

Field Accounting Procedures

Handbook F-101

July 2023
Transmittal Letter

- 1. Explanation.** Beginning with the October 2020 edition of Handbook F-101, *Field Accounting Procedures*, we have revised various chapters of the June 2016 edition of Handbook F-101 with updated financial procedures for field units. The October 2020 edition revised chapters 1–9 and 14, and the January 2022 edition revised chapters 10, 18, 19, and 22. Those editions included both substantive and stylistic revisions. This September 2022 edition completes the substantive revisions of the remaining chapters, as well as any necessary revisions throughout the book — such as references to the district finance manager (DFM) position, which was eliminated in the recent USPS organizational realignment. However, this edition of Handbook F-101 does not include stylistic revisions (such as grammar, punctuation, and other stylistic issues) — that is because we wanted to publish as soon as possible the most current substantive financial procedures for field units, even without the relatively minor revisions regarding stylistic issues. Future editions of Handbook F-101 will include stylistic revisions, plus any other updated financial procedures for field units.

See item 4 below for information regarding a Summary of Changes for this July 2023 edition.

- 2. Purpose.** Handbook F-101 is an instrumental resource for consistent and standardized processes on key field accounting activities. It serves as easy to use desk procedures for all field units to comply with Postal Service™ accounting policies defined in Handbook F-1, *Accounting and Reporting Policy*. By following the standard procedures contained in this handbook, Postal Service employees can perform financial transactions efficiently while creating consistent and accurate financial data.
- 3. Availability.** Handbook F-101 is available on the Postal Service Intranet on the PolicyNet Web site at <http://blue.usps.gov/cpim>, click *HBKs*. All prior editions of Handbook F-101 are obsolete; please recycle all copies.
- 4. Summary of Changes.** Part 6-6.1 is revised as follows: 6-6.1.2 is revised; 6-6.1.3 is removed; and 6-6.1.4 is renumbered as 6-6.1.3.
- 5. Comments and Questions.** Send any comments or questions on the content of this handbook to the following address:
REVENUE AND FIELD ACCOUNTING
U.S. POSTAL SERVICE
475 L'ENFANT PLAZA SW, RM. 8831
WASHINGTON, DC 20260-5242
- 6. Effective Date.** This handbook is effective July 2023.



Cara Greene
Vice President
Controller

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Contents

Transmittal Letter	i
1 About This Handbook	1
1-1 Who This Handbook Is For	1
1-2 What This Handbook Contains	2
1-3 Why This Handbook Is Important	4
2 Roles and Responsibilities	5
2-1 Headquarters Accounting Organizations	5
2-1.1 Corporate Accounting	5
2-1.2 Accounting Services	5
2-1.2.1 Responsibilities	5
2-1.2.2 Accounting Help Desk	6
2-1.2.3 Accounting Web Site	6
2-1.2.4 Field Finance Toolkit	6
2-2 Accounting Data Mart	7
2-3 Enterprise Imaging Workflow System	7
2-4 Field Unit Managers	8
2-4.1 Daily Responsibilities	8
2-4.2 Weekly Responsibilities	9
2-4.3 Monthly Responsibilities	9
2-4.4 Quarterly Responsibilities	10
2-4.5 Semiannual Responsibilities	10
2-4.6 Annual Responsibilities	10
2-4.7 Separation of Duties	11
2-4.8 Retail Roles	11
3 Security	13
3-1 Responsibilities	13
3-1.1 Management Responsibility	13
3-1.1.1 Priority Levels	14
3-1.1.2 Equipment	14
3-2 USPS Funds	15
3-2.1 Identifying USPS Funds	15
3-2.2 Controlling Funds During Operating Hours	15
3-2.3 Storing Funds Overnight	15
3-2.4 Using Cash Drawers	16

3-3	Accountable Paper	16
3-3.1	Definition	16
3-3.2	Security Requirements	16
3-3.3	Lost Money Orders	17
3-4	Postage Meters and Postage Label Printers	17
3-5	Money Order Imprinters	17
3-5.1	Storing Money Order Imprinters	17
3-5.1.1	Lost Money Order Imprinters	18
3-5.1.2	Returning Money Order Imprinters	18
3-6	Stamp Devices	20
3-6.1	Round Date Stamp	20
3-6.2	Aviation Mail Security Clearance Stamp	20
3-7	Accountable Receipts	20
3-7.1	Using Accountable Receipt Forms	20
3-7.2	Controlling Accountable Receipts	20
3-7.3	Controlling Spoiled or Voided Accountable Receipts	21
3-7.4	Obtaining Accountable Receipt Forms	21
3-8	Duplicate Keys, Passwords, and Combinations	21
3-8.1	Overview	21
3-8.2	Securing Duplicate Keys, Passwords, and Combinations	22
3-8.2.1	Using PS Form 3977	22
3-8.2.2	Guidelines	22
3-8.3	Witness Requirements	24
3-8.4	Keeping Inventory of Sealed PS Forms 3977	24
3-8.5	Loss or Unauthorized Opening of PS Form 3977 Envelopes	24
3-8.6	Conducting the Annual Examination	24
3-9	Safe and Vault Security	25
3-9.1	Overview	25
3-9.2	Safe Combination Changes	26
3-9.3	Master Keys	27
3-10	Building Security	27
3-10.1	Safe or Vault Lighting	27
3-10.2	Doors and Windows	27
3-10.3	Counterline	28
3-10.4	ID Badges	28
4	Unit Finance Number	29
4-1	Overview	29
4-2	6-Digit Finance Numbers	29
4-3	4-Digit Extensions (Unit ID)	30

5	Daily Financial Reporting	31
5-1	PS Form 1412, Daily Financial Report	31
5-2	e1412	32
5-2.1	Individual Stamp Credit Closeout	32
5-2.2	Unit Closeout	33
5-3	Retail Systems Software	35
5-3.1	RSS — Retail Associate Closeout	35
5-3.2	Unit Closeout	36
5-4	Self-Service Kiosk (SSK)	36
5-4.1	Overview	36
5-4.2	SSK Machine Service Manual	37
5-5	Mobile Point of Sale	37
5-5.1	Overview	37
5-5.2	Servicing Employee	37
5-6	Contract Postal Units	37
5-6.1	Daily Financial Closeout	37
5-6.2	Host Post Office Daily Financial Reporting Responsibilities	38
6	Revenues	41
6-1	Postage Products	41
6-1.1	Overview	41
6-1.2	Revenue Account Identifier Codes	42
6-1.3	Stamps by Mail	42
6-1.3.1	Fulfilling Orders	42
6-1.3.2	Delivering Orders	43
6-1.3.3	Establishing That an Order Is Lost or Missing	43
6-1.3.4	Replacing Lost or Missing Orders	44
6-2	Retail Products	44
6-2.1	Overview	44
6-2.2	Revenue Account Identifier Codes	44
6-2.3	Packaging Product Counts	44
6-2.3.1	Point of Sale Replenishment Offices	44
6-2.3.2	Non-RSS Offices	45
6-3	Postage Label Printer	45
6-3.1	Overview	45
6-3.2	Controlling Postage Label Printer Labels	45
6-3.3	Postage Label Printer Training Labels	45
6-4	Postage Meters	46
6-4.1	Postal Retail Unit — Postage Meter Leasing	46
6-4.2	Initial Order	46
6-4.3	Meter Rental Renewals	46
6-4.3.1	Initial Rental Renewal Process	46
6-4.3.2	Existing Meter Rental Renewal	47

6-4.4 Adding Postage or Verification	47
6-4.5 Daily Meter Reporting and Closeout Requirements	47
6-4.6 Contract Postal Unit — Postage Meter Leasing	48
6-4.7 Postage Meter Resetting System Guidelines	49
6-4.8 Postage Meter Return Process	49
6-5 Official Mail Accounting System	49
6-5.1 Permit Imprint and Periodicals Transactions	49
6-5.2 Business Reply Mail, Postage Due, and Merchandise Return Service	50
6-5.3 OMAS Refunds	50
6-6 Post Office Box and Caller Service	50
6-6.1 Account Identifier Codes to Use	50
6-6.1.1 Post Office Box Rental Fees	50
6-6.1.2 Payment for Caller Service Fees and Reserved Caller Number Service Fees	50
6-6.1.3 Lobby Services Revenue	50
6-6.2 Retail Associate Procedures	51
6-7 Miscellaneous Revenue and Reimbursement	51
6-7.1 Damages Caused by Private Persons	51
6-7.1.1 Payment Received Within 30 Days	52
6-7.1.2 Payment Not Received Within 30 Days	52
6-7.1.3 Repairs Made by a Contractor	52
6-7.2 Jury Duty	53
6-7.3 Lobby Service Collections — Lobby Copy Machines	53
6-7.3.1 PRUs With a Contract	53
6-7.3.2 PRUs Without a Contract	54
6-7.4 Sale of Equipment, Supplies, Scrap, and Waste	54
6-7.5 Sale of Postal Service-Owned Motor Vehicles	55
6-7.6 Vending Machine Commissions	55
6-7.7 Miscellaneous Revenue	56
6-7.8 Release of Information Fees	56
6-7.9 Revenue Deficiencies	56
7 Retail Services	57
7-1 Collect on Delivery	57
7-1.1 Collection Procedures	57
7-1.2 Paid in Cash	57
7-1.3 Paid by Check or Money Order	58
7-1.4 Carrier Delivered Articles	58
7-1.5 COD Electronic Funds Transfer	59
7-2 Customs Collections	59
7-2.1 Overview	59
7-2.2 Retail Systems Software (RSS)	60
7-2.3 e1412	61
7-2.4 Postal Fee	61

Contents

7-2.5 Undeliverable Customs Items	61
7-2.6 Detached Customs and Border Protection Form 3419ALT Procedure	62
7-2.7 Charges for Nonpayment	62
7-3 Sure Money	62
7-3.1 Sales	62
7-3.2 Cancellations and Refunds	62
7-3.2.1 Cancellations	62
7-3.2.2 Issuing Refunds	62
7-3.3 Reconciliation	63
7-4 Passports	63
7-4.1 Overview	63
7-4.2 Accounting for Fees	64
7-5 Gift Cards	64
7-5.1 Overview	64
7-5.2 Fixed and Variable Amounts	64
7-5.3 Sales and Activation	65
7-5.4 Activation Verification Checklist	65
7-5.5 Activation Errors	65
7-5.6 Inventory Destruction	66
7-5.7 Eagan Account Reconciliation Branch	66
8 AICs 247 and 647	67
8-1 Overview	67
8-2 Sales Audit Expenses	68
8-2.1 Transmitted PS Form 1412 Exceptions	68
8-2.2 Common Causes of PS Form 1412 Exceptions	69
8-3 Reconciliation Exceptions	70
8-3.1 For Banking, Credit and Debit Cards, Sure Money, and Change Funds	70
8-3.1.1 Responsibilities	70
8-3.1.2 Procedure	70
8-3.2 Sure Money Reconciliation	71
8-3.2.1 Retrieving the Transaction Confirmation Number	71
8-3.2.2 Resolving an Exception Report	72
8-4 Stock Ledger Expenses	72
8-5 Money Order Reconciliation Exceptions	74
8-5.1 Responsibilities	74
8-5.2 Postal Retail Unit Procedure	74
8-6 Creating or Offsetting AIC 247 and AIC 647 Expenses	75
8-6.1 Postal Retail Unit Procedures	75
8-6.1.1 Researching Discrepancies	77
8-6.1.2 Adjusting PS Form 1412 Entries	77
8-6.1.3 Financial Adjustments	78
8-6.2 Reason Codes for AICs 247 and 647	78

8-6.2.1 Examples of Stock Differences	79
8-7 Claim for Loss	84
8-7.1 Overview	84
8-7.2 Obtaining Approval of the Claim for Loss	84
8-7.3 Recording the Claim for Loss	84
9 Cash Management	87
9-1 Banking	87
9-1.1 Overview	87
9-1.2 Banking Procedures for Postal Retail Units	87
9-1.2.1 Reporting Bank Deposits	88
9-1.2.2 Preparing and Dispatching Bank Deposits	88
9-1.3 Ordering Banking Supplies	89
9-1.3.1 Offices With Computer Access	90
9-1.3.2 Offices Without Computer Access	90
9-1.3.3 Ordering Bank Deposit Remittance Bags	90
9-1.4 Reporting Bank Charges	90
9-1.5 Replenishing Change Funds	91
9-1.5.1 Using Phone Ordering	91
9-1.5.2 Using Local Relationship and Nonrelationship Banks	92
9-1.6 Centralized Accounts Processing System	92
9-1.6.1 Enterprise Payment System	93
9-1.6.2 Local Trust Funding	94
9-1.6.3 ACH Returns	94
9-1.6.4 PRU Procedure	94
9-1.6.5 Accounting Reconciliation Branch Procedures	96
9-1.7 EFTs — Outgoing	96
9-1.8 Foreign Coins	97
9-1.9 Seized Cash Deposit by the U.S. Postal Inspection Service	98
9-2 Credit and Debit Cards	99
9-2.1 Credit Cards	99
9-2.2 Overcharges	100
9-2.3 Undercharges	100
9-2.4 Fallback Transactions	101
9-2.5 Signatures on Card	101
9-2.6 Signature Requirements Credit Card	101
9-2.6.1 Mag-stripe Signatures on Receipts	101
9-2.6.2 EMV Signatures on Receipts	101
9-2.7 Credit Card Receipts	102
9-2.8 Debit Card Payment Acceptance	102
9-2.9 Overcharges for PIN-based Debit Cards	102
9-2.10 Undercharges for PIN-based Debit Cards	102
9-2.11 Signature Requirements Debit Card	103

Contents

9-2.11.1Mag-stripe Signatures on Receipts	103
9-2.11.2EMV Signatures on Receipts	103
9-2.12Cash Back.	103
9-2.13Receipts Disposal Procedures	104
9-2.14Refunds.	104
9-2.15Retrieval Requests	104
9-2.16Chargebacks.	104
9-2.17Credit and Debit Card Terminals	105
9-3 Checks	105
9-3.1 Overview	105
9-3.2 Check Acceptance Requirements.	106
9-3.3 Cashing Checks	108
9-3.3.1 Check Cashing Identification Requirements	108
9-3.3.2 Checks Prohibited for Cashing	108
9-3.4 Endorsing Checks	109
9-3.5 Returned Customer Checks	109
9-3.5.1 Collection of Nonsufficient Funds for Returned Checks That Were Properly Accepted	110
9-3.5.2 Collection and Processing of Expensed Nonsufficient Funds for Checks That Were Improperly Accepted	110
9-3.5.3 Bad Check List	111
10 Postal Money Orders	113
10-1 Selling Domestic and International Money Orders	113
10-1.1General Information	113
10-1.1.1Authorized Payment Methods	113
10-1.1.2Non-authorized Payment Methods	114
10-1.1.3Maximum Amounts	114
10-1.1.4Sales Procedures	114
10-1.1.5Additional Information	115
10-1.2Bank Secrecy Act (Anti-money Laundering Compliance).	115
10-1.2.1Overview	115
10-1.2.2Forms.	115
10-1.2.3Identification Requirements.	116
10-2 Cashing Domestic and International Money Orders.	117
10-2.1Postal Retail Unit Procedures.	117
10-2.1.1Customer and Employee Actions	117
10-2.2Money Order Security Features	120
10-2.3Money Order Verification	120

10-3 Money Order Inquiries and Replacement	121
10-3.1 Inquiries	121
10-3.1.1 General Information	121
10-3.1.2 Processing PS Form 6401	121
10-3.2 Replacements	122
10-3.2.1 Original Customer Receipt Available	122
10-3.2.2 Original Customer Receipt Not Available	123
10-4 Lost or Stolen Money Order Stock and Imprinters	124
10-4.1 Lost or Stolen Money Orders	124
10-4.2 Lost or Stolen Money Order Imprinters	124
10-5 Spoiled, Voided, and Destroyed Money Orders	125
10-5.1 Postal Retail Unit Procedures	125
10-5.2 Contract Postal Unit Procedures	125
10-6 Money Order Voucher Retention	126
10-7 Bait Money Orders	126
 11 Accountable Paper — Postal Retail Units	 127
11-1 Types of Accountable Paper	127
11-2 Accountable Paper Terms	128
11-3 Responsibilities	128
11-3.1 Postmaster or Unit Manager	128
11-3.2 Employee	129
11-3.3 Contractor	129
11-3.4 Stamp Stock Limits	129
11-3.4.1 General Information	129
11-3.4.2 Exemptions	129
11-3.4.3 Stamp Stock Total	130
11-4 Obtaining Stamp Stock From SFS	130
11-4.1 Automatic Shipments of Stamp Stock	130
11-4.2 Ordering Stamp Stock	130
11-4.3 Emergency Orders	131
11-5 Receiving Stock Shipments From SFS	131
11-5.1 Examining and Verifying the Shipment	131
11-5.2 Stock Defects	132
11-5.3 Accounting for Stock Shipments	132
11-5.4 Lost/Stolen Stock Shipment	132
11-5.5 Reporting Stamp Stock Discrepancies	133
11-5.5.1 Discrepancies in Sealed Packages (Manufacturer's Defect)	133
11-5.5.2 Stock Discrepancies Less Than \$250	133
11-5.5.3 Stock Discrepancies of at Least \$250	133
11-5.5.4 Receipt of Damaged Package	134

Contents

11-5.6Accounting for Stamp Stock Shipment Discrepancies	134
11-5.6.1Accounting for Shortages Less Than \$250	134
11-5.6.2Accounting for Overages Less Than \$250	134
11-6Returning Stock to SFS	135
11-6.1Returning Saleable Stock	135
11-6.1.1General Information	135
11-6.1.2Saleable Stock Returned From the Retail Associate or Retail Floor Stock to the Unit Reserve	135
11-6.1.3Saleable Stock Returned From the Unit Reserve to SFS	135
11-6.1.4Returning Loose Stamp Stock Found in the Mailstream.	136
11-6.2Returning Nonsaleable Stock for Destruction	137
11-6.2.1General Information	137
11-6.2.2Nonsaleable Stock Returned From the Unit Reserve to SFS	137
11-6.2.3Exception for Large Quantity Destruction for Items With Postage Stamps	138
11-6.3International Reply Coupons	142
11-6.3.1United States Issued	142
11-6.3.2Foreign Issued	142
11-6.3.3Postal Retail Unit Annual Submission to SFS	142
11-6.4Migratory Bird Hunting and Conservation Stamps.	143
11-6.4.1General Information	143
11-6.4.2Postal Retail Unit Procedures	143
11-6.4.3Returning Unsold Bird Stamps to the Unit Reserve	143
11-6.5Accounting for Stock Returned to SFS	144
11-7Applying Stock Discounts.	144
11-7.1Overview	144
11-7.2Recording Sales of Full Boxes of Envelopes	144
11-8Conducting a Stock Revaluation	145
11-8.1e1412 Units	145
11-8.2RSS Units	145
11-9Stock for Internal Purposes	145
11-9.1Local Mailing Tests	145
11-9.2United States Postal Inspection Service or Office of Inspector General Stamp Stock Requisitions.	146
11-9.3Promotions or Presentations	146
11-10Accounting for Unit Reserve Stock.	146
11-10.1Maintaining Accountability	146
11-10.2Transferring Accountability	147
11-10.2.1When to Transfer Accountability	147
11-10.2.2How to Transfer Accountability	147
11-10.3Transferring Stock Between Postal Retail Units.	147
11-10.3.1Prohibition on Transferring Blank Money Order Stock	147
11-10.3.2Shipping Procedures	147
11-10.3.3Receiving Procedures	148

11-11	Verifying Total Unit Accountability	148
11-11.1	1412 Units	148
11-11.2	RSS Units	149
11-12	Money Orders	149
11-12.1	Overview	149
11-12.2	Responsibilities	149
11-12.3	Ordering Money Orders	149
11-12.4	Verifying Receipt of Money Order Form Sets	150
11-12.5	Money Order Defects	150
11-12.6	Destroying Blank Money Orders	151
11-12.6.1	Scenarios for Destroying Blank Money Orders	151
11-12.6.2	Procedures for Destroying Blank Money Orders	151
12	Accountable Paper — Stamp Distribution Offices, Stamp Services Center, and Stamp Fulfillment Services	153
12-1	Responsibilities	153
12-1.1	Manager of Stamp Fulfillment Services	153
12-1.2	SFS Operations Manager	154
12-1.3	SFS Supervisor	154
12-1.4	District Customer Relations Manager	154
12-1.5	SDO Supervisor	154
12-1.6	SFS or SDO Stamp Distribution Clerk	155
12-1.7	MDC Manager	155
12-1.8	MDC Supervisor	155
12-1.9	MDC Supply Center Clerks	155
12-2	Receiving Accountable Paper	155
12-2.1	Accountable Paper Sources	155
12-2.2	Money Order Sources	156
12-2.3	Verifying Stock Shipments	156
12-2.4	Recording the Advice of Shipment	156
12-2.5	Stock Received From Suppliers	156
12-2.5.1	Overview	156
12-2.5.2	Stock In-Transit Procedure (Stock Shipped From a Stamp Supplier to SFS)	157
12-2.6	Stamp Stock Received From a Postal Retail Unit or Contract Postal Unit	157
12-2.6.1	General Information	157
12-2.6.2	Saleable Stock	158
12-2.6.3	Nonsaleable Stock	158
12-2.6.4	Blank Money Order Stock	158
12-2.7	Loose Stamp Stock Received From P&DCs, NDCs, or the MRC	158
12-2.8	International Reply Coupons	159
12-2.9	Migratory Bird Hunting and Conservation Stamps	160
12-2.10	Overstated Stamp Stock	160

Contents

12-2.11	Lost Vendor Shipments	160
12-2.12	Stock Discrepancies in Sealed Packages	161
12-2.13	Accounting for Stock Discrepancies	161
12-2.13.1	Stock Overages	161
12-2.13.2	Stock Shortages	161
12-2.14	Reporting Stock Defects	162
12-3	Filling Requisitions	163
12-3.1	Automatic Shipments to Postal Retail Units	163
12-3.2	Requisitions	163
12-3.3	Processing Requisitions	163
12-3.4	Shipping Stamp Stock	163
12-3.5	Distributing Money Order Sets (MDC)	163
12-3.6	Processing the Daily Closeout	164
12-4	SFS and SDO Internal Nonsaleable Stock	164
12-5	Stamp Stock Destruction	164
12-5.1	Overview	164
12-5.2	Destruction Responsibilities	165
12-5.2.1	SFS Responsibilities	165
12-5.2.2	District Customer Relations Manager Responsibilities (for SDOs)	165
12-5.3	Composition of the Stamp Destruction Team/Committee	166
12-5.3.1	At SFS	166
12-5.3.2	At the SDO	166
12-5.4	Duration of Stamp Destruction Committee at SDOs	166
12-5.5	Resigning or Removing a Member of the Stamp Destruction Committee at SDOs	166
12-5.6	Frequency of Destruction	167
12-5.7	Destroying Stamp Stock	167
12-5.7.1	At SFS	167
12-5.7.2	At an SDO	168
12-5.7.3	Exceptions for Destruction of Precanceled Postage	169
12-5.8	Discrepancies in Stock to Be Destroyed	169
12-5.9	Determining Methods of Destruction	169
12-5.9.1	Overview	169
12-5.9.2	Stamps, Stamps in Packages, and Pressure-sensitive Stamps	169
12-5.9.3	Philatelic Products	170
12-5.9.4	Stamped Envelopes and Postal Cards	170
12-5.10	Destroying Credit and Debit Card Receipts	170
12-6	Stamp Stock Issued to the USPIS or the OIG	170
12-6.1	Authorizations	170
12-6.2	USPIS or OIG Obtaining Postage	170
12-6.3	SFS or SDO Recording of Postage	171
12-7	Annual Inventory Count of Stamp Stock	171

13 Stamp Stock and Cash Credits	173
13-1 Overview	173
13-1.1 Assignment	173
13-1.2 Responsibility	173
13-1.3 Stamp and Cash Credit Files	174
13-2 Stamp Credits	174
13-2.1 Overview	174
13-2.2 Consigning a New Stamp Credit	175
13-2.3 Cash Portion of Stamp Credit	176
13-2.4 Issuing Money Orders	176
13-2.5 Unit Reserve Stock Assignment	176
13-2.6 Total Postal Retail Unit Stamp Accountability	177
13-2.7 Consigning Stamp Stock to Rural Route Carriers	177
13-2.8 Replenishing Stamp Stock Credits	178
13-3 Individual Stamp Credit Counts	179
13-3.1 Counting Requirements	179
13-3.2 Scheduling Counts	179
13-3.3 Forms to Use	179
13-3.4 Count	179
13-3.5 Physical Count	180
13-3.6 Completing the Count	182
13-3.6.1 Recording Count Overages	182
13-3.6.2 Recording Count Shortages	183
13-3.7 Count Tolerance	183
13-4 Unit Reserve Stamp Stock Credit Count	183
13-5 Contract Postal Unit Stamp Credit Count	184
13-5.1 Responsibilities	184
13-5.2 Count Procedure	185
13-5.2.1 Overages	185
13-5.2.2 Shortages	186
13-5.3 Closing a Contract Postal Unit	186
13-5.3.1 Verifying the Contract Postal Unit's Accountability	187
13-5.3.2 Returning Accountable Papers	187
13-5.3.3 Returning Equipment	188
13-6 Cash Credits	189
13-6.1 Unit Cash Reserves	189
13-6.1.1 Establishing a Unit Cash Reserve	189
13-6.1.2 Changes to Unit Cash Reserves	189
13-6.2 Cash Retained	191
13-6.3 Contract Postal Units Cash Credit	191
13-6.4 Change Funds and Startup Cash	191
13-6.5 Handling Inactive Cash Retained Credits	192

Contents

13-7 Conducting Cash Counts	193
13-7.1 Unit Cash Reserve Counts	193
13-7.2 Recording Unit Cash Reserve Counts	193
13-7.2.1 Overages	194
13-7.2.2 Shortages	194
13-7.3 Cash Retained Credit Counts (RSS Units Only)	194
13-7.4 Cash Retained Count Tolerance	195
13-7.5 Recording Cash Retained Counts	195
13-7.5.1 Overages	196
13-7.5.2 Shortages	196
13-8 Count and Tolerance Tables	196
13-8.1 Counts	196
13-8.2 Tolerances	198
14 Segmented Inventory Accountability	199
14-1 Overview	199
14-1.1 Segment Definitions	199
14-1.2 Responsibilities	200
14-1.3 Maintaining Segment Accountability	200
14-2 Retail Floor Stock	200
14-2.1 Overview	200
14-2.2 Documentation of Stock Assigned to the Retail Floor Stock	201
14-2.3 Retail Floor Stock Limits	201
14-2.4 Counts	202
14-2.5 Count Frequency	202
14-2.6 Count Procedures	202
14-2.7 Documenting Count Results	203
14-3 Other Segment Counts	204
15 Employee Items	205
15-1 Locally Managed Employee Items	205
15-1.1 Overview	205
15-1.2 Reporting and Clearing	205
15-1.3 Monitoring Employee Items	206
15-2 Accounts Receivable	207
15-2.1 Overview	207
15-2.2 Establishing Accounts Receivable	208
15-2.2.1 Overview	208
15-2.2.2 Debts of Less Than \$25	208
15-2.2.3 Debts of at Least \$25	208
15-2.3 Debt Collection Act Notifications	208

15-2.4 Payroll Collection to Liquidate Indebtedness	209
15-2.4.1 Nonbargaining Unit Employee	209
15-2.4.2 Bargaining Unit Employee	209
15-2.5 Employee Receivable Report	209
15-2.6 Automatic Payroll Collection Process	209
15-2.6.1 Overview	209
15-2.6.2 Full Repayment	210
15-2.6.3 Stopping Automatic Payroll Debt Collection	210
15-2.6.4 Formal Proceedings Resolution Process	211
15-2.6.5 Severe Hardship Requests	211
15-2.7 Monitoring Accounts Receivable	212
16 Customer Business Mail Activity (Permit Imprint and Periodicals)	213
16-1 General Information	213
16-2 Application and Annual Fees	214
16-2.1 Collecting Application Fees	214
16-2.2 Collecting Annual Fees	214
16-2.3 Accounting for Fees	214
16-3 Presort Mailings — Additional Postage	215
16-3.1 Overview	215
16-3.2 Collecting Additional Postage	215
16-3.2.1 PostalOne! Units	215
16-3.2.2 Non-PostalOne! Units	215
16-4 Advance Deposits	216
16-4.1 Overview	216
16-4.2 Reconciling Advance Deposit Accounts	216
16-4.3 Accepting Checks for Advance Deposits	216
16-4.4 Recording Payments at Postal Retail Units	217
16-4.5 Collecting on Nonsufficient Funds Checks	218
16-5 Withdrawals from Customer Advance Deposit Accounts	218
16-5.1 Overview	218
16-5.1.1 Definition	218
16-5.1.2 Acceptance Employee Responsibilities	218
16-5.2 Recording Postage Statements	219
16-5.2.1 PostalOne! Units	219
16-5.2.2 Non-PostalOne! Units	220
16-5.3 Payment of Annual Permit Fees from Customer Accounts	220
16-5.3.1 Customer Request	220
16-5.3.2 PostalOne! Units	220
16-5.3.3 Non-PostalOne! Units	221
16-5.4 Transfers	221
16-5.4.1 Customer Request	221
16-5.4.2 Procedures	222

Contents

16-5.5Customer Requested Withdrawals	223
16-5.5.1Customer Request.	223
16-5.5.2PostalOne! Units	223
16-5.5.3Non-PostalOne! Units	223
16-6Refund of Annual Permit Fees	224
16-6.1Customer Request	224
16-6.2PostalOne! Units	224
16-6.2.1Meter or Pre-Canceled Stamp Accounts at PostalOne! Units	225
16-6.3Non-PostalOne! Units	225
16-6.3.1Meter or Pre-Canceled Stamp Accounts at Non-PostalOne! Units	226
16-7Closing Customer Accounts for Inactivity	226
16-7.1Issuing a Refund for Inactive Permit Accounts.	227
16-7.2Sample Non-Use Cancellation Notice	228
16-7.3Sample Add-Pos Non-Use Cancellation Notice.	229
16-8Handling Negative Balances in Customer Accounts	230
16-9Enterprise Payment Accounts	231
16-9.1Customer Account Funding via Check.	231
16-9.2Returned Checks	231
16-9.3ACH Debit Transactions	231
16-9.4Negative Balances	231
 17 Non-Trust Account Customer Business Reply Mail and Postage	
Due Activity.	233
17-1 Overview	233
17-2 Fees	234
17-2.1Collecting Fees	234
17-2.2Accounting for Fees	235
17-3Non-Trust Account Business Reply Mail and Postage Due Activities	235
17-3.1Handling Over-the-Counter Pickup	235
17-3.2Carrier Delivery — City, Rural, and Contract Delivery Route	235
17-3.3Consigning Non-Trust Account Business Reply Mail and Postage Due	235
17-3.4Clearing Non-Trust Account Business Reply Mail and Postage Due.	236
17-4Advance Deposits.	237
17-4.1Overview	237
17-4.2Reconciling Advance Deposit Accounts.	237
17-4.3Accepting Checks for Advance Deposits	238
17-4.4Recording Advance Deposit Payments	239
17-4.5Collecting on Nonsufficient Funds Checks.	239
17-5Withdrawals from Customer Accounts.	239
17-5.1Recording Daily Invoices	239
17-5.1.1Overview	239
17-5.1.2PostalOne! Units	240
17-5.1.3Non-PostalOne! Units	240

17-5.2	Payment of Fees From Customer Accounts	241
17-5.2.1	PostalOne! Units	241
17-5.2.2	Non-PostalOne! Units	242
17-5.2.3	Nonpayment of Fees	243
17-5.3	Customer Requested Withdrawals	244
17-5.3.1	Customer Request	244
17-5.3.2	PostalOne! Units	244
17-5.3.3	Non-PostalOne! Units	244
17-5.4	Transfers	245
17-5.4.1	Customer Request	245
17-5.4.2	Procedures	245
17-6	Closing Customer Accounts for Inactivity	247
17-6.1	Issuing a Refund for Inactive BRM and Postage Due Accounts	248
17-6.2	Sample Non-Use Notice Letter	249
17-7	Handling Negative Balances in Customer Accounts	250
18	Other Customer Mail Activity	251
18-1	USPS Corporate Accounts	251
18-1.1	Postal Retail Unit Procedures	251
18-1.1.1	Deposits	251
18-1.1.2	Mailings	251
18-1.1.3	Withdrawals	252
18-1.2	District Procedures	252
18-1.2.1	Processing Service Failure Refunds	252
18-1.2.2	Negative Balance Accounts	252
18-1.2.3	Closing an Account by Customer Request	252
18-1.2.4	Closing an Inactive Account	253
18-1.2.5	Closing an Account With a Negative Balance	254
18-2	Special Provisions Trust Accounts	254
19	Payments	257
19-1	Preferred Payment Methods	257
19-1.1	Hierarchy	257
19-1.2	eBuy+ Goods and Services (Except Personal Service Contractors)	258
19-1.3	National or Area Contracts	258
19-1.4	SmartPay Purchase Card	259
19-1.5	Local Payments	259
19-1.5.1	Overview	259
19-1.5.2	Temporary Cash Advance for Payments	260
19-1.6	Non-Goods and Non-Services	261

Contents

19-2 Documenting Payments	262
19-2.1 Recurring Payments	262
19-2.2 Advance Payments	262
19-3 Supplier Check Problem Resolution	262
19-3.1 Overview	262
19-3.2 Supplier Stop Pay or Photocopy Request	263
19-4 Prompt Payment Act	263
19-4.1 Overview	263
19-4.2 Compliance	263
19-5 1099-Reportable Vendor Payments	264
19-6 Quick Reference Payment Table	265
20 Payment Types	267
20-1 Customer Domestic Claims	267
20-1.1 Overview	267
20-1.2 Filing Domestic Claims	268
20-1.3 Damaged or Missing Contents	268
20-1.4 Appealing a Denied Domestic Claim	269
20-2 Customer International Claims	269
20-2.1 Overview	269
20-2.2 How to Initiate an Inquiry	270
20-2.3 Lost Articles	271
20-2.4 Damaged, Rifled, or Missing Items	271
20-3 Tort Claims	272
20-4 Health Benefit (HB) 202 Payments	273
20-5 Occupational Safety and Health Administration Payments	274
20-6 Non-Postal Service Training Payments	275
20-6.1 Overview	275
20-6.2 Classifications and Limits	275
20-6.3 Payment Methods	275
20-7 Employee Uniform Cap Reimbursement	276
20-8 EZ Pass and Toll Collection	277
20-9 Injury Compensation Settlement Funds (Third-Party Liability)	277
20-10 Contract Cleaning Services	279
20-10.1 Guidelines	279
20-10.2 Local Cleaning Agreements	280
20-10.2.1 Recurring Cleaning Services — Between 1 and 2 Years	280
20-10.2.2 Recurring Cleaning Services — Less Than One Year	281
20-10.3 Nonrecurring One-Time Cleaning Services	281
20-10.4 Renewing a Local Agreement	282

21 Refunds and Exchanges	283
21-1 Overview	283
21-1.1 Refunds for \$1000 or Less	284
21-1.2 Refunds for More Than \$1000	285
21-2 Postage	286
21-2.1 Types of Postage Refunds	286
21-2.2 Procedure for Postage Refunds	286
21-2.3 OMAS Postage Refund Procedures	287
21-2.4 Priority Mail Express Postage Labels — Service Failure	287
21-3 Miscellaneous Non-Postal Revenue	288
21-4 Postage Label Printer Labels and Post Office Meter Strips	288
21-4.1 Postage Label Printer Label — Voided Prior to Tender	288
21-4.2 Postage Label Printer Label — Voided After Tender	289
21-4.2.1 Postage Label Printer: Label — Available	289
21-4.2.2 Postage Label Printer: Label — Not Available	289
21-4.3 Post Office Postage Meter Strips	289
21-4.4 RSS Business Partners (RSSBP) Postage Meter Strips	290
21-5 Self-Service Kiosks (SSK)	290
21-5.1 Variable Rate Postage Labels — Customer Error	290
21-5.2 Print-on-Demand (POD) Labels	291
21-5.3 Partial Exchange	291
21-6 Post Office Box Rents, Caller Service Fees, and Key Deposits	292
21-7 Premium Forwarding Refunds	292
21-8 mPOS	292
21-8.1 mPOS Label Voids/Refunds	293
21-8.2 mPOS Electronic Postage Labels for Priority Mail Flat-Rate Mail Pieces (only)	293
21-8.3 mPOS Stamp Booklet Exchange	293
22 Travel	295
22-1 Travel Advances for Bargaining Unit Employees	295
22-1.1 Overview	295
22-1.2 Emergency Travel Advances	295
22-1.3 Repaying Travel Advances	296
22-1.3.1 Regular Travel Advance	297
22-1.3.2 Emergency Travel Advance	297
22-2 Travel Reimbursements	297
22-2.1 Overview	297
22-2.2 Nonrecurring Travel	297
23 Payroll	299
23-1 Payroll Checks	299
23-1.1 Receiving and Distributing	299
23-1.2 Payroll Register Distribution	300

Contents

23-1.3Direct Deposits and Allotments	301
23-1.4Checks Mailed to a Designated Address	301
23-1.5Payroll Checks Mailed to Separated Employees	301
23-1.6Stop Pay or Replacement of Payroll Check	302
23-1.7Undeliverable Payroll Checks	302
23-1.8Deceased Employee Payroll Checks	303
23-1.9Erroneous or Overpayment Payroll Check	303
23-1.10Separated Employee Overpayment	303
23-2 Payroll Adjustments	303
23-2.1Payroll and Missing Check Adjustments	303
23-2.2Back Pay Claims	304
23-3 Employee Emergency Salary Issuance	305
23-3.1Overview	305
23-3.1.1Authorized Conditions	305
23-3.1.2Unauthorized Conditions	305
23-3.2Issuing Emergency Salary	306
23-3.2.1Payroll Adjustments Associated With a Salary Advance	306
23-3.2.2Emergency Salary Issued for Non-receipt of a Salary Check	307
23-3.2.3Grievance Settlement Prepayment	307
23-4 Carrier Drive-Out Agreements	309
23-5 Requests for Payroll Information	309
23-5.1Payroll Journal, Duplicate Earnings Statement, and Time and Attendance History	309
23-5.2Court-Related Salary Inquiries, Mortgage, Employment Verifications, and Other Agency Inquiries	310
23-5.3Garnishment, Tax Levy, and Other External Deductions	310
23-5.4Postal Union Inquiries	310
23-5.5Office of Inspector General Inquiries	310
23-5.6U.S. Savings Bonds (Replacement Requests), Thrift Savings Plan Inquiries, and Insurance Program Inquiries	310
23-5.7W-2 Duplicate Requests and Income Tax Withholding Inquiries	311
23-6 Payroll-Related Forms Processed in eIWS OnLine Form (OLF) Application	311
24 Single Drawer Accountability for 2-, 4-, and 6-Hour Offices	313
24-1 Overview for e1412 Offices	314
24-2 Responsibilities	315
24-2.1Postmaster at Administrative Post Office	315
24-3 Security	315
24-3.1Equipment	315
24-3.2Key and Safe Combination Controls	315
24-3.2.1Single Drawer Accountability Controls	315
24-3.2.2Administrative Post Office Controls	316

