



AUDIT REPORT

Mail Delivery and Customer Service Operations – Allen Post Office, Allen, TX

February 05, 2020

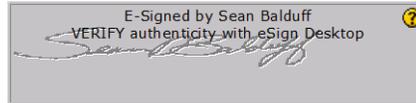


Report Number 20-107-R20



February 05, 2020

MEMORANDUM FOR: SCOTT HOOPER
MANAGER, DALLAS DISTRICT



FROM: Sean Balduff
Director, Delivery and Retail Response Team

SUBJECT: Audit Report – Mail Delivery and Customer Service
Operations – Allen Post Office, Allen, TX
(Report Number 20-107-R20)

This report presents the results of our audit of Delivery Scanning Issues at the Allen Post Office, Allen, TX.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Sherry Hilderbrand, Operations Manager, at shilderbrand@uspsioig.gov, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit Response Management
Vice President, Delivery and Retail Operations
Vice President, Southern Area

Background

This report presents the results of our self-initiated audit of mail delivery and customer service operations at the Allen Post Office in Allen, TX (Project Number 20-107).

The Allen Post Office is in the Dallas District of the Southern Area. The delivery unit has a total of 68 routes (12 city, 53 rural, and three Contract Delivery Service (CDS)¹). The 12 city routes are delivered by 20 carriers, and the 53 rural routes are delivered by 85 carriers. The Allen Post Office also has 14 clerks who perform retail and customer service functions. We chose the Allen Post Office based on the number of stop-the-clock² (STC) scans occurring at the delivery unit.

Objective, Scope, and Methodology

Our objective was to review select mail delivery and customer service operations at the Allen Post Office in Allen, TX.

To accomplish our objective, we reviewed delivery metrics including the number of routes and carriers, mail arrival time, amount of reported delayed mail, package scanning, distribution up time (DUT),³ and carriers return to office time. During our site visits on November 21-22, 2019, we reviewed station safety and security procedures, mail conditions, and arrow lock key⁴ and Voyager card⁵ security procedures. We analyzed the scan status of mailpieces at the carrier cases and in the “Notice Left”⁶ area of the facility and interviewed unit management and employees.

We relied on computer-generated data from the Product Tracking and Reporting system. Although we did not test the validity of controls over this system, we assessed the accuracy of the data by testing the completeness and reasonableness of the data, observing operations at the unit, and interviewing Postal Service personnel knowledgeable about the data. We determined the data were sufficiently reliable for the purposes of this report.

We conducted this audit from November 2019 through February 2020, in accordance with generally accepted government auditing standards. 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

¹ A contractual agreement between the U.S. Postal Service and an individual or company to deliver and collect mail.

² A scan event that indicates that the Postal Service has completed its commitment to deliver or attempt to deliver the mailpiece. Examples of these scans include “Delivered”, “Available for Pick-up”, “No Access”, and “Business Closed”.

³ Time of day that clerks have completed distributing mail to the carrier routes after it has arrived from the processing center.

⁴ 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 lock keys are accountable property and subject to strict controls.

⁵ Each vehicle is assigned a Voyager card to purchase all commercial fuel required by that vehicle and any minor maintenance under \$300.

⁶ The area of a postal facility where letters or packages that the carriers were unable to deliver are stored for customer pickup.

discussed our observations and conclusions with management on January 27, 2020 and included their comments where appropriate.

Finding #1: Carriers Returning after 6:00 p.m.

We determined that carriers at the Allen Post Office were returning to the office after 6:00 p.m. Specifically, during July to September 2019, about 66 percent of city carriers returned to the office by 6:00 p.m. and about 96 percent of rural carriers returned to the office by 6:00 p.m. (see Table 1). The Postal Service’s goal is to have 100 percent of carriers returning to the office by 6:00 p.m.⁷ When carriers return after 6:00 p.m., customer service can suffer and mail collected by the carriers may be late to the processing and distribution center.

Table 1. Carriers Returning by 6:00 p.m.

Month	Percentage of City Carriers Returning by 6:00 p.m.	Percentage of Rural Carriers Returning by 6:00 p.m.
July	61%	96%
August	71%	97%
September	65%	94%
Average	66%	96%

Source: U.S. Postal Service Office of Inspector General (OIG) analysis of City Carriers Returning After 6 p.m. data from the Enterprise Data Warehouse-Delivery Data Mart and Rural Workhour Tracker.

