



SEMIANNUAL REPORT *to* CONGRESS

SPRING 2024 | OCTOBER 1, 2023 - MARCH 31, 2024



A Message *from the* Inspector General

Over the past six months, the Postal Service has begun to rapidly roll out changes to its mail processing, transportation, and delivery networks, as well as other initiatives related to its 10-year Delivering for America (DFA) Plan. While the Postal Service must be able to evolve to meet its statutory mandate, it is essential that it continues to provide reliable and affordable mail service.

Our oversight of DFA initiatives plays a critical role in ensuring the public continues to be served. Employing both data analytics and site visits, we have been able to quickly respond to the growing concerns that network changes are causing mail delays in certain geographical areas. Our work covers a wide range of other DFA-related initiatives including electric vehicle infrastructure, transportation, and recent changes to how and when the Postal Service collects mail from local post offices.

Our work extends far beyond the DFA, and we pride ourselves on our ability to pivot our limited resources to respond to emerging issues. In response to the growing concern about mail theft, we integrated reviews of how the Postal Service manages its collection and cluster box keys during our regular reviews of postal facilities. A core focus of our investigative team is finding and stopping postal employees who steal mail. To that end, we are utilizing our advanced data analytics to identify and stop large, complex external criminal organizations who target and recruit postal employees.

Another investigative focus continues to be identifying and investigating the possession and distribution of narcotics by postal employees. Drug trafficking organizations are increasingly recruiting postal employees online and we have increased focus on identifying and exposing these recruitment tactics.

Over the six-month period ending March 31, 2024, we issued 59 audit reports, management advisories, and white papers, and Postal Service management accepted 88 percent of our recommendations. We completed 1,520 investigations that led to 304 arrests and more than \$28 million in fines, restitution, and recoveries, of which more than \$14 million was returned to the Postal Service.

I am very proud of everything we accomplished, especially given our challenging budget situation. Absorbing the federal raises and the expiration of our Narcotics Task Force funding has led to tough choices over which work to prioritize. This is a critical time for the Postal Service and its customers, especially with the upcoming general election on the horizon. Additional funding would help ensure we can continue to provide the right level of oversight.

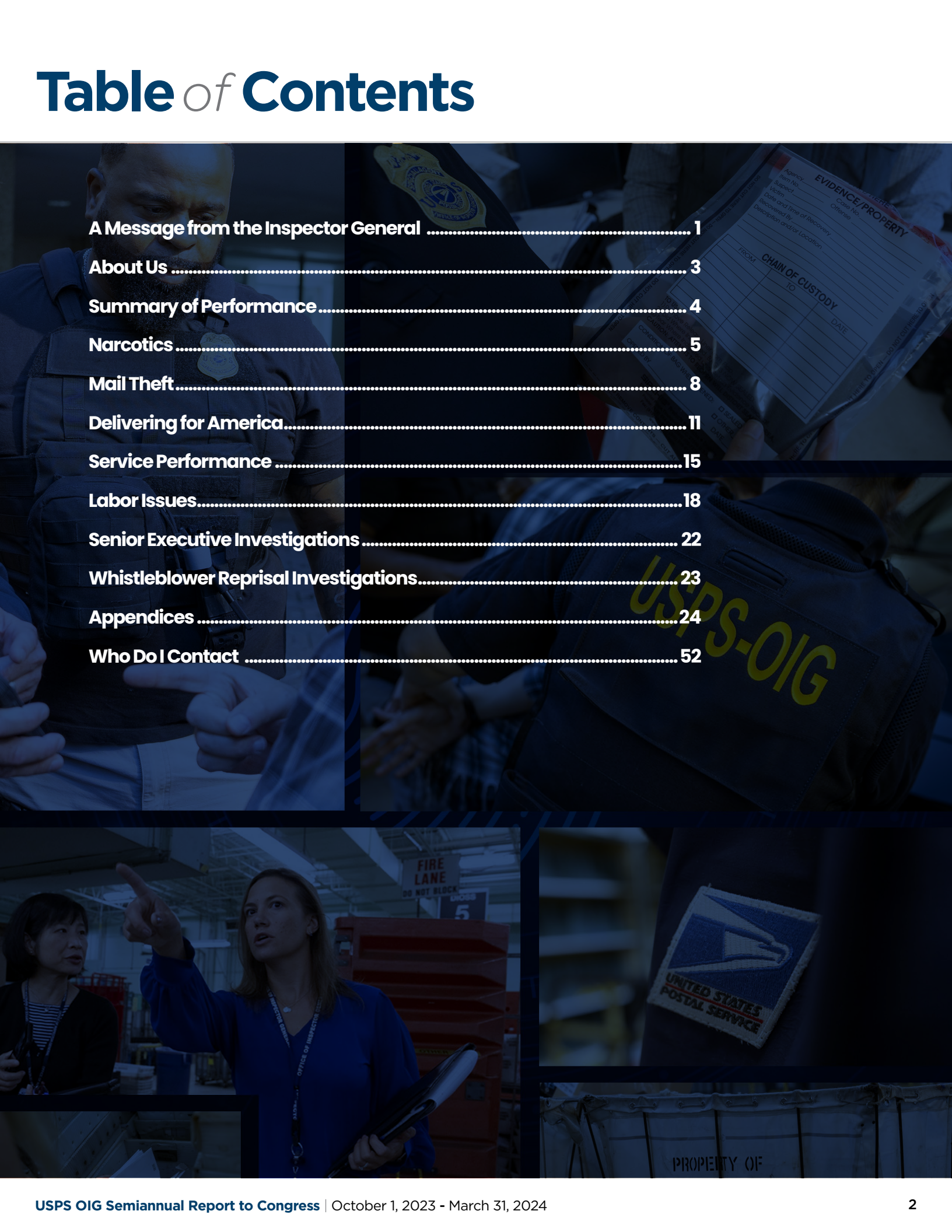


Tammy L. Hull

Inspector General, United States Postal Service



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About Us

The U.S. Postal Service Office of Inspector General (OIG) provides essential oversight to the United States Postal Service (USPS) and the Postal Regulatory Commission (PRC). Our work plays an important role in maintaining the integrity of America's postal system, its revenue and assets, and its employees. We are charged with an important [mission](#): to ensure efficiency, accountability, and integrity in the U.S. Postal Service.

During fiscal year (FY) 2023, our agency was made up of 988 personnel in 96 field offices across 39 states and 91 congressional districts to oversee a postal workforce of over 635,000 employees. While the scope and breadth of our work is extensive, we also have the lowest ratio of employees relative to our parent agency compared to other OIGs: there is only one of us for every 648 postal employees.

To better reach our audiences, we consistently communicate our work through various means, including our newly improved [website](#), [email updates](#), social media campaigns, and [digital stories and other dynamic content](#). Immersive digital stories, a product we debuted

in October 2023, showcase our work and highlight some of our biggest findings. These interactive stories summarize select white papers in an easy-to-follow way, and they cover a diverse range of topics, including this [Semiannual Report to Congress](#).

Our agency prides itself on meeting the demands of the job, even while operating on a reduced budget. We provide a prudent return on investment to USPS, returning nearly \$7 for every \$1 invested in our FY 2023 budget alone. However, to protect the Postal Service and the nation's longstanding trust, it is imperative our agency receive full funding of our budget request. This will enable us to continue playing a critical role in overseeing the Postal Service and the PRC, ensuring confidence in the integrity and safety of the mail. Given the Postal Service is a key part of our nation's infrastructure, full funding will allow us to maintain major narcotics work (including reinstating our highly impactful Narcotics Task Force), combat fraud in government programs, and oversee political and election mail.

Office of Audit

Our [Office of Audit](#) is made up of five directorates:

- Field Operations
- Finance, Pricing & Human Capital
- Inspection Service, Technology & Services
- Mission Operations
- Retail, Marketing & Supply Management

Auditors in each [directorate](#) conduct independent audits and reviews of USPS and PRC programs and operations to promote efficiencies and identify fraud, waste, or abuse.

These audits also promote economy by finding cost-saving opportunities for both the Postal Service and the PRC through recommendations that support program integrity and improve areas where deficiencies or opportunities are identified.

Office of Investigations

While the vast majority of postal employees are trustworthy, dedicated workers, a small percentage violate the public's longstanding trust in the postal system. Our [Office of Investigations](#) (OI) has special agents located around the country to investigate allegations of internal crimes, fraud, and misconduct by postal or PRC employees or their contractors.

Our investigative work focuses on:

- Internal Mail Theft
- Narcotics
- Contract Fraud
- Financial Fraud
- Health Care Claimant Fraud
- Health Care Provider Fraud
- Official Misconduct

OI also has specialized units that include the Cyber Crimes Unit and the Office of Professional Responsibility. Collectively, our investigations help ensure the integrity of postal processes, finances, and personnel.

Research and Insights Solution Center

The [Research and Insights Solution Center](#) (RISC) is the OIG's data analytics and research component.

Its primary objective is to support our agency's core mission by providing comprehensive analytical services, tools, and research products to our auditors, investigators, senior leaders, and stakeholders.

Our researchers analyze strategic, operational, and policy issues affecting the Postal Service and publish white papers that provide key insights and information on matters significantly impacting current and future postal operations.

Summary of Performance

AUDITS and WHITE PAPERS



Questioned Costs:
\$69,037,587



Revenue Impact:
\$19,604,561



Funds Put to Better Use:
\$0

Total: **\$88,642,148**

Reports Issued: **59**

Recommendations Issued: **168**

Total Reports with Financial Impact: **4**

INVESTIGATIONS¹

Investigations Completed: **1,520**

Arrests: **304**

Indictments/Informations: **340**

Convictions/Pretrial Diversions:² **355**

Administrative Actions: **811**



Amount to the Postal Service:³
\$14,424,647



Cost Avoidance:
\$187,105,312



Fines, Restitution, and Recoveries:
\$28,139,984

HOTLINE CONTACTS

Facsimile
114

Voicemail Messages
1,285

Telephone Calls
17,164

Standard Mail
1,074

Email
21,790

Webforms
61,175

Total Contacts:
102,602

Mission Statement

Ensuring efficiency, accountability, and integrity in the U.S. Postal Service.

¹ Statistics include joint investigations with other law enforcement agencies.

² Amounts are totals to USPS resulting from joint investigations with other OIG, federal, state, and local law enforcement entities.

³ Convictions reported in this period may be related to arrests in prior reporting periods.

Narcotics



As the nation's opioid crisis continues to deepen, the OIG remains steadfast in its mission to combat illegal drug trafficking through the U.S. Mail, both domestically and internationally. Now more than ever, our work in this area is crucial in America's fight against the sale, use, and shipment of illicit substances.



Source: USPS OIG.

A Heightened Focus on Dismantling Criminal Organizations

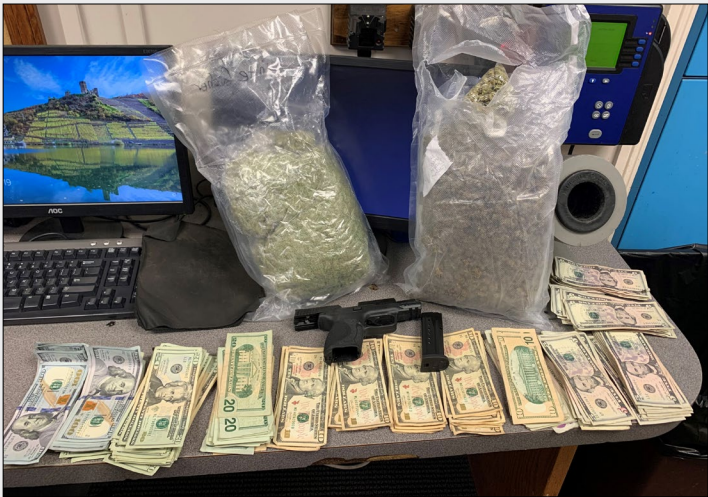
Given their access to the Postal Service’s extensive delivery network, postal employees have become prime targets for drug trafficking organizations (DTOs). Hence, our focus continues to be on those who use their position of trust to collude with DTOs or profile packages in an independent capacity to obtain or sell illicit drugs.

Recent trends indicate DTOs are increasing their use of technology and taking advantage of the dark web, cryptocurrency, encrypted messaging services, and online platforms such as social media. They use these means to not only traffic narcotics, but also to recruit and pay postal employees — all while concealing their identities and leaving behind even more covert electronic trails.

To meet these evolving challenges, our Office of Investigations leverages both a resolute investigative approach in the field and a vigorous data analytics program. We consistently work with the Postal Inspection Service, the Drug Enforcement Administration, Homeland Security Investigations, the FBI, and other law enforcement agencies to augment the scope and impact of our investigations. And we continue adapting and developing tools and resources to help combat new ways drugs are trafficked.

The OIG strategically employs its resources in areas of high transnational drug trafficking, such as Arizona, California, Florida, Puerto Rico, and Texas — but also in high consumption metro areas such as Chicago, New York City, and Philadelphia. In a recent investigation,

FY 2024 OIG Narcotics Investigations	
Investigations Closed	141
Arrests	48
Indictments/Informations	67
Convictions/Pre-trial Diversions	70
Administrative Actions	59
Fines, Restitution, and Recoveries	\$142,126
Amount to the Postal Service	\$14,553



Contraband seized during an investigation.
Source: Hazelwood, MO, Police Department.

a DTO recruited and bribed two postal employees in Puerto Rico to divert narcotics parcels from the mailstream. Our special agents discovered one member of the DTO was an active police officer. The two employees and four co-conspirators were arrested and convicted on numerous charges, including conspiracy to distribute controlled substances, money laundering, delay of mail, and assaulting, resisting, or impeding certain officers or employees. The now



former employees were sentenced to a combined three and a half years' probation, while the four others

were sentenced to a combined more than nine years in prison and eight years' probation.

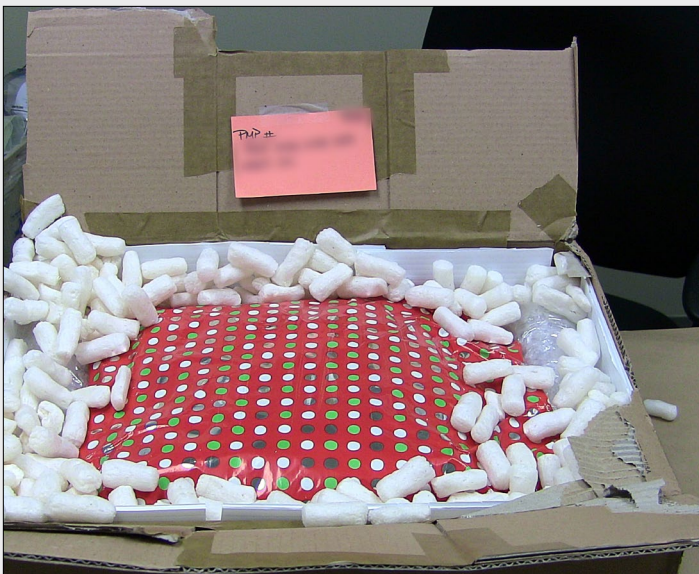
A Resolute Focus on Simple Possession-and-Use Cases

The OIG also continues to investigate employees who profile and seize or divert drug parcels at processing facilities, which see the highest volumes of mailpieces compared to local delivery units. Such activities endanger not only the profiler in the plant, but also innocent mail carriers to whose delivery routes the targeted parcels are destined, as the intended recipients sometimes retaliate against them.

