Easton Post Office in Easton, MD: Delivery Operations

AUDIT REPORT
Report Number 23-156-2-R24 | November 20, 2023

OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

November 20, 2023

MEMORANDUM FOR: DAVID C. GUINEY
DISTRICT MANAGER, MARYLAND DISTRICT

[signature: Joseph E. Wolski]

FROM: Joseph E. Wolski
Director, Field Operations Atlantic & WestPac

SUBJECT: Audit Report – Easton Post Office in Easton, MD: Delivery Operations
(Report Number 23-156-2-R24)

This report presents the results of our audit of mail delivery operations and property conditions at the Easton Post Office in Easton, MD.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Monica Brym, 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, Atlantic Area Retail & Delivery Operations
Director, Retail & Post Office Operations Maintenance
Corporate Audit and Response Management

Results

Background

The U.S. Postal Service's mission is to provide timely, reliable, secure, and affordable mail and package delivery to more than 160 million residential and business addresses across the country. The U.S. Postal Service Office of Inspector General (OIG) reviews delivery operations at facilities across the country and provides management with timely feedback in furtherance of this mission.
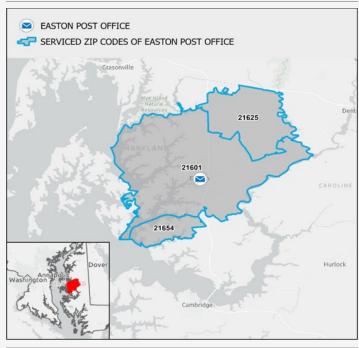
This interim report presents the results of our self-initiated audit of delivery operations and property conditions at the Easton Post Office in Easton, MD (Project Number 23-156-2). The Easton Post Office is in the Maryland District of the Atlantic Area and services ZIP Codes 21601, 21625, and 21654 (see Figure 1). These ZIP Codes serve about 27,563 people in a predominantly urban area. Specifically, of the people living in these ZIP Codes, about 18,033 (65 percent) are considered living in urban communities and about 9,530 (35 percent) are considered living in rural communities.[1]

This delivery unit has 16 rural routes and eight city routes. The Easton Post Office is one of three delivery units[2] the OIG reviewed during the week of September 11, 2023, that are serviced by the Eastern Shore Processing and Distribution Facility (P&DF).

We assessed all units serviced by the Eastern Shore P&DF, based on the number of Customer 360[3] (C360) delivery-related[4] inquiries, Informed Delivery[5] contacts, stop-the-clock (STC)[6] scans performed away from the delivery point, and undelivered route information between May 1 and July 31, 2023. We also

reviewed first and last mile failures[7] between April 29 and July 28, 2023.

Figure 1. ZIP Codes Serviced by the Easton Post Office

Source: U.S. Postal Service Office of Inspector General.

We judgmentally selected the Easton Post Office primarily based on scans performed away from the delivery point. Specifically, the unit had an average of 20.6 scans per route performed at the delivery unit compared to the district average of 5.9.[8] The unit was also selected for first mile failures.

Objective, Scope, and Methodology

Our objective was to evaluate delivery operations and property conditions at the Easton Post Office in Easton, MD.

---

1   We obtained ZIP Code information related to population and urban/rural classification from 2020 Census Bureau information.
2   The other two units are the Cambridge Main Office (Project Number 23-156-1) and the Salisbury Post Office (Project Number 23-156-3).
3   A cloud-based application that enables Postal Service employees to diagnose, resolve, and track customer inquiries.
4   A compilation of package tracking, package pickup, mail service, and hold mail inquiries.
5   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.
6   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."
7   A first mile failure occurs when a mailpiece is collected and does not receive a processing scan at the P&DF on the day that it was intended. A last mile failure occurs after the mailpiece has been processed at the P&DF on a final processing operation and is not delivered to the customer on the day it was intended. First and last mile failures can occur due to processing, transportation, or delivery operations.
8   U.S. Postal Service Office of Inspector General (OIG) analysis of 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.

To accomplish our objective, we focused on five audit areas: delayed mail, package scanning, arrow keys,[9] carrier complement and timekeeping, 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, carrier complement and timekeeping, and distribution up-time.[10] During our site visit we observed mail conditions; package 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" area[11] and interviewed unit management and employees. We discussed our observations and conclusions as summarized in Table 1 with management on November 2, 2023, and included their comments, where appropriate.

We are issuing this interim report to provide the Postal Service with timely information regarding conditions we identified at the Easton Post Office. We will issue a separate report[12] that provides the Postal Service with the overall findings and recommendations for all three delivery units. See Appendix A for additional information about our scope and methodology.

