



# SEMIANNUAL REPORT *to* CONGRESS

SPRING 2026

OCTOBER 1, 2025 - MARCH 31, 2026



# A Message *from the* Inspector General

Over the past six months, concern over the Postal Service's financial condition and its ability to provide timely mail delivery has intensified. In this Semiannual Report to Congress, we highlight work from the past six months that is most directly connected to these issues — postal finances and service performance.

Our work has increased transparency into postal finances in many ways. We've issued a report exploring the Postal Service's financial history and released a public-facing [dashboard](#) that makes it easy for anyone to see postal financial and productivity information and trends. We have uncovered potential lost revenue from unused and excess space, as well as significant revenue loss from financial fraud. Our work around service performance continues to cover both national and local service issues, including how the rollout of the Postal Service's network is affecting timely mail delivery.

This report also covers other important investigative work. Our efforts to deter mail theft have become increasingly important, as organized crime has threatened the safety of financial instruments sent by mail. Our investigative teams also help combat the devastating national opioid crisis and drug overdose deaths plaguing America.

I am very proud to lead this lean and efficient organization that is dedicated to rooting out fraud, waste, and abuse. Our organization leverages 21st century data-driven analysis and technologies to manage our daily operations and maximize our oversight capabilities, allowing us to provide superior oversight benefitting the American public.

Over the last six months alone, OIG investigations returned over \$91 million in fines, recoveries, and restitution, including more than \$13 million directly to the Postal Service. We issued 38 reports, made 433 arrests, and completed 1,179 investigations. We delivered these results even with the complexity of our offices being closed during the October–November government shutdown, where a limited number of excepted staff continued investigative operations to protect life and property.



Tammy L. Hull  
Inspector General, United States Postal Service



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# About Us

The U.S. Postal Service Office of Inspector General (USPS OIG) provides essential oversight to the United States Postal Service and its regulator, 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 uphold a vital mission for the American public: promoting the integrity, accountability, and efficiency of the U.S. Postal Service and its regulator. Every day, our staff works to preserve the public's trust by detecting and preventing fraud, waste, and abuse in USPS and PRC programs and operations.

During fiscal year (FY) 2025, our agency was made up of 864 personnel in 95 field offices across 40 states and 90 congressional districts to oversee a postal workforce of over 624,000 employees. While the scope and breadth of our work is extensive, we also have one of the lowest ratios of employees relative to our parent agency compared to other OIGs: There is only one of us for every 723 postal employees.

We provide a prudent return on investment to USPS, returning almost \$10 for every \$1 invested in our FY 2025 budget alone.

To better reach our audiences, we consistently communicate our work through various means, including our [website](#), [email updates](#), social media campaigns, and [digital stories and other dynamic content](#). Immersive digital stories highlight some of our biggest findings and investigations while covering a diverse range of topics, including this Semiannual Report to Congress.

To protect the Postal Service and the nation's longstanding trust, it is important our agency receive full funding of our [budget request](#). Our full budget will enable us to continue playing a critical role in overseeing the Postal Service and the PRC, ensuring confidence in the timely delivery, integrity, and safety of the mail. Given the Postal Service is a key part of our nation's infrastructure, this funding will allow us to maintain major investigative work, combat fraud in government programs, and ensure accurate and transparent reporting of the timeliness of mail and package delivery.

## Office of Audit

Our [Office of Audit](#) is composed of four program areas:

- Field Operations
- Finance, Pricing & Human Capital
- Operations, Performance & Services
- Retail, Marketing & Supply Management

Auditors in each directorate conduct independent audits and reviews of USPS and PRC programs and operations to identify fraud, waste, and abuse. These audits also promote economy by finding cost-saving opportunities for both the Postal Service and the PRC through recommendations to promote program integrity and improve areas where deficiencies or opportunities are identified.

## Office of Investigations

The OIG remains committed to aggressively investigate any individual or criminal enterprise that exploits America's mail service. Our [Office of Investigations](#) (OI) has special agents located around the country to investigate allegations of internal crimes, fraud, and misconduct by USPS or PRC employees and contractors.

And thanks to our close collaboration with our law enforcement partners, we can extend the reach of OIG investigations beyond the Postal Service to help keep America safe. Our investigative work focuses on:

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

OI also has specialized units that include the Cyber Crimes Unit, Organized Crime Investigative 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. Our data analytics personnel support our agency's core mission by providing comprehensive analytical services and tools, including utilizing artificial intelligence (AI), to our auditors, special agents, 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

For the period: October 1, 2025 - March 31, 2026

## AUDITS and WHITE PAPERS



Questioned Costs:  
**\$401,712,377**



Revenue Impact:  
**\$2,300,546,244**



Funds Put to Better Use:  
**\$20,101,122**

Total: **\$2,722,359,743**

Reports Issued: **38**

Recommendations Issued: **89**

Total Reports with Financial Impact: **12**

## INVESTIGATIONS<sup>1</sup>

Investigations Completed: **1,179**

Arrests: **433**

Indictments/Informations: **273**

Convictions/Pretrial Diversions:<sup>2</sup> **357**

Administrative Actions: **559**



Amount to the Postal Service:<sup>3</sup>  
**\$13,529,446**



Cost Avoidance:  
**\$156,910,887**



Fines, Restitution, and Recoveries:  
**\$91,183,243**

## HOTLINE CONTACTS



Facsimile  
**211**

Telephone Calls/Voicemails  
**47,459**

Standard Mail  
**817**

Email  
**18,082**

Webforms  
**56,763**

Total Contacts:  
**123,332**

<sup>1</sup> Statistics include joint investigations with other law enforcement agencies.

<sup>2</sup> Convictions reported in this period may be related to arrests in prior reporting periods.

<sup>3</sup> Amounts are totals to USPS resulting from joint investigations with other OIG, federal, state, and local law enforcement entities.

# Postal Finances

# Postal Finances



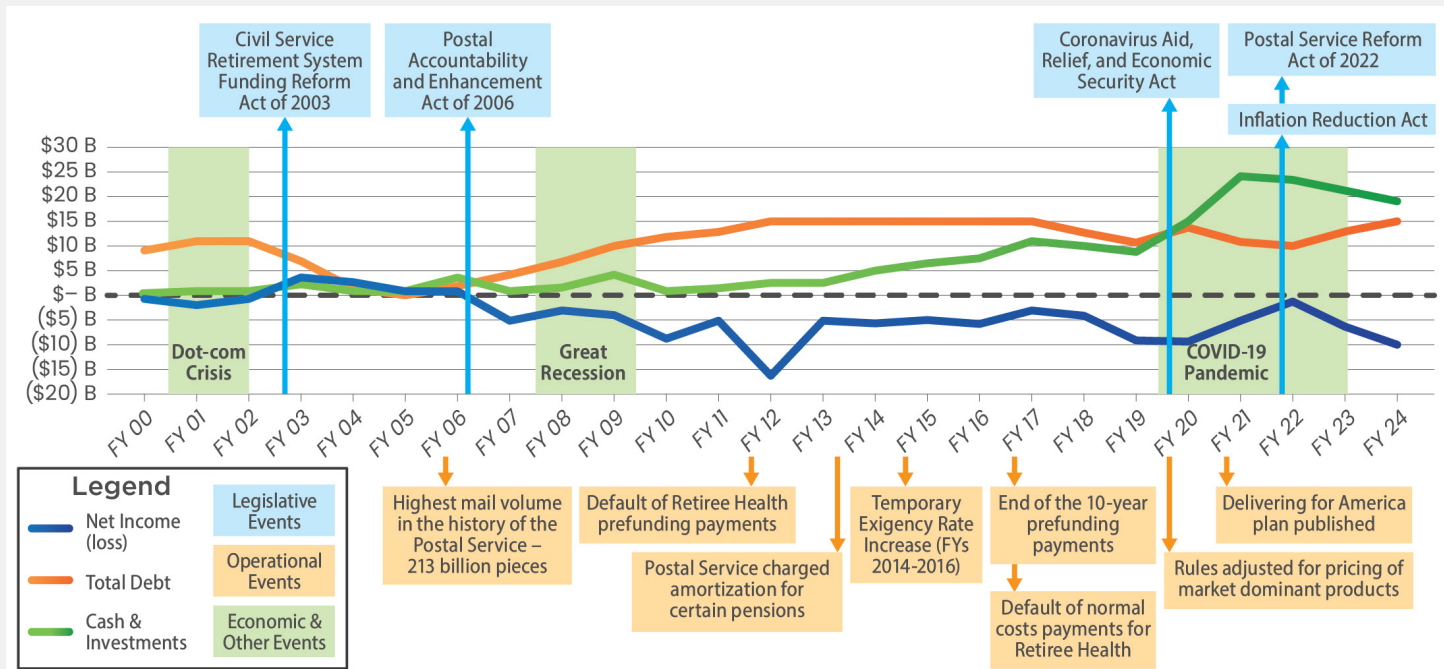
## Understanding USPS's Financial Condition

Following 18 years of consecutive net losses and, more recently, the postmaster general's warning that USPS could deplete its cash within a year, there is significant and growing attention on the agency's financial future.

As Congress, postal executives, and policy experts weigh options to stabilize postal finances, our Office of Audit released a [white paper](#) on USPS's financial history, presenting the information in accessible, [easy-to-follow ways](#).

The paper sheds light on what has shaped the agency's financial results over the last two decades, including historical events, legislative enactments, and operational performance. For instance, the shift from physical mail to electronic alternatives since the early 2000s has steadily reduced First-Class Mail volume — the agency's most profitable product and a key source of revenue. Similarly, the Postal Accountability and Enhancement Act of 2006 required USPS to prefund its retiree health benefits through 10 annual pre-funding payments of more than \$5 billion each. No other public or private sector organization has had this obligation imposed.

## Major Economic, Legislative, and Operational Changes Impacting Postal Service Financials



Source: OIG review of legislative, operational, and economic events from FYs 2000 to 2024.<sup>4</sup>

The paper also explores how the Postal Service has managed to safeguard its cash over the last 18 years. For example, to run its operations and pay its workforce and suppliers, it began defaulting on some required payments, such as amortizing its pension funds' unfunded liabilities. Likewise, in 2021, the agency published its 10-year Delivering for America (DFA) plan, with goals of revenue generation (including price increases), legislative reforms to retirement costs, planned capital investment of \$40 billion, and efficiency initiatives to cut costs and modernize. Other strategies include maximizing its debt limit, as well as freezing capital spending and infrastructure maintenance. Yet even with these cash preservation methods, USPS continues to be challenged in achieving necessary financial stability to continue its mission of providing critical service to the American public.

<sup>4</sup> Net loss for FY 2022 was calculated to exclude the one-time non-cash benefit provided in the Postal Service Reform Act of 2022.

“At our current rate, we'll be out of cash in less than 12 months. So in about a year from now, the Postal Service would be unable to deliver the mail.”

– Postmaster General David Steiner testifying before the House Oversight Subcommittee on Government Operations on March 17, 2026

# Postal Finances

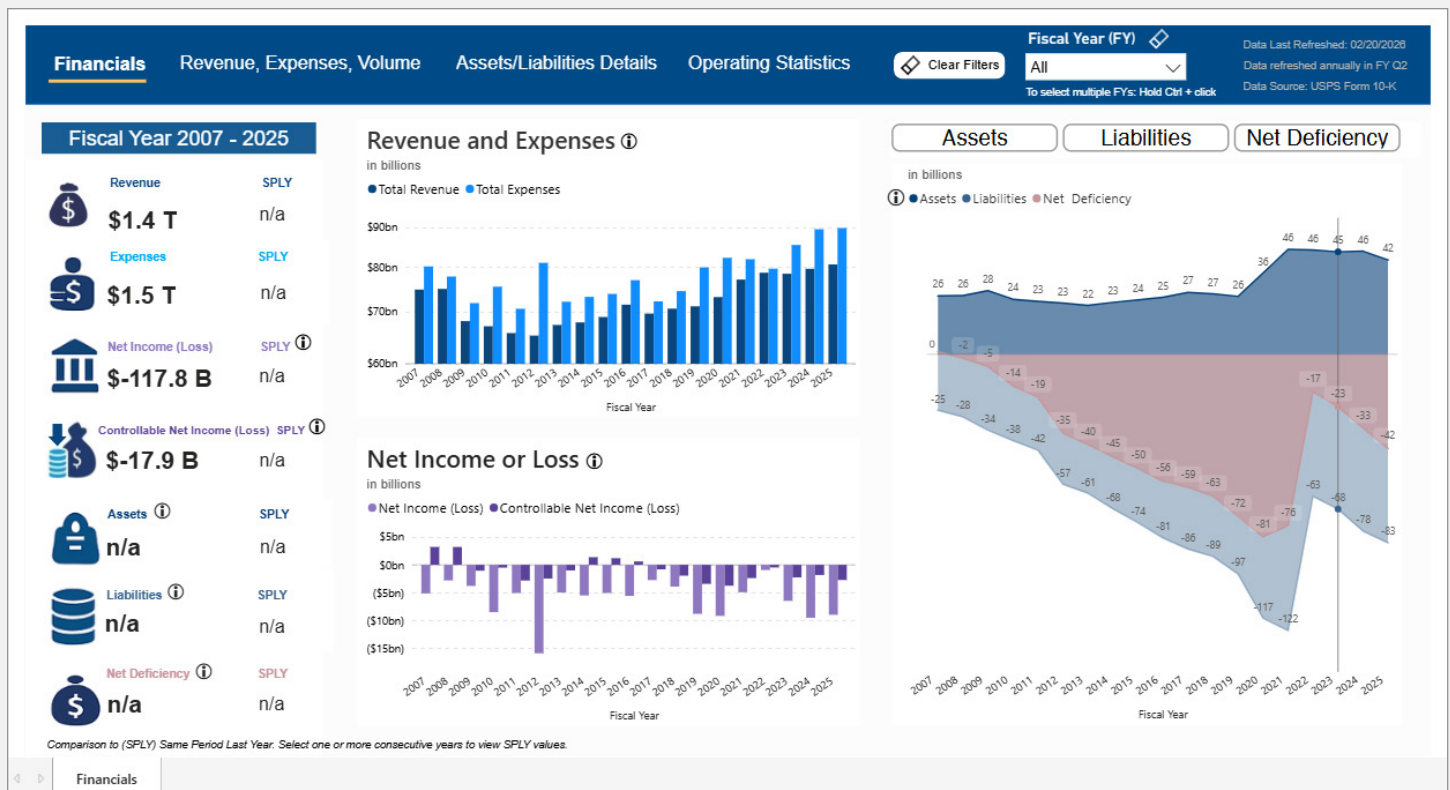


This February, the OIG also unveiled a new tool designed to enhance transparency into the Postal Service's business and operational performance. [The USPS Deeper Dive: Financials & Productivity Dashboard](#) (shown below) is a one-stop dashboard that provides stakeholders and the public easy access to key postal financial metrics dating back as far as 2005. It integrates data from multiple public sources — including postal 10-K filings and PRC reports — into an aggregated platform, providing a complete view of long-term trends in postal finances and productivity.

