

APPENDIX W — Glossary¹

Air Contract Data Collection System (ACDCS) – A network of equipment at airport mail facilities that collects information on weight, destination, and routing of air shipments.

Air Contract Transportation Tag (ACT) – A printed barcoded tag that bears barcoded information for routing mail containers to be transported by contracted air carriers.

Board of Governors (BOG) – The group that directs the exercise of the powers of the Postal Service. Nine Governors are appointed by the President of the United States, with the advice and consent of the Senate. The remaining members are the postmaster general (appointed by the Governors) and the deputy postmaster general (appointed by the Governors and the postmaster general). The Board directs and controls the expenditures and reviews the practices and policies of the Postal Service.

Bound Printed Matter (BPM) – A subclass of Package Services that consists of permanently bound sheets of which at least 90 percent are printed with advertising, promotional, directory, or editorial matter (or a combination of such matter).

Breakthrough Productivity Initiative (BPI) – The Breakthrough Productivity Initiative, implemented in 2000, is a comprehensive and integrated method for achieving productivity improvement by identifying causes for poor productivity, and providing diagnostic and corrective tools to support areas for improvement.

Bulk Mail Center (BMC) – A highly mechanized mail processing plant that distributes Standard Mail in piece and bulk form.

Carrier Sequence Bar Code Sorter (CSBCS) – An automated machine that sorts an individual carrier's mail, allowing the mail to go directly from the automation equipment in delivery sequence to the carrier for delivery to postal customers. The CSBCS is a smaller BCS designed for delivery units with 10 or more routes.

Chief Executive Officer/Postmaster General – The official position title created during the 1991 postal reorganization that designates the highest ranking officer in the United States Postal Service.

CIOSS – Technology that links PARS mail with the appropriate forwarding order.

Collect on Delivery (C.O.D.) – A service for mailers who need to mail an article for which they have not received payment. The amount due the sender is collected from the addressee, and the Postal Service returns the amount due to the sender.

Commercial Receiving Agency (CMRA) – A private business that acts as the mail receiving agent for specific clients.

¹This glossary provides a selected list of terms found in the *Transformation Plan*. A more extensive list of postal terms can be found at www.usps.com/cpim/ftp/pubs/32html/.

Contract Postal Unit (CPU) – A postal unit that is a subordinate unit within the service area of a main post office, e.g., stations, branches, and Community Post Offices (CPOs). A CPU is usually located in a store or place of business and is operated by a contractor who accepts mail from the public, sells postage and supplies, and provides selected special services (for example, postal money order or registered mail).

Delivery Sequenced Mail – Mail that is arranged by a mailer in delivery order for a particular carrier route. This mail requires no primary or secondary distribution.

Delivery Unit – A post office, post office station, or post office branch that has mail delivery functions.

Destination Delivery Unit (DDU) rate – A rate available for Periodicals, Standard Mail, Parcel Post, and Bound Printed Matter that is properly prepared and entered by the mailer at the delivery unit that serves the delivery address on the mail.

Deutsche Post (DPWN) – Deutsche Post World Net is one of the largest logistics companies in the world. Deutsche Post World Net holds the majority stake in DHL International, the pioneer and market leader in the global express industry. DPWN offers worldwide mail, parcel, express, logistics services, eBusiness solutions and a broad range of financial services solutions for domestic and international customers.

DHL – DHL Worldwide Express is the world's largest international air express network with service to more than 675,000 destinations in the world. On a yearly basis, DHL sends more than 140 million shipments to destinations throughout the world. DHL serves virtually every city in 228 countries around the world.

Domestic Mail Classification Schedule (DMCS) – The basic framework for classifying domestic mail categories (mail classes) and postal services and for setting postal rates and fees. It represents the recommendations of the Postal Rate Commission as adopted by the Postal Service Board of Governors, under the classification and rate-setting mechanism prescribed by the Postal Reorganization Act (39 U.S.C.).

Domestic Mail Manual (DMM) – The Postal Service manual that contains the basic standards governing domestic mail services; descriptions of the mail classes and services and conditions governing their uses; and standards for rate eligibility and mail preparation. Domestic mail is classified by size, weight, content, service, and other factors.

European Union (EU) – The European Union is a union of fifteen independent states, founded on November 1, 1993, based on the European Communities and founded to enhance political, economic and social co-operation. It was formerly known as European Community (EC) or European Economic Community (EEC).

