Mail Theft Mitigation and Response – Queens, NY

AUDIT REPORT
Report Number 24-037-R24 | May 21, 2024

Transmittal Letter

May 21, 2024

MEMORANDUM FOR: JOSHUA D. COLIN, PHD
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SCOTT BOMBAUGH
CHIEF TECHNOLOGY OFFICER AND EXECUTIVE VICE PRESIDENT

SCOTT P. RAYMOND
VICE PRESIDENT, RETAIL AND DELIVERY OPERATIONS, ATLANTIC AREA

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

SUBJECT: Audit Report – Mail Theft Mitigation and Response – Queens, NY (Report Number 24-037-R24)

This report presents the results of our audit of Mail Theft Mitigation and Response – Queens, NY.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. Recommendations 1, 2, 3, 4, 5, 6, and 7 should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed.

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

Attachment

cc: Postmaster General
Corporate Audit Response Management

Results

Background

This report presents the results of our audit of Mail Theft Mitigation and Response at the Jamaica Main, South Richmond Hill, and Woodside stations in Queens, NY (Project Number 24-037). The stations are in New York 2 District of the Retail and Delivery Operations, Atlantic Area. Our objective was to assess the U.S. Postal Service's actions taken to mitigate and respond to mail theft in Queens, NY. See Appendix A for additional information about this audit.

The Postal Service's mission is to provide the nation with trusted, safe, and secure mail services, including the more than 107 million pieces of mail volume collected and delivered in Queens, NY, in fiscal year (FY) 2023. Unfortunately, mail theft occurs in various ways. Criminals use stolen universal keys—called arrow keys[1]—to access collection boxes, outdoor parcel lockers, cluster box units, and apartment panels. Mail theft can also occur by individuals fishing[2] or breaking into collection boxes with force, residential mailbox break-ins, package theft, and carrier robberies. It is imperative for the Postal Service to address mail theft issues to protect the Postal Service and retain the public's trust.

Concerns about how the Postal Service prevents and responds to mail theft frequently appear in the media and have been a topic of Congressional hearings[3] and inquiries received by the U.S. Postal Service Office of Inspector General (OIG). We have received specific concerns related to the increase in mail theft in the Queens area of New York.[4] News articles[5] have also highlighted theft from green relay boxes in Queens, which included customers' mail, birthday cards, paychecks, and medications.

Mail Theft Prevention Efforts

In a press release on May 12, 2023, the Postal Service and Postal Inspection Service announced a joint initiative called Project Safe Delivery to combat the rise in mail theft and carrier robberies. Prevention efforts in this initiative include the rollout of high security collection boxes (HSCBs),[6] electronic arrow locks (eLocks),[7] and modified arrow lock (MAL)[8] keys in areas with high incidents of mail theft. As of February 2024, the Postal Service installed 15,727 HSCBs and 28,386 eLocks in select cities across the country.

Electronic Arrow Locks

Traditional arrow keys have been a target of thieves, looking to gain access to collection and relay boxes, as well as cluster boxes along a carrier's route. The eLocks provide a safer environment for postal employees to collect and deliver mail by eliminating the utility of a lone key for those looking to steal mail. The eLocks add an extra layer of security by requiring dual authentication ████████ ████████████████████████ The eLocks also provide added security by providing Postal Service a report that details the employee's identification, date and time in which a collection box was accessed.

High Security Electronic Locks

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██████ The HSEL was designed to be suitable for all types of mailboxes. Postal facility employees store the HSEL keys in a secured cabinet and must validate the keys daily. The keys contain technology allowing them to be deactivated and rendered useless if lost or stolen.

Mail Theft Inquiries and Case Data Queens, NY

The Postal Service and the Postal Inspection Service share the responsibility for the deployment of the mail theft initiatives. For all mail theft initiatives, the Postal Inspection Service compiles postal-related complaints alleging criminal conduct and lost or stolen arrow key data to identify target areas at risk for mail theft. The Postal Inspection Service then communicates high mail theft target areas to the Postal Service's Innovative Business Technology and Delivery Operations groups to determine deployment locations for certain initiatives.

From April 1, 2023, to September 30, 2023, customers submitted 3,295 inquiries to the Postal Service related to missing mail or potential mail theft in Queens, NY. These inquiries were entered and tracked in Customer 360 (C360).[10] We identified 1,485 of 3,295 (45 percent) inquiries for Queens, NY, were related to stolen mail or packages (see Figure 1).