The dashboard tracks how efficiently the Postal Service has used resources to handle its workload, provides a breakdown of the agency's retirement expenditures, and allows users to

trace how closely the value of the postal monopoly has kept pace with the cost of fulfilling the universal service obligation. Users can also explore interactive tools to dive deeper into data about USPS's mail volume, revenue and expenses, assets and liabilities, and operational statistics.

The dashboard will be updated annually following the release of new USPS and PRC reports, typically between December and March. However, additional funding to enhance the dashboard could allow for quarterly or monthly data updates, additional financial and productivity metrics, and potential expansion of the dashboard to include other measures of the Postal Service's organizational health.

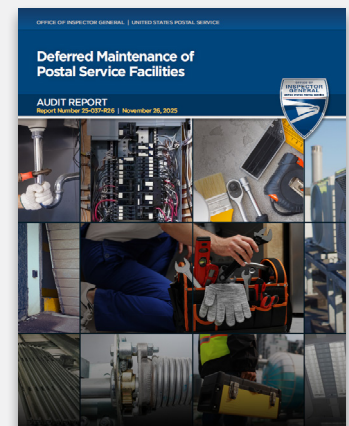


Source: USPS OIG website.

## Audits Find Opportunities for Financial Improvement

The OIG consistently audits postal programs and operations to detect issues that, once addressed, help improve the Postal Service's ability to achieve financial stability. For instance, one [audit](#) noted how in 2024, the agency reported a growing backlog of facility and infrastructure maintenance issues totaling about \$20 billion. Our review found USPS did not consistently define, track, and prioritize maintenance it deferred.

Specifically, the Postal Service did not establish a standardized definition to identify and track all its deferred maintenance across its different business units, and it had incomplete and outdated data in its maintenance system.

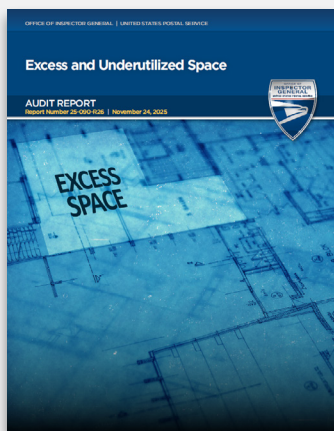


# Postal Finances



We created a limited, granular estimate of about \$13 billion of deferred maintenance using current postal data for all capital and maintenance issues. And we identified 68 unreported maintenance, safety, and security issues, such as deteriorating building interiors, leaking roofs, and nonfunctional emergency exits. We also identified \$1.1 million in paid invoices where maintenance work was not completed.

In this report, we made eight recommendations to address issues we identified; Postal Service management has agreed with four. As with all disagreed recommendations, we are currently pursuing the remaining four recommendations through the audit resolution process.



Another **audit** shed light on how USPS can effectively manage excess or underutilized space at the over 34,000 properties it has in the United States and its territories. We found the agency did not effectively manage excess and underutilized space because it did not have reliable data, the amount of this space throughout its network was unknown, and it did not have a comprehensive

space reduction strategy. For example, we found no recorded assessments to collect space usage data for over 63 percent of all properties (21,588 in total).

The continued lack of reliable data limits the Postal Service's ability to analyze excess or underutilized spaces, preventing it from developing more financially beneficial alternatives, such as operational repurpose, rental, or disposal. We estimated \$14.8 million in potential lost rental revenue from August 2023 through July 2025. Also, since 2017, the Postal Service has not complied with a legal mandate to annually report excess space to Congress. The Postal Service has already taken corrective action to comply with this mandate, which should help provide decision-makers pertinent information needed to support efforts in network modernization and related cost-reduction efforts.

The changes we proposed in this audit could lead to more productive and cost-effective facility usage and operations. However, postal management only agreed with two of our seven recommendations, and the remaining five are in audit resolution.

A different **audit** on grievance management identified preventable losses that undermine the Postal Service's efforts to achieve financial stability. The agency paid over \$866 million across 3.5 million grievance payments between FYs 2022 and 2024. While payments declined slightly overall, they remained persistently high, and some districts incurred significant increases.



Of note is the Illinois 1 District, where we found grievance payments increased 246 percent, from \$7 million in FY 2022 to \$24 million in FY 2024. There, non-compliance grievance payouts jumped 987 percent and requests for information payouts increased 925 percent. Additional arbitration-mandated payments totaling over \$10 million were not captured in the appropriate tracking system due to system limitations.

Nationwide, overtime-related issues had some of the highest dollar values and most common grievance types, totaling over \$252 million between FYs 2022 and 2024. This was due, in part, to facilities not always using the appropriate administration tool. Several longstanding local agreements also resulted in large, persistent, and escalating financial obligations — one of the most severe has been in effect for over 30 years and has cost about \$15 million between FYs 2022 and 2024 alone.

## Expense Control through Greater Compliance

While officers and executive directors make up a small percentage of the postal workforce, our **audit** found ways to improve their compliance with processes and procedures for expense reimbursement requests for travel and representation. From improperly reviewed and approved reimbursement requests to noncompliant airfare seat upgrades, noncompliance could put USPS at risk of spending more than allowed, as well as unsupported and improper reimbursements. Management agreed with three of the four recommendations in this report.

# Postal Finances



Finally, in a random sample of 208 cases, 96 percent of decision letters lacked required justifications, including missing payee names, violation dates, payment amounts, or contract violation descriptions. About \$201 million in payments were associated with incomplete decision letters in FYs 2023 and 2024.

Management agreed with all but one of the eight recommendations in this report. The recommendations focus on areas where congressional interest in postal reform — cost control, accountability, and labor compliance — directly connect to the Postal Service’s measurable financial risks.

## Protecting Postal Finances by Rooting Out Fraud

Any act of fraud against the Postal Service hurts its bottom line. Given its financial losses over the last two decades, including a \$9 billion loss in FY 2025, the agency must take urgent action to protect its revenue. Our Offices of Audit and Investigations stand at the ready to protect USPS by detecting and preventing fraud.



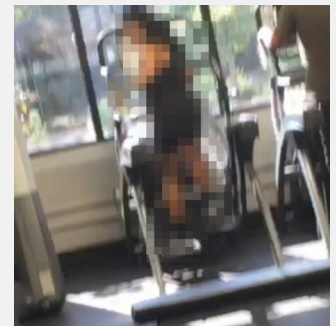
During our ongoing review of the Postal Service’s efforts against counterfeit postage, we identified significant financial losses due to fraud involving Enterprise Payment Accounts, which can be used to buy package labels. The [management alert](#) we issued determined this fraud caused USPS to lose over \$537 million in revenue from February through December 2025 and put it at risk of losing another

\$97 million. If action is not taken to address this problem, we project the Postal Service will lose an additional \$1.3 billion this year.

While postal management stated this fraud was first identified in May 2025, internal stakeholders warned about fraud risks as early as January 2025 but failed to implement all recommended controls. USPS did, however, shut down over 2,800 fraudulent accounts by early January 2026 and announced enhanced security features in some systems. Management also agreed with the five recommendations in this report.

When criminals target the Postal Service, our investigations ensure accountability, protect critical resources, and safeguard its financial integrity. A key part of this mission is combating workers’ compensation fraud. Each year, USPS spends over a billion dollars in health care costs and compensation for injured workers — a benefit administered by the Department of Labor’s Office of Workers’ Compensation Programs (DOL OWCP). Our work helps ensure these funds are not lost to fraud and instead support the employees who truly need them.

Our special agents recently brought to justice a mail carrier in Florida who stayed on USPS’s rolls receiving workers’ compensation payments for 14 years while claiming to be disabled after a work-related injury. Medical and DOL OWCP documentation supported the employee’s claims, but it was a farce: she was active and engaged in vigorous physical activity hours at a time — whether hitting the gym each day, carrying and rearranging boxes in the garage, or even planting trees in the yard. By the time our special agents arrested the employee, the fraud had cost the Postal Service more than \$328,000 in benefits and almost \$195,000 in medical compensation.



The OIG captured evidence of the employee exercising. Source: OIG photograph.

At trial, a jury found the employee guilty and, as a result, her worker’s compensation benefits were terminated. This January, she was sentenced to two years in prison and ordered to pay back almost \$650,000 to the Postal Service. Thanks to our special agents, this investigation saved USPS over \$1.1 million in future fraudulent payments. Read the full story in our [Investigative Case Highlights](#).

Comparable to what USPS spends on health care costs are the hundreds of millions of dollars it spends on its massive facility portfolio. But with hundreds of contracts with countless transactions comes fertile ground fraudsters can exploit.

That happened in Atlanta, when a company that provided maintenance repair services for postal facilities in Georgia and four neighboring states went off script. Instead of honoring the service agreement, the owner submitted fraudulent invoices to inflate the cost of repairs over about five years. While the work was performed at the facilities, the owner concealed the fact he subcontracted it out for lower rates than what he reported. Claiming his employees performed the work, he routinely marked up prices well

# Postal Finances



above what the service agreement allowed, sometimes as much as 40 percent. In total, he submitted almost 900 invoices, receiving about \$2.9 million in payments. Almost \$739,000 of that was stolen from the Postal Service through overbilling.

The owner was charged with one count of wire fraud, pleaded guilty, was given a one-year prison sentence, and was ordered to return almost \$739,000 to USPS. To protect itself from further harm, the Postal Service immediately suspended the company from doing business with it and debarred it for an additional five years. Our [Case Highlights](#) also have this story.

## Service Performance Oversight

Improving service performance and reliability are part of the DFA plan and critical for the Postal Service to achieve financial sustainability. Our Office of Audit keeps a watchful eye on service performance issues, deploying quick-response teams throughout the country that give postal management timely feedback to further its mission.

### Keeping an Eye on DFA Progress?

For a more detailed overview of recent DFA initiatives and their impact on postal operations and service performance, read our latest [audit](#) on the topic — the third of a series of semiannual reports.

This volume focused on two core areas outlined in the DFA plan: achieving service excellence and reaching financial stability. Our analysis of progress toward key initiatives shows mixed results, where USPS has made meaningful investments in infrastructure, fleet modernization, and pricing reforms, but service performance has been inconsistent and financial outcomes have fallen short of break-even targets. You can also view all of our work on the DFA plan on our [website](#).

Our Operations, Performance & Services Directorate has been overseeing the impact network changes under the DFA plan have had on service performance, particularly the implementation of regional processing and distribution centers (RPDC) — massive plants designed to consolidate operations from nearby postal facilities. Most RPDCs have seen their share of challenges during takeoff, and this [audit](#) on the launch of the Indianapolis RPDC presents similar findings.

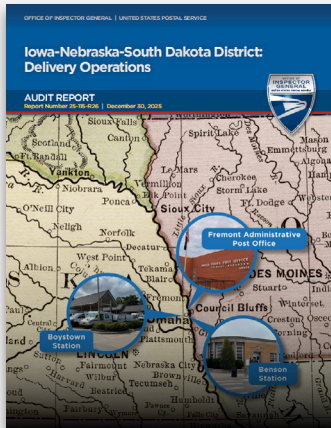


We found that despite a temporary decline in service performance soon after the launch of the 1.2 million square foot facility, it stabilized operations and improved service. However, persistent challenges identified after other RPDC launches — such as high absenteeism, poor workplace culture, and unstable management — also affected the Indianapolis RPDC and undermined operational effectiveness. These problems led to understaffing and deficient oversight of personnel and operations there.

We also found significant deviations from the original operating plan increased costs and offset expected savings of \$40 million. And we identified over \$20 million in funds that could have been put to better use due to the purchase of unnecessary and unused mail sorting equipment that could have been repurposed from other facilities. After our review of the RPDC was complete, management agreed with five of our seven recommendations.

A significant portion of service performance oversight falls under our [Field Operations Reviews](#), where audit teams perform localized, facility-specific audits related to mail processing, logistics, and delivery networks. In the last six months, we issued 21 audit reports covering five postal districts. Of note is our review of delivery operations in the [Iowa-Nebraska-South Dakota District](#), where we found service performance issues across the district.

# Postal Finances



At the three delivery units we visited around Omaha, NE, we found almost 12,000 pieces of delayed mail, which local management had not reported into the proper system. We also determined none of the units maintained adequate controls over arrow keys. These keys are used to open mail receptacles, such as street collection boxes and panels of apartment mailboxes equipped with an

arrow lock — as such, the keys are subject to strict controls. We also found package scanning and handling issues at two delivery units, where 19 percent of packages we selected to review and analyze had missing or improper scans or improper handling.

As a part of our evaluation of service performance across the district, we analyzed service performance scores for products mailed within the district from April 1 through September 30, 2025, finding that First-Class Mail did not meet the target in most of the district. However, Marketing Mail, Priority Mail, and Ground Advantage products did meet targets in some parts of the district. Postal management agreed with our two recommendations.