24-4 Money Orders	316
24-4.1 Ordering Money Orders	316
24-4.2 Daily Procedures	317
24-4.3 Bait Money Orders	317
24-4.4 No-Fee Money Orders	317
24-4.5 Replacement Money Orders	318
24-5 Replenishing Single Drawer Accountability	318
24-5.1 Unit Accountability Limit	318
24-5.1.1 Exceptions to Authorized Limit	318
24-5.1.2 Temporary Increases to Stamp Stock Limits	319
24-5.2 Ordering Stamp Stock	319
24-5.3 Receiving Stamp Stock	320
24-5.4 Returned Stamp Stock	321
24-6 Meters	321
24-6.1 Meter Vendor	321
24-6.1.1 Initial Order	321
24-6.2 Replenishing Meters	321
24-6.3 Monthly Requirement for Meters	322
24-6.4 Postal Meter Help Line	322
24-7 SDA Accountabilities	322
24-7.1 Single Drawer Accountability Financial Documents	322
24-7.2 Counting Requirements	322
24-7.3 Scheduling and Monitoring Counts	323
24-7.4 Forms Needed for Count	323
24-7.5 Physical Count	323
24-7.6 Completing the Count	323
24-7.6.1 Recording Count Overages	323
24-7.6.2 Recording Count Shortages	324
24-7.6.3 Posting Audit Results	324
24-8 Banking Procedures for Single Drawer Accountability	324
24-9 Unit Closeout Procedures	324
24-10 Refunds	326
24-10.1 Refunds Processed by Single Drawer Accountability (SDA) Office	326
24-10.2 Refunds Processed by Administrative Post Office	326
24-10.3 Postage Meter Labels	327
24-11 Exchanges	327
24-12 Overview for RSS Offices	327
24-13 Responsibilities	328
24-13.1 Postmaster at Administrative Post Office	328
24-14 Security	328
24-14.1 Equipment	328
24-14.2 Key and Safe Combination Controls	329
24-14.2.1 Single Drawer Accountability Controls	329

Contents

24-14.2.2Administrative Post Office Controls	329
24-15 Money Orders	330
24-15.1Ordering Money Orders	330
24-15.2Daily Procedures.	330
24-15.3Bait Money Orders	330
24-15.4No-Fee Money Orders	331
24-15.5Replacement Money Orders.	331
24-16 Replenishing Single Drawer Accountability.	331
24-16.1Unit Accountability Limit.	331
24-16.1.1Exceptions to Authorized Limit	331
24-16.1.2Temporary Increases to Unit Accountability Limit.	332
24-16.2Ordering Stamp Stock	332
24-16.3Receiving Stamp Stock	333
24-16.4Returned Stamp Stock	334
24-17 SDA Accountabilities.	335
24-17.1Single Drawer Accountability Financial Documents.	335
24-17.2Counting Requirements	335
24-17.3Scheduling and Monitoring Counts	335
24-17.4Forms Needed for Count	336
24-17.5Physical Count	336
24-17.6Completing the Count.	336
24-17.6.1Recording Count Overages.	336
24-17.6.2Recording Count Shortages	336
24-17.6.3Posting Audit Results	336
24-18 Banking Procedures for Single Drawer Accountability	336
24-19 Unit Closeout Procedures.	337
24-20 Refunds.	338
24-20.1Refunds Processed by Single Drawer Accountability (SDA) Office	338
24-20.2Refunds Processed by Administrative Post Office.	338
24-20.3Postage Meter Labels.	338
24-21 Exchanges.	339
 Appendix A — Account Identifier Code/General Ledger Account Crosswalk	 341
 Appendix B — Contacts and Addresses	 343
 Appendix C — Refunds Quick Reference	 347

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Exhibits

Exhibit 3-1.1.1	
Priority Levels of Accountable Items	14
Exhibit 3-5.1.2	
Paymaster Model 8100 Imprinter Return Form	19
Exhibit 3-8.2.2	
Guidelines for Securing Duplicate Keys	23
Exhibit 3-9.1	
Guidelines To Secure Safe and Vault Duplicate Keys and Combinations	26
Exhibit 7-2.1	
Sample of CBP Form 3419ALT	60
Exhibit 8-4	
Financial Differences — Stock In-transit Reason Codes	73
Exhibit 8-6.1	
Financial Differences — AIC 247/647 Log	76
Exhibit 8-6.2	
Reason Codes for Financial Differences	79
Exhibit 8-7.3	
Reason Codes for Claims for Loss	85
Exhibit 9-1.6.4	
Incoming Electronic Funds Transfer Fax Form	95
Exhibit 9-1.8	
Foreign Coin Disposition Receipt	98
Exhibit 9-3.2a	
Check Acceptance Requirements.	107
Exhibit 9-3.2b	
Sample Check Illustrating the Location of Customer Identification information.	107
Exhibit 9-3.4a	
Required Check Endorsements	109
Exhibit 9-3.4b	
Endorsements on the Back of a Check.	109
Exhibit 10-1.1.4	
AICs for Reporting Money Order Sales and Fees	114
Exhibit 11-5.1	
Shipment Verification Procedures.	131
Exhibit 12-2.12	
Limits for Stock Discrepancies in Sealed Packages	161
Exhibit 12-5.1	
Stamp Destruction	165

Exhibit 15-1.2a	
AICs for Reporting Unresolved Employee Items	205
Exhibit 15-1.2b	
AICs for Clearing Unresolved Employee Items	206
Exhibit 17-5.2.3	
BRM Annual Permit Fees Not Paid Process	243
Exhibit 18-1.2.4	
Sample Non-Use Cancellation Notice for USPSCA	253
Exhibit 19-5a	
Reportable and Unreportable Payments	264
Exhibit 19-5b	
Examples of IRS 1099 Reportable Services	264
Exhibit 19-6	
Quick Reference Payment Table	265
Exhibit 21-1.1	
Reason Codes for No-Fee Money Orders	285
Exhibit 22-1.2	
Travel Advance Log	296
Exhibit C-2a	
Postage and Fees	348
Exhibit C-2b	
Spoiled Unused Customer Meter Stamps	349
Exhibit C-2c	
Fees and Retail Services	349
Exhibit C-2d	
Customer Postage Meter Withdrawn	350
Exhibit C-2e	
Priority Mail Express Service — USPS Corporate Accounts	350
Exhibit C-2f	
Priority Mail Express Service — Other Than USPS Corporate Accounts	351
Exhibit C-2g	
Sure Money	351
Exhibit C-2h	
Post Office PVI Label Error	352
Exhibit C-2i	
Premium Forwarding Service	352
Exhibit C-2j	
Permit Postage & Fees (<i>PostalOne!</i> Offices)	352
Exhibit C-2k	
Permit Postage & Fees (<i>Non-PostalOne!</i> Offices)	352
Exhibit C-2l	
Withdrawals: Trust Accounts (<i>PostalOne!</i> Offices)	353
Exhibit C-2m	
Withdrawals: Trust Accounts (<i>Non-PostalOne!</i> Offices)	353

Exhibits

Exhibit C-2n	
Closing Out Trust Accounts (<i>PostalOne!</i> Offices — BMEU)	354
Exhibit C-2o	
Closing Out Trust Accounts (<i>PostalOne!</i> Offices — BRM/Postage Due/MRS/BPRS)	355
Exhibit C-2p	
Closing Out Trust Accounts (Non- <i>PostalOne!</i> Permit Offices)	356
Exhibit C-2q	
Closing Out Trust Accounts (Non- <i>PostalOne!</i> Offices — BRM/Postage Due/USPS Returns/BPRS)	357
Exhibit C-2r	
Value Added Refunds	358

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1 About This Handbook

Handbook F-101, *Field Accounting Procedures*, establishes standard accounting procedures for all “field units.”

“Field units” include area offices, district offices, postal retail units (PRUs), business mail entry units, stamp distribution offices, contract postal units (CPUs), and all other non-Headquarters postal facilities that conduct financial transactions.

PRUs include Post Offices, main offices, stations, branches, or finance units that electronically transmit daily financial data to Accounting Services.

These procedures will ensure that all units are in compliance with Postal Service financial policies defined in Handbook F-1, *Accounting and Reporting Policy*.

1-1 Who This Handbook Is For

Handbook F-101 is for Postal Service employees who perform financial duties at field units.

If you are a...	The procedures in this handbook will help you to...
Postmaster, officer-in-charge, manager, supervisor, or individual designated to act in these positions	<ul style="list-style-type: none">■ effectively perform your financial responsibilities.■ ensure compliance with established internal controls.■ enable accurate and timely reporting.■ manage funds and inventory. conduct financial reviews.
Retail associate or other employee who performs financial duties	comply with Postal Service accounting policy while you perform your financial duties.

1-2 What This Handbook Contains

The following table lists the information that you will find in each chapter.

Chapter	Title	Overview	Policy Reference in Handbook F-1
1	About This Handbook	Identifies who this handbook is written for and what the handbook contains.	N/A
2	Roles and Responsibilities	Describes the roles and responsibilities of key accounting organizations and field unit managers.	Chapter 2, General Policies
3	Security	Describes the responsibilities and procedures for securing accountable items.	Chapter 2, General Policies
4	Unit Finance Number	Provides the procedures for requesting 6-digit finance numbers and 4-digit extensions that comprise the unit finance number.	Chapter 2, General Policies
5	Daily Financial Reporting	Describes the procedures by reporting technology for daily financial reporting of field units. Also provides the responsibilities of the host Post Office for managing CPUs.	Chapter 6, Revenues
6	Revenues	Describes the responsibilities and procedures for reporting revenue from postage sales, packaging products, and other revenue generating transactions.	Chapter 6, Revenues
7	Retail Services	Describes the responsibilities and procedures for reporting retail service transactions including Collect on Delivery, Customs, Sure Money, and passports.	Chapter 4, Liabilities
8	AICs 247 and 647	Explains the use of AIC 247 and AIC 647 to expense field units for differences in financial transactions. Also describes the procedures for creating, offsetting, and documenting AIC 247 and AIC 647 expenses.	Chapter 7, Expenses
9	Cash Management	Provides detailed procedures for controlling and reporting funds accepted for purchases (e.g., currency, credit and debit cards, and checks).	Chapter 3, Assets
10	Postal Money Orders	Describes the responsibilities and procedures for handling domestic and international postal money orders. Also, includes the procedures for lost, stolen, spoiled and voided money orders, and replacements.	Chapter 4, Liabilities (Exception: part 10-1.2; Chapter 2, General Policies)
11	Accountable Paper — Postal Retail Units	Describes the responsibilities and procedures for receiving, securing, issuing, and controlling accountable paper at PRUs. Also contains the procedures for preparing and returning saleable and nonsaleable stock.	Chapter 4, Liabilities

Chapter	Title	Overview	Policy Reference in Handbook F-1
<u>12</u>	<u>Accountable Paper — Stamp Distribution Offices, Stamp Services Center, and Stamp Fulfillment Services</u>	Describes the responsibilities and procedures for receiving, securing, issuing, and controlling accountable paper at SDOs, stamp distribution centers, and Stamp Fulfillment Services. Also contains the requirements and procedures for destroying stamp stock.	Chapter 4, Liabilities
<u>13</u>	<u>Stamp Stock and Cash Credits</u>	Describes the requirements, responsibilities, and procedures for assigning, controlling, and counting stamp and cash credits.	Chapter 4, Liabilities
<u>14</u>	<u>Segmented Inventory Accountability</u>	Describes the responsibilities and procedures for maintaining segmented inventory accountability. Also describes the requirements and procedures for managing the retail floor stock.	Chapter 4, Liabilities
<u>15</u>	<u>Employee Items</u>	Contains the responsibilities and procedures for resolving and documenting unresolved employee items. Also provides the requirements and procedures for establishing an accounts receivable.	Chapter 3, Assets
<u>16</u>	<u>Customer Business Mail Activity (Permit Imprint and Periodicals)</u>	Describes the procedures for reporting business mail activity for both <i>PostalOne!</i> and non- <i>PostalOne!</i> units. Also, Includes accounting for deposits and withdrawals from customer advance deposit accounts.	Chapter 4, Liabilities
<u>17</u>	<u>Non-Trust Account Customer Business Reply Mail and Postage Due Activity</u>	Describes the procedures for reporting business reply mail and postage due activity for both <i>PostalOne!</i> and non- <i>PostalOne!</i> units. Also includes accounting for deposits and withdrawals from customer advance deposit accounts.	Chapter 4, Liabilities
<u>18</u>	<u>Other Customer Mail Activity</u>	Describes the responsibilities and procedures for reporting and controlling deposits and withdrawals for Express Mail Corporate Accounts and special provisions trust accounts.	Chapter 4, Liabilities
<u>19</u>	<u>Payments</u>	Describes the hierarchy and payment methods used when making payments. Also, includes the requirements, responsibilities, and procedures for making payments locally.	Chapter 7, Expenses
<u>20</u>	<u>Payment Types</u>	Describes the responsibilities and procedures for the various types of payments and reimbursements processed by field units including customer claims and contract cleaning services.	Chapter 7, Expenses
<u>21</u>	<u>Refunds and Exchanges</u>	Describes the requirements, responsibilities, and procedures for reporting and documenting refund and exchange activities.	Chapter 6, Revenues
<u>22</u>	<u>Travel</u>	Describes the requirements, responsibilities, and procedures for issuing emergency travel advances and repayment.	Chapter 7, Expenses
<u>23</u>	<u>Payroll</u>	Provides the responsibilities and procedures for issuing payroll checks, processing payroll adjustments, and issuing emergency salary to employees.	Chapter 7, Expenses

Chapter	Title	Overview	Policy Reference in Handbook F-1
24	Single Drawer Accountability for 2-, 4-, and 6-Hour Offices	Describes the Single Drawer Accountability policies that streamline existing financial processes to add efficiencies that align with changing operational requirements and demands.	
Appendix A	Account Identifier Code/General Ledger Account Crosswalk	Lists the AICs with their descriptions used by field units to classify financial transactions by the proper general ledger account.	
Appendix B	Contacts and Addresses	Lists contact and address information for key accounting organizations and Web sites.	
Appendix C	Refunds Quick Reference	A quick reference guide for processing refunds for customer transactions and advance deposit accounts.	

In an effort to maintain consistency of practice, a glossary of terms used throughout this guide is also included within. Please see the glossary for assistance with terms used in this guide.

1-3 Why This Handbook Is Important

By following the standard procedures contained in this handbook, Postal Service employees can perform financial transactions efficiently while creating consistent and accurate financial data.

2 Roles and Responsibilities

This chapter describes the roles and responsibilities of the areas responsible for processing, monitoring, and managing Postal Service accounting data, as well as accounting support. This chapter includes the following subchapters:

[2-1 Headquarters Accounting Organizations.](#)

[2-2 Accounting Data Mart.](#)

[2-3 Enterprise Imaging Workflow System.](#)

[2-4 Field Unit Managers.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

2-1 Headquarters Accounting Organizations

2-1.1 Corporate Accounting

Corporate Accounting is responsible for the following:

- a. Manage the development, implementation, and analysis of accounting policies in accordance with Generally Accepted Accounting Principles.
- b. Provide corporate oversight for implementation of business rules, accounting requirements, and development of internal controls.
- c. Establish processes related to field unit reporting, and revenue and expense accounting at Accounting Services.
- d. Support Accounting Services and field units in the performance of their financial responsibilities by maintaining official policy and procedure information related to accounting and financial reporting.

2-1.2 Accounting Services

2-1.2.1 Responsibilities

Accounting Services is responsible for the following:

- a. Manage the national accounting shared service environment and support functions.
- b. Play a role in processing, monitoring, and recording in the general ledger, substantially all of the accounting transactions that originate in the field units. Accordingly, there is significant coordination and communication between the field units and Accounting Services.

2-1.2.2 **Accounting Help Desk**

The Accounting Help Desk (AHD) is the single point of contact responding to accounting-related questions from internal and external customers. You may contact the AHD as follows:

- a. Open an Incident (ticket) online using the MyAccounting, self-service portal: <https://myaccountinghelp.usps.gov>
- b. Telephone: 1-866-974-2733.

Note: When contacting the AHD, internal callers must provide their unit finance number.

2-1.2.3 **Accounting Web Site**

Accounting Services and Corporate Accounting sponsor the Accounting Web site. Alerts for breaking issues and news articles about accounting changes are posted on the home page. The Web site also provides information on accounting processes such as the following:

- a. Accounts payable.
- b. Banking.
- c. Claims.
- d. Daily financial reporting.
- e. Money orders.
- f. Pay and benefit adjustments.
- g. eIWS OnLine Form.
- h. Payroll.
- i. Travel and relocation.

Financial training resources, job aids, tips, and financial handbooks to help manage daily reporting tasks are available on the Accounting Website.

To access the Accounting Web site, follow these steps:

- a. Go to <http://blue.usps.gov>.
- b. Click the *Inside USPS* tab.
- c. Under “Headquarters, Finance,” click the *Accounting* link.

The direct URL for the Accounting Web site is <http://blue.usps.gov/accounting/>.

2-1.2.4 **Field Finance Toolkit**

The Field Finance Toolkit provides descriptions of Field Finance Training courses available in HERO Information and Support (HERO). This toolkit also offers links to Quick Reference Guides, which provide links to various job aids, other training, and essential references to supplement each training subject.

These courses are designed to help field employees improve the effectiveness of internal controls by managing risk, determining responsibility, and properly maintaining correct documentation. Ensuring that employees follow proper procedures is critical to SOX compliance.

The Accountability Overview is a summary of financial policies, procedures and processes. The other courses go into more detail for each subject.

To view the list of available training courses, go to the Accounting Web site (see section [2-1.2.3](#)). Access the Field Finance Toolkit from the Accounting Web site home page as follows:

- a. Click *Training*, on the left navigation.
- b. Click *Field Finance Toolkit*.

The direct URL is <http://blue.usps.gov/accounting/fieldfinancetoolkit.htm>.

2-2 Accounting Data Mart

The Accounting Data Mart (ADM), is one of several business areas within the Enterprise Data Warehouse (EDW). The EDW is a data storage and reporting system. The ADM is the Accounting folder in the EDW and the “one-stop shopping” location for a collection of finance-related reports.

The following are examples of these reports:

- a. Accounts Payable.
- b. Complement.
- c. Finance Number Control Master (FNCM).
- d. General Ledger.
- e. Payroll.
- f. Property and Equipment.
- g. Revenue Reporting.
- h. Standard Accounting for Retail (SAFR).

To access the Accounting business area in the EDW, type *EDW* or *CRPL* in the Web browser address bar.

New users can request access to EDW by typing *eAccess* in the Web browser address bar. After logging on to *eAccess*, request the application “EDW General Access (All Users).” Also note the following:

- The Introduction to the EDW is available in HERO at https://usps.csod.com/LMS/LoDetails/DetailsLo.aspx?loid=5482ee7c-23e3-4b1e-8ae388125f69229a&query=%23q%3DEnterprise%2520data%2520warehouse%26s%3D1%26a%3D&back_key=1#t=1.
- ADM video walkthroughs are available at <https://hq.fws.usps.gov/sites/FinanceSolutions/ADM/SitePages/Instructional%20Videos.aspx>.

The ADM Web site also provides users with the ability to submit questions regarding Accounting reports.

2-3 Enterprise Imaging Workflow System

Enterprise Imaging Workflow System (eIWS) OnLine Forms (eOLF) is the USPS Enterprise Tool for completing and submitting certain Accounting forms. eOLF is an online forms repository and submission application. The eOLF web-based application allows for the completion and submission of certain online forms to Accounting Services for further processing.

Imaging and Workflow technologies enable the eIWS to convert hard copy documents into electronic documents. Hard copy documents received by eIWS are scanned, indexed, and electronically transmitted to the appropriate Accounting Services location for processing.

For access and guidelines for submitting documents to the eIWS OnLine Forms application, go to <https://eiws.usps.gov/IWApplication/AppWelcome.do>.

2-4 Field Unit Managers

Field unit managers have the following responsibilities:

- a. Comply with the financial procedures defined in this handbook, which includes proper reporting of all financial transactions, monitoring inventory levels, remitting funds in excess of authorized reserves, and the overall monitoring of field unit operations.
- b. Track employee items and collect, when appropriate, any money owed to the Postal Service.
- c. Maintain adequate security for all accountable items.
- d. Ensure that all required counts are performed in compliance with count requirements, which include completing the counts within the required time frames, documenting the results, and promptly reporting and resolving any noted discrepancies. Required counts include the following:
 - (1) Stamp stock credits.
 - (2) Cash credits.
 - (3) Unit cash reserve.
 - (4) Unit reserve stock.
 - (5) Retail floor stock.
 - (6) Self-Service Kiosk (SSK) credits.
 - (7) Contract Postal Unit (CPU) credits.
 - (8) Single Drawer Accountability (SDA) credits
 - (9) mPOS.

2-4.1 Daily Responsibilities

Field unit managers must review supporting documentation for all entries included on PS Form 1412, *Daily Financial Report*, and concur with the overall presentation of the report each day. The daily review of PS Form 1412 must include the following:

- a. Confirm that AIC 840 equals the last reported AIC 853 on PS Form 1412.
- b. Confirm that AIC 353 equals the last reported AIC 753 on PS Form 1412.
- c. Confirm that AIC 853 on the Unit PS Form 1412 equals the total of all stamp credits reported, including the unit reserve and retail floor stock, if applicable.

- d. Verify that AIC 751 and AIC 752 on PS Form 1412 match the bank deposit ticket(s).
- e. Review PS Forms 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*, to ensure that they are completed properly and include the appropriate signatures.
- f. Submit applicable PS Forms 3533 to the eIWS OnLine Forms application for processing. See chapter 21 for refund procedures.
- g. Monitor local trends in No Sales Transactions and AIC 509 for spoiled or unused Postage Validation Imprinter (PVI) labels.
- h. In Retail System Software (RSS) sites, review AIC 298, RA Final Bank Deposit Overage, or AIC 698, RA Final Bank Deposit Shortage.
- i. Verify that a PS Form 1412 is transmitted for each business day.
- j. Review all financial differences (AIC 247/647 expenses) issued to your unit, finance unit, or SDA unit either generated locally or issued by Accounting Services. To obtain detailed information on all AIC 247/647 expenses issued, access the following report in ADM:
Accounting>Shared Reports>Postmaster Folder>FPR Net Financial Differences (AIC 247/647) – Line Detail.
- k. Maintain a file with documentation for all AIC 247/647 expenses (financial differences) issued to your unit. (See section [8-6.1](#) for required supporting documentation for AIC 247/647 activity.)
- l. Monitor unresolved employee items for timely clearance. RSS and e1412 offices use the system-generated Unresolved Employee Items report to maintain the details of all pending employee items to be resolved by the unit.
- m. Destroy voided/spoiled money orders.
- n. Verify that a PS Form 1412 is completed and transmitted for each business day for each hosted CPU.
- o. Verify the required number of PS Forms 8105-A, *Funds Transaction Report (FTR)*, are completed properly and submitted timely.
- p. Issue letters of demand as necessary.

2-4.2 Weekly Responsibilities

Each week, field unit managers must complete the following tasks:

- a. For Postal Service employee debt, track the progress through grievance process or otherwise ensure collection procedures.
- b. For *PostalOne!* units, research and resolve differences in customer trust accounts upon receipt of a Trust and Expense Activity Report from the Accounting Help Desk. Retain a copy of the report with annotation of the actions taken to resolve the difference.

2-4.3 Monthly Responsibilities

Each month, field unit managers must complete the following tasks:

- a. Verify that required cash and stamp credit counts are completed on time, according to the published policy timelines.

- b. For non-*PostalOne!* units, review and reconcile customer trust accounts daily or when there is activity. At least once a month, validate that customer trust balances in the ADM or in the Trust and Expense Activity Report from the Accounting Help Desk match balances reported on PS Form 3083, *Trust Accounts Receipts and Withdrawals*. Research and resolve any differences. Retain a copy of the report with signature and date as supporting documentation for the monthly review.
- c. Randomly select and validate entries to PS Form 3584, *Postage Due Log*.
- d. Monitor retail associate (RA) cash credits for inactivity. See section [13-6.5](#) for procedure for handling inactive cash retained credits.
- e. At least once a month, reconcile employee items balances in the ADM or in the Trust and Expense Activity Report from the Accounting Help Desk to local records of individual employee items. Research and resolve any differences. (See chapter [15](#).)
- f. Review the monthly Trust and Expense Activity Report from the Accounting Help Desk. Follow up on open debts and ensure appropriate collections. (See section [15-2.6](#).)

2-4.4 **Quarterly Responsibilities**

Each quarter, field unit managers must complete the following tasks:

- a. Ensure that RSS segmented inventory accountability (SIA) units perform the required fiscal year quarterly count. (See section [14-2.5](#).)
- b. Conduct Retail and Packaging Products count. (See section [6-2.3](#).)
- c. Submit nonsaleable stock for destruction following the return schedule provided by SFS. (See subchapter [11-6](#).)

2-4.5 **Semiannual Responsibilities**

Semiannually, field unit managers must review PS Forms 3977, *Duplicate Key, Combination, and Password Envelope*. Update the forms, as necessary. (See subchapter [3-6](#).)

2-4.6 **Annual Responsibilities**

Field unit managers must complete the following tasks annually and enter information into RSS (note that RSS passwords expire every 180 days, so keep passwords current to complete annual tasks):

- a. Examine all locks and keys in the unit except duplicate keys on file in PS Forms 3977. (See part [3-8.6](#).)
- b. Count the unit reserve stamp stock credit for nonbargaining employees and postmaster reliefs.
- c. Count CPU stamp credit. (See subchapter [13-6](#).)
- d. Count SDA stamp credit, when instructed by Field Sales Branch.

2-4.7 Separation of Duties

Field unit managers must maintain adequate internal controls, to the maximum extent possible, to separate the duties identified in the following table:

Employees who...	May not...
Perform sales of postal products and accept payment for services	monitor the overall unit financial transaction and maintain the unit inventory and customer accounts.
Approve local non-credit card purchases and acknowledge receipt of goods or services	make local payments and maintain the unit's PS Form 1412.

If a field unit manager cannot maintain the separation of duties, then the authorizing finance official must approve a deviation in writing. Working postmasters in cost ascertainment group (CAG) H through L offices are excluded from requesting an approval of deviation. The authorizing finance official or a designee is responsible for randomly reviewing offices that cannot maintain a separation of duties to ensure financial controls (see subchapter [2-4](#)) are not violated.

Note: Controls for credit card purchase procedures are addressed in Handbook AS-709, *Purchase Card Policies and Procedures for Local Buying*

2-4.8 Retail Roles

Field unit managers must control segment and high level roles in RSS units as follows:

- a. Limit the number of authorized high-level roles:
 - (1) **Administrator Roles:** All RSS units, regardless of size, must have one administrator role and one backup. Larger offices (with more than five window terminals), as well as offices where business hours extend into a third tour of operations, may, at the discretion of local management, add a third administrator role. No unit shall be authorized more than three administrator roles.
 - (2) RSS units with only one employee must have a backup administrator setup in RSS, from a nearby office.
 - (3) **Supervisor Roles:** All RSS units, regardless of size, must have one supervisor role and one backup (a maximum of two backups are optional). Larger offices (with more than five window terminals), as well as offices where business hours extend into a third tour of operations, may, at the discretion of local management, add a fourth supervisor role. No unit shall be authorized more than four supervisor roles.
- b. Remove roles in RSS. An RA must be removed (terminated) from RSS no later than the employee's last day of work when any of the following occurs:
 - (1) The RA is separated from the Postal Service.
 - (2) The RA bids to another position that does not require use of RSS.

- (3) The RA bids to another PRU. (Exception: Relief and pool RAs do not have to be removed from RSS at a unit where they occasionally work.)

To remove (terminate) an RA in the RSS system, see the *RSS Procedures Guide*, which is available on the Accounting Home page website:

- a. Go to Accounting Home.
- b. Under Toolkits, click *RSS Toolkit*.
- c. Click *RSS Guides*.
- d. Click *RSS Procedures Guide* (the most current version available).

Note: Only an employee assigned a RSS Administrator role at the PRU can remove (terminate) a user (employee) from RSS.

3 Security

This chapter describes the responsibilities and procedures for safeguarding accountable items including USPS funds, accountable paper, and equipment. This chapter includes the following subchapters:

- [3-1 Responsibilities.](#)
- [3-2 USPS Funds.](#)
- [3-3 Accountable Paper.](#)
- [3-4 Postage Meters and Postage Label Printers.](#)
- [3-5 Money Order Imprinters.](#)
- [3-6 Stamp Devices.](#)
- [3-7 Accountable Receipts.](#)
- [3-8 Duplicate Keys, Passwords, and Combinations.](#)
- [3-9 Safe and Vault Security.](#)
- [3-10 Building Security.](#)

3-1 Responsibilities

3-1.1 Management Responsibility

The postmaster, manager, or supervisor must provide adequate security for all accountable items, which include the following:

- a. USPS funds.
- b. Stamp stock.
- c. Blank money order stock.
- d. Philatelic products.
- e. Retail products.
- f. Accountable receipts.
- g. Postage meters.
- h. Money order imprinters.
- i. Round date stamp and Aviation Security Clearance stamp.
- j. ID badges.
- k. Postage meter key.
- l. Bait money orders.

The postmaster, manager, or supervisor may delegate responsibility for accountable items to other field unit employees under his or her supervision.

In addition, the postmaster, manager, or supervisor has the following responsibilities:

- a. Determine how each field unit will best use its available security equipment for protecting accountable items.
- b. Advise the next level of management, in writing, of security equipment inadequacy or malfunction.
- c. Periodically examine equipment that is used to secure accountable items to confirm proper working order.
- d. Ensure that equipment purchases are consistent with the criteria documented in Handbook AS-701, *Asset Management*.

3-1.1.1 Priority Levels

The postmaster, manager, or supervisor must ensure that employees provide the appropriate level of security for accountable items. Priority 1 items require the highest level of security, while Priority 4 items require the lowest level.

Exhibit 3-1.1.1 lists accountable items by their priority level.

Exhibit 3-1.1.1

Priority Levels of Accountable Items

Priority	Accountable Item
1	USPS funds (cash, checks, and money orders), credit and debit card receipts, and blank money orders.
2	Postage stamps, migratory bird hunting and conservation stamps (e.g., bird stamps), and philatelic products.
3	Stamped envelopes, stamped postal cards, money order imprints, and nonsalable stamp stock.
4	USPS-related merchandise, packaging products, and official licensed retail products.

3-1.1.2 Equipment

The following types of equipment are required to secure accountable items (in order of priority use):

- a. Burglar-resistant chests in fireproof safes or security containers located in walk-in vaults.
- b. USPS-standard vaults or security containers.
- c. Security chests or burglar-resistant chest portion of fireproof safes.
- d. Fireproof safes or vaults built to USPS standards.
- e. Lockable metal cabinets and file drawers.

Note: The equipment used to secure accountable items varies among field units due to equipment availability.

3-2 USPS Funds

3-2.1 Identifying USPS Funds

USPS funds are currency (including coins), customer checks (personal, business, and government), treasury checks, traveler's checks, bank checks, and money orders.

USPS funds are Priority 1 items.

3-2.2 Controlling Funds During Operating Hours

USPS personnel must safely control United States (U.S.) currency (including coins), customer checks, and money orders. During operating hours, postal retail units (PRUs) control USPS funds as follows:

- a. Do not loan out, withdraw, deposit in an unauthorized bank account, exchange with other funds, or use USPS funds for personal purposes. Keep USPS funds separate from personal funds.
- b. Safeguard USPS funds from the public and conceal them from view.
- c. When it is not possible to continuously observe USPS funds, maintain them in a locked receptacle.
- d. When funds exceed normal operating needs, make advanced deposits in addition to regular deposits (see section [9-1.2](#)).

3-2.3 Storing Funds Overnight

For offices with a vault, safe, or security container, the postmaster, manager, or supervisor must store USPS funds overnight as follows:

- a. Lock the funds in vaults, security containers, or safes with full combination locks or outer doors.
- b. Put USPS funds in the vault or another place, whichever provides the best security.
- c. Put security containers and safes inside the vault to the extent that space is available.

For offices without a vault, safe, or security container but with a fixed receptacle, the postmaster, manager, or supervisor must store USPS funds overnight as follows:

- a. Lock funds in strong drawers or other fixed receptacles equipped with a lock.
- b. Do not leave funds in removable tins or iron boxes with locks.
- c. Do not leave funds in counterline drawers.

For offices without a vault, safe, security container, or fixed receptacles, the postmaster, manager, or supervisor must move funds to a secure area when the office is closed.

3-2.4 Using Cash Drawers

Use cash drawers only for the storage of USPS funds. Retail associates (RAs) must use cash drawers as follows:

- a. RSS units must use the cash drawer inserts (also called “tills”) as designed.
- b. RSS units must not store blank money order stock in the cash drawer inserts.
- c. At all PRUs, lock cash drawers during temporary absences from the retail counter.
- d. Never store personal items in cash drawers.
- e. Secure cash drawer or cash from the RSS cash drawer inserts overnight in a vault or security container.
- f. One employee must never allow another employee to access his or her cash drawer.

3-3 Accountable Paper

3-3.1 Definition

Accountable paper includes the following:

- a. Postage stamps.
- b. Plain stamped envelopes.
- c. Postal cards (including regular, special, commemorative, and penalty mail issues).
- d. Migratory bird hunting stamps.
- e. Mint sets, stamp collecting kits, gift packs, and other products developed by Stamp Services.
- f. Blank and bait money order stock.

3-3.2 Security Requirements

The security requirements for protecting accountable paper and stamp credits are as follows:

- a. During the duty day, it is acceptable to store accountable paper and stamp credits in a locked drawer or cabinet. At all other times, store accountable paper and stamp credits in the main vault, safe, or security container that provides the best available protection. (See section [3-1.1.2.](#))
- b. If storage facilities offer different levels of security, keep high denominations in the safest place.
- c. During business hours, keep stamps in places inaccessible to the public and concealed from public view.
- d. If a PRU does not have appropriate security equipment, move stamps in excess of a week’s supply to a more secure location. However, the postmaster or designee must have sole control over the stock.

- e. Keep stamped envelopes and postal cards assigned to the unit reserve locked in receptacles or rooms accessible only to the unit reserve stock custodian.
- f. Do not leave stamp stock in the open, visible to others.
- g. Place stamp credits in a locked container and store the container in a vault, safe, or security container, as follows:
 - (1) Lock the unit reserve unless being accessed by stamp stock custodian.
 - (2) Lock individual stamp credits after the employee's tour of duty.
 - (3) Lock retail floor stock (all portions) after the close of business each day.
 - (4) Lock SDA credits after the close of business each day.
- h. Do not allow any employee, supervisor, or postmaster to have access to the stamp credit of another employee.

3-3.3 **Lost Money Orders**

If blank money orders are lost or stolen, the postmaster, manager, or supervisor must immediately contact the U.S. Postal Inspection Service (USPIS) and report the serial numbers of the missing money orders.

If blank money orders are recovered, void them and notify the inspector in charge.

Do not use recovered money orders that have been reported lost or stolen.

3-4 **Postage Meters and Postage Label Printers**

Field unit employees must secure postage meters and postage label printers at close of business or when unattended, as follows:

- a. Lock the postage meter in a secured location.
- b. Secure the work station to prevent unauthorized use of the postage label printer.

If postage meters or postage label printers are lost, stolen, or destroyed, the postmaster, manager, or supervisor must immediately telephone or contact the USPIS and report the serial number(s) of the equipment.

3-5 **Money Order Imprinters**

3-5.1 **Storing Money Order Imprinters**

Field unit employees must secure money order imprinters as follows:

- a. When not in use, keep money order imprinters in a vault, safe, or security container. If a vault, safe, or security container is not available, store money order imprinters under protection of a lock.

- b. Whenever possible, store money orders and money order imprinters overnight in different security containers if the containers furnish an equal degree of security.

3-5.1.1 **Lost Money Order Imprinters**

If money order imprinters are lost, stolen, or destroyed, the postmaster, manager, or supervisor must do the following:

- a. Immediately contact the USPIIS and report the serial number(s) of the equipment.
- b. For replacement money order equipment, contact the Material Distribution Center (MDC) at 800-332-0317, option 4, option 4.
- c. If any equipment is recovered, notify the USPIIS.

3-5.1.2 **Returning Money Order Imprinters**

PRUs must return Paymaster money order imprinters in the following instances:

- a. When they are malfunctioning or become damaged. PRUs can accomplish minor repairs onsite with telephone assistance from the MDC. Call MDC Customer Service at 800-332-0317, option 4, option 4.
- b. When they become surplus due to unit closings, reduction in retail window stations, conversion to RSS, etc.

To return a Paymaster money order imprinter, do the following:

- a. Receive authorization from the MDC by calling Customer Service at 800-332-0317, option 4, option 4.
- b. For each money order imprinter being returned, complete the Paymaster Model 8100 Imprinter Return Form (see [Exhibit 3-5.1.2](#)).
- c. Send the Paymaster money order imprinter along with the completed return form via Registered Mail service to the following address:

US POSTAL SERVICE
BUILDING 302
500 SW GARY ORMSBY DR
TOPEKA KS 66624-9998

- d. Keep a copy of the completed form for local records.

Exhibit 3-5.1.2

Paymaster Model 8100 Imprinter Return Form**PAYMASTER MODEL 8100 IMPRINTER RETURN FORM**

Postal retail units must call the Topeka Material Distribution Center (MDC) at 800-332-0317, option 4, option 4, for authorization prior to shipping.

Complete and send this form to the Topeka MDC when returning a Paymaster money order imprinter or requesting a replacement Paymaster money order imprinter.

✓ Check One	Paymaster Serial Number	Registered Mail Number
<input type="checkbox"/> Return (no replacement needed)		
Explain the reason for the return, i.e., conversion to POS, PO closing, etc.		
<input type="checkbox"/> Replacement (Damaged / malfunctioning)		
Explain the reason for replacement, i.e., broken handle, jammed, etc. (minor repairs can often be accomplished onsite with telephone assistance from the Topeka MDC. Call MDC Customer Service at 800-332-0317, option 4, option 4).		

Date Shipped _____

Unit Finance Number (10-digit) _____

Unit Name _____

Unit Address
(City, State & ZIP™ Code) _____

Unit Telephone Number _____

Unit Contact Name _____

Signature _____

Send the Paymaster money order imprinter via Registered Mail™ service along with the original of this completed form to:

U.S. Postal Service
Building 302
500 S.W. Gary Ormsby Dr.
Topeka, KS 66624-9998

Retain a copy of the completed form for your records.

3-6 Stamp Devices

3-6.1 Round Date Stamp

Field unit employees must safeguard the round date stamp (all-purpose date stamp) at all times as follows:

- a. Do not leave it out on the counter where unauthorized individuals can handle it.
- b. Lock it up at night with other accountable items.

If a round date stamp is lost or stolen, the postmaster, manager, or supervisor must notify the USPIIS and Office of Inspector General (OIG) immediately.

3-6.2 Aviation Mail Security Clearance Stamp

If an Aviation Mail Security clearance stamp is lost or stolen, the postmaster, manager, or supervisor must notify the USPIIS and OIG immediately.

