

Mail Delivery, Customer Service, and Property Conditions Review – Logan Station, Philadelphia, PA

AUDIT REPORT

Report Number 22-208-2-R23 | January 10, 2023



Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

January 10, 2023

MEMORANDUM FOR: GARY J. VACCARELLA
DISTRICT MANAGER, DELAWARE-PENNSYLVANIA 2

A handwritten signature in cursive script, reading "Joseph E. Wolski", is positioned above the "FROM:" field.

FROM: Joseph E. Wolski
Director, Field Operations

SUBJECT: Audit Report – Mail Delivery, Customer Service, and Property
Conditions Review – Logan Station, Philadelphia, PA
(Report Number 22-208-2-R23)

This report presents the results of our audit of Mail Delivery, Customer Service, and Property Conditions Review – Logan Station, Philadelphia, PA.

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

Attachment

cc: Postmaster General
Corporate Audit and Response Management
Chief Retail & Delivery Officer & Exec VP
Vice President, Delivery Operations
Vice President, Retail & Post Office Operations
Vice President, Processing and Maintenance Operations
Vice President, Atlantic Area Retail & Delivery Operations

Results

Background

This interim report presents the results of our self-initiated audit of mail delivery, customer service, and property conditions at the Logan Station in Philadelphia, PA (Project Number 22-208-2). The Logan Station is in the Delaware – Pennsylvania 2 District of the Atlantic Area and services ZIP Codes 19126 and 19141. These ZIP Codes serve about 48,708 people in an urban area.¹ This delivery unit has 28 city routes. We judgmentally selected the Logan Station based on the number of Stop-the-Clock (STC)² scans occurring at the delivery unit, rather than at the customer's point of delivery, and indicators for undelivered mail.³

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery, customer service, and property conditions at the Logan Station in Philadelphia, PA.

To accomplish our objective, we focused on five audit areas: delayed mail, package scanning, truck arrival scans, arrow keys,⁴ 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.⁵ During our site visit we reviewed mail conditions; package and truck arrival 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" area⁶ and interviewed unit management and employees. We discussed our observations and conclusions as summarized in Table 1 with management on December 15, 2022, and included their comments where appropriate.

The Logan Station is one of six delivery units⁷ the U.S. Postal Service Office of Inspector General (OIG) reviewed during the week of October 24, 2022, that are serviced by the Delaware and Philadelphia Processing and Distribution Centers (P&DC). We are issuing this interim report to provide the Postal Service with timely information regarding conditions we identified at the Logan Station. We will issue a separate report⁸ that provides the Postal Service with the overall findings and recommendations for all six 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 Logan Station. Specifically, we found issues with all five of the 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	
Arrow Keys	X	
Property Conditions	X	

Source: Results of our fieldwork during the week of October 24, 2022.

¹ We obtained ZIP Code information related to population and urban/rural classification from Esri, which is based on 2010 Census Bureau information. Of the people living in this ZIP Code, about 48,708 (100 percent) are considered to be living in urban communities.

² A scan event that indicates the U.S. 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."

³ The undelivered mail metrics include Customer 360 (C360) inquiries, Informed Delivery inquiries, and non-delivered routes.

⁴ 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.

⁵ Time of day that clerks have completed distributing mail to the carrier routes.

⁶ The area of a delivery unit where letters or packages that the carriers were unable to deliver are stored for customer pickup.

⁷ The other five units were Germantown (Project Number 22-208-1) and North Philadelphia (Project Number 22-208-3) stations in Philadelphia, PA; and Marshallton (Project Number 22-208-4) and Edgemoor (Project Number 22-208-5) branches and the Lancaster Avenue Station (Project Number 22-208-6) in Wilmington, DE.

⁸ Project Number 22-208.

