

Field Operations Service Review: Delivery Operations

AUDIT REPORT

Report Number 25-066-R25 | August 28, 2025



Table of Contents

Cover

Highlights	1
Background	1
What We Did	1
What We Found	1
Recommendations and Management's Comments	1

Transmittal Letter	2
---------------------------------	---

Results	3
Introduction/Objective	3
Background	3
Findings Summary	4
Finding #1: Delayed Mail Not Reported Accurately	5
Recommendation #1	8
Recommendation #2	8
Postal Service Response	8
OIG Evaluation.....	8
Finding #2: Improper Package Scans at Delivery Units	9
Recommendation #3	9
Postal Service Response	9
OIG Evaluation.....	10

Finding #3: Arrow Key Accountability Not Accurate.....	11
Recommendation #4.....	11
Recommendation #5.....	12
Recommendation #6.....	12
Postal Service Response.....	12
OIG Evaluation.....	12
Looking Forward.....	12

Appendices	13
-------------------------	----

Appendix A: Additional Information.....	14
Scope and Methodology	14
Prior Audit Coverage	15
Appendix B: Site Visit Results	17
Appendix C: Management's Comments	18

Contact Information	24
----------------------------------	----

Highlights

Background

During fiscal years 2023 and 2024, the Field Operations Review Team completed audits of 72 delivery units to assess delivery operations and property conditions. We found about 800,000 delayed mailpieces across these delivery units. Most of the delayed mail was not accurately reported. We also identified arrow key management and scanning issues, including missing and unsecured keys and carriers scanning packages away from their intended delivery address. We summarized our findings and made recommendations to district management in our capping reports.

What We Did

Our objective was to evaluate trends with service and operational performance at previously audited delivery units and determine potential areas of improvement. We revisited 21 previously audited delivery units and assessed delayed mail, stop-the-clock scans, and arrow key inventories. We also analyzed system data and interviewed various levels of management.

What We Found

We determined delivery units were still underreporting or not reporting delayed mail, which could have a direct impact on delivery service for customers. During fieldwork, we identified a total of 133,863 delayed mailpieces at 20 of the 21 units we visited. At the 20 units, we determined 10 units did not report any delayed mail, nine units underreported the volume, and one unit reported it accurately. This underreporting is consistent with past audit results. Further analysis indicated that underreported delayed mail may be a nationwide issue. Reporting delayed mail is a manual process that can be time intensive, but the Postal Service has an opportunity to use technology to improve reporting. Second, the number of packages inaccurately scanned at the unit decreased for 58 of the 72 previously audited facilities. Although this was an improvement for those sites, improper scanning remained an issue at other units nationwide. Local management would benefit from specific guidance on how to monitor and track package scanning consistently. Finally, revisited delivery units still did not keep accurate arrow key inventories. A lack of system controls contributed to inaccurate reporting. Our findings and recommendations provide opportunities for the Postal Service to remedy systemic issues and improve field operations, ultimately improving service to the customer.

Recommendations and Management's Comments

We made two recommendations related to delayed mail, one related to scanning compliance, and three related to mail safety and security. Postal Service management agreed with two, partially agreed with one, and disagreed with three recommendations. Management's comments and our evaluation are at the end of each finding and recommendation. We consider management's comments responsive to the two agreed upon recommendations, as corrective actions should resolve the issues identified. We will work with management through the audit resolution process on the remaining four recommendations. See [Appendix C](#) for management's comments in their entirety.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

August 28, 2025

MEMORANDUM FOR: JOHN S. MORGAN
VICE PRESIDENT, DELIVERY OPERATIONS

JENNIFER T. VO
VICE PRESIDENT, RETAIL AND POST OFFICE OPERATIONS

A handwritten signature in black ink that reads "Kelly Thresher".

FROM: Kelly Thresher
Deputy Assistant Inspector General
for Field Operations

SUBJECT: Audit Report – Field Operations Service Review: Delivery Operations
(Report Number 25-066-R25)

This report presents the results of our audit of delivery operations at previously audited delivery units.

All recommendations require U.S. Postal Service Office of Inspector General (OIG) concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. All recommendations 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 appreciate the cooperation and courtesy provided by your staff. If you have any questions or need additional information, please contact Sean Balduff, Director, FORT Central & Southern, or me at 703-248-2100.

Attachment

cc: Postmaster General
Chief Retail and Delivery Officer and Executive Vice President
Corporate Audit Response Management

Results

Introduction/Objective

This report presents the results of our self-initiated audit of the Field Operations Service Review: Delivery Operations (Project Number 25-066). Our objective was to evaluate trends with service and operational performance at previously audited delivery units and determine potential areas of improvement. See [Appendix A](#) for additional information about this audit.

Background

The U.S. Postal Service’s mission is to provide timely, reliable, secure, and affordable mail and package delivery to more than 160 million residential and business addresses across the country. To fulfill this role, the Postal Service states it is committed to ensuring that its delivery platform and services are always a trusted, visible, and valued part of America’s social and economic infrastructure. This includes leveraging people, technology, and systems to provide world-class visibility of mail and packages as they move through the Postal Service’s integrated system. The U.S. Postal Service Office of Inspector General (OIG) regularly reviews delivery operations at facilities across the country and provides management with timely feedback in furtherance of this mission.

During fiscal years (FY) 2023 and 2024, we completed audits of 72 delivery units to assess delivery operations and property conditions. We identified specific deficiencies at each location during this period. See Table 1 for an overview of specific delivery operation deficiencies by area.

During this period, we identified about 800,000 delayed¹ mailpieces at the delivery units. Most of the delayed mail was not accurately reported in the Delivery Condition Visualization (DCV)² system. We also identified arrow key management and scanning issues, including missing and unsecured keys and carriers scanning packages away from their intended delivery address. We summarized our findings and made recommendations to district management in our capping reports.

We also conducted a nationwide text analysis of Customer 360 (C360)³ inquiries between April 1, 2024, and March 31, 2025. In our previous audits, we completed this analysis for individual districts visited to provide a deeper understanding of local customer concerns. In total for this audit, we reviewed and categorized customer notes for 6,637,868 inquiries.⁴ See [Figure 1](#) for the results.

Table 1. FYs 2023-2024 Deficiencies by Area

Area	Delivery Units Audited in Area	Units With Delayed Mail	Units With Scanning Issues	Units With Arrow Key Issues
Southern	32	31	32	24
Central	13	13	13	12
WestPac	7	7	7	5
Atlantic	20	19	20	16
Total	72	70	72	57

Source: OIG audits.

