

May 20, 2021

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SUBJECT: Audit Resolution – Expedited Packaging Supplies Program Costs (Report 19-009-R21)  
#2, #4 and #5

Representatives of the Office of the Inspector General (OIG) and management held an audit resolution meeting on May 7, 2021, to discuss management's disagreement with Recommendations #2, #4 and #5 as stated in the October 14, 2020, management response in the subject final audit report.

**Recommendation #2: Evaluate and implement, as appropriate, available options to gather more complete expedited packaging usage data.**

The recommendation was discussed, and management explained that the Postal Service's has put the following items in place to ensure that more complete expedited packaging usage data is available: establishment of a required Hero Course – Expedited packaging Supplies application for all USPS Sales personnel that would like to order supplies for customer; review of the reports that are available through the Expedited Packaging Supplies application; overview of the implementation of the National Customer Management Systems Expedited Packaging supplies Application for Specialized Packaging; Letter and/or Email for Warning – Monitoring Revenue Performance for Expedited Packaging Supplies and Change in Eligibility for Expedited Packaging Supplies that are sent to the impacted USPS Account Primary Sales Representatives and Customers that are not meeting the thresholds for Expedited Packaging Supplies; Non-Compliance Expedited Packaging Customer Notification Process for Sales; Update Expedited Packaging Supplies Annual Renewal Agreements for Customized and Specialized Packaging Supplies; Business Replay Request Process – Previous and Current; Universal Product Code Reports (Retail Offices and Processing Facilities); Expedited Packaging Supplies Reports; Carrier Release Endorsement; Flag Customers that Fall into Undeliverable Categories Two or More Times; and Address manifest for Expedited Packaging Supplies with Correct 11-Digit ZIP Code in the Manifest. During the meeting on May 20, 2021, the OIG and management agreed on the documentation that was provided and agreed to close out this recommendation.

Target Implementation Date: May 21, 2021

Responsible Official(s): Director, Shipping Products and Services

**Recommendation #4: Enhance online expedited packaging supply (EPS) ordering controls to prevent customers from circumventing order thresholds and to further discourage waste.**

The recommendation was discussed, and management explained that the Postal Service's standard packaging supplier has controls in place to detect and prevent occurrences when the same customer attempts to make multiple orders of the maximum quantity of EPS on the same day. In addition, updates to Publication 22 – Expedited Packaging Supplies will include new packaging usage requirements for customers for specialized and customized packaging that they are required to meet in order for the customer to qualify to receive Expedited Packaging Supplies. The OIG agreed that documentation of the online ordering controls discussed on May 20, 2021, and the Publication 22 updates would suffice to close the recommendation.

Target Implementation Date: May 21, 2021

Responsible Official(s): Director, Shipping Products and Services

**Recommendation #5: Develop a mechanism to provide greater visibility over EPS inventories and order volumes for eBuyPlus post offices. Periodically distribute and review data reports from the standard packaging supplier's information tool to evaluate the cost effectiveness of the EPS program.**

The recommendation was discussed, and management explained that they would coordinate a meeting for May 20, 2021 for key personnel to demonstrate to the OIG how the Postal Service has enhanced visibility of EPS at eBuyPlus offices. During the meeting on May 20, 2021, Expedited Packaging and Asset Planning personnel demonstrated how the Postal Service uses the data reports from the standard packaging supplier to evaluate the cost effectiveness for the EPS program. During this meeting, the OIG and management agreed that the documentation provided met the requirements for closing out this recommendation. OIG also requested information on the process for non-auto replenished offices. PowerPoint slides slide 18 and 19 that were provided addresses the non-auto replenished offices process and additional information will be provided by May 25, 2021.

Target Implementation Date: May 25, 2021

Responsible Official(s): Director, Shipping Products and Services

If you have additional questions, please contact me at (202) 412-8737.



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