



AUDIT REPORT

Mail Delivery Issues – Cimarron Hills Station, Colorado Springs, CO

August 9, 2018

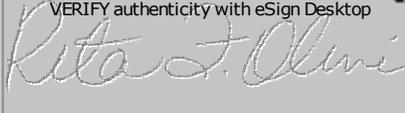


Report Number DR-AR-18-010



August 9, 2018

MEMORANDUM FOR: KEVIN V. ROMERO
DISTRICT MANAGER, COLORADO/WYOMING DISTRICT

E-Signed by Rita Oliver
VERIFY authenticity with eSign Desktop 


FROM: Rita F. Oliver
Director, Delivery, Retail & Vehicle Operations

SUBJECT: Audit Report – Mail Delivery Issues – Cimarron Hills Station,
Colorado Springs, CO (Report Number DR-AR-18-010)

This report presents the results of our audit of mail delivery issues at the Cimarron Hills Station, Colorado Springs, CO (Project Number 18RG011DR000).

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

Attachment

cc: Postmaster General
Corporate Audit and Response Management
Kevin McAdams
Greg G. Graves

Table of Contents

Background	1
Finding # 1: Action Plan Not Fully Implemented	2
Recommendation #1	5
Recommendation #2	5
Recommendation #3	5
Finding # 2: Customer Outreach Not Conducted	5
Recommendation #4	6
Other Matters - Unsecured Stamp Stock.....	6
Evaluation of Management’s Comments.....	7
Appendix A.....	8
Appendix B.....	9

Background

This report presents the results of our audit to assess management's corrective action to address mail delivery issues for customers serviced by the Cimarron Hills Station (Project Number 18RG011DR000). The Cimarron Hills Station is in Colorado Springs, CO, in the Colorado/Wyoming District, Western Area. This audit was initiated at the request of Congressman Doug Lamborn, 5th Congressional District, Colorado. The inquiry showed that residents of two neighborhoods serviced by the Cimarron Hills Station — Indigo Ranch and Stetson Hills — were dissatisfied with their delivery service and experienced frequent misdelivery of mail and missing items. See [Appendix A](#) for more information about this audit.

The Cimarron Hills Station has 55 routes: 43 city delivery routes and 12 rural delivery routes. The 43 city routes are staffed with 51 full-time carriers and 18 city carrier assistants (CCA). The 12 rural routes are staffed with 12 full-time rural carriers and 11 rural carrier associates (RCA). Customer contacts¹ for the Cimarron Hills Station totaled 128 in January 2018, decreased to 115 in February 2018, and have increased to 132 in April 2018.

The U.S. Postal Service Office of Inspector General (OIG) initially discussed these issues with Colorado/Wyoming District personnel in January 2018. Management developed an action plan in January 2018 to address the mail delivery and personnel issues at the station, which included:

- Carrier training/re-training on preventing misdelsiveries.
- Stand-up talks with Cimarron Hills Station carriers on customer satisfaction and delivering accurately.
- Updating the names in Neighborhood Delivery and Collection Box Unit (NDCBU) and spot checks in problem areas.
- Corrective actions for recurring misdelivery issues.
- Monitoring Cimarron Hills' Enterprise Customer Care (eCC) cases by the postmaster's administrative assistant for proper and timely resolution.
- Hiring a permanent Customer Service manager.

¹ The Enterprise Customer Care application is a case management system that is used to manage customer inquiries and provides Consumer Affairs Offices and local post offices with email functionality for resolving customer inquiries.

Finding # 1: Action Plan Not Fully Implemented

Management’s actions to correct delivery issues for the Indigo Ranch and Stetson Hills neighborhoods and residents serviced by the Cimarron Hills Station were not fully implemented. As a result, while the number of customer delivery-related complaints slightly decreased after management began implementing their six improvement steps in January 2018, the number of complaints continued to rise in fiscal year (FY) 2018 and were between 8 and 53 percent higher than the same period last year (see Table 1). During our observations and interviews, we noted that a misdelivery log maintained by the postmaster’s office showed a total of 13 complaints of repeated misdelivery were reported from February 20 through May 2, 2018. We also noted that streets with similar names or street numbers and resident turnover at rental properties contributed to service issues at Cimarron Hills.