Finding #1: Delayed Mail

What We Found

On the morning of October 25, 2022, we identified 2,477 delayed mailpieces at the unit. Specifically, we identified approximately 1,595 pieces in 23 carrier cases and 882 pieces, including one piece of Election Mail, in the supervisor’s desk area.⁹ In addition, this mail was not reported as undelivered in the Delivery Condition Visualization (DCV)¹⁰ system. See Table 2 for the number of pieces of each mail type and Figures 1 and 2 for examples of delayed mail.

Table 2. Type of Delayed Mail

Type of Mail	Carrier Cases	Supervisor’s Desk Area	Total Count of Delayed Mail
Letters	890	757	1,647
Flats	705	125	830
Total	1,595	882	2,477

Source: OIG count of delayed mailpieces identified during our visit October 25, 2022.

Figure 1. Delayed Mail in Supervisor’s Desk Area



Source: OIG photo taken on October 25, 2022.

Figure 2. Examples of Delayed Mail in Carrier Cases



Source: OIG photos taken on October 25, 2022.

Why Did It Occur

The unit had delayed mail due to increased mail volume related to the election and lack of staff hours. Management stated that delayed mail was due to political mail volume and the district’s desire to limit hours that city carrier assistants are allowed to work. In addition, the day prior to our visit, a carrier had unexpectedly returned to the station early with a truck full of undelivered packages and mail. The PM supervisor stated that competing responsibilities,

⁹ OIG estimate based on individual piece count and Postal Service conversion factors in Management Instruction PO-610-2007-1, Piece Count Recording System.

¹⁰ 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.

such as conducting street observations and preparing dispatch mail, prevented them from fully monitoring delivery operations.

What Should Have Happened

Management should have ensured that the station had enough resources to deliver all the mail each day and prepare dispatch mail. Postal Service policy¹¹ states that managers must review all communications that may affect the day's workload and be sure that replacements are available for unscheduled absences. Postal Service policy¹² states that all types of First-Class Mail, Priority Mail, and Priority Express Mail are always committed for delivery on the day of receipt. In addition, management is required¹³ to report all mail in the delivery unit after carriers have left for their street duties as either delayed or curtailed in DCV. Further, management must update DCV if reported volumes have changed prior to the end of the business day.

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.

¹¹ Handbook M-39, *Management of Delivery Services*, TL-14, Section 111.2, June 2019.

¹² *Committed Mail & Color Code Policy for Marketing Mail* stand-up talk, February 2019.

¹³ *Informed Visibility Delivery Condition Visualization User Guide*, September 2022.

Finding #2: Package Scanning

What We Found

Employees improperly scanned packages at the delivery unit. In total, employees scanned 1,299 packages at the delivery unit between July and September 2022 (see Table 3). Further analysis of STC scan data for these packages showed that 96.54 percent of them were scanned “Delivered.” This data excludes scans that could properly be made at a delivery unit, such as “Delivered – PO Box” and “Customer (Vacation) Hold” but, rather, represent scans performed at the delivery unit that should routinely be made at the point of delivery. In addition, we only included “Delivery Attempted – No Access to Delivery Location” scans performed Monday through Friday to avoid legitimate scans for businesses that are closed over the weekend.

In addition, on the morning of October 25, 2022, before carriers arrived for the day, we selected 38 packages¹⁴ to review and analyze scanning and tracking history.

Of the 38 sampled packages, 14 (36.84 percent) had missing or improper scans, including:

- Seven from the carrier cases were missing STC scans to let the customer know the reason for non-delivery.
- Two from the Notice Left area were scanned “Available for Pickup” but were not scanned at the delivery point.

- Two from the Notice Left area were scanned “No Secure Location Available” but were not scanned at the delivery point.
- Two from the Notice Left area were scanned “Delivery Attempted – No Access to Delivery Location” but were not scanned at the delivery point.
- One from the carrier cases was scanned “Held at Post Office at Customer Request” but was not scanned at the unit or delivery point.

