

Mail Theft Mitigation and Response – Chicago, IL

AUDIT REPORT

Report Number 24-100-R24 | September 18, 2024



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Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

September 18, 2024

MEMORANDUM FOR: JOSHUA D. COLIN, PHD
CHIEF RETAIL AND DELIVERY OFFICER AND EXECUTIVE VICE
PRESIDENT

MICHAEL W. RAKES
VICE PRESIDENT, RETAIL AND DELIVERY OPERATIONS, CENTRAL AREA

WEspinoza

FROM: Wilvia Espinoza
Deputy Assistant Inspector General
for Inspection Service, Technology, and Services

SUBJECT: Audit Report – Mail Theft Mitigation and Response – Chicago, IL (Report
Number 24-100-R24)

This report presents the results of our audit of the Mail Theft Mitigation and Response – Chicago, IL.

All recommendations require U.S. Postal Service Office of Inspector General (OIG) concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. Recommendations 1-5 should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed.

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

Attachment

cc: Postmaster General
Corporate Audit Response Management

Results

Background

This report presents the results of our audit of Mail Theft Mitigation and Response at the Mount Greenwood, Stockyard, and Twenty Second Street Stations in Chicago, IL (Project Number 24-100). The stations are in the Illinois 1 District of the Retail and Delivery Operations, Central Area. Our objective was to assess the U.S. Postal Service's actions taken to mitigate and respond to mail theft in Chicago, IL. See [Appendix A](#) for additional information about this audit.

The Postal Service's mission is to provide the nation with trusted, safe, and secure mail services, including for the more than 3.7 billion pieces of mail volume collected and delivered in Chicago, IL, in fiscal year (FY) 2023. Unfortunately, mail theft occurs in various ways. Individuals use stolen universal keys — called arrow keys¹— to access collection boxes, outdoor parcel lockers, cluster box units, and apartment panels. Mail theft can also occur by individuals fishing² or breaking into collection boxes with force, residential mailbox break-ins, package theft, and carrier robberies. It is imperative for the Postal Service to address mail theft issues to protect the Postal Service and its employees and earn the public's trust.

Concerns about how the Postal Service prevents and responds to mail theft frequently appear in the media and have been a topic of congressional hearings³ and inquiries received by the U.S. Postal Service Office of Inspector General (OIG). News articles⁴ have highlighted theft from blue collection boxes in the Chicago area, which included customers' personal and business checks, financial documents, and confidential information.

Mail Theft Prevention Efforts

In a news release on May 12, 2023, the Postal Service and U.S. Postal Inspection Service announced a joint initiative called Project Safe Delivery to combat the rise in mail theft and carrier robberies. Prevention efforts in this initiative include the rollout of high security collection boxes (HSCB), electronic arrow locks (eLock), and modified arrow lock (MAL)⁵ keys in areas with high incidents of mail theft. As of May 2024, the Postal Service installed 21,191 HSCBs and 34,143 eLocks in select cities, including Chicago, IL, across the country.

High Security Collection Boxes

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

Electronic Arrow Locks

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

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

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

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

⁴ Chicago Gazette - [Thefts from USPS mailboxes and check washing on the rise, creating anxiety and financial hardship for area residents](#), December 2022. CBS News - [Blue mailboxes cut open, vandalized near post offices in suburbs](#) - CBS Chicago (cbsnews.com), July 31, 2023. Elgin Courier-News - [Mailboxes removed after break-ins outside Carpentersville post office](#) (www.chicagotribune.com), January 13, 2022.

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

[REDACTED]. The eLocks also provide added transparency by providing the Postal Service a report that details the employee identification, date, and time when a collection box was accessed.

High Security Electronic Locks

In January 2024, the Postal Service [REDACTED]

[REDACTED]

