



Office of Inspector General | United States Postal Service

Audit Report

Delivery and Customer Service Operations - New Hampshire

Report Number 20-205-R21 | December 14, 2020



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Highlights

Objective:

We conducted this audit in response to a January 27, 2020 congressional request from Senator Margaret Hassan, who raised concerns regarding complaints at multiple U.S. Postal Service facilities in New Hampshire. Our objective was to evaluate mail delivery and customer service operations at selected locations.

The Postal Service has an obligation to provide services to bind the nation together through personal, educational, literary, and business correspondence to the public, and to provide prompt, reliable, and efficient services to all communities.

From January to May 2020, the U.S. Postal Service's Northern New England District received 29,396 customer complaints regarding mail delivery and customer service. Of those, 12,421 (42 percent) were in the state of New Hampshire and 754 (6 percent) were at the 10 facilities we visited during this audit. There are 1,103 city, rural and contract routes in 151 delivery units in the state of New Hampshire.

We judgmentally selected 10 units to review based on analysis of customer complaints. From December 2019 to May 2020, the 10 selected units delivered more than 7.6 million letters and flats and over 1.4 million packages to more than 35,000 possible delivery points on 70 routes. We conducted site visits in New Hampshire between July 15 and 24, 2020.

Although the Postal Service projected significant revenue declines due to the novel coronavirus (COVID-19) pandemic, national package volumes actually increased. We saw the impact of these trends in New Hampshire as package volumes increased over the prior year and at the 10 selected delivery units, package volume was 59 percent higher in May 2020.

Our fieldwork occurred after the President of the United States issued the national emergency declaration concerning the novel coronavirus disease outbreak (COVID-19) on March 13, 2020. The results of the audit reflect, in part, any process and/or operational changes that may have occurred as a result of the pandemic.

In July 2020, the Postal Service implemented a series of nationwide initiatives to improve operational efficiency. These initiatives did not have any impact on our findings.

Findings:

Nine of the 10 units we visited had delivery delays that occurred during December 2019 and January 2020. Delivery unit management confirmed delayed mail existed in these units during this time period. Furthermore, at five of the 10 delivery units, OIG identified 7,288 pieces of delayed mail (nine percent of 77,318 total pieces) from 25 routes during our site visits in July 2020. Some of this mail had been delayed for two days and was not reported in the Customer Service Daily Reporting System, as required.

These issues occurred because management:

- Did not have sufficient career and non-career staff to sort, distribute, and deliver mail.
- Experienced difficulty in hiring and retaining non-career employees, which supplement the career workforce.

"The Postal Service has an obligation to provide services to bind the nation together through personal, educational, literary, and business correspondence to the public, and to provide prompt, reliable, and efficient services to all communities."

In addition, carriers improperly scanned 61 (18 percent) of 337 packages we sampled in these 10 units. This occurred because delivery unit management and Post Office Operations Managers did not enforce daily mail scanning procedures and directed packages to be scanned with a "stop-the-clock" scan to avoid undelivered packages being reported on the Package Scanning End of Day Report. We made referrals to our Office of Investigations as appropriate.

By improving operations and supervision, the district can improve delivery performance and reduce customer delivery complaints, while meeting the Postal Service's goal of providing customers with real-time mail visibility.

Recommendations:

We recommended management:

- Address staffing issues through coordination with Human Resources to attract and retain qualified candidates for both career and non-career positions.
- Instruct Post Office Operations Managers to develop a plan to monitor and ensure compliance with package scanning standard operating procedures. The plan should include timelines and enforcement mechanisms as appropriate.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

December 14, 2020

MEMORANDUM FOR: REGINA M. BUGBEE,
DISTRICT MANAGER, NORTHERN NEW ENGLAND
DISTRICT

A handwritten signature in black ink that reads "Rita F. Oliver".

FROM: Rita F. Oliver
Acting Deputy Assistant Inspector General
for Retail, Delivery and Marketing

SUBJECT: Audit Report – Delivery and Customer Service Operations –
New Hampshire (Report Number 20-205-R21)

This report presents the results of our audit of Delivery and Customer Service Operations - New Hampshire.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Rick Hightower, Acting Director, Delivery, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit Response Management

Results

Introduction/Objective

This report responds to a January 27, 2020, congressional request from Senator Margaret Hassan of New Hampshire, who raised concerns regarding complaints at multiple locations in the state of New Hampshire. Our objective was to evaluate mail delivery and customer service operations at selected facilities in New Hampshire. See [Appendix A](#) for additional information about this audit.