## Results and Gaps in New Relief Positions

Some of our work evaluates how the Postal Service manages its workforce, one of the largest in the nation, which directly impacts service performance. More recently, USPS created the relief supervisor position to provide coverage for regular supervisors during their leave and scheduled days off, thus reducing the agency's reliance on acting supervisors. Our audit on this initiative found two positive outcomes: First, 93.9 percent of relief supervisors were satisfied with the position, believing it aligned with the job description. Second, acting supervisor-related grievance costs decreased by \$6.3 million during FYs 2023 and 2025.

But the same audit discovered the Postal Service did not effectively reduce its reliance on acting supervisors as intended when it introduced relief supervisors. This was due to ineffective workhour management, relief supervisors being detailed into other roles, and organizational changes. As such, we identified \$116.3 million in questioned costs from FYs 2024 through 2025 with the increase in total supervisory workhours. Management disagreed with our two recommendations.

# Postal Crime

The background of the slide features a magnifying glass held over a US one hundred dollar bill. The magnifying glass is positioned in the lower right, focusing on the portrait of Benjamin Franklin. The bill's details, including the text 'THE UNITED STATES OF AMERICA' and 'ONE HUNDRED DOLLARS', are visible through the lens and around it. The entire scene is overlaid with a semi-transparent blue filter.

# Postal Crime



## Dismantling Complex Mail Theft Conspiracies

As technology evolves and criminal schemes grow in sophistication, our Office of Investigations has seen higher incidences of employees recruited by organized crime groups targeting the Postal Service. However, a recent [investigation](#) set a new benchmark: it is the largest known mail theft conspiracy involving the highest number of collusive postal employees.

It started when hundreds of postal customers in the Chicago area contacted banks, credit card issuers, and law enforcement hotlines — including the OIG's — saying their checks and credit cards were being stolen from the mail and fraudulently used. These widespread complaints initially made it difficult to identify suspects.



Click on the above image to read the digital story on this OIG investigation.

To pursue multiple leads inside and outside the Postal Service, our special agents partnered with the U.S. Postal Inspection Service (USPIS), Homeland Security Investigations, Secret Service, Naperville Police Department, and Illinois' Statewide Terrorism and Intelligence Center. They identified 35 employees whose crimes covered over 200 zip codes and who aided at least 13 gang members (including the ringleader) to steal valuables from the mail. The group stole from and compromised the identities of over 10,300 victims, of which about 90 percent were in the Chicago area. But the actual victim toll was higher, as the gang ran criminal cells in at least four other states — Georgia, Iowa, Ohio, and Texas — which our special agents and their partners were also investigating.

## OIG Mail Theft Investigations for the period: October 1, 2025 - March 31, 2026

Investigations Closed	737
Arrests	284
Convictions/Pre-trial Diversions	237
Administrative Actions	365
Fines, Restitution, and Recoveries	\$10,094,846

The gang predominantly targeted young, vulnerable female postal workers whom members allegedly further entrapped through romantic relationships. For some employees, the lure of cash and expensive gifts was abruptly replaced with violence, with one even receiving death threats should she stop stealing mail for the group.

The gang further exploited victims by using the personally identifiable information (PII) from their mailings and PII bought on an unregulated online marketplace to open new credit cards in victims' names. The collusive employees helped intercept and steal mail sent by financial institutions to verify the identity of the supposed requestors. Together, they clocked in losses at over \$6 million with an additional \$46.6 million in intended losses — meaning, had they maxed out every card, the damages could have been almost eight times higher.

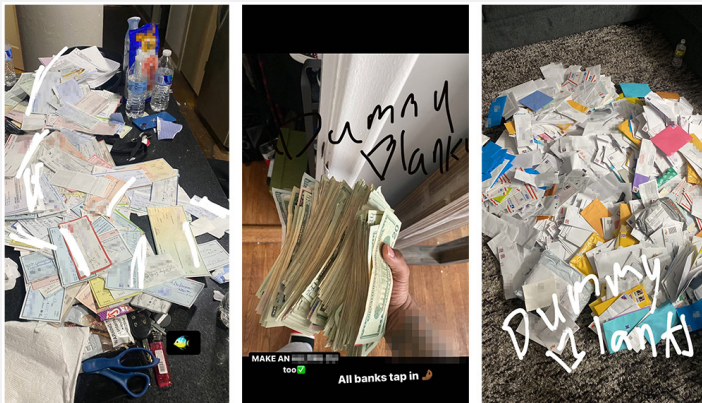
The collusive employees either resigned or were promptly terminated from the Postal Service. Prosecutors first approved charges against 24 employees and 10 external individuals; ultimately, 27 defendants were convicted and sentenced in federal court to a combined total of nearly 36 years' imprisonment. Internally, the longest sentence given to a postal employee was over two years and, externally, the head of the conspiracy received the longest sentence of nine years. The defendants were also ordered to pay their victims back a combined total of over \$6 million.

Another major mail theft case shows a growing trend where criminals exploit certain social media apps to sell checks and other valuables postal employees steal from the mail. This joint investigation with USPIS uncovered a carrier technician in St. Louis, MO, stole mail for an external co-conspirator and sold him the keys to the postal kingdom: an arrow key she was entrusted to protect.

# Postal Crime



The ringleader and his associates used the key to break into and steal mail from collection boxes and cluster box units. He then used an online marketplace dubbed “Dummy Blanks” on a popular social media app to advertise and sell the checks he stole or bought from the employee. Investigators estimated the losses stood at about \$1.2 million.



A pile of stolen checks advertised on the Dummy Blanks marketplace. The subject displaying cash exploits from the fraud scheme. A pile of stolen mail the group advertised online. Source: OIG photographs.

Our special agents and postal inspectors arrested the employee, the ringleader, and a suspect who bought some of the loot. All three were charged with conspiracy to commit bank fraud, unlawful use of a mail key, and possession of stolen mail. After her arrest, the employee resigned from the Postal Service and pleaded guilty along with her co-defendants.

The employee and ringleader were sentenced to one and three and a half years’ imprisonment respectively, and the other defendant was sentenced to time served plus five years supervised release. The court also ordered the defendants to pay back a combined total of over \$62,000 in restitution.

## Disrupting Narcotics Smuggling through the U.S. Mail

As the nation fights the opioid crisis, our work to root out employees and criminals who move dangerous narcotics through the mail continues. The OIG’s Data Analytics team plays a critical role in these and other cases by developing cutting-edge tools our special agents use to proactively identify postal crime. Leveraging these tools and more recently AI, agents can pinpoint when and where crimes are happening in the postal system.

Our special agents used these analytical tools to open an investigation when they found suspected drugs from Arizona and California were headed to trafficking organizations in Yonkers, NY. Further analysis revealed a substantial

### OIG Narcotics Investigations for the period: October 1, 2025 - March 31, 2026

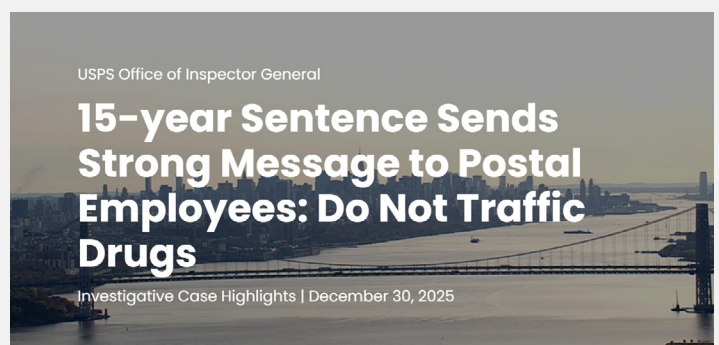
Investigations Closed	110
Arrests	51
Convictions/Pre-trial Diversions	56
Administrative Actions	46
Fines, Restitution, and Recoveries	\$78,726

number of shipped parcels believed to contain narcotics, so they partnered with USPS and the Drug Enforcement Administration.

Investigators narrowed down the list of internal suspects to a single mail carrier and intercepted a package via a search warrant, finding it had 2 kg. of cocaine. During a sting operation, they caught the carrier in the act and arrested him, finding he was trafficking three parcels containing a total of 6 kg. of cocaine.

After consenting to a search of his home, investigators found further incriminating evidence in a safe, including \$12,000 in cash, a handgun, and about 300 g. of fentanyl. Considering it only takes a 2 mg. dose of fentanyl (similar to 5-7 grains of salt) to cause overdose or death for an average size adult, his stash of fentanyl could have led to 150,000 fatalities.

The carrier went to trial and, after just three days, was found guilty by a jury of his peers. The court handed down a severe sentence to the employee that serves as a warning to others who would follow suit: 15 years in federal prison and \$65,000 in forfeiture.



Click on the above image to read the digital story on this OIG investigation.

# Senior Executive Investigations



During the reporting period, no instance(s) of misconduct by Postal Career Executive Service (PCES) employee(s) were substantiated or unsubstantiated. The PCES grades are substantially similar to levels within the Senior Executive Series (SES).

# Whistleblower Reprisal Investigations



## Whistleblower Reprisal Investigations

### U.S. Postal Service

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

### Postal Regulatory Commission

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

## WHISTLEBLOWER REPRISAL ACTIVITY

For the Report Period:  
October 1, 2025 - March 31, 2026

**239** Allegations Received

**2** OIG Investigations Initiated

**1** Investigations Closed with No Action

**237** Allegations Closed with No Action

**0** OIG Found Reprisal



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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, 2025 - March 31, 2026**

Risk Categories	Number of Reports	Funds Put to Better Use	Questioned Costs	Unsupported Questioned Costs	Revenue Impact
Field Operations	21	-	\$47,791	\$3,101	-
Finance, Pricing & Human Capital	9	-	\$400,560,457	\$317,394,637	-
Operations, Performance & Services	4	\$20,101,122	-	-	\$2,300,546,244
Retail, Marketing & Supply Management	3	-	\$1,104,129	-	-
<b>Subtotal</b>	<b>37</b>	<b>\$20,101,122</b>	<b>\$401,712,377</b>	<b>\$317,397,738</b>	<b>\$2,300,546,244</b>
RISC	-	-	-	-	-
<b>Total</b>	<b>37</b>	<b>\$20,101,122</b>	<b>\$401,712,377</b>	<b>\$317,397,738</b>	<b>\$2,300,546,244</b>

## Reports with Quantifiable Potential Monetary Benefits

**For the period: October 1, 2025 - March 31, 2026**

	Number of Reports	Funds Put to Better Use	Questioned Costs	Unsupported Questioned Costs	Revenue Impact
<b>FIELD OPERATIONS</b>					
<b>Field Operations Central and Southern</b>					
Ohio 1 District: Delivery Operations, 25-141-R26, 03/16/2026	1	-	\$1,529	\$1,529	-
Efficiency of Operations at the Shreveport Processing and Distribution Center and Package Support Annex, Shreveport, LA, 26-026-R26, 03/11/2026	1	-	\$9,775	-	-
Efficiency of Operations at the Cleveland Processing and Distribution Center, Cleveland, Ohio, 25-140-R26, 12/22/2025	1	-	\$23,000	-	-
<b>Field Operations Atlantic and Westpac</b>					
California-3 District: Delivery Operations, 25-124-R26, 02/18/2026	1	-	\$1,572	\$1,572	-
Efficiency of Operations at the Westchester Processing and Distribution Center, White Plains, NY, 25-152-R26, 02/11/2026	1	-	\$2,875	-	-
Efficiency of Operations at the Santa Clarita Processing and Distribution Center, Santa Clarita, CA, 25-123-R26, 10/14/2025	1	-	\$9,040	-	-
<b>FINANCE, PRICING &amp; HUMAN CAPITAL</b>					
<b>Human Capital Management</b>					
Relief Supervisor Utilization, 25-131-R26, 03/31/2026	1	-	\$116,294,831	\$116,294,831	-

# Appendix A: Reports Issued to Postal Service Management



	Number of Reports	Funds Put to Better Use	Questioned Costs	Unsupported Questioned Costs	Revenue Impact
Grievance Management, 25-068-R26, 01/15/2026	1	-	\$284,265,626	\$201,099,806	-
<b>OPERATIONS, PERFORMANCE &amp; SERVICES</b>					
<b>Network Operations Team 1</b>					
Network Changes: Effectiveness of the New Indianapolis, IN, Regional Processing and Distribution Center, 25-093-R26, 02/02/2026	1	\$20,101,122	-	-	-
<b>Network Operations Team 2</b>					
Enterprise Payment Account Fraud, 25-072-2-R26, 02/10/2026	1	-	-	-	\$1,814,616,263
Management Alert - Issues Identified with Counterfeit Postage, 25-072-1-R26, 10/15/2025	1	-	-	-	\$485,929,981
<b>RETAIL, MARKETING &amp; SUPPLY MANAGEMENT</b>					
<b>Contracts and Supply Management</b>					
Deferred Maintenance of Postal Service Facilities, 25-037-R26, 11/26/2025	1	-	\$1,104,129	-	-
<b>Total</b>	<b>12</b>	<b>\$20,101,122</b>	<b>\$401,712,377</b>	<b>\$317,397,738</b>	<b>\$2,300,546,244</b>

## Report Listing

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

**For the period: October 1, 2025 - March 30, 2026**

### Field Operations

#### Field Operations Atlantic and Westpac

Chandler Station, North Hollywood, CA: Delivery Operations, 25-124-1-R26, 10/14/2025

Efficiency of Operations at the Santa Clarita Processing and Distribution Center, Santa Clarita, CA, 25-123-R26, 10/14/2025

Encino Branch, Encino, CA: Delivery Operations, 25-124-2-R26, 10/14/2025

Sherman Oaks Branch, Sherman Oaks, CA: Delivery Operations, 25-124-3-R26, 10/14/2025

Woodland Hills Main Post Office, Woodland Hills, CA: Delivery Operations, 25-124-4-R26, 10/14/2025

Efficiency of Operations at the Westchester Processing and Distribution Center, White Plains, NY, 25-152-R26, 02/11/2026

Yonkers Main Post Office, Yonkers, NY: Delivery Operations, 25-153-1-R26, 02/11/2026

