

Mail Theft Mitigation and Response: Sacramento, CA

AUDIT REPORT

Report Number 24-163-R25 | March 20, 2025



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OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

March 20, 2025

MEMORANDUM FOR: ELVIN MERCADO
CHIEF RETAIL AND DELIVERY OFFICER AND EXECUTIVE VICE
PRESIDENT

JAGDEEP GREWAL
DISTRICT MANAGER, CALIFORNIA 2 DISTRICT

Mary H. Lloyd

FROM: Mary Lloyd
Acting Deputy Assistant Inspector General
for Inspection Service and Cybersecurity & Technology

SUBJECT: Audit Report – Mail Theft Mitigation and Response: Sacramento, CA
(Report Number 24-163-R25)

This report presents the results of our audit of the Mail Theft Mitigation and Response:
Sacramento, CA.

All recommendations require U.S. Postal Service Office of Inspector General (OIG) concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. All recommendations should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed.

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

Attachment

cc: Postmaster General
Corporate Audit Response Management

Results

Background

This report presents the results of our audit of Mail Theft Mitigation and Response at the Sacramento Main Post Office, Fort Sutter Station, and Rancho Cordova Main Post Office in the Sacramento, CA, area (Project Number 24-163). These sites are in the California 2 District of the Retail and Delivery Operations, WestPac Area. Our objective was to assess the U.S. Postal Service's actions taken to mitigate and respond to mail theft at selected delivery units in the Sacramento, CA, area. See [Appendix A](#) for additional information about this audit. This is one of a series of mail theft audits across the Postal Service.

The Postal Service's mission is to provide the nation with trusted, safe, and secure mail services, including the more than three billion pieces of mail volume processed in the Sacramento, CA, area in fiscal year (FY) 2024. Unfortunately, mail theft occurs in various ways. Individuals use stolen universal keys — called arrow keys¹ — to access collection boxes, outdoor parcel lockers, cluster box units (CBU), and apartment panels. Mail theft can also occur by individuals fishing² or breaking into collection boxes with force, residential mailbox break-ins, package theft, and carrier robberies. It is imperative for the Postal Service to address mail theft issues to protect the Postal Service and its employees and earn the public's trust.

Concerns about how the Postal Service prevents and responds to mail theft frequently appear in the media and they have been a topic of congressional hearings³ and inquiries sent to the U.S. Postal Service Office of Inspector General (OIG). News articles⁴ have also highlighted carrier robberies and theft in the

Sacramento area from blue collection boxes and CBUs, which included customers' credit cards, checks, and social security benefits.

Mail Theft Prevention Efforts

In a news release on May 12, 2023, the Postal Service and Postal Inspection Service announced a joint initiative called Project Safe Delivery to combat the rise in mail theft and carrier robberies. Prevention efforts include the rollout of high security collection boxes (HSCB), electronic arrow locks (eLock), and modified arrow lock (MAL)⁵ keys in areas with high incidents of mail theft. As of September 2024, the Postal Service installed 23,086 HSCBs and 37,747 eLocks in select cities across the country, to include 141 HSCBs and 141 eLocks in the Sacramento, CA, area. In addition to the prevention efforts in Project Safe Delivery, the Postal Inspection Service partners with federal, state, and local authorities to enforce mail theft and carrier robbery prevention laws. Postal Inspection Service officials in the Sacramento, CA, area work with local law enforcement agencies throughout northern California to receive information on reported mail theft and carrier robbery incidents.

High Security Collection Boxes

The Postal Service uses blue collection boxes for mail collection at postal facilities, residential neighborhoods, businesses, and other locations. Blue collection boxes have been targeted by individuals pulling mail out of the drop slot, prying them open with a crowbar, and opening them with stolen or counterfeit arrow keys. The HSCB has a narrow mail slot without the lever/door, finger rakes to deter mail fishing, and reinforced steel. The Postal Service announced in May 2023 that the new HSCB would replace the regular blue collection box.

¹ Arrow keys are used in conjunction with arrow locks to access collection boxes, cluster box units, outdoor parcel lockers, apartment panels, and other secure postal access points.

² Mail fishing is a scheme where criminals use a handmade tool to pull envelopes out of collection boxes.

³ [Tracking the Postal Service: An Update on the Delivering for America Plan](#), House Committee on Oversight and Accountability 118th Cong., May 17, 2023; [Delivering for Pennsylvania: Examining Postal Service Delivery and Operations from the Cradle of Liberty](#) | House Committee on Oversight and Reform 117th Cong., September 7, 2022; [The Holiday Rush: Is the Postal Service Ready?](#) | House Committee on Oversight and Reform, 117th Congress, November 16, 2022.

⁴ ABC10 - [Roseville in shock after USPS worker robbed of mail keys](#) | [abc10.com](#) October 23, 2024. ABC10 - [Apparent mail thief caught on camera in Sacramento](#) | [abc10.com](#) May 16, 2024. The Sacramento Bee - [Mail theft Sacramento CA: What should I do? Who do I call?](#) | [Sacramento Bee \(sacbee.com\)](#) April 15, 2024. CBS13 Sacramento - [How to combat mail theft with tax season now active](#) - CBS Sacramento ([cbsnews.com](#)) January 29, 2024.

⁵ A MAL is a newer version of the standard arrow lock. The MAL has a higher security cylinder for use in areas that sustain or are subject to high incidents of mail attacks or losses. MALs are designed to deter counterfeiting of keys.

Electronic Arrow Locks

The traditional arrow keys have been a target of thieves looking to steal a key to gain access to collection and relay boxes, as well as CBUs along a carrier's route. These eLocks, initially announced in May 2023, can replace existing locks and provide a safer environment for postal employees to collect and deliver mail by eliminating the utility of a lone key for those looking to steal mail. The eLocks add an extra layer of security by requiring dual authentication — [REDACTED]

The eLocks also provide added transparency to the Postal Service through a report that details the employee identification, date, and time when a collection box was accessed.

High Security Electronic Locks

In January 2024, the Postal Service [REDACTED]

[REDACTED] The HSEL is an improved version of the eLock and was designed to be suitable for all types of mailboxes. This new key adds an extra layer of security with technology that requires the key to be activated daily to be used, and if not activated daily such as in the case of loss or theft, the system renders the key useless. The HSEL keys also allow for data tracking on the number of attempts to open mailboxes. Postal facilities store the HSEL keys in a secured cabinet, where they must be validated daily, and if a key has not been returned, the system features automated alerting functionality that may be utilized to notify the appropriate personnel.

Mail Theft Inquiries and Case Data in the Sacramento, CA, Area

The Postal Service and the Postal Inspection Service share the responsibility for the deployment of the

mail theft initiatives. For all mail theft initiatives, the Postal Inspection Service compiles postal-related complaints alleging criminal conduct and lost/stolen arrow key data to identify target areas at risk for mail theft. The Postal Inspection Service then communicates high mail theft target areas to the Postal Service's Innovative Business Technology and Delivery Operations groups to determine deployment locations for certain initiatives.