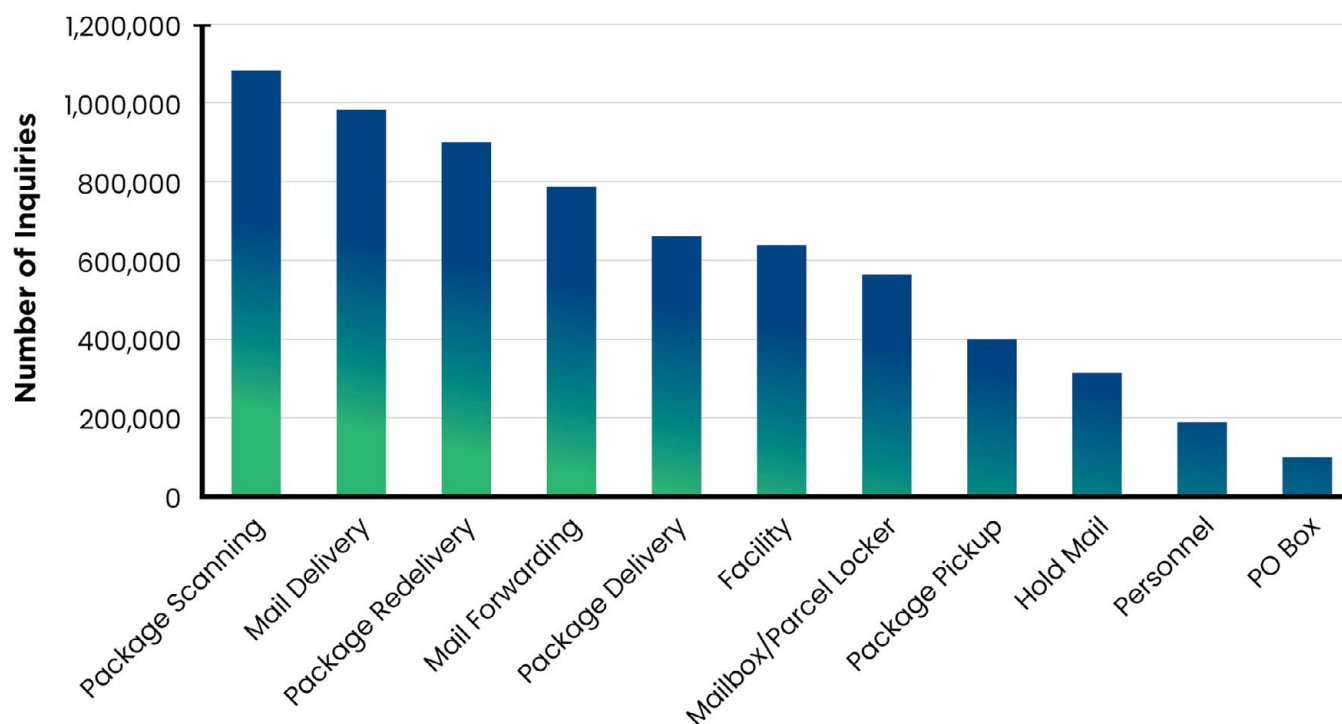
1 Defined as improperly detaining mail by failing to deliver in accordance with service standards prescribed for each class of mail (Handbook PO-209, *Retail Operations Handbook*, Section 4-2.3, Delay of Mail, August 2023).

2 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.

3 A cloud-based application that enables Postal Service employees to diagnose, resolve, and track customer inquiries.

4 We analyzed 11,853,286 inquiries and excluded 4,444,712 voice messages, 698,116 text messages with less than or equal to 40 characters, and 72,590 outliers, resulting in 6,637,868 records used to create the model by category.

Figure 1. C360 Inquiries by Category



Source: OIG analysis of C360 inquiries, April 1, 2024 – March 31, 2025.

In our previous reviews of delivery units with poor performance indicators, we found that mail delivery, package delivery, and package scanning have usually been the most common types of inquiries. Interestingly, when we ran the analysis for the nation, the most common threads changed, and package redelivery and mail forwarding were among the top inquiry types. These inquiries were usually asking for customer care assistance in setting up a second delivery attempt or mail forwarding. Package scanning comments were comprised of complaints that packages were scanned as delivered but not at the delivery site. Package and mail delivery comments were about inconsistent delivery service.

Findings Summary

Despite previous OIG audits at these locations, we determined unit management continued to inaccurately report delayed mail and incorrectly manage arrow key inventories. While we saw a decrease in inaccurate scanning at most units, this remains an issue nationwide. Our findings and recommendations provide opportunities for the Postal Service to remedy systemic issues and improve field operations, ultimately improving service to the customer. For full results of our site visits, see [Appendix B](#).

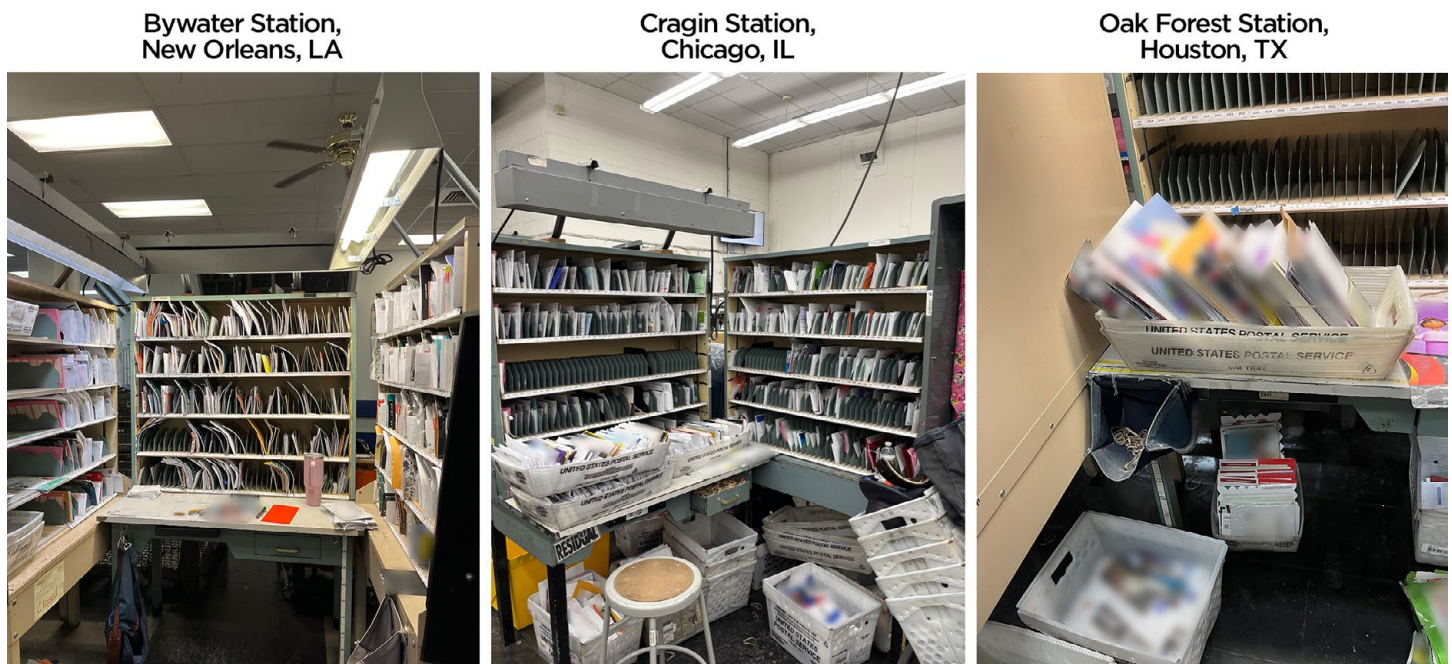
Finding #1: Delayed Mail Not Reported Accurately

