

Mail Delivery, Customer Service, and Property Conditions Review – Lancaster Avenue Station, Wilmington, DE

AUDIT REPORT

Report Number 22-208-6-R23 | January 10, 2023



Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

January 10, 2023

MEMORANDUM FOR: GARY J. VACCARELLA
MANAGER, DELAWARE-PENNSYLVANIA 2 DISTRICT

A handwritten signature in black ink, reading "Sean Balduff", is positioned below the "MEMORANDUM FOR" section.

FROM: Sean Balduff
Director, Field Operations

SUBJECT: Audit Report – Mail Delivery, Customer Service, and Property
Conditions Review – Lancaster Avenue Station, Wilmington, DE
(Report Number 22-208-6-23)

This report presents the results of our audit of Mail Delivery, Customer Service, and Property Conditions Review – Lancaster Avenue Station, Wilmington, DE.

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

Attachment

cc: Postmaster General
Corporate Audit and Response Management
Chief Retail & Delivery Officer & Exec Vice President
Vice President, Delivery Operations
Vice President, Retail & Post Office Operations
Vice President, Processing and Maintenance Operations
Vice President, Atlantic Area Retail & Delivery Operations

Results

Background

This interim report presents the results of our self-initiated audit of mail delivery, customer service, and property conditions at the Lancaster Avenue Station in Wilmington, DE (Project Number 22-208-6). The Lancaster Avenue Station is in the Delaware-Pennsylvania 2 District of the Atlantic Area and services ZIP Codes 19805, 19806, and 19807. These ZIP Codes serve about 57,298 people in a predominantly urban area.¹ This delivery unit has 46 city routes. We selected the Wilmington, DE area based on Congressional interest in Delaware and concerns raised during a recent House Oversight and Reform Committee hearing.² We judgmentally selected the Lancaster Avenue Station based on the number of Stop-the-Clock (STC)³ scans occurring at the delivery unit, rather than at the customer's point of delivery, and indicators for undelivered mail.⁴

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery, customer service, and property conditions at the Lancaster Avenue Station in Wilmington, DE.

To accomplish our objective, we focused on five audit areas: delayed mail, package scanning, truck arrival scans, arrow keys,⁵ 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 up-time.⁶ During our site visit we reviewed mail conditions; package and truck arrival scanning procedures; arrow key security procedures; and unit safety, security, and maintenance conditions. We also analyzed the scan status of mailpieces at the carrier cases and in the "Notice Left" area⁷ and interviewed unit management and employees. We discussed our observations

and conclusions as summarized in Table 1 with management on December 15, 2022, and included their comments where appropriate.

The Lancaster Avenue Station is one of six delivery units⁸ the U.S. Postal Service Office of Inspector General (OIG) reviewed during the week of October 24, 2022, that are serviced by the Delaware and Philadelphia Processing and Distribution Centers (P&DC). We are issuing this interim report to provide the Postal Service with timely information regarding conditions we identified at the Lancaster Avenue Station. We will issue a separate report⁹ that provides the Postal Service with the overall findings and recommendations for all six delivery units. See [Appendix A](#) for additional information about our scope and methodology.

Results Summary

We identified issues affecting mail delivery, customer service, and property conditions at the Lancaster Avenue Station. Specifically, we found issues with all five of the areas we reviewed (see Table 1).

Table 1. Summary of Results

Audit Area	Issues Identified	
	Yes	No
Delayed Mail	X	
Package Scanning	X	
Truck Arrival Scanning	X	
Arrow Keys	X	
Property Conditions	X	

Source: Results of our fieldwork during the week of October 24, 2022.

¹ We obtained ZIP Code information related to population and urban/rural classification from Esri, which is based on 2010 Census Bureau information. Of the people living in these ZIP Codes, about 54,563 (95.23 percent) are considered living in urban communities and about 2,735 (4.77 percent) are considered living in rural communities.

² [Delivering For Pennsylvania: Examining Postal Service Delivery and Operations from the Cradle of Liberty](#), September 7, 2022.

³ A scan event that indicates the U.S. Postal Service has completed its commitment to deliver or attempt to deliver the mailpiece. Examples of STC scans include "Delivered," "Available for Pick-up," and "No Access."

⁴ The undelivered mail metrics include Customer 360 (C360) inquiries, Informed Delivery inquiries, and non-delivered routes.

⁵ 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 subject to strict controls.

⁶ Time of day that clerks have completed distributing mail to the carrier routes.

