

Service Performance of the New Sorting and Delivery Center in Binghamton, NY

AUDIT REPORT

Report Number 24-069-R24 | July 25, 2024



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Highlights

Background

As part of the Postal Service's Delivering for America plan, the Postal Service is redesigning its network of nearly 19,000 delivery units to reduce inefficient operations and costs. The Postal Service has identified key markets where it can aggregate several delivery units into fewer, larger, sorting and delivery centers (S&DCs) that are centrally located. The Postal Service stated that the creation of S&DCs will reduce transportation and mail handling costs, provide customers with additional services, standardize operations, and improve building and operating conditions for employees.

Over 400 S&DCs are planned to deploy in the next few years. To evaluate how service performance changed after implementation of an S&DC, we judgmentally selected the Binghamton, NY, Main Post Office for review. The Binghamton S&DC will absorb delivery operations for 10 other smaller post offices and have 150 routes, serving 17 ZIP Codes, once fully implemented. Consistent mail service throughout these transitions is imperative to meeting customer expectations and preserving the Postal Service brand.

What We Did

Our objective was to evaluate service performance before and after implementation of the Binghamton, NY, S&DC. To evaluate service performance before and after conversion, we conducted a statistical sample test of mailpieces sent and delivered within the Binghamton S&DC service area.

What We Found

Service performance in Binghamton, NY, and surrounding areas remained largely unchanged after implementation of the Binghamton NY, S&DC. Additionally, the Postal Service enacted several improvements and best practices from prior S&DC conversions that assisted in a smooth S&DC transition and minimal disruption to mail service. However, we found that Post Office Box mail was being delivered after the expected delivery time. Additionally, with the spoke office's mail flowing through the S&DC, it caused confusion for clerks sorting mail and for customers on where to pick up packages when carriers left attempted mail delivery notifications.

Recommendations and Management's Comments

We made one recommendation related to service performance stability and successes and two recommendations related to management oversight at the Binghamton S&DC.

Management agreed with all three recommendations, and the Office of Inspector General (OIG) considers management's comments responsive, as corrective actions should resolve the issues identified in the report. The Postal Service's comments and our evaluation are at the end of each finding and recommendation. See [Appendix B](#) for management's comments in their entirety.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

July 25, 2024

MEMORANDUM FOR: SCOTT P. RAYMOND
VICE PRESIDENT, RETAIL & DELIVERY OPERATIONS - ATLANTIC
AREA

LESLIE JOHNSON – FRICK
EXECUTIVE DIRECTOR, SORTING AND DELIVERY CENTER
IMPLEMENTATION

Mary K. Lloyd

FROM: Mary Lloyd
Deputy Assistant Inspector General
for Mission Operations

SUBJECT: Audit Report – Service Performance of the New Sorting and
Delivery Center in Binghamton, NY
(Report Number 24-069-R24)

This report presents the results of our audit of Service Performance of the New Sorting and Delivery Center in Binghamton, NY.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. All recommendations 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 appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Todd Watson, Director, Network Processing, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit Response Management
Secretary of the Board of Governors

Results

Introduction/Objective

This report presents the results of our self-initiated audit on Service Performance of the New Sorting and Delivery Center (S&DC) in Binghamton, NY (Project Number 24-069). Our objective was to evaluate service performance before and after implementation of the Binghamton, NY, S&DC. See [Appendix A](#) for additional information about this audit.

Background

As part of its 10-year Delivering for America plan,¹ the Postal Service is redesigning its network of nearly 19,000 delivery units to reduce inefficient operations and costs. Delivery units house carriers and are where mail makes its final stop before delivery. The Postal Service has identified key markets where it can aggregate several delivery units into fewer, larger, S&DCs that are centrally located. These larger S&DCs will have delivery operations and automated package sorting operations, reducing labor hours previously spent sorting those packages by hand. The Postal Service stated that the creation of S&DCs will reduce transportation and mail handling costs, provide customers with additional services, standardize operations, and improve building and operating conditions for employees. Additionally, the Postal Service stated that there will be minimal impact to service performance with aggregating delivery units into S&DCs. Consistent mail service throughout these transitions is imperative to meeting customer expectations and preserving the Postal Service brand.

“Consistent mail service throughout these transitions is imperative to meeting customer expectations and preserving the Postal Service brand.”

