UNITED STATES
POSTAL SERVICE ®

Optional Procedure Mailing System (OPMS)

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Contents

1 OPMS --The Basics

1-1 Optional Procedure Mailing System (OPMS) Overview

This publication contains step-by-step instructions intended to give the mailer all the information needed to participate in OPMS. It contains information and conditions for authorization for mailing permit imprint mail under OPMS. In addition to these requirements, mailers must comply with the standards governing presort, mail makeup, postage payment, and postage refunds contained in the *Domestic Mail Manual* (DMM) or, if applicable, in the *International Mail Manual* (IMM).

Chapters 2 – 5 in this publication pertain to the mailer's responsibilities, whereas Chapters 6 – 7 pertain to the Postal Service's responsibilities. They contain step-by-step instructions intended to give the various Postal Service participants all the information needed to perform the following tasks:

a.   Process an OPMS application.

b.   Authorize an OPMS.

c.   Verify and accept permit imprint mailings under OPMS.

d.   Perform reviews of the mailer's records under OPMS.

e.   Suspend/cancel an OPMS authorization/agreement.

f.   Process postage refunds which are submitted under OPMS.

1-2 Optional Procedure Mailing System

OPMS is a program that allows the Postal Service to verify and accept identical-weight and/or nonidentical-weight permit imprint mail by a means other than the standard verification procedure of weighing mail in bulk. OPMS can be used for First-Class Mail®, Standard Mail, Package Services, and International Mail.

The requirements to use OPMS include the following:

a.   The mailer must provide and retain documentation required by the Postal Service to verify mail (e.g., standardized presort documentation that includes version details for non-identical and multiple permit imprint mailings).

b.   The mailer must retain financial, production, and other business records that support the total number of pieces mailed and postage prices claimed on postage statements.

c.   The mailer must maintain an effective quality control (QC) program and retain documentation supporting the QC procedures.

1-3 System Definitions

a. **Job.** A job is the total number of pieces of a particular product that a customer has ordered, including pieces not mailed (e.g., samples, dealer copies). A single job could include multiple versions and mailings.

b. **Mailing Segment.** A mailing segment is the portion of the job represented by a single postage statement; for Plant-Verified Drop Shipment (PVDS) mailings, it is the portion represented on a consolidated postage statement.

c. **Audit Trail.** An audit trail is a series of interrelated original source documents (financial, production, or a combination of both) specified in the OPMS authorization/agreement that supports all elements of a job and the entries on the postage statement(s). The mailer must produce an audit trail for each job submitted under the OPMS authorization/agreement. The OPMS authorization/agreement specifies the records and the manner in which the mailer must maintain them.

1-4 OPMS Requirements

To be eligible for an OPMS authorization, the following conditions must be met:

a. Submit PS Form 3626, *Optional Procedure Mailing System Application* (OPMS)*,* (see Appendix A). Chapter 3 of this publication presents the application and authorization process.

b. The mailer's plant must be operating and mailing at the time the application is submitted.

c. Records must provide a sound audit trail that ensures that the Postal Service can collect the proper postage.

d. Only permit imprint mailings may be presented in accordance with standards contained in the DMM.

e. All provisions in the DMM (or the IMM, if applicable), this publication, and the OPMS authorization must be met.

When all the above conditions are met, the Manager, Business Mailer Support (BMS) may authorize an OPMS.

2 Mailer Responsibilities: General Requirements

2-1 Records

2-1.1 Job Jacket

The mailer must maintain a job jacket which is a set of records for each OPMS job that contains source documents required for the audit trail as specified in the OPMS authorization. The mailer must clearly label all records as identified in the OPMS authorization/agreement to correspond to the job.

If any records are maintained electronically, then access to the electronic data must be provided to the Postal Service upon request.

All records must be maintained and available for one year for review by the Postal Service upon request.

2-1.2 Primary Record

For mailings presented with hard copy postage statements, a primary mailing record is the source document used to complete postage statements. The USPS Qualification Report Summary (or other presort summary report that supports Plant-Verified Drop Shipment (PVDS) loads) is generally used as a primary record and will be round-dated, initialed by the acceptance employee and placed in the job jacket. For PVDS mailings, the primary record must provide the total pieces by price level and/or zone (if applicable) for each destination entry facility, in addition to the grand total summary.

For *PostalOne!* eDocumentation mailings, the *PostalOne!* Reconciliation Report will be the primary record. Once the job is completed, the report will be printed, dated and initialed by the acceptance employee and provided to the mailer for inclusion in the job jacket.

2-1.3 Inkjet Reorders

Mailers that use inkjet technology to apply addresses to Standard Mail flat-size pieces must be able to account for the number of immediate and non-immediate reorders and generate reports for each mailing job through bindery line controllers. The Postal Service will provide the mailer with an Excel workbook to determine if additional postage is required for reordered pieces. The mailer must retain all reorder reports and worksheets in the appropriate job jacket. An attachment to the OPMS authorization/agreement outlines the procedures and additional postage collection requirements for inkjet reorders. A BMS analyst can provide additional information about inkjet reorder procedures.

2-1.4 Documentation

The mailer must provide the acceptance employee with all documentation, required by postal standards, as contained in the *DMM or IMM*.

2-1.5 **OPMS Summary of Mailings (hardcopy postage statements only)**

The mailer must maintain a PS Form 3631, *OP Summary of Mailings*, or facsimile, for each OPMS mailing that is not processed through *PostalOne!* eDocumentation. Refer to Appendix B. The summary must include the following information:

a. Permit number.

b. Job number.

c. Date of mailing.

d. Total pieces.

e. Weight of a single piece.

f. Total weight for each mailing.

g. Total postage for each mailing.

For PVDS mailings, the mailer must enter the grand totals from the consolidated postage statement on the summary. The summary must be completed before submitting the postage statements to the acceptance employee.

2-2 Quality Control

The mailer must implement a documented Quality Control (QC) Program that includes a detailed description of the internal forms, processes and procedures.

The QC program must ensure:

a. Integrity of the system.

b. Accuracy and proper maintenance of OPMS records.

c. Eligibility of the mailings prepared for the postage prices claimed.

d. Ability to take corrective actions.

2-3 Mail Induction

2-3.1 **Verification and Acceptance – Detached Mail Unit (DMU)**

A DMU is an office or work area located in the mailer's plant where acceptance employees can efficiently perform postal verification and acceptance procedures. The District Manager or designee will provide the specifications required to be in accordance with Postal Service policy.

If approved, mailings may be verified and accepted under OPMS at the mailer's facility.

2-3.2 **Verification and Acceptance— Business Mail Entry Unit (BMEU)**

If mailings are verified and accepted at a BMEU, all documentation and OPMS requirements must be met.