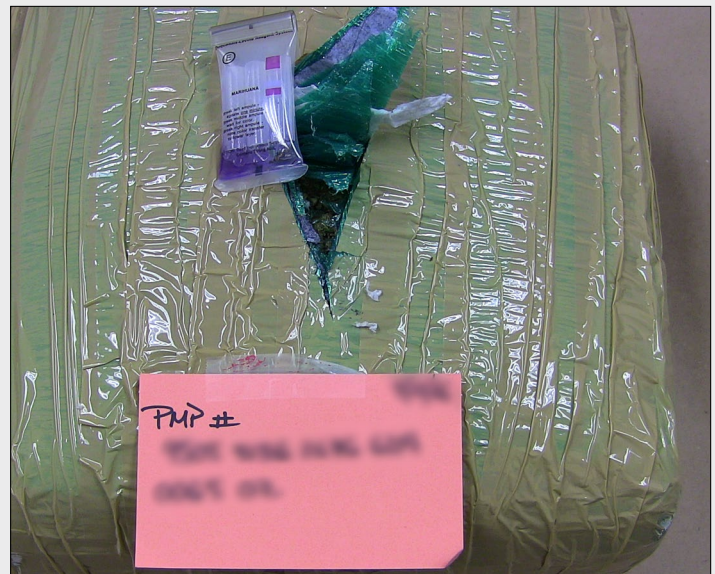
In another recently closed investigation, our special agents identified a ring of seven postal employees who were stealing mail and its contents at a midwestern network distribution center. One mail handler confessed to opening as many as 150 parcels alone

in search of drugs. All seven employees confessed to their participation and were subsequently removed from their positions. The ringleader was arrested and sentenced to three months' imprisonment followed by three years' supervised release.

The OIG remains committed to identifying and removing these bad actors and ensuring the safety of Postal Service employees. We take any allegation of employees conspiring with DTOs seriously and will fully investigate any such claim. Those who abuse the system will be held accountable to protect the sanctity of the U.S. Mail.



Wrapped package inside a box special agents seized due to suspected contraband.
Source: OIG.



Special agents cut into taped parcel from a seized package to test contents for drugs.
Source: OIG.

Mail Theft

A core function of our work is the prevention and investigation of internal mail theft. We continue to focus on postal employees who steal from the mail, with a growing emphasis on external criminal organizations that target, recruit, and collude with them to steal valuables and items like checks and credit cards.

Mail Theft



Meeting Mail Theft Challenges

In addition to leveraging robust data analytics to identify mail theft suspects, the Office of Investigations has continued an ongoing initiative with key financial industry partners to gain better insights into credit card and check theft during this reporting period. Through this work and other partnerships with key postal stakeholders, the OIG seeks to better combat credit card and check theft through enhanced data analytics. This allows us to deploy investigative resources more effectively against criminal organizations that seek to abuse the postal system.

Through the leads developed by the OIG, numerous internal mail theft investigations were concluded during this reporting period. In all these instances, postal employees abused their positions to steal checks from the mail for personal financial gain. In some cases, employees colluded with external actors to facilitate their criminal schemes.

In one investigation, our special agents identified a postal employee who worked alone to steal and cash nearly 420 checks between March and September of 2022. As a result of the investigation, the employee was arrested, charged, and prosecuted by an Arkansas prosecutor’s office. The now former employee was

Beyond Our Mail Theft Investigations

Our work on mail theft extends beyond our Office of Investigations. At every visit to delivery units, our Field Operations Review audit teams consistently assess the accountability and security of arrow keys — USPS’s proprietary keys used to open and secure blue collection boxes and cluster box units, such as those found in apartment buildings. During this reporting period, our auditors found issues with arrow key accountability or security at 16 of 19 delivery units visited. We consistently make recommendations to postal management to improve arrow key controls to aid in the fight against mail theft.

Our audit work also revealed issues regarding the handling and security of Registered Mail at three processing and distribution facilities in [Eagan, MN](#),

FY 2024 OIG Mail Theft Investigations	
Investigations Closed	836
Arrests	193
Indictments/Informations	209
Convictions/Pre-trial Diversions	193
Administrative Actions	481
Fines, Restitution, and Recoveries	\$6,223,586
Amount to the Postal Service	\$50,321

sentenced to 20 years in prison to be followed by 10 years’ probation, and was ordered to pay more than \$58,000 in restitution.

Another investigation into the theft of checks by a USPS employee concluded in December 2023. In a fast, three-month investigation, our special agents identified the employee who worked with two external subjects to steal checks for several months, incurring more than \$48,000 in losses to check issuers. When our special agents confronted and interviewed the employee, he was in possession of stolen checks and a firearm. The person was sentenced by a federal judge to a year of home confinement to be followed by three years of supervised release along with 100 hours of community service, and was ordered to pay over \$12,000 in restitution.



An unattended registry sack sits outside the registry cage on the workroom floor at the St. Paul, MN, Processing and Distribution Center in Eagan, MN, on November 16, 2023.
Source: OIG.

Mail Theft



[Easton, MD](#), and [Los Angeles, CA](#). We found postal employees did not secure all registry items or maintain accountability for individuals with access to the registry cage due to a lack of management oversight. Insufficient training on registry item procedures

also increased the risk of loss or theft of items that customers have entrusted the Postal Service to provide added protection for secure delivery. Postal management agreed with all five recommendations we made on this topic.

Our Work to Protect Election and Political Mail

A crucial area within our Office of Investigations and Office of Audit is the theft or willful delay or destruction of election and political mail. This is especially true as the growth of vote-by-mail options have increased USPS's role in our nation's elections. The OIG aggressively investigates allegations involving election and political mail and continues to develop robust partnerships with other federal law enforcement partners along with state and local elections officials to ensure we are positioned to quickly respond to allegations involving election and political mail.

A recent example involved a postal employee in Colorado who intentionally delayed the delivery of election and political mail. Our special agents found the employee had delayed 89 ballots, 102 political mailers, two certified letters, 41 First-Class letters, and 1,795 standard rate mailers. The employee pled guilty to one count of obstruction of the mail in November 2023, just four months after we received the allegation that led to the case.

The OIG will evaluate USPS's readiness and performance for timely processing and delivery of election and political mail during the 2024 primary and general elections. We plan to visit postal facilities in 14 states during the primary elections and all 50 states,



Stack of election mail ballots being processed at a postal facility.
Source: USPS.

as well as Washington D.C. and Puerto Rico, during the general election to review processes and controls.

Looking Ahead

Our mail theft audits and investigations will play a definitive role in 2024, especially through the upcoming elections. We will continue honoring our commitment to evaluating the safe and timely delivery of mail across the country.

For more information on our work in this area, visit our [Election and Political Mail](#) page.

Tracking Key Legislation

The OIG is monitoring proposed legislation aimed at deterring mail theft, such as the [Protect Our Letter Carriers Act](#) that would appropriate \$1.4 billion each year to USPS from FY 2025 to FY 2029 to install high-security collection boxes and electronic arrow keys. The bill would also designate an Assistant U.S. Attorney to prosecute crimes against carriers and amend sentencing guidelines for assaults of carriers.

With regards to narcotics, we are also monitoring proposed legislation to criminalize illicit substances, such as the [HALT Fentanyl Act](#), which recently passed the House of Representatives and would permanently classify all fentanyl-related substances as Schedule I under the Controlled Substances Act.

Delivering *for* America

In 2021, the Postal Service announced its Delivering for America (DFA) plan to achieve financial sustainability and service excellence. The plan outlines significant changes to many parts of Postal Service operations, including redesigned processing, transportation, and delivery networks, and more than \$40 billion in increased investments between FYs 2021 and 2030. Providing oversight of DFA initiatives constitutes a significant portion of our work.

Of the People
By the People
For the People



Delivering *for* America



Redesigning the Network

In July 2023, the Postal Service unveiled its first regional processing and distribution center (RPDC) in Richmond, VA — larger facilities that consolidate operations from nearby postal facilities. Our auditors assessed the operational impacts related to this launch, finding that while USPS had successes during implementation, it also faced many challenges. Our [audit](#) detailed how those challenges caused the Postal Service to incur additional labor and transportation costs totaling over \$8 million in questioned costs over the first four months of operations. The challenges also contributed to a decrease in service performance for the Richmond region that continued four months after the launch.

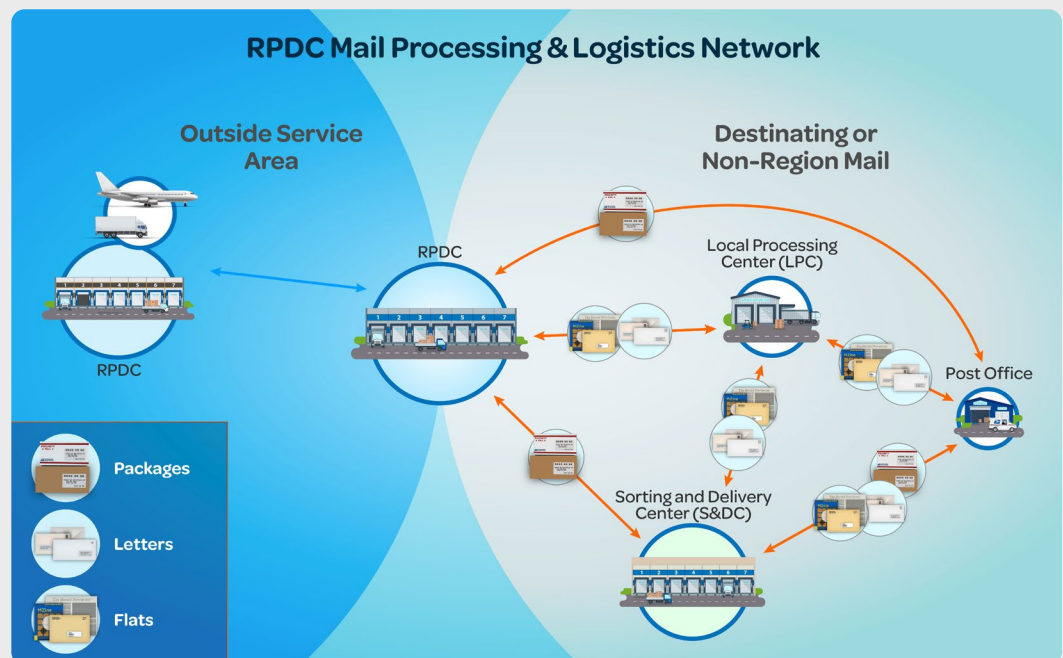
We identified several opportunities for USPS to improve performance in the region and as it implements future RPDCs, including reviewing facilities for pre-existing issues that could affect a successful rollout and including service performance as a measure of success. Other opportunities include ensuring transportation schedules are aligned to operations and facilities adhere to the operating plans, as well as communicating more effectively with local management. Postal management agreed with nine of 10 recommendations in our report.

Another [audit](#) looked at USPS's process to relocate Mail Processing Equipment (MPE) and whether it is prepared to move MPE as part of planned network changes, including the rollouts of its RPDCs. We found that while the Postal Service developed a process to relocate machines, local management was not uniformly aware of roles and responsibilities or consistently applying



Collections mail arriving late and not separated properly at the Richmond RPDC at 3:20 a.m. on October 4, 2023.
Source: OIG.

the process. Without full awareness or consistent application of the MPE relocation process, there is the potential for untimely or incorrect relocations of MPE during RPDC transitions. Management agreed with all four of our recommendations.



Mailflow of future postal network
Source: OIG analysis based on USPS Delivering for America presentations.

Delivering *for* America



Modernizing USPS's Delivery Fleet

To support the DFA's financial and environmental sustainability strategies, the Postal Service is investing \$9.6 billion — including \$3 billion in congressional funding — to electrify its delivery vehicles and procure electric charging stations. Our [audit](#) on the latter evaluated whether USPS was effectively testing and monitoring charging stations' performance. We found the Postal Service effectively conducted performance monitoring to evaluate the charging stations' short-term reliability. However, it did not conduct long-term performance monitoring, test with Next Generation Delivery Vehicles, or test the lifespan of the charging stations. Therefore, we could not opine on the overall reliability of the charging stations.

The audit also examined whether USPS provided effective oversight of the charging stations' storage and compliance with contract terms. We found the agency conducted effective contract oversight by using an industry standard, first article testing, to verify charging stations conformed to certain requirements identified in the contracts' statement of work. But we found management controls over the storage

Cost and Pricing Strategies

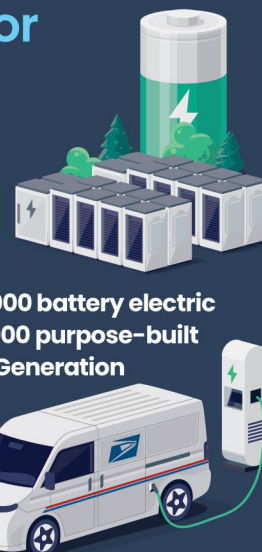
The Postal Service plans to capitalize on the strength of its surface network and lower costs by reducing its reliance on air transportation. However, USPS spent about \$3.5 billion on air transportation costs in FY 2022, an increase of about \$106 million (or 3 percent) compared to FY 2021. A related [audit](#) identified opportunities for USPS to reduce costs by better planning its air capacity.

We found the Postal Service did not accurately plan air weight capacity on the specific lanes for the aviation supplier we reviewed. As a result, the agency paid the aviation supplier about \$25.7 million yearly for unused capacity because it did not meet the minimum weight requirement per the supplier's contract. Postal management agreed with three of our

The Delivering for America Plan

Discusses the fleet replacement strategy, including the Postal Service's plan to acquire **106,000 vehicles** with deliveries expected through 2028.

This plan consists of at least **66,000 battery electric delivery vehicles**, including **45,000 purpose-built battery electric-powered Next Generation Delivery Vehicles** and **21,000 battery electric-powered commercial-off-the-shelf (COTS) vehicles**.



