



Postal Regulatory Commission

CONGRESSIONAL BUDGET JUSTIFICATION (Performance Budget Plan)

Fiscal Year 2013

[Table of Contents](#)

	<u>Page</u>
Executive Summary	3
Background	6
Postal Regulatory Commission Achievements in Fiscal Year 2011	8
Budget Overview and Highlights for Fiscal Year 2013	10
Budget Program Information	11
Summary of Strategic Goals, Work Plans and Performance Objectives	14

Executive Summary

The Postal Regulatory Commission is an independent agency created by the Postal Accountability and Enhancement Act (PAEA) in 2006, as successor to the former Postal Rate Commission, to provide strengthened oversight of the United States Postal Service. The Commission promotes high quality universal mail service for the American people by ensuring Postal Service transparency, accountability and compliance with the law.

In FY 2011, the Commission took steps to prepare for an anticipated increase in workload. Measures were taken to improve efficiency and streamline processes to reduce costs. As a result of these measures the Commission was able to work within the available funding level while absorbing an increase in docketed cases. For FY 2012, we are experiencing a sharp increase in the number of Commission Dockets and inquiries to the Commission's Office of Public Affairs and Government Relations (PAGR).

The FY 2013 budget request of \$14,450,000 is structured to ensure that the Commission's resources are closely aligned with its updated Strategic Plan and to meet statutory responsibilities. We have budgeted the minimum resources needed to accommodate the continued increase in caseload we are projecting through FY 2013. Our request is just slightly more than the \$14,304,000 appropriated for FY 2012.

The PAEA seeks to ensure the Commission's independence by authorizing the submission of its budget request to the Congress separate from the Postal Service and the appropriation of necessary sums from the Postal Fund. Section 2009, of title 39, provides that:

(3) The Postal Regulatory Commission requests to be appropriated, out of the Postal Service Fund, under section 504(d) of this title. The President shall include these amounts, with his recommendations but without revision, in the budget transmitted to Congress under section 1105 of title 31.

The Commission has always recognized that its funding through the Postal Service Fund comes directly from the postal rates and fees paid by postal customers who use the U.S. Mail. The Commission continues to look for opportunities to optimize its efficient use of resources while maintaining adequate funds for operating costs. For example, the Commission processes its financial and personnel transactions through the Postal Service finance and human resources systems instead of creating and maintaining separate systems.

The unique and distinct mission of the Postal Regulatory Commission is to ensure that the Postal Service provides Universal Service to meet the nation's needs, in large measure through providing transparency and accountability into the financial operations, pricing policies, accountability, predictability and delivery performance of the Postal Service. We are the primary regulator of the Postal Service and work to provide a window on postal financial operations to Congress, stakeholders and the general public. Under the PAEA, the Postal Service has significantly more autonomy in setting rates; however, its ability to increase rates for market dominant products is limited by changes in the Consumer Price Index for All Urban Consumers (CPI-U). The law requires the Commission to complete its review of proposed new rates for market dominant products for compliance with the CPI cap within 45 days. To counterbalance the Postal Service's autonomy in setting rates and introducing new services, the Commission is responsible for service performance

through oversight responsibilities such as information gathering, annual determinations of Postal Service compliance, consideration of complaints, and periodic reports on Commission operations.

Our analysis has identified significant problems for the future of the Postal Service. In Fiscal Year 2011, the Postal Service had revenues of \$66 billion, down from \$67 billion in 2010, \$68 billion in 2009, and \$75 billion in 2008. The Postal Service is projecting that these revenue shortfalls will continue for the next decade. In response, the Postal Service has proceeded with a wide range of proposals that will significantly affect operations, costs and service to the public. These proposals necessitated increased regulatory activity by the Commission in FY 2011 and will result in an even greater increase in regulatory activity in FY 2012 and FY 2013.

Mission

Ensure transparency and accountability of the United States Postal Service and foster a vital and efficient universal mail system

Guiding Principles

The Commission is committed to and operates by the principles of:

- Openness
 - Public participation
- Integrity
 - Fairness and impartiality
 - Timely and rigorous analysis
- Merit
 - Commitment to excellence
 - Collegiality and multi-disciplinary approaches
- Adaptability
 - Proactive response to the rapidly changing postal environment

Background

The Commission is an independent establishment of the Executive Branch, composed of five Commissioners, each appointed by the President, with the advice and consent of the U.S. Senate, for a term of six years. The Chairman is designated by the President and serves as the head of the agency. A Commissioner may continue to serve after the expiration of his or her term for up to one year. No more than three members of the Commission may be from the same political party.

