



Spring 2018 Fact Sheet

Semiannual Report to Congress

For the Period October 1, 2017 – March 31, 2018

The Office of Inspector General plays a key role in maintaining the integrity and accountability of the nation's Postal Service, its revenue and assets, and its employees through our audit and investigative work.



➔ To view our entire Semiannual Report to Congress go to www.uspsoig.gov.

A Word from the Acting Inspector General

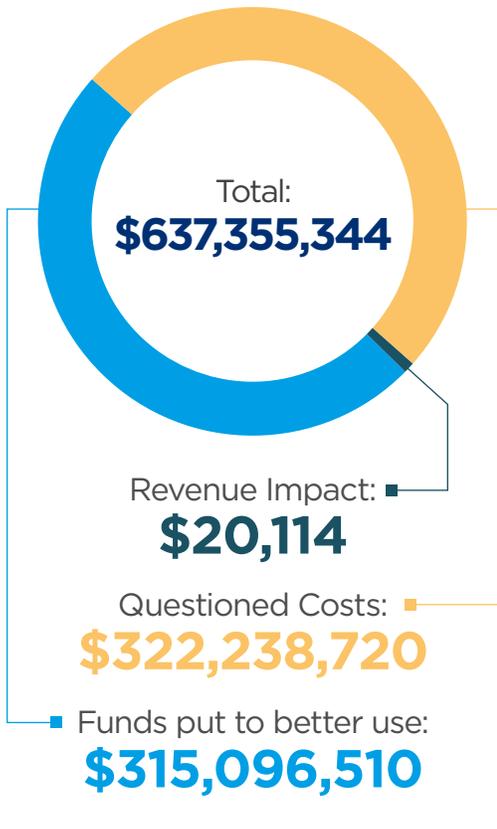
For over 200 years, the U.S. Postal Service has been delivering mail for American consumers and businesses. But as the worlds of commerce and communications keep changing, delivery is more than just getting mail or packages from point A to point B. Customers demand a positive overall experience. Our audits and white papers featured in this Semiannual Report to Congress concentrate on issues related to that experience. Our investigations can be grouped around health care fraud, mail theft, and contract fraud. However, narcotics in the mail is rapidly becoming a key focus. I look forward to working with stakeholders as we address the challenges ahead in maintaining the integrity and accountability of America's Postal Service, its revenue and assets, and its employees.

- **61** Reports Issued
- **1,141** Investigations Completed
- **329** Arrests
- **\$637 Million** Total Monetary Impact



OFFICE OF AUDIT

The Office of Audit's mission is to protect assets and revenue, ensure efficient and economical mail delivery and operations, and safeguard the integrity of the postal system. Postal Service executives often work closely with their OIG counterparts to identify problems and collaborate on solutions. These efforts have resulted in significant savings opportunities.



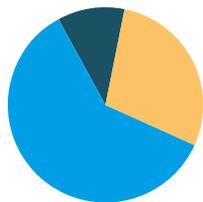
Package Delivery Scanning Nationwide - DR-AR-18-001

As part of its commitment to providing customers with real-time visibility of their mail and package delivery services, the Postal Service has a goal of scanning all barcoded mailpieces (flats, letters, and packages) and tracking them to the point of delivery.

From July 1 through December 31, 2016, the Postal Service scanned over two billion packages sent to more than 136 million delivery locations on more than 227,000 routes. Of these, we identified 25.5 million that occurred between 7 p.m. and when the carrier clocked out for delivery the following morning. We found that 15.3 million of these (60 percent) were performed at a location outside of the delivery unit; however, about 1.9 million (7 percent) were improper stop-the-clock scans that occurred at delivery units, not delivery locations.

An additional 8.3 million delivery scans (33 percent) had no corresponding location data; therefore, there was no way to determine whether they were improper. Finally, we identified additional concerns with 105 million of the 2 billion scans. Management has taken or initiated corrective action to address these issues.