Results Summary

We identified issues affecting delivery operations and property conditions at the Easton Post Office. Specifically, we found issues with all five areas we reviewed (see Table 1).

Table 1. Summary of Results

Audit Area	Issues Identified	
	Yes	No
Delayed Mail	X	
Package Scanning	X	
Arrow Keys	X	
Carrier Complement and Timekeeping	X	
Property Conditions	X	

Source: Results of our fieldwork during the week of September 11, 2023.

We did not identify any issues with the management of arrow keys or with carrier complement. Specifically:

- We found the arrow key inventory was accurate. However, we did identify issues with safeguarding arrow keys (see Finding #3).

- We did not identify any issues with carrier complement. We determined that all carriers assigned to the unit had reported to work between May 6 and July 28, 2023. However, we did identify issues with timekeeping management (see Finding #4).

---

9   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.
10   Time of day that clerks have completed distributing mail to the carrier routes.
11   The area of a delivery unit where letters or packages that the carriers were unable to deliver are stored for customer pickup.
12   Project Number 23-156.

Finding #1: Delayed Mail

What We Found

On the morning of September 12, 2023, we identified 459 delayed mailpieces at 18 of 24 carrier cases. Specifically, we identified 182 letters, 275 flats, and two packages. In addition, management did not report this mail as undelivered in the Delivery Condition Visualization (DCV)[13] system. See Figure 2 for an example of delayed mail found at carrier cases.

Figure 2. Example of Delayed Mail in a Carrier Case

Source: OIG photo taken September 12, 2023.

Why Did It Occur

Management did not provide adequate oversight to verify all mail was cleared from the unit and any delayed mail was reported in the DCV system. The AM supervisor stated that he did not check the carrier cases and assumed any mail left in the cases could not be delivered that day, such as business or customer hold mail. Unit management stated they did not enter any delayed mail in DCV based on this assumption.

What Should Have Happened

Management should have ensured all mail was delivered daily and any delayed mail was reported properly in the DCV system. Postal Service policy[14] states that all types of First-Class Mail, Priority Mail, and Priority Mail Express are always committed for delivery on the day of receipt. In addition, managers are required[15] to report all mail in the delivery unit after the carriers have left for their street duties as either delayed or curtailed in DCV.

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.

---

13   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.
14   *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.
15   *Informed Visibility Delivery Condition Visualization User Guide*, March 2023.

Finding #2: Package Scanning

What We Found

Employees improperly scanned packages at the delivery unit, scanned packages away from the intended delivery point, and improperly managed packages at the unit.

We reviewed package scanning data that occurred at the unit and removed any potentially accurate scans performed.[16] In total, employees improperly scanned 928 packages at the delivery unit between May and July 2023 (see Table 2). Further analysis of the STC scan data for these packages showed that 79 percent of them were scanned "Delivered."

Table 2. STC Scans at Delivery Unit

Scan Type	Count	Percentage
Delivered	734	79.1%
Delivery Attempted – No Access	63	6.8%
Receptacle Full/ Item Oversized	57	6.1%
No Secure Location Available	56	6.0%
Business Closed	6	0.6%
No Authorized Recipient Available	5	0.5%
Refused	3	0.3%
Delivery Exception – Animal Interference	2	0.2%
Tendered to Agent for Final Delivery	1	0.1%
Addressee Unknown	1	0.1%
Total	928	100%*

Source: OIG analysis of the Postal Service's PTR system data.
* Total percentage does not equal 100 percent due to rounding.

We also reviewed 215 scans occurring away from the delivery unit and over 1,000 feet[17] from the intended delivery point between May and July 2023 (see Table 3). We removed scans that could have been performed within policy, such as animal interference and unsafe conditions. Further analysis of the STC scan data for these packages showed that 95.9 percent of them were scanned "Delivered."

Table 3. STC Scans Over 1,000 Feet Away from the Delivery Point

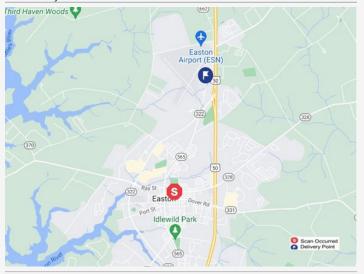| STC Scan Type	Count	Percentage
Delivered	207	96.3%
Business Closed	6	2.8%
Addressee Unknown	1	0.5%
Tendered to Agent for Final Delivery	1	0.5%
Total	215	100%*

Source: OIG analysis of the Postal Service's PTR system data.
* Total percentage does not equal 100 percent due to rounding.

For example, the map (see Figure 3) shows an instance where a carrier scanned a package as delivered 2.2 miles away from the delivery point.

Figure 3. Scan Away From the Delivery Point in Easton, MD

Source: Postal Service Single Package Look Up.

