

Network Changes: Progress on Improvements at Atlanta, GA, Regional Processing and Distribution Center

AUDIT REPORT

Report Number 25-039-R25 | July 8, 2025



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Highlights

Background

As part of its 10-year strategic Delivering for America plan, the U.S. Postal Service is redesigning its processing network and plans to invest \$40 billion to create a modernized network based around regional processing and distribution centers (RPDC). The Atlanta RPDC is a one million square foot facility that opened in February 2024, consolidating operations from multiple facilities in the Atlanta region. The Postal Service approved an over \$254 million investment to build out and set up the Atlanta RPDC and expects net savings of \$2.6 billion over 30 years from consolidating regional operations. Efficient and effective RPDCs are critical to the success of the Postal Service's Delivering for America plan and its goal of being financially self-sustaining.

What We Did

Our objective was to evaluate operations and service performance at the Atlanta RPDC and follow up on corrective actions taken by the Postal Service to improve performance. We conducted observations at the Atlanta RPDC in December 2024 and March 2025.

What We Found

The Postal Service improved service performance at the Atlanta RPDC; however, performance is still below nationwide averages and well below goals. Operations run smoothly at times, but at other times the facility cannot handle the volume of mail and trailers it receives and remains one adverse event away from gridlock. The Postal Service was forced to expand operations into a nearby annex to help receive mail and trailers for the RPDC, and as a result, it is unlikely it will achieve expected savings in fiscal years 2026 and 2027. Additionally, the facility continues to experience challenges related to the layout and space needs, management oversight and workplace culture, and transportation. These issues contributed to over \$16.1 million in questioned costs. If these issues were addressed, the Postal Service would further improve operations and service, as well as reduce costs.

Recommendations and Management's Comments

We made eight recommendations to address the issues identified in the report. Postal Service management agreed with five recommendations and disagreed with three. Management's comments and our evaluation are at the end of each finding and recommendation. The U.S. Postal Service Office of Inspector General (OIG) considers management's comments responsive to recommendations 3, 4, 6, 7, and 8. Corrective actions should resolve the issues identified in the report. Management disagreed with recommendations 1, 2, and 5, and we will pursue the recommendations further through the formal audit resolution process. See [Appendix B](#) for management's comments in their entirety.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

July 8, 2025

MEMORANDUM FOR: DANE COLEMAN
VICE PRESIDENT, PROCESSING OPERATIONS

ROBERT CINTRON
VICE PRESIDENT, LOGISTICS

SHARON YOUNG,
SENIOR PROCESSING DIVISION DIRECTOR, SOUTHEAST

JOSE ROMAN
LOGISTICS DIVISION DIRECTOR, SOUTHEAST

Mary K. Lloyd

FROM: Mary Lloyd
Deputy Assistant Inspector General
for Mission Support

SUBJECT: Audit Report – Network Changes: Progress on Improvements at
Atlanta, GA, Regional Processing and Distribution Center (Report
Number 25-039-R25)

This report presents the results of our audit of progress on improvements at the Atlanta, GA, Regional Processing and Distribution Center.

All recommendations require U.S. Postal Service Office of Inspector General's (OIG) concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. Recommendations 3, 4, 6, 7, and 8 should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed. We view the disagreement with recommendations 1, 2, and 5 as unresolved and will work with management through the formal audit resolution process.

We appreciate the cooperation and courtesy provided by your staff. If you have any questions or need additional information, please contact Todd Watson, Director, Network Processing, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit Response Management

Results

Introduction/Objective

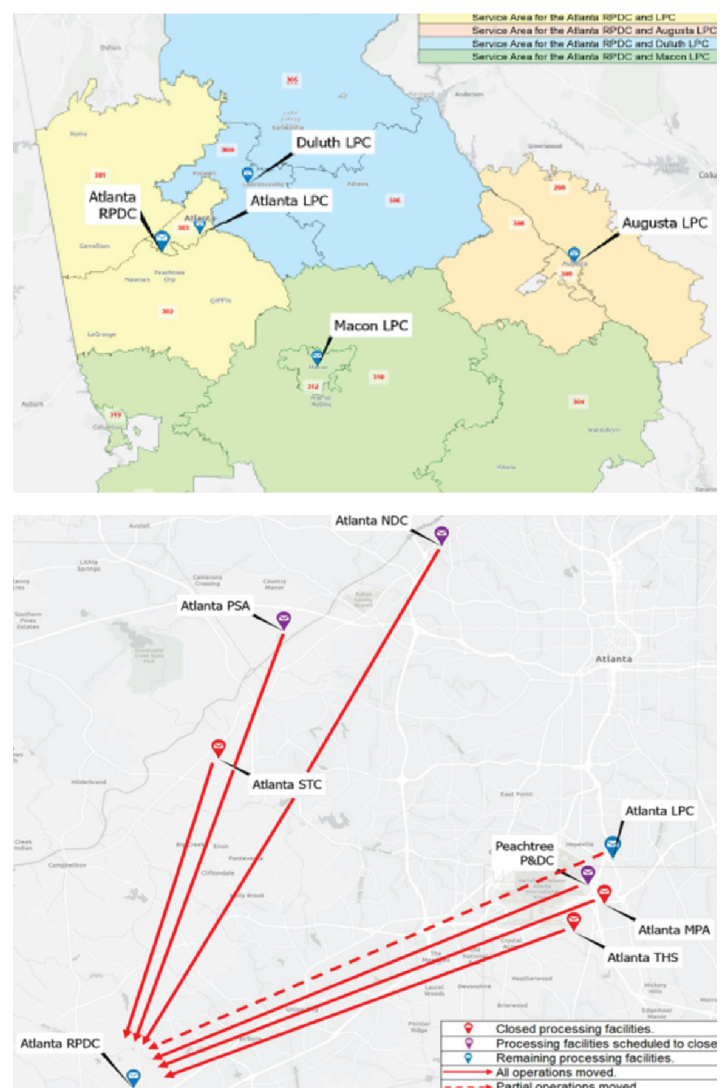
This report presents the results of our self-initiated audit of the Atlanta RPDC (Project Number 25-039). Our objective was to evaluate operations and service performance at the Atlanta RPDC and follow up on corrective actions taken by the U.S. Postal Service to improve performance. See [Appendix A](#) for additional information about this audit.

Background

As part of its 10-year strategic Delivering for America plan, the Postal Service is redesigning its processing network with the goal of creating a best-in-class mail and package processing network. The Postal Service plans to invest \$40 billion to create a modernized network based around RPDCs, local processing centers (LPC),¹ and sorting and delivery centers.² RPDCs are multi-purpose distribution centers with common designs, layouts, and processing equipment. Each RPDC will process mail and packages originating in its service area and have one or more associated LPC to sort letters and flats for delivery carriers. The goal of an RPDC is to merge mail processing into a central facility within a region to reduce transportation costs and improve service reliability. The Postal Service plans to create about 60 RPDCs to consolidate mail processing operations and reduce handling points in the processing and transportation networks.

Before the launch of the one million square foot Atlanta, GA, RPDC in February 2024, the Postal Service relied on 11 facilities to process mail in the region. The Postal Service invested over \$250 million to build out the Atlanta RPDC and consolidate regional operations, and it expects to close two annexes and two processing facilities. The Postal Service plans to realize savings beginning in fiscal year (FY) 2025 by reducing mail processing labor, maintenance, logistics, and transportation costs, and by closing two leased processing facilities. See Figure 1 for an overview of the Atlanta RPDC network transformation.

Figure 1. Atlanta RPDC Network Transformation



Source: U.S. Postal Service Office of Inspector General (OIG) created map based on USPS RPDC design and post-launch documentation.

In addition, the Postal Service launched the Regional Transfer Hub initiative in November 2023 where mail volume is sorted and consolidated before dispatch to the network and other processing facilities in the region. Regional Transfer Hubs combine mail processing and logistics operations and provide the Postal Service with the ability to align transportation and increase trailer utilization. As a Regional Transfer Hub, the volume of trucks and mail moving through the RPDC increased.

¹ These facilities process destination mail for their service area and transfer mail and packages for delivery.
² This consolidates multiple delivery units and package sorting operations into one centrally located facility.

Prior Audits of Regional Processing and Distribution Centers

In FY 2024, we issued three audits on the effectiveness of new RPDCs in Richmond, VA;³ Atlanta, GA;⁴ and Portland, OR.⁵ Overall, the prior audits found the Postal Service experienced significant challenges when implementing RPDCs in Richmond, VA, and Atlanta, GA, which caused immediate and significant decreases in service performance. We also determined those facilities faced similar challenges related to staffing, training, and supervision. While we found opportunities for improvement at the Portland RPDC, we also noted that it did not experience major service issues, as the lessons learned from Richmond were applied and operations were phased in over time. We made a total of 20 recommendations to the Postal Service to address the deficiencies identified and improve the implementation of future network changes. We followed up on progress at the Richmond facility in our January 2025 report and found service stabilized but had not reached the level of performance prior to the launch.⁶

In the prior report on the effectiveness of the Atlanta RPDC, we reviewed data and conducted observations between February and June 2024 and found, while the Postal Service had some successes, it also faced many challenges that resulted in additional labor and transportation costs and contributed to a decrease in service performance for the Atlanta region. The challenges included executing operations with a new plant design, staffing issues leading to inefficiency, and management not in place to supervise operations. We made five recommendations to address the issues at Atlanta and two recommendations to address the implementation of future RPDCs. By April 16, 2025, the Postal Service had implemented all the recommendations.