Source: OIG

of charging stations were not effective. Specifically, facility management did not use necessary physical safety measures designed to protect and deter the theft of assets. Postal management agreed with our recommendation.

recommendations, one of which represents a potential cost savings of over \$31.5 million.

As for pricing strategies, a [white paper](#) examined the potential impact on USPS's prices and finances if the cap on Market Dominant price increases had been based on six alternative inflation indices instead of the current Consumer Price Index for All Urban Consumers (CPI-U). Further insights can be found in our report or the [digital story](#).

Another [white paper](#) compared the price of First-Class Mail postage in the United States to equivalent postage in 30 other countries. In part, due to the scale and scope of the U.S. mail market, the 2023 price of a standard domestic letter in the U.S. was nearly half the average letter price in our sample of 31 countries.

Delivering *for* America



Despite inflationary pressures and regulatory changes, the U.S. stamp price also increased more slowly than most sampled foreign posts between June 2018 and June 2023. When considering purchasing power, the

U.S. ranked as the most affordable country to send a standard domestic letter in June 2023. A [digital story](#) of this report is also available.

Improving Customer Service

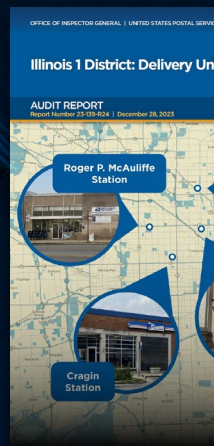
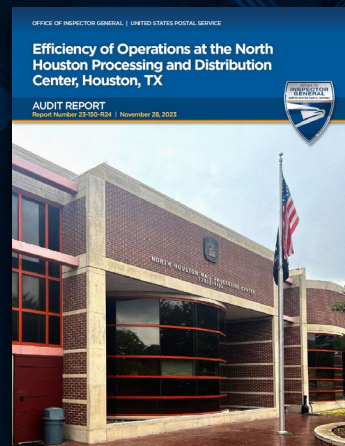
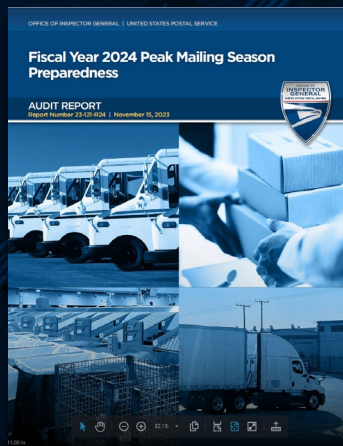
Improving customer service is at the heart of the DFA. Some of our audits looked at the Postal Service's initiatives in this regard. One [audit](#) examined USPS's plans to grow its Contract Postal Units and Village Post Office programs. Our auditors examined both programs in terms of policies, growth initiatives, postal oversight, and customer service. Our findings and recommendations can help postal management address deficiencies and improve communication while implementing its new growth strategies.

Another [audit](#) found consumers in the U.S. return about one-in-six online purchases, but despite growth in the returns market, USPS's Parcel Return Service (PRS) volume has declined in recent years. Our auditors reviewed this program and found the Postal Service accepted 22.8 million PRS packages at the wrong price, resulting in \$25 million in lost revenue between October 2020 and August 2023. Also, a lack of compliance with contractual requirements to hold packages for at least 48 hours made 3.2 million packages eligible for refunds during the same period. Postal management agreed with our four recommendations.



Service Performance

The massive scope of the Postal Service's operations virtually guarantees issues with service performance. Our auditors and researchers work year-round, in field locations across the country, to help USPS identify and address issues affecting its customer.



Service Performance



Service Issues

During this reporting period, more than half our audit reports came from our Field Operations Review teams. Prompted by congressional requests or service performance indicators, our auditors conducted fieldwork on regional delivery, transportation, and mail processing conditions and operations. Each team completed a “cluster” of audits in a specific area of the country, focusing on one processing plant and multiple delivery units to identify problems and provide recommendations.

One advantage of this work is the consistent criteria examined during each audit. As the tables below illustrate, these audits allow us to identify systemic issues and make recommendations to improve delivery operations and customer satisfaction. For instance, all 19 delivery units we visited had package scanning issues, and two of the six plants had load scanning issues. All six plants and 18 of 19 delivery units

we visited had issues relating to delayed mail. Staffing issues often contribute to delayed mail.

Certain areas proved more problematic in terms of delayed mail. For instance, we found almost 60,750 delayed mailpieces in four delivery units across [Chicago, IL](#), and almost 131,000 pieces of delayed mail when we visited six delivery units in the [St. Paul, MN](#), and [Bismarck, ND](#), areas. The processing and delivery center(P&DC) in [Houston, TX](#), was the only one to have issues with clearance times and had the most delayed mail (over 46,830 parcels).⁴ Finally, compared to other P&DCs, we found the [Los Angeles](#) and Houston plants also had more issues than the other plants we audited.

Our Field Operations Review work also provides an opportunity to propose solutions to the issues we find. From the 30 reports we issued this reporting period, we made 75 recommendations to postal management, which agreed with them all.

Summary of Results for 19 Delivery Units Visited

	Delayed Mail	Package Scanning	Property Conditions	Arrow Keys	Carrier Complement and Timekeeping
	Mail not delivered on time to meet its established service performance commitment	Mail not scanned properly or at all, limiting tracking	Deficient or hazardous property conditions for customers and employees	Deficient security and accountability controls that can lead to mail theft and delayed mail	Inaccurate employee rolls and faulty record keeping of employees' time
Delivery Units Where We Identified Issues	18 (95%)	19 (100%)	19 (100%)	16 (84%)	17 (89%)

Source: OIG.

Summary of Results for Six P&DCs Visited

	Clearance Times	Delayed Mail	Late, Canceled, and Extra Outbound Trips	Scan Compliance	Registry Cage	Safety and Security	Other
	The time mail has to be machine processed to meet truck-loading deadlines	Mail not processed on time to meet its established delivery day	Inefficient transportation incurring additional costs	Recording the arrival and departure of containers at P&DCs	Security control issues for Registered Mail	Deficient or hazardous property conditions	Other issues outside the previous categories
P&DCs Where We Identified Issues	1 (17%)	6 (100%)	4 (67%)	2 (33%)	3 (50%)	5 (83%)	2 (33%)

Source: OIG.

⁴ After we completed this audit, we became aware of another service issue in South Houston where we identified 384,000 pieces of delayed mail. We issued a [management alert](#) a week after this reporting period ended.

Service Performance



Delayed Mail Affecting Businesses

A separate [audit](#) examined the impact of delayed mail on qualified business mailers who use Business Reply Mail (BRM) to enable their customers to engage with them without paying for postage as mailers cover that cost. Providing a prepaid reply envelope or postcard may increase the chances of receiving a reply from customers or potential customers. However, the business mailers we spoke with as part of this project expressed concerns with untimely BRM service. This included BRM pieces that appeared to be delayed by multiple weeks based on customer complaints or the cancellation dates on the mailpieces.

While mailers and their customers value BRM service, processing delays, data reliability concerns, and incomplete close-out procedures hinder operational effectiveness and customer satisfaction. We observed BRM delays for nearly 180,000 pieces with some delayed over 13 days at eight of 11 postal facilities. Postal Service officials acknowledged these issues and attributed them to staffing and service prioritization challenges, and system limitations. While we recognize those issues, we believe the broader operational effectiveness problems resulted from insufficient management and oversight. As such, we made two recommendations, with which postal management agreed.



Examples of delayed Business Reply Mail at the Cardiss Collins Finance Station, IL, on April 7, 2023.
Source: OIG.

Peak Season Preparedness

Peak season — the period between Thanksgiving and New Year's Day when mail volume ramps up — tests the Postal Service's performance when customers expect the most. Our [audit](#) on its preparedness for the FY 2024 peak season showed USPS is taking measures to meet the season's demands. We found the agency's preparedness initiatives built on the successes it had during past peak seasons. We also found USPS continued to implement permanent operational changes year-round — such as increasing employee complement and facility space — to plan for the large increase in package volume that management expects during its upcoming peak season. Given the comprehensive scope of these plans, we did not make

any recommendations, and postal management generally agreed with our findings.



Examples of lean mail processing at the Mid-Island P&DC on September 12, 2023.
Source: OIG.

Labor Issues

With a workforce that is 640,000 strong and unique legislative challenges, the Postal Service faces its own share of labor issues. Our audits and white papers are important to identify opportunities for improvements and make recommendations ranging from keeping employees safe to finding better ways to invest its retirement funds to ensuring employees are paid on time.



Labor Issues

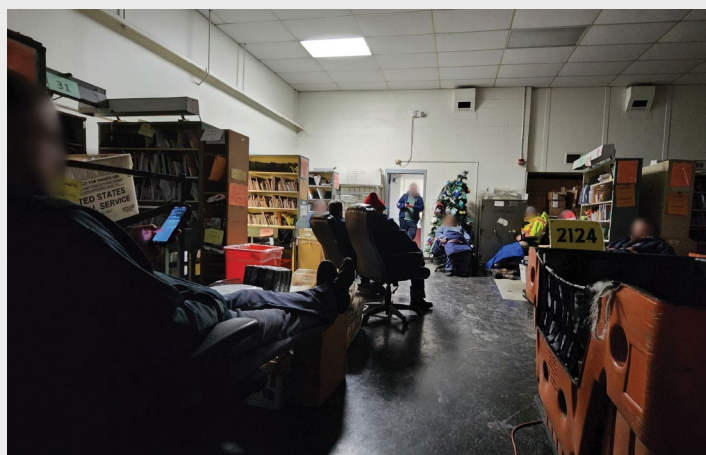


Safety First

Our audits identified opportunities for the Postal Service to improve employee safety. One [audit](#) examined USPS's emergency preparedness for Winter Storm Elliott. The storm arrived in Western New York in December 2022, and within minutes, winds went from 10 to 70 miles per hour and brought about 36 inches of snow over four days. Responding to a congressional inquiry, our auditors reviewed the Postal Service's actions before, during, and after the storm.

We found district management did not ensure the manager at one delivery unit was fully prepared to safeguard employees before the storm arrived. We also found employees at two facilities were placed at risk when district management did not take immediate action when conditions became life threatening, including releasing the employees from their duties promptly. For instance, after management delayed releasing employees from one delivery unit, three carriers — including one who was eight months pregnant — became immobilized on the road while trying to drive home in the hazardous conditions. The pregnant carrier and one other were rescued by the local fire department and taken to shelters. The third carrier stayed at the home of a local resident who rescued them. Additionally, eight employees and a supervisor sheltered overnight at the delivery unit, sleeping on chairs or cardboard pallets.

Postal management disagreed with our three findings and with three of our four recommendations, noting the scope of the audit “(did) not accurately capture the preparation, response, and recovery actions taken by the Postmaster in Buffalo and District Manager nor the



Employees shelter at the Williamsville, NY, delivery unit the morning of December 24, 2022.
Source: USPS.



Williamsville, NY, postal employees shovel a path on the morning of December 25, 2022.
Source: USPS.

Labor Issues



broader impact this weather event had on the entire NY3 District.”

Another [audit](#) found opportunities for USPS to improve its management of hazardous waste, which is generated at postal vehicle maintenance facilities (VMFs) as part of their normal operations. Effective management of hazardous waste and emergency response equipment is critical to reduce the risk of exposure that can cause damage to people and the environment. After visiting 19 VMFs, our auditors found management did not consistently follow procedures on storing, identifying, and handling hazardous waste. Management also did not effectively maintain emergency eyewash and shower equipment or place designated smoking areas for employees in locations 25 feet or more away from buildings. Postal management agreed with four of our five recommendations.

Responding to a congressional request and stakeholder concerns, another [audit](#) examined the effectiveness of the Postal Service’s contract trucking safety controls, compliance, and oversight. USPS has about 4,600 trucking contracts (highway contract routes and freight auction services) with associated costs of \$5.2 billion. We found contract trucking safety controls and oversight were not always effective. Specifically, the Postal Service did not track contractor accidents and fatalities, and its screening processes did not include a contract



Hazardous waste storage area at the Fall River vehicle maintenance facility on May 23, 2023. Source: OIG.

trucker’s driving history. We also found USPS did not always know who was authorized to transport the mail or enforce the terms and conditions of the contracts or ordering agreements.

The Postal Service cited private sector practices, which rely on brokers and suppliers to manage its subcontracting relationships. However, this approach results in a lack of visibility into subcontractor use and driver safety records. Postal management disagreed with five of our seven recommendations. As with the Winter Storm Elliot report, the OIG is working to resolve the recommendation disputes with Postal Service management.

Continuing Our Work on Postal Retirement Funds

Our previous [white paper](#) on the historical returns on USPS’s retirement investments had an astonishing finding: if the agency could have invested from the start in a simple mix of stocks and bonds for its three retirement funds, it would have \$1.2 trillion in retirement assets instead of the \$298 billion it had at the end of FY 2022. Our latest [white paper](#) on this topic explored the historical evolution of the Postal Service’s retirement liabilities and how they differ from those of other government agencies. A [digital story](#) is also available for this report.



Labor Issues



We found a decades-long legislative history gave USPS more retirement liability than other federal agencies. The Postal Service pays for these liabilities with revenue, rather than congressional appropriations. In FY 2023, postal retirement-related costs were \$10 billion, up from \$8.4 billion in FY 2022. The recent period of high inflation resulted in increased amortization payments for the agency and higher cost-of-living adjustments for postal retirees. In addition, because the retirement funds' rate of return was less than the

inflation rate, the funds experienced a negative real return on investment.

Looking ahead, the Postal Service Retiree Health Benefits Fund is expected to be depleted in FY 2031, with retirement costs expected to go up to nearly \$18 billion in FY 2032. The increase could divert money away from the Postal Service's capital investments in its network or lead to increased prices for postal customers.

Being an Employer of Choice

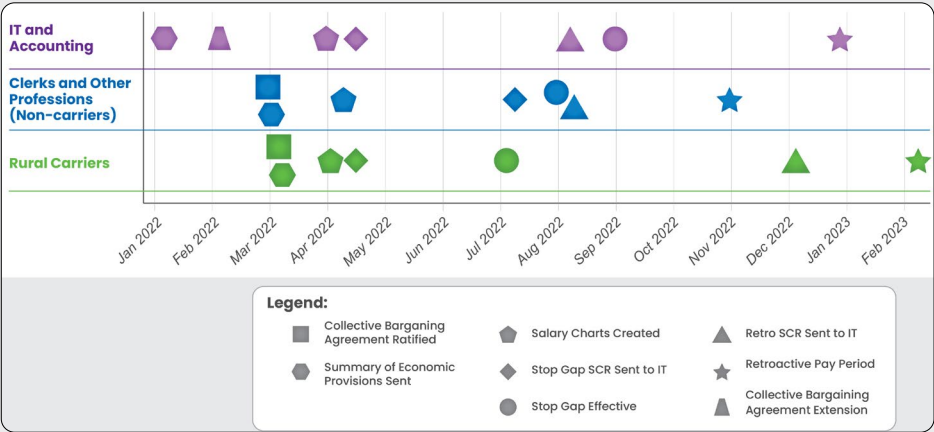
Positing itself as an employer of choice, the Postal Service considers its employees its "most valuable asset," adding that "when we take care of our employees, our employees take care of our customers."⁵ Our audits identified other ways USPS can handle labor issues to better care for its employees.

