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International Mail
Safeguards Improved
J. F. Kennedy International Airport
and Brooklyn Army Terminal

B-174874

United States Postal Service

UNITED STATES
GENERAL ACCOUNTING OFFICE

NOV. NOV. 16, 1972

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UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

INTERNATIONAL DIVISION

B-114874

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Dear Mr. Postmaster General:

This report highlights the recent improvements in the security of international mail at the airmail facility at J. F. Kennedy International Airport and the New York International Surface Mail Exchange Office at the Brooklyn Army Terminal--the largest international airmail and surface mail facilities in the United States.

To further improve the security of international mail at Kennedy Airport, we recommend that you:

- Place greater emphasis on encouraging foreign postal administrations to consolidate high-value airmail on selected flights and have international airlines participate in providing improved mail security.
- Provide adequate safeguards for mail being shuttled between the buildings at the airmail facility.
- Take prompt action to erect the physical security facilities already planned and to enforce existing administrative security controls.
- Undertake a formal review of the mail security needs at the airport.

In July 1972 Postal Service officials generally agreed with our recommendations but commented that the Postal Service had further upgraded the security of the mail since our visits to these facilities.

Your attention is invited to section 236 of the Legislative Reorganization Act of 1970 which requires that you submit written statements of the action taken with respect to the recommendations. The statements are to be sent to the House and Senate Committees on Government Operations not later than 60 days after the date of this report and to the

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House and Senate Committees on Appropriations in connection with the first request for appropriations submitted by your Agency more than 60 days after the date of this report. We would appreciate receiving copies of all statements submitted.

2300

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Copies of this report are being sent today to the above committees, the House and Senate Committees on Post Office and Civil Service, the House Committee on Foreign Affairs, the Senate Committee on Foreign Relations, and the Senate Select Committee on Small Business. Copies are also being sent to the Director, Office of Management and Budget; the Secretary of State; and the members of the Board of Governors of the U.S. Postal Service.

H 2900

We wish to acknowledge the cooperation extended our representatives during this review.

Sincerely yours,



Oye V. Stovall
Director

The Honorable
The Postmaster General
of the United States

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GENERAL ACCOUNTING OFFICE
REPORT TO THE POSTMASTER GENERAL

INTERNATIONAL MAIL
SAFEGUARDS IMPROVED
1 J. F. KENNEDY INTERNATIONAL AIRPORT D.1878
2 AND BROOKLYN ARMY TERMINAL D.1879
B-114874

D I G E S T

WHY THE REVIEW WAS MADE

In 1971 postal officials testified before congressional committees that a lack of security at major airports was a major contribution to the escalating volume of mail losses. In 1972 an official testified that mail valued at an estimated \$70 million had been stolen from John F. Kennedy International Airport during 1969 and 1970.

In 1971 postal officials improved mail safeguards. To evaluate the improvements the General Accounting Office (GAO) reviewed security at the airmail facility at J. F. Kennedy International Airport and the New York International Surface Mail Exchange Office at the Brooklyn Army Terminal--the largest international airmail and surface mail facilities in the United States.

FINDINGS AND CONCLUSIONS

3 Since GAO's initial visit in June 1971, the U.S. Postal Service has significantly upgraded safeguards at these locations. At both facilities a security force of uniformed armed guards has been established, revised procedures have been implemented, and additional physical plant safeguards have been made or planned for the near future. 52

At Kennedy Airport the security force, initiated in July 1971,

safeguards three buildings of the airmail facility. It also provides armed escort service between the airplanes and the main postal building for selected flights carrying large volumes of registered or high-value mail.

At Brooklyn Army Terminal the Postal Service has relocated and improved the registry section, restricted access to mail-handling areas via overhead passageways and underground tunnels from an adjacent building, and required contract mail haulers to maintain a security compound if mail is not hauled directly between the postal facility and the piers.

RECOMMENDATIONS OR SUGGESTIONS

To further improve the security of international mail at Kennedy Airport, GAO recommends that the Postmaster General:

- Place greater emphasis on encouraging foreign postal administrations to consolidate high-value airmail on selected flights and have international airlines participate in providing improved mail security. (See p. 10.)
- Provide adequate safeguards for mail being shuttled between buildings of the airmail facility. (See p. 10.)
- Take prompt action to erect the

physical security facilities already planned and to enforce existing administrative security controls. (See p. 10.)

--Undertake a formal review of the mail security needs at the airport. (See p. 10.)

