



BACKGROUND:

The U.S. Postal Service is facing one of the most difficult challenges in its history, recently reporting a net loss of \$5.2 billion in the third quarter of fiscal year (FY) 2012. FY 2012 will be the 6th year in a row that the Postal Service has reported a net loss from operations. One factor driving these losses is the continual decline in mail volume, falling from its peak of 213 billion pieces in FY 2006 to 166 billion in FY 2011.

The Postal Service has more than 300 plants with mail processing operations. Excessive delayed mail adversely impacts mailers and U.S. Postal Service customers. An analysis of delayed mail during FY 2011 identified the Pittsburgh, PA Processing and Distribution Center (P&DC) in the Western Pennsylvania District in the Eastern Area as a facility with high delayed mail volume. In FY 2011, Standard Mail accounted for 51 percent of mail volume and \$17.8 billion in revenue.

Our objective was to determine whether Pittsburgh P&DC employees processed mail in a timely manner.

WHAT THE OIG FOUND:

The Pittsburgh P&DC experienced difficulties with timely processing of all

mail during FY 2011, the bulk of it being Standard Mail. Among the 43 largest Postal Service facilities, the Pittsburgh P&DC ranked second highest, with more than 12 percent delayed mail volume. The primary causes for the excessive delayed mail were underuse of mail processing equipment, poor mail flow, and failure to follow operating procedures. As a result, mail was not processed in a timely manner, thereby adversely impacting customer service and jeopardizing Postal Service revenue.

WHAT THE OIG RECOMMENDED:

We recommended the district manager, Western Pennsylvania District, adjust workhours, assignments, and other operational requirements to ensure the Pittsburgh P&DC processes mail timely as compared to similar-sized sites. We also recommended the district manager increase tray sorters' capacity and throughput and expand the windows of operation. Further, we recommended the district manager improve mail flow throughout the facility and train employees to ensure proper color coding of Standard Mail according to Postal Service policy.

[Link to review the entire report](#)