New Rochelle Main Post Office, New Rochelle, NY: Delivery Operations, 25-153-2-R26, 02/11/2026

Mount Vernon Main Post Office, Mount Vernon, NY: Delivery Operations, 25-153-3-R26, 02/11/2026

White Plains Main Post Office, White Plains, NY: Delivery Operations, 25-153-4-R26, 02/11/2026

California-3 District: Delivery Operations, 25-124-R26, 02/18/2026

#### Field Operations Central and Southern

Cleveland Heights Branch, Cleveland, OH: Delivery Operations, 25-141-2-R26, 12/22/2025

Efficiency of Operations at the Cleveland Processing and Distribution Center, Cleveland, Ohio, 25-140-R26, 12/22/2025

Shaker Heights Station, Cleveland, OH: Delivery Operations, 25-141-3-R26, 12/22/2025

Station B, Cleveland, OH: Delivery Operations, 25-141-1-R26, 12/22/2025

Iowa-Nebraska-South Dakota District: Delivery Operations, 25-115-R26, 12/30/2025

Efficiency of Operations at the Shreveport Processing and Distribution Center and Package Support Annex, Shreveport, LA, 26-026-R26, 03/11/2026

# Appendix A: Reports Issued to Postal Service Management



Huntington Station, Shreveport, LA: Delivery Operations, 26-027-1-R26, 03/11/2026

Plantation Station, Bossier City, LA: Delivery Operations, 26-027-2-R26, 03/11/2026

Southfield Station, Shreveport, LA: Delivery Operations, 26-027-3-R26, 03/11/2026

Ohio 1 District: Delivery Operations, 25-141-R26, 03/16/2026

## Finance, Pricing & Human Capital

### Human Capital Management

Grievance Management, 25-068-R26, 01/15/2026

Relief Supervisor Utilization, 25-131-R26, 03/31/2026

### Audit Services

Fiscal Year (FY) 2025 Investment Record Summary, 26-053-R26, 03/16/2026

### Finance and Pricing

Independent Auditor's Report on the U.S. Postal Service's Fiscal Year 2025 Reclassified Financial Statements, 25-110-R26, 12/18/2025

Fiscal Year 2025 Selected Financial Activities and Accounting Records, 25-071-R26, 01/08/2026

The OIG's Oversight of the U.S. Postal Service's Delivering for America Plan, Volume 3, 25-107-R26, 01/20/2026

Fiscal Year 2026, Draft Form 10-Q Financial Report for the Quarterly Period Ended December 31, 2025, 26-040-R26, 02/02/2026

Fiscal Year 2025 Officers' and Executive Directors' Travel and Representation Expenses, 25-055-R26, 02/25/2026

## Operations, Performance & Services

### Network Operations Team 1

Network Changes: Effectiveness of the New Regional Processing and Distribution Center in Indianapolis, IN, 25-093-R26, 02/02/2026

### Network Operations Team 2

Management Alert - Issues Identified with Counterfeit Postage, 25-072-1-R26, 10/15/2025

Enterprise Payment Account Fraud, 25-072-2-R26, 02/10/2026

### Technology Operations

Implementation and Communication of System Changes to PostalOne!, 25-070-R26, 12/18/2025

## Retail, Marketing & Supply Management

### Retail and Infrastructure

Excess and Underutilized Space, 25-090-R26, 11/24/2025

### Contracts and Supply Management

Deferred Maintenance of Postal Service Facilities, 25-037-R26, 11/26/2025

Route Scheduling at Sorting and Delivery Centers, 25-040-R26, 02/05/2026

## 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, 2025 - March 30, 2026**

#### Office of Audit

Financial History of the U.S. Postal Service, 25-094-R26, 10/07/2025

The OIG's Oversight of the U.S. Postal Service's Delivering for America Plan, Volume 3, 25-107-R26, 01/20/2026

#### Research and Insights Solution Center

None

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

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

#### Office of Audit

Risk Snapshot Memorandum: Scanning Compliance - Scans Away From The Delivery Location, 12/10/2025

Risk Snapshot Memorandum: Scanning Compliance - Carrier Scans Marked Passed Address, Ignored or Denied, 01/26/2026

Fiscal Year 2026, Draft Form 10-Q Financial Report for the Quarterly Period Ended December 31, 2025, 26-040-R26, 02/02/2026

Fiscal Year (FY) 2025 Investment Record Summary, 26-053-R26, 03/16/2026

# Appendix A: Reports Issued to Postal Regulatory Commission



## Summary

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

**For the period: October 1, 2025 - March 31, 2026**

Risk Categories	Number of Reports	Funds Put to Better Use	Questioned Costs	Unsupported Questioned Costs	Revenue Impact
Operations, Performance & Services	1	-	-	-	-
<b>Subtotal</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
RISC	-	-	-	-	-
<b>Total</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Reports with Quantifiable Potential Monetary Benefits

**For the period: October 1, 2025 - March 31, 2026**

	Number of Reports	Funds Put to Better Use	Questioned Costs	Unsupported Questioned Costs	Revenue
-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Report Listing

Complete listing of all OIG reports issued to Postal Regulatory Commission management.

**For the period: October 1, 2025 - March 30, 2026**

### Operations, Performance & Services

#### Strategic Initiatives and Performance

Postal Regulatory Commission Purchase Card Expenses, 25-134-R26, 02/26/2026

## Appendix B: Findings of Questioned Costs



**For the period: October 1, 2025 - March 31, 2026**

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

**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		9	\$401,712,377	\$317,397,738
Reports for which a management decision was made during the reporting period (i+ii)		9	\$401,712,377	\$317,397,738
Reports for which a management decision was made during the reporting period	(i) Disallowed*	6	\$83,212,039	\$1,529
Reports for which a management decision was made during the reporting period	(ii) Not Disallowed**	4	\$318,500,338	\$317,396,209
Reports for which no management decision was made by the end of the reporting period		—	—	—
<b>Total</b>			<b>\$401,712,377</b>	<b>\$317,397,738</b>

\*Management agreed and disagreed with the monetary impact for one project.

\*\*Management agreed and disagreed with the monetary impact for one project.

## Appendix C: Recommendations That Funds Be Put to Better Use



**For the period: October 1, 2025 - March 31, 2026**

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 Funds Put to Better Use
Reports for which no management decision was made in the beginning of the reporting period	—	—	—
Reports issued during the reporting period	—	1	\$20,101,122
Reports for which a management decision was made during the reporting period (i+ii):	—	1	\$20,101,122
(i) Recommendations that were agreed to by management	—	—	—
(ii) Recommendations that were not agreed to by management	—	1	\$20,101,122
Reports for which no management decision was made by the end of the reporting period	—	—	—
<b>Total</b>	—	<b>1</b>	<b>\$20,101,122</b>

# Appendix D: Other Impacts



**For the period: October 1, 2025 - March 31, 2026**

## 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
<b>ASSETS OR ACCOUNTABLE ITEMS AT RISK</b>	
Efficiency of Operations at the Cleveland Processing and Distribution Center, Cleveland, Ohio, 25-140-R26, 12/22/2025	2
Efficiency of Operations at the Santa Clarita Processing and Distribution Center, Santa Clarita, CA, 25-123-R26, 10/14/2025	2
Efficiency of Operations at the Shreveport Processing and Distribution Center and Package Support Annex, Shreveport, LA, 26-026-R26, 03/11/2026	1
Efficiency of Operations at the Westchester Processing and Distribution Center, White Plains, NY, 25-152-R26, 02/11/2026	1
<b>Assets or Accountable Items at Risk Total</b>	<b>6</b>
<b>DATA INTEGRITY</b>	
California-3 District: Delivery Operations, 25-124-R26, 02/18/2026	1
Deferred Maintenance of Postal Service Facilities, 25-037-R26, 11/26/2025	1
Efficiency of Operations at the Cleveland Processing and Distribution Center, Cleveland, Ohio, 25-140-R26, 12/22/2025	1
Efficiency of Operations at the Westchester Processing and Distribution Center, White Plains, NY, 25-152-R26, 02/11/2026	2
Excess and Underutilized Space, 25-090-R26, 11/24/2025	4
Implementation and Communication of System Changes to PostalOne!, 25-070-R26, 12/18/2025	2
Iowa-Nebraska-South Dakota District: Delivery Operations, 25-115-R26, 12/30/2025	1
Ohio 1 District: Delivery Operations, 25-141-R26, 03/16/2026	1
Route Scheduling at Sorting and Delivery Centers, 25-040-R26, 02/05/2026	1
<b>Data Integrity Total</b>	<b>14</b>
<b>GOODWILL BRANDING</b>	
California-3 District: Delivery Operations, 25-124-R26, 02/18/2026	1
Efficiency of Operations at the Cleveland Processing and Distribution Center, Cleveland, Ohio, 25-140-R26, 12/22/2025	4
Efficiency of Operations at the Santa Clarita Processing and Distribution Center, Santa Clarita, CA, 25-123-R26, 10/14/2025	3
Efficiency of Operations at the Shreveport Processing and Distribution Center and Package Support Annex, Shreveport, LA, 26-026-R26, 03/11/2026	3
Efficiency of Operations at the Westchester Processing and Distribution Center, White Plains, NY, 25-152-R26, 02/11/2026	1
Excess and Underutilized Space, 25-090-R26, 11/24/2025	1
Iowa-Nebraska-South Dakota District: Delivery Operations, 25-115-R26, 12/30/2025	2
Ohio 1 District: Delivery Operations, 25-141-R26, 03/16/2026	1
<b>Goodwill Branding Total</b>	<b>16</b>
<b>IMPROVED SERVICES</b>	
California-3 District: Delivery Operations, 25-124-R26, 02/18/2026	1

## Appendix D: Other Impacts



Description and Reports	Number of Recommendations
Implementation and Communication of System Changes to PostalOne!, 25-070-R26, 12/18/2025	3
Iowa-Nebraska-South Dakota District: Delivery Operations, 25-115-R26, 12/30/2025	2
Ohio 1 District: Delivery Operations, 25-141-R26, 03/16/2026	1
<b>Improved Services Total</b>	<b>7</b>
<b>IT SECURITY</b>	
Implementation and Communication of System Changes to PostalOne!, 25-070-R26, 12/18/2025	1
<b>IT Security Total</b>	<b>1</b>
<b>POTENTIAL ADDITIONAL REVENUE</b>	
Excess and Underutilized Space, 25-090-R26, 11/24/2025	1
<b>Potential Additional Revenue Total</b>	<b>1</b>
<b>REVENUE AT RISK</b>	
Enterprise Payment Account Fraud, 25-072-2-R26, 02/10/2026	1
<b>Revenue at Risk Total</b>	<b>1</b>
<b>SAFETY AND SECURITY</b>	
Efficiency of Operations at the Cleveland Processing and Distribution Center, Cleveland, Ohio, 25-140-R26, 12/22/2025	2
Efficiency of Operations at the Santa Clarita Processing and Distribution Center, Santa Clarita, CA, 25-123-R26, 10/14/2025	1
Efficiency of Operations at the Shreveport Processing and Distribution Center and Package Support Annex, Shreveport, LA, 26-026-R26, 03/11/2026	3
Efficiency of Operations at the Westchester Processing and Distribution Center, White Plains, NY, 25-152-R26, 02/11/2026	2
<b>Safety and Security Total</b>	<b>8</b>
<b>Total</b>	<b>54</b>

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

Deferred Maintenance of Postal Service Facilities, 25-037-R26, 11/26/2025

Excess and Underutilized Space, 25-090-R26, 11/24/2025

Route Scheduling at Sorting and Delivery Centers, 25-040-R26, 02/05/2026

# Appendix E: Reports with Recommendations Pending Corrective Actions



**For the period: October 1, 2025 - March 31, 2026**

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	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>	Target Implementation Date
21-243-R22	08/08/2022	Improving Service Performance and Mail Processing Efficiencies at Historically Low Performing Facilities	\$82,429,376	<b>R-1</b> Evaluate efficiency at the 10 facilities to identify inefficiencies in the mailflow (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.	September 2026
22-187-R23	03/27/2023	Service Performance of Election Mail for the 2022 Mid-Term Elections	\$23,033,770	<b>R-1</b> Develop a plan to analyze costs associated with the processing and delivery of Election Mail and explore opportunities to be compensated for the implementation of Election Mail key practices and extraordinary measures.	—
21-239-R23	05/17/2023	U.S. Postal Service's Plans to Resolve Post Office Suspensions	—	<b>R-2</b> 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.	August 2026
23-072-R23	09/14/2023	The Path Forward for the Postal Service Loyalty Program	—	<b>R-1</b> Establish performance targets aligned with the key objectives of a new loyalty program and establish parameters to actively monitor progress for effective program management.	October 2026
			—	<b>R-2</b> Develop a comprehensive communication strategy for a new loyalty program that promotes awareness of functionality for prospective, and once enrolled, ongoing customers.	October 2026
22-178-R23	09/28/2023	U.S. Postal Service's Response to Mail Theft	—	<b>R-1</b> 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.	July 2026
23-038-R24	01/09/2024	Parcel Return Service - Consolidator Payment and Refund Errors	\$48,982,794	<b>R-1</b> Strengthen the Parcel Return Service manifest verification process by incorporating the facility type as a required parameter.	May 2026
			—	<b>R-5</b> 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.	May 2026
22-199-R24	01/25/2024	Site Technical Assessment Review - January 2024	—	<b>R-1</b> Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	September 2026
			—	<b>R-3</b> Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	February 2027
			—	<b>R-8</b> Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	July 2026
			—	<b>R-10</b> Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	—
23-088-R24	02/27/2024	Contract Trucking Safety and Compliance	—	<b>R-6</b> Define freight auction applicability to Management Instruction PO-530-2009-4, Section 19 - <i>Special Circumstances</i> .	—
			—	<b>R-7</b> Update and enforce freight auction guidance and include at minimum a process to verify driver history.	—

