

Clayton Branch, St. Louis, MO: Delivery Operations

AUDIT REPORT

Report Number 25-100-7-R25 | August 11, 2025

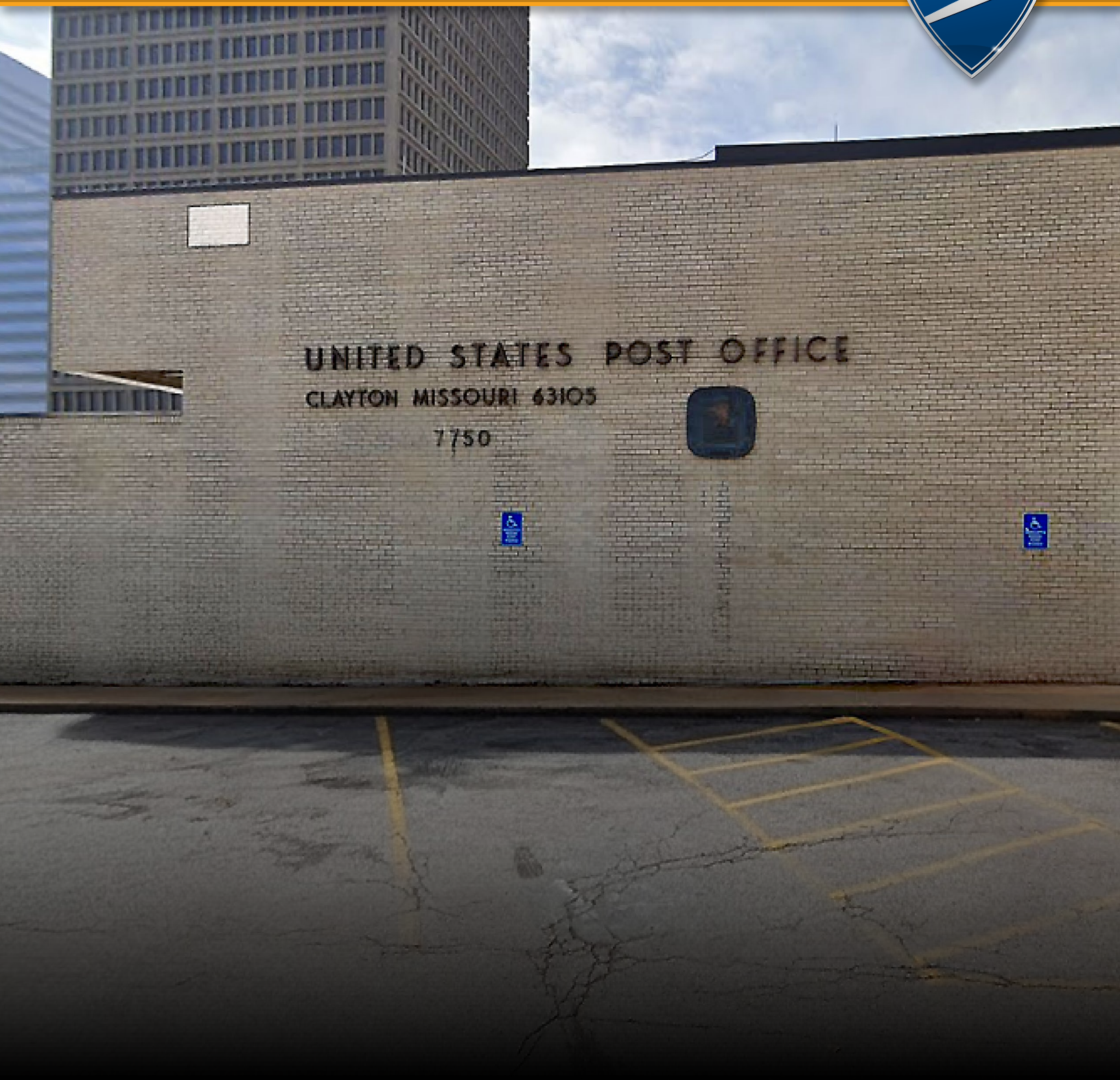


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Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

August 11, 2025

MEMORANDUM FOR: JEREMIE SIX
MANAGER, KANSAS-MISSOURI DISTRICT

A handwritten signature in black ink, reading "Joseph E. Wolski", is centered below the memorandum header.

