Downtown Long Beach Station in Long Beach, CA: Delivery Unit Operations

OFFICE OF
INSPECTOR
GENERAL
UNITED STATES POSTAL SERVICE

UNITED STATES OF AMERICA

POST OFFICE

Transmittal Letter

January 29, 2024

MEMORANDUM FOR: ABRAHAM P. COOPER
MANAGER, CALIFORNIA 5 DISTRICT

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

Joseph E. Wolski

SUBJECT: Audit Report – Downtown Long Beach Station in Long Beach, CA:
Delivery Operations (Report Number 24-027-2-R24)

This report presents the results of our audit of mail delivery operations and property conditions at the Downtown Long Beach Station in Long Beach, CA.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Ricardo Martinez, Audit 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, WestPac 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 Downtown Long Beach Station in Long Beach, CA (Project Number 24-027-2). The Downtown Long Beach Station is in the California 5 District of the WestPac Area and services ZIP Codes 90802, 90810, 90813, and 90831 (see Figure 1). These ZIP Codes serve about 134,634 people in an urban area.

Figure 1. ZIP Codes Serviced by the Downtown Long Beach Station
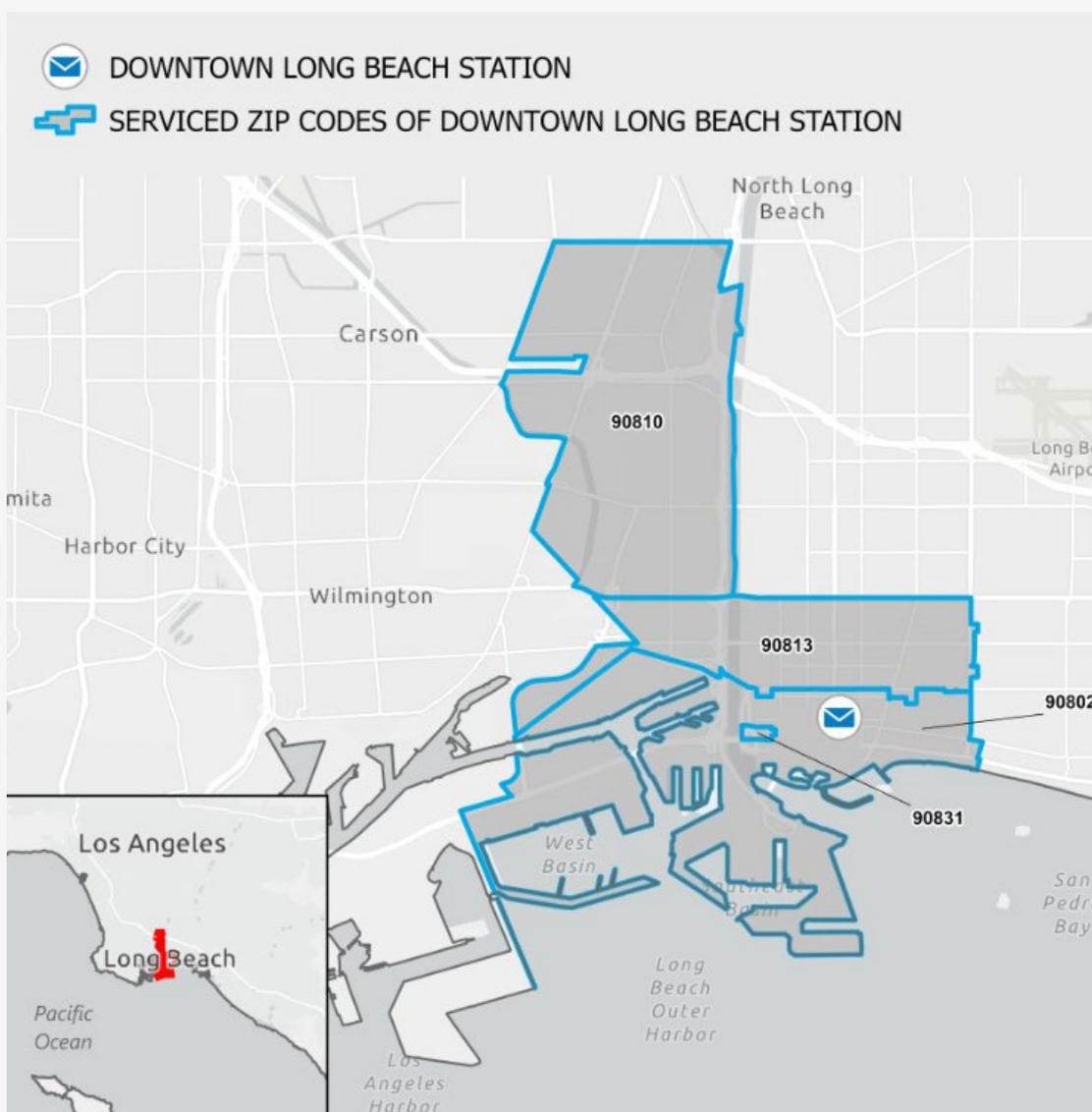
Source: U.S. Postal Service Office of Inspector General.