# Appendix E: Reports with Recommendations Pending Corrective Actions



Report Number	Issue Date	Report Title	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>	Target Implementation Date
23-161-R24	03/28/2024	Effectiveness of the New Regional Processing and Distribution Center in Richmond, VA	—	<b>R-9</b> Update Handbook PO-408 to include the definition of service area, and clearly define when Mail Processing Facility Reviews are required.	March 2026
24-019-R24	05/16/2024	Impact of Management Operating Data System on U.S. Postal Service Costing	—	<b>R-3</b> Establish a process to assess and analyze Management Operating Data system review results.	April 2026
			—	<b>R-4</b> Update Handbook M-32, <i>Management Operating Data System (MODS)</i> policy and coordinate with Vice President, Engineering Systems, to update the <i>MODS Coordinator Guidebook</i> to identify current roles and responsibilities and clarify the frequency of Management Operation Data system reviews to ensure consistency.	April 2026
24-037-R24	05/21/2024	Mail Theft Mitigation and Response - Queens, NY	—	<b>R-1</b> Develop and implement a plan, including communication strategy and available staff, for the timely deployment and installation of mail theft initiatives nationwide.	July 2026
			—	<b>R-6</b> Require the New York 2 District Manager to establish procedures to complete annual safety inspections, remediate deficiencies, and document the results for blue collection and green relay boxes.	September 2026
24-010-R24	06/03/2024	Legacy Systems at the U.S. Postal Service	—	<b>R-2</b> Mitigate identified risks for all legacy systems, develop a plan of action and milestones to enforce timely mitigation of identified risks related to legacy systems and report the status of mitigations as defined in the Corporate Information Security Office's plan of action and milestones to the Corporate Information Security Office.	December 2026
23-167-R24	06/21/2024	State of the U.S. Postal Service Financial Condition	—	<b>R-1</b> Update and communicate Delivering for America plan financial projections based on current conditions and environment.	—
			—	<b>R-2</b> Develop a plan to track, measure, and communicate progress on initiatives that result from the Delivering for America plan.	—
24-079-R24	06/28/2024	Puerto Rico District: Delivery Operations	—	<b>R-1</b> Conduct route reviews for all routes in the Puerto Rico District, create a prioritized list of routes needing adjustments based on the reviews, and coordinate with Headquarters Delivery Operations to create a plan to perform the necessary adjustments.	December 2026
23-170-R24	07/16/2024	Fleet Modernization - Charging Station Deployment Timelines	—	<b>R-2</b> Improve schedule management for charging station construction by using a project management system and related analytics to record dynamic updates, centralize information, and analyze performance to inform future construction baselines.	June 2026
23-149-R24	08/08/2024	ePostage Oversight	—	<b>R-2</b> Establish procedures to conduct periodic reviews for compliance with merchant information requirements and address noncompliance within a reasonable timeframe.	June 2026
			—	<b>R-6</b> Establish automated processes to identify merchants that shortpay, and create and issue automated noncompliance notifications to merchants and label providers, when applicable.	June 2026
24-100-R24	09/18/2024	Mail Theft Mitigation and Response - Chicago, IL	—	<b>R-5</b> Establish procedures to complete annual safety inspections, remediate deficiencies, and document the results for the blue collection boxes.	June 2026
24-076-R25	10/30/2024	Mitigating Internal Mail Theft	—	<b>R-3</b> Identify all cameras not functioning and develop a plan to restore them to operational status.	May 2026
			—	<b>R-4</b> Develop and implement a strategic, nationwide plan that includes continuous monitoring of the operational status of cameras and diagnosing and addressing camera failures timely.	May 2026

# Appendix E: Reports with Recommendations Pending Corrective Actions



Report Number	Issue Date	Report Title	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>	Target Implementation Date
24-089-R25	11/05/2024	Security and Efficiency of the New Carrier Scanners and Electronic Locks	—	<b>R-11</b> Include and publish language in the updated version of the AS-701 to clarify the requirements to report lost, stolen, or missing assets or materials to the Postal Inspection Service.	July 2026
24-044-R25	12/19/2024	Postal Service Oversight of Parcel Select	—	<b>R-2</b> Should program the package tracking software to automatically apply mis-shipped scans to packages dropshipped at plants but manifested at a rate associated with a different type of facility.	April 2026
			—	<b>R-5</b> Design and implement the USPS SHIP system to analyze package data that identifies Parcel Select packages dropped at the wrong location and flags them for additional postage due.	July 2026
			\$9,523,371	<b>R-6</b> Should enforce the nonmailable package fee collection policy by implementing an automated fee collection system for nonmailable packages dropped at Destination Delivery Units, or implementing an alternative solution.	August 2026
25-023-R25	03/20/2025	Mail Theft Mitigation and Response: Houston, TX	—	<b>R-1</b> Develop a verification process to ensure all electronic arrow lock and high security collection box shipments, deliveries, and installations are accurately recorded.	February 2026
			—	<b>R-8</b> Revise Postal Operation-631 <i>Growth and Delivery Point Management Program</i> policy to update current roles and responsibilities.	February 2027
24-163-R25	03/20/2025	Mail Theft Mitigation and Response: Sacramento, CA	—	<b>R-5</b> 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.	January 2027
24-133-R25	03/21/2025	Technology, Infrastructure, and Site Security Review	—	<b>R-2</b> Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	June 2026
			—	<b>R-4</b> Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	January 2027
24-093-R25	03/27/2025	Postal Vehicle Service Operations	—	<b>R-2</b> Insource highway contract routes when economically advantageous to the Postal Service and implement a waiver process when cost is not a main factor to insource.	—
			\$65,328,390	<b>R-6</b> Include specific requirements in the job announcements for Postal Vehicle Service operator positions (i.e. starting as part-time flexible or working outside of normal business hours).	June 2026
			—	<b>R-7</b> Develop and make available the training to obtain a commercial driver's license to interested postal vehicle operators.	—
			\$10,936,174	<b>R-8</b> Determine complement and work toward hiring the number of schedule examiners vehicle runs and dispatch coordinators needed at nationwide Postal Vehicle Service sites.	—
24-093-R25	03/27/2025	Postal Vehicle Service Operations	—	<b>R-10</b> Develop controls that prohibit users from entering invalid dates into the Vehicle Information Transportation Analysis and Logistics system.	May 2026
24-131-R25	03/31/2025	Pre-Career Retention Initiatives	\$1,437,662	<b>R-3</b> Assess the benefits of the implemented Retention and Mentor Pilot programs and develop strategies to improve annual retention rates for all pre-career crafts.	May 2026
25-045-R25	04/01/2025	Efficiency of Operations at the Phoenix Processing and Distribution Center, Phoenix, AZ	—	<b>R-4</b> Develop and implement a plan to verify scanning at the Phoenix Processing and Distribution Center is consistently completed in accordance with policy.	March 2026

# Appendix E: Reports with Recommendations Pending Corrective Actions



Report Number	Issue Date	Report Title	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>	Target Implementation Date
24-143-R25	04/21/2025	Service Performance of Election and Political Mail During the 2024 General Election	—	<b>R-3</b> Finalize electronic Election and Political Mail reporting tools, written expectations for their use, and user guides in advance of the next federal election season.	April 2026
			—	<b>R-4</b> Use carrier data to prohibit managers from completing the delivery all clear certification before carriers leave and arrive back from their delivery duties.	September 2026
			—	<b>R-5</b> Work with District Managers to develop a plan to identify hub and spoke locations, including Regional Transportation Optimization sites, and communicate operational expectations in advance of the extraordinary measures period.	September 2026
			—	<b>R-7</b> Create a method for scanning local turnaround ballots at delivery units.	—
24-020-R25	06/05/2025	Security of Electric Vehicle Charging Stations	—	<b>R-4</b> Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	April 2026
			—	<b>R-6</b> Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	April 2026
25-038-R25	06/16/2025	Effectiveness of the New Regional Processing and Distribution Center in Boise, ID	—	<b>R-1</b> Review the planned savings projections for the Boise Regional Processing and Distribution Center, determine where efficiencies were not achieved, and adjust savings projections of future initiatives, as needed.	May 2026
25-003-R25	07/02/2025	Merchant Rate Card Management	—	<b>R-3</b> Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	August 2026
			—	<b>R-4</b> Identify and address Merchant Rate Card platforms' technical compliance issues to improve rate accuracy.	August 2026
			—	<b>R-5</b> Require quarterly business reviews to include data analytics to validate the platforms charge accurate postage and fees and resolve platform issues.	—
			\$958,697	<b>R-6</b> Coordinate with platforms to collect previously undetected short-payments resulting from postage discrepancies identifiable based on package information transmitted to the Postal Service.	—
			\$2,561,602	<b>R-7</b> Coordinate with platforms to refund previously undetected over-payments resulting from postage discrepancies identifiable based on package information transmitted to the Postal Service.	—
25-039-R25	07/08/2025	Network Changes: Progress on Improvements at Atlanta, GA, Regional Processing and Distribution Center	—	<b>R-1</b> Develop and execute a plan to ensure the timely processing of nonmachinable packages and maintain a first in, first out processing order.	June 2026
			—	<b>R-2</b> Assess mail volume and reevaluate operations in the Atlanta region to identify opportunities for more effective use of space, efficient processing and logistics operations, and cost optimization.	June 2026
			—	<b>R-5</b> Revise projected savings as staffing is balanced with additional facilities and operational needs in the region.	June 2026
25-061-I-R25	07/15/2025	Mail Security at Denver Regional Transfer Hub	—	<b>R-1</b> Prioritize the insourcing of Denver Regional Transfer Hub operations.	August 2026
25-097-R25	08/11/2025	Efficiency of Operations at the St. Louis Processing and Distribution Center, St. Louis, MO	—	<b>R-10</b> Develop a plan to verify supervisors are monitoring scanning to improve compliance with load and unload scan goals at the St. Louis Processing and Distribution Center.	April 2026
25-056-R25	08/18/2025	Communication of Local Changes to Priority Mail Express Service	—	<b>R-1</b> Implement policy and procedures that require coordination with all responsible parties to create and display notices in retail lobbies on any changes to service by the date the change becomes effective.	—

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Report Number	Issue Date	Report Title	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>	Target Implementation Date
25-056-R25	08/18/2025	Communication of Local Changes to Priority Mail Express Service	—	<b>R-2</b> Identify and implement the best method for updating retail signage that aligns with the Priority Mail Express service guarantee offered by individual post offices.	—
24-164-R25	08/22/2025	U.S. Postal Inspection Service Strategy and Resources	—	<b>R-3</b> Update instructions for developing performance measures and instruct preparers to revise key performance indicators, metrics, and division objectives to be specific, measurable, actionable, reasonable, and timely.	January 2027
			—	<b>R-4</b> Revise the high-security collection box and high-security electronic locks installation performance measures to include metrics within Postal Inspection Service's control.	January 2027
			—	<b>R-5</b> Establish internal controls to obtain periodic updates prior to the end of the quarter to ensure required quarterly and annual goals are met.	January 2027
25-041-R25	08/26/2025	Cardboard Mail Transport Equipment Recycling Program	\$21,851,852	<b>R-1</b> Develop an automated process to validate the accuracy of monthly recycling reports, invoices, and checks submitted by contractors, including a process to validate supporting documentation maintained by contractors.	July 2026
			—	<b>R-5</b> 1) Perform a cost benefit analysis for baling cardboard at all processing facilities, 2) provide balers for facilities identified to have a positive benefit, and 3) for the facilities that cannot accommodate a baler, document the approved deviations.	July 2026
25-042-R25	08/27/2025	Financial Controls and Safeguarding Assets at Selected Units	—	<b>R-2</b> Update policy to ensure the Retail Systems Software receipts used to support the amount of voided postage include the dollar amount of the postage that was voided.	August 2026
25-066-R25	08/28/2025	Field Operations Service Review: Delivery Operations	—	<b>R-1</b> Automate Postal Service Form 1571, <i>Undelivered Mail Report</i> , for delayed mail reporting in the Delivery Condition Visualization system and require carriers to use the automated format at the end of the day to report undelivered mail.	November 2026
			—	<b>R-4</b> Add instructions to the beginning of the certification screen in the Retail and Delivery Applications and Reports system notifying supervisors of the current procedures for conducting arrow key certifications and have the system automatically generate a report notifying the U.S. Postal Inspection Service of any missing keys.	—
25-057-R25	09/09/2025	Network Changes: Local Transportation Optimization in the New Orleans Region	—	<b>R-1</b> Develop a formal contingency plan to mitigate service impacts during major, known disruptions in operations, such as Mardi Gras.	—
			—	<b>R-2</b> Develop and implement, when needed, a localized retention and succession plan to ensure leadership and operational continuity.	—
25-067-R25	09/11/2025	Field Operations Service Review: Processing and Logistics Operations	—	<b>R-3</b> Update policies and manuals related to condition reporting to include newly established categories and mail conversion rates in the Mail Condition Visualization system and Handbook M-32.	April 2026
25-062-R25	09/15/2025	Postal Service's Workplace Violence Prevention Program	—	<b>R-1</b> Require the Threat Assessment Team to assess threats identified in Assault Threat Specialty Reports as jacketed cases and document them in the Threat Assessment Case Tracking system.	June 2026
			—	<b>R-2</b> Reiterate guidance to the Threat Assessment Team lead on responsibilities for reporting incidents in the Threat Assessment Case Tracking system.	June 2026
			—	<b>R-3</b> Clarify and reiterate guidance to facility managers on timely reporting incidents of workplace violence to their Threat Assessment Team.	June 2026

