

**VOLUME 10, CHAPTER 16: “PAYMENT FOR POSTAL SERVICES AND SMALL PACKAGE DELIVERY COSTS”**

**SUMMARY OF MAJOR CHANGES**

All changes are denoted by **blue font**.

Substantive revisions are denoted by an \* symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by **bold, italic, blue and underlined font**.

The previous version dated October 2010 is archived.

<b>PARAGRAPH</b>	<b>EXPLANATION OF CHANGE/REVISION</b>	<b>PURPOSE</b>
160202.A	Updated hyperlink to Department of Defense (DoD) Directive 5101.11E, “DoD Executive Agent for the Military Postal Service (MPS) and Official Mail Program (OMP)”.	Update
160202.B	Updated hyperlink to General Services Administration (GSA) Bulletin G-02.	Updated
160606	Updated hyperlink to Postal Service (PS) Form 5639, “Express Mail Corporate Account Application and Payment Authorization Form”.	Update

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## CHAPTER 16

### PAYMENT FOR POSTAL SERVICES AND SMALL PACKAGE DELIVERY COSTS

#### 1601 OVERVIEW

##### 160101. Purpose

This chapter provides Department of Defense (DoD) policy on processing payments to the United States Postal Service (USPS) for various types of postal services and small package delivery costs.

##### 160102. Scope

This chapter applies to all DoD Components.

#### 1602 AUTHORITY

##### 160201. Statutory

A. [Title 41, Code of Federal Regulations \(CFR\), Part 102-192, Mail Management](#) prescribes policy for mail in Federal agencies.

B. [Title 39 CFR Part 501.15](#) provides policy on Computerized Meter Resetting System (CMRS).

##### \*160202. Regulatory

A. The DoD provides policy on mail management in the [DoD 4525.8-M “DoD Official Mail Manual”](#), [DoD Instruction 4525.08, “DoD Official Mail Management”](#), and [DoD Directive 5101.11E, DoD Executive Agent for the Military Postal Service \(MPS\) and Official Mail Program \(OMP\)](#).

\* B. The [General Services Administration \(GSA\) Financial Management Regulation Bulletin G-02](#) provides guidance for Federal agencies on converting to commercial payment systems for postage.

#### 1603 PAYMENTS

##### 160301. Commercial Payment for Postage

Title 41 CFR 102-192 requires GSA to provide guidance and assistance on processing mail. Mail costs are identified at the program level and tracked by the program area. All payments to the USPS must be made using commercial payment processes.

## 160302. Installation Mail Managers

Each installation has an official mail manager **who is** responsible for planning and coordinating outgoing postal and delivery purchases. The mail manager works closely with facility personnel to minimize postage requirements and with managers to ensure that the person who makes the decision to mail any significant number of pieces of mail is the same person who controls the funds for postage.

## 160303. Methods of Payment

As stated in 41 CFR 102-192.35, GSA has established the following payment policy and methods:

A. Metered or permit mail must be made using Electronic Funds Transfer (EFT) transactions to commercial banks designated by the USPS as their financial agents. Payments for postage may not be held in postal vendor accounts unless the DoD Component has statutory authority to do so or it has received prior written approval from Treasury. Agencies may no longer use the Intergovernmental Payment and Collection Payment process associated with the Official Mail Accounting System, except where GSA has approved a temporary deviation for a specific agency, office, or Component prescribed by 41 CFR 102-192.65.

B. Stamps and other USPS services may be paid using cash, charge card, debit card, and money orders.

## 1604 ADVANCE DEPOSIT TRUST ACCOUNT

## 160401. Advance Deposit Trust Account (ADTA)

DoD Components can establish ADTAs with the USPS to enable the mail manager to charge postal services. Use of these accounts is a local decision. ADTAs are not available at overseas military post offices. There are different types of ADTAs depending on the type of postal service being purchased. ADTAs include customer meter advance deposits, business reply mail advance deposits, and permit imprint advance deposits. A payment into an ADTA is an advance payment to the post office. The mail manager monitors and reconciles the ADTA established to ensure receipt of services paid in advance. If the mail manager establishes one or more ADTAs, then the mail manager maintains a record of all transactions in each account, **and** is responsible for each ADTA balance.

## 160402. ADTA Payment Process

A. The mail manager requests funds to set up or replenish each ADTA. The mail manager presents a request for funds to the site support office. The site support office prepares a [Standard Form \(SF\) 1034, "Public Voucher for Purchases and Services Other Than Personal"](#) and forwards it to the entitlement office for payment.

B. The mail manager charges postal services against an ADTA as required. Each time there is a charge to an ADTA, the USPS issues a receipt. The mail manager verifies services received on the postal receipt and reduces the advance based on the amount shown on the receipts. Receipts must be identified to each ADTA.

C. One [SF 1034](#) can establish or replenish more than one ADTA. The SF 1034 identifies the amount being deposited into each particular ADTA. Once the site support office makes deposits into an account, the mail manager has limited authority from USPS to transfer funds between ADTAs. This occurs only on an exception basis and with the coordination of the site support office. [Optional Form \(OF\) 1017-G, "Journal Voucher"](#) or equivalent is used for transfers between ADTAs.

D. The mail manager will reconcile the account monthly with USPS documentation. The site support office confirms the balance in each ADTA monthly with the mail manager. The mail manager must support any unexplained difference. Any unresolved discrepancy will be jointly reviewed by the mail manager and the site support office.

