



December 22, 2008

MANAGERS, FINANCE, CS&S DISTRICTS
MANAGERS, STATISTICAL PROGRAMS, CS&S DISTRICTS

SUBJECT: *Policy Memo* – Statistical Programs Letter #3, Fiscal Year (FY) 2009

ODIS-RPW: USPS Priority Mail Flat Rate Boxes; USPS Priority Mail Flat Rate Envelope Characteristics; Barcode Size; Meter/IBI Number; Package Services - Parcel Return Service (or Parcel Select Return Service); Commercial Base Pricing
IOCS: Priority Mail Packaging
SIRVO-IODIS: Commercial Base Pricing markings; USPS Priority Mail Small Flat Rate Box; Meter/IBI Number; Revenue per Piece; US Origin (Outbound) International Mail Identification Flowchart for SIRVO-IODIS
Administration: CCCS and RCCS Reschedule Reasons

The purpose of this letter is to provide updated policy and recording procedures for ODIS-RPW, IOCS and SIRVO-IODIS. Also included are updated administrative procedures. The changes are effective on January 18, 2009.

ODIS-RPW

Attachment 1 provides instructions for recording the new USPS Priority Mail Small Flat Rate Box and new mail characteristics when USPS Priority Mail Flat Rate Envelopes are recorded. Updated instructions are provided for recording Barcode Size, Meter/IBI numbers, Package Services - Parcel Return Service (or Parcel Select Return Service), and Priority Mail "Commercial Base Pricing."

IOCS

Attachment 2 provides instructions for recording Priority Mail Packaging.

SIRVO-IODIS

Attachment 3 provides instructions related to a new screen, *Mail Preparation/Sortation Marking*, and updated policy in Revenue per Piece - both related to "Commercial Base Pricing." Updated instructions for recording the new USPS Priority Mail Small Flat Rate Box and changes to recording Meter/IBI numbers are also included in this attachment. The US Origin (Outbound) International Mail Identification Flowchart for SIRVO-IODIS is updated to reflect the new USPS Priority Mail Small Flat Rate Box.

ADMINISTRATION

District Managers, Statistical Programs (MSP) are responsible for rescheduling tests using the CODES Web Base Unit. Attachment 4 provides updated reason codes for rescheduling CCCS and RCCS tests.

A handwritten signature in black ink, appearing to read "J. Ron Poland".

J. Ron Poland
Manager Statistical Programs

Attachments

cc: Mr. Walker, CFO
Mr. Lyons
Mr. Foucheaux
Finance Managers, Areas (w/o Attachments)
Accounting Managers, Areas
Statistical Programs Liaisons, Areas
Managers, Statistical Programs, HQ
Mr. Colvin
Ms. Mayes
Ms. Vetter, Senior Manager, Ernst and Young
Ms. Hilderbrand, Office of Inspector General

**ORIGIN-DESTINATION INFORMATION SYSTEM – REVENUE, PIECES AND WEIGHT
(ODIS-RPW)**

The following policy and procedure changes are effective January 18, 2009.

Priority Mail: Updated Mail Shape Screen

When option <1> *Identified as Priority Mail by Free USPS-Supplied Envelopes, Boxes and Tubes* is selected at the *Marking Identification* screen, the *Mail Shape* screen is updated to include option (C) *USPS Small Flat Rate Priority Box (8 5/8 x 5 3/8 x 1 5/8 inches)*.

The following text replaces the text in SP Letter #6 FY08, Attachment 1, **RM 3-12 Mail Shape Definitions:**

USPS Priority Mail Flat Rate Boxes	<p>Select this option for mailpieces that are USPS Priority Mail Flat Rate boxes. The dimensions of the Flat Rate boxes are typically one of four sizes: (1) 14" x 12" x 3 ½", (2) 11 ¼" x 8 ¾" x 6", (3) 12 ¼" x 12 ¼" x 6" or (4) 8 5/8" x 5 3/8" x 1 5/8".</p> <p>USPS also provides a limited number of customized Flat Rate boxes of various dimensions for large mailers. The boxes must have the marking "Flat Rate Box". USPS Priority Mail Flat Rate boxes can be used for both domestic and international outbound shipping. The domestic Flat Rate boxes have a fixed postage rate, regardless of the actual weight. When using the Flat Rate boxes for International mail:</p> <ul style="list-style-type: none">▪ There is a postage rate category for Canada and Mexico, and other postage rate category for all other countries.▪ The weight maximum is 20 pounds.▪ It is subject to the requirement of a Customs declaration label (CP 72 or other).
---	---