From March 1, 2024, to August 31, 2024, customers submitted 21,860 inquiries to the Postal Service in the Sacramento, CA, area. Of these inquiries, 4,411 (20 percent) were directly related to tampered CBUs or mailboxes, and missing or stolen mail and packages, (see [Figure 1](#)).

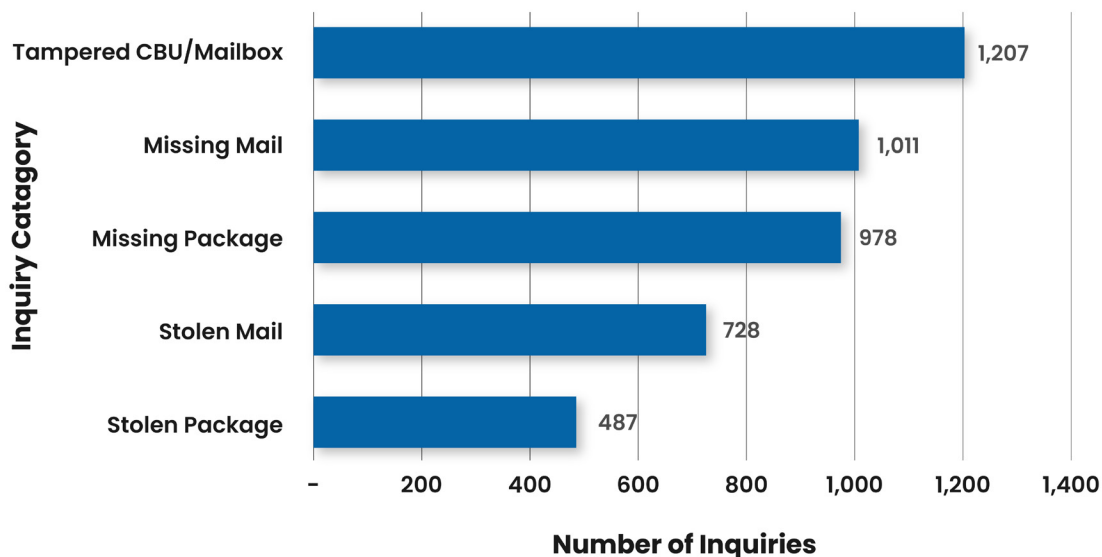
The Postal Inspection Service's efforts to prioritize mail theft investigations and customer complaints are key to addressing mail theft. Postal inspectors⁷ accept and review customer complaints about alleged mail theft, conduct investigations, and submit cases for prosecution. Postal police officers⁸ are responsible for Postal Service facility and perimeter security; however, not all Postal Service facilities have postal police officers assigned to secure them. The Postal Inspection Service receives mail theft complaints through a variety of sources including public complaints submitted through phone calls, letter correspondence, the Postal Service's website, and referrals from federal, state, and local law enforcement agencies. When complaints made through the Postal Service's website appear to fall within the Postal Inspection Service's jurisdiction, they are sent from the Postal Service's Customer 360 platform to the Postal Inspection Service's Financial Crimes Database (FCD). When complaints come in through other means, they are manually entered into the FCD. Postal inspectors use the FCD to retain and review complaints related to mail theft, financial crimes, and other issues.

6 The HSEL is a new electronic lock [REDACTED] that requires daily authentication and is suitable for installation on all mail theft receptacles, collection boxes, cluster box units, and green relay boxes.

7 As of November 2024, there were [REDACTED] postal inspectors in Sacramento, CA, and Rancho Cordova, CA.

8 As of November 2024, there were [REDACTED] postal police officers in Sacramento, CA, and Rancho Cordova, CA.

Figure 1. Customer Inquiries From March 1 Through August 31, 2024

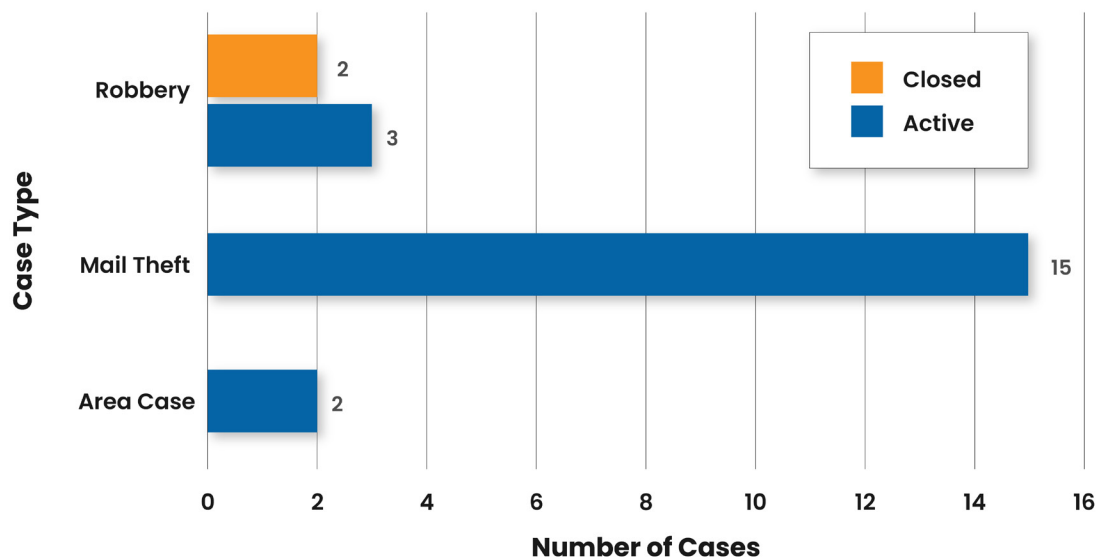


Source: Customer 360;⁹ OIG analysis.

Between March 1, 2024, and August 31, 2024, the Postal Inspection Service received 1,940 mail theft complaints¹⁰ from all sources for the Sacramento, CA, area. During the same timeframe, the Postal

Inspection Service had two active area cases,¹¹ three active carrier robbery cases, 15 active mail theft cases, and closed two robbery cases in the Sacramento, CA, area (see Figure 2).

Figure 2. Postal Inspection Service Active and Closed Cases – Sacramento, CA, Area



Source: Data provided by the Postal Inspection Service from its Case Management system for the period of March 2024 – August 2024.

⁹ An integrated platform that Postal Service personnel and postal inspectors use to create, handle, and resolve customer issues and inquiries.

¹⁰ We used the complainant's ZIP Code to identify mail theft complaints within Sacramento, CA.

¹¹ Area cases are used for preliminary investigations in a particular program area.