---

16   This data does not include scans that could properly be made at a delivery unit, such as "Delivered - PO Box" and "Customer (Vacation) Hold." Additionally, PO Box scans at the unit were only counted when the delivery point was an address away from the unit. This category does not include mail addressed for a PO Box.
17   Packages are expected to be scanned within a designated buffer distance from the delivery point. The Postal Service considers 900 ft. or less an acceptable buffer. Therefore, the OIG evaluates any package that was scanned more than 1,000 feet from the delivery point.

We also found issues with scanning and handling of packages in the unit. On the morning of September 12, 2023, before carriers arrived for the day, we selected 34 packages[18] to review and analyze for scanning and tracking history. Of the 34 packages, we found that three of the packages (9 percent) had improper scans. Specifically, three packages at the carrier cases were scanned "Return to Post Office for Address Verification" at the delivery unit. These packages should have been scanned at or close to the delivery point.

Further, seven of 30 packages in the "Notice Left" area were not returned to the sender, as required.[19] These packages ranged from one to 43 days past their scheduled 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. Management was not aware of the high number of "Delivered" scans at the unit and said they reviewed reports primarily focused on scans occurring after 3 p.m. Carriers stated that they scanned packages as "Delivered" at the unit prior to transporting the packages to a remotely managed post office.[20] Carriers and unit management stated that this was a normal practice for their unit. Regarding scans over 1,000 feet away from the delivery points, carriers stated that they scanned packages as "delivered" at parcel lockers, cluster boxes, or mailboxes, which they said, in some cases, were located over 1,000 feet away from delivery points.

In addition, management did not verify that the clerk assigned to the "Notice Left" section was monitoring the area daily for packages that should be returned.

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,[21] which includes scanning packages at the time and location of delivery.[22] Packages on the "Notice Left" area should have been reviewed for second notices and returned to sender if they remained after the prescribed number of days.[23]

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 and return undeliverable mail timely, customers are unable to determine the actual status of their packages. By improving scanning operations and handling procedures, management can improve mail visibility, increase customer satisfaction, and enhance both the customer experience and the Postal Service brand.

---

18 We selected all four packages found at the carrier cases and judgmentally selected 30 packages from the "Notice Left" area.
19 *Notice Left and Return Guidelines*, dated April 2016, 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.
20 The packages were for Remotely Managed Post Office PO boxes that have street addresses instead of PO Box Numbers on the label.
21 *Delivery Done Right the First Time* stand-up talk, March 2020.
22 *Carriers Delivering the Customer Experience* stand-up talk, July 2017.
23 *Notice Left and Return Guidelines*, April 2016.

Finding #3: Arrow Keys

What We Found

Unit management did not properly safeguard arrow keys. We observed that the ██████████████████ was left unlocked and open during our visit. We also observed the arrow key ██████████████████████ ████████████████ to the workroom floor in the morning. During this time, the keys were not locked and left unattended until distributed to carriers later in the morning.

Why Did It Occur

Management did not provide sufficient oversight to properly safeguard arrow keys. Specifically, unit management was not aware that the █████ should not be left unlocked and unattended throughout the day, nor that the arrow keys should not be left unsecured in the ███████████████████ on the workroom floor.

What Should Have Happened

Management should have verified that arrow key security procedures were properly followed. According to Postal Service policy,[24] arrow keys must remain secured until they are individually assigned to personnel. 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 or damaged keys can result in undelivered mail.

---

24 *USPS Arrow Key Standard Work Instructions*, updated January 2022.

Finding # 4: Timekeeping

What We Found

Unit management did not have a binder or any file system in which to securely retain printed copies of PS Forms 1017-A, *Time Disallowance Record*,[25] and PS Forms 1017-B, *Unauthorized Overtime Record*. [26] Between May 1 through July 31, 2023, the unit had five disallowed time occurrences. However, management did not complete and retain hard copies of the PS Forms 1017-A to support these disallowed time occurrences.

Why Did It Occur

Management was unaware of the requirement to retain these forms in a secured notebook. Unit management documented these actions in the Time and Attendance Collection System (TACS), and, therefore, assumed they were not required to retain paper copies of these forms.

What Should Have Happened

Postal Service policy[27] states unit personnel must complete PS Form 1017-A and PS Form 1017-B entries and place them in a notebook binder that is secured from unauthorized access documenting the reason for the disallowed time or unauthorized overtime.

Effect on the Postal Service and Its Customers

When proper documentation of pay adjustments, time disallowance, and unauthorized overtime are not completed, management could incur excess administrative time. In addition, the Postal Service risks violation of the Fair Labor Standards Act[28] when unit management does not maintain documentation that shows a justifiable reason and employee notification for disallowed time.