3-7 Accountable Receipts

3-7.1 Using Accountable Receipt Forms

PRUs must use accountable receipts in support of financial transactions. The accountable receipt forms authorized for use are as follows:

- a. PS Form 3544, *USPS Receipt for Money or Services* (PSN 7530-03-000-3768).
- b. PS Form 3602-PO, *Postage Collected Through Post Office Meter* (PSN 7530-01-000-9976).

3-7.2 Controlling Accountable Receipts

Personnel must properly control blank accountable receipts to prevent misuse by unauthorized personnel.

PRUs must record accountable receipts as follows:

- a. Assign serial numbers in sequential order for each book received.
- b. Verify the continuity of receipt serial numbers when issuing books.
- c. Maintain a log of accountable receipt books on hand.
- d. Notify the local OIG if the recipient reports missing numbers or pages.
- e. Verify each day that the beginning serial number is in sequence with the ending serial number for the previous day.

3-7.3 **Controlling Spoiled or Voided Accountable Receipts**

PRUs must process spoiled or voided forms or partially used books as follows:

- a. Staple together spoiled or voided forms and maintain them locally.
- b. For partially used books, verify that no receipts are missing and maintain them locally for the rest of the current year plus 2 more years.

3-7.4 **Obtaining Accountable Receipt Forms**

Accountable receipt books are controlled items and must not be reproduced locally.

When accountable receipt books have been depleted, PRUs may obtain new forms by contacting the MDC by using Touch Tone Order Entry (800-273-1509).

A contract postal unit must contact its host Post Office to order these forms.

3-8 Duplicate Keys, Passwords, and Combinations

Postal Service Information Systems Log-on and Password policy is set by the Corporate Information Security Office (CISO). Employees are expected to adhere to the policies in Handbook AS-805-C, *Information Security Requirements for All Personnel*.

3-8.1 **Overview**

Each field unit must maintain duplicate keys, passwords, and combinations used in the operations of the unit.

Maintain duplicate keys for each of the following:

- a. Stamp cabinet.
- b. Cash drawer.
- c. Envelope drawer.
- d. Safe compartment.
- e. Inner door of a walk-in vault.
- f. Self-Service Kiosk (SSK).

Maintain duplicate passwords or combinations for each of the following:

- a. Safe and vault.
- b. RSS log-on ID.
- c. SSK log-on ID.
- d. Credit and debit card terminal ID.
- e. Postage meters.

3-8.2 Securing Duplicate Keys, Passwords, and Combinations

3-8.2.1 Using PS Form 3977

Field units must use PS Form 3977, *Duplicate Key, Combination and Password Envelope*, as follows:

- a. Complete a PS Form 3977 envelope to protect each duplicate key, combination, and log-on ID and password.
- b. Ensure that both the responsible employee and also a witness to the enclosure of the key, combination, or password provide a signature (not just initials) on the envelope. Postmark the envelope as instructed on the form.
- c. Each time there is a change to a lock, combination, or password, complete and submit a new PS Form 3977 to the custodian of PS Forms 3977. The custodian must dispose of the opened PS Form 3977.
- d. Do not perforate or alter the PS Form 3977 in any way while it is sealed. If there is an allegation or evidence of tampering with a PS Form 3977, notify the USPIS and OIG immediately.

Note: If it is necessary to have access to equipment assigned to an unavailable employee, the supervisor withdraws the contents of the envelope in the presence of one of the designated witnesses, and both the supervisor and the witness must endorse this envelope to show the date and reason to access the assigned inventory. When finalized, prepare a new envelope, place the contents and the old envelope inside the new envelope, and seal the new envelope. Both the supervisor and the designated witness must sign across both flaps and affix the postmark across the flaps.

3-8.2.2 Guidelines

Ensure that combinations and locks are changed whenever equipment or employees are reassigned.

Exhibit 3-8.2.2 provides guidelines for securing duplicate keys for each stamp cabinet, cash drawer, safe compartment, envelope drawer, SSK, and log-on ID and password.

Exhibit 3-8.2.2

Guidelines for Securing Duplicate Keys

Condition...	Process...
<ul style="list-style-type: none"> ■ Change of lock... ■ Change of log-on ID or password for RSS, credit/debit card terminal, or SSK... 	<p>The employee must do the following:</p> <ol style="list-style-type: none"> a. Complete a separate PS Form 3977 for each duplicate key and each log-on ID and password. b. Designate two witnesses from among employees who work at the same unit and print their names on the form. c. Seal the new PS Form 3977 and sign (not initial) across both flaps. d. Have a witness to the enclosure of the combination, password, or key also sign across both flaps of the envelope. e. Stamp a postmark on both flaps of the envelope. f. Submit the new PS Form 3977 to the supervisor. <p>Note: If staffing issues prevent the employee from selecting a witness from the same facility, the employee may select a witness from a nearby facility. The supervisor is personally responsible for protecting the new PS Form 3977 and must do the following:</p> <ol style="list-style-type: none"> a. Maintain all PS Forms 3977 in the main safe or vault of the Post Office, station, or branch in a compartment under the exclusive control of the postmaster, manager, supervisor, or designee. b. Physically examine each PS Form 3977 at least once each 6 months to be certain it is on hand and intact. c. Conduct an annual examination of all locks and keys in the unit, except the duplicate keys in PS Forms 3977. d. Use PS Form 3902, <i>Form 3977 Log and Lock Examination</i>, to maintain a record showing the employee's name, the date of examination of the PS Form 3977, the date of examination of locks and keys, and the supervisor's initials. RSS units must enter results into RSS. <p>Note: Examination of locks and keys (except duplicate keys on file in PS Forms 3977) is to ensure that individual clerk keys do not open locked drawers, safe compartments, or stamp credits of other employees.</p>
<p>Employee accesses:</p> <ul style="list-style-type: none"> ■ Duplicate key... ■ Log-on ID or password... 	<p>The employee must do the following:</p> <ol style="list-style-type: none"> a. Open the PS Form 3977 in the presence of a supervisor. b. Prepare a new PS Form 3977 to return the duplicate key, log-on ID, or password.
<p>In the absence of the employee:</p> <ul style="list-style-type: none"> ■ Access a receptacle... ■ Access a log-on ID or password... 	<p>The postmaster, manager, or supervisor must do the following:</p> <ol style="list-style-type: none"> a. Ensure that the designated witness is present. In the witness's absence, the union steward may serve as a witness. b. Obtain the duplicate key, log-on ID, or password from the PS Form 3977 on file. c. Endorse the envelope to show the date and reason to access the receptacle, log-on ID, or password. d. Prepare a new PS Form 3977, and insert the duplicate key, log-on ID, or password with the old envelope in the new PS Form 3977. e. Seal the new PS Form 3977, sign the enclosure across both flaps, and ensure that the witness also signs the enclosure across both flaps. f. Stamp a postmark on both flaps of the envelope. <p>When the employee to whom the PS Form 3977 is assigned returns, the employee must do the following:</p> <ol style="list-style-type: none"> a. Change the lock, log-on ID, or password. b. Follow the process of lock, log-on ID, or password change.

3-8.3 **Witness Requirements**

Each employee must have the opportunity to be present whenever his or her financial accountability is inventoried or counted.

Each employee assigned a stamp and/or cash credit must give the field unit manager the names of two Postal Service employees (in order of precedence) whom the employee chooses to witness the count of a stamp or cash credit when he or she is absent.

Employees must select witnesses from among employees who work at the same facility as the selecting employee. If staffing issues prevent the employee from selecting a witness from the same facility, the employee may select a witness from a nearby facility.

3-8.4 **Keeping Inventory of Sealed PS Forms 3977**

Each person with custody of PS Forms 3977 must maintain a PS Form 3902, *Form 3977 Log and Lock Examination*, which shows the following:

- a. The employee's name for each envelope.
- b. The date received.
- c. The location (e.g., type of equipment such as drawer, vault, or RSS).
- d. The date of the semiannual examination of PS Form 3977 and the supervisor's initials.
- e. The date of the annual examination of keys and locks and the employee's and supervisor's initials.

3-8.5 **Loss or Unauthorized Opening of PS Form 3977 Envelopes**

If a PS Form 3977 is discovered to be missing, destroyed, or opened by an unauthorized person, the custodian must immediately notify the person who has jurisdiction over the safe, vault, or stamp credit.

If there is an allegation or evidence of tampering with a PS Form 3977, notify the USPS and OIG immediately. In addition, the custodian must do the following:

- a. Examine the inventory.
- b. Change combination, lock, or log-on ID or password.
- c. Prepare a new PS Form 3977.

3-8.6 **Conducting the Annual Examination**

To safeguard each employee's stamp and/or cash credit, a unit supervisor must make an annual examination of all locks and keys in the unit (except duplicate keys on file in PS Forms 3977) to ensure that individual employee keys do not open locked drawers, safe compartments, or stamp cabinets of other employees.

The supervisor must record the examinations on PS Form 3902.

Whenever an employee relinquishes control of an assigned stamp credit for any reason, the supervisor must change the locks on the stamp and cash drawers.

Do not reuse old locks. Send old locks and keys to the following address:

MAIL EQUIPMENT SHOP
2135 FIFTH ST NE
WASHINGTON DC 20260-6224

3-9 Safe and Vault Security

3-9.1 Overview

Field units must use vaults or security containers (safes) to store all of the following:

- a. USPS funds.
- b. Stamp stock.
- c. Registered Mail items.
- d. National security documents.
- e. Evidence.
- f. Other items identified as accountable.

Security containers are required when a vault is not available to store the office accountable items.

The postmaster, manager, or supervisor must ensure that safes and vaults are fully locked at the end of each day. During business hours, all safes must remain closed and day-locked.

[Exhibit 3-9.1](#) provides guidelines for the PS Form 3977 process to secure safe and vault duplicate keys and combinations at each Post Office, station, and branch building.

Exhibit 3-9.1

Guidelines To Secure Safe and Vault Duplicate Keys and Combinations

Condition...	Process...
<ul style="list-style-type: none"> ■ Change of lock... ■ Change of safe or vault key or combination... 	<p>The postmaster, manager, or supervisor must do the following:</p> <p>Post Office</p> <ol style="list-style-type: none"> a. Complete a separate PS Form 3977 for each main safe and vault duplicate key or combination. b. Seal the new PS Form 3977 and sign across both flaps of the envelope. c. Have a witness to the enclosure of the combination or key also sign across both flaps of the envelope. d. Stamp a postmark on both flaps of the envelope. e. Maintain PS Forms 3977 in the Post Office in a compartment under the exclusive control of the postmaster or designated supervisor. <p>Station or Branch</p> <ol style="list-style-type: none"> a. Complete a separate PS Form 3977 for each main safe and vault duplicate key or combination. b. Seal the new PS Form 3977 and sign across both flaps of the envelope. c. Have a witness to the enclosure of the combination or key also sign across both flaps of the envelope. d. Stamp a postmark on both flaps of the envelope. e. Submit the sealed PS Form 3977 to the postmaster, manager, or supervisor. f. Have the postmaster, manager, or supervisor store the PS Forms 3977 in the most secure place under the exclusive control of the postmaster or designated subordinate.
<ul style="list-style-type: none"> ■ Accesses the safe or vault combination or key... 	<p>The postmaster, manager, or supervisor must do the following:</p> <ol style="list-style-type: none"> a. Obtain the key or safe or vault combination from the PS Form 3977 on file. b. Endorse the envelope to show the date and reason to access the Post Office, station, or branch main safe or vault. c. Prepare a new PS Form 3977 and place the safe or vault combination or key with the old envelope in the new PS Form 3977. d. Seal the new PS Form 3977, sign the enclosure across both flaps, and ensure that the witness also signs the enclosure across both flaps. e. Stamp a postmark on both flaps of the envelope. <p>When the custodian of the safe or vault returns, he or she must do the following:</p> <ol style="list-style-type: none"> a. If no lock was changed, prepare a new PS Form 3977 to insert the key. b. If a lock was changed, follow the process for change of lock. c. If the safe or vault combination was changed, follow the process for change of safe or vault combination. <p>Note: Some walk-in vaults with cage doors inside the vault may require placing the PS Form 3977 envelope with the combination and duplicate key on the inner doors.</p>

3-9.2 Safe Combination Changes

Post the manufacturer's instructions for changing the combination on the back of the safe and vault door.

Place the key for changing the combination in the special container provided, or tape it alongside the instructions.

Change the safe's combination whenever any of the following situations occurs:

- a. A new or different safe is placed in service.

- b. A person knowing a combination of a safe or vault is separated or transferred.
- c. The combination becomes compromised due to the opening of PS Form 3977 in an emergency or by an unauthorized person.

Note: Failure to change a combination under the circumstances noted in [3-9.2c](#) is considered contributory negligence by the responsible employee if property is stolen from a safe and vault without force.

3-9.3 Master Keys

To safeguard master keys, the postmaster or designated supervisor must do the following:

- a. Mark all safe master keys for identification.
- b. Seal master keys in a PS Form 3977 envelope and sign across both flaps (see subchapter [3-8](#)). A witness to the enclosure also signs across both flaps of the envelope.
- c. Stamp a postmark on both flaps of the envelope.
- d. Keep the envelope in a central location at the main office under security.
- e. Use master keys only in an emergency since a duplicate to each compartment is in the custody of a supervisor.
- f. Obtain and use duplicate master keys only when it is not possible to use duplicate key access procedures for non-master keys.

3-10 Building Security

3-10.1 Safe or Vault Lighting

At night when the building is unoccupied, leave sufficient light to illuminate the vault door or safe area only if the vault door or safe is visible to the public and if the local patrolling law enforcement agency requests it.

3-10.2 Doors and Windows

Secure doors and windows as follows:

- a. At all times, including during regular business hours, all doors and windows of the office (except customer entries) must remain locked.
- b. At offices where the lobby remains open when no one is on duty, all doors, windows, and wickets that connect the lobby with the working portion of the office must remain locked.
- c. All exterior doors with access to the workroom floor must be equipped with deadbolt locks.
- d. Lobbies must not remain open when no one is on duty unless the screen-line extends to a permanent ceiling and police protection is adequate.
- e. The office must maintain duplicate building keys in PS Form 3977.

3-10.3 Counterline

To maintain security at the counterline, follow these requirements:

- a. Only RAs on duty and other authorized personnel are permitted behind the counterline.
- b. Employee purchases of Postal Service products may not be conducted behind the counterline.
- c. Offices with openings in counterlines must use the security doors that were provided.

3-10.4 ID Badges

ID badges are accountable items. Employees must display ID badges on the outermost clothing in plain view.

Issue and maintain ID badges as follows:

- a. Have employees and contractors sign for badges when they are issued.
- b. Maintain a Postal Service ID log to record the following information:
 - (1) The employee's printed name.
 - (2) The employee's title.
 - (3) The employee's badge number (if applicable).
 - (4) The badge's date of issuance.
 - (5) The badge's date of return (if applicable).
 - (6) The employee's signature.
 - (7) The initials of the individual clearing the ID back into the office (if applicable).

Note: The procedure for issuing temporary ID badges is the same as for issuing regular ID badges.

4 Unit Finance Number

This chapter explains the components of a unit finance number (UFN) and the procedures that field units must follow to request a new 6-digit finance number or 4-digit extension. This chapter includes the following subchapters:

- [4-1 Overview.](#)
- [4-2 6-Digit Finance Numbers.](#)
- [4-3 4-Digit Extensions \(Unit ID\).](#)

4-1 Overview

All field units report their financial activity using an assigned unique 10-digit UFN. The UFN is composed of the 6-digit finance number and the 4-digit unit ID of the field unit.

The UFN is the lowest level of transmitted financial reporting and allows revenue and expenses to be allocated to each individual reporting unit.

4-2 6-Digit Finance Numbers

Revenue and Field Accounting (RAFA) at Headquarters is responsible for reviewing and approving requests for creating, modifying or discontinuing 6-digit finance numbers as submitted through PS Form 8-A, *Request for a New Field Finance Number*, or PS Form 8-B, *Request to Modify or Discontinue a Field Finance Number*.

An employee requesting a new finance number must submit PS Form 8-A with supporting documentation providing the justification for a new finance number via email to Finance Number Control Master Field Sales Branch (available in the Outlook address book as “FNCM FSB Remedy”) for review and concurrence from the following personnel:

- a. District manager.
- b. Area vice president.
- c. Revenue and Field Accounting (RAFA) manager.
- d. Chief operating officer.

Instructions and links to the forms are available on the Accounting Web site at <http://blue.usps.gov/accounting/fieldfinanceforms.htm>.

4-3 4-Digit Extensions (Unit ID)

Field units must submit requests for a new 4-digit extension (unit ID) or for changes to the unit ID at least 30 days in advance of the requested effective start date. Authorizing finance officials can complete the request for the new unit ID or change request.

When implementing any initiatives that require unit attribute changes, authorizing finance officials must communicate directly with the Field Sales Branch (FSB) via email to “FNCM FSB Remedy” through the Outlook address book.

To avoid unnecessary complications that would result in budgetary, National Performance Assessment (NPA), or financial transaction reporting issues, each functional area must consider the impact of its requests before sending an email to “FNCM FSB Remedy” through the Outlook address book.

Information and links to forms for requesting a new unit ID, or a change to an existing 4-digit unit ID, are available on the Accounting Web site at <http://blue.usps.gov/accounting/fieldfinanceforms.htm>.

5 Daily Financial Reporting

This chapter provides the procedures for daily financial reporting of postal retail units (PRUs) and Self-Service Kiosks (SSKs). This chapter also describes the responsibilities of the host Post Office for managing contract postal units (CPUs). This chapter includes the following subchapters (based on reporting technology):

[5-1 PS Form 1412, Daily Financial Report.](#)

[5-2 e1412.](#)

[5-3 Retail Systems Software.](#)

[5-4 Self-Service Kiosk \(SSK\).](#)

[5-5 Mobile Point of Sale.](#)

[5-6 Contract Postal Units.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

5-1 PS Form 1412, Daily Financial Report

All PRUs — regardless of size or revenue — must report their financial activity to Accounting Services electronically at the close of each business day. PS Form 1412, *Daily Financial Report*, provides individual retail associates (RAs) and PRUs with a uniform method to report financial transactions.

PS Form 1412 comes in two versions:

- a. *Manual:* Covers the scope of financial transactions for individual RAs and PRUs. The form provides a running record of receipt controls of all retail and philatelic sales, money order transactions, stamp accountability, and cash retained.
- b. *Automated:* Consists of paper tapes and reports provided by approved mechanical devices such as e1412 and Retail Systems Software (RSS) systems. The automated devices record all financial transactions made by RAs.

5-2 e1412

5-2.1 Individual Stamp Credit Closeout

An RA must prepare a PS Form 1412 whenever performing a financial transactions at the PRU. The RA must provide his or her name or clerk number on all PS Form 1412 supporting documents (e.g., tapes, lists, and receipts).

At electronic e1412 units, the RA conducts his or her daily closeout as follows:

- a. If the unit has a postage meter, complete PS Form 3602-*PO, Postage Collected Through Post Office Meter*.
- b. If the RA had credit or debit transactions for the day, print the clerk report from the credit and debit card terminal(s).
- c. Verify that the sequential order of money orders is continued from the previous day and that the amount, fees, issue ID, and date are correct.
- d. Run the calculator tape of all checks accepted.
- e. Organize all supporting documentation by type for entry into the Individual Stamp Credit (ISC) tab in e1412.
- f. Verify that all numbered receipts are sequential.
- g. Verify that the opening balance (AIC 840) matches the previous day's closing balance (AIC 853).
- h. Update the e1412 using the supporting documentation:
 - (1) Enter the direct entry AIC totals.
 - (2) Enter the indirect entry AICs through the appropriate e1412 workflows.

Note: The RA must enter PO Box rent and fees into WebBATS before accessing the PO Box/Caller Service workflow in e1412.

- i. Verify that all credit and debit card receipts are accounted for and match entries in AIC 762 and AIC 772. RAs are liable for missing receipts.
- j. Count the funds to be deposited and enter amounts to AIC 751 and/or AIC 752.
- k. Calculate the postage sales and make the appropriate AIC entries to balance PS Form 1412, as follows:
 - (1) Forever stamp sales to AIC 007.
 - (2) Non-denominated Walk-In stamp sales to AIC 097.
 - (3) Packaging product sales to AIC 093.
 - (4) Postal-related merchandise sales to AIC 098.
 - (5) Official licensed retail product sales to AIC 231.
- l. Verify and complete the Stamp Accountability section of PS Form 1412 as follows:
 - (1) If stock was received from the Unit Reserve, confirm that PS Form 17, *Stamp Requisition/Stamp Return*, matches AIC 841.

- (2) If stock was returned to the Unit Reserve, confirm that PS Form 17 matches AIC 848.
- m. Save and certify PS Form 1412.
- n. Print PS Form 1412. An electronic signature is reflected on the PS Form 1412.
- o. Submit the following to the closeout employee:
 - (1) PS Form 1412 with supporting documents.
 - (2) Funds to be deposited. The RA must remain with the funds until the designated employee verifies the deposit and initials the AIC 751 and/or AIC 752 entry on the RA's copy of PS Form 1412.
 - (3) Spoiled and voided money orders (all parts) for destruction.
 - (4) PS Form(s) 8105-A, *Funds Transaction Report (FTR)*, and PS Form(s) 8105-B, *Suspicious Transaction Report (STR)*.
- p. Keep the RA's copy of PS Form 1412 until the next stamp credit count or until the resolution of differences, whichever is longer.

5-2.2 Unit Closeout

At e1412 units, perform the unit closeout as follows:

- a. Verify that funds to be deposited match the amount reported in AIC 751 and/or AIC 752 on PS Form 1412, and secure the funds.
- b. Run the calculator tape of checks from the RA and compare the tape to the RA list.
- c. Keep the funds in security containers at all times.
- d. Verify that the PS Form 1412 entries match the amounts from the supporting documentation.
- e. Consolidate all the funds, and verify that the deposit amount on the unit's PS Form 1412 matches the amount reported in AIC 751 and/or AIC 752.
- f. Prepare the unit's bank deposit following procedures outlined in part [9-1.2](#).
- g. Print the Terminal Report and run the Batch Close Report from the credit and debit card terminal(s). Verify that all credit and debit card receipts are accounted for. Verify that the amounts from the Batch Close Reports, the receipts, and AIC 762 and AIC 772 all match. RAs are liable for missing receipts.
- h. Review the money order vouchers as follows:
 - (1) Verify the money order serial numbers.
 - (2) Verify that beginning and ending numbers are correct and sold in sequence.
 - (3) Verify the amounts, issue ID, and issue date.
 - (4) Report any missing money orders to the U.S. Postal Inspection Service (USPIS) immediately.
 - (5) Verify spoiled and voided money orders (all parts), and destroy locally. Identify any missing vouchers.

Note: If an RA is unable to account for the dollar amount of a missing voucher, complete PS Form 6401, *Money Order Inquiry*, and mail it to the St. Louis Accounting Service Center to retrieve a copy of the cashed item. Mail the issue information regarding missing vouchers, identified within the same month as the issue date, to the following address:

ST. LOUIS ACCOUNTING SERVICE CENTER
GENERAL ACCOUNTING BRANCH
PO BOX 80453
ST LOUIS MO 63182-0453

- i. If necessary, enter the information about PS Forms 8105-A into the unit's PS Form 8105-A log (for example, if for some reason the unit personnel cannot enter information for PS Forms 8105-A through RSS or e1412), and then mail PS Forms 8105-A and PS Forms 8105-B to the address at the bottom of the forms (see part 10-1.2). Verify that PS Forms 8105-A and 8105-B reflect the correct money order numbers issued.
- j. Organize PS Forms 3544, *USPS Receipt for Money or Services*, PS Forms 3602-PO, and other supporting documentation. Verify that accountable receipt numbers are in sequential order.
- k. Verify that the unit's system-created PS Form 1412 entries match the amounts from the supporting documentation. The following are examples of entries for verification:
 - (1) Non-*PostalOne!* sites compare PS Form 3083, *Trust Accounts Receipts and Withdrawals*, with AICs 053, 070, 074, 453, 470, and 474.
 - (2) *PostalOne!* sites compare PS Form 3083 with AIC 053 and AIC 070.
 - (3) Compare PS Form 3584, *Postage Due Log*, with PS Form 3582-P, *Invoice for BRM, MRS, or Postage Due Mail*, and also with AICs 114, 274, and 281.
 - (4) Compare PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*, with the following:
 - For PS Forms 3533 submitted using the eIWS Online Forms application, compare with AIC 280.
 - For PS Forms 3533 paid locally, compare with the appropriate refund AIC.
 - (5) Compare PS Form 3602-PO with AIC 110.
 - (6) Compare PS Form 17 with AICs 841 and 848. (For AIC 848, attach the system-generated shipment number receipt or report to the manual PS Form 17.)
- l. For financial differences, make adjustments and issue PS Form 1908, *Financial Adjustment Memorandum*. Increase or decrease the incorrect AIC and offset the amount to AIC 247 or AIC 647. (See part [8-6.1](#) for supporting documentation for AIC 247/647 activity.)

- m. Provide the unit manager with the Unresolved Employee Item Report from e1412.
- n. Verify that the unit 1412 Post Office Box and Caller Service entries match the amounts from the WebBATS report.
- o. Verify that the automatically populated Stamp Accountability section on the unit PS Form 1412 seems reasonable. Save and certify the PS Form 1412. Print the system-generated PS Form 1412, which will print all supporting reports.
- p. Ensure that the Total Unit Accountability in PS Form 3959, *Stamp Stock Transactions and Daily Recap*, matches the AIC 853 total on the unit PS Form 1412.
- q. File PS Forms 1412 (unit and RA), PS Form 3959, and supporting documents.
- r. File credit and debit card receipts in a separate and secure location.
- s. Enter Priority Mail Express label data into Product Tracking and Reporting (PTR).

5-3 Retail Systems Software

Complete instructions for processing, including new functionality guides and procedures for Retail Systems Software (RSS) transactions, are available in the Retail Systems Software Procedures Guide, which is available on the RSS Web site at <https://blue.usps.gov/retail/pdf/reporting-systems-applications/RSS-Guides/R125%20FWS%20SDA%20RSS%20Procedures%20Guide.pdf>.

5-3.1 **RSS — Retail Associate Closeout**

An RA performs the End of Day workflow when logged onto RSS in the retail role. RSS provides messaging during the End of Day workflow to assist the RA with the proper procedures for verifying his or her PS Form 1412 and for preparing and submitting the final remittance.

An RA must do the following:

- a. Count physical funds to be deposited and complete the deposit workflow. The funds remitted must match the suggested total. Discrepancies appear in the following instances:
 - (1) When the deposit entered exceeds the system's expected amount. When this occurs, RSS automatically posts the overage to AIC 298.
 - (2) When the amount of the deposit entered is less than the system's expected amount. When this occurs, RSS automatically posts the shortage to AIC 698.
- b. Review the preliminary PS Form 1412 information and additional reports that support the day's business. To review the preliminary PS Form 1412 information, print a preliminary PS Form 1412 or view the PS Form 1412 in RSS.

- c. Verify that the PS Form 1412 entries match the amounts from the supporting documentation. Verify that all credit and debit card receipts listed on the Payment Card report are submitted.
- d. Review the PVI Activity report and make corrections if necessary. (See the RSS Procedures Guide section 6-3.4).

For further information, refer to the RSS Procedures Guide section 2.8.

5-3.2 Unit Closeout

Any user with the Supervisor or Closeout role can complete the Unit End of Day Closeout Procedures. RSS provides messaging during the close unit workflow to assist the closeout employee. RSS produces system-generated financial differences based on certain workflows for missing documentation, noncash tenders, and other criteria.

Note: All closeout employees must complete their Clerk End of Day procedures before closing the unit. RSS provides the option to Force Close a user, if necessary. (See RSS Procedure Guide section 4-4.1.)

The closeout employee must do the following:

- a. Resolve money order discrepancies by ensuring that a physical money order was received for a spoiled or voided money order.
- b. Confirm that all required supporting documentation is submitted.

When the closeout employee successfully follows the Close Unit workflow, the system prints the required reports. The closeout employee must provide closeout reports as follows:

- a. Provide the Unresolved Employee Item Report to the postmaster, manager, or supervisor.
- b. Provide the PO Box/Caller Service Unit Report to the Post Office Box clerk for processing.
- c. Provide the Permit Account Activity Report to the business mail entry unit or business reply mail clerk.

Finally, the closeout employee files PS Form 1412 with supporting documentation.

5-4 Self-Service Kiosk (SSK)

5-4.1 Overview

A Self-Service Kiosk (SSK) enables customers to perform some basic transactions that otherwise would be conducted at the full-service retail counter. Transactions available from an SSK include shipping packages, buying stamps, and looking up ZIP Codes.

SSKs do not accept cash. Payment is limited to credit and debit cards.

The daily closeout process is automated and takes place at a scheduled time each evening, during off-peak hours. The system/SSK creates a PS Form 1412 daily and transmits it via the network to the Enterprise Data Warehouse and postal accounting systems.

5-4.2 **SSK Machine Service Manual**

The SSK Machine Service Manual is available at [http://56.201.215.106/APC/files/ssmk/SSK-MSM%20v1.8%20for%2044.0%20\(SEP1%20Version\).pdf](http://56.201.215.106/APC/files/ssmk/SSK-MSM%20v1.8%20for%2044.0%20(SEP1%20Version).pdf).

5-5 Mobile Point of Sale

5-5.1 **Overview**

Mobile Point of Sale (mPOS) allows USPS employees to use a handheld device to complete some simple customer transactions. It enables USPS employees to manage customers in the lobby more efficiently and quickly take care of simple customer needs.

With mPOS, USPS employees can conduct quick and easy transactions directly in the lobby, including payments by credit cards and debit cards.

5-5.2 **Servicing Employee**

Each night mPOS performs an automatic close and captures AIC data to generate a Final PS Form 1412. The next business day, the first USPS user to log on to mPOS is prompted to turn on the printer, and the previous day's PS Form 1412 prints automatically. The first USPS user then files the printed PS Form 1412 and attaches supporting documentation (e.g., voided labels, PS Form 3533 — documentation might be system generated or from a customer).

5-6 Contract Postal Units

5-6.1 **Daily Financial Closeout**

A contract postal unit (CPU) must prepare PS Form 1412 to report daily financial transactions performed and must submit PS Form 1412 to the host Post Office on a daily basis with the required supporting documents (e.g., tapes, lists, and receipts). The CPU employee must prepare PS Form 1412 in ink, entering the date, the CPU's name, and the opening accountability balance. To correct an error, the CPU employee draws one line through the entry, writes the correction above the error, and initials the form.

The CPU employee performs the daily closeout as follows:

- a. If the CPU has a postage meter, complete PS Form 3602-PO, *Postage Collected Through Post Office Meter*, and enter the calculated amount into AIC 110 on PS Form 1412.
- b. Run a calculator tape of money orders sold, and enter the amount of money orders into AIC 100 and the amount of money order fees into AIC 101 on PS Form 1412.
- c. Organize all supporting documents by type. Calculate the amount by product and service, and enter the amount into the appropriate AICs (e.g., Post Office Box fees, lobby services revenue, etc.) on PS Form 1412.

- d. Post sales of retail products (if applicable) into the appropriate AICs on PS Form 1412.
- e. Run a calculator tape of all checks accepted.
- f. Count the funds (cash, checks, and money orders) to be deposited and enter the total amount into AIC 752 on PS Form 1412.
- g. Verify that the opening balance (AIC 840) matches the previous day's closing balance (AIC 853) on PS Form 1412. Complete the Stamp Accountability section of the PS Form 1412 as follows:
 - (1) If stock was received, enter the total amount listed on PS Form 17 in AIC 841.
 - (2) If stock was returned, enter the total amount listed on PS Form 17 in AIC 848.
 - (3) Enter in AIC 852 the total amount of postage sales.
 - (4) Calculate the amount of AIC 853.
- h. Prepare and dispatch the bank deposit following procedures in part 9-1.2.
- i. Verify that entries from the Batch Close Report match the entries for credit cards (in AIC 762) and for debit cards (in AIC 772).
- j. Ensure that the totals on PS Form 1412 are accurate and that the total in AIC 400 matches the total in AIC 800.
- k. Sign, date, and submit the PS Form 1412 to the assigned host Post Office, along with supporting documents (a copy of the bank deposit ticket, money order vouchers, PS Form 3602-PO, PS Forms 3544, and other receipts to support PS Form 1412 entries).

5-6.2 Host Post Office Daily Financial Reporting Responsibilities

The daily responsibilities of the host Post Office postmaster or designated employee are as follows:

- a. Coordinate with the CPU to ensure receipt of a daily PS Form 1412 with supporting documentation. A CPU cannot combine daily reporting amounts from different days on one PS Form 1412.
- b. Review the money order vouchers as follows:
 - (1) Verify the money order serial numbers.
 - (2) Verify that beginning and ending numbers are correct and sold in sequence.
 - (3) Verify amounts, issue ID, and date.
 - (4) Report any missing money orders to the USPS immediately.
 - (5) Verify spoiled and voided money orders (all parts), and destroy locally.
 - (6) Identify missing vouchers.

Note: If a postmaster, manager, or supervisor is unable to account for the dollar amount of a missing voucher, complete PS Form 6401 using the Money Order Inquiry workflow to retrieve a copy of the cashed item. Mail the issue information regarding

missing vouchers, identified within the same month as the issue date, to the following address:

ST. LOUIS ACCOUNTING SERVICE CENTER
GENERAL ACCOUNTING BRANCH
PO BOX 80453
ST LOUIS MO 63180-0453

- c. Verify the following on PS Form 1412:
- (1) That the opening balance (AIC 840) matches the previous day's closing balance (AIC 853).
 - (2) If CPU has a postage meter, that AIC 110 matches PS Form 3602-PO.
 - (3) That AIC entries match the amounts from the supporting documentation. Supporting documentation must agree with the totals entered in individual AICs.

Note: CPUs must report unused meter labels in AIC 553 on PS Form 1412 and must submit PS Form 3533 with attached labels as supporting documentation.

- d. Enter the CPU's PS Form 1412 via e1412.
- e. Maintain a file with documentation for all AIC 247/647 expenses (financial differences) issued to the CPU. (See section [8-6.1](#) for supporting documentation for AIC 247/647 activity.)
- f. Ensure that the CPU's total accountability does not exceed its bonded amount.

Ensure that employees at the CPU complete the Bank Secrecy Act training, have current forms on hand, and complete and mail forms as required.

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6 Revenues

This chapter contains the responsibilities and procedures for reporting revenue from postage sales, packaging products, and other revenue-generating transactions. This chapter includes the following subchapters:

[6-1 Postage Products.](#)

[6-2 Retail Products.](#)

[6-3 Postage Label Printer.](#)

[6-4 Postage Meters.](#)

[6-5 Official Mail Accounting System.](#)

[6-6 Post Office Box and Caller Service.](#)

[6-7 Miscellaneous Revenue and Reimbursement.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

6-1 Postage Products

6-1.1 Overview

Postage products include a variety of postage stamps such as Forever stamps, semi-postal stamps, commercial precanceled stamps, migratory bird stamps, philatelic stamps, and definitive postage stamps. These products are sold at postal retail units (PRUs) and contract postal units (CPUs).

Postage products are accountable items that must be protected at all times by providing adequate physical security (see subchapter [3-1](#)).

6-1.2 Revenue Account Identifier Codes

Retail associates (RAs) must record the sale of postage products in the corresponding revenue AIC as indicated in the following table:

Revenue AICs	Master Title	Controls
007	Forever Stamp Sales — Window Services at RSS and e1412	Postage stamps are accountable items, which must be controlled as follows: <ul style="list-style-type: none"> ■ Provide security. ■ Record sales. ■ Maintain records of stamp stock activities.
011	Forever Stamp Sales — by Internet, Mail and Phone	
014	Forever Stamp Sales — SSK	
015	Forever Stamp Sales — Global	
016	Forever Envelop Sales	
017	Forever Stamp Card Sales	
018	Forever Philatelic Postage	
083	Local Commemorative Envelopes	
084	Breast Cancer Stamp Sales	
086	Precanceled Stamps Sales	
090	Postage Stamp Sales	
091	Bird Stamp Sales	
092	Philatelic Product Sales	
094	Stamps By Mail, Internet, and Phone	
097	Nondenominated Walk-In Stamp Sales	

6-1.3 Stamps by Mail

Stamps by Mail (SBM) service is a provision for business customers and households as a convenient way to purchase postal products through the mail. This service is free and allows postal customers to purchase postal products, such as booklets, sheets and coils of stamps, postal cards, and stamped envelopes by ordering through the mail and paying with a check or domestic money order.

6-1.3.1 Fulfilling Orders

To fulfill SBM orders, RAs follow these steps:

- a. Fill all orders within 24 hours of receipt.
- b. Verify the customer's name and address on both the order form and the return address label.
- c. Ensure that the order form is completed properly and that the order total matches the submitted funds. (See subchapter [9-3](#) for check acceptance procedures.)
- d. If an error is found, return the order and check to the customer with a descriptive note explaining the error. Include a new order form.
- e. When filling an order, use postage stock from the Retail Floor Stock or an individual Stamp Credit for e1412 sites. Use an appropriate size G-10 penalty envelope and include a new order form with the shipment. Detach the return address label from the order form; apply to the G-10 Permit envelope and seal. (Orders of \$200.00 or more must be sent via Certified Mail service.)

- f. Place filled order forms aside for filing at the end of each business day. Each form must be round dated, initialed by the person who filled the order, and filed locally.
- g. Keep these records in the unit for 30 days or until the next examination of the individual Stamp Credit/Retail Floor Stock accountability, whichever is greater.
- h. Record orders fulfilled in the appropriate AIC on the RA's PS Form 1412, *Daily Financial Report*, using the appropriate workflow for the unit's reporting technology. (Use AIC 011 for Forever stamp sales and AIC 094 for other stamps by mail postage.)
- i. Record funds in AIC 752 and submit the funds for deposit together with PS Form 1412 to the unit's closeout employee on a daily basis.
- j. Send completed orders to the carrier accountable section, and log the number of orders accepted for carrier delivery.

6-1.3.2 **Delivering Orders**

Carriers must deliver SBM orders as follows:

- a. The carrier accountable section distributes the orders to the appropriate carrier using PS Form 3867, *Accountable Mail Matter Received for Delivery*.
- b. Carriers deliver the order as regular mail or Certified Mail for orders \$200.00 or more.
- c. If an obvious security risk exists, carriers must not leave the order in a mail receptacle.
- d. If the initial delivery attempt is unsuccessful, then the carrier must make a second attempt the next day.

6-1.3.3 **Establishing That an Order Is Lost or Missing**

A customer's SBM order may be established as lost or missing only after the following steps are followed:

- a. Ensure that there is a record of the customer's stamp order on file (PS Form 3227-A, *Stamps By Mail Order Form*).
- b. Verify that the stamp order is logged on PS Form 3867.
- c. Make sure the customer or PRU employee initiates a PS Form 3533, *Application for Refund of Fees, Products, and Withdrawal of Customer Accounts*.
 - (1) The accepting employee or the customer must complete Part 1 of PS Form 3533 and include the customer's name, address, telephone number, and the amount of the replacement order.
 - (2) The accepting employee must check the "Other Refunds" box and write "SBM replacement order AIC 647."
 - (3) The postmaster, manager, or supervisor and a witness must complete and certify Part 2.

