

Office of Inspector General | United States Postal Service

Audit Report

U.S. Postal Inspection Service Handling of Suspected Marijuana Packages

Report Number 19-014-R20 | March 13, 2020



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Highlights

Objective

Our objective was to determine whether the U.S. Postal Inspection Service has efficient and effective controls to manage the Administrative Non-Mailability Protocol (ANP) program.

Postal inspectors are federal law enforcement officers responsible for enforcing laws that defend the nation's mail system from illegal or dangerous use. In 2016, the Postal Inspection Service implemented the ANP program, which is an administrative procedure used to detain, document, and process mail packages that are reasonably suspected of containing marijuana from the mailstream.

Unlike in criminal investigations, the ANP program does not require postal inspectors to obtain search warrants to open detained packages. Rather, they request consent from mailers or addressees to open detained packages. If there is no response after 21 days, packages are declared abandoned and can be opened. When identified as non-mailable items, their contents are seized and disposed and mailable items are returned to the original addressees. Due to this process, the Postal Inspection Service has determined that abandoned packages are not used as evidence in criminal investigations; however, information about the packages, such as an address, may be used to support new or ongoing criminal investigations. This program was established primarily to remove marijuana from the mailstream.

The Postal Inspection Service had [REDACTED] ANP sites to process suspected packages from the western U.S. During July 2018, the Postal Inspection Service established the [REDACTED] to serve as a central processing location for the mailing of suspected marijuana packages from areas without an ANP site. In fiscal year (FY) 2019, the Postal Inspection Service processed 54,877 packages suspected of containing marijuana at both the [REDACTED] and ANP sites.

Findings

Opportunities exist for the Postal Inspection Service to enhance management of the ANP program. Specifically, in FY 2019 we found:

- The ANP program was established to remove marijuana from the mailstream; however, other types of illicit drugs have been found during the abandoned process. Specifically, 1,839 of 95,491 pounds (2 percent) of narcotics seized were identified as illicit drugs other than marijuana. Since the ANP program restricts postal inspectors from using the contents of abandoned illicit drugs as evidence, it may limit opportunities for criminal prosecutions.
- 219 of 15,941 packages sent to the [REDACTED] were lost. Based on available tracking data for 191 of them, postal inspectors did not use [REDACTED] suggested mailing methods for 188 packages. This occurred because [REDACTED] policy recommends, but does not require, postal inspectors to use a more controlled mailing method. In addition, packages containing marijuana emit a strong odor and can be easily detected [REDACTED] [REDACTED] display [REDACTED] " on the mailing label address, both of which increase the risk of theft by postal employees processing this mail. When packages suspected of containing illicit drugs are lost or stolen, there is an increased risk that those drugs could be illegally distributed or used. In addition, when suspect packages which contain legitimate mailable items are sent to the [REDACTED] and are lost, this could impact the Postal Service's brand reputation.
- Personnel at the [REDACTED] allowed Postal Service employees to drop off Registered Mail suspected of containing illicit drugs in an accessible container identified for [REDACTED] use. This container is near the workroom floor of the mail delivery unit and is accessible to all Postal Service and Inspection Service employees. Although there are security cameras by the container to deter and detect theft, they do not [REDACTED]. Postal Service Registered Mail policy requires hand-to-hand exchange of Registered Mail. When [REDACTED] personnel are not adhering to Registered Mail requirements, it could contribute to the loss or theft of packages suspected of containing illicit drugs.

- Eighteen of 30 (60 percent) postal inspectors we interviewed did not properly document ANP program activities to support workhours. This occurred because the ANP policy is not aligned with the *Inspection Service Manual*, which requires documentation of daily activities to support workhours. Complete and accurate recording and documenting of workhour information is needed for management to assess the productivity of individual inspectors and the ANP program. As a result, 2,228 workhours were unsupported in FY 2019. The Postal Inspection Service spent about \$253,613 annually on unsupported workhours.
- Inspection Service personnel did not always ensure proper documentation of evidence bags at the [REDACTED] and [REDACTED] ANP locations we visited. Specifically, of 265 evidence bags we reviewed, the weight of the drugs in five bags did not match the weights in the tracking system. Weight discrepancies ranged from less than one pound to about two pounds and the average weight discrepancy was .92 pounds. In addition, three evidence bags were missing both the responsible party and a witness' initials and dates across the evidence bag sealing tape. This occurred due to a lack of postal inspector oversight. When Inspection Service personnel do not handle evidence in accordance with policy, there is potential risk of loss and theft of illicit drugs.

Recommendations

We recommended management:

- Coordinate with relevant executive agencies, such as the Department of Justice to determine whether the contents of abandoned packages, other than marijuana, can be used as evidence in criminal investigations and update the ANP program policy as needed.
- Update ANP program policy to require the use of a more controlled mailing method and communicate the requirement to all divisions.
- Use scent-proof packaging to conceal the smell of marijuana and remove [REDACTED] from the mailing label for packages destined to the [REDACTED].
- Reinforce the Registered Mail hand delivery requirement at the [REDACTED].
- Align the ANP program policy with the *Inspection Service Manual* that requires daily activity documentation to support workhours.
- Implement a periodic review process to ensure evidence bags contain proper dates and initials; and ensure drug weight is accurately recorded in the tracking system.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

March 13, 2020

MEMORANDUM FOR: GARY R. BARKSDALE
CHIEF POSTAL INSPECTOR

DANIEL A. ADAME
INSPECTOR-IN-CHARGE, CONTRABAND
INTERDICTIONS AND INVESTIGATIONS

E-Signed by McDavid, Margaret
VERIFY authenticity with eSign Desktop

A handwritten signature in cursive script that reads "Margaret B. McDavid".

FROM: Margaret B. McDavid
Deputy Assistant Inspector General for Inspection Service
and Information Technology.

