

Management Instruction

Highway Contract Route Exceptional Service Performance Payment Reconciliation


Background

This Management Instruction (MI) contains information for Postal Service™ officials directly involved in the reconciliation of payment to highway contract route (HCR) suppliers involving exceptional service performance as documented on the following forms:

- a. PS Form 5466, *Late Slip*: This form applies to claims presented for payment due to detained HCRs trips. Late Slip claims normally result when an origin facility delays an HCR trip past its scheduled departure time. When the Postal Service causes a delay, the origin facility must issue a PS Form 5466 to the HCR driver. To receive compensation for delays caused by the Postal Service, the HCR supplier is required to submit an HCR supplier claim form that summarizes the time and amount of delay claimed — the supplier must submit this claim form to the USPS administrative official (AO) responsible for the supplier’s route. The HCR supplier creates claim forms monthly, completing one claim form per route and submitting the form with Copy 1 (driver’s copy) of PS Form 5466. An image of PS Form 5466 is available on the Postal Service Web site at <http://blue.usps.gov/formmgmt/forms/ps5466.pdf>.
- b. PS Form 5397, *Contract Route Extra Trip Authorization*: This form applies to claims presented for payment due to extra service, detours, and diversions. The AO processes each PS Form 5397 for payment upon completion of the exceptional service performed. An image of PS Form 5397 is available on the Postal Service Web site at <http://blue.usps.gov/formmgmt/forms/ps5397.pdf>.
- c. PS Form 5399, *Contract Route Performance Record*: This form (commonly called the “Time Sheet” or “Trip Sheet”) applies to claims presented for payment to irregularities affecting pay. The Postal Services uses PS Form 5399 to record time spent on the job. An image of PS Form 5399 is available on the Postal Service Web site at <http://blue.usps.gov/formmgmt/forms/ps5399.pdf>.

Before submitting the request for approval, the AO must conduct a review of each claim and perform a reconciliation of each late, extra, detoured, or diverted trip against Postal Service transportation records.

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Before submitting the request for payment, the default approver must review and determine the final approval of each exceptional service payment.

Scope

This MI, in conjunction with the applicable sections in Handbook PO-501, *Highway Contract Route Administration*, constitutes the official procedures for reconciliation and payment of PS Forms 5466, 5397, and 5399, when Postal Service personnel complete the electronic PS Form 5429, *Certification of Exceptional Contract Service Performed*, in the Service Change Request (SCR) application. The SCR application is an automated tool for submitting and managing requests to add, modify, or delete service on HCRs managed by the Transportation Contract Support System (TCSS). The electronic PS Form 5429 is a component in the SCR system, and Postal Service personnel refer to it as “e5429.”

Responsibilities

Headquarters

Surface Transportation Category Management Center (STCMC) and Surface Transportation Operations establish policy for HCR contract administration and transportation operations.

Area Network Operations

Area Network Operations is responsible for ensuring that transportation schedules meet the needs of mail processing facilities. Area Network Operations offices coordinate with Transportation Category Management team offices and the local transportation manager to ensure that plants receive current transportation schedules that meet mail processing operations service needs.

Administrative Officials

The manager of the Transportation Contract Management Team (TCMT) designates the plant transportation manager as the AO to administer HCR contracts, including preparing and submitting performance and payment documentation. The AO must ensure that the supplier complies with the operational requirements of the HCR contract. The AO also communicates with the facility manager about transportation route dispatch and arrival schedules, and the utilization of each trip. The AO ensures that the network specialist has correctly entered the transportation information, including from PS Forms 5466, 5397, and 5399, into the Surface Visibility/SVWeb database daily at <https://svweb.usps.gov/sv-web/login>. The AO acts as the liaison between plant management, the area office, and the TCMT manager to ensure that transportation is effective and that both the Postal Service and the HCR supplier meet the planned operation of HCR routes.

