Delivery in Northern Minnesota

AUDIT REPORT
Report Number 24-048-R24 | May 6, 2024

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Highlights

Background

The Bemidji Post Office provides standard delivery and retail operations in a predominantly rural community in Northern Minnesota. The office also has some mail processing operations typically found inside a processing and distribution center. It processes, and subsequently, dispenses mail to 37 other delivery units in the region for delivery. In November 2023, community members and Postal Service employees in the Bemidji, MN, area contacted their congressional representatives and the media to express concerns about increased package volume disrupting mail service. Delivering and processing all mail timely is critical to the Postal Service meeting its service standards and providing the public with the service it deserves.

What We Did

Our objective was to evaluate mail delivery in Northern Minnesota. We interviewed management and observed delivery and mail processing operations at the Bemidji Post Office during the week of December 12, 2023. We also observed mail delivery operations at six surrounding post offices during the same week.

What We Found

On the morning of December 12, 2023, we visited the Bemidji Post Office and found delayed letters and flats, as well as insufficient staffing and resources in the office's delivery operations. These issues occurred because headquarters management did not have a comprehensive plan to assess resources at the Bemidji Post Office before adding additional package volume to its delivery operations. In addition, there was a lack of timely notification from headquarters to district and Bemidji Post Office management regarding projected volume changes. District management also did not effectively work with area and headquarters human resources personnel to identify and implement strategies to fill vacant carrier positions. Further, management was not following procedures for mail processing in the Bemidji Post Office. We identified 78,948 pieces of delayed mail in the mail processing area. This occurred because headquarters management did not have a program in place to provide Bemidji Post Office management with training on mail processing operations.

Recommendations and Management's Comments

We made five recommendations to address delayed mail, staffing, and training. Postal Service management agreed with three recommendations and disagreed with two. Management's comments and our evaluation are at the end of each finding and recommendation. The U.S. Postal Service Office of Inspector General considers management's comments responsive to recommendations 1, 4, and 5, and corrective actions should resolve the issues identified in the report. See Appendix B for management's comments in their entirety.

Transmittal Letter

May 6, 2024

MEMORANDUM FOR: ELVIN MERCADO
VICE PRESIDENT, RETAIL & POST OFFICE OPERATIONS

ANGELA CURTIS
VICE PRESIDENT, DELIVERY OPERATIONS

ERIC E. HENRY
VICE PRESIDENT, CENTRAL AREA RETAIL & DELIVERY
OPERATIONS

ANGELA L. BYE
MANAGER, MINNESOTA-NORTH DAKOTA DISTRICT

Kelly Thresher

FROM: Kelly Thresher
Deputy Assistant Inspector General
 for Field Operations

SUBJECT: Audit Report – Delivery in Northern Minnesota
(Report Number 24-048-R24)

This report presents the results of our audit of delivery operations in Northern Minnesota.

All recommendations require U.S. Postal Service Office of Inspector General's (OIG) concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. Recommendations 1, 2, 3, and 5 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 consider recommendation 4 closed with issuance of this report.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Sean Balduff, Director, Field Operations Central and Southern, or me at 703-248-2100.

Attachment

cc: Postmaster General
 Corporate Audit Response Management
 Secretary of the Board of Governors
 Chief Retail & Delivery Officer & Executive Vice President

Results

Introduction/Objective

This report presents the results of our audit of Delivery in Northern Minnesota (Project Number 24-048). This report responds to congressional and media inquiries regarding customer concerns about service in this area. Our objective was to evaluate delivery operations in Northern Minnesota. 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. Delivering and processing all mail timely is critical to the Postal Service meeting its service standards and providing the public with the service it deserves. To fulfill this role, the Postal Service is committed to ensuring that its delivery platform and processing 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.