USPS Flat Rate Priority Envelope Characteristics

If the *Mail Shape* is *USPS Priority Mail Flat Rate Envelope*, a new *USPS Flat Rate Priority Envelope Characteristics* screen will appear to ask the following:

Does this envelope exceed ¾ inch at its thickest point?

<1> YES

<2> NO

Data collectors should select <1> YES if the thickest point of the Priority Mail Flat Rate envelope exceeds ¾ inch or <2> NO if the thickest point of the Priority Mail Flat Rate envelope does not exceed ¾ inch.

Barcode Size (POSTNET Only) or Type (Intelligent Mail) Screen

The text in handbook F-75, Section 3.9.1 step 12 should be updated with the following:

If a POSTNET barcode is present, determine if the barcode is 5-digit, 9-digit, 11-digit, or if it has been crossed out, covered up or unreadable.

Meter/IBI Number Screen

Update handbook F-75 Section 3.9.1 step 4b with the following:

- Meter/IBI numbers are six to nine digits in length. Don't record the meter/IBI manufacturer code.
- Do not record leading zeroes. Your first digit entry will be a 1, 2, 3, 4, 5, 6, 7, 8 or 9.
- Enter an 'X' for illegible digits.
- Select <F1> for the help document that gives you examples of meter/IBI number characteristics.

Data collectors must now enter a Meter/IBI number when Click-N-Ship is selected at the Meter/IBI Manufacturer.

Mail Class & Type Screen

Record Parcel Select Return Service Parcels as *Package Services*. Select *Parcel Return Service* (or *Parcel Select Return Service*) as the appropriate subclass.

The following text replaces the text in Handbook F-75, section 3.9.7

Package Services

This class of mail can be identified by the following endorsements and characteristics:

- a. Parcel Post, PP, Bound Printed Matter, BPM, Media Mail, Library Mail, Parcel Select or Parcel Return Service or Parcel Post (no other markings).
- b. Parcel with no endorsements.

Parcel Return Service

Parcel Return Service (PRS) is a work share discount program from the USPS that offers an easy and convenient way for customers to return items to merchants.

Section 3.9.7 step 2 in Handbook F-75 will be updated.

When *Parcel Return Service* (or *Parcel Select Return Service*) is selected, the following additional marking information is also required for the *Mail Preparation/Sortation Markings*:

1. Parcel Return Service or (PRS)
2. Parcel Select Return Service or (PSRS)
3. Both Parcel Select Return Service or (PRS), and Parcel Select Return Service or (PSRS)
4. RBMC with (or without) other Markings
5. RSCF with (or without) other Markings
6. RDU with (or without) other Markings

Parcel Return Service (PRS) is no longer recorded at the *Extra Services* screen and is removed from the *Extra Services* screen for both Destinating and Originating (COU) tests.

For Forwarded/Returned Package Services Bound Printed Matter (Presorted, Carrier Route and None [single-piece]), the data collector must enter a **Weight** when the indicia is Permit Imprint.

Commercial Base Pricing

The postal service has introduced "Commercial Base Pricing" for customers who ship domestic Express Mail and Priority Mail through approved methods. Commercial Base Pricing mailpieces will be easily identified with the marking "**Commercial Base Pricing**" on the postage label.