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Report Number	Issue Date	Report Title	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>	Target Implementation Date
25-053-R25	09/17/2025	Protecting Revenue for Returned Parcel Select Packages	—	<b>R-1</b> Develop a mechanism to identify all applicable charges when calculating postage due to incorporate into its automated calculations.	April 2026
			\$21,376,852	<b>R-2</b> Incorporate large and oversized package charges into postage due calculations for return-to-sender packages.	April 2026
			—	<b>R-4</b> Electronically link the payment of postage due to the specific packages for which the payments are based.	April 2026
			—	<b>R-5</b> Further automate the postage due calculation and collection process for undeliverable packages, using weights and dimensions captured by mail processing equipment.	April 2026
			—	<b>R-6</b> Assess which delivery units need additional equipment, including scales, and provide it to efficiently process return-to-sender packages.	—
			—	<b>R-9</b> Institute and enforce a policy requiring clerks and managers to restrict access to return packages that exceed the facility's interior capacity or develop other mitigation strategies.	—
25-119-R25	09/19/2025	Efficiency of Operations at the Omaha Processing and Distribution Center, Omaha, NE	—	<b>R-8</b> Develop and implement a plan to verify supervisors monitor and enforce scanning to improve compliance with the load and unload scanning goals at the Omaha Processing and Distribution Center.	May 2026
25-030-R25	09/22/2025	Serving America: Retail Unit Accessibility	—	<b>R-1</b> Develop procedures to ensure survey responses are properly completed and reviewed in a timely manner and that managers are held accountable for when units are closed without valid justification.	—
			—	<b>R-2</b> Develop an automated tool for notifying field staff in real time when units open late or close early and sending justification requests to local staff.	—
			—	<b>R-3</b> Develop system capabilities for recording, analyzing, reporting, and retaining data on units that open late or close early.	—
			—	<b>R-4</b> Develop procedures to ensure justification responses are properly completed and reviewed in a timely manner and that managers are held accountable when units open late or close early.	—
			—	<b>R-5</b> Augment suspension-related policies to include strategies for periodically and regularly communicating suspension statuses to impacted customers.	—
			—	<b>R-6</b> Establish accountability mechanisms, such as timeliness targets, for resolving suspensions in a timely manner and for monitoring performance.	—
			—	<b>R-7</b> Develop mechanisms to require postmasters to properly update the status of suspended units to be displayed publicly on USPS.com.	May 2026
25-031-R25	09/23/2025	Shipping and Handling of Day-Old Poultry	—	<b>R-7</b> Revise Publication 52 to require the mailer to include a “deliver by” date, which is 72-hours after hatching, on all packages of day-old poultry.	June 2026
			—	<b>R-8</b> Develop electronic methods to uniquely track shipments of day-old poultry, including shipments that have perished.	June 2026
			—	<b>R-11</b> Develop and provide training to staff on the correct processes for the disposal of day-old poultry.	April 2026

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Report Number	Issue Date	Report Title	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>	Target Implementation Date
25-061-R25	09/24/2025	Network Changes: Regional Transfer Hubs	—	<b>R-1</b> Conduct a feasibility study of capturing cost savings resulting from the Regional Transfer Hub initiative and, based on the results, implement tracking of costs related to the initiative.	—
			—	<b>R-4</b> Establish quantifiable key performance indicators, including acceptable impacts to service and a trailer utilization target, specific to the Regional Transfer Hub initiative.	—
			—	<b>R-5</b> Once key performance indicators are established, monitor performance of the Regional Transfer Hubs against established goals.	—
25-085-R25	09/29/2025	U.S. Postal Inspection Service's Expense Purchase Card Use	—	<b>R-3</b> Conduct periodic reviews of 1) expense purchase card transactions for compliance with policy and 2) non-cash and cash equivalent items to ensure they are entered into eAwards timely.	August 2026
25-123-R26	10/14/2025	Efficiency of Operations at the Santa Clarita Processing and Distribution Center, Santa Clarita, CA	\$9,040	<b>R-4</b> Properly reconcile the Surface Visibility scanners in Ethos and at the facility and take measurable actions to retrieve all lost scanners at the Santa Clarita Processing and Distribution Center.	July 2026
			—	<b>R-5</b> Provide oversight and verify employees sign in and out Surface Visibility scanners at the Santa Clarita Processing and Distribution Center.	April 2026
			—	<b>R-6</b> Secure scanners and verify only authorized employees can enter the Surface Visibility scanner room at the Santa Clarita Processing and Distribution Center.	April 2026
			—	<b>R-7</b> Verify all drivers are securing trailer cargo and are using wheel chocks at the Santa Clarita Processing and Distribution Center.	March 2026
25-072-1-R26	10/15/2025	Management Alert - Issues Identified with Counterfeit Postage	\$485,929,981	<b>R-1</b> Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	June 2026
25-090-R26	11/24/2025	Excess and Underutilized Space	—	<b>R-1</b> Develop processes and requirements for routinely collecting excess and underutilized space data across its property portfolio and include accountability mechanisms for ensuring this data is collected on a regular basis.	—
			—	<b>R-2</b> Develop processes to periodically assess and verify the accuracy of excess and underutilized space data and update in the designated system of record.	—
			—	<b>R-3</b> Develop and implement a comprehensive strategy for managing excess and underutilized space, which would include processes for identifying space at properties throughout the network, centralized tracking and reporting, and corrective action plans (such as for renting, disposing, or repurposing).	—
			—	<b>R-5</b> Verify that all rooms and spaces reported in the Real Asset Management Program Out-leasing module are properly coded.	June 2026
			—	<b>R-6</b> Reconcile property space data across all modules within the property management system to verify consistency and accuracy of the data.	—
25-037-R26	11/26/2025	Deferred Maintenance of Postal Service Facilities	—	<b>R-1</b> Establish a common framework with roles and responsibilities for deferred maintenance that applies throughout the organization, standardizing what is considered deferred maintenance and the process for prioritizing and addressing it.	—

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Report Number	Issue Date	Report Title	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>	Target Implementation Date
25-037-R26	11/26/2025	Deferred Maintenance of Postal Service Facilities	—	<b>R-2</b> Prioritize and track all deferred maintenance and associated costs, including capital and maintenance projects, and begin addressing its backlog of maintenance in order of priority.	—
			—	<b>R-3</b> Establish procedures, responsibilities, and accountability mechanisms for staff and supervisors to periodically review and validate all data including “estimated cost” within the maintenance system, for completeness and accuracy.	—
			—	<b>R-4</b> Ensure that the maintenance system has functionality and reporting capabilities to assist project managers with identifying outstanding maintenance calls and alert supervisors of maintenance calls without periodic updates or resolution.	October 2026
			\$1,104,129	<b>R-5</b> Establish a policy requiring project managers to provide local management with periodic status updates on reported maintenance issues and document statuses until resolved.	—
			—	<b>R-7</b> Improve oversight of its local self-assessment programs by assigning staff to conduct periodic reviews of assessments for facilities under 6,500 square feet and establishing an escalation process to obtain annual assessments from larger facilities for review.	October 2026
			—	<b>R-8</b> Address all building maintenance, safety, and security issues identified during site visits.	November 2026
25-070-R26	12/18/2025	Implementation and Communication of System Changes to PostalOne!	—	<b>R-1</b> Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	July 2026
			—	<b>R-2</b> Implement a process to verify all change requests are closed and reviewed when all change activities have been completed.	May 2026
			—	<b>R-3</b> Validate all critical and high incident tickets are resolved within required timeframes.	May 2026
25-140-R26	12/22/2025	Efficiency of Operations at the Cleveland Processing and Distribution Center, Cleveland, Ohio	—	<b>R-1</b> Implement a plan at the Cleveland Processing and Distribution Center to ensure proper mail flow is followed and hold supervisors accountable for missed pieces.	March 2026
			—	<b>R-2</b> Provide training to supervisors on the procedures for properly monitoring and reporting employee absences and verify that all supervisors monitor attendance at the Cleveland Processing and Distribution Center.	June 2026
			—	<b>R-3</b> Complete a review of Postal Vehicle Service transportation schedules and verify related actions are implemented at the Cleveland Processing and Distribution Center.	April 2026
			—	<b>R-5</b> Develop and implement a plan to verify scanning at the Cleveland Processing and Distribution Center is consistently completed in accordance with policy.	July 2026
			\$11,500	<b>R-6</b> Properly reconcile the Surface Visibility scanners in Ethos at the facility and take measurable actions to retrieve all lost scanners at the Cleveland Processing and Distribution Center.	February 2026
			\$11,500	<b>R-7</b> Develop and implement new controls to monitor and maintain an inventory of the Surface Visibility scanners at the Cleveland Processing and Distribution Center.	February 2026
			—	<b>R-8</b> Verify all drivers are using wheel chocks at the Cleveland Processing and Distribution Center.	April 2026
—	<b>R-9</b> Repair or replace all damaged dock doors and plates at the Cleveland Processing and Distribution Center.	May 2026			

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Report Number	Issue Date	Report Title	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>	Target Implementation Date
25-068-R26	01/15/2026	Grievance Management	—	<b>R-1</b> Provide remedial or refresher training to management handling grievances in areas of concern to include topics such as, but not limited to, knowledge of national bargaining and local agreements, grievance arbitration procedures, responding to union requests for information, and contending with challenges from union representatives.	September 2026
			—	<b>R-2</b> Develop a platform to share best practices identified by individual districts on grievance management and require each district to provide a plan to implement applicable best practices.	March 2026
			\$83,165,820	<b>R-3</b> Require the use of the Overtime Administration tool at facilities with high or recurring overtime grievances, unless restricted by local agreements.	September 2027
			—	<b>R-4</b> Require and reiterate training for supervisors on proper administration of overtime, including, but not limited to, overtime desired lists, equitable distribution of overtime, and craft jurisdiction rules.	September 2026
			—	<b>R-5</b> 1) identify high or recurring grievance payment locations, 2) require applicable local management in those locations to develop and implement an improvement action plan to reduce grievances, and 3) monitor grievance progress in those locations.	September 2026
			—	<b>R-6</b> Develop guidance to 1) identify which management positions have the authority to enter into local agreements; 2) include risk management practices such as expiration dates, legal review, or mandatory periodic review clauses, for management responsible for negotiating future local agreements; and 3) create a digital repository for local agreements.	—
			—	<b>R-7</b> Develop and maintain a national repository for local memorandums of understanding for standardized ease of access by and for all levels of local management.	September 2026
			\$201,099,806	<b>R-8</b> 1) Develop automated controls in the Grievance and Arbitration Tracking System to add system-required fields for justification statements on decision letters, and 2) provide refresher training for supervisors on requirements for proper completion of decision letters.	September 2026
25-093-R26	02/02/2026	Network Changes: Effectiveness of the New Regional Processing and Distribution Center in Indianapolis, IN	—	<b>R-1</b> Execute a plan to provide stable leadership at the Indianapolis Regional Processing and Distribution Center.	November 2026
			—	<b>R-2</b> Staff management positions at the Indianapolis Regional Processing and Distribution Center to authorized levels.	January 2027
			—	<b>R-3</b> Continue to work with local management and staff to improve employee availability at the Indianapolis Regional Processing and Distribution Center to meet the national goal.	November 2026
			—	<b>R-4</b> Revise projected savings and identify opportunities to improve efficiency of operations in the Indianapolis, IN, region.	—
			\$20,101,122	<b>R-5</b> Optimize usage of mail processing equipment at the Indianapolis Regional Processing and Distribution Center, including potential redeployment of underused equipment to facilities that need additional mail processing.	—
			—	<b>R-6</b> Strengthen inventory controls over surface visibility scanners and evaluate implementing an automated system.	January 2027
			—	<b>R-7</b> Direct the Indianapolis Regional Processing and Distribution Center Processing and Logistics managers to review daily scan data to identify problem areas and correct issues to achieve current scanning goals.	August 2026

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Report Number	Issue Date	Report Title	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>		Target Implementation Date
25-040-R26	02/05/2026	Route Scheduling at Sorting and Delivery Centers	—	<b>R-1</b>	Apply population change factors, such as projected growth and trends of sorting and delivery center locations, as part of its Financial Rigor Tests for the investments.	—
			—	<b>R-2</b>	Perform inspections and complete route adjustments where needed as part of the required annual process within the year prior to estimating the Financial Rigor Tests related to sorting and delivery center investments.	—
			—	<b>R-3</b>	Require tracking, reconciling, and reporting of operating costs throughout the Sorting & Delivery Center project, with adjustments to investment calculations for significant changes; and delegate responsibility for the oversight of financial performance over routes related to the project.	—
25-072-2-R26	02/10/2026	Enterprise Payment Account Fraud	\$1,814,616,263	<b>R-1</b>	Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	April 2026
25-072-2-R26	02/10/2026	Enterprise Payment Account Fraud	—	<b>R-2</b>	Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	April 2026
			—	<b>R-3</b>	Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	April 2026
			—	<b>R-4</b>	Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	April 2026
			—	<b>R-5</b>	Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.	July 2026
25-152-R26	02/11/2026	Efficiency of Operations at the Westchester Processing and Distribution Center, White Plains, NY	—	<b>R-1</b>	Take actions to address contractor failures at the Westchester Processing and Distribution Center.	May 2026
			—	<b>R-2</b>	Develop and implement a process to verify all mail containers are scanned for dispatch at the Westchester Processing and Distribution Center.	May 2026
			—	<b>R-3</b>	Verify the appropriate number of placards are printed, and extra placards are canceled at the Westchester Processing and Distribution Center.	June 2026
			\$2,875	<b>R-4</b>	Take action to retrieve all lost scanners at the Westchester Processing and Distribution Center.	May 2026
			—	<b>R-5</b>	Verify that scanner accountability procedures are followed for Postal Vehicle Service and Surface Visibility scanners at the Westchester Processing and Distribution Center.	June 2026
			—	<b>R-6</b>	Verify that all drivers use wheel chocks and padlocks at the Westchester Processing and Distribution Center.	June 2026
			—	<b>R-7</b>	Repair the damaged concrete columns at the Westchester Processing and Distribution Center.	July 2026
25-124-R26	02/18/2026	California-3 District: Delivery Operations	\$1,572	<b>R-2</b>	Enforce the requirement for unit management to monitor fuel card purchases, including annotating all high-risk fuel transactions with an appropriate comment.	April 2026
25-055-R26	02/25/2026	Fiscal Year 2025 Officers' and Executive Directors' Travel and Representation Expenses	—	<b>R-1</b>	Reiterate guidelines and policies to approving officials for proper management oversight and approval of officers', limited-term contract employees', and executive directors' travel and expense reimbursements to promote adherence to policies and verify reimbursement requests are properly supported.	June 2026
			—	<b>R-2</b>	Review and update applicable guidelines, as needed, to reflect policy exceptions, when appropriate, or document approved exceptions within the eTravel system.	August 2026

