

Mitigating Internal Mail Theft

AUDIT REPORT

Report Number 24-076-R25 | October 30, 2024



Table of Contents

Cover

Highlights	1
Background	1
What We Did	1
What We Found	1
Recommendations and Management’s Comments.....	1

Transmittal Letter	2
---------------------------------	---

Results	3
Introduction/Objective.....	3
Background	3
Findings Summary	4
Finding #1: Lack of Management Oversight on the Workroom Floor	5
Recommendation #1	10
Recommendation #2	10
Finding #2: Lack of ISIP Camera Visibility	11
Recommendation #3.....	12
Recommendation #4.....	12

Appendices	13
Appendix A: Additional Information.....	14
Scope and Methodology	14
Prior Audit Coverage	15
Appendix B: Management’s Comments	16

Contact Information	20
----------------------------------	----

Highlights

Background

The U.S. Postal Service's mission is to provide the nation with trusted, safe, and secure mail services. As the Postal Service provides mail service to almost 167 million addresses six days a week as part of its universal service obligation, mail can be subject to theft, including internal theft. Internal mail theft includes the theft, destruction, or delay of mail and packages by postal employees.

What We Did

Our objective was to assess the Postal Service's efforts to prevent and detect internal mail theft in mail processing facilities. For this audit, we judgmentally selected a sample of 12 mail processing facilities nationwide based on internal mail theft investigative cases and U.S. Postal Service Office of Inspector General (OIG) site observations. Additionally, we reviewed Postal Service and U.S. Postal Inspection Service processes, procedures, equipment, and other efforts in place that could detect or prevent internal mail theft.

What We Found

The Postal Service has some processes, procedures, and equipment in place to deter internal mail theft. However, internal mail theft still occurred in processing facilities nationwide due to a lack of a nationwide policy restricting personal belongings on the workroom floor, elevated supervisor and manager vacancy rates, and no dedicated periodic mail theft awareness employee training. Additionally, processing facilities nationwide are outfitted with cameras to monitor workroom floors, but some cameras were not operational due to failures with switches, servers, or cables. The Postal Inspection Service does not have a documented plan or guidance to monitor the operational status of the cameras.

Recommendations and Management's Comments

We made four recommendations to address issues identified in the report. Postal Service management agreed with one recommendation, partially agreed with two recommendations and disagreed with one. Management's comments and our evaluation are at the end of each finding and recommendation. The OIG considers management's comments responsive to recommendations 1-3 as corrective actions should resolve the issues identified in the report. We will work with management on the other recommendation during the audit resolution process. See [Appendix B](#) for management's comments in their entirety.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

October 30, 2024

MEMORANDUM FOR: GARY R. BARKSDALE
CHIEF POSTAL INSPECTOR

ISAAC S. CRONKHITE
CHIEF PROCESSING AND DISTRIBUTION OFFICER AND
EXECUTIVE VICE PRESIDENT

THOMAS J. BLUM,
VICE PRESIDENT, LABOR RELATIONS

BENJAMIN P. KUO
VICE PRESIDENT, FACILITIES

A handwritten signature in black ink, reading "W Espinoza", is centered below the list of recipients.

FROM: Wilvia Espinoza
Deputy Assistant Inspector General
for Inspection Service, Technology, and Services

SUBJECT: Audit Report – Mitigating Internal Mail Theft
(Report Number 24-076-R25)

This report presents the results of our audit of Mitigating Internal Mail Theft.

All recommendations require U.S. Postal Service Office of Inspector General (OIG) concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. Recommendations 1-3 should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendation can be closed.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Laura Lozon, Director, Inspection Service, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit Response Management
Secretary of the Board of Governors

Results

Introduction/Objective

This report presents the results of our self-initiated audit of Postal Service’s efforts to mitigate Internal Mail Theft in the U.S. Postal Service (Project Number 24-076). Our objective was to assess the Postal Service’s efforts to prevent and detect internal mail theft in mail processing facilities. See [Appendix A](#) for additional information about this audit.

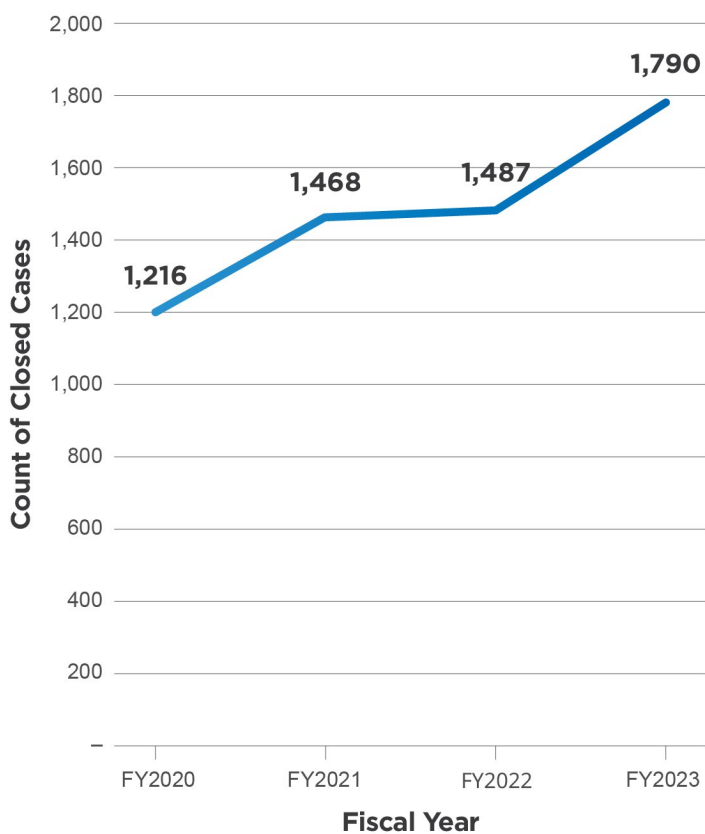
Background

The Postal Service’s mission is to provide the nation with trusted, safe, and secure mail services. As the Postal Service provides mail service to almost 167 million addresses six days a week as part of its universal service obligation, mail can be subject to internal theft. Internal mail theft includes the theft, destruction, or delay of mail and packages by postal employees. As of fiscal year (FY) 2023, there were 525,469 career employees and 114,623 pre-career employees¹ nationwide.² While most Postal Service employees work conscientiously to deliver the nation’s mail, there has been a small number who have stolen, delayed, or destroyed mail and packages.

