Audit Report

Mail Delivery, Customer Service, and Property Conditions Review – Bradley Carrier Annex, Milwaukee, WI

OFFICE OF
INSPECTOR
GENERAL
UNITED STATES POSTAL SERVICE

Report Number 22-147-4-R22 | August 31, 2022

OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

August 31, 2022

MEMORANDUM FOR: SAMARN S. REED
MANAGER, WISCONSIN DISTRICT

FROM: Sean Balduff
Director, Field Operations

SUBJECT: Audit Report – Mail Delivery, Customer Service, and Property Conditions Review – Bradley Carrier Annex, Milwaukee, WI (Report Number 22-147-4-R22)

This report presents the results of our audit of Mail Delivery, Customer Service, and Property Conditions Review – Bradley Carrier Annex, Milwaukee, WI.

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

Attachment

cc: Postmaster General
Corporate Audit and Response Management
Chief Retail & Delivery Officer & Exec VP
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 – Bradley Carrier Annex, Milwaukee, 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 Bradley Carrier Annex in Milwaukee, WI (Project Number 22-147-4), and responds to a request from Senator Tammy Baldwin asking for a review of delivery operations in the Milwaukee, WI area. The Bradley Carrier Annex is in the Wisconsin District of the Central Area and services ZIP Codes 53223 and 53224. These ZIP Codes serve about 50,706 people and are considered to be urban communities.[1] We judgmentally selected the Bradley Carrier Annex based on the number of Stop-the-Clock (STC)[2] scans occurring at the delivery unit, rather than at the customer's point of delivery.

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery, customer service, and property conditions at the Bradley Carrier Annex in Milwaukee, WI.

To accomplish our objective, we focused on 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 Bradley Carrier Annex 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 are issuing this interim report to provide the Postal Service with timely information regarding the conditions we identified at the Bradley Carrier Annex. We will issue a separate report[6] that provides 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 Bradley Carrier Annex. Specifically, we found issues with all 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 our fieldwork during the 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, all are considered living in urban 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", and "No Access."
3   Time of day that clerks have completed distributing mail to the carrier routes.
4   The area of a delivery unit where letters or packages that the carriers were unable to deliver are stored for customer pickup.
5   The other three units were North Milwaukee Station, Milwaukee, WI (Project Number 21-147-1); Waukesha Main Post Office, Waukesha, WI (Project Number 22-147-2); and Dr. Martin Luther King, Jr. Station, Milwaukee, WI (Project Number 22-147-3).
6   Project Number 22-147.

Finding #1: Delayed Mail

What We Found

On the morning of June 28, 2022, we identified about 5,031[7] pieces of delayed mail at 16 carrier cases, the hot case,[8] and the flats sorting case. Specifically, we identified about 4,337 letters and about 694 flats. In addition, this mail was not accurately reported as delayed in the Delivery Condition Visualization (DCV)[9] system. Instead, 12,023 mailpieces were reported in the DCV system as curtailed mail, which is noncommitted mail that the carrier does not have time to sort before their scheduled route leave time and is authorized to deliver the next day. See Figure 1 for examples of delayed mail found at the hot case and carrier cases.

Figure 1. Examples of Delayed Mail

Hot Case	Hot Case	Carrier Case

Source: OIG photos taken June 28, 2022.

Why Did It Occur

Management did not properly handle and report missent, missorted, and missequenced Delivery Point Sequence (DPS)[10] mail. Specifically, the manager stated that he was not aware that undelivered DPS mail brought back to the delivery unit should be placed in the 3M[11] case. Management instructed carriers to place this type of mail in the hot case to be redistributed throughout the unit instead of in the 3M case. In addition, management stated this has been a recurring problem for the delivery unit but had not properly notified the plant.[12]

Furthermore, management reported the undelivered DPS mail in the DCV system as curtailed because they were not aware of the policy for reporting mail placed in the hot case.

What Should Have Happened

Management should have ensured that all mail was processed and delivered daily. Postal Service policy[13] states that all types of First-Class Mail, Priority Mail, and Priority Express Mail are always committed for delivery on the day of receipt. In addition, managers are required[14] to report in the DCV system all mail as delayed when it remains in a unit after the carriers have left for their street duties.

Furthermore, offices are to have a 3M case for carriers to deposit DPS errors that are brought back from their routes.[15] A supervisor should review and report this mail on a 3M Daily Log and notify the appropriate operations support office.[16]

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 provides management at the local, district, area, and headquarters levels with an inaccurate status of mail delays and can result in improper actions taken to address issues.

