Ohio 1 District: Delivery Operations

AUDIT REPORT

Report Number 25-141-R26 | March 16, 2026

Station B

Clevelend Heights Branch

Shaker Heights Station

Wickliffe
Euclid
GLENVILLE
East Cleveland
Cleveland Heights
Cleveland
OHIO CITY
University Heights
Shaker Heights
Pepper Pike
Beachwood
Warrensville Heights
Garfield Heights
Parma

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OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

March 16, 2026

MEMORANDUM FOR: SUSAN A. TAYLOR
MANAGER, OHIO 1 DISTRICT

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

SUBJECT: Audit Report – Ohio 1 District: Delivery Operations
(Report Number 25-141-R26)

This report presents the results of our audits of mail delivery operations in the Ohio 1 District in the Central Area.

All recommendations require U.S. Postal Service Office of Inspector General (OIG) concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. Recommendations 1 and 2 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 courtesy provided by your staff. If you have any questions or need additional information, please contact Valeta Bradford, 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, Central Area Retail & Delivery Operations
Director, Retail & Post Office Operations Maintenance
Corporate Audit and Response Management

Results

Background

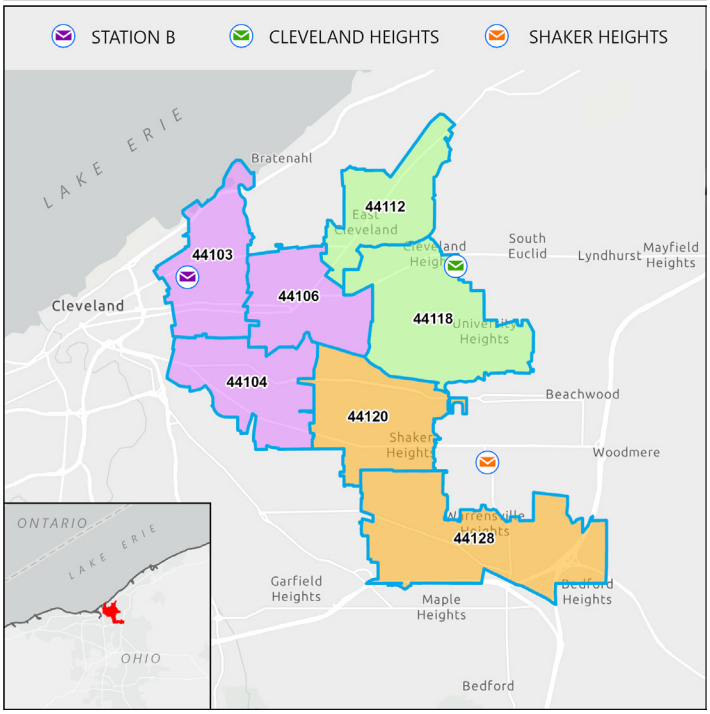
The U.S. Postal Service's mission is to provide timely, reliable, secure, and affordable mail and package delivery to over 160 million residential and business addresses across the country. To fulfill this role, the Postal Service is committed to ensuring its delivery platform and services are always a trusted, visible, and valued part of America's social and economic infrastructure. This includes leveraging people, technology, and systems at approximately 300 processing facilities and 31,100 post offices, stations, and branches in the nation to provide world-class visibility of mail and packages as they move through the Postal Service's integrated system. The U.S. Postal Service Office of Inspector General (OIG) reviews delivery operations at facilities across the country and provides management with timely feedback in furtherance of this mission.

This report presents a summary of the results of our self-initiated audits of delivery operations and property conditions at three delivery units, as well as district-wide delivery operations in the Ohio 1 District in the Central Area (Project Number 25-141). The delivery units included Station B and Shaker Heights Station in Cleveland, OH, and the Cleveland Heights Branch in Cleveland Heights, OH (see Figure 1).

We previously issued interim reports[1] to district management for each of the three delivery units regarding the conditions we identified. We also issued a report on the efficiency of operations at the Cleveland Processing and Distribution Center (P&DC)[2] that services these delivery units. We judgmentally selected the three delivery units based on the number of Customer 360 (C360)[3] inquiries related to delivery,[4] Informed Delivery[5] contacts associated with the unit, and stop-the-clock (STC)[6] scans performed away from the delivery point and compared them to the district average. The units were also chosen based on Leg 1 and Leg 3 failures[7] and undelivered routes.

These three delivery units had 157 city routes that served about 183,465 people across seven ZIP Codes (see Figure 1) in urban communities[8] (see Table 1).

Figure 1. ZIP Codes for the Three Delivery Units Visited



Source: OIG analysis of ZIP Code data.

1 The reports were *Station B, Cleveland, OH: Delivery Operations* (Report Number 25-141-1-R26, dated December 22, 2025); *Cleveland Heights Branch, Cleveland Heights, OH: Delivery Operations* (Report Number 25-141-2-R26, dated December 22, 2025); and *Shaker Heights Station, Cleveland, OH: Delivery Operations* (Report Number 25-141-3-R26, dated December 22, 2025).
2 This report was *Efficiency of Operations at the Cleveland Processing & Distribution Center: Cleveland, OH* (Report Number 25-140-R26, dated December 22, 2025).
3 C360 is a cloud-based application that enables Postal Service employees to diagnose, resolve, and track customer inquiries.
4 Delivery-related inquiries include a compilation of package inquiry, package pickup, daily mail service, and hold mail inquiries.
5 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.
6 An STC scan is 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 "Delivery Attempted-No Access to Delivery Location."
7 Leg 1 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. Leg 3 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.
8 We obtained ZIP Code information related to population and urban/rural classification from 2020 Census Bureau information.