In November 2023, community members and Postal Service employees in the Bemidji, MN, area contacted their congressional representatives and the media to express concerns about increased package volume disrupting mail service. Specifically, a large shipper started using the Bemidji Post Office for package deliveries, which increased the mail volume carriers were required to deliver. To determine the extent of delivery issues in the Northern Minnesota area, in mid-December we visited the Bemidji Post Office and six surrounding post offices in Bagley, Shevlin, Solway, Northome, Kelliher, and Blackduck. These post offices are in the Minnesota-North Dakota (MN-ND) District of the Central Area and service ZIP Codes 56601, 56621, 56630, 56650, 56661, 56676, and 56678 (see Figure 1). These ZIP Codes serve

about 45,840 people in a predominantly rural area. Specifically, about 30,991 (68 percent) people live in rural communities and about 14,849 (32 percent) people live in urban communities.[1]

Figure 1. ZIP Codes Reviewed in Northen Minnesota
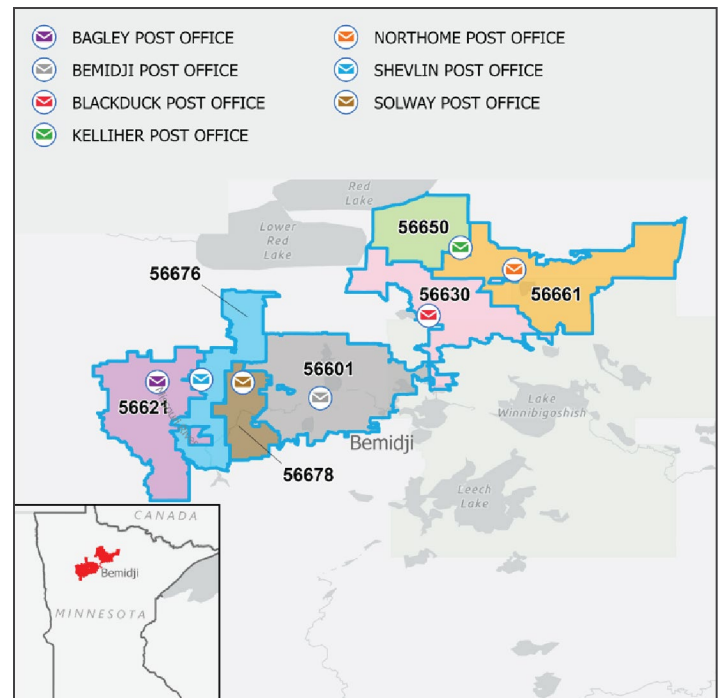
Source: Prepared by the Office of Inspector General (OIG) using Postal Service ZIP Code data.

The Bemidji Post Office provides standard delivery and retail operations, with nine city delivery routes, 16 rural routes, and two highway contract routes.[2] The office also has some mail processing operations typically found inside a processing and distribution center. Additionally, the office is responsible for transporting mail received from other processing facilities for 37 local retail and delivery units. Specifically, the office has a machine that sorts some letters into carrier route sequence. However, clerks must manually sort packages, flat mail,[3] and any remaining letters that are not machinable and prepare them for either local delivery or transport

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1   We obtained ZIP Code information related to population and urban/rural classification from 2020 Census Bureau information.
2   Contract agreements between the Postal Service and private individuals or firms for delivery and collection of mail from homes and businesses.
3   Example of flat mail would be magazines, newspapers, and catalogues.

to the next processing facility. The office is then responsible for the transportation of this mail to the local delivery units. The office also receives collection mail from these delivery units and has machines to postmark and sort letters.

This combination of operations in a post office is unusual. There are only three other delivery units[4] in the Postal Service similar to the Bemidji Post Office that also perform mail processing operations. The Postal Service is also in the process of placing package sorting machines in many larger delivery units as part of its Delivering for America 10-Year Plan.[5]

We visited the selected units from December 12-14, 2023, to observe delivery and mail processing operations. We also worked with Postal Service Headquarters to gain a better understanding of the policy around package volume changes and processing operations within delivery units.

Findings Summary

We identified mail processing and delivery issues at the Bemidji Post Office. These issues included delayed mail, inaccurate reporting of mail conditions, and inadequate planning for increased mail volume received from a large shipper.