Background

The U.S. Postal Service has an obligation to provide services to bind the nation together through personal, educational, literary, and business correspondence to the public, and to provide prompt, reliable, and efficient services to all communities. From January to May 2020, the Postal Service's Northern New England District received 29,396 customer complaints regarding mail delivery and customer service. Of those, 12,421 (42 percent) were in New Hampshire and 754 (6 percent) were at the 10 facilities we visited during this audit. There are 1,103 city, rural, and contract routes at 151 delivery units in New Hampshire. We judgmentally selected 10 units to review based on analysis of customer complaints. From December 2019 to May 2020, the 10 selected units delivered more than 7.6 million letters and flats and over 1.4 million packages to more than 35,000 possible delivery points on 70 routes. We conducted site visits in New Hampshire between July 15 and 24, 2020.

Although the Postal Service projected significant revenue declines due to the novel coronavirus (COVID-19) pandemic, national package volumes actually increased. We saw the impact of these trends in New Hampshire as package volumes increased over the prior year and at the 10 selected delivery units, package volume was 59 percent higher in May 2020.

Our fieldwork occurred after the President of the United States issued the national emergency declaration concerning the novel coronavirus disease outbreak (COVID-19) on March 13, 2020. The results of the audit fieldwork will reflect, in part, any process and/or operational changes that may have occurred as a result of the pandemic.

In July 2020, the Postal Service implemented a series of nationwide initiatives to improve operational efficiency. These initiatives did not have any impact on our finding.

Finding #1: Delayed Mail at Delivery Units

Nine of the 10 units we visited had delivery delays that occurred during December 2019 and January 2020. Delivery unit management confirmed that delayed mail existed at these units during this time period.¹ Furthermore, at five of the 10 delivery units, the U.S. Postal Service Office of Inspector General (OIG) identified 7,288² pieces of delayed mail (9 percent of 77,318³ total pieces) from 25 routes during our site visits in July 2020. Some of this mail had been delayed for two days and was not reported in the Customer Service Daily Reporting System (CSDRS), as required⁴ (see [Table 1](#)).

“From January 2020 to May 2020, the Postal Service’s Northern New England District received 29,396 customer complaints regarding mail delivery and customer service.”

¹ Customers alleged delayed mail at these New Hampshire delivery units in the congressional complaint.

² One unit had delayed mail comingled with mail from the current delivery day, so we were unable to count pieces.

³ Total mail piece number of 77,318 is a total of the daily average mail volume at each of the 10 units the OIG visited during fieldwork.

⁴ The formal delayed mail reporting tool that provides timely information to management on mail and operational exception situations.

Table 1. OIG Analysis of Units with Delayed Mail

Delivery Unit	Delayed Mail Existed in Units December 2019 and January 2020	Unreported Delayed Mail Identified by the OIG During Fieldwork in July 2020
Andover Administrative Post Office ⁵	YES	NO
Bradford Administrative Post Office	YES	YES
Campton Main Post Office (MPO)	YES	NO
Enfield Administrative Post Office	YES	YES
Laconia Main Post Office	NO	YES
New London Administrative Post Office	YES	NO
Newbury Main Post Office	YES	NO
Newport Administrative Post Office	YES	YES
Spofford Main Post Office	YES	NO
West Lebanon Station	YES	YES
Total	9	5

Source: OIG analysis of congressional complaints, observations and interviews.

⁵ Unit had collection mail from the previous business day at the carrier's case.

⁶ *Delivery Unit Service Talk - Committed Mail & Color Code Policy for Marketing Mail*, March 2019.

Postal Service policy⁶ states that First-Class, Priority, and Priority Express mail are always scheduled for delivery on the day of receipt.

During our observations, carriers at three delivery units returned from delivery routes with First-Class mail scheduled for delivery that day or did not attempt to deliver mail and packages scheduled for delivery (see Figures 1 and 2).

Figure 1. Delayed Mail at Carrier's Case — Enfield Post Office

Source: OIG photo taken July 21, 2020.

Figure 2. Mail Not Delivered from Prior Day — Laconia Post Office



Source: OIG photo taken July 15, 2020.

Managers at the units did not always verify mail brought back to the unit was recorded on Postal Service (PS) Form 1571, Undelivered Mail Report.

Undelivered mail should be documented on PS Form 1571 and provided to the unit management per Postal Service policy. Any scheduled mail not processed and taken out for delivery on the day of receipt is delayed.

These issues occurred due to insufficient career and non-career staff and difficulty in hiring and retaining non-career employees.