SUBJECT: Audit Report – U.S. Postal Inspection Service Handling of
Suspected Marijuana Packages (Report Number 19-014-R20)

This report presents the results of our audit of the U.S. Postal Inspection Service Handling of Suspected Marijuana Packages.

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

Attachment

cc: Postmaster General
Corporate Audit Response Management

Results

Introduction/Objective

This report presents the results of our self-initiated audit of the U.S. Postal Inspection Service Handling of Suspected Marijuana Packages (Project Number 19-014). Our objective was to determine whether the U.S. Postal Inspection Service has efficient and effective controls to manage the Administrative Non-Mailability Protocol (ANP) Program.

Background

Postal inspectors are federal law enforcement officers responsible for enforcing laws that defend the nation's mail system from illegal or dangerous use. In 2016, the Postal Inspection Service implemented the ANP program, which is an administrative procedure used to detain, document, and process mail packages that are reasonably suspected of containing marijuana.

Unlike criminal investigations, the ANP program does not require postal inspectors to obtain search warrants to open detained packages. Rather, inspectors detain packages and obtain consent from mailers or addressees to open them. When there is no response from either the sender or addressee after 21 days, packages are declared abandoned and can be opened. When identified as non-mailable items, their contents are seized and disposed; mailable items are returned to the original addressees. Due to this process, the Postal Inspection Service has determined that contents of abandoned packages cannot be used as evidence in criminal investigations. However, information from the packages, such as an address, may be used to support new or ongoing criminal investigations. This protocol was established primarily to remove marijuana from the mailstream.

During July 2018, the Postal Inspection Service established the [REDACTED] and [REDACTED] ANP sites located primarily in the [REDACTED]

Figure 1. Map of [REDACTED] and ANP Locations



Source: U.S. Postal Service Office of Inspector General (OIG) analysis of ANP locations.

When Postal Service employees, [REDACTED], suspect packages may contain marijuana, they hold the packages temporarily and notify local postal inspectors. Local postal inspectors will either pick up the packages or request they be mailed to a local Postal Inspection Service location. Once local postal inspectors receive, document, and hold the packages for 5 days (waiting for consent from mailers or addressees to open detained packages), they send the packages to the [REDACTED] for further processing and disposal, as shown in [Figure 2](#).

Postal inspectors based at [REDACTED] ANP sites either identify suspicious packages at local post offices or receive suspicious packages from Postal Service employees from the western U.S. Once postal inspectors at ANP sites receive the packages, they handle the processing and disposal of the packages.

¹ For fiscal year (FY) 2019, [REDACTED] location.

In FY 2019, the Postal Inspection Service processed 54,877 packages suspected of containing marijuana at both the [REDACTED] and ANP sites. Of the total 54,877 suspicious packages processed, postal inspectors determined that 9,701² packages (18 percent) contained mailable matter, which were sent to the original addressees. The remaining 45,176 suspicious packages contained 95,491 pounds of illicit drugs, mainly marijuana, and were removed from the mailstream.

Figure 2. Mailings Destined to the [REDACTED]



Source: OIG analysis of mailings destined for the [REDACTED].
 Note: The mailing origins are from Postal Inspection Service division locations.

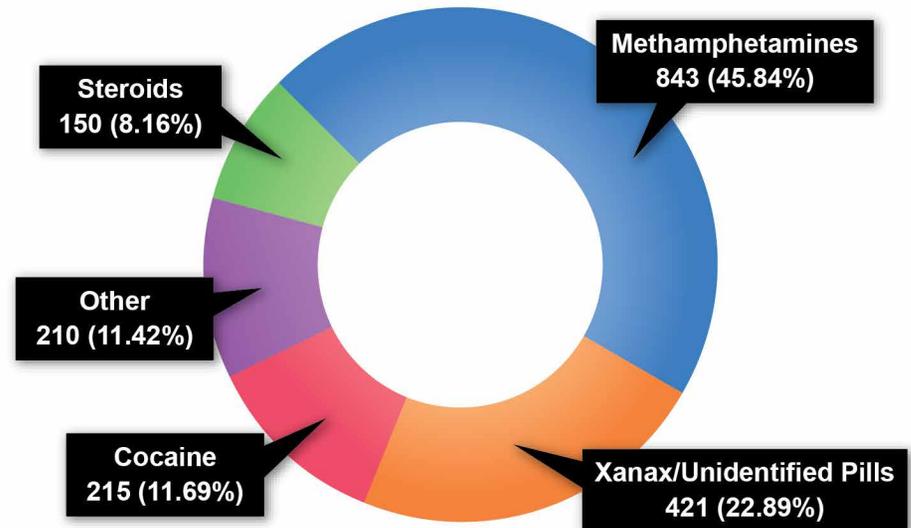
See [Appendix B](#) for a description of how postal inspectors process packages suspected of containing non-mailable matter via the ANP program.

Finding #1: Other Illicit Drugs Processed in ANP Program

The ANP program was established to remove marijuana from the mailstream; however, other types of illicit drugs have been found during the abandonment process.³ Of the 95,491 pounds of illicit drugs seized in FY 2019, we determined that 1,839 pounds (2 percent) of narcotics were identified as illicit drugs other than marijuana, as shown in Figure 3.⁴

“In FY 2019, the Postal Inspection Service processed 54,877 packages suspected of containing marijuana at both the [REDACTED] and ANP sites.”

Figure 3. Other Illicit Drugs Seized in ANP Program (in pounds)



Source: OIG analysis of FY 2019 ANP parcel interdiction reports.