FROM: Joseph E. Wolski
Director, Field Operations, Atlantic & WestPac

SUBJECT: Audit Report – Clayton Branch, St. Louis, MO: Delivery Operations
(Report Number 25-100-7-R25)

This report presents the results of our audit of delivery operations and property conditions at the Clayton Branch, St. Louis, MO.

We appreciate the cooperation and courtesy provided by your staff. If you have any questions or need additional information, please contact Frank McElligott, Audit Manager, or me at 703-248-2100.

Attachment

cc: Postmaster General
Chief Retail & Delivery Officer & Executive Vice President
Vice President, Delivery Operations
Vice President, Retail & Post Office Operations
Vice President, Central Area Retail & Delivery Operations
Director, Retail & Post Office Operations Maintenance
Corporate Audit and Response Management

Results

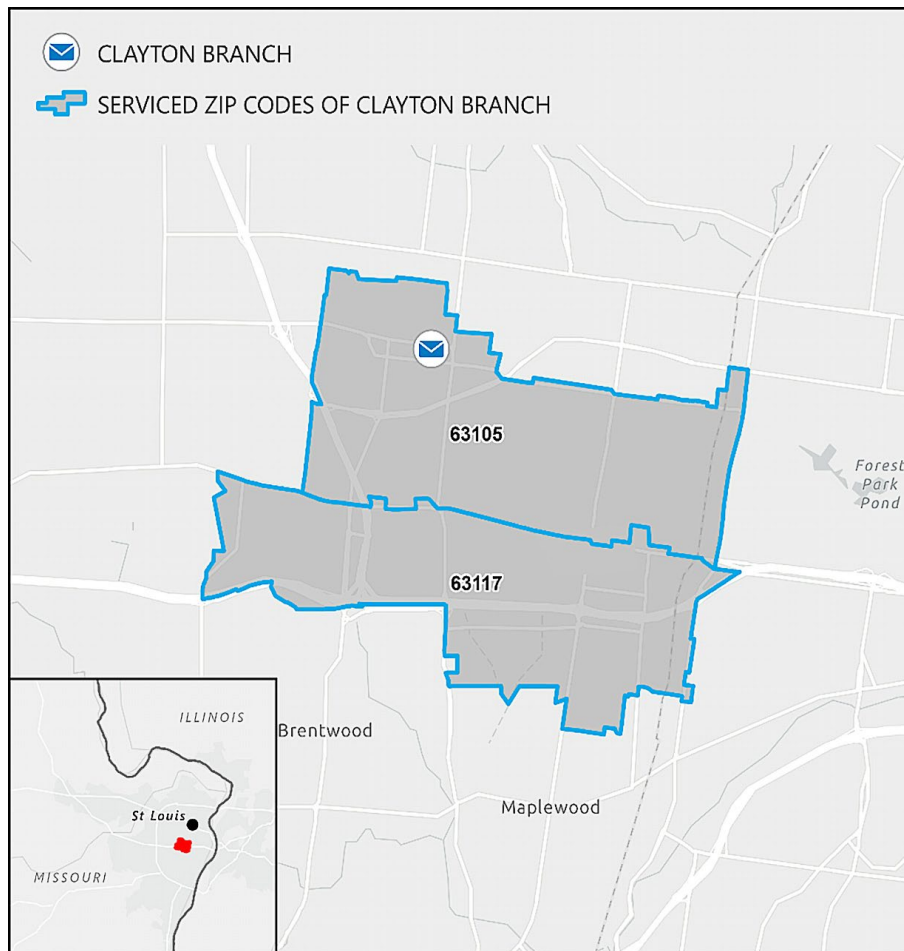
Background

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. The U.S. Postal Service Office of Inspector General (OIG) reviews delivery operations at facilities across the country and provides management with timely feedback in furtherance of this mission.