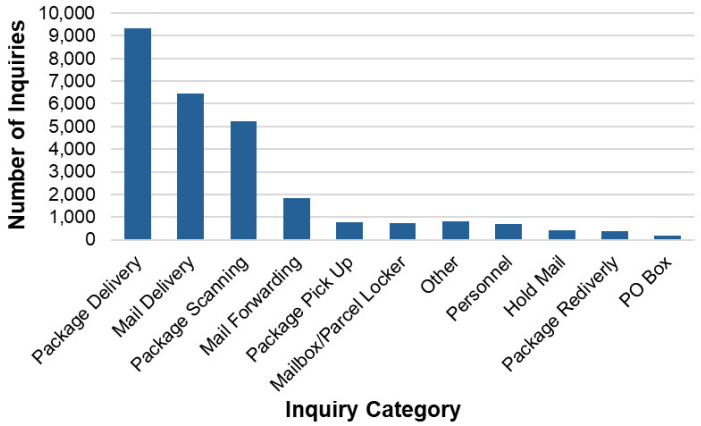
Table 1. Service Area and Population

Delivery Units	Service Area and ZIP Codes	Population	City Routes	Rural Routes
Station B	44103, 44104, 44106	61,344	46	0
Cleveland Heights Branch	44112, 44118	59,123	50	0
Shaker Heights Station	44120, 44128	62,998	61	0
Total		**183,465**	**157**	**0**

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

We conducted a text analysis of C360 inquiries for the entire Ohio 1 District between August 1 and December 31, 2025. In total, we reviewed and categorized the customer notes for 26,839 inquiries.[9] See Figure 2 for the results.

Figure 2. C360 Inquiry Analysis



Source: OIG analysis of C360 inquiries.

Package delivery, mail delivery, and package scanning made up the majority of the C360 comments. Specifically:

- Within Package Delivery, the most common subcategories included delayed package deliveries, package routing issues, and non-receipt of items.
- Within Mail Delivery, the most common subcategories were lack of mail delivery and missing mail.
- Within Package Scanning, the most common subcategories included false delivery scans, false delivery confirmations, and mailbox delivery scanning issues.

We also analyzed the Postal Service's Triangulation Report[10] to determine how the Ohio 1 District performed for mail and package delivery in relation to all 50 Postal Service districts. The Postal Service provides an opportunity ranking that lists all 50 districts from 1 through 50, where 1 indicates the lowest performing district and 50 is the top performing district. For the period July 1 through September 30, 2025, the district had an average ranking of 39 for mail delivery and 36 for package delivery, placing this district as above average for mail and package deliveries. See Table 2 for the results of our analysis.

9 We analyzed 28,345 inquiries and excluded 1,506 outliers — resulting in 26,839 records with at least 40 characters used to create the model by category.
10 The Triangulation Report is designed to provide the health of operations within a delivery unit regarding mail and package delivery. The report includes an analysis of several key performance indicators including C360 inquiries, first and last mile failures, route coverage, employee availability, and scanning integrity.

Table 2. Ohio 1 District Average Ranking Compared to All 50 Districts

Month	Mail Delivery Opportunity Rank	Package Delivery Opportunity Rank
July	38	38
August	39	35
September	41	35
Average	**39**	**36**

Source: Postal Service Triangulation Report.

We reviewed employee retention data from Workforce[11] for the Ohio 1 District from January 1, 2025, through December 31, 2025. During this period, the district hired 1,432 new carriers and clerks and retained 744 (52 percent) of them. Overall, the Ohio 1 District had a lower retention rate when compared to other districts we recently audited (see Table 3). In addition, the district had 664 authorized Executive and Administrative Schedule (EAS)[12] positions, of which 648 employees (2.4 percent vacancy rate) were on the rolls as of January 13, 2026.

Table 3. District Retention Information For Carriers & Clerks

District Audited	Retention Percent	One-Year Hiring Time Period
KS-MO	67.7	Aug. 2024 – July 2025
IA-NE-SD	58.7	Oct. 2024 – Sept. 2025
CA-3	68.0	Oct. 2024 – Sept. 2025
Ohio 1	**52.0**	**Jan. 1 – Dec. 2025**

Source: Postal Service Workforce.

Ohio 1 District management stated that the district holds weekly complement meetings, engages in hiring events/job fairs, uses targeted mailings to recruit employees, and follows the 511 National Initiative — Improving the Employee Experience — First 90 Days.[13] Once onboarded, the district follows the New Employee Experience and Retention Program (NEERP)[14] and the New Employee Mentoring Program (NEMP)[15] to coach and retain employees. The Postal Service uses these programs to help the district retain employees by acclimating them to their jobs while supporting a work-life balance.

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery operations in the Ohio 1 District of the Central Area.

To accomplish our objective, we focused on the following audit areas: delayed mail, package scanning, arrow keys,[16] carrier separations and transfers, Voyager card[17] transactions, property safety and security conditions, and package separations. Specifically, we analyzed key delivery metrics, including the number of carriers and routes, delayed mail volume, mail arrival times, package scanning compliance, and carrier staffing levels. During our site visits, we observed and assessed the operations and procedures within these categories and consulted with unit personnel regarding the issues we identified.

