

# Sunnyslope Carrier Annex, Phoenix, AZ: Delivery Operations

## AUDIT REPORT

Report Number 25-046-5-R25 | April 1, 2025





# Transmittal Letter



OFFICE OF INSPECTOR GENERAL  
UNITED STATES POSTAL SERVICE

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April 1, 2025

**MEMORANDUM FOR:** TINA M. SWEENEY  
MANAGER, ARIZONA-NEW MEXICO DISTRICT

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

**FROM:** Sean Balduff  
Director, Field Operations, Central & Southern

**SUBJECT:** Audit Report – Sunnyslope Carrier Annex, Phoenix, AZ: Delivery  
Operations (Report Number 25-046-5-R25)

This report presents the results of our audit of delivery operations and property conditions at the Sunnyslope Carrier Annex in Phoenix, AZ.

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

# Results

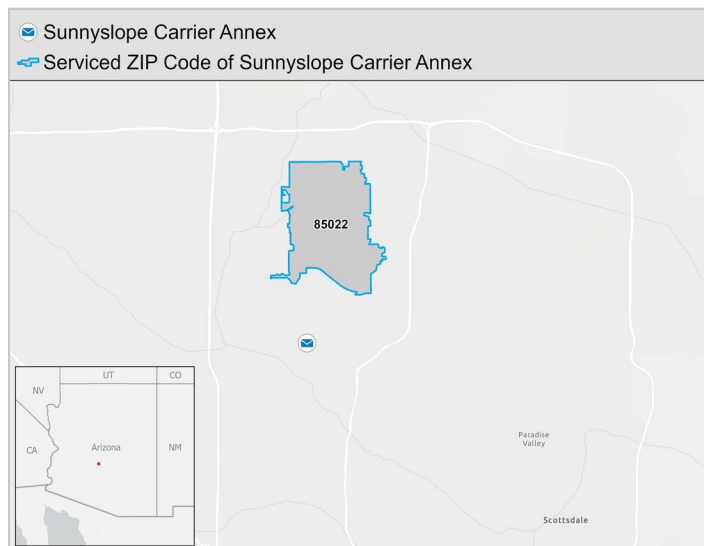
## Background

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 Sunnyslope Carrier Annex in Phoenix, AZ (Project Number 25-046-5). The Sunnyslope Carrier Annex is in the Arizona-New Mexico (AZ-NM) District of the WestPac Area and serves about 51,736 people in ZIP Code 85022, which is considered an urban community<sup>1</sup> (see Figure 1).

This delivery unit has 32 city routes. From November 2 through November 29, 2024, the delivery unit had four supervisors.<sup>2</sup> Of these supervisors, one was detailed to a different facility during the week of our site visit, and another supervisor was assigned to manage this unit and a neighboring delivery unit at the same time. The Sunnyslope Carrier Annex falls under the Phoenix Post Office for employee availability measurement. As of November 29, 2024,<sup>3</sup> the employee availability rate for the Phoenix Post Office was 91.6 percent, which is under the Postal Service’s retail and delivery operations employee availability goal of 93.6 percent for fiscal year 2024. The Sunnyslope Carrier Annex is one of five delivery units<sup>4</sup> the OIG reviewed during the week of January 13, 2025, that are serviced by the Phoenix Processing and Distribution Center (P&DC) and West Valley P&DC.

**Figure 1. ZIP Code Serviced by the Sunnyslope Carrier Annex**



Source: OIG analysis of ZIP Code data.

We assessed all units serviced by the Phoenix and West Valley P&DCs based on the number of Customer 360<sup>5</sup> (C360) delivery-related inquiries,<sup>6</sup> Informed Delivery<sup>7</sup> contacts, stop-the-clock<sup>8</sup> (STC) scans performed away from the delivery point and at the unit, undelivered route information, and first and last mile failures<sup>9</sup> between September 1 and November 30, 2024.

We judgmentally selected the Sunnyslope Carrier Annex primarily based on the number of C360 inquiries related to delivery, Informed Delivery contacts, and STC scans performed at the delivery unit. The unit was also chosen based on last mile failures and undelivered routes. See [Table 1](#) for a comparison of some of these metrics between the unit and the rest of the district.

