

STATEMENT OF WORK
TRANSIT-TIME MEASUREMENT SYSTEM (TTMS)
External First-Class (EXFC)
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Section 1 - INTRODUCTION

1.1 General Introduction

The External First Class (EXFC) Measurement system is designed to measure the United States Postal Service (USPS) delivery performance from the customers' perspective. This system must produce accurate, independent, externally generated results. It will provide quarterly scores of First Class Mail service performance by national, area and performance cluster levels.

In FY2009, the EXFC system was expanded to include virtually all 3-digit ZIP Code Areas in the nation. As part of the expansion, the system was modified to reflect Single Piece First-Class Mail characteristics and incorporates the modern First-Class Mail service standards.

1.2 Background

The External First-Class (EXFC) Measurement System produces daily, weekly, monthly quarterly and annual estimates of originating, destinating and originating/destinating composite Single Piece First-Class Mail service performance for each of the 80 Performance Clusters from and to their overnight, two-day, and three- to five-day service standard areas. Service performance results are reported for Single Piece First-Class Mail®. Characteristics reported include percent meeting service standard, and cumulative percent of mail arriving for each service standard. Service performance reports exclude Sundays and Federal holidays from service performance calculations. Reports are produced and delivered to USPS management electronically daily, weekly, and monthly. Quarterly reports are produced in hard copy and sent electronically to the Program Manager and Contracting Officer Representative ten days after the end of each postal quarter. .

EXFC is conducted by employing a panel of "droppers" (people who induct mail) to enter specially manufactured test mail into the mail stream at pre-selected locations and on pre-determined dates. An independent reporter panel (people who receive mail) reports receipt of test mail. The resulting delivery information is compared to USPS delivery standards.

Induction of test mail occurs Monday through Saturday each week of the year, with the exception of Federal holidays. All test mail is entered into the mail stream via collection boxes, including those boxes served by the USPS that are at the bottom of chutes in publicly accessible buildings. EXFC test mail is not inducted in USPS lobbies.

Test mail is manufactured in a variety of shapes and sizes, including letters, flats and post cards. Test pieces are of differing colors, addressing styles, and indicia and are compatible with USPS automation and mechanization equipment. Finally, test pieces are not identifiable as such by USPS employees.

1.3. Scope

The Transit-Time Measurement System (TTMS) contract will encompass all facets of end-to-end measurement developed and designed by the Postal Service, Office of the Consumer Advocate. The Customer Knowledge Management group, within the Office of the Consumer Advocate, is responsible for all independent measurement of service performance.

The main goal of the Transit-Time Measurement System is to measure service from the customer's point of view. The information gathered helps determine the effectiveness of system wide service performance in satisfying customer requirements.

The measurement systems also meet the requirements of the Postal Accountability and Enhancement Act (PAEA) of 2006 to measure and report the performance of all market dominant products.

1.4 Applicable Documents

The following documents are reference in part or whole for the use of the supplier in fulfilling the requirements of this SOW. This information may be accessed on usps.com.

DMM – Domestic Mail Manual 300
ASM-10 Administrative Support Manual

1.5 Security

To gain access to the USPS computer environment, contractors are required to obtain a USPS security clearance. The requirement and procedures are outlines in the ASM-10, Administrative Support Manual. USPS contractors must be United States citizens.

1.6 Place of Performance

All work will be performed at supplier facilities and all materials and supplies will be furnished by the supplier.

1.7 Period of Performance

This SOW is a continuation and expansion of the original study. The period of performance is October 1, 2009 through September 30, 2011

Section 2 – WORK TO BE PERFORMED

PRODUCT LINE SPECIFICATIONS: SINGLE PIECE FIRST-CLASS MAIL®

2.1 Technical Requirements

The supplier must be familiar with service performance measurement system methodology and reporting. The supplier must have resources in place which provide an infrastructure capable of fabricating, inducting and reporting test mail pieces. The system must produce statistically valid performance reports for review by external auditors such as the Postal Regulatory Committee (PRC), the Office of the Inspector General (OIG) and the Government Accounting Office (GAO).

2.2 METHODOLOGY

2.2.1 Definition of First-Class Mail®

For the purposes of this study all references to First Class Mail® will refer to Single Piece First Class Mail as shown in Section 133 of the Domestic Mail Manual (DMM) located at www.usps.com. All test mail produced by the supplier must conform to published standards shown in the DMM for Single Piece First Class Mail®.

2.2.2 Test Mail Fabrication

The supplier must acquire materials and assemble test pieces. The USPS will provide postage for the test mail pieces. The USPS will provide postage for all communications between/from the supplier and the reporters and between/from the supplier and the droppers.

Test mail pieces must be produced to represent Single Piece First Class Mail. It is the intent of USPS to have test mailpieces produced in a way that will not allow the test mail pieces to be identified as being included in this service performance test. Thus, a wide variety of sizes, colors, addressing types, and indicia characteristics must be utilized when producing the test mail pieces. The combination of mail types (see Appendix II) reflects the current mail mix and will be updated annually using Originating-Destinating Information System (ODIS) data. .

Each postal quarter the supplier shall produce mail in the types and proportions shown in Appendix II, Description of First-Class Mail® Piece Types. The supplier will send mail to each of the Performance Clusters in these types and proportions every postal quarter. The supplier must use automation compatible envelopes.

Each quarter the supplier must produce a breakdown of the number of each type of mail produced. The supplier shall produce the following tallies quarterly for each of Stamped and Metered First Class Mail® by letters, flats and post cards:

Print Type

- Type 1
- Type 2
- Type n

Color

- Color 1
- Color 2
- Color n

Window type

- Type 1
- Type 2
- Type n

Return Address

- Address 1
- Address 2
- Address n

Day of Entry into Mail stream

- Monday
- Tuesday
- Wednesday
- Thursday
- Friday
- Saturday

Pre-barcode Facing Identification Mark (FIM) A
PLANET Codes

2.2.2.1 Postage Payment Methods

Stamped and Metered Mail will be applied according the guidelines found in DMM Section 134 with additional clarification on metering procedures found in DMM Section 604.

2.2.2.2 Physical Characteristics for First-Class Mail® (see Appendix II)

Shape Characteristics	% of Quarterly Mailing	Sub Group %
Stamped, hand addressed letter*	19.6	
One ounce or less		100.0
Greater than one ounce		0.0
Stamped, hand addressed flat*	1.1	
Stamped, hand addressed postcard*	3.5	
Stamped and metered machine addressed letter	80.4	
One ounce or less		79.7
Greater than one ounce		20.3
Metered, machine-addressed flat	6.3	
Metered machine-addressed postcard	2.0	

* Handwritten addresses must not include cursive machine type and must be clear, neat and legible. All handwritten addresses must be in black ink.

2.2.2.2.1 Additional Characteristics

In addition to the shape characteristics defined above, the following must be met to ensure that the test pieces include many of the characteristics of mail that actually flow through the mail stream.

Test pieces will be mailed to a Performance Cluster from Performance Clusters in its overnight, two-day, or three- to- five- day service standard area in approximately the same relative proportions as volumes, derived from USPS sources.

Barcodes on the pre-barcoded mail pieces will be at the ZIP + 4 + 2 level. A Facing Identification Mark (FIM) A, as outlined in DMM Section c.100.5.2a, must be applied to some pre-barcoded pieces. All non-pre-barcoded mail pieces must have, at a minimum, 5-digit ZIP Codes. PLANET Codes must also be incorporated on at least 75 percent of the test mailpieces.

2.2.2.2.2 Size

The following table specifies sizes that must be used (refer to Appendix II):

Size	% of Stamped Quarterly Mailing	% of Metered Quarterly Mailing
3 7/8" X 8 7/8"	1-3	18-21
4 1/8" X 9 1/2"	45-48	43-46
Other	remainder	remainder

2.2.2.2.3 Color

No less than 90% of the 3.7/8 envelopes must be white. No less than 80% and no more than 90% of the 4 1/8" envelopes must be white. Other colors must be automation compatible.

2.2.2.2.4 Windowed Envelopes and Return Addresses

Mail pieces must show a variety of formats for presentation of the address and return address. Cellophane-window and open-window envelopes, as well as, address labels must be utilized in the address. Preprinted return addresses, gummed labels, and handwritten addresses in various styles and formats must be used for the return address. All mail pieces inducted in the Caribbean must show Caribbean return addresses.