2-4 Contracting out OPMS Jobs

The mailer is responsible for the preparation of mailings entered under the OPMS authorization/agreement.

If any portion of the production or mail preparation process (binding, stitching, presorting, etc.) is contracted to another party or mailing plant and the pieces are returned to the mailer's facility for presentation to the Postal Service, the mailer is responsible for ensuring that all pieces were produced and presorted properly. Documentation must support each activity as described in the OPMS authorization/agreement, and must be available at the time of postal review.

The contracted party or mailing plant cannot present that portion of the job under the mailer's OPMS authorization/agreement.

2-5   Permit Imprint Mailings

2-5.1   **Mailings with a Single Permit Imprint**

OPMS mailings may contain identical and/or nonidentical weight pieces with the same permit imprint, under the following conditions:

a. The administering Post Office holds the authorization for the permit imprint.

b. For a nonprofit price mailing, the administering Post Office holds the non-profit authorization of the organization.

c. Ensure all applicable annual mailing fees are paid at the administering Post Office.

d. Postage must be paid for the mailing through a single permit imprint advance deposit account.

2-5.2   **Mailings with Multiple Permit Imprints**

When specified in the mailers OPMS authorization/agreement, the mailer will be able to create OPMS mailings containing pieces that bear different permit imprints, under the following conditions:

a. All pieces in the mailing must have a valid permit imprint or company imprint authorized by the administering Post Office.

b. For hard copy postage statements, a listing of the permit imprint numbers and nonprofit price mailers included in the mailing are submitted at or before the time of mailing to the on-site acceptance employee when the mailers in the mailings vary from mailing to mailing. Otherwise, one list (updated as necessary) is required prior to the first mailing.

c. Pieces claimed at the nonprofit prices have nonprofit authorization at the administering Post Office.

d. Regular price and nonprofit price piece counts are reported on separate postage statements.

e. Postage may be paid for the mailing through a single permit imprint advance deposit account or through multiple permit imprint accounts if submitted as an eDocumentation mailing.

f. The mailer must ensure all applicable annual mailing fees are paid at the administering Post Office.

2-5.3   *PostalOne!* **Mail Anywhere Option**

The "Mail Anywhere" business model allows for the use of a single permit at any *PostalOne!* site. To participate in Mail Anywhere, a mailer must demonstrate that they meet all of the Full-Service requirements and mailings must include at least 90% Full-Service pieces and be authorized. A Permit Number and City/State or Company Imprint indicia may be printed in the indicia on the piece and entered at any location. (*See PostalOne! Mail Anywhere Solution eDoc Submission Guidelines.*)

2-6   Mailing Production Schedules

The mailer is required to provide the acceptance employees a tentative schedule of mailings or mailing segments that will be in production during the next week. The mailer must provide the administering Post Office with any changes to this production schedule.

2-7   Submitting Mailings

The mailer must provide the postage statement or documentation that identifies the mailing(s) in production for each mailing or mailing segment prior to verification. No mailing(s) may be shipped until acceptance employees have had an opportunity to perform all required verifications.

2-8   Submitting Postage Statements

The mailer must submit a completed postage statement for each mailing or a consolidated postage statement for PVDS shipments at or before the time of mailing unless otherwise authorized by the Manager, BMS.

It is the mailer's responsibility to ensure that sufficient funds are in the permit account to cover postage for all mailings.

3 Mailer Responsibilities: Getting Started

3-1 Applying for an Optional Procedure Mailing System

To apply for OPMS, the mailer must complete PS Form 3626, *Optional Procedure Mailing System (OPMS) Application,* (see Appendix A) and submit the following with the application:

a. A sample job jacket containing all the records to be used in an audit trail to support the postage statements.

b. A detailed written description of records included in the job jacket.

c. A flowchart of the production operation.

d. A detailed description of the internal quality control (QC) program, including mail presort and the forms used to document the QC procedures. BMS will review the QC procedures to determine their effectiveness. The mailer will be responsible for conducting and documenting QC procedures and retaining records for review by the Postal Service. BMS may require additional QC procedures if procedures are inadequate.

e. A detailed description of how immediate and non-immediate reordered pieces are handled and documented (required if inkjet technology is used to apply addresses to Standard Mail flat-size pieces).

Submit the completed, signed application and supporting documents to the District Manager Business Mail Entry (MBME).

3-2 Authorization Process

3-2.1 Application Processing

The MBME will review the application and supporting documentation for completeness and forward to BMS. BMS will review the application and supporting documentation and conduct an on-site review of the mailer's operation to determine whether to approve an OPMS authorization.

3-2.2 Approval of Application and Written Authorization

The Manager, BMS will prepare a written authorization to the mailer. The authorization will specify the types of mailings, document requirements, quality control procedures, documentation for inkjet reorders (if applicable), and responsibilities of the mailer.

The mailer may not mail under the OPMS until authorized.

3-2.3 Denial of Application

If the Manager, BMS denies the application and the mailer is unable to take corrective actions to meet the standards for OPMS, written notification will be provided.

Optional Procedure Mailing System (OPMS)

The mailer may file a written appeal with the Manager, BMS within 15 days of receiving the notice. The appeal should include any additional evidence that supports the application. The appeal is

forwarded to the Vice President, Mail Entry and Payment Technology, who advises the mailer in writing, of the final decision.

4   Authorization/Agreement and Authorization Status

4-1   Authorization Term

Authorization remains in effect until such time as the Manager, BMS or the mailer cancels the authorization/agreement.

If Postal Service periodic reviews or mailer supplied information indicates a need for modification of the authorization/agreement, then the authorization/agreement will be modified by the Manager, BMS.

4-2   Mailer Requested Changes

To change the method of presenting or documenting mailings specified in the OPMS authorization/agreement, or if the mailer can no longer comply with the standards, the Manager, BMS must be notified immediately. The Manager, BMS will notify the mailer if the OPMS authorization/agreement should be modified or canceled.

To request additional options or modifications, a request must be submitted to the Manager, BMS. Changes to the OPMS authorization/agreement cannot be made until the Manager, BMS has notified the mailer in writing that the changes/modifications have been approved.

4-3   Suspension

The Manager, BMS may suspend an OPMS at any time, pending review, when there is an indication that postal revenue is not fully protected. The Manager, BMS will provide written notification of the decision to suspend the OPMS. The suspension becomes effective upon receipt of the notification.

4-4   Cancellation

4-4.1   Mailer Cancellation

The mailer may cancel an OPMS authorization at any time by written notice to the Manager, BMS.

4-4.2   Postal Service Cancellation

The Postal Service may cancel an OPMS authorization if:

a. The mailer provides misleading or incorrect data to avoid paying postage, makes no mailings under the OPMS authorization/agreement during any consecutive 12-month period, or routinely fails to comply with the OPMS.

b. A review by BMS reveals that the OPMS authorization/agreement should be cancelled due to non-compliance.