6-1.3.4 Replacing Lost or Missing Orders

To replace lost or missing SBM orders, follow these steps:

- a. Mail all replacement orders by Certified Mail service, regardless of value (requires customer signature at time of delivery).
- b. Record the amount of the replacement order in the appropriate AIC on the RA's PS Form 1412. (Use AIC 011 for Forever stamp sales and AIC 094 for other stamps by mail postage.)
- c. Offset the amount to AIC 647 and use Reason Code 06, Stamps by Mail.
- d. Attach the original order (PS Form 3227-A) and the Certified Mail Receipt to PS Form 3533 and file locally.

Note: The postmaster, manager, or supervisor must monitor these claims for recurrences.

6-2 Retail Products

6-2.1 Overview

Retail products include a variety of retail items such as ReadyPost mailing products and other retail products sold at PRUs.

6-2.2 Revenue Account Identifier Codes

The following table lists the AICs in which to record the sale of packaging products and describes how to control these products:

Revenue AICs	Master Title	Controls
093	Packaging Product Sales	Packaging products are accountable items, which must be controlled as follows: <ul style="list-style-type: none"> ■ Provide security. ■ Record sales. ■ Maintain records for packaging product activities. ■ Physically count packaging products (AIC 093) each quarter.
098	Postal Related Merchandise Sales	
231	Official Licensed Retail Products	

6-2.3 Packaging Product Counts

6-2.3.1 Point of Sale Replenishment Offices

Point of Sale Replenishment (POSR) offices receive auto-generated emails to audit unsold packaging products.

- a. Prior to start of the business day, complete the count of items identified in the email.
- b. Enter the results into RSS the same day the count is completed.
- c. Complete the audit within 5 business days from receipt of email.

Note: Do not submit ReadyPost orders via eBuy+. POSR office orders for ReadyPost items via eBuy+ will be cancelled as this is not the process for POSR offices.

6-2.3.2 Non-RSS Offices

Each quarter count all unsold packaging products and compute the inventory.

- a. Take an inventory of all items.
- b. Multiply the net decrease (inventory change minus items returned) at each selling price of the item.
- c. Compare the result to the amount entered to AIC 093 for the postal quarter.
- d. Analyze and document the differences to determine the cause (e.g., pilferage, inaccurate recording of stock received or shipped, or failure to identify revenue correctly at the point of sale).

6-3 Postage Label Printer

6-3.1 Overview

The postage label printer is used as follows:

- a. Postage label printers work only with the RSS.
- b. The postage totals are recorded in RSS, and the postage amount is transferred automatically to the postage label printer.
- c. Postage label printers generate labels that show the postage amount and destination ZIP barcode.
- d. RSS units should leave the postage label printer on continually.
- e. If a postage label printer machine becomes lost, stolen, or destroyed, notify the U.S. Postal Inspection Service (USPIS) immediately.

6-3.2 Controlling Postage Label Printer Labels

Only PRUs that serve the public may use standard postage label printer labels (live postage). The supervisor must control rolls of blank Postage label printer labels. Before use, verify expiration date of blank labels.

6-3.3 Postage Label Printer Training Labels

Training sites, USPS and vendor testing facilities, and other nonretail postal units may use postage label printer training labels only. Using standard postage label printer labels at these sites or facilities is prohibited.

Districts can obtain postage label printer training labels by ordering directly from the vendor using the SmartPay purchase card. Submit an eBuy+ requisition for funding approval.

6-4 Postage Meters

6-4.1 **Postal Retail Unit — Postage Meter Leasing**

PRUs must obtain written authorization from the appropriate manager of Post Office Operations to cover the cost of leasing a remote-set meter under the Postage Meter Resetting System (PMRS). PRUs should request funding approval via eBuy+, if available. If eBuy+ is not available, use PS Form 7381, *Requisition for Supplies, Services, or Equipment*.

Pitney-Bowes is the required vendor for new meter procurement.

6-4.2 **Initial Order**

Order a Pitney-Bowes postage meter as follows:

1. Use eBuy+, which will open up on the MyProcure IT Tab.
2. On the front page of eBuy+, under “List of USPS Preferred Products,” select “Postage Meters and Supplies.”

You will need to order the following:

- a. Pitney-Bowes DM125 (Vendor code DN125N) (PROO) Postage Meter, Initial Postage Meter Request for lease.
- b. Pitney Bowes DM125 (PROO) Initial Postage Meter Rental. (See [6-4.3.1](#) for first fiscal year rental.)
- c. PS Form 3602-PO, *Postage Collected Through Post Office Meter*.
- d. 793-5, Cartridge, Red Ink for PB Postage Meters. (New meters contain enough ink for 3,000 impressions.)
- e. 620-9, Postage Tape Sheets for PB Meter — order as many labels as you need.

6-4.3 **Meter Rental Renewals**

6-4.3.1 **Initial Rental Renewal Process**

PRUs that rent a meter for the first time after the fiscal year begins are responsible to pay the rental renewal for the remaining quarters of the fiscal year. After the meter is received, offices have the option to renew by quarter or through the end of the fiscal year on eBUY+. A meter arriving at any time in a quarter qualifies as the first quarter even if it is in the last month of the quarter. Postal quarters are as follows:

- a. Quarter 1 (Oct.–Dec.).
- b. Quarter 2 (Jan.–Mar.).
- c. Quarter 3 (Apr.–June).
- d. Quarter 4 (July–Sept.).

Meter renewals must be completed via eBuy+ system for the quarters remaining in the first fiscal year of the lease. The serial number of the postage meter is needed to order a renewal.

To renew a meter, follow the process stated in [6-4.2](#) but order the following:

- a. DM125R – Rent is collected upfront at the beginning of the year.
- b. Any ink or labels as needed.

Note: Do not use eBuy+ to request funds to add postage to the meter.

6-4.3.2 Existing Meter Rental Renewal

PRUs that have established meters at the start of the fiscal year (October 1) will be renewed and funded by Headquarters.

Note: A CPU that currently has a contract requiring the Postal Service to pay for the meter renewal of an existing Pitney Bowes DM125 (PR00) Postage Meter Quarterly Rental must include the responsibility statement from the CPU contract to support USPS requirement.

6-4.4 Adding Postage or Verification

PRUs must use procedures defined by the meter manufacturer to add postage or verification to a postage meter using a PMRS meter account.

The maximum allowed setting for a remote-set meter leased by a PRU may not exceed the estimated postage usage for a 30-day period based upon the same period last year with an adjustment factor not to exceed 5 percent.

Note: SDA offices must refer to chapter [24-6.2](#) for maximum allowance.

The first week of each month, all locations with postage meters must connect to the meter manufacturer even if postage is not needed. This ensures that meter companies report accurate postage usage since last connection and update rates, if applicable.

6-4.5 Daily Meter Reporting and Closeout Requirements

At PRUs, the daily meter reporting requirements are as follows:

- a. At the beginning of the tour, the RA must record the meter number, unit or station name, date, and beginning ascending and descending register readings on PS Form 3602-PO, *Postage Collected Through Post Office Meter*.
- b. The supervisor (if on site) must verify the register readings before initial operation.
- c. At the end of the tour, the RA must record the ending ascending and descending register readings.
- d. The difference between the beginning and ending readings represents the postage for which the RA is accountable. The RA enters this amount in AIC 110 on PS Form 1412.
- e. When an RA is replaced, the RA must complete PS Form 3602-PO, and the relief RA must begin a new PS Form 3602-PO. Use this procedure even if the postage meter will not be assigned to another RA.
- f. A supervisor must verify all readings on PS Form 3602-PO and initial them.
- g. When an RA must leave the window area to retrieve a parcel or other mail for a customer, the RA must lock the postage meter to ensure that no one tampers with it.

The RA must do the following:

- a. Record all meter settings on PS Form 3602-PO.
- b. Report daily meter revenue in AIC 110 on PS Form 1412.

The closeout employee must do the following:

- a. Verify PS Form(s) 3602-PO with the amount reported in AIC 110 during the closeout process.
- b. File PS Form(s) 3602-PO locally as supporting documentation for the unit's PS Form 1412.

6-4.6 **Contract Postal Unit — Postage Meter Leasing**

Contractors, at their own expense, may lease a postage meter from a manufacturer authorized by the Postal Service.

Contractors must not use the leased Postal Service meter to apply postage to their own mail; they must obtain a customer meter for that purpose.

CPUs must handle Postal Service meters in accordance with the following procedure:

- a. Enter all information and initial setting numbers on PS Form 3602-PO.
- b. At the end of each day, report the daily register readings from PS Form 3602-PO in the e1412 application to report AIC 110 meter revenue on PS Form 1412. The CPU must print the Register report from the physical meter and attach it to the PS Form 3602-PO.
- c. Submit PS Form 3602-PO with the register report to the HAO daily with PS Form 1412.
- d. Report the initial setting and additional postage settings added to the meter on the PS Form 3602-PO.

The HAO does the following:

- a. Compares the PS Forms 3602-PO with the register report received from the CPU with AIC 110 on PS Form 1412.
- b. Files PS Form 3602-PO locally as supporting documentation for PS Form 1412.
- c. Reviews the contractor's bond limitation and current accountability to determine the amount of setting allowed. The stamp accountability and dollar amount on the meter should not exceed the bond authorization limit.
- d. Verifies PS Form 3602-PO for consecutive usage, for accurate computations, and for assurance that the beginning ascending register equals the ending register reading from the previous form.

6-4.7 Postage Meter Resetting System Guidelines

The following guidelines for PMRS meters apply to both PRUs and CPUs:

PMRS Meter Guidelines

Installation	New PMRS meters may be installed for usage at PRUs (Agency Code 700), CPUs (Agency Code 600), and military Post Offices (Agency Code 800). The lease payment and contract is a local district decision.
Transfer to New Location	Agency Code 600, 700, and 800 meters are transferred using the manufacturer's automated process.
Reloads of Postage	Agency Code 600, 700, and 800 meters are reset through the meter manufacturer. Electronic records are provided by the manufacturer to the National Meter Accounting and Tracking System (NMATS) at Accounting Services.
Withdrawal from Service	PMRS meters are withdrawn from service using the manufacturer's automated process.
Refunds	Balances remaining in withdrawn PMRS meters are credited to the Postal Service's account maintained by the manufacturer. Funds in the account may be transferred to a replacement meter for the same Postal Service account, but must not be refunded by Accounting Services.

6-4.8 Postage Meter Return Process

Use the following guidelines to return unneeded PRU postage meters or postal-rented CPU meters:

1. Contact the meter company to notify it of the meter's return and to receive instructions and the address to return the meter.
2. Carefully pack up the meter and use a G-10 label for postage. Use Priority Mail service with USPS Tracking to return the meter.
3. File the meter return information locally in the unit's meter file.
4. Verify that the meter was delivered to the meter company using the USPS tracking number. File the USPS tracking number in the meter file in case there are any inquiries about the returned meter.
5. Complete the Meter Return form and send it to the address listed on the form.

6-5 Official Mail Accounting System

6-5.1 Permit Imprint and Periodicals Transactions

On a daily basis, *PostalOne!* units must enter Official Mail Accounting System (OMAS) permit imprint and periodicals postage statements into *PostalOne!* Maintain the postage statements locally at the Business Mail Entry Unit.

Note: Units that process OMAS permit mailings are required to be on *PostalOne!*

6-5.2 **Business Reply Mail, Postage Due, and Merchandise Return Service**

OMAS business reply mail, postage due, and merchandise return service mailings must be entered into *PostalOne!* daily.

Note: Units that process OMAS BRM/PD invoices are required to be on *PostalOne!*

6-5.3 **OMAS Refunds**

PRUs do not locally process refunds for OMAS customers. Complete PS Form 3533 and email it to OMASHQ to process refund via OMAS. See subchapter [21-2.2](#) for additional refund information.

6-6 **Post Office Box and Caller Service**

6-6.1 **Account Identifier Codes to Use**

6-6.1.1 **Post Office Box Rental Fees**

Report Post Office Box rental fees as follows:

- a. Use AIC 115 to record funds collected for 12-month (annual) Post Office Box fees.
- b. Use AIC 158 to record funds collected for 6-month (semi-annual) Post Office Box fees.
- c. Use AIC 203 to record funds collected for 3-month (recurring) Post Office Box fees (RSS units only).

6-6.1.2 **Payment for Caller Service Fees and Reserved Caller Number Service Fees**

A retail unit may not accept a payment for Caller Service or for Reserved Caller Number Service. All caller service payments must be funded through an Enterprise Payment System (EPS) account.

6-6.1.3 **Lobby Services Revenue**

Use AIC 123, Lobby Services Revenue, for the following:

- a. Post Office Box key deposits.
- b. Post Office Box lock replacement.
- c. Reactivating a Post Office Box in “closed” status (handling fee).
- d. For refunds of Post Office Box rents, Caller Service fees, and key deposits, see subchapter [21-6](#).

6-6.2 Retail Associate Procedures

RAs process payments for Post Office Box and Caller Service fees as follows:

1. Enter the payment in the appropriate AIC on PS Form 1412 using the office reporting technology (RSS or e1412).
2. Provide the customer with a PS Form 3544, *USPS Receipt for Money or Services*, for e1412 units, or a system-generated receipt for RSS units.
3. When closing out the day's business, do the following:
 - **RSS Units:** PO Box and Caller Service transactions entered into RSS will automatically update WebBATS. The closeout employee must reconcile the RSS Post Office Box Activity report with the WebBATS Receipt by Date Report. Perform any necessary adjustments if identified. If there is an adjustment, the unit must print, date, and sign each report and file it locally.
 - **e1412 Units:** Before beginning input of PS Form 1412 entries, provide PS Forms 3544 and PS Forms 3533 for Post Office box and caller/reserve activity to the box section employee to enter into WebBATS. Once completed, have the employee print WebBATS PO Box/Caller Service Receipt by Date report. After the box fees have been entered into WebBATS, RAs can access the box rent workflow in e1412, which will post the appropriate entries on the RA's PS Form 1412. Enter any refunds into e1412 using AIC 535. Use PS Form 3544 and PS Form 3533 to verify amounts reported on PS Form 1412 in AICs 115, 123, 158, 166, 167, and 535 and ensure that those amounts match amounts reported on the WebBATS report.

6-7 Miscellaneous Revenue and Reimbursement

6-7.1 Damages Caused by Private Persons

Follow these procedures when accounting for reimbursements from private persons whose negligence caused damage to postal vehicles or postal property.

See Management Instruction (MI) FM-810-93-3, *Claims Against Private Persons for Damage to Postal Vehicles and Property*, for additional information. Note that this MI is not available online. Copies can be obtained as follows:

- a. Call the Corporate Library at 202-268-2904 for e-mail or fax copies.
- b. Go to <http://blue.usps.gov/library>, and click the *Ask A Librarian* link.
- c. Send an email to reference@library@usps.gov.

6-7.1.1 Payment Received Within 30 Days

If the agreed-upon payment, including any compromise offer, is received within 30 days from the date of demand, the payment is deposited as follows:

- a. Use AIC 153 to record funds received as reimbursement for damages to postal property other than vehicles (e.g., letter boxes and lobby equipment).
 - (1) Issue a PS Form 3544 or a system-generated receipt.
 - (2) File the duplicate PS Form 3544 or system-generated receipt locally as supporting documentation for the unit's PS Form 1412.
- b. Use AIC 154 to record funds received as reimbursement of damaged vehicles declared irreparable (i.e., vehicle is a total loss).
 - (1) Issue a PS Form 3544 or a system-generated receipt.
 - (2) File the duplicate PS Form 3544 or system-generated receipt locally as supporting documentation for the unit's PS Form 1412.
 - (3) Submit PS Form 4587, *Request to Repair, Replace, or Dispose of Postal-Owned Vehicle*, to the following address:
MOTOR VEHICLE ACCOUNTING SECTION
ACCOUNTING SERVICES
2700 CAMPUS DR
SAN MATEO CA 94497-9427

6-7.1.2 Payment Not Received Within 30 Days

When a private person is either partially or fully at fault for damages for more than \$100, and the agreed upon payment is not received within 30 days from the demand date, the field unit manager must establish an accounts receivable using PS Form 1902, *Justification for Billing Accounts Receivable*. See Handbook PO-701, *Fleet Management*, part 263, for further details.

6-7.1.3 Repairs Made by a Contractor

If there is litigation pending and reimbursement is delayed, use PS Form 4541, *Order-Invoice for Vehicle Repair*, to compensate the contractor for repairs completed and do the following:

- a. Submit PS Form 4541 through eIWS for processing of payment.
- b. Record funds received from settlement claims in AIC 162 on PS Form 1412.
- c. Issue a PS Form 3544 or a system-generated receipt to the payee settling the claim.
- d. File the duplicate PS Form 3544 or system-generated receipt locally as supporting documentation for the unit's PS Form 1412.

6-7.2 Jury Duty

When it is determined that court service is of such a nature as to entitle an eligible employee to court leave, the employee and the postmaster or manager must complete PS Form 3971, *Request for or Notification of Absence*, and PS Form 1224, *Court Duty Leave — Statement of Service*, as follows:

Before jury duty begins	the employee	initiates PS Form 3971 and submits it to the manager.
	the postmaster or manager	a. approves PS Form 3971. b. completes PS Form 1224 in duplicate. c. gives the original copy to the employee. d. gives the duplicate copy to the timekeeper.
During jury duty	the employee	has an officer of the court complete PS Form 1224.
After jury duty has ended	the postmaster or manager	a. obtains the completed PS Form 1224 or a properly certified court document from the employee. b. makes a copy of the document and gives the copy to the employee. c. keeps the original document at the PRU.

Employees may keep any court allowance in the amount of \$25 or less per day for authorized court leave. If the employee receives amounts in excess of \$25 per day, the employee must remit amounts received in excess of \$25 per day to their postmaster or manager. Excess amounts over \$25 per day are accounted for as follows:

- The postmaster or manager remits the funds to the PRU.
- The RA enters the amount in AIC 126 on PS Form 1412.
- The RA gives a copy of the PS Form 3544 or system-generated receipt to the employee as support for payment of the amount in excess of \$25 per day.
- The PRU files the duplicate PS Form 3544 or system-generated receipt locally as supporting documentation for the unit's PS Form 1412.

See Handbook F-21, *Time and Attendance*, part 350, and *Employee and Labor Relations Manual* part 516 for additional information.

6-7.3 Lobby Service Collections — Lobby Copy Machines

6-7.3.1 PRUs With a Contract

Vendors that service lobby machines (copiers) will collect the money from the machine and send a check for the amount due to the PRU.

Upon receipt of the check from the vendor, the manager remits the check to the PRU for deposit. The PRU deposits the check by recording the amount in AIC 248 on PS Form 1412.

6-7.3.2 PRUs Without a Contract

PRUs without a contract record lobby copy machine activity as follows:

- a. Collect funds from the lobby machines (copiers).
- b. Record the amount in AIC 248 on PS Form 1412.
- c. Deposit the funds.
- d. Keep a log of funds received from lobby copy machines.

At the end of each month, PRUs process the invoice(s) received from the copy machine servicing vendor or company as follows:

- a. Complete PS Form 3533 with the servicing vendor's or company's name.
- b. Ensure that the supervisor authorizing the payment has printed and signed his or her name on the form.

Record reimbursement payments as follows:

- a. The PRU must ensure the amount of the reimbursement (invoice) is reported in AIC 548 and must print a No-fee Money Order and send the money order to the vendor.
- b. File a copy of PS Form 3533 and invoice locally as supporting documentation for the unit's PS Form 1412.
- c. Keep a log of funds reimbursed to servicing vendor or servicing company.

Note: The Host Post Office enters the amount of the reimbursement (invoice) in AIC 548 for the SDA office and maintains supporting documentation locally.

6-7.4 Sale of Equipment, Supplies, Scrap, and Waste

Record proceeds from the sale of equipment, supplies, scrap, and waste in the appropriate AIC on PS Form 1412, as follows:

Record sales of...	In...
Capital equipment	http://blue.usps.gov/accounting/_xls/AIC-GLA_Crosswalk.xls
Miscellaneous equipment	AIC 156.
Paper, plastic, and other recyclables (e.g., waste paper, twine, dead mail, and other recycled matter)	AIC 149.

- a. The RA issues a PS Form 3544 or a system-generated receipt for money collected.
- b. The PRU files the duplicate PS Form 3544 or system-generated receipt locally as supporting documentation for the unit's PS Form 1412.

Note: Do not sell Post Office locks and keys. Send old locks and keys to the following address:

MAIL EQUIPMENT SHOP
2135 FIFTH ST NE
WASHINGTON DC 20260-6224

6-7.5 **Sale of Postal Service-Owned Motor Vehicles**

When a sale of a postal-owned motor vehicle occurs, the manager of Vehicle Maintenance or manager of the Vehicle Maintenance Facility (VMF) does the following:

- a. Completes PS Form 4595, *Postal Vehicle Sale/Purchase Agreement*.
- b. Gives the original and first copy to the purchaser.

The RA performs the following steps:

- a. Accepts the required payment at the PRU with the first copy of PS Form 4595.
- b. Records the funds received in AIC 154 on PS Form 1412.
- c. Issues the purchaser a PS Form 3544 or system-generated receipt.

The VMF employee completes SF Form 97, *United States Government Certificate of Release of a Motor Vehicle*, as follows:

- a. Gives the original to the purchaser.
- b. Keeps a copy.
- c. Forwards a copy to Accounting Services, San Mateo.

6-7.6 **Vending Machine Commissions**

Field units that regularly receive vending machine commission checks must remit the appropriate payment to state licensing boards and properly deposit remaining funds through a unit's daily financial report.

Commission checks for contracted commercially operated snack vending machines are received by the contracting officer's representative (i.e., postmaster or installation head).

Commission checks for vending machines in local facilities may also be received directly from the vendor by the installation head.

The postmaster or installation head collects and distributes income from vending machines and ensures that activity reports of vending machine revenue are prepared.

The authorizing finance official reviews vending machine commission records no less frequently than once a year.

Upon receiving the operating fee check and the commission check from the snack machine vendor, the postmaster or installation head prepares a breakdown of the amounts to be disbursed and delivers the checks with the breakdown to the PRU.

The RA does the following:

- a. Records the operating fee check amount in AIC 176 and furnishes a PS Form 3544 or system-generated receipt for the checks.
- b. Exchanges commission checks for no-fee postal money orders. This is an authorized exception to the check acceptance policy (see part [9-3.1](#)).
 - (1) Issue money order(s) for the amount due to the social and recreational committee.

- (2) When appropriate, issue another money order for the amount due to the state licensing agency.
- (3) Ensure the fee for the no-fee money orders are reported in AIC 586; RSS and e1412 units use Reason Code 36, Social and Rec Committee Fund Disbursement.

Save PS Form 3544 or system-generated receipt locally as supporting documentation for the AIC 176 entry on the unit's PS Form 1412.

For additional information, see Handbook EL-602, *Food Service Operations*.

6-7.7 **Miscellaneous Revenue**

Enter in AIC 126 on PS Form 1412 the amount of funds collected from the following miscellaneous sources:

- a. Weighted-average BRM monthly fee.
- b. Undeliverable or unclaimed customer account funds.
- c. Loss of postal property.
- d. Lost badges.
- e. Money found loose in the mail.
- f. Unclaimed money from the mail recovery center.
- g. Fees received for jury service or as a witness while on court leave.
- h. Inactive and unclaimed advance deposit account balances.

6-7.8 **Release of Information Fees**

Record payment of fees for authorized requests for release of information on PS Form 1412 in the corresponding AIC as follows:

- a. AIC 127 (Privacy Act copies).
- b. AIC 129 (change of address information).
- c. AIC 198 (Freedom of Information).

Give the customer a PS Form 3544 or a system-generated receipt for all fees collected.

6-7.9 **Revenue Deficiencies**

A shortage or underpayment of postage and fees is considered to be a revenue deficiency for the U.S. Postal Service and is generally assessed by the postmaster, the BMEU manager, or the Revenue and Compliance program manager.

See MI DM-140-2010-1 for the policies and procedures for assessing and collecting deficiencies in postages and fees.

Upon receipt of a revenue deficiency report, the authorizing finance official must maintain a log of all revenue deficiency reports regardless of whether an assessment letter is sent. See MI DM-140-2010-1 see section Revenue Deficiency Log.

7 Retail Services

This chapter describes the responsibilities and procedures for reporting retail service transactions. This chapter includes the following subchapters:

[7-1 Collect on Delivery.](#)

[7-2 Customs Collections.](#)

[7-3 Sure Money.](#)

[7-4 Passports.](#)

[7-5 Gift Cards.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

7-1 Collect on Delivery

7-1.1 Collection Procedures

Customers who receive Collect on Delivery (COD) articles may pay by any of the following ways:

- a. Cash.
- b. Check.
- c. A debit card that requires a personal identification number (PIN) — i.e., a PIN-based debit card.
- d. A money order payable to the sender.

7-1.2 Paid in Cash

For customers who pay in cash or by PIN-based debit card, postal retail units (PRUs) do the following:

	This employee...	Does the following...
At the time of the transaction	retail associate (RA)	<ol style="list-style-type: none">a. collects the amount of the COD article plus the money order fee from the customer.b. immediately issues a money order payable to the mailer or sender for the amount of the COD.c. attaches the money order to the corresponding PS Form 3816, <i>COD Mailing and Delivery Receipt</i> (COD tag).

	This employee...	Does the following...
At the close of business	retail associate (RA)	records all COD amounts on PS Form 3822, <i>COD Tag Transmittal</i> , or the system-generated COD list.
At the close of business	closeout employee	a. detaches the money order from PS Form 3816. b. sends the money order to the mailer or sender. c. attaches the money order receipt to the PS Form 3816. d. files the form locally.

7-1.3 **Paid by Check or Money Order**

For customers who pay with check or domestic money order, do the following:

- Ensure that the check or domestic money order is made payable to the sender.
- Ensure that the check or domestic money order number is recorded on the back of PS Form 3816.
- File PS Form 3816 locally.
- Mail the check or money order to the sender.

7-1.4 **Carrier Delivered Articles**

Process payments for carrier delivered COD articles as follows:

This employee...	Does the following...
accountable clerk	calculates the amount to be collected and issues PS Form 3821, <i>Clearance Receipt</i> .
carrier	submits the PS Form 3816 with the check, domestic money order (payable to the sender), or cash to the clearing employee with a completed PS Form 3821. Cash payments must include COD amount plus the fee to issue a domestic money order.
clearing employee	a. records all COD funds collected on a PS Form 3822. b. forwards the PS Form 3822 and a PS Form 3816 with the check, money order (payable to the sender), or cash to the PRU for processing.
RA	a. issues the money order(s) for cash payment of CODs. b. records the money order amount in AIC 100 and the money order fee in AIC 101. c. attaches the money order receipt(s) to the PS Form 3816.
closeout employee	For CODs paid with check or money order payable to the sender: a. ensures that the check or money order number is recorded on the back of PS Form 3816. b. mails the check or money order to the sender. c. files the form locally.

If a Postal Retail Unit (PRU) states that its carrier delivered a COD but did not take the form off the package, record the payment in AIC 247 using reason code 013 (miscellaneous).

If the documents are found, or if an inquiry has been received, the PRU must contact the Accounting Help Desk at 866-974-2733 to see if a claim has been filed.

7-1.5 **COD Electronic Funds Transfer**

Customers who are registered participants for COD electronic funds transfer (EFT) have the option to receive remittances paid by EFT at RSS offices (in lieu of a USPS-issued money order) when the COD is paid by cash or PIN-based debit card (at Retail only). RSS recognizes COD EFT participants based on the MID in the scanned IMpb. PS Form 3816 has EFT markings.

The RA performs the following tasks:

- a. Scan or enter the COD label barcode/number.
- b. When the COD barcode is scanned at Retail, the system will alert the RA if the sender is eligible for EFT. If the sender is EFT eligible, COD payments made via cash or PIN-based debit card will be remitted to the sender via EFT.
- c. Follow the RSS system prompts to complete the transaction.

7-2 Customs Collections

7-2.1 **Overview**

Customs duty is a tariff or tax on the import of goods. When U.S. Customs determines that an inbound shipment is subject to duties, the mail piece is given to the Postal Service with a Customs and Border Protection (CBP) Form 3419ALT, *Mail Entry*, in a clear adhesive backed envelope with an orange border. Overprinted, in bold print, on the plastic envelope is the message **"POSTMASTER COLLECT."** Postal employees must collect these duties and Postal handling fees at the time of delivery before releasing the article to the customer.

This subchapter outlines procedures at a PRU for the following situations:

- a. To account for the collection of customs fees and the postal fee (when applicable) upon delivery of customs packages.
- b. For handling CBP Form 3419ALT when customs packages are undeliverable.
- c. When CBP Form 3419ALT displays a Postmaster Collect amount that includes the customs duty fee, the customs processing fee, and the postal fee.

The process for handling Customs is as follows:

- a. The Postmaster Collect amount is collected from the customer at the time of delivery.
- b. RAs must use AIC 054 to report funds held for payment to the U.S. Customs and Border Protection.

- c. Verify daily that the total amount of collections as shown on CBP Forms 3419ALT balances with the amount on PS Form 2944, *Receipt for Customs Duty Mail*.
- d. File PS Form 2944 locally as supporting documentation for the unit's PS Form 1412.
- e. PRUs maintain CBP Form(s) 3419ALT until the end of the month, at which time the forms must be submitted to the U.S. Customs and Border Protection at the following address:
US CUSTOMS AND BORDER PROTECTION
COLLECTIONS AND REFUNDS ANALYSIS BRANCH
6650 TELECOM DRIVE STE 100
INDIANAPOLIS IN 46278-2010
- f. Accounting Services makes a monthly payment to Customs and reconciles differences. Accounting Services expenses unreconciled differences to the district Finance number based on the delivery ZIP Code.

See Exhibit 7-2.1 for a sample of CBP Form 3419ALT.

Exhibit 7-2.1

Sample of CBP Form 3419ALT

INSPECTOR EGFMERO		REM	ITEM CODE	VALUE	RATE	QUANTITY	RATE	AMOUNT
PORT 3201	PARCELS 1							41.26
DATE INSPECTED 5/14/2007		Postal Fee						5.35
		Customs Processing Fee (Pub. L. 99-272) (Does not include Postal handling fee.)						5.50
MAIL ENTRY # 10600664417				POSTMASTER COLLECT → \$ 52.11				
ORIGIN JAPAN				JOE DOE 1234 MAIN STREET ABC COMPANY HONOLULU HI 96813 0000				
SENDER JOHN SMITH								
ADDRESSEE RECEIVED ARTICLES	SIGNATURE <i>Joe Doe</i>	DATE 5/18/07	POSTMASTER RECEIVED PAYMENT	SIGNATURE <i>PM Petty</i>	DATE 5/18/07			
POSTMASTER: RETURN THIS FORM WITH REMITTANCE TO ADDRESS SHOWN ON BACK OF ORIGINAL.				SEND PROTEST TO THE ADDRESS BELOW (IMPORTANT - SEE REVERSE) U.S. CUSTOMS FOREIGN MAIL BRANCH 399 NORTH NIMITZ HIGHWAY HONOLULU HI 96818				

Original
 (5050) LT 176184 mod CBP
 DEPARTMENT OF HOMELAND SECURITY
 U.S. CUSTOMS AND BORDER PROTECTION
 19 CFR 145.4, 145.12
MAIL ENTRY
 A

7-2.2 Retail Systems Software (RSS)

The customs collection procedure for Retail Systems Software (RSS) units is as follows:

- a. Enter the Numbered Pickups workflow and scan the customs collections mail entry barcode on the CBP Form 3419ALT.
- b. Follow the prompts in the workflow.
- c. The current postal fee (when applicable) is entered automatically in AIC 148.
- d. The duty fee is entered automatically in AIC 054.

- e. Verify that the RSS amount due matches the amount in the Postmaster Collect field.
- f. Collect from the customer the total amount listed in the Postmaster Collect field.

7-2.3 **e1412**

The customs collection procedure for e1412e1412 units is as follows:

- a. In the Postmaster Collect field, enter the amount collected through the Receipts/Disbursements workflow. To do so, access the dropdown menu and select AIC 054, Customs Collections. The system then auto-populates the Customs Fee and Postal Fee fields.
- b. Enter the customer name and mail entry number in the fields provided, and then save the entry.
- c. Verify that the e1412 amount due matches the Postmaster Collect amount.

7-2.4 **Postal Fee**

The *postal fee* is a processing and handling fee for the delivery of customs dutiable items. The procedure for processing postal fees is as follows:

- a. Collect the fee, except for the following items:
 - (1) Dutiable articles from overseas U.S. Post Office facilities (civil or military).
 - (2) Parcels assessed with duty that are delivered without collection of duty according to the *Mailing Standards of the United States Postal Service*, International Mail Manual 713.233e.
 - (3) Mail items examined and passed duty-free by U.S. Customs.
- b. Record the fee amount in AIC 148, which is revenue to the Postal Service.

7-2.5 **Undeliverable Customs Items**

The procedure for handling undeliverable customs items is as follows:

- a. Detach both copies of CBP Form 3419ALT and prepare the package to be returned to sender.
- b. Mark the mail entry forms to show the reason for non-delivery.
- c. Sort CBP Forms 3419ALT in numerical order by 7-digit serial number.
- d. Complete PS Form 2933, *Register of Uncollected Customs Charges*, in duplicate, listing undeliverable items in numerical order according to the 7-digit serial numbers on CBP Form 3419ALT.
- e. Forward the original PS Form 2933, with both copies of CBP Form 3419ALT to the U.S. CBP at the close of each month (see part [7-2.1](#) for address).
- f. Forward any additional customs forms with the original PS Form 2933 and copies of the CBP Form 3419ALT to the U.S. CBP (see part [7-2.1](#) for address.)
- g. File duplicate PS Form 2933 locally for reference purposes.

7-2.6 **Detached Customs and Border Protection Form 3419ALT Procedure**

When a detached CBP Form 3419ALT is found, attempt to locate the related package and attach the form to it. If the package cannot be located, send the CBP Form 3419ALT to the U.S. CBP (see part [7-2.1](#) for address).

7-2.7 **Charges for Nonpayment**

When the U.S. CBP fails to receive a payment for a dutiable package or a report indicating disposition of a dutiable package, Accounting Services will remit the customs duties and the customs processing fee amount to Customs after 60 days.

Accounting Services will expense the district Finance number based on the delivery ZIP Code. The authorizing finance official, at his or her discretion, can process a Journal Voucher transfer through the Journal Entry Vehicle system to expense the PRU.

7-3 Sure Money

7-3.1 **Sales**

Sure Money, also known as DineroSeguro, sales transactions, and refunds are processed by authorized PRUs.

Authorized PRUs must use the following AICs to account for Sure Money sales transactions:

- a. AIC 105 (Sure Money sales).
- b. AIC 106 (Sure Money fees).

The Sure Money payout limit is \$1,500.

7-3.2 **Cancellations and Refunds**

7-3.2.1 **Cancellations**

A cancellation is processed only in the following instances:

- a. The transaction was terminated prior to any money being given to the Postal Service.
- b. To correct an errant or “orphan” transaction.

7-3.2.2 **Issuing Refunds**

A refund may be processed only if the recipient has not been paid. The customer must do the following:

- a. Present the original customer receipt.
- b. Present photo identification.
- c. Complete PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*.

To issue a refund for a Sure Money transaction, follow these steps:

- a. Go to the Main Menu of the Sure Money application, choose *Refund*.
- b. Enter the Transaction Number, Confirmation Number, and Reason for the Refund.
- c. Complete the “Refund Information” portion.
- d. Obtain the supervisor’s authorization and select *Process Refund*.
- e. Select *Print USPS Rcpt* from the Refund Confirmation screen.
- f. Pay the refund locally by issuing a no-fee money order or cash. If a no-fee money order is issued, report the fee amount in AIC 586. RSS and e1412 units use Reason Code 38, Refund — Sure Money.
- g. Report the refund on PS Form 1412, *Daily Financial Report*, using AIC 645 for refund of the principal amount and AIC 646 for refund of fees.
- h. File the receipt locally as supporting documentation for PS Form 1412.

Customer requests for refunds of Sure Money transactions that are in the “Dormant” status are processed by Accounting Services, Eagan Finance. The customer must mail a copy of their receipt that includes the confirmation number along with a letter that indicates to whom and where the refund should be sent to. A \$10.00 fee will be withheld from the customer’s refund. The customer mails the letter along with the receipt to the following address:

ACCOUNTING SERVICES
ATTN FINANCIAL REPORTING
2825 LONE OAK PKWY
EAGAN MN 55121-9617

7-3.3 Reconciliation

Accounting Services reconciles Sure Money sale transactions and refunds. Differences exceeding \$50 are credited via AIC 247 or debited via AIC 647 to the unit finance number. (See subchapter [8-3.2](#) for detailed procedures.) Differences not exceeding \$50 are charged to the service-wide expense account.

7-4 Passports

7-4.1 Overview

Postal Service Headquarters, coordinating with the Department of State Headquarters, establishes the postal operational, accounting, and other procedures for passport application acceptance at designated Post Offices nationwide.

Postmasters and station managers select and designate employees to provide passport service.

PS Form 5659, *Daily Passport Application (DS-11) Transmittal*, is the log of individual passport application activity for both the Department of State and the U.S. Postal Service.

See *Administrative Support Manual* part 422, Interagency Agreements, for detailed policy and procedures related to passports.

7-4.2 **Accounting for Fees**

The Postal Service receives a fee for the acceptance and handling of each Form DS-11, *Application for a U.S. Passport*.

PRU employees must accept passport applications and fees as follows:

- a. Accept payment from the customer for the Postal Service portion of the total fees by check, cash, credit card, PIN-based debit card, or separate money order payable to the U.S. Postal Service.
- b. For the Postal Service acceptance fee portion, for each Form DS-11 accepted, enter the fee acceptance amount in AIC 264 on PS Form 1412.
- c. Record funds collected from photo services in AIC 241 on PS Form 1412.
- d. Complete PS Form 5659, making a separate line entry for each application with associated Department of State fees, accepted during the day.
- e. Verify the accuracy of the total Department of State fees and Postal Service fees.
- f. Make one copy of the completed PS Form 5659, made by an office copier.
- g. Mail all accepted passport applications with attached checks and money orders, supporting documents, and the original PS Form 5659 to the designated passport agency office for processing.
- h. Retain the copy of the completed PS Form 5659 at the PRU as supporting documentation for the unit's PS Form 1412.
- i. File PS Form 5659 in a secure place to protect the sensitivity of the information and destroy after the 2-year retention period.

7-5 Gift Cards

7-5.1 **Overview**

Gift cards are currently sold at participating PRUS. Once sold, gift cards are accepted at select merchants that accept credit cards (with the exception of cruise lines, casinos, and ATMs), or in recurring billing situations (such as for utilities and subscriptions). Customers can redeem retailer gift cards at merchant locations.

7-5.2 **Fixed and Variable Amounts**

Gift cards are available in two formats:

- a. Fixed Amount: Available as noted on packaging.
- b. Variable Amount: Available in amounts as noted on packaging, in \$1.00 increments.

The price for American Express, Visa, and MasterCard gift cards includes the face value of the card plus a one-time purchase charge. The price for retailer gift cards is the face value of the card.