² 3,026 of the 9,701 packages were detained by postal inspectors. The remaining 6,675 packages were received by postal inspectors who determined the packages did not have suspicious characteristics and returned them to the mailstream.
³ The abandonment process is the 21-day detention period where postal inspectors attempt to contact the sender or intended recipient of a package. If no response is received from mailer or addressee(s), the package is considered abandoned.
⁴ Other drugs include human growth hormones, phencyclidine (PCP), ecstasy, fentanyl, heroin, amphetamines, oxycontin, mushrooms, ketamine, and lysergic acid diethylamide (LSD).

Per Postal Inspection Service ANP program policy,⁵ the Postal Inspection Service is not to use contents seized under the ANP program in criminal prosecutions. This restriction is the result of Postal Inspection Service legal analysis and its consideration of the plain view doctrine.⁶ However, information from mail pieces, such as addresses, that are opened through the ANP may be used to support new or ongoing criminal investigations.

A prior audit report⁷ recommended that the Postal Inspection Service work with Congress to develop legislative changes authorizing the Postal Inspection Service to open and inspect domestic packages suspected of containing illicit drugs. If the recommendation is implemented, it would address the ANP program policy's restriction on using seized contents in criminal investigations.

Because the ANP program does not allow postal inspectors to use the contents of abandoned packages in criminal investigations, it may limit the opportunities for criminal prosecutions. Without the deterrence of criminal prosecutions, drug dealers may continue to use the mail to send illicit drugs, which may be highly addictive and potentially deadly. Continued mailing of illicit drugs exposes customers and postal employees to safety risks and could undermine public trust in the Postal Service brand.

Recommendation #1

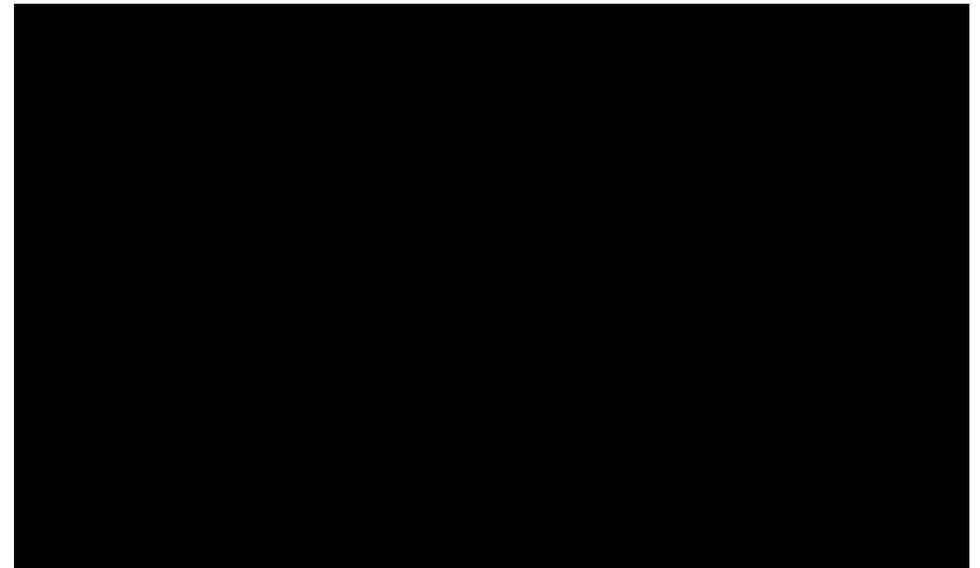
We recommend the **Chief Postal Inspector** coordinate with relevant executive agencies, such as the Department of Justice to determine whether the contents of abandoned packages, other than marijuana, can be used as evidence in criminal investigations and update the Administrative Non-Mailability Protocol program policy as needed.

Finding #2: Lost Packages Destined to the [REDACTED]

During FY 2019, 15,941 packages suspected of containing marijuana were sent to the [REDACTED], 219 of which were lost. Based on available tracking data for 191⁸ of the lost packages, we determined that postal inspectors used Express and Priority mail rather than the [REDACTED] suggested mailing methods for 188 packages (98 percent).

Based on the last scan location for the 191 lost packages, we determined [REDACTED] had the highest number of losses, as shown in Figure 4.