Findings Summary

We found deficiencies in the tracking and safeguarding of arrow and MAL keys at the three locations we visited in the Sacramento, CA, area. Additionally, the Postal Service does not track whether CBUs are postal-owned or privately owned, and reliance is on local staff knowledge to determine the party responsible for maintaining the boxes. Further, the Postal Service does not currently have plans to deploy HSELs in the Sacramento, CA, area despite it being one of the top locations with instances of mail theft. Lastly, although most of the blue collection boxes and CBUs reviewed were generally in good condition, local management at the three sites visited did not perform annual safety inspections of blue collection boxes and CBUs.

Finding #1: Arrow Key Accountability

What We Found

Tracking of Arrow and MAL Key Inventory

The Sacramento Main Post Office, Fort Sutter Station, and Rancho Cordova Main Post Office did not properly track their arrow key inventories.

On October 22, 2024, we performed a physical inventory of the arrow keys and compared the results to the required Retail and Delivery Analytics and Reports (RADAR)¹² monthly arrow key certification report from October 2024. We found deficiencies at all three sites, as shown in Table 1. Specifically:

- **Sacramento Main Post Office:** 129 of the 372 (35 percent) arrow keys recorded in RADAR were missing or could not be verified, leaving mail receptacles across eight ZIP Codes in Sacramento, CA, at risk. We also observed 87 additional arrow keys were not recorded in RADAR. Further, 50 of the arrow keys observed on-site were damaged but were not sent to the National Material Customer Service (NMCS) help desk¹³ as required. We also found one additional arrow key on-site classified

as “lost” in RADAR, but not reported to the Postal Inspection Service as required.

- **Fort Sutter Station:** 21 of the 102 (21 percent) arrow keys recorded in RADAR were missing or could not be verified, leaving mail receptacles across three ZIP Codes in Sacramento, CA, at risk. We also observed 25 additional arrow keys that were not recorded in RADAR. Also, four of the arrow keys verified were damaged but were not sent to NMCS as required by Postal Service policy. Lastly, six of the lost arrow keys were not reported to the Postal Inspection Service as required by Postal Service policy.
- **Rancho Cordova Main Post Office:** Three of the 97 (three percent) arrow keys recorded in RADAR were missing or could not be verified, leaving mail receptacles in one Rancho Cordova, CA, ZIP Code at risk. We also observed 29 additional arrow keys that were not recorded in RADAR. And, 37 of the arrow keys verified were damaged but were not sent to NMCS as required by Postal Service policy (see [Figure 3.](#))

Table 1. Arrow Key Inventory

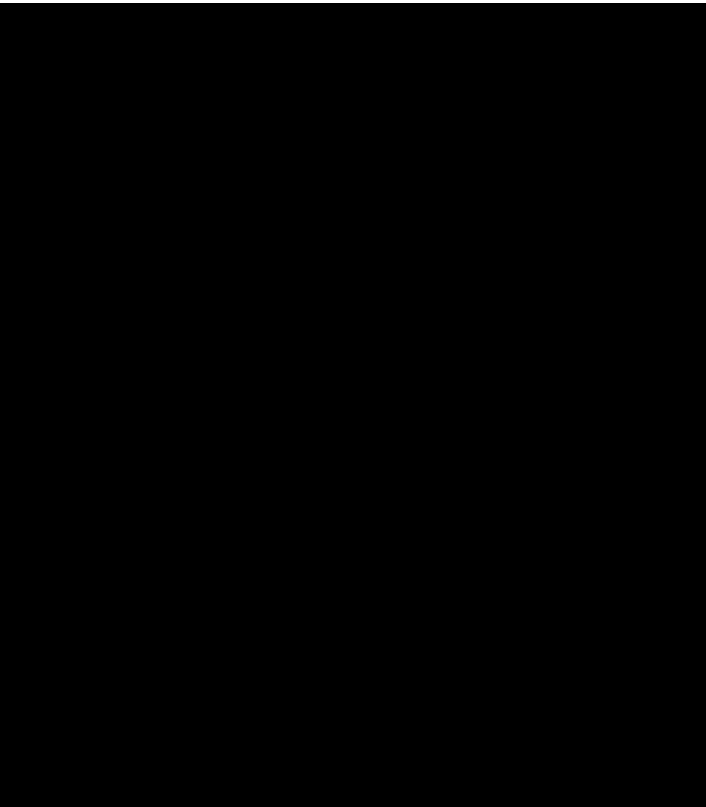
Location	Listed in RADAR	Verified Keys	Missing/ Not Verified Keys	Additional Keys Verified but Not Recorded in RADAR
Sacramento Main Post Office	372	243	129	87
Fort Sutter Station	102	81	21	25
Rancho Cordova Main Post Office	97	94	3	29
Total	571	418	153	141

Source: OIG analysis based on observations and reviews of RADAR.

¹² Postal Service’s RADAR system provides a national platform of current inventory of arrow and MAL keys at all facilities.

¹³ The National Material Customer Service is responsible for receiving and returning damaged arrow keys to the vendor.

Figure 3. Damaged Arrow Keys



Source: OIG photograph taken at the Rancho Cordova Main Post Office October 22, 2024.

Additionally, management at the Sacramento Main Post Office and Fort Sutter Station did not use the 24-hour arrow key accountability process for arrow keys assigned to city routes during October 2024, as required by Postal Service policy.¹⁴ Specifically, 206 of the 234 (88 percent) arrow keys assigned to city routes at the Sacramento Main Post Office were not scanned during the month of October.¹⁵ At the Fort Sutter Station, 14 of the 61 (23 percent) arrow keys assigned to city routes were not scanned during the month of October.¹⁶

Further, none of the three locations properly used the correct daily check in/out processes for arrow keys assigned to rural routes. Specifically, management did not use the required standard postal manual form to track the daily check in/out of arrow keys. The three locations were using forms that appeared to be

¹⁴ Rancho Cordova Main Post Office is not a Tier 1 facility.
¹⁵ Sacramento Main Post Office had 234 arrow keys assigned to city routes and 99 arrow keys assigned to rural routes.
¹⁶ Fort Sutter Station had 61 arrow keys assigned to city routes and zero arrow keys assigned to rural routes.
¹⁷ The 30-day letter includes arrow key deficiencies identified during audits performed by the Postal Inspection Service. Local management has 30 days to respond concerning any action or intended action taken to correct the deficiencies identified during the audit.

internally created. See Figure 4 for an example of a form used.

Figure 4. Incorrect Arrow Key Check In/Out Form

Source: OIG photograph taken at the Fort Sutter Station October 22, 2024.

