

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-236)

The United States Postal Service hereby provides its response to the following interrogatory of the Office of the Consumer Advocate: OCA/USPS-236, filed on November 21, 2001.

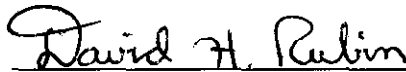
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking:



David H. Rubin

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2986; Fax -6187
December 19, 2001

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-236. The following questions refer to USPS-LR-J-172, which is an audit report responding to media reports of delayed Certified Mail at several USPS postal locations.

- (a) On February 20, 2001, Mr. J. Potter then Cost Operating Officer, Executive Vice President, reported to Debra S. Ritt, Assistant Inspector General for Audit and Business Operations, that five actions would be taken in response to her *summary of recommendations regarding Certified Mail processing and delivery functions.*
 - (i) Were each of the five actions completed prior to April 2001? If so, please indicate when each of the actions were completed. If not, please explain when they will be completed.
 - (ii) Has the Postal Service monitored the effectiveness of the five actions? If so, please provide all documents reflecting the success/failure of the actions taken. If not, why not.
 - (iii) Please provide a copy of the written reports prepared by the Vice Presidents, Area Operations, regarding the verifications that all certified mail was delivered to state agencies and which should address the problems that were encountered and the steps that were taken to improve the processing and delivery of the mail.
- (b) On February 2, 2001, Mr. D. Jackson, VP, Great Lakes Operations, reported to Debra S. Ritt that he would correct Certified Mail processing and delivery function problems, at the Springfield, Illinois Post Office and the Springfield, Illinois Processing and Distribution Center.
- (c) Were the problems corrected in time to handle the increase in Certified Mail during the most recent tax-filing season?
 - (i) If so, please identify when corrective action for each of the ten points itemized in Mr. Jackson's letter was implemented.
 - (ii) If not, please indicate when corrective action will be completed.
 - (iii) Has the Postal Service monitored the effectiveness of the corrective actions taken?
 - (iv) If so, please provide all documents reflecting the success/failure of the actions taken.
 - (v) If not, why not.
- (d) On February 1, 2001, Mr. J.M. Steele, VP, Northeast Area Operations, reported to Debra S. Ritt that six actions would be taken or implemented in response to the draft audit report.
 - (i) Please provide a copy of the action plans developed for "all" facilities impacted by the seasonal increases of Certified Mail.
 - (ii) Does the Northeast Area continue to monitor Certified Mail processing and delivery functions?
 - (iii) If so, please provide explain what information on Certified Mail processing and delivery functions is monitored.
 - (iv) If not, please explain why the USPS does not continue to monitor Certified Mail processing and delivery functions.

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-236, Page 2 of 2

RESPONSE:

(a)(i) The five tasks were completed prior to April 2001, but no record of the time of completion has been kept.

(ii-iii) Yes. Please see the attached reports by the Vice Presidents, Area Operations. Also, the OIG monitored certified mail operations during April 2001, and is preparing an audit report on its findings.

(b) No answer required.

(c) Yes.

(i) All actions were achieved within the 2001 tax season from March 15 through April 2001.

(ii) Not applicable

(iii) Yes.

(iv) Please see Vice President Jackson's letter provided as page 3 of the attachment to response to part (a) above.

(v) Not applicable.

(d) (i) See the attached materials for Albany, Middlesex, and Hartford.

(ii) Yes.

(iii) Certified mail awaiting delivery is monitored.

(iv) Not applicable.

GARY L. MCCURDY
VICE PRESIDENT, AREA OPERATIONS
ALLEGHENY AREA



MAY 2001
Received
Chief Operating
Officer
Executive V.P.

5-10-01
Pat D
FUE
of

April 25, 2001

MEMORANDUM FOR JOHN E. POTTER

SUBJECT: Certified Mail Processing and Delivery Functions Report Number AC-AR-01-Draft)

This is in response to your letter dated February 20, 2001. The standardized plans implemented within the Allegheny Area ensured appropriate management, processing and delivery of special service mail during the tax-filing period in fiscal year 2001.

Each District identified a coordinator responsible for planning and monitoring mail for processing and delivery services. We identified a point of contact in each state and government agency to work with the local District coordinator. Area-approved operating plans were implemented to ensure timely processing and delivery of targeted mail. District submission of daily and weekly mail condition reports to the Area were required detailing any problems along with steps taken to address identified issues. The following lists problems identified and the action taken:

Issues Identified:

1. Certified mail found in direct trays
2. Racial-related violence and curfew in the City of Cincinnati
3. Delayed mail at IRS sites

Solutions Implemented:

1. The Allegheny Area held a teleconference with all plants in the Allegheny, Great Lakes, and Mid-Atlantic Areas to implement the early capture, segregation and placarding of targeted mail. Implementation of manual methods and special sort plans reduced return receipt mail leakage.
2. The Cincinnati PC established a large tax-receiving location in a safe area of the city. This courtesy for customers not wishing to drive to the GMF to mail tax returns was advertised via public media.
3. The Philadelphia and Cincinnati PCs remained current in the processing of return receipt cards as the IRS worked through their backlogs.

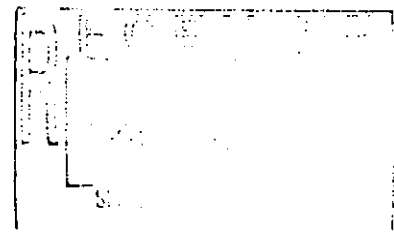
All identified mail has been processed and delivered throughout the Allegheny Area. It is expected that the solutions implemented for problems identified will assist during future tax-filing periods.

for:

K. F. Winters
Gary L. McCurdy
Vice President, Area Operations
Allegheny Area

cc: Kenneth F. Winters, Manager, Operations Support
Elizabeth A. Schaefer, Manager, Delivery Programs Support
s:/dps/tax/coo

ONE MARQUIS PLAZA
5315 CAMPBELLS RUN ROAD
PITTSBURGH PA 15277-7010
412-494-2510
FAX: 412-494-2582



MANAGER
CAPITAL METRO OPERATIONS



MAY 2001
Received
Chief Operating
Officer
Executive V.P.

5-3-01
Pat D

May 1, 2001

B

JOHN E. POTTER

SUBJECT: Certified Mail Processing

In accordance with your instructions, we have received verification from our District Offices that all certified mail for state agencies in the Capital Metro operational area have been delivered. Our largest impact was the State of Maryland, Tax Division in Annapolis MD. The District Manager, Baltimore cluster kept us apprised of their daily volumes and plans effected to process that mail timely.

Backlogs were noted at Annapolis on Tuesday and Wednesday, April 17 and 18. Three additional scanners were deployed on Monday, April 16, in anticipation of the additional volume. The state comptroller's office assigned more resources on Wednesday, Thursday and Friday to sign the return receipts that were backlogged in Annapolis. By close of business on Friday, April 20, the Annapolis post office was clear of certified mail.


Sylvester Black

RECEIVED
MAY 3

MAILING ADDRESS:
18501 SHADY GROVE ROAD
GAITHERSBURG MD 20898-9998
(301) 548-1410
FAX: (301) 548-1434

PHYSICAL ADDRESS:
8 MONTGOMERY VILLAGE AVENUE
SUITE 655
GAITHERSBURG MD 20879

DANNY JACKSON
VICE PRESIDENT, GREAT LAKES AREA OPERATIONS



5-3-01

fatD

MAY 2001
Received
Chief Operating
Officer
Executive V.P.

May 1, 2001

JOHN E. POTTER

SUBJECT: State Department of Revenue - Certified Mail Delivery

This letter responds to your February 20, 2001 request regarding the delivery of certified mail to the State Department of Revenue offices during this year's tax season. All certified mail, including certified tax returns for Department of Revenue offices within the Great Lakes Area were delivered without any significant delays.