Field Operations Reviews in [California](#), [Illinois](#), [Maryland](#), and [Texas](#) found management did not adequately maintain timekeeping documentation or provide sufficient oversight of timekeeping records or processes. In all instances, these deficiencies occurred because management said it was unaware of its timekeeping records responsibilities or did not maintain sufficient oversight. Poor timekeeping management and incomplete documentation could incur additional managerial workhours, and it also risks violation of the Fair Labor Standards Act. We made seven recommendations on this topic across the four audits, with which postal management agreed.

Another [audit](#) found how inconveniences due to prolonged processing of retroactive pay affect employees and directly impact the Postal Service's relationships with its labor organizations (unions) as well as its DFA goal of being an employer of choice. As of September 30, 2022, 92 percent of USPS's 635,250 employees were members of unions, whose terms of employment are covered by collective bargaining agreements

(labor contracts). During FY 2022, three new labor contracts were ratified, resulting in the Postal Service owing retroactive pay to around 394,000 employees. Our auditors assessed USPS's processes and systems over retroactive pay.

While USPS has the steps in place to process retroactive pay, we found timeliness could be improved, as it currently takes between eight and 11 months to pay what employees are owed. This comes from an outdated payroll system, competing priorities with scheduled payroll system changes and projects, and a lack of formal retroactive pay policies and procedures. We recommended management require its new payroll system to have the capacity to process retroactive pay and adopt formal documented procedures for processing retroactive pay. Postal management agreed with our findings and recommendations.



Retroactive Pay Timelines per Union.
Source: OIG analysis of Postal Service retroactive pay documentation and correspondence.

5 Source: U.S. Postal Service.

Senior Executive Investigations



During the reporting period, two instances of misconduct by Postal Career Executive Service (PCES) employees were substantiated. The PCES grade is substantially similar to the Senior Executive Series (SES).

Substantiated Allegations

1. The OIG received a complaint that a Postal Service manager misused her position to hire and promote family members.

The investigation determined the manager was involved with employment matters related to her daughter to include: multiple detail assignments, work schedules, work hours, travel arrangements, travel voucher approval, and computer access.

This investigation was not referred for prosecution. The OIG provided its Report of Investigation (ROI) to USPS for appropriate action and the manager was issued a Letter of Warning in Lieu of a 7-day Suspension.

2. The OIG received a complaint that a Postal Service manager misused his position by requiring a subordinate to run personal errands for him.

The investigation determined the manager required a subordinate to purchase clothes for him during work time and while using a government vehicle. The investigation also discovered the manager misused USPS travel funds when he used corporate housing, a hotel, and collected per diem during multiple detail assignments to a location where the manager owned a home.

This investigation was referred to the DOJ, but not accepted for prosecution. The manager retired from postal employment during the investigation.

During the reporting period, one instance of alleged misconduct by a PCES employee was unsubstantiated.

Unsubstantiated Allegations

1. The OIG investigated an allegation that a Postal Service manager gave instructions to discipline supervisors who worked more than eight hours. The investigation disclosed no information to substantiate the allegation. However, a management referral letter was issued when the investigation found supervisors' extra time worked was disallowed.

Whistleblower Reprisal Investigations



During the reporting period, there were no substantiated whistleblower reprisal allegations.

WHISTLEBLOWER REPRISAL ACTIVITY

For the Period: October 1, 2023 - March 31, 2024

125

**Allegations
Received**



0

**OIG
Investigations
Initiated**

2

**Investigations
Closed with
No Action**

119

**Allegations
Closed with
No Action**

0

**OIG
Found
Reprisal**



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our work and the
Postal Service.

Source: OIG, "Getting OIG Information Your Way."

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Appendix A: Reports Issued to Postal Service Management



Summary

OIG audit teams conduct performance and financial audits, evaluations, and other reviews to address the business of the Postal Service.

For the period: October 1, 2023 – March 31, 2024

Risk Categories	Number of Reports	Funds Put to Better Use	Questioned Costs	Unsupported Questioned Costs	Revenue
Field Operations	32	—	—	—	—
Finance, Pricing & Human Capital	8	—	—	—	—
Inspection Service, Technology & Services	4	—	—	—	—
Mission Operations	5	—	\$39,591,954	\$7,969,085	—
Retail, Marketing & Supply Management	6	—	\$29,445,633	*	\$19,604,561
Subtotal	55	—	\$69,037,587	—	—
RISC	4	—	—	—	—
Total	59	—	\$69,037,587	\$7,969,085	\$19,604,561

*Due to concerns with the commercial sensitivity of competitive product pricing strategy that may be protected from disclosure under 39 USC 410(c)(2), the monetary impact from the "Parcel Return Service – Consolidator Payment and Refund Errors" report is not included.

Reports with Quantifiable Potential Monetary Benefits

For the period: October 1, 2023 – March 31, 2024

	Number of Reports	Funds Put to Better Use	Questioned Costs	Unsupported Questioned Costs	Revenue Impact
Mission Operations					
Network Processing					
Effectiveness of the New Regional Processing and Distribution Center in Richmond, VA, 23-161-R24, 3/28/2024	1	—	\$8,084,775	\$7,969,085	—
Transportation					
Effectiveness of Planning Mail Capacity on Air Transportation, 23-095-R24, 11/30/2023	1	—	\$31,507,179	—	—
Retail, Marketing & Supply Management					
Infrastructure and Supply Management					
Fleet Modernization — Electric Vehicle Charging Stations Acquisition, 23-059-R24, 12/29/23	1	—	\$67,400	—	—
Sales, Marketing & International					
Parcel Return Service — Consolidator Payment and Refund Errors, 23-038-R24, 1/9/2024	1	—	\$29,378,233	*	\$19,604,561
Total	4	—	\$69,037,587	\$7,969,085	\$19,604,561

*Due to concerns with the commercial sensitivity of competitive product pricing strategy that may be protected from disclosure under 39 USC 410(c)(2), the monetary impact from the "Parcel Return Service – Consolidator Payment and Refund Errors" report is not included.



Appendix A: Reports Issued to Postal Service Management

Report Listing

Complete listing of all OIG reports issued to Postal Service management.

For the period: October 1, 2023 – March 31, 2024

Field Operations

Field Operations Atlantic and WestPac

California 5 District: Delivery Operations, 24-027-R24, 3/22/2024

Cambridge Post Office in Cambridge, MD: Delivery Operations, 23-156-1-R24, 11/20/2023

Daniel J. Doffyn Station, Chicago, IL: Delivery Unit Operations, 23-139-2-R24, 10/11/2023

Dockweiler Station in Los Angeles, CA: Delivery Operations, 24-027-1-R24, 1/29/2024

Downtown Long Beach Station in Long Beach, CA: Delivery Operations, 24-027-2-R24, 1/29/2024

Easton Post Office in Easton, MD: Delivery Operations, 23-156-2-R24, 11/20/2023

Efficiency of Operations at the Eastern Shore Processing and Distribution Facility, Easton, MD, 23-155-R24, 11/20/2023

Efficiency of Operations at the Los Angeles Processing and Distribution Facility, Los Angeles, CA, 24-026-R24, 1/29/2024

Illinois 1 District: Delivery Unit Operations, 23-139-R24, 12/28/2023

Inglewood Carrier Annex in Inglewood, CA: Delivery Operations, 24-027-3-R24, 1/29/2024

Maryland District: Delivery Operations, 23-156-R24, 1/17/2024

Northtown Station in Chicago, IL: Delivery Operations, 23-139-4-R24, 10/11/2023

Salisbury Post Office in Salisbury, MD: Delivery Operations, 23-156-3-R24, 11/20/2023

Field Operations Central and Southern

Apple Valley Branch, Saint Paul, MN: Delivery Operations, 24-032-1-R24, 1/22/2024

Bismarck Carrier Annex, Bismarck, ND: Delivery Operations, 24-032-4-R24, 3/21/2024

Conroe Post Office, Conroe, TX: Delivery Operations, 23-151-3-R24, 11/28/2023

Cragin Station in Chicago, IL: Delivery Operations, 23-139-1-R24, 10/11/2023

Eagan Branch, Eagan, MN: Delivery Operations, 24-032-2-R24, 1/22/2024

Efficiency of Operations at the Bismarck Processing and Distribution Center, Bismarck, ND, 24-060-R24, 3/21/2024

Efficiency of Operations at the Chicago Processing and Distribution Center, Chicago, IL, 23-138-R24, 10/11/2023

Efficiency of Operations at the North Houston Processing and Distribution Center, Houston, TX, 23-150-R24, 11/28/2023

Efficiency of Operations at the Saint Paul Processing and Distribution Center, Eagan, MN, 24-031-R24, 1/22/2024

Fairbanks Station, Houston, TX: Delivery Operations, 23-151-1-R24, 11/28/2023

Louisiana District: Delivery Unit Operations, 23-113-R24, 10/3/2023

Mandan Post Office, Mandan, ND: Delivery Operations, 24-032-6-R24, 3/21/2024

Minot Post Office, Minot, North Dakota: Delivery Operations, 24-032-5-R24, 3/21/2024

New Brighton Carrier Annex, Saint Paul, MN: Delivery Operations, 24-032-3-R24, 1/22/2024

Oak Forest Station, Houston, TX: Delivery Operations, 23-151-2-R24, 11/28/2023

Roger P. McAuliffe Station in Chicago, IL: Delivery Operations, 23-139-5-R24, 10/11/2023

Texas 2 District: Delivery Operations, 23-151-R24, 1/18/2024



Appendix A: Reports Issued to Postal Service Management

Seasonal Performance and PRC

Fiscal Year 2023 Officers' Travel and Representation Expenses, 23-090-R24, 11/21/2023

Fiscal Year 2024 Peak Mailing Season Preparedness, 23-121-R24, 11/15/2023

Finance, Pricing & Human Capital

Cost & Pricing

Procedures for Calculating Workshare Discounts for Letters, 23-131-R24, 2/14/2024

Finance

Fiscal Year 2023 Board of Governors' Expenditures, 23-163-R24, 3/20/2024

Fiscal Year 2023 Review of Form 10-K - Year End, 23-173-R24, 11/8/2023

Fiscal Year 2023 Selected Financial Activities and Accounting Records, 23-082-R24, 12/4/2023

Fiscal Year 2024 Review of Form 10-Q - Quarter 1, 24-054-R24, 2/5/2024

Independent Auditor's Report on the U.S. Postal Service's Fiscal Year 2023 Reclassified Financial Statements, 23-122-R24, 11/15/2023

Processing of Retroactive Pay, 23-060-R24, 10/24/2023

Human Capital Management

Hazardous Waste Management at Postal Service Vehicle Maintenance Facilities, 23-091-R24, 11/3/2023

Inspection Service, Technology & Services

Cybersecurity & Technology

Security Assessment of a U.S. Postal Service Product Solutions Application, 22-197-R24, 12/8/2023

Site Technical Assessment Review - January 2024, 22-199-R24, 1/25/2024

Inspection Service

U.S. Postal Inspection Service's Inventory Controls Over Law Enforcement Surveillance Equipment, 22-174-R24, 2/13/2024

U.S. Postal Service Emergency Preparedness: Winter Storm Elliott, 23-094-R24, 3/12/2024

Mission Operations

Delivery Operations

Processing and Delivery of Veterans Affairs Medicine, 23-137-R24, 12/15/2023

Network Processing

Delivery and Customer Service in Colorado Mountain Towns, 23-130-R24, 12/5/2023

Effectiveness of the New Regional Processing and Distribution Center in Richmond, VA, 23-161-R24, 3/28/2024

Transportation

Effectiveness of Planning Mail Capacity on Air Transportation, 23-095-R24, 11/30/2023

Retail, Marketing & Supply Management

Infrastructure & Supply Management

Contract Trucking Safety and Compliance, 23-088-R24, 2/27/2024

Fleet Modernization - Electric Vehicle Charging Stations Acquisition, 23-059-R24, 12/29/2023

Retail

Business Reply Mail Operations, 23-087-R24, 10/10/2023

Oversight of the Retail Lobby Customer Experience in New York 1 District, 23-119-R24, 3/18/2024

Serving America: Contract Postal Unit and Village Post Office Operations, 22-201-R24, 10/20/2023

Sales, Marketing & International

Parcel Return Service - Consolidator Payment and Refund Errors, 23-038-R24, 1/9/2024



Appendix A: Reports Issued to Postal Service Management

White Paper Listing

Complete listing of all OIG white papers issued to Postal Service management.

For the period: October 1, 2023 – March 31, 2024

Research and Insights Solution Center

Examining Alternative Inflation Indices for Regulating Market Dominant Price Increases, RISC-WP-24-001, 11/6/2023

Postal Retirement Funds in Perspective: Historical Evolution and Ongoing Challenges, RISC-WP-24-002, 1/8/2024

The Price of a Stamp: An International Comparison, RISC-WP-24-004, 3/28/2024

Variations and Trends in Postal Regulatory Oversight, RISC-WP-24-003, 3/4/2024

Reports/Memoranda Issued During the Period but Not Disclosed to the Public

The Inspector General Empowerment Act of 2016 requires the OIG to report on each inspection, evaluation, and audit that was conducted by the office that is closed during the reporting period and was not disclosed to the public. During the current reporting period, the OIG had two reports that were closed but not disclosed to the public.

Office of Audit

Fiscal Year 2023 Review of Form 10-K – Year End, 23-173-R24, 11/8/2023

Fiscal Year 2024 Review of Form 10-Q – Quarter 1, 24-054-R24, 2/5/2024

Appendix B: Findings of Questioned Costs



For the period: October 1, 2023 – March 31, 2024

As required by the IG Act, the following pages show the total number of audit reports and the total dollar value of questioned costs therein.

Questioned Cost: A cost that is unnecessary, unreasonable, unsupported, or an alleged violation of law, regulation, or contract.

