



May 4, 2005

LEE R. HEATH  
CHIEF POSTAL INSPECTOR

SUBJECT: Audit Report – Postal Inspection Service’s Controls Over  
Firearms (Report SA-AR-05-003)

This capping report presents summary results of our self-initiated audit of the Postal Inspection Service’s Controls Over Firearms (Project Number 03BN001OA000). Specifically, this report includes: (1) our most recent assessment of the Postal Inspection Service’s task force results, (2) the National Firearms and Ruger Task Force results from its 100 percent physical inventory of all Postal Inspection Service owned and authorized firearms conducted from June to November 2003, and (3) results from our two previous interim reports. Our overall audit objective was to assess the effectiveness of the Postal Inspection Service’s internal controls over firearms.

The Postal Inspection Service has made progress in effectively strengthening its controls over firearms. The Postal Inspection Service’s Task Force inventoried all Postal Inspection Service firearms and developed additional policy to ensure the future accuracy of the firearms inventory. Based on the task force’s results, the Postal Inspection Service implemented actions to correct the deficiencies identified in the two interim Office of Inspector General (OIG) reports. However, based on our reconciliation of the task force results, we identified 47 additional firearms that were not included in the task force’s complete inventory. We recommended the Chief Postal Inspector require responsible personnel to consult with the Department of Justice (DOJ) to determine final resolution for the 47 firearms not effectively accounted for.

Although management agreed with our recommendation, management did not consult the DOJ for final resolution of the lost, stolen, or missing firearms. Instead, management included the 47 firearms in their established firearms tracking database but not the DOJ database, as required. Therefore, management’s corrective actions taken or planned are not responsive and do not fully satisfy the intent of our recommendation. Not reporting the missing firearms to the National Crime Information Center or consulting the DOJ for final disposition does not follow the required protocol for reporting missing firearms.

Management's comments and our evaluation of these comments are included in the report. The Postal Inspection Service has taken initial steps to account for the 47 firearms. Therefore, we do not plan to pursue recommendation 1 through the formal audit resolution process.

We appreciate the cooperation and courtesies provided by your staff during the audit. If you have any questions or need additional information, please contact Sandra D. Bruce, Director, Oversight of Investigative Activities, or me at (703) 248-2300.

/s/ Mary W. Demory

Mary W. Demory  
Deputy Assistant Inspector General  
for Core Operations

Attachments

cc: James J. Rowan, Jr.  
Steven R. Phelps

## TABLE OF CONTENTS

<b>Executive Summary</b>	i
<b>Part I</b>	
<b>Introduction</b>	1
Background	1
Objectives, Scope, and Methodology	1
Prior Audit Coverage	3
<b>Part II</b>	
<b>Audit Results</b>	5
Postal Inspection Service's Firearms Inventory Task Force Strengthened Firearms Accountability	5
Assessment of Firearms Inventory Task Force Results	6
15 GLOCK Firearms and 1 Heckler & Kock Firearm Not Listed in the Task Force Inventory	7
31 Remington Firearms Not Listed in the Task Force Inventory	7
Recommendation	8
Management's Comments	8
Evaluation of Management's Comments	9
Previous Inaccuracies in Physical Inventory	10
Previously Identified Inadequate Data in Firearms Accountability Systems	11
<b>Appendix A. Firearms Not Listed in the Postal Inspection Service's     National Asset Tracking System</b>	13
<b>Appendix B. Management's Comments</b>	14

## EXECUTIVE SUMMARY

---

### Introduction

This capping report presents summary results of our self-initiated audit of the Postal Inspection Service's Controls Over Firearms. Specifically, this report includes: (1) the National Firearms and Ruger Task Force results from its 100 percent physical inventory of all Postal Inspection Service owned and authorized firearms conducted from June to November 2003, (2) our assessment of the task force results, and (3) results from our two previous interim reports. Our overall audit objective was to assess the effectiveness of the Postal Inspection Service's internal controls over firearms.

---

### Results in Brief

The Postal Inspection Service has made progress in effectively strengthening its controls over firearms. The Postal Inspection Service's task force inventoried all Postal Inspection Service firearms and developed additional national policy to ensure the future accuracy of the firearms inventory. Based on the task force's results, the Postal Inspection Service implemented actions to correct the deficiencies identified in the two interim Office of Inspector General (OIG) reports. In addition, these national policies have strengthened the Postal Inspection Service's accountability over the firearms inventory.