These rules also apply:

- a. Gift card funds do not expire.
- b. There are no monthly fees.
- c. A customer may buy up to a total of \$500 in gift cards per day.
- d. Funds on the card are available for use 4 hours after purchase.
- e. Once a gift card is activated, it cannot be voided or returned.

7-5.3 Sales and Activation

RAs sell and activate gift cards at the retail counter. Customers can purchase gift cards using cash, PIN-based debit cards, postal money orders, and travelers' checks. RAs must complete the following steps to sell and activate gift cards:

1. Scan the serial number barcode on the gift card package.
2. Collect payment. The RSS will not allow any gift card purchases made by credit card.
3. Verify that RSS has activated the gift card. RSS automatically activates the card during the sales transaction. Do not give the gift card to the customer until you verify that activation has occurred. Once a gift card is successfully activated, it cannot be returned for a credit or refund.

Note: Do *not* accept debit cards that you must manually enter into RSS — accept only debit cards that you can scan on the RSS equipment.

7-5.4 Activation Verification Checklist

To verify gift card activation, the RA must complete the following tasks:

1. Check for the blue confirmation message displayed for each successfully activated gift card.
2. Check that a gift card (gift) receipt prints for each activated gift card, in addition to the customer visit receipt.
3. Check that the word "Activated" appears under the serial number for each activated gift card on each receipt.

Note: If all three conditions do not occur, the RA must follow the process outlined in section [7-5.6](#).

7-5.5 Activation Errors

If an activation error occurs, the RA must not give the gift card to the customer. To determine if an activation error occurred, the RA must complete the following tasks:

1. Look for an error message after the payment is processed but the individual gift card (gift) receipt does not print.
2. Determine that the individual gift card (gift) receipt is printed for each activated gift card, in addition to the regular customer visit receipt.

3. Check that the regular customer visit receipt has the words “Not Activated” or “Declined” under the serial number for any gift card purchased.

Note: If an activation error occurs after payment, there will be a prompt to issue a customer refund. If any of these three conditions occur, the RA must follow the process outlined in section [7-5.6](#).

7-5.6 **Inventory Destruction**

When a gift card(s) is damaged or activated but not sold, the PRU must mail the damaged gift card(s) to the address on the form. The PRU must mail the gift card(s) using Priority Mail with tracking. For additional instructions, go to the Accounting home page website at <https://blue.usps.gov/accounting/>, and under “Toolkits,” click on *RSS Toolkit*.

7-5.7 **Eagan Account Reconciliation Branch**

When it receives damaged gift cards, the Eagan Account Reconciliation Branch (ARB) must do the following:

1. Destroy all gift cards for which the Postal Service will provide no refund assistance.
2. Destroy all gift cards for retailers who do not require the gift cards in hand to process refunds.
3. Forward all gift cards to the gift card vendor for handling if the retailer requires the gift cards in hand to process the refunds.

8 AICs 247 and 647

This chapter explains the use of account identifier codes (AIC) 247 and 647 to expense field units for differences in financial transactions. This chapter also describes the procedures for creating, offsetting, and documenting AIC 247 and AIC 647 expenses. This chapter includes the following subchapters:

- [8-1 Overview.](#)
- [8-2 Sales Audit Expenses.](#)
- [8-3 Reconciliation Exceptions.](#)
- [8-4 Stock Ledger Expenses.](#)
- [8-5 Money Order Reconciliation Exceptions.](#)
- [8-6 Creating or Offsetting AIC 247 and AIC 647 Expenses.](#)
- [8-7 Claim for Loss.](#)

Note: There are AICs used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

8-1 Overview

Postal retail units (PRUs) must use the following two AICs to report financial differences and adjustments (e.g., banking, money orders, stock ledger, and PS Form 1412, Daily Financial Report, transactions):

- a. AIC 247 for overages.
- b. AIC 647 for shortages.

Adjustments may also be credited or debited by Accounting Services for financial adjustments related to a unit's banking, transmitted PS Form 1412 transactions, money orders, and stock ledger discrepancies.

Accounting Services issues expenses to PRUs as a result of reconciling the following financial activities:

- a. Sales audit expenses.
- b. Reconciliation exceptions (e.g., banking, credit and debit cards, change funds, Sure Money).
- c. Stamp stock shipment exceptions (stock ledger).
- d. Money order reconciliation exceptions.

A negative amount (appears in parentheses) in General Ledger Account (GLA) 56203 on the Financial Performance Report (FPR), Line 44 Miscellaneous Expenses, is a credit or reduction in expense. A positive amount is a debit or increase in expense.

See subchapter [8-6](#) for procedures for creating and clearing (offsetting) AIC 247 and AIC 647 expenses.

To review, identify, or research AIC 247 and AIC 647 expenses, access the following folder in the Enterprise Data Warehouse (EDW): <https://Accounting/shared/SAFR/StoreExpenseReports>. If necessary, request access to EDW through <https://eaccess.usps.gov>.

8-2 Sales Audit Expenses

Accounting Services, Field Sales Branch (FSB), audits the transmitted PS Form 1412 data. This process is referred to as the sales audit process.

Sales Audit imports the unit's transmitted PS Form 1412 data, validates the data, and flags audit differences called exceptions.

If a unit is in an exception status, the FSB contacts the unit. If the exception cannot be corrected, the FSB charges the unit with an adjustment. All audited PS Forms 1412 are exported daily to the General Ledger and the Accounting Data Mart (ADM).

The Accounting Help Desk generates a report for expensed items greater than \$50,000 and emails this report to the PRU and to authorizing finance officials.

To review Sales Audit expenses, log into ADM and access the following report:

Accounting>Shared Reports>Postmaster Folder>Sales Audit Expense by Site.

8-2.1 Transmitted PS Form 1412 Exceptions

An expense is issued to a unit if the required data is missing on the transmitted PS Form 1412 or if the unit transmits a reserved, restricted, or unauthorized AIC.

If the exception is not resolved by the next business day, the amount of the exception is charged to the unit finance number (UFN) through AIC 247 or 647, GLA 56203 FPR Line 44, without any additional notice.

Note: Sales Audit expenses are represented with Reason Code 99, Sales Audit Adjustment, in the FPR Net Financial Differences (AIC 247/647) — Line Detail report in the ADM.

8-2.2 Common Causes of PS Form 1412 Exceptions

The following table lists reasons for exceptions and the resulting actions taken by the FSB and the PRU (see section [8-6.2](#) for the Reason Codes to use for AIC 247 and 647 entries):

Reason for exception	If FSB does not receive the necessary information to resolve an exception, FSB does the following	The PRU does the following
Employee Identification Number (EIN) missing with cash advance transaction (emergency salary issued or travel advance).	Creates an AIC 647.	Re-enters the transaction correctly and offsets the amount in AIC 247.
AIC sum does not equal total value of PS Form 3544, <i>USPS Receipt for Money or Services</i> , receipts transmitted.	Creates an AIC 247 or AIC 647.	Re-enters the transaction correctly and offsets the amount as follows: <ul style="list-style-type: none"> ■ For an AIC 247 expense, uses AIC 647. ■ For an AIC 647 expense, uses AIC 247.
AIC transmitted sum does not equal total value of money order vouchers details. (AICs 100 and 101 or 102 and 103).	Creates an AIC 247.	Calls the Accounting Help Desk (AHD) at 866-974-2733 for assistance.
Account number missing.	Creates an AIC 247.	Re-enters the transaction correctly and offsets the amount in AIC 647.
Unidentified or unclassified AIC used. These AICs are listed as RESERVED.	Creates AIC 247 or AIC 647.	Re-enters the transaction correctly and offsets the amount as follows: <ul style="list-style-type: none"> ■ For an AIC 247 expense, uses AIC 647. ■ For an AIC 647 expense, uses AIC 247.
Unauthorized or restricted AICs.	Creates AIC 247 or AIC 647.	Re-enters the transaction correctly and offsets the amount as follows: <ul style="list-style-type: none"> ■ For an AIC 247 expense, uses AIC 647. ■ For an AIC 647 expense, uses AIC 247.
Customs number for AIC 054 is missing.	Creates an AIC 247 and notifies the Accounting Reconciliation Branch (ARB).	No action needed. (The ARB pays the customs bill using AIC 454 or AIC 647.)
Beginning cash retained (AIC 353) is not equal to last reported ending cash retained balance (AIC 753).	Creates an AIC 247 if the unit's AIC 353 is more than the previous AIC 753. or Creates an AIC 647 if unit's AIC 353 is less than the previous AIC 753.	Researches the cause of the AIC 753 or AIC 353 error. (The FSB will provide specific instructions.)
Beginning accountability (AIC 840) is not equal to last reported ending accountability (AIC 853).	If AIC 840 is higher, creates AICs 699, 843, and 247. or If AIC 840 is lower, creates AICs 299, 849, and 647.	Researches the cause of the AIC 840 or AIC 853 error. Note: Call the AHD at 866-974-2733 for assistance.

8-3 Reconciliation Exceptions

8-3.1 For Banking, Credit and Debit Cards, Sure Money, and Change Funds

8-3.1.1 Responsibilities

Accounting Services reconciles banking activities and issues credits and debits to the UFN of a PRU for any discrepancies.

PRUs must review expenses from banking reconciliations and do the following:

- a. Determine the cause of errors.
- b. Ensure that expenses are offset in a timely manner.
- c. Take the necessary action to prevent future errors.

8-3.1.2 Procedure

The procedure for reconciling Chesapeake banking activities (Bank Deposit, Debit/Credit, Sure Money, and Change Fund expenses) exceeding \$50 is as follows:

- a. If the amount reported by the bank or credit card processor does not match the audited PS Form 1412 data received from the Field Sales Branch (FSB), the Accounting Reconciliation Branch (ARB) expenses any difference within 5 business days of the date the PS Form 1412 record is received by the ARB.
 - (1) Overages are expensed to the UFN through AIC 247, GLA 56203, FPR Line 44.
 - (2) Shortages are expensed to the UFN through AIC 647, GLA 56203, FPR Line 44.
- b. The Accounting Help Desk sends a report daily via e-mail (or hard copy for offices without e-mail) for all expense items exceeding \$50. Note the following:
 - (1) To view bank deposit expenses not exceeding \$50, log into ADM and access the report by clicking the following:
Accounting>Shared Reports>SAFR>ASC>HQ 247/647 Expenses \$50 and Less.
 - (2) For amounts of at least \$10,000, the ARB notifies the unit by telephone or e-mail within 5 days. If the ARB is unable to contact the unit, it will contact the authorizing finance officials for assistance.
- c. If the bank or credit card processor issues an adjustment credit or debit for a discrepancy, Accounting Services will issue the overage or shortage expense to the UFN.
- d. If the overage represents the entire bank deposit for a given date, either the transmitted PS Form 1412 was not received by the FSB or the transmitted PS Form 1412 is in an exception status. Differences between the bank record and the PS Form 1412 are expensed after 5 days.

- e. If the shortage represents the entire bank deposit for a given date, either the bank deposit was not credited as received by the bank or the PS Form 1412 was previously in an exception status and had been issued a prior overage.
 - (1) The ARB may wait up to 5 days before issuing a shortage when the PS Form 1412 record has been received but the bank record has not.
 - (2) Shortages issued to offset prior overages where the PS Form 1412 record is received late from the FSB are issued the same day the delayed PS Form 1412 record is received by the ARB from the FSB.

8-3.2 **Sure Money Reconciliation**

The ARB reconciles Sure Money transactions by comparing the amount listed in AIC 105 on the unit's transmitted PS Form 1412 against a file received from the Sure Money system. Any discrepancies are expensed to the unit through either AIC 647 or AIC 247, GLA 56203.

The most common error is a transaction erroneously initiated twice in the Sure Money system, creating a duplicate (orphan) transaction, and entered on the unit's transmitted PS Form 1412, (in AIC 105 and AIC 106), only once. This will appear on the ADM or the Accounting Help Desk report as an AIC 647 shortage.

To eliminate the above type of error, compare AIC 105 on the unit's PS Form 1412 with the Sure Money Office Detail report. This report must be printed and compared to the unit's PS Form 1412 for each day that Sure Money transactions are processed.

The Postal Service funds Sure Money transactions based upon entries to the Sure Money system. If a transaction is entered twice, the UFN is expensed.

8-3.2.1 **Retrieving the Transaction Confirmation Number**

To retrieve the transaction confirmation number, follow these steps (note that these steps are also available in the RSS Procedures Guide):

- a. Obtain a duplicate (orphan) entry by printing and consulting the Office Detail Report.
- b. From the Main Menu of the Sure Money application, select *Inquiry*.
- c. From the Inquiry Menu select *Transaction Number*.
- d. Enter the transaction number obtained from the Office Detail Report.
- e. When the *Information for Transaction* screen appears, press the *Reprint CUST Rcpt* button (reprint customer receipt).
- f. Choose *DL* for Sender ID Type and enter any variation of numbers for the Sender ID. This will provide the transaction confirmation number.

8-3.2.2 Resolving an Exception Report

If the PRU has already received an Exception Report with an AIC 647 shortage, do the following:

- a. Access the Office Detail Report.
- b. If a duplicate (orphan) transaction was processed and caused the exception, then the retail associate (RA) must cancel the duplicate record within 90 days by following the processes outlined in the RSS Procedures Guide.

When the canceled transaction is processed, the unit will receive another Exception Report. The exception will be an AIC 247 overage, which offsets the previous AIC 647 shortage. After 90 days, the duplicate transaction will not be available on the Office Detail Report. After 90 days and up to 180 days, the PRU can obtain the required transaction number needed to process a cancellation by calling the AHD at 1-866-974-2733. After 180 days, the offsetting expense will not be issued.

8-4 Stock Ledger Expenses

A stock ledger expense reconciles the reporting discrepancy (stock ledger in-transit) between shipping and receiving units.

Accounting Services does the following:

- a. Monitors all stamp stock movement between Stamp Fulfillment Services (SFS) and PRUs.
- b. After 10 days, sends a report to PRUs that have outstanding stock in-transit items, along with instructions on how to research and resolve them.
- c. After 15 days, issues a stock ledger expense to the PRU to reconcile the reporting discrepancy between shipping and receiving units.
 - (1) An AIC 647 expense is issued to the PRU when:
 - AIC 841 is not entered on the transmitted PS Form 1412 within 15 days of a shipment.
 - The amount in AIC 841 is less than the amount that was shipped.
 - AIC 848 is entered on the transmitted PS Form 1412 for stock returned, but there is no record of receipt by the intended receiving unit.
 - AIC 848 is entered on the transmitted PS Form 1412 for stock returned, but the SFS receives a lesser amount.
 - Reversing a previous AIC 247.
 - (2) An AIC 247 expense is issued to the PRU when:
 - AIC 841 is entered on the transmitted PS Form 1412 but there is no record of shipment within 15 days.
 - The amount in AIC 841 is greater than the amount that was shipped.

- AIC 841 is entered with an incorrect shipment number.
- The SFS received stock with an incorrect shipment number.
- The SFS received stock with no record of an AIC 848 on the transmitted PS Form 1412.
- An amount for AIC 848 is entered on the transmitted PS Form 1412 for returned stock, but the SFS received a greater amount.
- Reversing a previous AIC 647.

Data transmitted must match each shipment amount, shipment number, and the UFN of the shipping or receiving unit as listed on PS Form 17, *Stamp Requisition/Stamp Return*.

To view stock ledger expenses, log into ADM and access the following report:

Accounting>Shared Reports>Postmaster>Stock Ledger Expenses.

See section [8-6.2.1](#) for examples of stock differences.

For assistance with stock in-transit items or expenses, contact the AHD at 866-974-2733.

See [Exhibit 8-4](#) for the reason codes to be entered to identify this type of transaction.

Exhibit 8-4

Financial Differences — Stock In-transit Reason Codes

Code	Description	AIC
BB	Store Picked Up Less Stock than Shipped, Used a Different Shipment Number, or Offset to Prior Expense	247 & 647
CC	Store Picked Up More Stock than Shipped, Used a Different Shipment Number, or Offset to Prior Expense	247 & 647
DD	Store Has Not Picked Up Any Stock Shipped or Offset to Prior Expense	247 & 647
EE	Store Picked Up Stock with No Record of it Being Shipped or Offset to Prior Expense	247 & 647
FF	Store Returned Stock that Has Never Been Picked Up at the Warehouse	247 & 647
GG	Store Returned Less Stock than was Received at the Warehouse	247 & 647
HH	Store Returned More Stock than was Received at the Warehouse	247 & 647
II	Store Has No Record of Returning Stock but Stock was Received by the Warehouse from Store UFN	247 & 647
EF	Manual Intransit Expense Request	247 & 647
ME	Manual Stock Ledger Expense Request	247 & 647

8-5 Money Order Reconciliation Exceptions

8-5.1 Responsibilities

Accounting Services, General Accounting Branch, handles money order exceptions as follows:

- a. Processes automated money order reconciliations for domestic and international money order sales that are reported each month.
- b. Applies a basic processing tolerance that may preclude notification from being created for small differences; these amounts are expensed service-wide.
- c. Forwards the full amount of overages or shortages to Accounting Services for expensing to the UFN.
 - (1) AIC 247 is used to credit overage amounts.
 - (2) AIC 647 is used to debit shortage amounts.

Each month the General Accounting Branch notifies the PRU and the authorizing finance officials of expense adjustments that exceed tolerance via the consolidated Accounting Help Desk report. The report includes the following:

- a. An expense letter with complete details.
- b. A table that explains each type of expense.
- c. A spreadsheet with line-by-line expenses.

Money order expenses can be viewed by accessing the following ADM report:

Accounting>Shared Reports>SAFR>Store Expense Reports>Money Order Expenses (JV 413.5).

8-5.2 Postal Retail Unit Procedure

PRUs must research and resolve expenses that result from money order reconciliations. These expenses directly reflect on FPR Line 44.

PRUs do the following:

- a. Respond within 30 days of the date of notification when disagreeing with AIC 247 or AIC 647 expenses identified in the Accounting Help Desk report notification letter. Follow the instructions provided in the letter.
- b. Contact the AHD at 866-974-2733 for questions or for specific information regarding a money order reconciliation.

8-6 Creating or Offsetting AIC 247 and AIC 647 Expenses

8-6.1 Postal Retail Unit Procedures

PRUs create or offset previously issued AIC 247 and AIC 647 expenses as follows:

- a. Research discrepancies (see section [8-6.1.1](#)).
- b. Enter adjustments in AIC 247 or AIC 647 on PS Form 1412 (see section [8-6.1.1](#)). AIC 247 credits and AIC 647 debits GLA 56203 which appears in Line 44 of the FPR.
- c. Maintain a file with detailed records (documentation) for all AIC 247/647 expenses (financial differences) issued to the PRU. Monitor expenses and ensure timely clearance. The following reports/log (or any combination) can be used as a detailed record and are approved supporting documentation for AIC 247/647 activity:
 - (1) Financial Differences — AIC 247/647 Log (see [Exhibit 8-6.1](#)).
 - (2) FPR Net Financial Differences (AIC 247/647) — Line Detail report in the ADM. For expenses not listed on the AIC 247/647 log, annotate the report with status, action taken, date of offset, etc.
 - (3) The Accounting Help Desk report. For expenses not listed on the AIC 247/647 log, annotate the report with status, action taken, date of offset, etc.
- d. For expenses that are not cleared (offset), e.g., counterfeit bills, the PRU employee must annotate the AIC 247/647 detailed expense record with the reason.

Note: Both RSS and e1412 have a 247/647 history report available for viewing. Please refer to the applicable user guides on how to access the reports.

Exhibit 8-6.1

Financial Differences – AIC 247/647 Log

[illegible]

8-6.1.1 Researching Discrepancies

The PRU manager is responsible for identifying the cause of discrepancies whether it resulted from an RA's transactions or a unit-level adjustment.

If the discrepancy remains unresolved, then the PRU manager may request that the AHD research the issue as follows:

- a. The field unit manager contacts AHD as follows:
 - (1) Send an e-mail to Help Desk, Accounting — St. Louis, MO.
 - (2) Call 866-974-2733.
- b. The PRU manager provides the following information in the e-mail or to the Help Desk personnel:
 - (1) District name, office name, UFN.
 - (2) Unit contact name and phone number.
 - (3) Type of expense (e.g., Banking, Stock Ledger, Sales Audit).
 - (4) Date of expense.
 - (5) Original business date of the transmitted PS Form 1412 or transaction date from the bank (if inquiring about a banking reconciliation error).
 - (6) Amount of expense.
- c. The AHD logs the request in their remedy system and provides an incident ticket number as reference for any further inquiries.
- d. The AHD either provides a solution or refers the issue to a subject matter expert (SME).
- e. The SME contacts the PRU to provide further guidance.

8-6.1.2 Adjusting PS Form 1412 Entries

To make an adjustment entry, follow these steps:

If...	then the PRU must...	and make the following adjustment...
Accounting Services issues the PRU an AIC 647 expense or the PRU creates an AIC 647 expense on PS Form 1412 for a local discrepancy,	research the source of the AIC 647 expense (e.g., RA's PS Form 1412) and issue financial adjustment memorandum (RSS system-generated or PS Form 1908) with the indicated discrepancy	Enter the amount in AIC 247 on PS Form 1412 and offset the amount to the correcting AIC as indicated by the financial adjustment memorandum. (See section 8-6.2 for reason codes to use when making an entry to AIC 247.)
Accounting Services issues the PRU an AIC 247 expense or the PRU creates an AIC 247 expense on the PS Form 1412 for a local discrepancy,	research the source of the AIC 247 expense (e.g., RA's PS Form 1412) and issue financial adjustment memorandum (RSS system-generated or PS Form 1908) with the indicated discrepancy	Enter the amount in AIC 647 on PS Form 1412 and offset the amount to the correcting AIC as indicated by the financial adjustment memorandum. (See section 8-6.2 for reason codes to use when making an entry to AIC 647.)

The unit manager or designated employee must research the discrepancy thoroughly, initiate a financial adjustment memorandum (RSS system-generated or PS Form 1908) and ensure the adjusting entries are performed on the RA's individual or the unit's PS Form 1412 on the following business day.

8-6.1.3 **Financial Adjustments**

Employees at retail units use the workflows in either RSS or e1412 to create and clear financial differences (AICs 247 and 647). Both RSS and e1412 generate a reference number when a financial difference overage (AIC 247) or shortage (AIC 647) is created locally. Reference numbers are used for reporting and tracking financial adjustments.

The following options are available for financial adjustments:

- a. Creating a financial adjustment (AIC 247 or AIC 647) with a reference number.
- b. Creating a cash transfer to another employee.
- c. Clearing a financial adjustment with a reference number.
- d. Entering a financial adjustment to offset an expense issued by Accounting Services (no reference number).
- e. Voiding a financial adjustment (AIC 247 or AIC 647).

Maintain a file with detailed records (documentation) for all AIC 247/647 expenses (financial differences) charged to the unit — created locally or issued by Accounting Services. Unit managers will use the Financial Differences History Reports available in RSS or e1412 as supporting documentation and to monitor AIC 247/647 expenses created or cleared locally. These reports will identify items that have not been cleared (offset).

For AIC 247/647, expenses issued by Accounting Services, the following reports (or any combination) can be used as a detailed record and is approved supporting documentation for AIC 247/647 activity:

- a. FPR Net Financial Differences (AIC 247/647) — Line Detail report in the ADM.
- b. The Accounting Help Desk report.

Note: For expenses not cleared (offset), provide the reason on the report.

8-6.2 **Reason Codes for AICs 247 and 647**

The nature of an expense reported in AIC 247 or AIC 647 is identified by a reason code.

Postmasters, managers, or supervisors must use the appropriate reason codes to report and offset financial differences.

Expense reports may be monitored by using the FPR Net Financial Differences (AIC 247/647) Line Detail report in the ADM.

See [Exhibit 8-6.2](#) for the reason codes to be entered to identify this type of transaction.

Exhibit 8-6.2

Reason Codes for Financial Differences

Code	Description	AIC
01	Bank Discrepancy	247 & 647
02	1412 Discrepancy	247 & 647
03	Credit/Debit Card	247 & 647
04	Money Order	247 & 647
05	Stock Difference	247 & 647
06	Stamps by Mail	247 & 647
11	Cash Transfer	247 & 647
12	PO Box/Caller Service Adjustment	247 & 647
13	Miscellaneous	247 & 647
17	Master Trust	247 & 647
24	Gift Card Recovered Transaction	247 & 647
25	Employee Item Utility	247 & 647

8-6.2.1 **Examples of Stock Differences**8-6.2.1.1 **Stock In-Transit**

Accounting Services expenses the unit after 15 days for in-transit stock shipments using AIC 247 or AIC 647. The following text outlines the accounting procedures for stamp stock shipment discrepancies from SFS including the procedures for service-wide expenses.

8-6.2.1.1.1 **Discrepancy Less Than \$250****Stamp Shortage**

For stamp shortage discrepancies less than \$250, the PRU must enter the quantity and value of the physical stamp stock received. AIC 841, Stamp Stock Received, on the Unit PS Form 1412 reflects the value of the actual stock received.

The PRU receives an expense in AIC 647, Financial Differences Shortage, from Accounting Services (e.g., FPR Net Financial Differences (AIC 247/647) – Line Detail).

The PRU must complete the following actions:

1. To document a discrepancy, contact SFS in one of the following ways:
 - a. Through the *SFS Discrepancy Online Tool* located in the SFS Toolkit.
 - b. By email at *SFS_Discrepancy@usps.gov*. The email must include the unit finance number, shipment number, item number for each discrepancy, and positive or negative dollar amount for each discrepancy. Indicate whether or not the package was broken/opened/re-taped, and attach a copy of the PS Form 17. Retain the email as the supporting documentation for the Claim for Loss.

2. Using eIWS Online Forms, complete PS Form 2130, *Claim for Loss*, which must include the following required information in the “Cause of Loss” section:
 - a. Shipment number.
 - b. Item number(s).
 - c. Quantity(s).
 - d. Dollar amount missing.
3. Submit the completed PS Form 2130 and supporting documentation to the authorizing finance official for approval. Once the Claim for Loss is approved, proceed to the next step.
4. Record the following entries on the Unit 1412 to offset the AIC 647 expense.

AIC	Reason Code
247, Financial Differences Overage	05, Stock Difference
633, Claim for Loss	14, Lost or Stolen Stock Shipment

5. Retain the approved PS Form 2130 and supporting documentation on file locally.

Stamp Overage

For stamp overage discrepancies less than \$250, the PRU must enter the quantity and value of the physical stamp stock received. AIC 841, Stamp Stock Received, on the Unit PS Form 1412 reflects the value of the actual stock received.

The PRU receives an expense in AIC 247, Financial Differences Overage, from Accounting Services (e.g., FPR Net Financial Differences (AIC 247/647) – Line Detail).

The PRU must complete the following actions:

1. To document a discrepancy, contact SFS in one of the following ways:
 - a. Through the *SFS Discrepancy Online Tool* located in the SFS Toolkit.
 - b. By email at SFS_Discrepancy@usps.gov. The email must include the unit finance number, shipment number, item number for each discrepancy, and positive or negative dollar amount for each discrepancy. Indicate whether or not the package was broken/opened/re-taped, and attach a copy of the PS Form 17. Retain the email as the supporting documentation for the Claim for Loss.
2. Using eIWS Online Forms, complete PS Form 2130, which must include the following required information in the “Cause of Loss” section:
 - a. Shipment number.
 - b. Item number(s).
 - c. Quantity(s).
 - d. Dollar amount.

3. Submit the completed PS Form 2130 and supporting documentation to the authorizing finance official for approval. Once the Claim for Loss is approved, proceed to the next step.
4. Record the following entries on the Unit 1412 to offset the AIC 247 expense:

AIC	Reason Code
647, Financial Differences Shortage	05, Stock Difference
180, Recovered Claims for Loss	14, Lost or Stolen Stock Shipment

5. Retain the approved PS Form 2130 and supporting documentation on file locally.

8-6.2.1.1.2 **Discrepancy of \$250 or More Stamp Overage/Shortage**

For a discrepancy of \$250 or more when the package has no visible evidence of damage, SFS will resolve the discrepancy with the PRU. (The procedures in this section apply to cases where there is an error with the contents, not an issue with a damaged shipping container).

Note: SFS and the PRU resolve all outstanding discrepancies with coordinated dialogue.

The PRU must enter the quantity and value of the physical stamp stock received. AIC 841, Stamp Stock Received, on the Unit PS Form 1412 reflects the value of the actual stock received.

To document a discrepancy, contact SFS in one of the following ways:

- a. Through the *SFS Discrepancy Online Tool* located in the SFS Toolkit.
- b. By email at SFS_Discrepancy@usps.gov. The email must include the unit finance number, shipment number, item number for each discrepancy, and positive or negative dollar amount for each discrepancy. Indicate whether or not the package was broken/opened/re-taped, and attach a copy of the PS Form 17. Retain the email as the supporting documentation for the Claim for Loss.
- c. Shortages: SFS ships the missing item(s) to the PRU.
- d. Overages: The PRU may request to return the item(s) to SFS.
- e. SFS coordinates with the PRU regarding the discrepancy and any additional instructions.

Receipt of Damaged Package

For a discrepancy of \$250 or more when the package received from SFS has visible evidence of damage and the contents are fully or partially missing, follow the procedures outlined below.

The PRU must enter the total quantity and value of the physical stamp stock received. AIC 841, Stamp Stock Received, on the Unit PS Form 1412 reflects the value of the actual stock received.

The PRU receives an expense in AIC 647, Financial Differences Shortage, from Accounting Services (e.g., FPR Net Financial Differences (AIC 247/647 – Line Detail)).

The PRU must complete the following actions:

1. To document a discrepancy, contact SFS in one of the following ways:
 - a. Through the *SFS Discrepancy Online Tool* located in the SFS Toolkit.
 - b. By email at *SFS_Discrepancy@usps.gov*. The email must include the unit finance number, shipment number, item number for each discrepancy, and positive or negative dollar amount for each discrepancy. Indicate whether or not the package was broken/opened/re-taped, and attach a copy of the PS Form 17. Retain the email as the supporting documentation for the Claim for Loss.
2. Using eIWS Online Forms, complete PS Form 2130, which must include the following required information in the “Cause of Loss” section:
 - a. Shipment number.
 - b. Item number(s).
 - c. Quantity(s).
 - d. Dollar amount missing.
 - e. A note on the damaged or lost stock.
3. Submit the completed PS Form 2130 and supporting documentation to the authorizing finance official for approval. Once the Claim for Loss has been approved, proceed to the next step.
4. Record the following entries on the Unit 1412 to offset the AIC 647 expense.

AIC	Reason Code
247, Financial Differences Overage	05, Stock Difference
633, Claim for Loss	14, Lost or Stolen Stock Shipment

5. Retain the approved PS Form 2130 and supporting documentation on file locally.

8-6.2.1.2 **Lost/Stolen Stock Shipment**

The PRU receives an expense in AIC 647, Financial Differences Shortage, for the stamp stock difference, from Accounting Services (e.g., FPR Net Financial Differences (AIC 247/647) – Line Detail).

The PRU must complete the following actions:

1. To document a discrepancy, contact SFS in one of the following ways:
 - a. Through the *SFS Discrepancy Online Tool* located in the SFS Toolkit.
 - b. By email at *SFS_Discrepancy@usps.gov*. The email must include the unit finance number, shipment number, item number for each discrepancy, and positive or negative dollar amount for each discrepancy. Indicate whether or not the package was broken/opened/re-taped, and attach a copy of the PS Form 17. If necessary, the PRU can login to SFSWeb and go to PRU Orders>Shipped Orders to identify a missing shipment. Retain the email as the supporting documentation for the Claim for Loss.

2. Contact the OIG via email for any lost/stolen stock shipments. This requirement is for a complete lost /stolen shipment (not partial shipment discrepancies). The email must include the unit finance number, shipment number, and item number(s) for each lost item and the total dollar amount of the lost shipment. Please forward the information to the OIG Hotline at *hotline@uspsoig.gov*.
3. Using eIWS Online Forms, complete PS Form 2130, which must include the following required information in the “Cause of Loss” section:
 - a. Shipment number.
 - b. Item number(s).
 - c. Quantity(s).
 - d. Dollar amount missing.
4. Submit the completed PS Form 2130 and supporting documentation to the authorizing finance official for approval.
5. Record the following entries on the Unit 1412 to offset the AIC 647 expense:

AIC	Reason Code
247, Financial Differences Overage	05, Stock Difference
633, Claim for Loss	14, Lost or Stolen Stock Shipment

6. Retain the approved PS Form 2130 and supporting documentation on file locally.

8-6.2.1.3 **Recovered Claims for Loss**

If the PRU physically receives a lost shipment after a Claim for Loss has been processed, the PRU must complete the following actions:

1. Enter the quantity and value of the physical stamp stock received.
2. Receive an expense in AIC 247, Financial Difference Overage, from Accounting Services.
3. Record the following entries on the Unit 1412 to offset the AIC 247 expense:

AIC	Reason Code
647, Financial Differences Shortage	05, Stock Difference
180, Recovered Claims for Loss	14, Lost or Stolen Stock Shipment

The authorizing finance official determines if the service-wide expense was processed as follows:

- a. If the Claim for Loss template has not been submitted, the authorizing finance official removes the UFN before submission to Accounting Services.
- b. If the service-wide expense was previously processed, the authorizing finance official enters the AIC 180 on the Claim for Loss template before submission to Accounting Services.

8-7 Claim for Loss

8-7.1 Overview

Postmasters, managers, and supervisors at PRUs must use AIC 633 to record an approved financial loss.

To report a financial loss, postmasters, managers, and supervisors must use PS Form 2130, *Claim for Loss*. PS Form 2130 is restricted to six designated reason codes to justify the request and allows the requestor to explain the cause of the loss.

Use AIC 633 to record a financial loss when evidence establishes that the postmaster, manager, or supervisor complied with policies and procedures for managing the postal installation and is therefore personally relieved from financial loss upon approval. (See table in section [8-7.3](#) for the appropriate Reason Code to use when making an entry in AIC 633 on PS Form 1412.)

Use AIC 180 to record any recovery of funds that were previously reported in AIC 633. (See table in section [8-7.3](#) for the appropriate Reason Code to use when making an entry in AIC 180 on PS Form 1412.)

The procedure for reporting a financial loss has two main parts: obtaining approval for the claim for loss and then recording the loss.

8-7.2 Obtaining Approval of the Claim for Loss

The process for approving a claim for loss is as follows:

- a. The postmaster, manager, or supervisor uses eIWS Online Forms to complete and submit PS Form 2130, with supporting documentation to the authorizing finance official.
- b. The authorizing finance official reviews the PS Form 2130 and the supporting documentation. The authorizing finance official may require the postmaster, manager, or supervisor to resubmit the PS Form 2130 with additional explanation or documentation.
- c. Upon approval, the authorizing finance official returns PS Form 2130 and the supporting documentation to the originating PRU.

8-7.3 Recording the Claim for Loss

Upon receipt of the approved PS Form 2130 from the authorizing finance official, the postmaster, manager, or supervisor must do the following:

- a. Using the guidelines in Exhibit 8-7.3, perform the appropriate PS Form 1412 accounting entry and use the appropriate Reason Code.
- b. Complete PS Form 2130, Section III, Unit's 1412 Entry Upon Receipt from Manager, Finance, as follows:
 - (1) Enter the appropriate clearing AIC.
 - (2) Enter the amount.
 - (3) Enter the date the entry was performed.
 - (4) Signature of Installation Head.

- c. File the PS Form 2130 locally as supporting documentation with the unit's PS Form 1412.

See [Exhibit 8-7.3](#) for the reason codes to be entered to identify this type of transaction.

Exhibit 8-7.3

Reason Codes for Claims for Loss

Code	Description	AIC
07	Burglary or Robbery	180 & 633
08	Fire or Flood	180 & 633
09	Uncollectible Customer Account Items	180 & 633
10	Uncollectible Employee Items	180 & 633
14	Lost or Stolen Stamp Stock Shipments	180 & 633
15	Embezzlement	180 & 633

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9 Cash Management

This chapter contains the procedures for accepting, controlling, and reporting currency, credit and debit cards, and checks accepted for purchases. This chapter includes the following subchapters:

[9-1 Banking.](#)

[9-2 Credit and Debit Cards.](#)

[9-3 Checks.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

9-1 Banking

9-1.1 Overview

The Postal Service conducts business in only United States (U.S.) currency (including coins). Therefore, field unit employees must not accept any foreign currencies as payment. Postal Service employees must safely control U.S. currency, customer checks, and money orders as follows:

- a. Do not loan, withdraw, or deposit postal funds in an unauthorized bank account.
- b. Do not exchange U.S. currency with other types of funds.
- c. Do not use postal funds for personal purposes.
- d. Safeguard postal funds from the public and conceal them from view.
- e. When postal funds are not continuously observed, maintain funds in a locked receptacle.
- f. Deposit all Postal Service funds to a Postal Service relationship bank account established by Corporate Treasury. (See Handbook F-3, *Treasury Management*.)

9-1.2 Banking Procedures for Postal Retail Units

Postal retail units (PRUs) consolidate funds generated from daily transactions into one bank deposit (or two deposits if you must deposit cash separately from checks).

PRUs must not make bank deposits for less than \$100. **Exception:** Check items (e.g., checks, money orders, traveler's checks) should be deposited within 5 business days, even if the total deposit is less than \$100. The PRU

will not prepare a bank deposit for amounts less than \$100, but will record the funds in AIC 753, Cash Retained, on the unit's PS Form 1412, *Daily Financial Report*. The following business day, this amount will be recorded in AIC 353, Cash Retained on Hand From Previous Day, and continue to be reported in AIC 753 and AIC 353 on subsequent business days until the funds available for deposit equal or exceed \$100 (or within the 5 business days for check items). Postal funds recorded in AIC 753 must be retained in a secure location (see subchapter [3-2](#)).

Note: The office must continue to report all financial transactions daily on PS Form 1412.

When funds exceed normal operating needs during the day, retail associates (RAs) must remit advance deposits and record into AIC 751, Cash Remitted Advance, in addition to the final bank deposit in AIC 752.

If excess funds are generated throughout the day, PRUs may prepare a consolidated advance deposit. In the event that the financial institution requires separate deposits for cash and checks, no more than four (4) bank deposits may be prepared on a business day.

9-1.2.1 Reporting Bank Deposits

Report bank deposit remittances on PS Form 1412 in the appropriate AIC as follows:

Record...	On PS Form 1412 in...
Advance remittance of funds	AIC 751
Postal funds remitted as final bank deposit at the close of business (see Note)	AIC 752
Authorized unit cash reserve, retail associates cash retained, and unit postal funds not to exceed \$100 for retained bank deposit	AIC 753

Note: Bank deposits that cannot be dispatched on the same business day due to extended retail service hours or early dispatch schedules must be reported in AIC 752, Cash Remitted Final, and registered to the unit's safe or vault as a completed bank deposit and remitted to the bank on the next business day's earliest dispatch.

9-1.2.2 Preparing and Dispatching Bank Deposits

The procedure for preparing and dispatching bank deposits is as follows:

- The preparer completes a two-part deposit ticket: the original for the bank and the copy for the unit.
- The preparer enters the amount of currency on the deposit ticket by denomination. *Do not* deposit coins.
- The preparer ensures that all check items (e.g., checks, money orders, traveler's checks) are properly initialed and endorsed by the accepting employee (see subchapter [9-3](#)).
- The preparer enters the total amount of check items (e.g., checks, money orders, traveler checks) on the deposit ticket. Enclose a system-generated list or an adding machine tape showing the value of each check item. Write the Register Number on the deposit slip.