There was one problem identified at the Springfield, Illinois facility. The caller service section at the Springfield Post Office was releasing certified mail to the Department of Revenue without first obtaining signatures on PS Form 3811. The state was taking the cards with the mail, stamping them 'received' at their facility and then returning the forms at a later date. Once identified, this was corrected. Specific instructions concerning this problem will be included in our written and verbal instructions for next year's tax season.

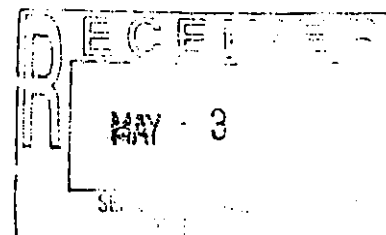
The following steps will be taken to improve our handling of certified mail for the 2002 tax season:

- We will instruct our retail acceptance units two weeks prior and one week following April 15 to isolate all identifiable certified tax returns from all other certified mail for the D.O.R.
- We will ask the originating plants to keep all certified tax returns separate from other certified mail for the D.O.R.
- We will consider using uniquely identifiable containers at originating and destinating plants to keep this mail from being commingled with other certified mail for the D.O.R.

In summary, there were no problems encountered with this year's Department of Revenue certified mail within the Great Lakes Area. The OIG's office was in the Springfield, Illinois plant and post office and acknowledged a job well done.

Please call me if you have any questions.

Danny Jackson



HENRY A. PANKEY
VICE PRESIDENT, MID ATLANTIC AREA OPERATIONS



April 27, 2001

MAY 2001
Received
Chief Operating
Officer
Executive V.P.

5-1-01

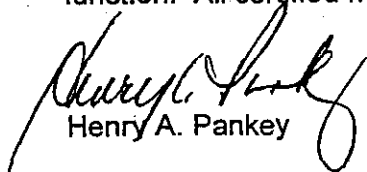
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JOHN E. POTTER
CHIEF OPERATING OFFICER
EXECUTIVE VICE PRESIDENT

SUBJECT: Certified Mail Processing and Delivery Functions

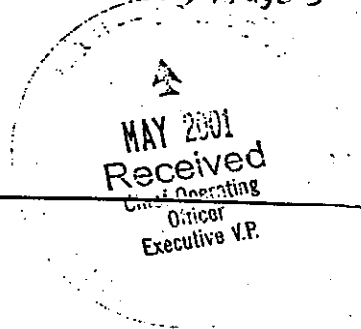
During accounting period 8 of fiscal year 2001 (March 24 through April 20), the Mid-Atlantic Area did not experience any problems with certified mail processing and delivery function. All certified mail has been delivered to state agencies.


Henry A. Pankey

"What is comes in today gets sorted and dispatched today, and delivered tomorrow"

MAY 2 2001

DeWitt O. HARRIS
ACTING VICE PRESIDENT
MIDWEST AREA OPERATIONS



(Handwritten mark)

*5-1
Fed D*

May 1, 2001

JOHN E. POTTER
CHIEF OPERATING OFFICER
EXECUTIVE VICE PRESIDENT

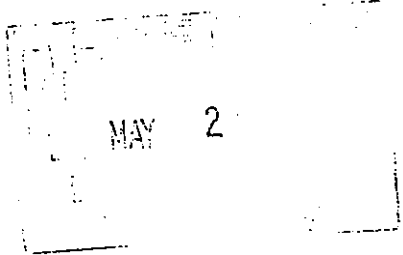
SUBJECT: Certified Mail Processing and Delivery Functions

The Midwest Area processed and delivered all state/federal certified mail without delay during the 2001 tax season. Regular daily contact with established SOPs proved to be most successful and beneficial this tax season.

Communication with state/federal tax mail coordinators also allowed us an opportunity to ensure proper handling and delivery of all tax mail. All problems identified were addressed immediately and have been incorporated into the 2002 tax season action plans.

DeWitt O. Harris

cc: Area Manager, Operations Support



MANAGER, OPERATIONS SUPPORT
NEW YORK METRO AREA



May 1, 2001

JOHN E. POTTER

SUBJECT: Certified Mail

The delivery of all mail addressed to tax authorities within the New York Metro Area was accomplished in a timely manner. This includes all certified mail volumes.

On-site reviews of key locations have verified the mail condition. Holtsville (IRS), Trenton (NJ State), and Church Street Station (NYC) were reviewed by Area personnel during the past week. Print workstations and additional personnel were utilized where necessary. All Clusters reported normal operations throughout the specified time frame with no problems being encountered.



Raymond T. Murphy

cc: David L. Solomon
Priscilla M. Maney

142-02 20TH AVENUE - RM 335
FLUSHING, NY 11351-0100
(718) 321-5750
FAX: (718) 321-7149

JON M. STEELE
VICE PRESIDENT, NORTHEAST AREA OPERATIONS



UNITED STATES
POSTAL SERVICE™

APR 2001
Received
Chief Executive
District
Executive V.P.

(N)

5-1-01
Pat D
FMT
Jach

April 27, 2001

JOHN E. POTTER

SUBJECT: IRS/State Tax Certified Mail Follow-Up

This is in response to your February 20 correspondence requesting a written report on the Certified Mail Processing and delivery functions of Certified Mail to the IRS and State Tax agencies:

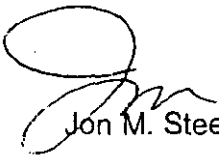
Northeast Area staff monitored the performance of every IRS and State Tax processing facility through on-site visits and daily communications.

On a daily basis, all Delivery Units and Mail Processing Operations were required to report delays or problems in processing mail to the Northeast Area Coordinator and included them in the Daily Mail Condition Report (DMCR) and the Customer Service Daily Reporting System (CSDRS). District and Plant Managers also gave daily status reports via telecons with the Area staff.

Additional equipment was set up in the appropriate processing facilities to accommodate the influx of mail including Firm Print workstations, Mobile Data Collection devices, and Delivery Confirmation equipment. Also, additional personnel were trained on the proper handling, identification, and usage of the equipment.

All mail was delivered within Service Standards, although 97 feet of letters and 38 feet of flats missed the scheduled box up time, but was processed and delivered by 1:00 p.m. the same day.

In conclusion, the 2001 tax filing season was a success and provided us with a great history of volume and workhours to be used in planning for future years to alleviate the problems stated above.


Jon M. Steele

CC: Robert D. Frisch
Allen W. Lariviere
Paul G. Shea
Robert Koestner

6 GRIFFIN ROAD NORTH
WINDSOR CT 06006-7010
860-285-7040
FAX 860-285-1253

MAY 1 2001
U.S. POSTAL SERVICE



MAY 2001
Received
Chief Executive Officer
Executive V.P.

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Fax D

(b)

April 27, 2001

JOHN E. POTTER

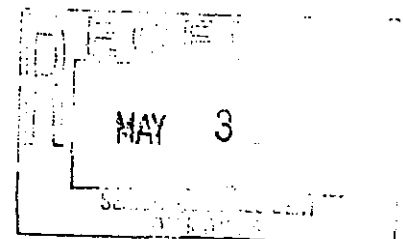
SUBJECT: Certified Mail Processing and Delivery Functions

As requested in your letter of February 20, 2001, I am providing written verification that all certified mail has been delivered to state agencies in the Pacific Area. The Sacramento P&DC had several problems handling the certified mail destined for the California Franchise Tax Board, which are summarized below:

- At the outset there were problems with isolation of certified mails at originating plants, especially flat volumes.
- The separation of certified by originating plants was impacted by the FSM100 which does not recognize certified flats. In the past FSM special keycodes were used during tax season to isolate certified flats.
- 3811's were processed on the canceling machines which imprinted a special indicia containing a FTB signature acknowledging receipt of delivery. The removal of the 3811's was very time consuming, but increased in difficulty when the mailer applied cellophane tape to ensure the 3811 was not separated from the envelope in transit.
- Shortage of available scanners.

