

Office of Personnel Management.

Janice R. Lachance,
Director.

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POSTAL SERVICE

Quality Control Reviews for Discounted Letters (Presorted/Automation Rate Mail)

AGENCY: Postal Service.

ACTION: Notice.

SUMMARY: This second notice provides responses to comments submitted concerning the notice published in the **Federal Register** (65 FR 141-142) about the Mail Quality Analysis (MQA) program. MQA is an automated quality control review tool for automation letter mail preparation. It focuses on presort and piece count accuracy. MQA uses existing automation equipment, software, and reports to compare actual sortation to mailer documentation for sampled mail.

DATES: Effective May 1, 2000.

FOR FURTHER INFORMATION CONTACT: Mark Richards, (703) 329-3684.

SUPPLEMENTARY INFORMATION: On January 3, 2000, the Postal Service published a Notice and Request for Comments concerning the MQA program in the **Federal Register**. Descriptions of the MQA program and announcements to business mailers about MQA were published in Postal Bulletin 22012 (December 2, 1999) and in the December issue of Mailers Companion. Further details will appear in Mailers Companion and will be presented at Postal Customer Council meetings.

MQA will begin on May 1, 2000, and will phase in to full implementation on October 15, 2000. From May 1 to October 15, 2000, MQA reports will be provided to mailers as diagnostic information, enabling mailers to assure that their design, preparation, and production procedures result in mailings that qualify for the postage rates claimed. After October 15, 2000, mailings showing more than a 5 percent presort error rate will result in a postage adjustment if the adjustment totals more than \$50. After October 15, a mailer's first-ever MQA analysis will serve as a notice only. In all cases, MQA feedback will help mailers to identify and fix the root causes of any presort and/or piece count errors.

The Postal Service and mailers have worked together for many years to improve the quality of mail, which

ultimately benefits all customers through more stable postage rates. MQA incorporates a quality control analysis process, with feedback to the mailer on the results of the review. Only mailers with consistent quality control problems will experience routine postage adjustments. The MQA feedback process, however, is designed to help prevent consistent problems from happening. MQA, as a process management tool, is analogous to the in-process quality/inventory/productivity indicators used by other businesses and industries in their quality control efforts.

MQA uses existing equipment, software, and reports to compare mail sortation and piece counts with mail qualification reports submitted by the mailer. MQA provides an additional return to the Postal Service and our customers from ongoing investments in technology and software. MQA is not a developmental program, but a new application of existing capabilities. The Postal Service believes it is vital to create an environment that leads to high-quality mail and also bolsters the integrity of the worksharing discount program. MQA enhances an environment where each mailer pays postage commensurate with preparation of their mail.

Summary of Comments Received

The Postal Service received five comments in response to the January 3, 2000, **Federal Register** notice. The commenters were two mailer associations, one mailing logistics firm, one mailing service, and one large mail-order firm.

Specific issues raised in the comments are presented below. All commenters supported the goal of improving mail quality for the benefit of all postal customers. Concerns were primarily related to the postage adjustment aspect of MQA. One commenter limited his concern to say that calculations for postage adjustments need to be clearly stated, and the MQA reports as described do so. The following is a summary of the other comments:

1. Implementation should not have occurred before the comment period expired. The mailing industry should have been involved up front in the development of MQA.
2. Mailers should be given advance notice when their mail is to be reviewed under MQA.
3. After initial verification and acceptance, can the Postal Service perform additional quality reviews?
4. Can the Postal Service legally initiate a postage adjustment for mail

after acceptance? There is a limited opportunity for "rework" of mail preparation errors.

5. Mailers are not responsible for their mail after it has been accepted by the Postal Service.

6. Are MQA reports linked to the sample and mailing (associated with the mailing and custody of sample), and are MQA samples dispatched in a timely manner?

7. Do equipment issues (reading accuracy and availability of machine maintenance records) affect MQA?

8. It is not fair to calculate postage adjustments against the entire mailing; the sample size is small compared to the potential postage adjustment.

