



OFFICE OF INSPECTOR GENERAL  
UNITED STATES POSTAL SERVICE

**FIVE-YEAR STRATEGIC PLAN**  
**FY 2011 — FY 2015**



## Message from the Inspector General

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Since 2003 we focused on establishing a highly satisfying, performance-based culture for the Office of Inspector General (OIG). In support of this strategic initiative, we aligned our organization with the Postal Service; strengthened relationships with our stakeholders; made several key organizational and operational changes that institutionalized our performance goal setting and measurement; established a formal enterprise-wide risk assessment to ensure high-value audits and investigations; expanded our investigative mission; focused our investigative work on high value, high-impact cases; and established core and specialized competencies -- thereby improving development of our employees. Collectively, these changes have led to high quality mission delivery with a steady increase each year in productivity and value added to the Postal Service and our stakeholders.

For example, over the past seven years, OIG auditors identified potential monetary savings and our investigators identified \$1.1 billion in cost avoidance, fines, restitutions, and recoveries as defined by the Inspector General Act (the IG Act) and reported to the Office of Management and Budget. We issued over 2,400 audit reports containing more than 1,000 significant recommendations for improving Postal Service operations and financial processes. We completed more than 35,000 investigations that resulted in over 5,000 arrests, indictments or informations, 2,400 convictions or pretrial diversions, and 14,500 administrative actions taken by the Postal Service.

In this Five-Year Strategic Plan for 2011–2015, we present our goals and implementation strategies. Our strategic goals align with the Postal Service's strategic goals -- focusing on what matters most to customers, leveraging the Postal Service's strengths, and embracing change -- articulated in the Postal Service's Vision 2013: Five-Year Strategic Plan for 2009-2013. Our plan considers that the Postal Service is currently facing many challenges in this weak economy, specifically, increasing costs and declining revenues. In response, the Postal Service is making structural changes in the way it does business and has asked Congress to relax financial and service requirements. The Postal Service's strategic plan is focused on addressing these challenges and accordingly our plan is focused on supporting the Postal Service and Congress as it confronts fundamental questions on the future of the Postal Service.

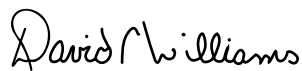
Our strategic plan also presents our mission, vision, and guiding principles to help employees, customers and stakeholders understand how we will work internally and externally to help the Postal Service address its financial and operational challenges over the coming years. Finally, the plan includes our vision for the next five years and the new challenges that we will face in delivering our mission.

The next five years, we will leverage new technology to improve the efficiency and value of our investigations and audits. We will build on our foundation of high quality work and productivity by enhancing our knowledge centered work environment and professional network collaboration. This ensures that knowledge we gain about the Postal Service is retained regardless of changes in our workforce and that we are in tune with the needs and interests of our customers and stakeholders.

We will continue to use technology tools to collect and analyze the large volume of complex information on Postal Service operations. We will also develop increasingly complex data mining models to identify investigative and audit leads that have a high potential for identifying fraud and potential monetary savings. In this way, we will transform data and information into shared knowledge to focus our efforts on work of value in high-risk areas of the Postal Service.

We will enhance our professional network collaboration by taking our customer and stakeholder relations program to the next level. Although our executives, managers and staff meet regularly with stakeholders, our vision is to establish, using social media tools, a more interactive professional collaborative environment. Our goal is to expand our network by using new methods such as open source forums to discuss emerging issues. Building these networks will be key to our planning and ensuring we are addressing the right issues and adding value to the Postal Service. In so doing, we will inform the debate among stakeholders and Congress on the future of the Postal Service business model, including areas such as service requirements, financial obligations and pricing of products.

We will continue to provide the value we have in the past, and find new and more significant ways to provide value in the coming years. We also recognize that continuous hiring, retention and development of high quality employees, and keeping our employees fully engaged, is essential to our success. Operating by our guiding principles, I am confident we can meet the challenges that face us to continue to deliver optimal value to the Postal Service and our stakeholders.