The Postal Inspection Service's efforts to prioritize mail theft investigations and customer complaints are key to addressing mail theft. They receive mail theft complaints through a variety of sources including public complaints submitted through phone calls, letter correspondence, the Postal Service's website, and referrals from federal, state, and local law enforcement agencies. Postal inspectors accept and review customer complaints about alleged mail theft, conduct investigations, and submit cases for prosecution.[11] Postal police officers are responsible for Postal Service facility and perimeter security, where assigned; not all Postal Service facilities have postal police officers assigned to secure them.[12]

Figure 1. Customer Inquiries From April 1 Through September 30, 2023
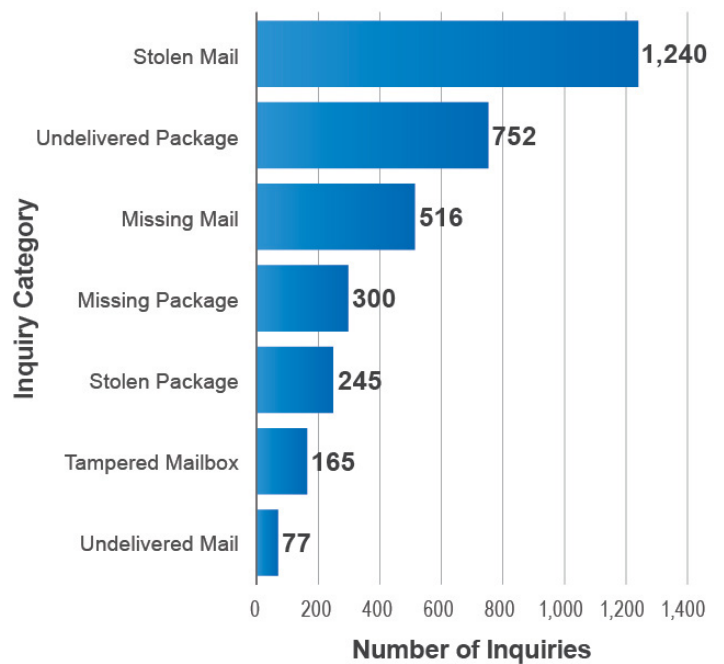
Source: C360; OIG analysis.

When complaints made through the Postal Service's website appear to fall within the Postal Inspection Service's jurisdiction, they are sent from the Postal Service's C360 platform to the Postal Inspection Service's Financial Crimes Database (FCD). When complaints come in through other means, they are manually entered into the FCD. Postal inspectors use the FCD to retain and review complaints related to mail theft, financial crimes, and other issues. Between April 1 and September 30, 2023, the Postal Inspection Service's FCD reflected a combined total of 1,583 complaints specific to mail theft,[13] from all sources, for Queens, NY. During the same timeframe, the Postal Inspection Service had one active area case,[14] three active carrier robbery cases, and 24 active mail theft cases in Queens, NY. Once an inspector determines they have enough information to conduct a full investigation during an area case, they may open a jacketed case.[15] In that same time

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10   Customer 360 is an integrated platform that Postal Service personnel and postal inspectors use to create, handle, and resolve customer issues and inquiries.
11   As of April 2024, there were 13 postal inspectors in Queens, NY.
12   As of April 2024, there were 28 postal police officers who support 75 postal facilities in Queens, NY.
13   We used the complainant's ZIP Code to identify mail theft complaints within Queens, NY.
14   Area cases are used for preliminary investigations in a particular program area.
15   A jacketed case is used to document investigative tasks for a specific case.

period, the Postal Inspection Service closed one area case, one robbery case, and 13 mail theft cases in Queens, NY (see Figure 2).

