



Office of Inspector General | United States Postal Service

Audit Report

U.S. Postal Inspection Service Pandemic Response to Mail Fraud and Mail Theft

Report Number 20-305-R21 | May 20, 2021



Table of Contents

Cover	
Highlights.....	1
Objective	1
Findings.....	1
Recommendations.....	2
Transmittal Letter	3
Results.....	4
Introduction/Objective	4
Background.....	4
Findings Summary	6
Finding #1: Existing Emergency Preparedness Plans	6
Recommendation #1.....	8
Finding #2: Customer Complaint Data	8
Recommendation #2.....	9
Finding #3: Fraud Complaint System Data	9
Management’s Comments.....	9
Evaluation of Management’s Comments	10
Appendices	11
Appendix A: Additional Information.....	12
Scope and Methodology.....	12
Prior Audit Coverage.....	12
Appendix B: Mail Fraud Cases Related to the COVID-19 Pandemic.....	13
Appendix C: Mail Theft Cases Related to the COVID-19 Pandemic.....	14
Appendix D: Management’s Comments.....	15
Contact Information	18

Highlights

Objective

Our objective was to assess the U.S. Postal Inspection Service's response to mail fraud and mail theft during the COVID-19 pandemic. After we began the audit, we received a congressional request from seven members of Congress asking us to identify what actions, if any, the Postal Inspection Service had taken to address the increase in mail theft during the COVID-19 pandemic.

On March 13, 2020, the President of the United States issued a national emergency declaration concerning the novel coronavirus (COVID-19). We assessed the actions that the Postal Inspection Service took to address mail fraud and mail theft that occurred from March 2020 through February 2021.

Postal inspectors are responsible for investigating complaints of mail fraud and mail theft committed by non-postal employees, even if the fraud originated over the phone or via the internet. In March 2020, the Postal Inspection Service created four mail fraud and mail theft program areas to help postal inspectors prioritize cases in response to the COVID-19 pandemic. The program areas are (1) Economic Impact Payment Protection and Theft, (2) COVID-19 Consumer Fraud, (3) Hoarding and Price Gouging, and (4) Coronavirus Aid, Relief, and Economic Security Act Fraud.

The Postal Inspection Service uses the Fraud Complaint System to record mail fraud complaints and the Financial Crimes Database to record mail theft complaints. From March 2020 through February 2021, the Postal Inspection Service received 40,727 mail fraud complaints and 299,020 mail theft complaints. When the Postal Inspection Service determines a mail fraud or mail theft complaint is within its jurisdiction and actionable, the complaint is assigned to an existing case, or a new case is opened to investigate. From March 2020 through February 2021, the Postal Inspection Service opened a total of 753 mail fraud cases — an increase of 170 cases (29 percent) over the prior 12 months — and opened 1,090 mail theft cases — a decrease of 49 cases (4 percent) over the prior 12 months. Of those opened cases, 216 (29 percent) mail fraud cases and 61 (6 percent) mail theft cases were related to the COVID-19 pandemic.

Findings

Overall, we found that the Postal Inspection Service took appropriate action to respond to mail fraud and mail theft during the COVID-19 pandemic. For example, the Mail Fraud Program employees participated in federal task forces to investigate and disrupt COVID-19 related scams. Postal inspectors also coordinated with law enforcement agencies when Economic Impact Payment checks were mailed to help prevent mail theft.

In addition, Postal Inspection Service Headquarters provided guidance on the four mail fraud and mail theft program areas created in response to the COVID-19 pandemic, communicated Centers for Disease Control and Prevention guidance, and distributed personal protective equipment to the 17 Postal Inspection Service divisions to ensure postal inspectors' safety. However, opportunities exist for the Postal Inspection Service to document best practices for use in future health crises and improve the accuracy of customer complaint data.

We found that the Postal Inspection Service's actions in response to the COVID-19 pandemic were not guided by an existing plan for how to maintain and provide essential law enforcement services during a health crisis. While the Postal Inspection Service has Integrated Emergency Management Plans to mitigate, prepare for, respond to, and recover from natural disasters or man-made hazards, these plans do not address health crises.

Postal Inspection Service management stated that they will conduct an interim review to determine lessons learned to develop a response plan. By documenting the best practices they identify from their review of the COVID-19 pandemic response, the Postal Inspection Service will be better prepared to ensure continuity of law enforcement operations through consistent messaging and guidance to postal inspectors during future pandemics.

