



OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

Election Mail Opportunities

Audit Report

Report Number
MS-AR-15-007

August 4, 2015

OFFICIAL ELECTION BALLOT
VOTE & RETURN PROMPTLY



OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

Highlights

***The U.S. Postal Service
has opportunities to increase
voting by mail to grow
mail volume and revenue.***

Background

Elections provide opportunities for U.S. citizens to support a candidate or agenda and participate in the political process. In addition to federal and state elections, local elections are held to select municipal officials and school board members and to decide public policy issues. Election jurisdictions typically hold between two and eight elections per year.

Generally citizens use one of three methods to cast their votes — a traditional polling place via electronic or paper ballot, an absentee paper ballot, or early in-person voting. Although traditional poll voting is still the most popular method, voting by mail is increasing across broad segments of the American electorate. For example, in the 2014 midterm federal election, 25 percent of voters cast ballots by mail — an increase of 3.5 percent over the 2012 presidential election. Internet voting is promising, but is currently limited to uniformed and overseas voters.

Every state allows voting by mail via absentee ballot under certain circumstances. Some require an excuse such as illness or out of town travel. More than half of U.S. states allow any registered voter to vote by mail via absentee ballot without an excuse. Three states — Colorado, Oregon, and Washington — conduct elections entirely by mail. All states permit military personnel stationed overseas, their dependents, and other U.S. citizens living abroad to vote by absentee ballot.

Election mail is any mailpiece created by an authorized voting registration official and mailed to or from a citizen as part of the voting, registration, and election process. Election mail includes mail-in ballots and ballot materials, voter registration cards, absentee applications, and polling place notifications. Political mail is not official election mail and promotes political candidates, referenda, or campaigns.

Our objective was to evaluate voting methods to identify opportunities to increase voting by mail.

What the OIG Found

The U.S. Postal Service has opportunities to increase voting by mail to grow mail volume and revenue. Voting by mail offers benefits to voters and election officials yet, on average, only 24 percent of voters in states that allow voting by mail with no excuse took advantage of this option in the 2012 presidential election. The Postal Service has the opportunity to expand voting by mail as election officials face challenges in replacing aging and outdated election equipment. Finally, Internet alternatives will likely not be viable for widespread use until security concerns are addressed.

The Postal Service has not taken full advantage of these opportunities because it has focused its marketing and sales efforts on the larger, more lucrative political mail market and has not developed a marketing and sales strategy for election mail.



OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

A strategy to encourage increased voting by mail could grow mail volume and revenue an estimated \$2 million each year, increase momentum for election jurisdictions to transition to all-mail voting, and support the Postal Service's obligation to bind the nation together.

What the OIG Recommended

We recommended the Postal Service develop a strategy to increase voting by mail to grow election mail volume and revenue.

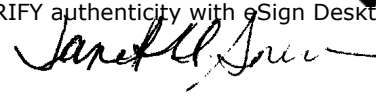
Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

AUGUST 4, 2015

MEMORANDUM FOR: WILLIAM C. RUCKER III
VICE PRESIDENT, SALES

E-Signed by Janet Sorensen
VERIFY authenticity with eSign Desktop


FROM: Janet M. Sorensen
Deputy Assistant Inspector General
for Revenue and Resources

SUBJECT: Audit Report – Election Mail Opportunities
(Report Number MS-AR-15-007)

This report presents the results of our audit of Election Mail Opportunities (Project Number 15RG016MS000).

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Joseph Wolski, director, Retail, Sales, and International, or me at 703-248-2100.

Attachment

cc: Corporate Audit and Response Management

Table of Contents

Cover	
Highlights	1
Background	1
What the OIG Found	1
What the OIG Recommended	2
Transmittal Letter	3
Findings	5
Introduction	5
Conclusion	7
Opportunities to Grow Election Mail	7
Benefits to Voters and Election Officials	8
Issues and Perceptions of Voting by Mail	9
Window of Opportunity	10
Postal Service Focus on Political Mail	10
Recommendation	12
Appendices	13
Appendix A: Additional Information	14
Background	14
Objective, Scope, and Methodology	14
Prior Audit Coverage	15
Appendix B: Summary of State Voting Rules	16
Appendix C: Management's Comments	18
Contact Information	19

Findings

The widespread use of voting by mail is shifting voters away from the traditional polling place.