Figure 2. Postal Inspection Service Open and Closed Cases – Queens, NY
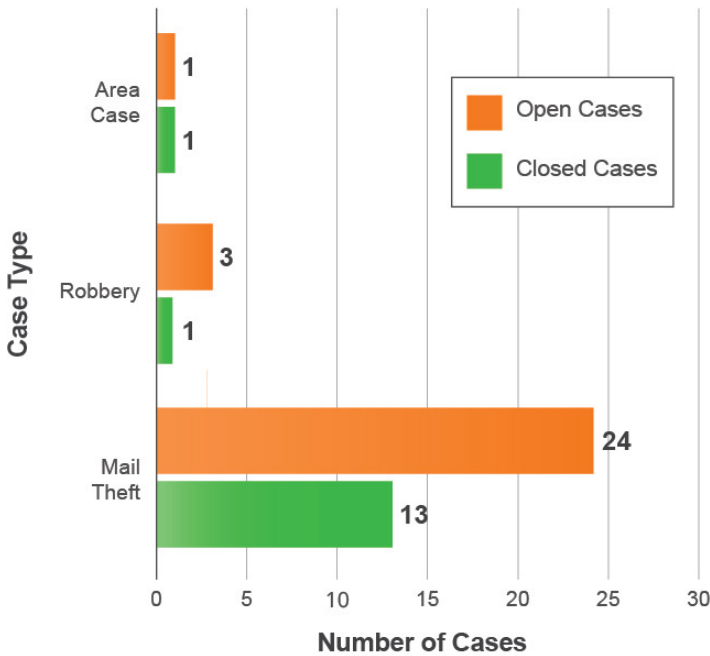
Source: Postal Inspection Service analysis of Case Management data for the period of April 2023 – September 2023.

Findings Summary

The Postal Service did not properly manage the deployment and installation of mail theft initiatives in Queens, NY. Additionally, management at the three facilities we visited did not properly track their arrow and MAL key inventories and did not secure arrow keys at two of the three facilities. Further, New York 2 District management did not maintain or record the physical condition of blue collection and green relay boxes. Lastly, the Postal Service did not have a mechanism to track the condition of blue collection boxes and cannot track any information for the green relay boxes.

Finding #1: Mail Theft Initiatives Not Properly Managed

What We Found

Postal Service Headquarters management did not properly manage the deployment of HSCBs and eLocks for Queens, NY. Specifically, headquarters, area, and district management did not know the quantity of HSCB installations. Additionally, they could not support the number of installation requests for eLocks in Queens.

With regard to the HSCBs, we identified 263 HSCBs installed in Queens, NY, as of February 2024, that were being tracked in the Field Maintenance Operations (FMO) Deployment Dashboard as part of the Project Safe Delivery initiative.[16] However, during FY 2019, prior to the announcement of the initiative, New York 2 District management had already purchased 1,072 HSCBs for Queens, which were not tracked in the FMO tracking system and were unidentifiable in the Collection Point Management System (CPMS).[17]

With regard to the eLocks, as of February 2024, only 76 of the 199 (38 percent) eLocks that had been shipped to the three sites in Queens, NY, between August and December 2023 had been installed. We observed open FMO tickets requesting installation for the remaining 123 eLocks dating back to August 2023. During our site visits in January 2024, we determined none of the 78 eLocks shipped to Woodside as early as August 2023 were installed. However, between January and February 2024, during the course of our audit, 73 of those 78 eLocks were installed. According to FMO management, an eLock takes approximately 20 minutes to install. Based on this, the installations should have been completed within two months after they were received at the stations. Every delayed installation of these eLocks leaves more collection boxes and carriers still vulnerable to theft.

As of February 2024, there were still 92 eLocks at Jamaica Main, 26 eLocks at South Richmond Hill, and five eLocks at Woodside pending installation. See Table 1 for a breakdown of eLock deployment for the three sites.

During our observations at the South Richmond Hill and Woodside stations, the audit team found 51 boxes[18] of eLocks stored in unlocked locations throughout the facility and in management offices awaiting installation. When eLocks are received, facility personnel perform a delivery receipt scan,[19] which automatically creates an FMO installation request ticket. Therefore, we assumed, but could not confirm, the eLocks contained in the boxes were likely part of the 199 shipped. These eLocks were sent as registered mail; therefore, per postal policy, they should have been kept in a secure place with limited access[20] (see Figure 3).

Table 1. eLock Status for Selected Sites in Queens, NY

| Station | Shipped | Installed | Pending Installation | |
			Count	Percentage
Jamaica Main	94	2	92	98%
South Richmond Hill	27	1	26	96%
Woodside	78	73	5	6%
Total	**199**	**76**	**123**	**62%**

Source: Postal Service FMO Deployment Dashboard as of February 28, 2024; OIG analysis.

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16 FMO Deployment Dashboard is the tracking system for HSCB and eLocks initiatives.
17 CPMS is a management tool to identify the placement and status of blue collection boxes and manage collection schedules.
18 The team observed the boxes but did not open each of them to review the contents. The labels on the boxes indicated each box contained two eLocks.
19 Postal facilities must perform an acceptable delivery event scan to initiate installation request ticketing.
20 Handbook DM 901, *Registered Mail*, Section 3-3.3 Safeguarding Registered Mail, dated January 2016.