Executive and Administrative Schedule (EAS) – A salary structure that applies to most managerial and administrative Postal Service employees.

Express Mail® – A mail class that provides expedited delivery service for mailable matter subject to certain standards. It is available in five basic domestic service offerings (Custom Designed Service, Next Day Service, Second Day Service, and Military Service). Express Mail International Service is available between the United States and most foreign countries.

Firm Holdouts – Distribution process strategy to isolate firms receiving large volumes of mail.

Flat – The general term for flat-size mail, so called because the large mail is sorted without bending it so that the mail remains flat.

Fraud Complaint System (FCS) – An automated system comprised of complaints received by the Postal Inspection Service alleging mail fraud.

Global Priority Mail® (GPM) – An expedited international service for the shipment of documents, correspondence, and merchandise, featuring a 4-business-day delivery standard to selected countries in Europe, the Pacific Rim, and Canada.

House Resolution (H.R.) 22 – The Postal Modernization Act of 1999 originally introduced on June 25, 1996. The legislation, sponsored by Congressman John M. McHugh, R-NY, was designed to modernize and reform the nation's postal laws for the first time since 1970. The bill was not reported from Committee in 2001, and a new version is expected to be introduced in 2002.

Initial Public Offering (IPO) – The first stock sold by a company in going public. IPOs are a standard feature of runaway bull markets, since there is proven demand for stock and it makes sense to sell shares when they are likely to bring the highest prices.

Labor Distribution Code (LDC) – A two-digit code designating personnel costs for specific activities at all postal organizations and installations.

Letter – According to the Private Express Statutes, a message directed to a specific person or an address and recorded in or on a tangible object.

Letter-Size Mail – A mail processing category of mail pieces, including cards, that do not exceed any of the dimensions for letter-size mail (that is, 11-1/2 inches long, 6-1/8 inches high, 1/4-inch thick).

Library Mail – A subclass of Package Services for items sent to or from or exchanged between academic institutions, public libraries, museums, and other authorized organizations. Books, sound recordings, academic theses, and certain other items may be mailed at the Library Mail rate if properly marked.

Local Management Improvement Initiatives (LMI) – A budgeting plan, developed at the local level, to align planned cost reductions with the operating plan to ensure breakthrough productivities are attained.

Mail Transport Equipment (MTE) – Containers used for mail processing or transportation within or between facilities by the Postal Service, its customers, or contractors. These include general purpose mail containers, tray carts, bulk mail center containers, platform trucks/trailers, hampers, special purpose containers, in-plant and surface trays, pallets, sacks, and pouches.

Mail Transport Equipment Service Center (MTEC) – A field installation designated to receive, store, ship, examine, sort, pack, and condemn mailbags. It also issues, stores, and ships locks for mailbag equipment.

National Labor Relations Board (NLRB) – The National Labor Relations Board is an independent federal agency created by Congress in 1935 to administer the National Labor Relations Act, the primary law governing relations between unions and employers in the private sector. The statute guarantees the right of employees to organize and to bargain collectively with their employers or to refrain from all such activity. Generally applying to all employers involved in interstate commerce—other than airlines, railroads, agriculture, and government—the Act implements the national labor policy of assuring free choice and encouraging collective bargaining as a means of maintaining industrial peace. Through the years, Congress has amended the Act and the Board and courts have developed a body of law drawn from the statute.

Network Integration and Alignment (NIA) model – The output of the Network Integration and Alignment process will produce a set of network optimization and simulation models that will enable the Postal Service to analyze a variety of network alternatives that address the complexities and uncertainties of the operating environment. These models will also determine which facilities remain viable and necessary within a future infrastructure and what distribution and transportation roles may be performed by those facilities that remain as parts of an optimal, fully integrated network.

Optical Character Reader (OCR) – An automated mail sorting machine that interprets the address information on a letter-size mail piece and sprays the corresponding ZIP Code information onto the piece as a barcode. The OCR consists of a mail feed unit, transport unit, stackers modules, computer with a control system, video monitor, and printer.

Parcel Post® – A subclass of Package Services with rates based generally on weight and zone.

Parcel Sorting Machine (PSM) – A large machine with an input station controlled by a computer that sorts and discharges parcels from transport trays to primary and secondary positions.

