



AUDIT REPORT

Mail Delivery and Customer Service Issues – Bushwick Station, Brooklyn, NY

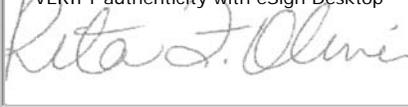
February 26, 2019





February 26, 2019

MEMORANDUM FOR: ERIC HENRY
(A) DISTRICT MANAGER, TRIBORO 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 – Bushwick Station,
Brooklyn, NY (Report Number DR-AR-19-003)

This report presents the results of our audit of mail delivery issues at the Bushwick Station, Brooklyn, NY (Project Number 18RG017DR000).

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: Megan Brennan
Corporate Audit and Response Management
Kevin L. McAdams
Eric D. Chavez

Background

This report presents the results of our audit to assess mail delivery on selected routes and retail counter services at the Bushwick Station, Brooklyn, NY (Project Number 18RG017DR000). The Bushwick Station is in the Triboro District of the Northeast Area. This audit was initiated at the request of Congresswoman Nydia M. Velazquez of the 7th District, NY, based on concerns regarding misdelivered mail, missing packages, and unprofessional treatment. See [Appendix A](#) for more information about this audit.

District Management stated they became aware of the congressional inquiry one week prior to our fieldwork observations and provided their response to the congressional inquiry. Their response indicated that management would ensure there were enough employees to deliver the mail and the same carrier would be assigned to the route of interest.

The Bushwick Station has 35¹ routes: 24 city delivery routes and 11 parcel delivery routes, of which three deliver relays² for the regular delivery foot routes.

Finding # 1: Mail Delivery Service Issues

Our audit results indicated misdelivery, improper and missing stop-the-clock scan³ events on routes, and misplaced packages at the station. The Bushwick Station had 1,833 Enterprise Customer Care (eCC) contact records from March 20, 2018 to September 19, 2018. As shown in Table 1, most of the complaints related to “Where is My Package”, “Where is My Mail”, and “Personnel” categories.

Table 1. Bushwick eCC Complaints

Where is My Package	Where is My Mail	Personnel	Facility	Total Cases
1,235	346	200	52	1,833

Source: Application System Reporting (ASR).

¹ There are 42 full-time carrier positions, which consist of the 35 route positions and seven utility carrier positions, to staff the 35 routes.

² Relays are bundles of mail placed in relay boxes on the carrier’s line of travel. Carriers pick up mail from boxes and continue this process until entire route is served.

³ The Postal Service measures package delivery service performance from the point of acceptance through first delivery attempt. When a carrier attempts to deliver a package at the delivery location, it gets a stop-the-clock scan, indicating the Postal Service has completed its commitment to deliver or attempt to deliver the package.

We analyzed the 1,235 “Where Is My Package” eCC cases and identified the following:

- 130 packages did not have tracking information after the arrival at unit⁴ (AAU) or out for delivery⁵ (OFD) notification.
- 57 packages were misdelivered.
- Five packages received questionable scans:
 - Two packages were scanned “delivered” but later located at the local post office.
 - Two packages were scanned “delivery delay” without justification.
 - One package was scanned “available for pick up” without a stop-the-clock scan.

We determined that mail delivery issues occurred because:

- Delivery employees did not always follow delivery and scanning policies due to inconsistent management oversight and supervision at the station.
- The station has a shortage of 13 full-time carriers.

Employees Not Following Delivery and Scanning Policies

Bushwick Station employees did not always follow prescribed delivery and scanning policies due to the lack of consistent management oversight. Mail and small packages are delivered by 24-foot routes.⁶ Packages over three pounds are delivered by the 11 parcel routes.⁷ Management stated carriers on parcel routes lacked access to many buildings while foot route carriers had access using non-postal keys to buildings.

Our analysis identified eCC cases for packages that did not have complete tracking information, were misdelivered, and received questionable scans. We determined the packages were mishandled and/or improperly scanned through our analysis of delivery and scan information in the Product Tracking Reporting (PTR) System. Some examples were:

- A package received an AAU scan and showed an OFD notification alert. The package was not delivered and there were no other status scans in the PTR System until the package was returned to the sender. Station management could not provide any explanation and no documentation was available for this item.
- A package received an AAU scan and OFD notification alert information. The package was not delivered and there were no other status scans data. However,

⁴ Article/mail piece arrives at the destination delivery unit or the unit that will affect delivery.

⁵ Out for delivery event is system generated information based on an AAU scan and a distribution up scan.

⁶ A foot route carrier walks the route and delivers letters, flats, and small packages that fit into their carts.