The Postal Service plans to deploy over 400 S&DCs in the next few years, with 54 conversions being implemented as of February 2024. To evaluate whether service performance changed after implementation of an S&DC, we judgmentally selected the Binghamton, NY, Main Post Office for review. We selected this facility because it had the most offices and carrier routes affected when converting to an S&DC. Before the Binghamton, NY, Main Post Office was converted into an S&DC on February 24, 2024, it had 78 carrier routes to deliver mail and serviced six ZIP Codes. Once the facility is fully converted into an S&DC in February 2025, it will have absorbed delivery operations for 10 other smaller post offices within a 30-minute driving radius, having 150 carrier routes across 17 ZIP Codes.² See [Table 1](#) for a listing of delivery units being absorbed into the S&DC.

¹ *Delivering For America – Our Vision and 10 Year Plan to Achieve Financial Sustainability and Service Excellence*, published March 23, 2021.

² Nine of the 10 facilities were absorbed on February 24, 2024. The Vestal Main Post Office is estimated to be absorbed in February 2025.

Table 1. Binghamton, NY, S&DC Conversion Overview

S&DC Name	S&DC Address	S&DC City and State	Date of Conversion	Total ZIP Codes		Total Routes
Binghamton S&DC	115 Henry St	Binghamton, NY	Feb-24	17		150
Post Offices Absorbed	Post Office Address	Spoke City/State	Date of Conversion	ZIP Codes	Zip Codes Absorbed	Routes
Binghamton Main Post Office	115 Henry St	Binghamton, NY	Feb-24	6	13790, 13795, 13901, 13903, 13904, 13905, 13902*	78
Chenango Bridge - Main Office	511 Main St	Chenango Bridge, NY	Feb-24	1	13744, 13745*	1
Chenango Forks - Main Office	6554 State Route 79	Chenango Forks, NY	Feb-24	1	13746	2
Conklin - Main Office	1101 Conklin Rd	Conklin, NY	Feb-24	1	13748	3
Endicott - Main Office	200 Washington Ave	Endicott, NY	Feb-24	1**	13760**, 13761*, 13762*	27
Endicott - Union Station	311 Exchange Ave	Endicott, NY	Feb-24	1**	13760**, 13763*	6
Maine - Main Office	2597 Main St	Maine, NY	Feb-24	1	13802	1
Port Crane - Main Office	12 Canal St	Port Crane, NY	Feb-24	1	13833	3
Whitney Point - Main Office	2641 Main St	Whitney Point, NY	Feb-24	2	13777, 13862	4
Windsor - Main Office	652 Old Route 17	Windsor, NY	Feb-24	2	13865, 13826	5
Vestal - Main Post Office	117 Rano Blvd	Vestal, NY	Feb-25 (Est.)	1	13850, 13851*	20

Source: Table created by auditors based on Postal Service data.

* ZIP Code includes only Post Office Boxes.

** Partial ZIP Code.

The map below highlights the service area of the Binghamton S&DC and shows the distances between the Binghamton S&DC and the spoke offices, including the future incorporation of the Vestal Post Office. The furthest post office absorbed into the Binghamton S&DC was 16 miles away (See [Figure 1](#)).

To evaluate service performance before and after conversion, we conducted a statistical sample of 600 mailpieces sent from and to the Binghamton S&DC service area. Our test included every ZIP Code of the

