



December 6, 2024

RECEIVED

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Mr. Ivan Butts
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Ivan:

As a matter of general interest, the Postal Service has created Statistical Programs (SP) Letter #2, Fiscal Year (FY) 2025.

The subject letter includes updates to the Computerized On-Side Data Entry System (CODES) software and the data collection policies and procedures for the following programs:

- In-Office Cost System (IOCS/IOCS-Cluster)
- Transportation Cost Systems (TRACS)
- Revenue, Volume and Performance Measurement Systems (ODIS-RPW)
- Outbound—International Origin-Destination Information System (SIRVO-IODIS)

Enclosed is a final draft copy of SP Letter #2, FY 2025.

Please contact Lindsey A. Butler at extension 7194 if you have questions concerning this matter.

Sincerely,

A handwritten signature in blue ink that reads "L. A. Nicholson".

for Bruce A. Nicholson
Director
Labor Relations Policies and Programs

Enclosure

FINANCE



December 3, 2024

SUPERVISOR, STATISTICAL PROGRAMS (SSP), (DISTRICT)
REGIONAL MANAGERS

SUBJECT: *Policy Memo*, Statistical Programs (SP) Letter #2, FY2025

This letter provides updates to policies and procedures for: In-Office Cost System (IOCS) and IOCS-Cluster; Transportation Cost Systems (TRACS); Revenue, Volume and Performance Measurement Systems (ODIS-RPW), and System for International Revenue and Volume, Outbound—International Origin-Destination Information System (SIRVO-IODIS).

IOCS/IOCS-Cluster

Segment 1 provides updates to IPP/Parcel Characteristics, PS Form 1532 and Form 3907, and to the interval between readings when too few city carriers are working in IOCS-Cluster on-site tests.

TRACS (Air and Surface)

Segment 2 provides updates to Nonmachinability Characteristics, Priority Mail Express, the CODES software DAL Question, and FedEx Day tests.

ODIS-RPW

Segment 3 provides updates to the January Price Change, Forever Stamp Recording, and Mail Shape.

SIRVO-IODIS

Segment 4 provides updates to the January Price Change.

A handwritten signature in black ink, appearing to read "Joseph G. Hurley". The signature is fluid and cursive.

Joseph G. Hurley
Sr. Director, Statistical Programs
Pricing and Costing

**IN-OFFICE COST SYSTEM
(IOCS and IOCS-Cluster)**

The following policy and procedure changes are effective January 19, 2025 (*changes highlighted in bold*).

IPP/Parcel Characteristics

To align with the latest shipping and commerce strategy, in the CODES IOCS/IOCS-Cluster software, question Q23A2, IPP/Parcel Characteristics, is updated to:

Q23A2 IPP/Parcel Characteristics

Does the IPP or Parcel have any of the following characteristics? (Choose the FIRST applicable option.)

- A - Length **equal to or greater than 30"**
- B - Large package (Length greater than 22")
- C - Roll/Tube/Can (Length less than or equal to 22")
- D - Non-Uniform Thickness (more than 1/4" variation except at the edges) and/or Non Rectangular Shape (does not have four square corners)
- E - Small Package (Length less than 6" OR Height less than 3" OR Thickness less than 1/4")
- F - Wooden or metal box
- G - Insecurely wrapped
- H - Label not fully on one side of package
- I - Greater than 2 cubic feet**
- J - None of the Above**

In the IOCS Reference Guide, Section 17-1 IPP/Parcel Characteristics is updated accordingly.

PS Form 1532 and Form 3907

In the CODES IOCS/IOCS-Cluster software, PS Form 1532 (Notice of Volume Count for Post Office Box) and Form 3907 (Mail Pickup Notice for Post Office Box) are removed from Q22A2b (USPS Forms).

**IN-OFFICE COST SYSTEM
(IOCS-Cluster)**

The following IOCS-Cluster policy and procedure changes are effective January 19, 2025 (*changes highlighted in **bold***).

Interval between readings when too few city carriers are working in IOCS-Cluster on-site tests

In IOCS-Cluster on-site tests, readings cannot be conducted on the same city carrier more frequently than every 20 minutes. When the number of subsampled city carriers is too low, the CODES IOCS-Cluster software is now updated to extend the interval between readings so that no employee will have a reading scheduled within 20 minutes, no matter how few city carriers are included. Continue to conduct readings at the CODES scheduled reading time.

