



Office of Inspector General | United States Postal Service

## Audit Report

# Free Matter for the Blind

Report Number 22-068-R22 | July 22, 2022



# Table of Contents

Cover		
Highlights.....	1	
Background.....	1	
What We Did.....	1	
What We Found.....	1	
Recommendations.....	1	
Transmittal Letter .....	2	
Results.....	3	
Introduction/Objective .....	3	
Background.....	3	
Findings Summary .....	4	
Finding #1: Free Matter Preparation and Inspection Policy Should be Reviewed .....	4	
Recommendation #1.....	5	
Finding #2: Free Matter Not Always Accepted at Retail Units..	5	
Finding #3: Free Matter Service Standards Not Met.....	6	
Recommendation #2.....	8	
Recommendation #3:.....	8	
Management's Comments.....	8	
Evaluation of Management's Comments .....	9	
Appendices .....	10	
Appendix A: Additional Information.....	11	
Objective, Scope, and Methodology .....	11	
Prior Audit Coverage.....	12	
Appendix B: Mail Test Results.....	13	
OIG Mail Test Results .....	13	
Free Matter Mail Test Results .....	13	
Appendix C: Management's Comments.....	14	
Contact Information .....	17	

# Highlights

## Background

Free Matter for the Blind or Other Physically Handicapped Persons (Free Matter) is a legally mandated program that allows eligible participants to receive and send mail for free. Mail that qualifies as Free Matter includes large-type (14-point or larger) documents, braille, audio recordings, and talking book players. When Free Matter is mailed domestically, it should be treated as First-Class Mail for processing and service measurement. U.S. Postal Service regulations also require packaging to remain unsealed to facilitate inspection by Postal Service employees to ensure the mailpieces qualify for postage-free mailing. The Postal Service is reimbursed the cost of delivering Free Matter through congressional appropriations every year.

## What We Did

The objective of the audit is to review Postal Service procedures for the acceptance, handling, and delivery of Free Matter. This report responds to a congressional request. For this audit, we interviewed stakeholders who rely on the Free Matter program, observed activity at the Baltimore Processing and Distribution Center and Linthicum Incoming Mail Facility, tracked shipping details for select Free Matter pieces, conducted a mail test to compare Free Matter and First-Class Mail service, and reviewed the Postal Service's and OIG's customer complaint systems.

## What We Found

Postal Service procedures for preparing, inspecting, accepting, and handling Free Matter

can be improved. We found that the policy for Free Matter preparation was last updated in 2015 and Postal Service did not consistently enforce this policy. The policy's intent — keeping the mail unsealed for easy inspection and ensuring that it qualifies for postage-free mailing — has not been met because the Postal Service has not implemented procedures or practices for employees carrying out the inspections. We also noted that retail unit employees did not always know the policies and procedures for accepting Free Matter. We also determined that Free Matter was not always accepted or processed as First-Class Mail and was sometimes misidentified as Parcel Post, which delayed delivery. This occurred because the Postal Service did not provide adequate training or written policy about accepting or processing Free Matter to retail clerks or staff at processing plants, respectively. Further, employees did not recognize some Free Matter mailpieces because they lacked easily identifiable markings.

## Recommendations

We recommend management review the need for unsealed preparation and inspection of Free Matter and the subsequent impact on service, incorporate information on proper handling of Free Matter into new employee training curriculum, and evaluate options for increasing employee recognition of Free Matter across the Postal Service network.

# Transmittal Letter



OFFICE OF INSPECTOR GENERAL  
UNITED STATES POSTAL SERVICE

July 22, 2022

**MEMORANDUM FOR:** THOMAS J. FOTI  
VICE PRESIDENT, PRODUCT SOLUTIONS

MICHAEL L. BARBER  
VICE PRESIDENT, PROCESSING & MAINTENANCE  
OPERATIONS

ELVIN MERCADO  
VICE PRESIDENT, RETAIL & POST OFFICE OPERATIONS

A handwritten signature in black ink that reads "Amanda H. Stafford".

**FROM:** Amanda H. Stafford  
Deputy Assistant Inspector General  
for Retail, Delivery & Marketing

**SUBJECT:** Audit Report – Free Matter for the Blind  
(Report Number 22-068-R22)

This report presents the results of our audit of Free Matter for the Blind.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Steve Hutchins, Acting Director, Delivery and Retail Operations, or me at 703-248-2100.

Attachment

cc: Postmaster General  
Corporate Audit Response Management

# Results

## Introduction/Objective

The report responds to a congressional request to review the U.S. Postal Service’s Free Matter for the Blind service (Project Number 22-068). Our objective was to review Postal Service procedures for accepting, handling, and delivering Free Matter for the Blind or Other Physically Handicapped Persons (Free Matter). See [Appendix A](#) for additional information about this audit.