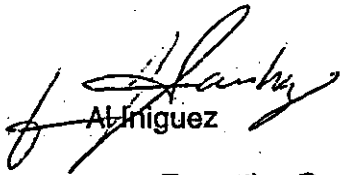
The following actions were taken, and require ongoing focus to ensure isolation of certified and timely delivery to state agencies:

- Initiated a full verification of all Franchise Tax Board mail at the Sacramento P&DC. This included isolation of certified, scanning, and removal of green return receipts.
- Continued enforcement of separation requirements of certified by originating plants, including riffling bins, stackers, and holdouts; creation of holdouts on all automated equipment and manual cases; and separate labeling and placarding of trays and containers.



Certified Mail Processing and Delivery Functions
Page 2

- Ensure that certified mail detectors on all mail processing equipment are properly used.
- Additional scanners were procured, and scanners normally used for Express Mail were reprogrammed.


Alniguez

cc: Executive Board

WILLIAM J. BROWN
VICE PRESIDENT, AREA OPERATIONS
SOUTHEAST AREA



May 2, 2001

MEMORANDUM FOR: John E. Potter
Chief Operating Officer/Executive
Vice President

SUBJECT: Certified Mail Processing and Delivery Functions

Reference is made to your memorandum dated February 20, 2001, regarding Certified Mail Processing and Delivery Functions.

All sites in the Southeast Area have verified that all certified mail has been delivered to state agencies.

Listed below are problems that were identified:

- The problem is isolating certified mail, by having clerks go through each IRS tray by hand. We need to develop a hardware/software change on our OSS/DBCS's that will allow us a parameter setting to "turn on" a scanner for Certified Mail in particular situations, specifically at plants serving IRS Regional Service Centers.
- The IRS uses two-line addressing. The AFSM 100 platform requires the machine to look for a three-line address. When the AFSM 100 is unable to locate a three-line address, it scans the entire mailpiece, often finding the return address which satisfies the three-line requirement, sorts the mailpiece to the return address creating loop mail.

If you have any questions concerning my response, please contact ~~XXXXXXXXXX~~ at ~~XXXXXXXXXX~~.

William J. Brown

MANAGER, OPERATIONS SUPPORT
SOUTHWEST AREA



May 11, 2001

JOHN E. POTTER
CHIEF OPERATING OFFICER

SUBJECT: Transmittal of Draft Audit Report – Certified Mail Processing and Delivery
Functions (report Number AC-AR-01-DRAFT)

All certified mail has been delivered to state and federal tax receipt offices within the Southwest Area.

The Austin Plant reported delayed certified mail for IRS Austin on 3 days:

April 16	16,383
April 17	31,680
April 18	43,000

All delayed pieces were delivered the next day.

We have since developed a detailed operating plan for peak day operations that will allow the Austin Plant to avoid delays next year. The plan includes more structured auxiliary work centers and improved container placarding and staging.

Next year's operation should be somewhat easier because we will not have to process such a large volume of certified mail without barcoded special service labels.



Stan McCord

CRAIG G. WADE
VICE PRESIDENT, WESTERN AREA OPERATIONS

ATTACHMENT TO RESPONSE TO
OCA/USPS-236(a), Page 12 OF 12



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5-1-01

Post D
FIVE
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APR 27 2001
EXECUTIVE VICE PRESIDENT

April 27, 2001

SUBJECT: Certified Mail Processing and Delivery Functions in Western Area

MEMORANDUM FOR: John E. Potter
Chief Operating Officer and Executive Vice President

This is in response to your request for a report verifying that all certified mail has been delivered to state tax agencies as expressed in your February 20, 2001 letter. I hereby certify to you that all certified mail has been delivered to each state tax agency within Western Area. The following outlines the only problem experienced in Western Area and the steps that will be taken to improve this processing during the 2002 tax season.

Portland Cluster

On April 17, 2001 Portland Cluster received approximately 7,500 pieces of certified mail for the state tax agency in Salem, OR. Approximately 5,000 pieces were provided to the agency by 7:00 AM in accordance with the Salem Plant internal cut-off time for firm customers. The remainder of the certified pieces (2,500 pieces) were delivered to the state agency by 10:30 AM.

Portland Cluster has outlined their plan to increase staffing at the point of delivery for next year's tax season.

All other Clusters experienced no delay in the delivery of tax certified mail to state agency.

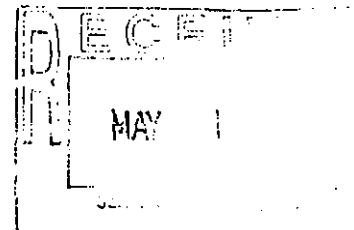
CRAIG G. WADE

Craig G. Wade
Vice President, Area Operations

Distr: Walt Olsen
Dean Granholm
District Managers

CGW:DJG:kj

1745 STOUT STREET, SUITE 1000
DENVER, CO 80299-5000
303-313-5100
FAX: 303-313-5102



CERTIFIED PROCEDURE FOR ALBANY P&DC

The certified unit upon receipt of certified pieces will break down letters and flats by zip. The breakdown will be made with city zones being passed on to stations for scanning. Mail to an Albany destination such as the state agencies ,business directs, official 12288, and Tax 12261 will be scanned in the Albany P&DC certified cage and a firm sheet created for that agency. The clerk will also attach a 3849 "butterfly" for the MVS driver to scan the firm sheet as delivered.

Due to the processing of Tax 12261 in Kingston, a separate scanner is required to forward the firm sheet to 12401. The forwarding to a different SCF would create an error, but by using this scanner the error is avoided.

Clerks in the Certified cage will acquire certified mail from a UC at the city rack, The FSM 100 feed section, the FSM 100 direct bins, and on the FSM 1000. Mail also will be found at letter sorting machines in bins and holdout trays and finally at the letter aisle.

When scanning has been completed tubs or bundles of certified mail with the corresponding firm sheet and butterfly are picked up by MVS drivers. These drivers deliver the certified mail and acquire a signature on the 3849 "butterfly."

The driver then scans the firm sheet and 3849 as delivered. At the end on his run the driver gives the paperwork to his supervisor who reviews the paperwork for accuracy and forwards the 3849 to CFS. The firm sheet is filed for rescanning if it necessary.

The forwarded Tax 12261 sent to Kingston is scanned as delivered at the delivery unit. The paperwork is input at Kingston's CFS unit.

Any questions please call [REDACTED] at [REDACTED].