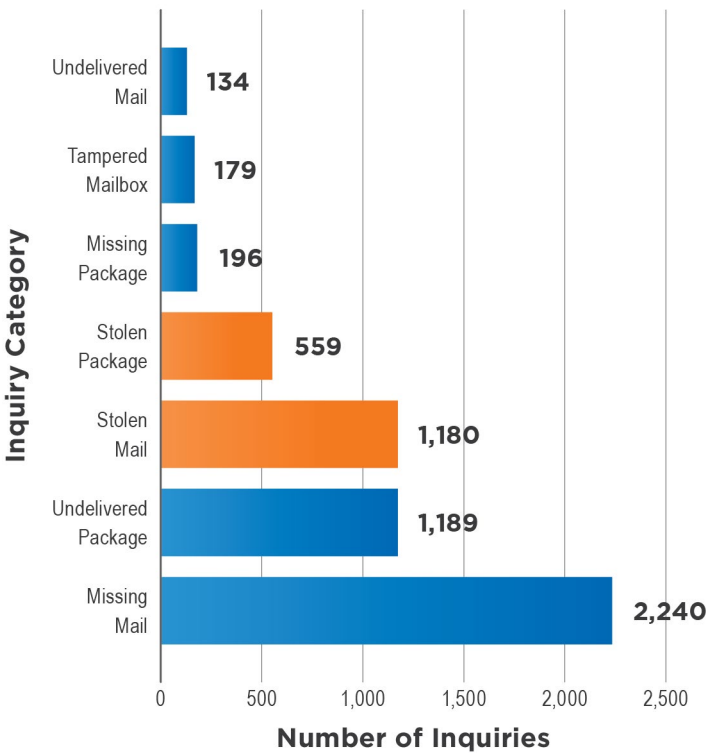
The HSEL is also suitable for all types of mailboxes. Postal facilities store the HSEL keys in a secured cabinet and must validate the keys daily. The keys contain technology allowing them to be deactivated and rendered useless if lost or stolen. The Postal Service planned to prioritize the deployment of new HSELs while completing the installation of remaining eLocks purchased in select cities.

Mail Theft Inquiries and Case Data Chicago, IL

The Postal Service and the Postal Inspection Service share responsibility for the deployment of the mail theft initiatives. The Postal Service receives customer inquiries related to delivery and other mail service issues using Customer 360 (C360).⁷ For all mail theft initiatives, the Postal Inspection Service reviews C360 data, along with inquiries from other sources,⁸ and compiles postal-related complaints alleging criminal conduct and lost/stolen arrow key data to identify target areas at risk for mail theft. The Postal Inspection Service then communicates high mail theft target areas to the Postal Service’s Innovative Business Technology and Delivery Operations groups to determine deployment locations for certain initiatives.

From October 1, 2023, to March 31, 2024, customers submitted 5,677 inquiries to the Postal Service related to missing mail or potential mail theft in Chicago, IL. We identified 1,739 of 5,677 (31 percent) inquiries for Chicago, IL, were directly related to stolen mail and packages (see Figure 1).

Figure 1. Customer Inquiries From October 1, 2023, Through March 31, 2024



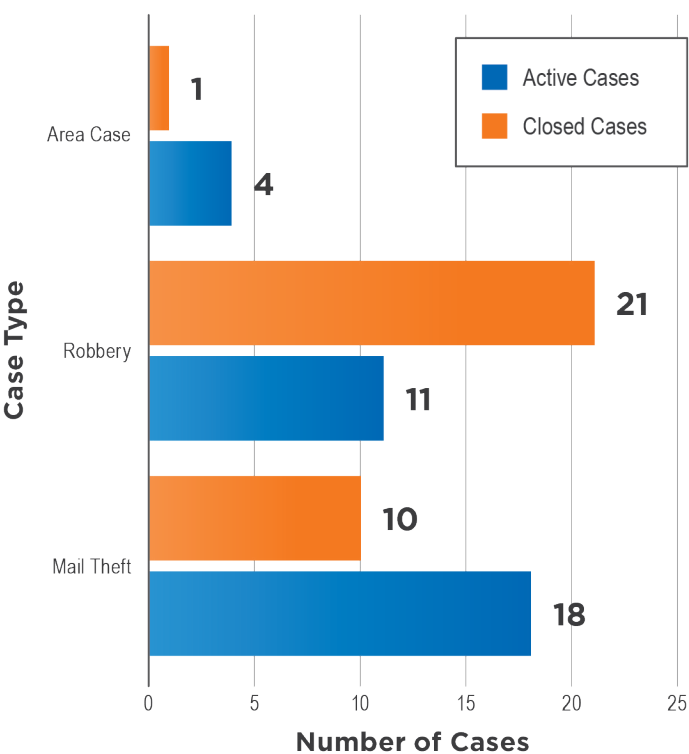
Source: OIG analysis based on C360 data.