4-4.3 **Cancellation Notice and Appeal**

If the Manager, BMS cancels the OPMS, then the mailer may file a written appeal with the Manager, BMS within 15 days of receiving the notice. The appeal should present additional information explaining why the OPMS authorization/agreement should not be cancelled. If the Manager, BMS denies the appeal, it will be forwarded to the Vice President, Mail Entry and Payment Technology, who advises the mailer, in writing, of the final decision.

5 Mailer Postage Refund and Underpayment Request Process

Any request for a postage refund or any adjustment to the advance deposit account for postage underpayment must be submitted in writing and must document and clearly explain the reason for the discrepancy and corrective action taken to ensure it does not recur. The request must include copies of the audit trail records in the job jacket and an analysis of those records which adequately substantiates the request.

5-1   Refund Process

If the mailer determines that postage has been overpaid and requests a postage refund for OPMS related issues, a written refund request must be submitted to BMS at SPPSRefunds@usps.gov. The request must include the following:

a. Detailed description of the issue

b. Dollar amount of the request

c. The number of pieces affected

d. Date the system or procedural failure occurred

e. Mailer's Tax Identification Number (TIN)

f. Corrective action to prevent recurrence

g. Other pertinent information

    1) Postage Statements

    2) Qualification Reports

    3) OPMS supporting documents, etc.

5-2   Refund Resulting From Postal Service Error

If the Manager, BMS determines that the refund request is valid and excess postage was paid due to an error by the Postal Service, the Manager, BMS will authorize a refund in accordance with DMM standards. The Manager, BMS will notify the administering Post Office to process the refund according to current policy.

5-3   Refund Resulting From Mailer Error

If the Manager, BMS determines the refund request is valid and that excess postage was paid due to an error in the mailer's operation, the Manager, BMS will authorize a refund and administrative costs will be assessed. The costs are based on work hours and any associated

costs, including travel expenses incurred for processing the request. The Manager, BMS will calculate the costs and notify the mailer of the total amount due.

Mailers have two options when paying the administrative cost:

a. Pay administrative cost to local postmaster prior to issuance of refund.

b. Request in writing that the administrative costs be deducted from the refund.

The Manager, BMS will notify the administering Post Office to process the refund according to current policy.

Repeated refund requests may result in suspension or cancellation of the mailer's OPMS authorization.

5-4   Underpayment of Postage

Any occurrences of postage underpayment detected will be reported to the administering post office within five (5) working days from the date of detection.

Any postage underpayment occurrence may trigger an investigation by BMS to determine why the discrepancy was not detected by the system and whether proper corrective action was taken to prevent a recurrence. The BMS manager will make a decision on the validity of a postage underpayment.

6 USPS Responsibilities

6-1 Administering Post Office Responsibilities

The administering Post Office has the following responsibilities:

a. Ensure acceptance employees are properly trained.

b. Ensure employees are properly performing verification and acceptance procedures.

c. Review mailer's running summaries if applicable.

d. Ensure all exceptions are referred to the approving authority.

e. Refuse to authorize any waivers to the corrective actions required by BMS.

f. Review Quarterly OPMS Worksheets and submit to MBME.

6-1.1 Detached Mail Unit

Acceptance employees from the administering Post Office may verify and accept mailings submitted under an OPMS at the mailer's plant. The mailer must establish a Detached Mail Unit (DMU) as described in Chapter 2-3.1.

The administering Post Office must ensure that the acceptance employees at the DMU have a copy of the mailer's current OPMS authorization/agreement and access to all current Postal Service publications and verification tools.

6-1.2 Scales

To perform verifications and to determine the weight of a single piece the DMU must have a 25-pound electronic scale. The acceptance employee must test the scale daily for accuracy with standard test weights before use. At least once each year, the administering Post Office must ensure that the scale is calibrated.

6-1.3 Verification and Acceptance Procedures

a. The acceptance employees (whether at the DMU or BMEU - see 2-3) must perform the verification and acceptance procedures in accordance with the procedures specified in this publication, Handbook DM-109, *Business Mail Acceptance,* Job Aids, and Standard Operating Procedures (SOP).

b. If hard-copy postage statements have been submitted, the acceptance employee must compare the mailer's running summary against the PS Form 3609, *Records of Mailing,* on a weekly basis, to determine whether all postage statements were received and billed correctly. The acceptance employee must initial and date the running summaries to show the date that the comparison was performed and that the postage statements were billed correctly. If there are any postage differences or uncharged postage statements, the acceptance employee must notify the mailer for immediate corrective action.

6-1.4 **Management**

The management of the administering Post Office must ensure the acceptance employees perform the verification and acceptance procedures in accordance with the procedures specified in this publication, Handbook DM-109, *Business Mail Acceptance,* Job Aids, and SOPs.

6-1.5 **Record Maintenance**

The administering Post Office must maintain (at either the Post Office or the DMU) a customer file for each authorized OPMS mailer. The file must contain the following:

a. A current copy of the OPMS authorization/agreement, including any addenda.

b. Plant load authorization (if applicable).

c. Any other additional authorizations.

6-1.6 **Notification of Changes in Mailer's Operation**

The MBME must be notified by the administering Post Office if any of the following situations occur:

a. The mailer has changed the method of presenting or documenting mailings.

b. The mailer has failed at any time to comply with the standards contained in the DMM or the OPMS authorization/agreement.

6-2   District Responsibilities

The MBME has the following responsibilities:

a. Review OPMS applications.

b. Ensure that annual reviews are completed.

c. Assist the BMS analyst in conducting reviews.

d. Review the OPMS Quarterly Worksheets and provide a copy to BMS.

In cases where the District administers the OPMS authorization/agreement, the District must assume the responsibilities as the administering Post Office, which is contained in section 6-1.

6-2.1 **Processing Application Requests**

The MBME reviews the application and supporting documentation for completeness. If the application is incomplete, the MBME must contact the mailer to obtain necessary information.

If the application is complete:

a. Conduct a desk review of the mailer's application using the PS Form 3632, *Optional Procedure Mailing System (OPMS) Application Review Checklist*, (see Appendix C)

b. Based on the review results of the information on the application, the MBME forwards the completed application, all supporting documentation, and the checklist to BMS.

6-2.2 **Annual Review**

The MBME must conduct an annual on-site review of the mailer and administering Post Office using the OPMS Review Checklist provided by BMS. Participating in a BMS review will meet the criteria for an annual review.

a. The review must include an in-depth examination of all records required in the OPMS authorization/agreement for the number of jobs that have been selected, based on the following criteria:

1. Annual revenue of less than $1 Million – Select two job jackets for review

2. Annual revenue of greater than $1 Million but less than $10 Million – Select three job jackets for review

3. Annual revenue of greater than $10 Million – Select four job jackets for review

b. Retain the review checklist and any additional documentation and/or correspondence associated with the review for one year.

c. Submit a copy of the checklist to BMS after the review is completed (if applicable).

