



United States Postal Service®

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

Audit Compliance Response

FY2019 Quarter 1

February 28, 2019

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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 1 (Q1) of fiscal year 2019 (FY19).

II. Mitigation Plan

USPS has evaluated the results of the Independent Validation of the USPS Internal Service Performance Measurement (SPM) for Quarter 1 (Q1) of fiscal year 2019 (FY19) and has formulated a mitigation plan for the eight measures that were partially achieved. All other measures were achieved.

The subsequent sections describe, in further detail, the mitigation plan for measures 2, 5, 11, 19, 20, 23, 25, and 26.

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

Quarter 1 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 levels. 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.

In Qtr. 1 of FY19, 48/67 (72%) Districts achieved compliance rates of at least 80% across all 13 weeks of the quarter.

Measure 5: Last Mile—Carrier sampling weekly compliance rates should consistently exceed 80 percent for most districts

Quarter 1 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 with sampling responsibilities, specifically for flats, periodicals, and BPM volume, in FY19 Q1, HQ Delivery Operations closely monitored training compliance throughout the quarter and provided weekly training completion metrics to field operations.

51/67 (76%) Districts achieved compliance rates of at least 80% across all 13 weeks of the quarter.

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

Quarter 1 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, in FY19 Q1, HQ Delivery Operations closely monitored training compliance throughout the quarter and continues to provide weekly training completion metrics to field operations. Additionally, USPS is utilizing the monitoring capability implemented in FY18 Q1 to proactively inform HQ personnel when thresholds for imputed data increase.

Measure 19: First Mile—Most response rates should exceed 80 percent at a district level

Quarter 1 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 levels. 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.

These efforts improved results by the end of FY18 and into Q1 in FY19, as the following compliance rates by Quarter and number of Districts indicate: FY18 Qtr1 – 52/66 = 79%; Qtr2 – 49/66 = 74%; Qtr3 – 49/67 = 73%; and Qtr4 – 56/67 = 84%. FY19 Q1 - 60/67 = 90% Districts achieved compliance rates of at least 80% for the quarter.

Measure 20: First Mile—Coverage ratios should meet acceptable thresholds at the 3-digit ZIP Code levels for districts with poor coverage

Quarter 1 Result: Partially 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 levels. 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 any District not meeting measure 19. 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 23: Processing Duration—At least 70 percent of the volume is measured for each product

Quarter 1 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 into FY19, 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.
- In FY18 Q4 one of the Postal Service's largest mailers experienced mail preparation issues which impacted the accuracy of service performance measurement; as a result, this mail was removed from measurement, continuing into FY19 Q1. The Business Mailer Support group continues to work with this mailer on resolving the preparation issues to recertify this mailer, so its mail can be put back in measurement. This mailer impacted the overall USPS Marketing Mail volume by ~1.5% and was a contributor for the measure being only partially achieved.
- Ongoing review of business rules of each exclusion reason to reduce the percentage of mail being excluded.
- Ongoing development of resolutions for each exclusion reason to reduce the percentage of mail being excluded.

The characteristics and make-up of Bound Printed Matter (BPM) flats mail present a processing challenge on flats sorter (FSS) machines. When this occurs, the mail may be manually sorted to the 5-digit level and therefore lack visibility. Headquarters 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 very 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 1 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 levels. 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. 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 1 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 levels. 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. 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.