Introduction

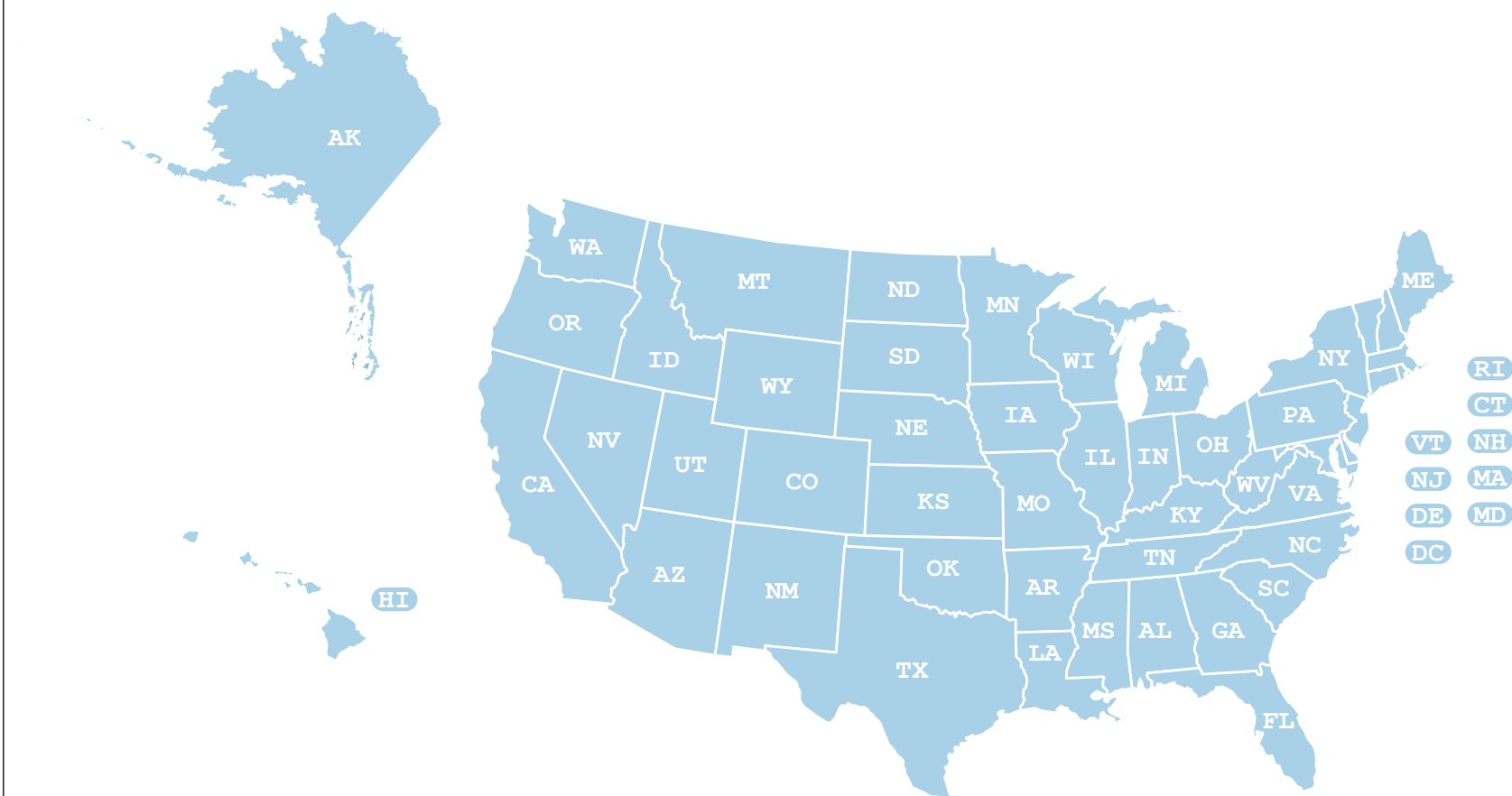
This report presents the results of our self-initiated audit of Election Mail Opportunities (Project Number 15RG016MS000). Our audit objective was to evaluate voting methods to identify opportunities to increase voting by mail. See [Appendix A](#) for additional information about this audit.

In addition to U.S. federal and state elections, local elections are held to select municipal officials and school board members and to decide public policy issues. Election jurisdictions typically hold between two and eight elections per year, with congressional elections taking place every 2 years and presidential elections every 4 years. Today's increasingly mobile culture is changing not only how citizens vote, but when and where they vote. Citizens may vote at polling stations on Election Day, by mail with absentee ballots, or early and in-person at voting centers. Internet voting, while holding out promise for the future, is generally limited to uniformed and overseas voters.

