



Office of Inspector General | United States Postal Service

Audit Report

Voyager Card Transactions - Hemet, CA Post Office

Report Number 21-133-R21 | May 19, 2021

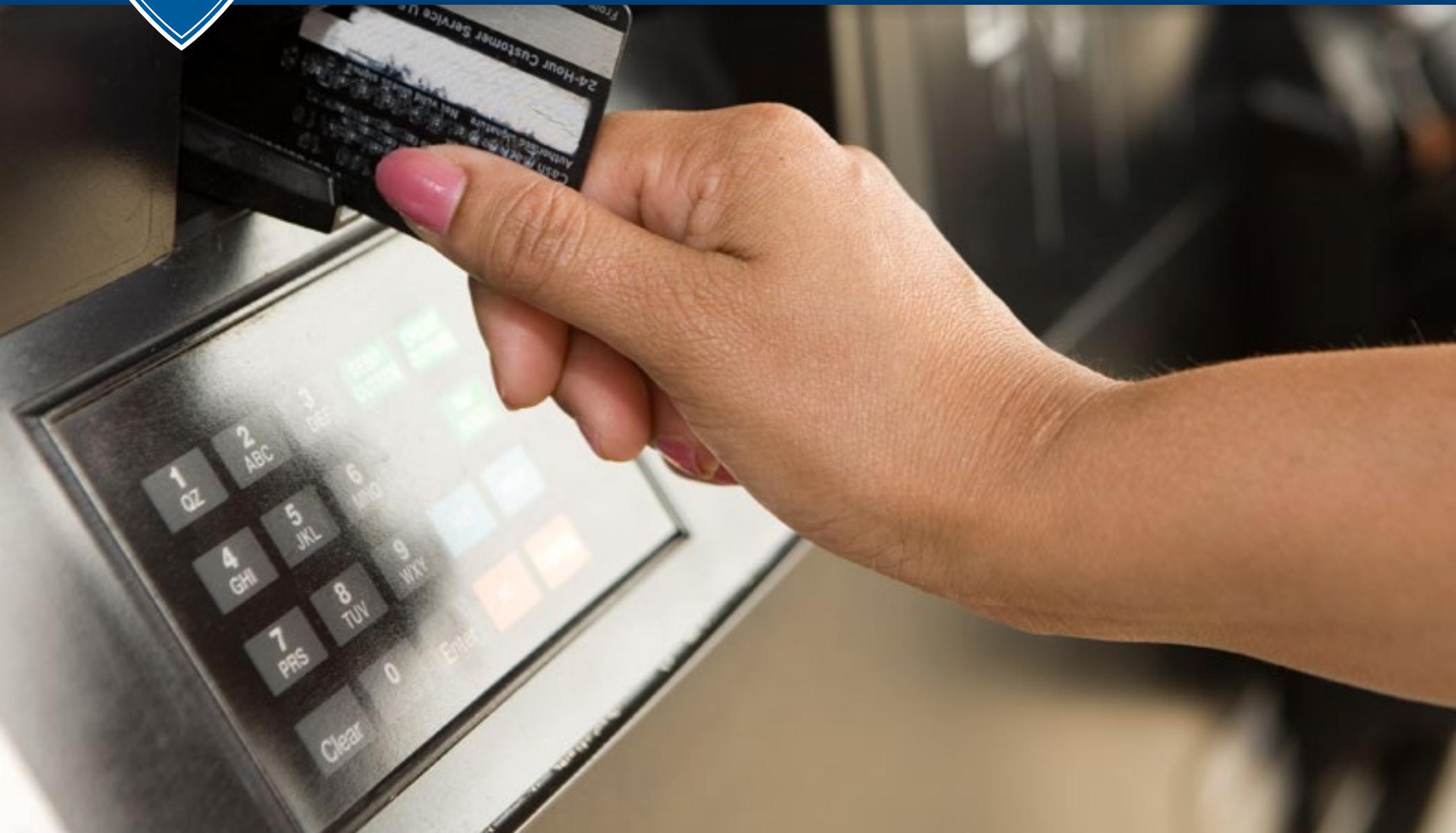


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Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