6-2.3 Notification of Changes in Mailer's Operation

BMS must be notified by the MBME if any of the following situations occur:

a. The mailer has changed the method of presenting or documenting mailings.

b. The mailer has failed at any time to comply with the standards contained in the DMM or the OPMS authorization/agreement.

6-3 BMS Responsibilities

BMS has the following responsibilities:

a. Authorize new OPMS authorizations.

b. Conduct reviews of the OPMS based on annual revenue and/or the quality of the mailer's system.

c. Approve or deny postage refund requests.

d. Suspend or cancel OPMS authorization/agreements.

e. Maintain a record of mailers authorized to mail under OPMS.

f. Review OPMS Quarterly Worksheets.

6-3.1 Processing Application Requests

a. BMS reviews the application and supporting documentation for completeness and accuracy. If any of the information is incomplete or missing, BMS notifies the mailer and requests the necessary additional information.

b. If the review indicates the information is adequate, the BMS analyst will conduct an on-site review of the mailer's operation, using the OPMS Review Checklist.

c. BMS will approve or deny the application within 90 days of receipt of a complete PS Form 3626 (see Appendix A), which includes all supporting documentation.

6-3.2 Approved Applications

The Manager, BMS approves the application and prepares the OPMS authorization. BMS will provide the OPMS authorization to the mailer and a copy to all participants.

6-3.3 Denied Applications

If the Manager, BMS denies the application and the mailer is unable to take corrective actions to meet the standards for OPMS, written notification will be provided.

The mailer may file a written appeal with the Manager, BMS within 15 days of receiving the notice. The appeal should include any additional evidence that supports the application. The appeal is forwarded to the Vice President, Mail Entry and Payment Technology, who advises the mailer in writing, of the final decision.

6-3.4 Periodic Reviews

a. The BMS analyst will conduct periodic reviews of the OPMS based on revenue, data quality performance, system performance, and *PostalOne!* reports to determine the effectiveness of the OPMS authorization/agreement.

1. Annual revenue of less than $1 Million – Review every three years or based on quality performance

    2. Annual revenue of greater than $1 Million but less than $10 Million – Review every two years or based on quality performance

    3. Annual revenue of greater than $10 Million – Review annually

b. The BMS analyst must complete the OPMS Review Checklist. The review must include an in-depth examination of all records required in the OPMS authorization/agreement for the number of jobs that have been selected, based on the following criteria:

    1. Annual revenue of less than $1 Million – Select two job jackets for review

    2. Annual revenue of greater than $1 Million but less than $10 Million – Select three job jackets for review

    3. Annual revenue of greater than $10 Million – Select four job jackets for review

c. The BMS analyst will conduct an administrative review of the District's annual review.

6-3.5 Modification of OPMS Authorization/Agreement

If BMS determines that an OPMS authorization/agreement needs to be modified, BMS must prepare a new authorization. BMS will provide the OPMS authorization to the mailer and a copy to all participants.

6-3.6 Suspension

The Manager, BMS may suspend an OPMS at any time, pending review, when there is an indication that postal revenue is not fully protected. The Manager, BMS will provide written notification of the decision to suspend the OPMS by certified mail, return receipt requested. The suspension becomes effective upon receipt of the notification.

6-3.7 Cancellation

The Postal Service may cancel an OPMS authorization if:

a. The mailer provides misleading or incorrect data to avoid paying postage, makes no mailings under the OPMS authorization/agreement during any consecutive 12-month period, or routinely fails to comply with the OPMS.

b. A review by BMS reveals that the OPMS authorization/agreement should be cancelled due to non-compliance.

c. BMS will notify the mailer in writing by Certified Mail, Return Receipt Requested.

6-3.8 Appeal

The mailer may file a written appeal with the Manager, BMS within 15 days of receiving the notice. The appeal should include any additional evidence that supports the application. The appeal is forwarded to the Vice President, Mail Entry and Payment Technology, who advises the mailer in writing, of the final decision.

7 USPS Postage Refund Request Process

7-1 OPMS Refund Process

Only the Manager, BMS may authorize OPMS system-related postage refunds in accordance with the standards in the DMM, if the mailer is able to establish the validity of the amount being requested.

Mailers must submit all requests for postage refunds relating to OPMS mailings with complete details to the Manager, BMS at SPPSRefunds@usps.gov. The request must include the following:

- a. Detailed description of the issue
- b. Dollar amount of the request
- c. The number of pieces affected
- d. Date the system or procedural failure occurred
- e. Mailer's Tax Identification Number (TIN)
- f. Corrective action to prevent recurrence
- g. Other pertinent information
    1. Postage Statements
    2. Qualification Reports
    3. OPMS supporting documents, etc.

Upon receiving a mailer's postage refund request and supporting documentation, BMS will review the file for completeness and validate the information.

7-2 Refund Resulting from Postal Service Error

7-2.1 Refund Request Validation

If the Manager, BMS determines that the refund request is valid and excess postage was paid due to an error by the Postal Service, the Manager, BMS will authorize a refund in accordance with DMM standards. The Manager, BMS will notify the administering Post Office to process the refund according to current policy.

7-3 Refund Resulting from Mailer Error

7-3.1 Cost Determination

If the Manager, BMS determines the refund request is valid and that excess postage was paid due to an error in the mailer's operation, the Manager, BMS will authorize a refund and administrative costs will be assessed. The costs are based on work hours and any associated

costs, including travel expenses incurred for processing the request. BMS will calculate the costs and notify the mailer of the total amount due.

7-3.2 **Refund Issuance**

When authorizing the administering Post Office to issue a refund of postage, the Manager, BMS will notify the Post Office of the administrative charges to collect from the mailer for processing the postage refund request.

7-3.3 **Payment for Administrative Charges**

Mailers have two options when paying the administrative charges:

- Pay administrative charges to administering post office prior to issuance of refund

- Deduct administrative charges from the mailer's trust account.

7-3.4 **Cancellation of OPMS Authorization Due to Mailer Errors**

The Manager, BMS may cancel or suspend the OPMS authorization/agreement as a result of repetitive refund requests due to mailer errors. If it is determined that the authorization/agreement will be suspended or cancelled, the mailer will be notified in writing, by Certified Mail, Return Receipt Requested.

7-4   Denying a Refund Request

7-4.1 **Denied Refund Request**

If the Manager, BMS denies the refund, BMS will notify the mailer, the administering Post Office, and the MBME of the decision in writing.