Figure 4. Heatmap for Lost Mailing by Location

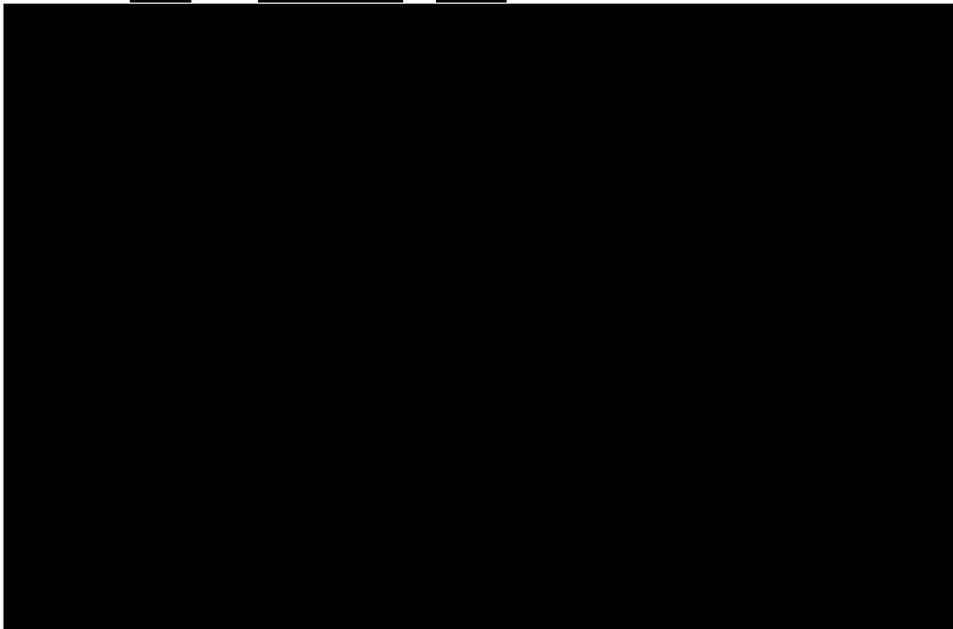


Source: OIG analysis of tracking data using [REDACTED] tracking numbers.⁹

5 [REDACTED]
6 The plain view doctrine holds that immediately apparent contraband falling into "plain view" of an inspector who has a right to be in the position to have that view are subject to seizure without a warrant or, if the inspector needs to further search the evidence, his or her lawful observation can provide grounds for obtaining a search warrant.
7 *Use of Postal Service Network to Facilitate Illicit Drug Distribution* (Report Number SAT-AR-18-002, dated September 28, 2018).
8 The remaining 28 of the 219 lost packages, mailing labels were created but no scanning data was identified in the Postal Service tracking system.
9 Postal Service [REDACTED] tracking numbers represent 101 grouped mailings of the 191 detained suspicious packages sent to the [REDACTED]

Postal Inspection Service policy¹⁰ suggests that parcels destined for the [REDACTED] should be mailed by [REDACTED] if possible, in one of the following three ways: [REDACTED],¹¹ [REDACTED]¹² or [REDACTED]. See Figure 5 for a depiction of [REDACTED] and [REDACTED] at the [REDACTED].

Figure 5. [REDACTED] and [REDACTED] at [REDACTED] Location



Source: The [REDACTED] on the left are [REDACTED] and the [REDACTED] with the [REDACTED] inside is an [REDACTED].

Suspicious packages were lost because [REDACTED] policy recommends, but does not require, that postal inspectors use a more controlled mailing method. In addition, packages containing marijuana emit a strong odor and can be easily detected, and packages destined to the [REDACTED] display [REDACTED]” on the mailing label addresses, both of which increase the risk of theft.

¹⁰ [REDACTED].
¹¹ Used for [REDACTED] mail, both in-plant and between Postal Service facilities.

¹² [REDACTED] are identifiable by [REDACTED] and have a restricted use, to transport Registered Mail items between authorized facilities.

¹³ This packaging is manufactured in two sizes — 9 x 12 inches and 18 x 18 inches.

During our audit, we interviewed representatives from the Canada Post to benchmark management of packages suspected of containing illicit drugs. The Canada Post uses scent-proof packaging¹³ to package suspected illicit drugs. Canada Post representatives stated that the scent-proof packaging has contributed to a decrease in package theft and an increase in package safety.

When packages suspected of containing illicit drugs are lost or stolen, there is an increased risk that those drugs could be illegally distributed or used. In addition, when suspicious packages containing mailable matter are sent to the [REDACTED] and are lost, customers could lose legitimate items, which could impact the Postal Service’s brand reputation.

“Suspicious packages were lost because [REDACTED] policy recommends, but does not require, that postal inspectors use a more controlled mailing method.”

Recommendation #2

We recommend the **Chief Postal Inspector** update Administrative Non-Mailability Protocol program policy to require the use of a more controlled mailing methods and communicate the requirement to all divisions.

Recommendation #3

We recommend the **Chief Postal Inspector** use scent-proof packaging to conceal the smell of marijuana and remove [REDACTED] from mailing labels for packages destined to the [REDACTED].

Finding #3: Unsecured Suspected Packages at [REDACTED]

Personnel at the [REDACTED] allowed Postal Service employees to drop off Registered Mail suspected of containing illicit drugs in an accessible container identified for [REDACTED]. This container is near the workroom floor of the mail delivery unit and is accessible to all Postal Service and Inspection Service employees.

This process occurred because the program manager at the [REDACTED] authorized use of the container for convenient retrieval of packages. Although there are security cameras by the container to deter and detect theft, they do not [REDACTED]

Postal Service Registered Mail policy¹⁴ requires individual employee accountability of Registered Mail to be maintained at all times. Acceptance employees must keep Registered Mail in a secure place, such as a locked drawer, cabinet, safe, or registry section, until accountability is transferred hand-to-hand to the designated dispatch employee. When [REDACTED] personnel are not adhering to Registered Mail requirements, it could contribute to the loss or theft of packages suspected of containing illicit drugs.

Recommendation #4

We recommend the **Inspector-in-Charge, Contraband Interdictions and Investigations**, reinforce the Registered Mail hand delivery requirement to the [REDACTED]

Finding #4: Undocumented ANP Workhours

Postal inspectors did not document ANP program activities to support workhours. Specifically, 18 of 30 (60 percent) postal inspectors interviewed did not complete investigative summary logs (ISL)¹⁵ in support of daily ANP activities.

The ANP policy¹⁶ does not require documentation of daily activities to support workhours. However, policy¹⁷ requires postal inspectors to enter workhours and track leave hours daily in eDiary¹⁸ and document daily activities in field notes or ISLs.

This occurred because the ANP policy is not aligned with the *Inspection Service Manual*, which requires documentation of daily activities to support workhours. The determination to jacket ANP [REDACTED] area cases and to document ANP workhours on ISLs at Inspection Service divisions is left to the discretion of Division managers.

“The Postal Inspection Service spent about \$253,613 annually on unsupported workhours.”

Complete and accurate recording and documenting of workhour information is needed for management to assess the productivity of individual inspectors and the ANP program. As a result, 2,228 workhours were unsupported. The Postal Inspection Service spent about \$253,613¹⁹ annually on unsupported workhours.

Recommendation #5

We recommend the **Chief Postal Inspector** align Administrative Non-Mailability Protocol program policy with the *Inspection Service Manual* that requires daily activity documentation to support workhours.