Although traditional poll voting is still the most popular way for citizens to cast their votes, the widespread use of voting by mail is shifting voters away from the traditional polling place. In the recent 2014 midterm federal elections, 25 percent of voters cast ballots by mail, a 3.5 percent increase over the 2012 presidential election.

Every state allows voters to vote by mail using an absentee ballot under certain circumstances (see [Figure 1](#)). Some require an excuse, such as illness or out of town travel. Twenty-seven states allow any registered voter to vote by mail without an excuse. In some states, once an individual asks for an absentee ballot, he or she is included on a permanent absentee ballot list and automatically receives absentee ballots for every election. Three states — Colorado, Oregon, and Washington — now conduct elections entirely by mail and other states are considering expanding their vote by mail programs. See [Appendix B](#) for detailed state information.

Figure 1: States Requiring Excuses to Vote by Mail



Hover over each option to see which states use that option for voting.

Source: National Conference of State Legislatures website data

Election mail is any mailpiece created by an authorized voting registration official and mailed to or from a citizen to support voter registration and elections.¹ The Postal Service facilitates voting by mail by providing services for election mail, such as mailpiece design, a special logo for use on mailpieces, and a distinct mail tag for trays and sacks that contain ballot mail to make these items more visible in the mailstream.

¹ The Postal Service distinguishes between election mail and political mail. Political mail promotes political candidates, referenda, or campaigns.

The Postal Service can grow mail volume and revenue by encouraging voting by mail among the states that have “no-excuse” absentee voting rules.

Conclusion

The Postal Service has opportunities to increase voting by mail to grow mail volume and revenue. Voting by mail offers many benefits to voters and election officials yet, on average, only about 24 percent of voters in states that allow voting by mail with no excuse took advantage of this option in the 2014 midterm elections. The Postal Service has a window of opportunity to expand voting by mail as election officials face challenges in replacing aging, outdated election equipment and Internet alternatives will likely not be viable for widespread use for a number of years.

The Postal Service has not taken full advantage of these opportunities because it has focused its marketing and sales efforts on the larger, more lucrative political mail² market and has not developed a marketing and sales strategy for election mail. By developing and executing a strategy to increase voting by mail, the Postal Service could grow mail volume and revenue, increase momentum for election jurisdictions to transition to all-mail voting, and support its obligation to bind the nation together.³

Opportunities to Grow Election Mail

The Postal Service can grow mail volume and revenue by encouraging voting by mail among the states that have “no-excuse” absentee voting rules. In the 2014 general election, only 24 percent of voters eligible to vote by mail in no-excuse states did so. If the Postal Service developed and executed a strategy to increase voting by mail in states that already have no-excuse absentee voting – particularly in those jurisdictions⁴ that have the most potential for growth – we estimate it could increase revenue by \$2 million annually, or \$32 million over 5 years. An effective strategy would also include educating state government officials in states without no-excuse rules on the many benefits of voting by mail.

Table 1. Estimated Yearly Revenue Impact

	Average Number of Elections per Year	Registered Voters ¹	Average Voter Turnout ²	Estimated Conversion of Voters to Vote-by-Mail ³	Additional Yearly Revenue
Outgoing (election official to voter) ⁴	2	77,501,000	48.1%	4.85%	\$813,755
Incoming (voter to election official) ⁵	2	77,501,000	48.1%	4.85%	\$1,311,149
Total					\$2,124,904

Source: OIG analysis.

By doing so, the Postal Service would fulfill its legal obligation to “bind the nation together.” Notably, voting by mail can increase voter turnout and enhance the election process by enabling individuals to vote even when they find it challenging to get to a polling place.

² Political mail advertises or informs about candidates, issues, and referenda. It is often called “campaign mail.”

³ Title 39 U.S. Code Section 101(a), also known as the Postal Reorganization Act.

⁴ While states establish voting rules, administration is largely up to the over 8,000 voting jurisdictions.

