



Office of Inspector General | United States Postal Service

## Audit Report

# Voyager Card Transactions - Wilmington, NC, Magnolia Station

Report Number 21-176-R21 | August 3, 2021



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# Transmittal Letter



OFFICE OF INSPECTOR GENERAL  
UNITED STATES POSTAL SERVICE

August 3, 2021

**MEMORANDUM FOR:** RUSSELL D. GARDNER  
MANAGER, NORTH CAROLINA DISTRICT

*Michelle Lindquist*

**FROM:** Michelle Lindquist  
Director, Financial Controls

**SUBJECT:** Audit Report – Voyager Card Transactions - Wilmington, NC,  
Magnolia Station (Report Number 21-176-R21)

This report presents the results of our audit of Voyager Card Transactions – Wilmington, NC, Magnolia Station.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Gregory Williams, Acting Operational Manager, or me at 703-248-2100.

Attachment

cc: Postmaster General  
Corporate Audit and Response Management

# Results

## Background

This report presents the results of our self-initiated audit of Voyager Card Transactions – Wilmington, NC, Magnolia Station (Project Number 21-176). The Wilmington, NC, Magnolia Station is in the North Carolina District of the Atlantic Area.<sup>1</sup> This audit was designed to provide U.S. Postal Service management with timely information on potential financial control risks at Postal Service locations.

Every Postal Service-owned vehicle is assigned a Voyager credit card to pay for its commercially purchased fuel, oil, and routine maintenance. U.S. Bank operates the program and Voyager<sup>2</sup> provides a weekly electronic transaction detail file of all Voyager card transactions to the Postal Service's Fuel Asset Management System (FAMS)<sup>3</sup> eFleet application.<sup>4</sup> Site managers monitor Voyager card transactions in the FAMS eFleet application. FAMS provides a monthly Reconciliation Exception Report, capturing transactions categorized as “high-risk,” which may result from fraudulent activity. Each month the Postal Service site manager<sup>5</sup> ensures that their driver receipts are reconciled in FAMS. The review is critical since the Postal Service automatically pays U.S. Bank weekly for all Voyager card charges.

Transactions could be marked as high-risk in FAMS due to gallons of fuel purchased that exceeds the allowed maximum amount for the vehicle, unleaded super and plus fuel purchase, and/or potential sharing of personal identification numbers (PIN). These indicate questionable transactions which signify a higher risk of fraud.

The U.S. Postal Service Office of Inspector General (OIG) used data analytics to identify offices with potentially fraudulent Voyager card activity. The Wilmington, NC, Magnolia Station had 1,713 transactions at risk from October 1, 2020 through March 31, 2021, totaling \$41,211. This included 282 Voyager card fuel purchases conducted with one employee's PIN and valued at \$6,084 and 60 transactions flagged as high-risk in FAMS.

## Objective, Scope, and Methodology

The objective of this audit was to determine whether Voyager card PINs were properly managed, and Voyager card transactions were properly reconciled at the Wilmington, NC, Magnolia Station. The scope of this audit included the Voyager card activity reconciliation process and management of Voyager card PINs from October 1, 2020 through March 31, 2021.

To meet our objective, we analyzed Voyager card transactions in FAMS and all 60 high-risk transactions that required review relating to fuel purchased that exceeded the maximum allowed amount for the vehicle, duplicate transactions, and too many fuel purchases made in a single month.

We relied on computer-generated data from FAMS. We did not test the validity of controls over this system; however, we verified the accuracy of the data by reviewing related documentation, tracing selected information to supporting source records, and interviewing knowledgeable Postal Service employees. We determined the data were sufficiently reliable for the purposes of this report.

We conducted this audit from May through July 2021 in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusion based on our audit objective. We discussed our observations and conclusions with management on July 20, 2021, and included their comments where appropriate.

<sup>1</sup> The Magnolia Station was previously in the Mid-Carolina District of the Capital Metro Area.

<sup>2</sup> Voyager Fleet Systems, Inc., owned by U.S. Bank, is the contractor for the program.

<sup>3</sup> A cost management tool used for managing and controlling fuel costs.

<sup>4</sup> Portal used to monitor expenses incurred from the operation and maintenance of postal-owned vehicles. The system allows authorized users to display and reconcile expenses charged to Voyager credit cards.