The U.S. Postal Inspection Service leads Postal Service efforts to secure the mail and implement enhanced security measures to mitigate and deter mail theft. Additionally, the Postal Inspection Service is responsible for investigating complaints of mail theft committed by non-postal employees, while special agents within the U.S. Postal Service Office of Inspector General (OIG) investigate complaints of mail theft committed by postal employees. If a mail theft incident includes a postal employee along with non-postal employees, the Postal Inspection Service and the OIG generally work the cases jointly.

As shown in Figure 1, between October 1, 2019, and September 30, 2023, 5,961 internal mail theft cases were closed nationwide.

Figure 1. OIG Internal Mail Theft Closed Cases by Fiscal Year



Source: OIG analysis of internal mail theft investigative data for the period of October 2019 through September 2023.

To carry out with its mission, the Postal Inspection Service implemented tools to identify security risks and deter mail theft. Specifically, to assist with facility monitoring, the Postal Inspection Service manages integrated security and investigative platform (ISIP) cameras via a video management system.³ The ISIP cameras are used by both Postal Inspection Service and OIG special agents for security and investigative purposes. As of May 2024, there were 18,619 ISIP cameras installed at postal facilities nationwide.

Internal mail theft continues to occur at mail processing plants and delivery units across the nation due to employee access to mail and

¹ Pre-career employees are temporary workers who do not receive the same employee benefits as career employees and are not always guaranteed a regular schedule. Most new field employees begin as pre-career employees before they become eligible for a career position.
² U.S. Postal Service, *Fiscal Year 2023 Annual Report to Congress*.
³ In addition to the ISIP cameras, the Postal Service manages and maintains stand-alone cameras not included in the video management system or under the purview of the Postal Inspection Service. Therefore, stand-alone cameras were not included in the scope of this audit.

packages that may contain credit cards, checks, cash, gift cards, narcotics, high value articles, and other sensitive items. Therefore, this audit focused on how the Postal Service mitigates internal mail theft and included three main review areas at processing facilities nationwide: facility management oversight, facility security, and internal controls. As of August 2024, there were 326 mail processing facilities nationwide.⁴ We selected a sample of 12 for review; ten were selected based on the number of OIG closed internal mail theft cases, and two were based on prior OIG auditor onsite observations.

Findings Summary

We identified opportunities for the Postal Service to address internal mail theft control weaknesses in mail processing facilities nationwide. Specifically, we found Postal Service employees brought personal belongings onto the workroom floor, which were used to conceal stolen mail and packages. Additionally, Postal Inspection Service officials did not actively monitor the operational status of remotely accessible ISIP cameras that are used to monitor operations on the workroom floor.

⁴ Data gathered from the postal Facilities Database System, which serves as a centralized, complete, and accurate source of Postal Service facility information.

Finding #1: Lack of Management Oversight on the Workroom Floor

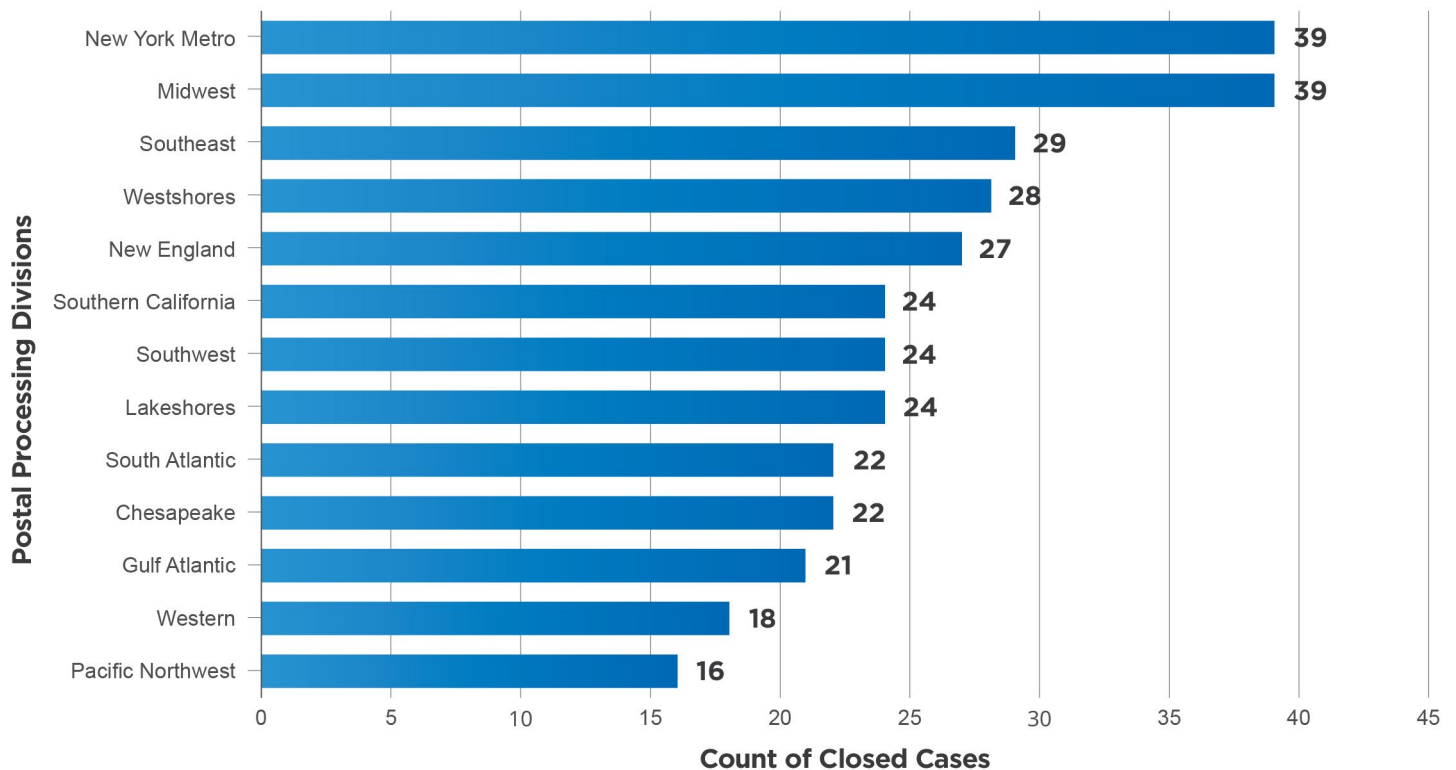
We found opportunities for the Postal Service to address internal control weaknesses to help decrease internal mail theft in processing facilities nationwide. Specifically, based on a review of closed internal mail theft investigations, we determined that postal employees used personal belongings brought onto the workroom floor at processing facilities nationwide to conceal stolen mail and packages. During our site observations, we also saw that postal employees were bringing personal belongings onto the workroom floor in processing facilities, which increases the risk of and provides opportunity for internal mail theft.

