work which are criminal investigations and inspections and examination of postal installations. The internal auditors are charged with the responsibility of certifying to the Postmaster General on the accuracy and propriety of the Department's financial statements and the adequacy of its internal controls. The Internal Audit Division develops and maintains comprehensive audit standards and procedures for use in auditing departmental, regional and field installations.

B. Services provided

Criminal investigations are conducted relating to (1) adequacy of protection of mail, funds and property, and (2) detection of postal law violations and the apprehension of persons responsible for mail theft, armed robbery, burglary, forgery, embezzlements, mail frauds, and the mailing of obscene and defamatory matters, poisons, bombs, and similar materials. Arrests by postal inspectors of postal law violators are currently about 14,000 a year. There has been an increase of better than 50 percent in such arrests in the last 7 years. About 55 percent of the investigative time of inspectors is devoted to criminal investigations.

Inspections and examinations of all postal installations and operations thereat are documented by inspectors in their report to management to reflect the condition and needs of the postal service and the degree of compliance by inspected field installations with regulations and other published instructions. The phases of investigation include financial irregularities, claims against the Government, accidents, recovery of losses suffered by the Government, determination of personnel security and suitability, and continuous vigil in all cases of emergencies, casualties, and disasters. The postal inspection service also coordinates the Civil Defense program of the Post Office Department, and serves as liaison with the Department of Defense on postal matters.

Audits are conducted in major programs and functional areas at headquarters, regions, and other installations, including payrolls, postmasters' accountability, disbursements, revenues and settlements, accounting, budgetary, manpower and mail volume controls and procedures, costs analysis and cost ascertainment, accountable paper controls, procurement and contracting functions at all levels, supply and property management, activities at the Money Order Division and Postal Data Centers.

C. Financing

Funds for enforcing postal laws and regulations are provided by portions of the appropriations, "Administration and regional operation" and "Operations." For 1968 it is estimated that the applicable portions of these two appropriations will total $28,211,000 including transfers and supplementals.

D. Employment

Grade or level:	*Number*
Professional:	
PFS–17	41
PFS–16	49
PFS–15	301
PFS–14	346
Total	737
Technical:	
PFS–13 and below	1,317
Temporaries	29
Total	2,083

E. Statutory authority

Under authority contained in 39 U.S.C. 309, the Postmaster General may delegate to his subordinates such of the functions as are vested in him. The Postmaster General's authority to investigate offenses against postal laws is contained in 39 U.S.C. 501 and further emphasized in 28 U.S.C. 535. The postal fraud statutes are included in 18 U.S.C. 1341 and 39 U.S.C. 4005. The basic functions of postal inspectors in a typical field assignment are denoted in 39 U.S.C. 3523. Authority to establish and responsibility to maintain a system of internal auditing are contained in 39 U.S.C. 2208.

Category manager—Mr. Henry B. Montague, Chief Postal Inspector, Bureau of the Chief Postal Inspector.