  
David C. Williams

# Five-Year Strategic Plan FY 2011- FY 2015

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## Mission

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*Promote integrity and accountability*

## Vision

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*Deliver optimal value to our stakeholders*

## Guiding Principles

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*The OIG is committed to:*

- **Achieving Results**
  - *Sustain our performance culture with increasingly challenging and satisfying work that adds value to the Postal Service*
- **Encouraging Innovation**
  - *Promote creativity in executing our mission*
- **Developing and Retaining Knowledge**
  - *Create an environment that supports gathering, sharing and retaining knowledge with interactive networks and tools*
- **Respecting and Developing People**
  - *Treat everyone fairly and respectfully through our words and actions, ensure professional growth, and support diversity*
- **Operating with Integrity**
  - *Be a model of ethical behavior*

# Strategic Goals and Implementation Strategies

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In keeping with the Government Performance and Results Act, our strategic goals and implementation strategies form the foundation of this strategic plan and are designed to guide us in performing work that will improve our operational efficiency and effectiveness and the value of our products and services. We developed these goals and implementation strategies to ensure continued alignment with Postal Service and stakeholder strategies. Following are the OIG's strategic goals and implementation strategies that will guide our work during this strategic planning period.

## **Goal 1 – Help the Postal Service Focus on Customer Needs by Leveraging its Strengths and Improving its Operations**

*Make recommendations that enhance service to customers by improving operational economy efficiency and effectiveness*

### **Implementation Strategies**

- Support Postal Service efforts to generate revenue and cut costs by identifying \$70 billion in new revenue and cost reduction opportunities.
  - Leverage innovative and cutting edge technologies including data mining and risk assessment models to increase operational efficiency and effectiveness.
  - Evaluate the Postal Service's efforts to reduce overall operating costs, including elimination of energy waste and through recycling.
  - Inform the debate among stakeholders and Congress on the future of the Postal Service business model, including areas such as service requirements, financial obligations and pricing of products.
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### **Summary Measurement Indicators:**

Monetary benefits; revenue impact; number of audit reports; the percentage customer service, sustainability, and cost, revenue and rates recommendations accepted resulting from audits of the Postal Service; timeliness of the audit products for the independent public accounting firm; and OIG budget execution.

# Strategic Goals and Implementation Strategies

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## **Goal 2 – Preserve Integrity and Security of the Postal Service**

*Conduct investigations and audits that enhance the integrity and security of Postal Service products, services and people.*

### **Implementation Strategies**

- Develop analytical tools including data mining to proactively identify vulnerabilities, propose countermeasures, and measure the effectiveness of such countermeasures.
- Recommend ways to strengthen internal controls on postal systems.
- Conduct objective, independent, timely, and high-quality investigations of misconduct and fraud that over the next 5 years will recover \$1.2 billion in fines, restitutions, recoveries, settlements, and cost avoidance.
- Conduct audits of the Postal Service, investigative services, and security programs and make recommendations that will improve the safety and security of the nation's mail systems and its employees.

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### **Summary Measurement Indicators:**

Actual cost avoidance, fines, recoveries, settlements and judgments; and deterrent impact of investigations.

# Strategic Goals and Implementation Strategies

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## Goal 3 – Continuously Improve OIG Products and Services

*Enhance OIG systems and processes to make our work more efficient and valuable.*

### Implementation Strategies

- Expand products and services, and add capabilities to continually meet the evolving mission of the OIG and related needs of the Postal Service.
- Develop and implement new knowledge-based tools and processes, and streamline existing ones to improve OIG productivity.
- Continuously improve the responsiveness and value of products and services to internal (OIG) and external stakeholders.
- Leverage innovative and cutting edge technologies to increase operational efficiencies and improve the effectiveness of OIG operations.

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### Summary Measurement Indicators:

Timeliness, cost, and quality of audits and investigations, and customer survey results.