- Delivery units did not always have available career staff to handle the daily workload. For example, 12 carriers (three city and nine rural) at three of 10 delivery units we visited were on limited duty. In addition, three career rural carriers at two delivery units were furloughed to avoid exceeding the evaluated workhours⁷ and to avoid incurring overtime costs for the carriers. However, these carrier absences led to difficulty balancing the workloads of career and non-career employees, thus contributing to delays in service.
- Northern New England District management had difficulty hiring non-career craft positions. Our analysis of hiring data from December 2019 to June 2020 found that the Postal Service had a low success rate in hiring non-career staff for critical positions. While management posted 870 vacancies in New Hampshire, the district was only able to fill 160 positions (18 percent). Rural letter carrier positions⁸ were the most difficult to hire, as management could only fill 12 percent of the posted positions, 23 percent of city⁹ carrier positions and 25 percent of clerk¹⁰ positions (see [Table 2](#)).

"The Northern New England District had difficulties hiring non-career craft positions."

⁷ Rural carriers receiving evaluated compensation receive a guaranteed annual wage for 2,080 hours of actual work.

⁸ Includes the regular rural carrier, rural carrier associate, and assistant rural carrier positions.

⁹ Includes city carrier assistant and temporary carrier assistant positions.

¹⁰ Includes postal support employee, clerk assistant and mail processing assistant positions.

Table 2. Non-Career Positions Filled by Craft

Position Category	Positions Posted	Positions Hired	Percentage Filled
Rural	454	54	12%
City	117	27	23%
Clerk	224	56	25%
Mail Handler	73	22	30%
Bldg/Equip Maintenance	2	1	50%
Total	870	160	18%

Source: Human Resource Shared Service Center (HRSSC).

There were additional challenges to hiring in the state of New Hampshire such as competitive wages and state-specific restrictions. For example, the Postal Service's hourly wage rate for City Carrier Assistant (CCA) starts at \$17.29 per hour and \$18.56¹¹ per hour for Rural Carrier Associates (RCA). Other businesses in the area offered \$15.00 to \$21.00 per hour for comparable entry-level positions. In addition, job applicants must go to the New Hampshire Division of Motor Vehicles (DMV) to request driving records in person, which can add time to the onboarding process. In other states, the Postal Service can obtain driving records directly from state motor vehicle jurisdictions.

The ten units we visited in New Hampshire experienced even less success than other locations in the state when filling non-career positions. Specifically, from December 2019 to June 2020, management filled only one of 32 positions posted (3 percent) (see Table 3). One unit manager reported being unable to fill an RCA position that had been posted for two years. Additionally, 189 candidates in New Hampshire withdrew their application before management could complete the hiring process. Postal Service officials attributed withdrawn applications, at least in part, to the lengthy and difficult hiring process.

¹¹ Pay is set by the collective bargaining agreement and cannot arbitrarily be changed.

Table 3. Positions Filled by Unit (December 2019 to June 2020)

Unit Name	Positions Filled	Positions Posted	Percentage Filled
Andover Administrative Post Offices	0	3	0%
Bradford Administrative Post Office	0	0	N/A
Campton Main Post Office	0	2	0%
Enfield Administrative Post Office	0	5	0%
Laconia Main Post Office	0	10	0%
New London Administrative Post Office	0	3	0%
Newbury Main Post Office	0	3	0%
Newport Administrative Post Office	0	5	0%
Spoofford Main Post Office	0	0	N/A
West Lebanon Station	1	1	100%
Total	1	32	3%

Source: HRSSC.

- RCAs were also difficult to retain. The monthly average turnover rate goal for RCAs is 2.50 percent. Three delivery units had turnover rates over the national average monthly goal, ranging from 2.86 to 14.29 percent.

Postal Service management stated the job requirements for the RCA position make it difficult for hiring. In many offices, RCAs are required to supply their own vehicle to deliver mail on routes, and the Postal Service does not guarantee RCAs a minimum number of hours per week. Postal Service officials indicated that younger entrants into the job market might not be willing to take an RCA job due to these factors, especially when other jobs outside the Postal Service are

available. Further, under the Postal Service's current Fast-Track hiring process, the agency's HRSSC, which coordinates hiring nationwide for the agency, only sends one candidate at a time to the district hiring officials. Therefore, if one candidate withdraws or is not fit for the position, the hiring manager must contact their district human resources personnel, who then contacts the HRSSC. The HRSSC then sends the next qualified candidate to the district human resources who sends the information to the hiring manager. These steps increase the time spent in the hiring process.

Recommendation #1:

We recommend the **District Manager, Northern New England District**, address staffing issues through coordination with Human Resources to attract and retain qualified candidates for both career and non-career positions.