The Postal Inspection Service's Financial Crimes Database contains mail theft complaints. We found that Financial Crimes Database data for 98 percent of open complaints transferred correctly when transmitted from the Postal Service's Customer 360 (C360) platform to the database. However, data for 1,865 of 84,056 (2 percent) open complaints did not transfer correctly. For example, data

from the “Address” field appears in the “Name” field. This issue occurred because the data transfer process for sending customer complaint data from C360 to the Postal Inspection Service was not correctly implemented when the Postal Service deployed the C360 platform.

Per Postal Service policy, information resources must be installed and maintained in a manner that ensures the integrity of the information and its data. If information issued or released has been modified in any way, recipients must be notified about the nature of the modification.

Postal Inspection Service management stated they are currently working with the Postal Service to correct the transfer of data between C360 and the database. In the interim, the Postal Inspection Service has to manually correct customer complaint data after it is transferred from C360. Postal Inspection Service management also did not communicate the database issues to postal inspectors. However, during our audit, management took corrective action to communicate to inspectors about these data modifications; therefore, we are not making a recommendation on this issue. Accurate and complete complaint data is

important to ensure the quality of an investigation and to support decisions about where to direct resources.

We also found that the Fraud Complaint System displayed a minor inaccuracy related to the total mail fraud complaints recorded in the system. This issue occurred because of a coding error in the system that caused the total number of exported complaints to differ from the total amount displayed. During our audit, management took corrective action by fixing the system to ensure the total number of complaints displayed matched the total number of complaints exported; therefore, we are not making a recommendation on this issue.

Recommendations

We recommend management:

- Document best practices from the Postal Inspection Service’s response to the COVID-19 pandemic in an after-action report for use in future health crises.
- Ensure customer complaint data sent from Customer 360 to the Financial Crimes Database is accurate by correcting the data transfer issues.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

May 20, 2021

MEMORANDUM FOR: GARY R. BARKSDALE
CHIEF POSTAL INSPECTOR

KELLY M. SIGMON
VICE PRESIDENT, CUSTOMER EXPERIENCE

DAVID G. BOWERS
DEPUTY CHIEF INSPECTOR, SECURITY

Margaret B. McDavid

FROM: Margaret B. McDavid
Deputy Assistant Inspector General For Inspection
Service and Information Technology

SUBJECT: Audit Report – U.S. Postal Inspection Service Pandemic
Response to Mail Fraud and Mail Theft
(Report Number 20-305-R21)

This report presents the results of our audit of the U.S. Postal Inspection Service's Pandemic Response to Mail Fraud and Mail Theft.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Erica Wallace, Acting Director, Inspection Service, or me at 703-248-2100.

Attachment

cc: Corporate Audit Response Management
Postmaster General

Results

Introduction/Objective

This report presents the results of our self-initiated audit of the U.S. Postal Inspection Service's Pandemic Response to Mail Fraud and Mail Theft (Project Number 20-305). This report also addresses a congressional request we received from seven members of Congress after we began the audit asking us to identify what actions, if any, the Postal Inspection Service had taken to address the increase in mail theft during the COVID-19 pandemic. The members are U.S. Representatives Jackie Speier (CA-14), André Carson (IN-7), Jahana Hayes (CT-5), Barbara Lee (CA-13), James P. McGovern (MA-2), Katie Porter (CA-45), and Thomas R. Suozzi (NY-3). Our objective was to assess the U.S. Postal Inspection Service response to mail fraud and mail theft during the COVID-19 pandemic.

On March 13, 2020, the President of the United States issued a national emergency declaration concerning the novel coronavirus (COVID-19). According to the Postal Inspection Service, the COVID-19 pandemic has brought about new types of fraud schemes involving the mail. We assessed the actions that the Postal Inspection Service took to address mail fraud and mail theft that occurred from March 2020 through February 2021 covering the COVID-19 pandemic period as of the time of our audit. See [Appendix A](#) for additional information about this audit.

Background

Postal inspectors are responsible for investigating complaints of mail fraud and mail theft committed by non-postal employees. The Postal Inspection Service uses the Fraud Complaint System and the Financial Crimes Database to record customer complaints. In March 2020, the Postal Inspection Service created four mail fraud and mail theft program areas in response to the COVID-19 pandemic. The program areas are (1) Economic Impact Payment Protection and Theft; (2) COVID-19 Consumer Fraud; (3) Hoarding and Price Gouging; and (4) Coronavirus Aid, Relief, and Economic Security (CARES) Act Fraud. Postal inspectors used the four program areas to prioritize cases during the COVID-19 pandemic.