AGENCY ACTIONS

On July 20, 1972, Postal Service officials generally agreed with GAO's observations, conclusions, and recommendations but said the Postal Service had further upgraded security of the mail since GAO's visits in April and May 1972. They said the following improvements had been made.

--Agreements had been reached recently with several foreign postal administrations, and upon completion of current negotiations with Germany, 95 percent

of valuable incoming international mail would be concentrated on selected flights. (See p. 11.)

--The number of international flights being convoyed had almost tripled since GAO's last visit. (See p. 11.)

--The number of security force personnel assigned to the airmail facility at Kennedy Airport had been increased. (See p. 11.)

--Construction of the fence at Brooklyn Army Terminal had been started, and a contract had been awarded for the fencing at the main postal building at Kennedy Airport. (See pp. 11 and 12.)

--A security review had been initiated at Kennedy Airport. (See p. 11.)

GAO believes the actions planned and in progress will further improve the security of the mail.

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CHAPTER 1

INTRODUCTION

Mail losses throughout the U.S. postal system have been steadily increasing although security of mail has been a constant concern of the U.S. Postal Service. During hearings conducted in 1971 by the Senate Select Committee on Small Business, the Permanent Subcommittee on Investigations of the Senate Committee on Government Operations, and the House Committee on Appropriations, postal officials testified that:

- The overall value of mail thefts had been steadily increasing in recent years.
- The lack of security at major airports was a major cause in the escalating number and size of mail thefts.
- The most significant theft problem was at J. F. Kennedy International Airport in New York.
- Mail thefts occurred primarily in the ramp areas of the airlines.

In further hearings before the House Committee on Appropriations, an official testified in 1972 that mail valued at about \$70 million had been stolen from Kennedy Airport during 1969 and 1970.

Our review included:

- An evaluation of plans and programs of the Postal Service to upgrade mail security.
- A physical inspection and evaluation of the mail security in June 1971 at Kennedy Airport--the largest airmail facility in the United States--and at the New York International Surface Mail Exchange Office at the Brooklyn Army Terminal--the largest international surface mail facility in the United States.
- A followup physical inspection and evaluation at the airmail facility in April 1972 and at the surface

mail facility in May 1972 to review the corrective action taken to upgrade the security of mail at these facilities.

--Discussions of our observations, conclusions, and recommendations with postal officials.

The comments of the officials are included in this report.

CHAPTER 2

SIGNIFICANT IMPROVEMENTS IN MAIL SECURITY AT

J. F. KENNEDY INTERNATIONAL AIRPORT

In April 1972 we visited the airmail facility at J. F. Kennedy International Airport in New York to observe the security for international mail. We found that, since our previous visit in June 1971, a security program had been initiated and that significant improvements had been made in safeguarding the mail; however, further improvements can be made.

The airmail facility at Kennedy Airport comprises three buildings and has about 1,800 personnel. The main building is located on the airport grounds, and two annexes are located approximately 3 miles from the main building and about one-half mile from each other. Approximately 57.6 million pounds of international mail and a large volume of domestic mail were processed and dispatched from Kennedy Airport in 1971.

In the past the lack of adequate security for this high volume of mail at Kennedy Airport has been well publicized. During the congressional hearings postal officials stated that external theft of mail by nonpostal personnel, when mail was in transit or not in the physical custody of the Postal Service, presented the greatest problem from the standpoint of volume losses. The hearings revealed that thousands of sacks of mail moving in and out of the airport were handled after dark and were being transported to and from planes for distances of a mile or more through poorly lighted areas. Mail in open airline carts, accessible to the general public, was normally under no surveillance by airline personnel. A postal official testified before the House Committee on Appropriations in May 1972 that mail valued at about \$70 million was stolen from Kennedy Airport during 1969 and 1970.

IMPROVEMENTS MADE IN MAIL SECURITY

To combat thefts the U.S. Postal Service initiated the uniformed security force at Kennedy Airport in July 1971.

This force of trained guards safeguards the mail, premises, and equipment at the three locations by assigning guards to security posts and by using mobile patrols around the buildings. The security force also provides armed escort service for certain shipments of high-value mail in transit. As of May 16, 1972, the Postal Service had hired 81 of the authorized 135 security force personnel.

The security force instituted the escort program whereby selected flights with large amounts of registered or high-value mail are met at the planes and armed guards convoy the mail to the main postal building. These designated security flights normally depart and arrive during daylight hours to make security maintenance easier.