# Strategic Goals and Implementation Strategies

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## **Goal 4 – Pursue a Highly Satisfying, Performance-based Culture within the OIG**

*Respect and develop our people and sustain our performance culture with increasingly challenging and satisfying work that adds value to the Postal Service.*

### **Implementation Strategies**

- Collectively achieve and maintain the organizational competencies necessary to deliver products and services required by our mission and needed by stakeholders in a high quality and timely manner.
- Measure and improve employee and customer satisfaction during the next 5 years.
- Increase employee performance by enhancing the performance management system and linking performance goals to each component, Director/Special Agent-in-Charge, Audit Manager/Assistant Special Agent-in-Charge, and employee.
- Develop a succession-planning program, and implement it within all levels of the OIG.

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### **Summary Measurement Indicators:**

Competency evaluation, individual development plans, and succession planning quality and timeliness. Assignment-based evaluation, awards program, internal customer/employee satisfaction and engagement.

# Challenges Impacting OIG's Success

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## Internal Challenges

There are challenges that we must overcome to achieve our Strategic Goals including:

- Building a knowledge-centered environment that is innovative and high performing, and provides incentives to maximize value to customers. Fostering a culture that promotes shared knowledge, ownership and accountability, superior productivity, world-class timeliness and quality, and continuous improvement.
  - Modernizing our capability to synthesize data and information on postal operations and turn it into useable knowledge and insight to identify the root causes and solutions for weaknesses in postal operations.
  - Enhancing our professional network collaboration by establishing a more interactive professional collaborative environment using new methods such as open source forums to discuss emerging issues.
  - Developing the expertise in environmental issues to support the Postal Service's priority to enhance sustainability in its business practices and energy conservation.
  - Assuring that OIG operations are planned and implemented in an environmentally friendly manner.
  - Recruiting, retaining and developing a highly skilled and diverse workforce to perform audits and investigations that maximize the knowledge, skills, abilities and expertise of our senior executives, managers and staff.
  - Redesigning our budget, accounting and performance reporting systems in order to prepare a separate budget statement as required by the Postal Act of 2006.
  - Using innovative technology to improve internal operations and integration with Postal Service systems, as appropriate, to enhance operational efficiencies.
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# Challenges Impacting OIG's Success

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## External Challenges

The Postal Act of 2006 is the first major legislative change to the Postal Service since 1971. As a result of the statute, as well as rapid changes in the market place, the Postal Service's regulatory and business environment is fluid. Therefore, this plan must remain dynamic and focused on known, high-risk issues and our statutory requirements. Our external challenges include:

- Informing the debate among stakeholders and Congress on the future of the Postal Service business model, including areas such as service requirements, financial obligations and pricing of products.
  - Increasing Postal Service receptiveness and timely implementation of our recommendations given its financial constraints and sometimes-conflicting stakeholder priorities.
  - Balancing our reporting requirements against the need to protect the Postal Service's commercially sensitive and proprietary data and preventing the inadvertent disclosure of information. At the same time, we must meet the intent and requirements of the Freedom of Information Act and the Inspector General Act.
  - Supporting the Postal Service's new reporting requirements under certain provisions of the Sarbanes-Oxley Act, and aspects of Securities and Exchange Commission reporting, both of which will require the OIG to conduct substantial audit work.
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## Strategic Alignment and Workplan

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Our Offices of Audit (OA) and Investigations (OI) are aligned with appropriate Postal Service components in order to effectively carry out our mission. Consistent with our mission to conduct audits and investigations relating to its programs and operations, we will conduct an extensive body of work to help the Postal Service manage its major risks.

### Audit

OA's focus is on those projects that provide Postal Service management with information to address the emerging strategic issues and major risks and management challenges they are facing. In October 2008, the Postal Service published its Vision 2013: Five-Year Strategic Plan for 2009-2013 which articulated three goals: focusing on what matters most to customers, leveraging the Postal Service's strengths, and embracing change. OA's planning process ensures that our audit work addresses these strategic issues.