Assisting the Commission is a staff with expertise in law, economics, finance, statistics, and cost accounting. The Commission is organized into four operational offices:

- Accountability and Compliance;
- General Counsel;
- Public Affairs and Government Relations;
- Secretary and Administration; and
- The Commission maintains an independent office for its Inspector General.

The Commission has exercised regulatory oversight over the Postal Service since its creation by the Postal Reorganization Act of 1970. For 36 years, this oversight consisted primarily of conducting public, on-the-record hearings concerning proposed rate changes, mail classification, major service changes, and recommending decisions for action by the postal Governors.

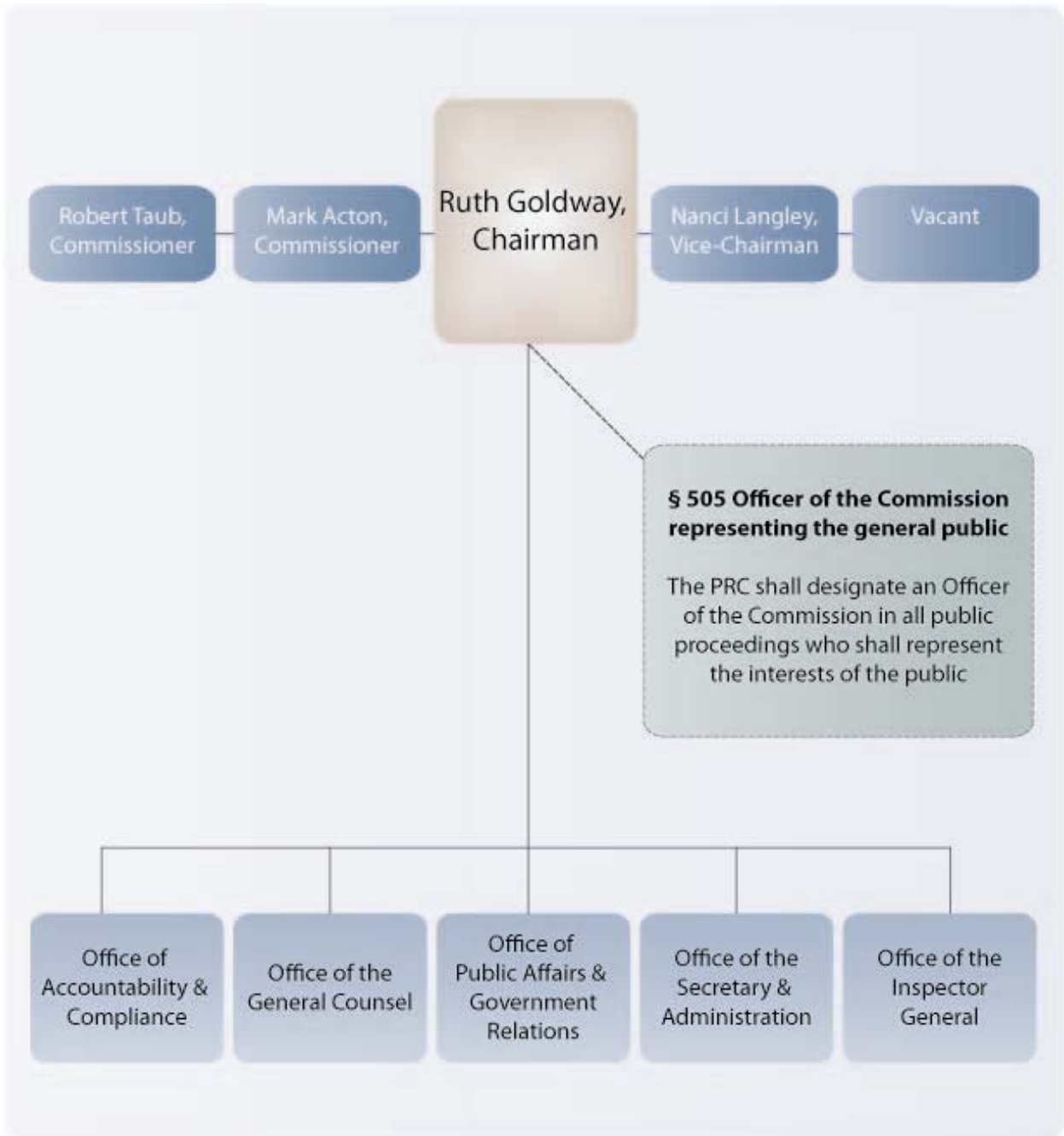
The Postal Accountability and Enhancement Act (PAEA), enacted on December 20, 2006, produced the most significant changes in the regulatory landscape for the U.S. Postal Service and the U.S. postal system since 1970. The Act is founded on the principles of flexibility, transparency, accountability and predictability. The Commission's role is to ensure that the Postal Service provides adequate service to the nation by providing transparency and accountability in postal operations, services and finances, and to serve as the window by which Congress and the American public have an unvarnished view of the Postal Service.