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7   OIG estimate based on Postal Service conversion factors in Handbook M-32, *Management Operating Data Systems*, Appendix D.
8   A case designated for final withdrawal of mail as carriers leave the office.
9   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.
10   Mail that arrives at a unit in sequential order and is ready to be taken directly to the street for delivery.
11   The area of the delivery unit where carriers place their missent, missorted, and missequenced mail.
12   We conducted an efficiency of operations review at the Milwaukee Processing and Distribution Center (Report Number 22-154-R22) during the same week we visited this unit. In this report, we identified an issue related to missorted machinable mail found at the plant.
13   *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.
14   *Informed Visibility Delivery Condition Visualization*, March 2022.
15   *AMSOP II Guidebook*, March 2011.
16   *3M (Missent, Missort, and Missequence)*, Standard Work Instruction: Supervisor, May 8, 2019.

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Finding #2: Package Scanning

What We Found

Employees improperly scanned packages at the delivery unit. In total, employees scanned 1,194 packages at the delivery unit between March and May 2022 (see Table 2). Further analysis of STC scan data for these packages showed that about 94.64 percent of these packages 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 closed over the weekend.

Table 2. STC Scans at Delivery Unit

STC Scan Type	March	April	May	Total	Percentage
Delivered	507	397	226	1,130	94.64%
Delivery Attempted – No Access to Delivery Location	12	8	22	42	3.52%
No Secure Location Available	7	4	1	12	1.01%
Receptacle Full / Item Oversized	0	2	3	5	0.42%
Delivery Exception – Animal Interference	1	1	3	5	0.42%
Total	**527**	**412**	**255**	**1,194**	**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, before carriers arrived for the day, we selected 45 packages[17] to review and analyze scanning and tracking history. We did not find any issues with packages in the "Notice Left" area, but nine of the 30 packages selected from the carrier cases had improper scans. These included:

- Four had a "Delivery Attempted – No Access to Delivery Location" scan but were not scanned at the point of delivery.

- Five had a "Delivery Exception – Animal Interference" scan but were scanned at the delivery unit.

Why Did It Occur

These scanning issues occurred because unit management did not adequately monitor and enforce proper package scanning. Management stated that they were aware of the requirement to clear all packages daily and review the End of Day Report.[18] However, management stated that other duties took priority, such as ensuring that routes have adequate coverage and providing oversight for the detached retail unit.

What Should Have Happened

Management should have monitored scan performance daily and enforced compliance, including ensuring that packages were scanned at the delivery point and not at the delivery unit. The Postal Service's goal is to ensure proper delivery attempts for mailpieces to the correct address with proper service,[19] which includes scanning packages at the time and location of delivery.[20]

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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17 We judgmentally selected 30 packages from the carrier cases and all 15 packages from the "Notice Left" area.
18 A tool used to identify packages that have no STC scan.
19 *Delivery Done Right the First Time* stand-up talk, March 2020.
20 *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

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Finding #3: Truck Arrival Scanning

What We Found

Employees at the Bradley Carrier Annex did not scan all incoming trailer/truck barcodes[21] as required. We reviewed data related to morning truck arrival scans from March 1 to May 31, 2022, and found that employees did not perform a scan for any of the 117 scheduled trucks arriving from the Milwaukee P&DC.

Why Did It Occur

Management did not monitor scan performance data to ensure that all trucks received an arrival scan or ensure that employees were aware of the requirement to scan incoming mail trucks. A morning clerk on site stated that it was common practice to scan a printed barcode that was taped to the wall when the truck arrived. The manager stated he was not aware that scans were not being performed or that this practice was occurring, nor did he monitor reports to verify.

What Should Have Happened

Management should have conducted reviews to ensure that all expected truck scans were being performed. They should also have instructed employees to perform appropriate trailer/truck barcode scans and enforced the requirement. According to Postal Service policy,[22] 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 the truck barcode, 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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21 The 15-digit trailer barcode on the back door and inside right and left walls of the trailer.
22 *United States Postal Service Standard Operating Procedure* – Subject: Trailer Scans at the Delivery Units (DU).

Finding # 4: Property Conditions

What We Found

We found safety, security, and maintenance issues at the Bradley Carrier Annex including:
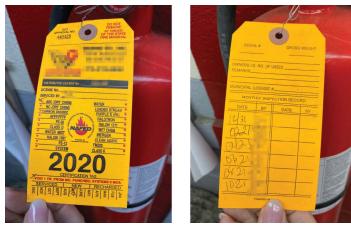
- Dirty air vents and ceiling tiles (see Figure 2).

