

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

ANNUAL COMPLIANCE REVIEW, 2014

Docket No. ACR2014

RESPONSES OF THE UNITED STATES POSTAL SERVICE TO  
QUESTIONS 1-8, 10-11, AND 14-15 OF  
CHAIRMAN'S INFORMATION REQUEST NO. 7

The United States Postal Service hereby provides its responses to the above-listed questions of Chairman's Information Request No. 7, issued on February 12, 2015. Each question is stated verbatim and followed by the response. The responses to Questions 9 and 12-13 are still being prepared.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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February 19, 2015

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1. Please provide a crosswalk of the FY 2014 IOCS finance numbers to the MODS finance numbers in an Excel file format such that the IOCS facilities' finance number can be directly linked to the MODS finance numbers.

**RESPONSE:**

The crosswalk is provided under seal in USPS-FY14-NP37.

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2. Please provide the most current MODS Handbook. If the MODS operation codes or operational definitions have changed since the last MODS Handbook was updated, please provide a current list of the MODS codes and operational definitions in addition to the MODS Handbook.

**RESPONSE:**

The most current MODS Handbook, the M-32 Manual, was provided to the Commission in USPS-FY10-44. An update to Appendix A, Operations Number Definitions, is provided as part of USPS-FY14-49.

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3. The FY 2014 IOCS data entry flow chart depicted in the 'IOCSDataEntryFlowchartFY14.xlsx' file in Library Reference USPS-FY14-37 appears to have omitted information related to question 'Q23J05-FSS Marking.' Please provide an updated IOCS flow chart incorporating the FSS Marking question on the 'Q23' worksheet as well as the 'Dependencies' and 'Validations' worksheets, where appropriate. Please highlight where worksheets were modified.

**RESPONSE:**

The updated flow chart requested is provided as part of USPS-FY14-49, with modifications highlighted.

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4. Are all ZIP codes in the IOCS data sets provided to the Commission masked? If so, please provide a crosswalk mapping all masked ZIP codes to their actual ZIP codes in an Excel file format. If not, please specify for each IOCS variable that contains ZIP code data, which contain masked ZIP codes, and which contain unmasked ZIP codes.

**RESPONSE:**

All ZIP Code fields are unmasked.

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5. Please confirm that IOCS variable 'F5' shown on page 1 of the 'IOCSDataDictionaryFY14.xlsx' file in Library Reference USPS-FY14-37 is based on the employee's roster designation in the Time and Attendance Collection System (TACS). If not, please specify how the sampled employee's roster designation is obtained and the difference between the 'PAYROLL DATA CENTER' (listed as the section header for the 'F5' IOCS variable) roster designation and the TACS roster designation.

**RESPONSE:**

Not confirmed. The variable F5 is based on the employee's roster designation from the 'PAYROLL DATA CENTER'. The TACS roster designation is not used.

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6. Please refer to Table 1 below. IOCS question 'Q14' contains the sampled employee craft code. IOCS variable 'F5' is the "PAYROLL DATA CENTER" roster designation and IOCS variable 'F257' is described as the "final" roster designation.<sup>1</sup>
- a. Please confirm that the IOCS data collector and final IOCS data processing corrects the roster designation recorded for IOCS variable 'F5' and that the corrected final roster designation is the output in IOCS variable 'F257.'
  - b. Please discuss the process and the reasons for why over \$477 million in the city carrier roster designations listed in the 'F5' variable gets changed to the 'Supervisor' roster designation shown in the 'F257' variable in the table below.

Table 1: IOCS Estimated Costs Moved from City Carrier to Supervisor Costs Based on IOCS Assigned Roster Designation

Q14-Craft Code	F257-Final Roster Designation	F5-Payroll Data Center Roster Designation	Corrected IOCS Estimated Costs \$
Supervisor/Acting Supervisor	09-Managers&Supervisors	13-City Delivery Carriers Full Time	410,872,500
	09-Managers&Supervisors	33-City Delivery Carriers Part Time	2,751,855
	09-Managers&Supervisors	43-City Delivery Carriers Part Time Flex	23,812,010
	09-Managers&Supervisors	84-City Delivery Carriers Assistants	35,049,620
	19-Managers&Supervisors – Full Time	13-City Delivery Carriers Full Time	4,645,954
	19-Managers&Supervisors – Full Time	43-City Delivery Carriers Part Time Flex	124,162
	19-Managers&Supervisors – Full Time	84-City Delivery Carriers Assistants	145,833
Total			477,401,934

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<sup>1</sup> These IOCS variables are shown in the 'Mainframe Layout' worksheet in the 'IOCSDataDictionaryFY14.xlsx' file provided in Library Reference USPS-FY14-37 ('Q14' is listed on page 2, 'F5' is listed on page 1, and 'F257' is listed on page 20).