Description	Disallowed/ Not Disallowed	Number of Reports	Questioned Costs	Unsupported Costs Included in Questioned Costs
Reports for which no management decision was made at the beginning of the reporting period		—	—	—
Reports issued during the reporting period		4	\$69,037,587	\$7,969,085
Reports for which a management decision was made during the reporting period (i+ii)		4	\$69,037,587	\$7,969,085
Reports for which a management decision was made during the reporting period	(i) Disallowed	4	\$63,900,846	\$2,948,034
Reports for which a management decision was made during the reporting period	(ii) Not Disallowed	1	\$5,136,741	\$5,021,051
Reports for which no management decision was made by the end of the reporting period		—	—	—
Total		4	\$69,037,587	\$7,969,085

Appendix C: Recommendations That Funds Be Put to Better Use



For the period: October 1, 2023 – March 31, 2024

As required by the IG Act, the following pages show the total number of audit reports and the total dollar value of recommendations for funds that can be put to better use by management.

Funds Put to Better Use: Funds that could be used more efficiently by implementing recommended actions.

Description	Management Decision	Sum of Count	Sum of Dollar Value of FPTBU
Reports for which no management decision was made in the beginning of the reporting period	—	—	—
Reports issued during the reporting period	—	—	—
Reports for which a management decision was made during the reporting period (i+ii):	—	—	—
(i) Recommendations that were agreed to by management	—	—	—
(ii) Recommendations that were not agreed to by management	—	—	—
Reports for which no management decision was made by the end of the reporting period	—	—	—
Total	—	—	—

Appendix D: Other Impacts



For the period: October 1, 2023 – March 31, 2024

Overview

Many of our audit reports identify areas for improvements that result in non-monetary benefits to the Postal Service. These benefits include improvements to service, protection of assets, and reliability of data.

Description and Reports	Number of Recommendations
Assets or Accountable Items at Risk	
Efficiency of Operations at the Eastern Shore Processing and Distribution Facility, Easton, MD, 23-155-R24, 11/20/2023	3
Assets or Accountable Items at Risk Total	3
Data Integrity	
Business Reply Mail Operations, 23-087-R24, 10/10/2023	2
Efficiency of Operations at the Bismarck Processing and Distribution Center, Bismarck, ND, 24-060-R24, 3/21/2024	1
Efficiency of Operations at the Los Angeles Processing and Distribution Facility, Los Angeles, CA, 24-026-R24, 1/29/2024	2
Efficiency of Operations at the North Houston Processing and Distribution Center, Houston, TX, 23-150-R24, 11/28/2023	1
Mail Processing Machine Relocation, 23-165-R24, 3/26/2024	1
Oversight of the Retail Lobby Customer Experience in New York 1 District, 23-119-R24, 3/18/2024	3
Serving America: Contract Postal Unit and Village Post Office Operations, 22-201-R24, 10/20/2023	1
Data Integrity Total	11
Goodwill Branding	
Business Reply Mail Operations, 23-087-R24, 10/10/2023	2
California 5 District: Delivery Operations, 24-027-R24, 3/22/2024	10
Delivery and Customer Service in Colorado Mountain Towns, 23-130-R24, 12/5/2023	1
Efficiency of Operations at the Bismarck Processing and Distribution Center, Bismarck, ND, 24-060-R24, 3/21/2024	3
Efficiency of Operations at the Chicago Processing and Distribution Center, Chicago, IL, 23-138-R24, 10/11/2023	3
Efficiency of Operations at the Eastern Shore Processing and Distribution Facility, Easton, MD, 23-155-R24, 11/20/2023	4
Efficiency of Operations at the Los Angeles Processing and Distribution Facility, Los Angeles, CA, 24-026-R24, 1/29/2024	5
Efficiency of Operations at the North Houston Processing and Distribution Center, Houston, TX, 23-150-R24, 11/28/2023	3
Efficiency of Operations at the Saint Paul Processing and Distribution Center, Eagan, MN, 24-031-R24, 1/22/2024	4
Illinois 1 District: Delivery Unit Operations, 23-139-R24, 12/28/2023	8
Louisiana District: Delivery Unit Operations, 23-113-R24, 10/3/2023	1
Maryland District: Delivery Operations, 23-156-R24, 1/17/2024	5
Oversight of the Retail Lobby Customer Experience in New York 1 District, 23-119-R24, 3/18/2024	1
Serving America: Contract Postal Unit and Village Post Office Operations, 22-201-R24, 10/20/2023	1
Texas-2 District: Delivery Operations, 23-151-R24, 1/18/2024	9
Goodwill Branding Total	60
Improved Services	
Business Reply Mail Operations, 23-087-R24, 10/10/2023	2
California 5 District: Delivery Operations, 24-027-R24, 3/22/2024	10
Efficiency of Operations at the Chicago Processing and Distribution Center, Chicago, IL, 23-138-R24, 10/11/2023	3
Efficiency of Operations at the Eastern Shore Processing and Distribution Facility, Easton, MD, 23-155-R24, 11/20/2023	4
Louisiana District: Delivery Unit Operations, 23-113-R24, 10/3/2023	2

Appendix D: Other Impacts



Description and Reports	Number of Recommendations
Illinois 1 District: Delivery Unit Operations, 23-139-R24, 12/28/2023	8
Maryland District: Delivery Operations, 23-156-R24, 1/17/2024	5
Oversight of the Retail Lobby Customer Experience in New York 1 District, 23-119-R24, 3/18/2024	2
Serving America: Contract Postal Unit and Village Post Office Operations, 22-201-R24, 10/20/2023	2
Texas-2 District: Delivery Operations, 23-151-R24, 1/18/2024	9
Improved Services Total	47
IT Security	
Site Technical Assessment Review - January 2024, 22-199-R24, 1/25/2024	1
IT Security Total	1
Safety and Security	
Efficiency of Operations at the Bismarck Processing and Distribution Center, Bismarck, ND, 24-060-R24, 3/21/2024	1
Efficiency of Operations at the Eastern Shore Processing and Distribution Facility, Easton, MD, 23-155-R24, 11/20/2023	1
Efficiency of Operations at the Los Angeles Processing and Distribution Facility, Los Angeles, CA, 24-026-R24, 1/29/2024	3
Efficiency of Operations at the North Houston Processing and Distribution Center, Houston, TX, 23-150-R24, 11/28/2023	2
Efficiency of Operations at the Saint Paul Processing and Distribution Center, Eagan, MN, 24-031-R24, 1/22/2024	2
Fleet Modernization - Electric Vehicle Charging Stations Acquisition, 23-059-R24, 12/29/2023	1
Illinois 1 District: Delivery Unit Operations, 23-139-R24, 12/28/2023	1
Site Technical Assessment Review - January 2024, 22-199-R24, 1/25/2024	2
Safety and Security Total	13
Total	135

Management did not agree with the impact recommendations in the following reports:

Site Technical Assessment Review - January 2024, 22-199-R24, 1/25/2024

Appendix E: Reports with Recommendations Pending Corrective Actions



For the period: October 1, 2023 – March 31, 2024

As required by the IG Act, as amended, the following pages include a list of outstanding unimplemented recommendations and the monetary impact of those recommendations.

Report Number	Issue Date	Report Title	Recommendation Summary <i>R = Recommendation Number</i> <i>TID = Target Implementation Date</i>	Monetary Impact
IT-AR-17-003	4/5/17	Privileged Account Management	R-3 Define business practices and responsibilities for monitoring privileged accounts and implement privileged access management tools. TID: September 2024.	—
20-156-R20	9/30/20	Payments to Injured Employees	R-2 Enhance the Enterprise Management Resource System and the Time and Attendance Collection System, respectively, to automatically calculate days of continuation of pay per employee and limit supervisor's ability to enter continuation of pay hours when the 45-day limit is reached. TID: April 2024.	\$37,213
21-032-R21	6/16/21	COVID-19 Leave Administration	R-2 Modify the system to allow for all employees to digitally complete Postal Service Form 3971, <i>Request for Notification of Absence</i> . TID: August 2024.	—
			R-3 Modify the payroll systems or develop another methodology for accurate recording of administrative leave for rural carriers. TID: September 2024.	—
21-215-R22	1/12/22	Next Generation Delivery Vehicles - Contract Clauses	R-3 Develop a contract clause to include in applicable future contracts that requires suppliers self-reporting of fraud and advertising of the U.S. Postal Service Office of Inspector General Hotline on suppliers' premises. TID: May 2024.	—
22-034-R22	3/30/22	Deposit by Mail Controls at the U.S. Postal Service	R-1 Properly address all remaining security deficiencies identified by the Postal Inspection Service within 30 working days of identification, as required by Postal Service policy. TID: July 2024.	—
22-061-R22	4/8/22	Efficiency of Operations at the Margaret L. Sellers San Diego, CA, Processing and Distribution Center	R-2 Implement a plan to process the First-Class Small Parcels and Rolls to meet clearance times and eliminate delayed mail at the Margaret L. Sellers, San Diego, CA Processing and Distribution Center. TID: March 2024.	—
21-229-R22	4/14/22	Mail Transport Equipment	R-5 Update Handbook PO-502, <i>Mail Transport Equipment</i> , to establish a comprehensive audit policy addressing the audit frequency and threshold for Postal Service facilities and mailers subject to audits and documenting audit results. TID: August 2024.	—
21-264-R22	5/27/22	Supplier Qualifications	R-2 Update Supplying Principles & Practices to require contracting officers to identify key personnel by name and labor category and document qualification approval in the contract file at contract award and when issuing modifications of key personnel substitutions. TID: May 2024.	—
21-243-R22	8/8/22	Improving Service Performance and Mail Processing Efficiencies at Historically Low Performing Facilities	R-1 Evaluate efficiency at the 10 facilities to identify inefficiencies in the mail flow (e.g., facility layout/location, space constraints, customer and service impacts, and equipment relocation costs) and, based on the results, consider properly aligning the impacted facilities to efficiently meet the challenges they face based on changes in market demand. TID: September 2026.	\$82,429,376
22-079-R22	9/27/22	Timecard Administration Follow-up	R-3 Resolve system deficiencies that allow supervisors to bypass completing the time disallowance record by implementing system controls to ensure all required fields are completed once the affected employee is notified. TID: July 2024.	\$1,612,467
21-262-R23	12/16/22	Delivery Operations - Undelivered and Partially Delivered Routes	R-2 Enhance processes and tools to notify customers of delayed mail and undelivered and partially delivered routes. TID: May 2025.	—
21-173-R23	1/9/23	U.S. Postal Service's Response to Sexual Harassment Complaints	R-5 Update <i>Publication 552</i> to require validation that managers and supervisors have completed required training before they initiate an Initial Management Inquiry Process. TID: August 2024.	—
22-207-R23	1/10/23	Efficiency of Operations at the Philadelphia Processing and Distribution Center, Philadelphia, PA	R-1 Identify and implement strategies to increase the number of maintenance employees who can perform preventative maintenance at the Philadelphia Processing and Distribution Center. TID: April 2024.	—
22-006-R23	2/23/23	Voyager Fleet Card Program	R-1 Establish a prerequisite for site managers to take required training before they are granted access to Fleet Commander Online and the Fuel Asset Management System. TID: June 2024.	—
			R-2 Create periodic refresher training for all site managers and require remediation training for site management oversight failures. TID: June 2024.	—

Appendix E: Reports with Recommendations Pending Corrective Actions



Report Number	Issue Date	Report Title	Recommendation Summary <i>R = Recommendation Number</i> <i>TID = Target Implementation Date</i>		Monetary Impact
22-158-R23	3/22/23	International Mail Service Suspension Operations	R-2	Develop a scan event code for internationally suspended mailings and corresponding processes and messaging. TID: June 2024.	—
22-180-R23	4/18/23	Postal Service's Non-Career Employee Turnover Follow-up	R-3	Establish an official process that requires performance evaluations to be conducted and documented during rural carrier associates' probationary periods. TID: April 2024.	—
21-239-R23	5/17/23	U.S. Postal Service's Plans to Resolve Post Office Suspensions	R-2	Develop a process to formally document and monitor implementation of current and future plans to resolve post office suspensions as reported in the Annual Compliance Reports. TID: April 2024.	—
			R-3	Develop and implement formally documented quality assurance processes over the data in the post office suspension tracking system. TID: April 2024.	—
22-166-R23	6/29/23	Flats Cost Coverage	R-1	Collaborate with stakeholders from the mailing industry to develop and implement initiatives with specific, measurable objectives to directly reduce Flats costs and address the causes of inefficiencies in Flats operations identified by the Postal Regulatory Commission. TID: January 2024.	—
22-088-R23	7/3/23	Contract Authoring Management System Utilization and Controls	R-1	Update policies to more clearly define which documents are required in the task orders files and reinforce oversight requirements through formal communication and mandatory trainings. TID: May 2024.	—
			R-2	Update the Supplying Principles and Practices and supplemental guidance to ensure required contract documents are stored in the applicable contracting system. TID: May 2024.	—
23-018-R23	7/5/23	Cremated Remains	R-3	Update the cremated remains acceptance procedures requiring retail clerks to place Cremated Remains packages in individual Priority Mail Express sacks at acceptance. TID: July 2024.	—
23-025-R23	7/13/23	Service Performance During the FY 2023 Peak Mailing Season	R-1	Develop measurable targets to address increases in customer inquiries during peak season. TID: April 2024.	—
23-031-R23	7/13/23	Efficiency of Surface Transfer Centers in the Western Pacific Region	R-3	Require local Surface Transfer Center officials to submit Postal Service Form 6166 to the supplier and to Headquarters management for increased visibility and decision making when performance targets are not met. TID: July 2024.	—
22-177-R23	8/3/2023	Management of Postal Service's Smartphones	R-7	Replace all unsupported smartphones with supported smartphones. TID: April 2024.	—
23-089-R23	8/10/23	Repair and Maintenance of Package Sorting Machines at Delivery Units	R-2	Provide ongoing informal training for Small Delivery Unit Sorter clerks by a subject matter expert or on-the-job trainer at the unit, where the trainer can instruct personnel in the proper procedures for daily preventive maintenance for the Small Delivery Unit Sorter. TID: September 2024.	—
23-057-R23	8/17/23	Postal Service's Use of Automated Guided Vehicles	R-1	Develop and execute a plan to evaluate Automated Guided Vehicle locations, and require and monitor usage to improve performance. TID: May 2024	\$28,832,154
			R-2	Train and share best practices and usage goals with personnel at processing facilities that will have Automated Guided Vehicles to improve performance. TID: May 2024.	—
23-112-R23	8/17/23	Efficiency of Operations at the New Orleans Processing and Distribution Center, New Orleans, LA	R-1	Document Priority Mail Express delays in the Mail Arrival Quality/Plant Arrival Quality system and coordinate with the Louisiana District Manager to resolve the Priority Mail Express issues. TID: June 2024.	—
			R-5	Coordinate to develop and implement a plan to verify load scanning at the New Orleans Processing and Distribution Center is consistently completed in accordance with policy. TID: April 2024.	—
23-085-R23	8/31/23	Kansas City Delayed Mail	R-3	Develop and implement a plan to verify delayed mail is accurately recorded in the Delivery Condition Visualization and Mail Condition Visualization systems and monitor for completion. This plan should include training employees responsible for daily reporting of delayed mail. TID: April 2024.	—
23-036-R23	9/5/23	Return on Investment for Capital Projects	R-1	Extend the tracking and compliance reporting period for capital projects, based on asset type and dollar amount, to better assess the project's success. TID: August 2024.	—
			R-2	Develop a centralized repository enabling management to access pertinent project documentation for effective tracking and reporting. TID: August 2024.	—

