

# Grand Shelby Carrier Annex, Detroit, MI: Delivery Operations

## AUDIT REPORT

Report Number 26-087-1-R26 | July 9, 2026



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# Transmittal Letter



OFFICE OF INSPECTOR GENERAL  
UNITED STATES POSTAL SERVICE

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July 9, 2026

**MEMORANDUM FOR:** RICHARD T. MORETON,  
MANAGER, MICHIGAN 1 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 – Grand Shelby Carrier Annex, Detroit, MI: Delivery  
Operations (Report Number 26-087-1-R26)

This report presents the results of our audit of delivery operations and property conditions at the Grand Shelby Carrier Annex in Detroit, MI.

We appreciate the cooperation and courtesy provided by your staff. If you have any questions or need additional information, please contact Jennifer Schneider, 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

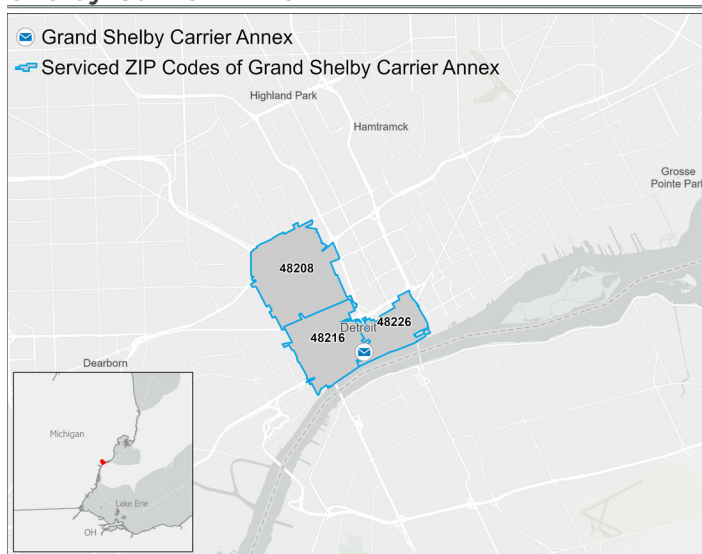
# Results

## Background

The U.S. Postal Service’s mission is to provide timely, reliable, secure, and affordable mail and package delivery to 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 Grand Shelby Carrier Annex in Detroit, MI (Project Number 26-087-1). The Grand Shelby Carrier Annex is in the Michigan 1 District of the Central Area and serves about 19,798 people in ZIP Codes 48208, 48216, and 48226, which are considered urban areas (see Figure 1).<sup>1</sup>

**Figure 1. ZIP Codes Served by the Grand Shelby Carrier Annex**



Source: OIG analysis of ZIP Code data.

This delivery unit has 29 city routes. From April 4 through May 1, 2026, the delivery unit had two assigned supervisors.<sup>2</sup> In addition, the unit had a relief supervisor during our visit. The Grand Shelby Carrier Annex falls under the Detroit Post Office for employee availability<sup>3</sup> measurement. As of February 2026, the year-to-date employee availability rate for the Detroit Post Office was 90.0 percent, which is less than the Postal Service’s retail and delivery operations employee availability goal of 93.95 percent for fiscal year 2026. The Grand Shelby Carrier Annex is one of three delivery units<sup>4</sup> the OIG reviewed during the week of May 4, 2026, that are serviced by the Detroit Processing and Distribution Center (P&DC).

We assessed all units serviced by the Detroit P&DC based on the number of Customer 360 (C360)<sup>5</sup> delivery-related inquiries,<sup>6</sup> stop-the-clock (STC)<sup>7</sup> scans performed away from the delivery point and at the unit, undelivered route information, and Leg 1 and Leg 3 failures<sup>8</sup> between January 1 and March 31, 2026.

We judgmentally selected the Grand Shelby Carrier Annex primarily based on the number of C360 delivery-related inquiries, Leg 1 and Leg 3 failures, and undelivered route data. See [Table 1](#) for a comparison of some of these metrics between the unit and the rest of the district.

