



United States Postal Service®

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

Audit Compliance Response

FY2021 Quarter 4

November 29, 2021

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I. Summary

This report presents the Response of the United States Postal Service (USPS) to the Independent Validation of USPS Service Performance Measurement (SPM) Audit Design for Quarter 4 (Q4) of fiscal year 2021 (FY21).

II. Mitigation Plan

USPS has evaluated the results of the Independent Validation of USPS SPM Audit Design for FY21 Q4 and has formulated mitigation plans for the three measures that were partially achieved and the four measures that were not achieved. All other measures were achieved.

The subsequent sections describe, in further detail, the mitigation plans for measures 3, 9, 11, 23, 24, 25 and 26.

Measure 3: Density tests should be performed on every active collection point annually and data collected should accurately reflect the volume in the boxes during the testing period.

Quarter 4 Result: Not Achieved.

Mitigation Plan: The national density test is conducted annually; it was completed in September 2021 and in June 2020. This measure was considered “Not Achieved” because it was more than 12 months since the preceding test.

Measure 9: Most districts should have a limited volume for which imputed results are used within the quarter.

Quarter 4 Result: Not Achieved.

Mitigation Plan: In Quarter 4 obtaining enough volume for Single Piece First-Class flats to avoid imputation has been difficult.

According to the audit, 8 Districts required the use of imputation rates due to the limited Single Piece First-Class flats volume. Due to low volumes, it is difficult to reduce the need for imputed data for Single Piece First-Class flats in First Mile until volume for Single Piece First-Class flats returns. It should be noted this is the first time USPS has not achieved this measure since USPS started this audit process.

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

Quarter 4 Result: Not Achieved

Mitigation Plan: Standard Operating Procedures and work instructions are shared and available to field management through the Informed Visibility and Delivery Operations websites. The available tools include instructional videos on performing Last Mile sampling, service talks and posters. Instructions are also available on how to access training materials and compliance reports. These tools are designed to help ensure districts properly train all employees with sampling responsibilities. Increasing employee awareness of proper procedures will help reduce the use of imputed data.

Additionally, due to limited First-Class flats volume, fifty-one Districts required the use of imputation. USPS anticipates that this audit measure will remain difficult to achieve until volumes return.

Measure 23: Processing Duration – At least 70% of the volume is measured for each product.

Quarter 4 Result: Not Achieved

Mitigation Plan: USPS continues to work towards increasing the volume of mail in measurement for each mail product. USPS has comprehensive efforts across Headquarters (HQ), Field Operations, and Mail Entry as follows:

- Collaboration between the HQ SPM team and Field Operations to reduce the amount of mail that falls out of measurement due to lack of Start-the-Clock events.
- Review of the business rules for each exclusion reason to reduce the percentage of mail being excluded.
- Development of resolutions for each exclusion reason to reduce the percentage of mail being excluded.
- Continued collaboration between the HQ SPM team and the Mailer Technical Advisory Council workgroup to reduce volume excluded from service performance measurement. This workgroup is developing an external tool for the industry, so that mailers can have visibility on their mail that is being excluded and have the means to work with USPS to resolve identified issues causing the exclusions. This tool is currently being tested with the industry and is expected to be rolled out industry wide in January 2022.

The characteristics and make-up of the High Density and Saturation Flats Destination Entry Two-Day product continue to present a challenge to the measure of its service performance because this product is non-Full-Service. USPS uses a different methodology to measure the service performance of this product because this is a non-Full-Service product. As part of this methodology, USPS measures only one major mailer for the High Density and Saturation Flats Destination Entry Two-Day product, which is the reason for less than 70% of volume in measurement.

The characteristics and make-up of Bound Printed Matter (BPM) flats mail continue to present a challenge when BPM is processed through flats sorter machines. When this occurs, the mail may be manually sorted to the 5-digit level and, therefore, lacks visibility because it was not scanned using mechanized equipment. To mitigate this issue, HQ continues to work with the Area coordinators to develop processes that will enable increased visibility for BPM when it is manually sorted.

Measure 24: Most active ZIP codes should have mail receipts for all products during the quarter.

Quarter 4 Result: Partially Achieved

Mitigation Plan: The volume in measurement for BPM flats declined in FY21 Q4 compared to previous quarters. This resulted in more 5-digit ZIP codes not having BPM flats volume in processing duration.

The characteristics and make-up of BPM flats mail continue to present a challenge when BPM is processed through flats sorter machines. When this occurs, the mail may be manually sorted to the 5-digit level and, therefore, lacks visibility because it was not scanned using mechanized equipment and volume is excluded from measurement due to inability to measure service performance.

This measure has been achieved for all previous quarters and USPS anticipates achieving this measure in the future.

Measure 25: Last Mile - Most response rates should exceed 80% at a district level.

Quarter 4 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 for field use show compliance at a finer granularity down to the Manager Post Office Operations (MPOO), Facility, and Employee ID levels. These reports are used by Postmasters, Managers and Supervisors to assess their level of compliance throughout the quarter.

HQ Delivery Operations has added information to its website about sampling that covers the standard operating procedures and work instructions; this information is also made available to field management, through the Informed Visibility websites. This information includes instructional videos on performing Last Mile sampling, service talks, posters, and instructions on how to access training materials and compliance reports.

All but one district made the goal of 80% Sampling Compliance during Q4. The following district missed the target by a small margin: Chicago had a compliance rate of 79.79%, missing the goal by .21% which is an improvement from Q3 of .31%.

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

Quarter 4 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 for field use show compliance at a finer granularity, beyond the ZIP 3 level, down to the MPOO, Facility, and Employee ID levels. These reports are used by Postmasters, Managers and Supervisors to assess their level of compliance throughout the quarter. HQ Delivery Operations has added information to its website about sampling that covers the standard operating procedures and work instructions; this information is also made available to field management, through the Informed Visibility websites. This information includes instructional videos on performing First Mile sampling, service talks, posters, and instructions on how to access training materials and compliance reports.

All but one district made the goal of 80% Sampling Compliance during Q4. The following district missed the target by a small margin: Chicago had a compliance rate of 79.79%, missing the goal by .21% which is an improvement from Q3 of .31% and had five 3-Digit Zips that achieved the goal or higher.

In FY20 Q3, the HQ Service Performance team reestablished bi-weekly touchpoints with Delivery and Retail Operations to review Districts that are negatively impacting USPS' ability to achieve this audit measure. The bi-weekly meetings will continue into FY22 Q1.