⁷ Carriers on dedicated parcel routes supplement multiple foot routes by using vehicles to deliver packages and any other mail that cannot fit into the foot route cart.

after a formal complaint was filed, the package received an “Available for Pickup”⁸ scan, and then was scanned delivered.

- A package received an AAU scan and an expected delivery window notification alert.⁹ The package was not delivered as expected and did not have another status scan in the PTR System.

The station manager and carrier supervisors on site at the time of our observations, were not assigned to the Bushwick Station when the congressional inquiry was filed. The previous station manager assigned to the station when the complaints were made, was on extended leave and no one addressed the complaints.

According to Postal Service policies,¹⁰ the Postal Service’s goal is to make sure the mail is delivered to the correct address with proper service, which includes scanning every mail piece that has a barcode ensuring 100 percent visibility throughout the process.¹¹ Postal Service policies require employees to scan items upon attempting or completing a delivery at the actual delivery location in order for customers to track their shipment in real time.¹² Also, Postal Service scanning and delivery policies require carriers to document package delivery by performing a stop-the-clock scan for packages at the location where the carrier delivered or attempted to deliver the package.

Ensuring carriers are aware of policies and managing delivery operations can potentially improve mail delivery service on routes and ultimately increase customer satisfaction and enhance the customer experience.

Shortage of Full-Time City Carriers

The Bushwick Station had a shortage of 13 full-time city carriers to deliver mail on routes. Management stated the station has 42 full-time city carrier positions, and there are 34 full time regular carriers to fill these 42 positions.¹³ However, our analysis shows that five of the 34 full-time carriers were not performing carrier office and street duties. Specifically:

- Three carriers were on extended leave due to an on the job injury.
- One carrier was on limited duty¹⁴ and assigned to customer service duties.
- One carrier was assigned to a temporary supervisor position.

⁸ An available for pick up scan is made at a Return Delivery Unit for Parcel Return Service.

⁹ Sends a message to customers on a time frame they can expect their package to be delivered based on historical delivery times.

¹⁰ Delivery Done Right initiative

¹¹ Scanning at a Glance – Delivering 100 percent Visibility, page 13, August 2011.

¹² WIMP – Accurate Scanning February 2017.

¹³ According to Handbook EL-901, Agreement between USPS and National Association of Letter Carriers, Article 7.3.A, the employee complement ratio should be between 1 and 1.18 full-time regular carriers per route.

¹⁴ Limited duty may be provided for employees who are temporarily or permanently incapable of performing their normal duties as a result of a job-related compensable illness or injury.

As a result, the Bushwick Station has only 29 full-time regular city carriers to perform letter carrier duties for 34 routes.

Management stated that with the shortage of regular carriers, City Carrier Assistants (CCA) are assigned to regular city routes that do not have an assigned full-time city carrier. Per management, CCAs are not always familiar with the assigned delivery route, and the Bushwick Station has also had difficulties retaining CCA staff. In fiscal year 2018, 21 CCAs resigned or were terminated from their position. During our site visits, we witnessed two CCAs submit their resignations to management.

Because of the lack of management oversight, the shortage of regular carriers, and retention of part-time staff, service issues existed on routes and impacted the customer experience for timely and correct mail delivery.

Recommendation #1: We recommend the **Manager, Triboro District**, instruct the **Postmaster, Brooklyn and Bushwick Station management**, to ensure and document all employees are provided additional training on mail delivery and scanning policies.

Recommendation #2: We recommend the **Manager, Triboro District**, develop a plan to ensure adequate staffing of city routes at the Bushwick Station.

Finding # 2: Customers Not Satisfied with Complaint Resolutions

Management did not adequately address customer complaints, as the unit had 81 re-opened eCC cases during March 20, 2018 through September 19, 2018. A re-opened case occurs when a customer is not satisfied with the resolution.¹⁵

In addition, our analysis showed 483, or about 26 percent, of eCC cases were not resolved within Postal Service's established timeframe of three business days.¹⁶ The Postal Service's goal is to have cases resolved within one to three days.

District management informed us of their eCC monitoring initiatives. The initiatives included daily and weekly reviews of eCC cases; bi-monthly training and an eCC support line to assist with issues.

The Bushwick Station has one employee that monitors eCC cases. This employee stated the goal is to contact the customer within 24 hours and closing the case within three days. Postal Service policy¹⁷ sets forth the appropriate method for handling customer complaints through the eCC process. The local post office is required to

¹⁵ A re-opened case can also occur when a case goes to the Consumer & Industry Contact Office associated with the Local Post Office.