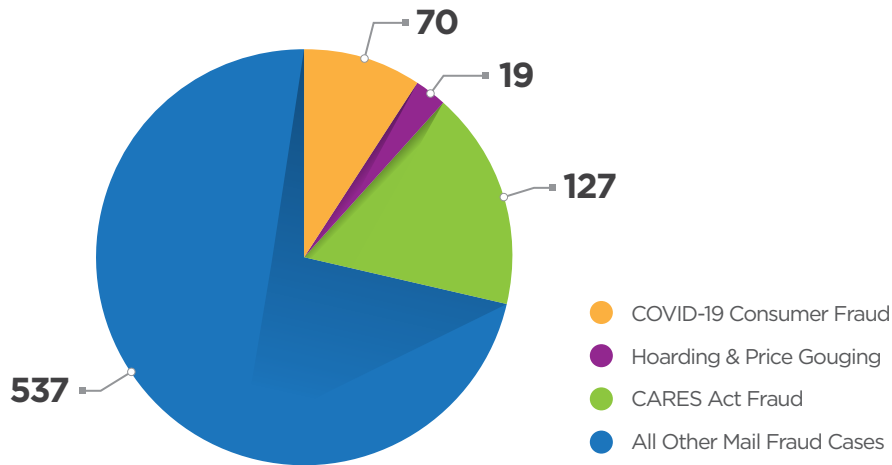
The Fraud Complaint System contains mail fraud complaints involving mail used to defraud someone of money or property. From March 2020 through February 2021, the Postal Inspection Service received 40,727 complaints related to mail fraud – an increase of 10,539 (35 percent) over the prior 12 months. The Postal Inspection Service receives mail fraud complaints through a variety of sources, including phone calls to their Criminal Investigations Service Center, letter correspondence, Mail Fraud Complaint Form 8165, complaints submitted through the Postal Inspection Service's website, and referrals from the Postal Service and federal, state, and local law enforcement agencies. All mail fraud complaints are entered into the Fraud Complaint System.

If the Postal Inspection Service determines a mail fraud complaint is within its jurisdiction and actionable, the complaint is assigned to an existing case, or a new case is opened to investigate.¹ The Postal Inspection Service Mail Fraud Program has oversight of three of the COVID-19 program areas: COVID-19 Consumer Fraud; Hoarding and Price Gouging; and CARES Act Fraud. During the COVID-19 pandemic period of March 2020 to February 2021, the Postal Inspection Service opened 753 mail fraud cases — an increase of 170 (29 percent) over the prior 12 months. Of those cases, 216 (29 percent) were related to COVID-19 program areas including 70 (32 percent) involving COVID-19 consumer fraud, 19 (9 percent) involving hoarding and price gouging, and 127 (59 percent) involving CARES Act fraud (see [Figure 1](#)). See [Appendix B](#) for additional information on mail fraud cases related to the COVID-19 pandemic.

“During the COVID-19 pandemic period of March 2020 to February 2021, the Postal Inspection Service opened 753 mail fraud cases — an increase of 170 (29 percent) over the prior 12 months.”

¹ Postal inspectors use the Case Management System, an online database, to open and close cases and to document and track case activities.

Figure 1. Postal Inspection Service Mail Fraud Cases Opened During the COVID-19 Pandemic Period of March 2020 – February 2021



Source: U.S. Postal Service Office of Inspector General (OIG) analysis of Postal Inspection Service mail fraud cases from the Case Management System.

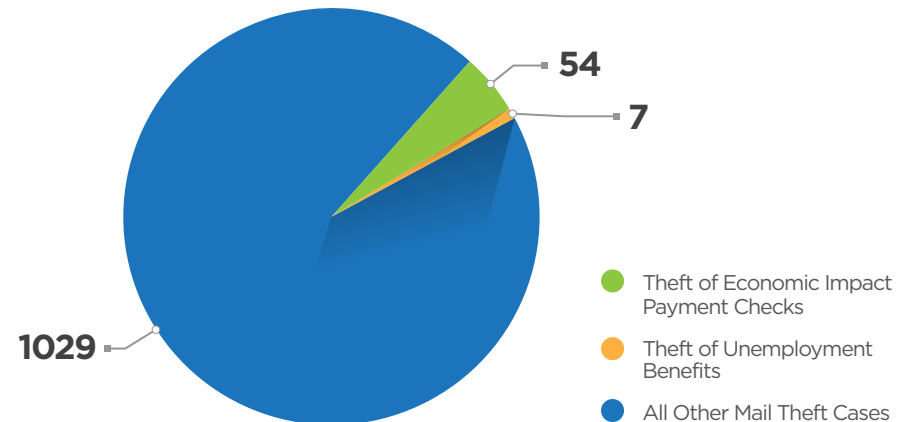
The Postal Inspection Service receives mail theft complaints through a variety of sources, including phone calls, letter correspondence, complaints submitted through the Postal Service’s website, and referrals from federal, state, and local law enforcement agencies. When mail theft complaints that fall within the Postal Inspection Service’s jurisdiction are made to the Postal Service, they are sent from the Postal Service’s customer relationship management platform, Customer 360 (C360), to the Postal Inspection Service’s Financial Crimes Database, which contains mail theft complaints. The Postal Service uses C360 to create, handle, and resolve customer issues and inquiries.