<sup>5</sup> Manager of an operation to which the vehicles are assigned and has the responsibility for Voyager card reconciliation and fraud prevention.

## Finding #1: Management of Voyager PINs

Voyager card PINs were not properly managed at the Wilmington, NC, Magnolia Station. Specifically:

- A unit supervisor's PIN was shared and used for 282 transactions valued at \$6,084.
- Fifteen employees who never worked at this unit charged 305 transactions valued at \$11,345 to this unit's finance number.<sup>6</sup>
- Forty-six employees were listed on unit PIN list, but they did not work at the unit.
- The supervisors did not keep an updated PIN list.
- Management did not conduct semiannual formal reviews of PINs.

Unit management stated they were aware that employees were using a supervisor's PIN; however, that supervisor thought the PIN was deactivated. In addition, unit management stated they were not aware that employees who never worked at this unit charged Voyager card transactions to this unit's finance number. The station manager stated there had been constant change with several different station managers in the last three years. They indicated this created a problem with security and updating of Voyager card PINs, including problems deactivating PINs no longer in use and removing from the PIN list names of people who were not unit employees. The station manager and employee designated to reconcile Voyager card transactions stated they

were not aware of the procedures pertaining to updating and deactivating Voyager card PINs since they had not taken the required eFleet Card for Site Manager Training or the Voyager Fleet Commander Online Training.<sup>7</sup> Upon review of training records, the audit team determined that the unit management had not completed the training, but during our May 26, 2021 site visit, the

employee designated to reconcile Voyager card transactions completed the training.

According to Postal Service policy,<sup>8</sup> the site manager must assign PINs to new employees with a PIN from the list and submit notification of the driver's name to Voyager Fleet Services. Further, site managers are responsible for keeping their driver PIN list up to date, verifying the information is accurate and complete, and conducting a semiannual formal review of PINs.

When Voyager card PINs are not managed properly, they could be used to make unauthorized and improper purchases. Further, sharing of PINs could lead to the possibility of fraud. We consider the 587 transactions using a shared PIN and charges from employees who did not work at the unit valued at \$17,429<sup>9</sup> as disbursements at risk.<sup>10</sup> We plan to refer this information to the Office of Investigations.

### Recommendation #1

We recommend the **Manager, North Carolina District**, instruct the Postmaster, Wilmington, NC, to implement corrective action to individually assign all Wilmington, NC, employees unique Personal Identification Numbers for Voyager card transactions.

### Recommendation #2

We recommend the **Manager, North Carolina District**, instruct the Postmaster, Wilmington, NC, to correct the issue of Voyager card transactions of Wilmington, NC, employees being incorrectly charged to Magnolia Station's finance number.

### Recommendation #3

We recommend the **Manager, North Carolina District**, instruct the Postmaster, Wilmington, NC, to have all EAS employees in Wilmington, NC, complete eFleet Card for Site Manager Training and Voyager Fleet Commander Online Training.

<sup>6</sup> One employee, that no longer worked at the Postal Service during our scope period, had charges valued \$946.

<sup>7</sup> Postal Service staff use the Voyager Fleet Commander Online application to create and manage Voyager card PINs.

<sup>8</sup> *Voyager Fleet Card Standard Operating Procedure (SOP)*, November 2016, Section 2.2.2, PIN Management.

<sup>9</sup> The total is made up of 282 transactions valued \$6,084 for supervisor PIN and 305 transactions valued at about \$11,345 for 15 employees who never worked at this unit but their charges from Voyager card transactions posted to this unit's finance number.

<sup>10</sup> Disbursements made where employees did not follow proper Postal Service internal controls and processes.

## Finding #2: Voyager Card Reconciliation

Unit management did not always properly reconcile Voyager card transactions. Specifically, of the 60 high-risk transactions selected for review:

- Nineteen (32 percent) exceeded tank capacity limits valued at \$569.
- Fifteen (25 percent) valued at \$304 did not have receipts to properly support fuel purchased.
- Unit management did not notify the OIG of potential fraud or misuse.
- Monthly reconciliation exception report was not maintained on file at the unit in accordance with policy.

