

EXHIBIT 5



Leaked USPS PowerPoint indicates PMG DeJoy focus on getting operating costs under control

Alliance Report

July 14, 2020



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Alliance Supports Emphasis on Efficiency while Attaining Service

We have long expressed our concerns with lack of cost control and declining productivity at USPS, in filings at the PRC, Alliance Reports, and elsewhere. Recently, we received the following email from a postal employee who was reacting to one of our articles. We are leaving out her or his name to protect him or her from any repercussions.

I've been a City Letter Carrier for 28 years. In a recent article, you mentioned how labor costs are up, while hours were down. I might have a partial explanation. I was asked the other day if I could help a CCA who was unfamiliar with a route. He would have gone into about 20 minutes of double time if I didn't help. USPS frowns upon double time. My salary is about twice his. I would have had to find the person, sort and organize the mail, go to the part of the route to be delivered, deliver it, and drive back to the office. It would have taken me about an hour to do this. So, instead of paying that CCA about 20 minutes of double time, (about the same as my base

salary), I would have been paid an hour of overtime. My supervisor understood this also, but shook his head and said, the priority is cutting double time, not costs.

We're pretty sure that this is but one example of many ways in which USPS hurts itself with irrational, wasteful practices at the front lines. Yet, in recent years, USPS management seems to have put cost control on the back burner as it has sought financial assistance from Congress and the PRC.

Postmaster General Louis DeJoy has kept a low profile with customers and the media in his first month on the job. Reportedly, he is working hard to scope out the organization and develop his priorities. An aggressive focus on cost reduction may have leaked out in the form of an obscure PowerPoint presentation from within USPS operations in Ohio.

Alliance supports efficiency and service together

If it is true, the Alliance wholeheartedly supports an emphasis on cost control and efficiency while attaining service standards. We do not believe the brief mention of leaving mail behind reflects a directive from PMG DeJoy. As a seasoned business leader, he knows that to succeed, a service provider must deliver both service and efficiency simultaneously.

The many acronyms aside, these slides represent major changes in how the USPS operates. And many will say that service will go into the tank as a result. A firmly-held element of USPS culture is that you either emphasize budget or service, but you never succeed at both. Everyone in the private sector knows, however, that you really have to be both efficient and provide or exceed the level of service your customers expect in order to survive.

The Postal Service has not confirmed or denied that these slides accurately portray national policy. USPS spokesperson Dave Partenheimer provided [EcommerceBytes](#) with the following statement on Monday:

"The Postal Service is developing a business plan to ensure that we will be financially stable and able to continue to provide reliable, affordable, safe and secure delivery of mail, packages and other communications to all Americans as a vital part of the nation's critical

infrastructure. While the overall plan is not yet finalized, it will certainly include new and creative ways for us to fulfill our mission, and we will focus immediately on efficiency and items that we can control, including adherence to the effective operating plans that we have developed."

POT = penalty overtime

CSDRS = customer service delivery reporting system

SDO = scheduled day off

DUO = delivery unit optimization

DUT = delivery up time

DM = district manager

AVP = area vice president

204 = temporary supervisor on loan from the craft

OIC = officer in charge

EAS = executive and administrative schedule



PMGs expectations and plan

The new PMG is looking at COST. Making the USPS financially solvent which we are not at this time. Here are some of HIS expectations and they will be implemented in short order:

- *POT will be eliminated. This is not cost effective and it will be taken away.
- *Overtime will be eliminated. Again we are paying too much in OT and it is not cost effective and will soon taken off the table. More to come on this.
- *The USPS will no longer use excessive cost to get the basic job done. If the plants run late they will keep the mail for the next day. If you get mail late and your carriers are gone and you cannot get the mail out without OT it will remain for the next day. It must be reported in CSDRS



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*SDO usage will be decreased dramatically. The POOMs and only the POOMs can authorize SDO. Any PM from this point on that uses and SDO on their own will have to answer for it. There is NO SDO USAGE WITHOUT THE POOMS APPROVAL.....PERIOD. If you are one of the many leaders that assist me and feel I will not mind, you are wrong. 100% follow up will taken for using and SDO without permission from me.