9. Postage adjustments are difficult for mailers to pay. Institute a delay for collection of postage.

10. How will mailers know what to fix?

11. Will mailers have appeal rights and protection from arbitrary determinations?

12. The MQA program should be discontinued, and costs of presort errors spread among all mailers.

13. MQA is a threat to customers and will not encourage more mail.

14. MQA should be rolled out to all mailers, not just to larger mailers.

Responses to Comments

Item 1: Full implementation of MQA was scheduled for June 3, 2000 (well after expiration of the comment period on February 2), and has now been deferred to October 15, 2000. Mailers and their associations have been engaged in dialogue with the Postal Service for the past several months. It also is significant that the diagnostic and feedback provisions incorporated within MQA have been requested by a variety of mailers for some time. MQA uses existing equipment, software, and reports to compare mail sortation with mailer presort documentation and provides an additional return to the Postal Service and our customers from ongoing investments in technology and software.

Item 2: To assure that MQA reviews are a true picture of mail as routinely submitted to the Postal Service, advance notification of mailings selected for review will not occur, either internally or to mailers. Mailers with on-site detached mail units (DMUs), however, likely will notice that a particular mailing has been selected for analysis, because trays will be isolated for the MQA review. Mailers whose mailings are submitted to a business mail entry unit (BMEU) may not know their mail was analyzed until they receive an MQA report. In recent industry discussion

groups, some mailers expressed the strong desire to be present at the USPS barcode sorting equipment when their mail is being analyzed. The Postal Service agreed to craft a procedure to offer mailers the opportunity to observe the analysis. This will be a straightforward procedure that maintains the integrity of the analysis while giving mailers the opportunity for first-hand observation of the MQA analysis. Information about this procedure will appear in an upcoming issue of *Mailers Companion*.

Item 3: Authorization to mail at discounted rates is granted with the understanding that mail will be prepared to qualify for the rates claimed. Mail submitted with preparation problems leads to extraordinary processing costs as it is rehandled. Domestic Mail Manual (DMM) G020.2.1 states that all mailers are required to comply with applicable postal standards. DMM G020.2.2 and the mailer certification on each postage statement provide notice that when proper postage is not claimed on the postage statement, the Postal Service expects to collect the proper amount. The USPS will continue the verification process at mail acceptance units. However, to avoid "double jeopardy," a mailing assessed a postage adjustment as the result of the presort verification and presort errors disclosed at acceptance will not be subject to MQA. The failure to use existing assets to provide an efficient method for feedback on mail quality would be a great disservice to all who have properly prepared their mail. Therefore, the Postal Service believes it is responsible and proper to administer MQA as defined. MQA will not impact mailers whose systems and procedures produce high-quality mailings, but will benefit all mailers through more stable postage rates.

Items 4 and 5: The Postal Service has a statutory obligation to collect postage owed under 39 U.S.C. 404(a). Moreover, the Postal Service is prohibited from discriminating between mailers, as could occur if some do not pay the full legal rate of postage. Postal standards (such as DMM P011.4.0) provide the necessary mechanism for determining amounts owed to the Postal Service and provide appeal procedures for mailers if they dispute such postage adjustments. DMM G022.2.1 requires mailers to comply with all applicable postal standards, and payment of correct postage is an obvious and important component of compliance. DMM G022.2.2 states that the Postal Service is not restricted from demanding proper payment of postage after acceptance

when it becomes apparent that such payment was not made. Further, mailers have ample additional notice of these standards and the requirement that each mailer must pay postage commensurate with their mail preparation through: (1) The application and approval process for authorization to mail at discounted rates; (2) the mailer certification on each postage statement that the mail qualifies for the rates claimed; and, (3) the mailer agreement in that same certification to pay any postage deficiencies assessed on the mailing. The MQA report is clear documentation of presort and piece count discrepancies, as compared to the mail qualification report and rates claimed on the postage statement. Fairness has been applied through the initial notification of presort errors exceeding 5 percent without a postage adjustment prior to October 15, 2000, and not assessing postage adjustments under \$50 thereafter.

MQA analyzes mail as it is run on delivery barcode sorters (DBCSs). It is not feasible to reconstruct a mailing and offer the mailer the opportunity to rework mail when presort errors are first disclosed during actual processing of that mail. This fact is true today and MQA does not change it.

