package scanning, arrow keys,[10] carrier separations and transfers, and property safety and security conditions. Specifically, we reviewed delivery metrics, including the number of routes and carriers, mail arrival time, amount of reported delayed mail, package scanning, and carrier complement. During our site visit we observed mail conditions; package scanning procedures; arrow key security procedures; employee separation procedures; package separation procedures; and unit safety and security conditions. We also analyzed the scan status of mailpieces at the carrier cases and interviewed unit management and employees. We discussed our observations and conclusions as summarized in Table 1 with management on May 28, 2025, and included its comments, where appropriate.

We are issuing this interim report to provide the Postal Service with timely information regarding conditions we identified at the Concord MPO. We will issue a separate capping report[11] that provides the Postal Service with the overall findings and recommendations for all three delivery units, as well as the district. The capping report will include actions taken by management to address the issues identified in this interim report. See Appendix A for additional information about our scope and methodology.

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2   According to the Postal Service's Time and Attendance Collection System (TACS). TACS is the system used by the Postal Service to automate the collection of employee time and attendance information.
3   The last day of Pay Period 6.
4   The other two units were the Airport Station, Charlotte, NC (Project Number 25-080-1) and the Concord Parkway Station, Concord, NC (Project Number 25-080-3).
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 mailpiece. Examples of STC scans include "Delivered," "Available for Pickup," and "No Access."
9   First mile failures occur when a mailpiece is collected and does not receive a processing scan at the RPDC on the day that it was intended. Last mile failures occur after the mailpiece has been processed at the RPDC on a final processing operation and is not delivered to the customer on the day it was intended.
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   Project Number 25-080.

Results Summary

We identified issues affecting delivery operations and property conditions at the Concord MPO. Specifically, we found issues with three of the five areas we reviewed. We also found issues related to the separation of packages for dispatch to the processing plant (see Table 1).

We only found[12] a nominal amount of scans that occurred at the delivery unit or over 1,000 feet from the intended delivery point. Also, we analyzed employee data from February 1 through March 14, 2025. All carriers assigned to the unit either reported to work or were accounted for by management during this time, indicating no issues with carrier separations and transfers.

Table 1. Summary of Results

Audit Area	Deficiencies Identified	
	Yes	No
Delayed Mail	X	
Package Scanning		X
Arrow Keys	X	
Carrier Separations and Transfers		X
Property Conditions	X	
Other: Separation of Packages for Dispatch	X	

Source: Results of our fieldwork during the week of April 7, 2025.

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12   We reviewed package scanning data for scans that occurred at the unit between December 2024 and February 2025 and packages in carrier cases on the morning of April 8, 2025.

Finding #1: Delayed Mail

What We Found

On the morning of April 8, 2025, we identified 1,076 delayed mailpieces at 32 carrier cases and the hot case. Specifically, we identified 662 letters, 398 flats, and 16 packages. The delayed mailpieces we counted in the carrier cases lacked Postal Service (PS) Forms 1571, *Undelivered Mail Report,*[13] to document undelivered mailpieces. In addition, management did not report this mail as undelivered in the Delivery Condition Visualization (DCV)[14] system. See Table 2 for the number of pieces for each mail type and Figure 2 for an example of delayed mail found at a carrier case.

Figure 2. Example of Delayed Mail in the Carrier Case

Source: OIG photo taken April 8, 2025.

Table 2. Types of Delayed Mail Identified

Type of Mail	Carrier Cases	Hot Case	Total Count of Delayed Mail
Letters	609	53	662
Flats	396	2	398
Packages	16		16
Totals	**1,021**	**55**	**1,076**

Source: OIG count of delayed mailpieces identified during our visit on April 8, 2025.

Why Did It Occur

Management was unaware of the delayed mail because they did not effectively enforce the redline process,[15] which included verifying that the carriers complete PS Form 1571, or conduct an adequate walkthrough to check for delayed mail. The newer unit managers and carriers did not have adequate training in these areas.

What Should Have Happened

Management should have followed the redline process. Postal Service policy[16] states delivery units must follow the redline process, which includes carriers completing a PS Form 1571 for any undelivered mail brought back to the delivery unit. Additionally, management must conduct a thorough walkthrough of the workroom to verify that all mail was delivered on the day it was committed for delivery. Further, Postal Service policy[17] states that all types of First-Class Mail, Priority Mail, and Priority Express Mail are always committed for delivery on the day of receipt.

Additionally, managers are required[18] 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.

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13 PS Form 1571, *Undelivered Mail Report,* lists all mail distributed to the carrier for delivery that was left in the office or returned undelivered.
14 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.
15 A standardized framework encompassing manager and carrier responsibilities after carriers return to the delivery unit upon completion of delivery assignments, ensuring that any mail returned from the street is identified with a signed completed PS Form 1571 and that no mail is taken back to the carrier case.
16 Standard Operating Procedures, Redline Policy.
17 *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.
18 *DCV Learn and Grow,* August 1, 2024.