Management stated this occurred because mail often arrives late to the unit causing carriers to wait for parcels and other mail to be sorted to their routes before they can leave for street duties. During our observation, the last truck arrived at 10:05 a.m. — two hours and 35 minutes late — with 14 APCs, six wiretainers, and one Over-the-Road container (see [Figures 1 and 2](#)). In addition, we reviewed unit data in the Postal Service’s Scan Point Management System for a 30-day period ending November 20, 2019. The data showed that 25 of the 9:00 a.m. scheduled DUT scans were late or missing (24 late, one missing). The late scans ranged from 22 minutes to 3 hours and 10 minutes and 50 percent of them were over one hour late.

There is an agreement between plant operations and the delivery unit that stipulates the amount of mail that should arrive on each scheduled transportation to the unit. Failure to meet the requirements of this Integrated Operating Plan (IOP)⁸ can significantly impact the ability of the delivery unit to achieve required performance levels. If variances between the IOP and the actual performance exist, delivery unit management must

⁷ *Staffing and Scheduling Tool, Function 4 Applications User Guide*, 2016.

⁸ A contract between the mail processing plant(s) and the delivery unit used to stabilize mail flows. The mail product agreed upon for each dispatch from the plant to the delivery unit must be conducive to the unit’s mail flow needs.

provide the necessary feedback to district personnel in order for the plant to take the necessary actions to address these variances.

There are tools available to assist in addressing mail arrival variances which the unit was not using. Per Postal Service policy, a unit should list the number of scheduled transportation trips arriving late by 10 minutes or more and track the amount of working mail the unit receives in the Customer Services Daily Reporting System (CSDRS).⁹ The unit should also track the amount of volume received by trip and record the actual time of arrival in the Delivery Operations Information System (DOIS) “Capture Daily Dispatch” screen and perform surface visibility scans¹⁰ to identify variances in truck arrivals. However, we noted that from October 21 through November 21, there were no late trips reported in CSDRS, no variances reported in DOIS, and only two trip arrival scans performed for the surface visibility tracking for the last scheduled trip of 7:30 a.m. These reports should be used as the basis for following up with the plant to address variances in the IOP.

⁹ A delivery unit-based system used to track the amount of working mail that each unit receives, identify whether the unit can handle the volumes received on the trips, and determine non-adherence to transportation schedules.

¹⁰ Surface visibility is used to evaluate and improve transportation schedules by using the data to identify early, on-time, late or cancelled trips.

Figures 1. & 2. Postal Service employees unloading Delivery Point Sequence Mail and Packages on a Late Arriving Truck



Source: OIG photograph taken at 10:05 a.m. on November 21, 2019 at the Allen Post Office.

Recommendation #1: We recommend the **Manager, Dallas District**, review mail arrival times and mail mix for the Allen Post Office and the processing and distribution centers that service the Allen Post Office to ensure the distribution up time can be met.

Recommendation #2: We recommend the **Manager, Dallas District**, instruct the Post Office Operations Manager for the Allen Post Office to ensure employees at the unit use mail arrival reporting tools.

Finding #2: Package Scanning Issues

We determined employees were improperly scanning packages at the unit and not following package scanning and handling policies. The Postal Service measures package delivery service performance from the point of package acceptance through the first delivery attempt. Each delivery unit is required to have distribution clerks scan all arriving barcoded items as “Arrival at Unit” and delivery employees scan items at the time of attempted delivery using the appropriate STC scan. An improper scan is a STC scan performed at any location other than the delivery location. The Postal Service’s goal is to ensure mail is delivered to the correct address with proper service,¹¹ which

¹¹ *Delivering a Positive Customer Experience - Delivery Done Right* stand-up talk.

includes scanning every mailpiece at the point of delivery¹² and ensuring 100 percent visibility throughout the process.¹³

Our data analysis showed that employees scanned 7,446 packages at the unit between July and September 2019 rather than at the appropriate delivery point (see Table 2). Per Postal Service policy,¹⁴ carriers must perform accurate STC scans for packages at the point of delivery.

Table 2. STCs at Delivery Unit

July	August	September	Total
2,598	2,772	2,076	7,446

Source: OIG analysis of Postal Service Product Tracking and Reporting System data.

Further analysis of the scans at the unit identified two delivery points that had high volumes of parcels with scans at the unit and three routes with multiple delivery points that had scans at the unit (see Table 3).

Table 3. Scans at the Unit by Route Type

Route Type	Route Number	Number of addresses with scans at unit	Number of scans at unit
City Route	C003	1	2,203
Rural Route	R008	1	181
CDS	H01	203	315
CDS	H02	495	4,283
CDS	H03	171	258

Source: OIG analysis of *Scans at Unit Report* from Product Tracking and Reporting System.