Postal Career Executive Service (PCES) – A staffing category that develops and maintains a group of employees for key management positions. There are two levels in PCES: Level I includes district, area, and Headquarters executives, and Level II consists of Postal Service officers, including vice presidents.

Postal Inspection Service – The federal law enforcement agency of the Postal Service that investigates criminal acts against the mails and misuse of the postal system; protects mail, postal funds, and postal property.

Postal Rate Commission (PRC) – An independent federal agency that makes recommendations on Postal Service requests for changes in postal rates and classifications. The five commissioners are nominated by the President and approved by the U.S. Senate.

Postal Reorganization Act (PRA) – Title 39 of the United States Code, which created the United States Postal Service on August 12, 1970 from the Post Office Department, moving postal operations from a cabinet-level agency to a self-sustaining, independent establishment of the federal government.

Priority Mail® – First-Class Mail that weighs more than 13 ounces and, at the mailer’s option, any other mail matter weighing 13 ounces or less. Priority Mail provides expedited delivery. Any mailable matter may be sent as Priority Mail.

Processing and Distribution Center/Facility (P&DC/F) – A central mail facility that processes and dispatches part or all of both incoming mail and outgoing mail for a designated service area. It also provides instructions on the preparation of collection mail, dispatch schedules, and sorting plan requirements to mailers. The facility is usually a sectional center facility or a general mail facility, but it can also be a dedicated mail processing facility without a station or branch.

Remote Encoding Center (REC) – A Postal Service unit that uses advanced technology to assign barcodes to hand-addressed mailpieces physically located at a general mail facility. After the mailpiece image is displayed on a computer terminal, an operator, who is at the center, keys in the ZIP Code and the street address in order to match this information with that in a database. This allows for the imprinting of the barcode and automated mail processing at the general mail facility.

Retail Facility – A postal unit (a post office and its subordinate units as well as military post offices) that sells postage stamps and provides other postal retail services to customers. The subordinate units are within the service area of a main post office and include post office stations, post office branches, contract postal units, and nonpersonnel units.

Single-Piece Rate – A postage rate available for individual pieces of Express Mail, First-Class Mail, Priority Mail, and Packaged Services. It is not available for Periodicals except under the rate category of basic. This type of rate contrasts with rates available for bulk mail and presorted mail.

Small Parcel Bundle Sorter (SPBS) – A modular machine that sorts small parcels and packages or bundles of letters and flats to 100 specific bins for either delivery or processing.

Standard Mail – A class of mail consisting of mailable matter that is not required to be mailed as First-Class Mail or is not mailed as Periodicals.

Station & Branches – Multiple retail and or delivery units within a post office.

Total Factor Productivity (TFP) – Total Factor Productivity is a measure of efficiency. It is calculated at the national level only. The Postal Service uses Total Factor Productivity (TFP) internally to measure the changes in the relationship between outputs and the inputs expended in producing those outputs. The Postal Service’s main outputs are mail volumes and servicing an expanding delivery network. TFP weights different types of mail volumes to account for variations in workload content due to factors such as size (e.g., letter vs. parcel), weight, preparation (e.g., prebarcoding and presorting), and mode of transportation (e.g., air vs. highway). Inputs include all labor, capital and materials inputs, such as mechanized and automated equipment, facilities, transportation, and other nonpersonnel costs. By tracking outputs and resource usage, TFP provides a measure by which current performance can be compared to prior periods.

Tray – A container used to transport multiple pieces of mail.

Undeliverable As Addressed (UAA) – Mail that the Postal Service cannot deliver as addressed and must forward to the addressee, return to the sender, or send to a mail recovery center.

United Parcel Service (UPS) – United Parcel Service (UPS), headquartered in Atlanta, Georgia, is the world's number one package delivery company and the third largest private company in the United States.

Universal Postal Union (UPU) – An international postal organization that is a specialized agency of the United Nations. Its 189 member countries form a single postal territory for the reciprocal exchange of letter-post items. Its Convention establishes the common rules applicable to the international postal service and the provisions governing letter-post services.

Universal Service Obligation (USO) – Postal policy set forth in Title 39, Section 101 of the Postal Reorganization Act of 1970 that the United States Postal Service shall have as its basic function the obligation to provide postal services to bind the nation together through personal, educational, literary, and business correspondence of the people. It shall provide prompt, reliable, and efficient services to all patrons in all areas and shall render postal services to all communities. The costs of establishing and maintaining the Postal Service shall not be apportioned to impair the overall value of such service to the people.