**ACTION PLAN FOR
HANDLING OF IRS MAIL**

ATTACHMENT TO REPORT TO
OCA/USPS-236(d), Page 2

(ANDOVER
-MIDDLESEX)

The following guidelines are in place for the handling of originating and destinating IRS mails. The IRS Facility is located in Andover, Massachusetts with a zip code of 05501. The below procedures are for both first class letters/flats:

Originating:

- 100% verification is required of Originating IRS mail.
- Non-accountables MUST be separated from Certified IRS pieces.
- All IRS mail (letters/flats) off mech and automation are to flow to the verification area for verification and separation of certified mail pieces. All IRS containers will be appropriately placarded prior to dispatch to the IRS (see attached). Please note that this includes IRS trays taken directly from the BCS/OSSs or from the Dispatch Area (see attached).
- The sources of Originating IRS letter mail are BCS/OSS sortplan A03O, Operation 874 – Stacker 46 (IRS 01812), Stacker 48 (IRS 05501) and Stacker 50 (IRS 01888-4001,-4082) and DBCS sortplan A04D, Operation 891 (FIM) – Stacker 141 (IRS 05501). Please note that BCS/OSS sortplans MMP and A39 (Operation 873 and Operation 974) may generate some originating IRS mail. Therefore, IRS mail from these sortplans must be handled in a similar fashion to our Operation 874 IRS mail.
- The sources of Originating IRS Flats are FSM 881 sortplan 141, Operation 141 – Bin 80 (IRS 05501) and FSM 1000 sortplan 441, Operation 441 – Bin 45 (IRS 05501). A memory item keyhit was established to capture IRS Certified flats (keyhit 896). Originating IRS Certified flats are downflowed to our 144/444 Operations. As information, FSM 881 sortplans F43 and F44, Operations 143 and 144, separate IRS non-accountables to Bin 21 and IRS Certified to Bin 31. FSM 1000 sortplans 443 and 4441C, Operation 443 and 444, separate IRS non-accountables to Bin 28 and IRS Certified to Bin 45.
- Manual IRS Letters and Flats are also to be transported to the subject Verification Area for separation of non-accountables from Certified.
- IRS mails originating from Operation 120 (sprs) and incoming SPBS operation will be verified and separated in those originating operations.
- Originating Priority Mails destined for IRS will be captured and delivery confirmation pieces will be scanned in our CFS Unit.
- IRS mails received from other Plants will be staged for dispatch across from Bay 32 for direct transportation, via MVS/IRS courier, to the IRS.

Express Mail:

- The first dispatch, via MVS, to IRS at 0430 will deliver all Express Mail pieces that have been received at the Plant up to 0415.
- Express Mail received off FedEx, Commercial Airlines and the HASP networks will be handed to the Andover Carrier at approximately 0930 for delivery. Any later receipts of Express Mail will be dispatched to the Andover Post Office at 1310, via HCR 018M5, Trip 9.

Accountable/Certified Mails:

- All originating certified IRS mail pieces will be brought to the CFS Unit for proper scanning. During Tax Season, IRS Certs will be scanned at the IRS Facility in Andover and at the Middlesex Plant.
- Identified certified IRS trays received from other facilities will be handled the same as above.

Distribution:

- Specific distribution and make-up requirements are issued annually from the NEA Office. (See attached NO-BULL 01-1) All NEA Plants are required to separate non-certifieds and certifieds and must be 100% verified prior to dispatch. During Tax Season, random audits are performed to ensure other NEA Plants are in compliance with the mandatory holdouts (see attached).
- During Tax Season, the Northern Hesp and overnight Plants will make dedicated Certified and Non-Certified containers for both letters and flats (see attached).

Transportation:

- All IRS transportation will originate from the Middlesex-Essex P & D C. Dispatch times are as follows:
 - 0430 – MVS – (only trip that drops off IRS mail)
 - 1300 – MVS – (pick-up at IRS only)
 - 1500 – MVS – (pick-up at IRS only)
 - 2300 – IRS Courier – (pick-up all available mails)
- During Tax Season extra MVS trips are scheduled to accommodate the additional volumes.

ISS Equipment:

- Four (4) hand-held scanners and one (1) manifest printer are assigned to the CFS Unit.
- One (1) hand-held scanner and one (1) manifest printer are assigned to the IRS facility in Andover.

Miscellaneous Items:

- Scheduled meetings between IRS and Postal managers are held to determine each others needs and to ensure timely handling of IRS mails during Tax Season. (See attached 2001 Filing Season Memo and an attendance sheet with telephone numbers from a meeting held on October 10, 2001). Staffing, MTE requirements and other items are also discussed at these meetings.
- Temporary USPS employees are assigned to both the IRS and CFS Unit to assist with the IRS Certification process.
- Extended window hours at designated Post Offices are publicized and *Tax Night Procedures* are issued (see attached).

Attachment 1 -- Placards

Attachment 2 – Mail Flow

Attachment 3 – No-Bull 01-1

Attachment 4 – Quality Checklist

Attachment 5 – IRS 2001 Filing Season Postal Needs

Attachment 6 – Sign-In Sheet from 10/10 Meeting

Attachment 7 – Post Office Tax Night Procedures

DATE:

DISPATCH TO: CFS UNIT MEP&DC

VERIFIED

CERTIFIED

IRS

05501

ONLY

**PLEASE SEND TO CFS PRIOR TO DISPATCH
TO IRS ANDOVER**

**ORIGIN: Middlesex - Essex P &DC
(VERIFICATION)**

Verified By:

DATE:

DISPATCH TO: IRS ANDOVER

VERIFIED

IRS

05501

ONLY

DISPATCH

2330 0445

**Middlesex - Essex P & DC
(VERIFICATION)**

Verified By:

DATE:

DISPATCH TO: IRS ANDOVER

VERIFIED

IRS

PO BOX

01888 - 4001

ONLY

DISPATCH

2330 0445

**ORIGIN: Middlesex - Essex P & DC
(VERIFICATION)**

Verified By:

DATE:

DISPATCH TO: IRS ANDOVER

VERIFIED

IRS

PO BOXES

01812

01889/4099,4050,4053

ONLY

DISPATCH

2330 0445

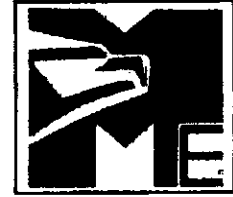
**ORIGIN: Middlesex - Essex P &DC
(VERIFICATION)**

Verified By:

IRS
NOT
VERIFIED



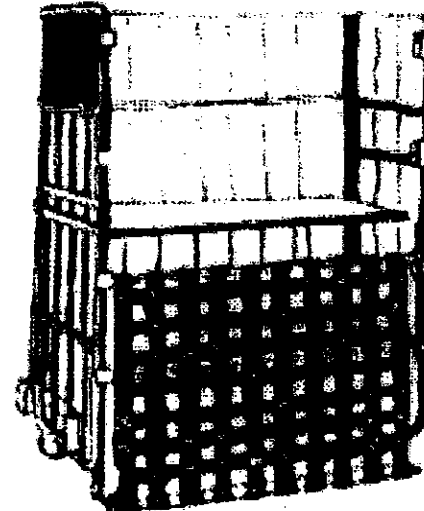
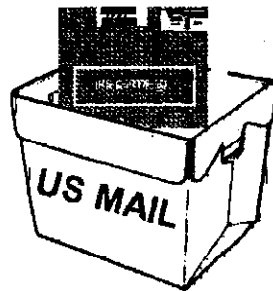
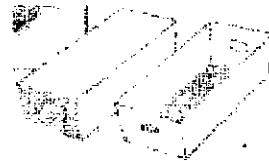
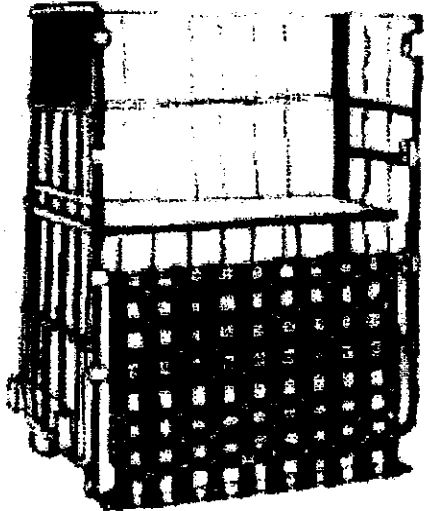
IRS MAIL



**IRS NON CERTIFIED
TO IRS**

**IRS CERTIFIED
TO CFS UNIT**

ATTACHMENT TO OCA/USPS-336(d)
Page 9



**Non Accountable
Label**

**Certified
Label**

**Andover MA 055
IRS Mail 055**

**DIS Middlesex-Esx MA 018
IRSCertified**



January 4, 2001

MEMORANDUM FOR TANs MANAGERS, AMC/AMF MANAGERS, HASP MANAGERS
-NORTHEAST AREA

SUBJECT: **NO-BULL 01-1**

*****New York State Taxes *****

New York State is again using two 5-digit ZIP Codes for tax returns, as follows:

12227 - for business returns

12261 - for personal returns

Envelopes included in the tax packages are prebarcoded, FIM A.