The Postal Inspection Service’s efforts to prioritize mail theft investigations and customer complaints are key to addressing mail theft. Postal inspectors⁹ accept and review customer complaints about alleged mail theft, conduct investigations, and submit cases for prosecution. Postal police officers are responsible for Postal Service facility and perimeter security, where assigned; not all Postal Service facilities have postal police officers assigned to secure them.¹⁰

6 This new lock will be deployed into all types of mail theft receptacles, collection boxes, apartment panels, and green relay boxes.
7 Customer 360 is an integrated platform that Postal Service personnel and postal inspectors use to create, handle, and resolve customer issues and inquiries.
8 Other sources include public complaints submitted to the Postal Inspection Service directly through phone calls, letter correspondence, the Postal Service’s website, and referrals from federal, state, and local law enforcement agencies.
9 As of May 2024, there were 104 postal inspectors in Chicago, IL.
10 As of May 2024, there were 29 postal police officers who supported 48 postal facilities in Chicago, IL.

When certain complaints made through the Postal Service’s website appear to fall within the Postal Inspection Service’s jurisdiction, they are sent from the Postal Service’s C360 platform to the Postal Inspection Service’s Financial Crimes Database (FCD). Complaints that come in through other means are manually entered into the FCD. Postal inspectors use the FCD to retain and review complaints related to mail theft, financial crimes, and other issues. Between October 1, 2023, and March 31, 2024, the Postal Inspection Service received 2,101 FCD mail theft complaints,¹¹ from all sources, for Chicago, IL.¹² During the same timeframe, the Postal Inspection Service had four active area cases,¹³ 11 active carrier robbery cases, and 18 active mail theft cases in Chicago, IL. Once an inspector determines they have enough information to conduct a full investigation during an area case, they jacket a case.¹⁴ In that same time period, the Postal Inspection Service closed one area case, 21 robbery cases, and 10 mail theft cases in Chicago, IL (see Figure 2).

Figure 2. Postal Inspection Service Active and Closed Cases – Chicago, IL



Source: Postal Inspection Service analysis of Case Management data for the period of October 2023 through March 2024.

Findings Summary

The Postal Service properly managed the installation of HSCBs; however, there are opportunities to improve the management of eLock installations in our three selected stations in Chicago, IL. Management at the three stations we visited did not properly track their arrow and MAL key inventories. Lastly, Illinois 1 District management did not maintain or record the physical condition of blue collection boxes.

¹¹ We used the complainant’s ZIP Code to identify mail theft complaints within Chicago, IL.
¹² The Postal Inspection Service uses the FCD to retain and review complaints related to mail theft, financial crimes, and other issues to include C360 inquiries.
¹³ Area cases are used for preliminary investigations in a particular program area.
¹⁴ A jacketed case is used to document investigative tasks.

Finding #1: Management of Mail Theft Initiatives

What We Found

Generally, Postal Service Headquarters management properly managed the installation of HSCBs in Chicago, IL. However, district management did not have the ability to track which collection boxes were HSCBs. Additionally, they did not timely install eLocks in Chicago, IL.

Regarding the HSCBs, while Postal Service Headquarters management successfully installed the 35 HSCBs deployed to the three stations in Chicago, IL, the HSCBs were not identifiable in the Collection Point Management System (CPMS).¹⁵ By not properly identifying HSCBs in CPMS, Postal Service

management is unable to determine which postal facilities need HSCBs. This may further delay the deployment of their mail theft initiatives.

Regarding the eLocks, as of May 2024, 12 of 22 (55 percent) eLocks (received by the three sites in Chicago, IL, between September and October 2023) had been installed. Specifically, during our site visits in June 2024, there were eight eLocks at the Mount Greenwood Station, one eLock at the Stockyard Station, and one eLock at the Twenty Second Street Station pending installation. See Table 1 for a breakdown of eLock deployment for the three sites.

Table 1. eLock Status for Selected Sites in Chicago, IL

Station	Shipped	Installed	Pending Installation	
			Count	Percentage
Mount Greenwood	20	12	8	40%
Stockyard	1	0	1	100%
Twenty Second Street	1	0	1	100%
Total	22	12	10	45%

Source: OIG analysis of the Postal Service FMO Deployment Dashboard as of May 28, 2024.

When eLocks are received, facility personnel perform a delivery receipt scan,¹⁶ which automatically creates a Field Maintenance Operations (FMO) installation request ticket. Postal Service management stated they closed the FMO tickets for the 10 eLocks pending installation because 1) they were seeking a contractor to complete the installation, or 2) the collection box intended for installation was reassigned to the new HSEL program, and therefore, the eLock would no longer be needed. The 10 eLocks pending installation at the three Chicago sites were received between September and October 2023; these installations were still on hold as of August 2024.

