

Management Instruction

Highway Contract Route Late Slip Reconciliation and Payment

Background

This Management Instruction (MI) contains information for Postal Service™ officials directly involved in the reconciliation of claims presented for payment due to late departure of highway contract route (HCR) service. These claims are created when an origin facility delays an HCR trip past its scheduled departure time. When a delay is caused by the Postal Service, the origin issues a PS Form 5466, *Late Slip*, to the driver.

The HCR supplier is required to provide a claim by submitting an HCR supplier claim form that summarizes the time and amount of delay claimed. The claim form is created and completed by the HCR. The HCR supplier completes one claim form for each route and submits the form with the back-up PS Forms 5466. The HCR supplier should submit each claim to the administrative office responsible for the supplier's route. The administrative official (AO) conducts a review of the claim(s) and performs a reconciliation of each late trip against Postal Service transportation records before making 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 Form 5466.

Responsibilities

Headquarters

Postal Service Headquarters, Supply Management Surface Transportation Category Management Center (ST-CMC), and Logistics, Surface Transportation Operations, establish policy for HCR contract administration and transportation operations.

Area Network Operations

Area Network Operations is responsible for ensuring transportation schedules meet the needs of mail processing facilities. Area Network Operations offices coordinate with Supply Management field office

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Transportation Category Management team offices and AOs to ensure plants are provided current transportation schedules that meet mail processing operations service needs.

Administrative Officials

AOs are designated by the HCR contract officers (COs) to administer HCR contracts. COs instruct the AOs of their duties and responsibilities, including preparation and submission of performance and payment documentation. AOs must ensure suppliers comply with the operational requirements of the HCR contract. AOs also communicate with facility managers about transportation route dispatch and arrival schedules, utilization, and dispatch performance to plan and ensure that transportation information, including PS Form 5466, are input into the Surface Visibility database. AOs act as the liaison between plant management, the Area Office, and the CO to ensure transportation is effective and that both the Postal Service and the supplier meet the planned operation of the HCR route.

AOs are responsible for receiving from suppliers claims for payment for late operations as documented on PS Form 5466, reconciling such claims, and entering appropriate payment information on PS Form 5429, *Certification of Exceptional Contract Service Performed*. Completing and forwarding PS Form 5429 certifies payment for the total time delayed. The reconciliation process to determine the total time for certification is explained below.

Accounting Service Center

The Postal Service Accounting Service Center (ASC) in St. Louis, MO, is responsible for processing PS Forms 5429 and effecting payment to the supplier. The ASC inspects PS Forms 5429 for errors and communicates any errors found to the AO for correction.

Procedures

Issue PS Form 5466

Dock clerks, technicians, expeditors, and other appropriate personnel are responsible for issuing PS Form 5466 when an HCR driver is delayed beyond the scheduled leave time due to circumstances caused by the Postal Service. If the facility is a Surface Visibility (SV) site, then issue a PS Form 5466 by using the hand-held scanning device and the portable printer. Non-SV sites must use the hard copy version of PS Form 5466, which is issued in booklets and can be obtained by ordering from the Topeka Materials Distribution Center. Proper completion of PS Form 5466 requires entry of the appropriate delay reason. Delay reasons provide an explanation for the postal delay to the scheduled trip departure and should be identified as one of the following:

- *Dock Operations.* Use dock operations when the mail was available for loading, and the cause of the delay is due to activity at the docks. Reasons could include dock congestion, short staffing, and dock mechanical problems.

- *Mail Processing.* Use mail processing when the cause of the delay is due to mail not being available at the dock in sufficient time before scheduled dispatch time. This can be caused by any number of factors in the plant, such as mail running late from the mail processing operation, mail not being transported to the dock to meet the dispatch time, a request to hold the trip, or other processing plan failure.
- *Other.* Use other when the cause of the delay is due to factors not caused by dock operations or mail processing. These reasons could include fire drills, yard management/congestion delays, scanner problems, or other causes. When using other, add a more specific explanation in the “remarks” (comments) field.

When mail is available on the dock for loading, trips must be dispatched on schedule. There is no “grace period” for holding trips beyond their scheduled leave time.

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

Management at postal facilities must review late trip frequency and cost, investigate root causes of late trips, and take measures to prevent further delays and ensure transportation schedules run on time.