Lastly, local management did not take corrective action on the Postal Inspection Service’s arrow key audits. Specifically, Postal Inspection Service officials identified arrow key deficiencies at both the Sacramento Main Post Office and Rancho Cordova Main Post Office during audits performed in February and June 2024, respectively. Upon completion of their arrow key audits, Postal Inspection Service officials issued 30-day letters¹⁷ in March and July 2024 to facility management that included arrow key tracking and reporting deficiencies, such as not fully implementing the 24-hour accountability process, inaccurate certifications in RADAR, not reporting lost/stolen keys, and not following recommendations for correction. California 2 District Management stated it was not aware of actions taken to address the arrow key deficiencies at the Sacramento Main Post Office. Following the arrow key audit at Rancho Cordova Main Post Office in June 2024, facility

management responded to the Postal Inspection Service's 30-day letter with proposed corrective actions to address the identified deficiencies; however, our team observed similar deficiencies while on-site in October 2024.

Safeguarding Arrow Keys

Management at the Fort Sutter Station and Rancho Cordova Main Post Office did not properly safeguard all their arrow keys in accordance with Postal Service policy. Specifically, at Fort Sutter Station we found 45 unsecured arrow keys¹⁸ [REDACTED] At the Rancho Cordova Main Post Office, we found two unsecured arrow keys.¹⁹

Why Did It Occur

Local and district management had insufficient controls and oversight of managing and safeguarding arrow keys as required by Postal Service policy. Specifically, regarding performing monthly arrow key certifications in RADAR, Sacramento Main Post Office management stated it did not verify the arrow key inventories by physically counting the keys on hand and just clicked the certify button in RADAR due to the lack of available time and staff. Fort Sutter Station management stated while it thought the certification was performed correctly, some keys may have been missed, as the primary focus was to add new MAL keys instead of double checking the older keys. Rancho Cordova Main Post Office management stated it was unaware that keys were missing and incorrectly entered key information in RADAR.

Additionally, Sacramento Main Post Office management was aware of the requirement to send damaged arrow keys to NMCS, but unsure why they were not sent. Fort Sutter Station management was unaware it had damaged arrow keys until our team found them [REDACTED] while on-site and brought them to management's attention. Rancho Cordova Main Post Office management stated it did not have time and was not trained on the return process for damaged arrow keys. Regarding why lost

arrow keys were not reported, Sacramento Main Post Office management was unsure why this occurred. Fort Sutter Station management was unaware it had the arrow keys listed as lost in RADAR in its possession until our team found them [REDACTED] while on-site and brought them to management's attention.

The two Tier 1 facilities,²⁰ Sacramento Main Post Office and Fort Sutter, did not use the 24-hour arrow key accountability process for all arrow keys due to various reasons, such as keys being stolen, broken, replaced without a new barcode, or keys not having a barcode available to scan. These two facilities continued to use manual forms for the daily check in/out of arrow keys rather than the new 24-hour key accountability process. However, the forms management used were not the correct Postal Service (PS) Form 1106, *Arrow Key – Daily Accountable Log*.

In addition, California 2 District management did not have a process in place to ensure arrow key deficiencies and recommendations reported by the Postal Inspection Service to local and district management were addressed.

Lastly, arrow keys were not safeguarded at the Rancho Cordova Main Post Office because management did not verify that all arrow keys were secured at the end of the day and stated carriers likely took the keys home or [REDACTED] since they returned after the PM supervisor had gone for the day. Fort Sutter Station management was unsure why the arrow keys were not secured.

What Should Have Happened

In June 2023, the Postal Service began requiring monthly and semi-annual arrow key certifications in RADAR, the authoritative source for the arrow key inventory.²¹ Local management completes the semi-annual certification – which consists of comparing the physical inventory of keys to the RADAR system – a questionnaire related to arrow key standard operating procedures, and required trainings. For the

¹⁸ The remaining 57 arrow keys were properly secured.

¹⁹ The remaining 92 arrow keys were properly secured.

²⁰ A category of postal units that fall under the jurisdiction of the highest-level Postmaster.

²¹ USPS *Arrow Key Guidebook Standard Work Instructions*, updated August 2023.

semi-annual and monthly certifications, the local manager certifies the physical inventory of keys. This data is also available to the Postal Inspection Service for its internal reviews through which they identify and report on arrow key certification and accountability deficiencies.

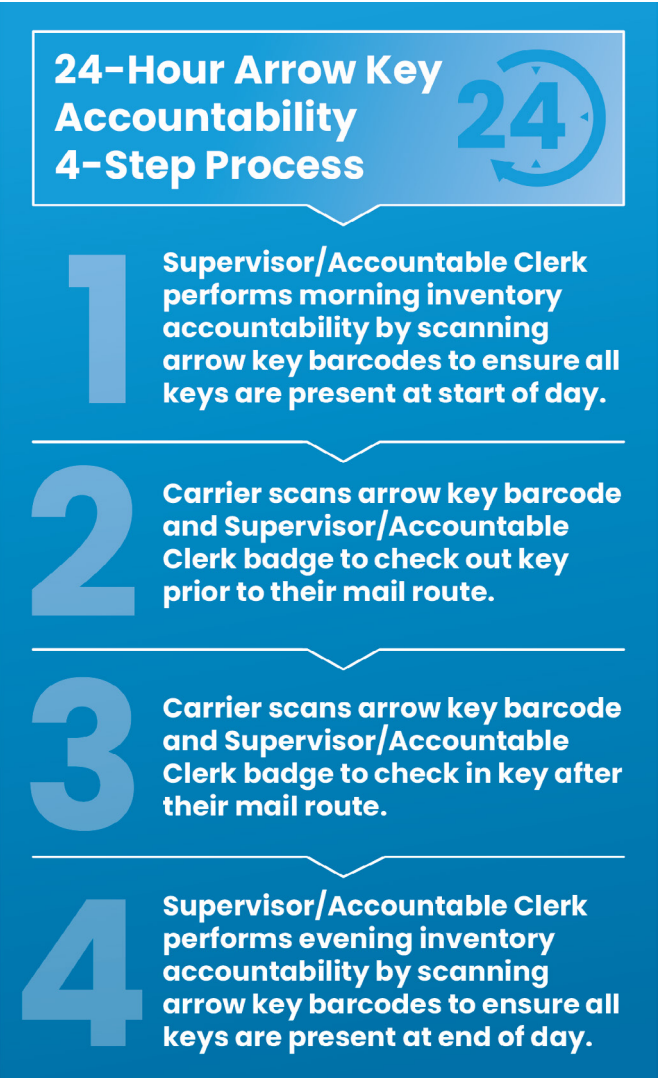
Additionally, per Postal Service Headquarters management, as of February 2023, a new 24-Hour Arrow Key Accountability process is in pilot for all Tier 1 facilities with arrow and MAL keys²² assigned to city routes. This process has four steps to provide oversight of the daily usage, visibility, and accountability for each employee handling arrow keys using a carrier’s handheld scanner and barcode system instead of the PS Form 1106 (see Figure 5). Per Postal Service policy,²³ if facilities experience any technical or scanning issues during the 24-hour arrow key accountability process, they must revert to using the PS Form 1106 for the daily check in/out process of arrow keys.