May 19, 2021

MEMORANDUM FOR: LISA R. BALDWIN
MANAGER, CALIFORNIA 6 DISTRICT

Michelle Lindquist

FROM: Michelle Lindquist
Director, Financial Controls

SUBJECT: Audit Report – Voyager Card Transactions - Hemet, CA,
Post Office (Report Number 21-133-R21)

This report presents the results of our audit of Voyager Card Transactions - Hemet, CA, Post Office.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Frank McElligott, Acting Operational Manager, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit and Response Management

Results

Background

This report presents the results of our self-initiated audit of Voyager Card Transactions — Hemet, CA, Post Office (Project Number 21-133). The Hemet Post Office is in the California 6 District of the WestPac Area.¹ This audit was designed to provide U.S. Postal Service management with timely information on potential financial control risks at Postal Service locations.

Every Postal Service-owned vehicle is assigned a Voyager credit card that is used to pay for commercially purchased fuel, oil, and routine maintenance. U.S. Bank operates the program, and Voyager² provides a weekly electronic transaction detail file of all Voyager card transactions to the Postal Service's Fuel Asset Management System (FAMS)³ eFleet application.⁴ Site managers are responsible for monitoring Voyager card transactions in the FAMS eFleet application. FAMS provides a monthly Reconciliation Exception Report, capturing only transactions that are categorized as "high-risk," which may be the result of fraudulent activity. Each month, the Postal Service site manager⁵ is responsible for ensuring that driver receipts are reconciled in FAMS. The review is critical since the Postal Service automatically pays U.S. Bank weekly for all Voyager card charges.

Transactions marked as high-risk in FAMS could be due to gallons of fuel purchased exceeding the allowed maximum amount for the vehicle, unleaded super and plus fuel purchase, and potential sharing of personal identification numbers (PIN). These are an indication of questionable transactions signifying a higher risk of fraud.

The U.S. Postal Service Office of Inspector General (OIG) used data analytics to identify offices with potentially fraudulent Voyager card activity. The Hemet, CA, Post Office had 4,351 posted transactions from July 1 through

December 31, 2020, totaling \$234,717. This included 578 Voyager card fuel purchases conducted using one supervisor's PIN valued at \$18,697 and FAMS marked 165 transactions as high-risk.

Objective, Scope, and Methodology

The objective of this audit was to determine whether Voyager card PINs were properly managed and Voyager card transactions were properly reconciled at the Hemet, CA, Post Office. The scope of this audit included the Voyager card activity reconciliation process and management of Voyager card PINs from July through December 2020.

To meet our objective, we analyzed Voyager card transactions in FAMS and randomly sampled 89 out of 165 (54 percent) high-risk transactions for review.

We relied on computer-generated data from FAMS. We did not test the validity of controls over this system; however, we verified the accuracy of the data by reviewing related documentation, tracing selected information to supporting source records, and interviewing knowledgeable Postal Service employees. We determined the data were sufficiently reliable for the purposes of this report.

We conducted this audit from March through May 2021 in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objective. We believe that the evidence obtained provides a reasonable basis for our finding and conclusion based on our audit objective. We discussed our observations and conclusions with management on May 6, 2021, and included their comments where appropriate.

¹ The Hemet Post Office was previously located in the San Diego District of the Pacific Area.

² Voyager Fleet Systems, Inc., owned by U.S. Bank, is the contractor for the program.

³ A cost management tool used for managing and controlling fuel costs.

⁴ Portal used to monitor expenses incurred from the operation and maintenance of postal-owned vehicles. The system allows authorized users to display and reconcile expenses charged to Voyager credit cards.

⁵ Manager of an operation to which the vehicles are assigned and has the responsibility for Voyager card reconciliation and fraud prevention.

Finding #1: Management of Voyager PINs

Voyager card PINs were not properly managed at the Hemet, CA, Post Office. Specifically:

- A former supervisor's PIN was shared and used for 578 transactions valued at \$18,697.
- Ten former employees who were no longer employed at the unit had active PINs. Nine of the ten former employees' PINs continued to be used after they left the unit.
- The supervisors shared PINs with new hires.
- The supervisors did not keep an updated PIN list.
- Semiannual formal reviews of PINs were not conducted.