Finding #1: Management of Delivery Operations

On the morning of December 12, 2023, we visited the Bemidji Post Office and found delayed letters and flats, as well as insufficient staffing and resources.[6] The Bemidji Post Office had a significant increase in package volume from a large shipper in November 2023, which impacted operations.
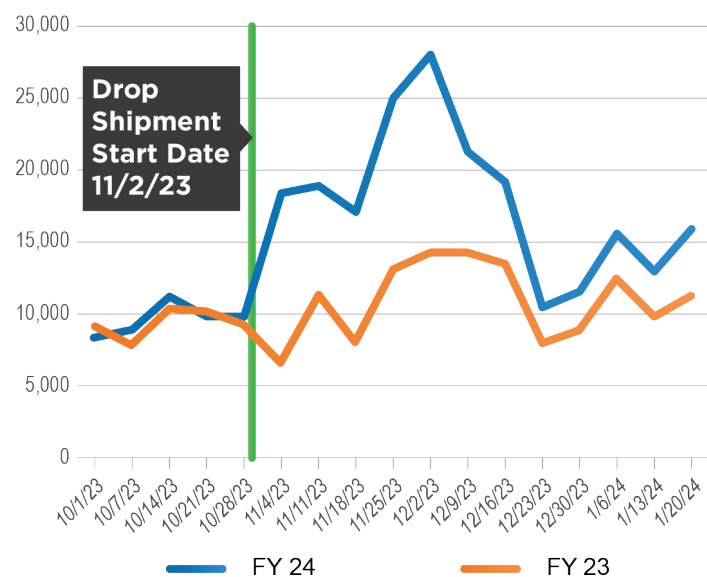
Mail Conditions

On the morning of December 12, 2023, we visited the Bemidji Post Office and identified about 4,400 delayed letters and flats at 18 carrier cases and the PO Box section. Management did not accurately report this mail[7] as delayed in the Delivery Condition Visualization[8] (DCV) system. We did not

identify any delayed packages in delivery operations. Management and employees stated that there was an emphasis on getting packages delivered each day to avoid customer inquiries and scanning failures.

The package volume at the unit increased in November 2023, due to a large shipper beginning to deliver package volume directly to the unit in a process called drop shipment. On October 24, 2023, headquarters notified the Bemidji Post Office that a large shipper would begin using the Postal Service for package drop shipments eight days later, starting November 2, 2023. The large shipper estimated it would drop off an average of 2,408 packages to the Bemidji Post Office each day, which would have increased the package volume for the office by about 131 percent compared to the same period last year. The actual additional volume ranged from as high as 4,157 packages to as low as 53 packages per day during November 2023. The total package volume peaked in the first week of December 2023, with over 27,000 packages for the week (see Figure 2).

Figure 2. Total Weekly Package Volume at Bemidji Post Office

Source: USPS OIG analysis of Enterprise Data Warehouse.

Staffing and Resources

During our site visit, the Bemidji Post Office had 10 open rural carrier positions[9] – 24 percent of its total authorized[10] carriers. Further analysis of Postal Service data demonstrated that the unit had been under its authorized complement by six rural carriers since at least October 6, and continued to worsen through the end of January (see Figure 3).

Figure 3. Bemidji Post Office Authorized Carrier Complement vs. On Rolls
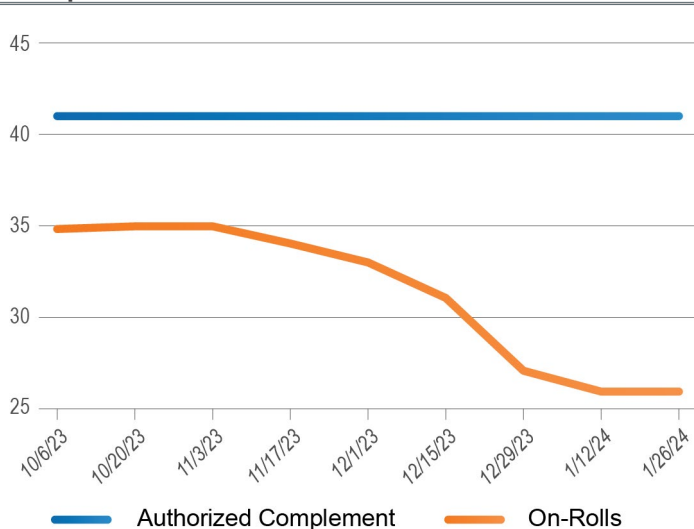
Source: OIG analysis of USPS Workforce data.