Postal Service policy²⁴ states that broken, unusable, or excess arrow/MAL keys are required to be returned to NMCS using Registered Mail. Additionally, Postal Service policy²⁵ states that any lost or stolen arrow and MAL keys should be immediately reported to the Postal Inspection Service. Staff should also notify the Postal Inspection Service immediately if these lost or stolen keys are found or returned.

Postal Service policy²⁶ states that arrow keys must remain secured until they are individually assigned to personnel. Supervisors assign arrow keys, generally one per route, to carriers for use on delivery and collection routes each day. Carriers must keep arrow keys secured while on duty and return them at the end of each workday. Upon return, arrow keys should be deposited in a secure location, and a supervisor or clerk must verify all keys have been returned and accounted for daily.

22 HSEL keys will not be a part of the 24-hour arrow key accountability process because they have a separate daily validation within a secured cabinet.
23 USPS Arrow/Modified Arrow Lock (MAL) Key Accountability Standard Work Instructions, updated May 2024.
24 Helping Hand #23, Lock & Key Return Program, updated February 27, 2024.
25 USPS Arrow Key Guidebook Standard Work Instructions, updated August 2023.
26 USPS Arrow Key Guidebook Standard Work Instructions, updated August 2023.

Figure 5. 24-Hour Arrow Key Accountability Process



Source: 24-Hour Arrow Key Management System District Kick Off Meeting, August 1, 2023.

Effect on the Postal Service and Its Customers

When there is insufficient oversight and supervision of accountable items, such as arrow keys, there is an increased risk of lost or stolen keys. Because arrow keys open mailboxes across an entire area or multiple ZIP Codes, damaged, lost, or stolen keys can result in mail theft or the inability to collect or deliver mail. This may damage the Postal Service’s reputation and diminish public trust in the nation’s mail system.

Recommendation #1

We recommend the **California 2 District Manager** confirm all arrow keys are accurately recorded in the Retail and Delivery Analytics and Reports system and, when necessary, returned to the National Materials Customer Service, and/or reported to the Postal Inspection Service for the Sacramento Main Post Office, Fort Sutter Station, and Rancho Cordova Main Post Office.

Recommendation #2

We recommend the **California 2 District Manager** establish internal controls to verify facilities are following the 24-hour arrow key accountability process, including the establishment of barcodes for every key assigned to city routes at Tier 1 facilities, or using the PS Form 1106, as required.

Recommendation #3

We recommend the **California 2 District Manager** establish internal controls to validate that facilities are remediating arrow key deficiencies identified by the Postal Inspection Service.

Recommendation #4

We recommend the **California 2 District Manager** provide regularly recurring training on arrow key accountability processes, security policies, and responsibilities to managers and supervisors in the Sacramento, CA, area, and track training compliance.

Postal Service Response

Management agreed with our finding, all four recommendations, and our non-monetary impact.

Regarding recommendation 1, management stated it will ensure compliance with arrow key accountability and provide updated

arrow key inventories at the three stations.

Also, management stated it will return damaged/broken keys to NMCS and notify the Postal Inspection Service when keys are missing or lost. The target implementation date is June 30, 2025.

Regarding recommendation 2, management stated it will train staff on the 24-hour arrow key accountability process and the proper use of PS Form 1106. The target implementation date is June 30, 2025.

Regarding recommendation 3, management stated it will create a tracking mechanism for arrow key deficiencies identified by the Postal Inspection Service and monitor abatement of the findings. The target implementation date is May 31, 2025.

Regarding recommendation 4, management stated it will require managers and supervisors in the Sacramento area to complete arrow key accountability training annually, and track for compliance. The target implementation date is October 31, 2025.

OIG Evaluation

The OIG considers management's comments responsive to recommendations 1, 3 and 4, and corrective actions should resolve the issues identified in the report. For recommendation 2, the OIG considers management's comments partially responsive. In addition to training staff on the 24-hour arrow key accountability process, management should establish barcodes for every key assigned to city routes at Tier 1 facilities. We will work with management on recommendation 2 during the closure process.

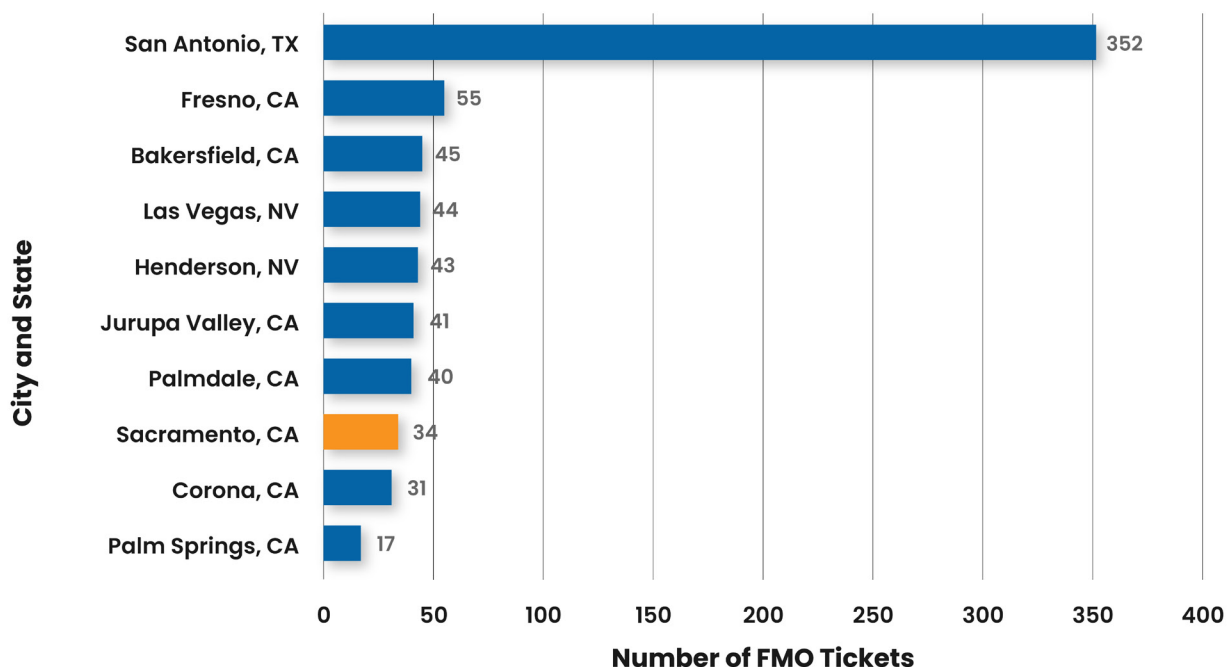
Finding #2: Oversight and Theft Prevention for Cluster Box Units

What We Found

There is no tracking mechanism in place that distinguishes whether a CBU is postal-owned or privately owned. According to Postal Service Headquarters, California 2 District, and local management in Sacramento, CA, local staff determines ownership of a cluster box prior to performing requested repairs. For example, Sacramento Main Post Office management stated when a maintenance request is received for a CBU, staff uses its familiarity with the area or internet sources to identify if the CBU is in a neighborhood where a homeowners association exists prior to performing any repairs.²⁷ Additionally, when a maintenance request is submitted, there is a drop-down field to select whether a CBU is postal-owned or privately owned; however, this field is not consistently completed.