- 1 We obtained ZIP Code information related to population and urban/rural classification from 2020 Census Bureau information.
- 2 Assignments based on the Postal Service’s Time and Attendance Collection System (TACS). TACS is the system used by the Postal Service to automate the collection of employee time and attendance information.
- 3 The Postal Service calculates employee availability by dividing straight time hours worked by potential straight time hours. Potential straight time hours generally include actual straight time hours worked, sick leave taken, and leave without pay.
- 4 The other two units are Gratiot Station, Detroit, MI (Project Number 26-087-2) and Strathmoor Station, Detroit, MI (26-087-3).
- 5 Customer 360 is a cloud-based application that enables Postal Service employees to diagnose, resolve, and track customer inquiries.
- 6 Delivery-related inquiries include a compilation of package inquiry, package pickup, daily mail service, and hold mail inquiries.
- 7 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 “No Access.”
- 8 Leg 1 failures occur when a mailpiece is collected and does not receive a processing scan at the origin processing facility on the day that it was intended. Leg 3 failures occur after the mailpiece has been processed at the final processing facility on a final processing operation and is not delivered to the customer on the day it was intended.

**Table 1. Delivery Metrics Comparison Between January 1 Through March 31, 2026**

Delivery Metric	Unit Average	District Average
C360 Delivery Inquiries (average per route)	7.0	4.7
Leg 1 Failures (percent of sampled pieces)	10.3	8.8
Leg 3 Failures (percent of sampled pieces)	4.4	1.9

Source: OIG analysis of Postal Service's C360 and Informed Visibility data extracted April 14, 2026. Informed Visibility provides service performance measurements and diagnostics of market-dominant products, mail inventory, and predictive workloads of all mail.

### Objective, Scope, and Methodology

Our objective was to evaluate mail delivery operations and property conditions at the Grand Shelby Carrier Annex in Detroit, MI.

To accomplish our objective, we combined preliminary data analyses with an on-site inspection performed May 5 through 7, 2026. Prior to the visit, we analyzed staffing levels, mail arrival times, package scanning performance, reported mail delays and arrow key<sup>9</sup> inventories, Voyager card<sup>10</sup> exceptions, and property safety and security issues. While on-site, we reviewed operational compliance focusing on mail conditions, package scanning procedures, arrow key accountability, carrier separation and transfer documentation, Voyager card exception justifications, and property safety and security conditions. We discussed our observations and conclusions with management on June 24, 2026, 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 Grand Shelby 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 three delivery units, as

well as the district. The capping report will include actions taken by management to address the issues identified in this interim report. See [Appendix A](#) for additional information about our scope and methodology.

### Results Summary

We identified issues affecting delivery operations and property conditions at the Grand Shelby 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
Voyager Card Transactions		X
Property Conditions	X	

Source: Results of our fieldwork during the week of May 4, 2026.

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

- Carrier Separations and Transfers - We analyzed employee data from February 7 through March 20, 2026. All carriers assigned to the unit either reported to work or were accounted for by management during this time, indicating no issues with employee separations and transfers.
- Voyager Card Transactions - We analyzed Voyager card premium fuel transactions from October 13, 2025, through March 31, 2026, and identified one premium fuel purchase for which unit management addressed appropriately. We did not identify any recurring systemic issues.

<sup>9</sup> Arrow keys are distinctively shaped keys that 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>10</sup> The Postal Service uses credit cards, called Voyager cards, to pay for commercially purchased fuel, oil, and routine maintenance for its vehicles.

<sup>11</sup> The capping report project number is 26-087.

# Finding #1: Delayed Mail

## What We Found

On the morning of May 5, 2026, we identified about 704 delayed mailpieces at 13 out of 29 carrier cases. Specifically, we identified 615 letters and 89 flats.<sup>12</sup> In addition, management did not report this mail as undelivered in the Delivery Condition Visualization (DCV)<sup>13</sup> system. Further, some carriers did not complete a Postal Service (PS) Form 1571, *Undelivered Mail Report*,<sup>14</sup> to document undelivered mail pieces. We also observed instances where unit management issued pre-signed and dated PS Forms 1571 to carriers without verification of undelivered mail brought back to the unit.

## Why Did It Occur

The unreported delayed mail was due to lack of management oversight. Specifically, unit management did not always follow the redline process.<sup>15</sup> As of May 4, 2026, the unit had four clerks that had been out of the office for an extended period.<sup>16</sup> Further, two supervisors were on leave on May 4, 2026. These employee and supervisor shortages resulted in the unit manager splitting his time between closing the delivery unit and assisting in the retail unit during peak hours, which was located on the opposite side and different floor of the building. This limited the manager's ability to properly complete all the delivery unit closing responsibilities, including checking in carriers, processing PS Forms

1571, conducting a walkthrough of the unit to identify undelivered mail, and recording undelivered mail volumes in the DCV system. Further, the manager stated that providing an incomplete PS Form 1571 with the supervisor's signature and date prewritten was a practice that was in place at this unit when he arrived three weeks prior to our visit. He continued to follow this practice but acknowledged that it was not appropriate and should not have happened.

