



OFFICE OF  
**INSPECTOR  
GENERAL**  
UNITED STATES POSTAL SERVICE

## **HIGHLIGHTS**

February 2, 2012

### **Domestic Mail Manual Preparation and Acceptance Mail Instructions**

Report Number CI-AR-12-004

#### **IMPACT ON:**

Mail Entry, Payment Technology management, pricing management, existing and new customers, and employees.

#### **WHY THE OIG DID THE AUDIT:**

Our objective was to determine whether there are opportunities to simplify the mail preparation/acceptance procedures in the *Domestic Mail Manual*.

#### **WHAT THE OIG FOUND:**

In this time of decreasing mail volume, the U.S. Postal Service should make every effort, given digital age alternatives, to simplify mail preparation/acceptance and remove any unnecessary barriers to entry. Currently, existing customers, new customers, and employees must navigate over 2,300 pages of mail preparation/acceptance instructions and mailers must complete postage statements ranging from five to 25 pages, depending on the class of mail.

In addition, there are approximately 800,000 mailing permits in *PostalOne!*<sup>®</sup> and approximately 61 percent are inactive, denied, canceled, or deleted. The remaining 39 percent are active. Our analysis shows that each mailer has, on average, 66 mailing permits and the Postal Service has an opportunity to reduce the number of active permits

from 300,000 to a range of 4,600 to 10,000 by eliminating multiple permits

#### **WHAT THE OIG RECOMMENDED:**

We recommended the vice president, Mail Entry and Payment Technology, and the vice president, Pricing, combine all current mail preparation/acceptance policies and remove all duplications. We also recommended the vice president, Mail Entry and Payment Technology, migrate to a one permit per customer requirement and archive all denied, canceled, or deleted permits

#### **WHAT MANAGEMENT SAID:**

Management agreed that preparation and acceptance guidance should be clearly defined, but not combined as they perform separate and distinct functions and acceptance guidance is proprietary. The Enterprise Payment (EP) will allow the option to pay postage through a single account at the option of the mailer. Finally, the *PostalOne!* system is operating as expected but deployment of the EP will allow for archiving permits.

#### **AUDITORS' COMMENTS:**

Management's comments are responsive to the recommendations and the stated corrective actions should resolve the majority of the issues identified in the report.