2.2.2.3 Automation Requirement

Mail pieces must be produced in a manner to ensure compatibility with USPS automated and mechanized equipment. Characteristics of test pieces that must meet these requirements include:

- Cellophane reflectance for all letters and flats
- Ink/envelope reflectance for all letters and flats
- Flexibility of 1.5 oz. letters
- Quality of machine printing, i.e., ink spray
- Height, width, and ink density of barcodes on pre-barcoded pieces
- Location of the address block in open window and cellophane window test pieces
- FIM A markings.
- PLANET Codes

The ink used for meter impressions must be "hot" or must be detectable by the Advanced Facer Cancellor System machines. Samples of all types of mail pieces must be tested for reflectance, automation compatibility and flexibility at various USPS field locations before being used in EXFC. The designated USPS COR must supervise this test. Thereafter, testing will be required at least twice a year throughout the course of the contract.

2.2.2.4 Changes in Mail Mix

The mail mix and percentages (as shown in Appendix II) may change should the USPS experience any significant shifts in the mail stream makeup. The supplier will use the most recent USPS ODIS data along with data from the Household Dairy study to determine if changes are required. This review will be conducted annually. If changes are required, they will be implemented the next fiscal year.

2.2.2.5 Insert Sheets

All letters and flats must include an insert sheet, displaying the reporter's name, address and test piece ID number. Post cards must include an ID number.

2.2.2.6 Bundle Composition

The supplier must combine assembled test pieces into dropper bundles and must package and ship the bundles to droppers. Each bundle must contain no more than 40 pieces and include overnight, two-day and three- to-five day service standard pieces. The relative proportion of mail in each bundle destined for the overnight, two-day and three to five day service standard areas must be approximately constant from bundle to bundle within the same 3 digit ZIP Code area.

The makeup of each service standard area, within each bundle, must include pieces for different destinating Performance Clusters. If there are ten or fewer test mail pieces required for a specific origin/destination pair in a quarter, then each one of these test mail pieces must be placed in a separate bundle. If there are eleven or more test mail pieces required for a specific origin/destination pair in a postal quarter, then no more than 20 percent of these pieces will be in the same bundle.

2.2.3 Dropper Panel

2.2.3.1 Definition and Distribution

A dropper is a person who inducts test mail in the origin ZIP Code areas.

- No members of a dropper's household may be employed by the USPS or similar carriers, such as, but not limited to, Federal Express, Airborne, UPS and DHL.
- No members of a dropper's household may be employed by media organizations, such as radio, newspapers, television stations, etc.
- A single individual may fulfill the role of Dropper and Reporter provided the individual meets all of the previous requirements and quality standards of both roles. Sufficient quality processes must be implemented to ensure that test pieces and dropper schedules are created in a manner that ensures that no mail is inducted and received by the same individual.

The supplier must maintain a sufficient number of droppers in order to induct no more than four bundles per induction day per Performance Cluster (see Section 2.2.5.1.1).

2.2.3.2 Recruitment and Training

The supplier must recruit a panel of droppers and back-up droppers, create all training materials and provide training. The USPS COR must be provided with a copy of all dropper training and instructions.

The supplier is responsible for monitoring individual dropper errors. Droppers must be released from their duties if they commit three serious mistakes, which cause data to be deleted or changed. Examples of serious mistakes are 1) a dropper calling the supplier with information for a bundle that had not been inducted or 2) inducting a bundle in an Express Mail or "local only" collection box.

2.2.3.3 Responsibilities

Test pieces must be entered into the mail stream in unbanded bundles. Droppers must induct mail during the allowable drop window that begins on the scheduled date of induction at 5:00 AM and continues until 30 minutes before the last scheduled pick up time. The only circumstance that a dropper will be allowed to induct mail prior to the induction day is when the last pickup time on the Collection Point Management System (CPMS) listing (this is provided to the supplier by the USPS) is later than the last pickup time posted on the selected collection box. In this instance only, the supplier may change the induction date from the day of the scheduled induction to the next day.

Droppers must record the following information from Decal 55, Collection Box Label: collection box ID number, last pickup time, address and date label printed. Any discrepancy must be reported to the supplier. If a discrepancy occurs concerning the last pickup time, Decal 55 information will determine the last pickup time.

The supplier will incorporate the use of cellular phones or other appropriate technology within the induction process. This technology, used by droppers to relay information at induction, will be checked for accuracy.

Droppers must notify the supplier, via the technology referred to above, of actual drop times and locations of all inductions on the day of induction. The supplier must produce documentation to USPS in all cases where changes to the original schedule occur. The supplier must also provide a report showing the number of times the scheduled induction date differs from the actual induction date for each dropper in every Performance Cluster. Finally, the supplier must develop a quality check to identify possible confidentiality breaches for droppers and reporters.

2.2.4 Reporter Panel

2.2.4.1 Definition and Distribution

Reporters account for the receipt of test mail pieces at their residence, business or P.O. Box.

2.2.4.1.1 Business Reporters

Nationally, no more than ten percent of the reporters will be at business addresses. This rule does not apply if sufficient residential reporters cannot be recruited. Businesses selected must pick up their mail six days a week. Test mail pieces must not first be routed through a third party (i.e., mailroom) prior to being delivered to the reporter. The supplier must verify these requirements on a quarterly basis.

USPS may verify that the supplier has satisfied the restrictions of business reporters detailed above.

2.2.4.1.2 Post Office Boxholder Reporters

The supplier must ensure that there are Post Office Boxholder reporters in each Performance Cluster. Boxholder reporters must retrieve their mail from PO Box located at a United States Post Office. The total percentage of PO Box holders in the panel will not exceed the national proportion of PO Box delivery points according to monthly delivery statistics data. Boxholder reporters must know what time mail is available for pick-up and pick-up mail after that time six days (Monday through Saturday) a week. PO Box reporters will be surveyed each quarter to ensure compliance.

2.2.4.1.3 Reporter Distribution

Reporters must be distributed in many 5-digit ZIP Codes to assure widespread representation of areas of mail delivery. The reporter response rate must be at least 90% with a confidence level of 95%. To accomplish this representation, a two-step process will be used as shown below:

2.2.4.1.3.1 Distribution across 3-Digit ZIP Code Areas

The USPS will provide the supplier with an electronic data file. This file will include the number of residential and business deliveries in each 5-digit ZIP Code within each 3-digit ZIP Code prefix listed in Appendix I. Using this file, the supplier must calculate the relative proportion of residential and business deliveries represented by each 3-digit ZIP Code in its associated Performance Cluster. The supplier must obtain household and business reporters in 3-digit ZIP Codes in proportions matching those derived from the residential and business deliveries.

2.2.4.1.3.2 Distribution within 3-Digit ZIP Code Areas

Once the number of reporters in a 3-digit ZIP Code area has been determined using the procedure described above, the supplier shall rank-order the number of residential deliveries in each 5-digit ZIP within the 3-digit ZIP. Using these volumes, cumulative proportions of the total representation within the 3-digit ZIP shall be developed, and break points identified as close as possible to 33 1/3%, 66 2/3%, and 100% on the cumulative list. These break points stratify the 5-digit ZIPs into three groups. To the extent feasible, 1/3 of reporters in the 3-digit ZIP prefix shall be recruited from among each of the three groups of 5-digit ZIPs. In addition, the supplier must attempt to recruit reporters from at least 50% of the 5-digit ZIP Codes within each group.

2.2.4.2 Recruitment and Training

The supplier is responsible for recruiting a panel of residential and business reporters. The following items must be incorporated into the supplier's reporter recruitment process for all types of reporters:

- Reporters must be available to receive test mail each day, Monday through Saturday.
- Reporters must receive their mail at their street address or Post Office Box and not through a third party or mailroom.
- No members of a reporter's household may be employed by the USPS or similar carriers, i.e., Federal Express, Airborne, UPS and DHL.
- No members of a reporter's household may be employed by media organizations, i.e., radio stations, newspapers, and television stations.
- A reporter may also be a dropper only if the individual meets all of the previous requirements and quality standards of both roles.

Continued communication between the supplier and the reporters is required. Reporters must be polled at least once a year to verify their willingness to participate. The supplier may combine the verification along with any other mailings to the reporter.

The supplier must replace unreliable reporters. If reporters are removed the supplier must replace them to ensure adequate coverage.

The supplier must create all training materials and train reporters to identify test mail. The USPS COR must be provided with a copy of all reporter instructions and training materials.

2.2.4.3 Responsibilities

On the day each test mail piece is received, reporters are required to write the date of receipt on the portion of the test piece that includes the test piece identification. Reporters must contact the supplier within 24 hours of receipt to report the test mail. Reporters may also use supplier issued scanners to report receipt information. After the reporters call in the receipt information, or transmit the data in the case of reporters using scanners, they must place all insert sheets back into the correct test envelopes. Reporters must retain EXFC test mail pieces for at least 60 days.

