

United States Senate
WASHINGTON, DC 20510

May 1, 2003

The Honorable S. David Fineman
Chairman, Board of Governors
U.S. Postal Service
475 L'Enfant Plaza West, SW
Washington, DC 20260-1000

Dear Chairman Fineman:

We are writing to ask that the Board of Governors dismiss Karla W. Corcoran as Inspector General (IG) of the U.S. Postal Service.

The core mission of the IG is to root out wasteful spending in the Postal Service and to make the agency more efficient. How ironic, then, to learn that IG Corcoran has spent millions of agency dollars on expensive and silly "team-building" exercises, diverting massive resources from the task of finding waste and improving efficiency.

We have been contacted by former and current auditors, investigators, and other staffers of the IG office, who have told us of IG employees being required to dress up in animal costumes, build gingerbread houses, and deliver taped testimonials to the Inspector General. While these stories are hard to believe at first, there is abundant evidence to support the whistleblowers' accounts. Astonishingly, IG Corcoran went to considerable expense, using agency dollars, to have these events videotaped, and the images speak for themselves. On the tapes, you see images of public servants dressed up as the Village People, wearing cat costumes, doing a striptease, and participating in mock trials -- all on official time, all at the public's expense.

It is not surprising that, in this environment, the Postal Service IG has underperformed IGs at other agencies in identifying wasteful spending.

The Postal Service has 800,000 employees spread out over 38,000 postal facilities nationwide, and a budget of over \$65 billion. Surely, in an agency that large, no matter how well administered, there must be areas where public funds are not spent as wisely as they should be.

Yet in 2001, with an IG staff of approximately 725 employees and an IG budget of over \$117 million, IG Corcoran identified only \$56 million of waste at the Postal Service. That's two dollars spent by the IG for every dollar of waste identified in the Postal Service!

IG Corcoran seems to have been too busy wasting her own agency's resources to have been much of a watchdog for the Postal Service.

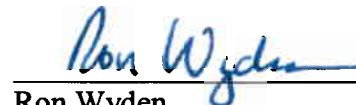
In view of this, we urge you to relieve IG Corcoran of her position at once. We understand that the President's Council on Integrity and Efficiency is in the process of investigating IG Corcoran's performance. However, we believe that the evidence of her mismanagement is so compelling that the Board of Governors should fire her without delay.

We also urge you to ensure that IG Corcoran is not rewarded with an unduly generous severance or pension package. Given the circumstances described in this letter, we think it would be highly inappropriate for IG Corcoran to receive undue compensation.

We would be grateful for your immediate consideration of this matter.

Sincerely,


Byron L. Dorgan
United States Senator


Ron Wyden
United States Senator