Figure 3. eLocks Awaiting Installation at the Woodside Station

Source: OIG picture taken January 9, 2024.

Why Did It Occur

The HSCBs and eLocks were ineffectively managed and tracked, and not timely installed because Postal Service management did not have a comprehensive plan including a communication strategy, deployment schedule, defined locations, timeframes, and processes for the installations. Further, Postal Service management stated that FMO installation tickets were backlogged because there are only three maintenance personnel in New York 2 District. According to Postal Service management, they are requesting access to the approved funds[21] to increase staffing for the installation of mail theft initiatives. However, there is no defined timeline for the staffing increase.

Furthermore, although it is required by policy to update the location for all mail collection boxes, CPMS does not have the functionality to specify whether the blue collection boxes are HSCBs. According to the Postal Service, this functionality should be available by March 31, 2024.

What Should Have Happened

According to the decision analysis reports[22] for HSCB Phases one and two, management approved 24,011 HSCBs to be deployed to high postal crime areas nationwide. In addition, Postal Service

management planned to deploy a total of 99,809 eLocks nationwide also as part of Phase one and two. However, neither initiative specified planned locations or timelines.[23]

Additionally, Postal Service policy[24] states district managers are required to enter all collection points in CPMS accurately and completely. District managers are required to review the information annually.

Effect on the Postal Service and Its Customers

Without a comprehensive plan and communication strategy to timely implement mail theft initiatives, the Postal Service and its customers will continue to be at risk of known mail theft issues in Queens, NY. These thefts damage the Postal Service's reputation and diminish public trust in the nation's mail system.

Recommendation #1

We recommend the **Chief Retail and Delivery Officer and Executive Vice President**, in coordination with the **Chief Technology Officer and Executive Vice President**, develop and implement a plan, including communication strategy and available staff, for the timely deployment and installation of mail theft initiatives nationwide.

Recommendation #2

We recommend the **Chief Retail and Delivery Officer and Executive Vice President**, add the functionality to the Collection Point Management System to differentiate between blue collection and high security collection boxes.

Recommendation #3

We recommend the **Chief Retail and Delivery Officer and Executive Vice President**, when the functionality is available, direct the **Vice President, Delivery Operations** to update the Collection Point Management System to differentiate between blue collection and high security collection boxes in the New York 2 District.

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21   These funds were approved during a review of Decision Analysis Report: *Electronic Lock (eLock) Phase 2 Program*, dated August 28, 2023.
22   Decision Analysis Report: *High Security Collection Box (HSCB) Program* dated May 10, 2023; and Decision Analysis Report: *High Security Collection Box (HSCB) Phase 2 Program* dated July 14, 2023.
23   Decision Analysis Report: *Electronic Arrow (eArrow) Lock Program* dated November 3, 2022; and Decision Analysis Report: *Electronic Lock (eLock) Phase 2 Program* dated August 28, 2023.
24   POM Issue 9, Section 314 Collection Point Management System, Collection Test, and Density Test (Volume Reviews), dated July 2002, last updated November 2023.

Postal Service Response

The Postal Service generally agreed with this finding, along with recommendations 1, 2, and 3. Management provided target implementation dates of April 30, 2025, for recommendation 1 and October 31, 2024, for recommendations 2 and 3.

See Appendix B for management's comments in their entirety.

OIG Evaluation

Based on management's plans to adjust their communication strategy for the deployment of mail theft initiatives and update CPMS to differentiate between blue and high security collection boxes, we consider management's comments responsive to recommendations 1, 2, and 3.

Finding #2: Arrow Keys Not Properly Secured or Accounted For

What We Found

Generally, the three locations we reviewed properly managed their arrow key inventories. However, they did not safeguard their arrow keys in accordance with postal policy.

> "On January 9 and 10, 2024 our physical inventory of the arrow keys identified 67 arrow keys at Jamaica Main, South Richmond Hill, and Woodside Stations that were unsecured."