This interim report presents the results of our audit of delivery operations and property conditions at

the Clayton Branch in St. Louis, MO (Project Number 25-100-7). We selected the St. Louis area based on a congressional inquiry issued April 1, 2025, from the U.S. senators and representatives from Missouri to conduct an audit of post offices and distribution centers in the St. Louis metro area. The Clayton Branch is in the Kansas-Missouri (KS-MO) District of the Central Area and serves about 28,786 people in ZIP Codes 63105 and 63117, which are considered urban communities (see Figure 1).¹

Figure 1. ZIP Codes Served by the Clayton Branch



Source: OIG analysis of ZIP Code data.

¹ We obtained ZIP Code information related to population and urban/rural classification from 2020 Census Bureau information.

This delivery unit has 42 city routes. From March 22 through April 18, 2025, the delivery unit had three supervisors assigned.² During our site visit, the management team consisted of the station manager and three permanent supervisors. The Clayton Branch falls under the St. Louis Main Post Office (MPO) for employee availability measurement. As of May 2, 2025,³ the year-to-date employee availability rate for the St. Louis MPO was 86.3 percent, which is under the Postal Service’s retail and delivery operations employee availability goal of 93.7 percent for fiscal year 2025. The Clayton Branch is one of seven delivery units⁴ the OIG reviewed during the week of June 2, 2025, that are serviced by the St. Louis Processing and Distribution Center (P&DC) and St. Louis Network Distribution Center (NDC).

We assessed all units serviced by the St. Louis P&DC and NDC based on the number of Customer 360 (C360)⁵ inquiries related to delivery,⁶ Informed Delivery⁷ contacts, stop-the-clock (STC)⁸ scans performed away from the delivery point and at the unit, undelivered route information, and first and last mile failures⁹ between February 1 through April 30, 2025. We judgmentally selected the Clayton Branch primarily based on the number of C360 inquiries related to delivery and STC scans performed at the delivery unit. See Table 1 for a comparison of these metrics between the unit and the rest of the district. The unit was also chosen based on last mile failures and undelivered routes.

Table 1. Delivery Metrics Comparison From February 1 through April 30, 2025

Delivery Metric	Unit Average per Route	District Average per Route
C360s Related to Delivery	5.3	5.0
STC Scans Performed at the Delivery Unit	20.0	10.4

Source: OIG analysis of Postal Service’s C360, Informed Delivery, and Product Tracking and Reporting (PTR) System data extracted May 8, 2025. PTR is the system of record for all delivery status information for mail and packages with trackable services and barcodes.

Objective, Scope, and Methodology

Our objective was to evaluate mail delivery operations and property conditions at the Clayton Branch in St. Louis, MO.

To accomplish our objective, we focused on the following audit areas: delayed mail, package scanning, arrow keys,¹⁰ carrier separations and transfers, and property safety and security conditions. Specifically, we reviewed delivery metrics, including the number of routes and carriers, mail arrival time, amount of reported delayed mail, package scanning, and carrier complement. During our site visit from June 3–5, 2025, we observed mail conditions; package scanning procedures; arrow key security procedures; carrier separation procedures; and unit safety and security conditions. We also analyzed

2 According to the Postal Service’s Time and Attendance Collection system (TACS). TACS is the system used by the Postal Service to automate the collection of employee time and attendance information.

3 The last day of Pay Period 10.

4 The other six units are Creve Coeur Branch, St. Louis, MO (Project Number 25-100-1), O’Fallon Main Post Office (MPO, O’Fallon, MO (Project Number 25-100-2), St. Charles MPO, St. Charles, MO (Project Number 25-100-3), Ballwin MPO, Ballwin, MO (Project Number 25-100-4), Maryville Gardens Station, St. Louis, MO (Project Number 25-100-5), and Southwest Station, St. Louis, MO (Project Number 25-100-6).

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

6 A compilation of package inquiry, daily mail service, and hold mail inquiries.

7 Informed Delivery is a free and optional notification service that gives residential customers the ability to digitally preview their letter-sized mail and submit inquiries for mailpieces that were expected for delivery but have not arrived.

8 A scan event that indicates the Postal Service has completed its commitment to deliver or attempt to deliver the mail piece. Examples of STC scans include “Delivered,” “Available for Pick-up,” and “No Access.”

9 First mile failures occur when a mail piece is collected and does not receive a processing scan at the P&DC on the day that it was intended. Last mile failures occur after the mailpiece has been processed at the P&DC on a final processing operation and is not delivered to the customer on the day it was intended.