According to FMO management, an eLock takes approximately 20 to 30 minutes to install. Based on this, the installations should have been completed within two weeks after they were received at the stations. Every delayed installation of these eLocks leaves carriers and older collection boxes vulnerable to theft.

¹⁵ The Collection Point Management System (CPMS) is a management tool to identify the placement and status of blue collection boxes and manage collection schedules.
¹⁶ Postal facilities must perform an “acceptable delivery event” scan to initiate installation request ticketing.

During our observations at the Mount Greenwood Station and Twenty Second Street Station, the audit team found seven boxes of eLocks stored in unlocked locations throughout the facility awaiting installation, as shown in Figure 3. These eLocks were sent as registered mail; therefore, per postal policy, they should have been kept in a secure place with limited access.¹⁷ The team observed one box containing one eLock and six other boxes but did not open each of them to review the contents (the labels on the six boxes indicated each box contained two eLocks) for a total of 13 eLocks. We could not confirm these 13 eLocks were assigned for installation at the two stations because the shipment tracking number is not directly associated with a specific collection box. For example, we observed one eLock at the Twenty Second Street Station with a tracking number and label assigned to another Chicago station.

Figure 3. eLocks Awaiting Installation at the Mount Greenwood Station



Source: OIG photograph taken June 4, 2024.

Why Did It Occur

HSCBs were not properly tracked because CPMS does not have the functionality to specify whether the blue collection boxes are HSCBs. Furthermore, the eLocks were not timely installed because Postal Service management did not have a comprehensive plan — including a communication strategy, deployment schedule, defined locations, timeframes, and processes — for the installations.

Additionally, Postal Service Headquarters FMO management closed all 10 eLock tickets because they are seeking a contractor to complete the installations due to limited staffing. Lastly, the FMO installation tickets indicated two of 10 (20 percent) eLocks were not installed to collection boxes because the boxes were reassigned to the new HSEL program. According to the Postal Service's [REDACTED] dated January 2024, remaining eLocks that have not been installed would be re-directed to other high collection box crime locations. Postal Service Headquarters management stated that the HSELs will be [REDACTED]

What Should Have Happened

Postal Service policy¹⁸ states district managers are required to enter all collection points in CPMS accurately and completely. District managers are required to review the information annually.

Additionally, according to the decision analysis reports,¹⁹ Postal Service Headquarters management planned to deploy a total of 99,809 eLocks nationwide as part of Project Safe Delivery by August 2024. The Postal Service's [REDACTED] dated January 2024, outlines its transition from eLocks to HSELs for FY 2024. However, as of July 2024, Postal Service management stated that they were [REDACTED] for the HSEL initiative and [REDACTED]

Effect on the Postal Service and Its Customers

Without a comprehensive plan and communication strategy to timely implement mail theft initiatives, or the tools and resources to effectively track and

¹⁷ Handbook DM-901, *Registered Mail*, Section 3-3.3. Safeguarding Registered Mail, dated January 2016.

¹⁸ *Postal Operations Manual* Issue 9, Section 314 Collection Point Management System, Collection Tests, and Density Tests (Volume Reviews), May 31, 2024.

¹⁹ Decision Analysis Report: Electronic Arrow (eArrow) Lock Program dated November 3, 2022; and Decision Analysis Report: Electronic Lock (eLock) Phase 2 Program, dated August 28, 2023.

manage the deployment and installation of the initiatives, the Postal Service and its customers will continue to be at risk of known mail theft issues in Chicago, IL. These thefts damage the Postal Service's reputation and diminish public trust in the nation's mail system.

In our previous report, *Mail Theft Mitigation and Response – Queens, NY*,²⁰ we recommended the functionality be added to CPMS to differentiate between blue collection and high security collection boxes. The Postal Service agreed with this recommendation, targeting October 31, 2024, for implementation. We also recommended in that report the implementation of a plan for the timely deployment and installation of mail theft initiatives nationwide. The Postal Service also agreed with this recommendation, targeting April 30, 2025, for implementation. Therefore, we will not be making

recommendations concerning the changes to CPMS functionality or a nationwide implementation plan in this report.

Further, in our previous report, *Mail Theft Mitigation and Response – San Francisco, CA*,²¹ we recommended the Postal Service to update CPMS to accurately reflect inventories for all stations nationwide once the functionality is available. Therefore, we will not be making a recommendation in this report.

Postal Service Response

The Postal Service generally agreed with this finding. See [Appendix B](#) for management's comments in their entirety.

