

March 5, 2026

LAURA LOZON
DIRECTOR, AUDIT SERVICES

SUBJECT: Audit Resolution: Management of Commercial Mail Receiving Agencies (24-146-R25) Recommendations 1, 4 & 5

Representatives of the Office of the Inspector General (OIG) and USPS management held an audit resolution meeting on February 26, 2026, to discuss management's disagreement with recommendations 1, 4, and 5 as stated in the June 10, 2025, management response in the subject audit report.

As a result of the meeting, an agreement was reached. The recommendations read as follows from the June 24, 2025, 2025 final audit report:

Recommendation 1 - We recommend that the Vice President, Retail and Post Office Operations, develop an approach to estimate and track Commercial Mail Receiving Agency program-related costs.

Recommendation 4 - We recommend that the Vice President, Retail and Post Office Operations, develop strategies to better communicate policies and related updates to Postal Service field staff and Commercial Mail Receiving Agencies, including those for reviewing, vetting, and documenting applications and conducting mail samples and data quality reviews.

Recommendation 5 - We recommend that the Vice President, Retail and Post Office Operations, develop and implement internal controls for ensuring effective local staff compliance and oversight with key program responsibilities, including reviewing, vetting, and documenting applications (using the current PS Form 1583-A version) and conducting mail samples and data quality reviews.

The status of these recommendations will be changed to "Agreed" in both the OIG's and management's tracking systems upon receipt of the OIG's audit resolution response letter.

To close these recommendations, management agrees to take the following actions:

Recommendation 1 - Management conducted a field analysis and developed a general estimated cost for local oversight. Based on local staff salary and workhour estimates, management determined average CMRA-related costs of approximately \$1.5M annually. Management, therefore, requests closure of recommendation 1 upon issuance of the OIG's audit resolution agreement letter.

Target Implementation Date: 04/30/2026

Responsible Official(s): Vice President, Retail and Post Office Operations

Recommendation 4 - Management demonstrated several modes of successful, ongoing internal and external communication via pilot programs, Customer Registration Database (CRD) broadcast messaging, hard copy letters, training sessions, Zoom calls, updated web sites, user guides, large conferences, etc. Furthermore, management maintains a large, robust mailbox by tracking the status of each inquiry and responding to thousands of internal and external emails YTD. Management, therefore, requests closure of recommendation 4 upon issuance of the OIG's audit resolution agreement letter.

Target Implementation Date: 04/30/2026

Responsible Official(s): Vice President, Retail and Post Office Operations

Recommendation 5 – Compliance mechanisms have been incorporated since the inception of the CRD – including mail sampling capability, PS Form 1583 validation and an automated process to support quarterly certifications. Management continues to upgrade the application to ensure greater compliance and visibility. Management also recently launched an FDB Annual Certification for the CMRA Module requiring offices to review each PS Form 1583A and match it against the information listed in FDB. Management requests closure of recommendation 5 upon issuance of the OIG's audit resolution agreement letter.

Target Implementation Date: 04/30/2026

Responsible Official(s): Vice President, Retail and Post Office Operations

E-SIGNED by Jennifer.T Vo
on 2026-03-06 12:23:17 EST

Jennifer Vo
Vice President, Retail and Post Office Operations

cc: Corporate Audit & Response Management