Postal inspectors review each complaint to determine whether it is within the Postal Inspection Service’s jurisdiction and actionable. Not every complaint will result in a new case. For example, if the Postal Inspection Service receives multiple complaints related to the same allegation, a single case may be opened to address them. From March 2020 through February 2021, the Postal Inspection Service received 299,020 mail theft complaints, which was an increase

of 184,564 (161 percent) complaints compared to the same period last year.² Despite this increase, the number of complaints resulting in a case did not change significantly compared to the prior 12 months. Specifically, from March 2020 through February 2021, the Postal Inspection Service opened 1,090 mail theft cases, representing 0.4 percent of the total complaints received. From March 2019 through February 2020, the Postal Inspection Service opened 1,139 mail theft cases, representing 0.9 percent of the total complaints received.

The Postal Inspection Service Mail Theft Program has oversight of the Economic Impact Payment Protection and Theft program area. Sixty-one (6 percent) of the 1,090 mail theft cases related to the Economic Impact Payment Protection and Theft program area. Specifically, 54 (89 percent) involved theft of Economic Impact Payment (EIP) checks and seven (11 percent) involved theft of individual unemployment benefits (see Figure 2). See [Appendix C](#) for additional information on mail theft cases related to the COVID-19 pandemic.

Figure 2. Postal Inspection Service Mail Theft Cases Opened During the COVID-19 Pandemic Period of March 2020 – February 2021



Source: OIG analysis of Postal Inspection Service mail theft cases from the Case Management System.

² From March 2019 through February 2020, the Postal Inspection Service received 114,456 mail theft complaints.

Findings Summary

Overall, we found that the Postal Inspection Service took appropriate actions to respond to mail fraud and mail theft during the COVID-19 pandemic. Regarding mail fraud, the Postal Inspection Service participated in federal task forces to investigate and disrupt COVID-19 related scams. In response to the congressional request we received, we determined that the Postal Inspection Service took appropriate actions to address the increase in mail theft complaints during the COVID-19 pandemic.

These actions included working with the Postal Service to replace or retrofit mail collection boxes to make them more secure, increasing awareness of arrow key³ accountability with Postal Service employees, and creating public service announcements related to COVID-19 program areas. However, opportunities exist for the Postal Inspection Service to document best practices for use in future health crises and to improve the accuracy of customer complaint data.

Finding #1: Existing Emergency Preparedness Plans

We found that the Postal Inspection Service communicated CDC and Postal Service guidance related to the COVID-19 pandemic to postal inspectors through conference calls, emails, and their internal website. This guidance included information on COVID-19 transmission, recommended use of personal protective equipment, and talking points related to EIP thefts. The Postal Inspection Service also coordinated in varied ways with federal, state, and local law enforcement on quarantine and social distancing requirements in response to the COVID-19 pandemic. For example, the Postal Inspection Service was advised to coordinate with law enforcement agencies on conducting arrests based on local social distancing guidance and obtaining warrants via telephone, if possible.

“We found that the Postal Inspection Service took appropriate actions to respond to mail fraud and mail theft during the COVID-19 pandemic.”

³ Arrow keys are mail receptacle security keys Postal Service employees use to open mail receptacles.