A photo identification badge program was initiated for assigned postal employees to restrict access to the postal facility. Postal officials informed us that Government vehicles are now used to shuttle personnel to alternate buildings during peak workloads. We were advised that in the past the numerous persons shuttling between the buildings in privately owned vehicles made security maintenance difficult.

FURTHER IMPROVEMENTS IN SECURITY NEEDED

By comparing our observations in April 1972 with the security conditions previously disclosed in congressional hearings and our observations of the mail security at the airport in June 1971, we have concluded that the safeguards over the mail have been substantially upgraded. However, we noted the following problem areas:

- Limited number of international flights provided with escort service between the airplanes and the postal facility.
- Lack of adequate escort service of high-value mail between the buildings constituting the airmail facility.
- Inadequate physical plant security including inadequate perimeter fencing, insufficient lighting, and inadequate screening at the registry sections.

--Lack of a formal evaluation of security manpower requirements.

Limited convoy service between airplanes and postal facility

The armed convoy program is used primarily for domestic mail where the U.S. Postal Service can designate that such mail will be segregated from the normal mail flow, concentrated into a particular dispatch, and provided with greater security. Only seven international flights received daily convoy service, and two additional international flights were randomly selected to receive the escort service each day. Currently about 100 inbound and 75 outbound international flights from the airport daily carry registered or high-value mail. The U.S. Postal Service has responsibility for outbound mail until it leaves the main building and for inbound mail once it reaches the main building.

Although postal officials have stated that the escort service has virtually eliminated major thefts of domestic mail from the ramp areas at Kennedy Airport, two incoming international shipments with high-value mail have been hijacked recently. These thefts of truckloads of international mail not receiving convoy treatment occurred in April and May 1972.

In June 1971 postal officials stated at congressional hearings that foreign air carriers had been previously requested to voluntarily provide added security for planeside delivery of mail at Kennedy Airport but that with one exception the carriers had not reacted favorably. Therefore, the Postal Service decided to also provide security protection for the mail at the ramp areas and convoy service for mail in transit between the main building and the ramps for the selected flights.

The foreign postal administrations have been advised which flights the Postal Service has selected to be routinely convoyed and have been invited to use these particular flights for high-value mail shipments. However, we believe the Postal Service, foreign postal administrations, and international airlines need to cooperate further, particularly in the area of concentrating high-value mail

on selected flights and provision by the airlines to assist in security for mail not yet under Postal Service jurisdiction.

During our visit in April 1972, we were informed that security dispatches designated to be escorted by the security force are actually escorted by mail handlers or mail-clerks in many cases because the number of security guards is not sufficient.

Lack of convoy service between buildings

Mail is processed at all three buildings which constitute the postal facility; however, nearly all mail must be dispatched from the main building at the airport, because only one airline will accept or deliver mail at the annexes which are off the airport grounds. Airline representatives have advised postal officials that they object to leaving the airport ground to accept or deliver mail because of the additional costs for labor, insurance, licensing, and equipment that would be incurred.

The numerous transfers of mail daily between the three buildings causes increased security problems for the Postal Service. We were informed that valuable mail is not being concentrated on these transfers between the buildings and that only one transfer is convoyed by the security force each day because of staff limitations. Thus, valuable mail receiving convoy treatment between the planes and the mail building is often shuttled between the annexes and mail building with no security precautions.

Inadequate physical plant security

During our visit in April 1972, we found areas of physical plant security which needed improvement. We observed that (1) perimeter fencing was inadequate and exterior lighting at the main building was insufficient and (2) screening around the registry sections was inadequate.

We observed that the 4-foot-high perimeter fence surrounding the main building needed repair and that lighting in the enclosed truck-maneuvering area and employee parking area was very limited. Although the entrance gate at the

main facility was guarded, the exit gate on the opposite side of the building was not guarded. The limited lighting along with the low perimeter fence and the unguarded exit make access to the enclosed area by unauthorized personnel relatively easy, particularly after dark. We were informed that the operations manager and postal inspectors decided in September 1971 that fencing and lighting improvements should be made as soon as possible; however, as of April 1972 no improvements had been made.

The physical safeguards of the mail at registry sections of the main building and at one of the annexes were not adequate. These sections, which handle a large volume of registered and high-value mail, are partitioned off by a metal screen fence which extends from about 4 inches off the floor to a height of 7 feet with an extensive open space between the top of the fence and the ceiling. Although we observed that in some areas wooden planks had been used to block the gap to the floor, we believe valuable packages could be easily removed from the registry area. Plans to improve the registry screening were approved in November 1971; however, as of April 1972 no improvements had been made.