10 A distinctively shaped key carriers use to open mail-receiving receptacles, such as street collection boxes and panels of apartment house mailboxes equipped with an arrow lock. Arrow keys are accountable property and are subject to strict controls.

the scan status of mailpieces at the carrier cases and interviewed unit management and employees. We discussed our observations and conclusions as summarized in Table 2 with management on July 18, 2025, and included its comments, where appropriate.

We are issuing this interim report to provide the Postal Service with timely information regarding conditions we identified at the Clayton Branch. We will issue a separate capping report¹¹ that provides the Postal Service with the overall findings and recommendations for all seven delivery units, as well as the district. The capping report will include actions taken by management to address the issues identified in this interim report. See [Appendix A](#) for additional information about our scope and methodology.

Results Summary

We identified issues affecting delivery operations and property conditions at the Clayton Branch. Specifically, we found issues with four of the five areas we reviewed (see Table 2).

Table 2. Summary of Results

Audit Area	Deficiencies Identified	
	Yes	No
Delayed Mail	X	
Package Scanning	X	
Arrow Keys	X	
Carrier Separations and Transfers		X
Property Conditions	X	

Source: Results of our fieldwork during the week of June 2, 2025.

We analyzed employee data from March 8 through April 18, 2025. All carriers assigned to the unit either reported to work or were accounted for by management during this time, indicating no issues with employee separations and transfers.

¹¹ Project Number 25-100.

Finding #1: Delayed Mail

What We Found

On the morning of June 3, 2025, we identified 9,262 delayed mailpieces at 32 carrier cases, the hot case,¹² and on the workroom floor. Specifically, we identified 5,459 letters, and 3,803 flats.¹³ See Table 3 for the number of pieces for each mail type and Figure 2 for

examples of delayed mail found at carrier cases. In addition, management did not report this mail as undelivered in the Delivery Condition Visualization (DCV)¹⁴ system. Further, the carriers did not complete Postal Service (PS) Forms 1571, *Undelivered Mail Report*,¹⁵ to document undelivered mailpieces.

Table 3. Types of Delayed Mail Identified

Type of Mail	Carrier Cases	Workroom Floor	Hot Case	Total Count of Delayed Mail
Letters	2,529	691	2,239	5,459
Flats	3,061	735	7	3,803
Totals	5,590	1,426	2,246	9,262

Source: OIG count of delayed mailpieces identified during our visit June 3, 2025.

Figure 2. Examples of Delayed Mail at Carrier Cases



Source: OIG photos taken June 3, 2025.

¹² A case designated for final withdrawal of mail as carriers leave the office.

¹³ OIG estimate based on Postal Service conversion factors in Handbook M-32, *Management Operating Data Systems*, Appendix D, September 2022.

¹⁴ 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.

¹⁵ PS Form 1571, *Undelivered Mail Report*, lists all mail distributed to the carrier for delivery that was left in the office or returned undelivered.

Why Did It Occur

Unit management did not effectively enforce the Redline process,¹⁶ which includes verifying that the carriers complete PS Form 1571, or conduct an adequate walkthrough to check for delayed mail. Furthermore, the station manager stated she did not report delayed mail into DCV because she thought she was beyond the cut-off time for which delayed mail could be input into the system.

In addition, on the day prior to our site visit, six carriers took unscheduled leave, and the station manager did not make sure replacements were available for unscheduled absences. Employee availability was also strained because supervisors had to spend time in the field, doing route safety evaluations.

What Should Have Happened

Management should have verified that all outgoing mail was processed and delivered and that any mail returned from a route was properly identified. Postal Service policy¹⁷ states delivery units must follow the Redline process, which includes carriers completing a PS Form 1571 for any undelivered mail brought back to the delivery unit. Additionally,

management must conduct a thorough walkthrough of the workroom to verify that all mail was delivered on the day it was committed for delivery. Managers are required¹⁸ to report all mail in the delivery unit after the carriers have left for their street duties as either delayed or curtailed in the DCV system.