Postal Service management can request extra vehicles and scanners for peak season, but Bemidji Post Office management did not know about the impending increase in volume. When Bemidji management asked clerks and supervisors to help deliver the extra volume, the unit also did not have extra vehicles or scanners for these employees. In addition, some rural carriers, who used their own personal vehicles, had to make multiple trips back to the unit throughout the day to pick up additional packages for delivery due to the limited space in their vehicles. During our audit, Bemidji management was in the process of requesting additional scanners.

These mail condition, staffing, and resource issues occurred for multiple reasons. First, local management at Bemidji Post Office did not report all delayed mail in the DCV system because it was more focused on mail delivery; one manager was delivering packages daily. Postal Service policy[11] states managers are required to report all mail in the delivery unit after the carriers have left for their street duties as either delayed or curtailed in DCV.

Second, the Bemidji Post Office was not prepared by headquarters for a dramatic increase in packages in November 2023. Specifically, headquarters management did not effectively coordinate or communicate with the district and local management regarding the unit's ability to deliver the projected additional drop shipment package volume. Headquarters management never asked district or unit management if the unit had enough resources, including package scanners and vehicles, to deliver all mail daily with the potential increase in packages.

In April 2023, headquarters management received a list of proposed ZIP Codes to start receiving drop shipments. Headquarters performed an analysis of some key performance indicators such as employee availability, carrier route coverage, and overtime usage. Additionally, around this time, headquarters asked Bemidji Post Office personnel whether the facility could accommodate a metal container that could allow for around-the-clock drop shipments. The unit responded they could not accommodate such a container, and during our audit we did not observe a container on-site.

Further, headquarters management received the projected volume for the Bemidji Post Office September 1, 2023, and the projected start date for the drop shipments October 18, 2023. However, it did not inform district or local management of either until October 24, 2023, only eight days before shipments began. On October 24, headquarters management only asked the Bemidji Post Office of their awareness of the drop shipment start date and if they had any additional feedback. There was no policy requiring headquarters to provide the projected volume

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9   This includes two full-time and eight part-time employees.
10   Total authorized carriers were calculated based on total earned carrier complement of the delivery unit.
11   *Informed Visibility Delivery Condition Visualization User Guide*, August 2023.

information to management at the district and unit sooner or discuss feasibility with the unit. If the Bemidji Post Office had known, it may have had more time to prepare, especially at a time when it was already preparing for peak season.

Finally, management stated the staffing issues occurred because it was difficult to hire carriers in the Bemidji area. Some of the strategies it has used included placing pamphlets and signs in the post office lobby, putting signs on Postal Service vehicles, attending job fairs, and advertising locally. However, it continued to struggle with hiring and retaining carriers. District management also did not effectively work with area and headquarters human resources personnel to identify and implement additional strategies to fill the vacant carrier positions.

After the package volume increased, employees experienced increased workhours and workloads. During the months of November and December 2023, employee resignations and retirements increased at the Bemidji Post Office, which put additional strain on the employees who were available to deliver the mail. By the end of January 2024, the delivery unit was under complement by a total of 15 carrier positions[12] – 37 percent of its total authorized carriers.

The lack of preparation for the extra mail volume negatively affected employee morale and customer satisfaction. On November 13 and 14, 2023, employees conducted a demonstration protesting the working conditions at the Bemidji Post Office. In addition, on December 5, 2023, the offices of Senators Tina Smith and Amy Klobuchar hosted a listening session in Bemidji, MN, about the mail delays and staffing issues, but some employees could not attend.[13] There were also several media reports where customers expressed their dissatisfaction related to the delayed mail issues at the Bemidji Post Office, which may have negatively affected the Postal Service brand.

Recommendation #1

We recommend the **District Manager, Minnesota-North Dakota District**, develop and execute a plan to verify that all delayed mail volume is entered into the proper system for the Bemidji Post Office.

Recommendation #2

We recommend the **Vice President, Retail and Post Office Operations**, in conjunction with the **Vice President, Delivery Operations**, obtain and consider district and local management input on their ability to deliver all mail when assessing opportunities for new projected drop shipment package volume.

Recommendation #3

We recommend the **Vice President, Retail and Post Office Operations**, develop and implement procedures to promptly communicate to district and local management any expected new drop shipment mail volumes and start dates for large shippers.

