



May 26, 2026

LAURA LOZON
DIRECTOR, AUDIT SERVICES

SUBJECT: Audit Resolution – Network Changes - Effectiveness of the New Regional Processing and Distribution Center in Indianapolis (Audit Number 25-093-R26)
Recommendations 4 and 5.

Representatives of the Office of the Inspector General (OIG) and USPS management met on May 21, 2026, to discuss management's disagreement with recommendation numbers 4 and 5 as stated in the January 23, 2026, management response in the subject audit report.

As a result of the meeting, an agreement was reached pertaining to recommendations 4 and 5, which read as follows from the February 2, 2026, final audit report:

Recommendation #4

We recommend that the **Vice President, Processing Operations, Central**, in coordination with the **Vice President, Logistics**, revise projected savings and identify opportunities to improve efficiency of operations in the Indianapolis, IN, region.

Recommendation #5:

We recommend that the **Vice President, Processing Operations, Central**, optimize usage of mail processing equipment at the Indianapolis Regional Processing and Distribution Center, including potential redeployment of underused equipment to facilities that need additional mail processing.

The status of the recommendations will be changed to "Agreed" in both the OIG's and management's tracking systems.

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

Regarding recommendation #4: Management has seen package productivity gains. Volume increase has resulted in significant cost avoidance. Management will share data to evidence the cost impact.

Target Implementation Date: 08/31/2026

Responsible Official:

Vice President, Processing Operations, Central, and Vice President, Logistics


Regarding recommendation #5: Management continues its practice of evaluating mail processing equipment utilization. Management will share results of its evaluation of Rovers and SIPS machines at Indianapolis RPDC, and any actions taken as a result.

Target Implementation Date: 10/31/2026


Responsible Official:

Vice President, Processing Operations, Central

Sincerely,

 E-SIGNED by Todd.S Hawkins
on 2026-05-29 08:17:30 EDT

Todd Hawkins
Vice President, Processing Operations, Central

 E-SIGNED by ROBERT CINTRON
on 2026-05-27 05:46:06 EDT

Robert Cintron
Vice President, Logistics

cc: Corporate Audit & Response Management