From October 2019 to June 2024, there were 333 closed internal mail theft investigative cases that occurred at mail processing facilities nationwide.

Figure 2 lists the number of closed internal mail theft cases by processing division.

We selected 10 OIG internal mail theft investigative cases closed from November 2018 to December 2023 that involved postal employees who used personal belongings to steal letter mail and packages from the workroom floor and/or loading dock at mail processing facilities. While nine cases involved 17 postal employees who used personal belongings⁵ to conceal the theft of currency, gift cards, credit cards, and narcotics from mail and packages, one case involved a postal employee who concealed stolen mail in their pants pocket. While we only reviewed 10 investigative cases, our sample captured internal mail theft incidents at facilities nationwide. [Table 1](#) lists the cases from our sample and their periods of investigation by processing division.

Figure 2. Closed Internal Mail Theft Cases by Processing Division



Source: Summary of OIG cases involving internal mail theft at processing facilities from October 2019 through June 2024.

⁵ Personal belongings include backpacks, lunchboxes, cooler bags, jackets, and coats.

Table 1. Sample of OIG Internal Mail Theft Cases

Processing Division	Facility Name	Periods of Investigation
Midwest	St. Louis, MO, Network Distribution Center (NDC)	August 2020 to May 2021
Westshores	Carol Stream, IL, Local Processing Center (LPC)*	April 2021 to June 2021
	Milwaukee, WI, Processing and Distribution Center (P&DC)	February 2022 to March 2022
Southeast	Greenville, SC, LPC*	April 2021 to May 2021
Gulf Atlantic	Jacksonville, FL, Regional Processing and Distribution Center (RPDC)*	January 2021 to August 2021
	Tallahassee, FL, LPC*	December 2019 to October 2020
Pacific Northwest	Anchorage, AK, P&DC	April 2023 to May 2023
Southern California	Honolulu, HI, P&DC	October 2023 to December 2023
Lakeshores	Cleveland, OH, P&DC	September 2017 to November 2018
New York Metro	Dominick V. Daniels P&DC	December 2017 to March 2018

Source: OIG summary of internal mail theft cases and their corresponding Postal Service processing division as of July 2024. *These facilities were previously a P&DC or NDC.

Of the nine cases, we selected three to highlight based on factors such as the volume of mail stolen, the number of employees involved, or the type of mail contents that were stolen.

Milwaukee, WI, P&DC

In February 2022, OIG special agents initiated an investigation at the Milwaukee, WI, P&DC involving a mail processing clerk who stole about 1,248 pieces of First-Class Mail – some of which included gift cards and currency – between December 2021 and March 2022. The clerk searched trays of canceled mail⁶ looking for greeting cards that contained gift cards and placed them into a separate tray throughout their shift. The clerk later placed them in a personal backpack while on the workroom floor. At the time of the interview, the clerk was found with greeting cards and gift cards in a personal backpack and admitted to special agents they stole this mail while on duty at the P&DC. As a result of the investigation, the clerk was terminated in May 2022, prosecuted and found guilty in July 2022, sentenced in January 2023 to probation for two years, and ordered to pay \$1,688 in restitution. See Figure 3 for images of stolen greeting cards and gift cards.

Figure 3. Stolen Greeting Cards and Gift Cards in a Personal Backpack



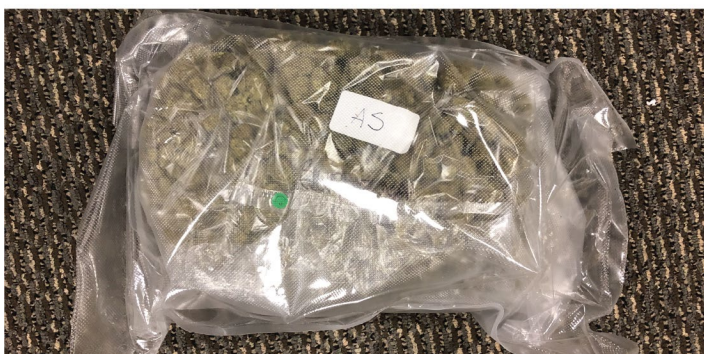
Source: Photos taken by OIG special agents in March 2022.