---

25 Form used only when a supervisor observes, or has reason to know, that an employee did not work, while "on the clock." The supervisor must document the basis for any such disallowance. The form serves as a cumulative record of disallowed time.
26 Managers and supervisors are required to complete a PS Form 1017-B when a non-exempt employee incurs unauthorized overtime. The form serves as a cumulative record of unauthorized overtime.
27 Handbook F-21, *Time and Attendance*, February 2016.
28 29 USC § 201-219.

Finding # 5: Property Conditions

What We Found

We found safety, security, and maintenance issues at the Easton Post Office, including:

Property Safety

- An Inspection Service door was blocked by miscellaneous equipment.

- All 15 fire extinguishers were missing both monthly and annual inspections. In addition, two of the 15 fire extinguishers were blocked by building materials (see Figure 4) and another two were not mounted to the wall properly.

- Damaged concrete on the loading dock platform (see Figure 5).

- A broken handrail post on the loading dock platform (see Figure 6).

- Electrical cords were connected on top of or between carrier cases.

- Dislodged parking blocks in Employee Parking Lot.
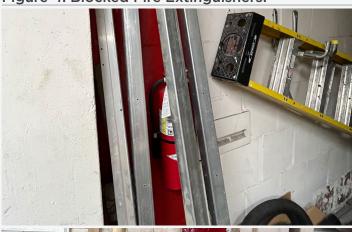
Property Security

- The employee parking lot did not have a posted sign stating that vehicles may be subject to search.

Property Maintenance

- Drywall was damaged in two areas of the workroom (see Figure 7).

- Flooring damage in workroom area.

- Ceiling tiles above the workroom were stained, missing, and damaged (see Figure 8).

- A ceiling bulge above the retail windows.

- Multiple light fixtures were missing light tubes.

- An inspection service door was missing a doorknob.

- A lobby door did not properly close.

- An employee bathroom in the basement was in unusable condition.

Figure 4. Blocked Fire Extinguishers.

Source: OIG photos taken September 13, 2023.

Figure 5. Damaged Concrete on the Loading Dock Platform.

Source: OIG photo taken September 12, 2023

Figure 6. Broken Handrail Post on the Loading Dock Platform.

Source: OIG photo taken September 12, 2023

Figure 7. Drywall Damage in Workroom Area.

Source: OIG photo taken September 12, 2023

Figure 8. Stained, Missing, and Damaged Ceiling Tiles.

Source: OIG photo taken September 12, 2023

We did not find any open repair requests in eFMS for the deficiencies we identified.

Why Did It Occur

Management did not provide sufficient oversight and take the necessary actions to verify that property condition issues were identified and corrected. Management stated they were unaware of the issues we identified, and they do not routinely walk around the facility to look for property conditions. In addition, management indicated that the unit has a custodian and was not made aware of any property 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.[29]

---

29 Postal Service Handbook EL-801, *Supervisor's Safety Handbook*, July 2020.

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 and has begun to take action to address the findings. See Appendix B for management's comments in their entirety.

Appendix A: Additional Information

We conducted this audit from August through November 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 related to all three components that were significant within the context of our objectives. Our recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of PTR, DCV, Time and Collection System, and electronic Facilities Management System[30] 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.

---

30 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

November 8, 2023

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Easton Post Office in the Maryland District: Delivery
Operations (Report Number 23-156-2-DRAFT)

Thank you for providing the Postal Service an opportunity to review and comment on the findings contained in the draft audit report, *Easton Post Office in the Maryland District: Delivery Operations.*

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

Management has begun taking steps to address the five findings.

Delayed Mail: Management at the district level will conduct regular reviews to ensure local management is compliant with proper handling and recording of delayed mail.

Package Scanning: Management at the district level will conduct regular reviews to ensure procedures are being followed for proper scanning.

Timekeeping: Management established files to store support documentation for timekeeping actions. Management at the district level will conduct reviews to ensure compliance with proper record keeping for disallowed time.

Arrow Keys: Management will ensure arrow keys are always secured properly. Reviews will be conducted to monitor for compliance.

Property Conditions: Six of the 15 property conditions found during the audit have been abated and pictures provided as verification. Work orders have been submitted for the remaining issues.

E-SIGNED by DAVID.C GUINEY
on 2023-11-09 09:50:34 EST
_____
David C. Guiney
Acting Manager, Maryland District

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

Contact us via our Hotline and FOIA forms. Follow us on social networks. Stay informed.

1735 North Lynn Street, Arlington, VA 22209-2020
(703) 248-2100

For media inquiries, please email press@uspsoig.gov or call (703) 248-2100