OIG Evaluation

The OIG considers management's comments responsive to the finding.

²⁰ *Mail Theft Mitigation and Response – Queens, NY* (Report Number [24-037-R24](#), dated May 21, 2024).

²¹ *Mail Theft Mitigation and Response – San Francisco, CA* (Report Number [24-099-24](#), dated August 30, 2024).

Finding #2: Arrow Keys Not Properly Accounted For

What We Found

The three stations we reviewed did not properly manage their arrow key inventories. In addition, the Mount Greenwood Station and Twenty Second Street Station did not safeguard their arrow keys in accordance with postal policy.

On June 4, 2024, we performed a physical inventory of the arrow keys at all three stations and compared the results to the required Retail and Delivery Analytics and Reports (RADAR) ²² arrow key certification report from May 2024. We found deficiencies at all three stations, as shown in Table 2. Specifically:

- Of the 20 arrow keys recorded in RADAR for Mount Greenwood Station, 16 (80 percent) were missing

or could not be verified. Additionally, we observed 32 arrow keys that were not recorded in RADAR.

- Of the 68 arrow keys recorded in RADAR for Stockyard Station,²³ 25 (37 percent) were missing or could not be verified. Additionally, we observed one arrow key that was not recorded in RADAR.
- Of the 38 arrow keys recorded in RADAR for Twenty Second Street Station, three (8 percent) were missing or could not be verified. Additionally, we observed five arrow keys that were not recorded in RADAR. Further, of the 35 arrow keys we verified from RADAR, we found one damaged arrow key incorrectly marked as “in-use” and another key incorrectly marked as “lost.”

Table 2. Arrow Key Inventory

Station	Listed in RADAR	Verified Keys	Missing/ Not Verified Keys	Additional Keys Verified But Not Recorded in RADAR
Mount Greenwood	20	4	16	32
Stockyard	68	43	25	1
Twenty Second Street	38	35	3	5
Total	126	82	44	38

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

The audit team also found registry cages²⁴ unlocked and unsecured at both the Mount Greenwood Station, as shown in Figure 4, and Twenty Second Street Station, which were used to store arrow keys. Specifically, at both stations, the registry cages remained unlocked before and during business hours.

Furthermore, at the Twenty Second Street Station, the maintenance tickets to address the As of June 20, 2024, there were no FMO

²² RADAR is used for Retail and Delivery Operations reporting and visibility.
²³ The audit team reviewed the Stockyard Station arrow keys that were temporarily located at the Englewood Station due to an emergency closure of Stockyard Station when the audit team was on site.
²⁴ The registry cage is used to secure Registered Mail as well as other accountable items, such as arrow keys.

Figure 4. Unsecured Registry Cage



Source: OIG photograph taken in the Mount Greenwood Station on June 4, 2024.

Why Did It Occur

Management did not provide sufficient oversight to properly safeguard and manage arrow keys per Postal Service policy. Specifically, managers and supervisors at the three stations we visited were unaware of the requirement to maintain RADAR to accurately reflect arrow key inventories. Additionally, management could not provide documentation showing these keys were reported to the Postal Inspection Service, and/or the Postal Service's National Material Customer Service help desk.²⁵ For example, the Mount Greenwood Station manager believed the Postal Inspection Service was responsible for maintaining the arrow key inventory in RADAR. Additionally, two supervisors at the Twenty Second Street Station stated they were assigned to the station in June 2023 and May 2024, respectively,

²⁵ The National Material Customer Service is responsible for receiving and returning damaged arrow keys to the vendor.

²⁶ USPS Arrow Key Standard Work Instructions, updated August 2023.

²⁷ A secure location is a designated storage box, which is a safe or registry cage.

²⁸ USPS Arrow Key Standard Work Instructions, updated August 2023.

and could not provide an explanation as to why the arrow keys were not entered or updated in RADAR. Further, the acting manager for the Stockyard Station, who was temporarily located at the Englewood Station, was unaware of how to account for arrow keys that were still at the Stockyard Station in RADAR.

Regarding the unsecured registry cages, management did not take action to address security issues despite missing arrow keys for the unsecured registry cages at the Twenty Second Street and the Mount Greenwood Stations. Additionally, management did not remediate security concerns to properly safeguard and manage registry cages per Postal Service policy. Specifically, Mount Greenwood Station management was unaware of the registry cage procedures to secure it and Twenty Second Street Station management stated it was essential for employees to consistently access the registry cage to perform their job functions.