⁶ Upon entry into the mailstream, the Postal Service applies a postmark across the postage stamp so that it cannot be reused.

St. Louis, MO, NDC

In August 2020, OIG special agents initiated an investigation at the St. Louis, MO, NDC involving seven mail handlers who rifled through over 150 packages while unloading trailers at the loading dock between August 2020 and March 2021. The mail handlers stole the contents from approximately 55 (37 percent) of these packages, which included marijuana and cannabis oil. The mail handlers concealed the narcotics in their backpacks and jackets and worked together as lookouts, handing off the jackets to conceal the theft from the loading dock and while on the workroom floor. The seven mail handlers admitted to their crimes and were placed on administrative leave. As a result of the investigation, one mail handler was terminated in July 2021, and six mail handlers resigned between March and August 2021, one of which was prosecuted and found guilty in August 2023, and sentenced to three months in federal prison and three months of supervised release. See Figure 4 for images of a rifled package and stolen narcotics.

Figure 4. Rifled Package and Stolen Narcotics

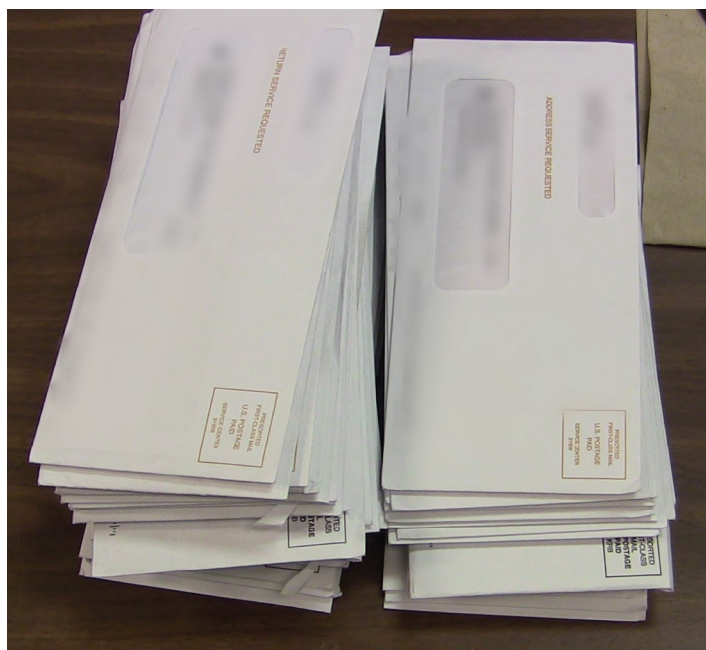


Source: Photos taken by OIG special agents in March 2021.

Dominick V. Daniels P&DC

In January 2018, an OIG special agent initiated an investigation at the Dominick V. Daniels P&DC in Kearny, NJ, involving a mail handler assistant who stole mail containing credit cards. The mail handler assistant removed this mail from the mailstream and placed it in a jacket and then later a purse while on the workroom floor. The OIG special agent interviewed the mail handler assistant and showed video surveillance of the theft, the employee admitted to the crime and handed over 51 stolen pieces of mail with credit cards from their purse. As a result of the investigation, the mail handler assistant was arrested in January 2018, referred to Postal Management in April 2018, terminated in August 2018, pled guilty in April 2019, and sentenced in June 2019 to one year probation and ordered to pay a \$155 fine. See Figure 5 for an image of the stolen mail with credit cards.

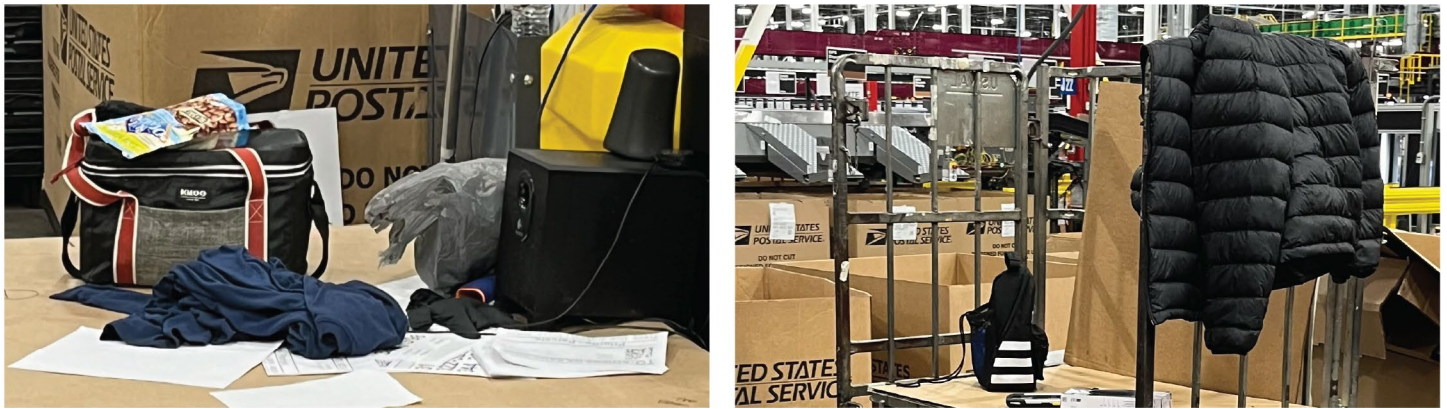
Figure 5. Stolen Credit Card Mail



Source: Photo taken by an OIG special agent on January 25, 2018.

