



September 22, 2021

JOSEPH WOLSKI  
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Audit Resolution – Online Priority Mail Express Refunds (Audit Report 20-268-R21)  
Recommendation 4

Representatives of the Office of the Inspector General (OIG) and USPS management held an audit resolution meeting on September 10, 2021, to discuss management's disagreement with recommendation number 4 as stated in the July 6, 2021 management response in the subject audit report.

As a result of the meeting an agreement was reached pertaining to Recommendation 4 which reads as follows from the July 21, 2021 audit report:

**Recommendation #4:**

We recommend the **Vice President, Controller**, in coordination with the **Vice President, Enterprise Analytics**, incorporate a schedule to verify all acceptance and possession scans are entered into the Product Tracking and Reporting system prior to determining eligibility of refunds and enhance relevant systems to properly evaluate mailings to verify that they are eligible for refunds.

While it is not possible for USPS to implement the recommendation from the OIG as explicitly written, management proposes the following alternative actions that we believe will appropriately address the risk that refunds are paid to customers who are ineligible to receive them:

**PME online Refunds:**

Management agrees to review PME awarded refunds for [REDACTED] days subsequent to the refund payment date to determine whether any instances of refunds should be returned to the USPS. This will be initially conducted through a manual review on a monthly basis and performed as follows:

- Download & review Online Service Refund PME paid data for the previous [REDACTED] days.
  - Using the tracking number from the refund data, obtain the most recent scan event from PTR.
  - Review the last scan event to determine if a paid refund item is now ineligible.
- If the refund is deemed ineligible, initiate a notice to the customer for the purpose of collection.

[REDACTED]  
Management agrees and will communicate with the field the necessity for appropriate vetting of [REDACTED] acceptance. Further, Management will work with Retail to evaluate routing

acceptance through Retail clerks to provide for reduction in errors associated with identification and properly paid postage for said [REDACTED] shipments.

- Communications to all BME, Retail, and Delivery units – reinforce policy of not accepting packages (prepaid/3<sup>rd</sup> party labels) with [REDACTED] at BME or back docks.
- Evaluate process to redirect customer to Retail counter for [REDACTED] package acceptance.
- Retail/Delivery unit communication will include direction regarding adherence to policies including:
  - Proper Extra Service code [REDACTED] for [REDACTED] shipments are included.
  - Explanation to customers on the PME refund restrictions for [REDACTED] shipments.
    - Policy for postage refund - paid only if the shipment is not delivered or attempted within [REDACTED]

**Target Implementation Date:** 03/31/2022

**Responsible Official:** Sr. Director, Revenue & Field Accounting

Sincerely,

Cara M. Greene  Digitally signed by Cara M.  
Greene  
Date: 2021.09.22 11:58:04 -05'00'

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Cara M. Greene  
Vice President, Controller