Management must also review all communications that may affect the day's workload and be sure that replacements are available for unscheduled absences.¹⁹

Effect on the Postal Service and Its Customers

When mail is delayed, there is an increased risk of customer dissatisfaction, which may adversely affect the Postal Service brand. In addition, inaccurate reporting of delayed mail in DCV provides management at the local, district, area, and headquarters levels with an inaccurate status of mail delays and can result in improper actions taken to address issues.

Postal Service Response

The Postal Service agreed with this finding. See [Appendix B](#) for management's comments in their entirety.

¹⁶ A standardized framework encompassing manager and carrier responsibilities after carriers return to the delivery unit upon completion of delivery assignments, ensuring that any mail returned from the street is identified with a signed completed PS Form 1571 and that no mail is taken back to the carrier case.

¹⁷ Standard Operating Procedures, Redline Policy.

¹⁸ DCV Learn and Grow, August 1, 2024.

¹⁹ Handbook M-39, *Management of Delivery Services*, June 2019.

Finding #2: Package Scanning

What We Found

Employees scanned packages improperly at the delivery unit and scanned packages away from the intended delivery point.

We reviewed package scanning data for scans that occurred at the unit and removed any potentially accurate scans performed.²⁰ In total, employees improperly scanned 840 packages at the delivery unit between February and April 2025 (see Table 4). Further analysis of the STC²¹ scan data for these packages showed that 99.4 percent of them were scanned “Delivered.”

Table 4. STC Scans at Delivery Unit

STC Scan Type	Count	Percent
Delivered	835	99.4
Delivery Attempted – No Access	3	0.4
Refused	1	0.1
Return to Sender	1	0.1
Total	840	100

Source: OIG analysis of the Postal Service’s Product Tracking and Reporting (PTR) System data. PTR is the system of record for all delivery status information for mail and packages with trackable services and barcodes.

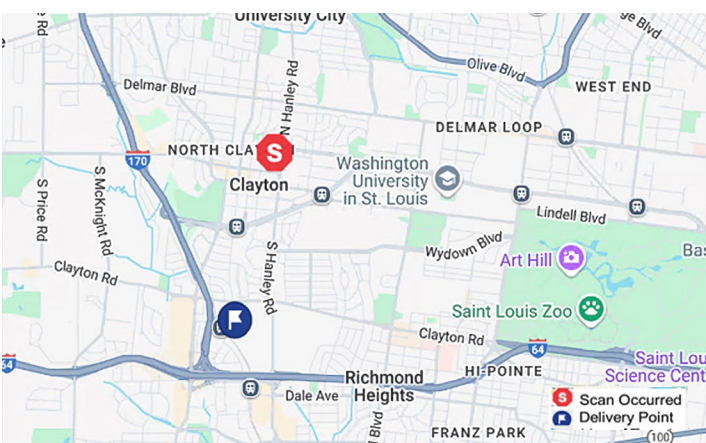
We also found issues with scanning and handling of packages in the unit. On the morning of June 3, 2025, before carriers arrived for the day, we selected 30 packages from the carrier cases to review and analyze scanning and tracking history. Of the 30 sampled packages, 12 (40 percent) had improper scans or handling issues, including:

- Seven packages were scanned delivered, which should only be performed when a package is successfully left at the customer’s delivery address.
- Four packages, scanned “Delivery Attempted – No Access to Delivery Location,” were scanned

between 0.5 and 1.5 miles away from the delivery point. Scans should be made as close to the delivery point as possible. Specifically, one package was scanned 1.5 miles away from the delivery point (See Figure 3).

- One package was missing an STC scan to inform the customer of the status of their package.

Figure 3. Scan Away From the Delivery Point in Clayton Branch, St. Louis, MO



Source: Postal Service Single Package Look Up.

Why Did It Occur

These scanning issues occurred because unit management did not adequately monitor and enforce proper package scanning and handling procedures. For instance, management stated that the high number of scans for one particular route (680 of the 840 scans) had not shown up on the scanning integrity report they used, and therefore, they were not aware of any scanning issues. Also, management was not reviewing scan data of packages in carrier stations because they were not aware that carriers brought back undelivered packages (see Finding #1).