In addition to summarizing our findings at the three delivery units, we analyzed service performance scores for First-Class Mail, Marketing Mail,[18] Priority Mail,[19] and Ground Advantage[20] products, and reviewed carrier and clerk retention levels within the Ohio 1 District. We discussed our observations and conclusions, as summarized in Table 4, with

11 Workforce is a centralized hub that links to staff planning, insights, and analytics.
12 EAS is a salary structure that applies to most managerial and administrative employees.
13 This program focuses on recruiting and hiring non-career workforce and standardizing onboarding processes within the first 90 days to improve the employee experience.
14 NEERP, implemented nationally July 1, 2025, was designed to improve communication between new letter carriers and their managers and co-workers. The program provides work experience that gives new letter carriers the ability to learn their jobs at a more moderate pace and provides them with continuing education beyond the Carrier Academy and the on-the-job instruction stages.
15 NEMP, implemented nationally July 1, 2025, provides a formal mentoring relationship and training program between the mentors and mentees. Mentors and mentees meet regularly to discuss and address concerns, provide encouragement and advice, conduct performance-related discussions and evaluations, and identify potential training needs.
16 An arrow key is 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.
17 The U.S. Postal Service uses credit cards, called Voyager cards, to pay for commercially purchased fuel, oil, and routine maintenance for its vehicles.
18 Marketing Mail is mail matter not required to be mailed as First-Class Mail or Periodicals that mailers can use to send specific types of mail such as flyers, circulars, and advertisements.
19 Priority Mail is an expedited service for shipping mailable matter, subject to certain standards, such as size and weight limits, that includes tracking and delivery in one to four expected business days.
20 Ground Advantage is a service that provides an affordable and reliable way to send packages under 70 pounds inside the U.S. within two to five business days.

management on February 26, 2026, and included its comments, where appropriate. See Appendix A for additional information about our scope and methodology.

Results Summary

We identified service performance issues across the Ohio 1 District, and issues affecting delivery operations and property conditions at the delivery units audited (see Table 4). Specifically, we found delayed mail and property safety and security issues at all three units. In addition, we found package scanning, arrow key, and Voyager card transaction issues at two units.

Table 4. Summary of Issues Identified

Audit Area	Deficiencies Identified (Yes or No)		
	Station B	Cleveland Heights Branch	Shaker Heights Station
Delayed Mail	Yes	Yes	Yes
Package Scanning	Yes	No	Yes
Arrow Keys	Yes	No	Yes
Carrier Separations & Transfers	No	No	No
Voyager Card Transactions	Yes	Yes	No
Property Conditions	Yes	Yes	Yes
Package Separations	No	No	No

Source: Interim reports from selected units.

For the audit areas where issues were not identified, we performed the following:

- Carrier Separations and Transfers - We analyzed employee data from July 12 to August 22, 2025. All carriers assigned to the units either reported to work or were accounted for by management during this time, indicating no issues with carrier separations and transfers.
- Package Separations - We observed package separation procedures on September 24, 2025, and determined the units were properly separating Priority Mail from non-Priority Mail packages.

Finding #1: Service Performance in the Ohio 1 District

What We Found

We visited three delivery units in the Ohio 1 District on the morning of September 23, 2025, and identified about 8,961 pieces of delayed mail left from the prior day.[21] See Table 5 for the number of pieces by mail type and location and Figure 3 for examples of delayed mail found at the units. Management did not report this mail as delayed in the Delivery Condition Visualization (DCV) system[22] nor did carriers complete Postal Service (PS) Forms 1571, *Undelivered Mail Report*,[23] to document any undelivered mail brought back to the delivery unit.

Table 5. Type of Delayed Mail

Type of Mail	Station B	Cleveland Heights Branch	Shaker Heights Station	Total Count of Delayed Mail
Carrier Cases				
Letters	3,080	1,127	2,057	6,264
Flats	537	503	170	1,210
Packages	3	0	10	13
Other Areas*				
Letters	476	454	0	930
Flats	194	264	0	458
Packages	86	0	0	86
Totals	**4,376**	**2,348**	**2,237**	**8,961**

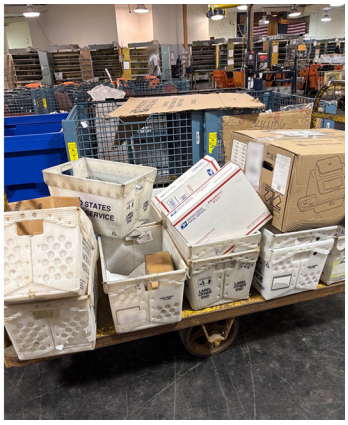
Source: OIG count of delayed mailpieces identified during our visit September 23, 2025.

*Other areas included the hot cases (an area designated for the final withdrawal of mail by carriers before they leave the office) at one unit, and the collection mail area at one unit.

Figure 3. Examples of Delayed Mail

Carrier Case at Shaker Heights Station

Collection Mail Area at Station B



Source: OIG photos taken the morning of September 23, 2025.

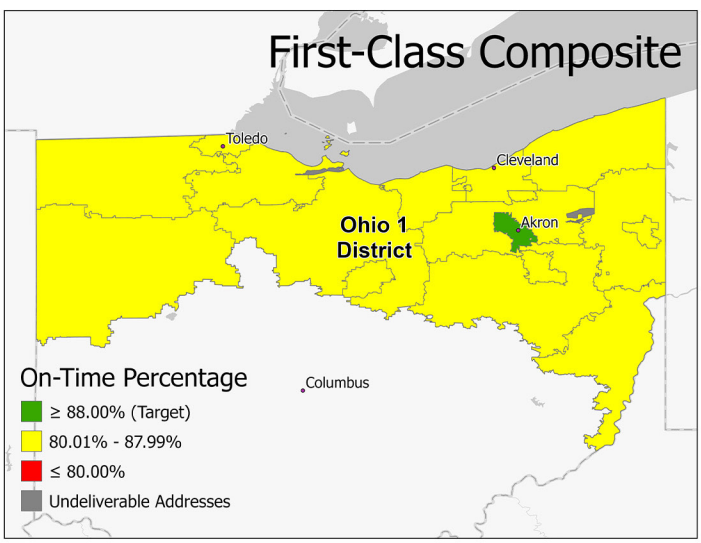
21 The delayed mail we identified included individual piece counts and estimates based on conversion factors in Management Instruction PO-610-2007-1, *Piece Count Recording System*.