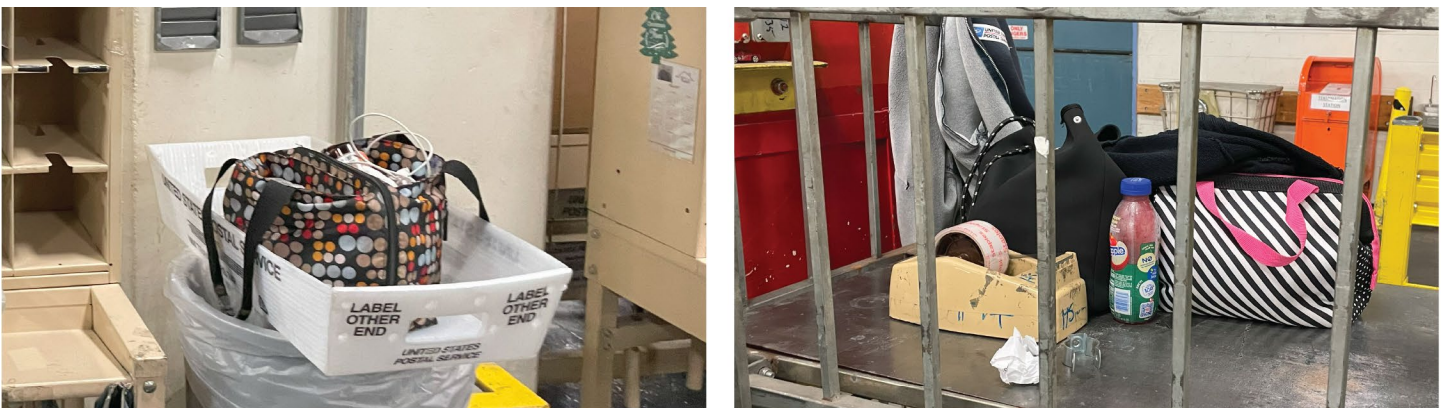
In addition, OIG auditors observed personal belongings on the workroom floor at the Atlanta RPDC and the Kansas City P&DC while onsite in May 2024. See Figures 6 and 7 for examples of personal belongings observed at these facilities.

Figure 6. Personal Belongings on the Workroom Floor at Atlanta RPDC



Source: Photos taken by OIG auditors on May 2, 2024.

Figure 7. Personal Belongings on the Workroom Floor at Kansas City P&DC



Source: Photos taken by OIG auditors on May 14, 2024 (left image) and May 16, 2024 (right image).

Postal Service Headquarters policy⁷ states employees must not place mail in their clothing, lockers, desk, or in any other personal belongings. Additionally, some divisions and processing facilities have policies in place that restrict personal belongings on the workroom floor. Lastly, industry best practices published by the Postal Inspection Service recommend prohibiting employees from taking personal items into the main workspace.⁸

Regardless of these policies and practices, internal mail theft continued because Postal Service Headquarters officials did not establish a nationwide policy to restrict personal belongings on the workroom floor. Specifically, according to headquarters officials, division management is responsible for developing policy restricting

employees' personal belongings in their divisions. Furthermore, division management stated each processing facility manager is responsible for developing policy at their facility. We contacted 12 processing facility managers and found 11 processing facilities had policies addressing and restricting personal belongings. Of those 11, six (55 percent) were created during our audit, with two being published after we requested the information. The one remaining processing facility manager provided the audit team with a district policy, which largely addressed custodial issues and had only one brief sentence restricting personal belongings on the workroom floor. Table 2 lists the responses received from facility managers regarding personal belongings policies and their effective dates.

7 Administrative Support Manual, Issue 13, Section 271.63 Placing Mail on Person or in Personal Receptacles, dated January 2024.

8 U.S. Postal Service, *Best Practices for Mail Center Security Incoming and Outgoing Operations*, <https://about.usps.com/what/corporate-social-responsibility/securing-the-mail/best-practices.htm>

Table 2. Personal Belongings Policies for Sample of Processing Facilities

Division Name	Facility Name	Facility Policy	Policy Date
Midwest	St. Louis, MO, NDC	✓	5/3/2024
	Kansas City, MO, P&DC	✓	7/8/2024
Westshores	Carol Stream, IL, LPC*	✓	5/27/2020
	Milwaukee, WI, P&DC	X	X
Southeast	Greenville, SC, LPC*	✓	No Date
	Atlanta, GA, RPDC	✓	7/30/2024
Gulf Atlantic	Jacksonville, FL, RPDC*	✓	3/4/2024
	Tallahassee, FL, LPC*	✓	3/2024
Pacific Northwest	Anchorage, AK, P&DC	✓	12/17/2004
Southern California	Honolulu, HI, P&DC	✓	6/14/2024
Lakeshores	Cleveland, OH, P&DC	✓	6/2023
New York Metro	Dominick V. Daniels P&DC	✓	9/2021

Source: OIG summary of responses received from facility managers during June and July 2024. *These facilities were previously either a P&DC or NDC.

Opportunities exist to expand the application of policies restricting personal belongings nationwide. While most processing facilities in our sample had policies restricting personal belongings on the workroom floor, managers and supervisors did not adhere to those policies and best practices. Further, other than a brief discussion of mail theft during new employee orientation, there is no dedicated periodic mail theft awareness training provided to employees.

“If the Postal Service does not have nationwide policies around what can be brought onto workroom floors and develop more robust training on mail theft awareness, there is a continued risk of internal mail theft occurring in processing facilities nationwide.”

Lastly, we assessed the vacancy rate for supervisors and managers at the 12 sampled mail processing facilities, as this could affect oversight of employees on the workroom floor. Supervisors are responsible for monitoring operations on the workroom floor to ensure mail and packages are processed and dispatched in accordance with guidelines, operating plans, and service standards. Of the 12 mail processing facilities with available staffing data, five (42 percent) had a vacancy rate above the Postal Service’s nationwide supervisor vacancy rate goal of 5 percent,⁹ ranging from 6 to 20 percent.