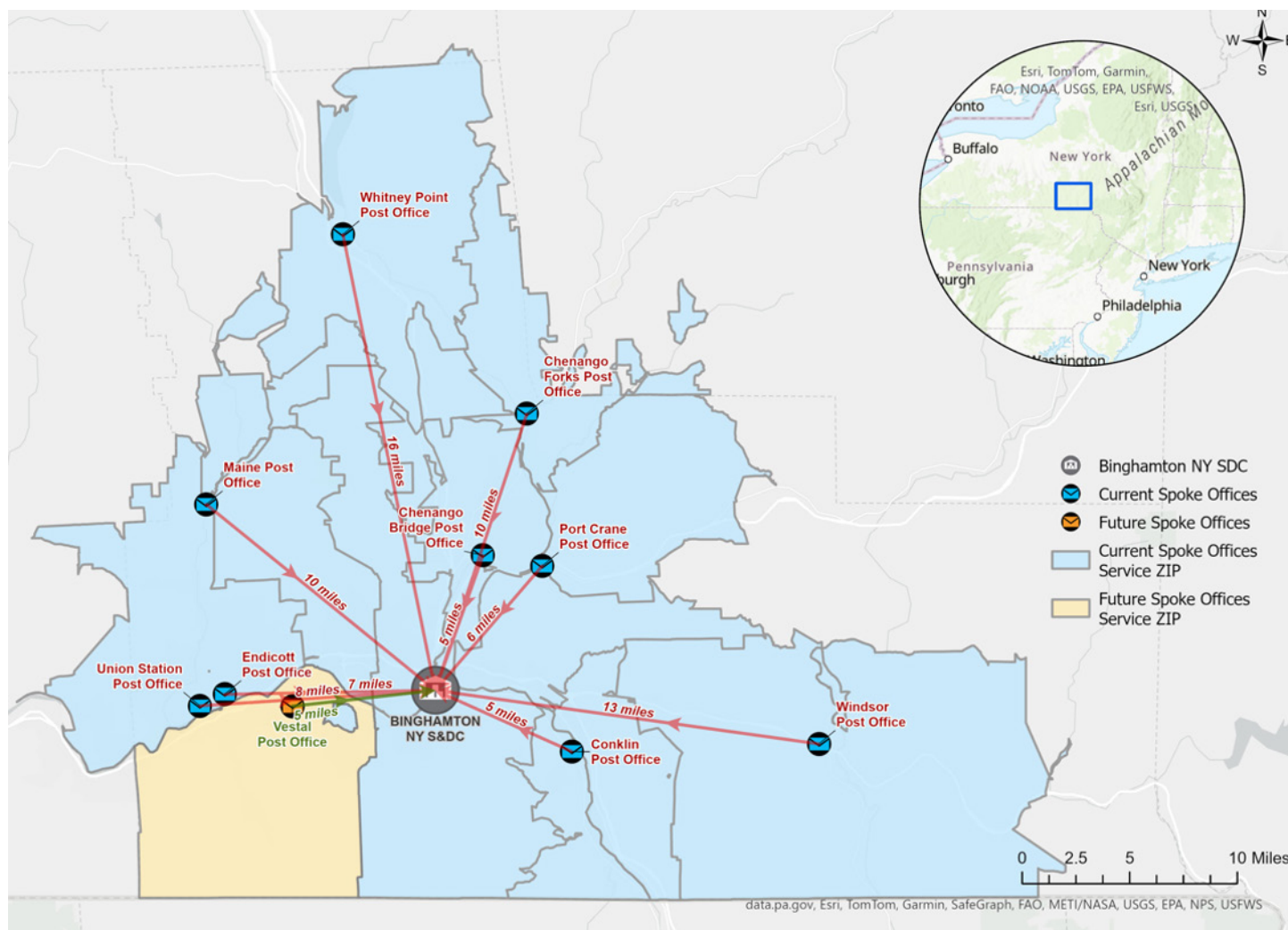
Binghamton S&DC service area³ and included the following products:

- 2-Day Ground Advantage
- 2-Day Priority
- 2-Day Single Piece First-Class Letters

We mailed 100 pieces of each of product before and after the S&DC conversion for a total of 600 mailpieces.

³ ZIP Codes serviced by the Vestal Main Post Office were excluded from our test.

Figure 1. Binghamton S&DC Spoke Offices and Service Area as of May 2024



Source: Map created by OIG based on Postal Service data.

Finding Summary

Overall, we found that service performance in Binghamton, NY, and surrounding areas remained largely unchanged after implementation of the Binghamton, NY, S&DC. Additionally, the Postal Service enacted several improvements and best practices from prior S&DC conversions that assisted in a smooth S&DC transition and minimal disruption to mail service. However, after the facility was converted

into an S&DC, carriers delivered Post Office Box mail to the spoke post offices after their expected delivery times, but still on the same day. Additionally, with the spoke offices' mail now flowing through the S&DC, it caused confusion for clerks manually sorting mail to the wrong associate post offices and for customers on where to pick up packages when carriers left attempted mail delivery notifications.

Finding #1: Generally Stable Service Performance

Table 2. On-Time Performance Before and After Conversion

Mail Product	Samples	Pre-Implementation		Post-Implementation		On-Time Percent Change
		Delayed *	Percent On-Time	Delayed *	Percent On-Time	
2-Day Letter	100	4	96%	5	95%	-1%
2-Day Ground Advantage	100	■	■	■	■	■
2-Day Priority Package	100	■	■	■	■	■
Total	300	15	95%	22	93%	-2%

Source: OIG independent mail test and analysis.
*Includes mail delayed one day or more.

We found service performance in Binghamton, NY, and surrounding areas remained largely unchanged after implementation of the Binghamton, NY, S&DC. Specifically, our sample mail test showed the amount of mail delivered on time before and after the facility converted to an S&DC decreased minimally by two percentage points overall, (see Table 2).