<sup>1</sup> We obtained ZIP Code information related to population and urban/rural classification from 2020 Census Bureau information.

<sup>2</sup> 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.

<sup>3</sup> The last day of Pay Period 25.

<sup>4</sup> The other four units were the Boulder Hills Station, Phoenix, AZ (Project Number 25-046-1); Mesa Four Peaks Station, Mesa, AZ (Project Number 25-046-2); Avondale Goodyear Main Post Office, Goodyear, AZ (Project Number 25-046-3); and Scottsdale Airport Station, Scottsdale, AZ (Project Number 25-046-4).

<sup>5</sup> A cloud-based application that enables Postal Service employees to diagnose, resolve, and track customer inquiries.

<sup>6</sup> A compilation of package inquiry, package pickup, daily mail service, and hold mail inquiries.

<sup>7</sup> 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.

<sup>8</sup> 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.”

<sup>9</sup> First mile failures occur when a mailpiece is collected and does not receive a processing scan at the P&DC on the day that it was intended. Last mile failures occur after the mailpiece has been processed at the P&DC on a final processing operation and is not delivered to the customer on the day it was intended.

Table 1. Delivery Metric Comparison Between September 1 and November 30, 2024

Delivery Metric	Unit Average per Route	District Average per Route
C360 Delivery Inquiries	8.6	8.4
Informed Delivery Contacts	18.1	14.6
STC Scans Performed at the Delivery Unit	30.9	19.1

Source: OIG analysis of Postal Service’s C360, Informed Delivery, and Product Tracking and Reporting (PTR) System data extracted December 4, 2024. PTR is the system of record for all delivery status information for mail and packages with trackable services and barcodes.

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery operations and property conditions at the Sunnyslope Carrier Annex in Phoenix, AZ.

To accomplish our objective, we focused on the following audit areas: delayed mail, package scanning, arrow keys,<sup>10</sup> 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; 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 2 with management on March 7, 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 Sunnyslope Carrier Annex. We will issue a separate capping report<sup>11</sup> that provides the Postal Service with the overall findings and recommendations for all five 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.

Results Summary

We identified issues affecting delivery operations and property conditions at the Sunnyslope Carrier Annex. Specifically, we found issues with four of the areas we reviewed (see Table 2).

Table 2. 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	

Source: Results of our fieldwork during the week of January 13, 2025

We analyzed employee data and did not identify any issues with employee separations and transfers.

<sup>10</sup> 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.  
<sup>11</sup> Project Number 25-046.

# Finding #1: Delayed Mail

## What We Found

On the morning of January 14, 2025, we identified about 13,014 delayed mailpieces at 16 carrier cases, at the Postal Automated Redirection System<sup>12</sup> (PARS) section, and at the hot case.<sup>13</sup> Specifically, we identified 7,673 letters and 5,341 flats.<sup>14</sup> In addition, management did not accurately report this mail as undelivered in the Delivery Condition Visualization (DCV)<sup>15</sup> system. Management reported 134 delayed letters from the previous day, representing about 1 percent of the delayed mail we identified at the unit. See Table 3 for the number of pieces for each mail type and Figure 2 for examples of delayed mail found at carrier cases and the PARS section.

Table 3. Types of Delayed Mail Identified

Type of Mail	Carrier Case	PARS	Hot Case	Total Count of Delayed Mail
Letters	52	6,192	1,429	7,673
Flats	4,198	238	905	5,341
Totals	4,250	6,430	2,334	13,014

Source: OIG count of delayed mailpieces identified during our visit January 14, 2025.

Figure 2. Delayed Mail in PARS Section



Source: OIG photo taken January 14, 2025

## Why Did It Occur

Management did not verify that all mail was cleared from the unit because of limited employee availability. Specifically, the morning supervisor stated that two of the three clerks were on unscheduled leave the day prior to our visit and the clerk was not able to sort and distribute all the mail to the carriers in time for delivery. The supervisor stated he contacted the Manager, Customer Service, via email, requesting additional help, but he did not receive any.