Despite a nearby guard numerous persons entered and left the registry section unchallenged. Personnel are required to display identification badges at all times while on duty; however, we noted that the requirement was not being enforced. Airlines personnel having access to the mail-handling areas must show badges upon entering the compound, but inside the building they generally did not display their badges. We were informed by postal inspectors that all Postal Service employees have the same type of badges. Thus access to the registry cage is not limited. We believe the lack of enforcement of the identification badge program, the failure to limit airline employees' access to work areas, and the lack of distinctive markings on badges of those assigned to the registry section detract from the security of the postal operation.

We believe that the Postal Service should (1) improve the fencing, lighting, and registry screening without delay, (2) enforce existing security regulations, and (3) provide distinctive identification badges for employees working in

the registry sections so that access to high-value mail can be limited.

Lack of formal evaluation of security needs

We were informed that no formal review had been made regarding the security needs at the Kennedy airmail facility. Regional postal inspectors indicated that the decision to authorize a security force of 135 personnel was largely arbitrary and was based primarily on informal discussions and apparent budget limitations.

The U.S. Postal Service Security Aide/Tech Manual states that manpower requirements for a specific facility will be determined only after a detailed analysis of the posts and patrols required. It further indicates that the detailed analysis should initially be performed by the Assistant Inspector in Charge - Security and a representative of the Assistant Postmaster General, Inspection Service. We believe a formal security review--including a detailed analysis of the posts, patrols, facilities, procedures, and manpower required for adequate security--is essential as a basis for establishing more effective mail protection at the facility.

RECOMMENDATIONS

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Although mail security at Kennedy Airport has been significantly upgraded during the past year, we recommend that the Postmaster General further improve the security system by:

- Placing greater emphasis on encouraging foreign postal administrations to concentrate high-value mail and on having the international air carriers participate in providing improved mail security.
- Providing adequate safeguards for valuable mail shuttled between the buildings of the airmail facility.
- Taking prompt action to erect the physical plant security facilities already planned and to enforce existing administrative controls.
- Making a formal review of the security needs at the airport.

AGENCY COMMENTS

On July 20, 1972, we held a conference with responsible Postal Service officials in Washington, D.C., to obtain their comments. They generally agreed that the above information accurately portrayed existing conditions at the airmail facility at the time of our visit. They informed us that the number of security force personnel assigned had been increased from 81 to 94 as of July 20, 1972. With regard to our recommendations they commented as follows.

1. Several additional foreign postal administrations have agreed to concentrate their valuable mail on selected flights, which has increased the number of participating countries from five to 16. Included among the countries whose valuable mail is now being convoyed are France, Japan, Italy, Switzerland, and Belgium. Upon successful completion of current negotiations with Germany, about 95 percent of the registered or valuable international mail arriving at Kennedy Airport will be concentrated on selected flights which will receive escort service. The number of international flights convoyed had been increased from nine at the time of our visit to 26 as of July 20, 1972.

2. Postal officials offered no objection to our recommendation regarding safeguards for valuable mail shuttled between buildings but stated that security of the mail during this shuttle operation had not been a problem to date.

3. To improve physical plant security, a contract was awarded for the fencing at the main building at Kennedy Airport.

4. A security review was initiated at Kennedy Airport in June 1972, but it has not yet been completed.

The agency's comments indicate they are actively engaged in strengthening the safeguards for mail at the airmail facility. We believe the actions planned and in progress will further improve the security system.

CHAPTER 3

SIGNIFICANT IMPROVEMENTS IN MAIL SECURITY

AT BROOKLYN ARMY TERMINAL MAIL FACILITY

In June 1971 we visited the New York International Surface Mail Exchange Office at the Brooklyn Army Terminal to evaluate the security provided to international mail by the U.S. Postal Service.

This facility processed about 4.9 million sacks of mail during calendar year 1971, including about 241,000 sacks of registered mail, 50,000 sacks of diplomatic mail, and 1,800,000 sacks of parcels. The building used for mail processing is part of a partially deactivated military warehouse and ocean terminal complex near the East River. It is shared with U.S. Army personnel who also occupy the adjacent building in the compound. These two buildings are connected by both overhead walkways and underground tunnels. Also in the compound is a commercial pier area on the East River which is used by private industry.

In a letter to the Postmaster General dated September 14, 1971 (see app. I), we described a number of weaknesses in mail security we had observed. In his reply dated October 14, 1971 (app. II), the Postmaster General informed us that he agreed with our observations and that he would conduct a security survey within the next 30 days to determine what measures must be taken to improve mail security. Details of this survey are discussed on page 15.