## What Should Have Happened

Postal Service policy<sup>17</sup> states that management must develop contingency plans for situations that may interfere with normal delivery service. Policy<sup>18</sup> also states that all types of First-Class Mail, Priority Mail, and Priority Mail Express are always committed for delivery on the day of receipt. In addition, delivery units must follow the redline process, which includes carriers completing a PS Form 1571 for any undelivered mail brought back to the delivery unit.<sup>19</sup> Carriers must not take any mail back to their cases. An evening review of the facility must also be completed to ensure all areas are free from undelivered mail.<sup>20</sup> Managers are required<sup>21</sup> to report all mail in the delivery unit after the carriers have left for their street duties as either delayed or curtailed in the DCV system. Further, management must update the DCV system if volumes have changed prior to the end of the business day.

<sup>12</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>13</sup> The DCV system is 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.

<sup>14</sup> PS Form 1571, *Undelivered Mail Report*, lists all mail distributed to the carrier for delivery that was left in the office or returned undelivered.

<sup>15</sup> 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.

<sup>16</sup> Two clerks were out for personnel issues and two were elected union officials performing full-time union duties.

<sup>17</sup> Handbook M-39, *Management of Delivery Services*, TL-14, Section 111.2, June 2019.

<sup>18</sup> *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.

<sup>19</sup> *Redline Policy Standard Operating Procedures* and Handbook M-41, *City Delivery Carriers Duties and Responsibilities*, Section 442, June 2019.

<sup>20</sup> *USPS DMS Delivery Management System, Standard Work Instruction*, PM All Clear Tasks, September 24, 2018.

<sup>21</sup> *DCV User Guide*, October 2025.

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

When mail is delayed, there is an increased risk of customer dissatisfaction, which may adversely affect the Postal Service brand. In addition, inaccurate reporting of delayed mail in the DCV system does not provide management at the local, district, area, and headquarters levels with an accurate status of mail delays and can result in improper actions taken to address issues.

#### **Postal Service Response**

The Postal Service agreed with this finding. See [Appendix B](#) for management's comments in their entirety.

## Finding #2: Package Scanning

### What We Found

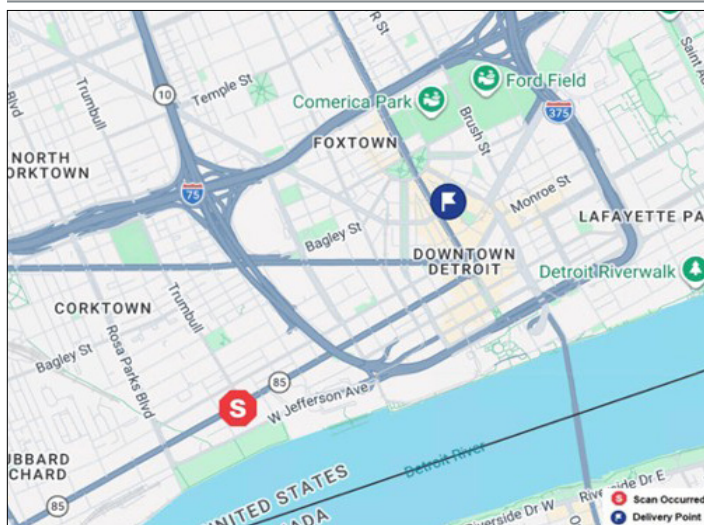
Employees scanned packages improperly, scanned packages away from the intended delivery point, and handled packages incorrectly at the unit. On the morning of May 5, 2026, before carriers arrived for the day, we selected all 15 packages from the carrier cases to review and analyze scanning and tracking history. Of the 15 sampled packages, 12 (80 percent) had improper scans or handling issues, including:

- Six packages were scanned delivered, which should only be performed when a package is successfully left at the customer's delivery address.
- Three packages scanned, "Delivery Attempted - No Access to Delivery Location," on May 1 or May 2, 2026, did not have a second delivery attempt scan on the next business day.<sup>22</sup>
- Two packages scanned "Delivery Attempted - No Access to Delivery Location" were scanned at least one mile from the delivery point. Scans should be made as close as possible to the delivery point (see Figure 2 for an example).
- One package was scanned "Held at Post Office at Customer Request;" however, no "Hold" request was on file.

