

Central Carrier Station, New Orleans, LA: Delivery Operations

AUDIT REPORT

Report Number 23-113-3-R23 | August 17, 2023



Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

August 17, 2023

MEMORANDUM FOR: JULIA G. WILBERT
ACTING DISTRICT MANAGER, LOUISIANA DISTRICT

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

FROM: Joseph E. Wolski
Director, Field Operations

SUBJECT: Audit Report – Central Carrier Station, New Orleans, LA: Delivery
Operations (Report Number 23-113-3-R23)

This report presents the results of our audit of mail delivery, customer service, and property conditions review at the Central Carrier Station, New Orleans, LA.

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

Attachment

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

Results

Background

This interim report presents the results of our self-initiated audit of mail delivery, customer service, and property conditions at the Central Carrier Station in New Orleans, LA (Project Number 23-113-3). The Central Carrier Station is in the Louisiana District of the Southern Area and services ZIP Codes 70119, 70122 and 70124. These ZIP Codes serve about 81,386 people in an urban area.¹ This delivery unit has 81 city routes. We judgmentally selected the Central Carrier Station based on the number of Customer 360² inquiries, Informed Delivery³ contacts, undelivered route information, and stop-the-clock (STC)⁴ scans performed at the unit.

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery, customer service, and property conditions at the Central Carrier Station in New Orleans, LA.

To accomplish our objective, we focused on five audit areas: delayed mail, package scanning, truck arrival scans, arrow keys,⁵ 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.⁶ 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 interviewed unit management and employees. We discussed our observations and conclusions as summarized

in Table 1 with management on July 31, 2023, and included their comments, where appropriate.

The Central Carrier Station is one of five delivery units⁷ the U.S. Postal Service Office of Inspector General (OIG) reviewed during the week of June 12, 2023, that are serviced by the New Orleans Processing and Distribution Center. We are issuing this interim report to provide the Postal Service with timely information regarding conditions we identified at the Central Carrier Station. We will issue a separate report⁸ that provides the Postal Service with the overall findings and recommendations for all five 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 Central Carrier 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 June 12, 2023.

¹ We obtained ZIP Code information related to population and urban/rural classification from Esri, which is based on Census Bureau information. Of the people living in these ZIP Codes, about 81,386 (100 percent) are considered living in urban communities.

² A cloud-based application that enables U.S. Postal Service employees to diagnose, resolve, and track customer inquiries.

³ Informed Delivery is a free and optional notification service that gives residential customers the ability to digitally preview their letter-sized mail and submit inquiries for mailpieces that were expected for delivery but have not arrived.

⁴ 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".

⁵ 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 are subject to strict controls.

⁶ Time of day that clerks have completed distributing mail to the carrier routes.

⁷ The other four units were the Bywater Station, New Orleans, LA (Project Number 23-113-1); Carrollton Station, New Orleans, LA (Project Number 23-113-2); Elmwood Branch, New Orleans, LA (Project Number 23-113-4) and the Lake Forest Station, New Orleans, LA (Project Number 23-113-5).

⁸ Project Number 23-113.

Finding #1: Delayed Mail

What We Found

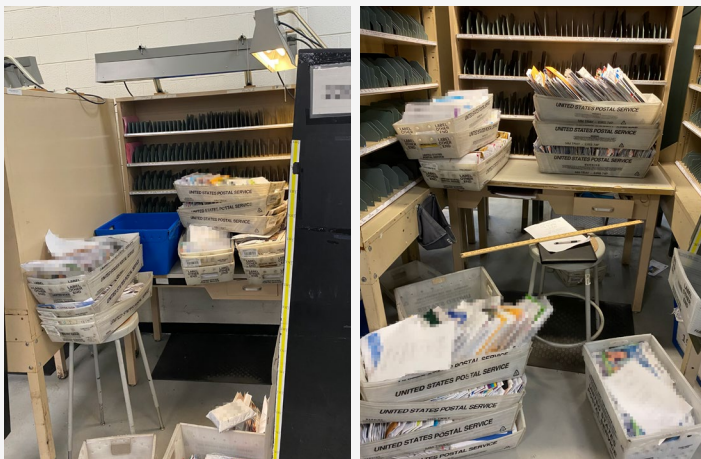
On the morning of June 13, 2023, we identified 42,358 delayed mailpieces⁹ at 62 (76.54 percent) of the 81 carrier cases. Specifically, we identified about 42,282 mailpieces and 76 packages. In addition, management did not report this mail as undelivered in the Delivery Condition Visualization (DCV)¹⁰ system. 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	OIG Estimated Count of Delayed Mail
Letters	33,662
Flats	8,620
Packages	76
Totals	42,358

Source: OIG count of delayed mailpieces identified during our visit on June 13, 2023.

Figure 1. Examples of Delayed Mail in the Carrier Cases



Source: OIG photos taken on June 13, 2023.