Appendix E: Reports with Recommendations Pending Corrective Actions



Report Number	Issue Date	Report Title	Recommendation Summary <i>R = Recommendation Number</i> <i>TID = Target Implementation Date</i>	Monetary Impact
23-062-R23	9/12/23	Review of USPS Sorting and Delivery Centers Opened in Quarter 1 and 2 of FY 2023	R-1 Develop and implement policy to ensure all future Sorting and Delivery Center plans are consistently and clearly communicated and stakeholders are given the opportunity to report concerns. TID: March 2024.	—
			R-2 Develop a plan to ensure restroom, breakroom, and locker room construction projects are completed prior to opening Sorting and Delivery Centers, or that there are acceptable alternatives, given the number of employees impacted, and that the alternatives meet all health and safety requirements. TID: March 2024.	—
			R-3 Evaluate whether construction projects related to the seven facilities were completed and develop a plan to address all outstanding construction and safety issues. TID: June 2024.	—
			R-4 Identify the cause of late Post Office Box up-times and take necessary action to ensure up-times are met. Additionally, develop a plan to mitigate issues with Post Office Box up-times prior to opening future sorting and delivery centers. TID: March 2024.	—
23-035-R23	9/14/23	Progress Made to Reduce Mail Excluded from Service Measurement	R-1 Explore and evaluate options to incentivize mailers to resolve mail exclusions. TID: June 2024.	—
			R-3 Develop and implement a strategy to track, identify, and record Service Performance Measurement defect codes and root causes.	—
			R-4 Evaluate the feasibility of providing exclusion information at the mailpiece level to enable mailers to reduce Service Performance Measurement exclusions. TID: March 2024.	—
23-072-R23	9/14/23	The Path Forward for the Postal Service Loyalty Program	R-1 Establish performance targets aligned with the key objectives of a new loyalty program and establish parameters to actively monitor progress for effective program management. TID: September 2024.	—
			R-2 Develop a comprehensive communication strategy for a new loyalty program that promotes awareness of functionality for prospective, and once enrolled, ongoing customers. TID: September 2024.	—
			R-3 Conduct an evaluation of customer spending requirements and discounts related to any future loyalty program to ensure the program's design promotes customer engagement and shipping growth. TID: September 2024.	—
22-200-R23	9/22/23	Address Management System for Rural Routes	R-2 Develop a comprehensive training on the edit book process for new rural carriers. Additionally, develop refresher training and implement a plan for all rural carriers to complete the training periodically. TID: July 2024.	—
			R-3 Develop an oversight process for unit management to complete rural route inspections at least annually, to validate the accuracy of edit book activity in accordance with Postal Service policy. TID: July 2024.	—
			R-4 Develop a plan and update policy to require the use of the electronic system when submitting edit book updates. TID: August 2024.	—
			R-5 Determine the feasibility of developing an all-electronic edit book to replace current physical edit books. If feasible, develop a plan and implement policy requiring the use of electronic edit books. TID: August 2024.	—
23-033-R23	9/27/23	Postal Service Customer Experience - Delivery Surveys	R-2 Conduct a cost, benefit, and feasibility analysis on potential options for increasing local delivery response rates and developing more easily understood survey terminology.	—
23-065-R23	9/27/23	Penalty Overtime	R-1 Implement consistent oversight procedures for facility management to verify penalty overtime transactions are being cleared before the pay week closes at each facility using the <i>Missing O91 Transaction Report</i> .	\$140,856,063

Appendix E: Reports with Recommendations Pending Corrective Actions



Report Number	Issue Date	Report Title	Recommendation Summary <i>R = Recommendation Number</i> <i>TID = Target Implementation Date</i>	Monetary Impact
22-178-R23	9/28/23	U.S. Postal Service's Response to Mail Theft	R-1 Develop a plan to include proposed quantities, projected cost, and actionable milestones to fully deploy the eArrow lock and high security mailbox initiatives, and include measures to assess their effectiveness.	—
			R-2 Provide new and acting managers and supervisors training on arrow key policies upon assuming their roles and maintain documentation of training attendance. TID: May 2024.	—
			R-3 Develop an oversight mechanism to hold managers and supervisors accountable for following established arrow key policy and training requirements. TID: May 2024.	—
			R-4 Finalize the Mail Theft Strategy that is under development by the end of calendar year 2023. TID: September 2024.	—
			R-5 Assess staffing resources available nationwide to support the Mail Theft Program and align resources with their Mail Theft Strategy. TID: October 2024	—
			R-6 Require postal inspectors to complete the In-Service Basic Mail Theft training within one year of being assigned to a mail theft team. TID: October 2024	—
			R-7 Work with the contracting officer to modify the existing contract and (1) define the Mail Theft Analytics Program purpose to improve complaint data quality and usefulness for division personnel, (2) develop internal controls such as guidance and an oversight mechanism, and (3) establish performance metrics to assess the effectiveness of the program. TID: May 2024.	\$1,008,976
22-194-R23	9/29/23	Corporate Information Security Office Workforce	R-1 Establish and document a workforce plan that describes key recruitment, retention, and performance measurement activities. At a minimum, the plan should address strategic priorities, include workforce goals and objectives, identify stakeholder roles and responsibilities, and define a process for periodic review and updates.	—
			R-2 Develop a process to track employee and contractor training and certifications to monitor progress toward addressing the skills gaps identified in periodic skills assessments.	—
22-185-R23	9/29/23	Internal Controls Over the Annual Capital Property Review	R-1 Evaluate the internal controls for the annual capital property review to identify process improvements, add controls, and create a goal to enhance accuracy. In addition, update Handbook AS-701, <i>Asset Management</i> , to reflect any additional controls or goals implemented in the annual capital property review process. TID: June 2024.	—
23-113-R24	10/3/23	Louisiana District: Delivery Unit Operations	R-1 Verify that the Central Carrier Station obtains enough arrow keys for all carrier routes that need arrow keys for mail delivery. TID: April 2024.	—
			R-2 Verify that the Central Carrier Station and Carrollton Station conduct an arrow key inventory and update their arrow key log accordingly. TID: April 2024.	—
23-060-R24	10/24/23	Processing of Retroactive Pay	R-1 Require that the new payroll system be able to execute retroactive pay's complex processing when assessing, reviewing, and selecting a new vendor. TID: May 2024.	—
			R-2 Coordinate with the functional areas involved in the process, establish and document procedures for processing retroactive pay that include documenting the responsibilities for functional areas involved in the process, scheduling guidelines, and timeframes to implement contract changes, allowing for improved clarity on the procedures necessary to implement contract requirements. TID: April 2024.	—
23-091-R24	11/3/23	Hazardous Waste Management at Postal Service Vehicle Maintenance Facilities	R-2 Develop and implement oversight procedures to verify that vehicle maintenance facility personnel responsible for handling and storing hazardous waste complete hazardous waste annual training, as required. TID: July 2024.	—
23-150-R24	11/28/23	Efficiency of Operations at the North Houston Processing and Distribution Center, Houston, TX	R-1 Analyze current sort plans and adjust package processing operations to meet clearance times at the North Houston Processing and Distribution Center. TID: October 2024	—
			R-4 Develop and implement a plan to verify scanning at the North Houston Processing and Distribution Center is consistently completed in accordance with policy and there are enough scanners for employees to complete all required scans. TID: April 2024.	—

Appendix E: Reports with Recommendations Pending Corrective Actions



Report Number	Issue Date	Report Title	Recommendation Summary <i>R = Recommendation Number</i> <i>TID = Target Implementation Date</i>	Monetary Impact
23-130-R24	12/5/23	Delivery and Customer Service in Colorado Mountain Towns	R-1 Analyze work environment impacts that affect the Postal Service's ability to hire and retain personnel and create a plan to overcome those identified impacts. TID: May 2024.	—
			R-2 Explore the feasibility of increasing personnel pay in Colorado mountain towns based on locality, including tracking all expenses for personnel detailed to these locations and other hiring costs.	—
			R-3 Establish a program to monitor package handling to verify that packages are scanned and delivered, as required, and take corrective action with underperforming facilities. TID: April 2024.	—
			R-4 Establish a process to track and monitor whether delivery unit management is appropriately documenting delivery contract irregularities with Postal Service Form 5500, and whether damages should be assessed, or the contract terminated for default. TID: April 2024.	—
			R-5 Require any employee fulfilling the postmaster role at the select facilities, to take the formal Postmaster Essentials training course and track compliance. TID: May 2024.	—
			R-6 Implement a developmental program, including on-the-job training at the delivery units, to ensure postmaster readiness. TID: April 2024.	—
			R-7 Instruct local management in Colorado mountain town facilities to enter delayed mail in reporting systems and establish responsibility for processing manual flat mail. TID: April 2024.	—
			R-8 Review trip times and volume profiles, and meet with appropriate delivery unit and plant personnel, to align transportation schedules to meet processing and delivery needs of facilities in Colorado mountain towns. TID: April 2024.	—
			R-9 Develop a process to ensure communication occurs between delivery and processing personnel at facilities located in Colorado mountain towns when there is late arriving mail. TID: April 2024.	—
22-197-R24	12/8/23	Security Assessment of a U.S. Postal Service Product Solutions Application	R-1 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-2 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-3 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-4 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
23-137-R24	12/15/23	Processing and Delivery of Veterans Affairs Medicine	R-3 Develop and implement a control to prevent improper duplicate "Delivered" scans on the same package, including VA Pharmacy packages.	—
23-139-R24	12/28/23	Illinois 1 District: Delivery Unit Operations	R-1 Execute a plan to adequately staff the Cragin, Daniel D. Doffyn, Northtown, and the Roger P. McAuliffe Stations so that all committed mail is delivered daily, and coordinate with Central Area Human Resources to fill the supervisor vacancy at the Roger P. McAuliffe Station. TID: April 2024.	—
			R-8 Address all remaining building safety, security, and maintenance issues identified at the Cragin, Daniel J. Doffyn, Northtown, and Roger P. McAuliffe Stations. TID: July 2024.	—
23-059-R24	12/29/23	Fleet Modernization — Electric Vehicle Charging Stations Acquisition	R-1 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act. TID: September 2024.	—

Appendix E: Reports with Recommendations Pending Corrective Actions



Report Number	Issue Date	Report Title	Recommendation Summary <i>R = Recommendation Number</i> <i>TID = Target Implementation Date</i>	Monetary Impact
23-038-R24	1/9/24	Parcel Return Service — Consolidator Payment and Refund Errors	R-1 Strengthen the Parcel Return Service manifest verification process by incorporating the facility type as a required parameter. TID: February 2025.	\$48,982,784
			R-3 Align package handling with Parcel Return Service procedures by 1) conducting a cost, benefit, and feasibility analysis for establishing and implementing an automated process, or 2) identifying and implementing alternatives to improve compliance. TID: August 2024.	—
			R-4 Develop and maintain an accurate list of active return delivery units in the facilities database. TID: July 2024.	—
			R-5 Enhance the Parcel Return Service refund review process to include an automated validation to verify that refunds are warranted, including an assessment of whether the return delivery units that received the packages were active at the time of mailing. TID: February 2025.	*
24-031-R24	1/22/24	Efficiency of Operations at the Saint Paul Processing and Distribution Center, Eagan, MN	R-2 Develop and implement a plan to reduce the number of late trips at the Saint Paul Processing and Distribution Center. TID: March 2024.	—
			R-3 Analyze current transportation schedules at the Saint Paul Processing and Distribution Center and implement appropriate changes to reduce dock congestion and minimize late trips. TID: March 2024.	—
			R-5 Verify all drivers are securing trailers and are using wheel chocks at the Saint Paul Processing and Distribution Center. TID: March 2024.	—
			R-6 Reiterate policy regarding the use of locks on trailer doors and keeping facility doors secured at the Saint Paul Processing and Distribution Center. TID: March 2024.	—
22-199-R24	1/25/24	Site Technical Assessment Review — January 2024	R-1 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-2 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-3 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-4 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-5 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-6 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-7 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-8 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-9 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-10 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-11 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-12 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
24-026-R24	1/29/24	Efficiency of Operations at the Los Angeles Processing and Distribution Facility, Los Angeles, CA	R-3 Identify and implement strategies to increase the number of on-time trips to plants from the Los Angeles Processing and Distribution Center. TID: May 2024.	—