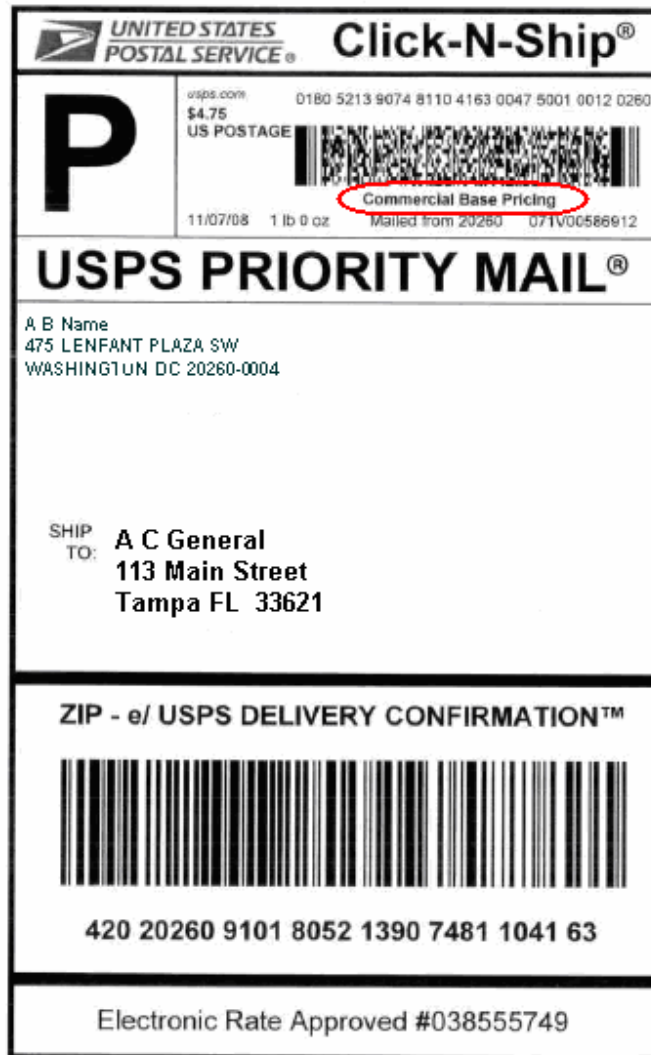
Update the Handbook 75, Section 3.9.6 step 2 with the following:

2. Select the marking or endorsement that applies from the *Mail Preparation/Sortation Marking* screen.

1 - Commercial Base Pricing - USPS Approved or Commercial Base Pricing with other references)

0 - None (no marking)

Data collectors should select option <1> if "Commercial Base Pricing" or its equivalent appears in the indicia area. During a transition period, option <1> should also be selected for mailpieces reflecting "ONLINE DISCOUNT". If none of these options appear in the indicia area, select option <0>.



Example 1: Commercial Base Pricing in the Indicia Area

IN-OFFICE COST SYSTEM (IOCS)

The following policy and procedure changes are effective January 18, 2009.

Priority Mail Packaging

IOCS has added a new question to identify the type of Priority Mail packaging. Add the following section to Handbook F-45, section 8.6.3.4:

Mail Class Markings (Priority Mail Packaging) (Q23G1c)

The following question appears if you chose option B Priority Mail in answer to Q23G1 and Q23G1a.

What type of packaging is used?

- A. *USPS Priority Mail Flat Rate Envelope.* Choose this option if the mailpiece is an USPS Priority Mail Flat Rate Envelope.
- B. *Other USPS-branded packaging (including USPS Priority Mail Box or Flat Rate Boxes).*
Choose this option for other USPS packaging such as Priority Mail Boxes, Priority Mail Flat Rate Boxes or Priority Mail Tyvek Envelopes.
- C. *Non-USPS packaging.* Choose this option for all other packaging.

**SYSTEM FOR INTERNATIONAL REVENUE AND VOLUME OUTBOUND – INTERNATIONAL
ORIGIN-DESTINATION INFORMATION SYSTEM
(SIRVO-IODIS)**

The following policy and procedure changes are effective January 18, 2009. Update Handbook F-85 as indicated.

New Mail Preparation/Sortation Marking Screen

If the *Product Class* is Priority Mail International, a new *Mail Preparation/Sortation Marking* screen will appear before the *International Mail Type* screen. The options for this new screen are:

<1> Commercial Base Pricing – USPS Approved (or Commercial Base Pricing as a stand alone marking)

<0> None

Data collectors should select option <1> if “Commercial Base Pricing” or its equivalent appears in the indicia area. During a transition period, option <1> should also be selected for mailpieces reflecting “ONLINE DISCOUNT”. If none of these options appear in the indicia area, select option <0>.