Effective January 16 through April 20, all NYS origins must provide separate holdouts for ZIP Codes 12227 and 12261 for all **First-Class letters and flats**, and label as follows:

<u>ZIP Code</u>	<u>Non-Accountable</u>	<u>Certified</u>
12227	Albany NY 12227 NYS Tax Returns	Albany NY 12227 NYS Tax Certified
12261	Albany NY 12261 NYS Tax Returns	Albany NY 12261 NYS Tax Certified

Please note the following:

*Certified returns must be kept separate from non-certifieds.

*100% verification is required.

*Use CIN 167.

*****Cautionary – Priority Tax Returns*****

As Delivery Confirmation becomes more prevalent, it is important that operations isolate all tax returns identified as Priority Mail. Ensure that they are sent to the PMPC or, if sorted locally after the DOV to the PMPC leaves (or as part of the Nashua offload plan), Priority tax returns must be kept in the Priority mailstream. Particular attention should be given to FSM operations, since all flat tubs labeled to an IRS or state tax return center are delivered directly to the tax agency without the opportunity to be scanned at delivery.

NORTHEAST AREA
6 GRIFFIN ROAD NORTH
WINDSOR CT 06006-7070
(860) 285-7062
FAX: (860) 285-1205

- 2 -

*****Federal Taxes*****

General Procedures:

- (1) With the exception of flats destinating ZIP Code 055 (Andover MA), all other IRS holdouts are effective from January 16 through April 20. This includes letters for ZIP Code 055 as well as letters and flats for ZIP Code 005 (Holtsville NY). Flats destinating ZIP 055 should be held out effective February 20 through April 20 (if volume warrants, origins should hold out 055 flats prior to February 20). Note also that offices with an overnight commitment to Middlesex-Essex should also provide flats holdouts for certified and non-accountable 055 flats.
- (2) The return envelopes included with the packages will be addressed to the appropriate IRS center, and will be prebarcoded, FIM A.
- (3) The IRS does not accept short-paid mail. Envelopes that are short-paid must be returned for additional postage.
- (4) 100% verification is required at origin. Any missent mail will not only be delayed, but will probably be opened by the IRS's automated machines.
- (5) **Holdouts are required on all First-Class letter and flat operations (per the timelines in (1) above).** Label as follows:

<u>ZIP Code</u>	<u>Non-Accountable</u>	<u>Certified</u>
05501	Andover MA 055 IRS Mail 055	Middlesex-Esx MA 018 IRS Certified
00501	Holtsville NY 005 IRS Mail 005	Holtsville NY 11742 IRS Certified

*****Reminder*****

All Christmas temporary holdouts (for automated letters and Priority Mail) should have been discontinued as of January 1, 2001.

*****Pitney Bowes Rate Prom Returns*****

In preparation for the new rates effective January 7th, Pitney Bowes mailed new software (called rate "Proms") to all PB meter holders. This amounted to 464,686 First-Class pieces and 72,948 Priority pieces. The mail was released on December 26th for delivery NLT January 4th. Included in the package containing the new Proms, customers were given BRM mailers to return the old Proms to ZIP Code 06913 for recycling. Per CT PC, Pitney Bowes experience in the past is that most customers do send the old Proms back (all returned pieces are via FCM, regardless of whether they are mailed out as FCM or Priority).

- 3 -

Attached is what the actual mailer for returning the old Proms looks like. Dimensions are ½" x 5" x 10" (approx). In addition, it is rigid. Per the message on the mailer, customers are expected to drop the old Proms into collection boxes. As such, they are likely to end up in over-the-rack or SPBS operations.

We are requesting that origins provide the following:

*a unique holdout for the rate Proms, as follows:

<u>Label to:</u> Stamford CT 06913 PB Rate Proms	<u>ZIP Range:</u> 06913-0427
--	---------------------------------

Use CIN 172.

*if volume doesn't warrant, we request the following (for SPRs):

<u>Label to:</u> SCF Stamford CT 068 FCM Parcels SCF	<u>ZIP Range:</u> 068-069
--	------------------------------

Use CIN 294.

The above is requested on receipt through January 31. Most of the 400 K pieces will be returned in the first two weeks; most of the density is from larger cities that have a lot of companies with PB meters. Your cooperation is appreciated.

If questions regarding NO-BULL arise, please contact Rich Benson at (860) 285-7169. If questions regarding routings arise, please contact your facility's Networks Planning Specialist.

S/

John E. O'Neill, Jr.

Manager, Distribution Networks Office

Attachment

ORIGIN	ST	ZIP	Date 4/11/01		Comments
			Trays Sampled	Trays Containing Certs	
ALBANY	NY	122	1	2	
BANGOR	ME	046			
BINGHAMTON	NT	137-139			
BOSTON	MA	02205	3	0	
BRIDGEPORT	CT	066			
BROCKTON	MA	023	5	19	Errors by Tray = 0,2,0,2,15
BUFFALO	NY	140			
BUFFALO "Post Sys"	NY	142,147			
BURLINGTON	VT	05401			
BUZZARDS BAY	MA	025			
CENTRAL CONN	CT	064			
CENTRAL MASS	MA	01546			
EASTERN	ME	04444			
GLENS FALLS	NY	128			
HARTFORD	CT	065	3	23	Errors by Tray = 14,7,2
MANCHESTER	NH	030			
MANCHESTER	NH	03103	5	5	
MID ISLAND	NY	117			
MID-HUDSON	NY	12555	1	25	
NEW HAVEN	CT	06511			
NORTHWEST	MA	02451			
PLATTSBURG	NY	12901			
PORTLAND	ME	04101			
PORTSMOUTH	NH	038-039			
PROVIDENCE	RI	029	5	0	17 pieces of Mass Tax Included.
ROCHESTER	NY	144-146	2	46	Errors by Tray = 16,30
ROCKLAND	NY	109			
SHREWSBURY	MA	01156			
SPRINGFIELD	MA	01152			
STAMFORD	CT	069			
SYRACUSE	NY	132			

**Andover IRS Center
2001 Filing Season Postal Needs**

The Andover IRS Center's Postal needs for the 2001 filing season are as follows:

Additional Mail Deliveries

3:00 am - Monday through Friday - Starting January 29, 2001 through April 20, 2001

6:00am and 11am - Sunday, April 8

6:00am and 11am - Saturday, April 14, and Sunday, April 15

3:00pm as needed - Monday, April 16, Tuesday, April 17, and Wednesday, April 18
contact Lisa Boulanger or Lynda Connell

11:00am - April 21

Additional Postal Workers for Certified Mail

1 to cover 11:00pm - 7:00am shift, need to start at 12:30am, January 29, through April 27, 2001

1 additional worker for each of our 11:00pm - 7:00am and 5:30am - 2:00pm shifts starting April 9, through April 21

1 worker to cover our 4:00pm - 12:30am shift starting April 16 through April 21

We will also be working overtime of the weekends of April 14 and 15 and April 21 and 22 and would need to have Postal workers in to cover around the clock if possible.