Appendix E: Reports with Recommendations Pending Corrective Actions



Report Number	Issue Date	Report Title	Recommendation Summary <i>R = Recommendation Number</i> <i>TID = Target Implementation Date</i>	Monetary Impact
22-174-R24	2/13/24	U.S. Postal Inspection Service's Inventory Controls Over Law Enforcement Surveillance Equipment	R-1 Develop and require all users to complete Electronic/Technical Surveillance Tracking System training and maintain documentation of training completion.	—
			R-2 Develop a verification process for annual physical equipment inventories to account for all equipment as required by the Inspection Service Manual.	—
			R-3 1) Review all postal inspectors with assigned equipment and validate they are active employees, 2) retrieve equipment from postal inspectors who separated from the agency, and 3) update the status and assignment of all equipment in the Electronic/Technical Surveillance Tracking System. TID: November 2024.	—
			R-4 Implement a process, including defining roles and responsibilities, to review and update Postal Inspection Service policies and related documents timely. TID: November 2024.	—
			R-5 Update the Inspection Service Manual to 1) define, track, and maintain technical surveillance equipment, 2) assign the Radio Communications Program to the Communications, Governance, and Strategy group, and 3) replace all references of the National Asset Tracking System with the correct equipment inventory system. TID: November 2024.	—
			R-6 Develop a standard operating procedure to assign Electronic/Technical Surveillance Tracking System user roles based on individuals' roles and responsibilities, and to update or remove user roles when postal inspectors transfer jobs or separate from the agency. In addition, review current users of the system and determine if the roles need to be modified or removed in accordance with Postal Service policy. TID: November 2024.	—
			R-7 Review user roles in the Electronic/Technical Surveillance Tracking System and implement additional roles, as needed, to allow for the appropriate segregation of duties. TID: November 2024.	—
			R-8 Implement audit logs containing user activity for creating, assigning, editing, and removing user roles in the Electronic/Technical Surveillance Tracking System. TID: January 2025.	—
			R-9 Resolve Electronic/Technical Surveillance Tracking System functionality errors preventing users from temporarily transferring, temporarily assigning, and recording the final disposition of law enforcement surveillance equipment, including digital signature capability.	—
23-131-R24	2/14/24	Procedures for Calculating Workshare Discounts for Letters	R-1 Develop and implement detailed procedures for calculating avoided costs and setting workshare discounts of First-Class Mail and Marketing Mail letters. TID: August 2024.	—
			R-2 Develop and implement a process to regularly review non-recurring data inputs for First-Class Mail and Marketing Mail letter cost models to formally document whether they need to be updated.. TID: August 2024.	—
23-088-R24	2/27/24	Contract Trucking Safety and Compliance	R-1 Finalize the method for tracking contractor accident and fatality data and establish corresponding written policies and procedures, including related roles and responsibilities. TID: July 2024.	—
			R-2 Require freight auction brokers to report subcontractor authorization and vetting and develop a system of record to maintain the reported results.	—
			R-3 Clarify, communicate, and enforce subcontractor authorization guidance for highway contract route contractors and terminate contractors who are non-compliant. TID: July 2024.	—
			R-4 Develop requirements and implement a mechanism to track highway contract route contractors and the subcontractors they utilize.	—
			R-5 Communicate and create a mechanism to validate the use of team drivers for trips that exceed 500 miles, update freight auction statements of work, and terminate contractors who are non-compliant.	—
			R-6 Define freight auction applicability to Management Instruction PO-530-2009-4, Section 19 — Special Circumstances.	—
			R-7 Update and enforce freight auction guidance and include at minimum a process to verify driver history.	—

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Report Number	Issue Date	Report Title	Recommendation Summary <i>R = Recommendation Number</i> <i>TID = Target Implementation Date</i>	Monetary Impact
23-094-R24	3/12/24	U.S. Postal Service Emergency Preparedness: Winter Storm Elliott	R-1 Update Management Instruction AS-280-2021-7 to instruct district management to 1) establish appropriate timelines for communicating preparedness information to postmasters and managers in preparation for a winter weather emergency and 2) outline supplies needed at Postal Service facilities to safeguard employees.	—
			R-2 Reiterate authorities and responsibilities with district management and direct the Buffalo postmaster to take immediate action to close facilities when situations become life threatening during a winter weather emergency in accordance with existing policy and guidance.	—
			R-3 Update the policy to 1) include who is responsible for conducting an after-action report and 2) direct the individual responsible to establish timeframes for completing a formal after-action report. TID: September 2024.	—
			R-4 1) Develop a process to verify after-action reports include lessons learned identified by all delivery units in their district and 2) incorporate the lessons learned from Winter Storm Elliott regarding essential emergency supplies into the Fiscal Year 2024 Winter Weather Readiness Toolkit.	—
24-060-R24	3/21/24	Efficiency of Operations at the Bismarck Processing and Distribution Center, Bismarck, ND	R-1 Properly allocate resources at the manual letter and flat operations units and verify the mail is sorted in time to meet dispatch daily at the Bismarck Processing and Distribution Center. TID: April 2024.	—
			R-2 Verify supervisors at the Bismarck Processing and Distribution Center are trained on proper mail flow procedures in processing operations and verify these procedures are followed. TID: May 2024.	—
			R-3 Identify and implement additional strategies to fill the supervisor of distribution operations vacancy. TID: July 2024.	—
			R-4 Train employees at the Bismarck Processing and Distribution Center on the correct trip classification and verify these procedures are followed. TID: May 2024.	—
			R-5 Verify all drivers are using wheel chocks at the Bismarck Processing and Distribution Center. TID: May 2024.	—
24-027-R24	3/22/24	California 5 District: Delivery Operations	R-7 Develop and execute a plan to verify arrow keys are properly accounted for and managed, and confirm missing keys are reported to the U.S. Postal Inspection Service at the Dockweiler and Downtown Long Beach Stations and Inglewood Carrier Annex. TID: April 2024.	—
			R-12 Verify management at the Dockweiler and Downtown Long Beach Stations instruct employees to properly separate, as required, certain classes of packages when dispatching this mail to the processing facility. TID: April 2024.	—
			R-13 Verify unit management at Downtown Long Beach Station has access to and uses the proper placards for separating packages for dispatch to the processing facility. TID: April 2024.	—
23-165-R24	3/26/24	Mail Processing Machine Relocation	R-2 Document the updated Equipment Relocation, Modification, and Excessing Requests Process and the <i>Machine Removal Checklist</i> in Postal Handbook AS-701 and the <i>Material Accountability Officer Guidebook</i> . TID: September 2024.	—

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Report Number	Issue Date	Report Title	Recommendation Summary <i>R = Recommendation Number</i> <i>TID = Target Implementation Date</i>	Monetary Impact
23-161-R24	3/28/24	Effectiveness of the New Regional Processing and Distribution Center in Richmond, VA	R-1 Continue to document the issues identified and actions taken to address issues in post implementation reviews of Regional Processing and Distribution Center (RPDC) conversions, and use the cumulative lessons learned when activating future RPDCs. TID: May 2024.	—
			R-2 Develop procedures to identify and mitigate challenges at facilities scheduled to become a Regional Processing and Distribution Center before launch. TID: May 2024.	—
			R-3 Coordinate the training of Richmond Regional Processing and Distribution Center (RPDC) management on how to engage and lead team members and provide adequate supervision of operations, and deploy management training at future RPDC sites prior to launch. TID: July 2024.	\$5,021,051
			R-5 Align transportation schedules to operations and validate with local management before launching Regional Processing and Distribution Centers. TID: May 2024.	\$2,948,034
			R-6 Direct personnel to record omitted trips in the data systems and pursue recovery of payments for cancelled trips at the Richmond Regional Processing and Distribution Center. TID: April 2024.	\$115,690
			R-7 Train all management personnel in the Richmond region to understand and perform their roles and responsibilities as stated in the Richmond Regional Processing and Distribution Center integrated operating plan. TID: May 2024.	—
			R-8 Implement a process to communicate with and solicit feedback from affected managers when developing plans for and implementing future Regional Processing and Distribution Centers. TID: May 2024.	—
			R-9 Update Handbook PO-408 to include the definition of service area, and clearly define when Mail Processing Facility Reviews are required. TID: May 2024.	—
			R-10 Communicate any impacts to customers when permanently moving processing operations of a three-digit ZIP Code to another processing facility.	—

*Due to concerns with the commercial sensitivity of competitive product pricing strategy that may be protected from disclosure under 39 USC 410(c)(2), the monetary impact from the “Parcel Return Service – Consolidator Payment and Refund Errors” report is not included.

Total Number of Reports: **58**

Total Number of Recommendations: **148**

Total Monetary Impact: **\$311,843,818**

Appendix E: Reports with Recommendations Pending Corrective Actions — Postal Regulatory Commission (PRC)



For the period: October 1, 2023 - March 31, 2024

As required by the IG Act, as amended, the following pages include a list of outstanding unimplemented recommendations and the monetary impact of those recommendations

Report Number	Issue Date	Report Title	Recommendation Summary <i>R = Recommendation Number</i> <i>TID = Target Implementation Date</i>	Monetary Impact
20-02-A01	6/30/2022	PRC Purchase Card Expenses	R-3 Modify the purchasing policy to define split transactions and disciplinary actions related thereto. TID: September 2024.	—
			R-4 Update Postal Regulatory Commission purchase card policies and procedures to align with purchase card. TID: September 2024.	—
			R-7 Ensure there is proper segregation of duties between all employees involved in the purchase card process. TID: September 2024.	—
			R-9 Revise the policy to maintain consistency related to required purchase card reconciliation timeframe. TID: September 2024.	—
			R-14 Develop written policy and procedures for departing employees. TID: March 2024.	—
23-024-R23	6/26/23	Management of the Postal Regulatory Commission's Smartphones	R-6 Develop and implement a standardized process for capturing and reviewing security logs that includes specific use cases to monitor for smartphones. TID: September 2024.	—
23-027-R23	7/27/2023	Postal Regulatory Commission Travel Expenses	R-2 Conduct a cost-benefit analysis of either appointing personnel with full travel authority and oversight responsibility or allowing travelers to be responsible for submitting, tracking, and supporting their travel actions and expenses in eTravel. TID: July 2025.	—
			R-3 Update the travel policy to reflect the needs of the Postal Regulatory Commission and align with agency priorities TID: March 2025.	—
			R-4 Create a training program about the travel process and require employees that travel to complete this training and retake as needed when changes to the process occur. TID: March 2025.	—
23-096-R23	9/22/23	Postal Regulatory Commission Acquisition Planning and Contracting Practices	R-1 Update the purchasing policy regarding purchase order issuance, to include, at a minimum, requirements for use of Postal Service Form 8203, signatures, and documentation retention requirements. TID: September 2024.	—
			R-2 Develop and implement a tool, such as a checklist, to verify contracting personnel consistently complete, retain, and provide oversight of contract file documentation for each acquisition type. TID: September 2024.	—
			R-3 Update the purchasing policy to designate and clearly describe the roles and responsibilities of each individual involved in the acquisition planning and contracting process. TID: September 2024.	—
			R-4 Create a policy outlining comprehensive requirements to close contracts, including a checklist of closeout documentation. TID: September 2024.	—

Total Number of Reports: **3**

Total Number of Recommendations: **8**

Total Monetary Impact: **\$0**

Appendix F: Management Decisions in Audit Resolution



For the period: October 1, 2023 – March 31, 2024

As required by the IG Act, the following discusses information concerning any significant management decision with which the inspector general disagrees and is currently in audit resolution.

Report Number	Issue Date	Report Title	Recommendation Summary <i>R = Recommendation Number</i>	Monetary Impact
23-035-R23	9/14/23	Progress Made to Reduce Mail Excluded from Service Measurement	R-3 Develop and implement a strategy to track, identify, and record Service Performance Measurement defect codes and root causes.	—
23-065-R23	9/27/23	Penalty Overtime	R-1 Implement consistent oversight procedures for facility management to verify penalty overtime transactions are being cleared before the pay week closes at each facility using the Missing 091 Transaction Report.	\$140,856,063
23-033-R23	9/27/23	Postal Service Customer Experience - Delivery Surveys	R-2 Conduct a cost, benefit, and feasibility analysis on potential options for increasing local delivery response rates and developing more easily understood survey terminology.	—
22-178-R23	9/28/23	U.S. Postal Service's Response to Mail Theft	R-1 Develop a plan to include proposed quantities, projected cost, and actionable milestones to fully deploy the eArrow lock and high security mailbox initiatives, and include measures to assess their effectiveness.	—
22-194-R23	9/29/23	Corporate Information Security Office Workforce	R-1 Establish and document a workforce plan that describes key recruitment, retention, and performance measurement activities. At a minimum, the plan should address strategic priorities, include workforce goals and objectives, identify stakeholder roles and responsibilities, and define a process for periodic review and updates.	—
			R-2 Develop a process to track employee and contractor training and certifications to monitor progress toward addressing the skills gaps identified in periodic skills assessments.	—
23-130-R24	12/5/23	Delivery and Customer Service in Colorado Mountain Towns	R-2 Explore the feasibility of increasing personnel pay in Colorado mountain towns based on locality, including tracking all expenses for personnel detailed to these locations and other hiring costs.	—
23-137-R24	12/15/23	Processing and Delivery of Veterans Affairs Medicine	R-3 Develop and implement a control to prevent improper duplicate "Delivered" scans on the same package, including VA Pharmacy packages.	—
22-199-R24	1/25/24	Site Technical Assessment Review — January 2024	R-9 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-10 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-11 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-12 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-13 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
			R-14 Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
22-174-R24	2/13/24	U.S. Postal Inspection Service's Inventory Controls Over Law Enforcement Surveillance Equipment	R-1 Develop and require all users to complete Electronic/Technical Surveillance Tracking System training and maintain documentation of training completion.	—
			R-2 Develop a verification process for annual physical equipment inventories to account for all equipment as required by the Inspection Service Manual.	—
			R-9 Resolve Electronic/Technical Surveillance Tracking System functionality errors preventing users from temporarily transferring, temporarily assigning, and recording the final disposition of law enforcement surveillance equipment, including digital signature capability.	—

Appendix F: Management Decisions in Audit Resolution



Report Number	Issue Date	Report Title	Recommendation Summary <i>R = Recommendation Number</i>	Monetary Impact
23-088-R24	2/27/24	Contract Trucking Safety and Compliance	R-2 Require freight auction brokers to report subcontractor authorization and vetting and develop a system of record to maintain the reported results.	—
			R-4 Develop requirements and implement a mechanism to track highway contract route contractors and the subcontractors they utilize.	—
			R-5 Communicate and create a mechanism to validate the use of team drivers for trips that exceed 500 miles, update freight auction statements of work, and terminate contractors who are non-compliant.	—
			R-6 Define freight auction applicability to Management Instruction PO-530-2009-4, Section 19 — Special Circumstances.	—
			R-7 Update and enforce freight auction guidance and include at minimum a process to verify driver history.	—
23-094-R24	3/12/24	U.S. Postal Service Emergency Preparedness: Winter Storm Elliott	R-1 Update Management Instruction AS-280-2021-7 to instruct district management to 1) establish appropriate timelines for communicating preparedness information to postmasters and managers in preparation for a winter weather emergency and 2) outline supplies needed at Postal Service facilities to safeguard employees.	—
			R-2 Reiterate authorities and responsibilities with district management and direct the Buffalo postmaster to take immediate action to close facilities when situations become life threatening during a winter weather emergency in accordance with existing policy and guidance.	—
			R-4 1) Develop a process to verify after-action reports include lessons learned identified by all delivery units in their district and 2) incorporate the lessons learned from Winter Storm Elliott regarding essential emergency supplies into the Fiscal Year 2024 Winter Weather Readiness Toolkit.	—
23-161-R24	3/28/24	Effectiveness of the New Regional Processing and Distribution Center in Richmond, VA	R-10 Communicate any impacts to customers when permanently moving processing operations of a three-digit ZIP Code to another processing facility.	—

Total Number of Reports: **12**

Total Number of Recommendations: **26**

Total Monetary Impact: **\$140,856,063**

Appendix G: Status of Peer Review Recommendations



For the period: October 1, 2023 - March 31, 2024

Federal audit organizations undergo an external quality control assessment by their peers every three years. The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires an appendix reporting on 1) any OIG peer reviews conducted on us during the semiannual period; 2) any peer reviews conducted by the inspector general of another OIG during the reporting period; and 3) any recommendations from previous or current peer reviews that remain outstanding or have not been fully implemented.