**Table 1. Cimarron Hills Station Customer Delivery-Related Contacts
(First Eight Months of FYs 2017 and 2018)**

Month	FY 2017	FY 2018	% Change
October	94	119	27%
November	89	133	49%
December	159	223	40%
January	99	128	29%
February	85	115	35%
March	122	132	8%
April	86	132	53%
May	93	112	20%
Total	827	1,094	

Source: eCC cases for Cimarron Hills Station.

Management Actions

Our review found that three of the six improvement steps in the district’s action plan were completed, one was partially completed, and two were not completed. During our fieldwork, we confirmed management completed the following:

- Supervisors conducted stand-up talks on delivery operations.
- eCC cases are being recorded by the postmaster’s administrative assistant. The current postmaster created a new process called the misdelivery packet, to be sent to specific customers identified in information compiled by the postmaster’s administrative assistant. This packet contains a self-addressed return envelope for the customer to send misdelivered mail back to Cimarron Hills Station for review and subsequent redelivery to the correct address.
- A new Cimarron Hills Station Manager reported to the office on January 23, 2018.

We noted that carrier training and corrective actions related to employees and NDCBU updates were not completed. (see Table 2).

Table 2. OIG Analysis of District’s Action Plan Steps to Resolve Delivery Issues

Improvement Steps	Completed	Partially Completed	Not Completed
Carriers have been trained/re-trained on preventing misdeliveries.			√
The Manager, Customer Service Operations, has conducted stand-up talks with Cimarron Hills Station carriers on Customer Satisfaction and Delivering Accurately.	√		
The names in Neighborhood Delivery and Collection Box Units have been updated and spot checks are being performed in problem areas.		√	
Employee corrective actions are taken for recurring misdelivery issues.			√
Cimarron Hills’ Electronic Customer Care cases are monitored by the postmaster’s administrative assistant for proper and timely resolution.	√		
A permanent customer service manager has been hired.	√		

Source: OIG observations, document reviews, and discussions with management.

Carrier Training

Management proposed training and retraining carriers, as necessary, on how to prevent misdeliveries, as well as conducting stand-up talks.² When we arrived for our unannounced site visit, management was conducting a stand-up talk with the carriers regarding proper scanning procedures. Subsequent interviews with employees indicated the talks were occurring on a regular basis. However, we found there were no records documenting that official training on misdeliveries was conducted. When staff is not trained on proper delivery policy and procedures, mail is at risk of being misdelivered.

Updating Neighborhood Delivery and Collection Box Unit Boxes

Management updated several NDCBU labels in boxes with address numbers; however, our observations found that a street name on these labels may be necessary due to the existence of similar addresses on different streets in the Indigo Ranch and Stetson Hills neighborhoods. In addition, the labels being used were not weather resistant and rapidly deteriorated in the elements, resulting in peeling, curling and fading (see Figure 1).

² A stand-up talk is an informal method to provide information to employees on a targeted subject. They usually last no more than five minutes and unlike official trainings they typically do not require employee signatures to confirm participation.

Figure 1. Peeling NDCBU Labels



Source: OIG photograph taken May 22, 2018 at Indigo Ranch subdivision.

These labels are important because they help carriers deliver the correct mail to the correct box. Because the labels are unreadable, carriers who are unfamiliar with the route may misdeliver mail. While there is no standardized policy for technique or materials used regarding labeling of NDCBUs, district management stated they disapproved of the current labeling process and would rather label new NDCBUs with plastic sleeves that better protect the label. During our audit, management informed the OIG that officials are drafting standard operating procedures to standardize the NDCBU labeling in the Colorado/Wyoming District.