Specifically, on January 9 and 10, 2024, our physical inventory of the arrow keys identified 67 arrow keys at Jamaica Main, South Richmond Hill, and Woodside Stations that were unsecured. Jamaica Main had two arrow keys that were stored at carrier workspaces, South Richmond Hill had 19 arrow keys in an ███████████, and Woodside had 42 arrow keys in an ███████████████. We also compared the arrow keys on hand with the required Retail and Delivery Analytics and Reports (RADAR)[25] arrow key certification report from December 2023. We found deficiencies at all three stations (see Table 2). Specifically:

- Jamaica Main Station certified that there were 145 of 155 (94 percent) arrow keys in RADAR. However, there were three arrow keys from the RADAR report that were either missing or could not be validated. Additionally, we observed seven arrow keys that were not recorded in RADAR.

- South Richmond Hill Station certified 17 of 19 (89 percent) arrow keys in RADAR.

- Woodside Station certified 52 of 53 (98 percent) arrow keys in RADAR.

Table 2. Arrow Key Inventory

Station	Total Keys	Listed in RADAR	Missing	Not Listed in RADAR
Jamaica Main	155	145	3	7
South Richmond Hill	19	17	0	2
Woodside	53	46	0	7
Total	**227**	**208**	**3**	**16**

Source: RADAR; OIG analysis.

Why Did It Occur

Management did not provide sufficient oversight to properly safeguard and manage arrow keys per Postal Service policy. Specifically, managers and supervisors were unaware of the requirement to certify all arrow keys in RADAR. Additionally, management at the Jamaica Main Station stated they certified keys without physically counting them because only one manager of post office operations had access to the vault. Further, the Woodside Station supervisor stated they did not know the purpose of certain arrow keys and locked them in the vault while awaiting further instructions.

What Should Have Happened

Postal Service policy[26] states that arrow keys must remain secured until they are individually assigned to personnel. Supervisors assign arrow keys, generally one per route, to carriers for use on delivery and collection routes each day. Carriers must keep arrow keys secured while on duty and return them at the end of each workday. Upon return, arrow keys should

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25 RADAR is used for Retail and Delivery Operations reporting and visibility.
26 *USPS Arrow Key Standard Work Instructions,* updated August 2023.

be deposited in a secure location, and a supervisor or clerk must verify all keys have been returned and accounted for daily.

In June 2023, the Postal Service began requiring monthly and semi-annual arrow key certifications in RADAR, the authoritative source for the arrow key inventory.[27] Delivery management completes the semi-annual[28] certification—which consists of comparing the physical inventory of keys to the RADAR system—a questionnaire related to arrow key standard operating procedures, and the completion of required trainings. For the monthly certification, the station manager certifies the physical inventory of keys.

Effect on the Postal Service and Its Customers

When there is insufficient oversight and supervision of accountable items such as arrow keys, there is an increased risk of lost or stolen keys. Because arrow keys open mailboxes, lost or damaged keys can result in mail theft or the inability to collect or deliver mail. This may damage the Postal Service's reputation and diminish public trust in the nation's mail system.

Recommendation #4

We recommend the **Vice President, Area Retail and Delivery Operations, Atlantic Area**, in coordination with the **New York 2 District Manager**, reiterate arrow key security policies and responsibilities to managers and supervisors in Queens, NY.

Recommendation #5

We recommend the **Vice President, Area Retail and Delivery Operations, Atlantic Area**, require the **New York 2 District Manager** to confirm all arrow keys are added to the inventory in the Retail and Delivery Analytics and Reports system.

Postal Service Response

The Postal Service generally agreed with this finding, along with recommendations 4 and 5. Regarding recommendation 4, management provided a target implementation date of October 31, 2024. Regarding recommendation 5, management stated full compliance regarding the Arrow Key Certification in RADAR was a current practice. Subsequent to the receipt of management's comments for recommendation 5, management stated they would provide evidence that all identified arrow keys have been added to RADAR and provided a target implementation date of August 31, 2024.

OIG Evaluation

Based on management's plans to finalize mandatory training for managers and supervisors and ensure arrow keys are added to RADAR, we consider management's comments responsive to recommendations 4 and 5, and corrective actions should resolve the issues identified in the report.

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27 *USPS Arrow Key Standard Work Instructions,* updated August 2023.
28 The semi-annual certification is done in April and October.

Finding #3: No Oversight of Boxes

What We Found

District management did not maintain or record the physical condition of blue collection and green relay boxes for the stations we visited in accordance with Postal Service policy.

