

Mail Delivery, Customer Service, and Property Conditions Review – Germantown Station, Philadelphia, PA

AUDIT REPORT

Report Number 22-208-1-R23 | January 10, 2023



Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

January 10, 2023

MEMORANDUM FOR: GARY J VACCARELLA
MANAGER, DELAWARE-PENNSYLVANIA 2 DISTRICT

A handwritten signature in black ink, reading "Joseph E. Wolski", is centered below the memorandum header.

FROM: Joseph Wolski
Director, Field Operations

SUBJECT: Audit Report – Mail Delivery, Customer Service, and Property
Conditions Review – Germantown Station, Philadelphia, PA
(Report Number 22-208-1-R23)

This report presents the results of our audit of Mail Delivery, Customer Service, and Property Conditions Review – Germantown Station, Philadelphia, PA.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Ricardo Martinez, 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, Processing and Maintenance Operations
Vice President, Atlantic Area Retail & Delivery Operations

Results

Background

This interim report presents the results of our self-initiated audit of mail delivery, customer service, and property conditions at the Germantown Station in Philadelphia, PA (Project Number 22-208-1). The Germantown Station is in the Delaware-Pennsylvania 2 District of the Atlantic Area and services ZIP Codes 19119 and 19144. These ZIP Codes serve about 71,239 people in a predominantly urban area.¹ This unit has 58 city routes. We judgmentally selected the Germantown Station based on a request from Senator Robert P. Casey and Representative Dwight Evans.

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery, customer service, and property conditions at the Germantown Station in Philadelphia, PA.

To accomplish our objective, we focused on five audit areas: delayed mail, package scanning, truck arrival scans, arrow keys,² 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; arrow key security 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" area⁴ and interviewed unit management and employees. We discussed our observations and conclusions as summarized in Table 1 with management on December 15, 2022, and included their comments where appropriate.

The Germantown Station is one of six delivery units⁵ the U.S. Postal Service Office of Inspector General (OIG) reviewed during the week of October 24, 2022, that are serviced by the Delaware and Philadelphia Processing and Distribution Centers (P&DC). We are issuing this interim report to provide the Postal Service with timely information regarding conditions we identified at the Germantown Station. We will issue a separate report⁶ that provides the Postal Service with the overall findings and recommendations for all six 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 Germantown Station. Specifically, we found issues with all five of the 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	
Arrow Keys	X	
Property Conditions	X	

Source: Results of our fieldwork during the week of October 24, 2022.

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, about 71,239 (about 100 percent) are considered to be living in urban communities.

² 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 keys are accountable property and subject to strict controls.

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

⁴ The area of a delivery unit where carriers store letters or packages that they were unable to deliver for customer pickup.

⁵ The other five units were Logan (Project Number 22-208-2) and North Philadelphia (Project Number 22-208-3) stations in Philadelphia, PA; and Marshallton (Project Number 22-208-4) and Edgemoor (Project Number 22-208-5) branches and the Lancaster Avenue Station (Project Number 22-208-6) in Wilmington, DE.

⁶ Project Number 22-208.

Finding #1: Delayed Mail

What We Found

On the morning of October 25, 2022, we identified 5,328 pieces of delayed mail in the hot case⁷ distribution area and carrier cases. Specifically, we identified 2,064 pieces in the hot case area and 3,264 pieces at 36 carrier cases. In addition, management reported the mail in the hot case in the Delivery Condition Visualization (DCV)⁸ system but did not report the mail in the carrier cases. See Table 2 for the number of pieces for each mail type and Figure 1 for examples of delayed mail found at carrier cases.

Table 2. Type of Delayed Mail

Type of Mail	Hot Cases	Carrier Cases	Total Count of Delayed Mail
Letters	1,374	2,110	3,484
Flats	690	1,145	1,835
Packages	0	9	9
Total	2,064	3,264	5,328

Source: OIG count of delayed mail pieces identified during our visit October 25, 2022.