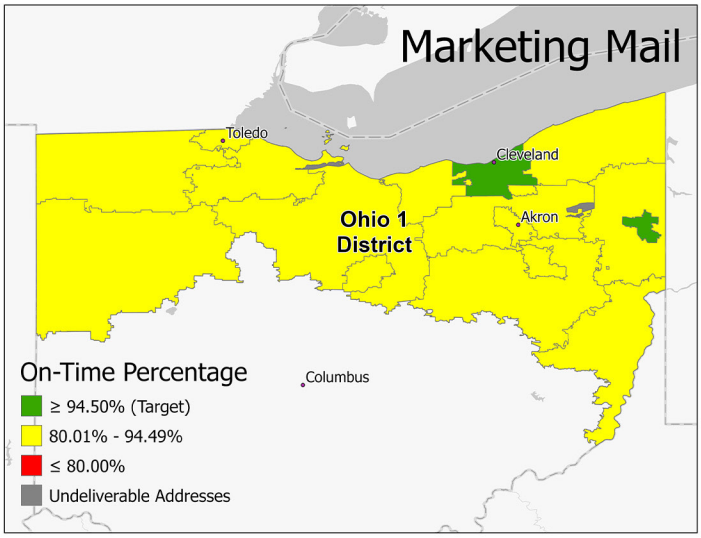
22 The DCV system is a tool used for unit management to manually self-report delayed mail, which provides a snapshot of daily mail conditions at the point in time when carriers have departed for the street.

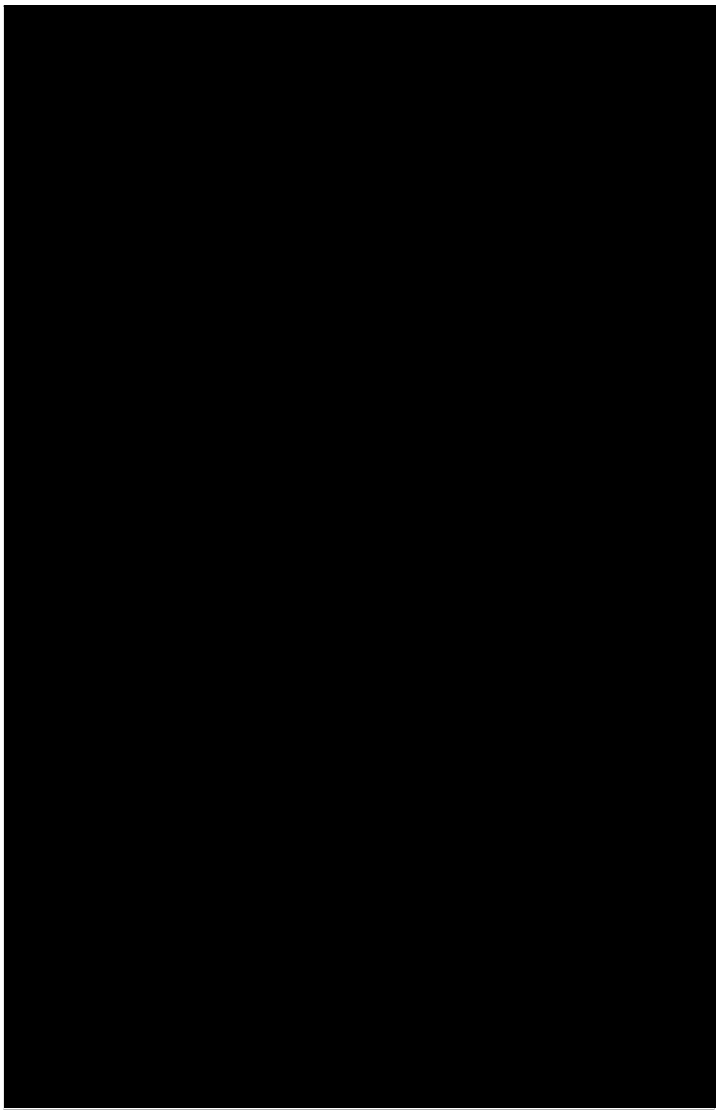
23 PS Form 1571 lists all mail distributed to the carrier for delivery that was left in the office or returned undelivered.

We analyzed service performance scores for First-Class Mail, Marketing Mail, Priority Mail, and Ground Advantage products mailed within the Ohio 1 District between July 1 and December 31, 2025. We found that Priority Mail and Ground Advantage products met their targets in much of the district. However, First-Class Mail and Marketing Mail generally did not meet their targets. See Figure 4 for heat maps showing the performance for each product in the Ohio 1 District.

Figure 4. Service Performance Heat Maps by 3-Digit ZIP Code in the Ohio 1 District Between July 1 and December 31, 2025







Source: OIG analysis of Postal Service Informed Visibility (IV) and Enterprise Data Warehouse (EDW) data. IV provides comprehensive and integrated capabilities for data-driven real-time service performance measurement and diagnostics of market-dominant products, mail inventory, and predictive workloads of all mail to include packages and end-to-end tracking and reporting for mail. EDW is a repository intended for all data and the central source for information on retail, financial, and operational performance.