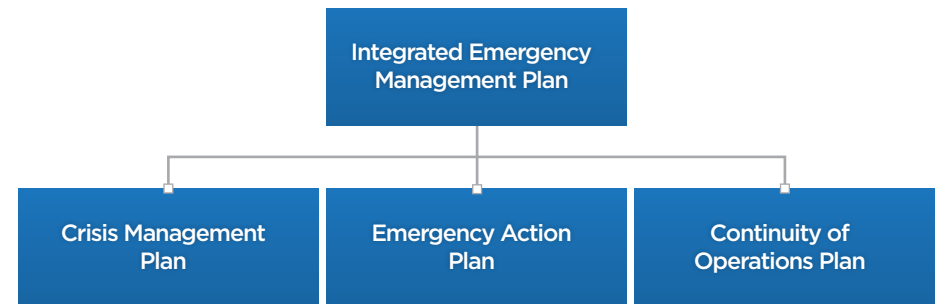


Additionally, the Postal Inspection Service coordinated with law enforcement agencies when EIP checks were mailed, asking agencies to exercise increased vigilance for Postal Service employee safety. The Postal Inspection Service also implemented pandemic influenza safety and security requirements by distributing personal protective equipment and communicating CDC guidance to postal inspectors. Although the Postal Inspection Service took appropriate actions to respond to mail fraud and mail theft during the COVID-19 pandemic, we found that these actions were not guided by any existing plan for how to maintain and provide essential law enforcement services during a health crisis that affects multiple regions simultaneously.

The Postal Inspection Service's existing emergency preparedness plans do not include a framework for how to respond to the COVID-19 pandemic or other health crises from a law enforcement perspective. For example, postal inspectors were not provided with written procedures for how to manage a potential increase in postal inspector absences during the COVID-19 pandemic. Postal inspectors in one of 17 divisions were provided with written guidance from their division management on executing search warrants, properly handling evidence, and mitigating exposure to the COVID-19 virus, contributing to the Postal Inspection Service's appropriate response to the COVID-19 pandemic. However, the division developed this guidance in response to verbal communications with management, rather than because these responsibilities were documented in an existing emergency preparedness plan.

A function of the Postal Inspection Service involves emergency preparedness, which includes developing security and contingency plans that provide a framework for responding to disasters impacting postal operations.⁴ The Postal Inspection Service has Integrated Emergency Management Plans at both the headquarters and division levels to mitigate, prepare for, respond to, and recover from natural disasters or man-made hazards (see Figure 3).

Figure 3. Postal Inspection Service Emergency Preparedness Plan for Natural Disasters and Man-Made Hazards



Source: *Inspection Service Manual*, Section 5.7.7.1.7, Integrated Emergency Management Plan, dated October 2020.

The goals of the plans are to improve coordination of planning response activities among functional areas, minimize duplication of planning efforts, and institute a standardized emergency management process. These plans do not address every detail that may arise during a particular emergency situation; rather they provide the Postal Inspection Service with a framework from which to respond to a variety of emergency situations. However, neither the headquarters nor division level Postal Inspection Service Integrated Emergency Management Plans address health crises such as a pandemic influenza.

Postal Inspection Service management stated that they will conduct an interim review of their response to the COVID-19 pandemic to determine lessons learned and develop a response plan. According to the U.S. Department of Homeland Security, formalized planning is one of the core capabilities necessary for responding to national emergencies, including disease pandemics.⁵ In addition, the U.S. Department of Justice recommends developing written short- and long-term plans to ensure continuity of law enforcement operations during an influenza pandemic. The plans should provide a framework for pandemic response built on existing plans and procedures that are already internalized in the agency, such

⁴ *Inspection Service Manual*, Section 4.1.5.1, Postal Inspection Service, dated October 1, 2020.

⁵ U.S. Department of Homeland Security, *National Preparedness Goal*, Second Edition, Risks and Core Capabilities, dated September 2015.

as those in the Postal Inspection Service's Integrated Emergency Management Plans. The plans should be considered living documents that will need to be regularly updated to reflect best practices, lessons learned, and emerging threats associated with a given pandemic that would have a specific impact on law enforcement personnel or how they conduct their job.⁶

By documenting best practices identified from their review of the COVID-19 pandemic response, the Postal Inspection Service will be better prepared to ensure continuity of law enforcement operations through consistent messaging and guidance to postal inspectors nationwide during future health crises.

Recommendation #1

We recommend the **Deputy Chief Inspector, Security**, document best practices from the Postal Inspection Service's response to the COVID-19 pandemic in an after-action report for use in future health crises.