Additionally, after excluding delayed mailpieces we could identify as failing outside the control of the Binghamton S&DC, such as pieces delayed at the

processing facility, we found little change in on-time service performance due to the Binghamton S&DC conversion (see Table 3).

Our mail test results generally aligned with Postal Service performance data between January 2024 and March 2024. Postal Service performance data showed there was little change in the service performance of mail when it moved between the customer and the delivery unit (see Figure 2).

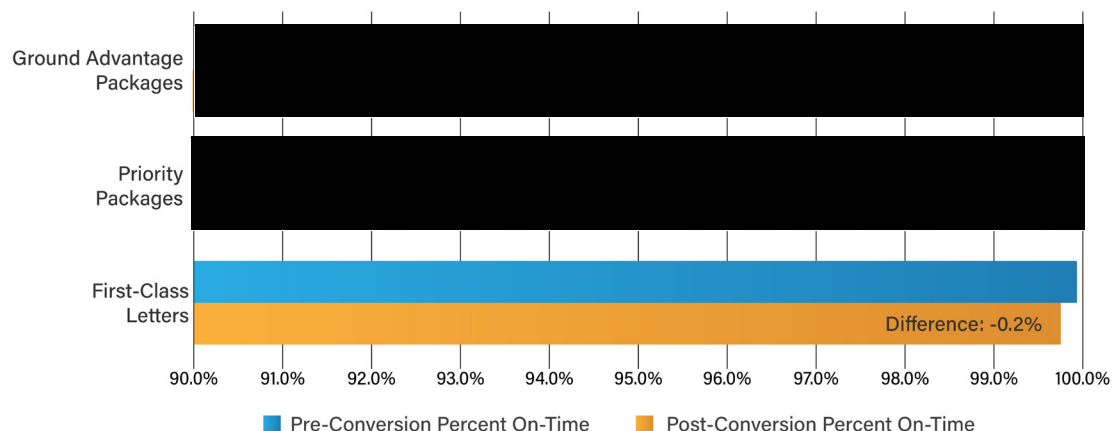
Table 3. On-Time Performance Before and After Conversion, Excluding Processing Failures

Mail Product	Samples	Pre-Implementation		Post-Implementation		On-Time Percent Change
		Delayed *	Percent On-Time	Delayed *	Percent On-Time	
2-Day Letter	100	4	96%	5	95%	-1%
2-Day Ground Advantage	100	■	■	■	■	■
2-Day Priority Package	100	■	■	■	■	■
Total	300	7	98%	8	97%	0%

Source: OIG independent mail test and analysis. Processing failures identified with mail scans from Enterprise Data Wearhouse (EDW)
*Includes mail delayed one day or more limited to the Binghamton S&DC controllable delayed mail.

Figure 2. On-Time Performance at the Binghamton S&DC Between January 1, 2024, and March 31, 2024*

Source: Postal Service Informed Visibility (IV) and EDW.
*Includes on-time performance of mail moving between the Binghamton S&DC and the customer.



Best Practices Implemented

The Postal Service enacted several improvements and best practices from prior S&DC conversions that assisted in a smooth S&DC transition and minimal disruption to mail service. For example, as part of the S&DC strategy, the Binghamton S&DC received a Small Delivery Unit Sorter (SDUS) to automate package sorting for carriers, thus reducing time and space associated with manually sorting packages. The facility installed their SDUS in July 2023, seven months before converting to an S&DC and absorbing additional carrier routes. This allowed the facility to set up the SDUS, complete testing, and identify potential issues before absorbing additional carriers. During previous audits, we had found issues with the initial deployment of SDUS machines, resulting in high reject rates and sort program⁴ problems.⁵ Management stated getting the SDUS months before the S&DC conversion was essential to a smooth transition.

The Binghamton S&DC also integrated carriers from the surrounding post offices incrementally. They absorbed carriers from nine post offices with 52 delivery routes during the initial conversion in February 2024 and plan to absorb the final post office with 20 delivery routes in February 2025. Moving carriers and delivery routes from spoke post offices into the S&DC in two rounds helped avoid additional employee confusion and geographically limited potential risks to mail service.

The Binghamton S&DC implementation resulted in minimal impact to delayed mail and allowed for a smooth transition because of the Postal Service's planning and coordination efforts.

Recommendation #1:

We recommend the **Executive Director, Sorting and Delivery Center Implementation**, share Binghamton, NY, Sorting and Delivery Center (S&DC) successes and continue to equip future S&DCs with the machines and tools necessary before converting. Additionally, determine the feasibility of making incremental changes when deploying future S&DCs.