What Should Have Happened

Management should have monitored scan performance daily and enforced compliance. The Postal Service’s goal is to ensure proper delivery

20 This data does not include scans that could properly be made at a delivery unit, such as “Delivered - PO Box” and “Customer (Vacation) Hold.” Additionally, PO Box scans at the unit were only counted when the delivery point was an address away from the unit. This category does not include mail addressed for a PO Box.
21 A scan event that indicates the Postal Service has completed its commitment to deliver or attempt to deliver the mail piece. Examples of STC scans include “Delivered,” “Available for Pick-up,” and “No Access.”

attempts for mailpieces to the correct address,²² which includes scanning packages at the time and location of delivery.²³

Effect on the Postal Service and Its Customers

Customers rely on accurate scan data to track their packages in real time. When employees do not scan mailpieces correctly, customers are unable to determine the actual status of their packages. By improving scanning operations, management can improve mail visibility, increase customer satisfaction, and enhance the customer experience and the Postal Service brand.

Postal Service Response

The Postal Service agreed with this finding.

²² *Delivery Done Right the First Time* stand-up talk, March 2020.

²³ *Carriers Delivering the Customer Experience* stand-up talk, July 2017.

Finding #3: Arrow Keys

What We Found

Unit management did not properly update the arrow key inventory log and safeguard arrow keys. On the morning of June 5, 2025, we reviewed the unit's arrow key certification list in the Retail and Delivery Applications and Reports (RADAR)²⁴ system and conducted a physical inventory of keys at the unit. Unit management reported 35 keys in RADAR as "In-Use." Based on our physical review of arrow keys at the unit, three of the 35 keys were missing, and an additional 11 keys found at the unit were not recorded in RADAR. Unit management said they had reported two of the three missing keys to the U.S. Postal Inspection Service, but did not provide supporting documentation. Additionally, we observed the arrow keys were kept inside an unsecured safe.²⁵

Why Did It Occur

Management did not provide sufficient oversight to properly safeguard arrow keys and did not properly update the arrow key inventory log. Specifically, management certified the arrow key list in the RADAR system without properly reconciling it to the physical

keys on hand. The station manager indicated that she had not prioritized updating the log because of competing duties, such as delivery operations. In addition, the station manager believed the arrow keys were safeguarded because there was a camera viewing the unsecured safe.

What Should Have Happened

According to Postal Service policy,²⁶ management must keep an accurate inventory of all arrow keys. Any missing keys must be immediately reported to the Postal Inspection Service. Further, management should have secured arrow keys daily.

Effect on the Postal Service and Its Customers

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.

Postal Service Response

The Postal Service agreed with this finding.

²⁴ The arrow key certification in RADAR provides a national platform for all facilities to verify current inventory and account for all arrow keys.

²⁵ The arrow keys were secured the following day after the broken safe was repaired.

²⁶ *Administrative Support Manual* Issue 13, Section 273.46, Key Accountability, dated July 1999.

Finding #4: Property Conditions

What We Found

We found property safety and security issues at the Clayton Branch.

Property Safety

- The internal Postal Inspection Service door was blocked with mail.
- Fire extinguishers were missing the monthly inspection.
- There was a fire extinguisher blocked by mail transport equipment.
- Fire horns were blocked with equipment.

Property Security

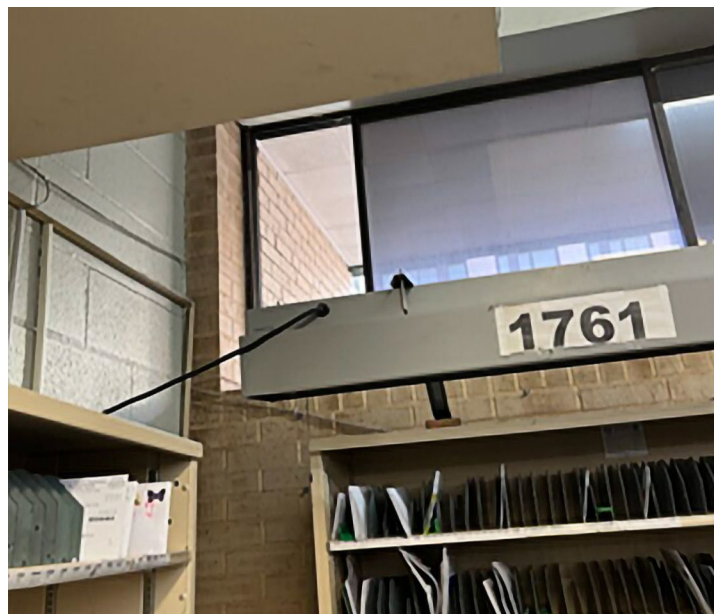
- A safe containing retail floor stamp stock and arrow keys had a broken lock and was accessible. Unit management stated it had been broken since at least November 2024. The broken safe was reported into the Field Maintenance Office (FMO)²⁷ application to be fixed on April 17, 2025.
- Doors at the facility were not secured. We found one exterior door lying on the floor and an emergency door did not have an alarm activated and was not locked (see Figure 4). The exterior door lying on the floor was reported into FMO to be fixed February 25, 2025.
- There were no signs posted in the employee parking lot stating that vehicles may be subject to search.
- A workroom floor window was left open overnight (see Figure 5).