The AO is responsible for receiving each supplier’s claims for payment as documented on PS Forms 5466, 5397, and 5399, for reconciling such claims, and for entering appropriate payment information on the

hardcopy PS Form 5429 into the electronic Service Change Request (eSCR) application at <https://scr.usps.gov/scr/jsp/co/StartSession.jsp> for the total time delayed and/or extra mileage/services. The reconciliation process to determine the total time for certification is explained in the section “Enter Information From PS Form 5429 Into eSCR.”

Accounting Service Center

The Postal Service Accounting Service Center (ASC) in St. Louis, Missouri, is *no longer responsible* for processing PS Forms 5429 and for effecting payment to the supplier, so do not send PS Forms 5429 to the ASC for processing. (The Postal Service is in the process of revising PS Form 5429, and the revised instructions will incorporate the instructions in this MI.) The ASC performs compliance checks by sampling and reviewing PS Forms 5429 and supporting documentation for errors and communicating the findings.

Procedures

Issue PS Form 5466

Dock clerks, technicians, expeditors, and other appropriate personnel are responsible for issuing PS Form 5466 when the Postal Service, due to circumstances it causes, delays an HCR driver beyond the scheduled departure time. If the USPS facility is a Surface Visibility (SV) site, the appropriate employee issues PS Form 5466 by using the hand-held scanning device and the portable printer. At non-SV sites, the appropriate employee uses the hardcopy version of PS Form 5466, which is issued in booklets and is available from the Materials Distribution Center (MDC) in Topeka, Kansas.

HCR trips require scheduled dispatching and arrival to meet processing requirements. There is no “grace period” for holding a trip beyond its scheduled leave time.

If the HCR dispatch is late due to a failure caused by the HCR supplier, document the irregularity by issuing PS Form 5500, *Contract Irregularity Report*. Do not issue PS Form 5466 for HCR supplier failures.

The AO must review late trip frequency and cost, investigate root causes of late trips, and take measures to prevent further delays and to ensure that transportation schedules run on time.

When the Postal Service issues a PS Form 5466, the HCR supplier is responsible for submitting — within 90 days of the form’s issuance — an HCR supplier claim form that summarizes the time and amount of the claim. The supplier consolidates the PS Forms 5466 for each route and lists them on a supplier claim form, such as the one shown in Attachment A in this MI. The supplier summarizes the total delay time claim in minutes and must ensure that the supporting data is accurate and complete. The supplier submits PS Form 5466 and the completed claim form to the AO of that route.

See Attachment B for a sample letter that an AO can use to remind an HCR supplier to submit delay claims within 90 days of the date of issuance of a PS Form 5466.

Issue PS Form 5397

When the Postal Service authorizes extra service, detours, or diversions from current routes, it issues PS Form 5397 to the driver. The USPS personnel who are authorized to issue PS Form 5397 are a network specialist, a transportation supervisor, a platform supervisor or postmaster, and the supervisor of Customer Service.

The USPS employee must properly complete PS Form 5397 in order for the Postal Service to administer payment.

When authorized USPS personnel instruct a driver to divert from the scheduled trip, the driver must annotate any detour or diversion on PS Form 5397. The driver must complete all required fields — in the “Via” section, the driver must include the arrival/departure times and transfer of any mail volume at any additional service point, and in the “Remarks” field, the driver must enter the amount of diversion miles and the reason for a detour or diversion.

The driver must provide PS Form 5397 to appropriate USPS dock personnel at the destination office so they can complete the necessary blocks. If USPS personnel are not available at the destination office, the driver must enter the arrival/departure times and, in the signature box, enter “No USPS Official available.” Upon completing the trip, the driver receives Copy 2 of PS Form 5397.