Transactions regarding the tank capacity exceeding the limits, purchases for non-fuel items, and missing receipts occurred because unit management did not ensure the monthly reconciliation was properly performed according to the unit management.

Postal Service management stated they performed monthly reconciliations and flagged questionable transactions; however, they were not aware they needed to file a dispute form with Voyager Fleet Services. In addition, management kept receipts but did not take action when receipts were not submitted. Further, they were not aware that monthly reconciliation reports need to be printed and kept on file for two years or that the OIG needs to be notified when they suspect fraud or misuse. As discussed previously, there has been frequent management turnover at this unit, and it has created inherited issues in the Voyager card reconciliations. Management stated they have been at this facility for less than a year and have not had the opportunity to correct issues with the Voyager cards or to complete required training.

Postal Service policy<sup>11</sup> requires site managers to submit a USPS Voyager Account Dispute Form to Voyager and file a dispute within 30 days of the first charge appearing. Policy<sup>12</sup> also requires the unit to retain payment reconciliation records for two years and states that every attempt should be made to secure a receipt for each transaction.<sup>13</sup> In cases where a receipt is not received, the manager must contact the appropriate individual to research and determine if the purchase was legitimate, annotate the review results with a comment in FAMS, and obtain hard copy documentation certifying the charge from the individual. In addition, the driver must complete and sign a No Receipt Form.<sup>14</sup> Further, unit management must print the monthly FAMS Reconciliation by Exception report and retain receipts on file for two years.<sup>15</sup>

When Voyager card transactions are not properly reconciled there is an increased risk that the Postal Service will not identify unauthorized purchases. In addition, maintaining these records provides accountability of Voyager card transactions. Further, falsely certifying reconciliation of Voyager transactions may result in a fine of not more than \$10,000 per occurrence or imprisonment of not more than five years or both.

### Recommendation #4

We recommend the **Manager, North Carolina District**, instruct the Postmaster, Wilmington, NC, to have unit management in Wilmington, NC, complete, submit, and maintain copies of USPS Voyager Account Dispute Forms and retain supporting documentation, including monthly reconciliations, for the required two-year period.

### Recommendation #5

We recommend the **Manager, North Carolina District**, instruct the Postmaster, Wilmington, NC, to reiterate to all unit management in Wilmington, NC, the requirement to contact the U.S. Postal Service Office of Inspector General to report suspected Voyager card fraud.

<sup>11</sup> *Voyager Fleet Card SOP*, Section 5.1. Disputes.

<sup>12</sup> *Voyager Fleet Card SOP*, Section 4.1. Responsibilities.

<sup>13</sup> *Voyager Fleet Card SOP*, Section 4.1, Responsibilities.

<sup>14</sup> *Voyager Fleet Card SOP*, Section 4.1, Responsibilities.

<sup>15</sup> *Voyager Fleet Card SOP*, Section 4.1, Responsibilities.

## Management's Comments

Management agreed with all findings and recommendations.

Regarding recommendation 1, district management stated that they issued a directive to the Postmaster, Wilmington, NC, to investigate any employee who has not followed procedures to ensure that PINs are used correctly and not shared and take necessary action. The target implementation date is August 31, 2021.

Regarding recommendations 2, 4, and 5 district management stated that they issued a directive to the Postmaster, Wilmington, NC, to follow the *Voyager Card Standard Operating Procedures Guide* to address charging voyager transactions to the correct office, properly disputing transactions when necessary, reporting suspected Voyager card fraud to the OIG, retaining documents, and performing monthly reconciliation. Management included a copy of the directive dated July 29, 2021, with their comments.

Regarding recommendation 3, district management stated they issued a directive to the Postmaster, Wilmington, NC, to require all EAS employees in Wilmington to complete eFleet Card for Site Manager Training and Voyager Fleet Commander Online Training. The target implementation date is August 31, 2021.

See [Appendix A](#) for management's comments in their entirety.

## Evaluation of Management's Comments

The OIG considers management's comments responsive to the recommendations in the report and corrective actions should resolve the issues identified in the report.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective action is completed. Recommendations 1 and 3 should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed. We consider recommendations 2, 4, and 5 closed with issuance of the report.