Benefits to Voters and Election Officials

Voting by mail offers several benefits to both voters and election officials. It can be more advantageous to citizens than voting at the polls because:

- *It is more convenient for working voters* – in the 2014 midterm elections, fewer than 37 percent of eligible voters turned out to vote, the lowest turnout in a midterm election since World War II. One industry report⁵ noted that the most common reason for not voting was a conflict with work or school. Voters who have unavoidable work or child care responsibilities often cannot wait in line to vote, but can vote by mail at their convenience beyond the 12-13 hour window that polls remain open on a workday.
- *It is more accessible for older voters and individuals with disabilities* – citizens who find traveling to a polling place or standing for extended periods to be challenging are also disproportionately impacted by long voting lines and more likely to use early or absentee voting.
- *It offers voters an opportunity to more thoroughly consider candidates, issues, and options* – voting by mail also allows voters more time to consider their election choices as absentee ballots must be mailed to voters far enough in advance of Election Day to allow for timely dissemination and return. This may be especially valuable to adults who have literacy or language challenges.⁶
- *It increases voter turnout* – although voter turnout is mostly influenced by other factors, industry studies⁷ have shown that voting by mail increases the number of votes cast, especially by expanding participation in special local elections.

Voting by mail appears to be popular, with 65 percent of voters indicating that they would like the option to cast their vote early.⁸ Yet one survey found that nearly one-third of registered voters did not know if they were currently eligible to vote by absentee ballot. Once voters sign up to vote by mail, however, they tend to continue voting this way.

Providing voting services to more than 74 million voters on Election Day requires a massive organization of thousands of precincts, polling places, and poll workers across the country.⁹ Voting by mail benefits election officials by providing easier administration and logistics management at polling stations and potential cost savings. Some logistical benefits of voting by mail would include:

- *Reduced need to recruit and train poll workers* – it can be challenging to recruit and train workers to staff the polls, especially as the complexity of voting technology and rules has led states to seek poll workers with specialized technological knowledge. As more voters cast their ballots by mail fewer poll workers are needed.

⁵ *America Goes to the Polls 2014 A Report on Voter Turnout in the 2014 Midterm Election*. Nonprofit Vote.

⁶ OIG report, *Political and Election Mail* (Report Number MS-AR-13-008, dated June 19, 2013) identified opportunities for the Postal Service to increase non-ballot election mail, such as absentee request forms, to provide opportunities for citizen groups that are eligible to vote but not yet registered. We identified increased sales of about \$1.2 million in the next general election by addressing the needs of these voters.

⁷ *Changing the Way Colorado Votes: A Study of Selected Reforms*, Buechner Institute of Governance, School of Public Affairs, University of Colorado, Denver. February 2011.

⁸ Survey conducted in support of a report commissioned by the EAC: *Free or Reduced Postage for the Return of Absentee Ballots*, February 2008.

⁹ There were about 74 million voters casting votes at the polls in the 2012 general election.

Although voting by mail has many benefits, there are some concerns and perceptions the Postal Service must overcome, including concerns about fraud and security.

- *Reduced need for polling sites and related equipment* – precinct-based voting requires the selection of polling places within precincts and maintenance and distribution of voting equipment. An increase in the number of voters casting their votes by mail may allow jurisdictions to reduce the number of polling sites, which are an increasing problem for election officials due to security concerns. Reducing the number of polling sites also reduces issues related to election equipment, such as acquisition, storage, maintenance, and set up.
- *Allows more time for processing votes* – voting by mail allows election officials more time to process votes as opposed to processing votes on a single day.¹⁰ Most absentee voters returned their ballots more than 1 week before the election.
- *May reduce costs* – one study¹¹ indicated that conducting an election by mail in one particular state’s general election would cut costs by as much as 45 percent.
- *Other benefits* – there are other potential benefits, such as fewer election-related hotline calls, improved accuracy of voter registration lists, and improved auditability of election results.

Issues and Perceptions of Voting by Mail

Although voting by mail has many benefits, there are some concerns and perceptions the Postal Service must overcome, including concerns about fraud and security. Those who voted by mail were less confident than poll voters that their vote was counted as intended. However, to a large degree, voters were more confident that their votes were counted when their party won and less confident when their party lost. There is no evidence that voting by mail is subject to more fraud than other voting methodologies.¹² In fact, election officials often make the case that voting by mail is more secure than voting at a polling place because their offices check to see that voter signatures on absentee ballots match the signatures on registration cards. Other concerns about voting by mail include:

- *Community identity* – there are concerns that voting by mail could harm civic culture. More than a function used to determine who holds office, elections are seen as civic rituals that enhance a sense of community.
- *Party bias* – there is also the perception that voting by mail might favor one political party over another; however, research has not substantiated this belief. One study found that use of absentee ballots was roughly equal for Democrats and Republicans and that voting by mail is likely to increase turnout among those already predisposed to vote.
- *The future of the Postal Service* – there is concern that, because the Postal Service is under financial strain, its performance will deteriorate as it consolidates plants and cuts back delivery service and it will not be able to meet the demand for voting by mail.
- *New criteria for voting by mail* – election officials have also raised issues related to inconsistent interpretations of regulations for election mail and illegible or missing postmarks on return ballots, which some jurisdictions require for acceptance of votes received after Election Day.