Why Did It Occur

Delayed mail occurred because unit management did not provide proper oversight. The unit manager stated that he relies on unit supervisors to oversee carrier operations, and that delayed mail occurred because supervisors were not effectively addressing issues affecting street operations. Unit supervisors stated that carriers were unable to deliver all mail due to the heavy mail volume and City Carrier Assistants¹¹ were unfamiliar with routes.

Some mail carriers could not deliver mail on time because the unit does not have sufficient arrow keys. Carriers that did not have an arrow key stated that they knock on doors hoping to gain access, try to borrow arrow keys from each other, or bring the mail back to the unit until they can obtain a key (see [Finding 4](#)). In addition, one carrier stated that he did not finish his route because he could not get a postal credit card and his vehicle ran out of fuel.

Management did not record and track delayed mail volumes because supervisors were not aware of the requirement to record it in the DCV system, and the unit manager was not monitoring for compliance. Instead, when mail is brought back to the unit as undelivered, the PM supervisor sent photos of it to the AM Supervisor for them to follow up with the carrier the next morning.

What Should Have Happened

Management should have addressed issues affecting mail delivery and ensured that all mail was delivered daily. Specifically, management should have provided enough resources to deliver all mail daily, provided carriers needed arrow keys, and facilitated needed fuel purchases. Postal Service policy¹² 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

⁹ Count of mail included individual piece counts and OIG estimate based on Postal Service conversion factors in Handbook M-32, *Management Operating Data Systems*, Appendix D

¹⁰ 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.

¹¹ A City Carrier Assistant is a noncareer employee who delivers and collects mail in a prescribed area.

¹² *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.

addition, managers are required¹³ to report all mail in the delivery unit after the carriers have left for their street duties as either delayed or curtailed in the DCV system. Further, management must update the DCV system if volumes have changed prior to the end of the business day.

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.

¹³ *Informed Visibility Delivery Condition Visualization User Guide*, March 2023.

Finding #2: Package Scanning

What We Found

Employees improperly scanned packages at the delivery unit. In total, employees scanned 615 packages at the delivery unit between February and April 2023 (see Table 3). Further analysis of the STC scan data for these packages showed that 48.78 percent of them were scanned “Delivery Attempted – No Access to Delivery Location”. This data does not include 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. For example, a carrier scanned 113 packages as “Delivered” at the unit, instead of giving them to a clerk to put on a Firm Sheet.¹⁴

Table 3. STC Scans at Delivery Unit

STC Scan Type	Count	Percentage
Delivery Attempted - No Access to Delivery Location	300	48.78%
Delivered	239	38.86%
Receptacle Full / Item Oversized	62	10.08%
No Secure Location Available	9	1.46%
Delivery Exception – Animal Interference	5	0.81%
Total	615	100%*

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.

* Total percentage does not equal 100 percent due to rounding.

In addition, on the morning of June 13, 2023, before carriers arrived for the day, we selected 30 packages from the carrier cases¹⁵ to review and analyze scanning and tracking history. Of the 30 sampled packages, 16 (53.33 percent) had improper scans or handling, including:

- Eight packages were scanned as “Missent,” even though they were for delivery addresses serviced by the Central Carrier Station.
- Five packages were scanned as “Delivered”.
- Two packages were scanned at a location other than the delivery point. One was scanned as “Delivery Attempted – No Access to Delivery Location” and the other “Available for Pickup”. The distances ranged from 0.3 to 2.8 miles from the delivery point.
- One package was scanned as “Addressee Unknown” but had been at the carrier’s case for 24 days.

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 unit manager knew that carriers sometimes scanned packages as “Delivered” at the unit but did not enforce proper handling procedures. Additionally, he stated that he relies on the PM supervisors, but they were not following the proper carrier check-in process.

What Should Have Happened

Management should have monitored scan performance daily and enforced compliance, including verifying all 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,¹⁶ which includes scanning packages at the time and location of delivery.¹⁷

¹⁴ 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.

¹⁵ We only selected packages from the carrier cases because this unit is a carrier annex and does not have a “Notice Left” area.

¹⁶ *Delivery Done Right the First Time* stand-up talk, March 2020.

¹⁷ *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

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 the Postal Service's brand.

Finding #3: Truck Arrival Scanning

What We Found

Employees at the Central Carrier Station did not scan all incoming trailer/truck barcodes¹⁸ as required. We reviewed data related to morning truck arrival scans from February 1 to April 30, 2023, and found that employees did not perform a scan for 242 of 380 (63.68 percent) scheduled incoming trucks (see Table 4). During our observations on the morning of June 13, 2023, we observed that employees did not scan the incoming mail trucks.

Why Did It Occur

Management did not monitor scan performance data to verify that all trucks received an arrival scan because they thought it was sufficient to scan the equipment unloaded from the trucks.

What Should Have Happened

Management should have performed reviews of truck arrival tracking reports to verify that employees were performing all expected truck scans and enforced the requirement. 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.

Table 4. Truck Arrival Scans Between February 1 and April 30, 2023

Month	Count of Inbound Trips	Count of Missed Scans	Percentage Missing
February	116	73	62.93%
March	136	92	67.65%
April	128	77	60.16%
Total	380	242	63.68%

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.

