Audit Report

Mail Delivery, Customer Service, and Property Conditions Review – Waukesha Main Post Office, Waukesha, WI

OFFICE OF
INSPECTOR
GENERAL
UNITED STATES POSTAL SERVICE

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UNITED STATES POSTAL SERVICE

August 31, 2022

MEMORANDUM FOR: SAMARN S. REED
MANAGER, WISCONSIN DISTRICT

[signature: Sean Balduff]

FROM: Sean Balduff
Director, Field Operations

SUBJECT: Audit Report – Mail Delivery, Customer Service, and Property Conditions Review – Waukesha Main Post Office, Waukesha, WI (Report Number 22-147-2-R22)

This report presents the results of our audit of Mail Delivery, Customer Service, and Property Conditions Review – Waukesha Main Post Office, Waukesha, WI.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Valeta Bradford, Operational Manager, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit and Response Management
Chief Retail & Delivery Officer & Executive Vice President
Vice President, Delivery Operations
Vice President, Retail & Post Office Operations
Vice President, Central Area Retail & Delivery Operations

Mail Delivery, Customer Service, and Property Conditions Review – Waukesha Main Post Office, Waukesha, WI
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Results

Background

This interim report presents the results of our self-initiated audit of mail delivery, customer service, and property conditions at the Waukesha Main Post Office (MPO) in Waukesha, WI (Project Number 22-147-2), and responds to a request from Senator Tammy Baldwin asking for a review of delivery operations in the Milwaukee, WI area. The Waukesha MPO is in the Wisconsin District of the Central Area and services ZIP Codes 53186, 53188, and 53189. These ZIP Codes serve about 94,982 people in a predominantly urban area.[1] We judgmentally selected the Waukesha MPO based on the number of Stop-the-Clock (STC) scans[2] performed at the unit.

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery, customer service, and property conditions at the Waukesha MPO in Waukesha, WI.

To accomplish our objective, we focused on these four audit areas: delayed mail, package scanning, truck arrival scans, and property conditions. Specifically, we reviewed delivery metrics, including the number of routes and carriers, mail arrival time, amount of reported delayed mail, package scanning, and distribution up-time.[3] During our site visit we reviewed mail conditions; package and truck arrival scanning procedures; and unit safety, security, and maintenance conditions. We also analyzed the scan status of mailpieces at the carrier cases and in the "Notice Left" area[4] and interviewed unit management and employees. We discussed our observations and conclusions as summarized in Table 1 with management on August 10, 2022, and included their comments where appropriate.

The Waukesha MPO is one of four delivery units[5] the U.S. Postal Service Office of Inspector General (OIG) reviewed during the week of June 27, 2022, that are serviced by the Milwaukee Processing and Distribution Center (P&DC). We issued this interim report to provide the U.S. Postal Service with timely information regarding the conditions we identified at the Waukesha MPO. We will issue a separate report[6] providing the Postal Service with the overall findings and recommendations for all four delivery units. See Appendix A for additional information about our scope and methodology.

Results Summary

We identified issues affecting mail delivery, customer service, and property conditions at the Waukesha MPO. Specifically, we found deficiencies in three of the four areas we reviewed (see Table 1).

Table 1. Summary of Results

Audit Area	Issues Identified	
	Yes	No
Delayed Mail		X
Package Scanning	X	
Truck Arrival Scanning	X	
Property Conditions	X	

Source: Results of OIG fieldwork during week of June 27, 2022.

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1 We obtained ZIP Code information related to population and urban/rural classification from Esri, which is based on 2010 Census Bureau information. Of the people living in these ZIP Codes, 88,565 (93.24 percent) are considered to be urban and 6,417 (6.76 percent) are considered to be living in rural communities.

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

3 Time of day when clerks have completed distributing mail to carrier routes.

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

5 The other three units were the North Milwaukee Station, Milwaukee, WI (Project Number 22-147-1), the Dr. Martin Luther King Station, Milwaukee, WI (Project Number 22-147-3) and the Bradley Carrier Annex, Milwaukee, WI (Project Number 22-147-4).

6 Project Number 22-147.

Finding #1: Package Scanning

What We Found

Employees improperly scanned packages at the delivery unit. In total, employees scanned 174 packages at the delivery unit between March and May 2022 (see Table 2). Further analysis of the scan data for these packages showed that over 34 percent were scanned "Delivered." This data excludes scans that could properly be made at a delivery unit, such as "Delivered – PO Box" and "Customer (Vacation) Hold" but, rather, represents scans performed at the delivery unit that should routinely be made at the point of delivery. In addition, we only included "Delivery Attempted – No Access to Delivery Location" scans performed Monday through Friday to avoid legitimate scans for businesses that are closed on weekends.