This delivery unit has 64 city routes. The Downtown Long Beach Station is one of three delivery units[1] the OIG reviewed during the week of November 13, 2023, that are serviced by the Los Angeles Processing and Distribution Center (P&DC).

We assessed all units serviced by the Los Angeles P&DC based on the number of Customer 360[2] (C360) delivery-related inquiries,[3] Informed Delivery[4] contacts, Stop-the-Clock[5] (STC) scans performed away from the delivery point, first and last mile failures,[6] and undelivered route information between July 1 and September 30, 2023.

Table 1. Delivery Metric Comparison Between July 1 and September 30, 2023

Delivery Metric	Unit Average per Route	District Average per Route
C360 Delivery Inquiries	9.7	5.9
Informed Delivery Contacts	28.1	14.0
Scans Performed Away from Delivery Point	145.3	27.2
Scans over 1,000 feet from Delivery Point	3.9	2.7

Source: U.S. Postal Service OIG analysis of Postal Service's C360, Informed Delivery, Facility Database, and Product Tracking and Reporting (PTR) System data extracted on October 11, 2023. PTR is the system of record for all delivery status information for mail and packages with trackable services and barcodes.

We judgmentally selected the Downtown Long Beach Station primarily based on the number of Undelivered Routes, C360 inquiries related to delivery, Informed Delivery contacts, and STC scans performed away from the delivery point. We also selected the unit based on first and last mile failures and instances of undelivered routes. See Table 1 for a comparison of some of these metrics between the unit and the rest of the district.

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery operations and property conditions at the Downtown Long Beach Station in Long Beach, CA.

To accomplish our objective, we focused on five audit areas: delayed mail, package scanning, arrow keys,[7] 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.[8] During our site visit we observed mail conditions; package scanning procedures; arrow key security procedures; timekeeping documentation; 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[9] and interviewed unit management and employees. We discussed our observations and conclusions as summarized in Table 2 with management on January 3, 2024, 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 Downtown Long Beach Station. We will issue a separate report[10] 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.

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1 The other two units were the Dockweiler Station in Los Angeles, CA (Project Number 24-027-1) and the Inglewood Carrier Annex in Inglewood, CA (Project Number 24-027-3).
2 A cloud-based application that enables Postal Service employees to diagnose, resolve, and track customer inquiries.
3 A compilation of package inquiry, package pickup, daily mail service, and hold mail inquiries.
4 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.
5 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."
6 First mile failures occur when a mailpiece is collected and does not receive a processing scan at the P&DC on the day that it was intended. A last mile failure occurs after the mailpiece has been processed at the P&DC 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.
7 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.
8 Time of day that clerks have completed distributing mail to the carrier routes.
9 The area of a delivery unit where letters or packages that the carriers were unable to deliver are stored for customer pickup.
10 Project Number 24-027.

Results Summary

We identified issues affecting delivery operations and property conditions at the Downtown Long Beach Station. Specifically, we found issues with all five areas we reviewed. We also identified issues related to the sortation of packages for dispatch to the P&DC (see Table 2).

Table 2. 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	
Other Issues	X	

Source: Results of our fieldwork during the week of November 13, 2023.

We did not identify any issues with carrier complement. We determined that all carriers assigned to the unit had reported to work between July 1 and September 29, 2023. However, we did identify issues with timekeeping management (see Finding #4).