This audit evaluated the effectiveness of corrective actions implemented by the Postal Service at the

Atlanta RPDC. We also evaluated the percentage of mail and packages delivered on time since the facility launched. Specifically, we reviewed service performance for Priority Mail Express, Priority Mail, Ground Advantage, First-Class Mail, Periodicals, and Marketing Mail as they make up the vast majority of mail and packages processed at the RPDC.

Findings Summary

Since our last audit, the Postal Service has improved service performance at the Atlanta RPDC; however, performance is still below nationwide averages and well below goals. Operations run smoothly at times, but the facility cannot always handle the volume of mail and trailers it receives, and there is a constant risk that one unforeseen event will result in gridlock. Due to the lack of dock and floor space, the Postal Service was forced to expand operations into a nearby annex to help receive mail and trailers for the RPDC, incurring unanticipated expenses, and it is unlikely it will achieve expected savings in FYs 2026 and 2027.

While management implemented corrective actions in response to our prior report, the Postal Service did not ensure the plans and actions fully remedied the deficiencies related to the facility layout and space needs, management oversight and workplace culture, and transportation. These issues contributed to over \$16.1 million in questioned costs. If these issues were addressed, the Postal Service would further improve operations, service, and reduce costs.

Service Performance

While the percentage of mail delivered on time generally improved in the region since our last audit, scores for all products remain below targets and below levels prior to launching the facility. The Postal Service reduced the service target for all classes of mail in April of 2025. See [Table 1](#) for a comparison of service performance over the last 13 months.

³ *Effectiveness of the New Regional Processing and Distribution Center in Richmond, VA* (Report Number 23-161-R24 dated March 28, 2024).

⁴ *Effectiveness of the New Regional Processing and Distribution Center in Atlanta, GA* (Report Number 24-074-R24 dated August 28, 2024).

⁵ *Effectiveness of the New Regional Processing and Distribution Center in Portland, OR* (Report Number 24-071-R24 dated September 19, 2024).

⁶ *Network Changes – Progress on Improvements at Richmond, VA, Regional Processing and Distribution Center* (Report Number 24-152-R25 dated January 27, 2025).

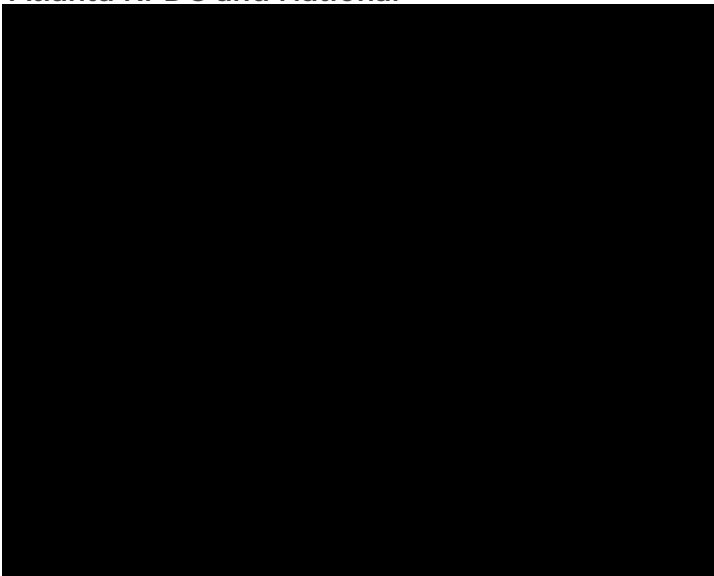
Table 1. Comparison of Service Performance Before Launch, Immediately After Launch, and One Year After Launch⁷

Mail Product	Current Service Targets	Prior To Launch	Immediately After Launch	One Year After Launch
		11/10/2023 – 2/23/2024	2/24/2024 – 6/7/2024	6/8/2024 – 4/18/2025
Priority Mail Express	████	████	████	████
Priority Mail Packages	████	████	████	████
Ground Advantage	████	████	████	████
First-Class Mail	88%	80.40%	60.20%	80.37%
USPS Marketing Mail & Periodicals	94%	90.98%	79.59%	88.45%

Source: OIG analysis of Informed Visibility.

Since our prior audit, Priority Mail Express bottomed to █████ percent on time in March 2024 and remained below █████ percent on time through March 2025. This performance is significantly below nationwide averages and levels prior to launch. See Figure 2 comparing Atlanta RPDC’s service scores for Priority Mail Express to national averages.

Figure 2. Priority Mail Express Service Scores, Atlanta RPDC and National



Source: USPS Informed Visibility, Mail Product Trend Report.

Since our prior audit, Priority Mail and Ground Advantage package service scores stabilized for the Atlanta RPDC. Beginning in September 2024, the Atlanta RPDC neared national averages for competitive products but was still below service levels from prior to launching the facility for Priority Mail. See Figure 3 comparing the Atlanta RPDC’s service scores for Priority Mail and Ground Advantage packages to national averages.

Figure 3. Priority Mail and Ground Advantage Scores, Atlanta RPDC and National

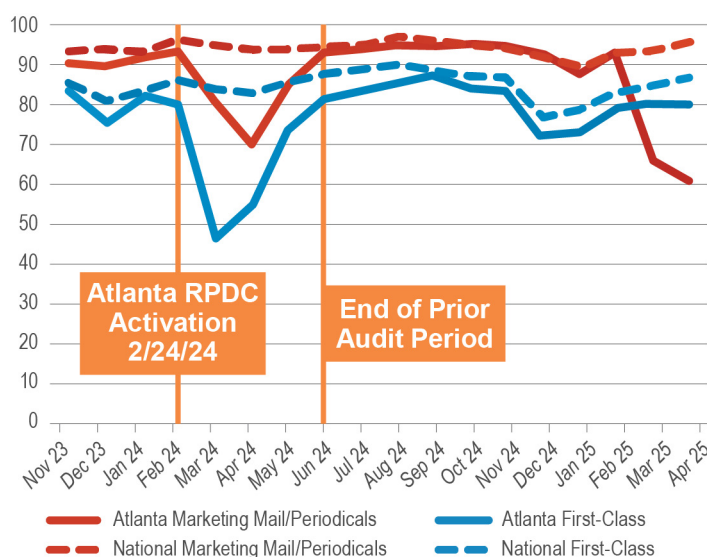


Source: USPS Informed Visibility, Mail Product Trend Report.

⁷ First-Class Mail and USPS Marketing Mail & Periodicals for the period 11/10/2023 through 2/23/2024 are district service scores, since operations at the Atlanta RPDC were limited prior to 2/24/2024.

Similarly, market dominant⁸ service scores for the Atlanta RPDC stabilized in May 2024. Service performance for Marketing Mail and Periodicals often met or were close to national averages until it dropped in March 2025. First-Class Mail service performance remained below national scores. See Figure 4 comparing the Atlanta RPDC's service scores for First-Class Mail, Marketing Mail, and Periodicals to national averages.

Figure 4. Market Dominant Service Scores, Atlanta RPDC and National



Source: USPS Informed Visibility, Mail Product Trend Report.

⁸ Market dominant products are products and services over which USPS exercises sufficient market power that it can effectively set its price with limited competition. This includes First-Class Mail and Periodicals.

Finding #1: Ongoing Challenges With Plant Design

The Atlanta RPDC continues to struggle operating as designed due to space constraints, higher than expected package volumes, and adverse events that impacted processing capacity. The Atlanta RPDC was designed to process mail and packages as soon as they arrive at the dock. Unfortunately, this is not always the case, as the facility has demonstrated it is not always able to process mail and packages at the rate they arrive. This results in backlogs and leads to delayed mail and additional costs. The Postal Service used other facilities to help handle the amount of mail and trailers sent to the Atlanta RPDC, but this increased costs, and the RPDC still struggled to operate as designed.

Space Constraints

In our prior audit, we reported both the plant and trailer yard were not large enough to efficiently move the mail volume received. This resulted in drivers waiting hours before their trailers could be unloaded. More significantly, the interior of the plant was congested, preventing mail from being moved safely, efficiently, and in a first-in first-out (FIFO) manner.

We recommended management develop a platform operation plan with established procedures for tracking, staging, and organizing any mail moved off the docks to ensure it is entered timely into mail processing. In November 2024, management addressed our recommendation by providing its plan to stage mail volume that could not be directly inducted into mail processing along with work instructions to maintain a FIFO process. The plan included a new dedicated staging area for mail that could not fit on the dock. However, due in part to the higher than expected package volume, this space was not sufficient to stage all the incoming mail and maintain a FIFO order.

At the beginning of peak season, the Postal Service realized the facility could not keep pace with the volume assigned and made changes to how it was sent to the RPDC. Specifically, the Postal Service redirected trailers with Regional Transfer Hub mail volume intended for the Atlanta RPDC to the Indianapolis, IN, RPDC. Also, the Postal Service used the Palmetto Mail Processing Annex (MPA), two miles away, to receive and stage mail. During our site visit in December 2024, we observed over 50 trailers waiting

“The Atlanta RPDC continues to struggle operating as designed due to space constraints and higher than expected package volumes that impacted processing capacity.”

to be unloaded at the Palmetto MPA (see [Figure 5](#)). Further, in February 2025, the Postal Service moved some mail coming from local offices to the Palmetto MPA.⁹ Once received, the mail was separated into “mail for processing” at the RPDC and “mail for transportation” to a different facility. Using the MPA helped address

the lack of storage space; however, the Atlanta RPDC was intended to simplify transportation logistics and reduce the number of facilities needed for mail processing operations.