The supervisors did not know who was responsible for updating the PIN list. In addition, supervisors and the postmaster were not aware that former unit employees had active PINs that were still in use. This occurred due to changes in staff and the supervisor previously assigned to manage PINs being on a detail. Further, the postmaster and supervisors stated that they had never taken the required *eFleet Card for Site Manager Training or the Voyager Fleet Commander Online (FCO) Training*.⁶ Upon review of training records, the audit team determined that the postmaster completed the eFleet Card for Site Manager Training in April 2011. The postmaster completed Voyager FCO Training in December 2012, and one supervisor completed the training in September 2018.

Postal Service policy⁷ states site managers are responsible for keeping their driver PIN list up to date, verifying the information is accurate and complete, and conducting a semiannual formal review of PINS. In addition, when an employee leaves the Postal Service or is transferred to a different unit, their PIN must be terminated. Further, the site manager must assign PINs to new employees

with a PIN from the list and submit notification of the driver's name to Voyager Fleet Services.

When Voyager card PINs are not managed properly, they could be used to make unauthorized and improper purchases. Further, when PINs are shared it might lead to possible fraud. We consider the 578 transactions conducted using a shared PIN and valued at \$18,697 as disbursements at risk.⁸

Recommendation #1

We recommend the **Manager, California 6 District**, instruct management at the Hemet, CA Post Office to implement corrective action to assign all employees unique Personal Identification Numbers for Voyager card transactions.

Recommendation #2

We recommend the **Manager, California 6 District**, instruct management at the Hemet, CA Post Office to appoint the appropriate staff to update and maintain Personal Identification Numbers.

Recommendation #3

We recommend the **Manager, California 6 District**, instruct management at the Hemet, CA Post Office to ensure that staff assigned to manage PINS complete the *eFleet Card for Site Manager Training and Voyager Fleet Commander Online Training*.

Finding #2: Voyager Card Reconciliation

Unit management did not always properly reconcile Voyager card transactions. Specifically, of the 89 high-risk transactions reviewed:

- Thirty-six (40 percent), totaling \$2,105, did not have receipts to properly support fuel purchases.
- Fifty (94 percent) of 53 receipts reviewed did not have the vehicle number on the receipt.

⁶ The Voyager Fleet Commander Online application is used by Postal Service staff to create and manage Voyager card PINs.

⁷ *Voyager Fleet Card Standard Operating Procedure (SOP)*, Section 2.2.2, PIN Management, November 2016.

⁸ Disbursements made where employees did not follow proper Postal Service internal controls and processes.

- Carriers inappropriately used Voyager cards to fuel rental vehicles.
- The unit's "Z"⁹ card was missing.
- Fifty-seven transactions, totaling \$1,619, were charged to a Voyager card assigned to a vehicle that was sent to the Vehicle Maintenance Facility for repairs.

Postal Service supervisors stated they performed monthly reconciliations and kept receipts on file. They required carriers without receipts to initial a log with the receipt amount, but did not require the carrier to complete a No Receipt Form and were not aware that the vehicle number should be recorded on the receipt. The supervisors stated that all transactions that needed reconciling were appropriate and did not see a need to dispute transactions with U.S. Bank because they investigated when necessary and recorded comments for all exception transactions. The supervisors were not aware the monthly reconciliation reports needed to be printed and kept on file.

Additionally, the supervisors and postmaster stated that one "Z" card is assigned to the unit, but it was missing. According to the supervisors, it was normal practice for the unit to use a Voyager card to fuel rental vehicles to ensure the mail is delivered timely. The postmaster stated that he did not have the opportunity to order a new "Z" card because he was on a detail and had recently returned. A supervisor indicated that the staff continued to use the Voyager card for the vehicle sent for repairs because it was an oversight.

Postal Service policy¹⁰ states every attempt should be made to secure a receipt for each transaction. In cases where a receipt is not received, the manager must contact the appropriate individual to research and determine if the purchase was legitimate, annotate the review results with a comment within FAMS, and obtain

from the individual hard copy documentation certifying the charge. In addition, the driver must complete and sign a No Receipt Form.¹¹ Further, unit management must print the monthly FAMS Reconciliation by Exception report and retain receipts on file for two years.¹² Drivers must record vehicle numbers on receipts and give receipts to their supervisor.

According to policy¹³, if a card is lost or stolen, the driver must immediately notify the Site Manager. The Site Manager must immediately notify Voyager and U.S. Bank. Upon receipt of *USPS Voyager Card Account Maintenance Request Form*, Voyager will cancel the existing card and re-issue a replacement card. Voyager will mail the Site Manager a new card and number within two business days after notification.