Finding #1: Delayed Mail

Table 3. Types of Delayed Mail Identified

Type of Mail	Carrier Cases	Customer Service Area	P.O. Box Section	Business Reply Mail	OIG Count of Delayed Mail
Letters	2,804	5,448	2,497	225	10,974
Flats	189	2,070	0	0	2,259
Packages	21	0	0	0	21
Totals	**3,014**	**7,518**	**2,497**	**225**	**13,254**

Source: OIG count of delayed mailpieces identified during our visit on November 14, 2023.

What We Found

On the morning of November 14, 2023, we identified about 13,254 delayed mailpieces[11] at 15 carrier cases, the customer service area, the Post Office (PO) Box section and in an administrative office. Specifically, we identified 10,974 letters, 2,259 flats and 21 packages. In addition, management did not accurately report this mail as undelivered in the Delivery Condition Visualization (DCV)[12] system. While they reported 1,285 delayed mail pieces and 1,170 curtailed mail pieces, the delayed mail pieces reported only represented 9.7 percent of the delayed mail volume we identified at the unit. See Table 3 for the number of pieces for each mail type and Figure 2 for examples of delayed mail found at the Downtown Long Beach Station.

In addition, we identified 213 pieces of Certified Mail that had not been returned to the sender in a timely manner. We found some Certified Mail pieces that were dated September 2023.

Why Did It Occur

Management did not provide adequate oversight to verify that all mail was cleared from the unit and any delayed mail was accurately reported in the DCV system. The AM supervisor stated that for the past two months they have been receiving a high volume of mail that has to be manually sorted to the carrier's routes by the clerks on their 6:30AM truck. The delivery unit communicated this issue to the plant using the Mail Arrival Quality/Plant Arrival Quality (MAQ/PAQ) system[13]. Additionally, one of the unit's clerks was out on leave and did not return until the Tuesday we arrived so they did not have enough clerical staff to process all of Monday's committed mail.

Regarding the Business Reply Mail[14] (BRM) and Certified Mail, unit management did not provide adequate oversight to ensure that it was handled properly. The unit manager prioritized other duties over processing BRM mail and returning Certified Mail.

The unit manager stated that the AM and PM supervisors have access to the DCV system and have been authorized to input delayed mail into the DCV system. The PM supervisor indicated that if the carriers brought back any delayed mail, she would let the station manager know and input it into the DCV system. The AM supervisor indicated that she normally reports delayed mail but did not because she was busy with other duties. We reviewed what the unit reported in the DCV system for our audit scope period and no delayed mail was reported in the DCV system. Ultimately, the station manager did not provide adequate oversight and follow up to ensure that the delayed mail amounts were accurately input into the DCV system.

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11 Count of mail included individual piece counts and OIG estimate based on Postal Service conversion factors in Management Instruction PO-610-2007-1, *Piece Count Recording System.*
12 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.
13 The MAQ/PAQ system facilitates communication and resolution of issues with the movement of mail, including collection mail, between postal facilities.
14 BRM service enables qualified mailers to provide a recipient with a convenient, prepaid method for replying to a mailing.

Figure 2. Examples of Delayed Mail

Delayed Mail at Customer Service Area	Delayed Mail at a Carrier's Case

Source: OIG photos taken on November 14, 2023.

What Should Have Happened

Management should have provided the station with enough resources to deliver all the mail each day and verified that delayed mail was accurately reported in the DCV system. Postal Service policy[15] states that managers must plan for unscheduled absences and situations that may interfere with normal delivery service.

Postal Service policy[16] states that all types of First-Class Mail, Priority Mail, and Priority Express Mail are always committed for delivery on the day of receipt. This policy also includes that BRM is due for delivery the day of receipt. In addition, managers are required[17] 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. Postal Service policy for Certified Mail states that if the article is not called for or redelivered, it must be returned after 15 calendar days.[18]

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 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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15   Handbook M-39, *Management of Delivery Services*, TL-14, Section 111.2, June 2019
16   *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.
17   *Informed Visibility Delivery Condition Visualization User Guide*, August 2023.
18   Certified Mail, Section 813.25 Notice of Arrival, outlines that if certified mail is not called for within five calendar days, a final notice should be issued and must be returned after 15 calendar days.