Despite these actions, we observed during our December 2024 and March 2025 site visits that the issues previously identified have not been fully resolved. We found during our site visits conducted in the evenings and early mornings the facility was gridlocked with mail, containers of mail older than 30 days were identified in the facility, and trailers waited hours to unload at the MPA. The facility especially struggled with large heavy packages that could not be loaded onto a processing machine and must be sorted manually. The facility does not have sufficient space to stage nonmachinable packages, and as backlogs accumulate, the facility had not been able to maintain FIFO order.

⁹ Local mail moved by contracted transportation and arriving between 6 p.m. and 2 a.m. was routed to the Palmetto MPA rather than the Atlanta RPDC.

Figure 5. Mail Staged and Trucks Waiting at the Palmetto MPA

Mail Staged at Palmetto MPA



Source: OIG photograph taken at the Atlanta RPDC December 18, 2024.

Trucks Waiting to Unload at Palmetto MPA



Source: OIG photograph taken at the Atlanta RPDC December 18, 2024.

The Postal Service has an opportunity to better use floor space and dock doors by repurposing the area dedicated to the unused Business Mail Entry Unit.¹⁰

Higher Package Volume Than Expected

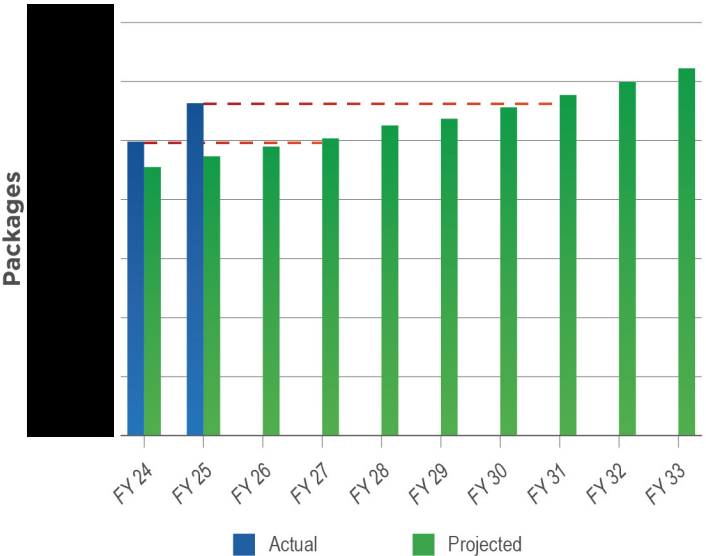
Even with diverting mail to other facilities and using the MPA, the Atlanta RPDC is processing significantly more packages than the Postal Service expected when it designed the facility. The original design of the Atlanta RPDC was based on the regional volume at the time, yet the Postal Service did not consider network changes and the launch of new products that increased the package volume well beyond

¹⁰ The business mail entry unit is an area of a postal facility where mailers present bulk, presorted, and permit mail for acceptance. The Postal Service built out an area and planned to move these operations into the Atlanta RPDC but has not.

expectations. Specifically, making the Atlanta RPDC a Regional Transfer Hub — and the success of Ground Advantage — significantly increased the amount of packages sent to the RPDC and pushed the facility past its planned capacity.

In the first seven months of operations, the Atlanta RPDC processed, on average, [REDACTED] packages per day. Package volume increased significantly during the first half of FY 2025, as the Atlanta RPDC processed, on average, [REDACTED] packages per day, nearly 20 percent more than projected. Based on its original volume projections, the Postal Service did not expect to see this average daily volume until FY 2031. See Figure 6 for a comparison of the average daily processed package volume to the projections.

Figure 6. Actual Compared to Projected Average Daily Package Volume



Source: OIG analysis of Web End-of-Run system (WebEOR).

Given the difficulties the RPDC experienced in processing increased volumes and the lack of staging space, the facility may not be able to meet the expected future package demand. Without adequate planning for future volume growth and the space requirements needed, the Postal Service is likely to incur additional costs.

Adverse Events

We found the facility could not overcome adverse events and process mail at the rate that it arrived. For example, during our March 2025 site visit, we observed each of the two Universal Sort Systems — designed to process larger parcels — were inoperable for three and four days while the Postal Service waited for the parts needed to repair the machines. The facility was forced to stage containers of nonmachinable packages throughout the facility, taking up most available space. FIFO order was lost, as these mail containers were inaccessible, packed one against the other, three or four containers deep. Mail handlers moved containers from the perimeter to mail processing, yet those spaces were quickly filled with incoming containers preventing access to the older mail. Older mail lingered at the facility for more than 30 days until the backlog was processed.

Additionally, one of the Matrix Regional Sorter (MaRS)¹¹ conveyor belts was out of operation for 13 hours, which caused congestion within the plant. We also noted that parcel mail volume staged on the loading dock prevented the use of a high-speed tray sorter to induct mail for processing.

Without sufficient space to stage mail in a manner that maintains FIFO order for processing mail, delays will continue to negatively impact service performance and customer expectations. See Figure 7 for examples of containers with older mail gridlocked, as new containers were placed around them.

Figure 7. Examples of Delayed and Backlogged Mail

FIFO Not Used for Nonmachinable Packages



Source: OIG photograph taken at the Atlanta RPDC December 17, 2024.

Inbound Docks Gridlocked



Source: OIG photograph taken at the Atlanta RPDC December 17, 2024.

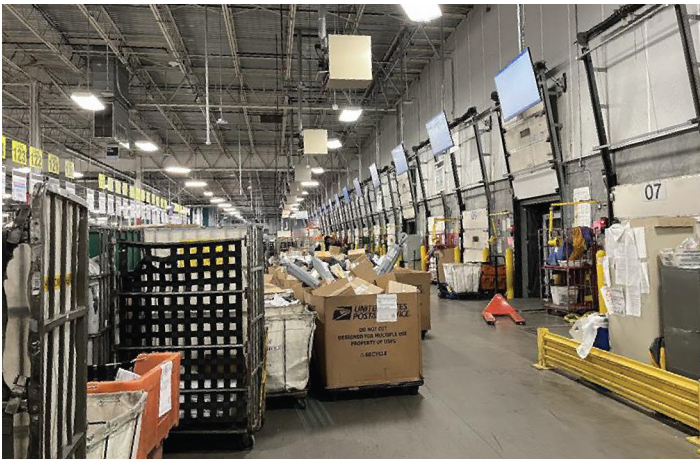
Inbound Docks Gridlocked



Source: OIG photograph taken at the Atlanta RPDC December 18, 2024.

¹¹ The MaRS is a new package sorter with greater throughput than existing processing equipment.

Inbound Docks Gridlocked



Source: OIG photograph taken at the Atlanta RPDC March 5, 2025.

Unplanned Costs to Move Mail Through the RPDC

The Postal Service is incurring unplanned costs to meet the unexpected volume of mail and packages sent through Atlanta RPDC. Specifically, the Postal Service is using the Palmetto MPA to assist the Atlanta RPDC in handling the large amount of mail and trailers assigned. Additionally, the Postal Service approved funding to lease parking space to increase its trailer capacity at the RPDC.

The Palmetto MPA is a leased facility that was previously used for contracted operations that were consolidated into the RPDC when it opened. The Postal Service assumed the remaining three years on the lease at [REDACTED] per year. However, the cost of the Palmetto MPA was not included as part of the cost analysis in the original investment decision; therefore, the projected costs were understated. Additionally, it appears the Postal Service will need to renew the lease when it expires in October of 2028 or find another suitable facility that can continue to support operations at the RPDC.

The Postal Service is leasing space adjacent to the Atlanta RPDC that will allow parking for an additional 75 trailers to reduce congestion as trailers arrive at the RPDC. This five-year lease includes renewal options for the next 30 years and will cost about [REDACTED] per year.

We acknowledge the Postal Service is making a sensible decision to use the idle Palmetto MPA.

“The Postal Service is incurring unplanned costs to meet the unexpected volume of mail and packages sent through Atlanta RPDC.”

However, without addressing these issues, the Postal Service will incur additional costs of at least \$4.4 million per year to continually support operations at the RPDC.

When the Postal Service must lease additional facilities and space to support operations at a new RPDC, it increases the risk that it will not achieve the expected logistical and operational benefit from implementing its regional-based network strategy. New RPDCs must be efficient and effective for the Postal Service’s Delivering for America plan to be a success and to achieve its goal of being financially self-sustaining.

Recommendation #1

We recommend that the **Senior Processing Division Director, Southeast**, direct the Atlanta Regional Processing and Distribution Center Plant Manager to develop and execute a plan to ensure the timely processing of nonmachinable packages and maintain a first in, first out processing order.

Recommendation #2

We recommend that the **Vice President, Processing Operations**, in coordination with **Vice President Logistics**, assess mail volume and reevaluate operations in the Atlanta region to identify opportunities for more effective use of space, efficient processing and logistics operations, and cost optimization.