Further, according to Postal Service Headquarters officials, prior to 2022, previous Headquarters FMO management instructed field maintenance personnel to repair privately owned CBUs, and when field maintenance repaired these CBUs, the Postal Service then took ownership and responsibility for maintaining the box. While the Postal Service stated that it's preference for new residential and commercial addresses is centralized delivery using CBUs, management stated it is trying to get away from owning CBUs. From August 2023 to January 2025 in Sacramento, CA, there were 34 repair tickets submitted²⁸ for CBUs due to break-ins, vandalism, lock replacement, and other maintenance. This ranks eighth among other locations nationwide (see Figure 6.)

Figure 6. Number of Maintenance Tickets for Cluster Box Units



Source: OIG analysis of Postal Service RADAR Field Maintenance Operations Nationwide ticket data for the period of August 2023 - January 2025.

²⁷ According to Postal Service policy dated December 2017, the customer is responsible for the maintenance, repair, and replacement of CBUs in neighborhoods where a homeowners association exists.

²⁸ Four of the 34 repair tickets were for the Sacramento Main Post Office. Fort Sutter Station and Rancho Cordova Main Post Office did not have any repair tickets in this data.

Postal Service Headquarters management stated regardless of whether a CBU is postal-owned or privately owned, the Postal Service is responsible for replacing locks and keys on the boxes. One common reason keys need to be replaced is due to stolen and counterfeit arrow and MAL keys that are used to commit mail theft. As part of the [REDACTED]

Why Did It Occur

Based on discussions with Postal Service Headquarters, California 2 District, and local management in Sacramento, CA, there is no policy requiring recording and tracking of CBU ownership because they rely on the local knowledge of staff in the field for this information.

In addition, Postal Service Headquarters management has not determined the future strategy for HSEL deployment, [REDACTED]. It stated it will work with the Postal Inspection Service to identify high crime areas for future deployments [REDACTED] using mail theft complaint data.

What Should Have Happened

Since December 2017, Postal Service policy²⁹ states the customer is responsible for the purchase, installation, maintenance, repair, and replacement of mail receptacles. This policy also states the Postal Service furnishes its own master access lock with CBUs that allow mail to be delivered. This lock is not available to developers and builders to pre-install on mail receptacles. Postal Service Headquarters management was unaware of any guidance prior to 2017.

Effect on the Postal Service and Its Customers

The reliance on local staff knowledge to determine if CBUs are postal-owned or privately owned prior to performing repairs can impact service performance. The use of a tracking mechanism would be more efficient going forward rather than ensuring this local knowledge is transferred to newly onboarded staff over time. Postal Service Headquarters personnel agreed that the implementation of a repository that tracks ownership of CBUs along with any ownership agreements³⁰ with homeowners associations would be a useful tool to assist staff.

The standard locks with arrow and MAL keys and the ease with which stolen or counterfeit keys may be used has contributed to the rise in mail theft. [REDACTED], installing HSELs in high crime areas — to include the Sacramento, CA, area specifically for CBUs — could be effective in reducing mail theft as it can deter the widespread use of stolen or counterfeit arrow and MAL keys.

Recommendation #5

We recommend the **Chief Retail and Delivery Officer and Executive Vice President** establish policy requiring the recording and tracking of cluster box unit ownership, and develop and maintain a repository of cluster box units to include ownership and applicable agreements.

Recommendation #6

We recommend the **Chief Retail and Delivery Officer and Executive Vice President** complete the high security electronic lock [REDACTED], and based on criteria for future deployments, consider including Sacramento, CA.

²⁹ *National Delivery Planning Standards, a Guide for Builders and Developers*, dated December 2017.

³⁰ This agreement outlines the commitments made by the Postal Service and by the business/property owner for establishment or conversion of a delivery mode and for the installation, maintenance, and replacement of a CBU at the site and delivery points listed.

Postal Service Response

Management agreed with our finding and recommendations 5 and 6.

Regarding recommendation 5, management stated it will explore establishing policy around the recording and tracking for newly installed cluster box units. After providing its official comments, management provided an updated target implementation date of February 28, 2026.

Regarding recommendation 6, management stated it will consider deployment of HSELs in Sacramento, CA, following the completion and approval of the [REDACTED]. After providing its official comments, management provided an updated target implementation date of February 28, 2026.

OIG Evaluation

The OIG considers management's comments partially responsive to recommendation 5. The recommendation asked management to establish policy, not just explore establishing policy. We will work with management on recommendation 5 during the closure process. For recommendation 6, the OIG considers management's comments responsive, and corrective actions should resolve the issues identified in the report.

Finding #3: Oversight of Boxes

What We Found

Local management at the Sacramento Main Post Office, Fort Sutter Station, and Rancho Cordova Main Post Office did not perform the annual safety inspections for the condition of blue collection boxes, CBUs, and green relay boxes.³¹ Additionally, management at the three sites stated it does not have green relay boxes in their areas; however, our team identified some while performing box condition reviews in those respective areas. Generally, for the sample of blue collection boxes and CBUs reviewed, along with the green relay boxes we found, most were in good condition.

Blue Collection Boxes

We sampled 47 of 112 blue collection boxes assigned to the Sacramento Main Post Office, Fort Sutter Station, and Rancho Cordova Main Post Office. Of those, we observed 12 (26 percent) blue collection boxes that had at least one of the following conditions: three (6 percent) had corrosion, three (6 percent) had door gaps, and eight (17 percent) had missing leg bolts, as shown in Table 2 and Figure 7.

Table 2. Blue Collection Box Observations

Deficiency	Total Boxes Observed	Number of Boxes with Observed Deficiency	Percentage
Corrosion	47	3	6%
Cracks		0	0%
Door Gap		3	6%
Missing Leg Bolts		8	17%

Source: OIG observations October 22-24, 2024. Note: Some boxes had more than one deficiency.

Figure 7. Sacramento, CA, Blue Collection Boxes With Corrosion, Missing Bolts, and Door Gap



Source: Left: OIG photograph taken in the Rancho Cordova Main Post Office area on October 24, 2024. Middle: OIG photograph taken in the Rancho Cordova Main Post Office area on October 22, 2024. Right: OIG photograph taken in the Sacramento Main Post Office area on October 23, 2024.