 PRIORITY MAIL UNITED STATES POSTAL SERVICE®		Customs Declaration Dispatch Note - CP 72  CJ 150 163 260 US		Click-N-Ship usps.com US POSTAGE PAID  CJ150163260US0022800100046006 Commercial Base Pricing			
From A B Name 475 L'ENFANT PLZ SW WASHINGTON DC 20260-0004 USA		To A C General CALLE MARIOLA 15 PTA 5 46006 VALENCIA SPAIN		Insured Number: Insured Amount (US \$) SDR Value \$0.69 Importer's Telephone/Fax/Email			
Detailed description of contents			Qty.	Weight lb. oz.	Value (US \$)	HS Tariff Number	Country of Origin
legal documents			1	1 0	1.00		
Contents <input type="checkbox"/> Gift <input type="checkbox"/> Commercial Sample <input type="checkbox"/> Other <input checked="" type="checkbox"/> Documents <input type="checkbox"/> Returned Goods Explanation: legal briefs			Total Wt.	Total Value	Postage and Fees		
			1 0	\$1.00	\$22.80		
Comments (e.g., goods subject to quarantine, sanitary/phytosanitary inspection, or other restrictions)			Nondelivery Instructions Return to Sender		Mailing Office Date Stamp 		
Sender's Customs Reference (if known)		Importer's Customs Reference - (Fiscal or VAT-number of the addressee, if known)					
License Number(s)		Certificate Number(s)		Invoice Number			
I certify that the particulars given in this customs declaration are correct and that this item does not contain any dangerous articles prohibited by legislation or by postal or customs regulations.							
Sender's signature <i>A. B. Name</i>				Date 11/25/2008			

PS Form 2976-A-PMI

Do not duplicate this form without USPS approval.

The item/parcel may be opened officially.

1 - Customs Declaration

Example 2: Commercial Base Pricing in the Indicia Area

Updated International Mail Shape Screen

When the *Product Class* is Priority Mail International, all of the shape definitions appear on the screen. This screen is updated to include option <C> USPS Small Flat Rate Priority Box (8 5/8 x 5 3/8 x 1 5/8 inches). The former options <C> through <E> are changed to <D> through <F>.

The following changes are made to SP Letter #6, FY08, Attachment 2, regarding RM 3-7 International Mail Shape Definitions:

- Replace the introductory text with the following text:

On the International Mail Shape screen, potentially eleven (11) options appear depending upon the Product Class selected. The first three options are shapes; the remaining eight (8) are specific to USPS Priority Mail packing items. Data on the USPS Priority Mail packaging is collected to support marketing initiatives.

- Add the following international mail shape definitions:

Packaging	Definition
USPS Priority Mail Small Flat Rate Box	Select this option for mailpieces that are the USPS Priority Mail Small Flat Rate box. The dimensions are 8 5/8 x 5 3/8 x 1 5/8 inches. The USPS Priority Mail Small Flat Rate box is interchangeable for both domestic and international outbound shipping. When using the Small Flat Rate box for International mail: <ul style="list-style-type: none">• There is a postage rate category for Canada and Mexico, and another postage rate category for all other countries.• The weight maximum is four pounds.• It is subject to the requirement of a Customs declaration label (CN 22 or other).

Meter/IBI Number Screen

Update the F-85, Section 3.3.4.2, Guidelines for keying meter numbers:

- Meter/IBI numbers are six to nine digits in length. Don't record the meter/IBI manufacturer code.
- Do not record the leading zeroes. Your first digit entry will be a 1, 2, 3, 4, 5, 6, 7, 8 or 9.
- Enter 'X' for illegible digits.
- Enter <F1> for the help document that gives you examples of meter/IBI number characteristics.

Data collectors must now enter a Meter/IBI number when Click-N-Ship is selected at the Meter/IBI Manufacturer.