Figure 1. Examples of Delayed Mail in Carrier Cases



Source: OIG photos taken October 25, 2022.

Additionally, on the evening of October 26, 2022, we identified 779 pieces of delayed collection mail that carriers brought to the unit after the final dispatch to the Philadelphia P&DC (see Figure 2). This mail included 25 pieces of Election Mail, including ballots.

Figure 2. Delayed Collection Mail



Source: OIG photo taken October 26, 2022.

When we spoke to the PM supervisor regarding the mail, she stated that they are allowed to hold collection mail overnight and place it on the first dispatch to the P&DC the next morning. However, the next morning, we noticed that the mail remained at the unit even though one truck had already been dispatched to the P&DC. We alerted the station manager at 7:20 a.m. and he placed the mail on the 7:30 a.m. truck.

Why Did It Occur

Management did not provide arrow keys to all carriers who needed them to ensure that mail delivery could be made because they were missing from the inventory (see [Finding #4](#)). Regarding the delayed collection mail, the PM supervisor was not aware that mail must be dispatched to the P&DC on the day it is collected. Additionally, the station manager was not aware that the delayed collection mail was there, so he did not dispatch it on one of the earlier trucks.

⁷ A case designated for final withdrawal of mail as carriers leave the office.

⁸ 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.

What Should Have Happened

Management should have provided every carrier who needed one with an arrow key to deliver the mail along their routes. Postal Service policy⁹ 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, management is required¹⁰ to report all committed mail in the delivery unit after the carriers have left for their street duties as either delayed or curtailed in DCV. Management must update DCV if reported volumes have changed prior to the end of the business day. In addition, collection mail should be dispatched to the P&DC on the day it is collected.¹¹

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 DCV 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.

9 *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.

10 *Informed Visibility Delivery Condition Visualization User Guide*, September 2022.

11 *Delivery Management System – Standard Work Instruction*.

Finding #2: Package Scanning

What We Found

Employees improperly scanned packages at the delivery unit. In total, employees scanned 371 packages at the delivery unit between July and September 2022 (see Table 3). Further analysis of Stop-the-Clock (STC)¹² scan data for these packages showed that 49.87 percent of these packages were scanned “Delivery Attempted – No Access to Delivery Location”, and 41.24 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.

In addition, on the morning of October 25, 2022, before carriers arrived for the day, we selected 38 packages¹³ to review and analyze scanning and tracking history. Of the 38 sampled packages, nine (23.68 percent) had improper scans, including:

- Five in the carrier cases were missing STC scans to let the customer know the reason for non-delivery.
- Three from the carrier cases were scanned “Delivery Attempted – No Access”, but the scans were made away from the point of delivery.
- One from the carrier cases had a “Delivered” scan, which should only be performed when the package is successfully left at the customer’s point of delivery.

Further, 10 packages in the “Notice Left” area were not returned to the sender, as required.¹⁴ These packages ranged from six to 30 days past their return dates.

Why Did It Occur

These scanning issues occurred because unit management did not adequately monitor and enforce proper package scanning and handling procedures. For example, the PM supervisor stated that a package tracking tool she uses to monitor STC scan data had not been working for several weeks. The day after our discussion, she obtained an updated version of the tool.

Table 3. STC Scans at Delivery Unit

STC Scan Type	July	August	September	Total	Percentage
Delivery Attempted – No Access to Delivery Location	62	45	78	185	49.87%
Delivered	68	51	34	153	41.24%
Receptacle Full / Item Oversized	9	12	2	23	6.20%
Delivery Exception – Animal Interference	1	2	6	9	2.43%
No Secure Location Available	1	0	0	1	0.27%
Total	141	110	120	371	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.

¹² 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 Pick-up,” and “No Access.”

¹³ We selected all 17 packages from the carrier cases and all 21 packages from the “Notice Left” area.

¹⁴ *Notice Left and Return Guidelines*, dated July 2007, states that domestic packages should be returned to sender on the 15th calendar day after a notice is left and international packages should be returned to sender on the 30th calendar day after a notice is left.