Recommendation #4

We recommend the **District Manager, Minnesota-North Dakota District**, coordinate with Headquarters and Central Area Human Resources personnel to identify and implement additional strategies to fill carrier vacancies at the Bemidji Post Office.

Postal Service Response

The Postal Service partially agreed with this finding. Management stated they agreed that the significant increase in package volume impacted operations but disagreed that headquarters management did not effectively coordinate or communicate with the district and local management. Specifically, management stated that district and local management agreed the unit could accept the additional package volume in May 2023. However, management further stated it was not until unforeseen staffing issues occurred that the unit was placed at risk.

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12   This includes six full-time carriers and nine part-time carriers.
13   Some employees stated they could not participate because they were instructed to change out of their uniforms, travel to the meeting, change back into their uniforms, and travel back to their route during their 30-minute lunch period. District management stated no employees submitted leave to attend the listening session.

Management agreed with recommendations 1 and 4 and provided a target implementation date of May 31, 2024, for recommendation 1. For recommendation 4, management provided documentation supporting additional strategies that have been implemented to fill carrier vacancies at the Bemidji Post Office. After reviewing this documentation, the OIG agreed to close recommendation 4 upon issuance of this report.

Management disagreed with recommendations 2 and 3. Regarding recommendation 2, management stated they have a process in place to determine the feasibility of a unit accepting new drop shipment volume. Regarding recommendation 3, management stated they have established processes for communicating new drop shipment mail volume and start dates.

See Appendix B for management's comments in their entirety.

OIG Evaluation

Management's comments were responsive to recommendations 1 and 4, and corrective actions should resolve the issues identified in the report. We view the disagreement with recommendations 2 and 3 as unresolved and will work with management through the formal audit resolution process.

Regarding management's partial disagreement with the finding, district and local management were not given the projected volume until October 24, 2023 — eight days before shipments began. Therefore, they could not have made an informed decision about handling the increase in package volume in May 2023. Further, we requested multiple times for headquarters management to provide documentation that district and local management agreed they could handle the increased package volumes, but they did not provide it. In addition, the Bemidji Post Office was understaffed by six rural carriers since at least October 6, 2023, which put the unit at risk prior to the drop shipment start date.

Regarding recommendation 2, we concluded the current process does not include headquarters

management asking district and unit management if a unit has enough resources, including package scanners and vehicles, to deliver all mail daily. Without this additional input, the Postal Service could continue accepting drop shipments at units that are not adequately prepared for additional package volume.

Regarding recommendation 3, headquarters management waited 54 days to provide district and local management with the projected volume, leaving the unit with only eight days to prepare before shipments began.

Finding #2: Management of Mail Processing Operations

Management was not following standard operating procedures for mail processing in the Bemidji Post Office. We identified 78,948 pieces of delayed mail in the mail processing area of the Bemidji Post Office. See Table 1 for the types of delayed mail identified each day.

Table 1. Bemidji Mail Processing Delayed Mail

| Date	Letters	Flats	Parcels	Total Delayed
December 12	42,396	8,580	340	51,316
December 13	16,350			16,350
December 14	11,282			11,282
Total	**70,028**	**8,580**	**340**	**78,948**

Source: U.S. Postal Service OIG count of delayed mailpieces identified during our visit.

The letters we identified were found in the automated letter canceling[14] and sorting operations (see Figures 4 and 5). About 8,288 of the flats were phonebooks that arrived at the unit November 16, 2023. Moreover, 340 packages were located on the dock, prepared for dispatch to surrounding delivery units, but were not able to be dispatched due to the trucks being full. Although management agreed that the mail we identified was delayed, it had not reported it as delayed in the Mail Condition Visualization[15] (MCV) system.

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14 A machine that processes mail by canceling stamps and placing postmarks on letters.
15 Provides near real-time visibility of a facility's on-hand volume, delayed processing volume, delayed dispatch volume, and oldest mail date by mail category and processing operation.