Reporters must notify the supplier if they are unable to receive mail for any reason. Such reasons may include vacation, illness and destruction of mailboxes. The reporter response rate must be at least 90%.

Boxholder reporters must supply the posted box mail available time to the supplier.

2.2.4.4 Return Address Panel

The Return Address Panel accounts for mail that is undeliverable to the address. When the EXFC return addresses on the test mailpieces and the meter indicia do not correspond with the induction location, the mail carrier collecting mail from the collection boxes may identify the test mail. Hence, the 3-digit ZIP Code in the return address on the test mailpiece must be in close proximity to the 3-digit ZIP Code of the induction location. All mail pieces inducted in the Caribbean must show Caribbean return addresses.

Members of the Return Address Panel must meet the following requirements:

- be able to receive returned mail at their address or P.O. Box,
- no members of their household may be employed by the USPS or similar carriers,
- no members of their household may be employed by media organizations, and
- may fulfill the role of Dropper or Reporter provided the individual meets all of the previous requirements and quality standards of both roles. Sufficient quality processes must be implemented to ensure that test pieces and dropper schedules are created in a manner that ensures that no mail is inducted and received by the same individual.

The panel member must retain the returned test mail pieces and send them to the supplier. Return Address Panel members must notify the supplier if they are unable to receive mail for any reason.

2.2.5. Induction and Quality Control

2.2.5.1 Induction Process

2.2.5.1.1 Randomization of Induction Points

The supplier must randomly select locations for induction of test pieces from the USPS Collection Point Management System (CPMS). For each origin Performance Cluster, the number of locations selected in 3-digit ZIP Codes is based on the origin 3-digit ZIP code Origin/Destination Information System (ODIS) volumes. Further, for each 3-digit ZIP Code, the number of locations selected in 5-digit ZIP Codes shall be in proportion to the number of regular collection boxes in the 5-digit ZIP Codes according to CPMS. The CPMS file description will be supplied upon contract award.

Randomly selected collection box locations are provided to the dropper on a quarterly basis. Droppers must randomly choose collection boxes associated with each induction day with the exception that no more than one location in a 5-digit ZIP Code is used for induction on the same day. The supplier must perform inductions in a way which controls travel and other costs. Induction schedules must be developed and provided weekly in advance to USPS COR in electronic format.

2.2.5.1.2 Drop Window

The allowable drop window shall begin on the scheduled date of induction at 5:00 AM and continue to 30 minutes before the last scheduled collection time. The only circumstance that a dropper will be allowed to induct mail prior to the induction day is when the last pickup time in CPMS is later than the last pickup time posted on the selected collection box. In this instance only, the dropper may induct the test mail and the induction date will be changed from the day of the scheduled induction to the next day.

2.2.5.1.3 Days and Weeks

Throughout the course of the postal quarter, test pieces must be inducted according to the following percentages by day of week: These percentages reflect Single Piece First Class Mail volume proportions.

Monday	19.1%
Tuesday	19.3%
Wednesday	17.9%
Thursday	17.6%
Friday	19.0%
Saturday	7.1%

The relative proportion of mail pieces inducted on each of these days must be within +/- three percent, e.g., the Monday range would be between 16 and 22 percent. Test mail volume flows to a Performance Cluster from each Performance Cluster in its overnight, two-day, or three-to –five day service standard area must be inducted evenly across all weeks of a postal quarter.

2.2.5.1.4 Collection Boxes

If the collection times or box ID on the collection box label are not legible, missing, or if there is no label, droppers must be instructed to induct the test mail in a nearby alternate location with legible information. This location must not be within the same 5-Digit ZIP Code as any other bundles inducted the same day. If the alternate location has similar problems as the first, the dropper may induct the bundle and must notify the supplier. The supplier is then responsible for determining the last pick-up time for that collection location and the effective date of the induction. The supplier must report these occurrences to the USPS COR monthly

CPMS will provide the necessary information for the supplier to ascertain the types (mixed, stamped, metered, local, etc.) of collection locations. The supplier must assure that only mixed, metered and stamped boxes are used. Metered test pieces may be inducted in metered only collection boxes. Stamped test pieces may be inducted in stamped only collection boxes. Stamped and metered test pieces may be inducted in mixed collection boxes. Local, Priority and Express Mail boxes are prohibited for EXFC test mail piece inductions.

The date shown in the metered postmark must be the actual date of deposit for metered mail inductions.

2.2.5.2 Frequency

The estimates must be computed and released every postal quarter by Performance Cluster (as defined for each three-digit ZIP Code(s) shown in Appendix I), Area and at the National level.

2.2.5.3 Definitions

Origin is defined as the point at which the mail is entered into the mailstream. Entry points are collection boxes or collection receptacles of mail chutes in buildings that have posted USPS collection schedules.

Destination is defined as the point at which the postal customer regularly collects (receives) his mail. Examples of destinations are residential and business mailboxes and post office boxes.

The number of days to deliver is the number of calendar days that elapse between the derived date of induction (based on the induction time and the last scheduled pick-up time), and the date that the mail is reported received. The number of days to deliver is adjusted for Sundays and Federal Holidays (nondelivery days).

If the mail is reported received on a Monday or on the day immediately following a holiday, then the number of days to deliver is reduced by the number of nondelivery days immediately preceding the day the mail is reported to have been received. If the mail is reported received on a Tuesday or on one day past a holiday, the number of days to deliver is not reduced.

Average delivery time must be computed as an arithmetic mean, properly weighted by the specified sample design considerations for overnight, two-day, and three- to- five-day service performance areas.

2.2.5.4 Percent Delivered within Service Standards

The USPS will provide, in electronic format, the service standards for First Class Mail® between pairs of three-digit ZIP Codes. The supplier will compute the percentage of mail pieces that were delivered earlier than or on the standard for overnight, two-day, and three- to- five-day service performance areas. All 80 Performance Clusters have overnight, two-day and three- to- five-day service standards with the exception of Honolulu which has no two day service.

The supplier will also compute the cumulative percentage of mail pieces. Percentages must take into consideration adjustments for Sundays and holidays, when warranted.

2.2.5..5 Volume Requirements

2.2.5.5.1 Test Volume

The following destinating volume of test mail is required for (destinating) estimates of combined stamped and metered First-Class Mail® service performance for each performance cluster.

Sufficient test pieces will be entered into the mailstream each postal quarter for most Destinating Performance Clusters to yield the following minimum sample pieces:

4,785 pieces from the overnight service standard are reported and entered into the final file, 2,285 pieces from the two day service standard are reported and entered into the final file, and 2,685 pieces from the three- to- five day service standard are reported and entered into the final file.

The following Performance Clusters will have different destinating volume targets applied:

- Alaska Performance Cluster: Minimum of 2,685 sample pieces from each of the service standards (overnight, two-day and three- to- five-day) reported and entered into the final file.
- The following Performance Clusters will have a minimum of 5,985 pieces from the overnight service standard reported and entered into the final file:

Alabama—Albuquerque—Appalachian—Arkansas—Big Sky—Central Pennsylvania
Dakotas—Hawkeye—Louisiana—Mid-America—South Georgia

The statistical precision is implicit in the mandated minimum sample sizes. The supplier will be required to specify the anticipated statistical precision deriving from the specified minimum sample sizes. The minimum sample size means the minimum and that the sample must be such that not one of the Performance Clusters will fall below the minimum in any quarter.

2.2.5.5.2 USPS Volume

The sample developed by the supplier will represent Single Piece First-Class Mail® volume flows proportionately among the included three-digit origin/destination ZIP pairs and must represent the actual overnight, two-day and three- to five-day volume percent shown in the ODIS. Mail flows between EXFC Performance Clusters are based on ODIS 3-digit pair volume flows over a 12 quarter rolling average of ODIS average daily volume data.

The number of pieces entered from each PC is in proportion to the ODIS origin volumes to the destination by service standard.

The USPS will provide the information necessary to be used in the creation of the weights for the development of the required estimates.

2.2.5.6 Documentation of Supplier Activities

The supplier must document computer programs that are used to select the sample, edit reporter data, and produce final reports. The supplier must maintain administrative records that verify response rates and actual responses of the reporters. The supplier must maintain records verifying reporter willingness to participate in the study. One copy of documentation sufficient to explain software, algorithms, calculations, and data flows used in computer programs must be supplied to USPS COR.