Postal Service Response

Management disagreed that the facility cannot handle the volume of mail and trailers it receives and remains one adverse event away from gridlock. However, it stated that winter storms

drastically impacted operations in the Atlanta area causing unavoidable service impacts. Management disagreed with recommendations 1 and 2 stating that it does not intend to develop a new plan as one already exists for timely processing and maintaining a FIFO order. Management also stated it worked to address specific opportunities at the Atlanta RPDC by expanding the yard, implementing swim lanes, and adding trailer parking capacity in April.

OIG Evaluation

Regarding recommendation 1, while management stated a plan is in place, we noted it is insufficient to address the higher than expected volume of mail and maintain FIFO order. Further, the plan management provided in response to the prior audit did not address contingencies for adverse events including equipment failures and severe weather impacts.

Regarding recommendation 2, management provided examples of increasing trailer parking and expanding the yard space, which we agree will help with the flow of mail in and out of the facility. However, management's response did not address whether it has assessed mail volume, reevaluated all operations, and identified a more effective use of workfloor space to make processing more effective and optimize cost. As noted in our report, the facility has not always been able to process mail and packages at the rate they arrive. This results in backlogs and leads to delayed mail and additional costs.

We view the disagreement to recommendations 1 and 2 as unresolved, and will work with the Postal Service through the formal audit resolution process.

Finding #2: Deficiencies in Management Oversight and Workplace Culture

Insufficient supervision and a poor employee work culture continued to negatively impact operations, delaying mail processing. We found a general inattention to detail that resulted in mail left on or around machines, employees not actively engaged in work or following workplace rules, and poor housekeeping conditions. In our prior audit, we also noted operations were not properly supervised. We recommended the Postal Service develop plans to provide facility specific training for management before they oversee mail processing operations. In response, the Postal Service provided standard work instructions on mail processing along with management's training records; this had not yet corrected the problems at the RPDC.

“Insufficient supervision and a poor employee work culture continued to negatively impact operations, delaying mail processing.”

Management Oversight

During our site visits we observed continued issues related to management oversight. Specifically, we found:

- Several areas without active supervision of employees.
- FIFO order not maintained, resulting in packages remaining in the facility for more than 30 days.

- Overlooked safety issues, including spills and broken equipment.
- Priority Mail Express with live animals sitting in the facility past expected dispatch time.
- Processing equipment not cleared of mail after operations were complete.
- Excessive cardboard, trash, and empty or broken gaylords throughout the facility, occupying valuable space for mail staging.
- No employees assigned to process rejected packages during late evening and early morning hours.
- Backlog of damaged packages awaiting processing.
- Mail not placarded correctly.

We also found that nearly 80 percent of all overtime hours at the facility from July 1, 2024, through March 28, 2025, were not authorized. Facility management must review data weekly to authorize all hours worked and take corrective action, if necessary.¹² However, management at the Atlanta RPDC did not approve approximately 178,000 hours of overtime¹³ and 4,000 penalty overtime hours,¹⁴ totaling over \$8 million in questioned costs. It is important for facility management to accurately authorize overtime to monitor hours for proper use and control costs for unauthorized hours. Local management stated that overtime was needed but agreed that it needs to strengthen procedures.

See [Figure 8](#) for examples of issues caused from the lack of management oversight.

¹² Handbook F-401, *Supervisor's Guide to Scheduling and Premium Pay*, Section 5, Management Control Activities, dated August 2000.

¹³ Hourly employees are entitled to regular overtime after working 40 hours in one week, while certain eligible employees are entitled to penalty overtime. Overtime is paid at one and a half times the employee's hourly rate.

¹⁴ The Postal Service pays penalty overtime to eligible employees at twice the employee's hourly rate. Transactions are used to track whether an employee's overtime or penalty overtime is authorized, and whether that authorization was scheduled.

Figure 8. Examples of Lack of Oversight

Excess Cardboard Taking Up Space Needed for Inbound Mail



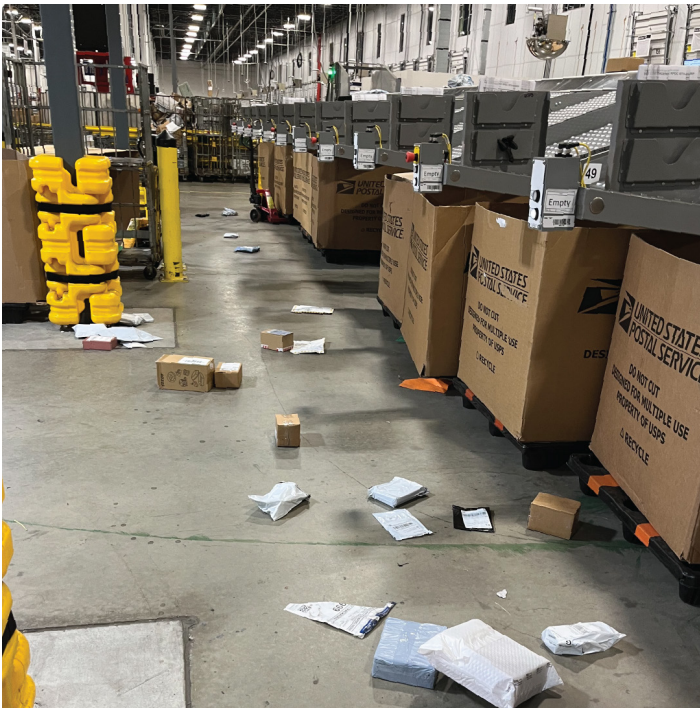
Source: OIG photograph taken at the Atlanta RPDC December 17, 2024.

Damaged Packages Around Equipment



Source: OIG photograph taken at the Atlanta RPDC December 20, 2024.

Mail Left on Workroom Floor



Source: OIG photograph taken at the Atlanta RPDC March 4, 2025.

Delayed Mail



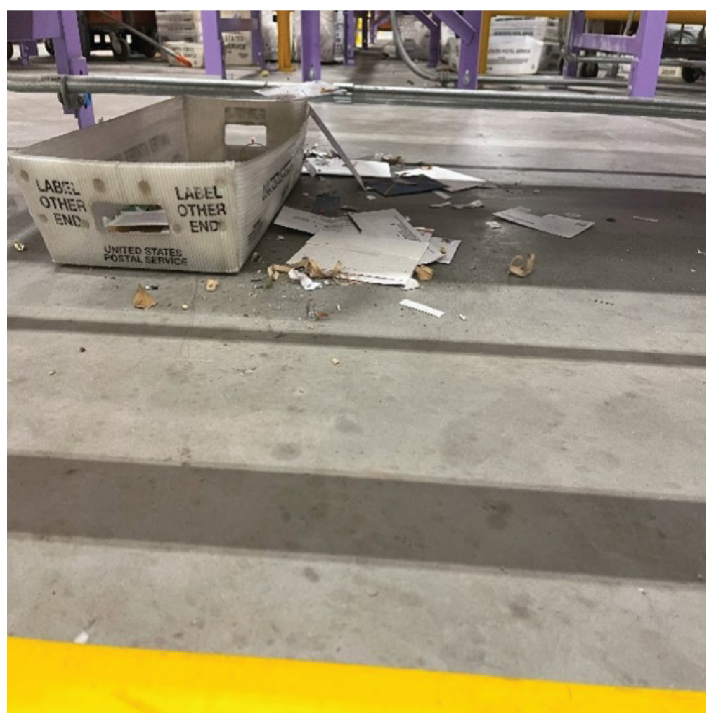
Source: OIG photograph taken at Atlanta RPDC March 4, 2025.

Delayed Mail



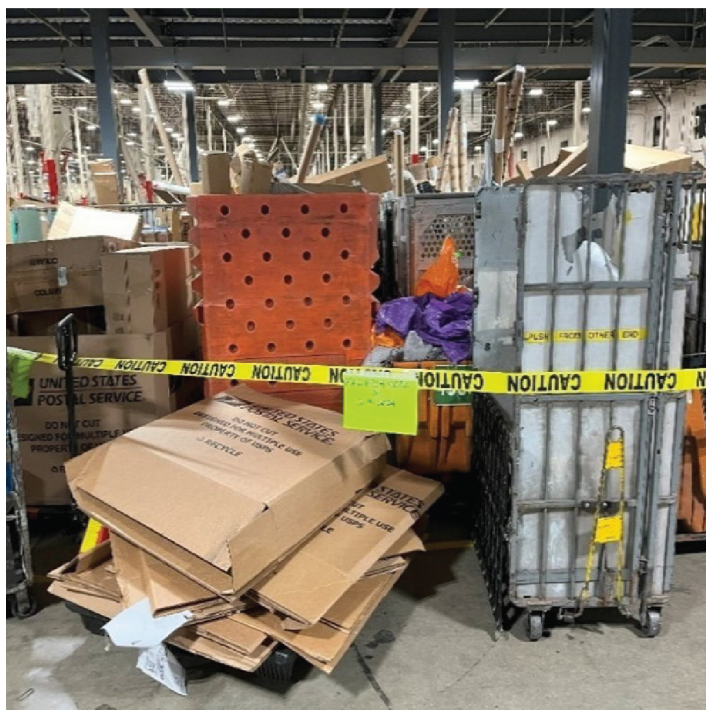
Source: OIG photograph taken at the Atlanta RPDC December 17, 2024.