Figure 4. Delayed Mail in Canceling Operation
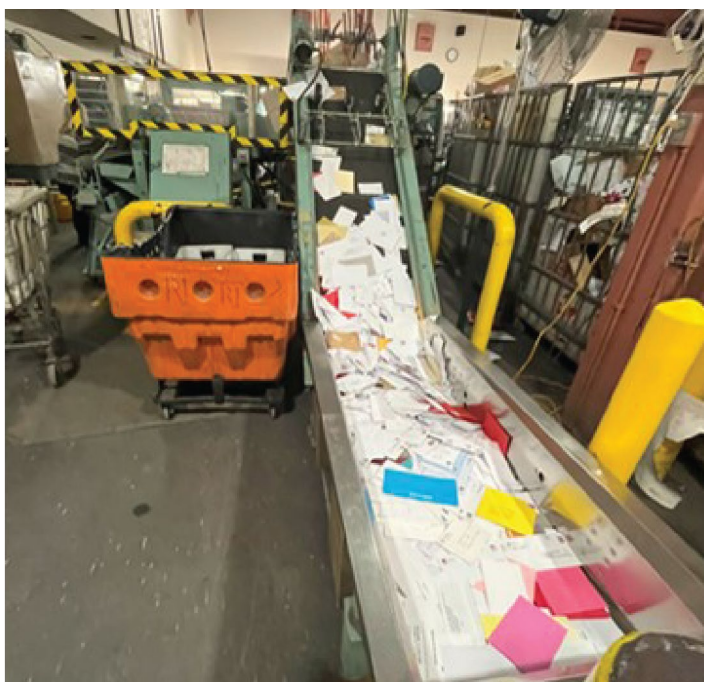
Source: OIG photo taken on December 12, 2023.

Figure 5. Delayed Mail in Letter Sorting Operation

Source: OIG photo taken on December 12, 2023.

We also identified poor mail staging practices during our observations. Specifically, clerks were positioning containers of incoming mail in front of mail that was already delayed, making the first in, first out process difficult to follow and monitor. While local management instructed employees to use placards to indicate when the mail arrived, it did not verify these placards were used because the focus was on mail delivery operations.

This mail was delayed because Bemidji Post Office management was not trained on processing operations. Specifically, headquarters management did not have a training program in place for delivery unit managers that were also responsible for processing operations. Therefore, local management was not aware of proper staging processes or managing critical mail entry and clearance times, which are tools used to help keep a processing facility's operation on schedule to support timely mail delivery. The postmaster also did not schedule any managers in the evening and early morning when mail processing decisions needed to be made. Instead, the unit's managers all worked during primary delivery operation hours. Furthermore, management was not aware of the process to schedule extra trucks, when necessary, to ensure all mail was dispatched to the delivery units. Management also did not properly report delayed mail in the MCV system because it was not aware of the proper procedure for reporting such delays. Further, the district manager was not monitoring mail processing operations at the Bemidji Post Office because she was unaware that the district office was responsible for these operations prior to our audit. Typically, processing operations do not fall under a district manager's purview, but in an office like Bemidji, these operations are their responsibility.

Postal Service policy[16] states that management should continually gauge how well it is managing the flow of mail and control over the workload, personnel, and equipment needed for a well-run operation. Further, as part of Postal Service practice, a delayed-mail count should be performed and accurately reported in the MCV system daily.[17] Additionally, policy[18] states mail should be placed in the order it is received to ensure a first in, first out

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16 Handbook PO-413, *Platform Operations*, Section 2-4.4, dated December 2013.
17 MCV Manual Line Item Entry Job Aid, October 26, 2020.
18 Stand-up Talk, *The First In First Out Treatment*, January 15, 2022.

treatment. However, the Postal Service does not require delivery managers who manage processing operations attend training related to processing operations or logistics.

Management's lack of training and awareness of proper mail processing resulted in mail being delayed at the Bemidji Post Office and for the delivery units that Bemidji services. Due to the inaccurate reporting of delayed mail in MCV, management at the district, area, and headquarters levels did not have an accurate status of mail delays, which may have contributed to a lack of actions taken to address issues. When mail is delayed, there is an increased risk of customer dissatisfaction, which may adversely affect the Postal Service brand.

> **Recommendation #5**
>
> We recommend the **Vice President, Central Area Retail and Delivery Operations**, coordinate with the **Vice President, Processing and Maintenance Operations**, to provide mail processing training that includes proper mail staging processes, managing critical mail entry and clearance times, scheduling extra trucks, staffing policies, and reporting delayed mail for all district and local managers who are responsible for mail processing operations in a delivery unit.