# Appendix A: Management's Comments



July 29, 2021

JOSEPH E. WOLSKI  
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Response to Draft Audit Report – Voyager Card Transactions - Wilmington, NC, Magnolia Station (Project Number 21-176-DRAFT)

Thank you for the opportunity to respond to the Office of Inspector General (OIG) draft audit report of Voyager Transaction at Magnolia Station in Wilmington, NC.

Management agrees with the findings noted in the audit report.

Management does agree with the recommendations as outlined in the audit per the responses below.

**Recommendation #1**

We recommend the Manager, North Carolina District, instruct the Postmaster, Wilmington, NC, to implement corrective action to individually assign all Wilmington, NC, employees unique Personal Identification Numbers for Voyager card transactions.

**Management Response/Action Plan**

Management agrees with this recommendation and has been implemented by the district manager issuing a written directive to the postmaster of Wilmington, NC to investigate and take necessary action with all employees who have not followed policy and procedure to ensure PIN's are used as required and not shared. To request closure of this recommendation management will provide documentation that corrective action has been taken.

**Target Implementation Date**

August 31, 2021

**Responsible Official**

North Carolina District Manager



**Recommendation #2**

We recommend the Manager, North Carolina District, instruct the Postmaster, Wilmington, NC to correct the issue of Voyager Card transactions of Wilmington, NC employees being incorrectly charged to Magnolia Station's finance number.

**Management Response/Action Plan**

Management agrees with this recommendation and has implemented by the district manager issuing a written directive to the postmaster of Wilmington, NC to follow the Voyager Card Standard Operating Procedures Guide to address proper charging of Voyager transactions to the correct office and properly disputing transactions when necessary along with retaining documents and performing monthly reconciliation. To request closure of this recommendation a copy of the correspondence from the district manager to the postmaster will be provided.

**Target Implementation Date**

July 29, 2021

**Responsible Official**

North Carolina District Manager

**Recommendation #3**

We recommend the Manager, North Carolina District, instruct the Postmaster, Wilmington, NC, to have all EAS employees in Wilmington, NC, complete eFleet Card for Site Manager Training and Voyager Fleet Commander Online Training.

**Management Response/Action Plan**

Management agrees with this recommendation and has implemented by the district manager issuing a written directive to the postmaster of Wilmington, NC to require all EAS employees in Wilmington, NC to complete eFleet Card for Site Manager Training and Voyager Fleet Commander Online Training. To request closure documentation showing completion of the training will be submitted.

**Target Implementation Date**

August 31, 2021

**Responsible Official**

Postmaster, Wilmington, NC

**Recommendation #4**

We recommend the Manager, North Carolina District, instruct the Postmaster, Wilmington, NC, to have unit management in Wilmington, NC, complete, submit, and maintain copies of USPS Voyager Account Dispute Forms and retain supporting documentation, including monthly reconciliations, for the required two-year period.

**Management Response/Action Plan**

Management agrees with this recommendation and has implemented by the district manager issuing a written directive to the postmaster of Wilmington, NC to follow the Voyager Card Standard Operating Procedures Guide to address proper charging of Voyager transactions to the correct office and properly disputing transactions when necessary along with retaining documents and performing monthly reconciliation. To request closure of this recommendation a copy of the correspondence from the district manager to the postmaster will be provided.

**Target Implementation Date**

July 29, 2021

**Responsible Official**

North Carolina District Manager

**Recommendation #5**

We recommend the Manager, North Carolina District, instruct the Postmaster, Wilmington, NC, to reiterate to all unit management in Wilmington, NC, the requirement to contact the U.S. Postal Service Office of Inspector General to report suspected Voyager card fraud.

**Management Response/Action Plan**

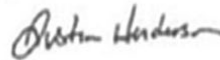
Management agrees with this recommendation and has implemented by the district manager issuing a written directive to the postmaster of Wilmington, NC to follow the Voyager Card Standard Operating Procedures Guide and when necessary report suspected Voyager Card fraud to the U.S. Postal Service Office of the Inspector General. To request closure of this recommendation a copy of the correspondence from the district manager to the postmaster will be provided.

**Target Implementation Date**

July 29, 2021

**Responsible Official**

North Carolina District Manager



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for Russ Gardner  
North Carolina District Manager

cc: Manager, Corporate Audit & Response Management

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**INSPECTOR  
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