One-way Trips

A one-way trip begins at the origin office and ends at the final destination office. Upon departure, the origin office retains Copy 4 of PS Form 5397 and gives Copies 1, 2, and 3 to the driver. Upon arrival at the final destination, the driver presents Copies 1, 2, and 3 to the personnel at the destination office, who complete all required fields. The destination office retains Copy 3 for its records, gives Copy 2 to the driver for the HCR supplier’s records, and mails Copy 1 to the Administrative Office at the origin office. Interim stops must complete required fields but do not retain any copies of PS Form 5397.

Round Trips

A round trip begins at the origin office, completes all required stops, and returns to the origin office. Upon departure, the origin office retains Copy 4 of PS Form 5397 and gives Copies 1, 2, and 3 to the driver. Upon arrival at the final destination, the driver presents Copies 1, 2, and 3 to the personnel at the destination office, who complete all required fields. The destination office retains Copy 3 for its records and returns Copies 1 and 2 to the driver. Upon return to the origin office, the driver presents Copies 1 and 2 to the AO, who completes all required fields. The AO retains Copy 1 or mails it to the appropriate HCR Administrative Official. The AO gives Copy 2 to the driver for the HCR supplier’s records. Interim stops must complete required fields but do not retain any copies of PS Form 5397.

Reconcile PS Forms 5466, 5397, and 5399

PS Form 5466

The Postal Service must not pay the supplier for more time than the supplier requests or identifies on PS Form 5466.

The TCMT manager provides the AO a standardized guideline for calculating the time approved for payment and other instructions appropriate for the routes that the AO administers. The TCMT instructions include the steps described below.

The AO reviews all late slip claims submitted from suppliers. The AO must review each PS Form 5466 and validate that it is accurate and that all required fields are completed. The AO verifies the times indicated for each delay against USPS data in Surface Visibility (SV/Web), in the Enterprise Data Warehouse (EDW) database, or from data that has been manually recorded (such as PS Form 5399). A supplier is not automatically entitled to a late slip payment simply because the supplier has been issued a PS Form 5466.

When reviewing PS Forms 5466 for payment, the AO must consider the actual late departure time and the actual arrival time of the HCR trip at destination, determining if the amount of delayed time identified for payment is offset by any time made up during the trip — i.e., the AO must reconcile the departure delay at the origin facility that issued the PS Form 5466 against the actual trip arrival time at the office of destination. The supplier is entitled only to the net amount of additional operating minutes (i.e., late minutes) at the end of the trip. If the supplier caused an additional delay, such as from a mechanical breakdown, the AO approves only the late minutes caused by the Postal Service.

The AO converts the total minutes to decimal hours. For example, if the total minutes on the supplier claim form is 255, divide 255 by 60 to convert the minutes to decimal hours — in this example, it would be 4.25. To certify time when the supplier records hours and unconverted minutes, such as 4 hours and 15 minutes, divide the unconverted minutes by 60 to convert the minutes to decimal hours — in this example, dividing 15 minutes by 60 would be .25, so the decimal hours would be 4.25. Enter the decimal hours (in both these examples, it would be 4.25) in the Total Hours column on PS Form 5429. See Attachment C for a minutes-to-units conversion table.

The AO must confirm that the HCR supplier has submitted all required materials: the supplier claim form, copies of PS Forms 5466, and supporting documentation.

The AO double-checks the calculations used in determining the actual total delay time in minutes allowed. The AO transfers the total minutes for delay time (i.e., minutes delayed) into e5429. The AO retains Copy 3 of each PS Form 5466 at the local office — *do not* mail copies to the ASC.

To reduce the number of e5429 submissions, the network specialist may enter information from several PS Forms 5466 into the same e5429 with information from PS Form 5397, as long as the exceptional service is for the same service month. To comply with Prompt Payment Act (PPA) procedures, the AO must complete the e5429s and submit them no later than 30 days after receipt of a proper invoice.

PS Form 5397

The AO reviews each PS Form 5397 (Copy 1) for accuracy and completeness — the AO may submit only correctly completed PS Forms 5397 with the e5429. The AO must not submit an incomplete PS Form 5397 for payment, but instead must wait until the supplier has corrected it or the AO has reconciled it.