<sup>12</sup> A system that can intercept mail identified as undeliverable-as-addressed during processing.  
<sup>13</sup> A case designated for final withdrawal of mail as carriers leave the office.  
<sup>14</sup> Count of mail included individual piece counts and OIG estimate based on Postal Service conversion factors in Management Instruction PO-610-2007-1, *Piece Count Recording System*.  
<sup>15</sup> 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.

In addition, the morning supervisor stated he did not report the delayed mail accurately in the DCV system because a clerk was still sorting the mail in the hot case when he left for the day. He believed the carriers would return later to deliver the mail that was distributed late. He also believed the PARS mail, which had been there for four days, had been handled by the clerks and failed to verify its status. Furthermore, the closing supervisor stated he did not report all delayed mail in DCV because of competing priorities, as he was managing two stations simultaneously.

### What Should Have Happened

Management should have ensured that all mail was processed and delivered daily and that any mail returned from a route was properly identified. Postal Service policy<sup>16</sup> states that all types of First-Class Mail, Priority Mail, and Priority Express Mail are always committed for delivery on the day of receipt. Managers must complete the PM checklist verifying that the unit is free of all outgoing mail. In addition,

managers are required<sup>17</sup> to report all mail in the delivery unit after the carriers have left for their street duties as either delayed or curtailed in DCV. Further, management must update DCV if volumes have changed prior to the end of the business day. Also, PARS mail should be dispatched daily to the mail processing facility.<sup>18</sup>

### 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 DCV 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.

<sup>16</sup> *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.

<sup>17</sup> *DCV Learn and Grow*, August 1, 2024.

<sup>18</sup> *SWI PARS Mail Prep and Dispatch*, March 22, 2024.

# Finding #2: Package Scanning

## What We Found

Employees scanned packages improperly at the delivery unit, scanned packages away from the intended delivery point, and handled packages incorrectly at the unit.

We reviewed package scanning data for scans that occurred at the unit and removed any potentially accurate scans performed.<sup>19</sup> In total, employees improperly scanned 1,008 packages at the delivery unit between September 1 and November 30, 2024 (see Table 4). Further analysis of the STC scan data for these packages showed that 51 percent of them were scanned “No Secure Location Available.”

Table 4. STC Scan Types at Delivery Unit

Scan Type	Count	Percent of Scans
No Secure Location Available	510	50.6
Receptacle Full / Item Oversized	425	42.2
Delivery Attempted - No Access	53	5.3
Delivered	18	1.8
No Authorized Recipient Available	2	0.2
Total	1,008	100*

Source: OIG analysis of the Postal Service’s PTR System data.  
\*Total percentage does not equal 100 percent due to rounding.

We also reviewed 510 scans occurring away from the delivery unit and over 1,000 feet<sup>20</sup> from the intended delivery point between September 1 and November 30, 2024 (see Table 5). 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 78 percent of them were scanned “Delivered.”

Table 5. STC Scans Over 1,000 Feet Away From the Delivery Point

Scan Type	Count	Percent of Scans
Delivered	400	78.4
No Secure Location Available	41	8.0
Receptacle Full / Item Oversized	40	7.8
Delivery Attempted - No Access	25	4.9
No Authorized Recipient Available	3	0.6
Return to Sender	1	0.2
Total	510	100*

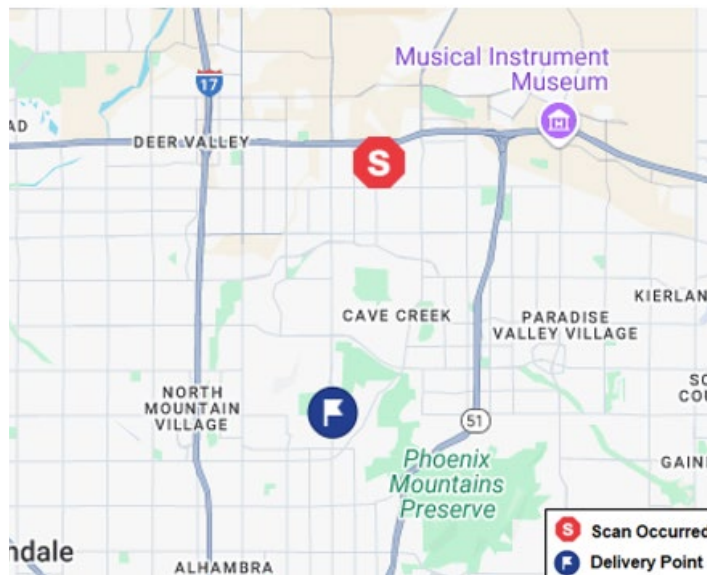
Source: OIG analysis of the Postal Service’s PTR System data.  
\*Total percentage does not equal 100 percent due to rounding.