### Why Did It Occur

The scanning issues occurred because unit management did not consistently enforce proper package scanning and handling procedures. The manager stated that he had competing duties on May 4, 2026, such as conducting an unanticipated mandatory carrier route inspection, assisting with long lines at the retail unit, and closing the delivery unit in absence of the closing supervisor. These competing duties made it difficult for him to monitor returning carriers or check the unit for undelivered packages.

**Figure 2. Scan Away From the Delivery Point in Detroit, MI**



Source: Postal Service Single Package Look Up.

### 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,<sup>23</sup> which includes scanning packages at the time and location of delivery.<sup>24</sup>

### 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.

<sup>22</sup> Handbook M-39, Section 125.7, June 2019.

<sup>23</sup> *Delivery Done Right the First Time* stand-up talk, March 2020.

<sup>24</sup> *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

## Finding #3: Arrow Keys

### What We Found

Unit management did not properly manage and safeguard arrow keys. On the morning of May 7, 2026, we reviewed the unit's arrow key certification list in the Retail and Delivery Applications and Reports (RADAR)<sup>25</sup> system and conducted a physical inventory of keys at the unit. Unit management reported 46 keys in RADAR as "In-Use" or "In-Vault." Based on our physical review of arrow keys at the unit, eight of the 46 keys were missing and an additional seven keys found at the unit, including one damaged key, were not recorded in RADAR. In addition, we found 12 keys at the unit that were listed in RADAR as unverified; 10 of these were classified as "Code or Serial Incorrect," one was classified as "Taken By U.S. Postal Inspection Service," and one was classified as "Lost." Unit management had not reported the eight missing keys to the U.S. Postal Inspection Service, nor did it send the damaged key to National Materials Customer Service.

In addition, arrow keys were not always kept secure. Specifically, arrow keys were kept on a [REDACTED], which was sometimes left unlocked and unattended throughout our visit. We observed carriers walking into the [REDACTED] to obtain arrow keys without oversight. Management also did not consistently maintain a daily log for carriers to sign for their keys to acknowledge receipt or verify that carriers returned their keys at the end of the day.

### Why Did It Occur

Management did not properly manage and safeguard arrow keys because of time constraints and other competing duties. Specifically, the unit manager stated that he did not take the proper time to physically verify each key in the unit when completing the May 2026 arrow key certification report. Instead, he verbally confirmed the status of keys with the supervisor, based on an urgency to

complete the certification after missing an earlier deadline. Further, the manager stated that the unit was short four clerks, and two supervisors were on leave, which caused him to split his time covering supervisory duties in the delivery and retail units. This impacted his ability to effectively manage and provide oversight of the arrow key process.

### What Should Have Happened

Management should have verified that all arrow key procedures were properly followed. According to Postal Service policy,<sup>26</sup> management must keep an accurate inventory of all arrow keys. Any missing keys must be immediately reported to the U.S. Postal Inspection Service. Further, damaged keys must be updated on the RADAR inventory log and returned to National Materials Customer Service.<sup>27</sup>

In addition, policy states<sup>28</sup> that arrow keys must remain secured until they are individually assigned to personnel. A supervisor or clerk must supervise employees signing out keys on the inventory log. Upon return, arrow keys should be deposited in a secure location, and a supervisor or clerk must verify 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 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>25</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>26</sup> *Standard Work Instruction: U.S. Postal Service Arrow Key Guidebook*, dated March 2025.

<sup>27</sup> *Helping Hand #23, Security Lock and Key Return Program*, dated July 30, 2025.

<sup>28</sup> *Standard Work Instruction: U.S. Postal Service Arrow Key Guidebook*, dated March 2025.

## Finding #4: Property Conditions

### What We Found

We found safety issues related to property conditions at the Grand Shelby Carrier Annex. Specifically, two electrical panels and two fire extinguishers were blocked with mail equipment, which could cause problems during an emergency because people would not be able to access them quickly (see Figure 3).