Our first two interim reports stated that the Postal Inspection Service did not have effective controls to ensure accountability of its firearms. Specifically, there were inaccuracies in the physical inventory, and inadequate data and data integrity issues in firearms accountability systems. This occurred because the Postal Inspection Service had not been consistently reconciling its firearms inventory. In response to recommendations included in the OIG's reports, on March 31, 2003, the Chief Postal Inspector established a Firearms Inventory Task Force to: (1) conduct a complete inventory of all Postal Inspection Service owned and authorized firearms and (2) review internal processes and procedures for the controls of firearms.

However, based on our reconciliation of the May 2004 task force results, we identified 47 additional firearms that were not included in the task force's complete inventory. According to Postal Inspection Service officials, 16 of the

47 firearms were personally owned by Inspectors who have subsequently retired and the disposition of these firearms is unknown. For the remaining 31 firearms, Postal Inspection Service officials stated that most of the firearms were destroyed before 1987, but could not provide documentation to support the destruction. The Postal Inspection Service took immediate actions during our review and developed additional guidance to properly account for firearms, including personally owned firearms. Also, destruction records must now be retained in hard copy form for ten years, and thereafter in electronic form indefinitely.

Additionally, Postal Inspection Service officials indicated that they have conducted extensive paper and physical research, including contacting the Bureau of Alcohol, Tobacco, Firearms and Explosives, and following up with the Postal Service and Postal Inspection Service destruction committees. However, the Postal Inspection Service was not provided any additional information to account for the firearms.

Postal Inspection Service officials further stated that they will not report the unaccounted for firearms to the National Crime Information Center (NCIC) because the serial numbers were not accurate. During our review of records from manufacturers for the 31 firearms, we noted a few instances where the serial numbers were transposed. However, we did not find nor were we provided any additional information to show more serial numbers were inaccurate.

While we recognize that the 47 firearms, in some instances, are more than 25 years old, all firearms must be accounted for to ensure the public is not at risk of bodily harm and that lost, stolen, or missing firearms are not used in future criminal activity.

---

**Summary of  
Recommendations**

We recommended the Chief Postal Inspector require responsible personnel to consult with the Department of Justice (DOJ) to determine final resolution for the 47 firearms not effectively accounted for.

---

**Summary of  
Management's  
Comments**

Management agreed with our recommendation to consult with the DOJ to determine the final resolution for the firearms not effectively accounted for.

Management also stated they entered the 47 firearms in their firearms tracking database.

Management further stated that 16 of the firearms were personally owned weapons, which were purchased by individual inspectors, who had the option to carry this firearm as an official duty weapon. For reasons unknown, the respective serial numbers of these firearms were not entered into the Postal Inspection Service's firearms tracking database. Management stated policies have been revised, and in order to ensure a complete inventory, the personally owned weapons were entered into the firearms database.

Postal Inspection Service management stated the remaining 31 firearms were purchased from 1969 through 1976. The Postal Inspection Service agreed these firearms must be accounted for to ensure that the public is not at risk of bodily harm and has added the serial numbers to their firearms database categorized as "Lost/Stolen." Management will also annotate their database to state that because of the lack of information required for inclusion into NCIC, these weapons will not be reported as "Lost/Stolen" in the NCIC database. Management's comments, in their entirety, are included in Appendix B of this report.

---

**Overall Evaluation of  
Management's  
Comments**

Although management agreed with our recommendation, management did not consult with DOJ for final resolution of the lost, stolen, or missing firearms. Instead, personnel entered the serial numbers for the firearms into the Inspection Service firearms database and categorized them as "Lost/Stolen." Therefore, management's corrective actions taken or planned are not responsive and do not fully satisfy the intent of our recommendation. Not reporting the missing firearms to the NCIC or consulting the DOJ for final disposition does not follow the required protocol for reporting missing firearms.

Since the Postal Inspection Service has taken initial steps to account for the 47 firearms, we do not plan to pursue recommendation 1 through the formal audit resolution process.