Mail Processing Equipment Not Swept For Mail



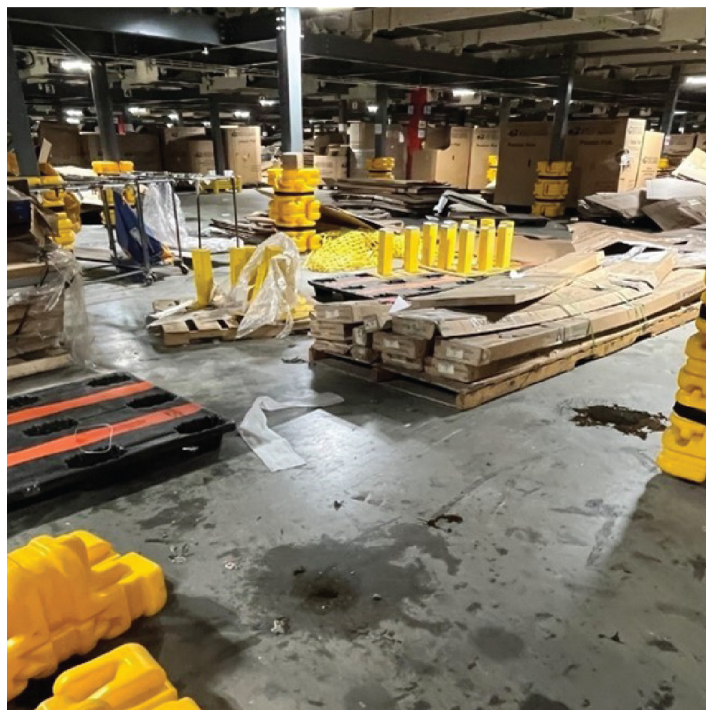
Source: OIG photograph taken at the Atlanta RPDC December 17, 2024.

Delayed Mail Blocked by Excess Cardboard and Empty Containers



Source: OIG photograph taken at the Atlanta RPDC December 17, 2024.

Spills and Debris Creating an Unsafe Work Environment



Source: OIG photograph taken at the Atlanta RPDC March 5, 2025.

Workplace Culture

During all site visits we observed a work culture lacking in engagement, which negatively impacted mail movement and resulted in delayed mail. In some instances, we saw a lack of commitment and indifference to job performance. For example, we found:

- On average, 20 percent of employees expected to work not showing up each day.
- An ad hoc cardboard shelter used to shield employees from view for extended breaks.
- FIFO order not maintained, resulting in packages remaining in the facility for more than 30 days.
- Mail left on the workroom floor after falling from processing equipment or mail transport equipment.
- Not removing full sorting containers, resulting in packages overflowing to the floor.
- Disregarded safety issues, such as extension cords lying on the floor and broken equipment.
- Employees wearing earbuds while operating motorized forklift equipment.
- Employees on personal phones while on the workroom floor.

See Figure 9 for examples of employee inattention at the Atlanta RPDC.

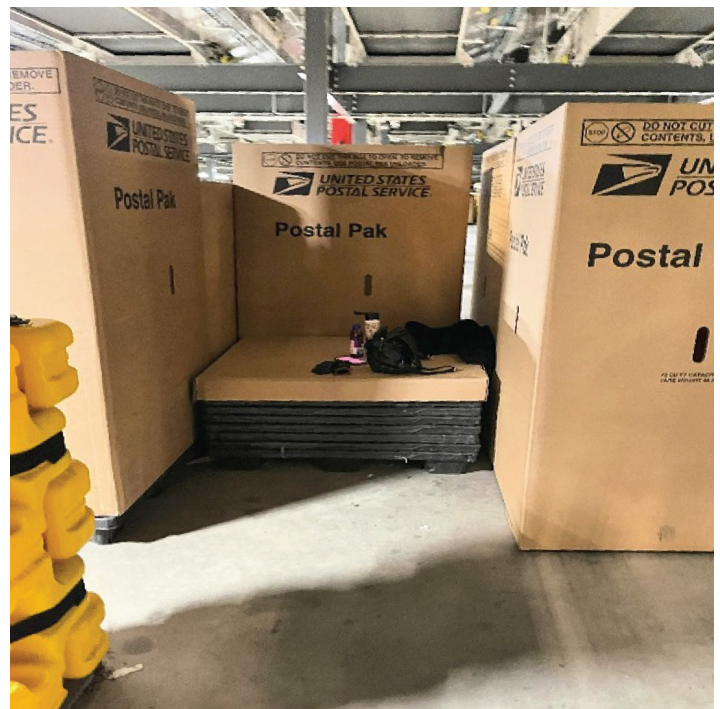
Figure 9. Examples of Employee Inattention to Workroom Issues

Packages Not Swept Around Induction Areas of the MaRS



Source: OIG photograph taken at the Atlanta RPDC December 17, 2024.

Ad Hoc Cardboard Shelter Under MaRS



Source: OIG photograph taken at the Atlanta RPDC March 4, 2025.

Mail Left Around Upright Supports and Empty Pallets



Source: OIG photograph taken at the Atlanta RPDC March 4, 2025.

Overflowing Outbound Regional Packages on MaRS Sort Bins



Source: OIG photograph taken at the Atlanta RPDC March 4, 2025.

The Postal Service assigned a new plant manager in January 2025 who took steps to upgrade management's oversight of all operations at the Atlanta RPDC. We found improvement in some areas during our site visit in March, with significantly fewer damaged packages awaiting processing and significantly less excess cardboard and trash throughout the facility. However, as documented above, issues remained. Local management acknowledged the issues and stated that many stem from a poor work culture. Management stated it is working to improve employee availability but getting employees to show up to work regularly is a problem (we discuss this issue further in [Finding 3](#)). Local management also stated that conditions on the workroom floor were inspected daily, and issues were addressed when observed.

Without proper management oversight, which includes employee direction, intervention, and promoting attention to detail in the workplace, deficiencies are not effectively addressed. This contributes to inefficient mail processing operations, delayed mail, customer complaints, and decreased customer satisfaction and damage to the Postal Service brand.

Recommendation #3

We recommend the **Senior Processing Division Director, Southeast**, direct the Atlanta Regional Processing and Distribution Center Plant Manager to establish a method to identify, document, and address issues daily and hold managers accountable for recurring issues.

Recommendation #4

We recommend the **Senior Processing Division Director, Southeast**, direct the Atlanta Regional Processing and Distribution Center Plant Manager to manage unauthorized overtime and penalty overtime and monitor for compliance.

Postal Service Response

Management agreed with recommendations 3 and 4, but disagreed with the monetary impact of

over \$8 million in questioned costs. Management stated the use of overtime was needed and justified based on the workload but not approved by a supervisor in the timekeeping system.

Regarding recommendation 3, management stated the facility already identifies, documents, and addresses issues as part of the daily turnover meetings and the operating process. Management added that managers are held accountable for recurring issues. The target implementation date is August 31, 2025.

Regarding recommendation 4, management stated the facility has established processes in place for weekly monitoring and compliance. The target implementation date is August 31, 2025.

OIG Evaluation

The OIG considers management's comments responsive to recommendations 3 and 4. Management will need to provide documentation to support the assertions, and we will verify corrective actions taken are sufficient to resolve the issues identified in the report prior to approving closure of the recommendations.

Regarding management's disagreement with the monetary impact, management stated that all employee overtime was necessary; however, when overtime is not properly identified and authorized, it is impossible to determine if all overtime is needed. As noted in our report, the Atlanta RPDC incurred more overtime than planned, and management could provide no supporting documentation to show that the overtime was approved.

Finding #3: Projected Labor and Lease Savings Unlikely to Reach Targets

The Postal Service had not successfully aligned staffing in the Atlanta Region with mail processing operations as of May 2025 and may not realize the future projected labor savings.

By launching the RPDC, the Postal Service expected operating costs to increase \$6 million in FY 2025, and to have a net savings of \$22 million in FY 2026 and \$66 million in FY 2027. The Postal Service expected savings from labor, transportation, elimination of leases, and consolidated contractor operations. While there were no expected net savings in FY 2025, we validated that the Postal Service terminated contracted operations and should achieve savings of about \$4 million in that area. The majority of the projected savings in FYs 2026 and 2027 are from reducing labor costs. However, based on our analysis of staffing, labor costs, workhours, and operations, we do not anticipate the Postal Service will fully realize these projected savings. Further, the Postal Service expects savings from eliminating leases at two facilities, but as of March 2025, one of these facilities is still in use. See Table 2 for a breakdown of projected savings.

Labor Savings

The Postal Service projected labor savings based on a reduction of 916 mail processing personnel and over 1.6 million annual workhours across the region by FY 2027. However, it increased the estimated numbers of employees needed to operate the facilities in the region since it launched the Atlanta RPDC. As of

“The Postal Service has not successfully aligned staffing in the Atlanta region and may not realize future projected labor savings.”

March 2025, the approved mail processing staffing was about 9 percent above the original projected levels making it unlikely they will achieve the anticipated savings. Further, workhours increased in the year after the launch by about 108,000 hours or 2 percent from the prior year.