⁷ The area of a delivery unit where letters or packages that the carriers were unable to deliver are stored for customer pickup.

⁸ The other five units were the Germantown Station, Philadelphia, PA (Project Number 22-208-1); Logan Station, Philadelphia, PA (Project Number 22-208-2); North Philadelphia Station, Philadelphia, PA (Project Number 22-208-3); Marshallton Branch, Wilmington, DE (Project Number 22-208-4); and Edgemoor Branch, Wilmington, DE (Project Number 22-208-5).

⁹ Project Number 22-208.

Finding #1: Delayed Mail

What We Found

On the morning of October 25, 2022, before carriers arrived at the unit, we identified about 53,932 delayed mailpieces at 37 carrier cases and on the workroom floor.¹⁰ Specifically, we identified 35,785 letters; 15,795 flats; and 2,352 packages. In addition, this mail was not reported as delayed in the Delivery Condition Visualization (DCV)¹¹ system. On the same morning, we identified about 14,561 pieces of delayed Delivery Point Sequence (DPS)¹² mail and flats that remained on the workroom floor after the carriers left for their routes. See Table 2 for the total number of pieces for each mail type and Figures 1, 2, and 3 for examples of delayed mail found at carrier cases and on the workroom floor.

Table 2. Delayed Mail by Type

Type of Mail	OIG Estimated Count of Delayed Mail
Letters	47,816
Flats	18,325
Packages	2,352
Totals	68,493

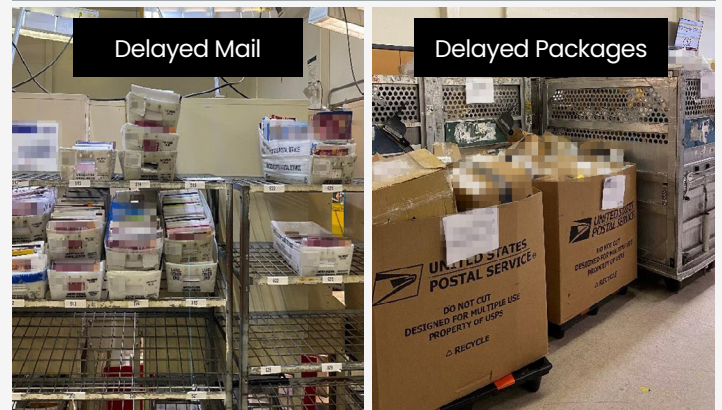
Source: OIG count of delayed mailpieces identified during our visit on October 25, 2022.

Figure 1. Examples of Delayed Mail in the Carrier Cases



Source: OIG photos taken October 25, 2022.

Figure 2. Examples of Delayed Mail and Packages on the Workroom Floor



Source: OIG photos taken October 25, 2022.

¹⁰ 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 and Management Instruction PO-610-2007-1, Piece Count Recording System.

¹¹ 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.

¹² Mail that arrives at a unit in sequential order and is ready to be taken directly to the street for delivery.

Figure 3. Examples of Delayed DPS Mail and Flats on the Workroom Floor



Source: OIG photos taken October 25, 2022.

Why Did It Occur

Management stated that the delayed mail occurred because the unit was short staffed and had several inexperienced employees. Specifically, the station had nine unassigned routes and several inexperienced carriers who were not familiar with how to properly case their routes. During our site visit we observed one carrier casing five routes in addition to his assigned route.

In addition, the delayed mail was not reported in the DCV system due to miscommunication among unit management. Specifically, the supervisor who normally enters delayed mail stated that she did not receive delayed mail information from the other supervisors.

What Should Have Happened

Management should have ensured that the station had enough resources to deliver all the mail each day. Postal Service policy¹³ states that managers must review all communications that may affect the day's workload and be sure that replacements are available for unscheduled absences. In addition, Postal Service policy¹⁴ states that all types of First-Class Mail, Priority Mail, and Priority Express Mail are always committed for delivery on the day of receipt. Management is required¹⁵ 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. In addition, management must update the DCV system if reported 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.

¹³ Handbook M-39, *Management of Delivery Services*, TL-14, Section 111.2, June 2019.

¹⁴ *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.

¹⁵ *Informed Visibility Delivery Condition Visualization User Guide*, September 2022.