Finding #2: Package Scanning

Table 4. STC Scans at Delivery Unit

STC Scan Type	Count	Percentage
Delivered	9,174	98.7%
Delivery Attempted – No Access to Delivery Location	118	1.3%
No Authorized Recipient	4	0.0%
Delivery Exception – Animal Interference	3	0.0%
Receptacle Full / Item Oversized	1	0.0%
Total	**9,300**	**100%**

Source: OIG analysis of the Postal Service's PTR System data.

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 for scans that occurred at the unit and removed any potentially accurate scans performed.[19] In total, employees improperly scanned 9,300 packages at the delivery unit between July and September 2023 (see Table 4). Further analysis of the STC scan data for these packages showed that 98.7 percent of them were scanned "Delivered."

We also reviewed 234 scans occurring away from the delivery unit and over 1,000 feet[20] from the intended delivery point between July and September 2023 (see Table 5). 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 90.6 percent of them were scanned "Delivered."

For example, the map below (see Figure 3) shows an instance where a carrier scanned a package as "Delivery Attempted – No Access to Delivery Location" 0.4 miles away from the delivery point.

**Table 5. STC Scans Over 1,000 Feet Away From the Delivery Point**

STC Scan Type	Count	Percentage
Delivered	212	90.6%
Delivery Attempted – No Access to Delivery Location	21	9.0%
Vacant	1	0.4%
Total	**234**	**100%**

Source: OIG analysis of the Postal Service's PTR System data.

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19 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, P.O. 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 P.O. Box.

20 Packages are expected to be scanned within a designated buffer distance from the delivery point. The OIG evaluates any package that was scanned more than 1,000 feet from the delivery point.

Figure 3. Scan Away From the Delivery Point in Long Beach, California
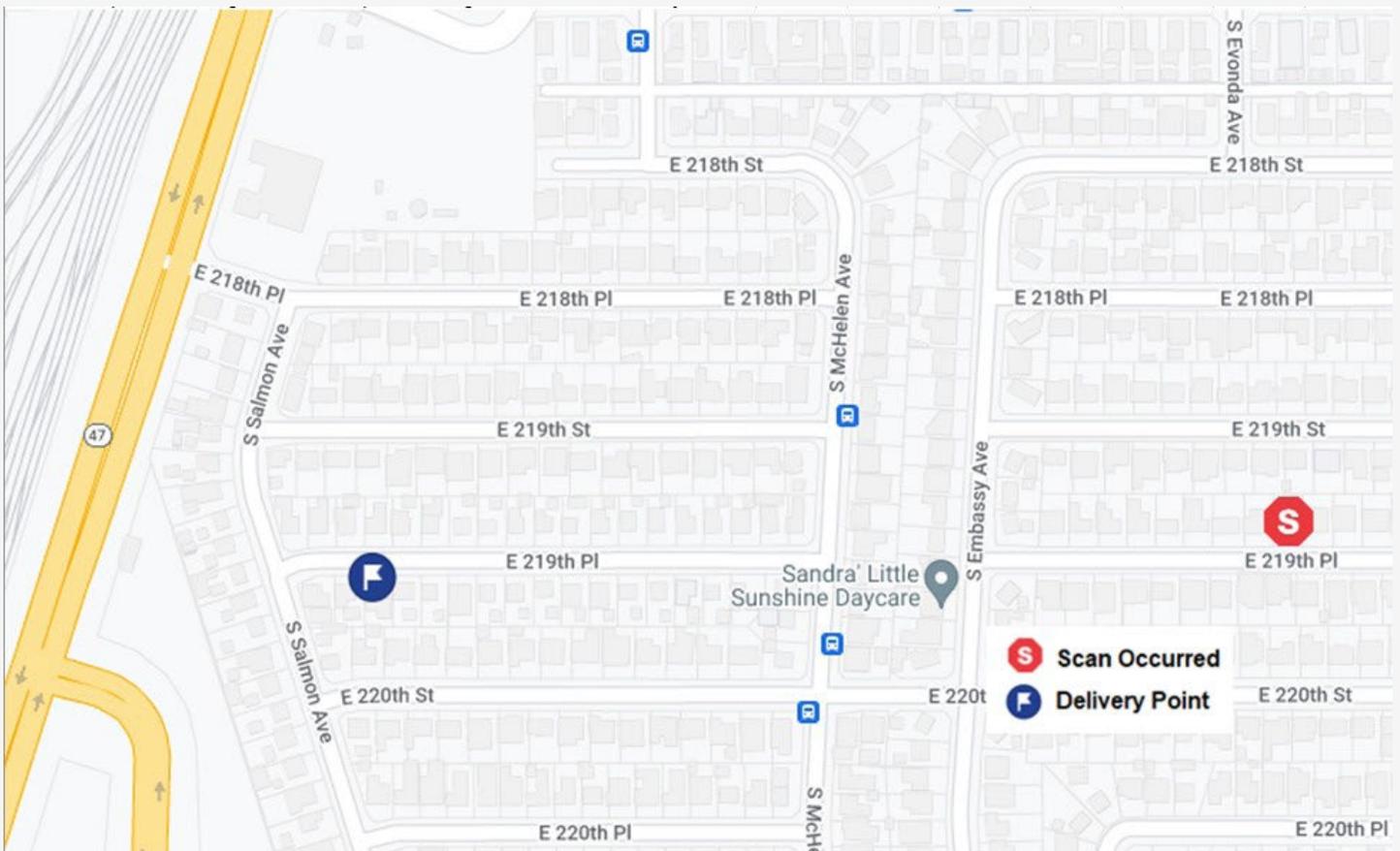
Source: Postal Service Single Package Look Up.