Under the PAEA, the Commission has responsibility for hearing appeals of determinations by the Postal Service to close or consolidate post offices. The Commission may affirm the Postal Service's determination or order that the entire matter be returned to the Postal Service for further consideration. The Commission is required to set aside such determinations found to be: (a) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law; (b) without observance of procedure required by law; or (c) unsupported by substantial evidence on the record.

The PAEA requires the Commission to develop and maintain regulations for a modern system of rate regulation, consult with the Postal Service on delivery service standards and performance measures, consult with the Department of State on international postal policies, prevent cross-subsidization or other anticompetitive postal practices, inform the public, and adjudicate complaints. Additionally, it provides regulatory oversight of the pricing of the Postal Service's products and services while serving as a forum to act on complaints pertaining to postal products and services.

The PAEA also assigns new and continuing oversight responsibilities to the Commission, including annual determinations of Postal Service compliance with applicable laws, development of accounting practices and procedures for the Postal Service; review of the Universal Service Obligation and Postal Monopoly; and assurance of transparency through periodic reports. New enforcement tools include subpoena power, authority to direct the Postal Service to adjust rates and to take other remedial actions, and levying fines in cases of deliberate noncompliance with applicable postal laws.

Postal Regulatory Commission Organizational Chart



Postal Regulatory Commission Achievements in Fiscal Year 2011

Fiscal Year 2011 was a demanding year for the Commission with over 200 docketed cases. Several of these cases involved important policy decisions.

In Fiscal Year 2011, the Commission completed its Advisory Opinion on the Postal Service's proposal to reduce mail delivery frequency from six to five days and advised the mailing community and Congress of its findings. This Opinion was highly complex, involving complicated technical issues and important longstanding policy considerations. Such a change would impact service for the majority of the American public. During the same time frame, the Commission responded to a Postal Service request for an unprecedented exigency price increase within a highly compressed schedule.

The Postal Service's efforts to respond to its financial crisis by realigning and rationalizing its network of post offices and processing facilities led to its submission of a major case at the Commission. The Commission commenced its Advisory Opinion review of the Postal Service's Retail Optimization Initiative, a program that will involve the Service's review of several thousand post offices for potential closure. The Commission expects to receive a second major Advisory Opinion request in early FY 2012, involving a proposed national change in service standards associated with the consolidation and closure of hundreds of mail processing facilities and the elimination of the overnight service standard for some First-Class Mail.

In response to a significantly larger and ever growing number of post office closings, an increasing percentage of postal customers have been invoking their statutory right to appeal those closings. As a result, the Commission has received a burgeoning number of appeals.

In 2011, the Commission expanded the public's access to and interaction with the Commission. The Commission held monthly public meetings under the provisions of the Sunshine Act, responded to over 10,000 inquiries including informal comments for dockets and completed the first ever major complaint case that was fully adjudicated under the PAEA. In its decision in that case, the Commission found that the Postal Service had unfairly discriminated against a Postal customer and directed the Postal Service to adjust its rates accordingly.

In 2011, the Commission completed its fourth Annual Compliance Determination (ACD), a cornerstone of the PAEA. The ACD reviews the overall performance of the U.S. Postal Service. For the first time, the Commission found that rates for one product, Standard Mail Flats, were not in compliance with the law, and that the Postal Service failed to utilize existing pricing flexibilities to address the growing cross subsidy in that type of mail, and directed the Postal Service to correct the problem in subsequent rate changes.

The Commission also completed its report to the President and Congress recommending legislation and other ways to improve the effectiveness and efficiency of the United States postal laws, as specified by Section 701 of the PAEA. The Commission completed its work five months ahead of schedule in order to assist Congress and the President to identify a number of areas in which the operation of the law could be improved, and to address the financial situation of the Postal Service.