¹⁰ Not all states allow ballots to be counted before the day of the election.

¹¹ *Changing the Way Colorado Votes: A Study of Selected Reforms*, Buechner Institute of Governance, School of Public Affairs, University of Colorado, Denver. February 2011.

¹² OIG review of industry reports and interviews with experts.

Window of Opportunity

The Postal Service has a window of opportunity now to expand voting by mail as election equipment is becoming obsolete. Election officials purchased many of the voting machines currently in operation with federal money appropriated under the 2002 Help America Vote Act (HAVA)¹³. By the end of the decade these machines will reach the end of their natural life and the cost of maintaining these systems will significantly exceed the original acquisition costs. In addition, changes in technology and legislation will make these systems obsolete. Finally, approval of updated standards for new voting machines was delayed,¹⁴ which slowed down the development of new equipment.

The lack of viable Internet voting options in the near future also presents an opportunity to expand voting by mail. Although states are increasingly accepting voter registrations over the Internet, using the Internet to cast votes is generally limited to voters outside the U.S. under the Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA).¹⁵ Alaska is currently the only state that allows any registered voter to transmit his or her ballot either by fax, email, or through an online website; however, online voting interactions raise policy and election integrity issues. Concerns among the information technology community about the security of computers in the conduct of elections have slowed down the adoption of new technologies. Industry experts we spoke with believe that it will be at least 5 years before Internet security concerns are resolved. This 5-year interval offers the Postal Service an opportunity to increase its market share in voting methodologies.

Postal Service Focus on Political Mail

The Postal Service has not taken full advantage of opportunities to increase election mail because it has focused its limited marketing and sales resources on the larger, more lucrative political mail market and has not developed a marketing and sales strategy for election mail. To increase political mail volume and revenue, the Postal Service has developed market intelligence to focus its sales and marketing efforts, provided tools to the sales force, and set sales goals and targets. However, for election mail, the Postal Service has focused on facilitating the mail through the mailstream, not on opportunities to increase mail volume and revenue.

While it has not tried to grow election mail, the Postal Service has taken some steps to facilitate election mail performance in the mailstream, including providing services such as mailpiece design, a special logo for use on mailpieces, and a distinct mail tag for trays and sacks that contain ballot mail so it is more visible in the mailstream. The Postal Service also designates certain employees as election mail coordinators to work with election officials and mail service providers to facilitate communication. Again, the focus of these efforts is generally on operations rather than sales.

For calendar year 2014, the Postal Service had over \$317 million in political mail revenue as opposed to \$24 million in election mail revenue. Recorded election mail revenue includes mail that election officials sent to voters but does not include return ballots, which voters return using First-Class Mail. In addition, recorded election mail revenue may not capture all of the volume and revenue of mail sent by election officials to voters.

Beginning in 2014, the Postal Service implemented procedures requiring mailers to check off a box on the postage statement indicating “election mail” to allow election mail volume and revenue to be recorded. Until election officials get familiar with this process, election mail volume and revenue may be underreported.¹⁶

¹³ 42 U.S.C. §15321 *et seq.* With the enactment of HAVA, Congress appropriated more than \$3.1 billion for the Election Assistance Commission (EAC) to distribute to states to make election administration improvements, including the purchase of voting systems.