Postal Service Response

The Postal Service stated they disagreed that the Bemidji Post Office was not prepared by headquarters for the dramatic increase in packages. However, management agreed with the recommendation and provided a target implementation date of June 30, 2024.

OIG Evaluation

Based on management's action plan to provide mail processing training to managers responsible for mail processing operations, we consider their comments responsive to this recommendation.

Appendices

Appendix A: Additional Information

Scope and Methodology

Our objective was to evaluate mail delivery in northern Minnesota. To accomplish our objective, we:

- Reviewed applicable laws, regulations, policies, and procedures.

- Obtained and analyzed delivery, processing, and logistics data systems for the selected locations to identify issues causing mail delays.

- Conducted unannounced site observations to identify delayed mail, review package scanning data, observe mail processing operations, and interview Postal Service employees and management.

- Conducted headquarters interviews to understand drop ship onboarding procedures and training available for delivery units with processing equipment.

We conducted this performance audit from December 2023 through April 2024 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 March 28, 2024, and included their comments where appropriate.

In planning and conducting the audit, we obtained an understanding of the mail processing and delivery 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 all three components that were significant within the context of our objectives. Our recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of DCV, MCV, Product Tracking Reporting, and Surface Visibility data by reviewing existing information, comparing data from other sources, 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.

Prior Audit Coverage

The OIG did not identify any prior audits or reviews related to the objective of this audit within the last five years.

Appendix B: Management's Comments

UNITED STATES POSTAL SERVICE

April 23, 2024

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Delivery in Northern Minnesota (Report Number 24-048-DRAFT)

Thank you for providing the Postal Service an opportunity to review and comment on the findings contained in the draft audit report, *Delivery in Northern Minnesota* (Report Number 24-048-DRAFT)

Finding #1:
Management agrees that the Bemidji Post Office had a significant increase in package volume in November that impacted operations – but disagrees with other comments called out in the Finding. The situation at Bemidji was not reflective of established processes.

Management utilizes a modeling process that requires offices to validate their ability to receive Direct Drop to Unit (DDU) six months prior to DDU implementation. During the ZIP Review process, ZIP Codes and their facilities are analyzed using key performance indicators (KPIs). Some of the KPIs used in the analysis are Employee Availability (EA), City Carrier-to-Route Ratio (CCRR), Rural Route Coverage (RRC), Parcel Select Service Performance (PS Service) and CRDO Triangulation Report. These KPIs are reviewed based on thresholds, then a "Yes" or "No" response is applied to them. If any of the thresholds are surpassed, the unit is declined for acceptance. If the unit meets all parameters, it is then further scrutinized to determine if any uncontrolled variables or intangibles will affect their ability to accept the volume. Upon conclusion of the study, District Management is afforded the opportunity to weigh in on the decision. Once these steps are taken, a decision is made to accept additional volume at the unit. In May 20'23, both District and local management agreed the unit was capable of the Increase.

However, September projections for Bemidji were greater than the mailer originally forecasted. Likewise, the confirmed drop date was not received from the mailer until just 10 days prior the receipt of shipment. Typically, this information is known 30 days in advance and is shared with local units and districts upon receipt. (Shippers are provided with volume thresholds and advised not to exceed these thresholds and further advised that volume may be pulled out of service for doing so. If a unit faces any issues as a result of thresholds being exceeded, swift communication with the shipper caps the volume until the unit is healthy again.)

Even with an accelerated timeline and increased volumes, District and local management anticipated the unit would still be capable of accommodating the increase. Training was provided to the newly activated office in preparation of the first drop. It wasn't until unforeseen staffing issues occurred that the unit was placed at risk.

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Once delays were identified, District Management/Delivery Operations was quick to respond and issues were resolved expeditiously by providing additional resources, placing a cap on incoming shipments, and conducting daily reviews/cadence calls to discuss delayed volumes entered into the Delivery Condition Visualization (DCV).

Finding #2:
The Bemidji Post Office was not prepared by headquarters for a dramatic increase in packages. Management disagrees with this Finding.