Figure 4. Unsecured Door



Source: OIG photo taken June 3, 2025.

Figure 5. Open Window



Source: OIG photo taken June 3, 2025.

²⁷ FMO is an application used by associate offices that do not have maintenance management capabilities.

Why Did It Occur

Management did not provide sufficient oversight or take the necessary actions to verify that property condition issues were corrected. The station manager stated that she was aware of many of the issues at the Clayton Branch, and had eight pending requests in FMO to be fixed prior to our fieldwork. However, she had not followed up on her requests because she was focusing on delivery operations and other competing duties.

What Should Have Happened

Management should have provided sufficient oversight of personnel responsible for maintaining facilities, reported safety and security issues as they arose, and followed up for completion. The

Postal Service requires management to maintain a safe environment for employees and customers.²⁸

Effect on the Postal Service and Its Customers

Management's attention to safety and security deficiencies can reduce the risk of injuries to employees and customers; reduce related costs, such as workers' compensation claims, lawsuits, and penalties; and enhance the customer experience and Postal Service brand.

Management Action

When we brought the broken safe to management's attention, they had maintenance personnel repair the safe door the following day.

Postal Service Response

The Postal Service agreed with this finding.

²⁸ Postal Service Handbook EL-801, *Supervisor's Safety Handbook*, July 2020.

Appendix A: Additional Information

We conducted this audit from May 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.

In planning and conducting the audit, we obtained an understanding of the Clayton Branch 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 all three components that were significant within the context of our objectives. We will issue a separate report that provides the Postal Service with the overall findings and recommendations for the Creve Coeur Branch, O'Fallon MPO, St. Charles MPO, Ballwin MPO, Maryville Gardens Station, and Southwest Station, as well as the district.

We assessed the reliability of PTR, DCV, and the TACS data by reviewing existing information, observing operations, and interviewing Postal Service officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report.

Appendix B: Management's Comments



July 18, 2025

VICTORIA SMITH
ACTING DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Clayton Branch, St. Louis, MO: Delivery Operations
(Report Number 25-100-7-DRAFT)

Thank you for providing the Postal Service with an opportunity to review and comment on the findings contained in the draft audit report, *Clayton Branch, St. Louis, MO: Delivery Operations*.

Management generally agrees with the findings related to delayed mail, package scanning, arrow keys, and property conditions.

Management has begun taking steps to address the four findings.

Delayed Mail: Management will conduct a service talk on proper handling and recording of delayed mail in DCV. Management will also reiterate the requirement to use PS Form 1571 *Undelivered Mail Report* and follow the *Redline process*. Reviews will be conducted to monitor for compliance.

Package Scanning: Management will provide a service talk on proper scanning procedures and conduct reviews to monitor compliance.

Arrow Keys: Management will update the inventory log to reflect all arrow keys on hand and report all missing keys to the US Postal Inspection Service. Management will also conduct training on proper management and security of arrow keys. Additionally, reviews will be conducted to monitor for compliance.

Property Conditions: Management has abated six of the safety and security issues. Management is working to resolve the remaining issues, which requires the submission of workorders for assistance from other resources.

E-SIGNED by JEREMIE SIX
on 2025-07-18 17:21:21 EDT

Jeremie Six
District Manager, KS-MO District

cc: Vice President, Area Retail & Delivery Operations (Central)
Corporate Audit Response Management

OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE



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