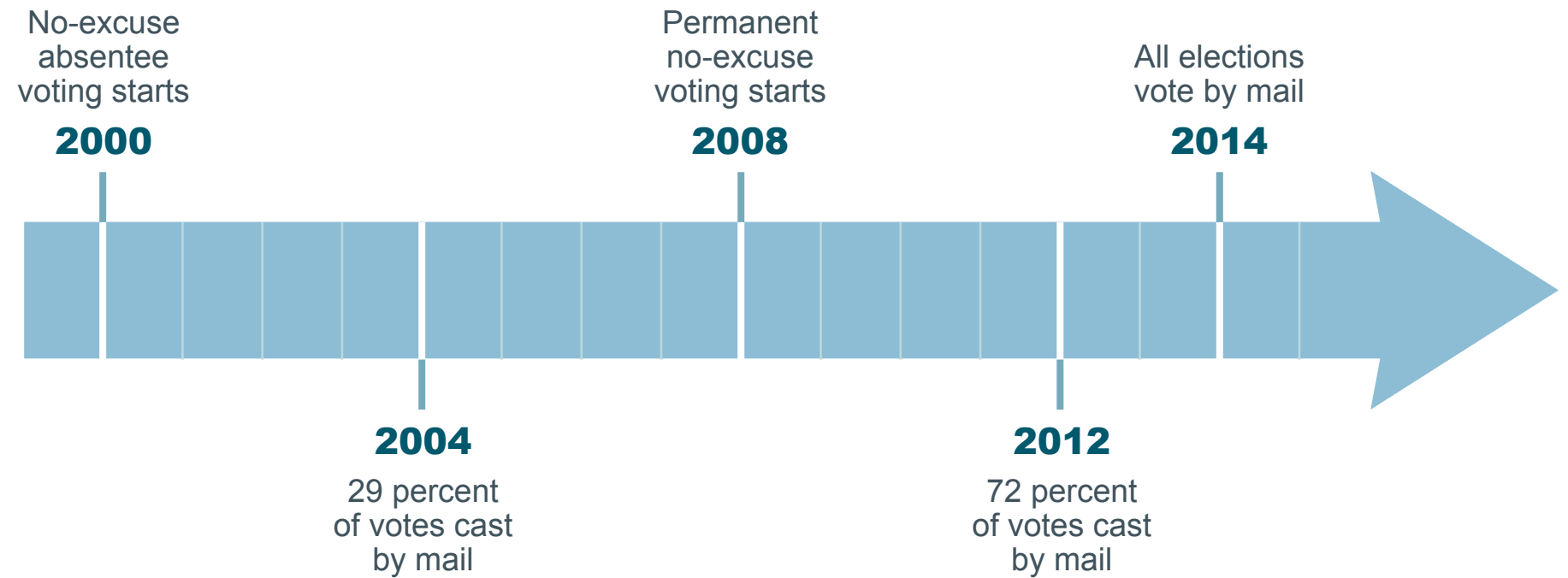
¹⁴ The EAC is responsible for approving standards.

¹⁵ Federal requirements concerning registration of and voting by overseas and uniformed services voters are in the UOCAVA, 42 U.S.C. §1973ff.

¹⁶ The Postal Service estimated election mail volume in 2012 at 262,170,000 pieces. The election mail volume recorded in 2014 was 149,750,778.

Even without a Postal Service sales effort, the number of citizens voting by mail has doubled since 2000.¹⁷ Furthermore, as more voters choose to vote by mail, individual states might decide to transition to all-mail voting, as Colorado, Oregon, and Washington have done. As the number of voters using absentee ballots grew, those states reached a point where all-mail voting became practical. The evolution of all-mail voting in Colorado serves as an example (see Figure 2):

Figure 2: Evolution of Colorado's Vote by Mail Program



Source: OIG analysis.

The Postal Service could increase voting by mail by modeling its strategy similar to that for political mail. The Postal Service could:

- Develop market intelligence to identify election jurisdictions with the most potential for increasing voting by mail.
- Provide its sales force with tools to assist them in presentations.
- Establish goals and metrics to track and incentivize the sales force.
- Partner with mail service providers that provide election mail services to leverage sales efforts.

The Postal Service could also display vote by mail information in post offices to inform voters who are eligible to vote by absentee ballot in their state. The strategy should also include a top-down approach that educates legislators on the benefits of voting by mail. By developing a strategy to take advantage of opportunities to increase voting by mail, the Postal Service could grow mail volume and revenue, increase the momentum for election jurisdictions to transition to all-mail voting, and support its obligation to bind the nation together.

¹⁷ OIG analysis of voting data.

Recommendation

***We recommend the
Postal Service develop a
strategy to increase voting
by mail to grow election mail
volume and revenue.***

We recommend the vice president, Sales:

1. Develop a strategy to increase voting by mail to grow election mail volume and revenue.

Management's Comments

Management agreed with the finding and monetary impact, but disagreed with the recommendation. Management stated they want to optimize the use of limited sales resources to focus on the larger political mail market. Management also noted that the Postal Service has little or no influence on state legislative decisions to vote by mail.

