



United States Postal Service®

**Response to Independent Validation of
Service Performance Measurement
Audit Design**

Audit Compliance Response

FY2018 Quarter 3

September 13, 2018

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I. Summary

This report presents the USPS response to the Independent Validation of the USPS Internal Service Performance Measurement (SPM) for Quarter 3 (Q3) of fiscal year 2018 (FY18).

II. Mitigation Plan

USPS has evaluated the results of the Independent Validation of the USPS Internal Service Performance Measurement (SPM) for Quarter 3 (Q3) of fiscal year 2018 (FY18) and has formulated a mitigation plan for the eight measures that were partially achieved and one that was not achieved. All other measures were achieved.

The subsequent sections describe, in further detail, the mitigation plan for measures 1, 2, 4, 11, 19, 20, 23, 25, and 26.

Measure 1: First Mile—Procedures for sampling should be documented and training provided to employees responsible for performing sampling

Quarter 3 Result: Partially Achieved.

Mitigation Plan:

Standard operating procedures and work instructions are available to field management through the Informed Visibility and Delivery Operations websites. These include instructional videos on performing First Mile sampling, service talks, posters and instructions on how to access training material and compliance reports. To ensure districts train all employees with sampling responsibilities; beginning FY18 Q4, Headquarters (HQ) Delivery Operations is closely monitoring training compliance throughout the quarter and is providing weekly training completion metrics to field operations.

Measure 2: First Mile—Carrier sampling weekly compliance rates should consistently exceed 80 percent for most districts

Quarter 3 Result: Partially Achieved.

Mitigation Plan:

USPS will continue to measure and report on weekly First Mile compliance rates for each district throughout the quarter. Compliance reports have been enhanced to show compliance at a finer granularity, beyond the ZIP 3 level down to the MPOO, Facility, and Employee ID. For districts that fall below 80 percent compliance, the Service Performance Measurement Team has partnered with Delivery Operations to implement a certification process that assesses whether sampling procedures are being correctly performed by carriers, and to identify opportunities for operational improvements. Results of the certification process and progress toward achieving the 80 percent compliance target are being tracked and reported on a weekly basis. The certification process was implemented at the end of FY18 Q3 and will take effect for FY18 Q4. Additionally, USPS is utilizing the monitoring capability implemented in FY18 Q1 to proactively inform HQ personnel when a district falls below the 80 percent compliance target during the quarter. HQ personnel then alert the necessary districts to remediate the decline in compliance rate.

Measure 4: Last Mile—Procedures for sampling should be written and training provided to employees responsible for performing sampling

Quarter 3 Result: Partially Achieved.

Mitigation Plan:

Standard operating procedures and work instructions are available to field management through the Informed Visibility and Delivery Operations websites. These include instructional videos on performing Last Mile sampling, service talks, posters and instructions on how to access training material and compliance reports. To ensure districts train all employees that have sampling responsibilities, beginning FY18 Q4, HQ Delivery Operations is closely monitoring training compliance throughout the quarter and is providing weekly training completion metrics to field operations.

Measure 11: Last Mile—Most districts should have a limited volume for which imputed results are used within the quarter.

Quarter 3 Result: Partially Achieved.

Mitigation Plan:

To limit the number of imputed Districts, Standard Operating Procedures and work instructions are available to field management through the Informed Visibility and Delivery Operations websites. These include instructional videos on performing Last Mile sampling, service talks, posters, and instructions on how to access training material and compliance reports. To ensure districts train all employees with sampling responsibilities, specifically for flats, periodicals, and BPM volume, beginning FY18 Q4, HQ Delivery Operations is closely monitoring training compliance throughout the quarter and is providing weekly training completion metrics to field operations.

Measure 19: First Mile—Most response rates should exceed 80 percent at a district level**Quarter 3 Result: Partially Achieved.****Mitigation Plan:**

USPS will continue to measure and report on quarter-to-date First Mile compliance rates for each district throughout the quarter. Compliance reports have been enhanced to show compliance at a finer granularity, beyond the ZIP 3 level down to the MPOO, Facility, and Employee ID. For districts that fall below 80 percent compliance, the Service Performance Measurement Team has partnered with Delivery Operations to implement a certification process that assesses whether sampling procedures are being correctly performed by carriers, and to identify opportunities for operational improvements. Results of the certification process and progress toward achieving the 80 percent compliance target are being tracked and reported on a weekly basis. The certification process was implemented at the end of FY18 Q3 and will take effect for FY18 Q4. Additionally, USPS is utilizing the monitoring capability implemented in FY18 Q1 to proactively inform HQ personnel when a district falls below the 80 percent compliance target during the quarter. HQ personnel then alert the necessary districts to remediate the decline in compliance rate.