[Corrective Actions for Misdelsiveries](#)

Corrective actions were not completed to resolve recurring misdelivery issues. While local management does track recurring misdelivery issues, they could not provide documentation of counseling to employees on misdelivery issues. When management does not take corrective actions, including documented counseling with employees, misdeliveries are likely to continue.

Recommendation #1: We recommend the **Manager, Colorado/Wyoming District**, instruct the **Postmaster, Colorado Springs and Cimarron Hills Station management**, to provide and document that all personnel receive training on preventing misdeliveries.

Recommendation #2: We recommend the **Manager, Colorado/Wyoming District**, direct the **Colorado/Wyoming District management team**, to ensure that all policies and procedures are developed and implemented regarding labeling of Neighborhood Delivery and Collection Box Units.

Recommendation #3: We recommend the **Manager, Colorado/Wyoming District**, instruct the **Postmaster, Colorado Springs and Cimarron Hills Station management**, to ensure corrective actions with employees for recurring misdeliveries are conducted and documented.

Finding # 2: Customer Outreach Not Conducted

Management has not conducted recent customer outreach to the Indigo Ranch and Stetson Hills communities. Station management indicated they held a meeting in October 2017, which included congressional staff members, local Postal Service officials, and Indigo Ranch and Stetson Hill residents. During our observations and discussions with station employees, we found that additional communication efforts could benefit residents served by the Cimarron Hills Station. A joint effort by Colorado/Wyoming District and local management and community representatives would show customers that their complaints have been heard and are being addressed. By improving communication, management could potentially decrease the number of customer complaints and increase customer satisfaction.

Customer outreach had not occurred due to personnel changes and communication lapses. Specifically, the Colorado Springs postmaster who was in place when the original inquiry was made, left the position at the end of January 2018. This individual was responsible for crafting the initial six-step action plan that included hiring the current Cimarron Hills Station Manager in January 2018. The postmaster was also the designated customer service liaison to Indigo Ranch and Stetson Hills residents. With the postmaster's departure, the new Cimarron Hills Station Manager did not have full knowledge of the action plan and customers were left without a specific point of contact. Additionally, a new postmaster was hired 10 days after the new station manager started in this position at the station.

Recommendation #4: We recommend the **Manager, Colorado/Wyoming District**, instruct the **Postmaster, Colorado Springs and Cimarron Hills Station**, to work directly with the Indigo Ranch and Stetson Hills residents to ensure all parties are informed of management's actions to correct delivery issues.

Other Matters - Unsecured Stamp Stock

Employees did not always properly secure and lock stamp stock, cash, and money orders worth over \$8,000 (see [Figure 2](#), [Figure 3](#), and [Figure 4](#)). Physical access controls reduce the security risk to Postal Service employees and safeguarding controls reduce the potential for loss or misappropriation of assets. We brought these issues to the attention of the station manager, who took immediate corrective action; therefore, we are not making a recommendation on this issue.

Figure 2. Unsecured Door to Stamp Stock Room



Source: OIG photograph taken May 22, 2018 at Cimarron Hills Station.

Figures 3 and 4. Unsecured Stamp Stock



Source: OIG photographs taken May 22, 2018 at Cimarron Hills Station.

Management's Comments

Management agreed with all findings and recommendations except recommendation 4.

In response to recommendation 1, management agreed with the need to provide and document that all personnel receive training on preventing misdeliveries. Management stated they would instruct the Postmaster of Colorado Springs to ensure all personnel are trained on preventing misdeliveries. Management's target implementation date was July 30, 2018.

In response to recommendation 2, management agreed with the need to ensure that all policies and procedures are developed and implemented regarding labeling of Neighborhood Delivery and Collection Box Units. Management stated that the Manager, Operations Programs Support has developed a Standard Work Instruction that has already been distributed to the field for implementation. Management's target implementation date is August 30, 2018.

In response to recommendation 3, management agreed with the need to ensure corrective actions with employees for recurring misdeliveries are conducted and documented. Management stated the Postmaster of Colorado Springs will ensure that appropriate actions are documented. Management's target implementation date is September 1, 2018.