- e. The preparer counts the funds in the presence of a witness (see the Note below).
- f. The witness (if available) counts the funds in the presence of the preparer.
- g. Both the preparer and the witness (if available) must sign the deposit ticket.
- h. Both the preparer and the witness (if available) must ensure that the original deposit ticket, cash, check items (e.g., checks, money orders, traveler checks) and the list of check items are included in the tamper-evident plastic bag. Only use the tamper-evident plastic bags, ordered through the national contract, for remitting bank deposits.
- i. Prepare the tamper-evident plastic bag following instructions in the Bank Deposit Preparation Quick Reference Guide available at the accounting website. The direct Web site address is http://blue.usps.gov/accounting/_pdf/BankDepositPrepGuide.pdf.
- j. Dispatch the tamper-evident plastic bag containing the bank deposit via Registered Mail service following established procedures for accepting and handling Registered Mail items.
- k. Maintain the duplicate copy of the deposit ticket as supporting documentation for the unit PS Form 1412. The duplicate copy of the deposit ticket must show the preparer signature and the witness signature (if applicable).
- l. If there are no bank deposits on a scheduled business day, do not prepare a zero bank deposit ticket. Report a “nil-bill” or “no deposit” to registry, as applicable, following procedures in Handbook DM-902, *Procedures for Preparing a Postal Bank Remittance for Mailing*, chapter 2.

Note: A witness must be used to verify the unit’s bank deposit whenever possible. When a witness is not available, the preparer signs the deposit ticket on the “Verifier” line, and the “Witness” line is left blank. The preparer of the bank deposit has a financial responsibility regardless of whether a witness is or is not available.

It is the responsibility of the postmaster or unit manager to ensure proper procedures are followed in preparing daily bank deposits by monitoring banking differences issued by Accounting Services. Postmasters or unit managers must ensure expenses from banking reconciliations are researched and resolved in a timely manner (see subchapter [8-3](#)).

9-1.3 Ordering Banking Supplies

The Postal Service has a national contract with a vendor for all bank deposit tickets, endorsement stamps, and bank address stamps. All PRUs must order these supplies through the national contract.

PRUs must not use deposit tickets from another office.

9-1.3.1 **Offices With Computer Access**

Offices with computer access must use eBuy+ to order banking supplies. Place orders for bank deposit tickets approximately 6 weeks before the current supply runs out.

9-1.3.2 **Offices Without Computer Access**

Offices without computer access must order banking supplies as follows:

- a. Request another PRU or eBuy+ requisitioner to place the order.
- b. For contract postal units (CPUs), the host Post Office will order deposit tickets.

All CPU orders will be mailed to the host Post Office.

To verify that the order was successfully submitted, do the following:

- a. Wait 2 days.
- b. Go to <http://blue.usps.gov/corptreasury>.
- c. Select the *Bank Relations* link and then the *Harland Reject Report* link. If the order is not listed, the requisition was successfully executed and the order is being processed.

9-1.3.3 **Ordering Bank Deposit Remittance Bags**

The procedure for ordering tamper-evident bank deposit remittance bags is as follows:

- a. Use the eBuy+ on-catalog requisition system to order the bank deposit bags from the Material Distribution Center (MDC) — Supplies, Equipment, and Retail Catalog. Each order must be for exactly 250 bags.
- b. Search for items using the following:
 - (1) Small bags PSN 8105-11-000-0545
 - (2) Large bags PSN 8105-18-000-3220.
- c. Offices without access to eBuy+, use touch-tone order entry (TTOE), 800-273-1509. For TTOE ordering instructions, visit the MDC site at http://blue.usps.gov/purchase/_doc/ops_ttoeins.doc, or call 800-332-0317. (Enter PSN without the dashes in eBuy+).
- d. Allocate all charges to the FEDSTRIP number in the order.

Note: The host Post Office of a CPU must order the bank deposit remittance bags for the CPU using one of the two methods described above based on the host Post Office's access to eBuy+. All orders will be sent to the host Post Office.

9-1.4 **Reporting Bank Charges**

Bank charges are reported as follows:

- a. The Postal Service uses an account analysis statement analyzer tool to automatically review the monthly account analysis statements for field deposits to ensure charges are correct. Bank Relations reviews the analysis from the tool and determines the amount to pay.

- b. Payment is made via check or electronic funds transfer (EFT) through Accounts Payable at the San Mateo Accounting Service Center. The charges are expensed to the National Banking Program finance number at Corporate Treasury–Headquarters.

A hard copy invoice is sent monthly to the Bank Relations group within Corporate Treasury.

9-1.5 Replenishing Change Funds

9-1.5.1 Using Phone Ordering

To meet operational needs at large PRUs, postmasters, managers and supervisors may request authorization to make arrangements with the district relationship banks to obtain change funds (i.e., coins and small denomination bills) by using the banks phone ordering system. (This is the preferred method of replenishing change funds.)

- a. PRU employees must request authorization from the authorizing finance official to arrange for the district relationship bank to provide coins and small denomination bills needed by the office via phone order.
- b. Once the authorizing finance official approves the request, and the arrangement with a district relationship bank is established, the following procedures apply:
 - (1) The PRU employee requests the amounts required, up to the authorized amount of cash reserve, in coins and small denomination bills, from the local relationship bank via the banks phone ordering service.
 - (2) The relationship bank fulfills the order and sends the requested change funds to the PRU with a shipment manifest. The order will be transported via courier through the Concentration Point and shipped via registered mail to the PRU. (If any discrepancy, do not refuse or return change order to courier, contact HQ Banking or refer to your local CHANGE FUND ORDER DISCREPANCY PROBLEM Standard Work Guide).
- c. The PRU employee does the following upon receipt of the change funds:
 - (1) Verifies the amount received against the shipment manifest and signs the manifest.
 - (2) Replaces the authorized cash reserve amount in the vault (large denomination bills) with the equivalent amount of coins and small denomination bills received. The total amount must be the same.
 - (3) Records the amount of large denomination bills from the authorized cash reserve in AIC 293 with an offset to AIC 752, Cash Remitted Final, on PS Form 1412. (The large bills are included in that day's daily deposit).
 - (4) Attaches the PS Form 3544, *USPS Receipt for Money or Services*, or system-generated receipt, to the manifest and submits it as supporting documentation at closeout.

- d. The district relationship bank debits the Postal Service bank account for the amount of the change funds.
- e. Accounting Services reconciles the amount in AIC 293 with the amount reported by the relationship bank.
- f. Accounting Services will expense any discrepancy amounts to the UFN of the PRU.

9-1.5.2 **Using Local Relationship and Nonrelationship Banks**

To meet operational needs at large PRU's, postmasters, managers, or supervisors may request authorization to arrange with local banks within a short distance from the PRU to obtain funds (i.e., coins and small denomination bills) exchanging larger bill denominations. (This is the second method of replenishing change funds.)

PRU employees may arrange for local banks to make funds available (i.e., coins and small denomination bills) for purchase by contacting the local bank.

The PRU employee follows the instructions below:

- 1. Place the order for small denomination bills and coin through the local bank.
- 2. Purchase coins and small denomination bills from the bank with Postal Service funds.
- 3. Go to the bank and receive change. Verify the amount received. If the local bank branch charges fees for change orders, the Post Office will pay for those via currency to the branch at the time of the transaction.
- 4. Record the amount of surcharge and fees paid in AIC 587, Miscellaneous Services, on the unit's PS Form 1412.
- 5. Maintain bank invoices for surcharge and fees and the approved eBuy+ requisition or PS Form 7381 locally as supporting documentation for PS Form 1412.

9-1.6 **Centralized Accounts Processing System**

The Centralized Accounts Processing System (CAPS) has two account types: CAPS Trust Account and CAPS Debit Account. The CAPS Trust Account is as follows:

- a. Must be pre-funded and have sufficient balance to cover the transactions. The CAPS Trust account is automatically reduced in real time when charges occur.
- b. Customers use Electronic Funds Transfer (EFT) services or make a deposit at a Retail location where their *PostalOne!* permit is held.
- c. EFT options are as follows:
 - (1) ACH Credit: Automatic Clearing House (ACH) is an overnight method of moving funds from one bank to another bank. The customer initiates the ACH Credit ahead of the desired mailing date to ensure that the funds are posted to the CAPS account prior to presenting the mail. The bank charges a small amount for ACH transactions.

- (2) Fed Wire: A Fed Wire transfers funds from one bank to another in approximately 4 to 6 hours. The bank charge for Fed Wire is higher than the ACH Credit.

The CAPS Debit Account is as follows:

- a. No advance deposit of funds is required.
- b. The customer provides authorization through PS Form 6003, *Electronic Funds Transfer Authorization Agreement*, and designates a debit-enabled bank account for the charges. Include PS Form 6003 with the CAPS application packet.
- c. Daily at 4 PM Pacific Time, the CAPS system totals all transactions received for the CAPS debit account, creates an ACH Debit transaction, and sends to CAPS bank for processing. The customer's designated bank account receives the debit the next business day.
- d. Entering the transaction charges creates a negative balance for the CAPS Debit account. When CAPS creates the daily debit transaction, the account balance returns to zero.

Note: Customers can also apply online. ACH online customers are limited to CAPS Debit account type. Customers go to the Business Customer Gateway to apply online for their permit and CAPS account. At this time, products/services associated with ACH Online are limited to: Click N Ship Business Pro, eVS, Premium Forwarding Service, Scan-Based Payment, and Parcel Return Service.

- e. Payment acceptance is by the following:
 - (1) Cash.
 - (2) Check.
 - (3) Money order.

9-1.6.1 Enterprise Payment System

The Enterprise Payment System or EPS allows customers to pay for products and services through an Enterprise Payment Account (EPA) funded as an Automated Clearing House (ACH) Debit or Trust Account. The EPS payment account management provides enhanced security features, centralized balance and account management, and a self-service customer experience.

Any customer that has a trust account can make a payment at any of the retail locations and make a payment at any RSS site but, must have an EPS number. Account creations need to be setup at Business Customer Gateway.

Payment acceptance is by the following:

- a. Cash.
- b. Check.
- c. Money order.
- d. PIN-based debit card.

9-1.6.2 Local Trust Funding

A trust account is created by a grantor, and provides USPS with an easy method of managing and disbursing the customers mailing needs. Trust accounts can be funded by the following methods:

- a. Cash.
- b. Checks.
- c. Debit card.

9-1.6.3 ACH Returns

A debit ACH can only be represented twice for submission before being switched to a Trust Account. Customer is charged \$30.00 for each return.

9-1.6.4 PRU Procedure

Incoming electronic funds transfers (EFTs) are not recommended and are not permitted without approval of the authorizing finance official and concurrence from Accounting Services.

Customers must be given the option of converting local trust fund accounts to the Central Account Processing System (CAPS). CAPS guidelines and application procedures are located at <http://caps.usps.gov>.

If customers elect not to use CAPS, deposits to their local trust accounts can be made by cash or PIN-based debit card at the office maintaining the accounts.

This procedure applies to both commercial mailers and federal government agencies mailing commercially.

If the authorizing finance official approves a business need to continue a customer's use of EFT, the following is required:

- a. The authorizing finance official must provide the details of the proposed EFT activity (e.g., dollar amount of activity, purpose, and frequency) to the manager of the ARB, Accounting Services, via fax at 651-406-3847.
- b. The authorizing finance official must inform the customer of the following:
 - (1) The Postal Service will continue to accept EFT for the specified circumstances.
 - (2) The minimum amount for each EFT is \$1,000.
 - (3) The EFT must be routed to the depository bank account that serves the PRU.
- c. For each EFT deposit, the customer must fax details of the transfer to the ARB at 651-406-3847. The details of the EFT transaction must include the following:
 - (1) The customer's name.
 - (2) The amount of the transfer.
 - (3) The reason for the transfer (e.g., item purchased or account number).
 - (4) The name and telephone number of the PRU to which the transfer is being sent.

See [Exhibit 9-1.6.4](#) for the Incoming EFT Fax Form. The form may be given to customers for the purpose of notifying the ARB of a customer EFT deposit.

Exhibit 9-1.6.4

Incoming Electronic Funds Transfer Fax Form

<p style="text-align: center;"><i>Reproduce this form locally, if necessary.</i></p> <p style="text-align: center;">INCOMING EFT FAX FORM</p> <p>To: Manager USPS Accounting Reconciliation Branch Attn: EFT Notification Fax Number: 651-406-3847</p> <p>From:</p> <p>(Agency or Customer) _____</p> <p>(Contact Name) _____</p> <p>(Address) _____</p> <p>(Telephone Number) _____</p> <p>We have processed an electronic bank transfer of funds to a local U.S. Postal Service bank account. Apply the funds to the following:</p> <p>(Local Agency or Customer Name) _____</p> <p>(Dollar amount of transfer) _____</p> <p>(Reason for transfer: item/account number) _____</p> <p>(10-digit unit finance number to which transfer is being sent) _____</p> <p>(Name of Postal Unit to which transfer is being sent) _____</p> <p>(Post Office Telephone Number) _____</p>
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The PRU must record funds received from customers via EFT in the required trust AIC and offset to AIC 680 on the unit's PS Form 1412.

9-1.6.5 **Accounting Reconciliation Branch Procedures**

Upon notification of incoming EFT activity, the ARB notifies the PRU or Business Mail Entry Unit (BMEU) that will receive the transfer. The ARB sends a Notification of EFT via email to the PRU or BMEU with detailed information for the PRU or BMEU to deposit the funds into the customer's account and make the required entries on the PS Form 1412 to balance the deposit.

In the event the ARB is unable to determine the intended PRU:

- a. The funds are credited to the district, based upon the bank account of receipt.
- b. This transaction appears as a credit to line 44 of the district's Financial Performance Report.
- c. When the PRU determines that a customer's EFT was received but credited to the district, the unit can record the deposit to the appropriate trust account AIC and offset to AIC 647 on PS Form 1412.
- d. The unit contacts the authorizing finance official to request a journal voucher to transfer the funds to the unit and reverse the shortage entry.

9-1.7 **EFTs — Outgoing**

PS Form 3881-X, *Supplier and Payee Electronic Funds Transfer (EFT) Enrollment*, is for enrolling suppliers and other payees for EFT payments made through the Postal Service's Accounts Payable System.

The instructions printed on the form require each of the following three parties to complete their respective section before submitting to the Postal Service for processing:

- a. The *Postal Service representative doing business with the supplier or payee completes* Section B, USPS Information, identifying his or her organization, the supplier or payee, and any relevant contracts, and then gives the form to the supplier or payee.
- b. The *supplier or payee completes* Section C, Supplier/Payee Information, printing or typing the information required. The supplier or payee then takes the partially completed form to his or her financial institution for completion.

Note: The supplier or payee may also complete certain fields in Section D of the form, but in any event, the financial institution must verify all of the data in section D.
- c. A *representative of the supplier or payee's financial institution* prints or types (or verifies, if any of the data is already completed by the supplier or payee) the information required.

After the form is signed and dated by the official, the financial institution returns the completed form to the supplier or payee, who will return it to the Postal Service, or if requested, mail it to Accounting Services at the following address:

ACCOUNTS PAYABLE SUPPLIER MAINTENANCE GROUP
ACCOUNTING SERVICES
2700 CAMPUS DR
SAN MATEO CA 94497-9432

PS Form 3881-X is available on the Postal Service Intranet. Go to <http://blue.usps.gov/forms>.

9-1.8 Foreign Coins

Banking institutions do not accept foreign coins.

RAs accept U.S. currency (includes coins) for all postal products. RAs are advised to be cautious in accepting coins since some foreign coins may look like U.S. coins.

PRUs must dispose of erroneously accepted foreign coins no more frequently than once a quarter by following these steps:

- a. The supervisor collects all foreign coins from the RAs and calculates the amount.
Note: Foreign coins receive the same value as the U.S. coin of the same size.
- b. RAs must enter the amount of foreign coins submitted in AIC 647 on their PS Form 1412.
- c. The supervisor and a witness count all the foreign coins collected and complete and sign the Foreign Coin Disposition Receipt (see [Exhibit 9-1.8](#)).
- d. The supervisor and a witness prepare and pack foreign coins by denomination amount accepted.
- e. The supervisor ships foreign coins along with a copy of the Foreign Coin Disposition Receipt via Registered Mail to the following address:
ATLANTA MAIL RECOVERY CENTER
US POSTAL SERVICE
PO BOX 44161
ATLANTA GA 30378-1161
- f. At closeout, the supervisor validates the amounts entered in AIC 647 on the unit's PS Form 1412 with the amount in the Foreign Coin Disposition Receipt.
- g. The closeout employee files the Foreign Coin Disposition Receipt locally as supporting documentation for the unit's PS Form 1412.

Exhibit 9-1.8

Foreign Coin Disposition Receipt

Foreign Coin Disposition Receipt		
Post Office or Unit Name	10-Digit Unit Finance Number	Date
Count	Value as U.S. Coin	Total Value
	\$1.00	
	0.50	
	0.25	
	0.10	
	0.05	
	0.01	
Total Value of Foreign Coins Submitted:		
Witness (Please print name)		Supervisor (Please print name)
Witness SignatureDate		Supervisor SignatureDate

9-1.9 Seized Cash Deposit by the U.S. Postal Inspection Service

Seized cash from an investigation by the U.S. Postal Inspection Service (USPIS) can be deposited at a point of sale (POS) or retail systems software (RSS) postal retail unit (PRU). A no-fee money order must not be issued for seized cash. On occasion, a Postal Inspector might request to purchase a money order for reasons other than seized cash. In such instances, the RA should ask if the money order request is related to seized cash. If it is not, the RA should process as a normal money order transaction. If it is related to seized cash, the RA, management, and the postal inspector must follow the procedures outlined below.

The Postal Inspector does the following:

- Schedules an appointment with the postmaster, manager, supervisor, or officer in charge (OIC) at the designated POS/RSS PRU.
Note: Management should ensure that the appointment is scheduled within a week of notification by the Postal Inspector. This is crucial since seized cash must be on deposit within 60 days of seizure.
- Counts and sorts the seized cash, with bills of the same denomination bundled together, before arriving at the designated PRU.
- Arrives at the PRU at the scheduled time.
- Submits to the postmaster, manager, supervisor, or OIC a completed original and copy of the Seized Cash Deposit (SCD) form.

The postmaster, manager, supervisor, or OIC does the following:

- a. Recounts the money.
- b. Prepares and dispatches a bank deposit following the procedures in section [9-1.2](#).
- c. Signs the original and copy of the SCD form.
- d. Submits the SCD form(s) to an RA.

The RA does the following:

- a. Enters and verifies the account number from the SCD form.
- b. Enters the full amount in AIC 275, *Insp Ser-Holding Acct-Seizure and Forfeiture*, and offsets the dollar amount to AIC 751, *Cash Remitted Advance*, and the coin amount to AIC 753, *Cash Retained Today*, on PS Form 1412, *Daily Financial Report*.
- c. Attaches the system-generated Post Office receipt to the SCD form.
- d. Keeps the original SCD form with the Post Office receipt attached.
- e. Returns the copy of the SCD form with the Post Office receipt attached to the postmaster, manager, supervisor, or OIC who in turn provides a copy of both to the Postal Inspector.
- f. At the close of business, the RA submits the original SCD form with the Post Office receipt attached to the closeout employee.
- g. The closeout employee files the SCD form as supporting documentation for the unit's PS Form 1412.

The USPIS does the following:

- a. The Postal Inspector ensures the Post Office receipt reflects "Insp Ser-Holding Acct."
- b. The Postal Inspector provides the General Analyst (GA) a copy of the SCD form and Post Office receipt within 24 hours.
- c. The Postal Inspector enters a final disposition of transfer to forfeiture specialist in the Property Evidence Acquisition Program (PEAP).
- d. The GA emails a completed SCD form, listing, and Post Office receipt to the Headquarters (HQ) Asset Forfeiture Unit (AFU) within 24 hours.
- e. HQ AFU emails the SCD form, listing, and Post Office receipt to the San Mateo Accounting Service Center distribution list.

9-2 Credit and Debit Cards

9-2.1 Credit Cards

The Postal Service accepts the following credit cards for the purchase of most Postal Service products and services as detailed in this section:

- a. American Express (AMEX).
- b. Carte Blanche.
- c. Diners Club.
- d. Discover.
- e. JCB.

- f. MasterCard.
- g. Visa.
- h. China Union Pay.
- i. PIN-based debit cards (not available for Special Event Terminals).
- j. Samsung Pay (available only at Full Window Service).

Credit cards are not accepted for the following products and services:

- a. Trust fund deposits.
- b. Commercial mailings.
- c. Precanceled stamps.
- d. Money orders (principal amount).
- e. Payment for periodicals or permit imprint mailings.
- f. Collect on Delivery (COD) funds.
- g. Sure Money (principal Amount).
- h. Passport application fees payable to the U.S. Department of State.
- i. Gift Cards.

Note: Credit and debit terminals will not accept any manually entered card numbers for transactions processed at Retail.

Note: The RA records credit card transactions in AIC 762, Credit Cards Remitted, on PS Form 1412.

9-2.2 Overcharges

RAs may correct overcharges to customer credit cards by voiding the original transaction and reprocessing the transaction for the correct amount. The following applies:

- a. Overcharges must be corrected on the same business day as they occurred and before closing out the business day's card transactions.
- b. Overcharges found after the business day must be corrected through Accounting Services.

Credit card voids must be processed on the same terminal, by the same RA, on the same day as the original transaction. If the original RA is not available, follow the procedures for Errors identified after the day of the transaction. If the customer reports a credit card overcharge error after the day of the transaction, contact the Accounting Help Desk at: 866-974-2733.

9-2.3 Undercharges

If an RA identifies that a customer's credit card was undercharged after the customer has left the PRU, the postmaster, manager, or supervisor does the following:

- a. Pursues local collection.
- b. Counts the cash or stamp credit of the RA who completed the original transaction.
- c. Follows normal count procedures for handling overages or shortages.

Note: It is a violation of card rules and regulations to charge a customer without his or her consent.

9-2.4 **Fallback Transactions**

EMV is an acronym for “Europay, MasterCard®, and Visa®,” and it refers to the increased security of payment card transactions through the use of a chip embedded in credit, debit, and prepaid cards. A fallback transaction is an EMV transaction that falls back to mag-stripe after three attempts. USPS will be reviewing a report that will identify the PRU location and assist in remediating the issue.

9-2.5 **Signatures on Card**

Definition: The signature on the back of the card is one of a multi-layered set of security protections in place for cardholders and merchants. The presentation of a signed card allows the merchant to verify the cardholder's identification by comparing the signature on the card to that on the sales receipt.

Customers must comply with their card issuer's policy regarding unsigned cards. When an RA sees a suspicious transaction and asks to see the card and the customer presents an unsigned card, the RA must request the following or ask for another form of payment:

- a. The customer must sign the back of the credit card.
- b. The customer must provide two forms of identification — one must be a photo ID.
- c. The signature must match identification.
- d. Cards with the words “See ID” or containing two signatures on the signature panel may not be accepted (applies to both personal and business credit cards).

Note: For an EMV transaction, the RA *is not required* to check the signature on the back of the card — but for a mag-stripe transaction, the RA *is required* to check the signature on the back of the card.

9-2.6 **Signature Requirements Credit Card**

MasterCard and Maestro cards no longer require a signature panel on the back of the card. Signature verifications are obsolete on these cards.

9-2.6.1 **Mag-stripe Signatures on Receipts**

Signatures are not required on receipts for mag-stripe transactions less than \$25.00.

9-2.6.2 **EMV Signatures on Receipts**

Signatures are not required on receipts for EMV transactions less than \$25.00. EMV transactions over \$25.00 may require one of the following:

- a. Signature.
- b. PIN.
- c. Signature and PIN.

9-2.7 Credit Card Receipts

Credit card receipts must be kept in a secure location with limited access. Retention policy for retail credit card receipts is 2 years.

9-2.8 Debit Card Payment Acceptance

The Postal Service accepts most Debit cards and Electronic Benefit Transfer (EBT) cards. USPS systems are programmed to identify acceptable cards based on the products purchased. The RA records debit card transactions in AIC 772, Debit Cards Remitted, on PS Form 1412. Terminals will not accept any manually entered card numbers for transactions processed at retail.

Debit cards are not accepted for passport application fees payable to the U.S. Department of State.

9-2.9 Overcharges for PIN-based Debit Cards

If a customer reports a PIN-based debit card overcharge error on or after the day of the transaction, the PRU does the following:

- a. Obtains the customer's receipt and contact information (i.e., name, address, and telephone number). A customer's bank statement from a financial institution is not valid proof of an overcharge. Only the Eagan Account Reconciliation Branch (ARB) can determine whether a debit card overcharge occurred.
- b. Calls or emails the AHD to log a ticket requesting a credit to the customer's debit card.
 - (1) The AHD forwards the ticket to the ARB. The ARB contacts the PRU and provides instructions on what action to take.
 - (2) The ARB initiates an adjustment for the customer's debit card or instructs the unit on how to process a refund with the correcting PS Form 1412 entries to be made.

Note: The ARB is the only facility authorized to issue adjustments for debit card transactions that originate at PRUs. PRUs do not have the ability to void debit card transactions. Any refund given without ARB review and instruction may result in a shortage expense to the PRU.

9-2.10 Undercharges for PIN-based Debit Cards

If a customer reports a PIN-based debit card undercharge error on or after the day of the transaction, the PRU does the following:

- a. Processes the customer's payment for the undercharged amount.
- b. e1412 PRUs will enter the undercharged amount in AIC 247, *Financial Differences Overage*, and offset to the correct AIC based on the payment type.
- c. RSS PRUs will generate an AIC 126 transaction and select the correct payment type at the end of visit. Then, at the unit level, enter AIC 247 and offset with AIC 126 (will be negative).

If an RA identifies that a customer's PIN-based debit card was undercharged after the customer has left the PRU, the postmaster, manager, or supervisor does the following:

- a. Pursues local collection.
- b. Counts the cash or stamp credit of the RA who completed the original transaction.
- c. Follows normal count procedures for handling overages or shortages.

Note: It is a violation of card rules and regulations to charge a customer without his or her knowledge or consent.

9-2.11 **Signature Requirements Debit Card**

Retail Associates are not required to check signatures on EMV transactions.

9-2.11.1 **Mag-stripe Signatures on Receipts**

Signatures are not required on receipts for mag-stripe transactions less than \$25.00.

9-2.11.2 **EMV Signatures on Receipts**

Signatures are not required on receipts for EMV transactions less than \$25.00. EMV transactions over \$25.00 may require one of the following:

- Signature.
- PIN.
- Signature and PIN.

9-2.12 **Cash Back**

Cash back *is* an option on purchases made at the following locations:

- a. RSS Full Window Service.
- b. Non-RSS offices (e1412).

Cash back *is not* an option on purchases made at the following locations:

- a. Self Service Kiosk (SSK).
- b. mPOS.
- c. Special Events/Wireless Terminals.

RSS Full Window Service/Non-RSS offices under the following conditions:

- a. Customer is unwilling to make a purchase and only wants cash back.
- b. Customer is paying with a credit card.
- c. Cash is unavailable in the drawer.
- d. Customer is doing only a Money Order purchase.
- e. Cash back amount is over the \$50.00 maximum.
- f. Customer is paying by a digital wallet or by tapping a card.

Note: The customer may tap a card only if it bears the “contactless” symbol — otherwise, the customer must insert or swipe the card.

Cashback will be available in \$10.00 increments up to \$50.00 per purchase.

Note: Cash back is only allowed on Money Order purchases that include the purchase of another Postal product.

9-2.13 Receipts Disposal Procedures

Field units must dispose of credit and debit card receipts after the required 2-year retention period.

9-2.14 Refunds

PRUs process all refunds and exchanges for postal products or services purchased with credit or debit cards. (See *Mailing Standards of the United States Postal Service*, Domestic Mail Manual 604.9.0.)

Postal Service refund and exchange policies are the same regardless of whether the payment method is cash, check, credit card, or debit card.

9-2.15 Retrieval Requests

A retrieval request is a request initiated by the financial institution that issued the customer's credit or debit card for a legible copy of a credit or debit card receipt. The procedure for retrieval requests is as follows:

- a. The Postal Service card processor sends the retrieval request to the ARB.
- b. The ARB contacts the PRU where the original transaction occurred.
- c. The PRU must promptly locate the requested receipt and if possible, enlarge it on a photocopy machine. A legible copy must be submitted.
- d. The PRU employee sends a legible photocopy to the ARB via fax or mail.
- e. If a PRU does not respond immediately to a retrieval request (as instructed by the ARB), a chargeback may be issued to the PRU.

Note: Processing a retrieval request is a time-sensitive procedure. The PRU employee must respond to the ARB immediately after receiving a request. Failure to do so could result in monetary loss of the sale, which will result in an expensed item for the PRU.

9-2.16 Chargebacks

A chargeback occurs when the financial institution debits the Postal Service for a previously settled credit or debit card transaction. Accounting Services reserves the right to accept any chargeback that serves the business interest of the Postal Service. The following steps apply:

- a. The ARB contracts the PRU for documentation of the transaction.
- b. If the chargeback is not resolved, the ARB expenses the disputed amount to the PRU's UFN.
- c. If the RA accepted the credit card incorrectly, the PRU is responsible for initiating collection procedures to clear the expense.
- d. A chargeback must be disputed within the timeframe established by the credit card company.

The PRU must respond to a chargeback immediately after receiving a request. Failure to do so could result in monetary loss of the sale, which will result in an expense for the PRU.

Note: Do not give the customer a copy of the Postal Services' credit card receipt. If a customer request a copy of the receipt, refer the

customer to his or her issuing financial institution for assistance.

9-2.17 **Credit and Debit Card Terminals**

If a credit and debit card terminal is lost, missing, or stolen, contact the USPIS and Office of Inspector General (OIG) immediately.

9-3 Checks

9-3.1 **Overview**

Employees may accept personal checks, bank checks, government agency checks, business checks, traveler's checks, and AMEX gift checks, and money orders (postal and nonpostal) for customer transactions when presented with a valid photo-bearing ID as follows:

- a. Checks are accepted for all postal products, except money order and Sure Money transactions.
Note: U.S. Treasury checks, traveler's checks, and AMEX gift checks are acceptable for the purchase of postal money orders.
- b. Customer checks must be made payable to "U.S. Postal Service" or "Postmaster."
- c. Traveler's checks and AMEX gift checks are accepted only when at least 50 percent of the face value is used to purchase Postal Service products or services.
- d. Checks may be accepted for payment of a COD item provided the check is made payable to the sender.
- e. Checks that have been mailed in for payments must be endorsed "by mail" on the face.

Do not accept the following checks:

- a. Checks in currency other than U.S. dollars.
- b. Checks drawn on foreign banks, unless they are drawn on a U.S. branch of that bank.
- c. Personal or business checks from customers whose name appears on the bad check list.
- d. Personal or business checks without the customer's name and address printed on the check from the check manufacturer.
- e. Government agency checks without the agency name printed on the check from the check manufacturer.
- f. Post-dated checks.
- g. Third-party checks. (A check made payable to the presenter and endorsed on the back as payable to "U.S. Postal Service" or "Postmaster.")

Note: RSS systems have a bad check file which is an electronic version of the bad check list. If a check accepted through the POS system is listed in the bad check file, the check will be declined and the RA must request another form of payment from the customer. If a customer is

listed in the POS bad check file in error, the supervisor has the option to override the system to accept the check.

9-3.2 **Check Acceptance Requirements**

All checks accepted at field units must be presented with a valid (nonexpired), photo-bearing identification that also contains the customer's (presenter's) signature.

The accepting employee records the name and identification number on the face of the check.

The valid, photo-bearing identification must be one of the following:

- a. State-issued driver's license.
- b. State-issued, nondriver identification.
- c. Passport (foreign or domestic).
- d. U.S. military identification.
- e. Other U.S. government-issued identification that shows the customer's picture and signature.

Checks accepted as payment for specific products or services such as Post Office Box rents, caller service fees, trust account deposits, etc., must have that information recorded on the face of the check by the acceptance employee.

Employees who accept traveler's checks and AMEX gift checks should follow all special instructions appearing on these forms of payment.

Note: Employees must use caution when accepting any financial documents as they are easy to replicate or counterfeit using modern technology.

Employees must accept checks in compliance with the requirements in [Exhibit 9-3.2a](#) as well as any additional specific instructions from the postmaster or the district.

Exhibit 9-3.2a

Check Acceptance Requirements

	Personal Checks	Business Checks	Bank Checks	Government Agency Checks	Traveler's Checks	AMEX Gift Checks	Checks by Mail
Photo ID with signature required	Y	Y	Y	Y	Y	Y	N
Photo ID with signature must match signature on check	Y	N	N	N	Y	Y	N
Name must be imprinted on check from the printer	Y	Y	N	Y	N	N	Y
Address must be imprinted on check from the printer	Y	Y	N	N	N	N	Y
Telephone number required	Y	Y	N	Y	N	N	N
Verify that the customer or business is not on the bad check list	Y	Y	Y	N	N	N	Y
Payable to U.S. Postal Service or Postmaster by title	Y	Y	Y	Y	Y	Y	Y
Check must not exceed the amount of purchase	Y	Y	Y	Y	N	N	Y

The sample check in [Exhibit 9-3.2b](#) illustrates where customer identification information must be placed.

Exhibit 9-3.2b

Sample Check Illustrating the Location of Customer Identification information

Place customer identification information here

Sue Smith 123 Main Street Anytown, Anywhere 54321		Date <u>May, 2007</u>	101
PAY TO THE ORDER POSTMASTER		\$ XXX.XX	
XXX		xx/100 DOLLARS	
First Bank Anytown, Anywhere 54321			
MEMO	<u>Sue Smith</u>		
:00000000:	000000000	0101	

Do not write below this line.

9-3.3 Cashing Checks

PRU employees may cash the following financial documents, provided sufficient funds are available:

- a. U.S. Treasury checks.*
- b. Postal Service salary checks.
- c. Postal Service commercial checks.

Note: PRUs must not hold funds overnight for the purpose of cashing checks.

Employees must cash checks listed in [9-3.3](#) in compliance with the following requirements as well as any additional specific instructions from the postmaster or the district:

- a. The customer's name must be printed on the check.
- b. The photo ID with signature must match the signature endorsement on the back of the check.
- c. The photo ID information must be recorded on the face of the check by the cashing employee.
- d. The check date cannot be more than 1 year old.

*At RSS offices, AIC 255, Treasury Check Cashing Fee, will be used to report the fee assessed for cashing a Treasury check. Treasury checks issued from USPS are exempt from this fee.

9-3.3.1 Check Cashing Identification Requirements

All checks cashed at PRUs must be presented with a valid (nonexpired), photo-bearing ID that also contains the customer's (payee's) signature.

The valid, photo-bearing ID must be one of the following:

- a. State-issued driver's license.
- b. State-issued, nondriver identification.
- c. Passport (foreign or domestic).
- d. U.S. military identification.
- e. Other U.S. government-issued identification showing the customer's picture and signature.

9-3.3.2 Checks Prohibited for Cashing

Do not cash checks that match the following descriptions:

- a. Those that appear altered.
- b. From a third party.
- c. For anyone other than the payee(s) named on the face of the check.
- d. Where the signature on the ID does not match the signature on the check.
- e. For more than the amount imprinted as a limit on the face of the document.
- f. Payable to a business, an organization, society, institution, government agency, corporation (LLC or others), or partnership. These items must be deposited or negotiated at a bank or financial institution.
- g. Issued by an employee.

9-3.4 Endorsing Checks

The sample in Exhibit 9-3.4a illustrates the Postal Service's required endorsement on the back of each check and money order accepted for deposit.

Exhibit 9-3.4a

Required Check Endorsements

POS	Manual Endorsement
FOR DEPOSIT ONLY USPS FINANCE # XX-XXXX UNIT ID XXXX CITY, STATE CLERK # ACCOUNT # XXX-XXXX	FOR DEPOSIT ONLY USPS UNIT ID XXXXXXXXXXXX ACCOUNT # XXX-XXXX CLERK: _____ DATE: _____

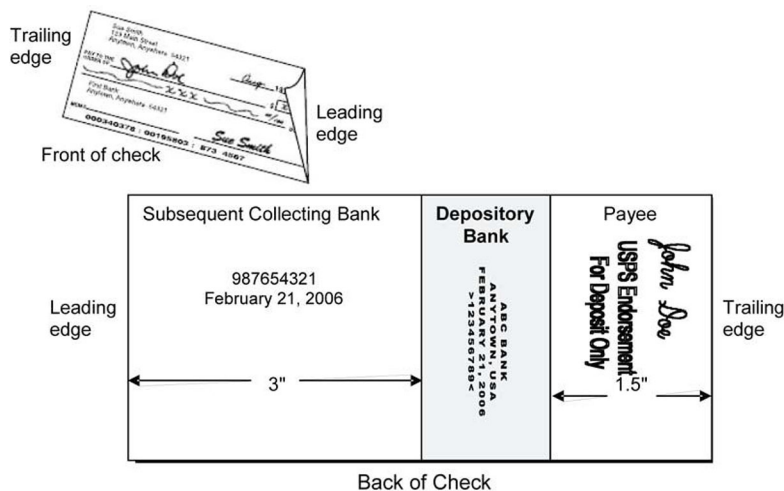
The Postal Service's required endorsement must fit within the 1.5-inch trailing edge on the back of the check.

Units that continue to use the round date stamp must ensure that the endorsement and round date stamp fits within the 1.5-inch trailing edge on the back.

The sample in [Exhibit 9-3.4b](#) illustrates how to endorse the back of a check.

Exhibit 9-3.4b

Endorsements on the Back of a Check



9-3.5 Returned Customer Checks

Returned checks are customer checks returned unpaid from Postal Service bank accounts.

Returned checks are debited to a service-wide expense account and Accounting Services handles check collection and resolution.

Field unit employees must not accept payment from the customer for returned checks that have been placed for collection.

All funds received as a result of check collection attempts, for these checks, are credited to a service-wide expense account.

9-3.5.1 **Collection of Nonsufficient Funds for Returned Checks That Were Properly Accepted**

The Postal Service uses the services of a national collections contractor to collect nonsufficient funds (NSF) checks. NSF checks are handled as follows:

- a. NSF checks are automatically re-deposited as a second attempt for payment.
- b. If the second attempt is not successful, checks are sent to Accounting Services, Account Reconciliation Branch (ARB) for processing.
- c. Accounting Services ARB determines if the checks were properly accepted.
- d. If Accounting Services ARB deems a check to be improperly accepted, the Postal Retail Unit is expensed and the NSF check is sent to the Postal Retail Unit for resolution (see [9-3.5.2](#)).
- e. If Accounting Services ARB deems a check to be properly accepted and the NSF check is less than \$5,000, the check is sent to the national collection agency.
- f. Accounting Services ARB attempts collection on all NSF checks for \$5,000 or more. If collection is unsuccessful, these checks are then forwarded to the national collection agency.
- g. The ARB or the collection agency will add a \$30 returned check fee when pursuing collection efforts.
- h. Accounting Services ARB notifies the Postal Inspection Service for checks that are part of a scam to pass bad checks.

