



**Standardization of Integrated Mail  
Handling System Loaders at  
Network Distribution Centers**

Report Number NL-AR-12-002

***IMPACT ON:***

Network Operations – the Network Distribution Center (NDC) Operations and Network Operations Engineering groups.

***WHY THE OIG DID THE AUDIT:***

Our objective was to assess the level of standardization of selected mail processing equipment - Integrated Mail Handling System (IMHS) loaders within the NDC network.

***WHAT THE OIG FOUND:***

We determined that some of the IMHS loaders used at the NDCs had not been standardized. Only 247 of the 524 IMHS loaders had been modified to accommodate both Postal Paks and over-the-road (OTR) containers. The remaining 277 unmodified IMHS loaders can only safely accommodate Postal Paks. This occurred because U.S. Postal Service Headquarters had not mandated modification of the IMHS loaders. Once the IMHS loaders are modified, the Postal Service would attain consistent use of the equipment in the NDC network and be able to improve the flow and redistribution of OTR containers. This will also reduce cardboard purchases and avoid unnecessary transportation of empty OTR containers. Finally, since we determined that some NDCs were using OTR containers on unmodified IMHS loaders, modifying them would eliminate a safety hazard to employees.

***WHAT THE OIG RECOMMENDED:***

We recommended the vice president, Network Operations, direct NDCs to modify IMHS loaders to safely accept OTR containers, while continuing to accept Postal Paks, as designed. We also recommended the vice president ensure that NDCs do not use OTR containers in their IMHS loaders until the loaders are modified to safely accommodate OTR containers.

***WHAT MANAGEMENT SAID:***

Management agreed with both recommendations and will issue a work order to implement modification of the local equipment loaders along with the necessary changes to other documents and procedures. In addition, managers at each of the 10 affected NDC sites have been directed to refrain from using OTR containers in the IMHS loaders until the necessary modifications have been made.

***AUDITORS' COMMENTS:***

The U.S. Postal Service Office of Inspector General considers management's comments responsive to the recommendations and corrective actions should resolve the issues identified in the report.