³¹ Green relay boxes are lockable receptacles where carriers can leave mail along their routes for later pickup and delivery.

Cluster Box Units

We sampled 45 of 45,071 unique CBU addresses³² served by the Sacramento Main Post Office, Fort Sutter Station, and Rancho Cordova Main Post Office. Of those, we observed one (2 percent) CBU that had a missing door, as shown in Figure 8.

Figure 8. Sacramento, CA, Cluster Box Unit With Door Gap/Missing Door



Source: OIG photograph taken in the Sacramento Main Post Office area October 23, 2024.

Green Relay Boxes

Management at the three sites reviewed stated it did not have green relay boxes in its areas. While we performed box condition reviews, we identified two green relay boxes. Of those, we observed one (50 percent) green relay box with a dent and corrosion, as shown in Figure 9.

Figure 9. Sacramento, CA, Green Relay Box With Dent and Corrosion



Source: OIG photographs taken in the Sacramento Main Post Office area October 23, 2024.

Why Did It Occur

Management at all three sites was not aware of the requirement to perform annual condition reviews for blue collection boxes and CBUs. However, if a carrier comes across an issue or a complaint is received regarding a box or CBU, the carrier reports this issue to management, and a field maintenance operations ticket is submitted in RADAR requesting repair.

What Should Have Happened

Postal Service policy states blue collection boxes must have a uniform appearance and be maintained in good condition.³³ Specifically, boxes identified with rusted-through holes are unrepairable, and should be replaced.³⁴ Additionally, each collection box leg must be secured with a security nut/bolt.³⁵ Lastly, Postal Service policy³⁶ states that supervisors must conduct annual safety inspections on all collection boxes, CBUs, and green relay boxes; remove any defective boxes from service for immediate repair; and maintain a log detailing the dates and results of the inspections. Postal Service Headquarters management confirmed this policy applies to all box types to include CBUs; however the policy did

³² While 45 unique cluster box unit addresses were selected for review, some addresses had multiple cluster box units at the location. Therefore, we reviewed a total of 75 individual cluster box units.

³³ Postal Operation Manual Issue 9, Section 315.1: Appearance, May 31, 2024.

³⁴ Maintenance Management Order (MMO-039-23), Refurbishment and Disposal Procedures for Collection Boxes, May 5, 2023.

³⁵ Maintenance Management Order (MMO-042-23), McGard Security Hardware for Collection Boxes, May 8, 2023.

³⁶ Handbook EL-801, *Supervisor's Safety Handbook*, Section 3-3.6, Street Delivery and Collection Boxes, July 2020.

not explicitly indicate responsibility for removing defective CBUs.

Effect on the Postal Service and Its Customers

While most boxes reviewed were in good condition, without performing annual inspections and routine maintenance of blue collection, cluster box units, and green relay boxes, the Postal Service is at increased risk of mail theft due to damaged boxes. Additionally, these boxes represent the Postal Service's image and directly impact the public's perception of the Postal Service's reputation and branding.

Recommendation #7

We recommend that the **California 2 District Manager** address the box deficiencies identified at Sacramento Main Post Office, Fort Sutter Station, and Rancho Cordova Main Post Office.

Recommendation #8

We recommend that the **Chief Retail and Delivery Officer and Executive Vice President** require the **California 2 District Manager** to establish and provide regularly recurring training to local management on the requirement to complete annual safety inspections, remediate deficiencies, and document the results for the blue collection boxes, cluster box units, and green relay boxes and track training compliance.

Postal Service Response

Management agreed with our finding and recommendations 7 and 8.

Regarding recommendation 7, management stated it has submitted workorders for collection

box repairs for deficiencies identified during our audit. The target implementation date is July 31, 2025.

Regarding recommendation 8, management stated it will provide and track compliance for annual training to local management on requirements to complete annual collection box safety inspections, remediate deficiencies, and document the results. Management also stated it will remove the green relay box. The target implementation date is October 31, 2025.

OIG Evaluation

The OIG considers management's comments responsive to recommendation 7, and corrective actions should resolve the issues identified in the report. For recommendation 8, the OIG considers management's comments partially responsive. The OIG found two green relay boxes, and management should remove both. We will work with management on recommendation 8 during the closure process.

Looking Forward

The mail theft initiatives are critical to protecting the Postal Service's employees, reputation, and brand. It is important the Postal Service achieves timely deployment of the initiatives and actively communicates these plans to local management. The OIG plans to conduct future audits of the Postal Service's mail theft mitigation and response efforts nationwide.

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Appendix A: Additional Information

Scope and Methodology

The scope of our audit included a review of the Postal Service's processes and procedures for reporting and responding to mail theft, carrier robberies, arrow and MAL key accountability, the physical condition of blue collection boxes, green relay boxes, and CBUs, deployment of mail theft initiatives, and mail theft complaints received from March 1, 2024, through August 31, 2024. Based on information obtained by OIG staff and the number of mail theft complaints in high crime ZIP Codes, we selected the Sacramento Main Post Office, Rancho Cordova Main Post Office, and Fort Sutter Station for our review.

To accomplish our objective, we:

- Reviewed policies and procedures related to reporting and responding to mail theft, carrier robberies, arrow key accountability, and box condition and accountability.
- Assessed the deployment and installation of mail theft initiatives to include HSCBs and eLocks in the Sacramento, CA, area.
- Assessed the [REDACTED] nationwide and in the Sacramento, CA, area.
- Performed arrow key and MAL key accountability reviews at the three sites in the Sacramento, CA, area.
- Performed physical condition reviews for blue collection boxes, green relay boxes, and CBUs in the surrounding areas of the three sites in the Sacramento, CA, area.
- Interviewed Postal Service Headquarters, California 2 District, and local management to understand roles and responsibilities for reporting mail theft; carrier robberies; missing, lost, or stolen arrow keys; arrow and MAL key accountability; addressing physical conditions for blue collection

boxes and CBUs; and deployment of current and future mail theft initiatives.

- Interviewed Postal Inspection Service Headquarters and San Francisco division management to understand roles and responsibilities for reporting, responding to, and tracking mail theft, carrier robberies, and missing, lost, or stolen arrow and MAL keys.

We conducted this performance audit from October 2024 through March 2025 in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on February 21, 2025, and included its comments where appropriate.

In planning and conducting the audit, we obtained an understanding of Postal Service internal control structure to help determine the nature, timing, and extent of our audit procedures. We reviewed the management controls for overseeing the program and mitigating associated risks. Additionally, we assessed the internal control components and underlying principles, and we determined that the following five components were significant to our audit objective: control environment, risk assessment, control activities, information and communication, and monitoring.