9-3.5.2 **Collection and Processing of Expensed Nonsufficient Funds for Checks That Were Improperly Accepted**

Returned checks improperly accepted by Postal Service personnel or Contract Postal Units (CPUs) are charged back to the accepting unit through the Accounting Services, Account Reconciliation Branch (ARB) expense notification processes AIC 647.

The Postal Retail Unit postmaster, manager, or supervisor then performs the following:

- a. Pursues local collection from the customer or collects from the accepting Postal Service employee or CPU, while adhering to the applicable collective bargaining agreement and the Debt Collection Act.
- b. Adds a \$30 returned check fee when pursuing local collection efforts.
- c. Ensures the amount of the returned check is entered in AIC 247 and the \$30 returned check fee is entered in AIC 126 on PS Form 1412, Daily Financial Report.

Note: PRUs must not accept local payments for returned checks processed by Accounting Services. Inform the customer to wait for the collection letter from either Accounting Services or the collection agency.

9-3.5.3 Bad Check List

Accounting Services generates a national bad check list. The list is sorted by area and forwarded to each authorizing finance official or designee for distribution to PRUs, CPUs, and business mail entry units within each district. (POS systems have a bad check file which is an electronic version of the paper bad check list.)

Accounting Services removes customers from the bad check list once their debt is paid. However, local management may, at their discretion, continue to keep a customer on the bad check list.

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10 Postal Money Orders

This chapter describes the responsibilities and procedures for handling domestic and international postal money orders. This chapter also includes the procedures for lost, stolen, spoiled, voided, and replacement money orders. This chapter includes the following subchapters:

[10-1 Selling Domestic and International Money Orders.](#)

[10-2 Cashing Domestic and International Money Orders.](#)

[10-3 Money Order Inquiries and Replacement.](#)

[10-4 Lost or Stolen Money Order Stock and Imprinters.](#)

[10-5 Spoiled, Voided, and Destroyed Money Orders.](#)

[10-6 Money Order Voucher Retention.](#)

[10-7 Bait Money Orders.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

10-1 Selling Domestic and International Money Orders

10-1.1 General Information

10-1.1.1 Authorized Payment Methods

Postal money orders can only be purchased using the following payment methods:

- a. United States (U.S.) currency.
- b. U.S. Treasury checks.
- c. American Express Travelers Cheques payable in U.S. dollars, and American Express Gift Cheques payable in U.S. dollars.

Note: The Postal Service accepts American Express Travelers Cheques and American Express Gift Cheques only when the customer uses at least 50 percent of the face value for the purchase of Postal Service products and services.

- d. A debit card that uses a personal identification number (PIN) (i.e., a PIN-based debit card).

Note: The Postal Service *does not* offer a cash-back option when a customer uses a PIN-based debit card to purchase a money order *unless* the customer's purchase includes another revenue-generating transaction (such as the purchase of stamps).

- e. Electronic Benefit Transfer (EBT) cards.
- f. Payroll cards (i.e., a reloadable card onto which an employer loads an employee's wages).

10-1.1.2 **Non-authorized Payment Methods**

The Postal Service does not allow customers to purchase postal money orders using the following payment methods:

- a. Gift cards (neither PIN-based nor non-PIN-based).
- b. Credit cards.
- c. Personal checks.
- d. Business checks.

10-1.1.3 **Maximum Amounts**

The maximum amount of any single domestic money order is \$1,000.

The maximum amount of any single international money order is \$700.

A customer who wishes to purchase a total of at least \$3,000 of postal money orders, Sure Money, gift cards, or any other financial instrument during the same business day must complete PS Form 8105-A, *Funds Transaction Report (FTR)*. For more information, see [10-1.2](#).

10-1.1.4 **Sales Procedures**

When selling postal money orders, the retail associate (RA) must do the following:

- a. Ensure that money orders are printed with the current date.
- b. Report money order sales on PS Form 1412, *Daily Financial Report*, on the day of issue.

Use the AICs listed in Exhibit 10-1.1.4 to report money order sales and fees.

Exhibit 10-1.1.4

AICs for Reporting Money Order Sales and Fees

AIC	Master Title	Description
100	Domestic Money Order Sales — Value	Funds collected for the value of domestic money orders issued.
101	Domestic Money Order Sales — Fee	Funds collected for fees for domestic money orders issued.
102	International Money Order Sales — Value	Funds collected for the value of international money orders (MP1).
103	International Money Order Sales — Fee	Funds collected for the fees for international money orders (MP1).

Note: Employees cannot sell money orders to themselves. An employee who needs to purchase a money order must make the purchase through another available RA or must purchase it from another USPS retail unit.

10-1.1.5 Additional Information

See *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) 509.3.0 for additional information on domestic money orders. See *Mailing Standards of the United States Postal Service*, International Mail Manual (IMM) 371 for additional information on international money orders (MP1s).

10-1.2 Bank Secrecy Act (Anti-money Laundering Compliance)**10-1.2.1 Overview**

To comply with the Bank Secrecy Act (BSA), an RA must ensure that a customer completes PS Form 8105-A and presents a valid identification (ID) when performing either of the following transactions:

- a. When completing a transaction for any USPS financial instrument (a postal money order, Sure Money, gift card, or any other financial instrument) totaling at least \$3,000 to the same customer on the same day.

Notes:

- (1) Fees charged for transactions do not count toward the \$3,000 filing threshold.
- (2) Separate transactions to one customer over the course of 1 day count toward the \$3,000 filing threshold.
- b. When cashing money orders or U.S. Treasury checks totaling more than \$10,000 to the same customer on the same day.

10-1.2.2 Forms**10-1.2.2.1 PS Form 8105-A**

At e1412 postal retail units (PRUs) that print money orders using Paymaster Imprinters, an RA must submit a hard copy PS Form 8105-A, *Funds Transaction Report (FTR)*, on the same business day as the transaction is to occur.

At RSS and e1412 PRUs that print money orders using NCR printers, an RA must electronically submit PS Form 8105-A for a money order transaction. If a network issue prevents the RA from electronically submitting PS Form 8105-A, the RA must mail a hard copy PS Form 8105-A to the address on the form on the same business day as the transaction is to occur. Each PRU must maintain a BSA log for any forms that must be mailed and processed locally. A sample tracking log is available on Corporate Treasury's Web site:

- a. Go to <http://blue.usps.gov/corptreasury>.
- b. Click on *Bank Secrecy Act Compliance*.
- c. Under "BSA Forms," click *PS Form 8105-A Tracking Log for Offices Using NCR Printer*.

If the electronic submission of PS Form 8105-A has failed, the RA must complete a hard copy of the form and must submit it to the address on the front of the form on the same day that the form is completed.

Notes:

- a. Use the most current edition of PS Form 8105-A.
- b. Order forms from the Material Distribution Center (MDC).

10-1.2.2.2 **PS Form 8105-B**

The Postal Service uses PS Form 8105-B, *Suspicious Transaction Report (STR)*, to report any potentially suspicious activity. The RA that experiences such suspicious activity must complete PS Form 8105-B as soon as possible after the suspicious transaction or visit has ended.

Note: Federal law prohibits Postal Service personnel from notifying the customer that a suspicious report is being completed; therefore, RAs must wait until after the customer leaves the counter line before completing PS Form 8105-B, using either RSS or e1412.

If the electronic submission of PS Form 8105-B has failed, the RA must complete a hard copy of the form and must submit it to the address on the front of the form on the same day that the form is completed.

Notes:

- a. Use the most current edition of PS Form 8105-B.
- b. Order forms from the MDC.

10-1.2.3 **Identification Requirements**

When completing PS Form 8105-A to purchase a USPS financial instrument, a customer must provide a Social Security number and a valid government-issued identification (ID) or an acceptable alternative.

The following numbers are acceptable alternatives for a Social Security number:

- a. A passport number.
Note: If using a passport number, the customer must also enter the passport's country of issue on PS Form 8105-A, and the RA must enter the country into RSS or e1412.
- b. An alien registration number.
- c. An employer identification number (if the customer is purchasing a financial instrument on behalf of a business).
- d. A tax identification number.
- e. A NEXUS card number.

The following are acceptable forms of government-issued photo IDs:

- a. A photo ID card issued by the local, state, or federal government.
- b. A passport.
- c. An alien registration card.
- d. A military identification card.
- e. A Matricula Consular identification card issued by the government of Mexico.

- f. A VISA border-crossing card issued by the U.S. government.
- g. A NEXUS card.
- h. A tribal identification card issued by an Indian tribe in the United States.

Except for passports, Matricula Consular cards, and NEXUS cards, the Postal Service does not accept photo IDs from other countries.

To ensure the customer identification requirements are met, RAs must do the following:

- a. Verify that PS Form 8105-A is filled out completely.
- b. Verify that the customer's ID is valid.
- c. Sign PS Form 8105-A in the appropriate space as confirmation of the ID check.

Additional information on the BSA can be found on the USPS internal web site at http://blue.usps.gov/corptreasury/bsa/bsa_home.htm.

For questions related to the BSA, e-mail the Compliance Office at bsa@usps.gov.

10-2 Cashing Domestic and International Money Orders

10-2.1 Postal Retail Unit Procedures

10-2.1.1 Customer and Employee Actions

10-2.1.1.1 Customer Actions

10-2.1.1.1.1 Identification and Endorsement

The customer seeking payment must be listed on the money order as either the payee (Pay To) or purchaser (From) — but see the exceptions listed in [10-2.1.1.1.2](#) — and must do the following:

- a. Present a photo ID.
Note: The RA must record the photo ID information on the face of the money order.
- b. Sign the money order in the presence of the RA.

The signature of the purchaser or payee must match the signature on the photo ID.

10-2.1.1.1.2 Alternate Person Providing Identification and Endorsement

There are some cases in which the person listed on a money order as the payee might not be available to provide a signature in order to cash the money order. In each of the various cases listed below, another appropriate person must present a photo ID and must sign the money order in the presence of the RA:

- a. For a money order payable to a customer who cannot write, a non-Postal Service witness.
Note: The customer may endorse the money order using a mark. Both the person listed on the money order and the non-Postal Service witness must provide ID.

- b. For a money order payable to a minor, a legal guardian (including the minor's father or mother).
- c. For a money order payable to a person declared incompetent by a court, the legal guardian or other duly authorized person. This person must submit a copy of the proof of authority, and the PRU must keep it on file.
- d. For a money order payable to a person who gave another person the power of attorney, the person with the power of attorney. This person must submit a copy of the power of attorney, and the PRU must keep it on file.
- e. For a money order payable to a deceased person, the executor or court-appointed administrator of an estate. This person must submit a copy of the appointment, and the PRU must keep it on file.

A money order with more than one endorsement is invalid (except as noted above). For endorsement location requirements, see [9-3.4](#).

10-2.1.1.2 **Employee Actions**

RSS and e1412 offices are integrated with Solution for Enterprise Asset Management (SEAM) to determine the validity of a money order.

PRU employees must cash domestic and international money orders in accordance with the following procedures as well as in accordance with any additional specific instructions from the postmaster or district:

- a. Use the applicable workflow in RSS or e1412 to determine if the money order is valid.

Note: If RSS and e1412 cannot connect with SEAM, manually verify the money order before cashing it. If necessary, call the Money Order Verification System at 866-459-7822 to validate issuance of a postal money order. (See [10-2.3](#).)
- b. Verify that the money order is not on the Missing, Lost, or Stolen list in the current *Postal Bulletin*.
- c. Verify that the money order is authentic — see Notice 299, *Security Features of U.S. Postal Service Money Orders*. Check the money order security features for signs of alteration, counterfeiting, or fraud. (See [10-2.2](#).)
- d. Cash the money order only in the exact amount imprinted at time of issue, up to the authorized maximum amount.

Notes:

- (1) Domestic money orders do not have an expiration date.
- (2) The cashing employee must record the photo ID information on the face of the money order.
- (3) The use of a title (e.g., "Mr." or "Ms.") is not required when a customer endorses a money order.
- (4) For a money order made payable to more than one person, the Postal Service cashes it for either person if the conjunction "or" is used. However, if no conjunction appears on the money order, all

persons named on the face of the item must sign and provide ID as required.

- (5) The Postal Service may refuse to issue payment on any money order when the identity of the customer seeking payment is not proved to the satisfaction of the Postal Service employee.
- (6) If the total amount of money orders cashed by a single customer in a single day is more than \$10,000, the customer must complete PS Form 8105-A.

10-2.1.1.3 **Stolen, Altered, Counterfeit, or Fraudulent Money Orders**

If a customer presents a stolen, altered, counterfeit, or fraudulent money order for payment, the USPS employee must do the following:

- a. If there is a “holdup camera,” activate it.
- b. Stall the customer if possible — perhaps state that you need to get change or more money or another similar excuse.
- c. Notify your supervisor and the U.S. Postal Inspection Service (USPIS).
- d. Call the local police.
- e. If threatened, call your supervisor. *Do not endanger yourself.*
- f. Ask the customer if you can keep the money order. If the customer agrees, retain the money order and offer the customer a receipt from RSS or e1412. If the customer objects, ask if you can make a photo copy of the money order — if the customer still objects, just return the money order to the customer.
- g. If the customer agrees to let you retain the money order, protect the money order from unnecessary handling by placing it in an envelope.
- h. Complete and submit PS Form 8105-B, *Suspicious Transaction Report (STR)*. (See [10-1.2.2.2.](#))

Note: If you have concerns about accepting a postal money order, call the USPIS fraud hotline at 877-876-2455 — the hotline is available in all time zones from 8 A.M. to 4:30 P.M. — and select option 4 for mail fraud issues. For additional information, visit <http://postalinspectors.uspis.gov>.

10-2.1.1.4 **Additional Requirements for International Money Orders**

USPS employees must follow the additional requirements when cashing international postal money orders:

- a. Verify that the amount is indicated in U.S. dollars.
- b. Do not cash an international money order after the validity or expiration date.
- c. Cash a USPS-issued international money order only for the purchaser or the payee.
- d. Follow all other procedures for cashing international postal money orders — note that payment is in accordance with the procedures for cashing domestic money orders.

Note: The Postal Service exchanges international postal money orders with countries using the pink International Postal Money Order (Form MP1). See IMM 371 for a list of countries that exchange these forms.

10-2.2 Money Order Security Features

To determine if a money order is authentic, hold the money order up to the light and look for the following security features:

- a. Ben Franklin images (watermarks) repeated on the left side (top to bottom). Watermarks are in the paper and appear when viewed from the *front or back* of the money order when held up to the light.
- b. A dark security thread running top to bottom and to the right of the Ben Franklin watermarks with tiny letters “USPS” facing backward and forward.

If these security features are not present when you hold the money order up to the light, the postal money order is fraudulent.

Also, be aware of the following potential areas for fraud:

- a. Denominations are indicated on two locations and must be identical. Look for alterations in both places.
- b. Discoloration of a denomination amount indicates erasure — i.e., a fraudulent money order.
- c. The maximum value for a domestic postal money order is \$1,000.

Note: You can call the Money Order Verification System to validate the issuance of a postal money order (see [10-2.3](#)).

For more information, see Notice 299, *Security Features of U.S. Postal Service Money Orders*.

10-2.3 Money Order Verification

The Money Order Verification System is an interactive voice response (IVR) system to help deter fraud — note, though, that it is only an additional tool to help prevent fraud. The IVR system can assist PRUs and financial institutions when validating postal money orders.

To inquire on the validity of a recently issued money order, do the following:

- a. Call the Money Order Verification System at 866-459-7822.
- b. Press 1 for Money Order Verification.
- c. Enter the following information when prompted:
 - (1) The 11-digit money order serial number.
 - (2) The exact dollar amount of the money order.
 - (3) The issue ID number.

You can also validate money orders at <https://tools.usps.com/money-orders.htm>.

See the Money Order Verification System Frequently Asked Questions at http://blue.usps.gov/accounting/_pdf/MoneyOrderIVRFAQs.pdf.

An employee who has the RSS supervisor role may check the status of a money order using the appropriate workflow.

10-3 Money Order Inquiries and Replacement

10-3.1 Inquiries

10-3.1.1 General Information

A customer who wants to inquire about the status of a domestic or international postal money order must complete PS Form 6401, *Money Order Inquiry*. The customer may inquire at any time, but must possess the original money order customer's receipt.

For each money order serial number, the customer must use one PS Form 6401 and must pay a separate fee. (See DMM 509.3.3.9.)

The back of PS Form 6401 includes instructions and filing procedures.

For information on ordering the latest version of PS Form 6401, go to <http://blue.usps.gov/accounting/customerservice.htm>.

The customer must present the original detached money order customer's receipt before completing PS Form 6401, and the RA must sign the bottom of PS Form 6401 verifying that the customer presented the receipt.

A customer may submit PS Form 6401 any time — a waiting period is not required. It takes 7 days for the system to register a submitted PS Form 6401. Electronic versions (e6401) submitted using the RSS or e1412 workflow register in the system in 2 days.

10-3.1.2 Processing PS Form 6401

10-3.1.2.1 Using e1412

To process a PS Form 6401 using e1412, the RA does the following:

- a. Enter the required customer information from the customer-completed PS Form 6401 using the e1412 money order inquiry workflow.
- b. Collect and account for the fee using the e1412 money order inquiry workflow.
- c. Once the transaction is complete, return the following items to the customer for his or her records:
 - (1) The customer-completed PS Form 6401. **Note:** Do not retain a copy of PS Form 6401.
 - (2) The customer's copy of PS Form 3544, *USPS Receipt for Money or Services* (a receipt showing that the customer paid the inquiry fee).
 - (3) The original money order customer's receipt.

10-3.1.2.2 Using RSS

To process a PS Form 6401 using RSS, the RA does the following:

- a. Enter the required customer information from the customer-completed PS Form 6401 using the RSS money order inquiry workflow.
- b. Direct the customer to verify that the information is correct and provide a customer signature using the customer display screen.

- c. Collect and account for the fee using the RSS money order inquiry workflow.
- d. Once the transaction is complete, return the following items to the customer for his or her records:
 - (1) The customer-completed PS Form 6401. **Note:** Do not retain a copy of PS Form 6401.
 - (2) The original money order customer's receipt.
 - (3) The system-generated receipt.

10-3.1.2.3 Further Processing Actions

The Postal Service processes a PS Form 6401 as follows:

- a. If the money order (either domestic or international) has not been cashed, the Postal Service issues a replacement check to the name and address printed on PS Form 6401 no sooner than 10 days after the date that the original money order was issued.

Note: If the Postal Service issues a replacement check, and if both the replacement check and the original money order are subsequently cashed, the Postal Service either invoices the customer who requested the replacement check or recovers the funds from the bank account of the payee.
- b. If the money order has been cashed, the Postal Service provides a photocopy of the money order to the name and address printed on PS Form 6401.

A PRU may check the status of a previously submitted PS Form 6401 by using the appropriate RSS or e1412 money order inquiry workflow. A PRU may also direct questions about postal money orders or the status of a filed PS Form 6401 to the Accounting Help Desk at 866-974-2733 — note, though, that the Accounting Help Desk does not provide status information on a money order if it has not received PS Form 6401 from the customer. PS Form 6401 may not be duplicated.

10-3.2 Replacements

10-3.2.1 Original Customer Receipt Available

10-3.2.1.1 General Information

If a domestic or international postal money order is mutilated or damaged and the customer has the damaged money order and the original customer's receipt from the money order, the PRU may issue a no-fee replacement.

To request a no-fee replacement, the customer must do the following:

- a. Present the damaged postal money order and the matching postal money order customer's receipt at the PRU.
- b. Complete and sign PS Form 6401 for a no-fee replacement money order.

10-3.2.1.2 **e1412**

To issue and process a no-fee replacement money order using e1412, the RA must do the following:

- a. Accept the completed, signed, and dated PS Form 6401 from the customer.
- b. Issue a no-fee replacement money order to the customer for the amount of the mutilated money order using the e1412 Money Order workflow.
- c. Ensure that PS Form 1412 reflects the following entries:
 - (1) AIC 641 for the amount of the replacement money order.
 - (2) AIC 586 for the amount of the replacement money order fee. Use Reason Code 32, Money Order Replacement.
- d. Once the transaction is complete, return the customer-completed PS Form 6401 to the customer for his or her records.
- e. Submit the damaged postal money order and money order receipt to the closeout employee with PS Form 1412.

Note: The postmaster, manager, supervisor, or designated employee must destroy and dispose of the damaged or mutilated postal money order and money order receipt.

10-3.2.1.3 **RSS**

To issue a no-fee replacement using RSS, the RA must do the following:

- a. Enter the required customer information from the customer-completed PS Form 6401 using the RSS money order replacement workflow.
- b. Once the transaction is complete, return the customer completed PS Form 6401 to the customer for his or her records.
- c. Submit the RSS system-generated receipt, the damaged postal money order, and the detached money order customer's receipt to the closeout employee with PS Form 1412.

The postmaster, manager, supervisor, or designated employee must do the following:

- a. Verify the money order data and entry to AIC 641.
- b. Destroy and dispose of the damaged or mutilated postal money order and money order receipt.

10-3.2.2 **Original Customer Receipt Not Available**

If a customer presenting a mutilated or damaged money order does *not* have the original customer's receipt from the money order, the PRU *cannot* issue a no-fee replacement money order — however, the customer can still request a replacement money order *without* incurring a fee. The process for this is as follows:

- a. The customer must complete PS Form 6401 as instructed on the back of the form.

- b. The RA attaches the mutilated money order to the customer-completed PS Form 6401 and mails both to the following address:

GENERAL ACCOUNTING BRANCH
ACCOUNTING SERVICE CENTER
PO BOX 80453
ST. LOUIS, MO 63180-0453

- c. The RA does *not* charge the customer a fee.

When the mutilated money order is attached to the PS Form 6401, the Postal Service issues a replacement check to the name and address printed on PS Form 6401 without having to wait 10 days after the date that the original money order was issued.

10-4 Lost or Stolen Money Order Stock and Imprinters

10-4.1 **Lost or Stolen Money Orders**

An RA who discovers that unissued postal money orders are missing or have been stolen must do the following:

- a. Notify the USPIS immediately, providing the associated facts and the serial number ranges of the lost or stolen postal money orders.
- b. Enter the missing money orders in the reporting technology used to report PS Form 1412.

Information about lost and stolen money orders is available at <https://tools.usps.com/money-orders.htm> or by calling the Money Order Verification System at 866-459-7822.

Note: Upon recovery of any lost or stolen money orders, notify the USPIS immediately. Failure to notify the USPIS can cause adverse action when the customer cashes or attempts to cash the money order.

10-4.2 **Lost or Stolen Money Order Imprinters**

When Paymaster or NCR money order imprinters are missing or have been stolen, PRU employees must do the following:

- a. Notify the USPIS immediately, providing the associated facts and serial numbers of missing devices.
- b. Contact the district office for replacement equipment.

Note: To coordinate replacement equipment, the district office must contact the MDC at 800-332-0317, option 4, option 4.

- c. Notify the USPIS immediately if any equipment is recovered.

10-5 Spoiled, Voided, and Destroyed Money Orders

10-5.1 Postal Retail Unit Procedures

A PRU may void a postal money order only in the event of USPS error, and only on the same day by the same clerk. A PRU may not void a money order at the request of a customer for any reason — there are no exceptions. Rather than voiding a money order, a PRU may do the following:

- a. If a customer returns a money order, the PRU must cash the money order — but only after the customer has presented photo identification. (See [10-2.1.1.](#))
- b. If a customer presents a mutilated or damaged money order, the PRU may replace it, but may not cash it.
- c. If a customer requests a new postal money order for the returned money order, the PRU must charge the money order fee, even if the customer requests the new postal money order on the same day by the same clerk.

A PRU may not issue a no-fee postal money order for a customer-requested return.

Spoiled or voided money orders include the following:

- a. A money order that has been marked “spoiled” or “voided” by a PRU employee.
- b. A money order that has been voided in the reporting technology system used by the PRU.

Note: For money orders damaged after purchase, see [10-3.2.](#)

Regardless of the reporting technology used, the PRU must process a spoiled or voided money order as follows:

- a. The RA accountable for the money order serial number must mark all parts of the money order immediately as spoiled or voided.
- b. The RA must submit all parts of the money order as supporting documentation to the closeout employee for verification of the unit’s consolidated PS Form 1412.
- c. The postmaster, manager, supervisor, or designated employee must destroy all parts of the money order locally by shredding.

Note: For blank money order stock that has been damaged, see 11-12.5.

10-5.2 Contract Postal Unit Procedures

A contract postal unit (CPU) authorized to sell money orders must process a spoiled or voided money order as follows:

- a. Mark all parts of the money order immediately as spoiled or voided.
- b. Submit all parts of the spoiled or voided money order to the host Post Office as supporting documentation for PS Form 1412 at the end of each business day.

The host Post Office does the following:

- a. Verify the supporting documents and PS Form 1412.
- b. Destroy the spoiled or voided money order by shredding it.

10-6 Money Order Voucher Retention

A PRU that uses an electronic financial reporting system to transmit daily money order sales must not submit the money order vouchers to the General Accounting Branch unless specifically requested by the General Accounting Branch.

The PRU must retain money order reports locally with PS Form 1412 supporting documentation.

10-7 Bait Money Orders

For information on money orders or to obtain a copy of the most current management instruction on bait money orders, contact the USPIIS or write to the following address:

INSPECTOR IN CHARGE
MAIL THEFT AND VIOLENT CRIMES GROUP
US POSTAL INSPECTION SERVICE
475 L'ENFANT PLZ WEST SW RM 3521
WASHINGTON DC 20260-2168

11 Accountable Paper — Postal Retail Units

This chapter describes the responsibilities and procedures for receiving, securing, issuing, and controlling accountable paper at postal retail units (PRUs). This chapter also contains the procedures for preparing and returning saleable and nonsaleable stock. This chapter includes the following subchapters:

- [11-1 Types of Accountable Paper.](#)
- [11-2 Accountable Paper Terms.](#)
- [11-3 Responsibilities.](#)
- [11-4 Obtaining Stamp Stock From SFS.](#)
- [11-5 Receiving Stock Shipments From SFS.](#)
- [11-6 Returning Stock to SFS.](#)
- [11-7 Applying Stock Discounts.](#)
- [11-8 Conducting a Stock Revaluation.](#)
- [11-9 Stock for Internal Purposes.](#)
- [11-10 Accounting for Unit Reserve Stock.](#)
- [11-11 Verifying Total Unit Accountability.](#)
- [11-12 Money Orders.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

11-1 Types of Accountable Paper

Accountable paper includes the following items:

- a. Postage stock, which includes the following items:
 - (1) Postage stamps.
 - (2) Semi-postal stamps.
- b. Stamped papers, which include the following items:
 - (1) Stamped envelopes and postal cards, including regular, special, commemorative, and penalty mail issues.
 - (2) International reply coupons (IRCs).

Note: The Postal Service no longer sells IRCs but only exchanges them.

- c. Nonpostal stamps, which are migratory bird hunting and conservation stamps sold for the Department of the Interior.
- d. Philatelic products, which include the following items:
 - (1) Mint sets.
 - (2) Stamp collecting kits.
 - (3) Gift packs.
 - (4) Other products developed by Stamp Services.
- e. Money order stock, which refers to postal money orders.
(See chapter [10](#).)

11-2 Accountable Paper Terms

The following accountable paper terms will help Postal Service employees understand the accountable paper procedures in this handbook:

- a. Unit reserve: In a Postal Retail Unit (PRU), the unit reserve consists of all stamps, stamped paper, and philatelic products that have not been consigned to other accountabilities within the unit.
- b. Stamp Fulfillment Services (SFS) has the following tasks:
 - (1) Receive and disburse stamps, stamped paper, and philatelic products.
 - (2) Provide accountable paper for PRUs and contract postal units (CPUs).
 - (3) Provide USA Philatelic catalog items to stamp collectors and to PRUs for promotions or presentations.
- c. Stamp Distribution Offices (SDOs): With locations in Honolulu, HI and San Juan, PR, each SDO receives and disburses emergency orders for stamps, stamped paper, and philatelic products for PRUs and CPUs within its service area.
- d. SFS Web: SFS Web is a web application that PRUs use to submit and manage stamp orders.

11-3 Responsibilities

11-3.1 Postmaster or Unit Manager

The postmaster or unit manager is responsible for ensuring that controls are in place for maintaining an accurate inventory for all accountable paper within the PRU. This responsibility includes but is not limited to the following tasks:

- a. Provide adequate security for all accountable items.
- b. Monitor inventory levels.
- c. Establish and control segments within the PRU.
- d. Ensure the proper entry of all financial transactions.
- e. Ensure that all required counts are performed.

11-3.2 Employee

All employees who are assigned responsibility for accountable paper have the following responsibilities:

- a. Account for all accountable paper issued to them as a stamp credit.
- b. Account for all funds received from accountable paper sales until they deposit the funds as postal funds.
- c. Ensure that they record all financial transactions accurately and timely.

All employees who are assigned responsibility for accountable paper are liable for losses in their accountability.

11-3.3 Contractor

A contractor is accountable for all accountable paper assigned to the CPU.

11-3.4 Stamp Stock Limits

11-3.4.1 General Information

The total stamp stock limit for a PRU is based on whether the PRU is an RSS office, a standard e1412 office, or a CPU, as follows:

- a. RSS office: For Postal Quarters 1, 2, 3, and 4 (October 1–September 30), the stamp stock limit is calculated by dividing the prior fiscal year (FY) sales (for Quarters 1–4) reported in AIC 852 by four. Excluded from the stock on-hand calculation are Christmas stock, Philatelic stock, Unsalable stock, and Redeemed stock.

Note: In order to correctly calculate the stamp stock limit, the RSS office must accurately enter all stamp stock into the system by using the correct item number.

- b. Standard e1412 office: For Postal Quarters 1, 2, 3, and 4 (October 1–September 30), the stamp stock limit is calculated by dividing the prior FY sales (for Quarters 1–4) reported in AIC 852 by four, with no items excluded.
- c. CPU: For Postal Quarters 1, 2, 3, and 4 (October 1–September 30), the stamp stock limit is calculated by dividing the prior FY sales (for Quarters 1–4) reported in AIC 852 by four, with no items excluded. A CPU must not at any time exceed the maximum stock limit even if its authorized bond amount is higher. For example, if a CPU's calculated stamp stock limit is \$10,000, but the CPU's authorized bond amount is \$12,000, then the CPU's maximum stamp stock limit is \$10,000.

11-3.4.2 Exemptions

A PRU whose daily stamp stock total does not exceed \$5,000 is exempt from the total stamp stock limit rule as described in [11-3.4.1](#). This exemption allows the PRU to maintain up to \$5,000 in total stamp stock before it applies the calculation for excess stamp stock.

For a CPU with a bond limit not exceeding \$5,000, the maximum stock limit is the authorized bond amount minus \$1,000. For example, if the CPU has a \$4,000 bond limit, the maximum amount of stamp stock is \$3,000.

11-3.4.3 Stamp Stock Total

A unit's stamp stock total is the amount reported in AIC 853 in the unit's PS Form 1412, *Daily Financial Report*, and is comprised of the following:

- a. The unit reserve.
- b. Stamp stock credits assigned from the unit reserve (e.g., philatelic, mobile units, and special events).
- c. The retail floor stock when the unit operates under Segmented Inventory Accountability.

A PRU may temporarily exceed the maximum accountability limit for the unit based on the calculations as stated above, but only if it is due to a customer need or special circumstances, and the unit returns to being at or below its stamp stock limit within 7 business days after receipt of the stock in the office.

Example: A customer requests to purchase \$50,000 of stamps, but the order would bring the site over its limit. Nevertheless, this stock scenario is acceptable, as long as the unit returns to being at or below its stamp stock limit within 7 business days after receipt of the stock in the office. It is the responsibility of the postmaster, manager, or supervisor to monitor the stamp stock limits for excess and make the necessary adjustments to bring the unit within its maximum limits.

Note: When there are no same-period-last-year (SPLY) sales during a time period to accurately calculate the stamp stock limit, a PRU or CPU can request that the authorizing finance official establish the stamp stock limit for that time period. The authorizing finance official provides the unit with a written authorization identifying the amount established as the stamp stock limit, the effective date, and the expiration date.

11-4 Obtaining Stamp Stock From SFS

11-4.1 Automatic Shipments of Stamp Stock

Some PRUs automatically receive shipments of select commemorative, special issue, and holiday stamps from SFS.

11-4.2 Ordering Stamp Stock

A PRU orders accountable paper — excluding money order stock — using the SFS Web system, and SFS ships the ordered stock to the PRU. A PRU must order money orders from the MDC via eBuy+.

All PRU employees must adhere to the following procedures when ordering stamp stock:

- a. Order postage stamps and stamped paper from SFS to meet customer demand, but do not exceed stamp stock limits (see section [11-3.4](#)).
- b. Follow the stamp stock ordering procedures established for that unit's district.
- c. Submit orders through the SFS Web system, the official USPS tool for ordering stamp products.

11-4.3 Emergency Orders

As per established procedures, submit emergency orders for stamp stock to SFS only when absolutely necessary to meet customer demand. To submit an emergency order, call SFS at 1-844-737-7826.

Note: The Honolulu and San Juan SDOs fill emergency orders only for PRUs within their service area.

The PRU must limit emergency orders to stock that is needed to meet customer demand and that could not have been foreseen when previously placing regular orders.

There is no limit to the number of times that a PRU can make an emergency stock order to fulfill customer demands, nor to the quantity of items that a PRU can include in an emergency stock order.

11-5 Receiving Stock Shipments From SFS

11-5.1 Examining and Verifying the Shipment

PRU personnel must examine and verify stock shipments as follows:

- Examine each shipping carton to ascertain that the address is correct, the seal is unbroken, and the contents are not damaged.
- Report tampering to the U.S. Postal Inspection Service (USPIS) and the Office of Inspector General (OIG) immediately.
- Count the stock and verify with a witness the count on the computer-generated PS Form 17, *Stamp Requisition/Stamp Return*.
- Sign and date the computer-generated PS Form 17. In an office that has multiple employees working concurrently, the PS Form 17 should have a witness signature. In an office that has just one employee, enter “NWA” on the witness signature line indicating no witness available.
- Enter the total value of the physical stock received into the reporting technology.

Exhibit 11-5.1 provides specific verification procedures by item.

Exhibit 11-5.1

Shipment Verification Procedures

Item	Verification
Panes in sealed packages	Follow the instructions on the package for verifying the contents before removing the sealed film wrapper on the individual packages.
Stamp booklets	Before breaking the package seal, count the number of booklets in the denomination and type described on the unit package.
Coils	Before breaking the seal, count the stamp coils to verify the shipment contains the quantity of coils, type, and denomination of stock ordered.
Stamped envelopes and postal cards	Count the number of boxes or packages and the denominations of the envelopes or cards, and verify the count with the carton labels and PS Form 17.
Philatelic products	Count the number of items in open cartons. The total must agree with the quantity printed on the outside of the carton.

11-5.2 Stock Defects

Defective stock and stamped paper are not saleable and remain the property of the Postal Service. No employee or contractor may purchase, sell, or transfer defective stamps or stamped paper from an official supply.

Defective stock includes obvious printing and production errors such as the following:

- a. Bad color registration.
- b. Missing color.
- c. Missing printing.
- d. Upside-down printing.
- e. Missing perforations.
- f. Perforated stamp design.

Any USPS employee or contractor who discovers defective stamps or stamped paper must immediately return the defective products to the unit reserve stock.

The stamp stock custodian must do the following:

- a. Send an email to SFS>Returns@usps.gov— and include SFS_StampProd@usps.gov in the “CC” line — to request a return authorization number and to report the defective stock.
- b. Immediately return defective stock to SFS using PS Form 17, *Stamp Requisition/Stamp Return*.
- c. Mark PS Form 17 and the outside of the shipping package with the word “defective.”

11-5.3 Accounting for Stock Shipments

Accounting Services monitors all stamp stock shipments.

When SFS or another PRU ships stamp stock to a PRU, that action creates an in-transit item for the PRU that is the intended recipient. To clear the in-transit item, the stamp stock custodian at the intended receiving PRU does the following:

- a. Receive the stock into the unit reserve by item number.
- b. Enter the shipment number and location ID of the sending PRU or SFS.
- c. Print the system-generated PS Form 3958, *Unit Reserve Stamp Stock Transaction Record*, or PS Form 3959, *Stamp Stock Transactions and Daily Recap*, for e1412.

If the intended receiving recipient PRU does not clear an in-transit stock shipment within 15 days, Accounting Services clears the in-transit stock shipment by issuing an expense to the intended receiving PRU. (See [8-4](#).)

11-5.4 Lost/Stolen Stock Shipment

For any complete lost/stolen stock shipments, the PRU must contact the OIG by email at hotline@usps.oig.gov — note that this requirement is for a complete lost/stolen shipment (not a shipment discrepancy — for shipment discrepancies, see [11-5.5.2](#) and [11-5.5.3](#)). The email must include the unit

finance number, the shipment number, and the item number for each lost item, along with the total dollar amount of the lost shipment.

The PRU must also contact SFS via the *SFS Discrepancy Online Tool* located on the SFS Toolkit.

The PRU receives an expense in AIC 647, Financial Differences Shortage, from Accounting Services.

If all efforts fail to locate a missing stock shipment, the PRU must follow the claim for loss process. (See [8-7](#).)

11-5.5 Reporting Stamp Stock Discrepancies

11-5.5.1 Discrepancies in Sealed Packages (Manufacturer's Defect)

The PRU must visually examine sealed packages of stamp stock to verify the quantity. (See [11-5.1](#).)

Upon identifying discrepancies, the PRU must contact SFS via the *SFS Discrepancy Online Tool* located in the SFS Toolkit.

11-5.5.2 Stock Discrepancies Less Than \$250

For stamp shortage discrepancies less than \$250, the PRU must enter the quantity and value of the physical stamp stock received. AIC 841, Stamp Stock Received, on the unit's PS Form 1412 reflects the value of the actual stock received. The PRU receives an expense from Accounting Services (FPR Net Financial Differences (AIC 247/647) – Line Detail). To offset the expense, the PRU must follow the claim for loss process. (See [8-7](#).)

11-5.5.3 Stock Discrepancies of at Least \$250

For a discrepancy of at least \$250 when the package has no visible evidence of damage, SFS resolves the discrepancy with the PRU through coordinated dialogue.

Note: The procedures in this section apply to cases in which there is an error with the contents, not an issue with a damaged shipping container.

The PRU must enter the quantity and value of the physical stamp stock received. AIC 841, Stamp Stock Received, on the unit's PS Form 1412 reflects the value of the actual stock received.

To document a discrepancy, contact SFS in one of the following ways:

- a. Through the *SFS Discrepancy Online Tool* located in the SFS Toolkit.
- b. By email at SFS_Discrepancy@usps.gov. The email must include the unit finance number, the shipment number, then item number for each discrepancy, and the positive or negative dollar amount for each discrepancy. Also, indicate whether or not the package was broken/opened/re-taped, and attach a copy of the applicable PS Form 17. Retain the email as the supporting documentation for the claim for loss.

SFS coordinates with the PRU regarding the discrepancy and any additional instructions, and handles shortages and overages as follows:

- a. Shortages: SFS ships the missing item(s) to the PRU.
- b. Overages: The PRU may request to return the item(s) to SFS.