Blue Collection Boxes

We sampled 58[29] of 199 (29 percent) of the blue collection boxes assigned to the Jamaica Main, South Richmond Hill, and Woodside stations. Of those, we observed 53 (91 percent) blue collection boxes that had at least one of the following conditions: corrosion, cracks, door gaps, or missing leg bolts, some of which were missing all four bolts (see Table 3 and Figure 4).

Green Relay Boxes

We also reviewed a sample of 45 of 178 (25 percent) green relay boxes[30] assigned to the Jamaica Main, South Richmond Hill, and Woodside stations. All 45 boxes observed had at least one of the following conditions: corrosion, cracks, door gaps, or missing leg bolts, some of which were missing all four bolts (see Table 4 and Figure 5). Additionally, we observed five green relay boxes assigned to the South Richmond Hill station; however, the manager stated they were not intended to be in use. After we brought this to management's attention during the course of our audit, the manager submitted maintenance tickets February 2, 2024, requesting removal of four out of the five green relay boxes. All four boxes were removed on February 7, 2024. As of March 18, 2024, there was no maintenance ticket for removal of the last green relay box.

Figure 4. Queens, NY Blue Collection Box With Missing Bolts and Corrosion

Source: OIG photographs taken at South Richmond Hill area on January 10, 2024.

Table 3. Blue Collection Box Deficiencies

Deficiency	Total Boxes Observed	Number of Boxes with Observed Deficiency*	Percentage
Corrosion	58	12	21%
Cracks		2	3%
Door Gap		1	2%
Missing Leg Bolts		35	60%

*Some boxes had more than one deficiency.

Source: OIG observations January 10-11, 2024.

Table 4. Green Relay Box Deficiencies

Deficiency	Total Boxes Observed	Number of Boxes with Observed Deficiency**	Percentage
Corrosion	45	35	78%
Cracks		15	33%
Door Gap		14	31%
Missing Leg Bolts		21	47%

**Some boxes had more than one deficiency.

Source: OIG observations January 10-11, 2024, and analysis.

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29 We selected 60 boxes to sample; however, we could not locate two boxes and were unable to physically review.
30 Green relay boxes are lockable receptacles where carriers can leave mail along their routes for later pickup and delivery.

Figure 5. Queens, NY Green Relay Boxes With Door Gap, Missing Bolts, Cracks, and Corrosion

Source: Left photo – OIG photograph taken in South Richmond Hill area January 10, 2024. Middle photo – OIG photograph taken in Jamaica Main area January 10, 2024. Right photo – OIG photograph taken in Jamaica Main area January 11, 2024.

What Should Have Happened

Postal Service policy states blue collection and green relay boxes must have a uniform appearance and be maintained in good condition.[31] Specifically, boxes identified with rusted-through holes are unrepairable, and should be replaced.[32] Additionally, each collection box leg must be secured with security bolts.[33] Lastly, Postal Service policy states supervisors must conduct annual safety inspections on all collection boxes and remove any defective boxes from service for immediate repair, and maintain a log detailing the dates and results of the inspections.[34]

Why Did It Occur

These mailboxes fell into disrepair because supervisors at the Jamaica Main station were unaware of the requirement to perform an annual inspection of the blue collection boxes[35] and supervisors at the Jamaica Main and Woodside stations were unaware of the requirement to perform annual inspections of the green relay boxes.[36]

At Jamaica Main, supervisors stated carriers can self-report blue collection box deficiencies through

their assigned MDD-TR; however, they were unaware of the frequency or how issues were resolved. The supervisors at the Jamaica Main and Woodside stations stated they were unaware of how to report issues with green relay boxes.

Effect on the Postal Service and Its Customers

Without performing annual inspections and routine maintenance of blue collection and green relay boxes, the Postal Service is at increased risk of mail theft due to damaged boxes. Additionally, these boxes represent the Postal Service's image and directly impact the public's perception of the Postal Service's reputation and branding.

Recommendation #6

We recommend that the **Chief Retail and Delivery Officer and Executive Vice President**, require the **New York 2 District Manager** to establish procedures to complete annual safety inspections, remediate deficiencies, and document the results for blue collection and green relay boxes.

Recommendation #7

We recommend the **Chief Retail and Delivery Officer and Executive Vice President**, develop a process to define roles, responsibilities, and frequency for inspecting green relay boxes, and to record and track the location and condition of green relay boxes.

Postal Service Response

The Postal Service generally agreed with this finding, along with recommendations 6 and 7. Management provided a target implementation date of April 30, 2025, for both recommendations.