These issues occurred because staffing in the region is not aligned with the needs of each facility. Atlanta RPDC mail processing is 10 percent understaffed, while other facilities in the region are overstaffed by as much as 28 percent. For example, the Atlanta and Duluth LPCs collectively have more than 200 personnel over current staffing needs due to the inability to quickly reduce and transfer personnel in accordance with union contracts. Because the Postal Service has not balanced staffing, there is an overreliance on overtime to process the mail at the Atlanta RPDC. In the 13 months since it was launched, the facility incurred 35 percent or nearly 89,000 more overtime hours than planned. While the need to rely on overtime is caused, in part, by understaffing, low employee availability has also been a factor.

Table 2. Projected Savings for FY 2025 Through FY 2027

Savings Type	FY 2025 Estimate	FY 2026 Estimate	FY 2027 Estimate
Labor	\$0	\$26,069,676	\$53,859,951
Transportation	\$0	\$2,443,240	\$4,964,664
Leases	\$0	\$230,345	\$1,090,586
Contracted Operations	\$3,969,296	\$4,072,498	\$17,794,656
Additional Operating Cost	(\$10,112,738)	(\$10,580,642)	(\$10,913,081)
Net Operational Savings	(\$6,143,441)	\$22,235,118	\$66,796,777

Source: U.S. Postal Service Atlanta RPDC Cashflow, dated September 4, 2024.
Note: Immaterial differences due to rounding.

In our previous report we noted employee availability was an issue at the Atlanta RPDC. While employee availability has slightly improved since January 2025, the Atlanta RPDC is still 10 percent below national goals and ranks in the lowest 5th percentile in the nation. On average, about 20 percent, or 195 employees scheduled to work, do not show up on any given day. We acknowledge that while continuous efforts are being made by the Atlanta RPDC senior leadership team to make improvements, employee availability continues to be an issue.

Transportation Savings

The Postal Service projected future transportation savings by eliminating routes, reducing labor hours, and miles driven. With these reductions the Postal Service anticipates savings of \$2.4 million beginning in FY 2026. We found the Postal Service changed many routes from contractor provided to Postal Service employee driven with the intention to reduce costs and improve service. However, the costs from FY 2023 to FY 2024 increased by over \$1.6 million emphasizing the importance for the Postal Service to track progress and improve transportation performance. We discuss this further in [Finding 5](#).

Lease Savings

The Postal Service also projected future savings of over \$1 million by moving operations out of two leased facilities: Atlanta Processing Support Annex and Peachtree Processing and Distribution Center. These leases expire in FY 2026 and FY 2027, respectively; however, Peachtree is still used to process mail. Further, as mentioned in [Finding #1](#), the Postal Service is leasing an additional one million

square foot facility at a cost of [REDACTED] per year to help support operations at the Atlanta RPDC.

Without aligning staffing and workhours to the levels projected, the Postal Service will not be able to achieve the labor savings. Additionally, without adequate consideration of current and future operating needs, the Postal Service may not be able to achieve lease savings. It is vital for current and future RPDCs to be efficient and realize expected savings for the Postal Service to meet its goal of being financially self-sustaining.

Recommendation #5

We recommend the **Vice President, Processing Operations**, revise projected savings as staffing is balanced with additional facilities and operational needs in the region.

Postal Service Response

Management disagreed with recommendation 5 stating it constantly balances staffing to operational needs and revises projected savings on a regular basis.

OIG Evaluation

The OIG considers management's comments nonresponsive to recommendation 5, as management has not provided support to substantiate that staffing is aligned with operational needs in the Atlanta region, nor has management provided updated projected labor savings. We view the disagreement as unresolved and plan to pursue the recommendation through the audit resolution process.

Finding #4: Scanning of Trailer Loads Not Conducted

Personnel at the Atlanta RPDC are not always completing required “unload” and “load” scans needed to support operational planning and mail tracking. Specifically, logistics and processing personnel conducted 86.8 percent of the required scans; yet this is over 8 percentage points below goals. Dock operations, which include logistics and processing employees, are responsible for performing the following four required logistics scans.¹⁵

- Arrive: Performed when the trailer arrives at a facility.
- Unload: Records the unloading of a container from a trailer.
- Load: Records the loading of a container onto a trailer and helps calculate trailer use.
- Depart: Performed when the trailer is ready to leave for its destination.

Although scanning compliance has improved by 3.4 percent from our initial review, there continues to be insufficient oversight of employee scanning by logistics and processing management. This includes the review of daily scan data and addressing missed scans with employees. During our site visits in December 2024 and March of 2025, we found multiple containers that were without arrival and unload scans at the RPDC. See Table 3 for details of completed and missed scan percentages.

“Personnel at the Atlanta RPDC are not always completing required “unload” and “load” scans needed to support operational planning and mail tracking.”

Table 3. Atlanta RPDC Scanning Compliance

Scan Description	Prior Review Period		Current Period	
	2/24/2024 – 6/7/2024		6/8/2024 – 3/28/2025	
	Completed	Missed	Completed	Missed
Arrive	78%	22%	94%	6%
Unload	79%	21%	86%	14%
Load	88%	12%	87%	13%
Depart	83%	17%	95%	5%
Average of All Scans	83.4%	16.6%	86.8%	13.2%

Source: OIG analysis of Surface Visibility scanning compliance.

The Delivering for America plan emphasizes enhancing product tracking as a key strategy for financial sustainability and service excellence. The plan aims to leverage technology to improve near real-time visibility and tracking of mail and packages for the Postal Service, its customers, and mailers. However, when scans are not completed, the Postal Service and its customers lose mail visibility, and downstream facilities lack accurate data on incoming mail volumes.

Recommendation #6
We recommend the **Senior Processing Division Director, Southeast**, in coordination with the **Logistics Division Director, Southeast**, direct the Atlanta Regional Processing and Distribution Center Processing and Logistics managers to review daily scan data to identify problem areas and correct issues to achieve current scanning goals.

¹⁵ National Performance Assessment Scanning Visibility Scorecard indicator.

Postal Service Response

Management agreed with recommendation 6 stating it has reissued the scanning compliance directive and continues to monitor scan performance. The target implementation date is July 31, 2025, and management has requested closure of the recommendation upon issuance of the report.

OIG Evaluation

The OIG considers management's comments partially responsive to recommendation 6, but management did not provide sufficient information to close the recommendation. Specifically, the response did not show progress to achieving current scanning goals. We will verify corrective actions taken are sufficient to resolve the issues identified in the report.

Finding #5: Transportation Performance Remains Inconsistent

Thirteen months after the activation of the Atlanta RPDC, the Postal Service has yet to stabilize transportation operations. Our previous report highlighted significant challenges following activation, including delays in unloading and loading trailers. These delays resulted in excess driver wait times, bottlenecks at the facility entrance and yard, and disruptions to scheduled trips.

“Thirteen months after the activation of the Atlanta RPDC, the Postal Service has yet to stabilize transportation operations.”

The Postal Service evaluates transportation performance using six key performance indicators:

- **Trips on Time:** Measures the percentage of transportation trips arriving or departing on schedule.
- **Canceled Trips:** Includes trips canceled by the Postal Service for various reasons or due to contractor non-performance.
- **Extra Trips:** Unplanned, additional transportation trips for existing routes, leading to increased costs.
- **Trips Departed Not Arrived:** Indicates trips scanned at the origin but not recorded at the destination.
- **Unrecorded/Incomplete Trips:** Reflects trips that occurred but were not fully recorded in the tracking system.
- **Trailer Utilization:** Assesses how efficiently trailers are loaded with mail containers relative to their capacity.

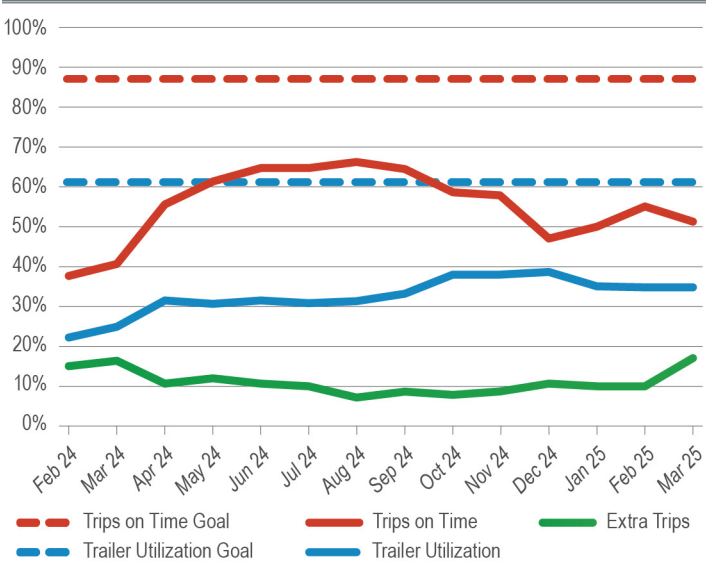
From February 24, 2024, to March 28, 2025, we determined transportation performance at the Atlanta RPDC improved for all indicators except for extra trips. Despite improvement, the number of trips on time and the utilization of trailer space were below

targets among other continued challenges, noted below.

- The percentage of trips on time fluctuated between about 50 and 66 percent, well below the goal of 86.47 percent.
- Trailer utilization improved over the last year and was about 34 percent but was well below the goal of 61.39 percent.
- While there has been modest progress in reducing canceled trips,¹⁶ we found 5,934 contracted transportation trips were canceled unnecessarily, resulting in \$2 million in questioned costs. This includes approximately \$1 million paid to two contractors who accounted for 63 percent of these cancellations.
- Extra trips, designed to be infrequent, have become a recurring expense, signaling inefficiencies in the transportation plan. These additional trips resulted in over \$5.9 million in questioned costs, further straining resources.