Voice of the Employee (VOE) – An assessment of Postal Service employee issues that will strengthen the company, shape the business future, and improve employees' roles in its success.

Video Coding System (VCS)– An image of an individual mailpiece is captured for coding when software cannot decipher the proper sort.

ZIP (Zone Improvement Plan) Code – Established in 1963, the system of 5-digit codes that identifies the individual post office or metropolitan area delivery station associated with an address. The first three digits identify the delivery area of a sectional center facility or a major-city post office serving the delivery address area. The next two (the fourth and fifth) digits identify the delivery area of an associate post office, post office branch, or post office station. All post offices are assigned at least one unique 5-digit code. ZIP + 4 is an enhanced code consisting of the 5-digit ZIP Code and four additional digits that identify a specific range of delivery addresses.

Acronyms

Below is a list of some of the acronyms in this *Transformation Plan*.

Advanced Leadership Program – (ALP)	Highway Contract Support System – (HCSS)
Area Mail Processing – (AMP)	Jobs Information Monitoring System – (JIMS)
Automated Flat Sorting Machine – (AFSM 100)	Leaderships Excellence At the Desktop – (LEAD)
Automated Package Processing Systems – (APPS)	Low Cost Tray Sorter – (LCTS)
Automated Postal Center – (APC)	Managed Service Points – (MSP)
Automated Postal Printers – (APP)	Management Intern – (MI)
Automatic Tray Handling System – (ATHS)	Mobile Data Collection Device – (MDCD)
Barcode Reader – (BCR)	National Air & Surface System – (NASS)
Business Management Guide – (BMG)	Negotiated Service Agreements – (NSA)
Collection Box Units – (CBU)	Neighborhood Delivery Collection Box Unit – (NDCBU)
Complement Accounting System – (CAS)	Office of Consumer Advocate – (OCA)
Complement Information System – (COINS)	Parcel Sorting Machine – (PSM)
Complement Planning, Tracking and Management – (CPTM)	Pieces Per Hour – (PPH)
Computerized Forwarding System (CFS)	Point of Service – (POS)
Crisis Management Team – (CMT)	Point of Service One – (POS1)
Customer Satisfaction Measurement – (CSM)	Postal Automated Redirection System – (PARS)
Delivery Barcode Sorters – (DBCS)	Postal Fiscal Year – (PFY)
Delivery Office Information System – (DOIS)	Prequalified Wholesaler Program – (PWP)
Delivery Performance Achievement and Recognition System – (DPARS)	Priority End-to-End – (PETE)
Delivery Point Package – (DPP)	Prior Year Losses – (PYL)
Delivery Point Sequence – (DPS)	Product Tracking System – (PTS)
Destination Bulk Mail Center – (DBMC)	Professional Specialist Intern – (PSI)
Destination Delivery Unit – (DDU)	Remote Bar Code Sorting – (RBCS)
Distribution and Routing – (D&R)	Remote Encoding Centers – (REC)
Electronic Data Exchange – (EDI)	Request for Proposal – (RFP)
Employee Assistance Program – (EAP)	Same Period Last Year – (SPLY)
Employee Stock Ownership Plan – (ESOP)	Segmented Inventory Accountability – (SIA)
Equal Employment Opportunity – (EEO)	Segway Human Transporter – (Segway HT)
Executive Administrative Schedule – (EAS)	Semi-Automatic Tray Take-Away Mechanism – (SATTAM)
Federal Employees' Compensation Act – (FECA)	Singulate, Scan, Induction Unit – (SSIU)
Flats Remote Encoding System – (FRES)	Surface Air Management System – (SAMS)
Flat Sorting Machine – (FSM)	Surface Air Support System – (SASS)
Freedom of Information Act – (FOIA)	Threat Assessment Teams – (TAT)
Function 1 Plant Performance Achievement System – (F1PAS)	Transportation Contract Support System – (TCSS)
Global Express Guaranteed™ – (GXG)	Transportation Optimization Planning and Scheduling – (TOPS)
Global Express Mail™ – (GEM)	Tray Management Systems – (TMS)
Global Marketing Solutions – (GMS)	Universal Tray System – (UTS)
Government Fiscal Year – (GFY)	Web Executive Information System – (WEBEIS)
Hazardous Materials Program – (HAZMAT)	

