UNITED STATES POSTAL SERVICE

September 30, 2026

LAURA LOZON
DIRECTOR, AUDIT SERVICES

SUBJECT: Audit Resolution – Effectiveness of Mail Transported by Air (Audit Number 26-033-R26) Recommendation 2.

Representatives of the Office of the Inspector General (OIG) and USPS management met on August 14, 2026, to discuss management's disagreement with recommendation 2 as stated in the June 18, 2026 management response in the subject audit report.

As a result of the meeting, an agreement was reached pertaining to recommendation 2, which reads as follows in the July 1, 2026, final audit report:

> **Recommendation #2:** We recommend the Chief Logistics Officer and Executive Vice President, in coordination with the Vice President, Logistics, conduct an updated cost-benefit analysis to determine whether terminating the current contract and pursuing a new air cargo contract with a shorter base term with option years would provide the needed flexibility to align contracted air capacity with ongoing volume and network changes.

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

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

An updated cost benefit analysis is unnecessary because the air cargo contract already allows for network adjustments based on market demand. Management will provide a summary describing its ability to address network flexibility, capacity utilization, and strategic planning with the existing contract terms.

Management requests to close with issuance of the OIG's audit resolution response letter.

Target Implementation Date: November 30, 2026

Responsible Official:
Vice President, Logistics

Sincerely,

E-SIGNED by ROBERT CINTRON
on 2026-09-30 16:24:29 EDT

Robert Cintron
Vice President, Logistics

cc: Corporate Audit & Response Management