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Report Number	Issue Date	Report Title	Monetary Impact		Recommendation Summary <i>R = Recommendation Number</i>	Target Implementation Date
25-055-R26	02/25/2026	Fiscal Year 2025 Officers' and Executive Directors' Travel and Representation Expenses	—	<b>R-3</b>	Reconsider implementing the seat upgrade draft policy, and instead, reinforce current seat upgrade policy.	June 2026
			—	<b>R-4</b>	Create a process to periodically verify limited-term contract employees are included in the officer group within the eTravel system.	June 2026
26-026-R26	03/11/2026	Efficiency of Operations at the Shreveport Processing and Distribution Center and Package Support Annex, Shreveport, LA	—	<b>R-1</b>	Develop and implement a process to identify mailpieces that have been left behind on the workroom floor and in equipment after operations are completed at the Shreveport Processing and Distribution Center.	April 2026
26-026-R26	03/11/2026	Efficiency of Operations at the Shreveport Processing and Distribution Center and Package Support Annex, Shreveport, LA	—	<b>R-2</b>	Develop and implement a process to verify that all delayed mail is reported in the Mail Condition Visualization system daily at the Shreveport Processing and Distribution Center.	April 2026
			—	<b>R-3</b>	Develop and implement a process to monitor and verify that all mail containers have accurate labels at the Shreveport Processing and Distribution Center and Package Support Annex.	June 2026
			\$9,775	<b>R-4</b>	Properly reconcile the Surface Visibility scanners in Ethos and at the facility and take measurable actions to retrieve all lost scanners at the Shreveport Processing and Distribution Center.	June 2026
			—	<b>R-5</b>	Implement controls to monitor and secure Surface Visibility scanners, including a sign out process at the Shreveport Processing and Distribution Center and Package Support Annex.	June 2026
			—	<b>R-6</b>	Verify that all drivers are using wheel chocks at the Shreveport Processing and Distribution Center and Package Support Annex.	May 2026
			—	<b>R-7</b>	Verify that all identified facility repairs are completed at the Shreveport Processing and Distribution Center and Package Support Annex.	July 2026
			—	<b>R-8</b>	Verify that fire extinguishers are provided, mounted, and inspected monthly and annually at the Shreveport Package Support Annex.	April 2026
25-141-R26	03/16/2026	Ohio 1 District: Delivery Operations	—	<b>R-1</b>	Train management at all delivery units in the district on the proper procedures for reporting delayed mail.	May 2026
			\$1,529	<b>R-2</b>	Enforce the requirement for Station B and Cleveland Heights Branch management to monitor fuel card purchases, including annotating all high-risk fuel transactions with an appropriate comment.	June 2026
25-131-R26	03/31/2026	Relief Supervisor Utilization	\$116,294,831	<b>R-1</b>	Identify methods of reducing acting supervisor usage at facilities with relief supervisors and high acting supervisor workhours.	—
			—	<b>R-2</b>	Assess the impact on acting supervisor workhours when relief supervisors are detailed, and evaluate creating guidance for detailing relief supervisors to lateral positions.	—

Total Number of Reports: **63**

Total Number of Recommendations: **174**

Total Monetary Impact: **\$3,010,780,283**

# Appendix E: Reports with Recommendations Pending Corrective Actions - Postal Regulatory Commission



**For the period: October 1, 2025 - March 31, 2026**

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	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>	Target Implementation Date
24-097-R24	09/27/2024	Review of the Postal Regulatory Commission's Compliance With the Federal Information Security Modernization Act of 2014 for Fiscal Year 2024	—	<b>R-2</b> Design and implement Supply Chain Risk Management policies, procedures, and processes that address National Institute of Standards and Technology Special Publication 800-53, Rev. 5.1, Rel. 5.1.1 control requirements.	June 2026
			—	<b>R-5</b> Develop and implement agency-wide data protection and privacy policies, procedures, and processes that address applicable National Institute of Standards and Technology Special Publication 800-53, Rev. 5, Rel. 5.1.1 control requirements.	August 2026
25-033-R25	06/25/2025	Postal Regulatory Commission Compensation and Benefits	—	<b>R-3</b> Incorporate hiring incentive language into an incentive policy and align the continuous service agreement template.	May 2026
25-043-R25	09/26/2025	Review of the Postal Regulatory Commission's Compliance With the Federal Information Security Modernization Act of 2014 for Fiscal Year 2025	—	<b>R-1</b> Design and implement Cyber Governance policies, procedures, and processes that address National Institute of Standards and Technology Special Publication 800-53, Rev. 5.1, Rel. 5.1.1 control requirements and OMB Circular A-130.	September 2026
			—	<b>R-2</b> Design and implement risk management and general support system policies, procedures, and processes that address National Institute of Standards and Technology Special Publication 800-53, Rev. 5.1, Rel. 5.1.1 control requirements and standard industry practices from the National Institute of Standards and Technology Special Publications 800-39 and 800-18. This includes developing and implementing a system security plan for the Postal Regulatory Commission's general support system.	September 2026
25-134-R26	02/26/2026	Postal Regulatory Commission Purchase Card Expenses	—	<b>R-1</b> Finalize implementation of controls within the new Automated Transaction Manager system to require all forms and supporting documentation associated with purchase card transactions be properly completed, verified, and retained in accordance with policy.	June 2026
			—	<b>R-2</b> Identify and review recurring payments and assess whether establishing a contract would better serve the Postal Regulatory Commission.	December 2026
			—	<b>R-3</b> Include controls within the Automated Transaction Manager system that requires the purchaser to submit justification if a non-preferred vendor is used, and requires the Credit Card Authorizing Official to conduct a formal evaluation of purchases when this occurs.	September 2026

Total Number of Reports: **4**

Total Number of Recommendations: **8**

Total Monetary Impact: **\$0**

# Appendix F: Management Decisions in Audit Resolution



**For the period: October 1, 2025 - March 31, 2026**

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	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>
22-187-R23	03/27/2023	Service Performance of Election Mail for the 2022 Mid-Term Elections	\$23,033,770	<b>R-1</b> Develop a plan to analyze costs associated with the processing and delivery of Election Mail and explore opportunities to be compensated for the implementation of Election Mail key practices and extraordinary measures.
22-199-R24	01/25/2024	Site Technical Assessment Review - January 2024	—	<b>R-10</b> Some or all of the recommendation is not publicly available due to concerns with information protected under the Freedom of Information Act.
23-088-R24	02/27/2024	Contract Trucking Safety and Compliance	—	<b>R-6</b> Define freight auction applicability to Management Instruction PO-530-2009-4, Section 19 - <i>Special Circumstances</i> .
			—	<b>R-7</b> Update and enforce freight auction guidance and include at minimum a process to verify driver history.
23-167-R24	06/21/2024	State of the U.S. Postal Service Financial Condition	—	<b>R-1</b> Update and communicate Delivering for America plan financial projections based on current conditions and environment.
			—	<b>R-2</b> Develop a plan to track, measure, and communicate progress on initiatives that result from the Delivering for America plan.
24-093-R25	03/27/2025	Postal Vehicle Service Operations	—	<b>R-2</b> Insource highway contract routes when economically advantageous to the Postal Service and implement a waiver process when cost is not a main factor to insource.
			—	<b>R-7</b> Develop and make available the training to obtain a commercial driver's license to interested postal vehicle operators.
			\$10,936,174	<b>R-8</b> Determine complement and work toward hiring the number of schedule examiners vehicle runs and dispatch coordinators needed at nationwide Postal Vehicle Service sites.
24-143-R25	04/21/2025	Service Performance of Election and Political Mail During the 2024 General Election	—	<b>R-7</b> Create a method for scanning local turnaround ballots at delivery units.
25-003-R25	07/02/2025	Merchant Rate Card Management	—	<b>R-5</b> Require quarterly business reviews to include data analytics to validate the platforms charge accurate postage and fees and resolve platform issues.
			\$958,697	<b>R-6</b> Coordinate with platforms to collect previously undetected short-payments resulting from postage discrepancies identifiable based on package information transmitted to the Postal Service.
			\$2,561,602	<b>R-7</b> Coordinate with platforms to refund previously undetected over-payments resulting from postage discrepancies identifiable based on package information transmitted to the Postal Service.
25-056-R25	08/18/2025	Communication of Local Changes to Priority Mail Express Service	—	<b>R-1</b> Implement policy and procedures that require coordination with all responsible parties to create and display notices in retail lobbies on any changes to service by the date the change becomes effective.

# Appendix F: Management Decisions in Audit Resolution



Report Number	Issue Date	Report Title	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>
25-056-R25	08/18/2025	Communication of Local Changes to Priority Mail Express Service	—	<b>R-2</b> Identify and implement the best method for updating retail signage that aligns with the Priority Mail Express service guarantee offered by individual post offices.
25-066-R25	08/28/2025	Field Operations Service Review: Delivery Operations	—	<b>R-4</b> Add instructions to the beginning of the certification screen in the Retail and Delivery Applications and Reports system notifying supervisors of the current procedures for conducting arrow key certifications and have the system automatically generate a report notifying the U.S. Postal Inspection Service of any missing keys.
25-057-R25	09/09/2025	Network Changes: Local Transportation Optimization in the New Orleans Region	—	<b>R-1</b> Develop a formal contingency plan to mitigate service impacts during major, known disruptions in operations, such as Mardi Gras.
			—	<b>R-2</b> Develop and implement, when needed, a localized retention and succession plan to ensure leadership and operational continuity.
25-053-R25	09/17/2025	Protecting Revenue for Returned Parcel Select Packages	—	<b>R-6</b> Assess which delivery units need additional equipment, including scales, and provide it to efficiently process return-to-sender packages.
			—	<b>R-9</b> Institute and enforce a policy requiring clerks and managers to restrict access to return packages that exceed the facility's interior capacity or develop other mitigation strategies.
25-030-R25	09/22/2025	Serving America: Retail Unit Accessibility	—	<b>R-1</b> Develop procedures to ensure survey responses are properly completed and reviewed in a timely manner and that managers are held accountable for when units are closed without valid justification.
			—	<b>R-2</b> Develop an automated tool for notifying field staff in real time when units open late or close early and sending justification requests to local staff.
			—	<b>R-3</b> Develop system capabilities for recording, analyzing, reporting, and retaining data on units that open late or close early.
			—	<b>R-4</b> Develop procedures to ensure justification responses are properly completed and reviewed in a timely manner and that managers are held accountable when units open late or close early.
			—	<b>R-5</b> Augment suspension-related policies to include strategies for periodically and regularly communicating suspension statuses to impacted customers.
			—	<b>R-6</b> Establish accountability mechanisms, such as timeliness targets, for resolving suspensions in a timely manner and for monitoring performance.
25-061-R25	09/24/2025	Network Processing: Regional Transfer Hubs	—	<b>R-1</b> Conduct a feasibility study of capturing cost savings resulting from the Regional Transfer Hub initiative and, based on the results, implement tracking of costs related to the initiative.
			—	<b>R-4</b> Establish quantifiable key performance indicators, including acceptable impacts to service and a trailer utilization target, specific to the Regional Transfer Hub initiative.
			—	<b>R-5</b> Monitor performance of the Regional Transfer Hubs against established goals.

# Appendix F: Management Decisions in Audit Resolution



Report Number	Issue Date	Report Title	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>
25-090-R26	11/24/2025	Excess and Underutilized Space	—	<b>R-1</b> Develop processes and requirements for routinely collecting excess and underutilized space data across its property portfolio and include accountability mechanisms for ensuring this data is collected on a regular basis.
			—	<b>R-2</b> Develop processes to periodically assess and verify the accuracy of excess and underutilized space data and update in the designated system of record.
			—	<b>R-3</b> Develop and implement a comprehensive strategy for managing excess and underutilized space, which would include processes for identifying space at properties throughout the network, centralized tracking and reporting, and corrective action plans (such as for renting, disposing, or repurposing).
			—	<b>R-6</b> Reconcile property space data across all modules within the property management system to verify consistency and accuracy of the data.
25-037-R26	11/26/2025	Deferred Maintenance of Postal Service Facilities	—	<b>R-1</b> Establish a common framework with roles and responsibilities for deferred maintenance that applies throughout the organization, standardizing what is considered deferred maintenance and the process for prioritizing and addressing it.
			—	<b>R-2</b> Prioritize and track all deferred maintenance and associated costs, including capital and maintenance projects, and begin addressing its backlog of maintenance in order of priority.
			—	<b>R-3</b> Establish procedures, responsibilities, and accountability mechanisms for staff and supervisors to periodically review and validate all data including “estimated cost” within the maintenance system, for completeness and accuracy.
			\$1,104,129	<b>R-5</b> Establish a policy requiring project managers to provide local management with periodic status updates on reported maintenance issues and document statuses until resolved.
25-068-R26	01/15/2026	Grievance Management	—	<b>R-6</b> Develop guidance to 1) identify which management positions have the authority to enter into local agreements; 2) include risk management practices such as expiration dates, legal review, or mandatory periodic review clauses, for management responsible for negotiating future local agreements; and 3) create a digital repository for local agreements.
25-093-R26	02/02/2026	Network Changes: Effectiveness of the New Regional Processing and Distribution Center in Indianapolis, IN	—	<b>R-4</b> Revise projected savings and identify opportunities to improve efficiency of operations in the Indianapolis, IN, region.
			\$20,101,122	<b>R-5</b> Optimize usage of mail processing equipment at the Indianapolis Regional Processing and Distribution Center, including potential redeployment of underused equipment to facilities that need additional mail processing.
25-040-R26	02/05/2026	Route Scheduling at Sorting and Delivery Centers	—	<b>R-1</b> Apply population change factors, such as projected growth and trends of sorting and delivery center locations, as part of its Financial Rigor Tests for the investments.