The Commission has continued to work in close partnership with the State Department and the Postal Service to fulfill the Commission's statutory role of representing the interests of the United States in international postal negotiations. It made several presentations including at the Forum on Postal Regulation organized by the Universal Postal Union (UPU) and at several meetings of the UPU and its regional constituent assemblies. In addition, its leadership has established an on-going Postal Regulatory Dialogue providing a unique opportunity for postal regulators around the world to share experience and practices.

Through our continued focus on improving the quality of work life for our employees, the Commission was ranked in the top ten of small agencies in the FY 2010 Federal Employee Viewpoint Survey.

Other achievements include:

- Testified at numerous hearings before Congress;
- Issued rules applicable to work-sharing discounts and post office closing appeals;
- Initiated a strategic rulemaking to review several other Postal Service cost methodologies;
- Ruled on over 75 new products and pricing systems;
- Completed the Five-Year Strategic and Operational Plan;
- Completed the Human Capital Plan;
- Continued a strategic focus on cost savings to maximize use of appropriated funds, as well as comply with administration initiatives (i.e. Campaign to Cut Waste, Green Gov)
 - Redesign of our dockets application and archival document application to lessen our reliance on hard copy documentation.
 - Reviewed and expanded the Flexible Work Program to increase participation.
 - Implemented electronic official personnel folders
 - Implemented electronic procurement system commission-wide
 - Conducted intensive contract review and contract renegotiation process
 - Renegotiated current lease to below market rate, and avoided a complete move of the Commission to a new facility;
- Developed an Action Plan in response to the Federal Employee Viewpoint Survey results;
- Reviewed and implemented policies and procedures in line with Hiring Reform; and
- Instituted a formal Performance Management system.

Budget Overview and Highlights for Fiscal Year 2013

The PAEA requires the Commission to execute a broad range of responsibilities relying on a staff with a unique mix of skills and abilities, and modern information technology systems to ensure enhanced communication with the public. The Commission is confident that the requested resources of \$14,450,000 will allow it to meet its mission of ensuring transparency and accountability in postal operations, services and finances, even though the Commission expects a significant increase in the number of docketed cases and resulting workload.

The Postal Service's efforts to adjust to changing mail usage will require the Commission to hear cases of major national policy import. The Commission will review further USPS efforts to right size its network and will provide oversight as the Postal Service tries to make greater use of its pricing flexibility under the PAEA. The Commission expects to apply substantial resources to fully evaluate and respond to the Postal Service on the merits of new ideas that result in innovative products and services, greater efficiencies, and cost savings.

The Postal Service has notified the Commission of their intent to close mail processing facilities and up to 50% of postal retail facilities. The Postal Service also advised that the number of appeals resulting from these closings will increase by an estimated three-fold in the next several years due to heightened public awareness. The number of documents per docket has increased significantly in FY 2011 and FY 2012 this increase is expected to continue.

As in previous years, the Commission will issue an Annual Compliance Determination report assessing the Postal Service's compliance with the ratemaking regulations and applicable laws. In the report, the Commission will review and determine whether market dominant rates are within the CPI rate cap, and whether competitive products are subsidized by market dominant products, and that competitive products pay their attributable costs as well as appropriate share of fixed postal costs. The Commission will undertake special studies requested by the Postal Service, Congress, or as needed to complete its statutory responsibilities.

Furthermore, the Commission will continue its active involvement in the Universal Postal Union (UPU), particularly in developing a modernized terminal dues system and promoting greater transparency and accountability. The Commission will provide continued leadership at the bilateral and multilateral level, including a fifth Postal Regulatory Dialogue in 2013. The Commission will work within the UPU framework to develop proposals, in coordination with the Department of State, the Postal Service and other agencies, for adoption at the 2013 UPU Congress.

Progress will continue in developing a modern supporting infrastructure for the Commission. These efforts will be completed over the next few fiscal years, and include initiatives for performance management (succession planning and employee development); environmental stewardship; automated human resources processing, accounting and budget; infrastructure improvement and stabilization to comply with administration information technology initiatives including initiatives to improve security and initiatives to enhance the Commission's transparency through increased public meetings, expanded webcasts of Commission Meetings, Hearings and Technical Conferences, and the archiving of these audio files on our public website. These efforts are in conformance with the Open Government Directive promulgated by Office of Management and Budget Memorandum M-10-06 of December 8, 2009. Other IT initiatives include Trusted Internet Connections (TIC) and HSPD-12, and continued funding for the Office of Inspector General, as authorized by the PAEA.