We also found issues with scanning and handling of packages in the unit. On the morning of November 14, 2023, before carriers arrived for the day, we selected 60 packages[21] to review and analyze scanning and tracking history. Of the 60 sampled packages, 16 (26.7 percent) had improper scans or handling, including:

- Eight packages (six from the carrier cases and two from the "Notice Left" area) were scanned "Delivery Attempted – No Access to Delivery Location." These package scans ranged from between 0.2 and 0.5 miles away from the point of delivery.

- Four packages from the carrier case were missing STC Scans to let the customer know the reason for non-delivery.

- Two packages from the "Notice Left" area were scanned "Receptacle Full/Item Oversized" but were scanned away from the delivery point.

- One package from the "Notice Left" area was scanned "Delivered," which should only be performed when a package is successfully left at the customer's delivery address.

- One package from the "Notice Left" area was scanned "No Authorized Recipient" but had been held at the unit for 41 days.

Further, 19 packages in the "Notice Left" area were not returned to the sender, as required. These packages ranged from two to 54 days past their scheduled return dates.

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21   We judgmentally selected 30 packages from the carrier cases and 30 packages from the "Notice Left" area.

Why Did It Occur

These scanning issues occurred because unit management did not enforce proper package scanning and handling procedures. Management stated that the large number of "Delivered" scans at the unit is because one route has a business that frequently receives large volumes (hundreds) of packages that they deliver to a warehouse. The station manager stated that he instructed the carrier to scan the packages as "Delivered" in the office because it would require the carrier to potentially scan hundreds of packages on the street which would be time consuming and could potentially be a safety issue for the carrier. Additionally, the station manager stated that they now have a firm sheet[22] for that business. However, the unit is not fully leveraging the firm sheet, as intended. The carrier continued to scan some packages for that business as "Delivered" at the unit, rather than using the firm sheet, because some of the packages arrived closer to the carrier's start time and the clerks did not have time to add them to the firm sheet.

The 19 packages in the "Notice Left" section were not returned timely due to a local practice rather than following the national policy. The AM supervisor stated that a local practice is to hold packages double the 15 prescribed hold days. The station manager stated that the AM supervisor oversees the "Notice Left" area, but he did not follow up to ensure that the packages were sent back within the prescribed time frames.

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,[23] which includes scanning packages at the time and location of delivery.[24] Postal policy[25] states that leveraging the use of a firm sheet for a delivery point that receive 25 or more packages a day would result in increased efficiency. 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.[26]

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

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22 A firm sheet combines deliveries for a single address on one form so a carrier can scan just one barcode when delivering multiple packages to a single address.
23 *Delivery Done Right the First Time* stand-up talk, March 2020.
24 *Carriers Delivering the Customer Experience* stand-up talk, July 2017.
25 Handbook PO-610-2.3 *Firm Sheet Scanning Procedures*, dated November 2014.
26 *Notice Left and Return Guidelines*, April 2016.