We determined delivery units were still underreporting or not reporting delayed mail in the DCV system. In late February and early March 2025, we revisited 21 delivery units to observe mail conditions at each unit. We identified 133,863⁵ delayed mailpieces at 20 of the units we visited, including 103,511 pieces found at carrier cases that should have been delivered the previous day (see Figure 2). We also located delayed mail on workroom floors, in hot cases,⁶ and other areas at 11 units (see Figure 3). These units reported a combined total of only 37,392 delayed mailpieces in the DCV system (about 28 percent of total delayed mail). Specifically, we determined 10 units did not report any delayed mail, and nine units underreported the volume at the unit. In addition,

we found employees at 14 units did not follow the process of manually completing Postal Service (PS) Form 1571,⁷ *Undelivered Mail Report*, for the delayed mail identified.

The underreporting and non-reporting of delayed mail and underuse of PS Form 1571 were consistent findings in our previous audits nationwide. Specifically, 70 of the 72 (97 percent) units we audited during FYs 2023 and 2024 had delayed mail, and of those, only one unit reported the delayed volume accurately in the DCV system. In our previous audits, we found about 800,000 pieces of delayed mail among the 70 units.

Figure 2. Delayed Mail at Carrier Cases



Source: OIG photos taken before carriers arrived the morning of February 26, March 11, and March 13, 2025.

⁵ Count of mail included individual piece counts and OIG estimates based on Postal Service conversion factors in Management Instruction PO-610 2007-1, *Piece Count Recording System* and Handbook M-32, *Management Operating Data Systems*, Appendix D, September 2022.

⁶ A case designated for final withdrawal of mail as carriers leave the office.

⁷ PS Form 1571 lists all mail distributed to the carrier for delivery that was left in the office or returned undelivered.

Figure 3. Delayed Mail on Workroom Floor and at the Hot Case



Source: OIG photos taken March 11 and 13, 2025.

We completed a test of delayed mail reporting nationwide in the DCV system as of March 10, 2025,⁸ to see if non-reporting or under reporting may be an issue nationwide. Only 4,507 (25 percent) of the 18,379 delivery units reported delayed mail. The total delayed mailpieces nationwide amounted to about 2.8 million. See Table 2 for a breakdown by area. We also pulled delayed mail reporting from March

11, 2024, as a comparison; only 608 units reported about 960,000 delayed mailpieces that day. While the number of units reporting increased from 2024 to 2025, we still contend the 2025 results are indicative of nationwide non-compliance. We anticipate more units would have delayed mail – in higher quantities – given our past findings.

Table 2. Units Reporting Delayed Mail by Area

Areas	Units Within the DCV System	Units Reporting Delayed Mail	Percentage of Units Reporting Delayed Mail
Atlantic	4,742	950	20
Central	6,024	1,079	18
Southern	4,341	1,759	41
WestPac	3,272	719	22
Total	18,379	4,507	25

Source: DCV data for March 10, 2025.

⁸ This date represents the Monday of the last week of our site visits.

Delayed mail was not properly reported because carriers and managers often did not complete the manual process of identifying undelivered mail due to lack of time, not knowing the requirement, or other priorities taking precedence. Postal Service policy requires carriers to complete PS Form 1571 for mail brought back to the delivery unit, and then the carrier and supervisor must sign the form.⁹ Managers are required to report delayed mail twice daily.¹⁰ They must first report in the DCV system all mail in the delivery unit after carriers have left for their street duties as either delayed or curtailed, and secondly, update the DCV system if volumes change prior to the end of the business day.

The Postal Service has an opportunity to improve reporting accuracy by developing an automated method for carriers to report delayed mail. Carriers could use their package scanners as opposed to the current method of completing forms by hand after they bring back the mail. See Figure 4 for an example of a hand-completed PS Form 1571. If the PS Form 1571 was completed digitally, it could pre-populate the data in the DCV system and managers could verify the accuracy of the data without having to complete a full count.

In addition, management failed to report some types of delayed mail in the DCV system because it was not familiar with the requirements. Management should have properly identified and reported any mail that was not taken out for delivery or returned from a route. Postal Service policy¹¹ states that all types of First-Class Mail, Priority Mail, and Priority Mail Express are always committed for delivery on the day of receipt. When local management does not report delayed mail accurately, management at higher levels assumes there is no delayed mail present. The Postal Service uses multiple tools to track package and mail delivery service but does not have a process that identifies delivery units likely to be underreporting or not reporting delayed mail.

Figure 4. PS Form 1571 Example

U.S. Postal Service
UNDELIVERED MAIL REPORT

Delivery Unit: 2d19 Route No: 1184 Date: 2/27/25

TO: Delivery and Collection Superintendent

The Following Mail Distributed To Me For Delivery Was Left In The Office Or Returned Undelivered.

NOTE: If mail left undelivered by carrier is later delivered on the same day, the manager should explain the action taken.

	Preferential	Other
Letters	1-1/2	
Newspapers		
Magazines		
Flats		
Samples		
Other Pieces		

For Use By Parcel Post Carrier Only

Parcel Post Distributed To Me For Delivery Was Left In The Office Or Returned Undelivered.

Sacks	Outside Pieces

Remarks: (Reasons for nondelivery. Report of trips omitted or curtailed. Note any other matter of which record should be made.)

Can't work over 11 1/2 hours not enough time to safely complete mail

Reg. Tech or Part Time

Action Taken (Manager)

Date: 2/27/25

Source: OIG photo taken at Central Carrier Station in New Orleans, LA, February 27, 2025.

