
**Hearing before the
Subcommittee on Financial Services and General Government
Committee on Appropriations
United States House of Representatives**



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Oversight Hearing of the U.S. Postal Service

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Good morning, Chairman Joyce, Ranking Member Hoyer, and members of the Subcommittee. Thank you for inviting me here today to discuss oversight of the Postal Service and our fiscal year 2026 budget needs.

We are a data-driven, tech-forward organization, using 21st century methods to identify fraud, waste, and abuse and promote economy, efficiency, and integrity in America's Postal Service. We are lean, with around 1 employee for every 690 postal employees. We are one of the most active OIGs, making nearly 4,000 arrests over five years. During that same period, our identification of fraud has returned more than \$2.6 billion to the federal government and other victims, with about \$400 million going directly back to the Postal Service. We prevented \$1.2 billion more in future fraudulent payments.

The Postal Service is a critical resource to the American public, providing 6-day-a-week mail and package delivery in every town, city, and state across the country. The Postal Service is at point where it must make difficult decisions involving trade-offs between service and financial health. We provide essential oversight over the planning and implementation of postal changes, including whether they are resulting in expected cost savings and efficiencies. We also review the resulting impacts on people and businesses in urban, suburban, and rural America.

Timely delivery of mail has been affected, sometimes dramatically, by implementation challenges with the Postal Service's plan. Rural areas, in particular, have been impacted more heavily. Our work provides transparency into where and why service issues are occurring at both the local and national levels. We have provided actionable solutions to address these impacts.

Additionally, the Postal Service's plan has not yet resulted in the financial gains it had originally predicted. Initial financial projections are no longer relevant, and despite our

recommendation, the Postal Service has not publicly shared updates to these projections.

We promote transparency into postal finances, as well as provide options to improve the Postal Service's financial health. We have identified over a billion dollars in potential labor cost savings, through better management of employees. We have quantified significant structural issues — not experienced by competitors or other government agencies — that create large financial burdens. We have also identified opportunities to better invest the hundreds of billions of dollars it is required to set aside to fund retiree benefits.

Our work protects the American public and businesses, at a time when crimes are becoming more common, more complex, and more difficult to stop. We are taking aggressive actions to identify and stop theft of checks and credit cards from the mail, including partnering with banks to create sophisticated analytical models that identify exactly where within a facility the mail is being stolen.

We also protect the country from organized drug traffickers who collude with postal employees and use the mail to ship narcotics. Our investigations stop postal employees and healthcare providers from stealing hundreds of millions of taxpayer and ratepayer dollars through false workers' compensation claims.

We are a proactive and responsive organization to the American public, postal stakeholders, and Congress. Our relatively flat budget has resulted in a loss of employees over time. We make the most of our limited resources by using sophisticated analytics to effectively allocate our budget and personnel. For example, we are beginning to leverage AI to organize millions of customer complaints, allowing us to quickly find where there may be delivery problems. Data insights also allow us to determine where our quick response teams should visit, where criminals are recruiting postal employees on social media sites, and where health care providers may be fraudulently charging the Postal Service.

While data analytics and AI have allowed us to be more strategic and efficient, they have also highlighted how much more we could do. We've identified more than 100,000 potentially actionable leads that we do not have the resources to address. A decline in funding will only make this worse. For fiscal year 2026, we originally asked for a budget of \$306.7 million, all of which would be funded by the Postal Service and not tax revenues. This would allow us to expand our investigative efforts to root out additional fraud, waste and abuse. With these funds, we could build new enhanced tools to independently monitor service, increasing our ability to react quickly as the Postal Service rolls out additional changes that impact Americans and their mail service.

We are proud to keep Congress and the American public informed about the Postal Service. I am happy to answer any questions you may have.