



May 28, 2026

LAURA LOZON
DIRECTOR, AUDIT SERVICES

SUBJECT: Audit Resolution - Merchant Rate Card Management (Audit 25-003-R25)
Recommendations 6 and 7

Representatives of the Office of the Inspector General (OIG) and USPS management met on January 29, 2026, to discuss management's disagreement with recommendations 6 and 7 as stated in the June 25, 2025, management response in the subject audit report.

As a result of the meeting, an agreement was reached pertaining to recommendations 6 and 7 which read as follows from the final audit report dated July 2, 2025.

Recommendation 6: We recommend Executive Director, Product Solutions, coordinate with platforms to collect previously undetected short payments resulting from postage discrepancies identifiable based on package information transmitted to the Postal Service.

Recommendation 7: We recommend Executive Director, Product Solutions, coordinate with platforms to refund previously undetected overpayments resulting from postage discrepancies identifiable based on package information transmitted to the Postal Service.

The status of the recommendations will be changed to "agreed" in both the OIG's and USPS management's tracking system.

To close the recommendations, management agrees to take the following action:

Regarding #6 - Management made all reasonable efforts to recover postage discrepancies through eVs via Postage Adjustment Factor (PAF) monthly adjustment process and using other processes for legacy customers. USPS Ship now applies daily package-level adjustments, leaving no outstanding balances. The remaining amount in eVS PAF may be waived due to age after an eVS system issue prevented automatic collection during migration to USPS Ship.

Management requests to close Recommendation 6 with issuance of OIG's audit response letter.

Target Implementation Date: 06/30/2026

Responsible Official: Executive Director, Product Solutions

Regarding #7 - Management has developed system enhancements to automate the collection process and implemented additional controls to reduce the number of short payments. Effective May 1, 2026, all mailers were enrolled in USPS Ship, which uses trusted scan data to automatically re-price packages, eliminating the need for deficiency notifications. Revenue Assurance also developed a semi-automated tool that sends courtesy notices to alert shippers, platform providers, and Sales of major mail quality issues and may support future Ship automation.

Management requests close Recommendation 7 with issuance of the OIG's audit response letter.

Target Implementation Date: 06/30/2026

Responsible Official: Executive Director, Product Solutions

Sincerely

E-SIGNED by CHRISTOPHER J KARPENKO
on 2026-05-29 10:33:44 EDT

Christopher J. Karpenko
Executive Director, Product Solutions (A)

cc: Corporate Audit & Response Management