



April 10, 2014

The Honorable Heidi Heitkamp
United States Senate
Washington, DC 20510-3403

Dear Senator Heitkamp:

This responds to your March 7 letter regarding the U.S. Postal Service's operations in North Dakota.

I recognize the unique challenges our North Dakota customers and employees face on a daily basis, and assure you that our commitment to improve service and working conditions in the region is unwavering. As noted in your letter, we have made significant improvements in service, including the addition of more than 900 new deliveries to government and corporate housing in Western North Dakota. Additionally, we have made important progress in our efforts to alleviate the staffing challenges related to the hiring and retention of Rural Carriers in the area. We continue to work diligently to address the special challenges associated with the rapid and exponential growth in Western North Dakota and to provide excellent customer service throughout the nation.

Our responses to the specific issues noted in your letter are below.

Service Standards and Delivery Issues

Review of North Dakota Operations: Please be assured that postal operations in North Dakota, including mail processing, delivery, transportation, and staffing are receiving ongoing attention of our highest level postal officials including the Chief Operating Officer, the Area Vice President, and the Dakotas District Manager.

Additionally, the Postal Service employs several objective measures to monitor its service performance. Nationwide, postal managers review service performance reports on a daily basis to identify and address systemic problems. One such measure, External First-Class (EXFC) Mail, utilizes a third-party vendor to create and enter mail through publicly available access channels (such as collection boxes) and measures mail transit times compared to nationwide service standards. This data is subsequently aggregated based upon revenue, piece, and weight to determine service performance. For Presorted Commercial Mail, the Postal Service measures service performance through mailer information provided via Intelligent Mail Full Service, which captures data embedded in barcodes through scanning. Similar to EXFC, the Postal Service utilizes the same vendor to scan barcodes received by data reporters and aggregates the information to determine service performance. In North Dakota, the vendor utilizes 145 data

reporters located throughout the state to measure service performance. The Dakotas District service performance compares to or exceeds national performance.¹

Hiring and Staffing: District officials have implemented a strategy to recruit individuals for full-time career employment to satisfy the staffing needs in the region. These recruitment methods include advertising in radio and print mediums, conducting job fairs, and identifying current employees who possess a great wealth of operational knowledge as candidates for transfer opportunities. We are aggressively seeking candidates for our flexible employee workforce, and we have authorized the hiring of 61 career and 36 noncareer employees. We also have 52 employees (15 managers and 37 bargaining unit employees) from other offices assigned to work in those North Dakota offices where staffing shortages currently exist.

Scanning: Scanning performance is of great importance to the Postal Service, and the Dakotas District is consistently ranked as a top performer in scanning. In fact, recent North Dakota scanning performance was 96.48 percent for all products compared to 95.82 percent national performance. We continue to invest in technology to improve online tracking and increase product visibility. In fiscal year 2014, the Postal Service will be deploying new scanning units or Mobile Delivery Devices to support our real-time scanning needs. These scanners will allow us to capture scans at additional touch points throughout our processing network. Additionally, improved product visibility will permit customers to access the latest information related to the status of their shipments. We anticipate these new scanning units will be deployed to North Dakota in June.

Falsification of Information: Allegations of delaying mail or intentional manipulation of mail condition reports are taken very seriously. We are troubled by reports of this nature. The Postal Service Office of Inspector General (OIG) plays a key role in maintaining the integrity and accountability of America's Postal Service, its revenue and assets, and its employees through its audit and investigative work. Employees should report allegations of waste, fraud, abuse, or misconduct to the OIG 24-hour hotline (1-888-USPS-OIG or hotline@uspsoig.gov). Poster 204, *OIG Awareness Poster*, is displayed in highly visible locations in postal facilities. I would also note that Postal Inspectors maintain a presence in mail processing facilities in North Dakota and nationwide. Additionally, postal policies for mail condition reporting will be reinforced with appropriate employees.

Minot Processing and Distribution Center (P&DC): The Minot P&DC was part of our nationwide Phase 2 Area Mail Processing (AMP) Implementation Plan, the execution of which has been postponed until further notice. Prior to making a decision to move forward with any Phase 2 AMP consolidation, we will assess the operational conditions that exist at that time and provide a minimum of 90 days advance notice should we determine that implementation is operationally prudent.

Customer Service: The Postal Service provides several avenues for customers to report service-related concerns. Customers may file a complaint on our website at www.usps.com or by calling our Customer Care Center at 1-800-275-6777. In addition, each postal district employs a staff of Consumer and Industry Contact officials who research and resolve service-related issues.