Further, 17 packages (56.67 percent) in the “Notice Left” area were not returned to the sender, as required.¹⁵ These packages ranged from nine to 144 days past their 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. For example, management was unaware of the improper package scans at carrier cases. Additionally, we found that 1,133 (87.22 percent) of the scans at the unit were made for a single customer without using a firm sheet.¹⁶ Management stated that there had previously been an arrangement to scan packages “Delivered” at the unit for this customer to pick up. Management stated that, after the customer ceased their package pick-up, carriers continued scanning at the unit out of habit.

Table 3. STC Scans at Delivery Unit

STC Scan Type	July	August	September	Total	Percentage
Delivered	154	299	801	1,254	96.54%
Delivery Attempted - No Access to Delivery Location	13	13	12	38	2.93%
Receptacle Full / Item Oversized	0	4	2	6	0.46%
No Secure Location Available	0	0	1	1	0.08%
Total	167	316	816	1,299	100%*

* Total percentage does not equal 100 percent due to rounding.

Source: OIG analysis of the Postal Service’s 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.

¹⁴ We reviewed all eight packages from the carrier cases and judgmentally selected 30 packages from the “Notice Left” area.

¹⁵ *Notice Left and Return Guidelines*, dated July 2007, 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.

¹⁶ A list of packages for delivery to one address documented with a single barcode. Firm sheets are used to link packages sent to one address on a single form.

Management further explained that the Notice Left section does not have a permanently assigned clerk, so they address this need on a day-by-day basis.

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,¹⁷ which includes scanning packages at the time and location of delivery.¹⁸ 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.

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

¹⁷ *Delivery Done Right the First Time* stand-up talk, March 2020.

¹⁸ *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

Finding #3: Truck Arrival Scanning

What We Found

Employees at the Logan Station did not scan all incoming trailer/truck barcodes¹⁹ as required. We reviewed data related to morning truck arrival scans from July 1 to September 30, 2022 and found that employees did not perform scans for 96 of 218 scheduled trucks (44.04 percent) arriving from the Philadelphia P&DC (see Table 4). During our site visit on October 25, 2022, we observed the unit make required scans for two inbound mail truck arrivals.

Why Did It Occur

Management did not monitor scan performance data to ensure that all trucks received an arrival scan. The AM supervisor stated that he normally performed truck arrival scans and thought that other employees scanned the trucks when he was called away for other duties. He was unaware that a management tool exists that would allow him to monitor scanning compliance.

What Should Have Happened

Management should have reviewed truck arrival tracking reports to ensure that employees were performing all expected truck scans. They should also have instructed employees to perform appropriate trailer/truck barcodes scans and enforced the requirement. According to Postal Service policy,²⁰ 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 truck 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 4. Truck Arrival Scans from July 1 through September 30, 2022

Month	Count of Inbound Trips	Count of Missed Scans	Percentage Missing
July	73	23	31.51%
August	79	33	41.77%
September	66	40	60.61%
Total	218	96	44.04%

Source: OIG analysis of data extracted from the Postal Service's Surface Visibility Web (SVWeb) System. SVWeb 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.

¹⁹ The trailer barcode on the back door and inside right and left walls of the trailer.

²⁰ United States Postal Service Standard Operating Procedures - Subject: Trailer Scans at the Delivery Units (DU).

Finding #4: Arrow Keys

What We Found

Unit management did not properly manage arrow keys.²¹ On the evening of October 26, 2022, we reviewed the unit's inventory log for arrow keys and conducted a physical inventory of keys at the unit. We found that the unit's inventory log listed 64 arrow keys, while there were 42 keys present in the unit. We determined that only 19 of the 42 keys at the unit were listed on the inventory log, and 45 keys listed on the inventory log could not be located. Unit management had reported one of the missing keys to the U.S. Postal Inspection Service. In addition, management's arrow key inventory certified in RADAR on September 12, 2022, listed 42 keys as "in use" but the serial numbers were inaccurate.

We found that arrow keys are kept securely. We observed carriers sign out their keys in the morning but not sign them in upon return. However, the PM supervisor collected each key from returning carriers and placed them back in their labeled space in the secured key cabinet. We observed the cabinet was mounted on the wall next to the supervisor's desk and kept locked when keys were not being distributed or returned.

