

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Annual Compliance Report, 2009

Docket No. ACR2009

COMMISSION INFORMATION REQUEST NO. 3

(Issued February 4, 2010)

The Postal Accountability and Enhancement Act directs the Postal Regulatory Commission to annually evaluate whether the Postal Service has met the goals established under 39 U.S.C. 2803 and 2804.¹ In its FY 2008 Annual Compliance Determination, the Commission commented that the Postal Service had not quantified or expressed in alternative form its performance goals, which made this task problematic.

The following questions are taken directly from sections 2803 and 2804 and are necessary for the Commission to fulfill the section 3653(d) obligations. To clarify the basis of the Postal Service's estimates in its Annual Compliance Report, filed December 29, 2009, the Commission requests the Postal Service to provide written responses to the following questions. Answers should be provided to individual questions as soon as they are developed, but no later than February 10, 2010.

1. Section 2803(a) states “[t]he Postal Service shall prepare an annual performance plan covering each program activity set forth in the Postal Service budget, which shall be included in the comprehensive statement...” The following questions paraphrase 2803(a) and 2803(a)(1) through (a)(6). Please identify where in USPS-FY09-17 (2009 Comprehensive Statement) the Postal Service:

¹ Pub. L. 109-435, 120 Stat 3198 (2006) at sec. 204. See 39 U.S.C. 3653.

- a. Identifies each program activity set forth in the Postal Service budget.
 - b. Establishes performance goals to define the level of performance to be achieved by a program activity.
 - c. Expresses such goals in objective, quantifiable, and measurable forms, that define the level of performance to be achieved;
 - d. Briefly describes the operational processes, skills and technology and the human, capital, information, or other resources required to meet the performance goals;
 - e. Establishes performance indicators to be used in measuring or assessing the relevant outputs, service levels, and outcomes of each program activity;
 - f. Provides a basis for comparing actual program results with the established performance goals; and
 - g. Describes the means to be used to verify and validate measured values.
2. Section 2803(b) allows the Postal Service to determine that performance goals for a particular program activity are not feasible to report in an objective, quantifiable, and measurable form. However, in that instance 2803(b)(1) and (b)(2) require an alternative form that either describes a minimally effective program and a successful program or explains why it is infeasible or impractical to express a performance goal in any other form. If alternative forms are used, please identify where they appear in the 2009 Comprehensive Statement.
3. Section 2803(c) and (d) allow the Postal Service to aggregate, disaggregate, or consolidate program activities with certain restrictions, and create nonpublic annexes.
- a. Please indicate where any program activities have been aggregated, disaggregated, or consolidated.

- c. An explanation and description of each instance where a performance goal has not been met (including when a program activity's performance is determined not to have met the criteria of a successful program activity under section 2803(b)(2)) including:
 - (i) why the goal was not met;
 - (ii) plans and schedules for achieving the established performance goal; and
 - (iii) if the performance goal is impractical or not feasible, why that is the case and what action is recommended; and
- d. The summary findings of those program evaluations completed during the fiscal year covered by the report.

By the Commission

Judith M. Grady
Acting Secretary

Hammond, Vice Chairman, dissenting.