When mail is delayed, there is an increased risk of customer dissatisfaction, which may adversely affect the Postal Service brand. Management at the district, area, and headquarters levels needs reliable delayed mail reporting from unit management to address issues both within delivery operations and between plants and delivery units.

⁹ Standard Operating Procedures, Redline Policy.
¹⁰ DCV Learn and Grow, August 1, 2024.
¹¹ Committed Mail & Color Code Policy for Marketing Mail stand-up talk, February 2019.

Recommendation #1

We recommend the **Vice President, Delivery Operations**, in coordination with the **Vice President, Engineering Systems**, automate Postal Service Form 1571, *Undelivered Mail Report*, for delayed mail reporting in the Delivery Condition Visualization system and require carriers to use the automated format at the end of the day to report undelivered mail.

Recommendation #2

We recommend the **Vice President, Delivery Operations**, develop a process to identify delivery units with a high risk of unreported or underreported delayed mail, and follow up with district management to enforce compliance.

Postal Service Response

Management disagreed with finding 1 and recommendations 1 and 2.

Management did not agree with our date selection of Monday, March 10, 2025, for testing reported delayed mail. It stated Monday is the heaviest day of the week and historically has the highest amount of recorded volume for the week. It also argued our site selection was not indicative of nationwide non-compliance because the selection focused on underperforming units and did not represent all areas of the country.

Regarding recommendation 1, headquarters management stated the manual process for completing a PS Form 1571 must remain interactive to ensure carriers do not bypass reporting delayed mail to local management. Local management must review and approve the accuracy of delayed volume. This can only be completed with visual confirmation and interaction between the two parties. Headquarters management contended it is the non-compliance of the process that needs to be addressed. To ensure compliance with the process, headquarters will provide and document further training and conduct periodic reviews. The target implementation date is July 31, 2026.

Regarding recommendation 2, management stated it has a process in place to identify units with a high risk of unreported and underreported delayed mail. Management uses various reports to determine units to be reviewed. These periodic reviews identify opportunities for improvement and help to mitigate current delays.

OIG Evaluation

We consider management's comments nonresponsive to finding 1 and recommendations 1 and 2.

Regarding management's disagreement with the finding, 70 out of 72 (97 percent) delivery units audited in FY 2023 and 2024, and 19 out of 21 (90 percent) units revisited did not accurately report delayed mail. When expanding to nationwide analysis, higher mail volume on Mondays would lead to more units potentially delaying delivery, which was not observed. This led to the conclusion that current periodic reviews are not generating reporting accuracy.

Regarding recommendation 1, digitizing PS Form 1571 will still require an interactive process of management verifying carriers' delayed mail counts. However, by digitizing the current manual completion process, we contend that carriers will be more likely to perform this task, and management will be prompted to verify and report delayed mail.

Regarding recommendation 2, we identified delivery units that repeatedly underreported delayed mail volume, which indicates management's current review process is not working as intended. Management informed us during various discussions throughout the audit that it was developing an improved process for identifying high-risk units.

We will pursue recommendations 1 and 2 with management through the audit resolution process.

Finding #2: Improper Package Scans at Delivery Units

Based on our review of stop-the-clock (STC)¹² package scanning data, we found improvements at the previously audited sites. Specifically, within our universe of 72 sites, 58 (81 percent) had fewer improper STC scans at the unit during FY 2024, quarter 4, compared to the three months preceding our last site visit. While we saw improvement, scanning performed at a unit is still a significant issue at other facilities. In February 2025, there were about 1.1 million STC scans completed by carriers at their delivery unit.

To better understand how scanning was being tracked at the units, we interviewed management at the 21 sites we visited. At each unit, management had access to various tools to monitor and track scan integrity, such as the Scan Data Integrity Report,¹³ Product Tracking and Reporting (PTR) Parser tool,¹⁴ Regional Intelligent Mail Servers (RIMS),¹⁵ and Delivery Management System (DMS).¹⁶ However, local management did not always know about all the reports available or use them consistently to address scanning integrity issues.

Although headquarters management provided training and guidance to district and unit management about the tools and reports available for monitoring package scans, there is no standard work instruction that specifically indicates which tools should be used on a consistent, standardized basis. Management is responsible for monitoring scanning performance daily and enforcing 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

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

Recommendation #3

We recommend the **Vice President, Delivery Operations** and the **Vice President, Retail and Post Office Operations**, develop and provide a standard work instruction that lists and links to the applicable reports and tools unit managers are required to use to monitor daily scanning compliance.

Postal Service Response

Management disagreed with finding 2 and recommendation 3.

For finding 2, management stated training and guidance are provided to field personnel and performance is monitored using various systems and tools. Management cannot limit which reports are most important for field personnel to use. Management also stated all training materials are socialized in the Chief Retail and Delivery Operations resource library, readily available for review and re-enforcement.

For recommendation 3, management stated the recommendation implies there are reports and tools that are more necessary than others. All tools and reports exist to provide full visibility to all aspects of the operations and service performance.

¹² A scan event that indicates the Postal Service has completed its commitment to deliver or attempt to deliver the mailpiece. Examples of STC scans include "Delivered," "Available for Pickup," and "No Access." STC scans for packages should occur at the point of delivery.

¹³ The Scan Data Integrity Report currently identifies several events as potential improper scans.

¹⁴ This tool was designed to aid in the processing and analysis of large volumes of PTR data that would otherwise be manually processed.

¹⁵ RIMS provides users with new reports and map displays utilizing the geo-location scan data collected and transmitted wirelessly.

¹⁶ The DMS tool provides route status for the day-to-day management of deliveries, routes, and carriers.

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

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

OIG Evaluation

We consider management's comments nonresponsive to finding 2 and recommendation 3.

Regarding management's disagreement with the finding, we agree unit personnel are required to use various tools and systems to monitor daily scanning compliance. However, during our audit, delivery unit managers repeatedly stated they did not know which systems and reports to use or how to access them.

Regarding recommendation 3, we did not claim there are reports and tools that are more necessary than others to review and enforce for proper package scanning. We contend that headquarters management could improve scan monitoring by clearly identifying the systems and reports local management are required to review daily. We will pursue this recommendation with management through the audit resolution process.

Finding #3: Arrow Key Accountability Not Accurate

During our on-site observations, we determined that improper accountability over arrow keys still exists. We also identified and reported similar issues in our previous reviews related to the accuracy of keys certified in the Retail and Delivery Applications and Reports (RADAR) system. We found five out of 21 units did not follow the proper procedures for reporting missing keys to the U.S. Postal Inspection Service. Eighteen of the 21 sites (86 percent) did not have accurate arrow key inventories. Specifically, we identified:

- One hundred eight keys located at 17 units were not listed in the RADAR system.¹⁹
- Sixty-four keys at 14 units were entered in RADAR multiple times, creating duplicate key records in their inventories.
- Thirty-seven keys at 11 units were listed in RADAR but were not located at the units.
- Forty-one keys at nine units were incorrectly categorized in RADAR.