¹⁴ Handbook DM-901, *Registered Mail*, Section 3-3.3.1, dated January 2016.

¹⁵ ISL entries record significant steps in an investigation.

¹⁶ *ANP Procedures for Parcels Suspected of Containing Nonmailable Matter*.

¹⁷ *Inspection Service Manual (ISM)*, Section 1-3.2-5, Entering Workhours, dated September 2018.

¹⁸ Electronic time reporting system used in CMS.

¹⁹ Total unsupported workhours are from an average of workhours per package processed (1.39) and 1,603 packages mailed by 18 postal inspectors who did not use ISLs to support their workhours. The 1,603 were multiplied by 1.39 workhours which resulted in 2,228 unsupported workhours. We multiplied postal inspectors' YTD hourly rate for total cost of \$113.83 by the 2,228 unsupported workhours for \$253,613 in unsupported questioned costs.

Finding #5: High-Value Evidence Handling

When a postal inspector discovers that an abandoned package contains suspected illicit drugs, the contents are handled and documented as evidence and secured until they can be destroyed. During site visits to [REDACTED] ANP locations²⁰ as well as the [REDACTED], we reviewed a sample²¹ of 265 high-value evidence bags and found the weight on five evidence bags did not match their weights in the Property Evidence Acquisition Program system.²² Weight discrepancies ranged from less than one pound to about two pounds and the average weight discrepancy was .92 pounds. Also, three evidence bags did not have both the responsible parties and a witness' initials and dates across the evidence bag sealing tape.

The Postal Inspection Service policy²³ requires postal inspectors to [REDACTED]

Discrepancies related to initials and dates on evidence bags and inaccurately recording drug weights in the system occurred due to a lack of postal inspectors' oversight. When Inspection Service personnel do not handle evidence in accordance with policy, there is a potential for loss or theft of illicit drugs.

Recommendation #6

We recommend the **Inspector-in-Charge, Contraband Interdiction and Investigations**, implement a periodic review process to ensure evidence bags contain proper dates and initials; and ensure drug weight is accurately recorded in the tracking system.

Other Matters

A prior audit report²⁴ identified that the Postal Inspection Service and Postal Service had insufficient controls over handling and tracking packages suspected of containing marijuana, from initial retrieval from the mailstream to pick up or delivery to postal inspectors. The prior audit recommended Inspection Service management implement a nationwide policy for handling, tracking, and providing additional security for packages suspected of containing marijuana; and develop training to ensure responsible personnel understand their roles and responsibilities. Management agreed with both recommendations and developed a mandatory stand-up talk procedure related to the proper handling of suspected marijuana packages. The information has been provided to Postal Service area vice presidents. Additionally, management developed and implemented nationwide guidance for the handling and tracking of packages suspected of containing marijuana. However, ongoing investigations indicate that this is still an ongoing concern; therefore, we will consider evaluating this process in future audits.

“Management developed and implemented nationwide guidance for the handling and tracking of packages suspected of containing marijuana.”

Management's Comments

Management disagreed with recommendations 1, 2, and 3 but provided an alternative solution for recommendation 1. Management agreed with recommendations 4 and 5 with the exception of the monetary impact related to recommendation 5. Management agreed, in part, with recommendation 6.

20 During the audit, we visited the [REDACTED] as well as the [REDACTED] ANP locations.

21 Statistically sampled evidence at the [REDACTED] and the [REDACTED] randomly sampled [REDACTED] and all evidence on hand [REDACTED]

22 An automated reporting system used to track all high- and low-value property evidence acquired by Postal Inspection Service personnel.

23 ISM, Section 8-2.8.1, Sealing of Controlled Substance, dated September 2018.

24 *Packages Suspected of Containing Marijuana* (Report Number HR-AR-17-001, dated October 12, 2016).

Management noted in the background section of the report that the OIG incorrectly stated that inspectors determined that 18 percent of parcels processed through the ANP in FY 2019 contained mailable items. Management stated that while the Inspection Service did review 54,877 parcels at the [REDACTED] and ANP sites, not all of them met the criteria for ANP processing. Of the parcels reviewed, 48,202 were removed from the mailstream and processed through the ANP. Of these, only 6.3 percent processed through the ANP contained mailable items.

Regarding recommendation 1, management stated that they placed internal limitations on the usage of these parcels for a variety of reasons; however, the Inspection Service already has a process in place for the non-routine release of the contents of parcels abandoned through the ANP for use in criminal matters. This process includes coordination and discussions with the U.S. Attorney's Offices prosecuting the case where the evidence will be used. This process has resulted in the contents of parcels abandoned via the ANP being used in criminal matters. Management further stated that they will modify their policy to clarify the process. The target implementation date is September 30, 2020.

Regarding recommendation 2, management stated that the utilization of various mailing methods for shipment to the [REDACTED] in some instances needs to remain fluid to allow for greater operational flexibility needed to accomplish their mission. The Inspection Service continues to evaluate their procedures and formally communicate any modification to the field.

Regarding recommendation 3, management stated that the scent-proof packaging recommended does not exist for the overwhelming majority of parcels the [REDACTED] processes. Management also stated that there is a lack of evidence demonstrating a relationship between mailings which were not received and the fact that [REDACTED] appears on the mailing label. The amount of parcels not received at the [REDACTED] is less than 1.2 percent. These are official [REDACTED]. Further, elimination of [REDACTED] or the like from the labels could result in other issues in the event that the parcels are alerted to during other profiling operations.

Regarding recommendation 4, management agreed and stated that the Inspection Service will reinforce the Registered Mail hand delivery requirement to the [REDACTED]. The target implementation date is June 30, 2020.