2.2.5.7 Retrieval and Storage of Test Mail Pieces

The USPS will request all overnight pieces from zero bundles. A zero bundle is a bundle in which all overnight pieces have failed to meet the service standard. These pieces must be maintained by the supplier for at least four (4) months and be made available to USPS personnel upon request. Information on the zero bundle test piece, such as the postmark date, postmark ZIP Code and the ID tag barcode must be captured.

2.2.5.8 Record Retention

The supplier is responsible for storing all records, hardcopy, tapes, and disks, generated by this study. When the contract is concluded, all records, including source code for the computer programs developed, must be transferred to USPS.

2.2.5.9 Reporter Data Accuracy

The supplier must validate the accuracy of reporter data and the USPS COR must receive information confirming this validation process.

The USPS may independently conduct tests of reporter accuracy. The supplier must fabricate sufficient additional test mail to test two reporters per postal quarter in each of the EXFC Performance Clusters upon USPS request. This test mail will not be used to measure service performance. The supplier shall also produce a report summarizing these results upon request.

2.2.5.10 Address Hygiene

The supplier must maintain the file of delivery addresses with address hygiene and other address correction products such as the Address Management System (AMS) and the National Change of Address (NCOA) prior to live implementation and during the length of the contract. Caribbean and Guam addresses must be closely monitored.

2.2.5.11 Reporter Address File

Address hygiene products must evaluate the potential reporter address file within two months of reporter selection. At monthly intervals thereafter, the supplier must run reporter addresses through the address hygiene products. The supplier must document receipt of information concerning change of addresses for reporters and how the address changes were handled for reporting purposes. The supplier must use the NCOA to monitor reporter address changes. The supplier must supply to USPS COR verification of address hygiene in accordance with the requirements.

3.0. Deliverables

3.1 Quarterly Data Presentation

Data must be tabulated each USPS quarter. Report format may be changed upon mutual agreement, estimates of service to a Performance Cluster from a service standard area for First Class Mail® are necessary. Reports must be tabulated to include an originating score, destinating score and the originating/destinating composite for all service standards.

The end of the quarter results must be provided to the USPS within 10 calendar days of the end of the postal quarter. USPS is responsible for release of the quarterly data to the appropriate internal and external customers.

Supplier representatives are required to present the quarterly results to USPS personnel at USPS Headquarters at the end of quarter results meeting. The supplier will provide a copy of the presentation to the COR and Project Manager for approval prior to giving the presentation. The meeting should not occur more than three weeks after the end of each quarter.

3.2 Quarterly Reports

3.2.1 The results will be supplied in the following formats:

- Bound and unbound hardcopy “results book” containing the reports listed in Appendix VIII. The reports must be provided to the COR and Project Manager. One hard-copy of each report must be provided to the COR at the end of quarter results meeting. An electronic copy of each report will be sent to USPS personnel as designated by the COR.
- The supplier will provide Electronic files of the reports listed in Appendices VII and VIII.
- The supplier will use the format outlined in section 3.1 to present data for each of the service standard areas (overnight, two-day, and three- to- five-day). Performance Clusters, Area Offices and the Nation, require rollup reports. Ninety-five percent confidence intervals must be produced with the rolled-up estimates. Performance Clusters, Area Offices and the Nation, must reflect weighting of Performance Cluster scores by the volume associated with each Performance Cluster. See Appendix VI for quarterly estimation formulas.

3.3 Interim Reports

The following interim reports are required:

- Electronic files uploaded to the USPS mainframe (see Appendix III, Layout of EXFC Daily/Weekly Data File):

Daily results file by 7:00 a.m. Eastern Time (ET)

- Electronic files sent to USPS personnel via email:
 - Excel spreadsheet containing weekly, monthly and Quarter-to-date results of pieces reported received, pieces meeting standard, percent meeting standard and estimated 95% confidence interval. This report will be generated by Performance Cluster alphabetically listed within USPS Area Offices and the nation. This report is for overnight, two-day and three- to- five-day service standards. This file must be transmitted by 11:00 a.m. ET each Tuesday.
 - Excel spreadsheet containing a postal quarter-to-date report of pieces reported received, pieces meeting standard and percent meeting standard for every service standard for each zero bundle. A zero bundle is a bundle in which no overnight mail pieces were reported received on time. This report must be in alphabetical order by Performance Cluster within each Area by induction date. The 5-digit ZIP code of induction for each bundle must be displayed along with the collection box ID. Subtotals for each Performance Cluster must be displayed. This file must be transmitted by 11:00 a.m. ET each Tuesday.
 - Excel spreadsheet containing a daily report of pieces reported received, pieces meeting standard and percent meeting standard for every service standard for each zero bundle. This report must be in alphabetical order by Performance Cluster within each Area by induction date. The 5-digit ZIP code of induction for each bundle must be displayed along with the collection box ID. Subtotals for each Performance Cluster must be displayed. This file must be transmitted by 11:00 a.m. ET each Tuesday.
 - A missed induction report: Excel spreadsheet containing a postal quarter to date report of all Performance Clusters in which all scheduled inductions did not occur. This file must be transmitted daily by 11:00am ET.
 - Missed induction and zero bundle CSV file which contains mailpiece data on zero bundles and missed induction by date and Performance Cluster. This file must be transmitted by daily by 11:00am ET.

3.4 Other Reports

3.4.1 Collection Box Discrepancy Report

When the supplier receives discrepancies that droppers noted from collection boxes, they must be compared to the collection box information contained in the Collection Point Management System (CPMS), which resides on the USPS intranet. USPS will provide access to this data. When the information collected by the dropper does not match the information in CPMS, a CPMS Comparison Report must be generated. These reports must be sent to the USPS by email monthly.

3.4.2 Single Piece First Class Combined Report

Service performance for Single-Piece First-Class parcels has been combined with EXFC performance to formulate these combined Single-Piece First-Class Mail® results. Single-Piece First-Class parcel performance is estimated using an internal USPS system that measures transit time for parcels for which a customer requested Delivery Confirmation™ service from the time of mailing at a post office until the time of delivery. The report must be sent to the USPS via email weekly on Wednesday by 2:00pm ET and one week after the end of each month by 2:00pm ET. End of quarter reports will follow the schedule outlined in section 3.1.

3.4.3 EXFC Mail Variance Report

A quarterly report of service variance for single Piece First Class Mail pieces is required. Service variance is the number of delivery days between the expected delivery date from the actual delivery date and then subtracting any non-delivery days between the actual and expected delivery dates from the result. Service variance is to be reported separately as the percentage of mail that is delivered with one day, two days and three days of the applicable standard. . This report will be produced for EXFC as well as Single Piece First Class Mail and sent via email at the end of each quarter. End of quarter reports will follow the schedule outlined in section 3.1.

3.4.4 Last Mile Failure Report

The Last Mile Failure Analysis report provides information on the frequency of Last Mile Failures by delivery type and the impact these pieces have on a Performance Clusters' score. The report provides Plant level detail for overnight, two day and three day service standards as well as performance by City Matrix groupings. . This rolling four week report will be sent via email bi-weekly on by 2:00pm ET on Thursdays. The Quarter to Date Year to Date reports will be sent via email on the same schedule as all other end of quarter reports. End of quarter reports will follow the schedule outlined in section 3.1.

3.5 Summary of Deliverables

Service performance reports must be received on at least 90% of pieces mailed each postal quarter. Achievement of this response rate is the responsibility of the supplier and must be maintained at the Performance Cluster level. Two copies of the hard-copy quarterly books, discussed in Section Three, 3.2 above, must be generated and given to the USPS COR ten days after the end of the postal quarter. All other reports, referenced above must be generated and distributed as instructed.

4 Oversight, Evaluation and Supplier Responsibility

4.1 Oversight

USPS personnel, including but not limited to, the Contracting Officer (CO), Program Manager, COR, USPS Inspection Service and Office of the Inspector General (OIG), must be allowed access to production and administration facilities. USPS must also have access to all data and files maintained by the supplier so that checks can be performed. The supplier must provide the necessary personnel clearances and space for verification activities by USPS personnel.

4.2 Evaluation

USPS will evaluate the supplier's work at least once a year. Evaluations will cover the scope of all operations conducted by the supplier for the EXFC service performance measurement study, including, but not limited to, verification of:

- entry of mail into the mail stream
- reporter information
- data processing for sample selection and report production

The USPS COR will discuss the outcome of the evaluation with the supplier to determine the appropriate remedies within the scope of the contract.

The supplier must develop an understanding of the use and purpose of EXFC. The supplier is required to maintain a responsive working relationship with the USPS COR.

