

January 4, 2013



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

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# HIGHLIGHTS

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## Postal Service Board of Governors' Travel and Miscellaneous Expenses for Fiscal Year 2012

Report Number FT-AR-13-008

### **BACKGROUND:**

The Postal Reorganization Act of 1970, as amended, established the Board of Governors, which is comprised of the postmaster general, deputy postmaster general, and nine governors appointed by the president of the U.S. As of September 30, 2012, the Board of Governors consisted of the postmaster general, the deputy postmaster general, and six governors.

The Board of Governors directs and controls the expenditures of the U.S. Postal Service, reviews its practices and policies, and establishes objectives and goals in accordance with Title 39 of the U.S. Code. On July 8, 1986, the Board of Governors passed Resolution Number 86-12, which requires an annual audit of the Board of Governors' expenses.

Our objective was to determine whether the Board of Governors' travel and miscellaneous expenses, including external professional fees, were properly supported, reasonable, and in compliance with Postal Service and Board of Governor policies.

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

Travel and miscellaneous expenses totaling about \$216,000 and external professional fees totaling about \$492,000 were generally properly supported, reasonable, and in compliance with Postal Service policies

and procedures and Board of Governors policies. However, the Board of Governors' general policy does not contain guidelines for purchase and payment of official business-related meals or expenses with customers and other external stakeholders.

Establishing such guidelines should give consideration to the nature of the Postal Service's business and the importance of building and maintaining customer relationships. When guidelines are not in place for dinners/meals or expenses related to external representation events, the risk of incurring questionable costs increases.

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

We recommended the secretary of the Board of Governors develop policies and procedures for business representation dinners.