The IOCS-Cluster Procedures document section "On-Site IOCS-Cluster Tests/During the Test", subsection b.2 (page 3) is updated.

If there are three or fewer sampled employees, **the CODES software will lengthen the interval between readings so that no employee will receive a reading within 20 minutes. For example, if the normal reading interval is 5 minutes but there are only 3 employees, the interval will be set to 7 minutes. Conduct the reading at the scheduled time indicated by the CODES software.**

The IOCS-Cluster Procedures document section "IOCS-Cluster Button Definitions/On-Site IOCS-Cluster Buttons", subsection 3 (page 5) is updated to remove the reference regarding a reading on an employee within 20 minutes.

Select the third button (Cannot conduct reading) if you cannot locate the city carrier within four minutes of the scheduled reading time, or **if you have already conducted a reading on the employee in the past 20 minutes. Also, use this button** when you are on break.

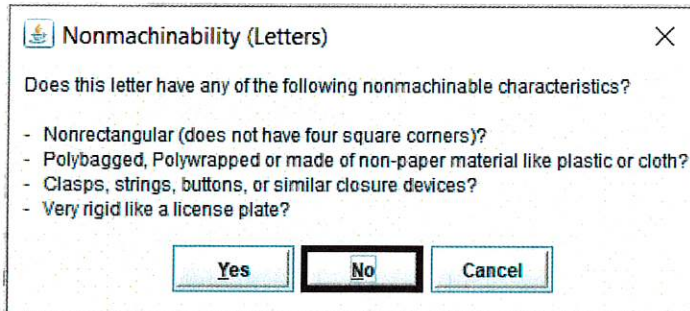
TRANSPORTATION COST SYSTEMS (TRACS)

The following policy and procedure changes are effective January 19, 2025 (*changes highlighted in bold*).

TRACS AIR and Surface

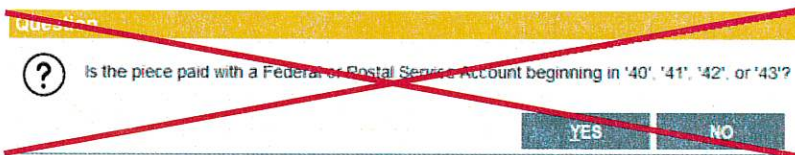
Nonmachinability Characteristics

The CODES software is updated to include the nonmachinability characteristics question pop-up window when selecting appropriate letter-shaped products.



Priority Mail Express

When selecting Priority Mail Express, the CODES software is updated to remove the question asking if the piece is paid with a Federal or Postal Service account beginning in '40', '41', '42', or '43'.



DAL Question

In the CODES software, the text of the DAL question pop-up window is updated to the correct dimensional requirements. The second paragraph of the DAL pop-up window now reads:

"A DAL is a card between **3-1/2** and 5 inches high and between 5 and 9 inches long, which may accompany saturation mailings. A DAL must accompany samples mailed at the Standard rate if the sample is non-uniform thickness, or more than 5 inches high or **1/4** inch thick."

FedEx Day Tests

Due to the conclusion of the FedEx Day contract, and removal of FedEx Dayturn sampling from TRACS Air, the following are changes to Handbook F-65 and the TRACS Air Reference Guide.

Handbook F-65

Section 3-1: Overview

This chapter sets forth policy and procedures for conducting TRACS Air tests. For instructions on data entry and related information, see Reference Guide — Transportation Cost Systems Air (RG-TRACS Air). The TRACS Air test provides the necessary information to estimate the percentage of pounds or cubic feet of volume for specific categories of mail transported by **FedEx and** UPS (i.e., Network Air Carriers), or commercial air carriers with passengers and freight. The Postal Service uses TRACS Air test data to distribute air transportation costs to different categories of mail, set prices, develop the costs of products and services, and provide operations information to management.

Section 3-3.1 Overview

A TRACS Air test is conducted on outgoing mail assigned to one of the following Air Modes: **FedEx Day**, UPS, and Commercial Air.