This occurred because the RADAR system did not have proper internal controls and managers were not familiar with all the requirements to accurately manage and certify their key inventories. System developers did not establish sufficient controls that prevented unit managers from inputting incorrect information into the RADAR system. The system allowed managers to input duplicative arrow key serial numbers and 4-digit serial numbers instead of the required five digits. In addition, managers did not know how to properly update the key status in the RADAR system or to report missing keys to the Postal Inspection Service. Management also did not provide adequate oversight to verify the accuracy of the data input into the RADAR system.

Additionally, management should have verified that arrow key security procedures were properly followed.

According to Postal Service policy,²⁰ management must keep an accurate inventory of all arrow keys. Any missing arrow keys must be immediately reported to the Postal Inspection Service. Although the Postal Service conducts various compliance reviews, these reviews do not verify the accuracy of arrow key inventories. Including inventory verifications in these reviews could improve the accountability of arrow keys nationwide.

During our audit, Postal Service Headquarters and Inspection Service management were developing technology to prevent mail theft by improving the security of arrow keys and mail collection boxes.²¹ Although management piloted some of these efforts at selected sites, it did not know when the technology would be fully implemented nationwide. Therefore, management must still rely on current policies and procedures for securing and managing arrow keys.

When there is insufficient oversight and supervision of accountable items, such as arrow keys, there is an 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.

Recommendation #4

We recommend the **Vice President, Delivery Operations**, add instructions to the beginning of the certification screen in the Retail and Delivery Applications and Reports system notifying supervisors of the current procedures for conducting arrow key certifications and have the system automatically generate a report notifying the U.S. Postal Inspection Service of any missing keys.

¹⁹ The RADAR system provides a national platform for facilities to account for and verify their current arrow key inventories.

²⁰ *Arrow/Modified Arrow Lock (MAL) Key Accountability Standard Work Instruction*, dated May 2024.

²¹ Examples of OIG reports containing arrow key technological efforts: *Mail Theft Mitigation and Response: Houston, TX, Report Number 25-023-R25*, March 20, 2025, and *Mail Theft Mitigation and Response: Sacramento, CA, Report Number 24-163-R25*, March 20, 2025.

Recommendation #5

We recommend the **Vice President, Delivery Operations**, develop and implement program controls within the Retail and Delivery Applications and Reports system to prevent managers from inputting inaccurate arrow key information.

Recommendation #6

We recommend the **Vice President, Delivery Operations**, develop and implement a plan for district management to conduct targeted arrow key inventory reviews on a regular basis until new technological initiatives are fully implemented.

Postal Service Response

Management partially disagreed with finding 3, partially agreed with recommendation 4, and agreed with recommendations 5 and 6.

Regarding management's partial disagreement with the finding, management stated the semi-annual certification confirms local management's full review of the Arrow Key Guidebook guidance and that it has presented the material to all employees. The guidebook mentions the need to review and validate each key individually and the requirement to report the status of each key accurately.

For recommendation 4, management stated the current process explains how to conduct, monitor, and certify arrow key inventories, and instructions are not needed in the RADAR system. However, management will develop a feature to automatically report any missing keys that are entered into RADAR to the Inspection Service. The target implementation date is July 31, 2026.

For recommendation 5, management will develop and implement program controls within RADAR to prevent managers from inputting inaccurate arrow key information. The target implementation date is March 31, 2026.

For recommendation 6, management will develop and implement a plan for district

management to conduct targeted arrow key inventory reviews on a regular basis until new technological initiatives are fully implemented. The target implementation date is March 31, 2026.

OIG Evaluation

We consider management's comments partially responsive to the finding and recommendation 4, and responsive to recommendations 5 and 6.

Regarding management's partial disagreement with the finding, although arrow key certifications were required to be performed by unit management, 18 of the 21 units revisited continued to have arrow key management issues. This indicates management's current certification process is not working as intended.

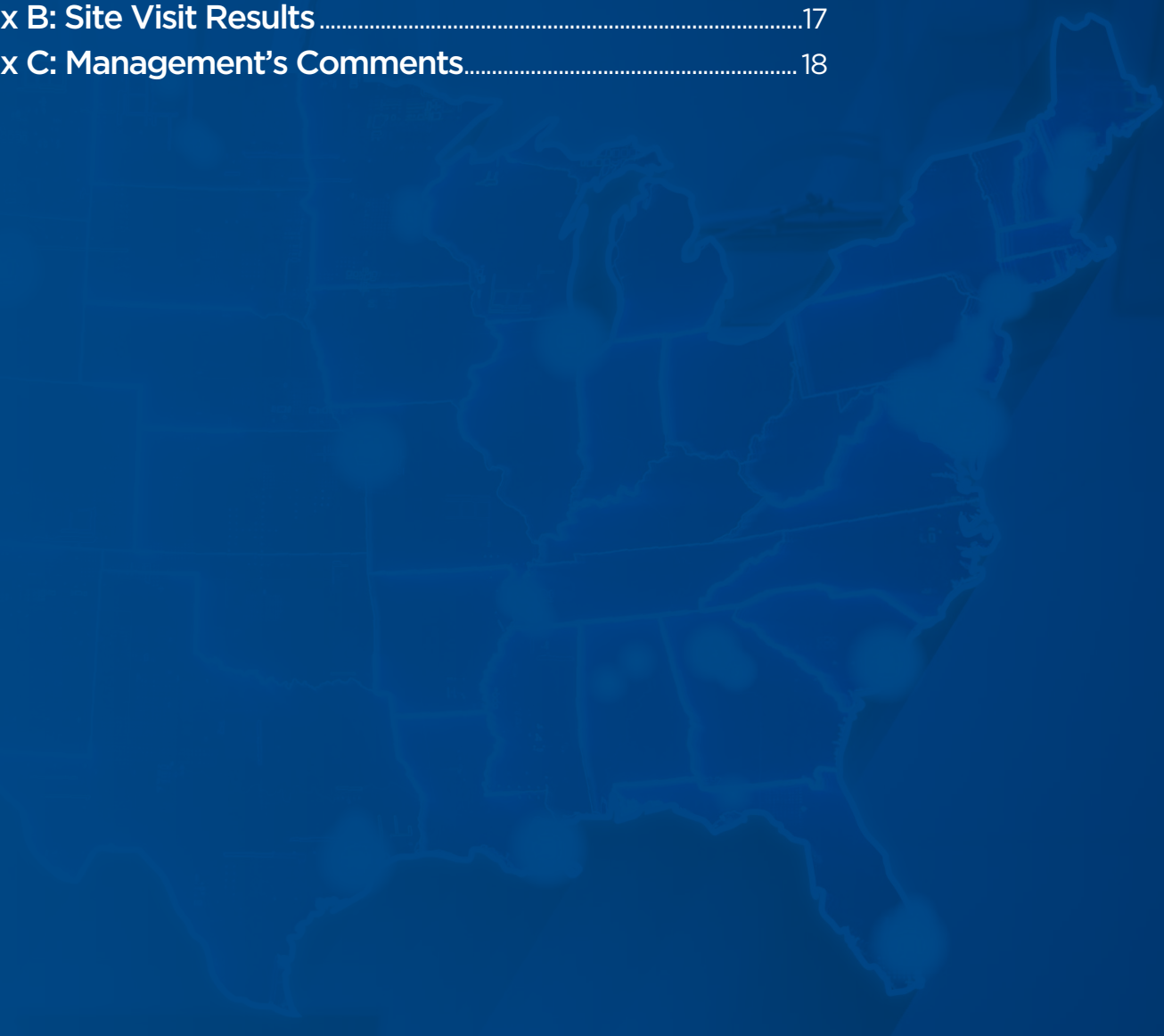
Regarding recommendation 4, the RADAR system has a compliance checklist at the end of the certification process reminding managers of their responsibilities before finalizing the certification. We believe instructions on how and where to find guidance are needed at the beginning of the certification process. We will pursue this portion of recommendation 4 with management through the audit resolution process.