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.

Finding #2: Arrow Keys

What We Found

Arrow keys were kept in a secure location, but the key inventory log did not match the physical keys on hand. On the morning of April 9, 2025, we reviewed the unit's arrow key certification list in the Retail and Delivery Applications and Reports (RADAR)[19] system and conducted a physical inventory of keys at the unit. We found one key in the unit that was not on the RADAR certification list. Additionally, one of the 56 keys on the RADAR list could not be located at the unit and had not been reported as missing to the U.S. Postal Inspection Service. In addition, management did not verify that all keys had been returned and accounted for daily.

Why Did It Occur

Management did not provide sufficient oversight to properly manage the arrow keys. Unit management did not properly update the arrow key inventory log. Specifically, management stated that they certified the arrow key list in RADAR without properly reconciling it to the physical keys on hand, and did not verify the carriers returned the keys daily, because they were new and had not been trained on arrow key procedures.

What Should Have Happened

Management should have verified that arrow key security procedures were properly followed. According to Postal Service policy,[20] management must keep an accurate inventory of all arrow keys. Any missing keys must be immediately reported to the U.S. Postal Inspection Service. Further, management should have verified all keys have been returned and accounted for daily.

Effect on the Postal Service and Its Customers

When there is insufficient oversight and supervision of accountable items, such as arrow keys, there is an 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.

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19   The arrow key certification in RADAR provides a national platform for all facilities to verify current inventory and account for all arrow keys.
20   *Arrow/Modified Arrow Lock (MAL) Key Accountability Standard Work Instruction*, dated May, 2024.

Finding # 3: Property Conditions

What We Found

We found one security issue at the Concord MPO. There was no sign posted entering the employee parking area stating that vehicles may be subject to search.

Why Did It Occur

Management stated they were unaware of the requirement to have a "subject to search" sign posted in the employee parking lot.

What Should Have Happened

Management should have been familiar with signage requirements and posted a "subject to search" sign in the employee parking lot.

Effect on the Postal Service

Management's attention to security deficiencies can reduce lawsuits and penalties.

Postal Service Response

The Postal Service agreed with this finding.

Finding # 4: Separation of Packages for Dispatch

What We Found

Employees at the Concord MPO did not properly separate packages destined for Charlotte RPDC. Specifically, on April 9, 2025, during the unit's evening operations, we observed that Ground Advantage[21] packages and Priority Mail[22] were comingled in the same containers (see Figure 3).

Figure 3. Example of Comingled Priority Mail and Ground Advantage Packages

Source: OIG photo taken April 9, 2025.

Why Did It Occur

The clerk who was assigned to separate the packages was not always available to do so because his retail window duties took priority. As a result, the clerk did not always have time to separate the packages that the carriers brought back from the street.

What Should Have Happened

The Postal Service requires all level 22 units and above to separate Priority Mail from non-Priority Mail packages and use a specific placard when dispatching to the processing facility.[23]

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.

Postal Service Response
The Postal Service agreed with this finding.

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21 A service providing an affordable and reliable way to send parcels inside the U.S. Parcels under 70 pounds arrive in two to five business days.
22 An expedited service that may contain any mailable matter weighing no more than 70 pounds.
23 *Learn and Grow RDC/RSC Updates*, May 2024.

Appendix A: Additional Information

We conducted this audit from April through June 2025 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 Concord MPO 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 Concord MPO, Airport Station, and Concord Parkway Station, as well as the district.

We assessed the reliability of DCV 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 was sufficiently reliable for the purposes of this report.

Appendix B: Management's Comments

UNITED STATES POSTAL SERVICE

June 2, 2025

VICTORIA SMITH
ACTING DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Concord Main Post Office, Concord, NC: Delivery
Operations (Report Number 25-080-2-DRAFT)

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

Management generally agrees with the four findings in the report on delayed mail, arrow keys, property conditions and separation of packages for dispatch.

Management has begun taking steps to address the four findings.

Delayed Mail: Management will conduct a service talk on proper handling and recording of delayed mail in DCV. Management will also reiterate the requirement to use PS Form 1571 *Undelivered Mail Report* and follow the *Redline process.* Reviews will be conducted to monitor for compliance.

Arrow Keys: Management will update the inventory log to reflect all arrow keys on hand and report all missing keys to the US Postal Inspection Service. Management will also conduct training on proper management of arrow keys. Additionally, reviews will be conducted to monitor for compliance.

Property Conditions: Management has abated the property condition related to security.

Separation of Packages for Dispatch: Management will provide service talks to reinforce package separation practices to ensure Priority Mail is not comingled with non-priority mail. Reviews will be conducted to monitor for compliance.

E-SIGNED by Robert.S Manier
on 2025-06-02 13:18:08 EDT

Scott Manier
District Manager, NC District

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

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

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