Finding #3: Arrow Keys

What We Found

Unit management did not properly manage arrow keys. On the morning of November 16, 2023, we reviewed what the unit reported on their most recent arrow key certification list in the Retail and Delivery Applications & Reports (RADAR)[27] system and conducted a physical inventory of keys at the unit. Although we found all 88 keys that were listed on their arrow key certification list, we found several Modified Arrow Lock (MAL)[28] keys at the unit that had not been reported on their most recent arrow key certification list. The unit last completed their arrow inventory certification in RADAR on November 1, 2023.

During our fieldwork, we observed that the arrow keys were kept in a secure location. In the morning before leaving for the street, the carriers signed for their keys by scanning their badge and upon their return to the unit, they returned their key to the ██████████ ██, and they were required to scan their badge. In addition, the carriers were also required to scan the PM supervisor's badge, further documenting that their assigned arrow key had been returned.

Why Did It Occur

Management did not provide sufficient oversight to properly manage arrow keys. Specifically, management stated that the arrow keys are transitioning to the modified arrow lock key, and they have not updated their arrow key certification list in RADAR because they prioritized other duties, such as mail delivery.

What Should Have Happened

Management should have properly managed the arrow keys. According to Postal Service policy,[29] management must keep an accurate inventory of all arrow keys.

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.

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27 The Arrow Key Certification in RADAR provides a national platform for all facilities to verify current inventory and account for all Arrow Keys.
28 MAL keys are made to be more secure.
29 *USPS Arrow Key Standard Work Instructions*, updated August 2023.

Finding #4: Timekeeping Management

What We Found

We determined that the unit had 55 disallowed time occurrences and 555 instances of unauthorized overtime between July 1 and September 29, 2023. Management did not complete 52 of the 55 Postal Service (PS) Forms 1017-A, Time Disallowance Record,[30] and 513 of the 555 PS Forms 1017-B, Unauthorized Overtime Record[31] in the Time and Attendance Collection System[32] (TACS). Additionally, they did not print and retain the forms for these occurrences.

In October 2023, the unit created a binder to retain the PS Forms 1017-B to maintain printed hard copies of PS Forms 1017-B; however, the binder was located on a workroom desk and not secured.

Why Did It Occur

The station manager stated that he was aware of the requirement to keep the binders for the PS Forms 1017-A and 1017-B; however, his supervisors did not complete the forms in TACS or create the binders due to competing priorities.

What Should Have Happened

Postal Service policy[33] 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. Postal guidance[34] provides instructions on how to complete the entries in TACS.

Effect on the Postal Service and Its Customers

When proper documentation of time disallowance and unauthorized overtime is not completed, management could incur excess administrative time. In addition, the Postal Service risks violation of the Fair Labor Standards Act[35] when unit management does not maintain documentation that shows the justifiable reason and employee notification for disallowed time.

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30 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. These forms serve as a cumulative record of disallowed time.
31 Managers and supervisors are required to complete a PS Form 1017-B the first time a non-exempt employee incurs unauthorized overtime. These forms serve as a cumulative record of unauthorized overtime.
32 The system used by the Postal Service to automate the collection of employee time and attendance information.
33 Handbook F-21, *Time and Attendance*, Section 146 - Approving Entries, February 2016.
34 TACS Training Page, *Training Video 1017-A 1017-B Enhancement Demo*.
35 29 USC § 201-219.

Finding #5: Property Conditions

What We Found

We found safety and maintenance issues at the Downtown Long Beach Station. Regarding property safety, we observed:

- Two blocked fire extinguishers (see Figure 4).
- An uncovered fire alarm in the lobby.
- One blocked manual fire alarm (see Figure 5).
- A handicap automatic door in the lobby was not working.

Figure 4. Blocked Fire Extinguisher

Source: OIG photo taken on November 15, 2023

Figure 5. Blocked Manual Fire Alarm

Source: OIG photo taken on November 15, 2023

Regarding property maintenance, we observed:

- Two stained ceiling tiles in the manager's office.
- Dirty air vent covers throughout the facility.
- Dirty window blinds in the men's restroom.
- A broken toilet in the men's restroom (see Figure 6).
- A broken hot water faucet in the women's restroom.
- Dirty air vent covers on the workroom floor.
- Several non-working lights on the workroom floor.
- A main light fixture in the lobby display case not working.