Looking Forward

The Postal Service's success depends on timely and efficient mail delivery in an ever-changing environment. This is especially important in an increasingly competitive package delivery environment, where the Postal Service is trying to maintain its market share. The Postal Service has an opportunity to use our recurring unit-level findings as an indication of systemic issues that could negatively impact its ability to implement key initiatives. Managers often perform in-person delivery verifications that can be time-intensive. By automating these functions, the Postal Service could improve efficiency, effectiveness, and accuracy in field operations that enhance the customer experience.

Appendices

Appendix A: Additional Information	14
Scope and Methodology	14
Prior Audit Coverage	15
Appendix B: Site Visit Results	17
Appendix C: Management’s Comments	18



Appendix A: Additional Information

Scope and Methodology

Our objective was to evaluate trends with service and operational performance at previously audited delivery units and determine potential areas of improvement.

The scope of this audit focused on delayed mail, scanning compliance, and arrow key management at 21 delivery units that were previously audited during FYs 2023 and 2024, for the same issues. To accomplish our objective, we:

- Analyzed service and operational data for delayed mail, scanning compliance, and arrow key management obtained from Postal Service systems and management for the 21 facilities.
- Developed surveys to collect observation data at 21 delivery units and unit management interview data to determine controls over delayed mail, package scans, and arrow keys and analyzed the results.
- Reviewed applicable laws, regulations, and Postal Service policies, procedures, and service standards.
- Interviewed headquarters personnel in USPS Delivery Operations, Retail Operations, Engineering, U.S. Postal Inspection Service, and Human Resources to better understand their roles and oversight of the areas audited.

We conducted this performance audit from February through August 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 July 28, 2025, and included its comments where appropriate.

In planning and conducting the audit, we obtained an understanding of the mail processing operations 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 three components were significant to our audit objective:

- 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 activities, information and communication, and monitoring that were significant within the context of our objectives. Our recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of RADAR, DCV, PTR, and C360 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.

Prior Audit Coverage

Report Title	Objective	Report Number	Final Report Date	Monetary Impact
<i>Stockyards Station, Denver, CO: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Stockyards Station in Denver, CO.	24-137-4-R24	9/24/24	N/A
<i>Mile High Station in Denver, CO: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Mile High Station in Denver, CO.	24-137-3-R24	9/24/24	N/A
<i>Edgewater Branch, Lakewood, CO: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Edgewater Branch in Lakewood, CO.	24-137-2-R24	9/24/24	N/A
<i>Colorado-Wyoming District: Delivery Operations</i>	To evaluate mail delivery operations and property conditions in the CO-WY District of the WestPac Area.	24-137-R25	12/20/24	N/A
<i>North Charleston Branch, North Charleston, SC: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the North Charleston Branch in North Charleston, SC.	24-117-3-R24	8/13/24	N/A
<i>Mount Pleasant Post Office, Mount Pleasant, SC: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Mount Pleasant Post Office in Mount Pleasant, SC.	24-117-2-R24	8/13/24	N/A
<i>East Bay Station in Charleston, SC: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the East Bay Station in Charleston, SC.	24-117-1-R24	8/13/24	N/A
<i>South Carolina District: Delivery Operations</i>	To evaluate mail delivery operations and property conditions in the South Carolina District of the Southern Area.	24-117-R24	9/26/24	N/A
<i>Robert L. Roberts Station, Kansas City, KS: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Robert L. Roberts Station in Kansas City, KS.	24-107-2-R24	7/15/24	N/A
<i>Kansas-Missouri District: Delivery Operations</i>	To evaluate mail delivery operations in the KS-MO District of the Central Area.	24-107-R24	9/13/24	N/A
<i>Oak Forest Station in Houston, TX: Delivery Operations</i>	To evaluate delivery operations and property conditions at the Oak Forest Station in Houston, TX.	23-151-2-R24	11/28/23	N/A
<i>Texas-2 District: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Fairbanks Station, Oak Forest Station, and Conroe Post Office.	23-151-R24	1/18/24	N/A
<i>Salisbury Post Office in Salisbury, MD: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Salisbury Post Office in Salisbury, MD.	23-156-3-R24	11/20/23	N/A
<i>Easton Post Office in Easton, MD: Delivery Operations</i>	To evaluate delivery operations and property conditions at the Easton Post Office in Easton, MD.	23-156-2-R24	11/20/23	N/A
<i>Cambridge Post Office in Cambridge, MD: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Cambridge Post Office in Cambridge, MD.	23-156-1-R24	11/20/23	N/A
<i>Maryland District: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Cambridge, Easton, and Salisbury post offices.	23-156-R24	1/17/24	N/A