Budget Program Information

The Commission's FY 2013 Performance Budget Plan has four programs consisting of: (1) Postal Service Accountability; (2) Public Access and Participation; (3) Integration and Support; and (4) the Office of the Inspector General. These programs are aligned with the goals contained in the Commission's recently updated Strategic Plan for FY 2013 – FY 2017.

Program	FY 2011		FY 2012		FY 2013	
	\$000	FTE	\$000	FTE	\$000	FTE
Postal Service Accountability	3,545	26	3,545	26	3,598	26
Public Access & Participation	4,360	32	4,360	32	4,424	32
Integration and Support	5,909	13	5,904	14	5,933	14
Office of Inspector General	490	3	495	3	495*	3
Total	14,304	74	14,304	75	14,450	75

*This is the full amount requested by the Inspector General to fund OIG personnel (including detailees), travel, and training (\$4,000.00).

Proposed Appropriations Language

Postal Regulatory Commission

Salaries and Expenses
(including transfer of funds)

For necessary expenses of the Postal Regulatory Commission in carrying out the provisions of the Postal Accountability and Enhancement Act (Public Law 109-435), [\$14,304,000] \$14,450,000, to be derived by transfer from the Postal Service Fund and expended as authorized by section 603(a) of such Act: *Provided, That unobligated balances remaining in this account on October 1, 2013 shall be transferred back to the Postal Service Fund.*

Obligation by Object Class

	Object Classification	FY 2011	FY 2012	FY 2013
11.1	Personnel Compensation	10,481	10,481	10,572
11.5	Other Personnel Compensation	105	105	105
99.0	Subtotal	10,586	10,586	10,677
26.0	Supplies	230	230	220
31.0	Office furniture and equipment	10	10	10
25.7	Office equipment rental and repair	10	10	10
25.2	Contractual services	325	325	325
25.6	Medical services	8	8	8
25.1	Consulting services	900	900	900
23.3	Advertising	5	5	5
99.0	Subtotal	1,488	1,488	1,478
21.0	Travel	103	103	100
25.1	Training	26	26	25
24.0	Printing and reproduction	105	105	115
21.0	International Policy Development	75	75	75
23.2	Rent	1,741	1,741	1,800
25.4	Miscellaneous, subscriptions	10	10	10
25.2	Communications	70	70	70
23.3	Information technology	100	100	100
23.3	Subtotal	2,230	2,230	2,295
99.0	Total Obligations	14,304	14,304	14,450

Strategic Goal 1: Postal Service Accountability Performance Objectives

A. Financial Accountability and Compliance:

Ensure transparent, accurate and informative Postal Service reporting sufficient for evaluation of financial performance. The following tasks are statutory requirements under title 39 of the U.S. Code.

FY 2013 Work Plan:

1. Review and evaluate Postal Service financial data.
2. Evaluate Postal Service financial viability and reporting compliance.
3. Provide reports to Congress as necessary on effectiveness of the PAEA.
4. Analyze annual compliance reports from the Postal Service and issue Annual Compliance Determinations Reports.
5. Enforce compliance determinations.
6. Assess effectiveness of Commission rules and regulations in achieving the objectives and factors of the PAEA and report annually to Congress.
7. Revise as necessary periodic data reporting rules to be consistent with sections 3652 and 3654 of the PAEA.
8. Continue to implement a system for modifying the periodic data-reporting procedures and cost-attribution methods. Apply procedures to outstanding cost issues such as the attribution of City Carrier costs and the PAEA required payments for retiree health and pension benefits. Maintain a system for review and modification of analysis of cost segments, components, and cost pools used for attribution and work-sharing cost avoidance calculations.
9. Report annually on Universal Service Obligation costs to determine cost of services that the Postal Service would not offer, if not required by law.
10. Review and modify as necessary accounting and auditing practices and regulations to be followed by the Postal Service. Adapt as necessary rules to specify accounting practices and principles and the annual and periodic data reports that the Postal Service should submit.
11. Review and analyze periodic SEC-type reports from the Postal Service.
12. Review and adapt as necessary rules for determining the assumed Federal income tax on the Postal Service's competitive products income.
13. Develop and submit annual Reports to Congress.
14. Review the appropriateness of the minimum contribution to institutional costs provided by competitive products.