Table 2. STC Scans at Delivery Unit

STC Scan Type	March	April	May	Total	Percentage
Delivered	20	13	27	60	34.48%
Delivery Attempted – No Access To Delivery Location	17	21	6	44	25.29%
Receptacle Full/ Item Oversized	18	7	9	34	19.54%
Refused	2	12	7	21	12.07%
No Secure Location Available	5	2	0	7	4.02%
Delivery Exception – Animal Interference	0	0	5	5	2.87%
No Authorized Recipient	2	0	1	3	1.72%
Total	**64**	**55**	**55**	**174**	**100%***

*Total percentage does not equal 100 percent due to rounding.
Source: OIG analysis of the Postal Service's Product Tracking and Reporting (PTR) System data. PTR is the system of record for all delivery status information for mail and packages with trackable services and barcodes.

In addition, on the morning of June 28, 2022, we selected 60 packages[7] to review and analyze scanning and tracking history. Of the 60 sampled packages from the carrier cases and "Notice Left" area, six (10 percent) had incorrect or improper scans, including:

- Four (two from the carrier cases and two from the "Notice Left" area) scanned "Delivery Attempted – No Access to Delivery Location." Three of these packages were scanned at the unit and one was scanned away from the point of delivery. All packages are required to be scanned at the delivery point.

- One from the carrier case scanned "Delivered" which should only be done when a package is successfully left at the customer's delivery address.

- One from the "Notice Left" area scanned "Returned to Sender" on June 13, 2022. This package should have been returned to the sender as required[8] and not placed on the shelf.

Why Did It Occur

These scanning issues occurred because unit management did not adequately monitor package scanning and handling procedures and enforce compliance, as they were more focused on getting the mail delivered. Management was aware of the policy to scan packages at the point of delivery but allowed employees to scan packages in the office for businesses with firm sheets[9] instead of at the point of delivery. Carriers stated that they sometimes scanned packages as "Delivered" at the delivery unit for vacation holds. Management also stated that there was a time when police activity blocked access to a section of town and impacted three routes, so carriers could not access the location and returned to the office to scan the packages as "Delivery Attempted-No Access to Delivery Location."

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7   We judgmentally selected 30 packages from the carrier cases before carriers arrived for the day and 30 packages from the "Notice Left" area.
8   *Notice Left and Return Guidelines*, dated July 2007, state that domestic packages should be returned to the sender on the 15th calendar day after a notice is left and international packages should be returned to the sender on the 30th calendar day after a notice is left.
9   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.

What Should Have Happened

Management should have monitored scan performance daily and enforced compliance, including ensuring that all packages are routinely scanned at the delivery point and not at the delivery unit. The carriers who delivered the packages with firm sheets to businesses should have scanned the firm sheets at the delivery address when the packages were delivered instead of scanning them at the delivery unit. The Postal Service's goal is ensuring proper delivery attempts for mailpieces to the correct address with proper service,[10] which includes scanning packages at the time and location of delivery.[11]

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 potentially improve mail visibility, increase customer satisfaction, and enhance the customer experience and Postal Service brand.

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10 *Delivery Done Right the First Time* stand-up talk, March 2020.
11 *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

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Finding #2: Truck Arrival Scanning

What We Found

Employees at the Waukesha MPO did not scan incoming trailer/truck barcodes[12] as required. We reviewed data related to morning truck arrival scans between March and May 2022, and found that employees did not perform scans for any of the 150 scheduled inbound trips (see Table 3). We also noted during our observations on the morning of June 28, 2022, that employees were not scanning the incoming mail trucks arriving from the Milwaukee P&DC.

Table 3. Truck Arrival Scans Between March and May 2022

Month	Count of Inbound Trips	Count of Missed Scans	Percentage Missing
March	50	50	100.00%
April	51	51	100.00%
May	49	49	100.00%
Total	**150**	**150**	**100.00%**

Source: OIG analysis of data extracted from the Postal Service's Surface Visibility System. Surface Visibility collects end-to-end data by linking multiple scans of a single asset to create visibility data to support planning, management, and optimization of the surface network.

Why Did It Occur

This occurred because management was not monitoring truck/trailer scan performance data. Management stated that they were aware of the policy but thought the clerks were performing the scans and did not monitor for compliance.

What Should Have Happened

Management should have performed reviews to ensure that all expected truck scans were being performed, instructed employees to perform the scans, and enforced the requirement. According to Postal Service policy,[13] employees must scan the trailer barcode on Postal Service trailer/trucks and Highway Contract Route trucks arriving at the delivery unit during local operating hours.