## INTRODUCTION

---

### Background

The Postal Inspection Service relied on the Postal Inspection Service Database Information System (ISDBIS)<sup>1</sup> to manage its inventory of approximately 6,000 firearms. In October 2001, the Postal Inspection Service implemented a management system to track the firearms inventory as accountable property using the FIREARMS Module of the Postal Inspection Service National Asset Tracking System (ISNATS). However, in March 2003, Postal Inspection Service management told the Office of Inspector General (OIG) the current database (ISNATS) had transition and migration issues as well as inventory variances between the "old ISDBIS and new ISNATS systems."

In June 2003, the Government Accountability Office (GAO) issued a report on its study of federal executive law enforcement agencies' controls over firearms at the request of the House Committee on the Judiciary.<sup>2</sup> On November 5, 2002, the Postal Inspection Service ordered a national firearms inventory to be completed no later than close of business December 31, 2002. On December 31, 2002, the Postal Inspection Service amended its initial response to GAO indicating the information initially provided to GAO was incorrect because it only reflected the amount of firearms in inventory at the Postal Inspection Service training academy in Potomac, Maryland.

According to the U.S. Postal Inspection Service Manual, all firearms used by inspectors and postal police officers are considered accountable property. These firearms are required to be accounted for from acquisition through final disposition, to include transfer, retirement, destruction, and lost, stolen, or missing.

---

### Objectives, Scope, and Methodology

Our overall audit objective was to assess the effectiveness of the Postal Inspection Service's internal controls over firearms. Our specific objectives were divided into three phases.

---

<sup>1</sup>Currently known as the Inspection Service Integrated Information System (ISIIS).

<sup>2</sup>The GAO found that all 18 federal agencies reviewed (over 95 percent of federal officers and agents authorized to carry firearms) had policies and procedures for controlling and safeguarding firearms that were consistent with federal internal controls standards and related criteria. In addition, 15 of the 18 agencies reported a total of 1,012 firearms as lost, stolen, or otherwise not in their possession between September 1998 and July 2002, further indicating the need for stronger controls.

The objective during our first phase was to determine whether firearms reported as lost, stolen, or missing were accurately transferred from the old database to the new accountability system. The objective of our second phase was to determine whether the Ruger firearms, purchased nationally<sup>3</sup> in 1987, were accurately accounted for through a reconciliation of the national inventory. The objective of our final phase was to review the results of the Postal Inspection Service's national firearms inventory and ensure all Postal Inspection Service owned<sup>4</sup> and authorized firearms were accounted for and internal processes and procedures were strengthened to properly account for all firearms.

To accomplish our objectives, we interviewed Postal Inspection Service management and field personnel. We also performed a comparative analysis of lost, stolen, or missing firearms in the current database ISNATS to the previous ISDBIS inventory. We reviewed firearms inventory results and supporting documentation. We obtained documentation from the manufacturer of Ruger firearms originally shipped to the Postal Inspection Service. We also obtained documentation from the Postal Inspection Service and researched the National Crime Information Center (NCIC)<sup>5</sup> for lost, stolen, or missing Ruger firearms, and compared our findings to ISDBIS and the ISNATS inventories provided by the Postal Inspection Service.

In addition, we contacted firearms manufacturers to obtain inventories and supporting documentation of firearms sold to the Postal Inspection Service or directly to postal inspectors for official duty. Manufacturers were unable to provide complete listings of firearms sales by purchaser; however, four provided a limited list or researched specific firearms by serial number.<sup>6</sup> We compared our findings to the ISDBIS and the ISNATS inventories. We also interviewed sales representative from Sturm, Ruger & Company, Inc.

---

<sup>3</sup>National purchases are those Ruger firearms which were purchased by headquarters and do not include Postal Inspection Service purchases of Ruger firearms by individual units.

<sup>4</sup>Postal inspectors can purchase a firearm directly from the manufacturer with a letter of authorization stating they will use it for official duty.

<sup>5</sup>The NCIC, operated by the Federal Bureau of Investigation, is a computerized database used by authorized agencies to report and access information concerning missing persons, wanted persons, criminal histories, stolen guns, and other law enforcement information.

<sup>6</sup>Two manufacturers, Smith & Wesson and SIGARMS, were unable to provide the OIG with any information regarding sales to the Postal Inspection Service or its inspectors.