Additionally, the Dakotas District has established a dedicated Customer Outreach Coordinator to work with customers who report service irregularities. District officials have participated in eight community town hall meetings in Dickinson, Tioga, Watford City and Williston. They have also established Consumer Advisory Councils (CAC) in Bismarck, Dickinson, Minot, Watford City, and Williston. The CACs provide a forum for residential and small business customers to express their concerns, share suggestions and to obtain contact information for their local postal representatives. To date, district officials have hosted 16 CAC meetings. Customers are notified in advance of CAC meetings via lobby signage, direct mailings, newspaper articles, and radio

¹ See Table 1 in the Appendix for FY14 Q2 performance data.

announcements. We are exploring options to raise awareness of CACs in North Dakota and to increase customer participation.

Regarding the concerns captured by your "Fix My Mail" initiative, it is not possible for us to conduct reviews or to investigate the concerns due to the absence of specific actionable information. Nevertheless, if your staff would like to provide more detailed information on the consumer complaints referenced in your letter, they are invited to contact Government Relations Representative Jeryl Weaver at 202-268-7505. Jeryl would be pleased to assist in further researching these issues.

Post Offices

Hours of Operation: The Postal Service is committed to expanding access to postal products and services to meet the changing needs of customers. A number of offices that were originally targeted for reduced hours (under the POSTPlan), did not have their hours decreased because of ongoing area growth.² Additionally, some offices, such as those in Williston and Watford City, have been authorized increased employee complements in order to support expanded delivery and back office operations. North Dakota also has 32 Contract Postal Units (CPUs), including a recently opened CPU in Watford City. The Dakotas District continues to actively monitor mail distribution times and customer wait times to determine additional requirements.

Additional steps that have been taken to expand retail services in North Dakota include:

- Williston – A lease was signed on March 21, 2014, for a 5,880 square-foot facility that will house the new Badlands Station. The facility will be located in the Badlands Town Center at 4315 9th Avenue West, Unit 411, and will open in late spring 2014. The facility will feature Post Office (P.O.) Boxes, full retail window service, a Self-Service Kiosk, and other services.
- Minot – Parcel lockers are being set up in facilities and stand-alone locations to eliminate the need for customers to wait in line to pick up packages.
- Watford City – A CPU was added at a local grocery store. A mobile unit was deployed to provide additional needed space, and the District is working with municipal officials on expansion possibilities. A Self-Service Kiosk is also slated for deployment this month.
- Ross – In October 2013 an expansion to include 250 additional P.O. Boxes was completed.
- Dickinson – There are plans to expand the location to include 760 P.O. Boxes and to install a Self-Service Kiosk. This is expected to be completed this month.

Addressing Issues: As you noted, there have been significant challenges regarding new addresses, address confusion, or the lack of proper addressing in the Bakken Oil Region. Correct address information is essential to provide accurate, timely, and efficient delivery of mail to intended recipients. Unfortunately, we continue to receive mail and packages sent to our North Dakota customers with merely a name and a cell phone number for the address. Nonetheless, our employees go to great lengths to attempt delivery of such items to customers on a regular basis. In an effort to reduce improperly addressed items and to proactively unite customers with mislabeled packages, the District is working with the local media and the newly formed CACs to ensure that the influx of people in the region is aware of the essential elements of a complete address. Local postal officials have displayed proper addressing element signage in postal lobbies and recently distributed a postcard describing elements of proper addressing. This

² See Table 2 in the appendix for details on weekday office hours for each of the North Dakota POSTPlan offices in the Bakken Oil Region.

Furthermore, during this past holiday season, local Post Offices took the extraordinary step of establishing package staging areas, including setting up staging areas at local hotels, and calling customers using the cell phone numbers appearing on their packages to advise them of receipt of such packages. Additionally, in an effort to proactively advise new residents of proper addressing requirements, through the CACs, the Dakotas District is communicating with other government agencies and developers to ensure they keep postal managers informed of new housing projects and addresses as they are established.

Staffing: As the nation's workforce continually evolves, recruitment and retention remain a primary concern for the Postal Service. Like many employers, the Postal Service is faced with unusual staffing challenges in certain parts of the country, including Western North Dakota. Dakotas District officials are working hard to satisfy the staffing needs of each Post Office. For instance, Watford City, along with some other local Post Offices, is now open during the lunch hour to meet customer needs.