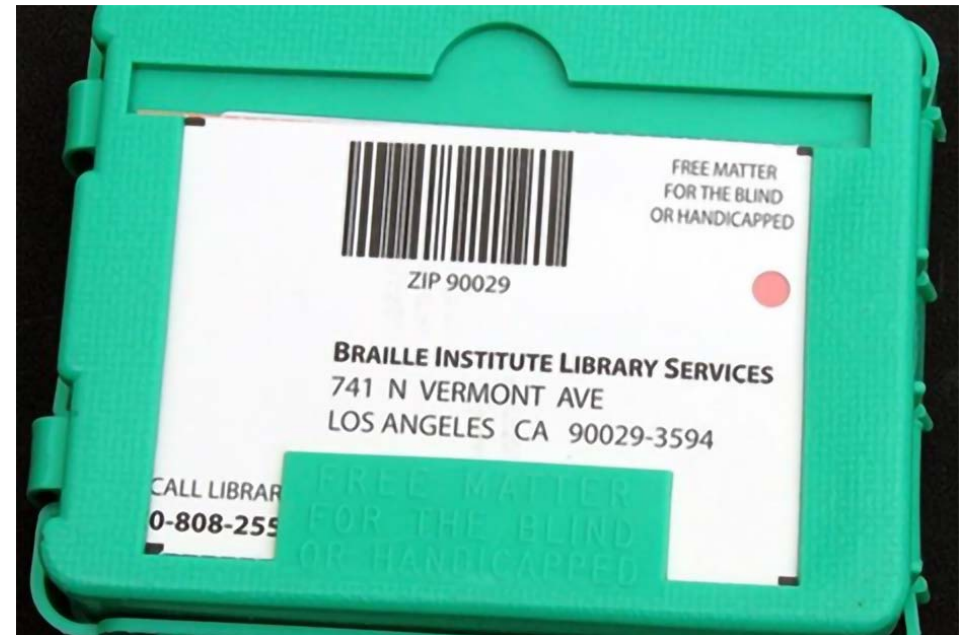
## Background

This report responds to a congressional request from U.S. Senators Chris Van Hollen, Cindy Hyde-Smith, Gary C. Peters, and Rob Portman. In February 2022, the senators requested a review of the performance and operations of the Postal Service’s Free Matter service. The request specifically asked for a comparative analysis of the delivery times for Free Matter compared to that of First-Class Mail, as well as a review of the procedures to accept, process, and deliver this mail.

“Free Matter is a service provided under **Title 39** of the **US Code**. By law, the Postal Service is required to offer free mailing to people who are blind and cannot read or use conventional printed material because of a physical impairment.”

Free Matter is a service provided under Title 39 of the US Code.<sup>1</sup> By law, the Postal Service is required to offer free mailing to people who are blind and cannot read or use conventional printed material because of a physical impairment. Mail that qualifies as Free Matter includes large-type (14-point or larger) documents, braille, audio recordings, and talking-book players.<sup>2</sup> The matter must be for use by a blind or other physically handicapped person and cannot contain advertisements. Mail must contain the wording “Free Matter for the Blind or Handicapped” in the upper right-hand corner of the letter or parcel where postage is normally placed (see Figure 1). The Postal Service is eligible to be reimbursed the cost of Free Matter through congressional appropriations every year.

**Figure 1. Example of Free Matter**



Source: *Postal Times*, February 3, 2022.

<sup>1</sup> 39 U.S. Code §3403 – Matter for Blind and Other Handicapped Persons.

<sup>2</sup> In addition to the types of mail listed above, Free Matter also includes canes, reading material, musical scores, sound productions, paper records, tapes, braille writers, typewriters, and educational or other materials or devices.

A postmaster may extend the Free Matter privilege to an individual recipient based on personal knowledge of the individual's eligibility; or written certification by a "competent authority," such as a social worker, registered nurse, ophthalmologist, doctor, or librarian. These guidelines<sup>3</sup> require evidence of eligibility to be submitted to the post office where postage-free mailings will be sent or received. Certified participants in the Library of Congress National Library Service for the Blind and Physically Handicapped are also eligible to use this service.

When Free Matter is mailed domestically, it does not have a specific mail class, but should be treated as First-Class Mail for processing, delivery, forwarding, and return. Free Matter is not sealed against postal inspection, meaning mailpieces should be prepared in such a way that allows both for the protection and inspection of contents to verify that mailpieces qualify for free mailing. For

---

***“Multiple audio books can now be loaded onto a single storage cartridge, reducing the number of cartridges being sent via Free Matter.”***