E. Advance payments for any ADTA are limited to requirements of the current quarter. The site support office and the mail manager review balances versus requirements on a monthly basis. Where required, the mail manager adjusts the balances by allowing the account to decrease with subsequent use or by the site support office depositing more funds.

F. There are cases where the USPS refunds cash for unused services in an ADTA. The mail manager requests the USPS to process the refund to the appropriate account via EFT. If the USPS cannot send an EFT, then the mail manager requests a check or collects cash from the USPS and takes it to the disbursing office with [Defense Department \(DD\) Form 1131, "Cash Collection Voucher"](#) for deposit as a cash collection.

## 1605 POSTAL METERS

### 160501. Commercial Meter Settings

In accordance with 39 CFR 501.15, the USPS accepts payment through Automated Clearinghouse Transfers (ACH), EFT and check for resetting postal meters. For overseas check payments, the mail manager requests a U.S. Treasury check by submitting an SF 1034 with appropriate supporting documentation. The disbursing office makes the U.S. Treasury check payable to the postmaster at the licensing Armed Forces post office. The disbursing office releases the check to the mail manager, who takes the check to the Custodian of Postal Effects (COPE) at the Armed Forces post office. The COPE is a representative of the Army and Air Force Post Office postmaster and sets the meter and mails the U.S. Treasury check to the postmaster. For CONUS payments, EFT is the preferred method of payment. For guidelines on preparing the SF 1034 for payment and additional information on postal meters, refer to DoD 4525.8-M, Chapter 2, sections C2.7 and C2.11.

## 160502. Refunds for Spoiled Meter Tapes

The mail manager may receive refunds from the USPS for spoiled meter tapes or other types of unused services previously paid. Subparagraph 160402.F of this chapter contains the guidelines for requesting refunds. DoD 4525.8-M, Chapter 2, section C2.11 contains additional information about refunds.

## 160503. Remote Meters

DoD Components can reset postal meters using a remote method. 39 CFR 501.15 provides the legal authority for using the CMRS and contains details about this payment process.

## 1606 MISCELLANEOUS PAYMENTS

## 160601. Stamped Envelopes and DoD Official Business Envelopes

The mail manager orders stamped and DoD official business envelopes using a [Postal Service \(PS\) Form 3203-X, Personalized Envelope Order Form](#). The mail manager attaches a copy of the completed PS Form 3203-X and the mail manager's certified postal receipt to the SF 1034 as a basis to issue a U.S. Treasury check. According to DoD 4525.8-M, Chapter 2, Figure C2.F1, DoD Components also can use the government purchase card to pay for stamped envelopes.

## 160602. Postage Stamps

Field locations that purchase postage stamps from the local post office must use credit cards or debit cards.

## 160603. Business Reply Mail (BRM)

The mail manager obtains a new commercial BRM permit by submitting [PS Form 3615, "Mailing Permit Application and Customer Profile"](#), to the local post office. The mail manager uses a copy of the completed PS Form 3615 to support the SF 1034. A postal receipt certified by the mail manager is attached to the SF 1034. For information on BRM see [Domestic Mail Manual, Section 507.9.0](#) and the DoD 4525.8-M, Chapter 1, section C1.11.3.

## 160604. Postage Due Costs

A. Under normal circumstances, postage due mail is not accepted by DoD mail rooms. Postage due mail is returned to the sender at the sender's expense.

B. An exceptional circumstance is [when](#) DoD Components are engaged in a hostile environment or operating under arduous conditions. [Those](#) units can send official matter through the USPS when postage is not available. The addressee will not refuse the postage due penalty mail [received from](#) military units engaged in hostile operations, and is obligated to pay the

cost of postage. Refer to DoD 4525.8-M, Chapter 2, section C2.14 for additional details on penalty due postage.

160605. Address Correction Costs

In accordance with the DoD 4525.8-M, Chapter 2, Figure C2.F1, address correction costs can be paid by check, EFT or cash. Supporting documentation must accompany each payment request for processing.

\*160606. Express Mail

Payment for express mail is made with stamps, metered postage, or through an express mail corporate account. This account is similar to an ADTA. Payments into an express mail account are advances to the USPS and these deposits are controlled similar to ADTA payments; see section 1604 of this chapter. The mail manager submits [PS Form 5639, "Express Mail Corporate Account Application and Payment Authorization Form"](#), to establish the account. The USPS provides the mail manager with a statement each month. The mail manager reconciles this account with the USPS at least once a month. The site support office confirms the balance in the account with the mail manager monthly.

1607 SMALL PACKAGE DELIVERY COSTS

160701. Commercial Service

DoD Components may elect to use commercial bills of lading or commercial procedures, rather than Government Bills of Lading, to procure express transportation services for small package shipments (1-150 pounds).

160702. Terms and Conditions

These shipments are subject to the terms and conditions set forth in [41 CFR 102-118](#), and any other applicable contract or agreement of the carrier for the transportation of shipments for the United States. Freight loss and damage claims against commercial carriers using these procedures are processed according to 41 CFR 102-118.450 through 41 CFR 102-118.540.

160703. Method of Payment

The two approved methods for billing and payment of commercial small package express shipments are the Government Purchase Card and a third party electronic payer system used by DoD for transportation. In instances where the environment will not support the electronic processes or business reasons preclude the use of these processes, a waiver may be requested from the Office of the Deputy Assistant Secretary of Defense for Logistics and Material Readiness (Transportation Policy). Waiver requests must contain detailed justification as to why electronic means cannot be used, and a proposed future date when the electronic requirement will be met.