4.3 Supplier Responsibility

The supplier must provide the services of professional statisticians (at least one senior statistician and one subordinate statistician) with in-depth knowledge of sampling techniques (includes design), estimation methods, and variance estimation methods.

The USPS Contracting Officer must be contacted in writing when there are any changes in key personnel associated with the project. (Reference Section H, Definition of Key Personnel, clause OB-165, of the solicitation)

The supplier must provide documentation of the work being done and briefing on the progress on activity to the USPS COR or designee(s), along with specifically described reports, on a monthly basis and as requested.

The COR or designee(s) must be kept fully informed during the execution of the research and development phase of this effort as well as during the implementation phase. The supplier shall consider the COR or designee(s) as the Customer Knowledge Management group liaison throughout the duration of this contract.

The supplier is required to have physical security at the supplier's computer site to ensure that documents, computers and equipment, related to this contract are protected.

The supplier is required to provide a written disaster recovery plan and documented system development life cycle for all computerized systems.

5 PRODUCT LINE SPECIFICATIONS: FIRST CLASS PRESORT AND STANDARD MAIL

5.1 Background

In response to the PAEA requirement to measure all market dominant products, the USPS is recommending that Facilities Appointment Scheduling Tracking (FAST), Intelligent Mail® barcode (IMb) technology and external reporting be combined to provide the most reliable end to end performance measurement results. FAST data will provide the start the clock data and IMb will allow the Postal Service to track mail as it flows through our mail processing equipment. IMb data does not capture receipt data, but an approximation of delivery. An initial study of this problem identified a methodology to utilize the current EXFC reporters to capture the delivery of the presort First Class Mail and Standard mail volume received at their household, business or Post Office box and report this information to the supplier using two different types of technology.

The reporters will report IMb information to the supplier through the use of either a flat bed scanner which sends the IMb information in an image format which can be translated into data by optical character recognition process or by using a handheld scanner connected to a computer which will decode the bar code and transmit the decoded information.

5.2. Reporter Panel

The supplier will leverage existing reporter panelist, maintaining the requirements outlined in section 2.2.4. providing they have the capability to report via the internet or fax depending on the reporting device. The supplier may recruit additional reporters to fulfill this requirement.

5.2.1 Reporter Distribution

Reporters must be distributed in many 5-digit ZIP Codes to assure widespread representation of all areas of mail delivery. To accomplish this representation, and determine the number of reporters required in each performance cluster, the supplier will use data from the Accuracy of Delivery Indicator (ADI) study on the number of actual mail pieces received per day by reporters in TTMS along with information from the USPS Household Diary Study, an estimate of the average mail volume by class. This information will be influenced by the IMb rate of adoption.

5.2.2 Recruitment The following items must be incorporated into the supplier's reporter recruitment process for all types of reporters:

- Reporters must be available to scan and report their mail each day, Monday through Saturday.
- Reporters must receive their mail at their street address or Post Office Box and not through a third party or mailroom.
- No members of a reporter's household may be employed by the USPS or similar carriers, i.e., Federal Express, Airborne, UPS and DHL.
- No members of a reporter's household may be employed by media organizations, i.e., radio stations, newspapers, and television stations.

The supplier must document process used to recruit reporters designated to report First Class Presort and Standard Mail.

Continued communication between the supplier and the reporters is required. Reporters must be polled at least once a year to verify their willingness to participate in this portion of the reporting. The supplier may combine the verification along with any other mailings to the reporter.

The supplier must replace unreliable reporters. If reporters are removed, the supplier must replace them to ensure adequate coverage.

5.2.3 Training

The supplier must create all training materials and train reporters to identify IMbs on individual mailpieces and how to use the reporting device they receive.

The USPS COR must be provided with a copy of all reporter instructions.

5.2.4 Responsibilities

Reporters are required to scan all of the mail they identify as containing IMbs on a daily basis. Reporters must use a specific website prepared to receive these scans. Reporters must notify the supplier if they are unable to receive mail for any reason. Such reasons may include vacation, illness and destruction of mailboxes.

5.2.5 Post Office Boxholder Reporters

Reporters may be Post Office boxholders. The supplier must ensure that there are Post Office Boxholder reporters in each Performance Cluster. The total percentage of PO Box holders in the panel will not exceed the national proportion of PO Box delivery points according to monthly delivery statistics data. Boxholder reporters must retrieve their mail from PO Boxes located at a United States Post Office. Boxholder reporters must know what time mail is available for pick-up and pick-up mail after that time six days (Monday through Saturday) a week. PO Box reporters will be surveyed each quarter to ensure compliance.

5.2.6 Reporter Data Accuracy

The supplier must validate the accuracy of reporter data. The supplier must produce a quarterly report summarizing the results. USPS may independently conduct test of reporter accuracy. To support any USPS test, the supplier must test two reporters per postal quarter in each of the Performance Clusters.

5.2.7 Reporter Address File

The supplier must document receipt of information concerning address changes of reporters and how these were handled for reporting purposes.

Reporters must be polled at least twice yearly to verify address accuracy. The supplier must use the NCOA to monitor reporter address changes.

6. SPECIAL AD-HOC REPORTS (DELIVERY ORDERS)

6.1 Background

Throughout the duration of this contract there will be specific requests for ad-hoc work. Due to the varied nature of the work, the supplier must perform the work as a combination of designated efforts and groups of efforts within a limited total commitment of time and costs to comply with USPS' objectives. Work on specific ad-hoc efforts or groups of efforts will be initiated by written authorization of the USPS Contracting Officer under a separate delivery order arrangement to this contract. The delivery order(s) will describe the purpose, type, extent and duration of the specific transit-time measurement requested.

6.2. Delivery Orders

It is anticipated that delivery order(s) will be issued concurrently with live implementation for Failed Mail Diagnostic Reports, Weekly City Matrix Report, PLANET Code Failed Mail Diagnostic Report and Root Cause Failure Analysis Report as described below.

6.2.1 Failed Mail Piece Diagnostic Report

This bi-weekly report shows all "failed mail piece" diagnostic information for failed mail pieces by a performance cluster. This information must include: mail piece description, induction date, receipt date, delivery days, zero bundle status, origin 3-digit ZIP Code, destination 3-digit ZIP Code, postmark date, postmark ZIP, ID tag information (Machine ID, ID tag site, Day of month, Time of day), Optical Character Reader (OCR) information (OCR spray date, time and ID), coding platform, damaged status and any additional comments, including transportation route comments. These reports may be modified as new diagnostic data becomes available. The report must be sent to the USPS via email twice a month, the reports will be sent mid-month and at the end of each month by 2:00pm ET.

6.2.2 Weekly City Matrix Report

This report will be customized for a city/performance cluster. The report will split the 3-digit EXFC ZIP codes into an origin/destination matrix of smaller components for these 3-digit ZIPs. This report will show service performance for these smaller components in the specified city/performance cluster areas. More detailed reports such as the Day of Induction and 2-day and 3 day reports are available to subscribers of this report. This weekly report will include quarterly and postal quarter-to-date summaries. The report must be sent to the USPS via email weekly on Tuesday by 2:00pm ET and one week after the end of each month by 2:00pm ET. End of quarter reports will follow the schedule outlined in section 3.1.

6.2.3 Failed Mailpieces PLANET Code Scans Report

The Failed Mailpieces PLANET Code Scans Report includes PLANET Code scan data for each EXFC PLANET Coded mailpiece that failed to be delivered on-time. This report includes; kit, induction/receipt dates, service standard, days to delivery, bundle number, zero bundle status, 5-digit origin/3-digit destination ZIPs, scan date, scan time and ZIP, and the operation number and description. This report will be updated weekly and will include quarter-to-date information. The report must be sent to the USPS via email weekly on Wednesday by 2:00pm ET and one week after the end of each month by 2:00pm ET. End of quarter reports will follow the schedule outlined in section 3.1.

6.2.4 Root Cause Failure Analysis Report

The Root Cause Failure Analysis Reports uses EXFC mail piece data to identify a single root cause for EXFC failures, predicated on evaluating deviations from expected processing. The Root Cause reporting augments existing diagnostic reporting. This bi-weekly report presents rolling eight week data that will identify the percentage of failed mail pieces by Root Cause at the National, Area, Performance Cluster, and Plant Level. The report will display results by kit type (letter or flat) and service standard segregated by originating mail pieces and destinating mail pieces. This report will be updated bi-weekly and sent via email on Thursdays at 2:00pm ET. End of quarter reports will follow the schedule outlined in section 3.1.