## Appendix F: Management Decisions in Audit Resolution



Report Number	Issue Date	Report Title	Monetary Impact	Recommendation Summary <i>R = Recommendation Number</i>
25-040-R26	02/05/2026	Route Scheduling at Sorting and Delivery Centers	—	<i>R-2</i> Perform inspections and complete route adjustments where needed as part of the required annual process within the year prior to estimating the Financial Rigor Tests related to sorting and delivery center investments.
			—	<i>R-3</i> Require tracking, reconciling, and reporting of operating costs throughout the Sorting & Delivery Center project, with adjustments to investment calculations for significant changes; and delegate responsibility for the oversight of financial performance over routes related to the project.
25-131-R26	03/31/2026	Relief Supervisor Utilization	\$116,294,831	<i>R-1</i> Identify methods of reducing acting supervisor usage at facilities with relief supervisors and high acting supervisor workhours.
			—	<i>R-2</i> Assess the impact on acting supervisor workhours when relief supervisors are detailed, and evaluate creating guidance for detailing relief supervisors to lateral positions.

Total Number of Reports: **19**

Total Number of Recommendations: **45**

Total Monetary Impact: **\$174,990,325**

## Appendix G: Status of Peer Review Recommendations



### For the period October 1, 2025 - March 31, 2026

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 Office of Inspector General 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 Justice OIG for the period ending March 31, 2024, with a report date of September 9, 2024. 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. 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. There are no outstanding recommendations.

#### Peer Reviews Conducted by USPS OIG

The last peer review we conducted was for the Federal Housing Finance Agency OIG for the period ending March 31, 2025. The report was issued on August 6, 2025. There are no outstanding recommendations.

### 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 preconfigured 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, 2025 - March 31, 2026

Program	Investigations Closed	Arrests	Indictments / Informations / Complaints	Convictions - Criminal	Admin Action Taken	Cost Avoidance	Fines, Restitution, and Recoveries	Amount to Postal Service, PRC	To Mgmt. for Admin Action	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 / Judgements	Referrals to USPS that were not Investigated
Computer Crimes	3	2	1	1	0	\$0	\$265,750	\$0	0	0	0	1	0	0	0
General Crimes	96	29	32	14	51	\$0	\$35,341,493	\$120,629	52	18	12	23	64	0	262
Mail Theft	737	284	290	237	365	\$0	\$10,094,846	\$71,273	299	224	91	159	415	0	164
Narcotics	110	51	62	56	46	\$0	\$78,726	\$4,586	36	25	17	38	51	0	14
Office of Professional Responsibility	8	1	0	4	5	\$0	\$41,666	\$0	3	0	0	0	5	0	48
Financial Fraud	100	47	43	25	67	\$300,000	\$1,388,355	\$630,796	64	42	15	25	85	1	23
Contract Fraud	22	5	16	6	4	\$35,278,055	\$16,488,729	\$11,345,689	4	11	0	16	2	7	0
Healthcare Claimant Fraud	88	10	8	10	9	\$40,591,496	\$1,174,509	\$920,754	9	14	2	7	26	0	4
Healthcare Provider Fraud	15	4	5	4	12	\$80,741,336	\$26,309,169	\$435,719	0	1	0	4	2	5	0
<b>Total</b>	<b>1179</b>	<b>433</b>	<b>457</b>	<b>357</b>	<b>559</b>	<b>\$156,910,887</b>	<b>\$91,183,243</b>	<b>\$13,529,446</b>	<b>467</b>	<b>335</b>	<b>137</b>	<b>273</b>	<b>650</b>	<b>13</b>	<b>515</b>
PRC	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

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



October 1, 2025 - March 31, 2026

Type of Scheme	Complaints Filed	Consent Agreements	Final Restraining Orders	Cease and Desist Orders
Advance Fee	—	—	—	—
Counterfeit Checks	—	—	—	—
Facsimile Checks	—	—	—	—
Failure to Pay	—	—	—	—
Failure to Render	—	—	—	—
Foreign Lottery	—	—	—	—
Identity Theft - Other	—	—	—	—
Investment Fraud	—	—	—	—
Invoice Schemes	—	—	—	—
Lottery	1	1	—	1
Medical Fraud - Other	—	—	—	—
Other	2	2	—	2
Psychic	—	—	—	—
Rebate and Refund	—	—	—	—
Reshipping Scheme	—	—	—	—
Sweepstakes	—	—	—	—
USPS Revenue Fraud	—	—	—	—
<b>Total</b>	<b>3</b>	<b>3</b>	<b>—</b>	<b>3</b>

### 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	\$248,004,120
VP Chief Inspector	Total Nonpersonnel Expense	\$84,080,718
VP Chief Inspector	Total Operating Expense	\$332,084,837
VP Chief Inspector	Total Capital Commitments	\$10,082,612

Source: EDW as of April 14, 2026.

## Appendix J: Congressional/PMG/Board of Governors Inquiries



### For the period: October 1, 2025 - March 31, 2026

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, 2025, through March 31, 2026, the OIG received 54 new inquiries. Out of the 54 inquiries, we formally referred one to the U.S. Postal Service Office of Government Relations and three to the U.S. Postal Inspection Service. We closed 42 inquiries during this reporting period. Out of those, 35 were reviewed by our Office of Investigations and three were reviewed by our Office of Audit.

## Appendix K: Attempt to Interfere with OIG Independence

### For the period October 1, 2025 - March 31, 2026

Section 5(a)(21) of the Inspector General Empowerment Act, as amended, requires that 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

Our OIG Freedom of Information Act (FOIA) Office operates independently of, but frequently coordinates with, its counterparts at the Postal Service, the Postal Inspection Service, and the PRC. 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, 2025 to March 31, 2026**

Requests	Number of Requests
Carryover from prior period	10
Received during period	605
Total on hand during period	615
Actions	Number of Requests
Processed during the period	604
Requests denied in full	11
Requests granted in full	15
Requests denied in part	111
Duplicate request	7
Fee-related reasons	0
No records	64
Not an agency record	276
Not a proper FOIA request for some other reason	0
Requests referred	86
Requests withdrawn	34
Records not reasonably described	0
Balance	Number of Requests
Balance at the end of the period (pending)	11
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 PRC and postal employee, including OIG and Postal Inspection Service staff. Reviews may result in fact-finding reports to management or referral for specific suggested action, such as climate assessments.

**For the period: October 1, 2025 - March 31, 2026**

**Total complaints reviewed and closed: 244**

## Whistleblower Reprisal Investigations

**For the period: October 1, 2025 to March 31, 2026**

Whistleblower Reprisal Activity	
Allegations received	239
OIG investigations initiated	2
Investigations closed with no action	1
Allegations closed with no action	237
OIG found reprisal	0

# Supplemental Information



## Summary of Performance

For the period of: October 1, 2025 - March 31, 2026

Audits	
Reports issued (excluding RISC white papers)	38
Recommendations issued	89
Total reports with financial impact	12
Funds put to better use	\$20,101,122
Questioned costs	\$401,712,377
Revenue impact	\$2,300,546,244
<b>Total</b>	<b>\$2,722,359,743</b>

RISC White Papers	
White papers issued	0
Recommendations issued	0

Investigations <sup>4</sup>	
Investigations completed	1,179
Arrests	433
Indictments/informations	273
Convictions/pretrial diversions <sup>5</sup>	357
Administrative actions	559
Cost avoidance	\$156,910,887
Fines, restitution, and recoveries	\$91,183,243
Amount to the Postal Service <sup>6</sup>	\$13,529,446

OIG Hotline Contacts	
Telephone calls/Voicemails	47,459
Email	18,082
Webforms	56,763
Standard mail	817
Facsimile - FAX	211
<b>Total Contacts</b>	<b>123,332</b>

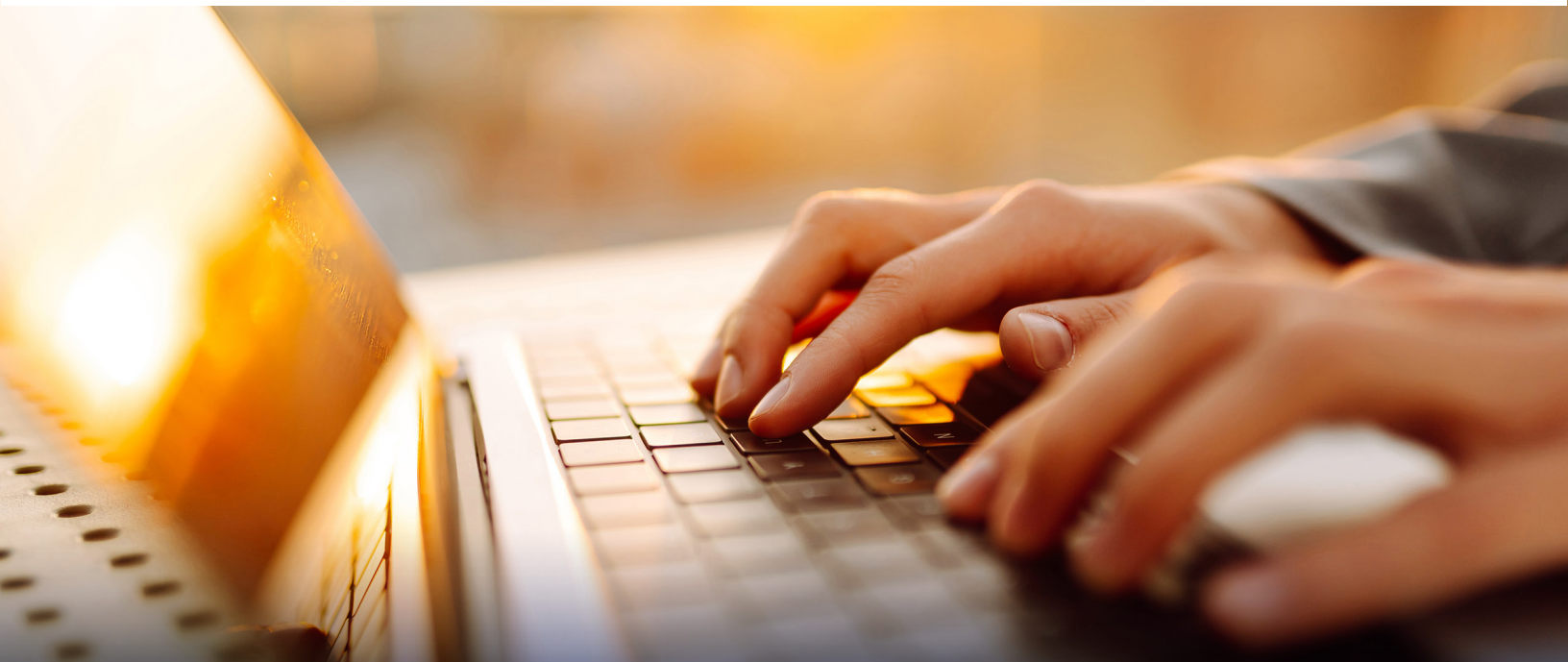
The following are among the trademarks owned by the United States Postal Service: ACS™, APC®, Automated Postal Center®, Carrier Pickup™, CASS™, CASS Certified™, Certified Mail™, Click-N-Ship®, Confirm®, Customized MarketMail®, Delivery Confirmation™, DMM®, EPM®, Express Mail®, FAST®, FASTforward®, First-Class™, First-Class Mail®, Full-Service ACS™, IM™, IMb™, Intelligent Mail®, LACSLink™, MASS™, MERLIN®, Mover's Guide®, NCOALink®, Netpost®, Netpost Mailing Online™, OneCode ACS®, OneCode Confirm®, OneCode Solution™, OneCode Vision®, Parcel Post®, Parcel Select®, PC Postage®, PLANET®, PLANET Code®, Post Office™, PostalOne!®, Postal Service™, POSTNET™, Priority Mail®, Quick, Easy, Convenient™, RDI™, ReadyPost®, REDRESS®, Registered Mail™, RIBBS®, Signature Confirmation™, Simple Formulas®, Stamps by Mail®, Standard Mail®, The Postal Store®, United States Postal Service®, U.S. Mail™, U.S. Postal Service®, USPS®, USPS Electronic Postmark®, USPS.COM®, www.usps.com®, ZIP+4®, and ZIP Code™. This is not a comprehensive list of all Postal Service trademarks. For more information visit [TRADEMARKS \(www.usps.com\)](https://www.usps.com).

<sup>4</sup> Statistics include joint investigations with other law enforcement agencies.  
<sup>5</sup> Convictions reported in this period may be related to arrests in prior reporting periods.  
<sup>6</sup> 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	27-38
5(a)(4)	Matters referred to prosecutive authorities and the prosecutions and convictions that have resulted	44
5(a)(5)	Summary reports made to the head of the establishment under section 6(b)(2) of instances where information was refused	N/A
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
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	4, 18-24, 48
5(a)(9)	Status of management decisions for audit and evaluation reports containing recommendations that funds be put to better use	24
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	23-24
5(a)(11)	Description and explanation of the reasons for any significant revised management decisions	39-42
5(a)(12)	Information concerning any significant management decisions with which the Inspector General disagreed	39-42
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	43
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 Department of Justice 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	44
5(a)(18)	Description of the metrics used to develop the data in the statistical tables under Section 5(a)(17)	44
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	15
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	16
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	46
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	18



## 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.



### Office of Inspector General

- Theft, delay, or destruction of mail by postal employees and contractors
- Workers' compensation fraud
- Embezzlements 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
- International mail security
- Violent crimes:
  - Threats and assaults of employees
  - Burglaries and robberies
- Mail theft by nonemployees
- Dangerous mail and bombs
- Mail fraud
- Identity theft
- Narcotics in the mail
- Child pornography and obscenity



<https://www.uspis.gov/report>  
Contact: (877) 876-2455

# OFFICE OF INSPECTOR GENERAL

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