

City Delivery – Street Efficiency Capital District

Report Number DR-AR-12-003

BACKGROUND:

Delivery operations have the highest fixed cost in the U.S. Postal Service, making up more than 30 percent of its operating expenses. Within the delivery carrier's function, street operations account for almost 265 million workhours that city carriers used in fiscal year 2011.

Street operations is comprised of every duty a carrier performs from the time he or she loads the vehicle, delivers, and collects mail along the route, and returns to the delivery unit to unload the vehicle. Street delivery includes carriers delivering and collecting mail on their assigned routes. The Capital District is in the Capital Metro Area and has 57 units delivering mail on 1,842 routes.

Our objective was to assess the efficiency of city delivery street operations in the Capital District.

WHAT THE OIG FOUND:

The Capital District has opportunities for enhanced street delivery efficiency. We determined the Capital District could use about 12 fewer minutes of street time per day on each carrier route, or 110,740 workhours, and save about \$4.5 million annually. Our review of selected delivery units determined that management did not always reinforce Postal Service policies and procedures for supervising city delivery street operations at delivery units, which

allowed for some inefficient delivery practices.

WHAT THE OIG RECOMMENDED:

We recommended the manager, Capital District, reduce workhours by 110,740. We also recommended reinforcing policies and procedures for supervising city delivery street operations in delivery units, and eliminating inefficient practices. Further, we recommended the district manager require managers to establish and regularly coordinate, review, and update integrated operating plans to ensure that delivery point sequence mail arrives timely and in route order for easy retrieval by carriers.