Postal Service Response

Management generally agreed with this finding and agreed with recommendation 1. Management stated they will aim to install SDUS machines one month prior to site activations. Additionally, management stated they will build sort programs from existing programs to add incoming spoke routes. The target implementation date is October 31, 2024.

OIG Evaluation

The OIG considers management's comments responsive to recommendation 1, and corrective actions should assist the Postal Service in deploying best practices to new S&DCs.

⁴ Process through which mail and packages are sorted to routes for delivery.

⁵ Review of USPS Sorting and Delivery Centers Opened in Quarters 1 and 2 of FY 2023, 23-062-R23, dated September 12, 2023.

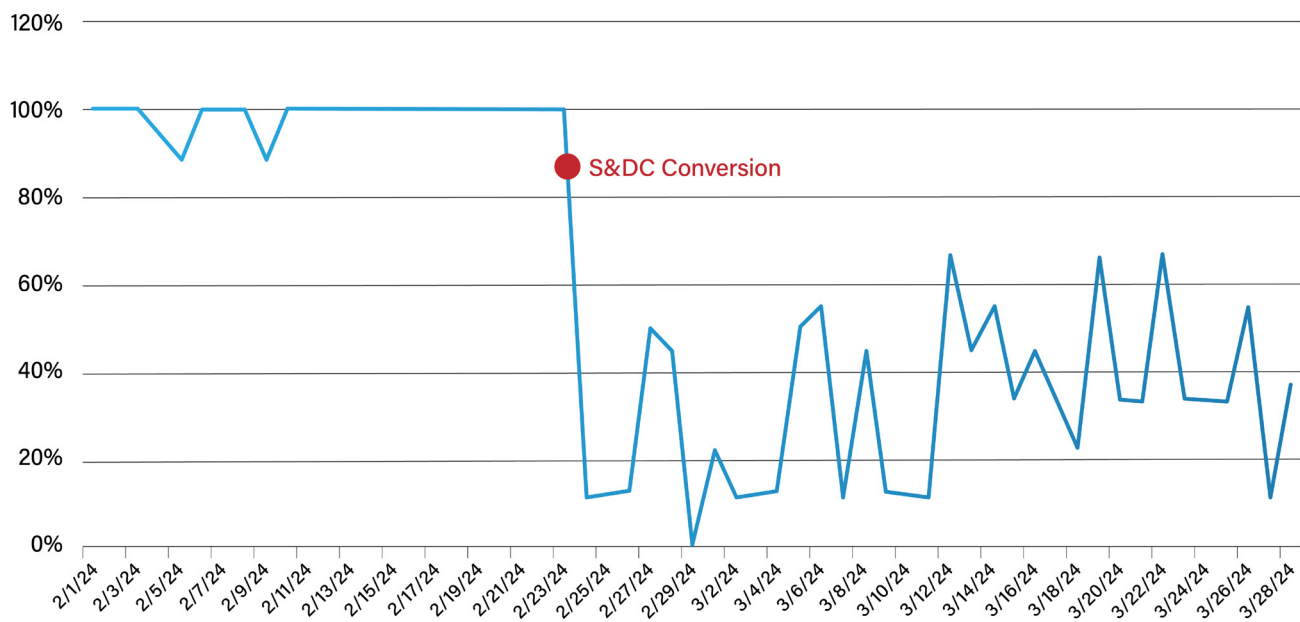
Finding #2: Binghamton S&DC Missed Post Office Box Delivery Times

The Postal Service had a substantial decline in meeting PO Box delivery times at the spoke offices that consolidated carriers into the Binghamton S&DC. The month prior to the S&DC conversion, the nine spoke offices delivered mail to their PO Box section on time or early 99 percent of the time. Similar to what we have found in previous audits,⁶ after the S&DC conversion, the amount of mail delivered to PO Box sections at the spoke offices on time declined significantly. On average, only 34 percent of PO Box mail was delivered on time, which was a 65 point decrease (see Figure 3).

PO Box delivery time is the time-of-day customers can expect to collect all mail for their PO Box for that

day. Each unit must have a scheduled PO Box time for committed box mail to be finalized and available to customers.⁷ The local postmaster, with district approval, is responsible for establishing the local PO Box times. Postmasters should strive to have all mail in PO Boxes as early as operationally possible to attract and retain customers to this premium mail service. On average, PO Box mail at the spoke post offices was available to the customers three hours later than before conversion (see Table 4). Further, on average, 5 of the 9 facilities missed their expected PO Box completion time during the month following the conversion.