We also analyzed service performance scores for the same period for mail being sent from the district to other locations in the nation and mail coming into the district from other locations in the nation. We found inbound and outbound First-Class Mail, Marketing Mail, Priority Mail, and Ground Advantage products did not meet their established targets for more than half the district. Although service performance failures for these types of mail could be attributed to a plant or delivery unit outside the district, the failures may negatively affect customer perceptions within the district. District management stated that it meets with plant and logistics personnel daily to discuss mailflow issues. District management also said that

it monitors Leg 1 and Leg 3 failures to identify mail service performance issues.

We found 8,961 delayed mailpieces at the units; however, none of the units reported this mail in the DCV system. We also reviewed DCV data for the entire district for September 22, 2025, and found, of the 315 units listed in the DCV system, only 34 units (11 percent) reported 16,410 total pieces of delayed mail. Based on our observations and analyses, we would expect to see a significant amount of reported delayed mail across the district.

Why Did It Occur

The delayed mail we found at the units on September 23, 2025, occurred due to a lack of management oversight. For example, management did not verify that the redline process[24] was followed or that PS Forms 1571, *Undelivered Mail Report*,[25] were completed. In addition, management had competing priorities and received miscommunication regarding the collection mail policy. Further, management did not ensure that delayed mail was entered into the DCV system because it did not have access to the system or did not know that entering delayed mail into the system was management's responsibility. Specifically:

- Station B management did not verify that all mail was cleared from the unit because other duties took priority, such as checking in carriers returning from their street duties, answering phone calls, and helping customers at the retail counter. In addition, management did not transport the collection mail that carriers brought back to the unit after the last truck had been dispatched to the P&DC. The unit manager stated that during the COVID-19 pandemic, he was verbally instructed not to transport collection mail that missed the last dispatch to the plant and he had not received updated instructions since that time. The manager also stated that neither he nor the supervisors were instructed to record this mail as delayed in the DCV system.
- The Cleveland Heights Branch manager stated that it was his first week assigned to the unit at the time of our audit. In addition, PM relief supervisors instructed carriers to keep missent, missorted, and missequenced (3M) mail at their cases, rather than placing it in the 3M case.[26] The unit manager also stated that the two PM relief supervisors had less than six months of supervisory experience, and one was training the other. Further, management did not report delayed mail in the DCV system because the PM relief supervisors were not aware that this was their responsibility and did not have access to the DCV system. The unit manager stated that the PM relief supervisors did not communicate to him that they did not have access to the DCV system and needed additional training. Lastly, management did not verify that carriers completed PS Forms 1571 accurately.
- Shaker Heights Station management did not interact with each carrier as they returned from their routes with undelivered mail or conduct a thorough walkthrough to confirm that carrier cases were cleared of mail. In addition, management prioritized other duties, such as verifying that all packages received an STC scan, ensuring that collection mail was picked up, securing the building and vehicles, and addressing telephone calls and emails sent to the district. Further, the AM supervisor only reported mail that could not be sorted or assigned to carriers in time for them to take it out for delivery, while the PM supervisor stated that she was never instructed to report delayed mail in the DCV system.

What Should Have Happened

Management should have ensured that all mail was processed and delivered daily. Postal Service policy[27] states that all types of First-Class Mail, Priority Mail, and Priority Mail Express are always committed for delivery on the day of receipt. Policy also states that delivery units must follow the redline process,[28] which

24 The redline process is 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.
25 PS Form 1571, *Undelivered Mail Report*, lists all mail distributed to the carrier for delivery that was left in the office or returned undelivered.
26 The 3M case is the area of the delivery unit where carriers should place their 3M mail to be sorted by clerks for further processing.
27 *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.
28 *Standard Operating Procedures, Redline Policy*.

includes carriers completing a PS Form 1571 for any undelivered mail brought back to the delivery unit. Management should have verified that all mail was cleared from the workroom floor[29] and that carriers completed PS Forms 1571 for undelivered mail.[30] Additionally, management should have conducted a thorough walkthrough of the workroom to identify delayed mail and ensure that all outgoing mail was dispatched from the facility and delivered.

Postal Service policy states that managers are required[31] to report all mail in the delivery unit after the carriers have left for their street duties as either delayed or curtailed in DCV. In addition, management must update DCV if volumes have changed prior to the end of the business day.

On October 3, 2025, headquarters management changed the procedures[32] for processing late collection mail and rescinded the previously issued Dispatch Deviation Policy Standard Operating Procedure, dated July 19, 2024. The procedures no longer require delivery units to transport late collection mail to the plant but still require this mail to be reported in DCV.

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. For example, in our analysis of the C360 inquiries detailed in the Background, we found multiple instances of customers reporting mail and package delivery delays. In addition, inaccurate delayed mail reporting provides management at the local, district, area, and headquarters levels with an unreliable status of mail delays and can result in improper actions taken to address issues.

Management Actions

During our audit, district management provided evidence demonstrating that management at the three facilities received training on proper delivery practices and the reporting of delayed mail. It also provided evidence that management at the three units are now following the redline process and monitoring the reporting of delayed mail at the units we visited, which should improve mail visibility.

Recommendation # 1

We recommend the **District Manager, Ohio 1 District**, train management at all delivery units in the district on the proper procedures for reporting delayed mail.

Postal Service Response

The Postal Service agreed with this finding and the associated recommendation. Management stated that it would hold a virtual training session with delivery unit management in the district on the proper procedures for reporting delayed mail. The target implementation date is May 31, 2026. See Appendix B for management's comments in their entirety.