Employee mail theft damages the Postal Service’s reputation and diminishes public trust in the nation’s mail system. If the Postal Service does not have nationwide policies around what can be brought onto workroom floors and develop more robust training on mail theft awareness, there is a continued risk of internal mail theft occurring in processing facilities nationwide. Additionally, without ensuring there is adequate supervision on the workroom floor, employees will continue to have opportunities to steal checks, gift cards, narcotics, and other items from the mailstream, and customers will not receive their mail.

⁹ Postal Service nationwide vacancy rate goal obtained by the OIG through an interview with Postal Service management in April 2024.

Recommendation #1

We recommend the **Chief Processing and Distribution Officer**, in conjunction with the **Vice President, Labor Relations**, develop and distribute nationwide policy that addresses personal belongings on the workroom floor.

Recommendation #2

We recommend the **Chief Processing and Distribution Officer**, in conjunction with the **Vice President, Labor Relations**, develop periodic internal mail theft awareness training for all employees assigned to mail processing facilities, including new acting or permanent supervisors.

Postal Service Response

The Postal Service disagreed with this finding, and partially agreed with recommendations 1 and 2. Regarding finding 1, management stated many employees work on minimally heated docks or go in and out of unheated areas to retrieve mail or move trucks, so jackets may be needed, and some facilities lack locker rooms or cafeteria space to store lunchboxes. Management disagreed with recommendation 1 as written but agreed with its intent. Specifically, they stated it is neither feasible nor practical to create a nationwide policy due to differences in facilities but agreed to communicate that each processing facility either 1) enforce existing local policy around belongings on the workroom floor, or 2) if a local policy does not currently exist, develop and enforce an appropriate local policy. Management provided a target implementation date of April 30, 2025.

Management also disagreed with recommendation 2 as written, stating training already exists in the form of stand-up talks but agreed to disseminate the existing approved stand-up talks and refresher videos annually to employees assigned to mail processing facilities. Management provided a target implementation date of February 28, 2025.

OIG Evaluation

The OIG reviewed management's proposed, alternative actions to meet the intent of recommendations 1 and 2 and considers them responsive, as corrective actions should resolve the issues identified in the report.

Finding #2: Lack of ISIP Camera Visibility

Postal Inspection Service officials did not monitor the operational status of ISIP cameras that are managed in a remotely accessible video management system. Specifically, we found that, as of May 2024, there were [REDACTED] of 18,619 [REDACTED] ISIP cameras non-operational nationwide. Further, from May 2023

through May 2024, for eight sampled mail processing facilities, we found the percentage of non-operational cameras increased from [REDACTED] percent to [REDACTED] percent. See Table 3 for the number of ISIP cameras non-operational at the eight facilities in our sample.

Table 3. ISIP Cameras Non-operational at Eight Facilities¹⁰

Facility Name	Total Cameras	May 2023		May 2024	
		Cameras Not Operational	Percent Not Operational	Cameras Not Operational	Percent Not Operational
Cleveland, OH, P&DC	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Honolulu, HI, P&DC	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Jacksonville, FL, RPDC*	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Kansas City, MO, P&DC	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Tallahassee, FL, LPC*	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Carol Stream, IL, LPC*	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Milwaukee, WI, P&DC	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Dominick V. Daniels P&DC	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Totals:	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Source: OIG review of ISIP cameras' operational status as of May 2023 and May 2024. *These facilities were previously either a P&DC or NDC.

According to postal policy,¹¹ the Postal Service uses closed circuit television systems, which include ISIP cameras, for the protection of its employees, mail, and postal assets, and to monitor automated mail flow operations. The purpose of the camera systems is to provide visual verification in conjunction with intrusion detection devices or exit alarms and doors equipped with exit alarms or access control devices. The camera systems should function as deterrents, and if a crime occurs in the monitored area, to record evidence of it.

Postal Inspection Service officials stated they do not actively monitor the operational status of ISIP cameras; they are only aware of non-functioning cameras if reported by criminal investigators accessing the system. Additionally, Postal Inspection Service management shared that ISIP cameras

typically become non-operational due to failures with switches, servers, or cables; however, they do not track the reasons for failure. For example, as of May 2024, there were 85 non-operational ISIP servers nationwide with some down since February 2023. While the ISIP cameras may power on if a server or switch is down, access to view the live camera feed would be unavailable.

Postal Inspection Service officials stated there is no documented plan

“Postal Inspection Service officials stated they do not actively monitor the operational status of ISIP cameras.”

¹⁰ Of the 12 sampled facilities, only these [REDACTED]. According to Postal Inspection Service officials, [REDACTED] standalone cameras will be converted to ISIP cameras in the video management system.

¹¹ *Administrative Support Manual*, Issue 13, Section 273.172 Policy, dated January 2024.

or guidance to monitor the operational status of the ISIP cameras or track the maintenance process for non-functioning cameras.

Without a documented plan to periodically monitor the operational status of ISIP cameras and only relying on postal inspectors and OIG special agents to report issues, many ISIP cameras will continue to be non-operational. These non-operational ISIP cameras could impede the intended purposes of these devices, which include protecting postal employees, mail, assets, and monitoring mail operations. Additionally, they could hinder surveillance used as evidence for internal mail theft investigations.

Recommendation #3

We recommend the **Chief Postal Inspector** in collaboration with the **Vice President of Facilities**, identify all cameras not functioning and develop a plan to restore them to operational status.

Recommendation #4

We recommend the **Chief Postal Inspector** develop and implement a strategic, nationwide plan that includes continuous monitoring of the operational status of cameras and diagnosing and addressing camera failures timely.