---

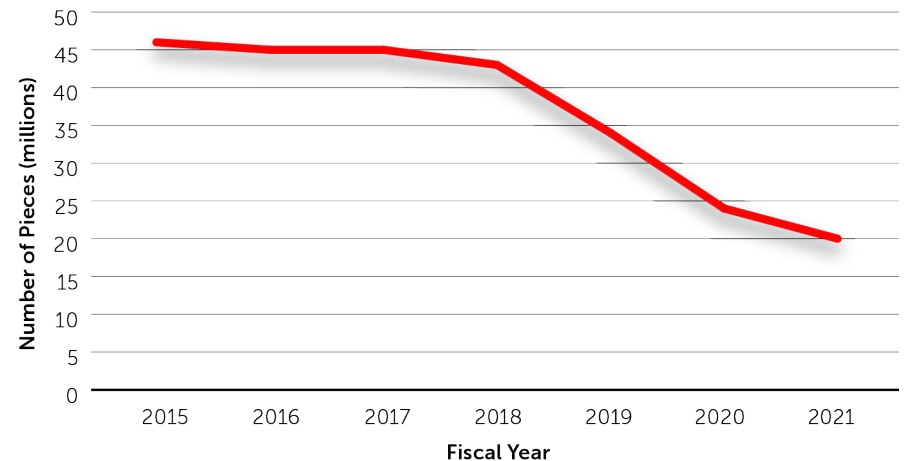
example, the Postal Service suggests securing parcels with tied string or twine, rather than tape, and leaving envelopes unsealed.

As illustrated in Figure 2, the volume of Free Matter has steadily decreased in recent years, from 46 million pieces in FY 2015 to 20 million pieces in FY 2021 (a 57 percent decrease).

This is mainly due to technological advancements that allow content

to be distributed more efficiently via electronic applications instead of physical equipment. In addition, multiple audio books can now be loaded onto a single storage cartridge, reducing the number of cartridges being sent via Free Matter (a cartridge mailer is shown in [Figure 1](#) above).

**Figure 2. Free Matter Volume FY 2015-2021**



Source: U.S. Postal Service Office of Inspector General (OIG) analysis of Postal Service Annual Reports to Congress.

## Findings Summary

The Postal Service's procedures for accepting and handling Free Matter can be improved. We found that policy for Free Matter preparation was last updated in 2015 and the Postal Service did not consistently enforce this policy. In addition, Free Matter policy was not always accepted at retail units, the Processing and Distribution Center (P&DC) did not always follow the proper mail flow and some Free Matter mail pieces were not easily recognized. This occurred because the Postal Service did not implement procedures or practices to carry out inspections of Free Matter, employees did not always know the procedures for accepting or handling this mail and did not always recognize it as Free Matter, resulting in delayed delivery.

### Finding #1: Free Matter Preparation and Inspection Policy Should be Reviewed

According to Publication 347, Free Matter mail must remain unsealed and the Postal Service must be able to inspect items to ensure that they qualify for

<sup>3</sup> Postal Service, Publication 347, *Mailing Free Matter for Persons Who are Blind or Visually Impaired*, Postal Service, October 2015.

postage-free mailing. We found that the policy for Free Matter mail preparation was last updated in October 2015 and the Postal Service did not consistently enforce this policy.

The policy of keeping the mail unsealed enables easy inspection to ensure the content is Free Matter. However, during our fieldwork and subsequent discussions with USPS officials, we were unable to identify any instance where Free Matter was actively being inspected to ensure a mailing qualified for postage-free mailing. For example, we observed Free Matter that was prepared for mailing in closed or taped envelopes or cardboard boxes. However, we did not observe any employee inspect this mail to ensure its eligibility for free mailing (see Figure 3).

**Figure 3. Sealed Free Matter**



Source: OIG photo taken during fieldwork March 15, 2022.

This occurred because the Postal Service did not implement procedures or practices to carry out inspections of Free Matter; therefore, the intent of this policy has not been met. Also, when mail is unsealed, it can increase processing costs and delivery times because unsealed mail must be handled manually. Allowing for the closure of parcels and letters can result in greater efficiency by enabling processing facilities to run the Free Matter on automated sorting equipment. If the Postal Service determines parcel inspection is not necessary, increased efficiencies in processing could have a positive impact on both delivery times and customer service.

#### **Recommendation #1**

We recommend the **Vice President, Product Solutions**, review the need for unsealed preparation and inspection of Free Matter and subsequent impact on service.

#### **Finding #2: Free Matter Not Always Accepted at Retail Units**

According to Publication 347, persons who are blind or cannot read or use conventionally printed matter due to a physical impairment are eligible to mail items using the Free Matter program. We found that staff at Postal Service retail units did not always know the eligibility requirements for accepting Free Matter mailings. Between February 2019 and February 2022, we found eight OIG Hotline complaints on Free Matter. Further, a review of USPS Customer 360<sup>4</sup> complaints from October 2021 through December 2021 found four complaints of Free Matter not being accepted by Postal Service window clerks at retail units. While the number of complaints filed with the OIG or USPS are not significant, conversations with representatives from organizations that serve the blind verified that non-acceptance of Free Matter at retail windows was an issue faced by the people they serve.