Figure 3. PO Box On-Time Percentage in the Binghamton S&DC Service Area



Source: Postal Service Scan Point Management System.

⁶ Review of USPS Sorting and Delivery Centers Opened in Quarters 1 and 2 of FY 2023, Report Number 20-062-R23, dated September 12, 2023; Sorting and Delivery Center Impacts in the Florida 1 District, Report Number 23-171-R24, dated May 28, 2024.

⁷ Handbook PO-209, Retail Operations Handbook, section 5-4.2, dated August 2023.

Table 4. Average PO Box Delivery Time Between February 2024 and March 2024

Office Name	Expected Time	Pre-Conversion Average PO Box Time	Post-Conversion Average PO Box Time
Chenango Bridge - Main Office	10:30 AM	8:35 AM	10:29 AM
Chenango Forks - Main Office	10:00 AM	8:31 AM	10:30 AM
Conklin - Main Office	10:00 AM	8:31 AM	10:27 AM
██████████	9:30 AM	8:26 AM	11:26 AM
Endicott- Union Station	9:30 AM	8:36 AM	12:30 PM
Maine - Main Office	12:00 PM	8:32 AM	11:32 AM
██████████	10:30 AM	8:24 AM	10:29 AM
Whitney Point - Main Office	10:30 AM	9:29 AM	11:30 AM
Windsor - Main Office	10:00 AM	8:19 AM	9:35 AM
Combined		8:29 AM	11:30 AM

Source: Postal Service Scan Point Management System.

Before the Binghamton S&DC conversion, mail was transported directly between the processing plant and the 10 individual delivery units. After the S&DC conversion, mail began being transported between the plant and the Binghamton S&DC. From the S&DC, carriers load PO Box mail onto their trucks and drop it off at the corresponding spoke office along their normal routes. The carrier should be delivering the mail to the spoke offices before their stated PO Box time. However, this was not occurring after the S&DC conversion because either the carriers were leaving the Binghamton S&DC late, the spoke offices were understaffed, or the spoke post offices were geographically at a disadvantage to where the carrier route started. Management stated that carriers rarely made it to their offices before their scheduled PO Box time. Additionally, when the carrier delivers the mail, it may sit at the office before getting put in the PO Boxes. Some post offices were staffed with only one clerk and a postmaster, leaving them with limited ability to service the PO Boxes if customers were present for window service.

Due to the issues noted above, customers are not receiving their PO Box mail timely and consistently, leading to complaints and the potential for lost PO Box revenue. At the time of our reporting, the Postal Service has acted by changing PO Box delivery times at the Binghamton S&DC and spoke offices to 12 p.m. as of June 24, 2024; therefore, we are not making a recommendation.

Postal Service Response

Management generally agreed with this finding.

OIG Evaluation

Although this finding did not contain any recommendations, the OIG considers management's comments responsive to the finding.

Finding #3: Lack of Management Oversight at the Binghamton S&DC

The Postal Service has an opportunity to improve its management oversight over mail distribution and delivery at the Binghamton S&DC. We found that mail from spoke offices that flowed through the S&DC caused confusion among both clerks and customers. Clerks were manually sorting mail to the wrong associated post offices, and customers did not know where to pick up mail when receiving attempted delivery notifications.

Mail Sorted to Incorrect Routes

Postmasters at spoke offices that had their carriers and delivery routes converted into the S&DC expressed concerns about receiving manually sorted mail that belonged to another station due to it being put on the wrong carrier route. During our observations in March 2024, 30 days after the S&DC conversion, we found letters in the manual sortation area were sorted to the wrong carrier route or station (see Figure 4).

Figure 4. Conklin Letter Missorted to Port Crane



Source: Photo taken by OIG at the Binghamton S&DC March 25, 2024.

Additionally, we found a tub of 23 packages that should have been delivered to the Whitney Point Post Office, but was placed on the wrong route and sent to the Maine Post Office. Management at the Maine Post Office stated these packages will be returned to the Binghamton S&DC before being routed to the correct carrier route, further delaying them. The spoke offices addressed their concerns to management at the Binghamton S&DC, but management at the Binghamton S&DC was not proactively addressing identified issues. The management team at the S&DC and the postmasters at spoke offices acknowledged mail had been getting misplaced on incorrect carrier routes. However, they had a reactive approach to address misplaced mail; they relied on the carriers to identify and return mail to the correct route or call each other and try to identify where missing mail may be. Additionally, management was not ensuring clerks accurately distributed mail or that carriers accurately verified mail received was for their route. A function of the postmaster or a supervisor is to manage carriers and clerks in mail distribution, delivery and collection, and window service activities. Additionally, postmasters and supervisors are responsible for ensuring all employees have sufficient knowledge and training to complete their jobs.⁸

Mail being distributed to the incorrect route can lead to last-mile service failures and delivery inefficiency, if not identified and corrected timely.