Section 3-3.3.4 Air Mode

The Air Mode identifies the type of air carrier. D&R tags identify Air Modes as follows:

- a. Commercial Air Carriers are identified by a two-character code, such as AA for American Airlines. The CODES software lists codes for the airlines to sample.
- b. UPS Air Carriers are identified on the D&R tag with the code:

Carrier Code


UPS 5X

FedEx—FX

~~c. Leave Time (LV) is a code displaying the dispatch close-out time for FedEx Day items. FedEx Day (FX1) leave time is between midnight and noon. Note: LV on a D&R tag is not used to determine the time segment for testing.~~

TRACS Air RG changes

Section 1 Criteria

Test Criteria	Description			
Air Mode	CODES Web Base Air Mode	CODES Laptop Air Mode	D&R Tag Airline Code Identifiers	D&R Tag LV (Leave) Time
Commercial Air	CAIR.	Commercial Air.	A1, AA, AS, B6, CO, DL, LA, NW, SY, TZ, UA, US, WN, or YX.	Any time.
UPS	UPS.	UPS.	5X.	Any time.
<p>Note: Surface (truck) contract and air carrier contract mail items may be tagged and staged in the same operation. When using these procedures, only sample mail items having D&R Tag airline code identifiers listed above.</p>				
Time Segment	<p>Actual time of day when the D&R Tag is being printed and applied to the mail item (e.g., sack, outside parcel, tray, etc.).</p> <ul style="list-style-type: none"> • Length – 2 hours. • Format – Listed in military hours (00–23) and regular minutes. <p>Example: 00:00 to 01:59 is midnight to 01:59 A.M. 12:00 to 13:59 is noon to 01:59 P.M.</p> <p>Do not include items with a D&R Tag applied outside of the test’s time segment.</p>			
Date	<p>The actual calendar date the D&R Tag is applied.</p> <p> Note: The test date does not necessarily match the flight date listed on the D&R Tag.</p> <p>Example: If a test is scheduled for June 10th, the items available for sampling are those items that have been processed and had their D&R Tags applied on June 10th. The flight date on the D&R Tag may be June 10th, 11th, or some other date.</p>			

ACT Tag Type	Based on the ACT Tag codes that are shown on the ACT Tag or D&R Tag attached to the mail items. The following table shows the ACT Tag type listed on the sample selection and the actual D&R Tag or ACT Tag codes that would be sampled.		
	Mail Class	If ACT Tag Type on sample is:	Then sample ACT Tag Code
	Express Mail	E	E, N, S
	First-Class Mail	F	F, D, K, M, T, X, Q
	Priority Mail	P	P, Y
	International	I	I
	Other	O	G, H, L, R
<p>Example: The test is for ACT Tag type "E" items, and the selected item is an ACT Tag type "P" item. Do not sample the "P" item.</p> <p>Note: ACT Tag type "O" is a placeholder that shows in the sample selection but represents a group of actual ACT Tag Codes. If you have an air test for ACT Tag type "O," then any D&R tagged items that contain ACT Tag codes "G" (Perishable), "H" (Hazardous), "L" (Lives), or "R" (Registered) are sampled. If an item's D&R Tag code does not match the ACT Tag type on the sample selection, then the item is not sampled.</p>			
<p>Note: Sample only the items that are D&R tagged at the selected test facility.</p>			

Section 22 Reschedule and Cancellation Decision Flowchart

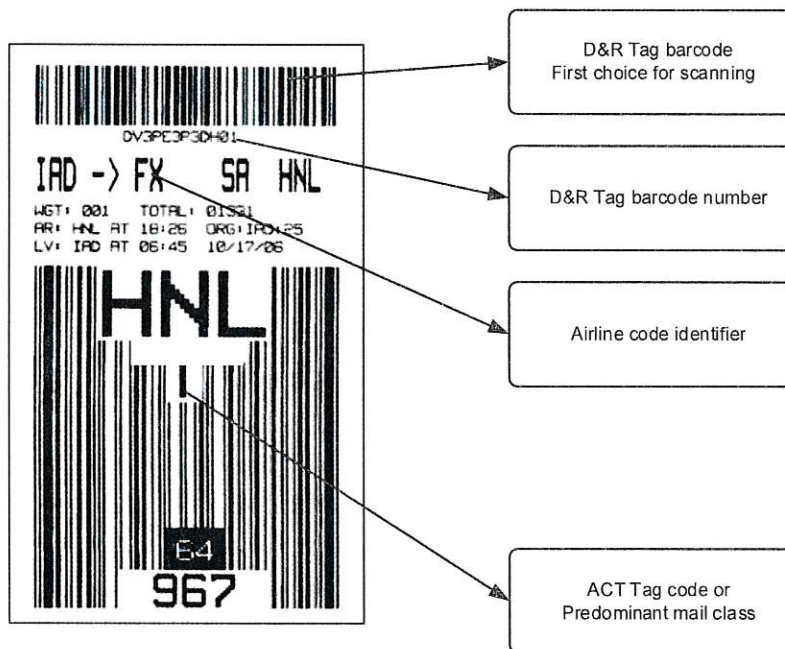
Note: There are no replacement tests. Do not replace a test for one air mode with a test from another mode. For example, do not replace a Commercial Air test with a **UPS** test.