Supplier Claims and Claim Form

HCR drivers receive PS Form 5466 from the Postal Service. To consolidate late slip forms for payment, suppliers should use a form similar to the one provided as an example in Attachment A, HCR Supplier Claim Form For Late Slip (PS 5466) Delays, of this MI. When requesting payment, the supplier must submit the actual or electronic copy of the PS Form 5466 along with a written request for compensation to the AO identified by the CO for their contract.

The supplier consolidates the PS Forms 5466 by HCR 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. For all supplier claim forms used, the supplier should ensure that the amount requested accurately reflects the contract adjustment for which the supplier believes the Postal Service is liable and that the supporting data are accurate and complete.

Suppliers are encouraged to submit late slips timely and avoid submitting late slips more than 90 days from the date of issuance. Where the CO has designated that the supplier file a claim with the AO, the AO should notify the supplier to submit late slip claims within 90 days of issuance for them to be considered for payment.

Reconciliation of PS Forms 5466 and Completion of PS Form 5429

The supplier should not be paid for more time than is requested or for more time than is identified on the late slip. The CO provides the AO a standardized guideline for arriving at the time approved for payment and other instructions appropriate for the routes administered. CO instructions include the steps described below.

The AO reviews all claims submitted from suppliers. Each PS Form 5466 must be submitted and validated. Verify the times indicated for each delay against postal data in TIMES, SV database, or data that has been manually recorded. A supplier is not automatically entitled to a late slip payment simply because the supplier has been issued a PS Form 5466 late slip.

When reviewing PS Form 5466 late slips for payment, AOs 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. The departure delay at the origin facility that issued the PS Form 5466 late slip is reconciled against the actual trip arrival time at final destination. The supplier is entitled only to the net amount of additional operating minutes late at the end of the trip. Should there be an additional delay caused by the supplier, such as 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 of 4.25. To certify time where there are hours and unconverted minutes, such as 4 hours and 15 minutes, divide the 15 minutes by 60 to get .25 and enter 4.25 in the Total Hours/Min column. See Attachment B, Minutes to Units Conversion Table.

The AO double-checks the addition used in determining the summary actual total delay time in minutes allowed. The AO transfers the total minutes for delay time [minutes delayed] to PS Form 5429 entering the time under the correct columns. The proper code for identification on PS Form 5429 is "L" for Late Slips - Extra hours/minutes for postal-caused delays. Copies of late slip forms must be held at the local office and **not** submitted to the St. Louis Accounting Service Center.

To reduce the number of Form 5429s, it is acceptable to enter late slip data on the same PS Form 5429 with extra service or with other service codes as long as it is for the same service month as the extra service. To prevent interest being paid on extra service payments, AOs must complete PS Forms 5429 and submit them to the ASC within 30 days after the month the extra service was performed.

AOs can certify and submit late slip hours for multiple months on a PS Form 5429 for payment, if the hourly rate is the same. If the supplier's hourly rate changed between the service months, a separate PS Form 5429 must be submitted for the service months to apply the appropriate hourly rate during the period in which the delay occurred. The AO would then total the late slip hours and convert to decimal hours for each service period at the same hourly rate, and annotate each PS Form 5429 as the last month, alerting St. Louis ASC that the forms are for prior service periods.

For example, late slips submitted by the supplier for April, May, June, and July can be included on the same PS Form 5429 as long as the wage rate is the same for all months. In this instance, the PS Form 5429 would be marked for July (the last month). PS Form 5429 can then be submitted no earlier than the first business day following the close of the service period. The service period is July, and the form cannot be submitted until August 1.

The hourly rate for hired driver and supplier for late slips is located in the Transportation Contract Support System (TCSS) under Special Rates in the Contract Management Screen and on the continuation page of a PS Form 7440, *Contract Route Service Order*. AOs who need access to TCSS submit their request through eAccess.

AOs are responsible for complete, timely, and accurate PS Form 5429 for payment of delay claims presented by suppliers. A thorough review of PS Form 5429 must be conducted before submission to the ASC. An actual copy of the form is required. Send PS Form 5429 to the following address for payment:

ACCOUNTING SERVICE CENTER
UNITED STATES POSTAL SERVICE
TRANSPORTATION SECTION
PO BOX 80191
ST LOUIS, MO 63180-9191

Common Errors To Avoid in Preparing PS Form 5429

AOs must complete each PS Form 5429 legibly and accurately following instructions on the form. The AO must review each PS Form 5429 for errors before submitting it to the ASC. The AO can prevent errors that are normally identified by the ASC such as:

- Late slip minutes entered in the wrong column.
- Late slip minutes entered using the wrong service code.
- Late slip minutes entered using the wrong cost segment.
- Late slip minutes not converted to decimal hours.
- Not entering “H” for hired driver or “S” for supplier rate.