---

***“We found that staff at Postal Service retail units did not always know the eligibility requirements for accepting Free Matter mailings.”***

---

<sup>4</sup> C360 tracks customer complaints and the resolution process, including category of each complaint and customer comments.

This occurred because the Postal Service did not provide staff at retail units with adequate training or written policy about accepting and mailing Free Matter at retail units. Retail staff who are not familiar with Free Matter rules may not be able to provide adequate customer assistance. The Postal Service's retail group took corrective action by releasing a nationwide stand-up talk on accepting and mailing Free Matter on March 18, 2022. While this standup provides information to current employees, including this issue in new employee training would ensure all employees should be aware of proper procedures for accepting Free Matter (see [Recommendation 2](#)).

### Finding #3: Free Matter Service Standards Not Met

When Free Matter is mailed domestically it does not have a specific mail class but, per Publication 347, should be treated as First-Class Mail for processing, delivery, forwarding, and return if undeliverable. While most Free Matter mailers we spoke to during the audit did not gather tracking information about their parcels, we found that the National Federation for the Blind did track their parcels and sent a consistent amount of mail.

---

*“When Free Matter is mailed domestically it does not have a specific mail class but, per Publication 347, should be treated as First-Class Mail for processing, delivery, forwarding, and return if undeliverable.”*

---

We found that Free Matter did not meet First-Class Mail standards for processing and delivery. Specifically, from October 2021 to March 2022, only 154 of 2,234 pieces of Free Matter (about 7 percent) inducted at the Baltimore P&DC for delivery nationwide met the required First-Class Mail service standard. Instead, this mail was treated as Parcel Post and processed through the Postal Service's network distribution centers (NDCs).<sup>5</sup> Mail sent through this network has slower

service than First-Class Mail. Specifically, for mail entered at the Greensboro NDC, where the mail we tracked was initially processed, delivery standards are between two and 16 days.

We noted that while some Free Matter mailpieces, such as cartridges or braille book bags, were easily identified as Free Matter by mail processing employees, other Free Matter was not as easily recognized. For example, one organization mailed out free canes to blind individuals across the country. Due to their length, they were shipped out in protective white cardboard tubes with mailing labels containing the required Free Matter notation. Our observations at the Baltimore P&DC determined that these rolls<sup>6</sup> — and some other types of Free Matter parcels — were not recognized by employees as Free Matter and were diverted from the First-Class Mail flow to the NDC network (see Figure 4). This diversion increased the amount of time it took the Postal Service to process, transport, and deliver these tubes. Our analysis of these mailpieces determined that it took Free Matter an average of eight days to reach its destination when processed and transported in this manner. In contrast, First-Class Mail has a service standard of between one to five days, depending on the type of mail and destination.<sup>7</sup>

Figure 4. Free Matter Not Easily Recognized



Source: OIG photos taken of Free Matter at Baltimore P&DC and the Linthicum Incoming Mail Facility.

5 NDCs receive and process originating and destinating mail volumes of Periodicals, USPS Marketing Mail, Package Services, and, in some cases, Priority Mail destinating within their own service area. [Postal Operations Manual, Section 426](#).

6 Rolls, in this report, refers to white cardboard shipping tubes used by the National Federation of the Blind to mail canes to its members.

7 In some instances, such as short distances between the senders' and the recipients' Zip Codes, letter mail delivery can occur in one day.



We also conducted a non-statistical mail test to determine whether First-Class Mail sent concurrently with Free Matter mail received the same service standard. We mailed 70 individual letters and parcels from the retail windows and collection boxes co-located with the Baltimore P&DC. The test pieces were sent to OIG staff across the country from March 15 to March 17, 2022. These test pieces were sent around the same time of day as drop shipments completed by Free Matter stakeholders. To mirror the composition of Free Matter mailings, we sent only First-Class letter and parcels.<sup>8</sup> Of the 70 test pieces, 58 (or 83 percent) met the delivery service standards.

To compare our test pieces to actual Free Matter, we tracked 26 Free Matter pieces mailed at the Baltimore P&DC on the same three days as our mail test (March 15 to March 17, 2022). All 26 pieces of Free Matter that were mailed and tracked were parcels. These parcels were shipped through the NDC network, receiving their first USPS scan at the Greensboro NDC even though they had been entered at the Baltimore P&DC. Using the date of first scan to the first attempted delivery date as our test standard, we found only four of the 26 Free Matter parcels (15 percent) arrived within service standards (see Table 1). See [Appendix B](#) for detailed analysis of mail test results.