District Management has direct oversight over all operations within their district and sets expectations to ensure Installation Heads, Managers, and Supervisors are performing their duties – including delivery units with Function 4 processing operations. Training is available through the web-based HERO training platform.

The following are management's responses for each of the five Recommendations:

Recommendation 1:
District Manager, Minnesota-North Dakota District, develop and execute a plan to verify that all delayed mail volume is entered into the proper system for the Bemidji Post Office

Management Response/Action Plan:
Management **generally agrees** with this Recommendation.
District management will provide and document training on the proper recording of delayed mail in the DCV Tool and the Mail Condition Visualization (MCV) Tool for Bemidji EAS. Periodic reviews will be used to ensure compliance and accuracy of volume reporting. Completed: Documentation Available. Request to Close at issuance.

Target Implementation Date: 5/31/24

Responsible Official: District Manager, Minnesota-North Dakota District

Recommendation 2:
Vice President, Retail and Post Office Operations, in conjunction with the **Vice President, Delivery Operations,** obtain and consider district and local management input on their ability to deliver all mail when assessing opportunities for new projected drop shipment package volume.

Management Response/Action Plan:
Management **disagrees** with this recommendation.
Management currently has processes in place to determine the feasibility of a unit accepting new drop shipment mail volumes from large shippers through a robust model and screening process. These established processes have been successfully used over many years to add hundreds of ZIP Codes annually for drop shipments.

Target Implementation Date: N/A

Responsible Official: N/A

Recommendation 3:
Vice President, Retail and Post Office Operations, develop and implement procedures to promptly communicate to district and local management any expected new drop shipment mail volumes and start dates for large shippers.

Management Response/Action Plan:
Management **disagrees** with this recommendation.
Management currently has established processes for communicating expected new drop shipment mail volumes and start dates for large shippers as part of the External Customer Integration Team (ECIT) communication plan.

Target Implementation Date: N/A

Responsible Official: N/A

Recommendation 4:
District Manager, Minnesota-North Dakota District, coordinate with Headquarters and Central Area Human Resources personnel to identify and implement additional strategies to fill carrier vacancies at the Bemidji Post Office.

Management Response/Action Plan:
Management **generally agrees** with this Recommendation.
District management will oversee Bemidji participation at all District-wide job fairs and hiring initiatives. District management will continue to ensure continuous job postings for Bemidji until fully staffed. Completed/On-going. Request to Close at issuance.

Target Implementation Date: 5/31/24

Responsible Official: District Manager, Minnesota-North Dakota District and Manager, Post Office Operations (F)

Recommendation 5:
Vice President, Central Area Retail and Delivery Operations, coordinate with the **Vice President, Processing and Maintenance Operations,** to provide mail processing training that includes proper mail staging processes, managing critical mail entry and clearance times, scheduling extra trucks, staffing policies, and reporting delayed mail for all district and local managers who are responsible for mail processing operations in a delivery unit.

Management Response/Action Plan:
Management **agrees** with this recommendation.
Change Responsible Officials to: Central Area Vice President, Retail & Delivery Operations and District Manager, Minnesota-North Dakota District. Remove Vice President, Processing and Maintenance Operations.

Management will provide mail processing training to managers responsible for mail processing operations in a delivery unit.

Target Implementation Date: 06/30/24

Responsible Official:
Central Area Vice President, Retail & Delivery Operations
District Manager, Minnesota-North Dakota District

E-SIGNED by ANGELA.L BYE
on 2024-04-24 09:11:12 EDT

Angela L. Bye
District Manager, Minnesota – North Dakota District

E-SIGNED by ANGELA.H CURTIS
on 2024-04-25 13:07:43 EDT

Angela H. Curtis
Vice President, Delivery Operations

E-SIGNED by ELVIN MERCADO
on 2024-04-24 15:24:08 EDT

Elvin Mercado
Vice President, Retail and Post Office Operations

E-SIGNED by Eric.E Henry
on 2024-04-24 12:56:33 EDT

Eric H. Henry
Central Area Vice President, Retail and Delivery Operations

cc: District Manager, Minnesota-North Dakota District
     Vice President, Retail & Post Office Operations
     Area Vice President, Retail & Delivery Operations (Central)
     Corporate Audit Response Management

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