In response to recommendation 4, management did not agree with the need to work directly with the Indigo Ranch and Stetson Hills residents to ensure all parties are

informed of management's actions to correct delivery issues. Management proposed an alternative action that the Postmaster of Colorado Springs will make efforts to communicate with residents if significant operational changes occur. Management's target implementation date is August 30, 2018. This alternative action meets the intent of the recommendation.

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

Evaluation of Management's Comments

The OIG considers management's comments responsive to the recommendations in the report.

All recommendations require OIG concurrence before closure. 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.

Appendix A: Additional Information

Scope and Methodology

Our objective was to assess management's actions to correct delivery issues for the Indigo Ranch and Stetson Hills neighborhoods and residents serviced by the Cimarron Hills Station.

To accomplish our objective, we:

- Obtained and reviewed documentation and applicable policies and procedures related to city and rural delivery operations.
- Obtained, analyzed and reviewed customer contact data to identify high occurrences of issues.
- Conducted a site visit to interview delivery unit personnel and observe delivery practices.
- Met with Colorado/Wyoming District personnel and delivery unit personnel to discuss local management initiatives or directives related to this delivery issue.

We relied on computer-generated data from the eCC application, and the Web-based Complement Information System. Although we did not test the validity of controls over these systems, we assessed the accuracy of the data by reviewing existing information, comparing data from other sources, observing operations, and interviewing Postal Service officials knowledgeable about the data. Therefore, we determined the data were sufficiently reliable for the purposes of this report.

We conducted this audit from May through August 2018, in accordance with generally accepted government auditing standards. 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 2, 2018, and included their comments where appropriate.

Appendix B: Management's Comments

District Manager
Colorado/Wyoming



LAZERICK POLAND
ACTING DIRECTOR, AUDIT OPERATIONS

SUBJECT: Mail Delivery Issues – Cimarron Hills Station, Colorado Springs, CO
(Report Number DR-AR-18-DRAFT)

The following represents responses from the OIG's findings. We agree with the findings, but do not agree with all recommendations as written.

Recommendation [1]:

We recommend the Manager, Colorado/Wyoming District, instruct the Postmaster, Colorado Springs and Cimarron Hills Station management, to provide and document that all personnel receive training on preventing misdeliveries.

Management Response/Action Plan:

We agree and the postmaster of Colorado Springs will be instructed to ensure all personnel are trained on preventing misdeliveries.

Target Implementation Date:

7/30/2018

Responsible Official:

JoLea Quintana

Recommendation [2]:

We recommend the Manager, Colorado/Wyoming District, direct the Colorado/Wyoming District management team, to ensure that all policies and procedures are developed and implemented regarding labeling of Neighborhood Delivery and Collection Box Units.

Management Response/Action Plan:

We agree and an SWI was developed by MOPS and sent out for implementation by the field.

Target Implementation Date:

8/30/2018

Responsible Official:

Template - FY 2016

Page 1 of 2

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John McLucas

Recommendation [3]:

We recommend the Manager, Colorado/Wyoming District, instruct the Postmaster, Colorado Springs and Cimarron Hills Station management, to ensure corrective actions with employees for recurring misdeliveries are conducted and documented.

Management Response/Action Plan:

We agree and the Postmaster of Colorado Springs will insure that appropriate actions are documented.

Target Implementation Date:

9/01/2018

Responsible Official:

JoLea Quintana

Recommendation [4]:

We recommend the Manager, Colorado/Wyoming District, instruct the Postmaster, Colorado Springs and Cimarron Hills Station, to work directly with the Indigo Ranch and Stetson Hills residents to ensure all parties are informed of management's actions to correct delivery issues.

Management Response/Action Plan:

We do not agree with this recommendation as written, however the Postmaster of Colorado Springs will make every effort to communicate with the residents on any significant operational changes.

Target Implementation Date:

8/30/2018

Responsible Official:

JoLea Quintana



Kevin Romero
District Manager, Colorado/Wyoming

cc: Sally K. Haring
CARMManager

Template - FY 2016