The AO reviews all extra trips, deviations, and special circumstances annotated on Copy 1 of PS Form 5397. The AO must review all fields on each PS Form 5397 and verify their accuracy. To reduce the number of e5429 submissions, the AO may use one e5429, as long as the exceptional service is for the same service month.

PS Form 5399

All HCR suppliers (including contract delivery service suppliers) use PS Form 5399 to record time spent on the job, so they must use the form to keep detailed information documenting daily service, recording entries timely and accurately in the format of “hours: minutes.”

The AO reviews each PS Form 5399 daily and certifies all forms at the end of each month.

Enter Information From PS Form 5429 Into eSCR

The AO is responsible for making complete, timely, and accurate entries of information from PS Form 5429 into eSCR for payment of claims presented by suppliers. The contracting officer is responsible for making accurate and timely reviews and for making payments in adherence with the Sarbanes-Oxley Act (SOX) and the PPA — note that the PPA requires payment of a proper invoice no later than 30 days after receipt. The AO may enter supporting documentation in one file (versus entering it in multiple files).

Avoiding Errors in Preparing Each e5429

The AO must accurately complete each e5429 in eSCR. The AO must review each e5429 entry for errors, compare it to the supporting documentation, and verify it is calculated correctly before submitting it for approval.

Because of software limitations, the system cannot accept mileage in excess of 99,999. To insert mileage that exceeds this number, the AO must enter the mileage on multiple lines — but must not enter the same mileage on multiple lines, because the system highlights them as duplicates. Instead, decrement each line item appropriately to reach the total mileage. For example, if the total mileage is 225,000 miles, enter a total of three lines as follows: 99,999 on the first line, 99,998 on the second line, and 25,003 on the third line.

After entering the information into the e5429 and confirming that the supporting documentation matches the entered information, the AO uploads the required supporting documentation and submits it to the default approver for final approval.

AO Roles

The network specialist who enters, creates, or modifies an e5429 cannot also approve the transaction. After the network specialist has submitted an e5429 for approval, the AO receives notification of an e5429 requiring final approval. The AO then must review and either approve or deny the e5429 payment.

The AO must check each PS Form 5466, 5397, and 5399 and confirm that all required fields are complete (as identified in the appropriate previous sections of this MI). The AO must review and confirm that the supporting documentation is reported in the correct month, that it reflects the correct service code, and that it is properly calculated to the amount claimed on the e5429. To ensure that the Postal Service pays only for delayed time caused by the Postal Service, the AO must review each PS Form 5466 and confirm such information, following procedures described in this MI. If the AO cannot verify the time or does not receive sufficient information to support the claim, the AO may not approve the e5429 and must return it to the network specialist who entered the e5429 to obtain complete and accurate information.

The network specialist must reconcile any returned e5429 and must complete a corrected form and resubmit it to the AO.

In the event of a known absence of duty, the AO must utilize the e5429 system to appoint a delegate to perform e5429 approvals.

The SCR will send an e5429 to the Account Payable Excellence (APEX) system for payment. Payment closeouts occur each Tuesday, and APEX makes payments to the supplier by Friday of that service week (providing that the Postal Service has properly completed, approved, and submitted all PS Forms 5429 and e5429s on time).

If a supplier receives payment incorrectly in a service month, the AO must complete an adjusted e5429 to rectify the original e5429 submission by retracting an incorrect payment in full or reducing an overpayment.

For each payment based on claims submitted for each route, the AO must send the supplier a copy of the completed e5429 by email, fax, or regular mail.

The Postal Service does not use the e5429 system to process claims for the omission or cancellation of supplier service. Instead, the AO must submit such a claim to the designated TCMT manager. See Attachment D for a sample letter of notification.