Management at the Twenty Second Street Station stated they submitted a ticket to repair the [REDACTED] in April 2024 but were unsure who it was submitted to. Management did not follow up on their request to have the [REDACTED] repaired.

What Should Have Happened

Postal Service policy²⁶ states that arrow keys must remain secured until they are individually assigned to personnel. Supervisors assign arrow keys, generally one per route, to carriers for use on delivery and collection routes each day. Carriers must keep arrow keys secured while on duty and return them at the end of each workday. Upon return, arrow keys should be deposited in a secure location,²⁷ and a supervisor or clerk must verify all keys have been returned and accounted for daily.

Postal Service policy²⁸ states that any lost or stolen arrow keys must be immediately reported to the Postal Inspection Service by phone and followed up with a written account within 24 hours of the incident.

When arrow keys are found or returned, the Postal Inspection Service must be notified immediately.

Postal Service policy²⁹ states that a strict key-access policy is mandated for all registry cages and that the cages must be maintained 24 hours a day, 365 days a year.

In June 2023, the Postal Service began requiring monthly and semi-annual arrow key certifications in RADAR, the authoritative source for the arrow key inventory.³⁰ Delivery management completes the semi-annual³¹ certification — which consists of comparing the physical inventory of keys to the RADAR system — a questionnaire related to arrow key standard operating procedures and required trainings. For the monthly certification, the station manager certifies the physical inventory of keys.

Effect on the Postal Service and Its Customers

When there is insufficient oversight and supervision of accountable items, such as arrow keys and management does not secure registry cages, there is an increased risk of lost or stolen keys. Because arrow keys open mailboxes, lost or damaged keys can result in mail theft or the inability to collect or deliver mail. This may damage the Postal Service's reputation and diminish public trust in the nation's mail system.

Recommendation #1

We recommend the **Vice President, Area Retail and Delivery Operations, Central Area**, in coordination with the **Illinois 1 District Manager**, reiterate arrow key security policies and responsibilities to managers and supervisors in Chicago, IL.

Recommendation #2

We recommend the **Vice President, Area Retail and Delivery Operations, Central Area**, require the **Illinois 1 District Manager**, to confirm all arrow keys are accurately recorded in the Retail and Delivery Analytics and Reports system and, when necessary, reported to the Postal Inspection Service.

Recommendation #3

We recommend the **Vice President, Area Retail and Delivery Operations, Central Area**, require the **Illinois 1 District Manager**, to develop a plan with actionable milestones to remediate the security of the registry cage and the [REDACTED] at the Twenty Second Street Station, in accordance with policy.

Recommendation #4

We recommend the **Vice President, Area Retail and Delivery Operations, Central Area**, require the **Illinois 1 District Manager**, to reiterate registry cage security policies and responsibilities to managers and supervisors at the Mount Greenwood Station.

Postal Service Response

The Postal Service generally agreed with this finding, along with recommendations 1–4. Regarding recommendation 1, management will conduct a standup talk with all managers and supervisors to reiterate requirements for the proper security of arrow keys. Regarding recommendation 2, management will establish a monthly process to review RADAR entries for missing or lost arrow keys and ensure the Postal Inspection Service is notified accordingly. Regarding recommendation 3, management will require the use of arrow key accountability logs and registry cage entry logs, and the District Office will monitor for compliance. Regarding recommendation 4, management will conduct a standup talk, with the appropriate personnel at the Mount Greenwood Station, regarding proper procedures and responsibilities for securing the registry cage. Management provided a target implementation date of November 30, 2024, for recommendations 1, 3, and 4. For recommendation 2, management provided a target implementation date of January 31, 2025.

²⁹ Handbook DM-901: 7-1.2: Key, Round Date, and Valuable Unit Control, January 2016.

³⁰ USPS Arrow Key Standard Work Instructions, updated August 2023.

³¹ The semi-annual certification is done in April and October.

OIG Evaluation

The OIG considers management's comments responsive to recommendations 1 and 4, and corrective actions should resolve the issues identified in the report. For recommendation 2, the OIG considers management's comments partially responsive. In addition to establishing a process to ensure missing and lost arrow key records are updated in RADAR, management should ensure all arrow keys are recorded in RADAR. For recommendation 3, the OIG considers management's comments partially responsive. In addition to requiring accountability and entry logs, management should ensure [REDACTED] [REDACTED] We will work with management on recommendations 2 and 3 during the recommendation closure process.