The Vehicle Maintenance Facility manager indicated that district policy was for the unit staff to use a "Z" or "V"¹⁴ card. The Site Manager is required to notate in the comments field that the transaction was for fueling a rental vehicle.

When Voyager card transactions are not properly reconciled there is an increased risk that the Postal Service will not identify unauthorized purchases. In addition, maintaining these records provides accountability of Voyager card transactions. Further, falsely certifying reconciliation of Voyager transactions may result in a fine of not more than \$10,000 per occurrence or imprisonment of not more than five years or both.

Recommendation #4

We recommend the **Manager, California 6 District**, reiterate the requirement to unit management at the Hemet, CA, Post Office regarding retaining documentation for two years including the receipts and monthly reconciliation reports and recording the vehicle number on all receipts.

⁹ Issued to the site's finance number, used for washing numerous postal-owned vehicles at one time, paying for fuel or repairs for vehicles with lost, stolen, or damaged cards, or repairs to vehicles that exceed the \$300 transaction limit.

¹⁰ *Voyager Fleet Card SOP*, Section 4.1, Responsibilities, November 2016.

¹¹ *Standard Work Instructions*, February 25, 2019.

¹² *Voyager Fleet Card SOP*, Section 4.1, Responsibilities, November 2016.

¹³ *Voyager Fleet Card SOP*, Section 5.2, Lost/Stolen Cards, November 2016.

¹⁴ Issued to leased or "vehicle hire" vehicles for providing fuel or maintenance.

Recommendation #5

We recommend the **Manager, California 6 District**, reiterate the requirement to unit management at the Hemet, CA, Post Office to report lost cards and request a replacement and use the appropriate card to fuel vehicles.

Management's Comments

Management agreed with the findings and recommendations.

Regarding recommendation 1, management stated they would reiterate policies and procedures for proper management of PINs to the postmaster and staff and conduct remedial training. The target implementation date is July 4, 2021.

Regarding recommendation 2, management stated they conducted a stand-up talk and sent a notification informing employees to refrain from sharing PINs. If employees share their PINs the cards will be cancelled immediately and they will be issued a new PIN. Additionally, the Officer-in-Charge is now responsible for managing PINs and has updated the PIN list and secured it in the [REDACTED]. This was implemented on May 5, 2021.

Regarding recommendation 3, management stated they will ensure that current and any subsequent manager complete the eFleet Card for Site Manager Training and Voyager Fleet Commander Online Training. Unit management is working with the Vehicle Maintenance Facility manager to replace lost or stolen gas cards. Employees will sign for their gas cards when they obtain their accountable vehicle keys and a clerk will check accountable items returned by carriers upon their return from dispatch. The target implementation date is July 31, 2021.

Regarding recommendation 4, management stated they have implemented training for reconciliations and proper handling of gas card receipts, including recording their name, vehicle number, and route on the receipts. Further, they will remind employees to adhere to the instructions. Management implemented this recommendation on May 5, 2021.

Regarding recommendation 5, management stated they are working with the Vehicle Maintenance Facility manager to replace lost or stolen gas cards and will assign them to the appropriate vehicle. The target implementation date is July 30, 2021.

See [Appendix A](#) for management's comments in their entirety.

Evaluation of Management's Comments

The OIG considers management's comments responsive to the findings and recommendations in the report. Corrective actions taken on recommendations 2 and 4 by management is sufficient; therefore, we consider recommendations 2 and 4 closed with the issuance of this report.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed.

Recommendations 1, 3, and 5, should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed.

Appendix A: Management's Comments

MANAGER
CALIFORNIA 6 DISTRICT



May 14, 2021

JOSEPH WOLSKI
DIRECTOR, AUDIT OPERATIONS

Subject: Voyager Card Transactions-Hemet, CA Post Office
(Project Number 21-133-Draft, dated May 7, 2021)

Finding #1: Management of Voyager PINs

Voyager card PINs were not properly managed at the Hemet, CA, Post Office

Management Response:

We agree with the findings and calculations determining that \$18,697 was a risk due to the shared PINs contained in DR21-133 Voyager Card Transactions-Hemet CA Post Office.