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 with proper service,¹⁵ which includes scanning packages at the time and location of delivery.¹⁶ Packages in the "Notice Left" area should have been reviewed for second notices and returned to sender if they remained after the prescribed number of days.

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.

¹⁵ *Delivery Done Right the First Time* stand-up talk, March 2020.

¹⁶ *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

Finding #3: Truck Arrival Scanning

What We Found

Employees at the Germantown Station did not scan all incoming trailer/truck barcodes¹⁷ as required. We reviewed data related to morning truck arrival scans from July 1 through September 30, 2022, and found that employees did not perform scans for 66 of 211 scheduled trucks (31.28 percent) arriving from the Philadelphia P&DC (see Table 4).

Table 4. Truck Arrival Scans from July 1 through September 30, 2022

Month	Count of Inbound Trips	Count of Missed Scans	Percentage Missing
July	68	23	33.82%
August	78	26	33.33%
September	65	17	26.15%
Total	211	66	31.28%

Source: OIG analysis of data extracted from the Postal Service's Surface Visibility Web (SVWeb) System. SVWeb 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.

During our site visit on October 25, 2022, we observed that unit employees made the required scans for two inbound mail truck arrivals.

Why Did It Occur

The unit did not scan required incoming trucks because management did not effectively monitor all truck scans. Management stated that they use Regional Intelligent Mail Server (RIMS)¹⁸ data to monitor truck scans. However, when we provided the manager with a list of missed truck scans from the week of our fieldwork, the manager did not provide RIMS data to support that the unit made the scans.

What Should Have Happened

Management should have reviewed truck arrival tracking reports to ensure that employees were performing all expected truck scans. According to Postal Service policy,¹⁹ 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.

¹⁷ The trailer barcode on the back door and inside right and left walls of the trailer.

¹⁸ RIMS provides near real time mail delivery information to in-office delivery unit staff to help them perform their jobs more effectively and efficiently.

¹⁹ *United States Postal Service Standard Operating Procedures – Subject: Trailer Scans at the Delivery Units (DU).*

Finding #4: Arrow Keys

What We Found

Unit management did not properly manage and safeguard arrow keys. On the morning of October 27, 2022, we reviewed the delivery unit's inventory log for arrow keys and conducted a physical inventory of keys at the unit. We found nine of the 40 keys at the unit were not listed on the inventory log and 17 of the keys listed on the inventory log could not be located. Management stated that they reported the missing keys to the U.S. Postal Inspection Service but did not provide us with the requested support.

In addition, arrow keys were not always kept secure. Specifically, arrow keys were kept inside a [REDACTED] and a [REDACTED] at the [REDACTED] and these containers were not always secured or monitored. We found one key inside a [REDACTED] at a [REDACTED]. We also found that carriers were not signing the daily log to acknowledge their acceptance and return of their assigned keys.

Why Did It Occur

Management did not properly manage and safeguard arrow keys because they did not have proper oversight of their inventory. Specifically, management had carriers share the keys and did not have them sign in and out for the keys as accountability was transferred from one carrier to another. Instead, management would gather the keys at the end of the night to see if they were all there and, if not, they would wait until the following day and ask the carrier if they had the key.

What Should Have Happened

Management should have ensured that arrow key security procedures were properly followed. According to Postal Service policy,²⁰ management must keep an accurate inventory of all keys and conduct a semiannual physical survey of all building keys; missing keys must be immediately reported to the U.S. Postal Inspection Service. In addition, policy²¹ states 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.

²⁰ *Administrative Support Manual* Issue 13, Sections 273.461, 273.464, and 273.471, July 1999, updated through March 31, 2022.

²¹ *USPS Arrow Key Standard Work*, January 2022.

Finding #5: Property Conditions

What We Found

We found safety and maintenance issues at the Germantown Station including:

- All fire extinguishers missing monthly inspections.
- A blocked exit door.
- A ladder on the workroom floor not properly secured to prevent falling.
- Wood flooring in poor condition throughout the building.
- An inoperable toilet in the women's restroom.
- A front entrance door that does not close properly (see Figure 3).

