



HIGHLIGHTS

IMPACT ON:

Service Performance Measurement (SPM) data of commercial mail and the mailers who rely on this data.

WHY THE OIG DID THE AUDIT:

The Postal Accountability and Enhancement Act requires the Postal Service to measure service performance for market-dominant products and report the results to the Postal Regulatory Commission. Our objective was to determine whether the data used for SPM of commercial mail is reliable. In addition, we reviewed U.S. Postal Service actions to address the issues identified in our interim report to determine whether they were successful in increasing the effectiveness of the SPM process.

WHAT THE OIG FOUND:

We determined the data used for SPM of commercial mail is generally reliable. The Postal Service increased the volume of full-service Intelligent Mail[®] barcode mail, which resulted in a higher representation of commercial mail included in the measurement of service performance. However, coverage levels remain low for four of the 13 categories used to assess whether the data utilized is representative of the overall population of full-service commercial mail. In addition, the SPM system is complex and includes several duplicative internal and external calculation processes. Furthermore, the

Postal Service uses proxy data from the External First-Class Measurement System for the last-mile calculation across all mail classes which may distort actual results. We consider these issues to be minor as they relate to the overall reliability of SPM data.

WHAT THE OIG RECOMMENDED:

We recommended the Postal Service simplify the scoring process used for measuring service performance of commercial mail and use actual commercial mail data in the last-mile calculation.

WHAT MANAGEMENT SAID:

Management agreed with our findings and recommendations.

AUDITORS' COMMENTS:

We consider management's comments responsive.