Recommendation #1:

We recommend the Manager, California 6 District, instruct management at the Hemet CA Post Office to implement corrective action to assign (PIN) for Voyager card transactions.

Management Response/Action Plan:

We agree with the recommendation to reiterate policy and procedures over proper management of Personal Identification Numbers to the Postmaster and all personnel at the Hemet, CA Post Office. Remedial training will be done. We agree with the calculations in Finding 1.

Target Implementation Date:

July 4, 2021

Responsible Official:

MPOO B, California District 6 and OIC Hemet Post Office, Hemet, CA

Recommendation #2:

We recommend the manager, California 6 district, instruct management at the Hemet, CA Post Office to appoint the appropriate staff to update and maintain the PINS.

Management Response/Action Plan recommendation #2:

We agree with the recommendation. Management has conducted a stand-up talk and sent a RIMS message instructing employee(s) they are not allowed to share PINs. If they have, their PIN numbers will be cancelled immediately, and they will be issued a new PIN number. OIC has cancelled the previous Postmaster PIN. OIC has cancelled all supervisor PIN numbers and reissued new ones. OIC has reviewed the PIN list and cancelled all PINs for employees not assigned to the Hemet Post Office. OIC has the PIN list secured in the [REDACTED] and is the only one that can issue a new Voyager Card PIN number.

Target Implementation Date:

Implemented as of May 5, 2021

11251 RANCHO CARMEL DR
SAN DIEGO CA 92199-9001

MANAGER
CALIFORNIA 6 DISTRICT

Responsible Official:

MPOO B, California District 6 and OIC Hemet Post Office, Hemet, CA

Recommendation #3

We recommend the Manager, California 6 District, instruct management at the Hemet, CA Post Office to ensure that staff assigned to manage PINS complete the eFleet Card for Site Manager Training and Voyager Fleet Commander Online Training.

Management Response/Action Plan recommendation #3:

We agree with the recommendation. The only management assigning PIN numbers is current OIC. Management has reminded staff that gas PINs are not to be shared, if they have, PIN number will be cancelled and reissued. As stated in the previous Management response, OIC oversees the issuance of the Voyager PIN numbers. Management will ensure that current and any subsequent manager will have the necessary eFleet Card for Site manager training and Voyager Fleet Commander Online Training. Management is working with VMF Manager to replace gas cards that have been lost or stolen. Employees will sign the roster for gas cards when they sign for their accountable keys. Management has in place a clerk to check in the carriers upon return from the street for all accountable items.

Target Implementation Date:

July 31, 2021

Responsible Official:

MPOO B, California District 6 and OIC Hemet Post Office, Hemet, CA

Finding #2: Voyager Card Reconciliation:

Unit management did not always properly reconcile Voyager card transactions.

Management Response Finding #2:

We agree with the findings and are in the process of retraining and bringing the Hemet, CA Post Office into compliance.

Recommendation #4:

We recommend the Manager, California 6 District, reiterate the requirement to unit management at the Hemet, CA, Post Office regarding retaining documentation for two years including the receipts and monthly reconciliation reports and recording the vehicle number on all receipts.

Management Response/Action Plan Recommendation #4:

We agree with the recommendation. Management has put in place training for handling gas receipts and monthly reconciliation. Management has also informed employees that they are to write their name, postal vehicle number and route number on all gas receipts. Management will remind employees of their obligation to adhere to these instructions.

Target Implementation Date:

Implemented as of May 5, 2021

Responsible Official:

MPOO B, California District 6 and OIC Hemet Post Office, Hemet, CA

Recommendation #5:

11251 RANCHO CARMEL DR
SAN DIEGO, CA 92199-9001

MANAGER
CALIFORNIA 6 DISTRICT

We recommend the Manager, California 6 District, reiterate the requirement to unit management at the Hemet, CA Post Office to report lost cards and request a replacement and use the appropriate card to fuel vehicles.

Management Response/Action Plan Recommendation #5:

We agree with the recommendation. Management is working with VMF Manager to replace gas cards that have been lost or stolen. When the new cards are received, the cards will be assigned to the appropriate postal vehicle and used for only that vehicle.

Target Implementation Date:

July 30, 2021

Responsible Official:

MPOO B, California District 6 and Hemet Post Office, Hemet, CA



Lisa R Baldwin
Manager(A), California 6 District

cc: Manager, Corporate Audit and Response Management

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