Finding #3: No Oversight of Boxes

What We Found

District management did not maintain or record the physical condition of blue collection boxes for the stations we visited in accordance with Postal Service policy.

Blue Collection Boxes

We sampled 45 of 105 (43 percent) of the blue collection boxes assigned to the Mount Greenwood Station, Stockyard Station, and Twenty Second Street Station. Of those, we observed 35 (78 percent) blue collection boxes that had at least one of the following conditions: corrosion, door gaps, or missing leg bolts, as shown in Table 3 and Figure 5.

Table 3. Blue Collection Box Observations

Deficiency	Total Boxes Observed	Number of Boxes with Observed Deficiency	Percentage
Corrosion	45	4	9%
Cracks		0	0%
Door Gap		1	2%
Missing Leg Bolts		35	78%

Source: OIG observations from June 4-5, 2024. Note: Some boxes had more than one deficiency.

Figure 5. Chicago, IL, Blue Collection Boxes With Missing Bolts, Cracks, and Corrosion



Source: Left photo: OIG photograph taken at the Twenty Second Street Station area June 5, 2024. Middle photo: OIG photograph taken at the Twenty Second Street Station area June 5, 2024. Right photo: OIG photograph taken at Stockyard Station area June 5, 2024.

What Should Have Happened

Postal Service policy states blue collection boxes must have a uniform appearance and be maintained in good condition.³² Specifically, boxes identified with rusted-through holes are unrepairable, and should be replaced.³³ Additionally, each collection box leg must be secured with security nut/bolt.³⁴ Lastly, Postal Service policy states supervisors must conduct annual safety inspections on all collection boxes and remove any defective box from service for immediate repair, and maintain a log detailing the dates and results of the inspections.³⁵

Why Did It Occur

These mailboxes fell into disrepair because supervisors at all three stations were unaware of the requirement to perform annual inspections of the blue collection boxes.

Effect on the Postal Service and Its Customers

Without performing annual inspections and routine maintenance of blue collection boxes, the Postal Service is at increased risk of mail theft due to damaged boxes. Additionally, these boxes represent the Postal Service's image and directly impact the public's perception of the Postal Service's reputation and brand.

Recommendation #5

We recommend that the **Chief Retail and Delivery Officer and Executive Vice President** require the **Illinois 1 District Manager** to establish procedures to complete annual safety inspections, remediate deficiencies, and document the results for the blue collection boxes.

Postal Service Response

The Postal Service generally agreed with this finding along with recommendation 5. Regarding recommendation 5, management stated procedures to complete safety inspections and remediate deficiencies are established and in place for blue collection boxes, and deficiencies will be tracked in RADAR. Management provided an interim milestone date of September 30, 2025. The target implementation date is November 30, 2025.

OIG Evaluation

The OIG considers management's comments responsive to recommendation 5. Procedures should include, at a minimum: who performs the review, how often the review will be performed, and what constitutes evidence of completion.

Looking Forward

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

³² Postal Operation Manual Issue 9, Section 315.1: Appearance, May 31, 2024.

³³ Maintenance Management Order (MMO-039-23), *Refurbishment and Disposal Procedures for Collection Boxes*, May 5, 2023.

³⁴ Maintenance Management Order (MMO-042-23), *McGard Security Hardware for Collection Boxes*, May 8, 2023.

³⁵ Handbook EL-801, *Supervisor's Safety Handbook*, section 3-3.6, Street Delivery and Collection Boxes, July 2020.

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Appendix A: Additional Information

Scope and Methodology

The scope of our audit included a review of the Postal Service's processes and procedures for reporting and responding to mail theft, carrier robberies, arrow and MAL key accountability, the physical condition of blue collection boxes, deployment of mail theft initiatives, and mail theft complaints received from October 1, 2023, through March 31, 2024. Using factors that included the number of mail theft complaints, HSCBs and eLocks installed, open FMO tickets for HSCBs, and eLocks pending installation for Chicago, IL, we selected the Mount Greenwood Station, Stockyard Station, and Twenty Second Street Station for our review.

To accomplish our objective, we:

- Reviewed policies and procedures related to reporting and responding to mail theft, carrier robberies, arrow key and scanner accountability, and box condition and accountability.
- Assessed the deployment and installation of mail theft initiatives to include HSCBs and eLocks in Chicago, IL.
- Performed arrow key and MAL key accountability reviews at the three stations in Chicago, IL.
- Performed physical condition reviews for blue collection boxes in the surrounding areas of the three stations in Chicago, IL.
- Interviewed station management to understand arrow key accountability and management processes.
- Interviewed Postal Service Headquarters management to understand deployment of current and future mail theft initiatives.
- Interviewed Postal Inspection Service Headquarters and Chicago division management to understand roles and responsibilities for reporting, responding to, and tracking mail theft, carrier robberies, and missing, lost, or stolen arrow keys.

