Hearing before the Subcommittee on Government Operations Committee on Oversight and Reform United States House of Representatives



Statement of Melinda Perez Assistant Inspector General for Audit United States Postal Service

Delivering for Pennsylvania: Examining Postal Service Delivery and Operations from the Cradle of Liberty

September 7, 2022

Good morning, Chairman Connolly, Ranking Member Hice, members of the Subcommittee, and the Pennsylvania delegation. Thank you for inviting me here today to discuss our work related to the Postal Service's delivery performance and efforts to address mail theft. Our mission is to ensure the efficiency, accountability, and integrity in our nation's Postal Service. We take our mission very seriously.

Looking at service performance starting in fiscal year 2018, Philadelphia's scores were relatively close to the national average for most categories of mail until the fall of 2020. Then, the timeliness of mail delivery in Philadelphia experienced a significant decline. While the nation overall experienced mail delays during this time, Philadelphia was hit especially hard. Service performance in Philadelphia has improved since that time, and the most recently released data shows its First-Class Mail scores are near or above the national average. However, there may still be problems with mail delays in certain locations.

Philadelphia was not alone in facing major service disruptions in the winter of 2020. We looked at service performance in 17 districts, including Philadelphia, over this timeframe. The specific issues we identified in Philadelphia were similar to what we found in the other locations — problems with employee availability, loss of capacity to move mail on commercial air networks, and dock congestion contributing to mail being sent late to other postal facilities.¹

We know timely mail delivery is important to the American public. In response to concerns, we stood up a new audit group — the Field Operations Review Team (FORT) — to conduct targeted facility reviews in locations with service challenges. As part of these reviews, we perform a cluster of audits, visiting one mail processing plant and three to four post offices at the same time. This allows us to get a better understanding of issues that span both processing and delivery, an increasingly important focus of our work now that these functions fall under different postal executives.

These reviews provide quick evaluations, ensuring timely and meaningful results to Postal Service management and our stakeholders. This year, we completed site visits at eight clusters in the western and central areas of the country and found issues related to late and extra trips, scanning performance, delayed mail, cluttered processing floors,

1

¹ United States Postal Service Office of Inspector General (USPS OIG), *Service Performance – First-Class Single Piece Letter Mail*, Report No. 21-047-R21, September 3, 2021, https://www.uspsoig.gov/sites/default/files/document-library-files/2021/21-047-R21.pdf.

and poor facility conditions at many retail and delivery units.² Our work in fiscal year 2023 will focus on the southern and eastern parts of the country, including the Philadelphia area.

Timely mail delivery becomes even more important as elections draw near. We have an open audit looking at the Postal Service's readiness for the 2022 mid-term election. In addition to conducting observations at postal facilities, we are evaluating whether the Postal Service effectively took corrective action in response to our prior recommendations.

In addition, as we have done in the past, we will be conducting field visits across the country in the weeks leading up to and the week prior to the mid-term elections. We will provide the Postal Service near real-time feedback and subsequently publish a report on our findings.

Along with service challenges, mail theft is also a growing concern. We recently initiated an audit that will analyze trends and evaluate the efforts the Postal Service and Postal Inspection Service are taking to prevent and respond to mail theft. Our Office of Investigations also focuses significant efforts in this area. We have several recent investigations into mail theft by postal employees around Philadelphia involving stolen Treasury checks and gift cards.

One cause of recent increases in mail theft is the challenge around arrow key accountability as we reported in August 2020.³ Arrow keys are used by postal workers to open blue collection boxes and neighborhood delivery box units. Subjects are stealing arrow keys or approaching postal employees and offering to pay them to sell or loan them their keys. To address this issue, our Office of Investigations has initiated "Operation Secure Arrow," a multifaceted effort to identify and investigate employees involved in the theft and mishandling of arrow keys. This includes employing data analytics, focusing on employees who are misusing arrow keys, and collaborating with the Inspection Service. We currently have 20 open investigations related to this problem, and these investigations have already resulted in five criminal prosecutions and seven administrative actions.

² Specifically, we audited multiple facilities in Portland, Columbus, San Diego, Indianapolis, Seattle, St. Louis, Albuquerque, and Milwaukee. All our FORT work is on our website at: https://www.uspsoig.gov/field-operation-reviews-select-plant-and-delivery-units.

³ USPS OIG, *Arrow Key Management Controls*, Report 19-033-R20, August 31, 2020, https://www.uspsoig.gov/sites/default/files/document-library-files/2020/19-033-R20.pdf.

Sending and receiving mail without fear of it being delayed or stolen is critical to an effective postal system. We appreciate the opportunity to discuss our work, and I am happy to answer your questions.