Revenue per Piece Screen

The policy in SP Letter #3, Fiscal Year (FY) 2008, regarding *Revenue per Piece* is replaced as follows:

Priority Mail International mailpieces with PS Form 2976-A-PMI with online or commercial base postage may reflect "Online Discount" or "Commercial Base Pricing" in the indicia area. See example of "Commercial Base Pricing" below. The amount indicated in the

"Postage and Fees" box on the lower right-hand side of the form is to be entered as the Revenue per Piece.

 PRIORITY MAIL UNITED STATES POSTAL SERVICE®		Customs Declaration Dispatch Note - CP 72  CJ 150 163 260 US		Click-N-Ship usps.com US POSTAGE PAID CJ150163260US0022800100046006  Commercial Base Pricing 1 lb 0 oz 11/25/08 Mailed from 20260 071V00586910			
From A B Name 475 L'ENFANT PLZ SW WASHINGTON DC 20260-0004 USA		To A C General CALLE MARIOLA 15 PTA 5 46006 VALENCIA SPAIN		Insured Number: Insured Amount (US \$) SDR Value \$0.69 Importer's Telephone/Fax/Email			
Detailed description of contents			Qty.	Weight lb. oz.	Value (US \$)	HS Tariff Number	Country of Origin
legal documents			1	1 0	1.00		
Contents <input type="checkbox"/> Gift <input type="checkbox"/> Commercial Sample <input type="checkbox"/> Other <input checked="" type="checkbox"/> Documents <input type="checkbox"/> Returned Goods Explanation: legal briefs			Total Wt. 1 0	Total Value \$1.00	Postage and Fees \$22.80		
Comments (e.g., goods subject to quarantine, sanitary/phytosanitary inspection, or other restrictions)			Nondelivery Instructions Return to Sender		Mailing Office Date Stamp 		
Sender's Customs Reference (if known)		Importer's Customs Reference - (Fiscal or VAT-number of the addressee, if known)		License Number(s)		Certificate Number(s)	
				Invoice Number			
I certify that the particulars given in this customs declaration are correct and that this item does not contain any dangerous articles prohibited by legislation or by postal or customs regulations.							
Sender's signature <i>A. B. Name</i>			Date 11/25/2008				

PS Form 2976-A-PMI

Do not duplicate this form without USPS approval.

The item/parcel may be opened officially.