### Why Did It Occur

Management did not take appropriate measures to ensure that safety issues were promptly addressed. The unit manager stated that the plant team handles maintenance, safety, and security issues occurring throughout the facility; however, he was unaware of the items impeding access to the electrical panels and two fire extinguishers.

Immediately after our discussion, the manager removed all items blocking both electrical panels and the fire extinguisher located in the delivery unit workroom area; however, a forklift was required to clear containers that blocked the fire extinguisher in the dock area located right outside of the delivery unit, which they planned to coordinate with the plant to resolve. The following day, we found one of the electrical panels blocked again.

### What Should Have Happened

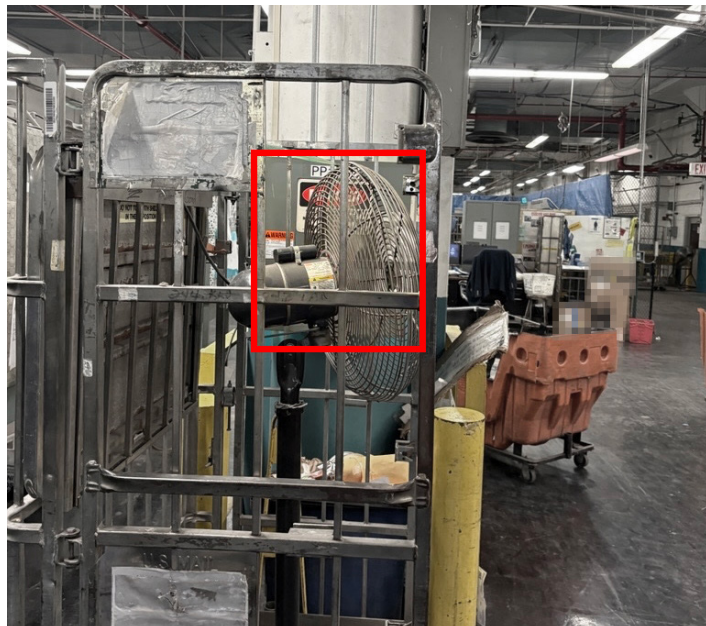
Management should have provided sufficient oversight of personnel responsible for maintaining facilities, reported safety and security issues as they arose, and followed up for completion. The Postal Service requires management to maintain a safe environment for employees and customers.<sup>29</sup>

### Effect on the Postal Service and Its Customers

Management's attention to safety 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.

### Figure 3. Examples of Safety Conditions

Blocked Electrical Panel



Blocked Fire Extinguisher



Source: OIG photos taken on May 6, 2026.

### Postal Service Response

The Postal Service agreed with this finding.

<sup>29</sup> Postal Service Handbook EL-801, *Supervisor's Safety Handbook*, July 2020.

# Appendix A: Additional Information

We conducted this audit from April through July 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 control activities, information and communication, and monitoring 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 Grand Shelby Carrier Annex, the Gratiot Station, and the Strathmoor Station, as well as the district.

We assessed the reliability of the Product Tracking and Reporting System (PTR)<sup>30</sup> and DCV system data by reviewing existing information, comparing data from other sources, observing operations, and interviewing Postal Service officials knowledgeable about the data. We determined that the data was sufficiently reliable for the purposes of this report.

<sup>30</sup> PTR is the system of record for all delivery status information for mail and packages with trackable services and barcodes.

# Appendix B: Management's Comments



June 25, 2026

LAURA LOZON  
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Grand Shelby Carrier Annex, Detroit, MI: Delivery Operations (Report Number 26-087-1-DRAFT)

Thank you for providing the Postal Service with an opportunity to review and comment on the findings contained in the draft audit report, *Grand Shelby Carrier Annex, Detroit, MI: Delivery Operations*.

Management generally agrees with the four findings related to 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* and follow the *Redline process*. Reviews will be conducted to monitor compliance.

*Package Scanning:* Management will provide a service talk on proper scanning procedures and 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 the safety issues found during the audit.

E-SIGNED by RICHARD T MORETON  
on 2026-06-25 11:44:14 EDT

Richard T. Moreton  
District Manager, Michigan 1 District

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

# OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE



This document contains sensitive information that has been redacted for public release. These redactions were coordinated with USPS and agreed to by the OIG.

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1735 North Lynn Street, Arlington, VA 22209-2020  
(703) 248-2100

For media inquiries, please email [press@uspsig.gov](mailto:press@uspsig.gov) or call (703) 248-2100