Figure 3. Entrance Door Does Not Close Properly



Source: OIG photo taken October 25, 2022.

Why Did It Occur

Management did not take the necessary actions to ensure that facility conditions issues were corrected because other duties, such as getting the mail out for delivery each day, took priority. This impacted the timing of addressing maintenance issues.

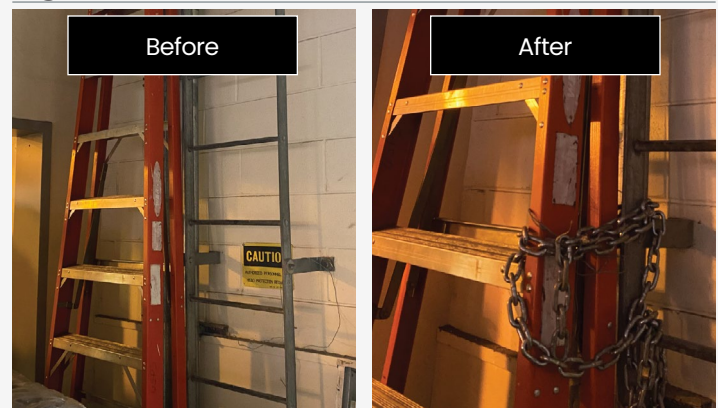
What Should Have Happened

Management should have provided sufficient oversight of 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.²²

As a result of our audit, management took corrective action on October 27, 2022, and:

- Performed the required monthly inspections on all fire extinguishers.
- Secured the ladder to the wall to prevent it from falling (see Figure 4).
- Removed blockages from the exits (see Figure 5).

Figure 4. Ladder on Workroom Floor

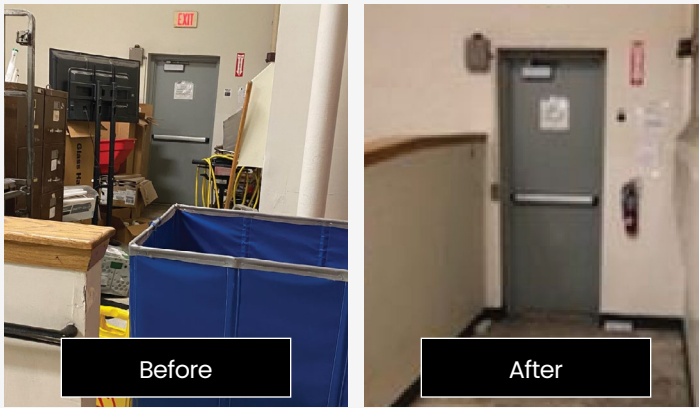


Source: OIG photo taken October 25, 2022.

Source: OIG photo taken October 27, 2022.

²² OSHA Act of 1970 and Handbook EL-801, *Supervisor's Safety Handbook*.

Figure 5. Blocked Exit



Source: OIG photo taken October 25, 2022.

Source: Postal photo taken October 28, 2022.

Effect on the Postal Service and Its Customers

Management's attention to maintenance, safety, and security deficiencies can reduce the risk of injury 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.

Appendix A. Additional Information

We conducted this audit from October 2022 through January 2023 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, SVWeb database, and electronic Facilities Management System.²³ 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.

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.

Appendix B: Management's Comments



December 20, 2022

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Mail Delivery, Customer Service, and Property
Conditions Review – Germantown Station, Philadelphia, PA (Project
Number 22-208-1)

Thank you for providing the Postal Service with 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 – Germantown Station, Philadelphia, PA*.

Management agrees with all five findings in the report related to delayed mail, package scanning, truck arrival scanning, arrow keys, and property conditions.

Management has begun taking steps to address the five findings.

A handwritten signature in black ink, appearing to read "E. Williamson", written over a horizontal line.

Edward B. Williamson
A/District Manager, Delaware-Pennsylvania 2 District

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

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