1 - Customs Declaration

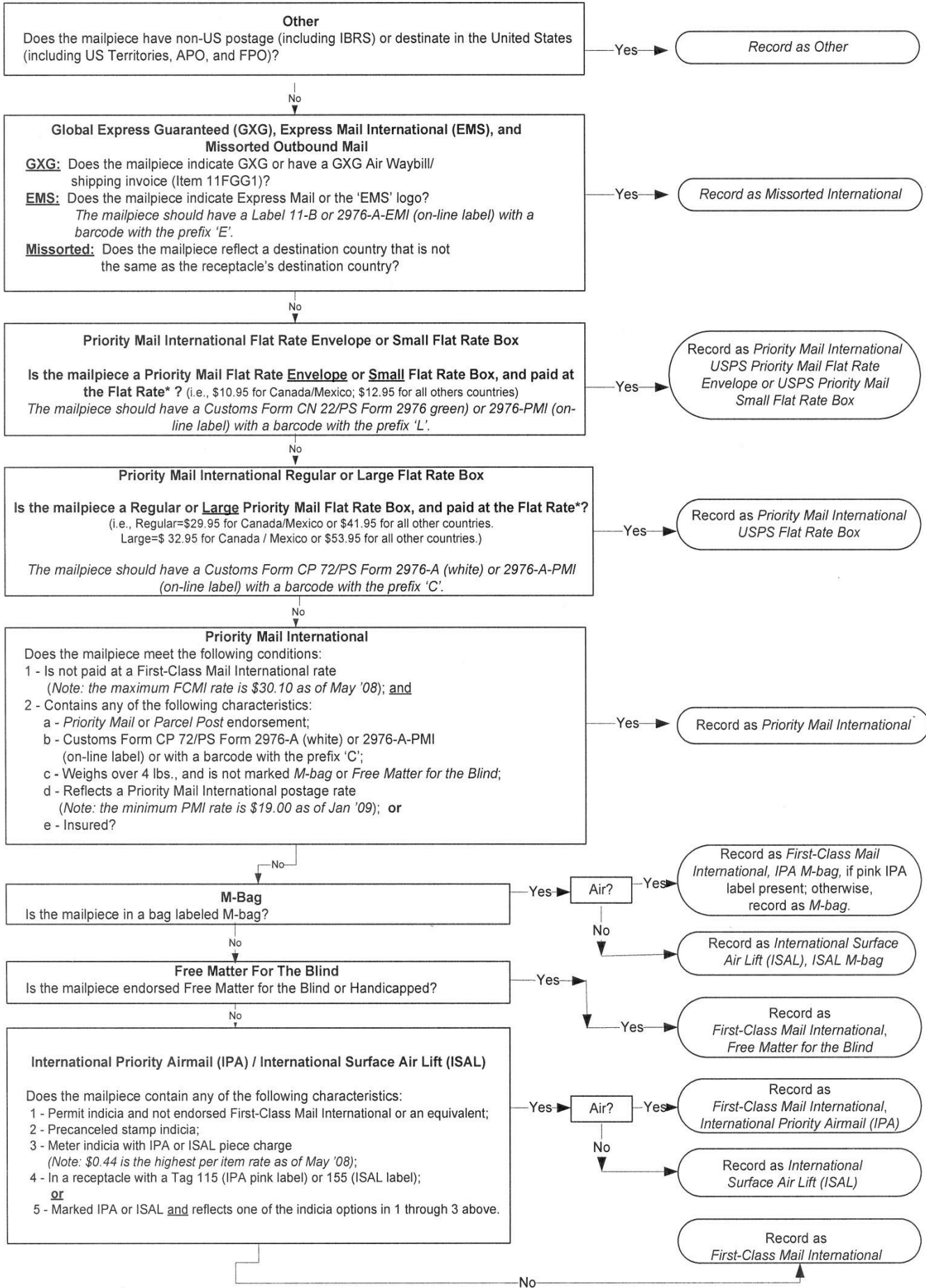
Example 3: PS Form 2976-A-PMI

U.S. Origin (Outbound) International Mail Identification Flowchart for SIRVO-IODIS

The U.S. Origin (Outbound) International Mail Identification Flowchart for SIRVO-IODIS is modified and replaces the flowchart in SP Letter # 6, FY2008. The modifications primarily reflect updates to the recordation of Priority Mail International Flat Rate mailpieces, including the new Small Flat Rate Box. In order to record a mailpiece that is a Priority Mail International Flat Rate envelope or box, the mailpiece must reflect the published flat rate or, if marked ONLINE DISCOUNT or Commercial Base Pricing in the indicia area, a rate that is 5 percent less than the published rate.

Although the outbound flowchart should identify mailpieces correctly in most situations, there may be situations where the flowchart may not work. If there are still concerns over the proper classification, use the flowchart to classify the piece and enter a receptacle level *Comment* describing the issue.

U.S. Origin (Outbound) International Mail Identification Flowchart for SIRVO-IODIS



ADMINISTRATION

The following policy and procedure changes update Handbook F-95 and are effective immediately.

Replace the text in section 3.6.2.2 as follows:

Rescheduling Tests

The MSP must review all tests on a regular basis prior to uploading to the mainframe. MSPs should take special care to identify any test records that contain incorrect data or other evidence that require a test to be rescheduled.

The following is a list of reasons that could lead to rescheduling CCCS tests:

- A carrier familiar with the route is unavailable.
- Severe weather prevents mail delivery on the route.
- A route inspection.
- Corrupt data.
- Test scheduled on training day.
- Vehicle breakdown.

Replace the text in section 3.6.3.2 as follows:

Rescheduling Tests

The MSP must review all tests on a regular basis prior to uploading to the mainframe. MSPs should take special care to identify any test records that contain incorrect data or other evidence that require a test to be rescheduled.

The following is a list of reasons that could lead to rescheduling tests:

- Severe weather prevents mail delivery on the route.
- National mail count.
- Corrupt data.
- Test scheduled on training day.
- Vehicle breakdown.

Any other special situations should be referred to the SPSC.