Office of Audit

Peer Reviews Conducted on USPS OIG

The last peer review conducted was by the U.S. Department of Veterans' Affairs OIG for the period ending March 31, 2021, with a report date of September 14, 2021. There are no outstanding recommendations.

Peer Reviews Conducted by USPS OIG

The last peer review we conducted was for the U.S. Department of Agriculture OIG for the period ending March 31, 2023. The report was issued on September 19, 2023, with a rating of pass.

Peer Reviews Conducted on PRC OIG

The last peer review conducted on the PRC OIG was by the National Endowment of the Arts OIG for the period ending September 30, 2020, with a report date of March 29, 2021. There are no outstanding recommendations.

Peer Reviews Conducted by PRC OIG

The last peer review conducted by the PRC OIG was for the U.S. Capitol Police OIG for the period ending September 30, 2019, with a report date of December 28, 2020. There are no outstanding recommendations.

Research and Insights Solution Center

Peer Reviews Conducted on USPS OIG

The last peer review conducted was by the Federal Deposit Insurance Corporation OIG for the period ending September 30, 2023, with a report date of March 27, 2024. The reviewing OIG determined the USPS OIG's policies and procedures were generally consistent with Blue Book standards.

Peer Reviews Conducted by USPS OIG

None during the reporting period.

Office of Investigations

Peer Reviews Conducted on USPS OIG

None during the reporting period.

Peer Reviews Conducted by USPS OIG

None during the reporting period.

Appendix H: Investigative Statistics



The U.S. Postal Service Office of Inspector General currently uses a "Case Reporting Information Management and Evidence System," also known as CRIMES.

Appendix H was pre-configured to present the following data:

- A) The total number of investigative reports issued during the reporting period;
- B) The total number of persons referred to the Department of Justice (DOJ) for criminal prosecution during the reporting period;
- C) The total number of persons referred to state and local prosecuting authorities for criminal prosecution during the reporting period and;
- D) The total number of indictments and criminal informations during the reporting period that resulted from any prior referral to prosecuting authorities.

For the period: October 1, 2023 - March 31, 2024

Program	Investigations Closed	Arrests	Indictments / Informations / Complaints	Convictions - Criminal	Admin Action Taken	Cost Avoidance	Fines, Restitution, and Recoveries	Amount to the Postal Service	To Mgmt. for Admin Action	To Mgmt. for Admin Action (FY)	Number of persons referred to DOJ for criminal prosecution	Number of persons referred to state and local authorities for criminal prosecution presentations	Criminal Indictments / Informations	Number of investigative reports issued	Convictions - Civil Settlements / Judgments	Referrals to USPS that were not Investigated
Computer Crimes	6	—	—	—	—	—	—	—	—	—	—	—	—	3	—	—
Contract Fraud	23	5	9	12	12	4,055,071	4,669,324	3,640,622	1	1	15	—	9	9	2	—
Financial Fraud	146	20	20	29	96	374,916	2,231,801	1,476,687	79	80	39	13	12	161	—	30
General Crimes	215	24	16	25	101	—	267,276	19,163	104	106	14	14	9	218	—	662
Healthcare Claimant Fraud	116	10	13	9	21	61,458,022	2,371,317	2,371,317	15	15	20	1	13	56	—	5
Healthcare Provider Fraud	16	3	3	16	27	121,217,303	12,234,554	6,851,984	—	0	14	—	1	4	—	1
Mail Theft	836	193	209	193	481	—	6,223,586	50,321	479	479	310	41	128	751	—	407
Narcotics	141	48	67	70	59	—	142,126	14,553	57	57	37	12	52	115	—	33
Office of Professional Responsibility	20	1	3	1	14	—	—	—	1	1	15	1	3	16	—	81
Total	1,519	304	340	355	811	187,105,312	28,139,984	14,424,647	728	739	464	82	227	1,333	2	1,219
PRC	1	—	—	—	—	—	—	—	1	—	—	—	—	1	—	—

Appendix I: Summary of U.S. Postal Inspection Service Actions Under 39 USC § 3005 and 3007



For the period: October 1, 2023 - March 31, 2024

Type of Scheme	Complaints Filed	Consent Agreements	Final Restraining Orders	Cease and Desist Orders
Advance Fee	—	—	—	—
Counterfeit Checks	1	1	0	1
Facsimile Checks	—	—	—	—
Failure to Pay	—	—	—	—
Failure to Render	—	—	—	—
Foreign Lottery	—	—	—	—
Identity Theft - Other	—	—	—	—
Investment Fraud	—	—	—	—
Invoice Schemes	—	—	—	—
Lottery	6	6	0	6
Medical Fraud - Other	—	—	—	—
Other	1	1	0	1
Rebate and Refund	—	—	—	—
Reshipping Scheme	—	—	—	—
Sweepstakes	—	—	—	—
USPS Revenue Fraud	—	—	—	—
TOTAL	8	8	—	8

Other Administrative Actions

Temp. Restraining Orders Requested	—
Temp. Restraining Orders Imposed	—
Cases Using Direct Purchase Authority	—
Civil Penalties (Section 3012) Imposed	—
Test Purchases	—
Withholding Mail Orders Issued	0
Voluntary Discontinuances	This area is not tracked by Office of Counsel

Administrative Subpoenas Requested by the Postal Inspection Service

There were none requested during this reporting period.

Financial Reporting on Investigative Activities for the Postal Inspection Service

Area	Type	Total
VP Chief Inspector	Total Personnel Comp	\$218,534,199
VP Chief Inspector	Total Nonpersonnel Expense	\$60,152,140
VP Chief Inspector	Total Operating Expense	\$278,686,339
VP Chief Inspector	Total Capital Commitments	\$6,481,405

Appendix J: Congressional/PMG/Board of Governors Inquiries



For the period: October 1, 2023 - March 31, 2024

The Office of Government Relations responds to inquiries from Congress, the Postmaster General, and the Board of Governors. The OIG responds to some of these inquiries by conducting audits or investigations. However, the OIG does not generally perform audits or investigations when an inquiry involves a non-systemic issue that may be resolved through existing administrative or judicial processes, such as the equal employment opportunity complaint process, contractual grievance-arbitration procedures, or appeals to the Merit Systems Protection Board. When systemic or criminal issues have been identified, the OIG may conduct independent audits or investigations to help ensure the economy, efficiency, and integrity of Postal Service programs and operations.

From October 1, 2023, through March 31, 2024, the OIG received 59 new inquiries. Out of the 59 inquiries, we referred two to the U.S. Postal Service Office of Government Relations and one to the Postal Inspection Service for review. We closed 53 inquiries during this reporting period. Out of those, 34 were reviewed by our Office of Investigations and six were reviewed by our Office of Audit.

Appendix K: Attempt to Interfere with OIG Independence

For the period: October 1, 2023 - March 31, 2024

Section 5(a)(21) of the Inspector General Empowerment Act, as amended, requires that the OIG report attempts by an agency to interfere with inspector general independence, including through budget constraints, resistance to oversight, or delayed information access.

None during the reporting period.

Supplemental Information



Freedom of Information Act

The OIG Freedom of Information Act (FOIA) Office operates independently of, but frequently coordinates with, its counterparts at the Postal Service and the Postal Inspection Service. Our FOIA Office receives requests for records from the public, the media, and postal employees. The FOIA, according to the Department of Justice, “generally provides that any person has a right, enforceable in court, to obtain access to federal agency records, except to the extent that such records (or portions of them) are protected from public disclosure by one of nine exemptions.”

Activities

For the period: October 1, 2023 – March 31, 2024

Requests	Number of Requests
Carryover from prior period	9
Received during period	493
Total on hand during period	502
Actions	Number of Requests
Processed during the period	460
Requests denied in full	16
Requests granted in full	12
Requests denied in part	77
Duplicate request	5
Fee-related reasons	0
No records	82
Not an agency record	148
Not a proper FOIA request for some other reason	0
Requests referred	103
Requests withdrawn	17
Records not reasonably described	0
Balance	Number of Requests
Balance at the end of the period (pending)	42
Processing Days	Number of Days
Median processing days to respond to a FOIA request	0

Workplace Environment

The Office of Investigations’ Workplace Environment unit reviews workplace environment and operational issues that may affect workplace climate in postal facilities throughout the country. The OIG Hotline is the primary source for complaints, but occasionally members of Congress, the Governors, and postal management will raise concerns or forward complaints appropriate for review by the unit. Complaint topics include nepotism, harassment, hostile work environment, and discrimination.

Workplace Environment reviews are designed to identify systemic rather than individual issues and foster postal management efforts toward providing employees a stress and adversity-free work environment. The unit accepts complaints from any postal employee, including OIG and Postal Inspection Service staff. Reviews may result in factfinding reports to management or referrals, which may result in a climate assessment.

For the period: October 1, 2023 – March 31, 2024

Total complaints reviewed and closed: **1,076**

Whistleblower Reprisal Investigations

For the period: October 1, 2023 – March 31, 2024

Whistleblower Reprisal Activity	
Allegations received	125
OIG investigations initiated	0
Investigations closed with no action	2
Allegations closed with no action	119
OIG found reprisal	0

Supplemental Information



Summary of Performance

For the period of October 1, 2023 - March 31, 2024

Audits	
Reports issued (excluding RISC white papers)	55
Recommendations issued	168
Total reports with financial impact	4
Funds put to better use	
Questioned costs	\$69,037,587
Revenue impact	\$19,604,561
Total	\$88,642,148

RISC White Papers	
White papers issued	4
Recommendations issued	0

Investigations ¹	
Investigations completed	1,520
Arrests	304
Indictments/informations	340
Convictions/pretrial diversions ²	355
Administrative actions	811
Cost avoidance	\$187,105,312
Fines, restitution, and recoveries	\$28,139,984
Amount to the Postal Service ³	\$14,424,647

OIG Hotline Contacts	
Telephone calls	17,164
Email	21,790
Webforms	61,175
Standard mail	1,074
Voicemail messages	1,285
Facsimile - FAX	114
Total Contacts	102,602

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¹ Statistics include joint investigations with other law enforcement agencies.

² Convictions reported in this period may be related to arrests in prior reporting periods.

³ Amounts include case results of joint investigations with other OIG, federal, state, and local law enforcement entities.

Reporting Requirements



Act Section	Requirement	Page
5(a)(1)	Significant problems, abuses, and deficiencies	Throughout
5(a)(2)	Recommendations with respect to significant problems, abuses, and deficiencies	Throughout
5(a)(3)	Recommendations described in previous semiannual reports on which corrective action has not been completed	33-41
5(a)(4)	Matters referred to prosecutive authorities and the prosecutions and convictions that have resulted	46
5(a)(5)	Summary reports made to the head of the establishment under section 6(b)(2) of instances where information was refused	48
5(a)(6)	Listing of audit, inspection, and evaluation reports and, if applicable, the total dollar value of questioned costs and recommendations that funds be put to better use	4, 25-32
5(a)(7)	Summary of particularly significant reports	Throughout
5(a)(8)	Statistical tables showing total number of audit, inspection, and evaluation reports containing questioned costs	25-29
5(a)(9)	Status of management decisions for audit and evaluation reports containing recommendations that funds be put to better use	30
5(a)(10)	Summary of audit and evaluation reports issued prior to the beginning of the reporting period for which (a) no management decision had been made; (b) no management comment was received within 60 days of issuing the draft report; and (c) there were any unimplemented recommendations, including the aggregate potential cost savings of those recommendations, at the end of the reporting period	29-30
5(a)(11)	Description and explanation of the reasons for any significant revised management decisions	43-44
5(a)(12)	Information concerning any significant management decisions with which the inspector general disagreed	43-44
5(a)(13)	Information under 804(b) Federal Financial Management Improvement Act of 1996	n/a
5(a)(14)	Results of any peer review conducted by another Office of the Inspector General during the reporting period, and if none, a statement of the date of the last peer review	45
5(a)(15)	List of outstanding recommendations from any peer review conducted by another Office of the Inspector General, including a statement describing the status of the implementation and why implementation is not complete	n/a
5(a)(16)	List of any outstanding recommendations made from any previous peer review that remain outstanding or have not been fully implemented	n/a
5(a)(17)	Statistical table showing the total number during the reporting period of (a) investigative reports issued, (b) persons referred to the DOJ for criminal prosecution, (c) persons referred to state and local prosecuting authorities for criminal prosecution, and (d) indictments and criminal information resulting from any prior referral to prosecuting authorities	46
5(a)(18)	Description of the metrics used to develop the data in the statistical tables under Section 5(a)(17)	46
5(a)(19)	Report on investigations in which allegations of misconduct involving a senior government employee were substantiated including a detailed description of the facts and circumstances of the investigation, and the status and dispositions of the matter, including if the matter was referred to the DOJ, the date of the referral, and if the DOJ declined the referral, the date of the declination	22
5(a)(20)	Detailed description of any instances of whistleblower retaliation, including information about the official found to have engaged in retaliation, and what, if any, consequences the establishment imposed to hold the official accountable	23
5(a)(21)	Detailed description of any attempts to interfere with the independence of the Office of the Inspector General including with budget constraints designed to limit the capabilities of the OIG, and incidents where the establishment has resisted or objected to oversight activities of the OIG or restricted or significantly delayed access to information, including the justification for such action	48
5(a)(22)	Detailed descriptions of the circumstances of each audit, inspection, or evaluation that was closed and not disclosed to the public and investigation conducted involving a senior government employee that was closed and not disclosed to the public	28

Who Do I Contact — Report Fraud, Waste, Abuse

The U.S. Postal Service has two law enforcement agencies with distinct areas of investigative responsibility to serve the needs of stakeholders, postal employees, and the American public. For more information on who to contact, [visit our website](#).



Office of Inspector General

- Theft, delay, or destruction of mail by USPS or PRC employees and contractors
- Workers' compensation fraud
- Embezzlement and financial crimes
- Contract fraud
- Kickbacks
- Computer crimes
- Narcotics
- Employee misconduct
- Internal affairs and executive investigations
- Whistleblower reprisals



<https://www.uspsoig.gov/hotline>
Contact: 888-877-7644



Postal Inspection Service

- Security of employees, facilities, and equipment
- Revenue and postage fraud
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- Violent crimes:
 - Threats and assaults of employees
 - Burglaries and robberies
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- Dangerous mail and bombs
- Mail fraud
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