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31 POM Issue 9, Section 315.1: Appearance. November 30, 2023.
32 Maintenance Management Order (MMO-039-23), *Refurbishment and Disposal Procedures for Collection Boxes,* May 5, 2023.
33 Maintenance Management Order (MMO-042-23), *McGard Security Hardware for Collection Boxes,* May 8, 2023.
34 Handbook EL-801, *Supervisor's Safety Handbook,* section 3-3.6, Street Delivery and Collection Boxes, July 2020.
35 The South Richmond Hill and Woodside stations did not have carriers that collect mail, and thus, were not responsible for conducting safety inspections of blue collection boxes in their areas.
36 The South Richmond Hill station did not use green relay boxes in their area.

OIG Evaluation

Based on management's plan to explore the feasibility of establishing a process for safety inspections, remediating deficiencies, and tracking the location of green relay boxes, we consider management's comments responsive to recommendations 6 and 7, and corrective actions should resolve the issues identified in the report.

Looking Forward

The mail theft initiatives are critical to protecting the Postal Service's reputation and brand. It is important the Postal Service achieves timely deployment of the initiatives and actively communicates these plans to local management. The OIG plans to conduct future audits of the Postal Service's mail theft mitigation and response efforts nationwide.

Appendix A: Additional Information

Scope and Methodology

The scope of our audit included a review of the Postal Service's processes and procedures for reporting and responding to mail theft, carrier robberies, arrow and MAL key accountability, the physical condition of blue collection and green relay boxes, deployment of mail theft initiatives, and mail theft complaints received from April 1 through September 30, 2023. Using factors that included the number of mail theft complaints, HSCBs and eLocks installed, open FMO tickets for HSCBs, and eLocks pending installation for Queens, NY, we selected the Jamaica Main, South Richmond Hill, and Woodside stations for our review.

To accomplish our objective, we:

- Reviewed policies and procedures related to reporting and responding to mail theft, carrier robberies, arrow key and scanner accountability, and box condition and accountability.

- Assessed the deployment and installation of mail theft initiatives to include HSCBs and eLocks in Queens, NY.

- Performed arrow key, MAL key, and MDD–TR scanner accountability reviews at the three stations in Queens, NY.

- Performed physical condition reviews for blue collection and green relay boxes in the surrounding areas of the three stations in Queens, NY.

- Interviewed Postal Service Headquarters and New York 2 district management to understand roles and responsibilities for reporting mail theft, carrier robberies, missing, lost, or stolen arrow keys, arrow and MAL key accountability, and deployment of current and future mail theft initiatives.

- Interviewed Postal Inspection Service Headquarters and New York division management to understand roles and responsibilities for

reporting, responding, and tracking mail theft, carrier robberies, and missing, lost, or stolen arrow keys.

We conducted this performance audit from November 2023 through May 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 objectives. 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 April 22, 2024, and included their comments where appropriate.

In planning and conducting the audit, we obtained an understanding of 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 information, 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 RADAR, FMO deployment dashboard, CPMS, and green relay boxes survey data by performing tests for data completeness, reasonableness, 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
U.S. Postal Service's Response to Mail Theft	To evaluate the Postal Service's efforts to respond to mail theft.	22-178-R23	9/28/2023	$1,008,976
U.S. Postal Inspection Service Pandemic Response to Mail Fraud and Mail Theft	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

UNITED STATES POSTAL SERVICE

May 11, 2024

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Mail Theft Mitigation and Response-Queens, NY
(24-037-DRAFT)

Thank you for providing the Postal Service an opportunity to review and comment on the findings contained in the draft audit report titled: *Mail Theft Mitigation and Response-Queens, NY.*

Management generally agrees with the findings in the report.

Following are our comments on each of the seven recommendations:

Recommendation 1: We recommend the Chief Retail and Delivery Officer and Executive Vice President, in coordination with the Chief Technology Officer and Executive Vice President, develop and implement a plan, including communication strategy and available staff, for the timely deployment and installation of mail theft initiatives nationwide.

Management Response/Action Plan:
Management agrees with this recommendation.

Management will review its communication strategy for the deployment of mail theft initiatives and make adjustments if needed. Management will also evaluate the current staffing dedicated to these efforts and consider whether additional resources would be cost-prohibitive or if more effective options are available. In the interim, Management will continue using its current staffing model to address the workload associated with deployment.

