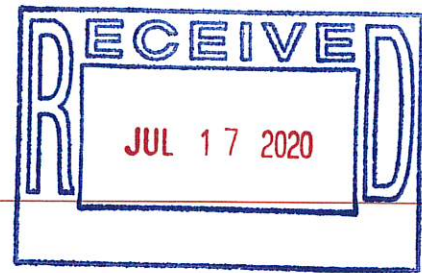


LABOR RELATIONS



July 15, 2020

Mr. Brian J. Wagner
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Brian:

As a matter of general interest, the Postal Service has updated provisions within Handbook F-45, *In-Office Cost System*.

The subject revisions incorporate language from Statistical Programs (SP) Letters #1, 2, and 4, Fiscal Year (FY) 2020, (copies of which was previously provided to your organization) into Handbook F-45, *In-Office Cost System*. Other minor, typographical edits are also included in the revisions.

We have enclosed two copies of the revised Handbook F-45, one with and one without changes identified.

Please contact Bruce Nicholson at 7773 if you have questions concerning this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "David E. Mills".

David E. Mills
Manager
Labor Relations Policies and Programs

Enclosures

Changes to Handbook F-45, In-Office Cost System August 2019 to July 2020.

TL — revise to read as follows

In-Office Cost System (IOCS)

Handbook F-45 July 2020

Updated through SP#4, FY2020 Transmittal Letter

A. Explanation. This handbook serves as both a training aid and reference guide for Postal Service employees at Headquarters and at area and districts offices, and for local Postal Service employees who conduct and support In-Office Cost System (IOCS) readings. The procedures within this handbook are part of the Postal Service's continuing effort to improve data quality and productivity through benchmarking and standardizing of best practices.

B. Availability. Copies are available for Postal Service employees on the Postal Service PolicyNet Web site at <http://blue.usps.gov> — in the left-hand column under "Essential Links," click on *PolicyNet*; then in the column on the right, click on *Handbooks*; and then scroll down and click on the link for this handbook.

C. Comments on Content. Address comments or questions regarding the content of this handbook to the following address:

MANAGER OF STATISTICAL PROGRAMS
UNITED STATES POSTAL SERVICE
475 L'ENFANT PLZ SW RM 4912
WASHINGTON DC 20260-4912

D. Comments on Format. Address comments or questions regarding the language or organization of this handbook to the following address:

BRAND AND POLICY
UNITED STATES POSTAL SERVICE
475 L'ENFANT PLZ SW, RM 4646
WASHINGTON DC 20260-4646

E. Effective Date. This handbook is effective July 2020.

Sharon D. Owens

Vice President, Pricing and Costing Finance

Revise to read as follows *section 3-6.4.6, Actual Finance Number:*

Record the finance number of the office where the employee is working at the time of the reading.

Exception:

If the employee is working at an office that does not share the same lead finance number or APO, record the Paid/Unpaid Status as Loaned To Others or Transferred, as applicable. There is no need to update the actual finance number.

Revise to read as follows, *both the text and the Note in Section 3-6.4.11.2, Clocked to Lunch:*

3-6.4.11.2 Clocked to Lunch: Choose this option if, at the time of the reading, the sample employee is clocked on a scheduled lunch break or is a nonexempt craft employee working while clocked out to lunch.

Note: Do not wait to take a reading after the employee has begun lunch, even though that would be within the 30-minute window. For example, if a reading is scheduled on an employee for 11:45 a.m. and the employee's scheduled lunch time begins at 12:00 noon, make every effort to locate the employee before 12:00 noon to start the reading.

As always, try to match the actual reading time with the scheduled reading time. In a reading near the employee's lunch time, start the reading before the lunch break but not after the employee has begun lunch (even if the actual starting time would be within the allowed 30-minute window). For example, if a reading is scheduled on an employee for 11:45 a.m. and the employee's scheduled lunch time begins at 12:00 noon, make every effort to locate the employee and conduct the reading before 12:00 noon.

Revise to read as follows item 11 in section 3-6.4.11, Paid/Unpaid Status:

11. *Other Paid Leave:* Choose this option only if the sample employee is receiving administrative leave, holiday leave, blood donor leave, relocation leave, act-of-God leave, wounded warrior leave, or any other paid leave that is not individually identified in the CODES software drop-down menu.

Revise to read as follows, *Exception 1 in Section 3-6.4.11.13, Transferred:*

Transferred: Choose this option if, on the reading day, the sample employee has a permanent assignment to another facility under another finance number.

Exception 1: If an employee's finance number does change but the employee is continuing to perform exactly the same job assignments as before, complete the reading as scheduled.

Revise to read as follows *section 6-3.3.2, On the Premises:*

Consider the sample employee as on the premises once you locate the employee anywhere in the facility or in the immediate area outside the facility, including the loading dock or the parking lot. If the sample employee is working at a detached mail unit (DMU), record the sample employee as on the premises.

Do not assume that an employee is not working on the premises simply because you cannot locate the employee. You must consult with a supervisor to help determine if the sample employee is working off the premises.