Finding #2: Package Scanning

What We Found

Employees improperly scanned packages at the delivery unit. In total, employees scanned 269 packages at the delivery unit between July and September 2022 (see Table 3). Further analysis of the STC scan data for these packages showed that 48.33 percent of them were scanned “Delivered.” This data exclude scans that could properly be made at a delivery unit, such as “Delivered – PO Box” and “Customer (Vacation) Hold” but, rather, represent scans performed at the delivery unit that should routinely be made at the point of delivery. In addition, we only included “Delivery Attempted – No Access to Delivery Location” scans performed Monday through Friday to avoid legitimate scans for businesses that are closed on weekends.

In addition, on the morning of October 25, 2022, before carriers arrived for the day, we selected 54 packages¹⁶ to review and analyze scanning and tracking history. Of the 54 sampled packages, 23 (42.59 percent) had missing or improper scans, including:

- Seventeen (12 from the carrier cases and five from the “Notice Left” area) were missing an STC scan to let the customer know the reason for non-delivery.
- Six (two from the carrier case and four from the “Notice Left” area) were scanned “Delivery

Attempted–No Access to Delivery Location,” “Receptacle Full,” or “Held at Post Office at Customer Request” and were scanned away from the delivery point. Two of these packages were scanned at the delivery unit. Employees are required to scan all packages at the point of the delivery.

Further, 16 packages we reviewed in the “Notice Left” area were not returned to the sender, as required.¹⁷ These packages ranged from six to 143 days past their return dates.

Why Did It Occur

These scanning issues occurred because unit management did not adequately monitor and enforce proper package scanning and handling procedures. The station manager stated that she and three supervisors were recently transferred to the unit and were overwhelmed with failed deliveries and undelivered routes. Therefore, they focused on getting mail delivered and did not have time to strictly enforce proper package scanning and handling procedures.

In addition, packages in the “Notice Left” area were not returned due to inadequate management oversight. Specifically, the station manager stated that no one was assigned to review packages in the “Notice Left” area.

Table 3. STC Scans at Delivery Unit

STC Scan Type	July	August	September	Total	Percentage
Delivered	77	30	23	130	48.33%
Delivery Attempted – No Access to Delivery Location	61	35	21	117	43.49%
Receptacle Full / Item Oversized	9	1	1	11	4.09%
Refused	2	0	5	7	2.60%
Delivery Exception – Animal Interference	0	3	0	3	1.12%
No Secure Location Available	0	1	0	1	0.37%
Total	149	70	50	269	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.

¹⁶ We selected all 24 packages from the carrier cases and judgmentally selected 30 packages from the “Notice Left” area.

¹⁷ *Notice Left and Return Guidelines*, dated July 2007, states that domestic packages should be returned to sender on the 15th calendar day after a notice is left and international packages should be returned to sender on the 30th calendar day after a notice is left.

What Should Have Happened

Management should have monitored scan performance daily and enforced compliance, including ensuring that all packages are scanned at the delivery point and not at the delivery unit. The Postal Service's goal is to ensure proper delivery attempts for mailpieces to the correct address with proper service,¹⁸ which includes scanning packages at the time and location of delivery.¹⁹ Packages in the "Notice Left" area should have been reviewed for second notices and returned to sender if they remained after the prescribed number of days.

Effect on the Postal Service and Its Customers

Customers rely on accurate scan data to track their packages in real time. When employees do not scan mailpieces correctly, customers are unable to determine the actual status of their packages. By improving scanning operations, management can potentially improve mail visibility, increase customer satisfaction, and enhance the customer experience and Postal Service brand.

¹⁸ *Delivery Done Right the First Time* stand-up talk, March 2020.

¹⁹ *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

Finding #3: Truck Arrival Scanning

What We Found

Employees at the Lancaster Avenue Station did not scan incoming trailer/truck barcodes²⁰ as required. We reviewed data related to morning truck arrival scans from July 1 to September 30, 2022 and found that employees did not perform a scan for any of the 259 scheduled trucks arriving from the Delaware P&DC (see Table 4).

Effect on the Postal Service and Its Customers

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

Table 4. Truck Arrival Scans from July 1 through September 30, 2022

Month	Count of Inbound Trips	Count of Missed Scans	Percentage Missing
July	86	86	100%
August	89	89	100%
September	84	84	100%
Total	259	259	100%

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

Why Did It Occur

Management did not monitor scan performance data to ensure that all trucks received an arrival scan. Specifically, management was not aware of any reports available for monitoring truck scanning performance.

What Should Have Happened

Management should have reviewed truck arrival tracking reports to ensure that employees were performing all expected truck scans. According to Postal Service policy,²¹ employees must scan the trailer barcode on Postal Service trailer/trucks and Highway Contract Route trucks arriving at the delivery unit during local operating hours.

