

Office of Inspector General | United States Postal Service

Audit Report

Mail Delivery, Customer Service, and Property Conditions Review – Downtown San Diego Station, San Diego, CA

Report Number 22-060-R22 | April 5, 2022





OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

April 5, 2022

MEMORANDUM FOR: JENNIFER VO
MANAGER, CALIFORNIA 6 DISTRICT

A handwritten signature in black ink that reads "Joseph E. Wolski".

FROM: Joseph Wolski
Director, Field Operations 2

SUBJECT: Audit Report – Mail Delivery, Customer Service, and Property
Conditions Review – Downtown San Diego Station, San Diego, CA
(Report Number 22-060-R22)

This report presents the results of our audit of Mail Delivery, Customer Service, and Property Conditions – Downtown San Diego Station, San Diego, CA.

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

Attachment

cc: Corporate Audit and Response Management
Vice President, Delivery Operations
Vice President, Retail & Post Office Operations
Vice President, WestPac Area
Chief Retail & Delivery Officer & Exec VP
Chief Logistics & Processing Operations Office & Exec VP

Results

Background

This interim report presents the results of our self-initiated audit of mail delivery, customer service, and property conditions at the Downtown San Diego Station in San Diego, CA (Project Number 22-060). The Downtown San Diego Station is in the California 6 District of the WestPac Area. The station services ZIP Code 92101,¹ which serves about 36,785 people and is considered an urban community.² We judgmentally selected the Downtown San Diego Station based on the number of stop-the-clock (STC)³ scans occurring at the delivery unit, rather than at the customer's delivery address.

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery, customer service, and property conditions at the Downtown San Diego Station in San Diego, CA.

To accomplish our objective, we focused on these four audit areas: delayed mail, package scanning, truck arrival scans, 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.⁴ During our site visit from February 1-3, 2022, we reviewed mail conditions; package and truck arrival scanning procedures; and unit maintenance, safety, and security conditions. We also analyzed the scan status of mailpieces at the carrier cases and in the "Notice Left" area⁵ and interviewed unit management and employees. We discussed our observations and conclusions as summarized in Table 1 with management on March 21, 2022, and included their comments where appropriate.

The Downtown San Diego Station is one of three delivery units⁶ the U.S. Postal Service Office of Inspector General (OIG) reviewed during the week of January 31, 2022, that are serviced by the Margaret L. Sellers Processing and Distribution Center (P&DC). We issued this interim report to provide the Postal Service with timely information regarding the conditions we identified at the Downtown San Diego Station. We will issue a separate report⁷ providing 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 mail delivery, customer service, and property conditions at the Downtown San Diego Station. Specifically, we found deficiencies with three of the four 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	
Property Conditions	X	

Source: Results of our fieldwork during week of January 31, 2022.

1 The unit also services ZIP Code 92112. Zip Code 92112 is mainly used for post office boxes.

2 We obtained ZIP Code information related to population and urban/rural classification from the Esri, which is based on 2010 Census Bureau information.

3 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", "No Access", and "Business Closed".

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

5 The area of a postal property where letters or packages that the carriers were unable to deliver are stored for customer pickup.

6 The other two units were Ramona Post Office in Ramona, CA (Project Number 22-062) and Linda Vista Station in San Diego, CA (Project Number 22-059).

7 The Project Number for the separate report is 22-077.

Finding #1: Package Scanning

What We Found

Employees improperly scanned packages at the delivery unit. In total, employees scanned 5,076 packages at the delivery unit between October and December 2021 (see Table 2). While there may have been instances where the packages were correctly scanned at the unit, there were also instances where employees improperly scanned the packages.

For example, on the morning of February 1, 2022, before carriers arrived for the day, we selected 58⁸ packages to review and analyze scanning and tracking data. Of the 58 sampled packages, 28 (48 percent) had missing or improper scans. These included 25 packages that were missing STC scans to let the customer know the reason for non-delivery and three that had “Delivered” scans, which should only be performed when the package is successfully left at the customer’s delivery address.

Further, we found that four of 28 packages in the “Notice Left” area that were not returned to the sender, as required.⁹ These packages ranged from 16 to 67 days past their return dates.

Why Did It Occur

These scanning issues occurred because management instructed employees to scan parcels as “Delivered” at the delivery unit for caller service¹⁰ customers. Management stated they instructed employees to follow this process because they believed it was the proper scanning policy.

Further, packages in the “Notice Left” area were not returned due to a lack of management oversight. Specifically, management did not ensure that packages were reviewed to identify whether they were due to be returned to the sender.