Measure 20: First Mile—Coverage ratios should meet acceptable thresholds at the 3-digit ZIP Code levels for districts with poor coverage**Quarter 3 Result: Not Achieved.****Mitigation Plan:**

USPS will continue to measure and report on quarter-to-date First Mile compliance rates for each 3 digit ZIP code level within a district throughout the quarter. Compliance reports have been enhanced to show compliance at a finer granularity, beyond the ZIP 3 level down to the MPOO, Facility, and Employee ID. The Service Performance Measurement Team has partnered with Delivery Operations to implement a certification process that assesses whether sampling procedures are being correctly performed by carriers, and to identify opportunities for operational improvements. Results of the certification process and progress toward achieving the 80 percent compliance target are being tracked and reported on a weekly basis for the 3 digit ZIP codes that fall below 80 percent compliance, in a District not meeting measure 19. The certification process was implemented at the end of FY18 Q3 and will take effect for FY18 Q4. Additionally, USPS is utilizing the monitoring capability implemented in FY18 Q1 to proactively inform HQ personnel when a district falls below the 80 percent compliance target during the quarter. HQ personnel then alert the necessary districts to remediate the decline in compliance rate. Finally, upon investigating low-performing ZIP 3's, we have uncovered scanner configuration issues that have been remediated for Q4; this should produce an increase in performance in Q4.

Measure 23: Processing Duration—At least 70 percent of the volume is measured for each product

Quarter 3 Result: Partially Achieved.

Mitigation Plan:

USPS continues to work towards increasing the volume of mail in measurement for each mail product. Starting in FY17 and continuing in FY18, USPS has launched a comprehensive effort across Headquarters (HQ), Field Operations (Areas and Districts), and Mail Entry to develop a mitigation plan for each exclusion reason. The following steps continue to be taken:

- Ongoing biweekly/monthly meetings between HQ, Area coordinators and their Districts to develop action plans for mailers with high exclusion rates.
- Working with field operations to reduce the amount of mail that falls out of measurement due to lack of Start-the-Clock.
- Reviewing business rules of each exclusion reason to reduce the percentage of mail being excluded.
 - In FY18 Q1, USPS eliminated the Incorrect Entry Facility exclusion after detailed evaluation of the business rules.
 - USPS is also in the process of evaluating an approach to measure Long Haul which is currently excluded.

- Developing resolutions for each exclusion reason to reduce the percentage of mail being excluded.
 - Corrected External Labeling List data to reduce invalid entry point for entry discount exclusions.
 - Corrected FDB locale key and CSAs to reduce No Start-the-Clock exclusions.

The concerted effort to increase Mail in Measurement has resulted in significant improvement over the past 24 months.

Mail in Measurement by FY: FY16 = 71.73 percent, FY17 = 74.88 percent, FY18 (Jul YTD) = 77.90 percent

The characteristics and make-up of Bound Printed Matter (BPM) flats mail sometimes presents a processing challenge on flats sorter machines. When this happens, the mail may be manually sorted to the 5-digit level and therefore lack visibility. HQ is working with the Area coordinators to identify opportunities to gain more visibility on BPM.

The Measure 23 threshold of 70 percent for BPM flats is difficult to achieve and is continuing to be re-assessed.

Measure 25: Last Mile—Most response rates should exceed 80 percent at the District level

Quarter 3 Result: Partially Achieved.

Mitigation Plan: USPS will continue to measure and report on quarter-to-date Last Mile compliance rates for each district throughout the quarter. Compliance reports have been enhanced to show compliance at a finer granularity, beyond the ZIP 3 level down to the MPOO, Facility, and Employee ID. For districts that fall below 80 percent compliance, the Service Performance Measurement Team has partnered with Delivery Operations to implement a certification process that assesses whether sampling procedures are being correctly performed by carriers and to identify opportunities for operational improvements. Results of the certification process and progress toward achieving the 80 percent compliance target are being tracked and reported on a weekly basis. The certification process was implemented at the end of FY18 Q3 and will take effect for FY18 Q4. Additionally, USPS is utilizing the monitoring capability implemented in FY18 Q1 to proactively inform HQ personnel when a district falls below the 80 percent compliance target during the quarter. HQ personnel then alert the necessary districts to remediate the decline in compliance rate.

Measure 26: Last Mile—Coverage ratios should meet acceptable thresholds at the 3-digit ZIP Code levels for districts with poor coverage

Quarter 3 Result: Partially Achieved.

Mitigation Plan:

USPS will continue to measure and report on quarter-to-date Last Mile compliance rates for each district throughout the quarter. Compliance reports have been enhanced to show compliance at a finer granularity, beyond the ZIP 3 level down to the MPOO, Facility, and Employee ID. For districts that fall below 80 percent compliance, the Service Performance Measurement Team has partnered with Delivery Operations to implement a certification process that assesses whether sampling procedures are being correctly performed by carriers and to identify opportunities for operational improvements. Results of the certification process and progress toward achieving the 80 percent compliance target are being tracked and reported on a weekly basis. The certification process was implemented at the end of FY18 Q3 and will take effect for FY18 Q4. Additionally, USPS is utilizing the monitoring capability implemented in FY18 Q1 to proactively inform HQ personnel when a district falls below the 80 percent compliance target during the quarter. HQ personnel then alert the necessary districts to remediate the decline in compliance rate. Also, the Postal Service has developed an alert system using monitoring software for any of the audit measures that have changed in status. This software is an IT Operations tool that is used to monitor application and infrastructure health. In order to monitor the state of the database-driven SPM audit measures, we run a process to evaluate their current status in the Informed Visibility (IV) system. For example, the monitoring software will alert the Postal Service for the following development: “Audit Measures Requiring Attention - Status Worse than Previous Quarter”.