We developed audit work to ensure that we assessed these controls. Based on the work performed, we identified internal control deficiencies related to information and communication, control activities,

and monitoring that were significant within the context of our objectives. Our recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of RADAR, Address Management System, Regional Intelligent Mail Server, and Case Management data by performing tests for data completeness, reasonableness, accuracy, and validity. We determined that the data were sufficiently reliable for the purposes of this report.

Prior Audit Coverage

Report Title	Objective	Report Number	Final Report Date	Monetary Impact
<i>Mail Theft Mitigation and Response – Chicago, IL</i>	To assess the U.S. Postal Service’s actions taken to mitigate and respond to mail theft in Chicago, IL.	24-100-R24	9/18/2024	None
<i>Mail Theft Mitigation and Response – San Francisco, CA</i>	To assess the U.S. Postal Service’s actions taken to mitigate and respond to mail theft in San Francisco, CA.	24-099-R24	8/30/2024	None
<i>Mail Theft Mitigation and Response – Queens, NY</i>	To assess the U.S. Postal Service’s actions taken to mitigate and respond to mail theft in Queens, NY.	24-037-R24	5/21/2024	None
<i>U.S. Postal Service’s Response to Mail Theft</i>	To evaluate the Postal Service’s efforts to respond to mail theft.	22-178-R23	9/28/2023	\$1,008,976

Appendix B: Management's Comments



March 11, 2025

BRIAN NEWMAN
ACTING DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Mail Theft Mitigation and Response:
Sacramento, CA (24-163-DRAFT)

Thank you for providing the Postal Service with an opportunity to review and comment on the findings and recommendations contained in the draft audit report, *Mail Theft Mitigation and Response: Sacramento, CA*.

Management agrees with findings #1, #2, & #3, and non-monetary impacts.

Following are our comments on each of the eight recommendations.

Recommendation 1:

We recommend the California 2 District Manager confirm all arrow keys are accurately recorded in the Retail and Delivery Analytics and Reports system and, when necessary, returned to the National Materials Customer Service, and/or reported to the Postal Inspection Service for the Sacramento Main Post Office, Fort Sutter Station, and Rancho Cordova Main Post Office.

Management Response/Action Plan:

Management agrees with this recommendation.

The California 2 District will ensure compliance regarding the Arrow Key Certification in RADAR for the Sacramento Main Post Office, Fort Sutter Station, and Rancho Cordova Main Post Office and provide updated Arrow Key inventory. When necessary, the management will ensure the return of the damaged/broken keys to the NMCS and notify Inspection Service when keys are missing or lost.

Target Implementation Date: 06/30/2025

Responsible Official:

California 2 Manager of Operation Integrations (District)

Recommendation 2:

We recommend the California 2 District Manager establish internal controls to verify facilities are following the 24-hour arrow key accountability process, including the establishment of barcodes for every key assigned to city routes at Tier 1 facilities, or using the PS Form 1106, as required.

Management Response/Action Plan:

Management agrees with this recommendation.

California 2 District will train the management on proper 24-hour arrow key accountability process. In cases when electronic process cannot be followed, management will train on proper use of PS Form 1106.

Target Implementation Date: 06/30/2025

Responsible Official:

California 2 Manager of Operation Integrations (District)

Recommendation 3:

We recommend the California 2 District Manager establish internal controls to validate that facilities are remediating arrow key deficiencies identified by the Postal Inspection Service.

Management Response/Action Plan:

Management agrees with this recommendation.

California 2 District management will create a log to document Inspection Service identified arrow key deficiencies and monitor abatement of the findings.

Target Implementation Date: 05/31/2025

Responsible Official:

California 2 Manager of Operation Integrations (District)

Recommendation 4:

We recommend the California 2 District Manager provide regularly recurring training on arrow key accountability processes, security policies, and responsibilities to managers and supervisors in the Sacramento, CA, area, and track training compliance.

Management Response/Action Plan:

Management agrees with this recommendation.

California 2 District will require managers and supervisors in Sacramento area to take *Daily Arrow Key Accountability* training on an annual basis, and track training compliance.

Target Implementation Date: 10/31/2025

Responsible Official:

California 2 District Human Resources Manager

Recommendation 5:

We recommend the Chief Retail and Delivery Officer and Executive Vice President establish policy requiring the recording and tracking of cluster box unit ownership, and develop and maintain a repository of cluster box units to include ownership and applicable agreements.

Management Response/Action Plan:

Management agrees with this recommendation.

Management will explore establishing policy around the recording and tracking for identifying location and ownership of any newly installed cluster box units.

Target Implementation Date: 03/31/2026

Responsible Official:

Vice President Delivery Operations

Recommendation 6:

We recommend the Chief Retail and Delivery Officer and Executive Vice President complete the high security electronic lock [REDACTED] and based on criteria for future deployments, consider including Sacramento, CA.

Management Response/Action Plan:

Management agrees with this recommendation.

When the [REDACTED] and approved - Sacramento, CA will be considered for deployment.

Target Implementation Date: 03/31/2026

Responsible Official:

Vice President Delivery Operations

Recommendation 7:

We recommend that the California 2 District Manager address the box deficiencies identified at Sacramento Main Post Office, Fort Sutter Station, and Rancho Cordova Main Post Office.

Management Response/Action Plan:

Management agrees with this recommendation.

California 2 District has submitted work orders for collection box repairs aimed at correcting collection box deficiencies at Sacramento Main Post Office, Fort Sutter Station, and Rancho Cordova Main Post Office.

Target Implementation Date: 07/31/2025

Responsible Official:

California 2 Manager of Operation Integrations (District)

Recommendation 8:

We recommend that the Chief Retail and Delivery Officer and Executive Vice President require the California 2 District Manager to establish and provide regularly recurring training to local management on the requirement to complete annual safety inspections, remediate deficiencies, and document the results for the blue collection boxes, cluster box units, and green relay boxes and track training compliance.

Management Response/Action Plan:

Management agrees with this recommendation.

California 2 District will provide an annual training to local management on requirements to complete annual collection box safety inspections, remediate deficiencies, and document the results for the blue collection boxes, cluster box units and track training compliance. The green relay box will be removed.

Target Implementation Date: 10/31/2025

Responsible Official:

California 2 District Manager

E-SIGNED by ELVIN MERCADO
on 2025-03-11 19:26:40 EDT

Elvin Mercado
Chief Retail and Delivery Officer

E-SIGNED by EDUARDO.H RUIZ
on 2025-03-12 09:49:15 EDT

Eduardo Ruiz
Area Vice President, Retail and Delivery Operations, Western-Pacific

cc: *Corporate Audit & Response Management*

OFFICE OF INSPECTOR GENERAL UNITED STATES POSTAL SERVICE



This document contains sensitive information that has been redacted for public release. These redactions were coordinated with USPS and agreed to by the OIG.

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1735 North Lynn Street, Arlington, VA 22209-2020
(703) 248-2100

For media inquiries, please email press@uspsoig.gov or call (703) 248-2100