**Table 1. Summary of Tracked Mailpieces (Mail Test)**

Type of Mail	Pieces Sent	Percentage on Time	FY 2022 Postal Service Target
First-Class Mail Letters	42	76%	94%
First-Class Mail Parcels	28	93%	90%
Free Matter	26	15%	90%

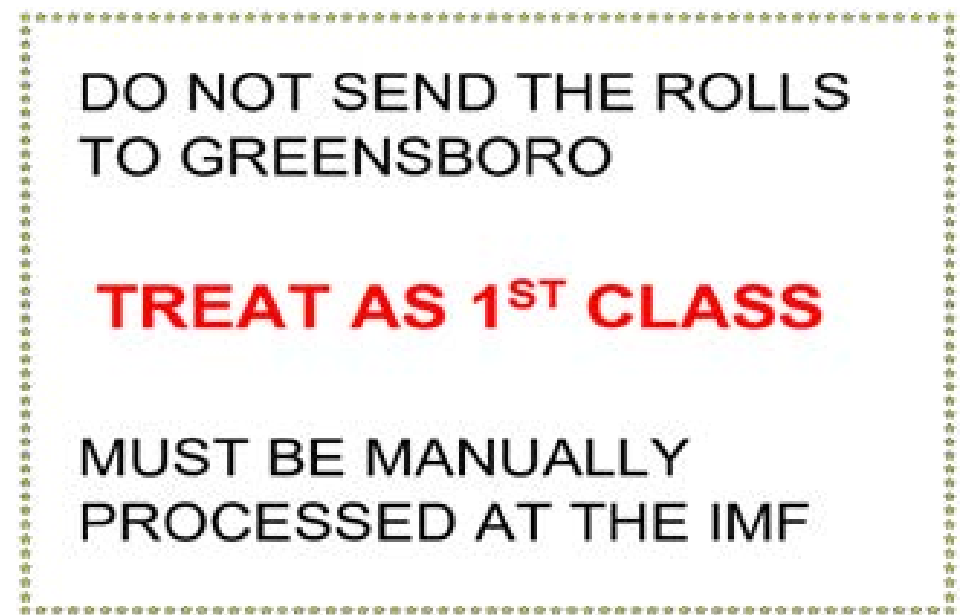
Source: OIG analysis of mail test pieces.

Free Matter was not treated properly because the Postal Service had not provided adequate training and did not have written policy about processing Free

Matter for Postal Service employees at processing plants. Further, some Free Matter mailpieces were not easily recognized as Free Matter during processing because they lacked easily identifiable markings.

During the audit, local plant management in Baltimore, MD, took corrective action by creating signage to remind employees to handle Free Matter — specifically, the rolls containing canes — as First-Class Mail (see Figure 5).

**Figure 5. Signage Created by Baltimore P&DC for Free Matter**



Source: Obtained from Baltimore P&DC local manager.

However, Free Matter can be inducted anywhere across the U.S., and the Postal Service lacks specific written policy about how to handle it. To address this, the Postal Service’s Processing and Maintenance Operations group took corrective action by releasing a nationwide stand-up talk on accepting and mailing Free Matter on May 16, 2022. While this standup provides information to current employees, including this issue in new employee training would ensure that future employees are aware of proper procedures for accepting and mailing Free Matter.

<sup>8</sup> See [Appendix A](#) for additional information on our testing methodology.

---

*“Misidentifying and delaying the processing of Free Matter results in extended delivery times, creates dissatisfaction, and can cause hardship for the blind and physically handicapped community who rely on this service.”*

---

Misidentifying and delaying the processing of Free Matter results in extended delivery times, creates dissatisfaction, and can cause hardship for the blind and physically handicapped community who rely on this service. The Postal Service accepts congressional appropriations to provide this service and when the agency does not meet expected service, it could negatively impact the Postal Service’s goodwill. In addition, ensuring proper service supports the Postal Service’s mission to bind the nation together through the personal, educational, literary, and business correspondence of the people.

#### **Recommendation #2**

We recommend the **Vice President, Retail and Post Office Operations** and the **Vice President, Processing and Maintenance Operations**, incorporate information on the proper handling of Free Matter into new employee training curriculum.

#### **Recommendation #3**

We recommend the **Vice President, Product Solutions**, evaluate options for increasing employee recognition of Free Matter across the Postal Service network.

### **Management’s Comments**

Management agreed with finding 1 and recommendations 1 and 3 and disagreed with findings 2 and 3 and recommendation 2.

Regarding finding 1, management stated they are committed to ensuring Postal processes are concurrent with Postal policies.

Regarding finding 2, management stated they believe the OIG was not able to adequately substantiate a basis for this finding, as there were only four logged complaints between February 2019 and February 2022, via the OIG Hotline and USPS Customer 360 relative to Free Matter not being accepted by Postal Service window clerks at retail units. This number represents less than 0.0075 percent of the more than 50,000 Free Matter pieces accepted at the retail counter during the three-year period. In addition, management stated that information used by the OIG from discussions with external entities to support finding 2 appears to be anecdotal and statements attributed to those interviewed were difficult to quantify or qualify. Postal management stated that even without sufficient cause to support this finding, they took immediate corrective action to address the concerns raised by releasing a nationwide alert to all retail units on the proper acceptance and mailing of Free Matter.