<i>Roger P. McAuliffe Station in Chicago, IL: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Roger P. McAuliffe Station in Chicago, IL.	23-139-5-R24	10/11/23	N/A
<i>Northtown Station in Chicago, IL: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Northtown Station in Chicago, IL.	23-139-4-R23	10/11/23	N/A
<i>Daniel J. Doffyn Station, in Chicago, IL: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Daniel J. Doffyn Station in Chicago, IL.	23-139-2-R24	10/11/23	N/A
<i>Cragin Station in Chicago, IL: Delivery Operations</i>	To evaluate delivery operations and property conditions at the Cragin Station in Chicago, IL.	23-139-1-R24	10/11/23	N/A
<i>Illinois 1 District: Delivery Operations</i>	To evaluate mail delivery operations and property conditions at the Cragin, Daniel J. Doffyn, Northtown, and Roger P. McAuliffe stations in the Illinois 1 District.	23-139-R24	12/28/23	N/A
<i>Lake Forest Station in New Orleans, LA: Delivery Operations</i>	To evaluate mail delivery, customer service, and property conditions at the Lake Forest Station in New Orleans, LA.	23-113-5-R23	8/17/23	N/A
<i>Elmwood Branch in New Orleans, LA: Delivery Operations</i>	To evaluate mail delivery, customer service, and property conditions at the Elmwood Branch in New Orleans, LA.	23-113-4-R23	8/17/23	N/A
<i>Central Carrier Station, New Orleans, LA: Delivery Operations</i>	To evaluate mail delivery, customer service, and property conditions at the Central Carrier Station in New Orleans, LA.	23-113-3-R23	8/17/23	N/A
<i>Carrollton Station in New Orleans, LA: Delivery Operations</i>	To evaluate mail delivery, customer service, and property conditions at the Carrollton Station in New Orleans, LA.	23-113-2-R23	8/17/23	N/A
<i>Bywater Station in New Orleans, LA: Delivery Operations</i>	To evaluate mail delivery, customer service, and property conditions at the Bywater Station in New Orleans, LA.	23-113-1-R23	8/17/23	N/A
<i>Louisiana District: Delivery Unit Operations</i>	To evaluate mail delivery, customer service, and property conditions at the Bywater Station, Carrollton Station, Central Carrier Station, Elmwood Branch, and Lake Forest Station in the Louisiana District.	23-113-R24	10/3/23	N/A
<i>Mail Delivery, Customer Service, and Property Conditions Review - Doral Branch</i>	To evaluate delivery, customer service, and property conditions at the Doral Branch in Doral, FL.	23-050-2-R23	4/10/23	N/A
<i>Mail Delivery, Customer Service, and Property Condition Reviews - Florida 3 District</i>	To evaluate mail delivery, customer service, and property conditions at the Allapattah Station, Doral Branch, Flagler Station, and Princeton Branch in the Florida 3 District.	23-050-R23	5/15/23	N/A

Appendix B: Site Visit Results

We revisited 21 previously audited delivery units and assessed delayed mail, STC scans, and arrow key inventories (see Table 3).

Table 3. Revisited Site Results

Delivery Units	City/State	Was There Delayed Mail?	Did the Unit Properly Report Delayed Mail?	Package Scanning Improved Since Last Audit?	Arrow Key Inventory Issues Identified?
Stockyards Station	Denver, CO	Yes	No	Yes	Yes
Mile High Station	Denver, CO	Yes	No	Yes	Yes
Edgewater Branch	Lakewood, CO	Yes	No	Yes	Yes
Northtown Station	Chicago, IL	Yes	No	No	No
Daniel J. Doffyn Station	Chicago, IL	Yes	No	Yes	No
Cragin Station	Chicago, IL	Yes	No	Yes	Yes
Roger P. McAuliffe Station	Chicago, IL	Yes	No	Yes	Yes
North Charleston Branch	North Charleston, SC	Yes	No	Yes	Yes
East Bay Station	Charleston, SC	Yes	No	Yes	Yes
Mount Pleasant Post Office	Mount Pleasant, SC	No	N/A	Yes	Yes
Robert L. Roberts Station	Kansas City, KS	Yes	No	Yes	No
Oak Forest Station	Houston, TX	Yes	No	No	Yes
Cambridge Post Office	Cambridge, MD	Yes	No	Yes	Yes
Salisbury Post Office	Salisbury, MD	Yes	No	No	Yes
Easton Post Office	Easton, MD	Yes	No	No	Yes
Central Carrier Station	New Orleans, LA	Yes	No	Yes	Yes
Elmwood Branch	New Orleans, LA	Yes	No	No	Yes
Carrollton Station	New Orleans, LA	Yes	No	No	Yes
Lake Forest Station	New Orleans, LA	Yes	No	No	Yes
Bywater Station	New Orleans, LA	Yes	No	No	Yes
Doral Branch	Doral, FL	Yes	Yes	Yes	Yes

Source: OIG fieldwork conducted February-March 2025.

Appendix C: Management's Comments



August 14, 2025

LAURA LOZON
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response Field Operations Service Review: Delivery Operations (25-066-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, *Field Operations Service Review: Delivery Operations 25-066-DRAFT*

Address the Findings:

Finding #1: Delayed Mail Not Reported Accurately

Pg 4 ...We completed a test of delayed mail reporting nationwide in the DCV system as of **March 10, 2025** to see if non-reporting or under reporting may be an issue nationwide. **Only 4,507 (25 percent) of the 18,379 delivery units reported delayed mail.** The total delayed mailpieces nationwide amounted to about 2.8 million. ... We also pulled delayed mail reporting from **March 11, 2024**, as a comparison; only 608 units reported about 960,000 delayed mailpieces that day. While the number of units reporting increased from 2024 to 2025, **we still contend the 2025 results are indicative of nationwide non-compliance.** We anticipate more units would have delayed mail — in higher quantities — given our past findings.

Management disagrees.

March 10, 2025, is a Monday which is the heaviest day of the week and historically has the highest amount of recorded volume in the week. How does the OIG gauge DCV usage? Nowhere in the report identifies the number of units that should be reporting delayed volume.

Management disagrees that the units chosen by the OIG (units historically established as underperforming) nor the sampling (which is not an accurate indication of the nation – as not all areas of the country were represented) is indicative of nationwide non-compliance.

Pg 5 ...The Postal Service has an opportunity to improve reporting accuracy by developing an automated method for carriers to report delayed mail. Carriers could use

their package scanners as opposed to the current method of completing forms by hand after they bring back the mail...

...If the PS Form 1571 was completed digitally, it could pre-populate the data in the DCV system and managers could verify the accuracy of the data without having to complete a full count.

Management disagrees.

The purpose of the form PS 1571 is documentation/substantiation of an interaction between the carrier and management official verifying and accounting for mail not delivered. A digital version of this would not preclude the need for management to complete a count to ensure accuracy.

