



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

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# HIGHLIGHTS

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January 3, 2013

## Caller and Reserve Service Operations

Report Number DP-AR-13-001

### **BACKGROUND:**

Caller service is a premium service, available for a fee, to customers who want to pick up their mail at a designated U.S. Postal Service unit. Customers obtain this service when they routinely receive more mail than can be delivered to the largest installed Post Office Box or need to collect mail periodically during the day. Caller service mail is separated for each caller service address paid by the customer. Reserve service allows customers to reserve preferred caller addresses for a minimal fee.

As of August 2012, the Postal Service collected \$86.4 million in revenue from 79,786 caller and 106,110 reserve service addresses issued to 55,957 customers. Caller and reserve service allows large-volume customers the flexibility to manage their mail to best suit their needs.

Our objective was to determine whether the Postal Service is managing the caller and reserve service operations to collect all revenue due the Postal Service.

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

The Postal Service did not effectively manage caller and reserve service operations to collect all revenue due the Postal Service. Specifically, Postal Service employees did not

enforce applicable caller and reserve service policies or procedures and did not always charge customers for caller and reserve services provided. For example, employees did not always review accounts to determine whether customers had paid all required fees.

Further, they did not establish a system to measure program effectiveness, such as monitoring results of annual caller service reviews. As a result, we identified \$3.8 million in annual revenue the Postal Service is at risk of losing. Additionally, we identified \$415,000 of annual revenue loss attributed to unpaid caller and reserve fees.

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

We recommended the Postal Service evaluate the feasibility of implementing an automated process to identify unassigned or inactive caller and reserve addresses, update criteria, and provide adequate training for necessary employees for caller and reserve service. We also recommended the Postal Service ensure that districts collect all delinquent fees identified in the annual reviews and our audit, require districts to review all caller service accounts, update annual caller and reserve instructions, and provide system access to coordinators.