Additionally, OA refined its overarching risk assessment process and prioritizes audit projects that address risk factors in strategic, financial, and operational areas. The Deputy Assistant Inspectors General for Audit (DAIGAs) advise the Assistant Inspector General for Audit (AIGA) on the major risks facing the Postal Service in their program area and propose audits based on these risks and stakeholder concerns, as well as follow-up reviews on previously audited areas with significant control weaknesses. The AIGA, DAIGAs, and directors also maintain professional relationships and outreach with Postal Service executives and other stakeholders to ensure open communication and full coverage of issues and challenges facing the Postal Service.

OA will continue to enhance Performance and Results Information Systems (PARIS) models with data visualization techniques. These models identify operational and financial risks, and enable OA staff to conduct reviews of Postal Service functions on a nationwide basis, while also identifying areas of emerging risk — fundamentally changing the way the OIG examines and monitors risk. OA shares PARIS model results and underlying data with the Office of Investigations, the Governors, Postal Service officials, and other key stakeholders. Postal management uses PARIS information to help identify risks within their districts. OA is working to make the results and data more readily available and visually appealing to all stakeholders.

To further enhance our ability to provide value, OA will continue initiatives such as:

- Developing major reports addressing Postal Service risks.
- Imagining solutions to difficult challenges facing the Postal Service.
- Using social media tools such as blogs, discussion forums, and project web pages to gather ideas and solutions from Postal Service stakeholders.

## Strategic Alignment and Workplan

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### Investigations

OI's structure and ongoing resource redeployment are designed to cover postal program vulnerabilities and are aligned geographically to the postal workforce with specialized units in Headquarters. With approximately 600 Special Agents stationed in more than 108 offices nationwide, OI meets its statutory responsibility by investigating internal postal crimes involving:

- Health Care Fraud
- Contract Fraud
- Financial Fraud
- Internal Mail Theft
- Employee Misconduct

In 2006, OI expanded its investigative mission to include employee mail theft, completing the transition of jurisdiction of all internal crimes from the Postal Inspection Service. To accomplish this new work, OI added staff, expanded its investigative responsibilities, and established new offices across the country.

For each postal area, Special Agents in Charge develop annual Domain Awareness Reports, which includes a risk assessment based on the profile of vulnerabilities in the area. OI tracks the nature of criminal activity in order to direct its resources to anticipate the scope of investigative work.

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## Statutory Responsibilities

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The Postal Service OIG was established pursuant to provisions of the Omnibus Consolidated Appropriations Act of 1997, Public Law 104-208, on September 30, 1996. General OIG authority is derived from the Inspector General Act of 1978, as amended, codified at 5 U.S.C. Appendix 3, §§ 1-13, which provides statutory responsibility to protect the integrity of Postal Service programs and operations, and to ensure that the mail service is administered with maximum economy and efficiency.

As prescribed by the IG Act, we will:

- Maintain our independence and objectivity to conduct and supervise audits and investigations relating to the programs and operations of the Postal Service;
- Recommend policies and practices to promote economy, efficiency, and effectiveness in the administration of Postal Service programs;
- Take appropriate action to prevent and detect fraud, waste and abuse in the Postal Service's programs and operations;
- Oversee all activities of the Postal Inspection Service, including any internal investigation performed by them;
- Keep the Governors and Congress fully informed about problems and deficiencies and the necessity for and progress of corrective action;
- Receive and, as appropriate, investigate complaints from any person or entity, including Congress;
- Report violations of law to the U.S. Attorney General;
- Review existing and proposed legislation and regulations;
- Protect the identity of whistleblowers; and
- Prepare and submit semiannual reports to the Governors and Congress.

The Postal Accountability and Enhancement Act of 2006 requires the OIG to regularly audit the data collection systems and procedures the Postal Service uses in collecting information used for its report to the Postal Regulatory Commission.

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