Regarding finding 3, management stated the results used by the OIG from its non-statistical test of just 26 Free Matter pieces mailed from a single postal unit is not sufficient to substantiate the finding that Free Matter service standards are not being met nationwide.

Regarding recommendation 1, management stated they will consult with internal stakeholders to review the need for unsealed preparation of Free Matter and if it is determined it is no longer required, make the required changes to the Domestic Mail Manual. The target implementation date is January 31, 2023.

Regarding recommendation 2, management stated they are fully committed to fulfilling their obligation under the Free Matter program. However, incorporating Free Matter into new employee training may not necessarily be the best means to convey information to existing retail employees because Free Matter only represents an infinitesimal percentage of the revenue transactions conducted by the Postal Service. In addition, management stated there may be conflicting constraints on what must be covered in new employee training and the time frame allotted to do so. USPS processing operations indicated that mail class information is beyond the scope of new employee training. Stand-up talks are issued periodically, as reflected in the audit, and the information is posted in the appropriate work areas. Therefore, management will continue to communicate

current policies to employees that accept and process Free Matter using the most effective means. The target implementation date is October 31, 2022.

Regarding recommendation 3, management stated that they will explore ways to increase visibility of Free Matter across the Postal Service network and determine the best method based on a cost benefit analysis. Additionally, management will continue to provide service talks that will highlight the requirements on a semi-annual basis to increase awareness on the acceptance, processing, inspection, and delivery of Free Matter. The target implementation date is October 31, 2022.

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

## Evaluation of Management's Comments

The OIG considers management comments responsive to the recommendations and corrective actions planned and implemented should resolve the issue identified in the report.

Regarding management's disagreement with finding 2, we disagree that our report does not adequately substantiate the finding that Free Matter was not being accepted by Postal Service window clerks. As the report states, we spoke with multiple representatives from organizations that serve the blind and verified that non-acceptance of Free Matter at retail windows was an issue faced by the people they serve. Further, the OIG's review of complaints from the OIG Hotline and USPS Customer 360 system, found eight hotline complaints from a three-year period (February 2019 through February 2022) and four USPS Customer 360 complaints from only a 3-month period (October 2021 through December 2021). The stakeholder interviews, the number of OIG and USPS complaints, and management's immediate corrective action to address the concerns by releasing a nationwide alert was the basis for the OIG position that Free Matter was not always accepted by Postal Service window clerks.

Regarding management's disagreement with finding 3, our report stated that in addition to the 26 Free Matter test mail pieces mailed during the same three days as our First-Class mail sample pieces, we also reviewed the on-time performance of an additional 2,234 pieces of Free Matter that was mailed between October 2021 and March 2022 (6 months) of which only 154 pieces (about 7 percent) met the required First-Class Mail service standards. We consider this analysis sufficient to substantiate the finding that Free Matter service standards were not being met nationwide.

Regarding recommendation 2, while management does not agree, management has taken or proposed steps to remediate the concerns. These include:

- 1) immediate corrective action during the audit to release a nationwide alert to all retail units on the proper acceptance and mailing of Free Matter and 2) their response to recommendation 3 whereby they will continue to provide semi-annual service talks to increase awareness on the acceptance, processing, inspection, and delivery of Free Matter. Together these actions will satisfy the intent of our recommendation. The OIG appreciates that training time is limited and may not allow for the discussion of all issues a new employee might face. Management's commitment to a semi-annual service talk to all employees, who may encounter Free Matter, is a suitable alternative. As such, both current and new employees would receive appropriate information via these talks on a regular basis.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. Recommendations 1, 2, and 3 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.

# Appendices

Click on the appendix title below to navigate to the section content.

Appendix A: Additional Information .....	11
Objective, Scope, and Methodology .....	11
Prior Audit Coverage .....	12
Appendix B: Mail Test Results .....	13
OIG Mail Test Results .....	13
Free Matter Mail Test Results .....	13
Appendix C: Management’s Comments .....	14

# Appendix A: Additional Information

## Objective, Scope, and Methodology

Our objective was to review Postal Service procedures for accepting, handling, and delivering Free Matter. To meet our objective, we interviewed Postal Service managers at P&DCs, headquarters managers, and outside stakeholders who use the service. We observed the acceptance and processing of Free Matter, reviewed Customer 360 and OIG Hotline complaints, tracked sample mailpieces from acceptance through delivery, and compared delivery times of Free Matter with First-Class Mail service standards.

Due to the limited volume and difficulty in identifying Free Matter in the Postal Service network, we did not attempt a review of delivery for Free Matter from the point of arrival at a delivery unit to final delivery at a customer’s address. Although limited classes of Free Matter may be sent internationally, we limited

our review to domestic Free Matter. We conducted our fieldwork at the Baltimore P&DC and Linthicum IMF due to their proximity to the free matter mailers we visited as part of our fieldwork. In addition, the mail we tracked was inducted at the Baltimore P&DC and was processed there and at the Linthicum IMF.