For example, the map below (see Figure 3) shows an instance where a carrier scanned a package as delivered six miles away from the delivery point.

19 This data does not include scans that could properly be made at a delivery unit, such as “Delivered - PO Box” and “Customer (Vacation) Hold.” Additionally, PO Box scans at the unit were only counted when the delivery point was an address away from the unit. This category does not include mail addressed for a PO Box.  
20 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.



**Figure 3. Scan Away From the Delivery Point in Phoenix, Arizona**



Source: Postal Service Single Package Look Up.

We also found issues with scanning and handling of packages in the unit. On the morning of January 14, 2025, before carriers arrived for the day, we selected 30 packages from the carrier cases to review and analyze scanning and tracking history. Of the 30 sampled packages, nine (30 percent) had improper scans or handling issues, including:

- Three packages were scanned “Held at Post Office at Customer Request” but did not have a hold request on file. The carrier stated the packages should have been scanned “Delivery Attempted – No Access to Delivery Location” or “Insufficient Address.”
- Three packages were scanned “Return to Sender,” “Vacant,” or “Forwarded” between December 21, 2024, and January 13, 2025. The carrier should have placed these packages in the area to be

returned to sender or forwarded to the new address on file.

- Two packages were scanned “Delivered,” which should only be performed when a package is successfully left at the customer’s delivery address.
- One package was scanned “Arrival-at-Unit” on December 22, 2024, but as of January 14, 2025, had not received an STC scan to let the customer know the reason for non-delivery.

### Why Did It Occur

Management did not adequately monitor and enforce proper package scanning and handling procedures. Management stated it monitors scans daily. However, its focus was on the district integrity report, which details scans completed at the unit after 3:00 p.m. Regarding the “No Secure Location Available” scans, carriers stated the apartment complex did not have a parcel locker, and the office did not accept packages for customers.

In addition, the PM supervisor did not follow and enforce the Redline process,<sup>21</sup> resulting in issues with the packages found at the carrier cases. The PM supervisor stated due to competing priorities, such as managing two stations at the same time, he was not always available when carriers returned from delivering mail.

### What Should Have Happened

Management should have monitored scan performance daily and enforced compliance. The Postal Service’s goal is to ensure proper delivery attempts for mailpieces to the correct address with proper service,<sup>22</sup> which includes scanning packages at the time and location of delivery.<sup>23</sup>

<sup>21</sup> 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.

<sup>22</sup> *Delivery Done Right the First Time* stand-up talk, March 2020.

<sup>23</sup> *Carriers Delivering the Customer Experience* stand-up talk, July 2017.



### **Effect on the Postal Service and Its Customers**

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

#### **Postal Service Response**

The Postal Service agreed with this finding.

## Finding #3: Arrow Keys

### What We Found

Unit management did not properly update the arrow key inventory log. On the morning of January 16, 2025, we reviewed the unit's arrow key certification list in the Retail and Delivery Applications and Reports (RADAR)<sup>24</sup> system and conducted a physical inventory of keys at the unit. Unit management reported 84 keys in RADAR as "In-Use," "Damaged," or "In-Vault." Based on our physical review of arrow keys at the unit, 30 of the 84 keys were missing, and an additional three keys found at the unit were not recorded in RADAR. In addition, unit management had not reported any of the 30 keys we identified as missing to the U.S. Postal Inspection Service.