Receipt and Control Branch contacts

Lisa Boulanger, Supervisor, Mon -- Fri, 5:30am - 2:00pm, (978)474-9842
Lynda Connell, Section Chief, Mon -- Fri, 6:00am - 2:30pm, (978)474-5807
William Carroll, Branch Chief, Mon - Fri, 7:00am - 3:30pm, (978)474-9839

Brenda Plaistek, Asst. Branch Chief, Sun - Thur, 3:00pm - 11:30pm, (978)474-9839
Nancy Saulnier, Supervisor, Sun - Thur, 4:00pm - 12:30am, (978)474-5521

Roberta Carignan, Supervisor, Sun - Thur, 11:00pm - 7:00am. (978)474-5599

Internal Revenue Service

Andover, Massachusetts



Meeting: _____

Date:

10/10/01

Time:

10a

Names redacted

- Support Spac. Spc
- Massachusetts Marketing USPS
- Senior Acct. Mgr.
- Consumer Affairs
- OSIS
- Mgr. CFS
- Summit Specialist
- Mgmt Analyst
- Scamps Shipping & Receiving
- Warehouse IRS
- Supervisor Trans. Operation
- Mgr TRANS
- MDO
- IRS Supt. Serv
- OPS Dual Support STR
- Plant Manager
- SS Specialist

Phone #'s redacted

MANAGER, TRANSPORTATION AND NETWORKS
MIDDLESEX-ESSEX PROCESSING AND DISTRIBUTION CENTER



April 3, 2001

MEMORANDUM TO POSTMASTERS LAWRENCE
 LYNN
 WOBURN
 LYNNFIELD

RE: April 17, 2001 – Tax Night Procedures

On April 17, 2001, your office will have extended window hours to accommodate last-minute tax filers. When dispatching tax mail to the Plant, please:

1. Cancel or bullseye all letters and flats
2. Separate Mass Tax and IRS mails
3. Separate certified mail for IRS
4. Identify containers (placards attached)
5. Utilize your next regular scheduled transportation the Plant

Please contact the Transportation and Networks office if you should have any questions.

Thank you in advance for your assistance.

A handwritten signature in cursive script, appearing to read "Michele F. Overton".

Michele F. Overton
Manager, Transportation and Networks

Attachments

cc: Linda Ann Papa
 Joe Kusiak
 MDOs 1-2-3
 Donna Gill
 Tom Murphy, Central Mass

76 MAIN STREET
NORTH READING, MA 01889-7070
978-664-7077
FAX: 978-664-1875



Form

1040

Department of the Treasury - Internal Revenue Service

U.S. Individual Income Tax Return

2000

(99) IR

For the year Jan. 1-Dec. 31, 2000, or other tax year beginning

Label

(See instructions on page 19.)

Use the IRS label. Otherwise, please print or type.

L
A
B
E
L

H
E
R
E

Your first name and initial	Last name
If a joint return, spouse's first name and initial	
Home address (number, street name, etc.) If you have a P.O. box, see page 19.	
City, town, or post office name, state, ZIP code. If you have a foreign address, see page 19.	

Presidential Election Campaign
(See page 19.)

Note: Checking "Yes" will not change your tax or reduce your refund.
Do you, or your spouse if filing a joint return, want \$3 to go to this fund?

Filing Status

Check only one box.

- 1 Single
- 2 Married filing joint return (even if only one had income)
- 3 Married filing separate return. Enter spouse's social security no. above and I
- 4 Head of household (with qualifying person). (See page 19.) If the quali enter this child's name here. ▶
- 5 (Qualifying widow(er) with dependent child (year spouse died ▶

Exemptions

- 6a Yourself. If your parent (or someone else) can claim you as a dependent return, do not check box 6a
 - b Spouse
 - c Dependents:
- | (1) First name | Last name | (2) Dependent's social security number | (3) Depend relationship you |
|--|-----------|--|-----------------------------|
| HOPKINTON (01748) open until 10pm | | | |
| LAWRENCE POST OFFICE (01842) open until 9pm | | | |
| LYNN POST OFFICE (01901) open until 8pm | | | |
| LYNNFIELD POST OFFICE (01940) open until 7pm | | | |
| MENDON POST OFFICE (01756) open until 6pm | | | |
| WOBURN POST OFFICE (01801) open until MIDNIGHT | | | |
| WORCESTER POST OFFICE (01613) open until MIDNIGHT | | | |

If more than six dependents, see page 20

HOPKINTON (01748) open until 10pm
LAWRENCE POST OFFICE (01842) open until 9pm
LYNN POST OFFICE (01901) open until 8pm
LYNNFIELD POST OFFICE (01940) open until 7pm
MENDON POST OFFICE (01756) open until 6pm
WOBURN POST OFFICE (01801) open until MIDNIGHT
WORCESTER POST OFFICE (01613) open until MIDNIGHT

TO: Middlesex-Essex P & D

CONTENTS:

Certified
IRS
ONLY

COMMENTS:

FROM: _____

Stamp Area

TO: Middlesex-Essex P & D

CONTENTS:

IRS
(Except Certified)

COMMENTS:

FROM: _____

Stamp Area

TO: MIDDLESEX -ESSEX 018

BRING TO M/E CFS UNIT

CONTENTS:

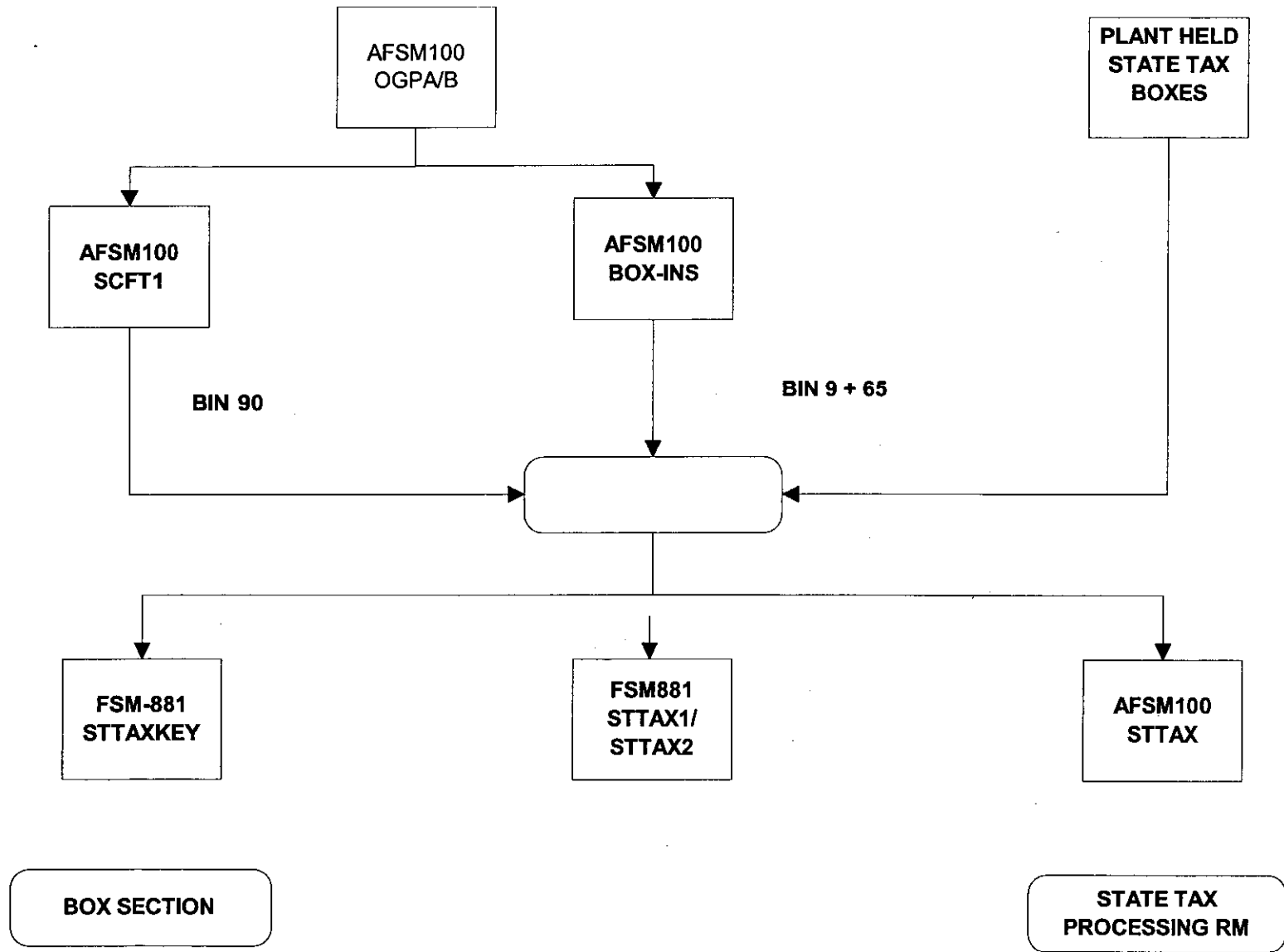
055

**IRS
CERTIFIED**

FROM: _____

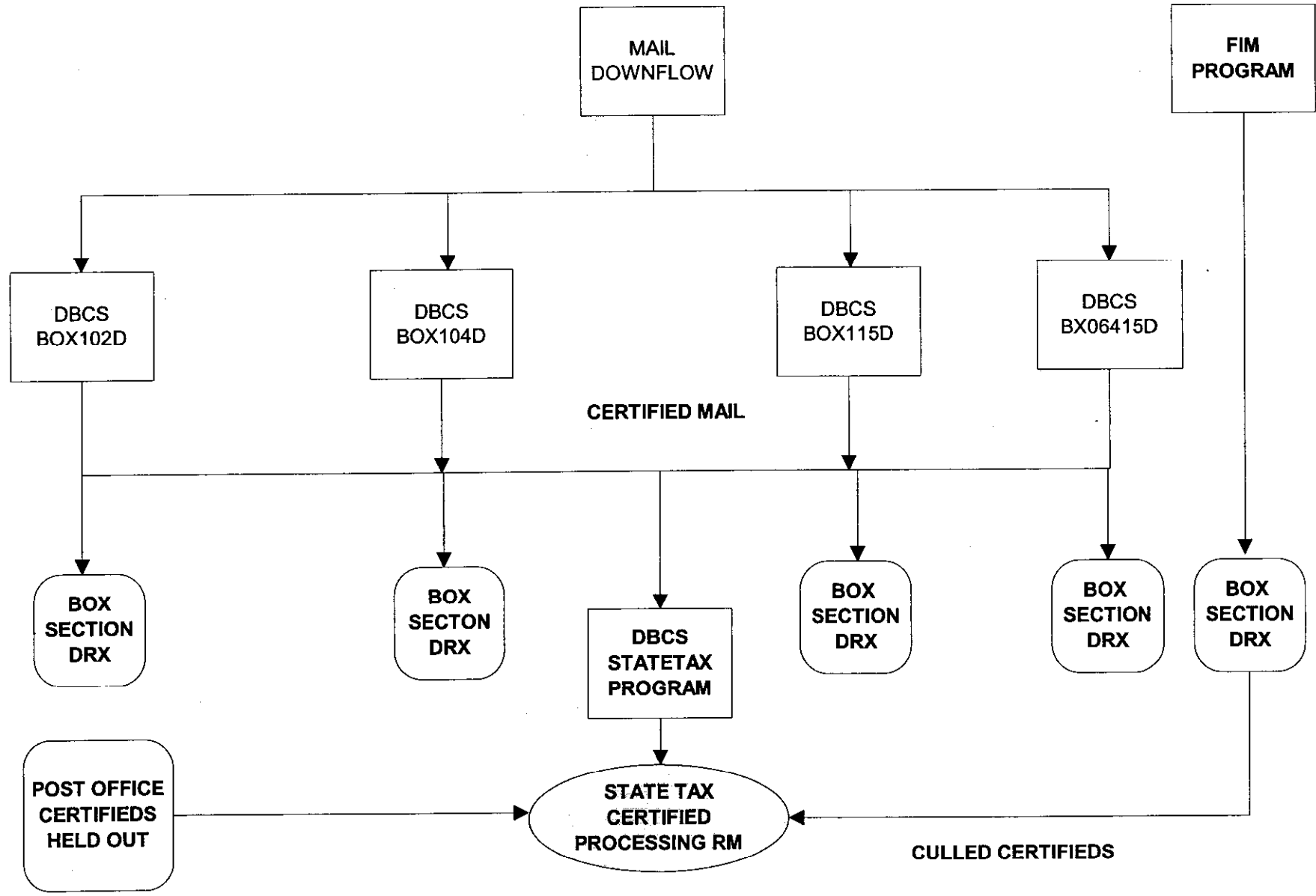
Effective date 03/29/01

FLAT MAIL FLOW



HARTFORD
ATTACHMENT TO RESPONSE TO
OCA/USPS-336(B) Page 21

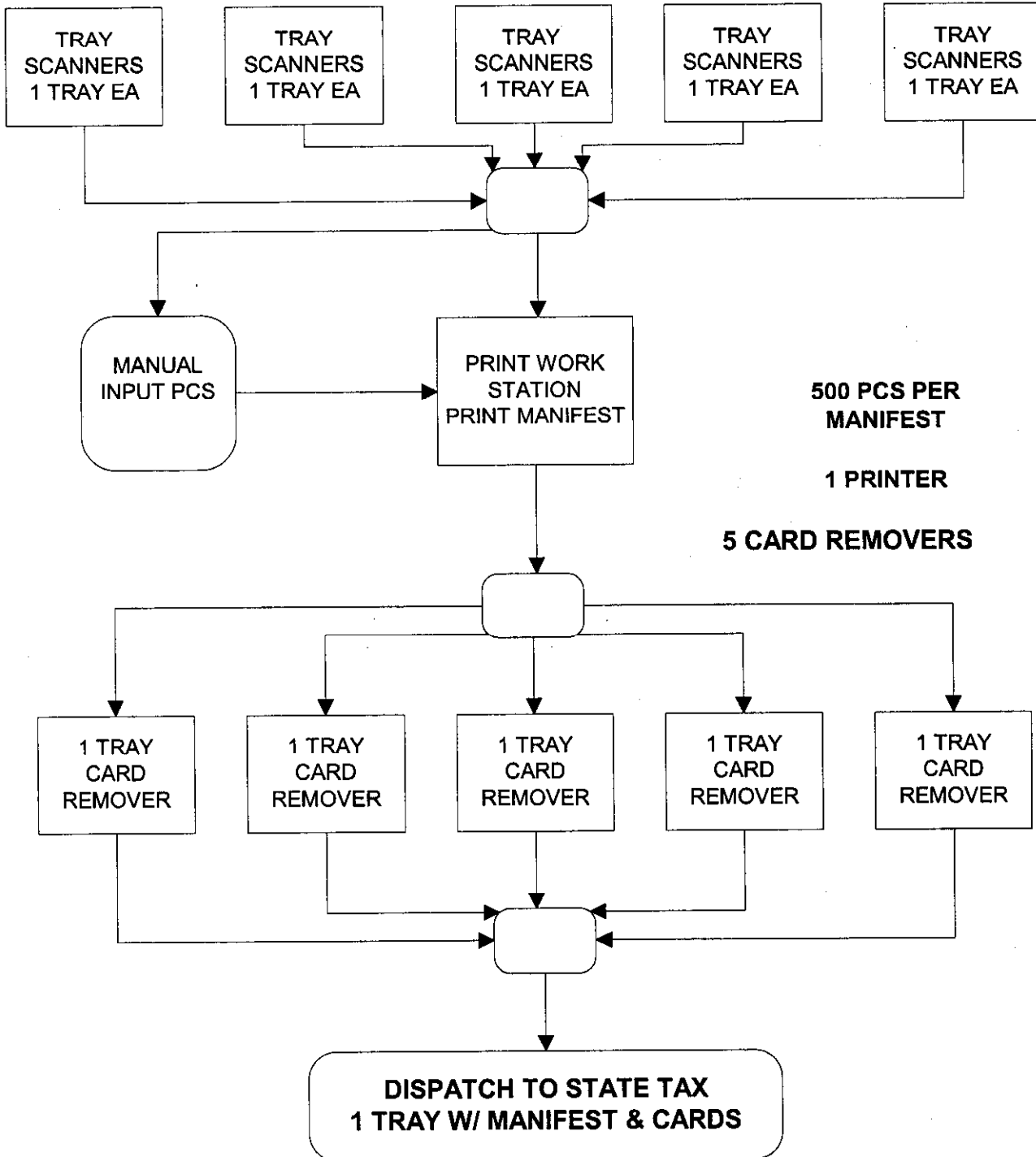
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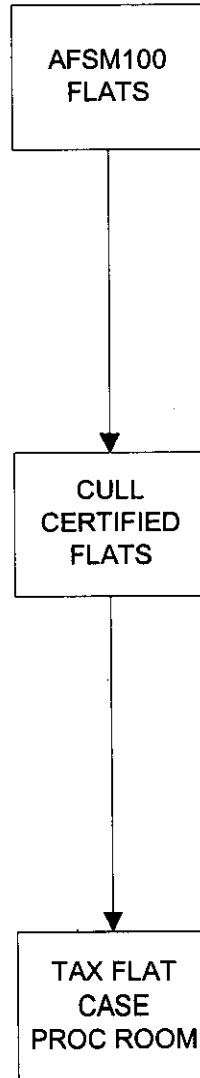
HARTFORD
ATTACHMENT TO OCA/OSRS-236(D)
Page 22