We again visited the Brooklyn Army Terminal mail facility in May 1972. We noted numerous corrective actions had been taken to upgrade the safeguards for the mail, and we were advised by postal officials that other improvements were scheduled for completion within the next several months.

On July 20, 1972, we discussed our observations with Postal Service officials in Washington and advised them that we had concluded that the security at the international surface mail facility at the Brooklyn Army Terminal had been substantially upgraded and that, when the planned fencing, lighting, and paving are complete, the security program will be more effective.

INADEQUATE SAFEGUARDS FOR THE MAIL IN 1971

In our letter dated September 14, 1971, to the Postmaster General, we reported that our observations of the physical layout and operating practices at this facility revealed certain weaknesses in the postal security system and indicated that the large volume of mail being handled may not be adequately safeguarded but that information on the value of mail losses at the facility was not available. Our letter pointed out the following security deficiencies.

Unrestricted access to mail facility

The compound is surrounded by either a high wall or a chain-link fence except for the pier area. Although the entrances to the compound for pedestrian and vehicular traffic were guarded, no barrier separated the commercial waterfront piers from the buildings occupied by the Postal Service and the Army, nor were any Government guards observed in this area.

In addition to the truck loading docks, the 8-story building used for mail processing has 14 entrances. We did not observe any guards inside the compound areas. It appeared that anyone having access to the compound, including military personnel, truck drivers, or persons associated with the private concern operating on the piers, would have easy access to the buildings. In addition, there was unrestricted access to privately owned vehicles which were parked inside the compound in close proximity to the building. Officials at the facility agreed that little prevented anyone from removing a parcel from the building and putting it in a car.

Unguarded mail

In the mail-handling area, we observed that incoming parcels thought to be dutiable by the mail handlers had been set aside to be examined by Bureau of Customs personnel. Because this segregating operation was done on both the day and the evening shifts, many parcels were left unattended overnight since customs examiners worked only on the day shift. Valuable parcels were easily identifiable because the contents and value of each package were clearly marked on the customer's attached declaration.

Inadequate security provided
by contract mail haulers

During our initial visit we observed that trailer-truck-size containers of incoming international surface mail had been left unattended along a public roadside by contract mail haulers. There was no evidence of any security.

Other security weaknesses

We noted additional weaknesses in the security and mail handling which included (1) inadequate lighting for the mail-processing areas, (2) freight elevators used in lieu of mail chutes to move mail between floors, and (3) piles of mailbags and numerous large concrete pillars obstructing the view and preventing adequate surveillance by personnel assigned to oversee the operation. We recognized that these matters arose partially from the fact that the building was designed as a warehouse and not as a postal facility.

We indicated in our letter that postal officials had previously been informed of these security weaknesses. A postal inspection report issued in November 1969 and an internal audit report issued in May 1970 pointed out these security problems; however, at the time of our initial visit, no corrective action had been taken.

In view of our observations, the previous internal reports on security weaknesses, the recognition by Postal Service officials that security was inadequate, and the overall increase in the loss of mail, we concluded that the security system at the facility did not provide adequate safeguards for the mail.

POSTMASTER GENERAL'S RESPONSE TO GAO LETTER

In his October 14, 1971, response to our letter, the Postmaster General agreed with our observations, stated that a physical security survey of the facility would be conducted, and indicated that improved standards concerning the security provided by contract mail haulers would again be taken up. He added that, in view of the planned move from the Brooklyn Army Terminal to the new facility at Secaucus, New Jersey, in 1973, extensive physical changes to the facility were not contemplated.

The security survey made by the U.S. Postal Inspection Service in October 1971 recommended that a postal security force of 21 guards be established and that the following physical alterations be made.

- Provide a fenced, paved area for employee parking with guards to monitor the entrances.
- Restore and utilize the lighting system for parking areas.
- Secure or seal off overhead and underground passages.
- Initiate action so that postal employees properly use and display identification badges.

In a letter dated January 31, 1972 (see app. III), the Deputy Postmaster General advised us that (1) the postal facility manager had taken measures to enforce compliance with existing regulations, (2) the security force had been authorized, and (3) plans for additional fencing, lighting, and physical safeguards had been submitted to the commanding officer, Brooklyn Army Terminal.

The commanding officer, responsible for the physical assets at the Brooklyn Army Terminal, agreed that the Postal Service could initiate the improved physical safeguards in line with these recommendations. In February 1972 the security force was established, and in March 1972 it was reported that \$72,000 had been committed for fencing, paving, guard shelters, and repairing the outside lighting.