We discussed the identified routes with management, who validated that there were two routes with businesses that receive high volumes of parcels and the other three routes were serviced by delivery contractors. The carriers scanned the parcels as “Delivered” at the unit due to the volume of parcels. We also determined that unit employees were not using a firm sheet¹⁵ for these deliveries, as required.¹⁶ The postmaster stated she

¹² *Where Is My Package (WIMP) and Scanning*, February 2017.

¹³ *Scanning at a Glance – Delivering 100 percent Visibility*, August 2011.

¹⁴ *No Delivery/No Attempt and Scanning Document*, November 2015; and *Scanning at a Glance, Delivering 100% Visibility*, August 2011.

¹⁵ A firm sheet is a list of packages for delivery to one address documented with a single barcode. Firm sheets are used to link packages sent to one address on a single form.

¹⁶ Postal Service guidance states that a firm sheet should be used for delivery points that receive 25 or more trackable pieces per day to increase efficiency.

was not sure how to create the firm sheets on the PASS machine and that carriers were not allowed to create them.

We interviewed the carriers who performed scans for delivery points with high numbers of scans at the unit. They stated that “Delivered” scans were being performed at the unit because it was faster than scanning at the delivery point. One carrier stated that his peer trained him to scan parcels this way.

Management also discussed these scanning issues with the CDS contract owner while we were at the unit. The owner said that he would provide instructions to CDS carriers to take the scanners to the door with them and scan the pieces on the porch.

In addition, during our visits on November 21-22, 2019 we judgmentally selected packages before the carriers arrived for the day to review the scanning and tracking data. Of the 25 packages we analyzed, 10 were at the carrier cases and 15 were in the “Notice Left” area. We determined that eight of the 25 packages were missing a scan or had improper scans. Specifically:

- Four packages (two at the carrier cases and two in the “Notice Left” area) were scanned as “Delivered” but were still at the unit. A “Delivered” scan should only be made when a package is successfully left at the delivery address.
- Three packages (one at a carrier case and two in the “Notice Left” area) did not have a stop-the-clock scan. All packages should have received a scan at the time of attempted delivery.
- One package (at a carrier case) was scanned “Available for Pickup” which should not be used by street delivery personnel because it is an in-office event only.

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

Recommendation #3: We recommend the **Manager, Dallas District**, instruct the **Allen Post Office Postmaster** to ensure that employees follow standard operating procedures for scanning, including using firm sheets, periodically reviewing and monitoring scan data for compliance, and providing carriers with refresher training on scanning procedures.

Finding #3 Safeguarding of Assets

Employees did not properly secure assets at the Allen Post Office. Specifically, during our visit on November 21, 2019 we were able to locate only 11 of 52 Voyager Fleet cards (see Figures 3 through 6). Carriers stated they stored their Voyager cards in various places including their mailbags and wallets. Management stated that carriers failed to turn in the Voyager cards, broke or lost them, and failed to report it. Postal Service policy states that Voyager Fleet cards are accountable items and should be treated as such; they should never be carried by off-duty personnel or left in unattended vehicles or in other locations with unrestricted access.¹⁷

Figures 3, 4, 5, and 6. Examples of Voyager Cards Binder



Source: OIG photograph taken at 7:15 a.m. on November 21, 2019 at the Allen Post Office.

We also inspected delivery vehicles on the morning of the site visit and found 20 of 61 unattended vehicles were not locked as required. Management stated that carriers were supposed to be locking vehicles upon return from street duties and the supervisors were supposed to ensure they were locked in the evening. Postal Service policy states that all vehicle doors must be secured when the vehicle is left unattended and out of the driver's immediate sight.¹⁸ Further, employees were not adhering to the PM Activity Checklist as it specifies locking and securing vehicles as one of the tasks for management to complete at the end of the day. Without proper management oversight for securing vehicles, theft could result. Shortly after we brought the unsecured vehicles to management's attention, they took corrective action by delivering a stand-up talk focused on locking unattended delivery vehicles. As a result, we will not make a recommendation on this issue.

These conditions occurred because employees did not follow established procedures that would have ensured the items were secured. By following the procedures, the unit can potentially prevent unauthorized purchases and theft of Postal Service assets.

¹⁷ *Standard Work Instruction (Quick Reference): U.S. Bank Voyager Fleet Card Management for Site Managers*, January 8, 2019.