²⁰ The trailer barcode on the back door and inside right and left walls of the trailer.

²¹ *United States Postal Service Standard Operating Procedures – Subject: Trailer Scans at the Delivery Units (DU).*

Finding #4 Arrow Keys

What We Found

Unit management did not properly manage and safeguard arrow keys. On the morning of October 27, 2022, we reviewed the unit's inventory log for arrow keys and conducted a physical inventory of keys at the unit. Management could not locate seven of 45 keys listed on the inventory log and had not reported any of the missing keys to the U.S. Postal Inspection Service. In addition, management did not always keep arrow keys secure. Specifically, 10 keys were kept at the [REDACTED] and three were taken home with carriers. Furthermore, carriers were not signing the daily log to acknowledge their acceptance and return of their assigned keys.

Why Did It Occur

Management did not properly manage and safeguard arrow keys. Specifically, the station manager and three supervisors had been at the unit for less than one month and were more focused on mail delivery. In addition, we observed that the PM supervisor did not always keep the [REDACTED] secured because he was busy with other tasks, such as sorting and delivering mail; therefore, he sometimes left the [REDACTED] unsecured for carriers to return their arrow keys. The station manager stated that she requested a postal support employee to assist the PM supervisor.

What Should Have Happened

Management should have ensured that arrow key accountability and security procedures were properly followed. According to Postal Service policy,²² management must keep an accurate inventory of all keys and immediately report missing keys to the U.S. Postal Inspection Service. In addition, policy²³ states that arrow keys must remain secured until they are individually assigned to personnel. A supervisor or clerk must supervise employees signing out keys on the inventory log. Upon return, arrow keys should be deposited in a secure location and a supervisor or clerk must verify all keys have been returned and accounted for daily.

Effect on the Postal Service and Its Customers

When there is insufficient oversight and supervision of accountable items such as arrow keys, there is increased risk of mail theft. These thefts damage the Postal Service's reputation and diminish public trust in the nation's mail system. Additionally, because arrow keys open mail receptacles, lost or damaged keys can result in undelivered mail.

²² *Administrative Support Manual* Issue 13, Sections 273.461, 273.464, and 273.471, July 1999 - updated through March 31, 2022.

²³ *Standard Work: Arrow Key Accountability*, January 2022 and *USPS Arrow Key Standard Work*, January 2022.

Finding #5: Property Conditions

What We Found

We found one safety issue at the Lancaster Avenue Station. Specifically, all five fire extinguishers were missing annual inspections. The last annual inspections were completed in September 2021.

Why Did It Occur

Management did not ensure that the fire extinguishers were inspected annually because other duties took priority, such as staffing and getting the mail out for delivery each day.

What Should Have Happened

Management should have ensured that fire extinguishers were inspected annually. The Postal Service is required to maintain a safe environment for employees and customers. In addition, the Occupational Safety and Health Administration (OSHA) requires employers to provide a safe and healthy workplace free of recognized hazards.²⁴

Effect on the Postal Service and Its Customers

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

Management's Comments

Management agreed with all findings in the report.

See [Appendix B](#) for management's comments in their entirety.

²⁴ OSHA Act of 1970 and Handbook EL-801, *Supervisor's Safety Handbook*.

Appendix A. Additional Information

We conducted this audit from October 2022 through January 2023 in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We relied on computer-generated data from the PTR, DCV, and the SVWeb database. Although we did not test the validity of the controls over these systems, we assessed the accuracy of the data by reviewing existing information, comparing data from other sources, observing operations, and interviewing Postal Service officials knowledgeable about the data. We determined the data were sufficiently reliable for the purposes of this report.

Appendix B: Management's Comments



December 20, 2022

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Mail Delivery, Customer Service, and Property
Conditions Review – Lancaster Avenue Station, Wilmington, DE (Project
Number 22-208-6)

Thank you for providing the Postal Service with an opportunity to review and comment on the findings and recommendations contained in the draft audit report, *Mail Delivery, Customer Service, and Property Conditions Review – Lancaster Avenue Station, Wilmington, DE*.

Management agrees with all five findings in the report related to delayed mail, package scanning, truck arrival scanning, arrow keys, and property conditions.

Management has begun taking steps to address the five findings.

A handwritten signature in black ink, appearing to read "E. Williamson", written over a horizontal line.

Edward B. Williamson
A/District Manager, Delaware-Pennsylvania 2 District

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

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