Finding #2: Customer Complaint Data

We found that Financial Crimes Database data for 98 percent of open complaints transferred correctly when transmitted from the Postal Service's Customer 360 (C360) platform to the database. However, data for 1,865 out of 84,056 (2 percent) open complaints from March 2020 through February 2021 did not transfer correctly when transmitted from C360. For example, data from the "Address" field appears in the "Name" field. Postal Inspection Service management confirmed that complaint data from C360 was not transferring correctly to the Financial Crimes Database and that postal inspectors brought the issue to their

“Data for 1,865 out of 84,056 (2 percent) open complaints from March 2020 through February 2021 did not transfer correctly when transmitted from C360.”

attention in December 2020. According to management, the data transfer issue can also result in inaccurate address data and incomplete data associated with businesses. For example, the Postal Inspection Service will receive complaints with a street address merged with an apartment number, as well as complaints from businesses that do not include a business name or phone number. We also brought these issues to the attention of Postal Service management and they confirmed that they were aware of the issues.

These issues occurred because the data transfer process responsible for sending customer complaint data to the Postal Inspection Service was not correctly implemented when the Postal Service deployed the C360 platform in August 2019.

Postal Service policy states that information resources must be installed and maintained in a manner that ensures the integrity of the information and its data.⁷ All incomplete or obsolete information must be suppressed and not distributed to users unless it is accompanied by an explanation describing the status of the information. If information issued or released has been modified in any way, recipients must be notified about the nature of the modification so they can determine whether the modifications are significant enough to affect decision making.⁸

The Postal Inspection Service is currently working with the Postal Service to correct the transfer of data between C360 and the Financial Crimes Database. In the interim, the Postal Inspection Service has to manually correct the customer complaint data after it is transferred from C360. However, Postal Inspection Service management did not communicate the database issues to postal inspectors. Management stated that communicating the issues was not necessary because they thought it was better to just correct them. During our audit, Postal Inspection Service management took corrective action by communicating the Financial Crimes Database issues to postal inspectors. Therefore, we are not making a recommendation related to this issue.

⁶ U.S. Department of Justice, Bureau of Justice Assistance, *Benchmarks for Developing a Law Enforcement Pandemic Flu Plan*, dated October 2009.

⁷ Handbook AS-805, *Information Security*, Section 9-8, Integrity, dated November 2019. Information resources are strategic assets vital to the business performance of the Postal Service. For the purpose of this report, information resources are all information or data stored in digital format.

⁸ Handbook AS-805, *Information Security*, Section 9-8.3, Application Requirements.

Accurate and complete complaint data is important to ensure the quality of an investigation and to support decisions about where to direct resources. For example, management relies on Financial Crimes Database data to conduct trend analyses that help them make decisions about where to direct Mail Theft Program resources. Because of the data issues in the database, management may rely on unreliable data to support or make these decisions.

Recommendation #2

We recommend the **Vice President, Customer Experience**, ensure customer complaint data sent from Customer 360 to the Financial Crimes Database is accurate by correcting the data transfer issues.

Finding #3: Fraud Complaint System Data

We found that the Fraud Complaint System displayed a minor inaccuracy related to the total mail fraud complaints recorded in the system. When search parameters are entered in the system search page, the system first identifies the total number of complaint records. However, when we exported mail fraud complaint records from the system, the total count of complaint records in the exported document did not match the total count of complaint records shown on the system search page. For example, for September and October 2020, the total count of complaint records in the exported document was 9,037, while the total count of complaint records shown on the system search page was 9,036.

Per Postal Service policy, management must install and maintain information resources in a manner that ensures the integrity of the information resources and their data.⁹ The Fraud Complaint System is used as an information resource to determine trending related to potential mail fraud schemes.¹⁰

“Corrective action was taken by an information technology official, who updated the system to ensure it was displaying the correct number of total complaints.”

According to management, this issue occurred because of a coding error in the system that caused the total number of exported complaints to differ from the total amount displayed. As a result of our review, corrective action was taken by an information technology official, who updated the system to ensure it was displaying the correct number of total complaints. Since management has taken corrective action to address this issue, we are not making a recommendation.

Management’s Comments

Management agreed with recommendations 1 and 2. In a subsequent communication, management stated they did not agree with finding 1, but did not explain why. They agreed with finding 2.

Regarding recommendation 1, management stated that the Deputy Chief Inspector will document best practices from the Postal Inspection Service’s response to the COVID-19 pandemic in an after-action report. The target implementation date is August 31, 2021.

Regarding recommendation 2, management stated that customer data is now being transferred correctly from C360.

See [Appendix D](#) for management’s comments in their entirety.