*If we cannot deliver all the mail due to call offs or shortage of people and you have no other help, the mail will not go out and you will have to report this in CSDRS.



continued

***All routes will have no more than 4 park points. We will be moving towards that this summer. Park points are abused, not cost effective and taken advantage of.**

*** DUOs are on the table again.**

***All routes will not start before their DUT. So if you are getting the DUT up late because of the work staff, you will change the start times. The plants are not to send mail late. If the plants are not on time they will hold the mail for the next day. DUTs must be met or you will move your carriers to the DUT. This means we may have carriers starting as late as 0900 in some cases but will not start them any later.**



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***The PMG stated some of the most influential people in the USPS are the DMs, AVPs and Corporate support. These are the people he will be looking at first for savings.**

***Level 18 offices that have a customer service window open more than 8 hours you will close for lunch to meet the 8 hour time. Once we get thru the 18s they will be looking at 20s and possibly some 21 offices for the same process. You all have the information so be timely on the submission on the signage and times you are proposing to close.**



continued

All detail, 204, OIC other non approved details will be discontinued. This is all of them. We have people in sales, call centers and so on, they will all be terminated and you will work your form 50 job. We will be filling all EAS vacancies so if you have a vacant job it needs posted and awarded. If you have a job being taken by someone on detail they will be coming back. ALL DETAILS will be terminated.



Closing out.

These are some of the first wave of changes that will be coming to the USPS this year. Many of the changes are good and should have been done years ago. We all need to embrace these changes to keep the USPS in service. The PMG said this:

We all must have a different mindset to keep the USPS alive.

He did not say to keep it going with some savings, these changes need to be done to keep the USPS alive. If you think we are beyond untouchable I will remind you of US Steel. In 1975 they were the largest company in the world. They are gone. GM has closed many plant including 2 in Ohio, Packard Electric...gone. Many if not all of these due to those companies not wanting to change and be profitable. You all must be apart of this. Things will change and we need stop thinking like we did decades ago.

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Mandatory Stand-Up Talk: All Employees July 10, 2020

Pivoting For Our Future

- The Postal Service has a long history of service to the nation, and we take pride in our ability to deliver mail and packages efficiently, timely, and safely.
- Right now, we are at a critical juncture in our organization and must make immediate, lasting, and impactful changes in our operations and in our culture.
- This operational pivot is long overdue and today, we are talking about the first step in a journey we must take together, for the health and stability of the Postal Service.
- Every single employee will receive this information, no matter what job they perform, so remember that YOU are an integral part of the success we will have – again, by working together.
- The initial step in our pivot is targeted on transportation and the soaring costs we incur, due to late trips and extra trips, which costs the organization somewhere around \$200 million in added expenses.
- The shifts are simple, but they will be challenging, as we seek to change our culture and move away from past practices previously used.
- Specific examples of transportation changes being implemented immediately (today):
 - ✓ All operations must meet our 24-hour clock commitment
 - ✓ All trips will depart on time (Network, Plant and Delivery); late trips are no longer authorized or accepted
 - ✓ Extra trips are no longer authorized or accepted
 - ✓ There must be proper annotation in the scanner, if a Contractor Failure occurs
 - ✓ All PVS/HCR drivers must be notified that trips depart on time.
 - ✓ Function 4 must start on time and end on time and we must make scheduled DUT
 - ✓ Carriers must begin on time, leave for the street on time, and return on time
 - ✓ Carriers must make the final dispatch of value; no additional transportation will be authorized to dispatch mail to the Plant after the intended dispatch
 - ✓ The right mail must go on the right truck – every time
 - ✓ ALL EMPLOYEES have an essential role with trips departing on time.

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