Postal Service Response

The Postal Service disagreed with this finding and recommendation 4, but agreed with recommendation 3. Regarding finding 2, management stated they have and continue to monitor the operational status of ISIP cameras. Regarding recommendation 3, management proposed revising it to reflect collaboration with the Vice President of Facilities to identify and restore ISIP cameras and provided a target implementation date of October 31, 2025. Regarding recommendation 4, management stated it is not feasible, due to current policy, for the Postal Inspection Service to address camera failures timely and such a recommendation surpasses the scope and responsibility of the Postal Inspection Service.

OIG Evaluation

Based on management's plans for collaboration between the Postal Inspection Service and Postal Service Facilities officials, we revised recommendation 3 as proposed and consider management's comments responsive, as corrective actions should resolve the issues identified in the report. We view management's disagreement with recommendation 4 as unresolved and will work with management during the audit resolution process.

Appendices

Appendix A: Additional Information	14
Scope and Methodology	14
Prior Audit Coverage	15
Appendix B: Management's Comments	16

Appendix A: Additional Information

Scope and Methodology

The scope of our audit included a review of the Postal Service and Postal Inspection Service efforts to detect and prevent mail theft to include processes and procedures, the operational status of ISIP cameras, supervisor and manager staffing levels, and internal mail theft closed cases. We selected 12 mail processing facilities for review. These facilities were the Anchorage, AK, P&DC; Atlanta, GA, RPDC; Carol Stream, IL, LPC; Cleveland, OH, P&DC; Greenville, SC, LPC; Honolulu, HI, P&DC; Jacksonville, FL, RPDC; Kansas City, MO, P&DC; Dominick V. Daniels P&DC; Milwaukee, WI, P&DC; St. Louis, MO, NDC; and the Tallahassee, FL, LPC.

To accomplish our objective, we:

- Interviewed Postal Service and Postal Inspection Service Headquarters management to understand their roles and responsibilities, policies, procedures, guidance, processes, stand-up talks, and equipment in place to detect and prevent internal mail theft.
- Reviewed policies and procedures related to personal belongings on the workroom floor and ISIP cameras.
- Reviewed OIG closed internal mail theft investigative cases from October 2019 to June 2024.
- Reviewed a sample of OIG closed internal mail theft investigative case files, including reports of investigation and supporting videos and photos from November 2018 to March 2024.
- Reviewed OIG auditor observations of personal belongings on the workroom floor from May 2024.
- Performed vacancy rate reviews on supervisor and manager filled and unfilled positions for the 12 mail processing facilities for September 2024.

- Reviewed ISIP camera data to identify the operational status of the cameras nationwide and for 12 selected mail processing facilities for May 2023 and May 2024.

We conducted this performance audit from February 2024 through September 2024 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 September 23, 2024, and included their comments where appropriate.

In planning and conducting the audit, we obtained an understanding of the Postal Service internal control structure to help determine the nature, timing, and extent of our audit procedures. We reviewed the management controls for overseeing the program and mitigating associated risks. Additionally, we assessed the internal control components and underlying principles, and we determined that the following five components were significant to our audit objective:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring

We developed audit work to ensure that we assessed these controls. Based on the work performed, we identified internal control deficiencies related to

control environment, control activities, information and communication, and monitoring that were significant within the context of our objectives. Our recommendations, if implemented, should correct the weaknesses we identified.

We assessed the reliability of the operational status of ISIP cameras and supervisor and manager staffing data by performing tests for completeness, accuracy, and validity. We determined that the data were sufficiently reliable for the purposes of this report.

Prior Audit Coverage

Report Title	Objective	Report Number	Final Report Date	Monetary Impact
<i>U.S. Postal Service's Response to Mail Theft</i>	To evaluate the Postal Service's efforts to respond to mail theft.	22-178-R23	9/28/2023	\$1M
<i>U.S. Postal Inspection Service Pandemic Response to Mail Fraud and Mail Theft</i>	To assess the Postal Inspection Service's response to mail fraud and mail theft during the COVID-19 pandemic.	20-305-R21	5/20/2021	None

Appendix B: Management's Comments



Date: October 21, 2024

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Mitigating Internal Mail Theft (Report Number 24-076-DRAFT)

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, *Mitigating Internal Mail Theft*.

Finding #1: Lack of Management Oversight on the Workroom Floor
OIG found opportunities for the Postal Service to address internal control weaknesses to help decrease internal mail theft in processing facilities nationwide.

Management Response:

Management disagrees with the findings, which over-simplify the challenges of a large organization with many types of buildings and employee activity within those buildings. The report suggests a national policy banning personal items, including jackets and coats, from the workroom floor and/or loading dock at mail processing facilities. Many employees work on minimally heated docks or go in and out of unheated areas to retrieve mail or move trucks. Some facilities lack locker rooms or cafeteria space to store lunchboxes.

The multi-year span of the audit data and the three examples provided from 2018, 2020 and 2022 make it difficult to determine the true scope of the alleged problem.

Finding #2: Lack of ISIP Camera Visibility

Postal Inspection Service officials did not monitor the operational status of ISIP cameras that are managed in a remotely accessible video management system.

Management Response:

Management disagrees with this finding. The Postal Inspection Service has and continues to monitor the operational status of the ISIP cameras. Upon identification of a non-operational ISIP camera, Postal Inspection Service personnel attempt to diagnose the cause of the ISIP camera outage and submit a Facilities Single Source Provider (FSSP) request to Postal Service Facilities to repair or replace any equipment associated with the ISIP camera outage.

Further, there is a strict delineation, per the Administrative Support Manual (ASM), which specifies the role and responsibilities of the Postal Inspection Service, the Security Control Officer (SCO), and the United States Postal Service's (USPS) Facilities as they relate to the closed-circuit television systems (CCTV) and cameras.