Section 7: US POSTAL SERVICE CONTACT

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Appendix I

Listed below are Performance Cluster names and three digit ZIP Codes that represent each Performance Cluster, grouped by Area. Estimates of service performance for First Class Mail® (EXFC) are required, for each of the Performance Clusters and Area defined below, which constitute the overnight, 2-day, and 3-5 day service standard areas.

Capital Metro	Baltimore	210,211,212,214,215,215,217,218,219
	Capital	200,206,207,208,209
	Greater South Carolina	290,291,292,293,294,295,296
	Greensboro	270,271,272,273,274,275,276,277,278,279,286
	Mid-Carolinas	280,281,282,283,284,285,287,288,289,297
	Northern Virginia	201,220,221,222,223,226,227
	Richmond	224,225,228,229,230,231,232,233,234,235,236,237,238,239,244
Eastern	Appalachian	240,241,242,243,245,246,247,248,249,250,251,252,253,254,255,256,257,258,259,261,262,263,264,265,266,267,268
	Central Pennsylvania	169,170,171,172,173,174,175,176,177,178,179,180,181,182,183,184,185,186,187,188,195,196
	Cincinnati	410,434,435,436,450,451,452,453,454,455,458,470
	Columbus	430,431,432,433,437,438,456,457
	Erie	155,157,158,159,160,161,162,163,164,165,166,167,168
	Kentuckiana	400,401,402,403,404,405,406,407,408,409,411,412,413,414,415,416,417,418,420,421,422,423,424,425,426,427,471,476,477
	Northern Ohio	439,440,441,442,443,444,445,446,447,448,449
	Philadelphia Metro	189,190,191,193,194
	Pittsburgh	150,151,152,153,154,156,260
	South Jersey	080,081,082,083,084,197,198,199
Great Lakes	Central Illinois	604,605,609,613,614,615,616,617,618,619,625,626,627
	Chicago	606,607,608
	Detroit	481,482,492
	Gateway	620,622,623,624,628,629,630,631,6
	Greater Indiana	460,461,462,463,464,465,466,467,468,469,472,473,474,475,478,479
	Greater Michigan	486,487,488,489,490,491,493,494,495,496,497
	Lakeland	498,499,530,531,532,534,535,537,538,539,541,542,543,544,545,549
	Northern Illinois	600,601,602,603,610,611
	Southeast Michigan	480,438,484,485
New York Metro	Caribbean	006,007,008,009
	Central New Jersey	077,085,086,087,088,089
	Long Island	115,117,118,119
	New York	100,101,102,104
	Northern New Jersey	070,071,072,073,074,075,076,078,079
	Triboro	103,110,111,112,113,114,116
	Westchester	105,106,107,108,109,124,125,126,127
Northeast	Albany	120,121,122,123,128,129,130,131,132,133,134,135,136,137,138,139

	Boston	021,022,024
	Connecticut	060,061,062,063,064,065,066,067,068,069
	Maine	039,040,041,042,043,044,045,046,047,048,049
	Massachusetts	010,011,012,013,014,015,016,017,018,019
	New Hampshire/Vermont	030,031,032,033,034,035,036,037,038,050,051,052,053,054,056,057,058
	Southeast New England	020,023,025,026,027,028,029
	Western New York	140,141,142,143,144,145,146,147,148,149
Pacific	Bay-Valley	939,945,946,947,948,950,951
	Honolulu	967,968,969
	Los Angeles	900,902,903,904
	Sacramento	936,937,952,953,956,957,958,959,960
	San Diego	919,920,921,922,923,924,925
	San Francisco	940,941,943,944,949,954,955
	Santa Ana	905,906,907,908,917,918,926,927,928
	Sierra Coastal	910,911,912,913,914,915,916,930,931,932,933,934,935
Southeast	Alabama	350,351,352,354,355,356,357,358,359,360,361,362,363,364,365,366,367,368
	Atlanta	300,301,302,303,305,306,311
	Central Florida	327,328,329,334,347,349
	Mississippi	369,386,387,388,389,390,391,392,393,394,395,396,397
	North Florida	320,321,322,323,324,325,326,344
	South Florida	330,331,332,333
	South Georgia	298,299,304,308,309,310,312,313,314,315,316,317,318,319,398
	Suncoast	335,336,337,338,339,341,342,346
	Tennessee	307,370,371,372,373,374,376,377,378,379,380,381,382,383,384,385
Southwest	Albuquerque	865,870,871,873,874,875,877,878,879,880,881,882,883,884
	Arkansas	716,717,718,719,720,721,722,723,724,725,726,727,728,729
	Dallas	750,751,752,753,754,755,756,757,758,759
	Fort Worth	739,760,761,762,763,764,768,769,790,791,792,793,794,795,796
	Houston	770,772,773,774,775,776,777,778
	Louisiana	700,701,703,704,705,706,707,708,710,711,712,713,714
	Oklahoma	730,731,734,735,736,737,738,740,741,743,744,745,746,747,748,749
	Rio Grande	765,766,767,779,780,781,782,783,784,785,786,787,788,789,797,798,799
Western	Alaska	995,996,997,998,999
	Arizona	850,852,853,855,856,857,859,860,863,864
	Big Sky	590,591,592,593,594,595,596,597,598,599
	Central Plains	515,516,664,665,666,668,669,670,671,672,673,674,675,676,677,678,679,680,681,683,684,685,686,687,688,689,690,691,692,
	Colorado/Wyoming	800,801,802,803,804,805,806,807,808,809,810,811,812,813,814,814,816,820,822,823,824,825,826,827,828,829,830,831
	Dakotas	565,567,570,571,573,573,574,575,576,577,580,581,582,583,584,585,586,587,588
	Hawkeye	500,501,502,503,504,505,506,507,508,510,511,512,513,514,520,521,522,523,524,525,526,527,528,612
	Mid-America	636,637,638,639,640,641,644,645,646,647,648,654,655,656,657,658,660,661,662,667
	Nevada-Sierra	890,891,893,894,895,897,898,961
	Northland	540,546,547,548,550,551,553,554,556,557,558,559,560,561,562,563,564,566
	Portland	970,971,972,973,974,975,976,977,978,979,986
	Salt Lake City	840,841,843,844,845,846,847
	Seattle	980,981,982,983,984,985,988,989
	Spokane	832,833,834,835,836,837,838,990,991,992,993,994

Appendix II

DESCRIPTION OF FIRST-CLASS MAIL® PIECE TYPES

MAIL TYPE*	INDICIA*	ENVELOPE TYPE*	PRINT TYPE	% OF TOTAL	LENGTH	ZIP CODE LENGTH	(oz) WEIGHT	COLOR
Letter	Stamp	Closed Face	Hand	4.1	Less than 7"	5	1	Rotate
Letter	Stamp	Closed Face	Hand	8.4	Greater than 9"	5	1	White
Letter	Stamp	Closed Face	Hand	7.1	Less than 7"	5	1	White
Letter	Stamp	Closed Face	Machine	6.2	Greater than 9"	5	1	White
Flat	Stamp	Closed Face	Hand	1.1	Greater than 9"	5	2	White
Post Card	Stamp	N/A	Hand	3.5	Less than 7"	5	1	White
Letter	Stamp	Poly Window	Machine	8.7	Greater than 9"	5	1	White
Letter	Stamp	Open Window	Machine	1.4	Greater than 9"	9	1	Gray
Letter	Stamp	Closed Face	Machine	5.9	Greater than 9"	5	1	Rotate
Letter	Stamp	Poly Window	Machine	5.9	Between 7" and 9"	5	1.5	White
Letter	Stamp	Closed Face	Machine w/barcode above	1.0	Between 7" and 9"	9**	1	White
Letter	Meter	Poly Window	Machine	4.3	Greater than 9"	9	1	White
Letter	Meter	Poly Window	Machine w/barcode above	6.2	Between 7" and 9"	9	1.5	White
Letter	Meter	Poly Window	Machine	3.8	Greater than 9"	9	1	White
Letter	Meter	Poly Window	Machine	4.2	Between 7" and 9"	9	1.5	White
Flat	Meter	Poly Window	Machine	2.9	Greater than 9"	5	2	Kraft
Post Card	Meter	N/A	Machine on Label	2.0	Less than 7"	5	1	White
Letter	Meter	Closed Face	Machine on Label	4.3	Between 7" and 9"	5	1	White
Flat	Meter	Closed Face	Machine	3.4	Greater than 9"	5	2	White
Letter	Meter	Closed Face	Machine w/barcode below	6.6	Greater than 9"	9	1	White

Letter	Meter	Poly Window	Machine w/barcode above	9.0	Between 7" and 9"	9	1	White
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* Planet codes will be applied to 75.8% of the test mailpieces.