The Commission will measure success by:

- Issuing notice of all requests within three business days, barring exceptional circumstances.
- Complete work on an increasing number of strategic rulemakings, studies and reports in a timely manner.

B. Service Performance Evaluation:

Ensure Postal Service's provision of efficient and effective Universal service by evaluating appropriate and transparent Postal Service performance standards and measurements.

FY 2013 Work Plan:

1. Review, evaluate, and develop advisory opinions and reports on Postal Service proposals for potential changes in the nature of Postal Services.
2. Evaluate the system for measuring Postal Service achievement of service standards. Define what to measure and the level of expected performance.
3. Consult on development of service performance standards for market-dominant products adopted by the Postal Service. Refine and augment the service performance standards and goals for market-dominant products.
4. Determine the extent to which the Postal Service must use an external measurement system or give permission to use internal measurement systems.
5. Refine as necessary the annual review process and reporting mechanisms for the Annual Compliance Determination.
6. Evaluate on an annual basis compliance with the standards for service performance.
7. Enforce compliance determinations.

The Commission will measure success by improving the scope and depth of analyses in the Annual Compliance Determination and Advisory Opinions.

C. Modern Product Regulation:

Maintain and improve a predictable, transparent and effective system of rate and product regulation.

FY 2013 Work Plan:

1. Review and evaluate Postal Service Proposals to move products between market-dominant and competitive products.
2. Evaluate Work-share Discounts.
3. Analyze Market Test Information.
4. Categorize Postal Service Products.

5. Encourage procedures to establish Negotiated Service Agreements and streamline their review.
6. Regulate Market Tests.
7. Ten years after the date of the enactment of PAEA, review the system for regulating rates and classes for market-dominant products to determine if the system is achieving the objectives of the PAEA (section 3622 (d)(3)).
8. Conduct a review at least every five years to determine if the institutional costs requirement specified in the regulations should be retained in its current form, modified, or eliminated (section 3633(b)).
9. Annually determine Postal Service compliance.
10. Refine and augment the modern system for regulating rates and classes for market-dominant products.
11. Examine work-share discounts to ensure that they do not exceed the cost that the Postal Service avoids as a result of the work-share activity, except under certain circumstances as specified in section 3622(a) or (e) of the PAEA.
12. Further develop regulations and procedures for the market testing of Postal Service experimental products; establish a process for ascertaining small business concerns; and establish procedures for the appropriate administration of market tests.
13. Continue to analyze materials provided pursuant to regulations regarding competitive products to ensure compliance with statutory standards.
14. Assess and refine the rules, regulations, and systems established for the publication of relevant Postal Service data.
15. Evaluate on an annual basis compliance with the standards for service performance (under section 3653 of the PAEA.).
16. Review expeditiously and effectively proposals to adjust market dominant and competitive rates and products.

The Commission will measure success by improving the number of days to process Postal Service proposals.

Strategic Goal 2: Public Access to Information and Participation

Performance Objectives

A. Public Participation and Government Relations:

Ensure the Commission is visible and readily accessible to all. The following tasks are statutory requirements under title 39 of the U.S. Code.

FY 2013 Work Plan:

1. Assure informed and responsive representation of the interests of the general public in all Commission proceedings.
2. Maintain and implement a comprehensive strategy for outreach to the public and media.
3. Hold regular public monthly meetings at the Commission, inviting the public to attend in person or through the Commission's simultaneous broadcast.
4. Continue to enhance government relations function through proactive outreach and relationship building with the Congress, the Executive branch, Federal, State and local governments.
5. Perform outreach with the general public, the U.S. Congress, federal agencies, and the media about the activities of the Commission.
6. Identify legislative and public affairs issues.
7. Review and modify the content of the Commission's website as necessary.
8. Developed Annual Reports, including, but not limited to, the Annual Compliance Determination.
9. Maintain a system to track and respond to public and consumer inquiries and correspondence.
10. Track, classify, and maintain a record of "informal complaints" which do not rise to the level of formal complaints.
11. Maintain and update editorial appearance standards and implement consistent messaging and branding for public documents and website.

B. Appeal and Complaint Process:

Ensure Postal Service accountability through fair and open appeal and public complaint processes that provide appropriate and timely resolution.