Regarding recommendation 5, management agreed and stated that, as previously acknowledged in audit report OV-AR-19-003, *U.S. Postal Inspection Service Area Case Management*, the Postal Inspection Service is reviewing our policies to ensure they are consistent and current. The policies related to Investigative Summary Logs (ISL) will be modified to consistently state that ISLs are only used to record significant steps in an investigation. The "Unsupported Questioned Costs" of \$253,613 alleged in this report is without merit and was a previous finding in the above-mentioned report. The auditors erroneously relied on policy related to Compensation, Time, and Attendance as opposed to the policy specifically related to case reporting guidelines when calculating monetary impact. The target implementation date is September 30, 2020.

Regarding recommendation 6, management agreed, in part, and stated that they conduct periodic evidence reviews in accordance with policy. They also stated they recently implemented a verification process to ensure the weights are validated on the actual contraband and in the tracking system. The target implementation date is April 30, 2020.

See [Appendix C](#) for management's comments in their entirety.

Evaluation of Management's Comments

The OIG considers management's comments responsive to 1, 4, and 5 and the corrective action should resolve the issues identified in the report. While the Postal Inspection Service disagreed with recommendation 1, it provided an alternative solution that will address the intent of our recommendation. We consider management's comments unresponsive to recommendations 2 and 3 and partially responsive to recommendation 6.

Regarding management's concerns with the ANP data, as noted in the report, we determined postal inspectors identified 9,701 of the 54,877 packages (18 percent) that contained mailable matter. We also noted that 6,675 of these packages

were received by postal inspectors who determined they did not have suspicious characteristics and returned them to the mailstream. Although postal inspectors did not open the 6,675 packages to determine whether they actually contained mailable items, they were removed from the mailstream and sent to the [REDACTED] and ANP sites for review and further processing; therefore, we included this total in our report.

Regarding recommendation 2, we acknowledged that using [REDACTED] suggested, but not required, mailing methods such as Registered Mail would limit flexibility; however, using these methods would increase the security of the mail and minimize the loss of suspected marijuana packages. As noted in the report, based on available tracking data for 191 of the lost packages, 98 percent of them were mailed using Express and Priority mail rather than the [REDACTED] suggested mailing methods. We believe the Postal Inspection Service should require use of more controlled mailing methods and communicate the requirement to all divisions.

Regarding recommendation 3, the intent of this recommendation was for the Postal Inspection Service to explore the use of scent-proof packaging as a means to conceal the smell of illicit drugs shipped to the [REDACTED]. Canada Post is referenced in the report as a postal operator that has effectively implemented the use of scent-proof packaging, which they state has contributed to a decrease in package theft and an increase in package safety.

Additionally, packages containing marijuana emit a strong odor and, combined with the label [REDACTED] indicate that these packages contain illicit drugs, which increases the risk of theft by dishonest employees. Removing [REDACTED] from the mailing label will not alter the mailing address and communicating the change to all postal inspectors will avoid any potential impact on other profiling operations.

Regarding the disagreement with the monetary impact for recommendation 5, the *Inspection Service Manual*, Section 1-3.2.5, requires workhours to be documented daily through the use of field notes or ISLs. In addition, our previous audit report, OV-AR-19-003, *U.S. Postal Inspection Service Area Case*

Management, stated that Postal Inspection Service policies²⁵ have conflicting information related to using field notes or ISLs to document significant events versus daily activities. Management responded that they are reviewing policies to ensure they are consistent and current. The policies related to ISLs will be modified to consistently state that ISLs are only used to record significant steps in an investigation. The target implementation date provided in the previous report is September 30, 2020.

To calculate unsupported questioned costs, we relied on the *Inspection Service Manual* related to reporting time and used the Case Management System for our calculations. Management's assertion that we used the Compensation, Time, and Attendance guidelines is, therefore, incorrect. We interviewed 30 postal inspectors and determined that 18 of them mailed 1,603 packages and did not complete ISLs to support ANP daily activities. The 1,603 packages were multiplied by 1.39 workhours – the average time to process an ANP package, which resulted in 2,228 unsupported workhours. We multiplied postal inspectors' YTD hourly rate of \$113.83 by the 2,228 workhours, which equaled \$253,613 in unsupported questioned costs.

Regarding recommendation 6, management stated that they recently implemented a verification process to ensure that weights are validated in the evidence tracking system. However, the OIG has not received supporting documentation that this has been completed. In order to close the recommendation, management should provide support demonstrating that they have taken corrective action on all matters recommended.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. The recommendations 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.

²⁵ ISM Section 1-3.2.5 and Case Management Reporting Requirements (CMRR) Fiscal Year 2018, section 160 Field Notes, require inspectors to document daily activities and all matters that occur in an investigation in field notes or ISLs. However, ISM Section 5-9.9.2 requires inspectors to document only significant events.

Appendices

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Appendix A: Additional Information

Objective, Scope, and Methodology

Our objective was to determine whether the U.S. Postal Inspection Service has efficient and effective controls to manage the ANP Program. The scope of our audit included a review of FY 2019 case management files for lost mailings suspected of containing illicit drugs and review of ANP interdiction sites.

To accomplish this, we:

- Reviewed ANP and [REDACTED] policies to identify guidance for handling packages at ANP sites and those destined for the [REDACTED]
- Interviewed the Inspection Service Program Manager, Contraband Interdictions and Investigations, to further understand the recording and tracking of packages sent to the [REDACTED]
- Obtained FY 2019 reported mailings destined for the [REDACTED] to determine mailing locations and classes, number of pieces mailed, and number of packages lost.
- Obtained FY 2019 [REDACTED] and ANP program package reports to determine illicit drug types and percentages.
- Obtained ANP system screenshots, mailer and addressee notification letters, and [REDACTED]/ANP package data to evaluate required documentation.

