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May 8, 2017

Mr. Brian J. Wagner  
President  
National Association of Postal Supervisors  
1727 King Street, Suite 400  
Alexandria, VA 22314-2753

Dear Brian:

As a matter of general interest, the Postal Service has developed a document entitled *Guidelines for the Use of LDC 23 and LDC 24*.

The guidelines reflect the reestablishment of Labor Distribution Code (LDC) 24 that is used to record workhours associated with delivery initiatives such as Sunday parcel and grocery delivery. LDC 23 continues to be used for recording workhours associated parcel, relay and combination routes.

Enclosed is the final draft copy of *Guidelines for the Use of LDC 23 and LDC 24*.

Please contact Bruce Nicholson at extension 7773 if you have questions concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan S. Moore", written over a horizontal dashed line.

Alan S. Moore  
Manager  
Labor Relations Policy and Programs

Enclosure

# **Guidelines for the Use of LDC 23 and LDC 24**



**Delivery Operations, USPS Headquarters**

# Table of Contents

Introduction.....	Page 3
Description of LDC 23.....	Page 3
Creation of LDC 24.....	Page 3
Matrix for LDC 23 and LDC 24.....	Page 3-4
Explanation and Examples of LDC 23 Operations Numbers.....	Page 4-5
Conclusion.....	Page 5

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# Guidelines for Use of LDC 23 and LDC 24

February, 2017

## Introduction

The use of Labor Distribution Code (LDC) 23 has often been used in the City Delivery operations group of the U. S. Postal Service as a catchall LDC for any time that could not be directly attributed to Office, Street, or Collection hours. When quantities of time could not be assigned to other functional LDCs, or when units did not want to attribute the hours to LDC 21 Office Time or LDC 22 Street Time, the hours were assigned to LDC 23 which is known as Other City Delivery hours. This practice skewed the time spent on Parcel, Relay, and Combination Routes, and it made it difficult to determine the true costs of the delivery of articles assigned to these routes.

## Description of LDC 23

The actual description in the Finance and Accounting group of LDC 23 is: All nonsupervisory hours used for the delivery of parcel post, relays, intra/inter city runs (other than those made by motor vehicle operators) and combination routes.

This LDC description might be somewhat unclear which creates opportunities for misapplication. A new LDC 23 Dashboard is being created to better track and define LDC 23 functions.

## Creation of LDC 24

Headquarters Delivery Operations initiated a process to create a new LDC to separate some Operations from LDC 23 in order to more closely monitor and increase the efficiency of Parcel, Relay, and Combination routes. The Delivery group worked in conjunction with Finance and Accounting and LDC 24 has now been established.

LDC 24 will track Sunday Parcels and Fresh (formerly Amazon Fresh) so that cost pools associated with these delivery initiatives can be more clearly defined. **The new LDC 24 was implemented on February 4, 2017.** A letter was sent to the Area Vice Presidents and to all Finance and Accounting groups in the Field instructing them to begin transferring work hours for both Sunday Parcels and Fresh to the new LDC 24 on that date. The decision to create a separate LDC for those functions assigned to LDC 24 was made so that these initiatives and other new delivery initiatives could be tracked more easily. It also provides an opportunity to clarify and streamline the use of LDC 23.

As previously mentioned, the availability and convenience of LDC 23, has provided delivery units with the opportunity to transfer numerous work hours and functions to this cost pool. In order for the U. S. Postal Service to run efficiently and properly determine delivery costs, work hours must be assigned to the function and cost pool where the work is actually performed.

## Matrix for LDC 23 and LDC 24

Below is a matrix defining which Function and Operations Number should be assigned to each of these LDCs.

The following Operation Numbers should now be attributed to LDC 24:

LDC	Operation Number	Description
24	7230	Sunday Parcel – Street
24	7240	Sunday Parcel - Office
24	7250	Fresh - Street
24	7260	Fresh - Office

Hours should remain in LDC 23 for the following Operations Numbers:

LDC	Operation Number	Description
23	7330	Parcel Post – Street
23	7340	Parcel Post – Office
23	7350	Relay – Street
23	7360	Relay – Office
23	7370	Combination – Street
23	7380	Combination – Office
23	7390	Carrier Drivers – Street
23	7400	Carrier Drivers – Office
23	7670	Express Mail Delivery

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## Explanation/Examples of LDC 23 and 24 Operation Numbers

A brief explanation and examples of LDC 23 legitimate hours appears below:

### Parcel Post

Time spent on Office functions by bid carriers or their replacements on routes designated as Parcel Post Routes should be transferred to Operation Number 7340 in LDC 23. Time spent loading and delivering the parcels on these routes should be attributed to Operation Number 7330 in LDC 23.

Auxiliary assistance given to city delivery routes by dedicated Parcel Post routes, even if the assistance given was to relieve the route by delivering parcels, is not part of LDC 23. That assistance is still part of the carrier's Street Time and is part of the carrier's route time. It must, therefore, be attributed to LDC 22.

### Relay

Time spent on Office functions by bid carriers or their replacements on routes designated as Relay Routes should be transferred to Operation Number 7360 in LDC 23. Time spent loading and delivering the relays on these routes should be attributed to Operation Number 7350 in LDC 23.

**Combination**

Time spent on Office functions by bid carriers or their replacements on routes designated as Combination Routes should be transferred to Operation Number 7380 in LDC 23. Time spent loading and delivering the parcels and relays on these routes should be attributed to Operation Number 7370 in LDC 23.

Auxiliary assistance given to city delivery routes by dedicated Combination Routes, even if the assistance given was to relieve the route by delivering parcels, is not part of LDC 23. That assistance is still part of the carrier's Street Time and is part of the carrier's route time. It must, therefore, be attributed to LDC 22.

**Carrier Drivers**

Time spent in the office by bid carriers or their replacements on routes designated as Carrier Driver Routes should be transferred to Operation Number 7400. Time spent loading and/or driving between destinations on these routes should be attributed to Operation Number 7390 in LDC 23.

**Express Mail Delivery**

Time utilized by city delivery carriers assigned to deliver Express Mail Delivery that is not part of their regular route assignment should be attributed to Operation Number 7670 in LDC 23.

**Conclusion**

All work hours should be assigned to the functions where the work is actually performed. By providing this information and these guidelines, Headquarters Delivery Operations is requesting that they be utilized to assist in assigning hours to the proper operational function. We are also requesting that this information be utilized to assist in making accurate and appropriate work hour assignment decisions.