### Why Did It Occur

The closing supervisor stated he does not physically verify every key when he conducts his nightly inventory and monthly certifications due to time constraints. He said he was the only supervisor in the evening and is responsible for managing and completing the nightly duties for two stations.

Therefore, he did not have time to physically validate every key was recorded properly for the monthly certifications, nor did he delegate this task.

### What Should Have Happened

According to Postal Service policy,<sup>25</sup> management or a designee must keep an accurate inventory of all arrow keys. Any missing keys must be immediately reported to the U.S. Postal Inspection Service. Further, broken keys must be updated on the RADAR inventory log.

### Effect on the Postal Service and Its Customers

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

### Postal Service Response

The Postal Service agreed with this finding.

<sup>24</sup> The arrow key certification in RADAR provides a national platform for all facilities to verify current inventory and account for all arrow keys.

<sup>25</sup> *Arrow/Modified Arrow Lock (MAL) Key Accountability Standard Work Instruction*, dated May, 2024.

# Finding # 4: Property Conditions

## What We Found

We found property safety and security issues at the Sunnyslope Carrier Annex.

### Property Safety:

- Four fire extinguishers failed the annual inspections (see Figure 4).
- One fire extinguisher was missing monthly inspections.

Figure 4. Failed Annual Inspection



Source: OIG photo taken January 15, 2025.

### Property Security:

- There was no sign posted in the employee parking area stating that vehicles may be subject to search.

## Why Did It Occur

Management stated it was unaware of the failed and missing monthly fire extinguisher inspections due to an oversight. The one missing inspection was for an extinguisher located upstairs away from the workroom floor. Management did not see, nor was it informed of, the failed inspections. In addition, management stated it was unaware of the requirement to display a sign in the employee parking lot stating that vehicles may be subject to search.

## What Should Have Happened

Management should have provided sufficient oversight of personnel responsible for maintaining facilities, reported safety and security issues as they arose, and followed up for completion. The Postal Service requires management to maintain a safe environment for employees and customers.<sup>26</sup>

## Effect on the Postal Service and Its Customers

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

## Postal Service Response

The Postal Service agreed with this finding.

26 Postal Service Handbook EL-801, *Supervisor’s Safety Handbook*, July, 2020.



# Appendix A: Additional Information

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We conducted this audit from December 2024 through April 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 delivery operations internal control structure to help determine the nature, timing, and extent of our audit procedures. We reviewed the management controls for overseeing the program and mitigating associated risks. Additionally, we assessed the internal control components and underlying principles, and we determined that the following three components were significant to our audit objective:

- Control Activities
- Information and Communication
- Monitoring

We developed audit work to ensure that we assessed these controls. Based on the work performed, we identified internal control deficiencies related to all three components that were significant within the context of our objectives. We will issue a separate report that provides the Postal Service with the overall findings and recommendations for the Boulder Hills Station, Mesa Four Peaks Station, Avondale Goodyear MPO, Scottsdale Airport Station, and Sunnyslope Carrier Annex as well as the district.

We assessed the reliability of DCV and PTR 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



March 14, 2025

BRIAN NEWMAN  
ACTING DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: *Sunnyslope Carrier Annex, Phoenix, AZ: Delivery Operations* (Report Number 25-046-5-DRAFT)

Thank you for providing the Postal Service an opportunity to review and comment on the findings contained in the draft audit report, *Sunnyslope Carrier Annex, Phoenix, AZ: Delivery Operations*.

Management generally agrees with the four findings in the report on delayed mail, package scanning, arrow keys, and property conditions.

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*. Reviews will be conducted to monitor for compliance.

*Package Scanning:* Management will provide a service talk on proper scanning procedures and the *Redline process*. Management will conduct reviews to monitor 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 and security of arrow keys. Additionally, reviews will be conducted to monitor for compliance.

*Property Conditions:* Management has abated two of the three property conditions related to safety and security. Management is working to resolve the remaining issue, which requires submission of workorders for assistance from other resources.

E-SIGNED by TINA.M SWEENEY  
on 2025-03-14 16:44:06 EDT

Tina M. Sweeney  
a/District Manager, AZ-NM District

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

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UNITED STATES POSTAL SERVICE



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