Why Did It Occur

Management did not properly manage arrow keys because they were not familiar with the arrow key inventory process. Specifically, the PM supervisor stated that he focused on the route numbers when managing arrow key distribution and collection and did not prioritize review of the serial numbers of individual keys.

What Should Have Happened

Management should have ensured that employees were properly following arrow key security procedures. According to Postal Service policy,²² management must keep an accurate inventory of all keys, conduct a semiannual physical survey of all building keys, and immediately report missing keys to the Postal Inspection Service.

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.

²¹ Carriers use arrow keys to open mail receptacles, such as collection boxes and apartment mailboxes. Arrow keys are accountable items and are subject to strict controls.

²² *Administrative Support Manual* Issue 13, Sections 273.461, 273.464, and 273.471, July 1999 – updated through March 31, 2022.

Finding #5: Property Conditions

What We Found

We found safety, security, and maintenance issues at the Logan Station including:

- Missing floor tiles in the men's locker room (see Figure 3).
- A damaged dock staircase with multiple tripping hazards (see Figure 4).
- A large opening in the roof above the dock (see Figure 5).
- Missing monthly fire extinguisher inspections.
- A blocked internal Postal Inspection Service door.
- No signage posted around the facility stating that employee vehicles may be subject to search.
- Evidence of potential mold on the men's locker room floor (see Figure 6).
- Non-operational light fixtures inside the men's locker room floor.
- Dirty air vents in customer lobby.
- Damaged wall near workroom exit.
- Missing ceiling tiles in basement.

Figure 3. Missing Floor Tiles in Men's Locker Room



Source: OIG photo taken October 26, 2022.

Figure 4. Damaged Dock Staircase with Multiple Tripping Hazards



Source: OIG photo taken October 26, 2022.

Figure 5. Large Opening in Roof Above Dock



Source: OIG photo taken October 26, 2022.

Figure 6. Evidence of Potential Mold in Men's Locker Room



Source: OIG photo taken October 26, 2022.

Why Did It Occur

Management did not take the necessary actions to ensure that facility condition issues were corrected because they were unaware of some issues, such as missing floor tiles in the men's locker room and potential mold, and unaware of some requirements, such as employee parking lot signage. In addition, management overlooked reassigning the responsibility when the unit custodian responsible for overseeing facility safety and maintenance issues was on medical leave.

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 to ensure these issues were addressed. The Postal Service is required to maintain a safe environment for employees and customers. In addition, the Occupational Safety and Health Administration (OSHA) requires employers to provide a safe and healthy workplace free of recognized hazards.²³

As a result of our audit, management took corrective action on October 27, 2022 to unblock the Postal Inspection Service door.

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.

²³ OSHA Act of 1970 and Handbook EL-801, *Supervisor's Safety Handbook*.

Appendix A: Additional Information

We conducted this audit from October 2022 through January 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.

We relied on computer-generated data from the PTR, DCV, Surface Visibility²⁴ database, and electronic Facilities Management System.²⁵ 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.

²⁴ 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.

²⁵ 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



December 20, 2022

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Mail Delivery, Customer Service, and Property
Conditions Review – Logan Station, Philadelphia, PA (Project Number 22-
208-2)

Thank you for providing the Postal Service with an opportunity to review and comment on the findings and recommendations contained in the draft audit report, *Mail Delivery, Customer Service, and Property Conditions Review – Logan Station, Philadelphia, PA*.

Management agrees with all five findings in the report related to delayed mail, package scanning, truck arrival scanning, arrow keys, and property conditions.

Management has begun taking steps to address the five findings.

A handwritten signature in black ink, appearing to read "E. Williamson", written over a horizontal line.

Edward B. Williamson
A/District Manager, Delaware-Pennsylvania 2 District

cc: Vice President, Area Retail & Delivery Operations - Atlantic
Corporate Audit Response Management

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