We conducted this performance audit from April 2024 through September 2024 in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on August 9, 2024, and included their comments where appropriate.

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

We developed audit work to ensure that we assessed these controls. Based on the work performed, we identified internal control deficiencies related to control environment, risk assessment, control activities, information and communication, and monitoring that were significant within the context of our objectives. Our recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of RADAR, FMO deployment dashboard, and CPMS data by performing tests for data completeness, reasonableness, accuracy, and validity. We determined that the data were sufficiently reliable for the purposes of this report.

Prior Audit Coverage

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

Appendix B: Management's Comments



September 9, 2024

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Mail Theft Mitigation and Response-Chicago, IL (Report Number 24-100-DRAFT)

Thank you for providing the Postal Service with an opportunity to review and comment on the findings and recommendations contained in the draft audit report, *DR 24-100 – Mail Theft Mitigation and Response-Chicago, IL*.

Management generally agrees with the findings.

Following are our comments on each of the four recommendations.

Recommendation [1]:

We recommend the Vice President, Area Retail and Delivery Operations, Central Area, in coordination with the Illinois 1 District Manager, reiterate arrow key security policies and responsibilities to managers and supervisors in Chicago, IL.

Management Response/Action Plan:

Management agrees with this recommendation. Management will conduct a standup talk with all managers and supervisors in Chicago reiterating the requirements for proper security of all arrow keys.

Target Implementation Date: 11/30/2024

Responsible Official:

Illinois 1 District Manager

Recommendation [2]:

We recommend the Vice President, Area Retail and Delivery Operations, Central Area, require the Illinois 1 District Manager, to confirm all arrow keys are accurately recorded in the Retail and Delivery Analytics and Reports system and, when necessary, reported to the Postal Inspection Service.

Management Response/Action Plan:

Management agrees with this recommendation. Management will establish a monthly process to review RADAR entries made in the city of Chicago for missing or lost arrow keys and to ensure the Inspection Service was notified accordingly.

Target Implementation Date: 1/31/2025

Responsible Official:

Illinois 1 District Manager

Recommendation [3]:

We recommend the Vice President, Area Retail and Delivery Operations, Central Area, require the Illinois 1 District Manager, to develop a plan with actionable milestones to remediate the security of the registry cage and the [REDACTED] at the Twenty Second Street Station, in accordance with policy.

Management Response/Action Plan:

Management agrees with this recommendation. Management will require use of PS Form 1106 (Arrow Key Accountable Log) and the PS Form 1625 (Registry Section Log) at the Twenty-Second Station. The District Office will conduct spot checks to monitor for compliance.

Target Implementation Date: 11/30/2024

Responsible Official:

Illinois 1 District Manager

Recommendation [4]:

We recommend the Vice President, Area Retail and Delivery Operations, Central Area, require the Illinois 1 District Manager, to reiterate registry cage security policies and responsibilities to managers and supervisors at the Mount Greenwood Station.

Management Response/Action Plan:

Management agrees with this recommendation. Management will conduct a standup talk with responsible EAS at the Mount Greenwood Station on proper procedures and responsibilities for securing the registry cage.

Target Implementation Date: 11/30/2024

Responsible Official:

Illinois 1 District Manager

Recommendation [5]:

We recommend that the Chief Retail and Delivery Officer and Executive Vice President require the Illinois 1 District Manager to establish procedures to complete annual safety inspections, remediate deficiencies, and document the results for the blue collection boxes.

Management Response/Action Plan:

Management agrees with this recommendation. Procedures to complete safety inspections and remediate deficiencies are established and in place for blue collections box. Deficiencies will be reported and tracked in radar.

Target Implementation Date: 11/30/2025

Responsible Official:

Chief Retail and Delivery Vice President of Delivery Operations

E-SIGNED by JOSHUA.D COLIN

on 2024-09-10 16:05:59 EDT

Dr. Joshua Colin

Chief Retail and Delivery Officer

E-SIGNED by MICHAEL.W RAKES

on 2024-09-10 15:10:36 EDT

Michael Rakes

A/AVP, Retail and Delivery, Central

cc: Corporate Audit & Response Management

OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE



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