Revise to read as follows *section 6-3.3.3 Off the Premises:*

If the sample employee is on-duty and is working off the premises, record the sample employee as *not* working on the premises. If the sample employee is not on the premises, choose the option that best describes the type of work the sample employee is performing off the premises.

Example: You are attempting to locate a clerk for a scheduled reading, and the clerk's supervisor informs you that the clerk is out of the office on an Express Mail run — at the time of the reading, record the employee as working off the premises.

When the employee is receiving training at a facility other than the employee's normal work facility, record the employee as working off the premises.

Changes to Handbook F-45, In-Office Cost System August 2019 to July 2020.

TL — revise to read as follows

In-Office Cost System (IOCS)

Handbook F-45 ~~August 2019~~July 2020

Updated through SP#4, ~~FY2019~~FY2020 Transmittal Letter

A. Explanation. This handbook serves as both a training aid and reference guide for Postal Service employees at Headquarters and at area and districts offices, and for local Postal Service employees who conduct and support In-Office Cost System (IOCS) readings. The procedures within this handbook are part of the Postal Service's continuing effort to improve data quality and productivity through benchmarking and standardizing of best practices.

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UNITED STATES POSTAL SERVICE
475 L'ENFANT PLZ SW, RM 4646
WASHINGTON DC 20260-4646

E. Effective Date. This handbook is effective ~~August 2019~~July 2020.

~~Steven Phelps~~

~~(A) Sharon D. Owens~~

Vice President, Pricing and Costing

Finance

Revise to read as follows section 3-6.4.6, *Actual Finance Number*:

Record the finance number of the office where the employee is working at the time of the reading.

Exception:

If the employee is working at an office that does not share the same lead finance number or APO, record the Paid/Unpaid Status as Loaned To Others or Transferred, as applicable. There is no need to update the actual finance number.

~~Exception: If the employee is working at an office that does not share the same APO/lead finance number, record the Paid/Unpaid Status as Loaned To Others, but do not update the actual finance number.~~

Revise to read as follows, both the text and the Note in Section 3-6.4.11.2, *Clocked to Lunch*:

3-6.4.11.2 *Clocked to Lunch*: Choose this option if, at the time of the reading, the sample employee is clocked on a scheduled lunch break. ~~If, at the time of the reading, the employee or~~ is a nonexempt craft employee working while clocked out to lunch, ~~choose this option.~~

Note: Suppose you see in the timekeeping system (which as noted in 2-5c combines military time for the hours and decimal time for the minutes) Do not wait to take a reading after the employee has begun lunch, even though that would be within the 30-minute window. For example, if a reading is scheduled at 11.50 hours — by converting the military decimal time to standard time, you determine that on an employee for 11:45 a.m. and the employee's scheduled start time is 11:30 a.m. (11:30 hours). If the lunch periodtime begins at 12:00 hours (12:00 noon), make every effort to locate the employee before 12:00 hours (noon to start the reading).

As always, try to match the actual reading time with the scheduled reading time. In a reading near the employee's lunch time, start the reading before the lunch break but not after the employee has begun lunch (even if the actual starting time would be within the allowed 30-minute window). For example, if a reading is scheduled on an employee for 11:45 a.m. and the employee's scheduled lunch time begins at 12:00 noon, make every effort to locate the employee and conduct the reading before 12:00 noon).

Revise to read as follows item 11 in section 3-6.4.11, *Paid/Unpaid Status*:

11. Other Paid Leave: Choose this option only if the sample employee is receiving administrative leave, holiday leave, blood donor leave, relocation leave, act-of-God leave, wounded warrior leave, or any other paid leave that is not individually identified in the CODES software drop-down menu.

Revise to read as follows, *Exception 1* in Section 3-6.4.11.13, *Transferred*:

Transferred: Choose this option if, on the reading day, the sample employee has a permanent assignment to another facility under another finance number.

Exception 1: If an employee's finance number does change ~~andbut~~ the employee ~~continuesis~~ continuing to perform exactly the same job assignments as before, complete the reading as scheduled.

~~Exception 2: Do not choose this option for an employee who works among stations belonging to one parent Post Office (e.g., pool clerks or substitutes), even if the employee changes both facility and finance numbers.~~

Revise to read as follows section 6-3.3.2, *On the Premises*:

Consider the sample employee as on the premises once you locate the employee anywhere in the facility or in the immediate area outside the facility, including the loading dock or a parking lotthe parking lot. If the sample employee is working at a detached mail unit (DMU), record the sample employee as on the premises.

Do not assume that an employee is not working on the premises simply because you cannot locate the employee. You must consult with a supervisor to help determine if the sample employee is working off the premises.

Revise to read as follows *section 6-3.3.3 Off the Premises:*

If the sample employee is on-duty and is working off the premises, ~~including working at a detached mail unit (DMU),~~ record the sample employee is ~~not~~ working on the premises. If the sample employee is not on the premises, choose the option that best describes the type of work the sample employee is performing off the premises.

Example: You are attempting to locate a clerk for a scheduled reading, and the clerk's supervisor informs you that the clerk is out of the office on an Express Mail run — at the time of the reading, record the employee is working off the premises.

~~If~~ When the employee is receiving training at a facility other than the employee's normal work facility, ~~then~~ record the employee as working off the premises.