Regarding our mail test, we mailed 70 pieces to OIG office staff across the country to review First-Class Mail service standards from Baltimore P&DC. To be comparable with Free Matter, we sent only First-Class letters and parcels. We mailed test pieces to staff in the Arlington, VA; Boston, MA; Carol Stream, IL; Dallas, TX; Denver, CO; Long Beach, CA; and Pittsburgh, PA offices. Each participant signed attestation forms to record dates that mail was received. We sent out five mailpieces (three letters and two parcels) to two staff located in these states (see Table 2).

**Table 2. Mail Test Location and Mailpiece Quantity**

Office	Staff	First-Class Letters	First-Class parcels	Total First-Class Pieces
Arlington	2	6	4	10
Boston	2	6	4	10
Carol Stream	2	6	4	10
Dallas	2	6	4	10
Denver	2	6	4	10
Long Beach	2	6	4	10
Pittsburgh	2	6	4	10
<b>Totals</b>	<b>14 staff</b>	<b>42 letters</b>	<b>28 parcels</b>	<b>70 Mailpieces</b>

Source: OIG methodology for testing First-Class Mail service standards.

During site observations we sent about 23 mailpieces each day from March 15 to March 17, 2022, to a mix of recipients. The team sent these mailpieces around the same time of day as the drop shipment completed by Free Matter for the Blind mailers. The team sent the mailpieces from the retail windows or a blue collection box at the Baltimore P&DC. During the course of the audit, the team met with employees of two libraries for the blind, including those at a nationwide library.<sup>9</sup> Neither library included tracking on their Free Matter mailings. Therefore, we used tracking information from the National Federation of the Blind, which sends out canes and supplemental materials under the Free Matter service.

We conducted this performance audit from February through July 2022 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 audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on June 16, 2022 and included their comments where appropriate.

We assessed the reliability of the Product Tracking and Reporting web application by validating backend pieces with tracking information. We determined that the data were sufficiently reliable for the purposes of this report.

### **Prior Audit Coverage**

The OIG did not identify any prior audits or reviews related to the objective of this audit within the last five years.

---

<sup>9</sup> Maryland State Library and the National Library Services for the Blind.

# Appendix B: Mail Test Results

## OIG Mail Test Results

Class of Mail	Pieces Mailed	Pieces Met Standards	Percentage of Pieces that Met Service Standards	FY2022 Postal Service Target Goals	Difference
First-Class Mail Letters 2 day	6	4	66.67%	90.25%	-23.58%
First-Class Mail Letters 3 day	18	12	66.67%	90.00%	-23.33%
First-Class Mail Letters 4 day	12	10	83.33%	90.00%	-6.67%
First-Class Mail Letters 5 day	6	6	100.00%	90.00%	10.00%
<b>First-Class Mail Letters Composite</b>	<b>42</b>	<b>32</b>	<b>76.19%</b>	<b>90.18%</b>	<b>-13.99%</b>
First-Class Mail Parcels 2 day	8	8	100.00%	94.00%	6.00%
First-Class Mail Parcels 3 day	20	18	90.00%	90.00%	0.00%
<b>First-Class Mail Parcels Composite</b>	<b>28</b>	<b>26</b>	<b>92.86%</b>	<b>90.75%</b>	<b>2.11%</b>
<b>Total</b>	<b>70</b>	<b>58</b>	<b>82.86%</b>	<b>N/A</b>	<b>N/A</b>

Source: OIG mail test and the USPS *Fiscal Year 2021 Report to Congress*.

## Free Matter Mail Test Results

Class of Mail	Pieces Mailed	Pieces Met Standards	Percentage of Pieces that Met Service Standards	FY 2022 Postal Service Target Goals	Difference
First-Class Mail Parcels 2 day	3	0	0.00%	94.00%	-94.00%
First-Class Mail Parcels 3 day	21	4	19.05%	90.00%	-70.95%
First-Class Mail Parcels 4 day	2	0	0.00%	90.00%	-90.00%
<b>First-Class Mail Parcels Composite</b>	<b>26</b>	<b>4</b>	<b>15.38%</b>	<b>90.75%</b>	<b>-75.37%</b>

Source: National Federation for the Blind Mailpieces and the USPS *Fiscal Year 2021 Report to Congress*.

# Appendix C: Management's Comments



July 15, 2022

JOHN CIHOTA  
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Free Matter for the Blind (Report Number 22-068)

Thank you for providing the Postal Service with an opportunity to review and comment on the findings and recommendations contained in the draft audit report, *Free Matter for the Blind (Report Number 22-068-DRAFT)*. Management is likewise appreciative of the OIG revisiting the initial comments and making subsequent changes following the joint discussion. While Management generally agrees with the findings and recommendations, there are some discrepancies it would like to address with this response.