For example, in ASM, Section 273.173, it specifies the Postal Inspection Service inspector in charge of the division, in which the facility is located, is responsible for determining the need for, quantity, type, and location of CCTV systems and cameras. The SCO is responsible for overseeing the procurement, installation, maintenance, and repair of CCTV systems, and for maintaining a minimum of the most recent 32 days of video recording tapes or disks. The SCO also assures that the information from the CCTV camera is monitored and/or properly recorded 24-hours a day.

The ASM, in Section 511.11, defines USPS's Facilities and provides its mission. Additionally, the responsibilities of Facilities, are stated in ASM, Section 511.11, as follows:

- a. Determining facility requirements and planning, including: facility space planning, design and construction, and decision analysis report preparation.
- g. Following applicable regulations and policies, including the Davis Bacon Act for applicable project work at \$2,000 or more and the Service Contract Act at \$2,500 or more.
- j. Coordinating with the Postal Inspection Service and the Office of Safety and Risk Management regarding the security and safety requirements at facilities owned or leased by the Postal Service.

In accordance with ASM, Section 511.12 (c), all area offices have responsibility within prescribed limits for the following: "Facility maintenance and minor repairs. Facility repairs that are declined by maintenance will be the responsibility of the Facilities organization."

Following are our comments on each of the four recommendations.

Recommendation 1:

We recommend the **Chief Processing and Distribution Officer**, in conjunction with the **Vice President, Labor Relations**, develop and distribute nationwide policy that addresses personal belongings on the workroom floor.

Management Response/Action Plan:

Management does not agree to develop and distribute nationwide policy that addresses personal belongings on the workroom floor.

While management agrees with the intention of the recommendation, it is neither feasible nor practical to develop and distribute a nationwide policy due to differences in each facility/operation pertaining to available lockers, employee access points, parking, use of public transportation, employees' personal needs (medications & physical accommodations), etc. USPS management does agree to communicating that each processing facility either 1) enforces existing local policy around belongings on the workroom floor or 2) if a local policy does not currently exist, develops and enforces an appropriate local policy.

Target Implementation Date: April 30, 2025

Responsible Official: Sr. Director, Planning & Implementation

Recommendation 2:

We recommend the **Chief Processing and Distribution Officer**, in conjunction with the **Vice President, Labor Relations**, develop periodic internal mail theft awareness training for all employees assigned to mail processing facilities, including new acting or permanent supervisors.

Management Response/Action Plan:

Management does not agree to develop periodic internal mail theft awareness training, as training already exists in the form of approved stand up talks. Management does agree to disseminate the existing approved stand-up talks and refresher videos annually to employees assigned to mail processing facilities.

Target Implementation Date: February 28, 2025

Responsible Official: Sr. Director, Planning & Implementation

Recommendation 3, Proposed Language:

We recommend the **Chief Postal Inspector**, in collaboration with the **Vice President of Facilities**, identify all cameras not functioning and develop a plan to restore them to operational status.

Management Response:

Management **agrees** with this recommendation, per the suggested language.

Upon issuance of OIG's Final Report, the Postal Inspection Service will run a report using its video management system to identify all ISIP cameras not functioning. The Postal Inspection Service will attempt to diagnose the cause of the ISIP camera outage and submit a Facilities Single Source Provider (FSSP) request to Facilities to repair or replace any equipment associated with the ISIP camera outage.

As per the aforementioned delineations of responsibilities specified in the ASM, policy outlines the roles and responsibilities of the Postal Inspection Service and USPS Facilities. As such, we want to ensure the Postal Inspection Service can undertake the work, as afforded in policy, while USPS Facilities is able to conduct its work under its authority.

Target Implementation Date: October 31, 2025

Responsible Official: Chief Postal Inspector and Vice President of Facilities

Recommendation 4:

We recommend the **Chief Postal Inspector**, develop and implement a strategic, nationwide plan that includes continuous monitoring of the operational status of cameras and diagnosing and addressing camera failures timely.

Management Response/Action Plan:

Management **disagrees** with this recommendation.

The Postal Inspection Service will continue to monitor the operational status of cameras, attempt to diagnose camera failures, and submit Facilities Single Source Provider (FSSP) tickets timely to Facilities to address camera failures.

As explained in our disagreement with Finding 2 of this Management Response Letter, the ASM, Section 273.173, specifies the SCO is responsible for overseeing the procurement, installation, maintenance, and repair of CCTV systems, and for maintaining the most recent 32 days of video recording tapes or disks (at a minimum). The SCO also must assure the information from the CCTV camera is monitored and/or properly recorded 24 hours a day. Further, ASM, Section 511.11, states Facilities is an organization whose primary mission is to provide quality real estate facilities and related services to meet the present and future needs of Postal Service operations.

As noted at the beginning of this letter, ASM, Section 511.11, details the responsibilities of Facilities. While ASM, Section 511.12 (c), specifies that all area offices have responsibility within prescribed limits for the following: "Facility maintenance and minor repairs. Facility repairs that are declined by maintenance will be the responsibility of the Facilities organization."

Therefore, it is unfeasible, due to current policy, for the Postal Inspection Service to address camera failures timely. Such a recommendation surpasses the scope and responsibility of the Postal Inspection Service as postulated.

Target Implementation Date: N/A

Responsible Official: N/A

E-SIGNED by ISAAC.S CRONKHITE
on 2024-10-22 21:19:54 EDT

Isaac Cronkhite
Chief Processing and Distribution Officer

E-SIGNED by GARY.R BARKSDALE
on 2024-10-22 09:14:01 EDT

Gary R. Barksdale
Chief Postal Inspector

E-SIGNED by THOMAS.J BLUM
on 2024-10-22 04:35:52 EDT

Thomas J. Blum
Vice President, Labor Relations

cc: Corporate Audit & Response Management

OFFICE OF INSPECTOR GENERAL

UNITED STATES



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@uspsig.gov
or call (703) 248-2100