Item 6: Initial MQA reviews will be conducted at the origin postal facility. MQA samples (including DMU/destination entry trays) will be isolated and their integrity secured through special placarding, handling, and tray label recording procedures. The direct relationship between the MQA sampled mail and the MQA report is shown by recording information directly from the tray labels onto the MQA documentation. Scheduling of MQA reviews and processing of samples will be coordinated with Mail Processing. Dispatch of sampled mail will not normally be affected by MQA reviews, although in some cases alternative means of routing may be used. In cases where presort errors exceeding 5 percent are found, mailers will receive copies of all documentation involved as a final quality control check of the process.

Item 7: DBCS equipment is used every day by the Postal Service to process live mail. Preventive maintenance is performed regularly and documented. It is important to note that MQA does not measure barcode readability but rather records mailer-applied barcodes to measure presort and piece count accuracy, as compared to mailer documentation for the sample. Because of the mathematical check digit incorporated in a barcode, DBCS equipment does not misinterpret barcodes. Only when the barcode and

its check digit formula add up correctly is a barcode "read." Barcodes that are not read are rejected, and rejected pieces are not counted as errors under MQA. Rejected pieces will be analyzed and information reported to the mailer, as this may also assist mailers in improving quality. Moreover, for computer list sorted mailings, MQA will run thousands of similar pieces through the DBCS at the same time, optimizing the capabilities of the equipment to read barcodes on sampled mail.

Item 8: Postage adjustments are applied only to the actual pieces sampled or to the sort level sampled (5-digit, 3-digit, AADC, Mixed AADC). Sample sizes for MQA reviews are larger than any possible to date.

Items 9 and 10: Mailers with effective quality controls, who prepare mailings to qualify for the rates claimed, will not have difficulties. Difficulty in paying appropriate postage for a mailing is not used to establish the postage a particular mailer should pay and should not mean that one mailer is not required to meet the same preparation standards as others. If a postage adjustment is initiated, mailers also can discuss terms and conditions, or other alternatives that might be considered, with the USPS District Manager, Finance. Even mailers who have consistent quality control and qualification problems will not experience continuing postage adjustments if they make necessary corrections to their mail preparation procedures. Diagnostic feedback from the MQA report will be in sufficient detail to assist mailers in determining where in their operations a problem originated, but MQA also is designed to encourage mailers to perform ongoing self-assessments of their quality controls. Until October 15, 2000, mailers will have ample opportunity to both review internal quality control procedures and use MQA feedback to improve their operations.

Item 11: MQA postage adjustments will be based on objective data received from detailed machine reports of the presort and piece counts found in the mail sample. Mailers have appeal rights to the Rates and Classification Service Center for MQA determinations made at local or district offices.

Item 12: Measuring and documenting the quality of mail at points where it is most efficient to do so will lead to improved operations, efficiencies, and lower costs for both the Postal Service and mailers. In preliminary testing of MQA, several mailers already have made significant improvements in quality and in some cases also increased their efficiency and reduced their internal costs. MQA is a benefit, not a

burden, to mailers. The many high-quality mailers should not bear the burden of paying additional costs associated with poor-quality mail submitted by a small number of mailers.

Item 13: Improving quality throughout all mailing processes is a long-term need to which all members of the mailing industry should subscribe. As quality is improved and corresponding increases in efficiencies and stabilization of rates are achieved, more, not less, mail will result.

Item 14: MQA will focus initially on the largest volume mailers, then move down the chain to smaller volume mailers. The USPS will monitor this process and has built an objective approach to selecting which mail will be analyzed.

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 00-14681 Filed 6-8-00; 8:45 am]

BILLING CODE 7710-12-U

PRESIDIO TRUST

Presidio Theatre Building 99, The Presidio of San Francisco, CA; Notice of Intent to Prepare an Environmental Impact Statement

AGENCY: The Presidio Trust.

ACTION: Notice of intent to prepare an Environmental Impact Statement (EIS) for the rehabilitation and expansion of the Presidio Theatre (Building 99) within The Presidio of San Francisco, San Francisco, California (Presidio).