Note: There are no zero-volume Air tests.

Note: TRACS Air tests must be scheduled to the same day of the week, except during the last week of the quarter.

Note: If there is a situation not answered by the above flowchart, contact the SPSC.

Section 23 Dispatch and Routing (D&R) Tag



**REVENUE, VOLUME AND PERFORMANCE MEASUREMENT SYSTEMS
(ODIS-RPW)**

The following policy and procedure changes are effective January 19, 2025 (*changes highlighted in bold*).

January Price Change

While stamp prices will remain unchanged, other new postage rates and fees are effective January 19, 2025.

Forever Stamp Recording

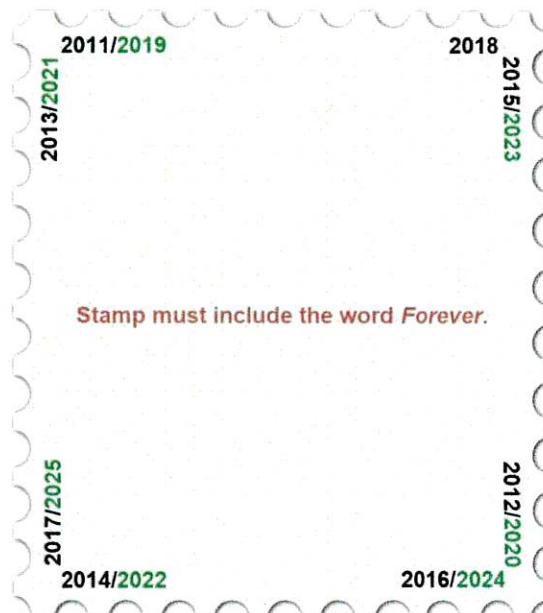
A new option for 2025 domestic Forever stamps is added in the *Domestic Forever Stamp Type* screen. The 2025 date is printed vertically in the bottom-left corner of each stamp. Note that the 2025 date is also located in the same spot as the 2017 date.

Continue to record each stamp on the *Number of Forever Stamps* and *Domestic Forever Stamp Type* screens. Remember that Forever postage is always equal to the current postage value, regardless of when it is purchased or used.

- Forever stamps and Forever embossed envelopes — \$0.73
- Postcard stamps and Forever embossed postcards— \$0.56
- International (Global) Forever stamps — \$1.65

Please refer to the Forever stamp job aid in the Help file any time you have a question about Forever stamp recording.

In the ODIS-RPW Reference Guide, update section 15, Forever Stamp Year Template, to include the updated graphic and replaces the existing template. 2025 is added to the words below the graphic.



Domestic Forever stamps are always valued at the current single-piece First-Class Mail 1-ounce letter rate, regardless of when they are purchased or used.

Record all 2007 – 2015 stamps as “2015 (and earlier)” domestic Forever stamps.

Record all 2016 – **2025 Forever stamps in their individual categories using the above template.**

Mail Shape -- Parcel Maximum Size

Maximum parcel dimensions are corrected for Ground Advantage Cubic parcels.

In the ODIS-RPW Reference Guide, update section 9-3 Shape, to reflect the correct maximum dimensions for Ground Advantage Cubic. Also update the Maximum Size note within the mail shape definition table.

Length + Girth (where girth = [2 x Width] + [2 x Height]) cannot exceed 108 inches.

USPS Ground Advantage (**excluding Cubic**) and Parcel Select cannot exceed 130 inches. A parcel also includes any mailpiece that has a width (thickness) of at least 1/4 inch and fails to meet the minimum length and height dimensions for a letter.

**SYSTEM FOR INTERNATIONAL REVENUE AND VOLUME,
OUTBOUND—INTERNATIONAL ORIGIN-DESTINATION INFORMATION SYSTEM
(SIRVO-IODIS)**

The following policy and procedure changes are effective January 19, 2025 (*changes highlighted in bold*).