SIGNIFICANT IMPROVEMENTS IN MAIL SECURITY

During our subsequent visit to the Brooklyn Army Terminal in May 1972, we noted numerous corrective actions had been taken to upgrade the safeguards for the mail and were advised by postal officials that other improvements were scheduled for completion within several months.

As of May 15, 1972, the security force of uniformed, armed guards had 38 personnel authorized and assigned. Although this represents 17 guards above the initially recommended level, postal security officials stated that the additional guards were needed until the scheduled physical security improvements could be accomplished. These officials indicated that, upon completion of these improvements, the number of guards would be reduced.

In addition to providing the recently assigned security force, the Postal Service has restricted access to the mail-processing areas and has tightened administrative control of postal personnel and contract mail haulers.

We observed that a relocated registry section had been established for safeguarding valuable mail and that screening had been erected to limit the access to the mail-handling areas via the overhead passageways. We were informed that the underground tunnels connecting the building which houses the postal facility with the adjacent building had been sealed off, which thereby eliminated another possible avenue for entering the mail-handling areas.

Since our initial visit the administrative control of postal employees and contract mail haulers has been strengthened by the following procedures.

- No employee carrying a package is permitted to leave the premises without an authorized package pass.
- All contract mail haulers entering the compound must report immediately to the truck-reporting station and must obtain a gate pass before being permitted to leave the compound.

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- Employees have been directed to leave the building after their shifts via certain exits, and guards have been assigned to enforce this procedure, to insure that employees do not remain in the building after completing their shifts.
- All employees are required to have photo identification badges while on duty.
- Security compounds are now required for storage of mail cargo by contract mail haulers if mail is not hauled directly between the postal facility and the piers.

NEED FOR IMPROVEMENTS IN SECURITY

The requirement that all employees must conspicuously wear their photo identification badges at all times is not being fully enforced. Postal employees must show their badges to enter the compound, but they generally did not show their badges inside. We noted that employees in the registry section have the same type of badges as other postal employees at the facility; as a result, even with full enforcement of the badge program, unauthorized personnel may have access to the registry section. We brought this matter to the attention of local security officials who said they would consider revising this area of the security program.

During our May 1972 visit, local postal officials, the regional postal inspectors, and the security officers agreed that the accessibility to the employees' private vehicles appeared to be a security problem. However, they indicated that this apparent situation should be corrected when the scheduled fencing is constructed and lighting of the parking area is improved. We were informed that this construction was to start the week following our visit and that estimated completion was August 1972.

On the basis of our subsequent visit to this postal facility, we have concluded that the security at the New York International Surface Mail Exchange Office has been substantially upgraded and that, when the planned fencing, lighting, and paving are complete, the security program will be more effective.



UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

CIVIL DIVISION

SEP 14 1971

Dear Mr. Postmaster General:

The International Division of the General Accounting Office is currently conducting a survey of the international activities of the U.S. Postal Service. In conjunction with this survey, members of our staff visited the New York International Surface Mail Exchange Office in June 1971 to observe the handling and processing of international surface mail.

This facility processed about 5.3 million sacks of inbound and outbound mail during calendar year 1970, including about 289,000 sacks of registered mail, 59,000 sacks of diplomatic mail and 2,272,000 sacks of parcels. Our observations of the physical layout and operating practices at the facility revealed weaknesses in the postal security system which indicate that this large volume of mail may not be adequately safeguarded. Although information on mail losses there, or their causes, was not readily available, the overall losses in the postal system have been steadily increasing in recent years, with mail valued at over \$56 million reported lost in fiscal year 1971.

The New York International Surface Mail Exchange Office has been located at the Brooklyn Army Terminal since December 1967 when a fire at the Morgan Station Annex necessitated relocation. Under the terms of a temporary Intragovernment Support Agreement between the Post Office Department and the Military Traffic Management and Terminal Services, U.S. Army, the Post Office Department leased a portion of each of five floors (1,2,3,5, and 6) of a massive eight-story building at the Brooklyn Army Terminal for the period December 16, 1967, through December 31, 1972.

The building being used for mail processing is a part of a partially deactivated military warehouse and ocean terminal located near the East River and is jointly occupied with U.S. Army personnel who also occupy an adjacent building in the compound. These two buildings are connected by overhead walkways and by underground tunnels. Also inside the compound, there is a commercial pier area on the East River which is utilized by private industry.