7-4.2 **Mailer Appeals**

The mailer may file a written appeal if the refund is denied with the Manager, BMS within 15 days of receiving notification of the refund denial. The appeal should include any additional evidence that supports the refund request. The appeal is forwarded to the Vice President, Mail Entry and Payment Technology, who advises the mailer in writing, of the final decision.

Appendix A

<u>PS Form 3626, Optional Procedure Mailing System (OPMS) Application</u>

Before completing this application, review Domestic Mail Manual 705.3 and section 3 in Publication 407, Optional Procedure Mailing System.	
I. Mailer Contact Information	
1. **Company Name:**	
2. **Address:**	
City, State, ZIP+4:	
3. **Primary Contact Information:**	
Name:	
Title:	
Telephone Number:	
FAX Number:	
Mobile Number:	
eMail Address:	
4. **Corporate Contact (If applicable)**	
Name:	
Title:	
Telephone Number:	
FAX Number:	
Mobile Number:	
eMail Address:	
5. **Mailer CRID**	
A CRID is created by the Postal Service Business Customer Gateway (BCG) to uniquely identify a USPS customer at a particular location. CRIDs connect a company's information at a physical address across USPS applications.	
6. **Desired participation date in OPMS (MM/DD/YYYY):**	
7. **Name of person completing application:**	**Date (MM/DD/YYYY):**
Signature of person completing application:	

II. Hours of Operation			
	Hours of Operation	**Number of Shifts**	**Estimated Number of Mailings per Day**

Saturday			
Sunday			
Monday			
Tuesday			
Wednesday			
Thursday			
Friday			

	Yes	**No**
1. Will mailings be verified and accepted at your facility listed in #2 under the Mailer Information section?	☐	☐
2. Do you mail from any other facilities other than the one listed in #2 under the Mailer Information section? If so, please list below. Add a separate listing if necessary.	☐	☐
3. What Post Office is responsible for accepting your mailings? City / State / ZIP+4:		
4. Is there an existing Detached Mail Unit (DMU) in your facility?	☐	☐

5. List additional mailing locations (if applicable):

1.
2.
3.

6**.** Name or abbreviation to appear in Permit Imprint (Attach an additional sheet if necessary)

Permit Imprint Number	**Company Name** Name or abbreviation to appear in Permit Imprint

III. Software / Hardware / Address Hygiene			
	Yes	**No**	**N/A**
1. **Is your presort software PAVE Certified?**	☐	☐	☐
What is the name and current version number of your PAVE software?			
2. **Is your Address-Matching software CASS certified?**	☐	☐	☐
What is the name and current version number of CASS software?			
3. **What Move Update method are you using?**			
4. **Address Technology:** ☐ Computerized ☐ Ink Jet ☐ Paper/Adhesive			

5. **Equipment on Site:**
☐ OCR
☐ BCS
☐ MLOCR
☐ Platform Scale
☐ Electronic Sampling Scale
☐ Other:
6. **Program Participation (Check all that apply)**
☐ Address Change Service (ACS)
☐ Combined Package Services DMM
☐ Co-Mail / Class(es) of Mail
☐ Computerized Delivery Service (CDS)
☐ Copalletization / Class(es) of Mail
☐ Drop Ship Management System (DSMS) / Company Name:
☐ Mail Anywhere
☐ eDocumentation ☐ Mail.dat   ☐ Mail.XML
☐ eInduction
☐ Full-Service Authorized
☐ Plant Load Authorized
☐ Plant Verified Drop Shipment (PVDS)

☐	Postal Wizard
☐	Other

7.   Mailer CAPS Account Number
Do you presently have a *PostalOne!* CAPS debit account that you wish to use?

☐ Yes	☐ No	If yes, what is the CAPS account number?	

If authorized for Mail Anywhere, do you have an account number assigned? Please provide:

IV. Class of Mail

☐ **First-Class Mail**
☐ Letters
☐ Flats (Large Envelopes)
☐ Parcels

☐ **Standard Mail**	☐ Regular	☐ Non-Profit
☐ Letters		
☐ Flats (Large Envelopes)		
☐ Parcels		
☐ Marketing Parcels		

☐ **Package Services**		
☐ Parcel Select		
☐ Parcel Select Lightweight		
☐ Parcel Select Regional Ground		
☐ Media Mail	☐ Flats (Large Envelopes)	☐ Parcels
☐ Library Mail	☐ Flats (Large Envelopes)	☐ Parcels
☐ Bound Printed Matter	☐ Flats (Large Envelopes)	☐ Parcels

☐ **International Mail**
☐ Letters
☐ Flats (Large Envelopes)
☐ Parcels

V. Audit Trail Documentation

List the records/documents your company routinely uses that will support your OPMS audit trail

1.   Postage Statements
☐ Hard-copy
☐ eDocumentation / *PostalOne!*
☐ Postal Wizard

2.	USPS Qualification Report (Standardized Presort Documentation)
3.	Job Ticket / Work Instruction / Customer Order
4.	Production Record
5.	Disposition Report
6.	Client Bill / Invoice
7.	Plant Verified Drop Shipment (PVDS – PS Form 8125)
8.	Additional records as needed (e.g., Spoilage Report, Damaged Report, Shortage Report, etc.)
9.	CASS Documentation (If applicable)
10.	Inkjet Reorder Report (Required for Standard Mail flat-size mailings using inkjet technology)

List actual name of documents as shown on the document in the sample audit package submitted with this application (ensure each document is numbered)

1.
2.
3.
4.
5.
6.
7.
8.
9.
10.

VI. Submitting the Application

In support of this application, submit the following:

1. A detailed flowchart of your production operation

2. Detailed Quality Control Procedures including mail preparation

3. A sample job jacket (all of the records in the proposed audit trail)

4. A sample of the mailpiece from the actual job that matches the submitted audit trail

5. Postage Statements

6. Clearance Documents (copies of PS Forms 8125)

7. A description of each audit trail record

Submit the completed application package to the local District Manager Business Mail Entry.

VII. District Manager, Business Mail Entry

Complete PS Form 3632, *Optional Procedure Mailing System (OPMS) Application Review Checklist*, for this application. If all documents have been submitted, provide the mailer's Cost Center Code, sign and date, and send to applicable BMSA. .