January Price Change

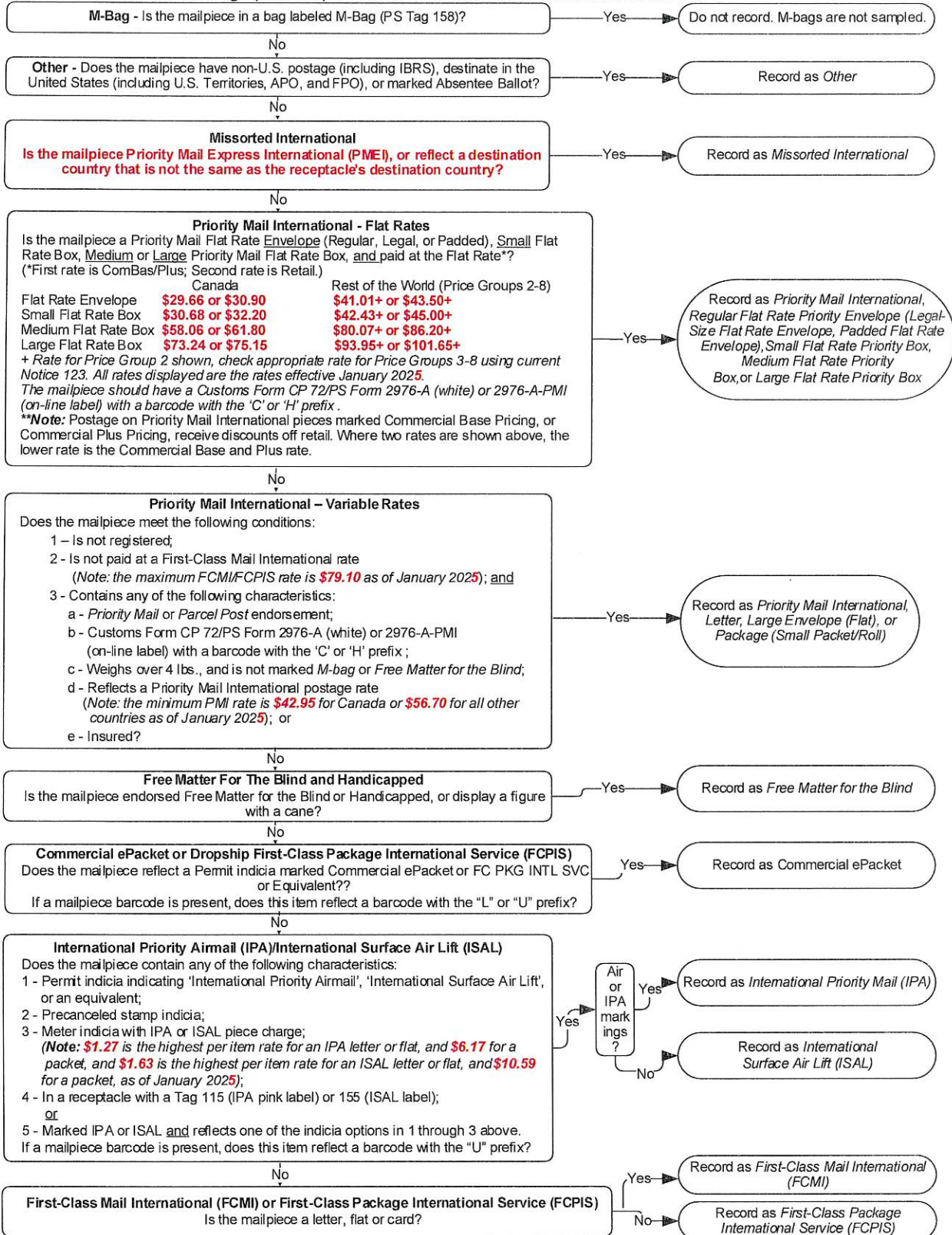
New postage rates and fees are effective January 19, 2025.

In the SIRVO-IODIS Reference Guide, update section RM-11, U.S. Origin (Outbound) International Mail Identification Flowchart for SIRVO-IODIS, to reflect the new postage rates.

RM-11 U.S. Origin (Outbound) International Mail Identification Flowchart for SIRVO-IODIS

There is a change to the flowchart removing Global Priority Express Guaranteed (GXG) and updating the Canada, Rest of the World ComBase, and Retail Flat Rate Prices.

U.S. Origin (Outbound) International Mail Identification Flowchart for SIRVO-IODIS



*Note: Postage on Priority Mail International pieces marked Commercial Base Pricing, or Commercial Plus Pricing receive discounts off retail. Where two rates are shown above, the lower rate is the Commercial Base and Plus rate.