However, we recommended management 1) continue reinforcing the importance of adhering to package scanning guidelines and policies; 2) develop a process that allows carriers to scan multiple packages to a single delivery address to provide customers with accurate delivery information; 3) develop a Mobile Delivery Device warning message/alert to deter scans at delivery units; 4) create a reason code for manual entry of stop-the-clock scans to identify reasons for the manual scans, and 5) update the Scan Data Integrity report to track improper scans performed at delivery units.



Reports issued
61

Recommendations issued
128

Total reports with financial impact
23

OFFICE OF INVESTIGATIONS



The OIG Office of Investigations fulfills its traditional role of rooting out fraud, waste, and misconduct to protect the Postal Service's bottom line and maintain confidence in the mail. The OIG's dedication to integrity, accountability, and transparency means that no person in the organization is above the law or immune from the ethical standards set by the Postal Service.



Cost Avoidance:
\$102,879,250

Fines, Restitution, and Recovery:
\$52,907,213

Amount to the Postal Service:
\$23,163,640



Investigations Completed: **1,141**
Arrests: **329**
Indictments/Informations: **394**

Convictions/Pretrial Diversions: **80**
Administrative Actions: **1,305**



Narcotics

In March 2017, the OIG began a joint investigation with the Postal Inspection Service into missing Priority and Priority Express Mail parcels that were destined for Akron, OH, and suspected of containing illegal narcotics. The investigation revealed that an acting manager and an acting supervisor conspired with two non-employees to profile, steal, and sell the contents of approximately 20 parcels containing narcotics. Agents eventually uncovered two kilograms of methamphetamine and approximately six pounds of marijuana.

On November 7, 2017, the acting manager was sentenced to six months' incarceration, two years' supervised release, plus six months' home detention with location monitoring, in addition to being ordered to pay a \$2,000 fine. The acting supervisor was sentenced to 37 months' incarceration and ordered to surrender to the Bureau of Immigration and Customs Enforcement (ICE) for deportation proceedings following his incarceration. The two non-employees were each sentenced to two years' probation with six months' and eight months' home detention, respectively.





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Mission Statement

Ensuring efficiency, accountability, and integrity in the U.S. Postal Service.

Let Us Hear From You!

The OIG sponsors a blog and Audit Asks forum to collect feedback and ideas from our stakeholders and the general public. We encourage you to share your ideas, concerns, and comments at:

- Pushing the Envelope Blog: www.uspsoig.gov/blog
- Audit Asks: www.uspsoig.gov/audit-asks

To report fraud, waste, or misconduct involving postal employees or contractors contact us:

www.uspsoig.gov
888-877-7644

Delivering the Best Customer Experience

The Postal Service measures customer satisfaction with delivery through a national survey sent to residences and also small- and medium-businesses (SMBs). To understand how customers rate their delivery service, the OIG analyzed responses to a USPS Delivery Survey from FY 2016 and 2017, and found that roughly three in four customers were satisfied.

Our analysis highlighted three particular groups of customers who are less satisfied than their counterparts: SMBs, centralized delivery customers, and people aged 25 to 34. When prompted for ways USPS could improve delivery, customers most often wrote about misdelivery, inconsistent delivery times, delivery location, and damage to mail and packages.

Conversations with field managers revealed that the surveys often do not yield enough information to address customer frustrations, or that the potential remedies are out of their control. We suggested some enhancements to the survey design as well as sampling techniques that could help increase the accuracy of the survey so that it provides the most actionable feedback. We also suggested that a headquarters review of survey data, including detailed analysis of customers' narrative comments, could give valuable insight into macro changes to policies and procedures that would address customer concerns if the cost-benefit analyses determine they are feasible and affordable.

Our research confirmed that the Delivery Survey provides the Postal Service with valuable customer feedback. But adjustments to it and how it is used could help improve the delivery experience.

OIG Hotline Contact Overview

April 1 - September 30, 2017

Telephone Calls: **594**

Email: **7,163**

Webforms: **37,636**

Standard Mail: **745**

Voice Mail Messages: **3,616**

Facsimile: **108**

National Law Enforcement Communications Center: **152**



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