Inaccurate Notifications Causing Customer Confusion

Postmasters reported customer complaints of receiving attempted delivery notifications (PS Form 3849)⁹ that did not have the correct time and location for where and when they could pick up their package. Customers should pick up their missed deliveries from their local post office or have the items redelivered. With the new mail flow of the S&DC, all spoke office mail that could not be delivered gets temporarily returned to the S&DC after the carrier completes their route. Packages that were attempted

⁸ Handbook M-39, *Management of Delivery Services*, section 111.2(c), dated June 2019.

⁹ PS Form 3849 is the Redelivery Notice left by carrier for a customer when mailpiece was attempted but not delivered.

delivery for an address serviced by a spoke office were not available at the spoke office until the carrier brought it the next day from the S&DC, typically hours after the office opened. Prior to the S&DC, packages that were attempted were returned to the local post office the same day after the carrier completed their route. With mail moving between the spoke offices and the S&DC, accurate attempted delivery notifications assist customers in knowing when and where their package will be available. One postmaster stated customers come to the local office the same day or the following morning after they receive an attempted delivery notification, but the notification did not indicate an accurate day or time their mail would be available since the carrier

“Associates at the S&DC are not answering customer phone calls, creating difficulties for customers when trying to locate their mail.”

had not yet brought it to the local office. Another postmaster stated that carriers were incorrectly leaving attempted notification tags with instructions to pick up their mail from the Binghamton S&DC instead of the local office, where it should be picked up.

When carriers attempt to deliver a package that cannot be delivered, they must leave a notification for that customer. The notification should indicate the date, location, availability for pickup, and why they could not deliver their item.¹⁰

This issue of inaccurate notifications is occurring because the Binghamton S&DC is using pre-populated notification tags directing customers to the Binghamton S&DC, which are not intended for carriers servicing spoke offices. While blank notifications are available to all carriers, allowing them to fill in the correct pick-up location, they are not always accurately filling them out upon

an attempted delivery. Additionally, associates at the S&DC are not answering customer phone calls, creating difficulties for customers when trying to locate their mail. The OIG called the S&DC on three separate occasions during business hours, and no one answered the telephone on all three occasions.

Recommendation #2

We recommend the **Vice President, Retail & Delivery Operations – Atlantic Area**, direct local management to properly oversee carriers and clerk functions. Also identify the cause of inaccurate distribution of mail and develop a corrective action plan.

Recommendation #3

We recommend the **Vice President, Retail & Delivery Operations – Atlantic Area**, direct local management to regularly communicate to carriers the importance of providing accurate details on Postal Service form 3849.

Postal Service Response

Management generally agreed with this finding and agreed with recommendations 2 and 3. For recommendation 2, management stated they developed and implemented a Standard of Work Instruction for missorted mail, and local management will conduct monthly checks and provide feedback on distribution clerks on accurate distribution of mail. For recommendation 3, management stated they developed a Standard Work Instruction for hub and spoke offices to use the correct form 3849 with correct pickup times. The target implementation date for both recommendations is October 31, 2024.

OIG Evaluation

The OIG considers management's comments responsive to recommendations 2 and 3, and corrective actions should resolve the issues identified in the report.

¹⁰ Standard Work Instructions for Carrier PS Form 3849.

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Appendix A: Additional Information

Scope and Methodology

The scope of this project is to observe the implementation and service impacts of the Binghamton, NY, S&DC conversion in February 2024.

To accomplish our objective, we:

- Conducted site visits at the Binghamton S&DC and associated post offices.¹¹
- Conducted meetings with key personnel from Postal Service Headquarters and interviewed management and staff at the Binghamton S&DC and associated post offices.
- Conducted a paired mail test by using a random statistical sample within the local Binghamton S&DC service area.
- Analyzed service performance and first and last mile failures in January and February 2024 (pre-S&DC implementation) and in March 2024 (post-S&DC implementation).
- Analyzed PO Box up-times in February 2024 (pre-S&DC implementation) and in March 2024 (post-S&DC implementation).

We conducted this performance audit from January through July 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. We discussed our observations and

conclusions with management on June 27, 2024, and included their comments where appropriate.