☐ Provide mailer Cost Center Code:

Printed Name of District Manager, Business Mail Entry

Signature and Date

Submit completed application and checklist to Business Mailer Support Analyst (BMSA)

Appendix B

PS Form 3631, Optional Procedure Mailing System Summary

UNITED STATES POSTAL SERVICE ®

OPMS Summary of Mailings

Permit Number	Job Number	Date of Mailing	Total Pieces	Single Piece Weight or N/I	Total Weight	Total Postage	Date Verified and Initials

PS Form 3631, July 2012

Appendix C

<u>PS Form 3632, Optional Procedure (OPMS) Review Application Checklist</u>

<u>See next page</u>

PS Form 3632 Optional Procedure (OPMS) Application Review Checklist

I - District *(Complete the following)*	
Mailer Name:	Address (Street, Ste., City, State, ZIP +4):
Telephone Number (Include area code):	
District Name:	Date Reviewed:

1. The Manager, Business Mail Entry (MBME) must review the mailer's application and supporting documentation to ensure the application is complete and includes all documentation to support the application (as stated in PS Form 3626, *Optional Procedure Mailing System (OPMS) Application).*

   The following questions should be answered while reviewing the mailer's supporting documentation to ensure the application process is complete. The following documents must be submitted:

	Yes	**No**	
• A detailed description of the internal quality control program and the forms used to document the quality control procedures	☐	☐	
• A sample job jacket containing all the records to be used in an audit trail to support the postage statements.	☐	☐	
• A detailed written description of records included in the job jacket.	☐	☐	
• A flowchart of the production operation.	☐	☐	
• A detailed description of how immediate and non-immediate reordered pieces are handled and documented (required if inkjet technology is used to apply addresses to Standard Mail flat-size pieces).	☐	☐	
• Is the mailer (applicant) an approved plant-load mailer?	☐	☐	
• Does the mailer hold an active permit imprint and are fees paid at the Administering Post Office?		☐	☐
• Did the mailer supply list of all permit imprint number(s)?	☐	☐	
• Are acceptance employees available to verify and accept mail during the mailer's hours of operation?	☐	☐	
• Is there a history of problems with mailings presented by this mailer (presort errors, exception requests, piece count discrepancies, etc.)? If YES, explain:	☐	☐	

   - _____
   - _____
   - Sign and date the application.

2. If the application is incomplete, the MBME must contact the mailer (applicant) to obtain any additional required information/documentation.

Forward the entire application package, including the review worksheet completed by the MBME, and this checklist to the local BMS Analyst.

Appendix D

BMSA Instructions for Completing an OPMS Authorization

This appendix provides instructions for BMS completing an OPMS Authorization. The instructions may include options which may not be applicable to the mailer. Delete all non-applicable information from the authorization template.

Authorization must include a cover letter written under the signature of the Manager, BMS.

Enter the appropriate information as indicated below:

Header and Footer

Record the mailer's name and street address, including ZIP+4, at the top of the authorization, below "Optional Procedure Mailing System Authorization". Create footer with the correct mailer information, including effective date (XX/XX/XXXX) and include page numbers.

Article 1, Postal Regulations

Mailer acknowledges the requirement to comply with DMM and IMM regulations, along with those addressed in the OPMS authorization.

Article 2, Post Office of Mailing and Classes/Subclasses to Be Entered

Identify the location of the acceptance office, the class (es) and subclass (es) (identical and/or non-identical) mail to be authorized, and include any Special Services authorized.

Article 3, Quality Control (QC) Procedures

Include as an attachment (identify as **Attachment A**) mailer-provided QC procedures that accurately describes the mailer's processes which include documented QC and mail preparation.

Article 4, General Document Requirements

Include postage certification statements.

Article 5, OPMS Document and Record Keeping Requirements

Describes the job jacket and lists the records the mailer will maintain in each job jacket. Include an attachment entitled *Records Definition List* (identify as **Attachment B**) that provides the title of each record that must be included in each OPMS job jacket. For each record that is not self-explanatory, define the purpose of the record.

List all records that must be included in each OPMS job jacket. The list must include documents that are generically defined below:

- **Primary Record**

    o For mailings with hardcopy documentation: The USPS Qualification Report Summary (or other presort summary report that supports Plant-Verified Drop Shipment (PVDS) loads) will be round-dated and initialed by the acceptance employee and placed in the job jacket.

    o For *PostalOne!* eDocumentation mailings: The Reconciliation Report will be printed, dated and initialed by the acceptance employee and provided to [Company Name] for inclusion in the job jacket.

- **Job Ticket/Work Instruction/Customer Order** (generic title) is a document that typically provides complete product detail for the production of mailpiece; e.g. piece quantity, class of mail, versions, etc.

- The **Production Records** (generic title) are documents that provide the final number of products (catalogs, letters, etc.) produced. Examples of finished product reports are Bindery and/or Press Completion Reports. If the mailer does not produce the product, a Receiving Report from the printing company, which shows the number of products received, would be an appropriate record for the mailer to include in the job jacket. Focus must be on the addressed pieces intended for mailing.

- The **Disposition Report** (generic title) is a document that provides the final disposition of all products mailed. A copy of the bill (or invoice) to the customer is acceptable if the bill/invoice clearly accounts for all pieces mailed. Focus must be on the product presented to the USPS for mailing.

- **Additional Records as needed**. List any additional documentation that may be required to support mailings accepted under OPMS.

Article 6, **Inkjet Reorder**

Include an attachment (identify as Attachment C) if mailer presents Standard Mail flat size pieces using an inkjet system with reorder capability.

Article 7, OPMS Procedures

This article includes multiple options available to mailers. Only applicable sections must be included in the authorization.

     a. Address procedures for presenting mailings with hardcopy documentation.

     b. Address procedures for presenting mailings with eDoc.

     c. Include this section if the mailer is authorized to commingle different permit imprint pieces in a single mailing.

     d. Describe the mailer's procedures for handling damaged and/or spoiled products.

     e. Include this section if the mailer subcontracts jobs or portions of jobs.

Article 8, Plant Verified Drop Ship Mailings (If applicable)

Include this article if mailer intends to drop-ship.

Article 9, Detached Mail Unit (DMU) Requirements

Include this article if there is a DMU in the mailer's facility.

Article 10, *PostalOne!* Contingency Plan

Include this article if mailer presents eDoc.

Article 11, Refund/Adjustment Policy

Include this article in all OPMS Authorizations.

Article 12, Administrative Cost of Refunds

Include this article in all OPMS Authorizations.

Article 13, Postal Oversight

Include this article in all OPMS Authorizations.

Article 14, Suspension by USPS

Include this article in all OPMS Authorizations

Article 15, Cancellation by USPS

Include this article in all OPMS Authorizations

Article 16, Cancellation by Mailer

Include this article in all OPMS Authorizations

Article 17, MTE Accountability

Include this article in all OPMS Authorizations

Article 18, Ownership Changes/Relocation

Include this article in all OPMS Authorizations

Article 19, Term of Authorization

Include this article in all OPMS Authorizations

Attachments

List all attachments being included with the authorization.

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Appendix E

Optional Procedure Mailing System Cover Letter

BUSINESS MAILER SUPPORT

May 1, 2012

Mr. Mailer
ABC Company.
1234 Main Street
Anywhere, WI 53201-0500

Dear Mr. Mailer:

The enclosed document and any attachments authorize ABC Company to enter and pay postage for mailings using an Optional Procedure Mailing System (OPMS) Postage Payment System under Domestic Mail Manual (DMM) Section 705.3. ABC Company must maintain all standards and comply with the terms of this OPMS Authorization.