Finding #2: Improper Package Scanning

Carriers improperly scanned 61 (18 percent) of 337¹² packages sampled at the 10 delivery units we visited. Specifically, the OIG found:

- Six packages in the "Notice Left" area at three units had missing stop-the-clock (STC) scans, preventing the customers from being able to electronically track their package.
- Fifty-five packages at the carriers' cases were scanned "No Access Available" and were delivered later that day or the next day.
- Another 86 STC scans performed at the delivery units had multiple reasons for this occurring. For example, carriers:
 - Performed a STC scan at the unit and left the packages there for customer pickup or for delivery on a subsequent day.
 - Applied prior knowledge that mail receptacles were not available for these packages.

- Followed safety regulations, such as not delivering down long narrow driveways to avoid unnecessary backing or the necessity to back out of a private drive onto a state highway.
- Were unable to fit all packages inside their private vehicles.
- Avoided difficult deliveries, such as carrying packages upstairs in apartments with multiple floors. In instances where packages were too large to carry and were being scanned, carriers indicated they provided the customer a notice that the package was available for pick-up at the post office (see Figures 3 and 4).

Figures 3 and 4 - Packages Deemed too Large for Carrier Vehicles



Source: OIG photos taken July 22, 2020.

Improper scanning issues occurred because delivery unit management did not enforce daily mail scanning procedures and misused the Package Scanning End-of-Day (EOD) Report. Managers did not always ensure carriers were taking packages out for delivery on routes or scanning at the delivery point. At one

¹² 172 at the carrier cases and 165 in the "Notice Left" area.

“By improving operations and supervision, the district can improve delivery performance and reduce customer delivery complaints.”

of Investigations as appropriate. Postal Service policy¹³ requires carriers to document package delivery by performing a stop-the-clock scan for packages at the location where the carrier delivered or attempted to deliver the package.

Additionally, district Post Office Operations Managers (POOM) did not always have sufficient oversight of post office operations. Specifically, the POOMs stopped their routine visits to their assigned delivery units due to COVID-19. Furthermore, in discussion with OIG, POOMs informed us they had no knowledge that carriers were not scanning packages at the delivery point nor delivering all packages.

By improving operations and supervision, the district can improve delivery performance and reduce customer delivery complaints, while meeting the Postal Service’s goal of providing customers with real-time mail visibility.

Recommendation #2

We recommend the **District Manager, Northern New England District**, instruct Post Office Operations managers to develop a plan to monitor and ensure compliance with package scanning standard operating procedures. The plan should include timelines and enforcement mechanisms as appropriate.

delivery unit, the previous Officer-in-Charge (OIC) directed carriers to perform STC scans at the delivery unit for any packages that did not make it out for delivery due to staffing shortages. Further, carriers and supervisors at three delivery units were told by management to enter STC scans for packages that were listed on the EOD report, even though they had not been delivered. We made referrals to our Office

Management’s Comments

Management agreed with the findings and recommendations. Management stated that they are committed to addressing staffing deficiencies and ensuring packages are scanned properly.

Regarding recommendation 1, management stated they will continue extensive efforts to attract, hire and retain qualified applicants. Management provided a list of hiring efforts they implemented to address staffing needs in New Hampshire, some have been completed and others, while implemented, remain ongoing. They have attended several job fairs throughout 2020, advertised on social media, utilized radio and television ads and traditional job postings in various areas. They continue to advertise on social media platforms, utilize hiring handouts and posters in those locations that remain below complement. The target implementation date for these efforts was December 2, 2020, and management stated they plan to continue these efforts until full complement is established.

Regarding recommendation 2, management has implemented and/or reinforced policies and procedures to mitigate package scanning deficiencies. Some of these efforts included reissuing standard work instructions on package scanning, and additional reporting on multiple scans occurring early or late in the day. Management also established a dashboard alert to identify multiple scans occurring at one location. The target implementation date for these efforts was December 2, 2020.

See Appendix B for management’s comments in their entirety.

Evaluation of Management’s Comments

The OIG considers management’s comments responsive to the recommendations in the report and corrective actions implemented should resolve the issues identified in the report. Based on documentation provided by management, we consider recommendations 1 and 2 closed with the issuance of this report.

¹³ *Delivery and Retail Standardization*, Tab 3, Section 5; *Scanning Reference Guide*, pg.13.; and Service Talk – *Where is My Package (WIMP) and Accurate Scanning*, February 2017.