¹⁸ Handbook EL-814, *Postal Employee's Guide to Safety*, Section XE4: Parking.

Recommendation #4: We recommend the **Manager, Dallas District**, instruct the **Allen Post Office Postmaster** to follow applicable Postal Service policies and procedures to ensure proper security and accountability of Voyager cards.

Management's Comments

Management agreed with all of the findings and recommendations in the report. See [Appendix A](#) for management's comments in their entirety.

Regarding recommendation 1, the district manager assigned the manager of Operations Support to review mail arrival times and mail mix for the Allen Post Office, daily to ensure distribution up time can be met. Management's target implementation date is February 29, 2020.

Regarding recommendation 2, management issued a letter instructing the Post Office Operations manager for the Allen Post Office to ensure employees use mail arrival reporting tools. District management will follow up to ensure the tools are being used by February 29, 2020.

Regarding recommendation 3, management issued a letter instructing the Allen Postmaster to periodically monitor and review scanned data, provide carriers with refresher training on scanning procedures, and ensure employees follow standard operating procedures for scanning. District management will follow up to ensure these tasks are completed by February 29, 2020.

Regarding recommendation 4, the district manager issued a letter instructing the Allen Postmaster to follow Postal Service policies and procedures for Voyager cards to ensure security and accountability. District management will follow up to ensure these tasks are completed by February 29, 2020.

Evaluation of Management's Comments

The OIG considers management's comments responsive to the recommendations in the report.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed.

Recommendations should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed.

APPENDIX A. MANAGEMENT'S COMMENTS

DISTRICT MANAGER
DALLAS CUSTOMER SERVICE & SALES



January 30, 2020

LAZERICK C. POLAND
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Draft Audit Report – Mail Delivery and Customer Service Operations –
Allen Post Office, Allen, TX (Project Number 20-107)

Management agrees with all the findings and recommendations of this audit
conducted by U.S.Postal Service Office of Inspector General.

Recommendation 1:

We recommend the Manager, Dallas District, review mail arrival times and mail mix
for the Allen Post Office and the processing and distribution centers that service the
Allen Post Office to ensure the distribution up time can be met.

Management Response/Action Plan:

District Manager has assigned Manager of Operations Programs Support to review
the mail arrival times and mail mix for Allen Post office on a daily basis to ensure the
distribution up time can be met.

Target Implementation Date:

February 29, 2020.

Responsible Official:

Manager of Operations Program Support (MOPS), District

Recommendation 2:

We recommend the Manager, Dallas District, instruct the Post Office Operations
Manager for the Allen Post Office to ensure employees at the unit use mail arrival
reporting tools.

Management Response/Action Plan:

District Manager initiated a letter instructing the Post Office Operations Manager for
the Allen Post Office to ensure employees at the unit use mail arrival reporting tools.
District MOPS will follow up to ensure the Post Office Operations Manager for the
Allen Post Office has completed these tasks.

Target Implementation Date:

February 29, 2020.

Responsible Official:

Manager Post Office Operations Area 4 (MPOO4) and MOPS

951 W BETHEL RD
COPPELL TX 75099-9998
972-393-6787
FAX: 972-393-6192

- 2 -

Recommendation 3:

We recommend the Manager, Dallas District, instruct the Allen Post Office Postmaster to ensure that employees follow standard operating procedures for scanning, including using firm sheets, periodically reviewing and monitoring scan data for compliance, and providing carriers with refresher training on scanning procedures.

Management Response/Action Plan:

District Manager initiated a letter instructing the Postmaster of Allen, to ensure that employees follow standard operating procedures for scanning, including using firm sheets, reviewing and monitoring scan data, and to provide carriers with refresher training on scanning procedures. District MOPS will follow up to ensure the Postmaster of Allen has completed these tasks.

Target Implementation Date:

February 29, 2020.

Responsible Official:

Postmaster, Allen and MOPS

Recommendation 4:

We recommend the Manager, Dallas District, instruct the Allen Post Office Postmaster to follow applicable Postal Service policies and procedures to ensure proper security and accountability of Voyager cards.

Management Response/Action Plan:

District Manager initiated a letter instructing the Postmaster of Allen, to follow the Postal Service policies and procedures for Voyager cards to ensure security and accountability. District Finance will follow up to ensure the Postmaster of Allen has completed these tasks.

Target Implementation Date:

February 29, 2020.

Responsible Official:

Postmaster, Allen and Manager of Finance, District



Milford S. Hooper
Dallas District Manager

cc: Corporate Audit and Response Management