OIG Evaluation

The OIG considers management's comments responsive to recommendation 1, and corrective actions should resolve the issues identified.

29 Handbook M-39, *Management of Delivery Services*, June 2019.
30 Handbook M-41, *City Delivery Carriers Duties and Responsibilities*, paragraph 44.4422, June 2019.
31 *DCV Learn and Grow,* August 1, 2024.
32 *Dispatch of Value (DOV) & Collection Mail* memorandum, dated October 3, 2025.

Finding #2: Package Scanning and Handling

What We Found

We identified package scanning and handling issues at Station B and the Shaker Heights Station. In total, employees scanned 3,470 packages from June 1 – August 31, 2025, at Station B instead of at the recipients' delivery point (see Table 6). Further analysis of STC scan data for these packages showed about 94 percent were scanned as "Delivered." This data did not include scans that could properly be made at a delivery unit such as "Delivered – PO Box" and "Customer (Vacation) Hold," but rather represented scans that should routinely be made at the point of delivery.

Table 6. STC Scans at Station B

STC Scan Type	Count	Percent
Delivered	3,272	94.3
Delivery Attempted – No Access to Delivery Location	163	4.7
Receptacle Full / Item Oversized	25	0.7
No Authorized Recipient	5	0.1
No Secure Location Available	5	0.1
Total	**3,470**	**100***

Source: OIG analysis of the PTR data.
*Total percentage does not equal 100 percent due to rounding.

We also reviewed 62 scans occurring away from the delivery unit and over 1,000 feet[33] from the intended delivery point for Station B from June 1 – August 31, 2025. We removed scans that could have been performed away from the delivery point per the policy, such as "Animal Interference" and "Unsafe Conditions," from our review. Further analysis of the STC scan data for these packages showed over 80 percent were scanned as "Delivered" (see Table 7).

Table 7. STC Scans Over 1,000 Feet Away From Station B

STC Scan Type	Count	Percent
Delivered	50	80.6
Delivery Attempted – No Access to Delivery Location	10	16.1
Delivered to Agent for Final Delivery	1	1.6
Receptacle Full / Item Oversized	1	1.6
Total	**62**	**100***

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

On the morning of September 23, 2025, before carriers arrived for the day, we selected all 55 packages from the carrier cases[34] to review and analyze the scanning and tracking history at all three units. Of the 55 packages from the carrier cases, 34 (62 percent) had improper scans or handling issues, including:

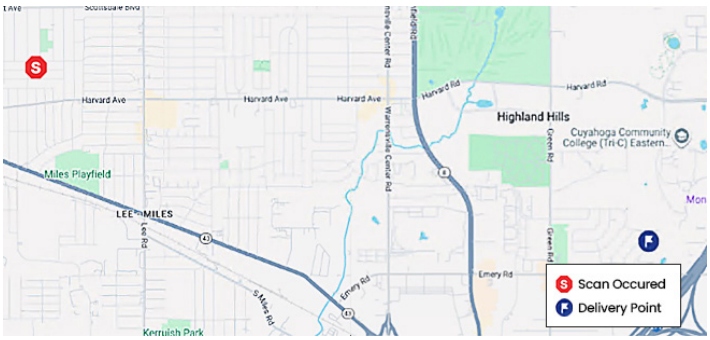
- Nine packages were scanned "Held at Post Office at Customer Request." Specifically, six packages for Station B customers did not have a current hold request on file, and three packages for Shaker Heights Station customers were not returned to the senders as required.
- Eight packages were scanned "Insufficient Address," "No Authorized Recipient Available," or "Vacant," but were held at the carrier case since June 26, 2025, instead of being returned to the sender.
- Seven packages were scanned "Delivery Attempted – No Access to Delivery Location," of which six were scanned between 0.3 and 4.7 miles from the delivery point (see Figure 5 as an example). Scans should be made as close to the delivery point as possible. The remaining package

33 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.
34 On the morning of September 23, 2025, we sampled two packages found in carrier cases at the Cleveland Heights Branch and did not identify any issues with package scanning at the unit.

was held at the unit since September 2, 2025, but the customer did not have a hold request on file. Therefore, the package should have been returned to the sender.

- Five packages were missing an STC scan to let the customer know the reason for non-delivery.
- Three packages were scanned "Delivered, In/At Mailbox," which should be performed only when a package is successfully left at the customer's delivery address.
- One package was scanned "Receptacle Full/Item Oversized;" however, the package was found at the carrier case instead of the "Notice Left" area.
- One package was scanned "Forward Expired," which should be used only when the forwarding order for the customer is no longer valid. This item should have been returned to the sender. The carrier stated that the scan was made in error.

Figure 5. Package Scanned 4.7 Miles Away From the Delivery Point in Cleveland, OH



Source: Postal Service Single Package Look Up.

In addition, employee barcodes were not properly managed at the Shaker Heights Station. Specifically, employee barcodes were posted on the carrier cases, which could allow employees to log into scanners as someone else.

Why Did It Occur

These scanning issues occurred because unit management did not adequately monitor and enforce proper package scanning and handling procedures, were unfamiliar with some of the scanning reports that monitor the scans, or had competing priorities. Specifically:

- Station B management focused on scan failure reports and not the scan integrity reports that show improper scans and scans made away from the delivery point. Further, management stated that other duties took priority, such as resolving clock-ring discrepancies.
- Shaker Heights Station management stated that although it confirmed that packages received an STC scan, it did not check the integrity of a scan unless it received a complaint from a customer. The PM supervisor stated that she did not always interact with carriers bringing back packages because she had competing priorities such as answering phone calls, reviewing package scan completions, and responding to emails. In addition, management stated that it was not aware that employee barcodes were posted at carrier cases.