APPENDIX I

The entire compound is surrounded by either a high wall or chain-link fence except for that area fronting on the river. Although the entrances into the compound for pedestrian and vehicular traffic are guarded, there is no barrier of any kind separating the commercial waterfront piers from the buildings occupied by the Postal Service and the military, nor did we observe any government guards in this area.

The building used for mail processing has 14 separate entrances, in addition to the loading docks, however, we observed no guards inside the compound area during our visit. It would appear that anyone having access to the compound including military personnel, truck drivers, or persons associated with the private concern operating on the piers would have easy access into this facility. With the high rate of turnover in the facility's 2,500 employees, we believe that an unauthorized person could easily enter the mail handling areas without arousing the suspicions of the employees working there.

In the mail handling areas, individuals can easily recognize valuable parcels because the contents and value of each package are clearly marked on the attached customs' declaration. In addition, we observed that the contents of several parcels were readily identifiable as they were marked with the manufacturer's name and the name of the item. Officials at the facility informed us that insured mail valued in excess of \$250 is safeguarded in a caged area along with registered mail but that mail insured for less than \$250 is commingled with ordinary uninsured parcels. We observed, however, that incoming parcels thought to be dutiable by the mail handlers had been set aside to be examined by the Bureau of Customs personnel. As this segregating operation is performed on both the day and evening tours of duty, many parcels are left unattended overnight since customs examiners work only on the day tour.

We noted several other weaknesses, which we believe would contribute to security problems at the facility. These matters arise partially from the fact that the building was designed as a warehouse and not as a postal facility and does not provide built-in security controls. In this respect, we noted:

1. mail processing areas are not well lighted;
2. freight elevators are used in lieu of mail chutes and/or conveyor belts to move mail between floors; and,
3. piles of mail bags and numerous large concrete pillars obstruct the view and prevent adequate surveillance by anyone trying to oversee the operation.

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In addition, our observations revealed that there was unrestricted access to privately-owned vehicles which are parked inside the compound in close proximity to the building. Officials at the facility agreed that there was little to prevent anyone from taking a parcel from the building and putting it in a car. In this respect, we were advised that a postal employee's car cannot be searched by the guard as it leaves the compound.

In connection with our survey of the operations at the facility we also observed the manner in which mail was transferred from there to the piers for loading on shipboard. While touring the pier area at Port Elizabeth, New Jersey, we observed trailer-truck size containers of international surface mail which had been left unattended along a public roadside by a contract mail hauler with no evidence of any security being provided.

Based on our observations, we have serious reservations as to the capability of the present security system at the facility to provide adequate safeguards over the mails. These observations have been confirmed, in part, by the New York Regional Postmaster General who stated that security was a major problem. Although we are aware that many of these problems may be corrected when the facility moves into the new building being constructed in Secaucus, New Jersey, we were informed that it will not be completed until 1973.

Postal officials were previously informed of these security problems nearly two years ago through a Postal Inspection Report. This report, issued in November 1969, stated that building security was inadequate because the facility for the most part had no guards or watchmen to ensure that only postal employees had access to the mail handling areas.

This report also indicated that adequate security for the mail was not being provided by the contract mail haulers. It stated that containers of mail were being hauled from the facility after 5 p.m., even though the piers were not open at that time of day to accept these containers. Therefore, the report concluded that the mail was probably being left in the streets or other unprotected areas. Although some mail haulers have secure compounds to store the containers, a local postal official, commenting on the postal inspection finding, admitted the possibility of some containers being left on the street.

APPENDIX I

The easy access to the parking areas was among the problems cited in a May 1977 Internal Audit Report on this facility's operation. In this report the auditors concluded that since the parking area for postal employees was not enclosed and no guard was stationed in the vicinity, it would be a relatively simple matter for individuals to remove mail or equipment from the building without authorization and place it in a car without being detected.

The internal auditors recommended that the Post Office Department negotiate an agreement with the Army to permit the installation of a fence around the parking area. Employees leaving the building with parcels would be permitted to enter the enclosed parking area only upon presentation of a pass for the package signed by a responsible official. However at the time of our visit no corrective action had been taken in this regard.

The well publicized mail thefts at the J. F. Kennedy International Airport in New York indicate the problems which can arise because of deficiencies in security procedures. Although we also visited this facility during our survey, we have been advised that postal security measures have recently been strengthened at the airport. Under the revised procedures certain flights are to be designated 'security flights' to carry high-value mail which will be transferred by mail messenger directly between the airmail facility and the plane in a locked container. The mail messenger is to be followed by an airline security officer in another vehicle. Since this program was initiated subsequent to our visit to New York, we will reserve comments on the security at Kennedy Airport pending further observations on the implementation of this revised security program.

