## Hearing before the Committee on Oversight and Accountability United States House of Representatives



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**Oversight of the U.S. Postal Service** 

December 10, 2024

Good morning, Chairman Comer, Ranking Member Raskin, and members of the Committee. Thank you for inviting me to discuss our work.

I am proud of the work my office completed this year to promote accountability, integrity, and transparency in the United States Postal Service. We conducted extensive fieldwork around the 2024 election from late September through the week of the election, making more than 1,000 visits to processing plants and delivery units in all 50 states and the District of Columbia. We reported issues our teams found in near real-time to Postal Service management, and we followed up with weekly reporting to postal executives, the Board of Governors, and to Committee staff. Overall, the Postal Service was very responsive, and this collaboration supported a successful election cycle. We will issue a report summarizing our findings in the spring.

Beyond the election, we have continued to promote transparency and accountability through our audits of the Delivering for America plan and the Postal Service's response to mail theft. We have also fought fraud and abuse through our investigations, finding and arresting postal employees and outsiders who collaborate to steal checks, credit cards, and use the postal network to traffic narcotics. Our data indicates that we have thousands of actionable criminal complaints for which we have insufficient resources to investigate. To continue our critical oversight for the American public, we need a budget that keeps pace with inflation and grows when needed to address serious risks. We appreciate your continued support in this area.

Next week, we plan to issue a report on the early impacts of the Postal Service's transportation optimization effort that alters when collection mail is picked up at certain post offices. Our report will identify service reductions that resulted in the communities where the changes occurred. Consistent with our previous work, this report will note the critical need for increased transparency around these operational changes and their expected impacts. We believe the Postal Service needs to significantly improve communications with the affected communities, so that the American public has accurate information about the changes they will experience and the service levels they should expect.

Earlier this year, we reported similar concerns in our work on the implementation of the Delivering for America plan. It is important that the Postal Service keep communities and employees informed as changes are made. This is especially important when these impacts occur in underserved rural parts of America that have limited options and rely most heavily on the Postal Service. Cost cutting to achieve breakeven financial performance can result in disparate impacts to these communities. Accurate, timely, and transparent information about how planned changes will impact these communities is critical to preserve trust in America's Postal Service.

While these initiatives roll out, financial challenges for the Postal Service continue. Our work has identified the need for the Postal Service to provide updated financial

information as it implements its plans. The Delivering for America 2.0 update did not include projections on whether or when the changes will lead to breakeven results. These financial projections are essential for key decision makers to better understand the tradeoffs the Postal Service is making, especially as it advocates for legislative changes to its pension and workers' compensation programs. Our recent work discusses how these programs are costly obligations, and it would be helpful for all stakeholders to better understand what it will take for the Postal Service to be financially solvent.

While the Postal Service has not provided updated long-term financial projections, it has provided some cost saving estimates associated with specific parts of its plan. Our future work will provide oversight assessing whether USPS fully realizes these projected savings.

We at the OIG are committed to our efforts to provide transparency and promote accountability for service performance and financial solvency. America needs a strong Postal Service, and the Postal Service owes clarity to the communities it serves about its plans and their impacts. I appreciate the time to discuss these issues and your support. I am happy to answer any questions you may have.