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,[35] which includes scanning packages at the time and location of delivery.[36] In addition, all personnel are responsible for performing security functions and duties associated with the safeguarding of logon IDs and passwords.[37]

35 *Delivery Done Right the First Time* stand-up talk, March 2020.
36 *Carrier Delivering the Customer Experience* stand-up talk, July 2017.
37 AS-805 *Information Security*, September 2022.

Effect on the Postal Service and Its Customers

Customers rely on accurate scan data to track their packages in real time. When employees do not scan mailpieces correctly, customers are unable to determine the actual status of their packages. Package scanning inquiries were the third most common C360 inquiry type in the district, as demonstrated in Figure 2. By improving scanning operations, management can improve mail visibility, increase customer satisfaction, and enhance the customer experience and the Postal Service brand.

Management Actions

During this audit, district management provided evidence showing that managers and supervisors at Station B and Shaker Heights Station were trained on the standard operating procedures governing package scanning and handling and tracking scanning performance. District management also provided evidence showing that unit managers at both sites are now properly monitoring package scanning at the units. In addition, Shaker Heights management took corrective action and removed the employee barcodes from the carrier cases.

Due to management taking these corrective actions, we are not making a recommendation for the package scanning and handling issues.

Postal Service Response

The Postal Service agreed with the finding.

Finding #3: Arrow Keys

What We Found

Management at Station B did not properly update the arrow key inventory log. On the morning of September 25, 2025, we reviewed all three units' arrow key certifications listed in the Retail and Delivery Applications and Reporting (RADAR)[38] system and conducted a physical inventory of keys at the units. The RADAR system listed a combined 174 keys as "In-Use," "In-Vault," "Damaged," or "Code or Serial Incorrect" at these three units.[39] We did not identify any arrow key inventory issues at the Shaker Heights station or the Cleveland Heights station. However, we found one additional key at Station B that was not reported in RADAR.

In addition, management at Station B recorded nine keys in RADAR as "Lost." However, the unit manager could provide only supporting documentation that one of these keys was reported to the U.S. Postal Inspection Service. However, we identified supporting information in RADAR for two other keys. Also, the unit manager stated that the six keys recorded in RADAR as "Damaged" were either mailed to National Materials Customer Service or taken by the Postal Inspection Service during its last arrow key audit, which are both acceptable actions. Management could not provide supporting documentation for any of the damaged keys. However, we identified supporting information in RADAR for three of these keys.

Further, management at the Shaker Heights Station did not secure all arrow keys. Specifically, we found two keys in carrier cases during our audit.

Why Did It Occur

Management at the two units did not provide sufficient oversight. Specifically:

- The Station B manager stated that it was hard to read the serial number on the key that was not entered into RADAR. Therefore, he stored it in the vault and forgot about it until we brought it to his attention.
- The Shaker Heights Station manager relied on a clerk to verify that all keys were accounted for each morning and properly assigned them to the carriers. In addition, unit management assigned the PM supervisor the responsibility for verifying that all keys were returned from the carriers at the end of the day. However, the station manager stated that she did not follow up to verify that the procedures were correctly implemented due to an oversight.

What Should Have Happened

Management should have verified that arrow key security procedures were properly followed. According to Postal Service policy,[40] management must keep an accurate inventory of all arrow keys. Any missing arrow keys must be immediately reported to the Postal Inspection Service.[41] Further, damaged keys must be returned to the vendor, and the RADAR inventory log should record the status of the returned keys.[42]

In addition, policy states that arrow keys must remain secured until they are individually assigned to personnel. A supervisor or clerk must verify that employees are 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 that 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.

38 The arrow key certification in RADAR provides a national platform for all facilities to verify current inventory and account for all arrow keys.
39 The 174 includes 94 keys at Station B, 39 keys at the Cleveland Heights Station, and 41 keys at the Shaker Heights Station.
40 *Arrow/Modified Arrow Lock (MAL) Key Accountability,* Standard Work Instruction, dated May 2024.
41 *Requesting Arrow/MAL Locks and Keys in RADAR CRDO Field Users* guide, dated February 2025.
42 *Arrow Key Guidebook,* Standard Work Instructions, updated August 2023.

Management Actions

During our audit, management at Station B and the Shaker Heights Station provided evidence showing that the district was monitoring arrow key procedures and unit management had received arrow key security training. The units also provided evidence showing that management updated its key logs and properly secured the keys. In addition, district management provided evidence showing that the lost keys were reported to the Postal Inspection Service.

Due to management taking these corrective actions, we are not making a recommendation for the arrow key issues.

Postal Service Response

The Postal Service agreed with the finding.

Finding #4: Premium Fuel Voyager Card Transactions

What We Found

Unit management at Station B and the Cleveland Heights Branch did not always properly reconcile unauthorized Voyager card premium fuel transactions, which are considered high-risk transactions. We reviewed the Fuel Asset Management System (FAMS) reconciliation exception report for premium fuel transactions from March 8 through August 31, 2025, and identified 33 unauthorized premium fuel transactions valued at $1,529.01. Although these transactions were marked as reconciled by unit management, none of the comments addressed the unauthorized premium fuel transactions.

Specifically, these purchases were made by 19 employees. Two of these employees made 15 purchases, and another employee made two purchases. While unit management was aware that premium fuel should not be used for Postal Service vehicles, there was no indication in the FAMS reconciliation comments that the issues were addressed.