Target Implementation Date: 04/30/2025

Responsible Official:
Chief Retail and Delivery Officer and Executive Vice President
Vice President, Innovative Business CTO

Recommendation 2: We recommend the Chief Retail and Delivery Officer and Executive Vice President add the functionality to the Collection Point Management System to differentiate between blue collection and high security collection boxes.

Management Response/Action Plan:
Management agrees with this recommendation.

Management is working on the Collection Point Management System to enable a feature to identify and differentiate between blue collection boxes and high security collection boxes.

Target Implementation Date: 10/31/2024

Responsible Official:
Chief Retail and Delivery Vice President of Delivery Operations

Recommendation 3: We recommend the Chief Retail and Delivery Officer and Executive Vice President, when the functionality is available, direct the New York 2 District Manager to update the Collection Point Management System to differentiate between blue collection and high security collection boxes in the New York 2 district.

Management Response/Action Plan:
Management agrees with this recommendation.

Upon implementation of the functionality in the CPMS system, Headquarters will disseminate the information to the field for use. Because Headquarters is responsible for updates to CPMS, there is no need to direct the field to implement.

Target Implementation Date: 10/31/2024

 Responsible Official:
Chief Retail and Delivery Vice President, Delivery Operations

Recommendation 4: We recommend the Vice President, Area Retail and Delivery Operations, Atlantic Area, in coordination with the New York 2 District Manager, reiterate arrow key security policies and responsibilities to managers and supervisors in Queens, NY.

Management Response/Action Plan:
Management agrees with this recommendation.

CRDO Delivery Strategy and Policy and National Training Development are currently working on finalizing the Daily Arrow Key Accountability training video to be included in HERO as a mandatory re-occurring requirement for all EAS staff.

Target Implementation Date: 10/31/2024

Responsible Official:
Chief Retail and Delivery Vice President of Delivery Operations

Recommendation 5: We recommend the Vice President, Area Retail and Delivery Operations, Atlantic Area, require the New York 2 District Manager to confirm all arrow keys are added to the inventory in the Retail and Delivery Analytics and Reports system.

Management Response/Action Plan:
Management agrees with this recommendation. The district will ensure 100% compliance regarding the Arrow Key Certification in RADAR each month and stress the importance of accuracy on this important certification.

Target Implementation Date: Currently implemented. The NY 2 district has been 100% compliant with the monthly and Semi-Annual Arrow Key certifications that are logged in the RADAR program.

Responsible Official:
District Manager

Recommendation 6: We recommend that the Chief Retail and Delivery Officer and Executive Vice President require the New York 2 District Manager to establish procedures to complete annual safety inspections, remediate deficiencies, and document the results for blue collection and green relay boxes.

Management Response/Action Plan:
Management agrees with this recommendation.

Procedures to complete safety inspections and remediate deficiencies are established and in place for blue collection boxes.

Green Relay boxes are not defined as collection boxes and there is no requirement for the inspection of green relay boxes. That said, management will explore the feasibility of establishing a process for safety inspections and remediate deficiencies for green relay boxes.

Target Implementation Date: 4/30/2025

Responsible Official:
Chief Retail and Delivery Vice President of Delivery Operations

Recommendation 7: We recommend the Chief Retail and Delivery Officer and Executive Vice President develop a process to define roles, responsibilities, and frequency for inspecting green relay boxes, and to record and track the location and condition of green relay boxes.

Management Response/Action Plan:
Management agrees with this recommendation.

There is no process for the inspection of green relay boxes. Management will explore the feasibility of establishing a process for inspections, define roles and responsibilities and frequency for green relay boxes. Along with a method for tracking location.

Additionally, if created upon implementation of procedures for inspection of green relay boxes, management will ensure they are adhered to as well.

Target Implementation Date: 04/30/2025

E-SIGNED by JOSHUA.D COLIN
   on 2024-05-11 18:34:55 EDT
_____
Dr. Joshua Colin
Chief Retail and Delivery Officer and Executive Vice President

E-SIGNED by SCOTT.R BOMBAUGH
   on 2024-05-13 13:31:21 EDT
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Scott Bombaugh
Chief Technology Officer and Executive Vice President

E-SIGNED by SCOTT.P RAYMOND
   on 2024-05-11 19:17:43 EDT
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Scott Raymond
Vice President, Retail and Delivery Operations, Atlantic Area

cc: Corporate Audit Response Management

Contact us via our Hotline and FOIA forms. Follow us on social networks. Stay informed.

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