See Figure 10 for a trend of transportation performance at the Atlanta RPDC.

Figure 10. Transportation Key Performance Indicators

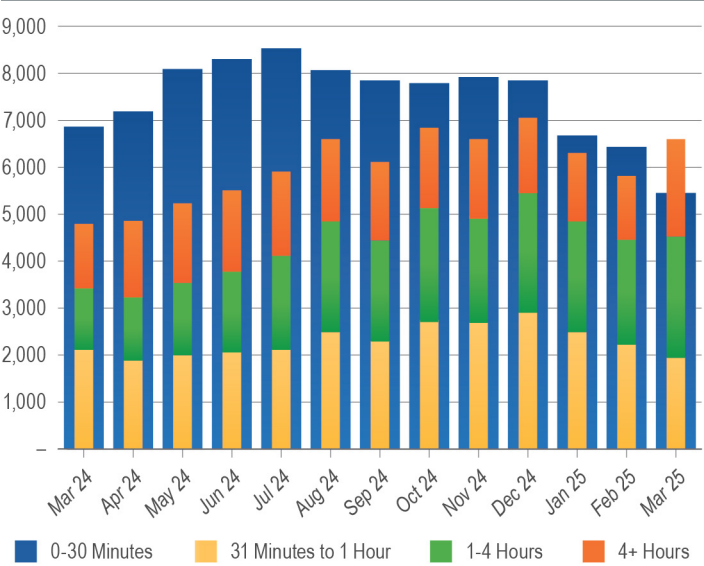


Source: OIG analysis of Surface Visibility data.

16 Occur when the Postal Service cancels a trip for various reasons, or when the contractor fails to perform the scheduled trip. The Postal Service pays for the cost of the trip when it notifies the contractor the trip is not needed.

Additionally, the facility had been unable to load and unload trailers within the goal of 30 minutes. Almost 45 percent of trailers took more than 30 minutes with about 12 percent taking over four hours (see Figure 11). Failing to adhere to trip schedules delays mail processing, disrupts downstream operations, impacts customer satisfaction, and incurs additional costs.

Figure 11. Trailer Load and Unload Time



Source: OIG analysis of Surface Visibility data.

We also identified that most of the transportation costs were not properly charged to the Atlanta RPDC; rather they were charged to other facilities in the region. Local management stated it was unaware this was occurring. This made it impossible to know how much the facility spent on transportation. Proper schedule reviews and adjustments are essential to eliminate unnecessary trips and reduce costs.

One contributing factor to these recurring problems is that according to logistics management at the Atlanta RPDC they are understaffed for their current operational responsibilities. This includes critical duties such as updating schedules in the data systems, communicating with suppliers and drivers, and coordinating with mail processing. Adding new initiatives such as Regional Transfer Hub and Regional Transportation Optimization¹⁷ have also increased their workload and forced them to prioritize

17 This initiative reduced the number of transportation trips to and from select delivery units.

responsibilities. Further, as of April 2025, logistics personnel assumed oversight for all transportation at the Palmetto MPA.

The lack of sufficient oversight and timely action by the Postal Service has continued to drive these inefficiencies. If the Postal Service cannot stabilize transportation performance at a key network facility, it will continue to negatively impact customer service, diminish public trust, and damage the Postal Service's reputation.

Recommendation #7

We recommend that the **Logistics Division Director, Southeast**, develop a plan to immediately improve performance against transportation key performance indicators at the Atlanta Regional Processing and Distribution Center.

Recommendation #8

We recommend that the **Logistics Division Director, Southeast**, ensure that transportation schedules are reviewed and adjusted to capture potential cost savings for unnecessary trips.

Postal Service Response

Management agreed with recommendations 7 and 8 and the monetary impact of nearly \$8 million in questioned costs, stating there is daily and weekly monitoring of transportation performance and that it consolidated transportation under one supplier.

Regarding recommendation 7, management stated it monitors and reports scanning performance and utilization, analyzes and tracks HCR performance, analyzes Canceled/Omitted Trips, and monitors and reports Unrecorded/Incomplete trips. The target implementation date is August 31, 2025.

Regarding recommendation 8, management stated it consolidated transportation under one supplier, eliminated duplicate routes and underutilized runs, and improved trailer utilization.

The target implementation date is July 31, 2025, and management has requested closure of the recommendation upon issuance of the report.

OIG Evaluation

The OIG considers management comments responsive to recommendations 7 and partially responsive to recommendation 8, but did not include sufficient information to close recommendation 8. Specifically, the response did not include information showing a reduction of unnecessary trips. We will verify corrective actions taken are sufficient to resolve the issues identified in the report.

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Appendix A: Additional Information

Scope and Methodology

The team evaluated mail processing operations in the Atlanta, GA, region from February 24, 2024, through April 18, 2025.

To accomplish our objective, we:

- Reviewed policies procedures, manuals, and training materials to gain an understanding of how the Postal Service continues to operate, manage, monitor, and oversee operations in the Atlanta region.
- Reviewed Decision Analysis and Detailed Capital Investment reports to understand capital investment justifications and the anticipated return on investment revisions made since our prior review.
- Reviewed operating plans, mail volume, operating expenses, and trip schedules.
- Reviewed and analyzed staffing and work hours from eFlash, Workforce, Time and Attendance Collection System, and National Performance Assessment data.
- Reviewed and analyzed service performance data from Informed Visibility.
- Visited the Atlanta RPDC in December 2024 and March 2025 to observe collections, mail processing, and dispatch operations; and interviewed processing facility management and personnel to discuss operations, service performance, and actions taken since our last report.

We conducted this performance audit from December 2024 through July 2025 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 discussed our observations and conclusions with management on June 11, 2025, and included its comments where appropriate.

In planning and conducting the audit, we obtained an understanding of the RPDC 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 five components were significant to our audit objective:

- Control Environment
- Risk Assessment
- 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 control environment and monitoring that were significant within the context of our objectives. Our recommendations, if implemented, should correct the weaknesses we identified.

We used data from the Enterprise Data Warehouse, Electronic Facilities Management System, Informed Visibility, Web End of Run, Surface Visibility, Integrated Logistics Ecosystem, Time and Attendance Collection System, Workforce, Mail Arrival Quality/Plant Arrival Quality, eFlash, National Performance Assessment, Transportation Management System, and Web Management Operating Data System. We assessed the reliability of the data by interviewing

Postal Service officials knowledgeable about it and performing tests for completeness, reasonableness, accuracy, and validity. We determined that the

data were sufficiently reliable for the purposes of this report.

Prior Audit Coverage

Report Title	Objective	Report Number	Final Report Date	Monetary Impact
<i>Network Changes – Progress on Improvements at Richmond, VA, Regional Processing and Distribution Center</i>	To evaluate operations and service performance at the Richmond RPDC and follow up on corrective actions taken by the Postal Service resulting from our prior audit to improve performance.	24-152-R25	1/27/25	\$2.4M
<i>Effectiveness of the New Regional Processing and Distribution Center in Portland, OR</i>	To assess the operational impacts related to the launch of the RPDC and identify successes, opportunities, and lessons learned.	24-071-R24	9/19/24	\$0
<i>Effectiveness of the New Regional Processing and Distribution Center in Atlanta, GA</i>	To assess the operational impacts related to the launch of the RPDC and identify successes, opportunities, and lessons learned.	24-074-R24	8/28/24	\$0
<i>Service Performance During the FY 2024 Peak Mailing Season</i>	To evaluate the Postal Service's performance during the fiscal year (FY) 2024 peak season and the implementation of its peak season preparedness plan.	24-050-R24	8/26/24	\$0
<i>Effectiveness of the New Regional Processing and Distribution Center in Richmond, VA</i>	To assess the operational impacts related to the launch of the RP&DC and identify successes, lessons learned, and opportunities.	23-161-R24	3/28/24	\$8.1M
<i>Penalty Overtime</i>	To assess the Postal Service's management of penalty overtime.	23-065-R23	9/27/23	\$140.9M

Appendix B: Management's Comments



June 25, 2025

VICTORIA SMITH
ACTING DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: *Network Changes: Progress on Improvements at Atlanta, GA, Regional Processing and Distribution Center* (25-039-DRAFT)

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, *Network Changes: Progress on Improvements at Atlanta, GA, Regional Processing and Distribution Center*.

Management appreciates that the OIG recognizes that service performance at the Atlanta RPDC has improved since the last audit as outlined in the finding's summary. Furthermore, we are grateful that the OIG recognizes that management has implemented corrective actions in response to the prior report. As pointed out, there were adverse events which did in fact impact our operations. Winter Storm Cora and Winter Storm Enzo drastically impacted the operations in the Atlanta area and caused unavoidable service impacts during those timeframes.

Management disagrees with the statement that at times the facility cannot handle the volume of mail and trailers it receives and remains one adverse event away from gridlock.

Monetary Impact – Unauthorized Overtime: Regarding monetary impact for "unauthorized overtime", the OIG contends that \$8,225,268 is unsupported and unrecoverable questioned costs for this topic. Management contends that the overtime was in fact needed and justified based on workload, but simply not "approved" in the time and attendance online program (TACS). Therefore, we unequivocally disagree that this alleged \$8,225,268 was unsupported use of overtime. Management agrees that it is unrecoverable as it was needed to perform key essential tasks and part of basic pay benefits and that is not something that could or would be recoverable. Management does agree that a supervisor should have clicked "approve" in TACS for these transactions and will follow up with the team as outlined in our response to Recommendation 4.