¹⁸ The trailer barcode on the back door and inside right and left walls of the trailer.

¹⁹ United States Postal Service Standard Operating Procedure - 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 June 15, 2023, we asked carriers if their route required an arrow key, conducted a physical inventory of keys at the unit, and reviewed the unit's arrow key inventory log. Carriers stated that 49 routes required an arrow key for delivery, but we only located 21 keys. One key was in the accountable cage and 20 keys were retained by the carriers from the previous day. Additionally, the inventory log only listed nine arrow keys. When initialing the log to document that they received keys, four carriers noted that they did not get an arrow key. Of the 21 keys we identified, 19 were not listed on the unit's inventory log.

In addition, arrow keys were not kept secure. Specifically, carriers were keeping arrow keys in their [REDACTED] and were not checking them in to the accountable items cage, which was often left open and unattended throughout our visit. We also found that not all carriers were signing the daily log to acknowledge their acceptance of their assigned keys. Management did not provide support that they reported lost keys to the Postal Inspection Service.

Why Did It Occur

The unit did not have proper internal controls over arrow keys. Management did not have a process in place to manage and safeguard arrow keys. Carriers that we interviewed stated they do not turn their arrow keys in daily because they are afraid the key will not be there for them to use the next day. They feel it is safer to keep it at their [REDACTED]

What Should Have Happened

Management should have properly managed and safeguarded the arrow keys. 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. In addition, policy 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 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, damaged, and lacking keys can result in undelivered mail.

²⁰ Standard Work: Arrow Key Accountability, January 2022 and USPS Arrow Key Standard Work, January 2022.

Finding # 5: Property Conditions

What We Found

We found safety and maintenance issues at the Central Carrier Station including:

Building Safety

- Broken manual fire alarm pulls (see Figure 2).
- Fire extinguishers missing monthly/annual inspections.

Figure 2. Broken Manual Fire Alarm Pull



Source: OIG photo taken June 14, 2023.

Property Maintenance

- Peeling paint in women's bathroom.
- Damaged baseboard by door in women's bathroom.
- Dirty ceiling vents and filters in breakroom.
- One sink in men's bathroom not draining; loose faucet in women's bathroom.
- Grass is overgrown, weedy, and full of trash near the dock area.

Why Did It Occur

Unit management stated that while they have identified and addressed some needed repairs, they overlooked some of the facility issues we noted and should have provided additional management oversight of custodial staff.

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.²¹

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 the findings in the report. See [Appendix B](#) for management's comments in their entirety.

²¹ Occupational Safety and Health Act of 1970 and Postal Service Handbook EL-801, *Supervisor's Safety Handbook*.

Appendix A: Additional Information

We conducted this audit from June through August 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.

In planning and conducting the audit, we obtained an understanding of the delivery operations internal control structure to help determine the nature, timing, and extent of our audit procedures. We reviewed the management controls for overseeing the program and mitigating associated risks. Additionally, we assessed the internal control components and underlying principles, and we determined that the following three components were significant to our audit objective:

- Control Activities
- Information and Communication
- Monitoring

We developed audit work to ensure that we assessed these controls. Based on the work performed, we identified internal control deficiencies that were significant within the context of our objectives.

We assessed the reliability of PTR, DCV, SVWeb, and electronic Facilities Management System²² data by reviewing existing information, comparing data from other sources, observing operations, and interviewing Postal Service officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report.

²² 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



August 8, 2023

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Central Carrier Station in New Orleans, LA: Delivery Operations (Report Number 23-113-3-DRAFT)

Thank you for providing the Postal Service an opportunity to review and comment on the findings contained in the draft audit report, *Central Carrier Station in New Orleans, LA: Delivery Operations*.

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

Management has begun taking steps to address the five findings.

Delayed Mail: Management will train required personnel on how to accurately report delayed mail in DCV. Additionally, management created a checklist to use during reviews to ensure all committed mail is delivered daily.

Package Scanning: Management at all the units completed "Scanning Integrity Play" training in HERO. Bargaining staff completed scanning integrity training through a series of twelve service talks. Additionally, management created a checklist to use during reviews to ensure all packages are scanned accurately.

Truck Arrival Scanning: All required personnel completed "Bundle Visibility" training of which management documented on PS Form 2548. Additionally, management created a checklist to use during reviews to ensure all trucks are scanned properly.

Arrow Keys: The office will be trained on Standard Work and operating procedures for Arrow Key Management including updating key logs, reporting missing arrow keys to the USPS Inspection Service, and ensure arrow keys are verified and secured daily. Additionally, management created a checklist to use during reviews to verify compliance with arrow key policy.

Property Conditions: Four of the seven property conditions have been fixed and work orders submitted for the remaining three.

E-SIGNED by Julia G Wilbert
on 2023-08-07 13:34:36 CDT

Julia G. Wilbert
Acting Manager, New Orleans District

cc: Vice President, Area Retail & Delivery Operations (Southern)
Manager, Corporate Audit Response Management

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