- Interviewed a random sample of postal inspectors to determine cases used to record workhours, use of ISLs, entering referred packages into the SharePoint portal, and training.
- Conducted site visits of the [REDACTED] and [REDACTED] ANP sites [REDACTED] [REDACTED] to interview personnel and sampled high-value evidence to determine its security and proper handling of packages suspected of containing illicit drugs.

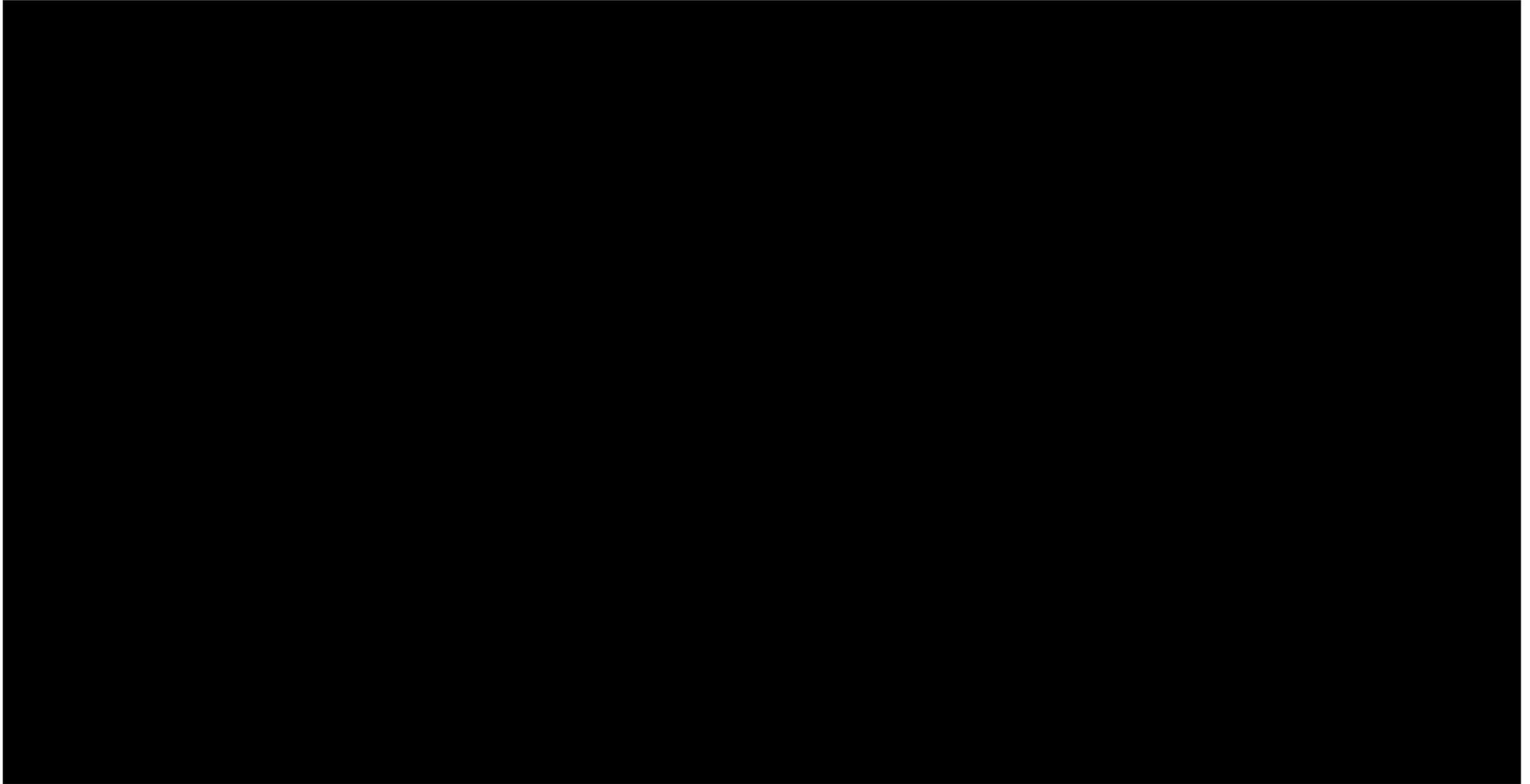
We conducted this performance audit from August 2019 through March 2020 in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain 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 February 4, 2020, and included their comments where appropriate.

We assessed the reliability of ANP mail tracking data and ANP package report data by tracing to source package scanning systems and interviewing responsible personnel knowledgeable about the data. We determined that the data were sufficient reliable for the purposes of this report.

Prior Audit Coverage

Report Title	Objective	Report Number	Final Report Date	Monetary Impact
<i>Use of Postal Service Network to Facilitate Illicit Drug Distribution</i>	Examine the role of the Postal Service network in facilitating illicit drug distribution, explore associated risks and vulnerabilities in the system, and identify opportunities to mitigate risks.	SAT-AR-18-002	9/28/2018	None
<i>Opioid Safety Preparedness</i>	Assess measures the Postal Service has implemented to prepare its workforce for the risks posed by shipments of synthetic opioids.	HR-AR-18-006	6/18/2018	None
<i>Packages Suspected of Containing Marijuana</i>	Assess the Postal Inspection Service's and Postal Service's handling of packages suspected of containing marijuana	HR-AR-17-001	10/12/2016	None
<i>U.S. Postal Service Mail Recovery Center</i>	Assess the Mail Recovery Center's (MRC) effectiveness in handling customer inquiries and managing items it received.	MS-AR-16-001	12/1/2015	None
<i>Management Alert - Mail Recovery Center</i>	[REDACTED]	MS-MA-15-007	5/26/2015	None

Appendix B: Process Flow Chart of Packages Containing Non-Mailable Matter



Source: OIG analysis of NAC Standard Operating Procedures.