Why Did It Occur

Management at two units did not provide sufficient oversight to prevent the purchase of premium fuel. In addition, insufficient training and being unaware of FAMS functionality contributed to these issues. Specifically:

- The Station B supervisor who performed the fuel card reconciliations did not complete the required Voyager card training. She stated that when she performed the reconciliations, she selected one of the comment options at the top of the screen and did not realize there were other options below. In addition, the unit manager was not aware that the supervisor had not completed the required Voyager card training because the supervisor was already performing the reconciliations when the unit manager arrived in 2022.
- The Cleveland Heights Branch AM supervisor and carriers believed that premium fuel was authorized for a specific model of postal delivery vehicle. In addition, the AM supervisor who entered the comments in FAMS used only comments that were from a prepopulated menu in the system and did not add other comments to describe specific situations.

What Should Have Happened

According to Postal Service policy,[43] all high-risk transactions must be fully reconciled with a comment that explains the reason for the transaction.

Effect on the Postal Service and Its Customers

When premium fuel transactions are not properly reviewed and documented, there is an increased risk that the Postal Service may pay higher prices for questionable and unnecessary purchases. Station B and Cleveland Heights Branch management paid $1,529.01 for unauthorized premium fuel purchases.[44]

43 *FAMS User Guide*, Reconciliation by Exception Process, March 5, 2013.
44 We consider the $1,529.01 as unsupported, unrecoverable, questioned costs because premium fuel is prohibited and unauthorized per postal policy.

Management Actions

On November 7, 19, 28, and December 3, 2025, management at Station B and the Cleveland Heights Branch received training on the proper procedures for vehicle fuel card purchases.

Recommendation # 2

We recommend the **District Manager, Ohio 1 District**, enforce the requirement for Station B and Cleveland Heights Branch management to monitor fuel card purchases, including annotating all high-risk fuel transactions with an appropriate comment.

Postal Service Response

The Postal Service agreed with this finding, recommendation, and monetary impact. Management stated that it would monitor high risk transactions at Station B and Cleveland Heights Branch to ensure appropriate comments are entered. The target implementation date is June 30, 2026.

OIG Evaluation

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

Finding #5: Property Conditions

What We Found

We found safety and security issues related to property conditions at Station B and the Shaker Heights Station and security issues at the Cleveland Heights Branch. Specifically:

Property Safety:

- Four electrical panels at Station B and two fire extinguishers at the Shaker Heights Station were blocked.
- A Postal Inspection Service door at Station B was blocked.

Property Security:

- The employee parking area at the three units did not have signage stating that vehicles may be subject to search.
- The [redacted] at the Cleveland Heights Branch [redacted].

Why Did It Occur

Management at the three delivery units did not provide sufficient oversight or take the necessary actions to identify and address property safety and security conditions at the units. In addition, management at these units were either unaware of the vehicle signage requirement or unaware that the signage was missing. Specifically:

- The Station B manager stated that he was not aware that the blocked areas and missing parking lot signage issues were occurring at the unit. He further stated that the parking lot signage was posted in the employee parking area when he looked at it a few months ago, and he was not aware that it was no longer posted.
- The Cleveland Heights Branch manager was first assigned to the unit during the week of our visit and was not aware that the [redacted]. He was also not aware that having a subject-to-search sign in the employee parking lot was a requirement.
- Shaker Heights Station management prioritized delivery operations over addressing safety and security issues. In addition, the station manager stated that she was unaware of the blocked fire extinguishers and the required subject-to-search sign.

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.[45] In addition, according to Postal Service policy,[46] management must post signage stating that vehicles are subject to search.

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; reduce the risk of employee theft; and enhance the customer experience and Postal Service brand.

Management Actions

During our audit, management addressed all property condition issues identified at the three units. Due to management taking these corrective actions, we are not making a recommendation for property conditions.

Postal Service Response

The Postal Service agreed with the finding.

45 Postal Service Handbook EL-801, *Supervisor's Safety Handbook,* July 2020.
46 Postal Service Handbook RE-5, *Building and Site Security Requirements,* September 2009.

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Appendix A: Additional Information

We conducted this audit from December 2025 through March 2026 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 assessed the reliability of IV, EDW, and Workforce 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 were sufficiently reliable for the purposes of this report.

Appendix B: Management's Comments

UNITED STATES POSTAL SERVICE

February 26, 2026

LAURA LOZON
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Capping Report: Ohio 1 District: Delivery Operations (25-141-DRAFT)

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

Management generally agrees with the findings and monetary impact in the report.

Following are our comments on the two recommendations:

Recommendation 1: We recommend the District Manager, Ohio 1 District, train management at all delivery units in the district on the proper procedures for reporting delayed mail.

Management Response/Action Plan:
Management agrees with this recommendation. Management will hold a virtual training session with delivery unit management in the Ohio 1 district on the proper procedures for reporting delayed mail.

Target Implementation Date: 05/31/2026

Responsible Official: Manager, Ohio 1 District

Recommendation 2: We recommend the District Manager, California-3 District, enforce the requirement for Station B and Cleveland Heights Branch management to monitor fuel card purchases, including annotating all high-risk fuel transactions with an appropriate comment.

Management Response/Action Plan:
Management agrees with this recommendation. Management will monitor high risk transactions at Station B and Cleveland Heights Branch to ensure appropriate comments are entered.

Target Implementation Date: 06/30/2026

Responsible Official: Manager, Ohio 1 District

E-SIGNED by SUSAN A TAYLOR
on 2026-02-26 16:16:02 EST

Susan Taylor
District Manager, Ohio 1 District

Cc: Vice President, Area Retail and Delivery (Central)
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This document contains sensitive information that has been redacted for public release. These redactions were coordinated with USPS and agreed to by the OIG.