CERTIFIED PROCESSING FLOW

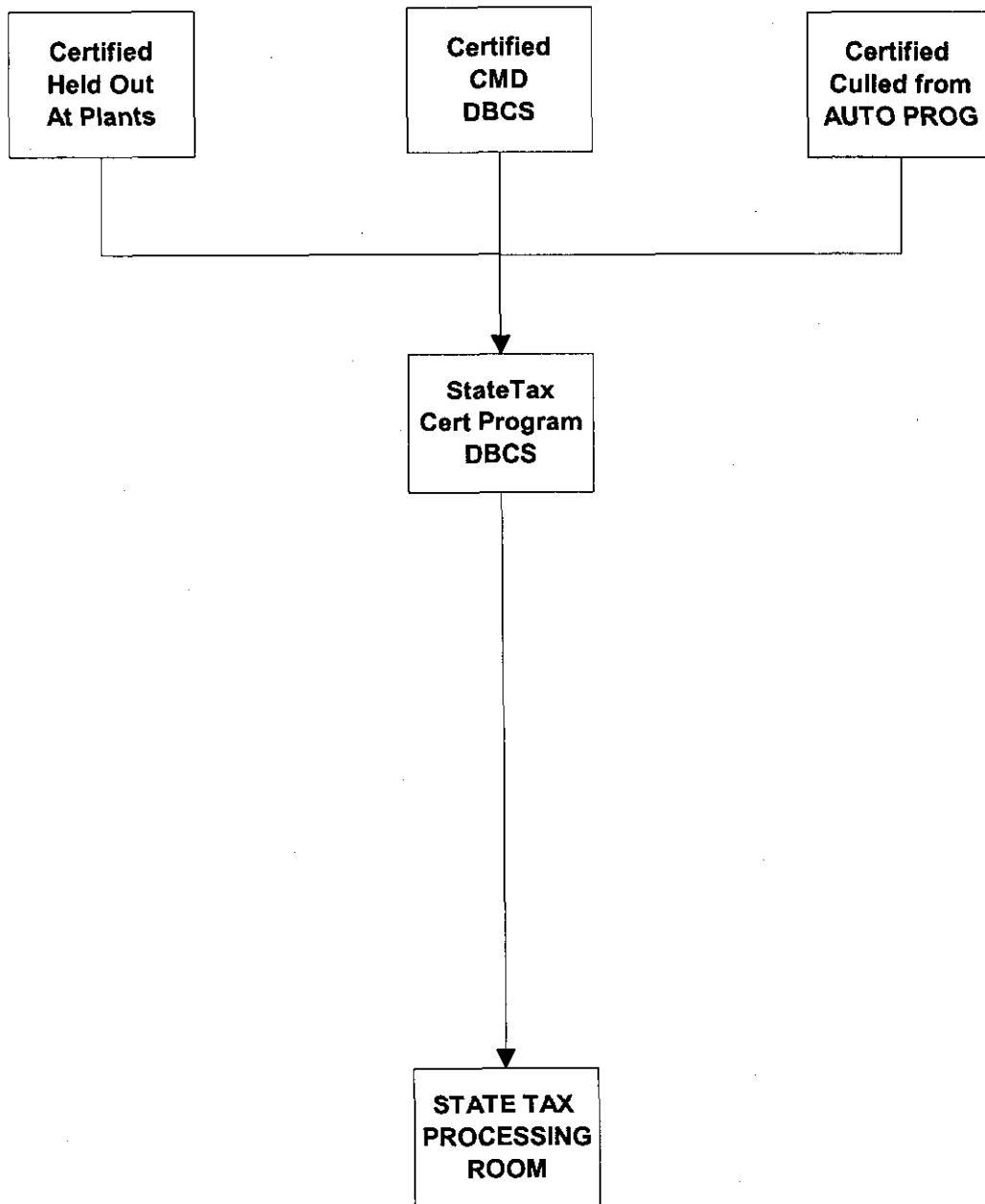
5 SCANNERS



STATE TAX CERTIFIED PROCESSING
FLATS



STATE TAX CERTIFIED PROCESSING LETTERS



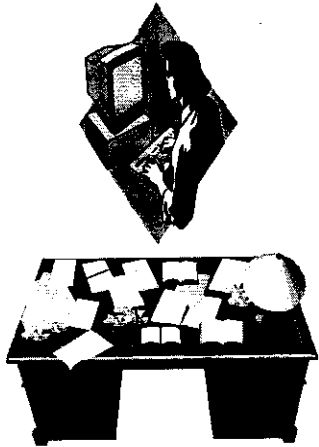
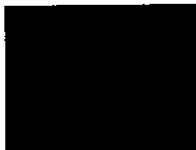
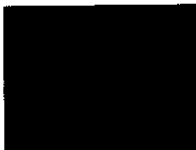


TABLE WITH UP TO 10 SCANNERS
PRINTWK STA/CARD REMOVERS



DISPATCH
TUBS

DISPATCH
TUBS

DISPATCH
TUBS

DISPATCH TUBS OUT

PLANT CONFERENCE ROOM
STATE TAX PROCESSING AREA

MISC
BOXES

BOX
150440

BOX
2977

BOX
2977

BOX
2977

MISC
BOXES

BOX
150440

BOX
2977

BOX
2977

BOX
2977

POSTCONS
IN

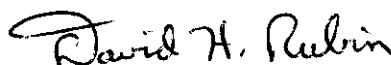
HARTFORD
ATTACHMENT TO OCA/USRS-236(d)
Page 26

bottom on next page



Certificate of Service

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.



David H. Rubin

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2986; Fax -6187
December 19, 2001