SUMMARY: The Presidio Trust (Trust) has received a proposal from one of its tenants, the San Francisco Film Centre, for rehabilitation and expansion of the Presidio Theatre (Theatre) within the Presidio. Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969 (Pub. L. 91-90 as amended) (NEPA), and the regulations promulgated by the Council on Environmental Quality (40 CFR 1505.2), the Trust has determined that an EIS rather than an Environmental Assessment, as previously noticed in the **Federal Register** (65 FR 20218), will better serve the agency to comply with the NEPA. Therefore, the Trust will prepare an EIS for rehabilitating the existing 15,140-square-foot Theatre and adding up to 45,000 square feet of new construction for theater uses, a restaurant, retail museum and library store (proposed action). The EIS will include a discussion of the significant environmental impacts, and will inform decisionmakers and the public of reasonable alternatives which would

minimize adverse impacts or enhance the quality of the environment, including "no action" and reuse of existing buildings to avoid new construction. Based on a preliminary review of the proposed action and input received during scoping to date, issues and impact topics to be analyzed include: traffic and transportation systems; cultural resources (effect on national historic landmark district and archeological resources); hydrology and water quality; visual resources and scenic viewing; air quality; and noise.

Public Comment

The Trust will hold a second public workshop/open house on June 19, 2000 to solicit comment regarding the range of alternatives to be evaluated in the EIS. A tour of the Theatre will be conducted from 5:30 to 6 p.m.; those interested in the tour will meet at 5:30 p.m. on June 19, 2000 in front of the Theatre, which is located at the corner of Moraga Avenue and Montgomery Street on the Main Post in the Presidio. The workshop will run from 6 to 8 p.m. at the San Francisco Film Centre (Building 39), which is located opposite the flagpole at the top of Graham Street on the Main Post in the Presidio. The Trust has chosen to extend the public scoping period to July 28, 2000 to provide additional time for the public to comment on the project. Comments regarding the scope of alternatives and impacts that the Trust received before its decision to proceed with an EIS will still be considered. The Trust will provide other informal information updates and notices concerning this project through postings on its website at www.presidiotrust.gov or through its monthly publication, the *Presidio Post*. The Trust will announce the release of the EIS by notice in the **Federal Register** and the *Presidio Post*, and through a direct mailing to the affected public.

ADDRESSES: Written comments concerning this notice must be sent by July 28, 2000 to John Pelka, NEPA Compliance Coordinator, The Presidio Trust, 34 Graham Street, P.O. Box 29052, San Francisco, CA 94129-0052. Fax: 415-561-5315. E-mail: jpelka@presidiotrust.gov.

FOR FURTHER INFORMATION CONTACT: John Pelka, NEPA Compliance Coordinator, The Presidio Trust, 34 Graham Street, P.O. Box 29052, San Francisco, CA 94129-0052. Telephone: 415-561-5300.

Dated: June 5, 2000.

Karen A. Cook,

General Counsel.

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RAILROAD RETIREMENT BOARD

Proposed Collection; Comment Request

SUMMARY: In accordance with the requirements of Section 3506 (c)(2)(A) of the Paperwork Reduction Act of 1995 which provides opportunity for public comment on new or revised data collections, the Railroad Retirement Board (RRB) will publish periodic summaries of proposed data collections.

Comments are invited on: (a) Whether the proposed information collection is necessary for the proper performance of the functions of the agency, including whether the information has practical utility; (b) the accuracy of the RRB's estimate of the burden of the collection of the information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden related to the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

Title and purpose of information collection: Student Beneficiary Monitoring; OMB 3220-0123.

Under provisions of the Railroad Retirement Act (RRA), there are two types of benefits whose payment is based upon the status of a child being a full-time student, a survivor benefit under Section 2 and an increased retirement benefit under Section 3(f)(3). A survivor benefit is paid directly to the student unless there is a representative payee. The benefit for a student in a life case is paid by increasing the retired parent's annuity rate under the overall minimum guaranty. The requirements for obtaining benefits based on full-time student status are prescribed in 20 CFR 219.54 and 219.55.

The RRB requires evidence of full-time school attendance in order to determine that a child is entitled to student benefits. The RRB utilizes the following forms to conduct its student monitoring program. Form G-315, Student Questionnaire, obtains certification of a student's full-time school attendance. It also obtains information on a student's marital status, Social Security benefits, and employment which are needed to determine entitlement or continued entitlement to benefits under the RRA. Form G-315a, Statement by School Official of Student's Full-time Attendance, is used to obtain verification from a school that a student attends school full-time and provides their expected graduation date. Form G-315a.1, Notice of Cessation of Full-Time Attendance, is used by a school to notify