Effect on the Postal Service and its Customers

When employees do not scan trailer/truck barcodes, the Postal Service does not receive timely transportation information and is unable to address issues that may be causing mail delays, which could affect customer service.

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12 The 15-digit trailer barcode on the back door and inside right and left walls of the trailer.
13 *United States Postal Service Standard Operating Procedure – Subject: Trailer Scans at the Delivery Units.*

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Finding #3: Property Conditions

What We Found

We found safety, security, and maintenance issues at the Waukesha MPO, including one fire extinguisher that was not mounted (see Figure 1), two blocked inspection service doors (see Figure 2), and a blocked electrical panel in the workroom (see Figure 3). Further, we identified two misaligned ceiling tiles inside the entrance of the customer lobby (see Figure 4), multiple stained ceiling tiles in the women's restroom and breakroom, and a dirty vent in the breakroom (see Figures 5 and 6). In addition, there was no signage posted in the employee parking lot stating that vehicles may be subject to search.[14]

During our audit, management took corrective actions by unblocking the electrical panel and inspections service doors in the workroom, mounting the fire extinguisher, realigning and replacing the ceiling tiles, and cleaning the dirty vent.

Figure 1. Fire Extinguisher Not Mounted

Source: OIG photo taken June 28, 2022.

Source: Postal Service photo provided August 10, 2022.

Figure 2. Blocked Inspection Service Doors

Source: OIG photos taken June 28, 2022.

Source: Postal Service photos provided July 7, 2022.

Figure 3. Blocked Electrical Panel

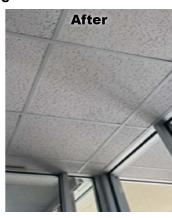Source: OIG photo taken June 28, 2022.

Source: Postal Service photo provided on July 7, 2022.

Figure 4. Misaligned Ceiling Tiles

Source: OIG photo taken June 28, 2022.

Source: Postal Service photo provided on August 10, 2022.

Figure 5. Stained Ceiling Tiles

Source: OIG photos taken June 28, 2022.

Source: Postal Service photos provided on August 10, 2022.

14 Handbook RE-5, *Building and Site Requirements*, 2 Site Security, 2-2.4 Site Signage.

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Figure 6. Dirty Vent in Breakroom

Source: OIG photo taken
June 28, 2022.

Source: Postal Service photo
provided on August 10. 2022.

Why Did It Occur

Management did not provide adequate oversight to ensure
that property condition issues were corrected. Specifically,
the postmaster said he was not aware of the unmounted fire
extinguisher, blocked electrical panel, blocked inspection
service doors, and the dirty vent. The postmaster also
stated that a roof leak that was repaired about two years ago
caused the stained ceiling tiles; however, he did not request
replacement tiles.

What Should Have Happened

Management should have provided sufficient oversight
of facility maintenance; reported safety, security, and
maintenance issues as they arose; and followed up to
ensure resolution. The Postal Service is required to maintain
a safe environment for employees and customers. In
addition, Occupational Safety and Health Administration
(OSHA) requires employers to provide a safe and healthy
workplace free of recognized hazards.[15]

Effect on the Postal Service and Its Customers

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

Management's Comments

Management agreed with all findings in the report. See
Appendix B for management's comments in their entirety.

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15 OSHA Act of 1970 and Handbook EL-801, *Supervisor's Safety Handbook.*

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Appendix A: Additional Information

We conducted this audit from June through August 2022 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 relied on computer-generated data from the PTR system, the Surface Visibility[16] database, and electronic Facilities Management System.[17] Although we did not test the validity of the controls over these systems, we assessed the accuracy of the data by reviewing existing information, comparing data from other sources, observing operations, and interviewing Postal Service officials knowledgeable about the data. We determined the data were sufficiently reliable for the purposes of this report.

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16 Surface Visibility collects end-to-end data by linking multiple scans of a single asset to create visibility data to support planning, management, and optimization of the surface network.
17 A custom-built Postal Service system used to manage work orders, contracts, and payments for facility construction, repairs, and alteration contracts, along with real estate contracts.

Appendix B: Management's Comments

UNITED STATES
POSTAL SERVICE

August 19, 2022

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Mail Delivery, Customer Service, and Property
Conditions Review - Waukesha Main Post Office, Waukesha, WI (Report
Number 22-147-2-DRAFT)

Thank you for providing the Postal Service an opportunity to review and comment on the findings and recommendations contained in the draft audit report, *Mail Delivery, Customer Service, and Property Conditions Review - Waukesha Main Post Office, Waukesha, WI.*

Management Agrees with the three findings in the report on package scanning, truck arrival scanning and property conditions.

Management has begun taking steps to address the three findings.

for Samarn S. Reed
Manager, Wisconsin District

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

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