- A row of lights in the PO Box area not working.

- A broken handle to the self-service repository in the lobby.

- A cracked light fixture in the work room next to the retail window area.

- A doorbell on the loading dock not working.

Figure 6. Broken toilet in Men's Restroom

Source: OIG photo taken on November 15, 2023

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 that they were unaware of most of the issues we identified, and for the ones that they were aware of, other duties, such as getting the mail out for delivery each day, took priority over 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 requires management to maintain a safe environment for employees and customers.[36]

Effect on the Postal Service and Its Customers

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

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

Finding #6: Sortation of Packages for Dispatch

Employees at the Downtown Long Beach Station did not properly separate packages destined for the Los Angeles P&DC. Specifically, on November 15, 2023, during the unit's evening operations, we observed that Ground Advantage[37] and Priority Mail[38] were commingled in the same containers.

Why Did It Occur

Unit management did not provide oversight to ensure that employees properly separated packages for dispatch to the plant. Specifically, the closing clerk stated that she did not know that the Priority Mail and the Ground Advantage packages should have been separated. Additionally, she indicated they did not have the ability to print the proper placards to separate the packages.

What Should Have Happened

In July 2023, the Postal Service made significant changes to its parcel processing operations. Specifically, delivery and retail units changed the way they separated packages dispatched in order to facilitate the introduction of a new package service. On September 26, 2023, the Postal Service implemented[39] additional changes for the preparation and dispatch of packages to processing facilities by delivery units of a certain level.[40] Postal Service requires these units to separate certain classes of packages when dispatching this mail to the processing facility.

Effect on the Postal Service and Its Customers

Proper mail preparation is required for visibility throughout the Postal Service network. When mail is not properly separated for dispatch to the processing facility, in accordance with procedures, there is an increased likelihood that mail will require additional processing steps. Furthermore, this can result in delays and service failures and an increased risk of customer dissatisfaction, which may adversely affect the 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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37   A service providing an affordable and reliable way to send parcels inside the U.S. Parcels under 70 pounds arrive in 2-5 business days.
38   An expedited service and may contain any mailable matter weighing no more than 70 pounds.
39   *Mail Preparation (MTEL) Changes Level 22 and Above Only*, September 2023.
40   All level-22 units and higher are required to follow these package separation requirements.

Appendix A: Additional Information

We conducted this audit from November 2023 through January 2024 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.

We assessed the reliability of PTR, DCV, TACS, and electronic Facilities Management System[41] 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.

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41   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

January 9, 2024

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Downtown Long Beach Station, Long Beach, CA:
Delivery Operations (Report Number 24-027-2-DRAFT)

Thank you for providing the Postal Service an opportunity to review and comment on the findings contained in the draft audit report, *Downtown Long Beach Station, Long Beach, CA: Delivery Operations.*

Management agrees with the six findings in the report on delayed mail, arrow keys, package scanning, arrow keys, carrier complement and timekeeping, property conditions, and sortation of packages for dispatch.

Management has begun taking steps to address the four findings.

Delayed Mail: District level management will conduct reviews to ensure proper oversight and compliance with DCV reporting, committed mail policies, and the timely processing of BRM and Certified Mail. Add Additionally, local management will ensure required personnel have the necessary access and training to process the mail timely.

Arrow Keys: The office will be trained on Standard Work and operating procedures for Arrow Key Management including updating key logs. District level Management will conduct reviews to verify compliance with arrow key policy.

Package Scanning: District level management will conduct reviews to ensure proper oversight and compliance with package scanning and handling procedures.

Timekeeping Management: Local management will be retrained on proper record keeping procedures, i.e., completing PS Forms 1017 A and B in TACS and creating binders to store 1017 A & B hard copies and secure from unauthorized access.

Property Conditions: Eight of the property conditions identified have been abated. The remaining 7 have work orders submitted.

Sortation of Packages for Dispatch: Local management will provide service talks to reinforce newly implemented package separation practices to ensure Priority Mail and Ground Advantage are not commingled.

E-SIGNED by Abraham.P Cooper
   on 2024-01-11 20:55:02 EST
_____

Abraham Cooper
Manager, California 5 District

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

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

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