** Pre-bar-coded: A Facing Identification Mark, (FIM) A, as outlined in DMM Section C.100.5.2a must be applied.

Appendix III

Daily File Layout:

Variable Description	Start	Length	Format	Comments
Mailpiece ID	1	8	Num	
Bundle Number	9	7	Char	
Kit Number	16	3	Char	
Service Standard	19	1	Char	1, 2, or 3
Actual Induction Date	20	8	Date	ccyymmdd
Drop Date	28	8	Date	ccyymmdd (Zero Bundles only)
Drop Time	36	4	Time	hh24mi (Zero Bundles only)
Origin 3-Digit ZIP Code	40	3	Char	
Collection Box ID	43	10	Char	
Receipt Date	53	8	Date	ccyymmdd
Delivery Days	61	2	Num	
Zero Bundle Indicator	63	1	Char	V=Verified P=Preliminary (Zero Bundles Only)
Destination 3-Digit ZIP Code	64	3	Char	
PO Box Indicator	67	1	Char	B=Boxholder N=Otherwise
Reporter Type	68	1	Char	B=Business H=Household
Weight (opc, dpc, svc)	69	10	Num	10.2 format
PLANET Code Indicator	79	1	Char	1=PLANET Code assigned 0=No PLANET Code assigned
Mail Type	80	1	Char	L=Letter F=Flat P=Postcard
Origin PC Code	81	3	Char	
Destination PC Code	84	3	Char	
Filler	87	14	Char	

Appendix III

Quarterly File Layout:

Variable Description	Start	Length	Format	Comments
Mailpiece ID	1	8	Num	
Bundle Number	9	7	Char	
Kit Number	16	3	Char	
Service Standard	19	1	Char	1, 2, or 3
Actual Induction Date	20	8	Date	ccyymmdd
Drop Date	28	8	Date	ccyymmdd (Zero Bundles only)
Drop Time	36	4	Time	hh24mi (Zero Bundles only)
Origin 3-Digit ZIP Code	40	3	Char	
Collection Box ID	43	10	Char	
Receipt Date	53	8	Date	ccyymmdd
Delivery Days	61	2	Num	
Zero Bundle Indicator	63	1	Char	V=Verified P=Preliminary (Zero Bundles Only)
Destination 3-Digit ZIP Code	64	3	Char	
PO Box Indicator	67	1	Char	B=Boxholder N=Otherwise
Reporter Type	68	1	Char	B=Business H=Household
Weight (opc, dpc, svc)	69	10	Num	10.2 format
PLANET Code Indicator	79	1	Char	1=PLANET Code assigned 0=No PLANET Code assigned
Mail Type	80	1	Char	L=Letter F=Flat P=Postcard
Origin PC Code	81	3	Char	
Destination PC Code	84	3	Char	
Filler	87	14	Char	

Appendix IV

LAYOUT FOR CORPORATE DATABASE

QUARTER III FISCAL YEAR 2008

FILENAMES: CZ_MAT.083

FILE LAYOUT FOR SERVICE STANDARD-TO-PC MATRIX DATA

<u>Item</u>	<u>Format</u>	<u>Length</u>	<u>Columns</u>
Service Standard Area	X(18)	18	1 - 18
Geographic Area	X(23)	23	20 - 42
Indicia (Total only)	X(7)	7	45 - 51
Destination Percent On Time (3 digits, decimal point, 2 digits)	X(6)	6	53 - 58
Destination +/- Range for Percent On Time (2 digits, decimal point, 2 digits)	X(5)	5	60 - 64
Destination Average Delivery Days (2 digits, decimal point, 2 digits)	X(5)	5	66 - 70
Destination +/- Range for Average Delivery Days (2 digits, decimal point, 2 digits)	X(5)	5	72 - 76
Origin Percent On Time (3 digits, decimal point, 2 digits)	X(6)	6	79 - 84
Origin +/- Range for Percent On Time (2 digits, decimal point, 2 digits)	X(5)	5	87 - 91
Origin Average Delivery Days (2 digits, decimal point, 2 digits)	X(5)	5	95 - 99
Origin +/- Range for Average Delivery Days (2 digits, decimal point, 2 digits)	X(5)	5	102 - 106
O/D Percent On Time (3 digits, decimal point, 2 digits)	X(6)	6	109 - 114
O/D +/- Range for Percent On Time (2 digits, decimal point, 2 digits)	X(5)	5	117 - 121

Appendix IV

LAYOUT FOR CORPORATE DATABASE

QUARTER III FISCAL YEAR 2008

FILENAMES: CZ_PROF.083

FILE LAYOUT FOR SERVICE STANDARD-TO-PC PROFILE DATA

<u>Item</u>	<u>Format</u>	<u>Length</u>	<u>Columns</u>
Geographic Area	X(23)	23	1 - 23
Service Standard Area	X(1)	1	25
Indicia(Total only)	X(7)	7	27 - 33
Percentage of Mail Delivered <u>To</u> the Geographical Area Within: (3 digits, decimal point, 2 digits)			
One Day	X(6)	6	35 - 40
Two Days	X(6)	6	42 - 47
Three Days	X(6)	6	49 - 54
Four Days	X(6)	6	56 - 61
Five Days	X(6)	6	63 - 68
Percentage of Mail Delivered <u>From</u> the Geographical Area Within: (3 digits, decimal point, 2 digits)			
One Day	X(6)	6	70 - 75
Two Days	X(6)	6	77 - 82
Three Days	X(6)	6	84 - 89
Four Days	X(6)	6	91 - 96
Five Days	X(6)	6	98 - 103

Appendix V

LAYOUT FOR CORPORATE DATABASE

QUARTER III FISCAL YEAR 2008

FILENAMES: CZMAT08.YT3

FILE LAYOUT FOR SERVICE STANDARD-TO-PC MATRIX DATA

<u>Item</u>	<u>Format</u>	<u>Length</u>	<u>Columns</u>
Service Standard Area	X(18)	18	1 - 18
Geographic Area	X(23)	23	20 - 42
Indicia (Total only)	X(7)	7	45 - 51
Destination Percent On Time (3 digits, decimal point, 2 digits)	X(6)	6	53 - 58
Destination +/- Range for Percent On Time (2 digits, decimal point, 2 digits)	X(5)	5	60 - 64
Destination Average Delivery Days (2 digits, decimal point, 2 digits)	X(5)	5	66 - 70
Destination +/- Range for Average Delivery Days (2 digits, decimal point, 2 digits)	X(5)	5	72 - 76
Origin Percent On Time (3 digits, decimal point, 2 digits)	X(6)	6	79 - 84
Origin +/- Range for Percent On Time (2 digits, decimal point, 2 digits)	X(5)	5	87 - 91
Origin Average Delivery Days (2 digits, decimal point, 2 digits)	X(5)	5	95 - 99
Origin +/- Range for Average Delivery Days (2 digits, decimal point, 2 digits)	X(5)	5	102 - 106
O/D Percent On Time (3 digits, decimal point, 2 digits)	X(6)	6	109 - 114
O/D +/- Range for Percent On Time (2 digits, decimal point, 2 digits)	X(5)	5	117 - 121

Appendix V

LAYOUT FOR CORPORATE DATABASE

QUARTER III FISCAL YEAR 2008

FILENAMES: CZPROF08.YT3

FILE LAYOUT FOR SERVICE STANDARD-TO-PC PROFILE DATA

<u>Item</u>	<u>Format</u>	<u>Length</u>	<u>Columns</u>
Geographic Area	X(23)	23	1 - 23
Service Standard Area	X(1)	1	25
Indicia(Total only)	X(7)	7	27 - 33
Percentage of Mail Delivered <u>To</u> the Geographical Area Within: (3 digits, decimal point, 2 digits)			
One Day	X(6)	6	35 - 40
Two Days	X(6)	6	42 - 47
Three Days	X(6)	6	49 - 54
Four Days	X(6)	6	56 - 61
Five Days	X(6)	6	63 - 68
Percentage of Mail Delivered <u>From</u> the Geographical Area Within: (3 digits, decimal point, 2 digits)			
One Day	X(6)	6	70 - 75
Two Days	X(6)	6	77 - 82
Three Days	X(6)	6	84 - 89
Four Days	X(6)	6	91 - 96
Five Days	X(6)	6	98 - 103

Note: The Percentage of Mail Delivered must be updated in FY2009 to reflect new modern service standards