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

Evaluation of Management's Comments

While we agree the Postal Service needs to focus its sales resources on obtaining the highest return on investment, we believe that developing a strategy to increase voting by mail that focuses on those markets with the best prospects would be a profitable use of resources. As indicated in our report, a strategy to increase voting by mail should focus on those jurisdictions that already allow it to avoid the need for legislative decisions.

We view the disagreement on the recommendation as unresolved but do not plan to pursue it through the formal audit resolution process. We will consider the recommendation closed with the issuance of this report.

Appendices

*Click on the appendix title
to the right to navigate to
the section content.*

Appendix A: Additional Information..... 14

 Background 14

 Objective, Scope, and Methodology 14

 Prior Audit Coverage..... 15

Appendix B: Summary of State Voting Rules 16

Appendix C: Management’s Comments 18

Appendix A: Additional Information

Background

There were 153 million registered voters in America in 2012 — about 65 percent of the population. In the 2014 midterm federal election, 59 percent voted at polling stations, 25 percent cast their ballot by mail, and 16 percent voted early and in-person. The introduction of absentee voting in the U.S. largely occurred to allow military voters to cast their ballots while stationed away from their local precincts.

Voting by mail rules vary by state. Every state allows voters to vote by mail via absentee ballot under certain circumstances. Some require an excuse, such as illness or out of town travel. More than half of U.S. states allow any registered voter to vote by mail via absentee ballot without an excuse. Some states offer a permanent absentee ballot list so that a voter who has voted by absentee ballot once will automatically receive an absentee ballot for all future elections. All states permit members of the military who are stationed overseas, their dependents, and other U.S. citizens living abroad to vote by absentee ballot.

Voting by mail entails using election mail. The Postal Service defines election mail as any mailpiece created by an authorized voting registration official mailed to or from a citizen of the U.S. for the purpose of supporting the voting registration and election processes. Election officials may use Standard Mail or First-Class® rates for election mail, but return ballots require First-Class postage.¹⁸ Election mail includes:

- Mail-In Ballots
- Ballot Materials
- Voter Registration Cards
- Absentee Applications
- Polling Place Notifications

The voter usually pays the postage for return ballots. In some jurisdictions the voter may cast the absentee ballot by placing it in a designated drop box instead of mailing.

Objective, Scope, and Methodology

Our objective was to evaluate voting methods to identify opportunities to increase voting by mail. To achieve our objective we:

- Reviewed Postal Service policies, procedures, and guidance related to the roles, responsibilities, and structure of the Sales division, including staffing and election mail strategies.
- Reviewed fiscal year 2013 and 2014 election mail data, including, but not limited to, potential financial effects, voter challenges to accessibility, observation data on wait times, and political and election mail strategies.

¹⁸ Election mail sent to and from UOCAVA voters is provided for free.

- Observed operations and interviewed state and county election officials and Postal Service sales, marketing, and election mail coordinators in four states.
- Reviewed Postal Service Delivering Results, Innovation, Value, and Efficiency Initiative 16, Customer Growth & Retention, and Initiative 42, Market New and Existing Products and Services.
- Reviewed existing industry studies and interviewed leading experts in the field of election mail.

We conducted this performance audit from February through August 2015, 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 July 6, 2015, and included their comments where appropriate.

We did not attest to the reliability of any computer-generated data for the purposes of this report.

Prior Audit Coverage

The OIG issued an audit report titled *Political and Election Mail Sales* (Report Number MS-AR-13-008, dated June 19, 2013). Our report determined that additional opportunities exist for the Postal Service to increase political mail revenue. Nonballot election mail, such as absentee request forms, may provide opportunities for increased sales of about \$1.2 million in the next general election by addressing citizens groups that are eligible to vote but not yet registered. In addition, the Postal Service could further explore providing Internet voting to enhance its ability to serve the public and moving into the digital communication market. We recommended the Postal Service develop a strategy to increase the sale of nonballot election mail products to citizen groups who are eligible to vote but not registered. We also recommended the Postal Service continue to explore secure digital credentialing and its potential for Internet voting. Management agreed with the findings and recommendations and stated they would develop a strategy to increase the sale of nonballot election mail products and continue to explore the possibility of Internet voting within the secure digital credentialing program.