Appendices

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Appendix A: Additional Information

Scope and Methodology

Our objective was to evaluate mail delivery and customer service operations at selected facilities in New Hampshire. To accomplish our objective, we:

- Reviewed applicable laws, regulations, policies, and procedures related to mail delivery.
- Reviewed customer complaint data provide by congressional staffers for 14 units and judgmentally selected 10 delivery units in New Hampshire.
- Obtained and analyzed staffing, scanning, and complaint data for December 2019 through May 2020.
- Obtained and analyzed hiring data for December 2019 through June 2020.
- Conducted interviews with station management, Northern New England District management.
- Interviewed management to understand their daily use of the CSDRS to improve mail delivery reporting and improve transparency.

We conducted this performance audit from February through December 2020 in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on November 18, 2020, and included their comments where appropriate.

We assessed the reliability of scanning data by testing of performance methodology. We determined that the data were sufficiently reliable for the purposes of this report.

Appendix B: Management's Comments



December 4, 2020

JOSEPH WOLSKI
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Draft Audit Report – Delivery and Customer Service Operations- New Hampshire (Project Number 20-205-DRAFT)

Thank you for the opportunity to respond to the Office of Inspector General (OIG) draft audit report, "Delivery and Customer Service Operations-New Hampshire".

Management agrees with the findings and recommendations noted in the audit report.

Our response to the Recommendations are as follows:

Recommendation #1

We recommend the **District Manager, Northern New England District** address staffing issues through coordination with Human Resources to attract and retain qualified candidates for both career and non-career positions.

Management Response/Action Plan:

Management agrees with this recommendation. Management continues ongoing extensive recruitment efforts to get the identified offices to full complement. The following initiatives were reviewed, coordinated, and implemented with Human Resources to attract and retain qualified candidates. These initiatives are ongoing and will continue until full complement is established.

2020 Recruitment Efforts NNE District-New Hampshire

- 1/18 & 1/19 2020 Job Fair Manchester
- 2/22/2020 Job Fair UNH
- 3/29/2020 Job Fair Portsmouth
- 9/19/2020 Job Fair Nashua
- 09/20/2020 Manchester Radio Group Ads
- 9/20 & 10/20 Social media advertising
- 10/8, 10/9, 10/16 Job Fair Nashua
- 10/22/2020 Indeed Virtual Job Fair NH
- 10/20 Twitter, Facebook, Instagram sharing
- Ongoing Craig's List ads for NH
- Hiring info on WMURTV.com

- Standees in Simon Malls,
- Digital billboards in 3 location direct interest to USPS.com/careers where ALL vacancies are displayed in a user search
- Hiring stand up for all office and followed up by emails Oct/Nov 2020
- Distribute 500 Hiring Business Cards to the Installation Heads of these office. These cards can be filled in with the manager contact email or phone number and handed to patrons, friends, family, etc.
- Andover, Bradford, Campton, Laconia, Lebanon, and Newbury still not at full complement - Local Services will submit these sites for recurring postings
- Tear Away Hiring posters will be printed and distributed for each office that is not at full complement. These can go in the lobby, at gas stations, libraries, city hall etc.

Management requests this recommendation be closed with the issuance of final report.

Target Implementation Date:
Completed 12/2/2020

Responsible Official:
District Manager, Northern New England District

Recommendation #2

We recommend the **District Manager, Northern New England District** instruct Post Office Operations Managers to develop a plan to monitor and ensure compliance with package scanning standard operating procedures. The plan should include timelines and enforcement mechanisms as appropriate.

Management Response/Action Plan:

Management agrees with this recommendation and has implemented the following actions to mitigate the package scanning deficiencies.

- MYPO Certification Site for HQ Talks – Ongoing and OPS Reissues on a Monthly Basis
- Reissued Standard Work for how to handle Mis sent, Business Closures, Vacation Hold, etc... on 11/18/20 and moved to front page on OPS Website under Scanning 2020 for quick reference.
- EDW pulled Daily by OPS to identify all NO ACCESS POINTS and offices notified – HQ has now combined No Access with Business Closures – Deep dive into Time Frames of Scans by 5 digit with a heavy focus on early am and towards the 2000 timeframe.

- 3 -

- Utilizing the Routes of Opportunity Report based on C360 Report as another source of opportunity to identify potential issue on specific routes – Weekly Report
- GEO Alert Dashboard used daily by OPS to identify vital routes scanning multiple packages at one location

Management requests this recommendation be closed with the issuance of final report.

Target Implementation Date:
Completed – December 2, 2020

Responsible Official:
District Manager, Northern New England District

Regina Bugbee

Regina M. Bugbee
District Manager, Northern New England

cc: VP Area Operations (Atlantic)
Controller (Northeast)
Area Accounting Manager (Northeast)
Manager, Corporate Audit Response Management

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