We started the audit in December 2002, but suspended the audit awaiting the national firearm inventory results from the Postal Inspection Service. The Postal Inspection Service conducted a 100 percent physical inventory of all Postal Inspection Service owned and authorized firearms from June to November 2003. However, we did not receive the results until June 2004. We initiated the audit again upon receiving these results and conducted further analyses from July through September 2004 to assess the inventory results.

We conducted the audit from October 2003 to April 2005 in accordance with generally accepted government auditing standards and included such tests of internal controls as were considered necessary under the circumstances. We did not evaluate the reliability of the data obtained from the ISDBIS and the ISNATS inventories. However, this information was sufficiently reliable to support the opinions and conclusions in this report. Also, we did not conduct a physical inventory of firearms to verify their existence. We will verify the existence of firearms during subsequent reviews of the Postal Inspection Service's investigative and administrative processes. We discussed our findings and conclusions with appropriate management officials and included their comments where appropriate.

---

**Prior Audit Coverage**

The GAO issued a report on Firearms Controls (Report Number GAO-03-688, dated June 2003). The report concluded that federal agencies, including the Postal Inspection Service, have firearms controls, but could strengthen controls in key areas. These areas included: (1) recording and tracking firearms inventory data, (2) maintaining, controlling, and accounting for firearms inventories, (3) ensuring personnel and supervisory accountability for firearms, and (4) requiring investigations, and discipline when deemed appropriate, for individuals determined not to have followed firearms accountability procedures.

The GAO recommended and the federal agencies, including the Postal Inspection Service officials, generally agreed to: (1) reassess and modify, if necessary, existing firearms controls based on generally accepted internal controls standards and (2) document firearms controls in

agency policies and procedures so they can be consistently understood and applied.

The Postal Inspection Service provided the GAO with identified actions taken to strengthen firearms controls consistent with the recommendation.

## AUDIT RESULTS

---

### Postal Inspection Service's Firearms Inventory Task Force Strengthened Firearms Accountability

As reported in the two interim OIG issued reports, the Postal Inspection Service did not have effective controls to ensure accountability of its firearms. Specifically, there were inaccuracies in the physical inventory, and inadequate data and data integrity issues in firearms accountability systems. This occurred because the Postal Inspection Service had not been consistently reconciling its firearms inventory. However, the Postal Inspection Service took corrective actions during the audit to address the deficiencies included in the two interim OIG reports.

According to the U.S. Postal Inspection Service Manual, all firearms used by inspectors and postal police officers are considered accountable property. These firearms are required to be accounted for from acquisition through final disposition, to include transfer, retirement, destruction, and lost, stolen, or missing. In addition, Handbook IS-135, Firearms Policy, requires the listing of all firearms in the accountable property module to include Postal Inspection Service authorized and personally owned firearms. Lost, stolen, or missing firearms may pose serious risks to the public including the risk that missing firearms may be used to inflict bodily harm or further criminal activity. The U.S. Postal Inspection Service Manual was updated to properly account for a firearm when the inventory discloses that a weapon is lost/stolen or otherwise unaccounted for at the time of inventory. The firearms coordinator will then be responsible for ensuring that the information regarding the lost/stolen weapon is entered into the NCIC.

On March 31, 2003, the Chief Postal Inspector established a Firearms Inventory Task Force. Based on the Postal Inspection Service's task force report, the corrections for the deficiencies identified in the two interim OIG issued reports have been made and verified to be accurate. The task force completed a 100 percent physical inventory in November 2003 at all sites where firearms were located. Also, the task force reviewed all Postal Inspection Service owned and authorized firearms and physically accounted for all Postal Inspection Service issued weapons listed in ISNATS. Further, the review confirmed that Postal Inspection Service divisions inventoried firearms twice each year, during the domicile review of each inspector and again through the yearly verification process conducted at one of the required semiannual firearms qualifications.