Appendix C: Management's Comments



GARY R. BARKSDALE
CHIEF POSTAL INSPECTOR
UNITED STATES POSTAL INSPECTION SERVICE

March 2, 2020

LAZERICK C. POLAND
DIRECTOR, AUDIT OPERATIONS

SUBJECT: U.S. Postal Inspection Service Handling of Suspected Marijuana
Packages
(Project Number 19-014)

Thank you for the opportunity to review and comment on the findings and recommendations contained in the draft audit report, U.S. Postal Inspection Service Handling of Suspected Marijuana Packages.

The Postal Service disagrees with recommendation 1, 2, and 3 and agrees with recommendation 4 and 5 with the exception of the monetary impact related to this recommendation in the amount of \$253,613, and agrees, in part, with recommendation 6. Management will address each recommendation separately below.

The Postal Service also wants to correct information in the background section of the Audit. It is incorrect to state that Inspectors determined that 18% of the parcels Processed through the ANP in FY2019 contained mailable items. While the Inspection Service did review 54,877 at the [REDACTED] and ANP sites, not all of these met the criteria for processing through the ANP. Of the parcels reviewed, 48,202 were removed from the mailstream and placed into and processed through the ANP. Of these, 45,176 (93.7%) parcels contained nonmailable items. Therefore, only 6.3% of the parcels that were placed into the ANP contained mailable items.

Recommendation 1: We recommend the Chief Postal Inspector coordinate with relevant executive agencies, such as the Department of Justice to determine whether the contents of abandoned packages, other than marijuana, can be used as evidence in criminal investigations and update the [REDACTED] policy as needed.

Management Response/Action Plan: Management disagrees with the recommendation. As explained to the auditors, we have placed internal limitations on the usage of these parcel for a variety of reason; however, the Inspection Service already has a process in place for the non-routine release of the contents of parcels abandoned through the ANP for use in criminal matters. This process includes coordination and discussions with the U.S. Attorney's Offices prosecuting the case

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where the evidence will be used. This process has resulted in the contents of parcels abandoned via the ANP being used in criminal matters. We will modify our policy to clarify the process.

Target Implementation Date: September 30, 2020

Responsible Official: Chief Counsel, Office of Counsel

Recommendation 2: We recommend the Chief Postal Inspector update Administrative Non-Mailability Protocol program policy to require the use of a more controlled mailing methods and communicate the requirement to all divisions.

Management Response/Action Plan: Management disagrees with this recommendation. The utilization of various mailing methods for shipments to the ██████ in some instances needs to remain fluid. This allows for greater operational flexibility in order to accomplish our mission. The Inspection Service continues to evaluate our procedures and formally communicates any modifications to the field.

Recommendation 3: We recommend the Chief Postal Inspector use scent-proof packaging to conceal the smell of marijuana and remove ██████ from mailing labels for packages destined to the ██████

Management Response/Action Plan: Management disagrees with this recommendation. The Inspection Service has and continues to explore new functionality to ensure the safety of Postal Employees and the security of the mail. Unfortunately, the scent proof packaging recommended does not exist for the overwhelming majority of the parcels processed by the ██████ Canada Post utilizes scent proof packaging for retailers and customers for legal shipments of marijuana, under 30 grams (.06 pounds).

Management also disagrees with the recommendation to remove ██████ from mailing labels. There is a lack of evidence to demonstrate a relationship between the mailings which were not received and the fact ██████ appear on the label. The percentage of parcels not received at the ██████ is less than 1.2%. ██████ Further, the elimination of ██████ from the labels could result in other issues in the event the parcels are alerted to during other profiling operations, including those involving canines.

Recommendation 4: We recommend the Inspector-in-Charge, Contraband Interdictions and Investigations, reinforce the Registered Mail hand delivery requirement to the [REDACTED]

Management Response/Action Plan: Management agrees with this recommendation. The Inspection Service will reinforce the Registered Mail hand delivery requirement to the [REDACTED]

Target Implementation Date: June 30, 2020

Responsible Official: Inspector-in-Charge, Contraband, Interdiction and Investigations

Recommendation 5: We recommend the Chief Postal Inspector align Administrative Non-Mailability Protocol program policy with the *Inspection Service Manual* that requires daily activity documentation to support workhours.

Management Response/Action Plan: Management agrees with this recommendation but disagrees with the monetary impact. As previously acknowledged in Audit OV-AR-19-003, U.S. Postal Inspection Service Area Case Management, the Postal Inspection Service is in the process of reviewing our policies to ensure they are consistent and current. The policies related to Investigative Summary Logs (ISLs) will be modified to consistently state that ISLs are only used to record significant steps in an investigation. The "Unsupported Questioned Costs" of \$253,613 alleged in this audit is without merit and was a previous finding in the above mentioned report. The auditors erroneously relied on policy related to Compensation, Time, and Attendance as opposed to the policy specifically related to Case Reporting Guidelines in calculating their monetary impact.

Target Implementation Date: September 30, 2020

Responsible Official: Chief Postal Inspector

Recommendation 6: We recommend the Inspector-in- Charge, Contraband Interdiction and Investigations, implement a periodic review process to ensure evidence bags contain proper dates and initials; and ensure drug weight is accurately recorded in the tracking system.

Management Response/Action Plan: Management agrees, in part, with this recommendation. We currently conduct periodic evidence reviews in accordance with policy; however, we have recently implemented a verification process to ensure the weights are validated on the actual contraband and in the tracking system.

- 4 -

Target Implementation Date: April 30, 2020

Responsible Official: Inspector-in-Charge, Contraband, Interdiction and Investigations

Thank you,

A handwritten signature in black ink, appearing to read "Gary R. Barksdale". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Gary R. Barksdale

cc: *Manager, Corporate Audit Response Management*



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GENERAL**
UNITED STATES POSTAL SERVICE

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