¹⁶ The Postal Service's goal is to have 86 percent of its cases resolved with one to three days, also known as the Service Level Agreement.

¹⁷Postal Service's *Complaint Handling Guidelines for Residential and Small Business Customers*, dated July 2015.

assign responsibility for checking eCC three times a day, contact customers within 24 hours to acknowledge the issue and proceed with resolution.

Complaint management is vital to the eCC resolution process and can increase customer loyalty and retention. As result of the 81 re-opened eCC cases, the Bushwick Station incurred \$4,692 in additional processing costs.

Recommendation #3: We recommend the Manager, Triboro District, require Bushwick Station management to manage and timely resolve customer complaints.

Other Matters – Assets at Risk

Employees did not properly secure stamp stock and other accountable items. During our observation there were three packs of blank money orders and three packages that contained stamp stock, which were valued at \$27,150, in the station manager's office.

This existed because the current station manager did not have access to the vault. Therefore, these accountable items were stored on a table in his office. He stated the area manager became the custodian of the unit reserve on September 14, 2018. He alerted the area manager of the stamp stock when it was received on September 17, 2018, however, the area manager stated she was unaware of the stamp stock until September 22, 2018. She then secured the stamp stock at that time. Further, she also stated that she did see the 300 blank money orders in the manager's office; however, she had no knowledge of why these money orders were in the office.

According to Postal Service Handbook F-101, Field Accounting Procedure, the field unit manager or supervisor must provide adequate security for all accountable items. Accountable items include postal funds, stamp stock, blank money order stock, philatelic products, retail products, accountable receipts, and imprinters.

Physical access controls reduce the security risk to Postal Service employees and safeguarding controls reduce the potential for loss or misappropriation of assets.

Recommendation #4: We recommend the Manager, Triboro District, instruct the Postmaster, Brooklyn and Bushwick Station management, follow field accounting procedures for the security of accountable items.

Management's Comments

Management agreed with recommendations 1 and 4 and disagreed with portions of the finding related to staffing, complaints, and recommendations 2 and 3.

Regarding recommendation 1, management will provide refresher training to ensure compliance with delivery and scanning policies by March 1, 2019.

Regarding recommendation 2, management disagreed with the need to develop a plan to ensure adequate staffing of city routes at the Bushwick Station. Management stated that they did not consider the information in the report to be accurate or reflective of actions taken in the unit. Their records show that the unit has 60 carriers on the rolls to serve the needs of the Bushwick station.

Regarding recommendation 3, management disagreed with the need to require Bushwick Station management to manage and timely resolve customer complaints. Management stated that the eCC application is a case management system used to manage customer inquiries and record responses. Each case is attempted to be resolved within three days, but some circumstances do not permit that to occur. If there is no immediate resolution the case may remain open for up to 14 days. The district monitors overdue eCC cases to ensure compliance with the eCC SOP dated September 2016. Management believes the district has a process to manage and timely resolve customer complaints.

Regarding recommendation 4, management completed training on December 7, 2018 and provided documentation.

In response to the \$4,692 monetary impact, management disagreed with the accuracy and methodology used in the calculation.

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

Evaluation of Management's Comments

Regarding management's disagreement with the portion of the finding related to staffing, we note that our report reflects the staffing we observed during our audit in September 2018, which OIG also verified with unit management at that time. Management stated at the present time, the unit has 60 carriers on the rolls. We validated the current level of staffing and deem this increase sufficient corrective action to address recommendation 2.

Regarding management's disagreement with recommendation 3, management agrees the goal is to have cases resolved within one to three days; however, our analysis showed 483 cases were not resolved within Postal Service's established timeframe, including one case that took 52 days for resolution. Management oversight could have contributed to the cases being closed in a satisfactory and timely manner. As stated in the report, complaint management is vital to the eCC resolution process and can increase customer loyalty and retention.

Regarding management's disagreement with the monetary impact, there are additional costs associated with each reopened case. USPS has conducted studies on eCC cases and the cost associated with them to include time spent in researching, data input, communication and providing resolutions. We continue to believe this amount best represents the additional cost for reopened cases due to customer dissatisfaction.

The OIG considers management's comments responsive to recommendations 1, 2, and 4 and the actions taken should resolve the issues identified. Recommendations 2 and 4 will be closed with the issuance of this report. We view the disagreement with recommendation 3 as unresolved and it will remain open as we coordinate resolution with management. Recommendation 1 requires OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. This recommendation 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 is to assess mail delivery on selected routes and retail counter services at the Bushwick Station, Brooklyn, NY.

