

## FY 2011 CRA “B” Workpapers Public Version

### I. PREFACE

#### A. Purpose and Content

USPS-FY11-32, FY 2011 CRA “B” Workpapers, input and calculate costs by cost segment which are used by USPS FY11-31, CRA Model, to produce USPS-FY11-2, Cost Segments and Components Report. The workpapers produce some product attributable costs for 13 of the 18 cost segments, including Postmasters, Supervisors, Clerks and Mail Handlers, In-Office City Carrier Activities, City Carrier and Rural Carrier Street Costs, Purchased Transportation, etc. USPS-FY11-32 contains electronic documentation of the spreadsheets and programs used to develop these costs.

#### B. Predecessor Document

Docket No. **ACR2010, USPS-FY10-32.**

#### C. Corresponding Non-Public Document

USPS-FY11-NP14 is the corresponding non-public set of documents.

#### D. Methodology

The USPS-FY11-32 “B” Workpapers include the following methodological changes from FY 2010:

##### Cost Segment 3

Cost Segment 3.1 defined a MODS cost pool for Flat Sequencing System (FSS) operations. This cost pool was added to reflect the existing operational environment. (See Docket No. RM2011-12, Order No. 920, Proposal Five, October 21, 2011)

Cost Segment 3.1 defined the following five new non-MODS cost pools 1) PO-BOX, 2) BULKACCP, 3) CFSCMU, 4) BUSREPLY, and 5) OTH ACCT. The cost pools were added to improve the alignment between MODS and non-MODS mail processing cost pools for post offices. (See Docket No. RM2011-12, Order No. 920, Proposal Six, October 21, 2011)

Cost Segment 3.1 changed the Mixed Mail distribution key for MODS Allied Labor cost pools. This change is intended to correct a possible bias that may

occur by pooling IOCS direct tallies from all MODS operations. (See Docket No. RM2011-12, Order No. 920, Proposal Seven, October 21, 2011)

As of June 24, 2011, IOCS tallies for Parcel Select pieces that are Undeliverable as Addressed (UAA) are designated as Parcel Select. This reflects a corresponding pricing change (See Docket No. RM2012-1, Proposal Ten, November 1, 2011).

#### Cost Segment 6

As of June 24, 2011, IOCS tallies for Parcel Select pieces that are Undeliverable as Addressed (UAA) are designated as Parcel Select. This reflects a corresponding pricing change (See Docket No. RM2012-1, Proposal Ten, November 1, 2011).

#### Cost Segment 7

Cost Segment 7 attributes street delivery costs to Insured pieces using relevant city carrier volume. This is a correction as last year the costs were incorrectly attributed on the basis of RPW volume (See Order No. 339, Proposal Six, November 13, 2009).

Cost Segment 7 treats Express Mail pieces with Signature Waiver as Non-Accountable pieces (See Order No. 920, October 21, 2011). Express Mail pieces with signature waiver now receive a scan cost and the appropriate costs depending on their characteristics (letter, flat, regular parcel, or deviation parcel).

#### Cost Segment 10

Cost Segment 10 attributes street delivery costs to Insured pieces using relevant rural carrier volume. This is a correction as last year the costs were incorrectly attributed on the basis of RPW volume (See Order No. 339, Proposal Six, November 13, 2009).

### **E. Input/Output**

This attachment relies on inputs from USPS-FY11-7 and USPS-FY11-NP18, Cost Segment 3 Cost Pools, USPS-FY11-37, In Office Cost System (IOCS), USPS-FY11-34, City Carrier Cost System (CCCS), USPS-FY11-35, Rural Carrier Cost System (RCS), and USPS-FY11-36, Transportation Cost System (TRACS). Outputs from this attachment contribute to USPS-FY11-31, FY 2011 CRA Model.

## II. ORGANIZATION

The USPS-FY11-32 “B” Workpapers are thirteen separate Microsoft Office Excel workbooks, twelve of which present cost data by separate cost segments with many worksheets in each, and the other of which, I-forms.xls, exports data to those cost segment workbooks. Data sources are referenced in each spreadsheet.