Finding #2: Improper Package Scans at Delivery Units

Pg 7...Although headquarters management provided training and guidance to district and unit management about the tools and reports available for monitoring package scans, ***there is no standard work instruction that specifically indicates which tools should be used on a consistent, standardized basis***. Management is responsible for monitoring scanning performance daily and enforcing compliance. The Postal Service's goal is to ensure proper delivery attempts for mailpieces to the correct address with proper service which includes scanning packages at the time and location of delivery.

Management disagrees with the need for additional Standard Work Instructions (SWI).

The training and guidance was acknowledged by the OIG and is enforced daily through the systems and tools (RADAR, DMS, RIMS, PTR, etc..) provided to the field to monitor performance. Management cannot limit the field, through an SWI, on which report is more important than the other.

All training materials are socialized in CRDO resource library, readily available for review and re-enforcement. Daily cadences on District, Area and National level keep the knowledge at the forefront for the units to maintain compliance. Management will continue to reinforce proper scanning practices through daily monitoring.

Finding 3: Arrow Key Accountability Not Accurate

Pg 9... Although the Postal Service conducts various compliance reviews, these reviews do not verify the accuracy of arrow key inventories. Including inventory verifications in these reviews could improve the accountability of arrow keys nationwide.

Management disagrees.

The Monthly and Semi-Annual Arrow Key Certification review compliance on inventory and compliance to the process. Included in the Semi-Annual Certification is confirmation of the full review of the Arrow Key Guidebook and that the material has been presented to all employees. Inventory validation is required in both certifications. Process in the guidebook mentions the review and validation of each key individually and the requirement of accurate reporting of the key's status.

Other Impacts

No issues.

The following are our comments on each of the six recommendations.

Recommendation 1: We recommend the **Vice President, Delivery Operations**, in coordination with the **Vice President, Engineering Systems**, automate Postal Service Form 1571, *Undelivered Mail Report*, for delayed mail reporting in the Delivery Condition Visualization system and require carriers to use the automated format at the end of the day to report undelivered mail.

Management Response/Action Plan:

Management **disagrees** with this recommendation.

Management contends this process must remain interactive to ensure the carrier does not bypass or forgo the process of reporting to management the non-delivery of mail. Management must review and approve delayed volume. Reporting electronically would bypass management's ability to assign more resources or determine the needs to adjust operations to either deliver or delay volume. Management must identify the accuracy of the mail (or when it was) being recorded. This can only be completed with visual confirmation and interaction between the two parties.

Management contends that it is the non-compliance of the process that needs to be addressed.

To ensure compliance with the process, Management will provide and document further training and conduct review of the process during GEMBAS to ensure compliance.

Target Implementation Date: 7/31/2026

Responsible Official: Vice President, Delivery Operations

Recommendation 2: We recommend the **Vice President, Delivery Operations**, develop a process to identify delivery units with a high risk of unreported or

underreported delayed mail, and follow up with district management to enforce compliance.

Management Response/Action Plan:

Management **disagrees** with this recommendation.

Management has a process in place that identifies units with high risk of unreported and underreported delayed mail. The Triangulation Report in RADAR uses such reports as NDI (non-delivery indicator), Missing Stop-the-clock (STC), Package backlog, C360 'Where is My Package' and 'I have not received delivery in 2 or more days'. Such reports and indicators are used to deploy on-site GEMBAS teams (unit audits) to identify opportunities and mitigate current delays.

Target Implementation Date: N/A

Responsible Official: N/A

Recommendation 3: We recommend the **Vice President, Delivery Operations** and the **Vice President, Retail and Post Office Operations**, develop and provide a standard work instruction that lists and links to the applicable reports and tools unit managers are required to use to monitor daily scanning compliance.

Management Response/Action Plan:

Management **disagrees** with this recommendation.

This recommendation implies that there are reports and tools that are more necessary than others. All tools and reports exist to provide full visibility to all aspects of the operations and service performance. While DMS and other systems offer a broad overview, each subsequent report provides further insight into their specified issue of focus; each created to facilitate visibility to the field, to monitor compliance. There is no one report that has more value or weight than another. To suggest otherwise would narrow the fields' scope and impose unnecessary limitations.

Target Implementation Date: N/A

Responsible Official: N/A

Recommendation 4: We recommend the **Vice President, Delivery Operations**, add instructions to the beginning of the certification screen in the Retail and Delivery Applications and Reports system notifying supervisors of the current procedures for conducting arrow key certifications and have the system automatically generate a report notifying the U.S. Postal Inspection Service of any missing keys.

Management Response/Action Plan:

Management **disagrees in part and partially agrees** with this recommendation.

The certification process is self-explanatory in its current procedures for conducting, monitoring compliance and certification. Management agrees an automatic report should be generated notifying the Inspection Service of any missing keys. We expect to have this feature available by the target implementation date.

Target Implementation Date: 07/31/2026

Responsible Official:

Vice President, Delivery Operations

Recommendation 5:

We recommend the **Vice President, Delivery Operations**, develop and implement program controls within the Retail and Delivery Applications and Reports system to prevent managers from inputting inaccurate arrow key information.

Management Response/Action Plan:

Management **agrees** with this recommendation.

Management will develop and implement program controls within the Retail and Delivery Applications and Reports system to prevent managers from inputting inaccurate arrow key information

Target Implementation Date: 03/31/2026

Responsible Official: Vice President, Delivery Operations

Recommendation 6:

We recommend the **Vice President, Delivery Operations**, develop and implement a plan for district management to conduct targeted arrow key inventory reviews on a regular basis until new technological initiatives are fully implemented.

Management Response/Action Plan:

Management **agrees** with this recommendation.

Management will develop and implement a plan for district management to conduct targeted arrow key inventory reviews on a regular basis until new technological initiatives are fully implemented

Target Implementation Date: 03/31/2026

Responsible Official: Vice President, Delivery Operations

E-SIGNED by JOHN.S MORGAN
on 2025-08-14 13:36:00 EDT

John Morgan
Vice President, Delivery Operations

E-SIGNED by AMIT CHOLKAR
on 2025-08-14 15:38:21 EDT

Amit Cholkar
Vice President, Engineering Systems (A)

E-SIGNED by Jennifer.T Vo
on 2025-08-14 15:04:22 EDT

Jennifer Vo
Vice President, Retail & Post Office Operations

cc: Corporate Audit & Response Management

OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE



Contact us via our [Hotline](#) and [FOIA](#) forms. Follow us on social networks. Stay informed.

1735 North Lynn Street, Arlington, VA 22209-2020
(703) 248-2100

For media inquiries, please email press@uspsoig.gov or call (703) 248-2100