⁹ Handbook AS-805, Section 9-8, Integrity. Data integrity is the security property that ensures correct operation of information resources, consistency of data structures, and accuracy of stored information.

¹⁰ Information resources are defined as the data and information used by an organization.

Evaluation of Management's Comments

The OIG considers management's comments responsive to the recommendations in the report. Action plans to address these recommendations should resolve the issues identified in this report.

Regarding recommendation 2, we reviewed written documentation associated with changes made to the data transfer process and agree to close this recommendation upon issuance of this report.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective action is completed. Recommendation 1 should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendation can be closed. We consider recommendation 2 closed with the issuance of this report.

Appendices

Click on the appendix title below to navigate to the section content.

- Appendix A: Additional Information 12
 - Scope and Methodology 12
 - Prior Audit Coverage 12
- Appendix B: Mail Fraud Cases Related to the COVID-19 Pandemic 13
- Appendix C: Mail Theft Cases Related to the COVID-19 Pandemic 14
- Appendix D: Management’s Comments..... 15

Appendix A: Additional Information

Scope and Methodology

The scope of our audit included a review of open and closed mail fraud and mail theft complaints and cases during the COVID-19 pandemic period of March 2020 through February 2021.

To accomplish our objective, we:

- Requested Postal Inspection Service COVID-19 pandemic response plan(s). Because the Postal Inspection Service did not have a COVID-19 pandemic response plan, we:
- Obtained and reviewed the 2020 Postal Service Pandemic Influenza Plan. This plan establishes Postal Service policies and procedures to facilitate preparation for, response to, and recovery from an epidemic or pandemic outbreak of influenza. The plan applies to all Postal Service facilities where administrative support, business, retail, or operational activities occur.
- Interviewed Postal Service and Postal Inspection Service management to determine how the Postal Inspection Service complied with its responsibilities identified in the 2020 Postal Service Pandemic Influenza Plan.
- Identified federal task forces and other efforts the Postal Inspection Service participated in during the COVID-19 pandemic to determine whether postal inspectors coordinated with law enforcement on quarantine and social distancing requirements.
- Reviewed Postal Inspection Service roles to determine personnel responsible for the COVID-19 pandemic response.
- Interviewed Postal Inspection Service management to determine the allocation of resources assigned to investigate mail fraud and mail theft during the COVID-19 pandemic.

- Interviewed Postal Inspection Service management to determine how mail fraud and mail theft cases are referred to the divisions and how the divisions track cases related to the COVID-19 pandemic.
- Collected and analyzed opened and closed complaints from the Fraud Complaint System and the Financial Crimes Database and open and closed cases from the Case Management System to determine how many were related to mail fraud and mail theft that occurred during the COVID-19 pandemic.

We conducted this performance audit from November 2020 through May 2021 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 April 23, 2021, and included their comments where appropriate.

We assessed the reliability of Fraud Complaint System and Financial Crimes Database data by conducting tests to determine whether data were missing or illogical and interviewing responsible personnel knowledgeable about the data. While we identified problems with certain elements of the data as reported, we determined that the data were sufficiently reliable for the purposes of this report, to include reporting overall mail theft and mail fraud complaint numbers.

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: Mail Fraud Cases Related to the COVID-19 Pandemic

The table below shows the Postal Inspection Service mail fraud case count comparison between the COVID-19 pandemic period and the prior 12-month period.

Headquarters and Divisions	March 1, 2020 – February 28, 2021			March 1, 2019 – February 29, 2020	
	Non-COVID Mail Fraud Cases	COVID Cases	Total Mail Fraud Cases	Total Mail Fraud Cases	Difference in Yearly Totals
Atlanta	37	19	56	42	14
Boston	46	16	62	60	2
Chicago	26	13	39	29	10
Denver	29	9	38	27	11
Detroit	40	9	49	30	19
Fort Worth	37	13	50	35	15
Houston	29	11	40	47	-7
HQ Office	64	11	75	31	44
Los Angeles	21	10	31	14	17
Miami	37	9	46	70	-24
New York	36	21	57	47	10
Newark	16	12	28	23	5
Philadelphia	28	22	50	24	26
Phoenix	15	2	17	11	6
Pittsburgh	31	16	47	46	1
San Francisco	8	3	11	7	4
Seattle	15	4	19	12	7
Washington	22	16	38	28	10
Total	537	216	753	583	170

Source: OIG analysis of Postal Inspection Service mail fraud cases from the Case Management System.