In planning and conducting the audit, we obtained an understanding of delayed mail, transportation, and delivery unit 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 these five components were significant to our audit objective:

- Control Environment
- Risk Assessment
- 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 control activities and monitoring that were significant within the context of our objectives. Our recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of various¹² data sources obtained from Postal Service systems and management by performing electronic testing of required data elements, reviewing existing information about the data and the system that produced them, and interviewing agency officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report.

¹¹ Associated post offices include Chenango Bridge, Chenango Forks, Conklin, Endicott Main, Endicott Union Station, Maine, Port Crane, Whitney Point, and Windsor.

¹² Various data sources included: Enterprise Data Warehouse, Facility Database, PostalPro, Informed Visibility, and Scan Point Management System.

Prior Audit Coverage

Report Title	Objective	Report Number	Final Report Date	Monetary Impact (In Millions)
<i>Sorting and Delivery Center Impacts in the Florida 1 District</i>	Assess the impact of the Postal Service's S&DC implementation in the Postal Service's Florida 1 District.	23-171-R24	5/28/2024	■
<i>Review of USPS Sorting and Delivery Centers Opened in Quarters 1 and 2 of FY 2023</i>	Assess the Postal Service's effectiveness of communications with stakeholders and identify successes, opportunities, and lessons learned during the launch of the new S&DC's.	23-062-R23	9/12/2023	None
<i>Improving Service Performance and Mail Processing Efficiencies at Historically Low Performing Facilities</i>	Evaluate service performance and processing efficiencies at 10 low performing mail processing facilities and determine potential areas for improvement.	21-243-R22	8/8/2022	\$82.4
<i>Nationwide Service Performance</i>	Assess the U.S. Postal Service's service performance for all mail classes over an 18-month period and determine the most common failure points in the mail flow process.	21-120-R21	9/20/2021	None
<i>Service Performance First-Class Single Piece Letter Mail</i>	Evaluate service performance for First-Class Single Piece letter mail nationally and in 17 selected districts.	21-047-R21	9/3/2021	None

Appendix B: Management's Comments



July 19, 2024

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Service Performance of the New Sorting and Delivery Center in Binghamton, NY. (Report Number 24-069-DRAFT)

Thank you for providing the Postal Service an opportunity to review and comment on the findings contained in the draft audit report, *Service Performance at the New Sorting and Delivery Center in Binghamton, NY*.

Management generally agrees with the findings in the report.

Following are our comments on each of the three recommendations.

Recommendation 1: We recommend the Executive Director, Sorting and Delivery Center Implementation, share Binghamton, NY, Sorting and Delivery Center (S&DC) successes and continue to equip future S&DCs with the machines and tools necessary before converting. Additionally, determine the feasibility of making incremental changes when deploying future S&DCs.

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

- Management agrees to aim toward a standard to install the SDUS machines 1 month prior to activation where there are no external impacts to the sites (ie. activation schedule or construction delays).
- Management agrees to ensure the sort program is built from the existing program so the IE can add incoming spoke routes. If the new program doesn't impact the old, the IE can upload routes to the machine early. The standard process is to have the new program uploaded to the machine the Wednesday prior to activation and to validate it is working properly the Friday before activation.

Target Implementation Date: 10/31/2024

Responsible Official:
Executive Director, Sorting and Delivery Center Implementation

Recommendation 2: We recommend the Vice President, Retail & Delivery Operations – Atlantic Area, direct local management to properly oversee carriers and clerk functions. Also identify the cause of inaccurate distribution of mail and develop a corrective action plan.

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

- SWI developed and implemented for mail missorted to wrong spokes to speed up turn around to correct office.
- Monthly Case/Scheme Check: Binghamton management will conduct monthly scheme checks utilizing PS form 3974 on all distribution clerks utilized to staff both manual distribution cases. We will provide feedback and schedule time for clerks to better familiarize themselves with all schemes as necessary.

Target Implementation Date: 10/31/2024

Responsible Official:
Postmaster

Recommendation 3: We recommend the Vice President, Retail & Delivery Operations – Atlantic Area, direct local management to regularly communicate to carriers the importance of providing accurate details on Postal Service form 3849.

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

- SWI developed for hubs and spokes to utilize correct 3849s with correct pick up times.

Target Implementation Date: 10/31/2024

Responsible Official:
Postmaster

E-SIGNED by SCOTT.P RAYMOND
on 2024-07-19 19:53:50 GMT

Scott P. Raymond
Vice President, Retail & Delivery Operations (Atlantic)

E-SIGNED by LESLIE E JOHNSON-FRICK
on 2024-07-19 19:47:22 GMT

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