To accomplish our objective, we:

1. Analyzed eCC complaint data to assess mail delivery of selected routes servicing the Bushwick Station.
2. Analyzed eCC complaint data to identify complaints made by residents serviced by specific routes serviced by the Bushwick Station
3. Analyzed eCC complaint data to assess customer concerns about retail counter operations and overall customer service at the Bushwick Station.
4. Analyzed PTR System information to obtain delivery and scanning information of packages.
5. Evaluated the process completed by delivery personnel in response to eCC cases.
6. Interviewed management on their knowledge of specific eCC complaints from the complainant. Determined if management addressed the issues.
7. Determined if the complainants filed a formal complaint at station.

We relied on computer-generated data from the eCC application, PTR System, 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 September 2018 through November 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 November 9, 2018, and included their comments where appropriate.

Appendix B: Management's Comments



December 11, 2018

LAZERICK POLAND
ACTING DIRECTOR, AUDIT OPERATIONS

SUBJECT: Mail Delivery and Customer Service Issues – Bushwick Station,
Brooklyn, NY – Report Number DR-AR-19-DRAFT

The findings and recommendation outlined in the above noted audit report have been reviewed and the response is as follows.

Mail Delivery Service Issues – it was determined that mail delivery issues occurred because delivery employees did not always follow delivery and scanning policies due to inconsistent management and oversight at the station. It further indicated that management did not adequately address customer complaints.

Recommendation #1

We recommend the Manager, Triboro District, instruct the Postmaster, Brooklyn and Bushwick Station management, to ensure and document all employees are provided additional training on mail delivery and scanning policies.

Management Response:

We agree with the recommendation. USPS has a well-defined set of processes to ensure adequate training on delivery and scanning policies. The Bushwick station will issue refresher training to ensure compliance.

Target Implementation Date:

March 1, 2019

Responsible Official:

(A) Postmaster, Brooklyn NY

Recommendation #2:

We recommend the Manager, Triboro District, develop a plan to ensure adequate staffing of city routes at the Bushwick Station.

Management Response/Action Plan:

We disagree with the recommendation. We do not consider the analysis and findings contained in your draft report to be accurate or reflective of actions taken in the unit. These operational factors include, but are not limited to, workload, volume,

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vacancy, and existing need. According to our records we have 60 carriers on the rolls to serve the needs of the Bushwick station.

Target Implementation Date:

Completed

Responsible Official:

(A) Postmaster, Brooklyn NY

Recommendation #3:

We recommend the Manager, Triboro District, require Bushwick Station management to manage and timely resolve customer complaints.

Management Response/Action Plan:

We disagree with the recommendation. The draft audit indicated that 26 percent of the eCC cases were not resolved within the Postal Service established timeframe of three business days but failed to indicate why they were not resolved.

The Enterprise Customer Care (eCC) application is a case management system that is used to manage customer inquiries and record responses. All communication received from external customers requiring resolution or response must be entered in eCC within 24 hours of receipt. In addition, acknowledgement of each inquiry's receipt must be made to the customer within 24 hours. Every attempt is made to resolve the issue within one to three days, however sometimes circumstances prevent that from occurring such as incomplete information. If there is no resolution and the case cannot be closed out, the customer is contacted and the case may remain open in eCC up to 14 days. When a final resolution occurs the customer is contacted and the notes are updated in the eCC application. Overdue eCC cases are monitored at the district to ensure compliance in accordance with the eCC SOP dated September 2016. Furthermore the audit indicated one employee monitors eCC cases and is in compliance with the policies and procedures outlined in the eCC User's Guide. Therefore the district does have a process to manage and timely resolve customer complaints. Additionally we disagree with the accuracy and method used to determine the monetary impacts.

Target Implementation Date:

Completed

Responsible Official:

(A) Postmaster, Brooklyn NY

Recommendation #4:

We recommend the Manager, Triboro District, instruct the Postmaster, Brooklyn and Bushwick Station management, to follow field accounting procedures for the security of accountable items.

Management Response/Action Plan:

We agree with this recommendation. Training was conducted and recorded for the unit by the District Finance manager in accordance with Handbook F-101, Section 3.9.

Target Implementation Date:

December 7, 2018

Responsible Official:

Eric Chiu, District Finance Manager

This report and managements' response does not contain information that may be exempt from disclosure under the Freedom of Information Act.



Eric Henry
(A) District Manager, Triboro

cc: VP Area Operations (Northeast)
(A) Controller (Northeast)
Finance Manager (Triboro)
Manager, Corporate Audit Response Management