## Findings

**Finding #1:** Free Matter Preparation and Inspection Policy Should be Reviewed: Management Agrees

Management is committed to ensuring Postal processes are concurrent with Postal policies.

**Finding #2:** Free Matter Not Always Accepted at Retail Units: Management Disagrees

Postal management believes the OIG was not able to adequately substantiate a basis for this finding, as between February 2019 and February 2022, the draft notes there were only four logged complaints via the OIG Hotline and USPS Customer 360 relative to Free Matter not being accepted by Postal Service window clerks at retail units. This number represents less than 0.0075 percent of the more than 50K Free Matter pieces accepted at the retail counter during the three-year period. By its own omission, the OIG notes in the report that "the number of complaints filed with the OIG or USPS is not significant".

In addition, information used by the OIG from discussions with external entities to support Finding 2, appears anecdotal at best. The draft does not provide the scope of questions posed nor the number of those interviewed but simply states, "conversations with representatives from organizations that serve the blind... verified that non-acceptance of Free Matter at retail windows was an issue faced by the people they serve." This statement is difficult to quantify or qualify.



However, even without sufficient cause to support this finding, Postal management took immediate corrective action to address the concerns raised by releasing a nationwide alert to all retail units on the proper acceptance and mailing of Free Matter.

**Finding #3:** Free Matter Service Standards Not Met: Management Disagrees

The results used by the OIG from its non-statistical test of just 26 Free Matter pieces mailed from a single Postal unit is not sufficient to substantiate the finding that Free Matter service standards are not being met nation-wide.

**Recommendations**

**Recommendation #1:** We recommend the **Vice President, Product Solutions**, review the need for unsealed preparation and inspection of Free Matter and subsequent impact on service.

**Management Response/Action Plan:** Management Agrees

Management will consult with its internal stakeholders to review the need for unsealed preparation of Free Matter. Upon review, if it is determined unsealed preparation is no longer required, management will make the required changes to the Domestic Mail Manual. Potential modifications to this requirement should not prevent the Postal Service from inspection of the matter to ensure it meets the requirements for Free Matter mailings.

**Target Implementation Date:** 01/31/2023

**Responsible Official:** Vice President, Product Solutions

**Recommendation #2:** We recommend the **Vice President, Retail and Post Office Operations** and the **Vice President, Processing and Maintenance Operations** incorporate information on the proper handling of Free Matter into new employee training curriculum.

**Management Response/Action Plan:** Management Disagrees

Free Matter for the Blind or Other Physically Handicapped Persons (Free Matter) is a legally mandated program that allows eligible participants to receive and send mail for free. Postal management is fully committed to fulfilling that obligation. However, incorporating Free Matter into new employee training may not necessarily be the best means to convey information for infrequent transaction types and likewise doesn't address the needs of existing retail employees, as Free Matter only represents an infinitesimal percentage of the revenue transactions conducted by the Postal Service. In addition, there may be conflicting constraints on what must be covered in new employee training and the time frame allotted to do so.

Additionally, USPS processing operations indicates, mail class information is beyond the scope of new employee training. Stand-Up Talks are issued periodically, as reflected in the audit, and the information is posted in the appropriate work areas.

Management will continue to communicate current policies to employees that accept and process Free Matter using the most effective means.

Target Implementation Date: N/A

Responsible Official: N/A

**Recommendation #3:** We recommend the **Vice President, Product Solutions**, evaluate options for increasing employee recognition of Free Matter across the Postal Service network.

**Management Response/Action Plan:** Management Agrees

Management will explore ways to increase visibility for Free Matter across the Postal Service Network and determine the best method based upon a cost benefit analysis prior to implementation. Additionally, management will continue to issue service talks that highlight the requirements, as outlined in Publication 357, Mailing Free Matter for the Blind, on a semi-annual basis to increase awareness on the acceptance, processing, inspection, and delivery of these items.

Target Implementation Date: 10/31/2022

Responsible Official: Vice President, Product Solutions

E-SIGNED by Thomas J Foti  
on 2022-07-15 15:19:01 CDT

Thomas J. Foti  
Vice President, Product Solutions

E-SIGNED by Elvin Mercado  
on 2022-07-18 08:26:14 CDT

Elvin Mercado  
Vice President, Retail & Post Office Operations

E-SIGNED by Michael L Barber  
on 2022-07-18 08:23:58 CDT

Mike Barber  
Vice President, Processing & Maintenance Operations

cc: *Manager, Corporate Audit Response Management*

OFFICE OF  
**INSPECTOR  
GENERAL**  
UNITED STATES POSTAL SERVICE

Contact us via our [Hotline](#) and [FOIA](#) forms.  
Follow us on social networks.  
Stay informed.

1735 North Lynn Street  
Arlington, VA 22209-2020  
(703) 248-2100

For media inquiries, please email  
[press@uspsoig.gov](mailto:press@uspsoig.gov) or call 703-248-2100