This authorization is limited to the mail classes/products/processes that have been approved for ABC Company. If you wish to modify this Authorization, ABC Company must contact Business Mailer Support prior to making any changes or additions as indicated in the document. ABC Company must maintain the required standards to keep this authorization in effect.

If you have any questions concerning this Authorization, please contact Jane Doe, Business Mailer Support Analyst, at 414-287-9998 or jane.doe@usps.gov.

Sincerely,

[Name]
Manager

Attachment

ecc: District Manager BME
       District Mailing Standards Specialist
       BMS Analyst
       Postmaster

Appendix F

Optional Procedure Mailing System Authorization

Optional Procedure Mailing System Authorization

[Company Name]
[Company Address]
[City, State, ZIP+4]

This document (and any attachments) authorizes [Company Name] to enter mail using an Optional Procedure Mailing System (OPMS) as provided in Publication 407, the *Domestic Mail Manual* (DMM), and the *International Mail Manual* (IMM). [Company Name] must maintain the following standards and comply with the terms of this OPMS Authorization as set forth below to keep this authorization in effect.

1. Postal Regulations

[Company Name] will prepare all mailings under the postal regulations in the DMM and IMM in addition to the requirements for using an OPMS and this authorization.

2. Post Office of Mailing and Classes/Sub-classes to Be Entered

[Company Name] will present mail and pay postage under this authorization for verification by postal representatives at the [City/State] Post Office**.** This authorization is limited to mailings of [Specify Class or Type including Special Services] mail.

3. **Quality Control (QC) Procedures**

[Company Name] will, at a minimum, establish and perform under this authorization all quality control procedures described in **Attachment A, *Mailer Quality Control Procedures,*** to ensure and maintain the accuracy of mail preparation and the correctness of postage computation. The Postal Service reserves the right, at its discretion, to require the mailer to implement other reasonable and appropriate quality control procedures if the Postal Service determines the procedures described in Attachment A are inadequate to ensure proper payment of postage.

Quality control sampling reports will be retained for at least 90 days unless errors are detected. If errors are detected during the sampling process, the mailer will describe corrective action taken on the sampling report and the reports will be retained for at least one year.

4. General Document Requirements

[Company Name] agrees to:

a. Submit accurate, current version of USPS-approved hardcopy or electronic postage statements.

b. Maintain sufficient funds on deposit to cover all postage charges.

c. Pay all postage charges for adjustments, annual fees, and Extra Services fees, if applicable.

5. **OPMS Document and Record Keeping Requirements**

[Company Name] agrees to maintain a job jacket or case records at the above address for each OPMS mailing. This will consist of source documents to permit reconciliation with the postage statement and which allows the Postal Service to verify the accuracy of the computations for individual mailings as well as the aggregate of all mailings. These records will be maintained centrally and retained for a period of one year.

The following records will be retained by [Company Name] for the purpose of mail verification, quality control and periodic reviews:

a. Primary Record

- For mailings with hardcopy documentation: The USPS Qualification Report Summary (or other presort summary report that supports Plant-Verified Drop Shipment (PVDS) loads) will be round-dated and initialed by the acceptance employee and placed in the job jacket.

- For *PostalOne!* eDocumentation mailings: The Reconciliation Report will be printed, dated and initialed by the acceptance employee and provided to [Company Name] for inclusion in the job jacket.

b. Postage Statements

- For hardcopy postage statements: [Company Name] should request a copy of the Mailing Transaction Receipt (3607-R) for inclusion in the job jacket.

- For *PostalOne!* eDocumentation mailings: A copy of the postage statement(s) will not be provided and therefore, will not be maintained in the job jacket.

c. USPS Qualification Report

- For mailings with hardcopy documentation: USPS Qualification Report will be provided in hardcopy or electronic format and maintained in either hardcopy or electronic format for one year from the date of mailing.

- For *PostalOne!* eDocumentation mailings: the Qualification Report will be maintained electronically.

d. Additional records, which are described in **Attachment B,** *Records Definition List*, will be retained by [Company Name] for the purpose of mail verification, quality control and periodic reviews.

All records will be labeled, as they are created, as to the mailing (and/or order) to which they relate. No changes will be made to the records without prior written approval from the manager, Business Mailer Support (BMS).

The Postal Service reserves the right to perform verifications of these records as necessary. [Company Name] must maintain an *OP Summary of Mailings* for each OPMS mailing that is not processed through *PostalOne!* eDocumentation, on which the job number, permit imprint number, date of mailing, total pieces, individual piece weight, total weight, and total postage for each OPMS mailing are recorded.

6. **Inkjet Reorder**

Include if applicable

7. <u>OPMS Procedures</u>

At or before the time of each mailing [unless otherwise authorized by BMS]:

a. For mailings with hardcopy documentation:
An original postage statement will be submitted to the Postal Service, with a sample mailpiece, and the primary record specified in Article 5 of this Authorization. The acceptance employee will initial and date the primary record. Request a Mailing Transaction Receipt, PS Form 3607-R, for inclusion in the job jacket, along with the primary record.

b. For *PostalOne!* eDocumentation mailings:
A sample mailpiece(s) is submitted to the acceptance employee. The postage statement and *USPS Qualification Report* are submitted through *PostalOne!* The acceptance employee will print, initial and date the *PostalOne!* Reconciliation Report and provide it to [Company Name] for inclusion in the job jacket.

c. For mailings of Standard Mail flat size pieces, in which the pieces are addressed using an inkjet system with reorder capability, [Company Name] will comply with the procedures and documentation requirements described in Attachment C.

d. Standard Mail identical and nonidentical weight mailings consisting of pieces that bear different permit imprints are subject to the following conditions:
All pieces that are commingled in the mailing must bear either a valid company permit imprint or a [Company Name] permit imprint. An approved PS Form 3615, Mailing Permit Application, must be on file and the appropriate fee paid at the administering Post Office for each customer whose permit imprint mail is included in each commingled mailing.

- A listing of the permit imprint numbers and nonprofit price mailers included in a commingled mailing must be submitted at or before the time of mailing to the acceptance employee. This list will be updated as necessary.

- Regular and nonprofit price piece counts must be reported on separate postage statements.

- Postage for each commingled mailing submitted will be paid through a valid [Company Name] permit imprint account(s).