Appendix B: Summary of State Voting Rules

State	No Excuse Required	Absentee Excuse Required	All-Mail Voting	Permanent Absentee Status
Alabama		•		
Alaska	•			
Arizona	•			•
Arkansas		•		
California	•			•
Colorado			•	
Connecticut		•		
Delaware		•		
Florida	•			
Georgia	•			
Hawaii	•			•
Idaho	•			
Illinois	•			
Indiana		•		
Iowa	•			
Kansas	•			
Kentucky		•		
Louisiana		•		
Maine	•			
Maryland	•			
Massachusetts		•		
Michigan		•		
Minnesota	•			•
Mississippi		•		
Missouri		•		
Montana	•			•
Nebraska	•			
Nevada	•			
New Hampshire		•		
New Jersey	•			•
New Mexico	•			

State	No Excuse Required	Absentee Excuse Required	All-Mail Voting	Permanent Absentee Status
New York		•		
North Carolina	•			
North Dakota	•			
Ohio	•			
Oklahoma	•			
Oregon			•	
Pennsylvania		•		
Rhode Island		•		
South Carolina		•		
South Dakota	•			
Tennessee		•		
Texas		•		
Utah	•			•
Vermont	•			
Virginia		•		
Washington			•	
West Virginia		•		
Wisconsin	•			
Wyoming	•			
TOTAL	27	20	3	7

Source: National Conference of State Legislatures website data

Appendix C: Management's Comments

CLIFF RUCKER
VICE PRESIDENT, SALES



July 27, 2015

LORI LAU DILLARD, DIRECTOR, AUDIT OPERATIONS

SUBJECT: Draft Management Advisory Report – Election Mail Opportunities
(Report Number MS-AR-15-DRAFT)

The following findings were discussed in this OIG report:

The U.S. Postal Service has opportunities to increase voting by mail to grow mail volume and revenue. Voting by mail offers benefits to voters and election officials yet, on average, only 24 percent of voters in states that allow voting by mail with no excuse took advantage of this option in the 2012 presidential election. The Postal Service has the opportunity to expand voting by mail as election officials face challenges in replacing aging and outdated election equipment. Finally, Internet alternatives will likely not be viable for widespread use until security concerns are addressed.

The Postal Service has not taken full advantage of these opportunities because it has focused its marketing and sales efforts on the larger, more lucrative political mail market and has not developed a marketing and sales strategy for election mail. A strategy to encourage increased voting by mail could grow mail volume and revenue an estimated \$2 million each year, increase momentum for election jurisdictions to transition to all-mail voting, and support the Postal Service's obligation to bind the nation together.

Management Response:

The Postal Service agrees with the OIG in that it has focused its marketing and sales efforts on the larger, more lucrative political mail market. This strategy supports optimizing resources to get "the most bang for the buck". The Sales organization goal for Political Mail in FY16 is more than 450 times the \$2 million projected if we focused on election mail. As the OIG noted in their Sales Staffing audit (Report Number MS-MA-15), the size of the Postal Service sales staff is approximately one third the size of competitors. Therefore our focus should be on high value items that bring profit quickly into the Postal Service.

As the reports states, "Even without a Postal Service sales effort, the number of citizens voting by mail has doubled since 2000." and "Three states — Colorado, Oregon, and Washington — now conduct elections entirely by mail and other states are considering expanding their vote by mail programs." The Postal Service agrees election mail will continue to have organic growth with or without our involvement. USPS has implemented capabilities to support voting by mail but ultimately we have little, if no influence on state legislative decisions to vote by mail.

475 L'ENFANT PLAZA SW
WASHINGTON DC 20260-5657
WWW.USPS.COM

Recommendations

We recommend the Vice President, Sales:

1. Develop a strategy to increase voting by mail to grow election mail volume and revenue.

Management Response/Action Plan:

The Postal Service disagrees with the recommendations presented by the OIG in its report. As stated above, the Postal Service feels the best optimization of its resources would be to stay focused on high value items such as political mail and not expend resources on election mail which will grow without involvement.



Cliff Rucker

cc: Sally K. Haring,
Manager, Corporate Audit and Response Management
U S Postal Service



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

Contact us via our [Hotline](#) and [FOIA](#) forms, follow us on social networks, or call our Hotline at 1-888-877-7644 to report fraud, waste or abuse. Stay informed.

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