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**RESPONSE:**

- a. Confirmed.
- b. The F5 variable represents the roster designation of the employee at the time the list of active employees was constructed, which is some weeks before the actual reading. The data collector records the roster designation of the employee at the time of the reading, reflecting either permanent or temporary re-assignment to a role of another craft. For example, carriers temporarily assigned to a supervisory role at the time of the IOCS reading are recorded with a supervisor roster designation. The revised roster designation eventually becomes the variable F257.



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7. In the Library Reference USPS-FY14-45 'USPS-FY14-45.Preface.Text.pdf' file, the Postal Service states: "Under IOCS data collection procedures, scans are not available for all tallies."<sup>2</sup>
- a. Please provide the IOCS data collection procedures related to scans.
  - b. Under what conditions are scans not available?
  - c. From the data files provided to the Commission, please specify how a tally with a scan can be identified.
  - d. Please provide any updates to the IOCS data users' manual.

**RESPONSE:**

- a. Data collectors performing on-site readings are to make their best effort to scan all barcodes on the pieces, wheeled and non-wheeled containers handled by the employee.
- b. Scans are not available for telephone readings, when a working scanner is not available, when the barcode cannot be read by the scanner, or when safety issues prevent the data collector from scanning.
- c. Tallies with scans cannot be identified in the data files provided to the Commission. Because some readings may have many barcode scans, it would be inefficient to store the scans within the current IOCS data structure.
- d. The Commission has the most recent version of the Handbook F-45: Data Collection User's Guide for In-Office Cost System. Changes in policy since then have been published in Statistical Programs Letters. All Statistical Programs

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<sup>2</sup> Supplemental Material Relating to IOCS Tally Analysis Provided in Response to Order No. 2313, February 3, 2015, at 2.

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Letters not yet transmitted to the Commission are provided as part of USPS-  
FY14-49.

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8. In the Library Reference USPS-FY14-37 'IOCSDataDictionaryFY14.xlsx' file, 'Mainframe Layout' worksheet, it lists the variable 'Q18G12-Retail Equipment Type' and the variable values are 'POS,' 'IRT,' 'Manual' and 'Other.'<sup>3</sup> Please explain the differences between the retail equipment types and in what types of Postal Facilities they are found.

**RESPONSE:**

POS terminals have color monitor screens, and use a touch-screen or DynaKey entry pad. IRT equipment used to use a monochrome (green) monitor screen and is enclosed in a black case. IRT equipment has been retired by the Postal Service, replaced by Postage Meters, and the IOCS data collection instrument has been changed in FY2015 to reflect that. Manual is for very small window units that have no equipment. Other is for situations where none of the above choices are appropriate. Question Q18G12 is asked when the employee is assigned to Window Service, so is generally at a customer service facility.

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<sup>3</sup> See page 20 in the referenced file's worksheet.

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10. Please refer to USPS-FY2014-33, Excel file "DeliveryPointsFY2014." Please provide a brief definition of "sidewalk delivery point."

**RESPONSE:**

"Sidewalk delivery" is a mode of city delivery in which the carrier delivers to mailboxes posted at the edge of the sidewalk near the residence. See Publication 32, Glossary of Postal Terms, p 205; available at: <http://about.usps.com/publications/pub32.pdf>. Such mailboxes constitute sidewalk delivery points.

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11. Please refer to Response to CHIR No. 1, question 21. Please provide the requested data separately for Level 2, Level 4, and Level 6 Remotely Managed Post Offices.

**RESPONSE:**

Due to a minor input error that has since been corrected, the Postal Service reported that 3,058 Remotely Managed Post Offices (RMPOs) had not been realigned as of October 1, 2014. The correct number of RMPOs that had yet to be realigned by October 1, 2014, is 3,057. Of those 3,057 RMPOs, 1,075 were Level 6 RMPOs, 1,526 were Level 4 RMPOs, and 456 were Level 2 RMPOs.

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14. Please refer to USPS-FY14-38, Excel file "CI Question Response Counts FY2014," tab "POS," Q4. How does the survey account for wait times greater than zero seconds, but less than one minute? Please discuss.

**RESPONSE:**

The existing POS Survey does not offer a selectable option for time periods less than one minute. For future surveys, the Postal Service is considering revisions that would address wait times greater than zero seconds but less than one minute.

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15. On February 6, 2015, in response to CHIR No. 4, question 2, the Postal Service provided an updated Bound Printed Matter Flats workshare table which added a dropship discount for Basic DFSS Flats. See Excel file "ChIR4.Q2.FY14 BPM Flats Discount Tables.xlsx," filed as part of USPS-FY14-46. The dropship discount for Basic DFSS Flats exceeds the avoided cost. For Basic DFSS Flats, please provide a justification for the passthrough above 100 percent.

**RESPONSE:**

Setting this passthrough at 101.7 percent is necessary because reducing the passthrough to under 100 percent would result in a further rate increase for mailers in non-FSS zones. 39 U.S.C. §3622(e)(3)(B). The discount level is also needed to induce mailers to enter Scheme containers of mail at the DFSS, which is of economic benefit to the Postal Service. See 39 U.S.C. §3622(e)(2)(A).