In addition, the task force developed a supplementary national policy to ensure the future accuracy of ISNATS firearms data as follows:

- The accuracy of ISNATS firearms data must be verified during the two required inventories of firearms each year.
- Weapons will remain assigned to the home division when an inspector is on a detail assignment to another division.
- Instructions were clarified on how to obtain authorization to carry a personally owned weapon. Additional instructions were issued to clarify the retirement of a personally owned weapon.
- Firearms destruction records must be retained in hard copy form for ten years, and indefinitely thereafter in electronic form.
- Guidelines were issued on inventories of reserve weapons.
- A new investigative case series was developed to track lost weapons and a second case series to track stolen weapons, along with a requirement to annually verify National Crime Information Center records for lost and stolen weapons.

These policies have strengthened the Postal Inspection Service's accountability over the firearms inventory. Our assessment of the national task force firearms inventory results is in the next section of this report.

---

Assessment of Firearms  
Inventory Task Force  
Results

The Postal Inspection Service's task force met the intent of accounting for all Postal Inspection Service firearms as well as strengthening internal controls of firearms. However, discrepancies still exist with properly accounting for 47 firearms. We identified 47 additional firearms that were not accounted for during our reconciliation of firearms sold to the Postal Inspection Service or individual postal inspectors for official duty. Further, based on our review of the task force report, the 47 firearms were not listed in the task force's 100 percent inventory. Also, based on our query of the NCIC, the 47 firearms were not listed as lost or stolen. Specific details of the 47 additional firearms follow:

---

15 GLOCK Firearms and  
1 Heckler & Koch Firearm  
Not Listed in the Task  
Force Inventory

GLOCK was unable to provide the OIG with a listing of firearms sold to the Postal Inspection Service or individual inspectors for official duty. However, GLOCK researched specific serial numbers provided by the OIG based on our analysis of the Postal Inspection Service's inventory. Our reconciliation of the information provided by GLOCK to the Postal Inspection Service's inventory identified 15 firearms sold to the Postal Inspection Service or individual inspectors for official duty that were not listed in either inventory.

Heckler & Koch provided a partial listing of firearms sold to the Postal Inspection Service. In addition, Heckler & Koch also researched specific serial numbers identified by the OIG. Reconciliation of data provided by Heckler & Koch with the Postal Inspection Service's inventory showed that one firearm was not listed in either inventory.

According to Postal Inspection Service officials, these 16 firearms were purchased approximately 14 years ago as personally owned weapons. Many of the inspectors who carried these weapons have subsequently retired and the disposition of these weapons is not known. Because of this issue, the Postal Inspection Service has developed additional guidance for personally owned weapons, which clarifies how an inspector obtains authorization to carry the weapon and how the weapon is retired from the Postal Inspection Service. Nonetheless, these firearms are not effectively accounted for and resolution is essential.

---

31 Remington Firearms  
Not Listed in the Task  
Force Inventory

Remington provided a partial listing of firearms sold to the Postal Inspection Service by serial number. In addition, Remington researched specific firearms purchases identified by the OIG. Based on our analysis, we determined that 31 firearms purchased between 1969 and 1976 were missing and could not be accounted for from the task force national firearms inventory.

The task force specifically researched the 31 firearms and could not account for or provide any documentation on their disposition. The Postal Inspection Service's centralized tracking system in ISDBIS during 1991 showed that 64 of 625 shotguns were purchased before 1977. Thus, the Postal Inspection Service concluded that most of the shotguns were no longer in-service when ISDBIS went online in 1991. The earliest paper

records available for review by the task force were dated 1987. Therefore, the task force reported that most of the Remington firearms were destroyed before 1987; however, there was no documentation to support their destruction. The Postal Inspection Service has subsequently developed additional guidance to retain hard copy files for ten years and in electronic form indefinitely.

While we recognize that these 47 firearms are more than 14 years old, and in some cases up to 25 years old, all firearms must be accounted for to ensure the public is not at risk of bodily harm and that lost, stolen, or missing firearms are not used in future criminal activity. See Appendix A for a summary of serial numbers for firearms with discrepancies.

---

**Recommendation**

We recommend the Chief Postal Inspector:

1. Require responsible personnel to consult with the Department of Justice (DOJ) to determine final resolution for the 47 firearms not effectively accounted for.

---

**Management's  
Comments**

Management agreed with our recommendation to consult with the DOJ to determine the final resolution for the firearms not effectively accounted for. Management also included the 47 firearms in their firearms tracking database.

