

USPS-RM2020-2/2**Public Material Relating to Responses to Chairman's Information Request No. 3****PREFACE**

USPS-RM2020-2/2 provides the public supporting materials for the analysis provided in reference to the response to Chairman's Information Request No. 3. It includes the programs for and results from calculating the variabilities relevant to the responses to Questions 1 and 2 of Chairman's Information Request No. 3.

PURPOSE AND CONTENT

The purpose of USPS-RM2020-2/2 is to provide the SAS programs, and the associated SAS logs and listings used to calculate the variability analyses discussed in support of certain responses to Chairman's Information Request No. 3. One subfolder contains the files for the historical WSC growth rate analysis, and the other contains the files for the joint EAS grade level variability analysis. Note that the SAS programs are internally self-documented.

CORRESPONDING NON-PUBLIC FOLDER

There is no corresponding non-public folder in this case because all relevant information can be disclosed publically.

ORGANIZATION

USPS-RM2020-2/2 consists of this Preface pdf document, plus one zip file. This document describes two separate variability estimation processes, presents and describes the programs used in the estimation, and indicates where all the econometric results are located. Both variability models discussed utilize the April PS 150 operational data file, apr_credits.sas7bdat, which was introduced in USPS-RM2020-2/1. Results of these analyses are referenced in the responses to Chairman's Information Request No. 3, Questions 1 and 2.

I. Calculate Variabilities Based on Historical WSC Growth

The original analysis presented in folder RM2020-2/1 included estimates of the variabilities associated with a 10 percent increase in WSCs. In order to support the response to Chairman's Information Request No. 3, estimates of the variabilities associated with the historically observed WSC growth rates for each EAS grade level, as reported in the response to Chairman's Information Request No. 2, Question 6, are calculated. There is one program for each logit model, so there are six such programs:

Calculate Historical Variability For 18 and 18B.sas
Calculate Historical Variability For 18B and 20.sas

Calculate Historical Variability For 20 and 21.sas
 Calculate Historical Variability For 21 and 22.sas
 Calculate Historical Variability For 22 and 24.sas
 Calculate Historical Variability For 24 and 26.sas

These programs start with the logit program for the relevant EAS step and then define the WSC coefficient for variability calculation. Next, they calculate the post office probabilities of moving up an EAS grade for the base case and the WSC increase case. The probabilities are then used to identify the predicted EAS grade for each office in the base case and in the WSC growth case. Next, the salary costs for each case are calculated. The program finishes with calculating the office and costs shifts as well as the resulting variability. The SAS Programs, Logs, and Listings (containing the results) are included in the 'Variabilities for Historical WSC Growth' directory. The produced files are listed below:

Calculate Historical Variability For 18 and 18B.log
 Calculate Historical Variability For 18 and 18B.lst

Calculate Historical Variability For 18B and 20.log
 Calculate Historical Variability For 18B and 20.lst

Calculate Historical Variability For 20 and 21.log
 Calculate Historical Variability For 20 and 21.lst

Calculate Historical Variability For 21 and 22.log
 Calculate Historical Variability For 21 and 22.lst

Calculate Historical Variability For 22 and 24.log
 Calculate Historical Variability For 22 and 24.lst

Calculate Historical Variability For 24 and 26.log
 Calculate Historical Variability For 24 and 26.lst

II. Calculate Variabilities Using Both EAS Grades

The next set of programs calculate the variabilities associated with each of the logit models (EAS grades). This is similar to the variability calculations conducted in RM2020-2/1 section IV. However, in the following models, EAS offices in both the lower and higher EAS grades are used to calculate the variability. This is in contrast to RM2020-2/1 section IV, where only offices in the lower EAS grade were used. There is one program for each logit model, so there are six such programs:

Calculate Joint Variability For 18 and 18B.sas
 Calculate Joint Variability For 18B and 20.sas
 Calculate Joint Variability For 20 and 21.sas
 Calculate Joint Variability For 21 and 22.sas

Calculate Joint Variability For 22 and 24.sas
Calculate Joint Variability For 24 and 26.sas

These programs start with the logit program for the relevant EAS step and then define the WSC coefficient for variability calculation. Next, they calculate the post office probabilities of moving up an EAS grade for the base case and the WSC increase case. The probabilities are then used to identify the predicted EAS grade for each office in the base case and in the WSC growth case. Next, the salary costs for each case are calculated. The program finishes with calculating the office and costs shifts as well as the resulting variability. The SAS Logs and Listings (containing the results) are included in the 'Variabilities Using Both EAS Grades' directory. The produced files are listed below:

Calculate Joint Variability For 18 and 18B.log
Calculate Joint Variability For 18 and 18B.lst

Calculate Joint Variability For 18B and 20.log
Calculate Joint Variability For 18B and 20.lst

Calculate Joint Variability For 20 and 21.log
Calculate Joint Variability For 20 and 21.lst

Calculate Joint Variability For 21 and 22.log
Calculate Joint Variability For 21 and 22.lst

Calculate Joint Variability For 22 and 24.log
Calculate Joint Variability For 22 and 24.lst

Calculate Joint Variability For 24 and 26.log
Calculate Joint Variability For 24 and 26.lst

DIRECTORIES

The zip file provided with USPS-RM2020-2/2 contains two directories.

1. Directory: ChIR.3.Q.1 Variabilities Using Both EAS Grades

This directory includes the programs for and results from calculating the joint variabilities of EAS grade levels.

2. Directory: ChIR.3.Q.2 Variabilities for Historical WSC Growth

This directory includes the programs for and results from calculating variabilities based on the historical growth of WSCs.