ASC Roles

The ASC provides management oversight and reviews a randomly selected number of PS Forms 5429 and supporting documentation after they have been processed. The ASC tracks the findings, reports any anomalies, works with Network Operations to communicate the anomalies to the AOs, and provides guidance for improving the process to reduce the number of anomalies in the submission of PS Forms 5429 and supporting documentation. The ASC periodically performs a compliance check of paid PS Forms 5429 and furnishes results to Network Operations.

Forms and Reports

Forms

The following Postal Service forms are mentioned in this MI:

- a. PS Form 5466, *Late Slip*.
- b. PS Form 5429, *Certification of Exceptional Contract Service Performed*.
- c. PS Form 5397, *Contract Route Extra Trip Authorization*.
- d. PS Form 5399, *Contract Route Performance Record*.

Another form mentioned in this MI is not a Postal Service form but is a form that an HCR supplier submits to the Postal Service when making a claim — it is generically called an “HCR supplier claim form” or something similar. Such forms usually differ by supplier.

Reports

In performing reconciliation of late trips for payment of delay claims, use the following reports to validate actual departure and actual arrival to identify total minutes incurred:

- a. Transportation Management Information and Evaluation System (TIMES) Delayed Routes Report from the Enterprise Data Warehouse (EDW) at <https://crpl.usps.gov>.
- b. SV/Web Late Trips report and TIMES Daily Log report available at <https://svweb.usps.gov/sv-web/login>.
- c. Manually completed PS Form 5399 (from sites without SV or TIMES).

Attachment B

Sample Letter as Notification to HCR Supplier That Late Slip Claims Are Due Within 90 Days of Issuance

This attachment shows a letter that an AO can use to remind an HCR supplier to submit delay claims within 90 days of the date of issuance (i.e., the date on which the Postal Service completed the form and issued it to the driver).

United States Postal Service
Transportation and Networks

NOTIFICATION OF REQUEST FOR LATE SLIP (FORM 5466) CLAIMS WITHIN 90 DAYS

[DATE]

[Name of Supplier]
[Address of Supplier]
[City, State, Zip+4]

SUBJECT: Submission of Late Slip Claims (PS Form 5466) Within 90 Days from Date of Issuance

HCR No: _____

Dear Supplier:

This letter follows more specific instruction you should have received from the Postal Service Transportation Category Management Team office for your route. It is the intent of the Postal Service to process payments for claims submitted in a timely manner.

To accomplish this, you are being reminded to submit delay claims for excess waiting time within ninety (90) days from the date a late slip (PS Form 5466) is issued. The issuance date is the date shown when the form was completed and provided to the driver.

Please summarize late slip forms (PS Form 5466) using the attached format to identify each trip for which excess waiting time is being claimed. Include a copy of each form with your claim.

Please contact me for any further information. Thank you.

Sincerely,

Administrative Official
Attachments

cc: Manager, TCMT
Office Contract File

Attachment C

Minutes-to-Units Conversion Table (Actual minutes divided by 60)

This attachment shows a table that the AO can use to convert minutes to units when completing PS Form 5466.

Minutes	Hundredths	Minutes	Hundredths	Minutes	Hundredths
01	.02	21	.35	41	.68
02	.03	22	.37	42	.70
03	.05	23	.38	43	.72
04	.07	24	.40	44	.73
05	.08	25	.42	45	.75
06	.10	26	.43	46	.77
07	.12	27	.45	47	.78
08	.13	28	.47	48	.80
09	.15	29	.48	49	.82
10	.17	30	.50	50	.83
11	.18	31	.52	51	.85
12	.20	32	.53	52	.87
13	.22	33	.55	53	.88
14	.23	34	.57	54	.90
15	.25	35	.58	55	.92
16	.27	36	.60	56	.93
17	.28	37	.62	57	.95
18	.30	38	.63	58	.97
19	.32	39	.65	59	.98
20	.33	40	.67	60	1.00