Table 2. Stop-the-Clock Scans at Delivery Unit

STC Scan Type	October	November	December	Total	Percent
Delivered	835	955	1,370	3,160	62.25%
Delivery Attempted - No Access to Delivery Location	876	461	466	1,803	35.52%
No Authorized Recipient	6	22	14	42	0.83%
No Secure Location Available	11	12	9	32	0.63%
Receptacle Full / Item Oversized	5	2	19	26	0.51%
Delivery Exception - Animal Interference	7	2	0	9	0.18%
Refused	0	2	2	4	0.08%
Total	1,740	1,456	1,880	5,076	100%

Source: OIG analysis of the Postal Service’s Product Tracking and Reporting (PTR) System¹¹ data.

What Should Have Happened

Management should have been aware of the correct method for scanning packages so they could monitor scan performance and enforce compliance. The packages for caller service customers should be scanned when

⁸ We reviewed all 28 packages from the “Notice Left” area and judgmentally selected 30 packages from the carrier cases.

⁹ *Notice Left and Return Guidelines*, dated July 2007, states that domestic packages should be returned to the sender on the 15th calendar day after a notice is left and international packages should be returned to the sender on the 30th calendar day after a notice is left.

¹⁰ Caller Service is a premium service available for a fee to customers who receive more mail than can be delivered to the largest post office box offered by the postal facility where the caller’s (customer) mail is addressed.

¹¹ A system of record for all delivery status information for mail and packages with trackable services and barcodes.

they are available to be picked up by the customer. The Postal Service's goal is to ensure proper delivery attempts for mailpieces to the correct address with proper service,¹² which includes scanning packages at the time and location of delivery.¹³ Packages in the "Notice Left" area should have been reviewed and returned to the sender if they remained at the facility after the prescribed number of days.

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 status of their packages. By improving scanning and handling operations, management can potentially improve mail visibility, increase customer satisfaction, and enhance the customer experience and Postal Service brand.

¹² *Delivery Done Right the First Time* stand-up talk, March 2020.

¹³ *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

Finding #2: Truck Arrival Scanning

What We Found

Employees at the Downtown San Diego Station did not always scan incoming trailer/truck barcodes (99T)¹⁴ as required. We reviewed data related to morning truck arrival scans from October 1 through December 31, 2021, and found that employees did not perform a scan for 30 of the 156 scheduled trucks (about 19.23 percent) arriving from the Margaret L. Sellers P&DC (see Table 3).

Why Did It Occur

Management relied on clerks to scan the trucks but stated they had not assigned the responsibility for truck arrival scanning to ensure truck scans were made consistently. Management also did not monitor and enforce truck scan performance because they did not know how to access the Arrive Depart Tracking report to identify the missing scans.

What Should Have Happened

Management should have reviewed the Arrive Depart Tracking report to ensure that all expected truck scans were being performed. According to Postal Service Policy,¹⁵ 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 99T 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 3. Truck Arrival Scans from October 1 through December 31, 2021

Month	Count of Inbound Trips	Count of Missed 99T Scans	Percentage Missing
October	55	6	10.91%
November	48	7	14.58%
December	53	17	32.08%
Total	156	30	19.23%

Source: OIG analysis of data extracted from the Postal Service's Surface Visibility System.¹⁶

¹⁴ The 15-digit trailer barcode on the back door and inside right and left walls of the trailer.

¹⁵ *United States Postal Service Standard Operating Procedure – Subject: Trailer Scans at the Delivery Units.*

¹⁶ Surface Visibility 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.

Finding # 3: Property Conditions

What We Found

We found maintenance, safety, and security issues at the Downtown San Diego Station including peeling paint on lobby and workroom walls (see Figure 1), fire extinguishers that had not been inspected,¹⁷ an unsecured gate leading to the dock, an exit door without an illuminated exit sign, and a microwave connected to a power surge protector.

Why Did It Occur

Management stated that they did not address the peeling paint and overlooked the fire extinguisher inspections because they were more focused on operational issues such as mail delivery. In addition, management was not aware that the gate leading to the dock was unsecured. Management was also unaware that OSHA regulations require an illuminated exit sign for all exit doors, and that appliances should not be plugged into a power surge protector.