Monetary Impact – Trips: Management generally agrees with the estimates for this portion.

Following are our comments on each of the eight recommendations.

Recommendation 1:

We recommend that the **Senior Processing Division Director, Southeast**, direct the Atlanta Regional Processing and Distribution Center Plant Manager to develop and execute a plan to ensure the timely processing of nonmachinable packages and maintain a first in, first out processing order.

Management Response/Action Plan:

Management **disagrees** with the recommendation as written. Management does not agree to develop a new plan. Management agrees to continue to execute the existing daily plan which includes timely processing and maintaining a first in, first out processing order.

Target Implementation Date: N/A

Responsible Official: N/A

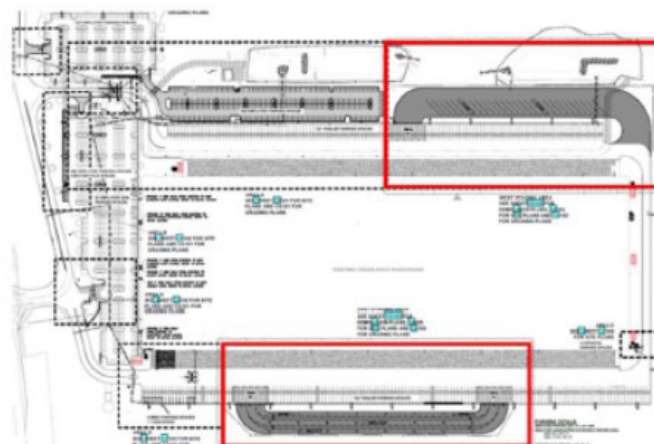
Recommendation 2:

We recommend that the **Vice President, Processing Operations**, in coordination with **Vice President Logistics**, assess mail volume and reevaluate operations in the Atlanta region to identify opportunities for more effective use of space, efficient processing and logistics operations, and cost optimization.

Management Response/Action Plan:

Management **disagrees** with this recommendation as written. We have already been working to address specific opportunities at Atlanta RPDC. These enhancements were completed in April.

- Yard Expansion and Swim Lane Implementation
- Additional Trailer Parking Capacity



Target Implementation Date: N/A

Responsible Official: N/A

Recommendation 3:

We recommend the **Senior Processing Division Director, Southeast**, direct the Atlanta Regional Processing and Distribution Center Plant Manager to establish a method to identify, document, and address issues daily and hold managers accountable for recurring issues.

Management Response/Action Plan:

Management **agrees** with the recommendation. The methodology is already established. The facility already identifies, documents, and addresses issues as part of the daily turnover meetings and the IOP process. Managers are held accountable for recurring issues.

Target Implementation Date: 08/31/2025

Responsible Official: Atlanta RPDC Executive Regional Plant Manager (Major)

Recommendation 4:

We recommend the **Senior Processing Division Director, Southeast**, direct the Atlanta Regional Processing and Distribution Center Plant Manager to manage unauthorized overtime and penalty overtime and monitor for compliance.

Management Response/Action Plan:

Management **agrees** with this recommendation and has established processes in place for weekly monitoring and compliance.

Target Implementation Date: 08/31/2025

Responsible Official: Atlanta RPDC Executive Regional Plant Manager (Major)

Recommendation 5:

We recommend the **Vice President, Processing Operations**, revise projected savings as staffing is balanced with additional facilities and operational needs in the region.

Management Response/Action Plan:

Management **disagrees** with the recommendation as written. The Postal Service constantly balances staffing to operational needs to focus on cost reductions. Projected savings are revised, and facilities are evaluated on a regular basis.

Additionally, staffing must be re-balance based on contractual craft obligations. For example, an overage within the region of Clerks would not be rebalanced to a deficit of Mailhandlers, due to different crafts and them being within different bid clusters.

Target Implementation Date: N/A

Responsible Official: N/A

Recommendation 6:

We recommend the **Senior Processing Division Director, Southeast**, in coordination with the **Logistics Division Director, Southeast**, direct the Atlanta Regional Processing and Distribution Center Processing and Logistics managers to review daily scan data to identify problem areas and correct issues to achieve current scanning goals.

Management Response/Action Plan:

Management **agrees** with this recommendation. We have reissued the scanning compliance directive and continue to monitor scan performance. We request closure of this recommendation with documentation listed below.



Target Implementation Date: 07/31/2025

Responsible Official: Southeast Division Director Logistics

Recommendation 7:

We recommend that the **Logistics Division Director, Southeast**, develop a plan to immediately improve performance against transportation key performance indicators at the Atlanta Regional Processing and Distribution Center.

Management Response/Action Plan:

Management **agrees** with this recommendation. We daily/weekly monitor and report scanning performance, utilization, analyze and track HCR performance, lead reporting and analysis of Canceled/Omitted Trips, and monitor and report Unrecorded/Incomplete trips.

Target Implementation Date: 08/31/2025

Responsible Official: Southeast Division Director Logistics

Recommendation 8:

We recommend that the **Logistics Division Director, Southeast**, ensure that transportation schedules are reviewed and adjusted to capture potential cost savings for unnecessary trips.

Management Response/Action Plan:

Management **agrees** with this recommendation. Logistics holds daily/weekly meetings with the suppliers, we have consolidated transportation under one supplier, eliminated duplicate routes, underutilized runs, and improved trailer utilization. Management requests closure of this recommendation with the documentation provided below

Ongoing schedule reviews are conducted in coordination with logistics and operations teams to ensure continued optimization based on volume trends and operational needs.

July 30, 2025

Destination(s)	Route/Trip	Depart Time	Door	Supplier
001 - Memphis (AL) PDC	000P-0001	0700	0.0	
001 - Memphis (AL) PDC	000P-0002	0830	0.0	
001 - Memphis (AL) PDC	000P-0003	0900	0.0	
001 - Memphis (AL) PDC	000P-0004	0930	0.0	
001 - Memphis (AL) PDC	000P-0005	0930	0.0	
001 - Memphis (AL) PDC	000P-0006	0930	0.0	
001 - Memphis (AL) PDC	000P-0007	0930	0.0	
001 - Memphis (AL) PDC	000P-0008	0930	0.0	
001 - Memphis (AL) PDC	000P-0009	0930	0.0	
001 - Memphis (AL) PDC	000P-0010	0930	0.0	
001 - Memphis (AL) PDC	000P-0011	0930	0.0	
001 - Memphis (AL) PDC	000P-0012	0930	0.0	
001 - Memphis (AL) PDC	000P-0013	0930	0.0	
001 - Memphis (AL) PDC	000P-0014	0930	0.0	
001 - Memphis (AL) PDC	000P-0015	0930	0.0	
001 - Memphis (AL) PDC	000P-0016	0930	0.0	
001 - Memphis (AL) PDC	000P-0017	0930	0.0	
001 - Memphis (AL) PDC	000P-0018	0930	0.0	
001 - Memphis (AL) PDC	000P-0019	0930	0.0	
001 - Memphis (AL) PDC	000P-0020	0930	0.0	
001 - Memphis (AL) PDC	000P-0021	0930	0.0	
001 - Memphis (AL) PDC	000P-0022	0930	0.0	
001 - Memphis (AL) PDC	000P-0023	0930	0.0	
001 - Memphis (AL) PDC	000P-0024	0930	0.0	
001 - Memphis (AL) PDC	000P-0025	0930	0.0	
001 - Memphis (AL) PDC	000P-0026	0930	0.0	
001 - Memphis (AL) PDC	000P-0027	0930	0.0	
001 - Memphis (AL) PDC	000P-0028	0930	0.0	
001 - Memphis (AL) PDC	000P-0029	0930	0.0	
001 - Memphis (AL) PDC	000P-0030	0930	0.0	
001 - Memphis (AL) PDC	000P-0031	0930	0.0	
001 - Memphis (AL) PDC	000P-0032	0930	0.0	
001 - Memphis (AL) PDC	000P-0033	0930	0.0	
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001 - Memphis (AL) PDC	000P-0041	0930	0.0	
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001 - Memphis (AL) PDC	000P-0098	0930	0.0	
001 - Memphis (AL) PDC	000P-0099	0930	0.0	
001 - Memphis (AL) PDC	000P-0100	0930	0.0	

Before

After

Target Implementation Date: 07/31/2025


Responsible Official: Southeast Division Director Logistics

 E-SIGNED by DANE.A COLEMAN
on 2025-06-26 13:28:31 EDT

Dane Coleman
Vice President, Processing Operations

 E-SIGNED by ROBERT CINTRON
on 2025-06-25 16:01:00 EDT

Robert Cintron
Vice President, Logistics

 E-SIGNED by SHARON.M YOUNG
on 2025-06-25 15:53:37 EDT

Sharon Young
Senior Processing Division Director, Southeast

 E-SIGNED by JOSE.A ROMAN
on 2025-06-25 15:56:35 EDT

Jose Roman
Logistics Division Director, Southeast

cc: Corporate Audit & Response Management

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This document contains sensitive information that has been redacted for public release. These redactions were coordinated with USPS and agreed to by the OIG.

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