Management stated that individual inspectors purchased 16 of the firearms as personally owned weapons under the Postal Inspection Service's letterhead program. The inspectors had the option to carry these firearms as official duty weapons and, for reasons unknown, the respective serial numbers of these firearms were not entered into their firearms tracking database. Management revised policy requiring entries to be made of all firearms purchased by inspectors as federal law enforcement officers under the letterhead program. In order to ensure a complete inventory, the personally owned weapons were entered into the firearms database. In addition, they will be annotated as either active (inspector is currently using the firearm as an official duty weapon) or inactive (inspector is retired or no longer uses the firearm as an official duty weapon).

Management stated that the remaining 31 firearms were Remington shotguns the Postal Inspection Service purchased from 1969 through 1976. The Postal Inspection Service agrees that these firearms must be accounted for to ensure that the

public is not at risk of bodily harm, but they made the following points:

- The Bureau of Alcohol, Tobacco, Firearms and Explosives determined through a tracer review that the Postal Inspection Service did not sell or otherwise give away the 31 firearms.
- The period of OIG review spans more than 35 years.
- During most of this period, firearms inventory and accountability were accomplished using manual inventory records.
- The Postal Inspection Service has strengthened its accountability over firearms by clarifying and changing its internal controls and procedures.

In order to account for these 31 weapons, management will add the serial numbers to their firearms database and categorize them as "Lost/Stolen." However, management will annotate that because of the lack of information required for inclusion into the NCIC, these weapons will not be reported in NCIC as lost or stolen.

---

**Evaluation of  
Management's  
Comments**

Although management agreed with our recommendation, the corrective actions taken or planned are not responsive and do not fully satisfy the intent of our recommendation. We recommended that responsible Postal Inspection Service personnel consult with the DOJ to determine final resolution for the 47 firearms not effectively accounted for. However, Postal Inspection Service personnel did not consult with the DOJ and, instead, entered the serial numbers for the firearms into the Inspection Service firearms database and categorized them as "Lost/Stolen." Management further stated that they did not enter the firearms into the NCIC because there was a lack of information required for inclusion.

We agree that some of these firearms are old, but the Postal Inspection Service must account for all firearms to ensure the public is not at risk of bodily harm and that lost, stolen, or missing firearms are not used in future criminal activity. Therefore, not reporting these firearms in the NCIC or not consulting the DOJ for final disposition does not follow the required protocol for reporting missing firearms.

Since the Postal Inspection Service has taken initial steps to account for the 47 firearms, we do not plan to pursue recommendation 1 through the formal audit resolution process.

---

Previous Inaccuracies in  
Physical Inventory

During phase one of our audit, firearms data in the new ISNATS database system did not reconcile with data in the old ISDBIS database system. Specifically, 23 firearms listed as lost, stolen, or missing in ISDBIS were shown as "In-Service" in ISNATS. However, a Postal Inspection Service-wide firearms inventory that was completed December 31, 2002, showed the same 23 firearms were on hand in the ISNATS inventory. Further, a query of the NCIC<sup>7</sup> database for the 23 firearms previously listed as lost, stolen, or missing showed that only 9<sup>8</sup> of the 23 firearms were listed as stolen weapons.

Upon completion of the Postal Inspection Service Inventory in November 2003, the Firearms Inventory Task Force stated that all 23 firearms were accounted for and corrections to the lost or stolen portion of the database had been made and verified to be accurate by the Firearms Inventory Task Force and the National Threat Management coordinator. In addition, the inventory completed by the Firearms Inventory Task Force resulted in an additional 35 firearms that were not correctly listed as lost or stolen.

According to the Postal Inspection Service Operations Support Group manager responsible for the firearms inventory, these inaccuracies were due to data migration problems with the 2001 change in the firearms database from ISDBIS to ISNATS. Additionally, the firearms controlled by the firearms coordinator are not independently verified. Therefore, the accuracy of the inventory was dependent on the quality of the firearms coordinators' physical inventory.

---

<sup>7</sup>The NCIC is operated by the Federal Bureau of Investigation and is a computerized database used by authorized agencies to report and access information concerning missing persons, wanted persons, criminal histories, stolen guns, and other law enforcement information. Additional information about the NCIC is available at [www.fas.org/irp/agency/doj/fbi/is/ncic.htm](http://www.fas.org/irp/agency/doj/fbi/is/ncic.htm).