Forms and Reports

Forms

- PS Form 5466, *Late Slip*.
- Supplier Claim Form. (This is not an official Postal Service form.)
- PS Form 5429, *Certification of Exceptional Contract Service Performed*.

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:

- Transportation Management Information and Evaluation System (TIMES) Delayed Routes Report from the electronic data warehouse (EDW).
- TIMES Daily Log report [**Note:** sites with Surface Visibility (SV) scanning and/or TIMES input dispatch and arrival data into the postal transportation database].
- Manually completed Daily Log report from sites without SV or TIMES.

ASC Processing PS Form 5429

Check, correct, and report errors: The ASC receives PS Forms 5429 from AOs on a monthly basis. The ASC is responsible for reviewing PS Form 5429 to ensure completeness and accuracy before committing the amount for payment. The ASC could make minor corrections and reports errors back to the AO when required. The ASC has second-level approval authority.

ASC cutoff for entry into the TCSS: After reviewing each PS Form 5429, the ASC enters PS Form 5429 HCR data into the TCSS. The payment data identifies the month of service. Payment of late slip claims soon after they are incurred depends on the timeliness of AOs receiving, reconciling, and submitting late slip claims to the ASC. Payment for late slips processed by the ASC is included in weekly payments.

The ASC cutoff to enter late slip data in the TCSS is close of business on Tuesdays for payment to be available by electronic funds transfer to suppliers on Friday.

Attachment A

Sample HCR Supplier Claim Form for Late Slip (PS Form 5466) Delays

This attachment provides an example of a Microsoft Excel form that could be used by HCR suppliers to consolidate late slips (PS Form 5466) for claims submitted for payment. (See MI section, AO Reconcile PS Forms 5466 and Complete PS Form 5429.)

HCR SUPPLIER CLAIM FORM FOR LATE SLIP (PS Form 5466) DELAYS
Excess waiting time at USPS Facilities

NOTE: All claims for late slip delays must be submitted to the Administrative Office within 90 days of issuance.

Supplier: _____ Submission Date: _____ FROM: _____ Late Slip Occurance Time Frame
HCR Number: _____ TO: _____

SUPPLIER USE ONLY						***USPS USE ONLY***				
A	B	D	E	G	H	I	J	K	L	M
DATE OF TRIP/LATE SLIP FORM 5466	DELAY LOCATION POSTAL FACILITY /CODE	DELAYED TRIP NO.	SCHEDULED DEPART	ACTUAL DEPART	AMOUNT OF DELAY (MIN)	TRIP FINAL DESTINATION FACILITY CODE	SCHEDULED ARRIVAL @ TRIP FINAL DESTINATION	ACTUAL ARRIVAL @ TRIP FINAL DESTINATION	ALLOWED DELAYED MIN INTO TRIP FINAL DESTINATION	COMMENTS
Total Delay Mins Claimed: _____						Validated Total Delay Mins: _____				

Supplier (or designee): The amount requested accurately reflects the contract adjustment for which the supplier believes the Postal Service is liable. I am duly authorized to present this claim form for late slips delays on behalf of the supplier. The supporting data are accurate and complete to the best of my knowledge and belief.

Administrative Official (or designee): I certify that the above trips have been delayed as shown in Column "L" and that I have access to supporting documents.

SUPPLIER / DESIGNEE SIGNATURE DATE HCR RATE PER HOUR USPS ADMINISTRATIVE OFFICIAL SIGNATURE

*If additional lines are needed, use an another sheet of paper showing supplier and route number.

USPS FACILITY NAME DATE

Attachment B

**Minutes To Units Conversion Table
(Actual minutes divided by 60)**

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

Attachment C

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

Below is a sample letter to HCR suppliers as a reminder to submit delay claims within 90 days of the date of issuance. The date of issuance is the date in which the form was completed and issued 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: Contract Officer
Office Contract File