- All records, as required in Article 5 of this Authorization and Attachment B, will be available for all commingled mailings.

e. Damaged/Repair Pieces:
In order to ensure that proper postage is paid for pieces damaged in processing [Company Name] will immediately repair/replace damaged pieces and repair and reattach damaged labels. These pieces will be put back in the appropriate level of sortation and in the correct bundle/handling unit. Pieces withdrawn from the mailing will be adjusted on the postage statement accordingly.
"OR"
In order to ensure mailpieces maintain their qualification at originally intended levels of sortation and price qualification, [Company Name] will perform the following:
[LIST MAILER PROCEDURES]

f. Contracting Out OPMS Jobs:
Company Name] will generally process and prepare all portions of mailings that are authorized under this OPMS Authorization for verification and acceptance at [Company Name] facility. When it becomes necessary, a job or portion of a job may be subcontracted for production. When this occurs and portions of [Company Name] OPMS jobs are mailed at other postal facilities, [Company Name] will obtain copies of the postage statements for those mailings, annotated with [Company Name] job number, and include those postage statements in [Company Name] OPMS job jacket.

A job or portion of a job may be subcontracted for production and returned for verification and acceptance at [Company Name] facility subject to the following conditions:

- The required quality control preparation procedures that are described in Attachment A of this Authorization will be performed and documented by the subcontractor for each job. The subcontractor will forward the documentation to [Company Name] facility for retention in the job jacket. [Company Name] will also perform the quality control procedures described in Attachment A on the mail when the subcontractor returns it.

- In addition to maintaining the records listed in Article 4 of this Authorization, [Company Name] will maintain the following types of records that will be obtained from the subcontractor:

    o Purchase Order or Quote Letter for the subcontracted job.

    o Record of materials received from [Company Name].

    o Operator production records, (if applicable).

    o Bill of lading, receiving records, or equivalent record for materials returned to [Company Name].

    o Billing to [Company Name] for work performed.

Any subcontracted jobs returned for verification and acceptance at [Company Name] facility that do not meet the above requirements must be presented for verification by conventional weighing methods.

8. Plant Verified Drop Ship Mailings (If applicable)

If OPMS mailings, or segments of OPMS mailings, are presented as Plant Verified Dropship System (PVDS) mailings that have been previously dispatched; the mail will not be accepted without an accompanying postage statement and will be subject to verification and charged at the appropriate price. If the entry Post Office notifies the acceptance employee at the Detached Mail Unit (DMU) that the number of pallets, or other containers, received was less than the number indicated on the PS Form 8125 and this is verified by the acceptance employee, the pallets, or other containers, will be accepted. If the pallets, or other containers, will be entered at a different entry level, [Company Name] will submit a postage statement reflecting the difference between the original entry level and the current entry level.

9. Detached Mail Unit (DMU) Requirements

If OPMS mailings are verified by an acceptance employee in a DMU at your facility, [Company Name] agrees to ensure that the DMU meets all specifications required by the USPS District Manager in accordance with Postal Service policy.

10. *PostalOne!* Contingency Plan

In the event *PostalOne!* is not accessible to acceptance employees at the time of mailing, [Company Name] will follow the current USPS *PostalOne!* contingency procedures until it becomes accessible.

11. Refund/Adjustment Policy

[Company Name] understands that any request for a postage refund or any adjustment to the advance deposit account for postage underpayment for a system issue, must be documented, clearly explaining the reason for the discrepancy and what corrective action is being taken to ensure it does not recur. [Company Name] refund or adjustment request must provide a detailed description of the issue; dollar amount of the request; the number of pieces affected; date the system or procedural failure occurred;

mailer's tax identification number (TIN), in addition to postage statements, qualification reports, and other OPMS supporting documents. All OPMS **system related** refund requests must be submitted electronically with all supporting documentation to the SPPS Refunds email address at:SPPSRefunds@usps.gov.

Any occurrences of postage underpayment detected by [Company Name] must be reported to the administering post office within five (5) working days from the date of detection.

Any postage refund request or postage underpayment occurrence may trigger a review by the BMS office to determine why the discrepancy was not detected by the system and whether proper corrective action was taken to prevent a recurrence. The Manager, BMS will make a decision on the validity of a postage refund request or postage underpayment.

12. Administrative Cost of Refunds

[Company Name] agrees that when the BMS office determines postage was overpaid or underpaid due to a system failure in [Company Name] operation, the administrative processing cost will be charged to [Company Name]. In that event, [Company Name] agrees to separately pay the administrative processing cost, or allow the Postal Service to adjust the overpayment or underpayment amount, as appropriate.

13. Postal Oversight

[Company Name] will allow Postal Service employees to have reasonable access to mail preparation areas to observe mail production and verify mailing records.
[Company Name] will provide any assistance the Postal Service may require to conduct periodic monitoring and review of the OPMS. Such review will include, but is not limited to, procedures for handling damaged and withdrawn pieces, quality control and corrective actions, and for production of accurate documentation.

14. Suspension by USPS

Authorization for OPMS mailing privileges may be suspended by the Postal Service at any time, pending review.

15. Cancellation by USPS

The Postal Service may cancel this OPMS Authorization:
a. Any time it is established that [Company Name] has provided misleading or incorrect data to avoid payment of postage.
b. When no mailings are made under this OPMS Authorization during any consecutive 12-month period.
c. If [Company Name] continually fails to comply with the requirements of the DMM, Publication 407, or the OPMS Authorization.
d. If it is determined from a BMS review that this Authorization is no longer justified or that [Company Name] is not complying with the terms of this Authorization.

16. Cancellation by Mailer

[Company Name] may cancel this OPMS Authorization upon written notice to the Manager, BMS.

17. MTE Accountability

[Company Name] will ensure that all Mail Transport Equipment (MTE) loaned by the Postal Service is used only for the preparation and transportation of mail that is delivered by the Postal

Service. [Company Name] will use its best efforts to protect and maintain in good condition any MTE loaned by the Postal Service, that it will return all such MTE at the times, dates and locations prescribed by the Postal Service, and that it will reimburse the Postal Service for the current replacement cost of any such MTE that is damaged beyond normal wear and use or destroyed while in [Company Name] possession, custody or control.

18. <u>Ownership Changes/Relocation</u>

If [Company Name] relocates, has a change in ownership, or makes any modifications/adjustments to equipment used for the preparation of mailings that might affect either the generation of required mailing documentation or mail preparation, [Company Name] must provide written notice at least thirty days in advance to the Manager, BMS.

19. <u>Term of Authorization</u>

This OPMS Authorization will remain in effect until such time as the Manager, BMS or [Company Name] representative cancels it. If Postal Service periodic reviews or mailer-supplied information indicates a need for modification of this Authorization, then the Authorization will be modified by the Manager, BMS and the [Company Name] representative.

Attachments:

A -- Quality Control Procedures (Provided by mailer)

B -- Records Definition List (Prepared by BMS based upon information provided by mailer)

C -- Ink Jet Reorder Procedures, (If applicable)