FY 2013 Work Plan:

1. Enhance procedures and resources for handling expanded numbers of post offices appeals and complaint cases.
2. Maintain a transparent and equitable appeals and complaint processes for the public concerned with Postal Service adherence to PAEA's policies.
3. Consistently implement procedures for a formal complaint system that provides due process to complainants and the Postal Service.
4. Identify patterns in appeals and complaints and order appropriate remedies to achieve compliance.
5. Issue timely, clear decisions that resolve issues fairly and provide meaningful guidance for future behavior.
6. Develop precedents for investigating potential problem areas raised in Commission proceedings.
7. Consistently implement methods for timely review of complaints and speedy administration thereof.
8. Maintain and refine as necessary the referral process to facilitate Postal Service assistance for individual or local problems.

The Commission will measure success by:

- Respond to public inquiries within 72 hours, barring exceptional circumstances.
- The Commission will measure success by appointing a Public Representative within three business days of filing.

Strategic Goal 3: Infrastructure to Meet Mission Performance Objectives

A. Human Capital:

Enhance a system that fosters recruitment, development and retention of a talented, skilled and adaptable workforce. The following tasks are statutory requirements under title 39 of the U.S. Code.

FY 2013 Work Plan:

1. Continue to update the Human Capital Plan, including a succession plan, as needed, to ensure alignment of the workforce and work environment with the PRC Mission.
2. Maintain and update policies and procedures to attract and select highly qualified candidates into positions required to achieve the mission within projected budget constraints.
3. Continue to implement a performance management system that rewards outstanding contributions to the Commission and addresses developmental needs to retain high performing staff, address developmental needs, and promote outstanding contributions to the Commission's mission.
4. Identify and sponsor training and development opportunities to develop employees in targeted competencies, including IT training and certification.
5. Continue to monitor the results of the Federal Employee Viewpoints Survey (FEVS), and implement solutions to achieve continuous improvement.
6. Maintain and enforce up-to-date HR policies and procedures (e.g., compensation, benefits, EEO) to ensure a fair, consistent and sustainable application.

The Commission will measure success by:

- Improving the hiring process by ensuring that the number of days elapsed from posting an approved vacancy announcement to filling the position meets Federal guidelines.
- Improving staff effectiveness over the current baseline as measured by bi-annual skills assessment.
- Ensuring the FEVS Action Plan timelines are met.

B. Program Integration and Support:

Adapt to the latest technology, operational systems and organizational infrastructure in achieving Commission goals.

FY 2013 Work Plan:

1. Develop and maintain the Commission's annual budget and fiscal processes based on administration guidance.
2. Enforce up-to-date IT security policies, practices, and enforcement procedures to ensure functionality and security of electronic communication systems such as website, dockets, LAN, webcasts, email, VOIP, etc.
3. Continue to improve Document Management and Tracking system for internal Commission documents and workflow. Review and modify, as necessary, internal databases to meet new data requirements and to simplify Commission workflow processes.
4. Ensure that records of the Commission are properly maintained in accordance with policies and procedures.
5. Ensure the website is accessible and transparent to stakeholders.
6. Continue to maintain financial controls to clarify the approval process, monthly variance forecasting, and review of internal audits.
7. Ensure equipment and facilities are adequate, safe, and secure.
8. Initiate a strategic process from a top down approach to create an Enterprise Architecture structure of the Commission's Information Technology (IT) infrastructure.

The Commission will measure success in IT management by:

- Decreasing the number of system outages from the current performance baseline.
- Decreasing the Dockets system error rate, as measured the number of errors per Dockets processed.

The Commission will measure success in improving financial management by:

- Decreasing the monthly variance of actual expenditures to the budgeted amount.

Strategic Goal 4: Office of the Inspector General Performance Objectives

A. Evaluate Operations; Prevent Waste, Fraud and Abuse:

Conduct audits and evaluations in support of the Postal Regulatory Commission's Integration and Support activities to improve economy and efficiency. Conduct activities designed to prevent waste, fraud and abuse. The following tasks are statutory requirements under title 39 of the U.S. Code.

FY 2013 Work Plan:

1. Continue to monitor and audit activities as needed, and to review proposed internal policy changes.
2. Continue to improve effectiveness of reporting under the Federal Information Security Management Act along with any other mandated reports.
3. Continue to maintain hotline and to investigate all allegations of misconduct in a timely manner.
4. Conduct appropriate post-implementation review of regulations implementing the Postal Accountability and Enhancement Act of 2006, as specified in the statute.