Appendix C: Mail Theft Cases Related to the COVID-19 Pandemic

The table below shows the Postal Inspection Service mail theft case count comparison between the COVID-19 pandemic period and the prior 12-month period.

Headquarters and Divisions	March 1, 2020 – February 28, 2021			March 1, 2019 – February 29, 2020	
	Non-COVID Mail Theft Cases	COVID Cases	Total Mail Theft Cases	Total Mail Theft Cases	Difference in Yearly Totals
Atlanta	69	5	74	84	-10
Boston	59	2	61	56	5
Chicago	44	0	44	54	-10
Denver	47	3	50	60	-10
Detroit	28	3	31	34	-3
Fort Worth	97	3	100	85	15
Houston	100	8	108	107	1
HQ Office	1	0	1	1	0
Los Angeles	88	1	89	120	-31
Miami	52	8	60	61	-1
New York	80	6	86	90	-4
Newark	37	4	41	54	-13
Philadelphia	23	0	23	37	-14
Phoenix	73	3	76	66	10
Pittsburgh	35	2	37	37	0
San Francisco	83	8	91	98	-7
Seattle	77	4	81	61	20
Washington	36	1	37	34	3
Total	1,029	61	1,090	1,139	-49

Source: OIG analysis of Postal Inspection Service mail theft cases from the Case Management System.

Appendix D: Management's Comments



UNITED STATES POSTAL INSPECTION SERVICE

Deputy Chief Inspector

May 12, 2021

JOSEPH WOLSKI
DIRECTOR, AUDIT OPERATIONS

SUBJECT: U.S. Postal Inspection Service Pandemic Response to Mail Fraud and Mail Theft
(Project Number 20-305-DRAFT)

Thank you for the opportunity to review and comment on the findings and recommendations contained in the draft audit report, *U.S. Postal Inspection Service Pandemic Response to Mail Fraud and Mail Theft*.

The U.S. Postal Inspection Service agrees with recommendation 1. Management will address the recommendation below.

Recommendation 1: The **Deputy Chief Inspector, Security**, document best practices from the Postal Inspection Service's response to the COVID-19 pandemic in an after-action report for use in future health crises.

Management Response/Action Plan: Management agrees with this recommendation. The Deputy Chief Inspector will document best practices from the Postal Inspection Service's response to the COVID-19 pandemic in an after-action report.

Target Implementation Date: August 31, 2021

Responsible Official: Deputy Chief Inspector, Headquarters Operations - Security

Sincerely,

A handwritten signature in black ink, appearing to read "David G. Bowers".

David G. Bowers
Deputy Chief Inspector, Headquarters Operations

cc: Manager, Corporate Audit Response Management

David G. Bowers
475 L'Enfant SW Room 3018
Washington, DC 20260-3100

KELLY M. SIGMON
VICE PRESIDENT, CUSTOMER EXPERIENCE



May 13, 2021

JOSEPH WOLSKI
DIRECTOR, AUDIT OPERATIONS

SUBJECT: USPIS Pandemic Response to Mail Fraud and Mail Theft
Project Number 20-305 DRAFT

Management agrees with the findings in Recommendation #2 of the OIG draft report USPIS Pandemic Response to Mail Fraud and Mail Theft.

Recommendation 2:

We recommend the Vice President, Customer Experience, ensure customer complaint data sent from Customer 360 to the Financial Crimes Database is accurate by correcting the data transfer issues.

Management Response:

In management's original response to the OIG dated 04/22, we agreed to investigate and determine the accuracy of customer complaint data and data transfer from Customer 360.

Action Plan:

USPIS has confirmed the customer data is being transferred correctly and the Customer Experience (CX) team was made aware of this assessment. Customer Experience has reviewed the data and found it is accurate as submitted.

Service Requests (SRs) are submitted by customer input into the Customer 360 (C360) system. A customer may submit NAME information on the address line and ADDRESS information on the name line. We have no way to validate with the customer that the information is incorrect, therefore CX will correct the information without manually reaching out to the customer to validate. For example, John Smith could be a name of a street or the name of a person. A person can input Henry Street in the Name portion; it is really the street they live on, but it could also be the person's name.

Target Implementation Date:

Management has confirmed the action plan has been completed and requests that recommendation #2 be closed.

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- 2 -

Responsible Official:
Director, Customer Experience and Strategy

 E-SIGNED by Kelly.M Sigmon
on 2021-05-13 12:24:08 CDT

Kelly M. Sigmon
Vice President, Customer Experience

cc: Sally K. Haring, Manager, Corporate Audit Response Management

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