<sup>8</sup>One of the nine firearms in the NCIC was listed with the wrong serial number.



We reported these deficiencies in our first interim audit report, Postal Inspection Service Controls Over Firearms – Inventory Reconciliation (Report Number SA-AR-03-002, dated May 15, 2003). We recommended the Postal Inspection Service: (1) conduct a complete physical inventory and reconciliation of data; (2) notify the GAO of the inventory errors; and (3) update the NCIC with the most current information. Management did not state whether they agreed or disagreed with the recommendations. However, management stated they were aware of the inventory variances between the old and the new inventory systems and established a Firearms Inventory Task Force in March 2003 to: (1) conduct a complete inventory of all Postal Inspection Service owned and authorized firearms and (2) review internal processes and procedures for the controls of firearms. The intent of this task force was sufficient in responding to the recommendations included in the first interim audit report issued by the OIG.

---

Previously Identified  
Inadequate Data in  
Firearms Accountability  
Systems

There was inadequate data in the firearms accountability systems. Specifically, 16 Ruger firearms were not listed in the national inventory. Further, the Postal Inspection Service:

- Reported seven of the sixteen firearms to the NCIC as lost, stolen, or missing, although they were not listed in the Postal Inspection Service inventories.
- Reported one of the seven firearms in the NCIC in 1999, even though it was transferred in 1995 to the United States Probation Department.
- Returned four of the sixteen firearms not listed in the national inventory to Ruger for credit.
- Did not list five firearms in either their inventory system or the NCIC.

Additionally, the Postal Inspection Service did not return four firearms identified as returned in the current ISNATS database to Ruger.<sup>9</sup> The Postal Inspection Service was not able to support the “Returned to Manufacturer” status. In addition, Ruger management stated they had no documentation indicating these

---

<sup>9</sup>One of the four firearms was not part of the national purchase. However, we did come across it in our audit work of firearms returned to Ruger; therefore, it is included in this report.

firearms were returned to Ruger, and these firearms were not reported to the NCIC. Also, based on the ISDBIS inventory provided by the Postal Inspection Service, these four firearms were not listed in the previous inventory.

Moreover, we identified 131 data integrity errors with Ruger firearms. We recognized these errors could have been related to the implementation of the new inventory database in 2001. However, we provided this information to assist the Postal Inspection Service with correcting its inventory accountability systems. The data integrity errors were as follows:

<b>Category</b>	<b>Errors</b>
Duplicate Serial Numbers	5
Incorrect Make	7
Incorrect Status Description	112
Incorrect Make and Status Description	4
<u>Incorrect Serial Number</u>	<u>3</u>
Total Errors Identified	131

We further identified 98 duplicate credits from Ruger for returned firearms and confirmed that duplicate credits were issued. We reported these deficiencies in our second interim audit report, Postal Inspection Service Controls Over Firearms – Inventory Reconciliation of Sturm, Ruger and Company, Inc. Firearms (Report Number SA-AR-03-006, dated September 26, 2003). We recommended the Postal Inspection Service: (1) correct accountability for Ruger firearms and associated records; and (2) review controls for firearms for adequacy to ensure supporting documentation exists for firearms in its tracking system.

Although management did not state whether they agreed or disagreed with the two recommendations, overall management's actions taken or planned were responsive to the intent of the recommendations. On March 31, 2003, the Chief Postal Inspector established a Firearms Inventory Task Force. The intent of this task force was sufficient in responding to the recommendations included in the second interim audit report issued by the OIG.