Postal Employees and Management

Employee Communication: Dakotas District employees have many opportunities to provide feedback. One opportunity for expressing thoughts and opinions is the quarterly Voice of the Employee (VOE) survey. Completion of the VOE survey is voluntary and responses are confidential. Employees are permitted 15 minutes on-the-clock to complete the survey; however, employees can choose to complete the survey on their own time.

Another opportunity to provide feedback is through employee town hall meetings. Dakotas District Managers, Western Area Vice President Drew Aliperto, and the Postmaster General Patrick R. Donahoe have participated in numerous town hall meetings to inspire employee engagement.

Managers and supervisors in the field regularly deliver employee stand-up talks, during which they discuss pertinent postal issues. Employee feedback is received periodically. The Postal Service also communicates with employees about business conditions, decisions, and changes through a daily newsletter, special announcements, and video presentations.

Additionally, weekly Labor and Management meetings held in the Fargo Post Office provide a forum for local union leaders to raise and discuss labor-related issues and concerns. In fact, I understand that local union leadership recently suggested reducing the frequency of these meetings since employee issues have decreased significantly.

Employee Training: Employee training is vitally important to our organization. Therefore, Dakotas District management provides essential training to new employees to ensure that they are knowledgeable in the performance of their assigned duties. The following illustrates some examples of training provided to our employees:

- City and Rural Carriers participate in three days of academy training to include driving; and City Carriers also receive three additional days of on-the-job-training (OJT) by a carrier.
- Management observes/walks with City Carriers for two days.
- Rural Carriers receive three days of OJT training for each route they will deliver.
- Clerks receive specialized training for both retail and mail acceptance, including 40 hours of classroom instruction and 40 hours OJT.
- New Postmasters and Postmaster Reliefs receive 24 hours each of classroom and OJT, and are assigned a mentor to assist them early in their career.
- Mailhandler Associates and non-retail Clerks mainly receive OJT training to match their work function.
- All new employees receive two days of Postal Service orientation.

I recognize that the issues you raise are very important to you and your constituency, and I thank you for bringing these matters to my attention. Please be assured that the Postal Service will continue to monitor all aspects of service performance in North Dakota. Chief Operating Officer and Executive Vice President Megan Brennan and Western Area Vice President Drew Aliperto plan to visit the area during the week of April 28, and welcome meeting you if your schedule affords the opportunity. As we work through this process, we will keep your office informed of our actions. Also, please know that Postmaster General Donahoe and I appreciate your work on the Senate Homeland Security and Governmental Affairs Committee, and your support of comprehensive postal reform legislative designed to help the Postal Service become financially stable.

If I can be of assistance with other postal matters, please let me know.

Sincerely,

A handwritten signature in blue ink that reads "Ronald A. Stroman". The signature is fluid and cursive, with a large loop at the end.

Ronald A. Stroman

Enclosures

APPENDIX

Table 1: FY14 Q2 Performance to Date – Combined Composite Scores Including Last Mile

	North Dakota	Nation
First-Class Mail Overnight	96.90 %	95.42 %
First-Class Mail 2-Day	96.14 %	94.03 %
First-Class Mail 3/5-Day	84.34 %	86.91 %
Standard Mail	82.60 %	83.20 %
Periodicals	71.20 %	77.80 %

Source: U.S. Postal Service Data

APPENDIX

Table 2: Office Hours for North Dakota POSTPlan Offices in the Bakken Oil Region

	Post Office	Office Hours
1	Golden Valley ND 58541	8
2	Selfridge ND 58568	8
3	Stanton ND 58571	8
4	Sterling ND 58572	8
5	Strasburg ND 58573	8
6	Zeeland ND 58581	8
7	Drake ND 58736	8
8	Newburg ND 58762	8
9	Voltaire ND 58792	8
10	Burlington ND 58722	8
11	Elgin ND 58533	8
12	Hazelton ND 58544	8
13	Turtle Lake ND 58575	8
14	Underwood ND 58576	8
15	Halliday ND 58636	8
16	Rhame ND 58651	8
17	South Heart ND 58655	8
18	Lignite ND 58752	8
19	Makoti ND 58756	8
20	Westhope ND 58793	8
21	Alexander ND 58831	8
22	Ray ND 58849	8
23	Ross ND 58776	8
24	Parshall ND 58770	8
25	Berthold ND 58718	8
26	Hague ND 58542	6
27	Fortuna ND 58844	6
28	McGregor ND 58755	4
29	Maxbass ND 58760	4
30	Tolley ND 58787	4

Source: U.S. Postal Service Data