However, in view of our observations at the New York International Surface Mail Exchange Office, the previous internal reports which pointed out specific problems in security controls, the agreement by Postal Service officials that security is inadequate, and the overall increase in the loss of mail, we would appreciate receiving your comments on our observations and advice as to any actions being taken by the Postal Service to improve the present security situation at that facility.

If you require any further information on this matter, please contact Mr. E. G. Woods, Audit Manager, on IDS Code 167-9544.

Sincerely yours,


Max A. Newirth
Associate Director

The Honorable Winton M. Blount
The Postmaster General
U.S. Postal Service



BEST DOCUMENT AVAILABLE

THE POSTMASTER GENERAL
Washington, DC 20260

October 14, 1971

Dear Mr. Neuwirth:

We are in agreement with the observations outlined in your letter of September 14 regarding security deficiencies of the mail handling facility at the New York International Surface Mail Exchange Office (Brooklyn Army Terminal). These deficiencies have been a matter of concern to us.

Security of mail while in the custody of mail messengers operating between the Brooklyn Army Terminal and the various steamship piers has been discussed with the New York Region on several occasions and significantly improved standards requested. In the light of your letter, we shall again take this matter up with the region.

All Postal facilities in the Brooklyn Postal District are scheduled for inclusion in the Inspection Service Plant Protection Program in Fiscal Year 1973. It was intended that the Brooklyn Army Terminal facility would be included and that uniformed guards of the Postal Service Security Force would be utilized to provide coverage necessary to protect the mail and Postal property at that location.

However, in view of the urgency expressed in your letter, we will conduct a physical security survey of the facility within the next thirty days and determine what measures must be taken to improve its security posture. We feel we can accomplish this by a more efficient use of the present guard force and by the installation of some additional lighting and fencing. In view of the planned move of the Postal operation from the Brooklyn Army Terminal to the bulk/foreign mail facility at Secaucus, New Jersey in early 1973, it is not contemplated that extensive physical changes to the facility will be recommended.

APPENDIX II

Implementation of changes recommended as a result of the survey will be discussed with the Regional Postmaster General, New York Region, and we shall keep you informed of our progress.

Sincerely,

A handwritten signature in dark ink, appearing to read "Winton M. Blount". The signature is written in a cursive style with a prominent loop at the end.

Winton M. Blount

Mr. Max A. Neuwirth
Associate Director, Civil Division
U. S. General Accounting Office
Washington, D. C. 20548

BEST DOCUMENT AVAILABLE



BEST DOCUMENT AVAILABLE

THE DEPUTY POSTMASTER GENERAL

Washington, D C 20260

January 31, 1972

Dear Mr. Neuwirth:

This letter is a follow-up to Mr. Blount's October 14, 1971 reply to your September 14, 1971 letter regarding the security system at the New York International Surface Mail Exchange Office (Brooklyn Army Terminal).

The security survey mentioned in Mr. Blount's letter was completed in October, and based on its recommendations --

1. The postal facility manager has taken measures to enforce compliance with existing regulations.
2. Authorization has been issued for the assignment of Security Force personnel to the installation, and their recruitment, training and assignment is targeted for completion by the latter part of this month.
3. Recommendations for additional fencing, lighting and physical safeguards have been discussed with the Terminal authorities and detailed blueprints have been submitted to the Commanding Officer. We are now awaiting his action.

Sincerely,

Merrill A. Hayden

Mr. Max A. Neuwirth
Associate Director, Civil Division
U.S. General Accounting Office
Washington, D. C. 20548

APPENDIX IV

PRINCIPAL MANAGEMENT OFFICIALS OF
 THE U.S. POSTAL SERVICE
 RESPONSIBLE FOR THE ADMINISTRATION OF
 ACTIVITIES DISCUSSED IN THIS REPORT

	<u>Tenure of office</u>	
	<u>From</u>	<u>To</u>
POSTMASTER GENERAL:		
Elmer T. Klassen	Jan. 1972	Present
Winton M. Blount	Jan. 1969	Dec. 1971
DEPUTY POSTMASTER GENERAL:		
Merrill A. Hayden	Sept. 1971	Present
Vacancy	Feb. 1971	Aug. 1971
Elmer T. Klassen	Feb. 1969	Jan. 1971
ASSISTANT POSTMASTER GENERAL (Postal Inspection Service):		
William J. Cotter	Apr. 1969	Present

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