What Should Have Happened

Management should have provided sufficient oversight for maintaining facilities and been familiar with OSHA regulations. In addition, management should have 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, OSHA requires employers to provide a safe and healthy workplace free of recognized hazards.¹⁸

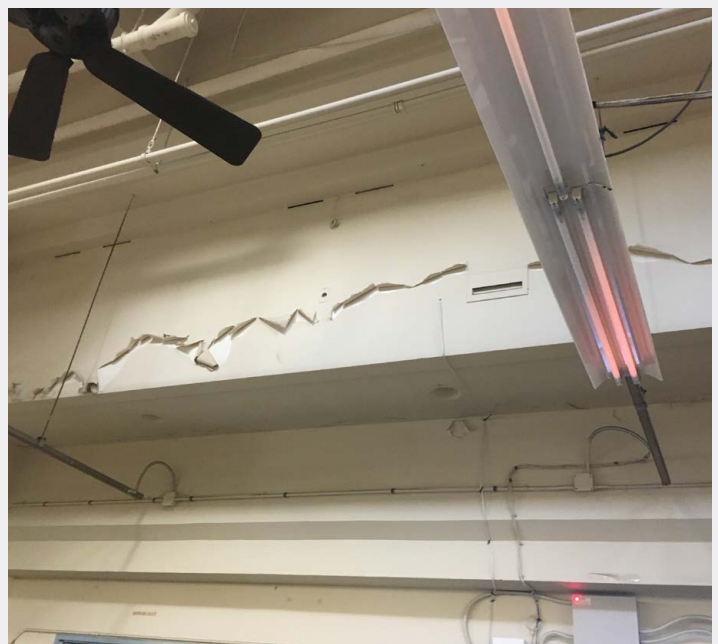
Effect on the Postal Service and Its Customers

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

Figure 1. Peeling Paint in the Lobby and Workroom



Source: OIG photos taken February 1, 2022.

¹⁷ Occupational Safety and Health Administration (OSHA), 29 CFR 1910.157(e)(2) and 29 CFR 1910.157(e)(3) requires that fire extinguishers be inspected monthly and annually.

¹⁸ OSHA Act of 1970 and Handbook EL-801, *Supervisor's Safety Handbook*.

Appendix A: Additional Information

We conducted this audit from January through April 2022 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.

We relied on computer-generated data from the PTR system, the Surface Visibility database, and the electronic Facilities Management System.¹⁹ Although we did not test the validity of the controls over these systems, we assessed the accuracy of the data by reviewing existing information, comparing data from other sources, observing operations, and interviewing Postal Service officials knowledgeable about the data. We determined the data were sufficiently reliable for the purposes of this report.

¹⁹ A 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



March 30, 2022

JOHN CIHOTA
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Mail Delivery, Customer Service, and Property Conditions Review –
Downtown San Diego Station, San Diego, CA Project Number 22-060-DRAFT

Thank you for providing the Postal Service with an opportunity to review and comment on the findings contained in the draft audit report, Mail Delivery, Customer Service, and Property Conditions Review – Downtown San Diego Station, San Diego, CA.

Following are our comments on each of the three findings.

Findings #1:

Employees improperly scanned packages at the delivery unit between October and December 2021. While there may have been instances where the packages were correctly scanned at the unit, there were also instances where employees improperly scanned the packages.

Management Response/Action Plan:
Management agrees with this finding.

Delivery scans were performed in the delivery unit between October and December 2021. Majority of which are proper scans but there were incidents where employees improperly scanned the package. Employees has been retrained properly and continuous communication will be given regarding scanning standard work instructions.

Finding #2:

Employees at the Downtown San Diego Station did not always scan incoming trailer/truck barcodes (99T) as required. We reviewed data related to morning truck arrival scans from October 1 through December 31, 2021 and found that employees did not perform a scan for 30 of the 156 scheduled trucks (about 19.23 percent) arriving from the Margaret L. Sellers P&DC.

Management Response/Action Plan:

Management agrees this finding.

Retrained clerk employees to ensure proper surface visibility scanning on each truck. Continuous communication will be given.

Finding #3:

We found maintenance, safety, and security issues at the Downtown San Diego Station including peeling paint on lobby and workroom walls, fire extinguishers that had not been inspected, an unsecured gate leading to the dock, an exit door without an illuminated exit sign, and a microwave connected to a power surge protector.

Management Response/Action Plan:

Management agrees with this finding.

Work orders for the peeling paint in the lobby / work floor was submitted and signs were ordered. All other deficiencies have been corrected. Management will keep oversight of the OSHA compliance and all maintained repairs to improve the property conditions.

E-SIGNED by Jennifer.T Vo
on 2022-03-30 14:57:33 CDT

Jennifer Vo
District Manager, California 6 District

cc: Vice President, Delivery Operations
Vice President, Retail & Post Office Operations
Vice President, WestPac Area
Chief Retail & Delivery Officer & Exec VP
Chief Logistics & Processing Operations Office & Exec VP
Corporate Audit Response Management

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