QUARTERLY ESTIMATION FORMULAS

Methodology for Calculating Origin and Destination Performance Estimates

The methodology for calculating origin and destination performance requires the following building blocks:

\hat{p}_{ods} = performance estimate for mail originating from a single PC o , destinating to a single PC d with service commitment s

w_{ods} = ODIS estimated volume for mail originating from a single PC o , destinating to a single PC d with service commitment s

Destinating Performance

Assume a calculation for a destinating performance estimate for a group of destinating Performance Cluster and service commitment combinations (e.g. a destinating composite two and three day score for a Postal Area). This aggregate level score is represented by the set $\bullet DS$ of origin Performance Cluster, destination Performance Cluster and service commitment combinations. For this particular estimate, \bullet represents the set N of all possible origins o while D represents a subset of destination cities and S a subset of service commitments such that $d \in D, s \in S$. The aggregate performance estimate for DS and its estimated variance is formed as:

$$\hat{p}_{\bullet DS} = \frac{\sum_{o \in N} \sum_{d \in D, s \in S} w_{ods} \hat{p}_{ods}}{\sum_{o \in N} \sum_{d \in D, s \in S} w_{ods}}$$

$$Var(\hat{p}_{\bullet DS}) = \frac{\sum_{o \in N} \sum_{(d \in D, s \in S)_2} \sum_{(d \in D, s \in S)_1} w_{o(ds)_1} w_{o(ds)_2} Cov(\hat{p}_{o(ds)_1}, \hat{p}_{o(ds)_2})}{\left(\sum_{o \in N} \sum_{d \in D, s \in S} w_{ods} \right)^2}$$

Origin Performance

Assume a calculation for an originating performance estimate for some group of origin Performance Cluster and service commitment combinations (e.g. a score for overnight mail originating from a Postal Area). This aggregate level score is represented by the set $O \bullet S$ of origin Performance Cluster, destination Performance Cluster and service commitment combinations. For this particular estimate, \bullet represents the set N of all possible destinations d while O represents a subset of origin cities and S a subset of service commitments such that $o \in O, s \in S$. The aggregate performance estimate for OS and its estimated variance is formed as:

$$\hat{P}_{O \bullet S} = \frac{\sum_{o \in O} \sum_{d \in N, s \in S} w_{ods} \hat{P}_{ods}}{\sum_{o \in O} \sum_{d \in N, s \in S} w_{ods}}$$

$$\text{Var}(\hat{P}_{O \bullet S}) = \frac{\sum_{o \in O} \sum_{(d \in N, s \in S)_2} \sum_{(d \in N, s \in S)_1} w_{o(ds)_1} w_{o(ds)_2} \text{Cov}(\hat{P}_{o(ds)_1}, \hat{P}_{o(ds)_2})}{\left(\sum_{o \in O} \sum_{d \in N, s \in S} w_{ods} \right)^2}$$

Combined Origin-Destination Performance Estimates

In the calculation of combined Origin-Destination Performance Estimates, the methodology below must be used. This formula calculates overall performance values for the origin and destination separately and then employs appropriate weights to combine them.

$$\hat{P}'_{ODS} = \frac{\hat{P}_{O \cdot S} \sum_{o \in O} \sum_{d \in N, s \in S} w_{ods} + \hat{P}_{\cdot DS} \sum_{o \in N} \sum_{d \in D, s \in S} w_{ods}}{\sum_{o \in O} \sum_{d \in N, s \in S} w_{ods} + \sum_{o \in N} \sum_{d \in D, s \in S} w_{ods}}$$

Using the formulas on the previous page, this equation easily simplifies to:

$$\hat{P}'_{ODS} = \frac{\sum_{o \in O} \sum_{d \in N, s \in S} w_{ods} \hat{P}_{ods} + \sum_{o \in N} \sum_{d \in D, s \in S} w_{ods} \hat{P}_{ods}}{\sum_{o \in O} \sum_{d \in N, s \in S} w_{ods} + \sum_{o \in N} \sum_{d \in D, s \in S} w_{ods}}$$

To make the variance equation simpler to write, let

$$W = \frac{1}{\sum_{o \in O} \sum_{d \in N, s \in S} w_{ods} + \sum_{o \in N} \sum_{d \in D, s \in S} w_{ods}}$$

Now

$$\begin{aligned} Var(\hat{P}'_{ODS}) = W^2 & \left[Var(\hat{P}_{O \cdot S}) \left(\sum_{o \in O} \sum_{d \in N, s \in S} w_{ods} \right)^2 + Var(\hat{P}_{\cdot DS}) \left(\sum_{o \in N} \sum_{d \in D, s \in S} w_{ods} \right)^2 \right. \\ & \left. + 2 \sum_{o \in O} \sum_{(d \in N, s \in S)_2} \sum_{(d \in D, s \in S)_1} w_{o(ds)_1} w_{o(ds)_2} Cov(\hat{P}_{o(ds)_1}, \hat{P}_{o(ds)_2}) \right] \end{aligned}$$

This method has the disadvantage of some test mail pieces being counted twice in certain combined performance estimates. However, it does match the method used in the ODIS performance measurement system.

APPENDIX VII

The following reports will be submitted as indicated below.

Non-Quarterly FY2009 TTMS EXFC Reports

Study	Time Period	Day Delivered (for weekly reports only)	Time Required	Report/File Name
EXFC	Weekly, Monthly	Tuesday	2pm	Weekly City Matrix Reports for the Web
EXFC	Weekly, Monthly	Tuesday	2pm	Weekly City Matrix Reports by Day of Induction - for the Web
EXFC	Weekly, Monthly	Tuesday	2pm	Weekly City Matrix Reports 2/3 Day Destinating- for the Web
EXFC	Weekly	Wednesday	2pm	Failed Mailpiece PLANET Code Report
EXFC				CPMS
EXFC Diagnostics	Mid-month			Failed Mailpiece Diagnostic (Preliminary, mid-month)
EXFC Diagnostics	Month			Failed Mailpiece Diagnostic (End of month)
EXFC	Daily		7am	Daily EXFC flatfile of all mailpieces QTD
EXFC	Daily		11:30am	Daily Missed Induction Report
EXFC	Daily		11:30am	Daily Zero Bundle Report by Bundle
EXFC	Daily		11:30am	Daily Zero Bundle Report by Mailpiece
EXFC	Weekly	Tuesday	11:30am	National Weekly (EXFC) Report
EXFC	Bi-Weekly	Thursday	2pm	Rolling 4 week Last Mile Failure Analysis Report
EXFC	Bi-Weekly	Thursday	2pm	Bi-Weekly Root Cause Failure Analyses
EXFC	Weekly, Monthly	Wednesday	2pm	Single-Piece First Class Combined Report

APPENDIX VIII

The supplier will provide bound and unbound copies of the results book which will include the following reports:

Study	Report/File Name
EXFC/SPFCM	Overview
EXFC/SPFCM	Performance Matrix
EXFC/SPFCM	Mail Variance
EXFC/SPFCM	Rankings

The following reports will be submitted electronically at the end of each quarter:

Study	Report/File Name
EXFC	Quarterly Flatfile for EDW
EXFC	Excel Originating/Destinating Trend Graphs
EXFC	Overview
EXFC	Rankings (books)
EXFC	Rankings (in diskette)
EXFC	Mail Variance Report
EXFC	EXFC Mail Variance Report
EXFC	CBMS-LPU Distribution
EXFC	CBMS-Sat. LPUs
EXFC	MTAC Graphs/Scores
EXFC	MTAC Modified *
EXFC	Weekly QTD Spreadsheet for EOQ
EXFC	Delivery Modes
EXFC	EXFC Most Improved (SPLY) Report
EXFC	File Layouts
EXFC	Reporter/Dropper Turnover
EXFC	Rounded Scores
EXFC	Zero Bundle Report
EXFC	Executive Summary
EXFC	Planet Code Read Rate Flats report
EXFC	Planet Code Read Rate Letters report
EXFC	PMG 5 Qtr Summary
EXFC	PO Survey
EXFC	Single Piece First Class Combined Performance Report
EXFC	Single Piece First Class Combined Variance Report
EXFC	Cover Letters
EXFC	Appendix Slides
EXFC	Canceled Pieces/Bundles Report for EXFC
EXFC	Confidentiality Breach Report
EXFC	EXFC Historical Spreadsheet
EXFC	Last Mile Service Performance Loss *** (Rolling Quarter ,YTD)
EXFC	Legend (EXFC)
EXFC	Record Book
EXFC	YTD Performance Matrix (Q 2, 3, & 4)