- Missing annual fire extinguisher inspections since 2020 and monthly inspections since October 2021 (see Figure 3).

- A leaking sink faucet (only when turned on) and dirty walls and floors in the women's restroom (see Figure 4).

- Potholes near the loading dock, which created a tripping hazard (see Figure 5).

- No signage posted in the employee parking lot stating that vehicles may be subject to search, as required.

Figure 2. Dirty Air Vents and Ceiling Tiles

Source: OIG photos taken June 28, 2022.

Figure 3. Missing Annual and Monthly Fire Extinguisher Inspections

Source: OIG photos taken June 28, 2022.

Figure 4. Women's Restroom

Source: OIG photos taken June 28, 2022.

Figure 5. Potholes near the Loading Dock

Source: OIG photos taken June 28 and 29, 2022. Cell phone added to provide context of the size.

Why Did It Occur

Management did not provide adequate oversight to ensure that all property condition issues were identified and reported. Specifically, management stated that they were not aware of the issues with the fire extinguishers, the women's restroom, and the missing sign in the employee parking lot. Management stated they reported the potholes in the electronic Facilities Management System (eFMS)[23] on May 2, 2022.

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23 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.

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What Should Have Happened

Management should have provided sufficient oversight to personnel responsible for maintaining facilities, reported safety and maintenance issues as they arose, and followed up for completion. The Postal Service is required to maintain a safe environment for employees and customers. In addition, the Occupational Safety and Health Administration (OSHA) requires employers to provide a safe and healthy workplace free of recognized hazards.[24]

Effect on the Postal Service and Its Customers

Management's attention to maintenance, safety, and security 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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24 OSHA Act of 1970 and Handbook EL-801, *Supervisor's Safety Handbook.*

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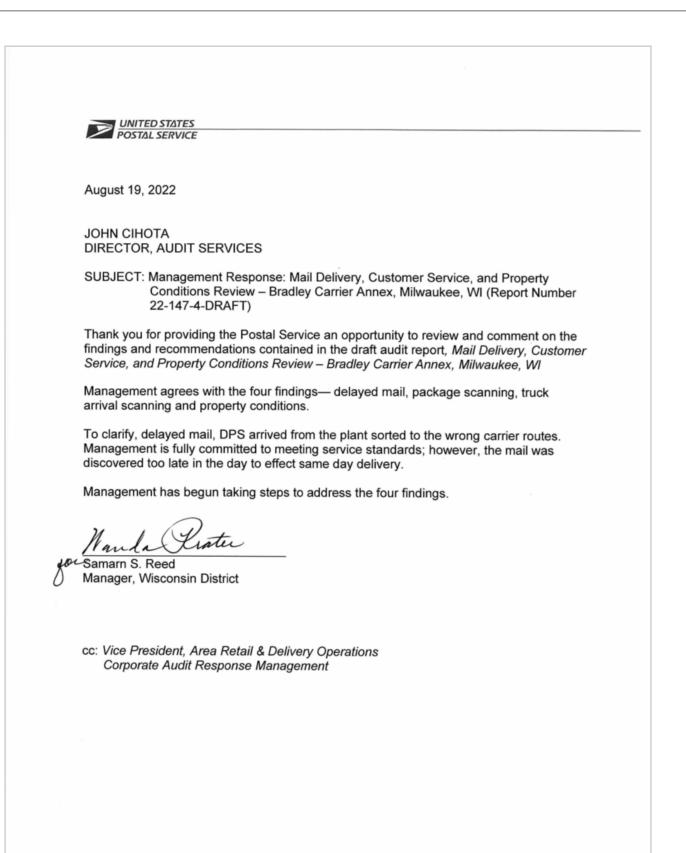**Report Number 22-147-4-R22**

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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, DCV, the Surface Visibility[25] database, and eFMS. 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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25 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.

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 – Bradley Carrier Annex, Milwaukee, WI (Report Number 22-147-4-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 – Bradley Carrier Annex, Milwaukee, WI*

Management agrees with the four findings— delayed mail, package scanning, truck arrival scanning and property conditions.

To clarify, delayed mail, DPS arrived from the plant sorted to the wrong carrier routes. Management is fully committed to meeting service standards; however, the mail was discovered too late in the day to effect same day delivery.

Management has begun taking steps to address the four findings.

Samarn S. Reed
Manager, Wisconsin District

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

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