**APPENDIX A. FIREARMS NOT LISTED IN THE  
POSTAL INSPECTION SERVICE'S  
NATIONAL ASSET TRACKING SYSTEM**

<b>Manufacturer</b>	<b>Quantity</b>	<b>Serial Numbers</b>			
GLOCK	15	BV735US	CCU864US	CCU894US	CCU896US
		EV011US	EV014US	EV017US	EV018US
		EV019US	EV021US	EV023US	EZ442US
		EZ451US	FL493US	FL495US	
Heckler & Koch	1	2417158			
Remington	31	S279206V	S272900V	S271061V	S269329V
		S280468V	S576487V	S577428V	S574646V
		S568854V	S577219V	S574529V	S575261V
		S575172V	S577424V	S575225V	S577271V
		S575295V	S577548V	S575358V	S577528V
		S577304V	S052655V	S574720V	S577290V
		S577536V	T266995V	S577235V	S059125X
		S575242V		S053375V	S052654V

## APPENDIX B. MANAGEMENT'S COMMENTS



UNITED STATES POSTAL INSPECTION SERVICE

DEPUTY CHIEF INSPECTOR – HEADQUARTERS OPERATIONS

March 25, 2005

MARY W. DEMORY  
DEPUTY ASSISTANT INSPECTOR GENERAL  
FOR CORE OPERATIONS

SUBJECT: Response to Draft Audit Report - Postal Inspection Service's Control  
Over Firearms (Report Number SA-AR-05-Draft)

We have had the opportunity to review the draft recap audit report of the Postal Inspection Service's Control Over Firearms (Report Number SA-AR-05-Draft) dated February 24, 2005, to Chief Postal Inspector, Lee R. Heath. This memorandum represents our formal response.

### OIG Recommendation:

Require responsible personnel to consult with the Department of Justice to determine final resolution for the 47 firearms not effectively accounted for.

### Management Response:

We concur with this recommendation and have included these 47 firearms in our established firearms tracking database. The 47 firearms identified by the OIG report are classified below.

Manufacturer	Quantity
Glock	15
Heckler & Koch	1
Remington	31

### Glock, Heckler & Koch

On February 12, 2005, the Postal Inspection Service provided the OIG with documentation from Glock and Heckler & Koch showing the 16 firearms associated with these manufacturers as purchased by individual Inspectors as personally owned weapons, (POW). The purchase of these firearms was initiated under the Postal Inspection Service's letterhead program. The Inspector purchasing the POW had the option to carry it as an official duty weapon. Because the Inspector chose not to carry their newly purchased firearm as their authorized firearm, for reasons unknown, the respective serial numbers of these firearms were not entered into our firearms tracking database. We revised our instructions in the IS-135, Firearms Handbook requiring entries be made of all firearms purchased by Inspectors as federal law enforcement officers under our letterhead program.

475 L'ENFANT PLAZA SW – ROOM 3010  
WASHINGTON DC 20260-2170  
TELEPHONE: 202-268-5425  
FAX: 202-268-4563

- 2 -

In order to ensure a complete inventory, these POWs were entered into the Postal Inspection Service firearms database. In addition, they will be properly annotated as either active (Inspector is currently using the POW as an official duty weapon) or inactive (Inspector is retired or no longer uses the POW as an official duty weapon.)

#### Remington

The remaining 31 weapons were Remington shotguns purchased by the Postal Inspection Service from 1969 through 1976. A thorough physical search for these weapons was conducted by the National Firearms Inventory Task Force. The task force was unable to locate the weapons. Furthermore, as a reasonably prudent person would anticipate, records to support the final disposition of these 31 weapons are no longer available. It is not conceivable for us to be held accountable for and produce documentation that is 25 to 35 years old.

While we agree that all firearms must be accounted for to ensure that the public is not at risk of bodily harm, we feel it is important to make the following points:

- A tracer review of the 31 firearms by the Bureau of Alcohol, Tobacco and Firearms determined that they were not sold or otherwise given away by the Postal Inspection Service.
- The time period for the OIG review spans more than 35 years.
- During most of this time period firearms inventory and accountability were accomplished utilizing manual inventory records. This review judges the Postal Inspection Service by today's standards for practices of yesterday.
- The Postal Inspection Service has strengthened its accountability over firearms by clarifying and changing its internal controls and procedures. We have employed the use of computerized records and databases to track the use of our firearms inventory.

In order to account for these 31 weapons we will add the serial numbers to our firearms database and categorize them as "Lost/Stolen". We will however, further annotate that because of the lack of information required for inclusion into NCIC, these weapons will not be reported as Lost/Stolen in the NCIC database.

Again, we appreciate the opportunity to provide comments to this report. Please feel free to contact me at 202-268-5425, if you have any questions.



James J. Rowan, Jr.

cc: Lee R. Heath