11-5.5.4 **Receipt of Damaged Package**

For a discrepancy in which the package received from SFS has visible evidence of damage and the contents are fully or partially missing, the PRU must do the following:

- a. Enter the total quantity and value of the physical stamp stock received. AIC 841, Stamp Stock Received, on the unit's PS Form 1412 reflects the value of the actual stock received.
- b. Receive an expense in AIC 647, Financial Differences Shortage, from Accounting Services (FPR Net Financial Differences (AIC 247/647) – Line Detail).
- c. Contact SFS through the *SFS Discrepancy Online Tool* located in the SFS Toolkit.
- d. To offset the expense, the PRU must follow the claim for loss process. (See [8-7.](#))

11-5.6 **Accounting for Stamp Stock Shipment Discrepancies**

11-5.6.1 **Accounting for Shortages Less Than \$250**

The unit receives an expense in AIC 647, Financial Differences Shortages, from Accounting Services. To account for shortages in stamp stock shipments, the PRU or CPU does the following:

- a. Using eIWS Online Forms, submit the completed PS Form 2130, *Claim for Loss/Recovered Claims for Loss*, and support documentation to the authorizing finance official for approval.
- b. Upon approval, make the following entries on the unit's PS Form 1412 to offset the AIC 647 expense:

AIC	Reason Code
247, Financial Differences Overages	05, Stock Differences
633, Claim for Loss	14, Lost or Stolen Shipment

11-5.6.2 **Accounting for Overages Less Than \$250**

The unit receives an expense in AIC 247, Financial Differences Shortages, from Accounting Services. To account for overages in stamp stock shipments, the PRU or CPU does the following:

- a. Using eIWS Online Forms, submit the completed PS Form 2130 and support documentation to the authorizing finance official for approval.
- b. Upon approval, make the following entries on the unit's PS Form 1412 to offset the AIC 247 expense:

AIC	Reason Code
647, Financial Differences Shortages	05, Stock Differences
180, Claim for Loss Recovered	14, Lost or Stolen Shipment

11-6 Returning Stock to SFS

11-6.1 Returning Saleable Stock

11-6.1.1 General Information

Saleable stock that a stamp stock custodian may return to SFS includes stamps, stamped envelopes, postal cards, and philatelic products currently on sale.

SFS must authorize the return of saleable stock before the stamp stock custodian may return it.

SFS considers accepting saleable stock only in the following situations:

- a. Attempts to ship the saleable stock to another PRU have been unsuccessful.
- b. All coils (of 100 stamps) must be in the original box of 50 coils.
- c. All single pane stamps must be in full decks.
- d. SFS has provided a return authorization number.

Note: To request authorization from SFS before returning saleable stamp stock, the stamp stock custodian must contact SFS using the SFS Return Authorization Online Tool *On-Sale Return Request*. Also, the stamp stock custodian must write the return authorization number provided by SFS on the PS Forms 17 and on the outside of the box.

11-6.1.2 Saleable Stock Returned From the Retail Associate or Retail Floor Stock to the Unit Reserve

When returning any saleable stock to the unit reserve, the retail associate (RA) must do the following:

- a. Enter the stock being returned through the respective reporting technology workflow.
- b. Submit a signed copy of the system-generated PS Form 17 as supporting documentation for the AIC 848 entry on the RA's PS Form 1412.

The stamp stock custodian must do the following:

- a. Verify the stock returned by the RA.
- b. Accept the amount of stamp stock returned from the RA or the retail floor stock into the unit reserve stock on the same business day.
- c. Sign and retain PS Form 17 as supporting documentation.

11-6.1.3 Saleable Stock Returned From the Unit Reserve to SFS

When returning any saleable stock to SFS, the stamp stock custodian must do the following:

- a. Request authorization from SFS before returning saleable stamp stock.
- b. After receiving authorization from SFS, enter the stock being returned into respective reporting technology and mark the forms as "Returned Stock — Saleable."

- c. PS Form 17 is automatically generated and assigns a system generated 10-digit numeric shipment number.
- d. Prepare a separate PS Form 17 for each carton. The PS Form 17 must equal the exact contents of each carton of stock submitted.
- e. With a witness, independently count the stock and verifies totals for each item, by item number, on PS Form 17.
- f. Sign the PS Form 17, along with the witness.
- g. Package saleable stock for return as follows:
 - (1) Place the signed original PS Form 17 in a sealed envelope, and tape it to the outside of the carton.
 - (2) Write the return authorization number provided by SFS on the outside of the carton.
 - (3) Place two copies of the signed PS Form 17 inside the carton and file the third copy locally.
 - (4) Send the carton to SFS based on the value of the shipment, as follows:
 - (a) If the value of the shipment is less than \$10,000, use Priority Mail service with Signature Confirmation service.
 - (b) If the value of the shipment is at least \$10,000, use Registered Mail service.

Notes:

- Do not commingle returned saleable stock with IRCs or stock returned for destruction.
- When using the Priority Mail network to return stamp stock, do not use an original manufacturer's carton/box.

11-6.1.4 **Returning Loose Stamp Stock Found in the Mailstream**

When stamp stock shipments have been damaged and broken open, loose stamp stock may appear in mail processing units, mail transportation equipment, or the mailstream. Any employee who finds loose stamp stock must notify his or her immediate supervisor about it, and the supervisor must do the following:

- a. Collect the loose stock into one or more cartons for shipment to SFS.
- b. For each carton of loose stamp stock to be shipped, prepare an original PS Form 17 as follows:
 - (1) With a witness, independently count the stock and enter the totals for each item, by item number, on PS Form 17.

Note: The information on PS Form 17 must exactly match the contents of each carton.
 - (2) Write "Found Loose in the Mail" on the top of PS Form 17.
- c. Make a copy of the original PS Form 17 and place the original in the carton with the loose stamp stock and file the copy locally.

- d. Use Priority Mail with Signature Confirmation service to send the carton to SFS at the following address:

STAMP FULFILLMENT SERVICES
LIM STOCK
8300 NE UNDERGROUND DRIVE PILLAR 225
KANSAS CITY MO 64162-9998

11-6.2 Returning Nonsaleable Stock for Destruction

11-6.2.1 General Information

A stamp stock custodian may return the following nonsaleable stock to SFS for destruction:

- a. Obsolete stock that is removed from sale at all locations.
- b. Defective stock that includes the following:
 - (1) Partial packages of stamps.
 - (2) Stamped envelopes.
 - (3) Postal cards.
 - (4) Damaged stock accepted from customers as described in DMM 604.9.0.

A stamp stock custodian must prepare nonsaleable stock to be returned to SFS for destruction as follows:

- a. Ensure that the value is clearly marked on each item.
- b. Sort loose stamps by denomination and paste them on letter-size paper.

A stamp stock custodian must retain nonsaleable stock until the value of the stock is at least \$25, and then must return it to SFS during the designated destruction cycle (as posted on the Accounting web page and publicized to offices through multiple communications).

The stamp stock custodian must check the *Postal Bulletin* to know when to withdraw specific stamps and stamped paper items from sale.

SFS provides the schedule for returning nonsaleable stock.

Note: A list of off-sale items is available on the Enterprise Data Distribution website at <https://edd.usps.gov/pls/posweb/ProdItem.Intro>.

11-6.2.2 Nonsaleable Stock Returned From the Unit Reserve to SFS

When returning any nonsaleable stock to SFS, the stamp stock custodian must do the following:

- a. Follow the return schedule provided by SFS.
- b. Verify and resolve any differences in stock returned from the RA's or the retail floor stock, and enter the total into the unit reserve stock identified as "redeemed stock."
- c. Remove all redeemed stock from the unit reserve.
- d. Enter stock being returned through respective reporting technology. PS Form 17 is automatically generated and assigns a system generated 10-digit numeric shipment number.

- e. Prepare a separate PS Form 17 for each carton. The PS Form 17 must equal the exact contents of each carton of stock submitted for destruction.
- f. With a witness, independently count the stock and verifies the total for each item, by item number, on PS Form 17.
- g. Ensure that the redemption rates are clearly marked for each item listed.
- h. Sign the PS Form 17 with the witness.
- i. Package nonsaleable stock for return as follows:
 - (1) Place the signed original PS Form 17 in a sealed envelope, and tape it to the outside of the carton.
 - (2) Place two copies of the signed PS Form 17 inside the carton and file the third copy locally.
 - (3) Send the carton to SFS based on the value of the shipment, as follows:
 - (a) If the value of the shipment is less than \$10,000, use Priority Mail service with Signature Confirmation service. Do not commingle redeemed stock returned for destruction with saleable stock or IRCs.
 - (b) If the value of the shipment is at least \$10,000, use Registered Mail service.

Notes:

- Do not commingle redeemed stock returned for destruction with IRCs or saleable stock.
- When using the Priority Mail network to return stamp stock, do not use an original manufacturer's carton/box.

11-6.2.3 **Exception for Large Quantity Destruction for Items With Postage Stamps**

11-6.2.3.1 **Overview**

A PRU that exchanges at least 10,000 items with postage affixed — i.e., stamped envelopes and postcards — may verify and recycle them locally if it receives an exception authorized by the manager of Field Accounting Support.

11-6.2.3.2 **Request Procedures**

The authorization request procedures are as follows:

- a. The customer must do the following:
 - (1) Submit a written request to the local PRU with an explanation of why the mailpieces were not mailed. The request must be on business letterhead and include the signature of the authorized user or the commercial entity that prepared the mailing. The letter must include a listing of the different values and quantity for each denomination.
 - (2) Submit envelopes grouped by identical size and weight for each denomination of envelopes.

- b. The PRU must do the following:
- (1) Complete PS Form 3210, *Receipt for Stamp Stock Submitted for Redemption*. Maintain the top portion with the envelopes to be redeemed, and provide the bottom portion to the customer as documentation that the unit accepted the envelopes.
 - (2) Prepare an original and two copies of PS Form 17. Enter the quantities provided by the customer — however, do *not* exchange the envelopes for postage until the manager of Field Accounting Support has approved the request. Instead, enter only 90 percent of the face value in the Redemption Rate (Destruction) column. (See DMM section 604.9.1.6.) For example, if the customer wants to exchange 10,000 envelopes with a face value of \$0.10, then the redemption rate is \$0.09 and the dollar value is \$900.
 - (3) Place the envelopes to be redeemed in Postal Service–approved mail transport equipment and seal the equipment with a numbered tin seal following Registered Mail procedures.
 - (4) Contact the manager of Field Accounting Support via email to request authorization to verify and destroy the envelopes locally. In the email notification, include the customer name, customer address, name of the retail unit, quantity, and amount.
Note: Do *not* proceed with destruction until the manager of Field Accounting Support has provided authorization.

11-6.2.3.3 Review and Either Approve or Deny

The manager of Field Accounting Support must review the request and take one of the following actions:

- a. Approval: If approving the request, the manager of Field Accounting Support must do the following:
- (1) As needed, assist the PRU in coordinating the date and time for verification with the closest BMEU, and assist the PRU with arranging transportation of verified envelopes for recycling to a facility (plant) with a recycling contract, if required.
Note: A BMEU in a plant with a recycling contract can recycle the verified envelopes at its facility.
 - (2) At least 5 days before the BMEU is to verify the envelopes, select “HDQ General Crimes Mailbox” from the Outlook address book to notify the USPIIS Crime Prevention unit/office, and also include the local USPIIS office on the email. (See Appendix B-3 for the email address of the local USPIIS office.) In the email subject line, enter “Stamped Envelope Destruction Exception — Forward to Security Team Leader,” and in the email, include the following information:
 - (a) The name and address of the BMEU verifying the envelopes.
 - (b) The date of verification.
 - (c) The mode of destruction — shredding or recycling.

- (d) The retail unit qualifying the exception.
 - (e) The customer name and address.
- (3) Reply to the PRU via email that the request is approved, and also provide handling and processing instructions and the date that the PRU may proceed with envelope destruction.
- b. Denial: If denying the request, the manager of Field Accounting Support must provide the reason for the denial.
If the manager of Field Accounting Support denies the request, the PRU notifies the customer of the denial and works with the customer, if necessary, to take corrective action for the request to receive approval.

11-6.2.3.4 **After Approval**

After approval from the manager of Field Accounting Support, the appropriate entities perform the following tasks:

- a. The PRU must ship envelopes to be redeemed along with the original PS Form 17 and one copy of it directly to the BMEU via Registered Mail according to the instructions and date provided by the manager of Field Accounting Support. The PRU maintains the second copy of PS Form 17.
- b. The BMEU manager/supervisor must do the following:
 - (1) Ensure that the envelopes do not accidentally enter the mailstream (treat it as Registered Mail).
 - (2) Along with a witness, verify quantities reported on PS Form 17 using the same process for verifying permit imprint mailings.
 - (3) If there is a discrepancy of greater than 1 percent, contact the PRU to notify the customer. Upon the customer's consent, the PRU contacts the BMEU manager to make corrections to the PS Form 17 (in the "Quantity" or "Redemption Rate Destruction" column) and to adjust the value accordingly.
 - (4) Once verification is finished, complete (with all members of the Destruction Committee) the top half of the final section of both the original PS Form 17 and the copy — i.e., the top half of "Section to Be Completed by Stamp Destruction Committee," under the line "We certify that the stock value (in words) was verified." Be sure to include a postmark.
 - (5) Release the verified envelopes with postage affixed and the PS Forms 17 to the destruction or recycling operation following instructions provided by the manager of Field Accounting Support.
- c. The destruction/recycling supervisor must do the following:
 - (1) Destroy or recycle the verified envelopes in the presence of all members of the Destruction Committee as witnesses.
 - (2) Once destruction is finished, complete (with all members of the Destruction Committee) the bottom half of the final section of both the original PS Form 17 and the copy — i.e., the bottom half of "Section to Be Completed by Stamp Destruction Committee,"

under the line “Each member witnessed the disposal of the stock by the method specified above.” Be sure to include a postmark.

- (3) Forward the signed PS Forms 17 to the manager of Field Accounting Support.

11-6.2.3.5 **After Destruction**

After destruction, the appropriate entities perform the following tasks:

- a. The manager of Field Accounting Support must do the following:
 - (1) Review the completed PS Form 17 for accuracy and forward the signed original to the PRU along with a letter (signed by the manager of Field Accounting Support) authorizing the exception.
 - (2) Maintain a copy of PS Form 17 and the authorization letter for office records.
- b. The PRU, upon receipt of the completed PS Form 17 and the authorization letter from the manager of Field Accounting Support, must do the following:
 - (1) Contact the customer.
 - (2) Determine the type of stamps required for the exchange.
 - (3) Coordinate with the customer to select a date to make the exchange.
 - (4) Coordinate with an RA to ensure that stamps are available for the verified amount.
- c. The RA must perform an exchange for the amount certified on PS Form 17, as follows:
 - (1) At an RSS unit:
 - (a) Use the stamp exchange workflow in RSS to issue stamps to the customer.
 - (b) Ship the redeemed dollar amount of stock from retail floor stock to unit reserve.
 - (c) Submit to the unit reserve the completed PS Form 17 and the authorization letter as supporting documentation for the exchange and the transfer of the redeemed stock.
 - (2) At a non-RSS unit:
 - (a) Issue the stamps exchanged to the customer.
 - (b) Ship the redeemed dollar amount of stock from the RA's stamp stock credit to the unit reserve with the completed PS Form 17.
- d. The stock custodian must do the following:
 - (1) Receive from the RA the redeemed amount into unit reserve.
 - (2) Ship to SFS the redeemed amount as stock returned from the unit reserve.
 - (3) Enter the system-generated shipment number on PS Form 17.

- (4) Submit to SFS a completed original PS Form 17, the signed authorization letter from the manager of Field Accounting Support, and any additional supporting documentation for entry into SEAM using one of the following methods:
 - (a) Email: Send an email to *SFS>Returns@usps.gov*. In the subject line of the email, enter "Destruction - Local Exception."
 - (b) FAX: Send a fax to 816-545-1018.
 - (c) Mail: Send the information to the following address:
 STAMP FULFILLMENT SERVICES
 ACCOUNTABLE PAPER DESTRUCTION SUPERVISOR
 8300 NE UNDERGROUND DR, PILLAR 225
 KANSAS CITY MO 64162-9998
- (5) Maintain copies of all documents (i.e., customer request letter, PS Form 17, emails, etc.) for local office records.

11-6.3 International Reply Coupons

11-6.3.1 United States Issued

The Postal Service no longer sells U.S.-issued International Reply Coupons (IRCs).

11-6.3.2 Foreign Issued

Foreign-issued IRCs, regardless of the country of issue, are exchangeable at U.S. Post Office facilities toward the purchase of postage stamps and embossed stamped envelopes at the current maximum First-Class Mail International 1-ounce, letter-size price, per coupon.

At the time of exchange, the RA must round date the IRC on the right-hand side of the coupon.

Exchanged IRCs remain in the RA's accountability or retail floor stock until the RA receives instructions to return them to the unit reserve using PS Form 17.

When rates change, the Postal Service publishes special instructions in the *Postal Bulletin*.

11-6.3.3 Postal Retail Unit Annual Submission to SFS

An annual *Postal Bulletin* article contains a reminder for unit reserves to submit exchanged and redeemed IRCs to SFS. The article indicates the current IRCs that unit reserves are to return to SFS, including current acceptable versions.

Redemption rates for foreign-issued IRCs are based on the round date stamp (on the right-hand side of the coupon).

The stamp stock custodian must ship redeemed IRCs to SFS following the steps below:

- a. Bind foreign-issued IRCs in packages of 100.
- b. Prepare PS Form 17 in triplicate and write "Exchanged/Redeemed IRCs" on the top of each PS Form 17.

- c. Submit copies 1 and 2 with the stock. File copy 3 with supporting documentation locally.
- d. Use only one PS Form 17 for all the IRCs. It is not necessary to attach PS Form 17 on the outside of the return package but write “IRC” on the outside of the return package.

For IRCs that are not published in the *Postal Bulletin* as eligible to be returned to SFS, the stamp stock custodian must follow the procedures below:

- a. Check the expiration date, which is printed on the back of the IRC.
- b. For an IRC that is no longer eligible to be returned to SFS, destroy it locally. Such an IRC has no value — post it as a shortage to the unit reserve stock inventory using AIC 767, Employee Stamp Credit Shortage.
- c. If applicable, use eIWS Online Forms to submit a claim for loss following procedures in [8-7](#).
- d. Upon receipt of an approved claim for loss, clear the stamp credit shortage in AIC 367, *Stamp Credit Shortage Cleared*, and offset it to AIC 633, Claim for Loss. Use Reason Code 10, Uncollectible Employee Items.

11-6.4 Migratory Bird Hunting and Conservation Stamps

11-6.4.1 General Information

Federal law requires persons who hunt migratory birds to obtain a migratory bird hunting and conservation stamp. The Postal Service sells migratory bird hunting and conservation stamps and refers to these stamps as *bird stamps*. Stamp stock custodians hold prior year (unsold) bird stamps in their inventory to be included with nonsaleable stock returned during their next scheduled destruction.

11-6.4.2 Postal Retail Unit Procedures

The stamp stock custodian must do the following:

- a. Each year, order a 1-year supply of that year’s bird stamp from SFS before July 1.
- b. Ensure that RAs report every bird stamp sale in AIC 091 on the unit’s PS Form 1412 at the time of the sale.
- c. Follow the instructions provided in the *Postal Bulletin*.

11-6.4.3 Returning Unsold Bird Stamps to the Unit Reserve

RAs must submit unsold bird stamps to the unit reserve before April 30. The stamp stock custodian must include the prior year’s unsold bird stamps when returning nonsaleable stamp stock for destruction to SFS. For additional information for returning nonsaleable stock, see [11-6.5](#).

11-6.5 **Accounting for Stock Returned to SFS**

Accounting Services monitors all stamp stock shipments. A PRU or CPU creates an in-transit item when it ships stock to SFS or other location and reports the stock in AIC 848 on the unit's PS Form 1412.

At the time of mailing saleable or nonsaleable stock for return to SFS, the stamp stock custodian does the following:

- a. Ensure that the unit's PS Form 1412 reflects an entry to AIC 848 for the total amount of the returned stock.
- b. Keep a copy of PS Form(s) 17 to support the AIC 848 entry on the unit's PS Form 1412.

11-7 Applying Stock Discounts

11-7.1 **Overview**

The Postal Service records plain stamped envelopes — including window envelopes and nonprofit envelopes — at their full face value in the stamp inventory.

The Postal Service sells full boxes of envelopes at the discounted rate specified in DMM 604.2.0.

11-7.2 **Recording Sales of Full Boxes of Envelopes**

To report on the unit's PS Form 1412 the sale of full boxes of envelopes at the discounted amount as postage sales, the RA does the following:

- a. Sell full boxes of envelopes at the discounted rate as specified in DMM 604.2.0.
- b. Complete PS Form 3220, *Claim for Stamped Envelope Discount*. Make entries in ink.
- c. Enter the purchaser's name (firm name, if applicable). If a cash purchaser is unwilling to provide the name, indicate this on the form and notify the postmaster or manager, who must initial the entry on PS Form 3220.

To apply the discounted amount to the stamp accountability, the RA does the following:

- a. Use the proper technology workflow to record the discounted amount in AIC 846 on the unit's PS Form 1412.
- b. On the day of the transaction, submit PS Form 3220 as supporting documentation for the AIC 846 entry on the unit's PS Form 1412.

Note: The postmaster, manager, or designated employee verifies the computations on PS Form 3220. Management verification determines if the claim is reasonable by ensuring that a sufficient amount of stamped envelopes were in the RA's stamp credit or, for RSS units, in the retail floor stock.

11-8 Conducting a Stock Revaluation

Stock revaluation is necessary when there is a price change. Each Post Office must revalue stamp stock item(s) on hand. On the business day of the price change, each Post Office must increase/decrease the value of the stock item(s) in its inventories.

11-8.1 **e1412 Units**

The method of the stamp stock revaluation depends on the type of e1412 unit:

- a. At a standard office, revaluation is automatically generated for the unit reserve.
- b. At an SDA office, the unit must count and manually enter amounts.

An SDA office performs a stamp stock revaluation as follows:

- a. Complete all pending stock transfers before initiating the revaluation procedures.
- b. Complete the revaluation procedures before creating the individual stamp credit (ISC) on the unit's PS Form 1412.

Note: If the owner of the ISC is not available, complete the revaluation procedures upon the owner's return.

- c. Complete the revaluation procedures in e1412, even if there are no items to be revalued.

AIC 844, Stock Increase – Revaluation, or AIC 850, Stock Decrease – Revaluation, automatically posts on the unit's PS Form 1412 when the office personnel enters a quantity for the revalued item(s).

11-8.2 **RSS Units**

When there is a price change, RSS automatically performs a revaluation of accountable stock.

RSS uses the Inventory by Segment report to determine the quantity on hand in the Unit Reserve and segments (Retail Floor Stock, Mobile, Philatelic, and Stamps by Mail), and it performs the automatic revaluation based on the quantity on hand.

To ensure that revaluations are reported accurately, ensure that all inventory is recorded in the proper item numbers.

11-9 Stock for Internal Purposes

11-9.1 **Local Mailing Tests**

It is not necessary to conduct mail tests of local service standards using postage stamps. The Postal Service conducts national testing to measure service standards under a contract administered by the Consumer Advocate at Headquarters.

11-9.2 **United States Postal Inspection Service or Office of Inspector General Stamp Stock Requisitions**

PRUs do not fulfill stamp requisitions for the USPIIS or the OIG.

The USPIIS and OIG each must submit an eBuy+ order for stamps. Once approved, the USPIIS and OIG each order stamps through the Postal Store website using its purchasing card.

11-9.3 **Promotions or Presentations**

A field unit may obtain stock either locally or through SFS by submitting an eBuy+ requisition for funding approval, as follows:

- a. The procedure for obtaining stock locally is as follows:
 - (1) The postmaster submits the approved eBuy+ requisition to an RA who services the same finance number.
 - (2) The RA fulfills the items as requested.
 - (3) The RA enters the amount into the appropriate postage sales AIC.
 - (4) The RA offsets the entry to AIC 596 on the unit's PS Form 1412.
 - (5) The RA submits the approved eBuy+ requisition as supporting documentation for the unit's PS Form 1412.
- b. To obtain stock from SFS, a field unit employee does the following:
 - (1) Complete the order form found in the *USA Philatelic* catalog. Stock that is not available locally may be available through SFS.
 - (2) Request an eBuy+ requisition for funding approval.
 - (3) Include postage and handling as described in the *USA Philatelic* catalog.
 - (4) Attach the approved eBuy+ requisition to the order form in lieu of payment and mail to the following address:
 STAMP FULFILLMENT SERVICES
 8300 NE UNDERGROUND DR PILLAR 210
 KANSAS CITY MO 64144-9998

11-10 Accounting for Unit Reserve Stock

11-10.1 **Maintaining Accountability**

The system-generated reports maintain a record of the unit reserve stock accountability.

All transactions that affect the unit reserve stock must appear on the system-generated PS Form 3959, *Stamp Stock Transactions and Daily Recap*.

Examples of transactions include the following:

- a. Stock received from SFS, RAs, other units, and retail floor stock.
- b. Stock returned to SFS.
- c. Stock shipped to other units.

- d. Requisitions filled.
- e. Count results.

Note: Keep the original PS Form 3959 as supporting documentation for the unit's PS Form 1412.

11-10.2 Transferring Accountability

11-10.2.1 When to Transfer Accountability

When the stamp stock custodian is leaving the Postal Service, is transferring to a different position, or is scheduled to be absent for an extended period of time, the outgoing stamp stock custodian must transfer the accountability to the incoming stamp stock custodian.

11-10.2.2 How to Transfer Accountability

The outgoing stamp stock custodian (or the designated witness) and the incoming stamp stock custodian must each perform an independent count of the unit reserve stock in order to transfer the accountability. Each individual must use a separate PS Form 3294, *Cash and Stamp Stock Count and Summary*, to document the count.

To finalize the count and document any differences, the incoming stamp stock custodian enters the count in the retail reporting technology.

The outgoing stamp stock custodian must then reassign the stamp stock custodian role to the incoming stamp stock custodian, who accepts responsibility for the stock by completing and signing PS Form 3369, *Consigned Credit Receipt*.

The incoming stamp stock custodian submits the completed PS Form 3294 to the supervisor or designee to be retained in the PRU, and also changes the vault combination to restrict access by the outgoing stamp stock custodian.

11-10.3 Transferring Stock Between Postal Retail Units

11-10.3.1 Prohibition on Transferring Blank Money Order Stock

A PRU must not transfer blank money order stock to another PRU.

11-10.3.2 Shipping Procedures

To ship stamp stock to another PRU, the stamp stock custodian must do the following:

- a. With a witness, count and prepare the stamp stock to be shipped.
- b. Immediately record the stamp stock shipped in AIC 848 using retail reporting technology workflows. This will decrease AIC 853 on the unit's PS Form 1412.

Note: The retail reporting technology automatically generates PS Form 17 and assigns a system-generated 10-digit numeric shipment number. Both the stamp stock custodian and the witness must sign PS Form 17. In an office where multiple employees work concurrently, the PS Form 17 must have a witness signature. In an

office where there is just one employee, the employee must enter “NWA” on the witness signature line to indicate that no witness is available.

- c. Send the original PS Form 17 to the receiving PRU based on the value of the shipment:
 - (1) If the value of the shipment is less than \$10,000, use Priority Mail service with Signature Confirmation service.
 - (2) If the value of the shipment is at least \$10,000, use Registered Mail service.
- d. File the duplicate PS Form 17 locally as supporting documentation for the AIC 848 entry on the unit’s PS Form 1412.

11-10.3.3 **Receiving Procedures**

To receive stamp stock from another PRU, the stamp stock custodian must do the following:

- a. Verify the stamp stock received with a witness.
- b. Sign PS Form 17. In an office where multiple employees work concurrently, the PS Form 17 must have a witness signature. In an office where there is just one employee, the employee enters “NWA” on the witness signature line to indicate that no witness is available.
- c. Immediately record the stamp stock received in AIC 841 using the retail reporting technology workflows. Use the shipment number and the location ID of the unit that shipped the stamp stock. This will increase AIC 853 on the unit’s PS Form 1412.
- d. File PS Form 17 locally as supporting documentation for the AIC 853 entry on the unit’s PS Form 1412.

11-11 Verifying Total Unit Accountability

11-11.1 **e1412 Units**

The unit manager verifies total stock accountability as follows:

- a. Verify the ending accountability for each category of stamp stock in the unit reserve.
- b. Ensure that the **Total Unit Accountability** on PS Form 3959 matches the unit’s PS Form 1412 AIC 853 total.
- c. Resolve any differences, if applicable.
- d. Print PS Form 3959 and file it with the unit’s PS Form 1412.

11-11.2 **RSS Units**

The unit manager or closeout employee verifies total stock accountability as follows:

- a. Verify that the unit reserve inventory report total matches the unit reserve total on the Clerk Balance List.
- b. Verify that the Clerk Balance List matches the AIC 853 entry on the unit's PS Form 1412.
- c. Resolve any differences.

11-12 Money Orders

11-12.1 **Overview**

PRUs order money order stock from the MDC.

11-12.2 **Responsibilities**

The MDC has the following responsibilities:

- a. Receives domestic, international, and bait money orders from the vendor.
- b. Provides domestic, international, and bait money orders to PRUs.

The Material Distribution and Inventory Management System (MDIMS) — the MDC's automated inventory system — has the following responsibilities:

- a. Process money order requisitions.
- b. Track inventory.
- c. Produce a daily file to the money order branch in St. Louis and to the Federal Reserve Bank.

11-12.3 **Ordering Money Orders**

Each PRU employee must adhere to the following procedures when ordering money order stock from the MDC:

- a. Submit a requisition for domestic money order sets in multiples of 100.
- b. Submit a requisition for international money order sets in multiples of 5.
- c. Submit a requisition for bait money order sets in multiples of 3.

Note: The PRU must order enough bait money orders to provide an adequate supply for the closeout employee and each RA assigned a stamp credit, plus a 10-percent surplus for emergencies.

- d. Follow the money order stock requisition procedures established for the PRU's district.
- e. Order the money order stock through eBuy+, using the FEDSTRIP number for the unit that is receiving the stock.

Submit orders through eBuy+ or through Touch Tone Order Entry (TTOE) by calling 877-854-3340.

11-12.4 **Verifying Receipt of Money Order Form Sets**

Packages of blank domestic money order stock contain 100 money orders per package. The MDC prepares boxes and cartons of blank domestic money order stock as follows:

- a. RSS money orders:
 - (1) 25 packages per box (total of 2,500).
 - (2) 4 boxes per carton (total of 10,000).
- b. Non-RSS money orders
 - (1) 10 packages per box (total of 1,000).
 - (2) 5 boxes per carton (total of 5,000).

When receiving more than one carton or box, the stamp stock custodian must verify the continuity of serial numbers through the first serial number shown on the outside label on the front of each package. Also, note the following instructions:

- a. Do not open factory-sealed cartons, boxes, or packages just to verify serial numbers — instead, verify the numbers only when it is necessary to issue the forms.
- b. If the factory seal has been broken, verify the serial numbers and quantities against the PS Form 17 before accepting the money orders into inventory.

If the number of boxes or packages received does not agree with the invoice, or if a sealed package, box, or carton does not contain the appropriate quantity of blank money order stock or contains duplicate serial numbers, the stamp stock custodian does the following:

- a. Report the facts to the MDC by email at *materials.customerservice@usps.gov*.
- b. File a copy of the email with the certified PS Form 17 as supporting documentation locally.
- c. Refer to [13-2.4](#) for issuing money order forms to RAs.

11-12.5 **Money Order Defects**

Defective money order stock is not saleable and remains the property of the Postal Service. No employee or contractor may purchase, sell, or transfer defective money order stock from an official supply.

Defective stock includes obvious printing and production errors such as the following:

- a. Upside-down printing.
- b. Bad barcode.
- c. Bad color registration.
- d. No perforations.

Any USPS employee or contractor who discovers defective money order stock must immediately return the defective products to the unit reserve stock.

The stamp stock custodian must immediately contact the MDC to inform them of the defect and must follow the instructions provided by MDC.

11-12.6 Destroying Blank Money Orders

11-12.6.1 Scenarios for Destroying Blank Money Orders

A PRU must destroy blank money orders in the following two scenarios:

- a. When a PRU is closing either permanently or temporarily. In this case, the PRU must destroy all blank money orders.
- b. When blank money order stock has been damaged. In this case, the PRU must destroy only the damaged blank money order stock.

Exception: Headquarters may grant approval to a PRU to destroy stock for reasons other than PRU closure or damage. Examples of exceptions include technology conversions or updating blank money order stock.

Note: CPUs must return blank money orders to the host office, which must destroy and record the destruction in e1412.

11-12.6.2 Procedures for Destroying Blank Money Orders

The PRU's postmaster, manager, or supervisor must take the following steps to destroy applicable blank money orders — i.e., all blank money orders when a PRU is closing either permanently or temporarily, but in the case of damaged blank money order stock, just the damaged stock:

- a. Report the destroyed money order stock using the appropriate workflows in e1412 or RSS.
- b. Confirm that the system-generated PS Form 17 accurately reflects the stock.
- c. Destroy all parts of the money order stock locally by shredding or cutting each money order into at least eight pieces.
- d. Sign and date the PS Form 17 and ensure that the witness also signs and dates the PS Form 17. If no witness is available, write "NWA" on the appropriate line.

Note: Electronic signatures are acceptable.

- e. Retain PS Form 17 as supporting documentation.

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12 Accountable Paper – Stamp Distribution Offices, Stamp Services Center, and Stamp Fulfillment Services

This chapter contains the responsibilities and procedures for receiving, securing, issuing, and controlling accountable paper at Stamp Fulfillment Services (SFS), stamp distribution offices (SDOs - there is one in Honolulu, HI and one in San Juan, PR), and the Material Distribution Center (MDC). This chapter also describes the requirements and procedures for destroying stamp stock. This chapter includes the following subchapters:

[12-1 Responsibilities.](#)

[12-2 Receiving Accountable Paper.](#)

[12-3 Filling Requisitions.](#)

[12-4 SFS and SDO Internal Nonsaleable Stock.](#)

[12-5 Stamp Stock Destruction.](#)

[12-6 Stamp Stock Issued to the USPIS or the OIG.](#)

[12-7 Annual Inventory Count of Stamp Stock.](#)

There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

12-1 Responsibilities

12-1.1 **Manager of Stamp Fulfillment Services**

The manager of Stamp Fulfillment Services (SFS), a Headquarters field unit, has the following responsibilities:

- a. Manage SFS.
- b. Ensure that SFS is properly staffed, follows established procedures, and has a safe, secure work environment.
- c. Ensure that SFS conducts a physical inventory of every saleable stock item in the stamp stock inventory at least once a year.

12-1.2 SFS Operations Manager

The SFS Operations manager has the following responsibilities:

- a. Manage the daily operations of receiving and shipping accountable paper.
- b. Account for all postal and nonpostal stock.
- c. Place orders and receive stamp stock for SFS.
- d. Ship stamp stock to postal retail units (PRUs).
- e. Receive returned shipments of stamp stock from PRUs.
- f. Report each stamp stock transaction on the date it occurs.
- g. Ensure that all accountable paper is properly secured.
- h. Maintain adequate accountable paper inventory to fill stamp stock requisitions.
- i. Ensure that SFS conducts a physical inventory of every saleable stock item in the stamp stock inventory at least once a year.
- j. Manage stamp destruction activities.

12-1.3 SFS Supervisor

The stamp distribution supervisor at SFS has the following responsibilities:

- a. Supervise clerks in various functions within SFS.
- b. Supervise the filling of requisitions received from PRUs.
- c. Supervise the operations of receiving accountable paper.
- d. Supervise all warehousing activities.
- e. Supervise stamp destruction activities.

12-1.4 District Customer Relations Manager

The district Customer Relations manager whose district has one of the two SDOs has the following responsibilities:

- a. Manage the SDO within the district.
- b. Ensure that the SDO is properly staffed, follows established procedures, and has a safe, secure work environment.
- c. Ensure that the SDO supervisor conducts a physical inventory annually and when custody of an SDO is transferred between individuals.
- d. Designate members of the Stamp Destruction Committee.

12-1.5 SDO Supervisor

The SDO supervisor has the following responsibilities:

- a. Account for all postal and nonpostal stock in the SDO.
- b. Order and receive stamp stock for the SDO.
- c. Ship stamp stock to PRUs within the SDO's service area.
- d. Receive returned shipments of stamp stock from PRUs within the service area.
- e. Report each stamp stock transaction on the date it occurs.

- f. Ensure that all accountable paper is properly secured.
- g. Maintain sufficient stock to meet customer demand.
- h. Conduct a physical inventory annually and when custody of the SDO and any of its internal stamp vaults are transferred between individuals.

12-1.6 **SFS or SDO Stamp Distribution Clerk**

Under the direction of the SFS or SDO supervisor, an SFS or SDO stamp distribution clerk is responsible for filling requisitions received from PRUs.

12-1.7 **MDC Manager**

The manager of the MDC has the following responsibilities:

- a. Manage the distribution of money orders to PRUs and CPUs nationally.
- b. Ensure that the MDC is properly staffed, follows established procedures, and has a safe, secure work environment.
- c. Store money order sets in a secure area or vault that is locked and under control of the MDC supervisor.
- d. Ensure that a physical inventory of all money orders is conducted annually.
- e. Coordinate obsolete money order destruction in the MDC warehouse.

12-1.8 **MDC Supervisor**

The MDC supervisor has the following responsibilities:

- a. Supervise MDC supply center clerks in various functions within the MDC.
- b. Receive money orders that are shipped from the printing vendor to the MDC.
- c. Supervise the filling of money order requisitions received from PRUs.

12-1.9 **MDC Supply Center Clerks**

Under the control of the MDC supervisor, MDC supply center clerks are responsible for filling money order requisitions received from PRUs.

12-2 Receiving Accountable Paper

12-2.1 **Accountable Paper Sources**

SFS may receive accountable paper in bulk from the following sources:

- a. Private-sector secure stamp printers.
- b. Stamp product suppliers.
- c. Minnesota Diversified Industries.

SDOs receive accountable paper from SFS.

12-2.2 **Money Order Sources**

The Supply Management Asset Planning organization requisitions money order stock from an appropriate money order supplier, which ships money orders to the MDC.

12-2.3 **Verifying Stock Shipments**

SFS personnel verify each stock shipment received against the advice of shipment or the bill of lading.

The MDC manager verifies the advice of shipment or bill of lading against the skids of money orders received, and reports any discrepancies to Revenue and Field Accounting at Headquarters (RAFA).

12-2.4 **Recording the Advice of Shipment**

SFS personnel matches the stock received against the advice of shipment or the bill of lading. If there is a discrepancy, the SFS Operations manager or supervisor does the following:

- a. Enter the value of the invoice into the inventory system within 24 hours of receipt, excluding weekends.
- b. Follow procedures in [12-2.12](#) and [12-2.13](#) for handling discrepancies in stock received.
- c. Follow procedure in [12-2.14](#) for handling defective stock.

The MDC manager or supervisor matches the vendor's advice of shipment against the serial numbers of the money orders received. If there is a discrepancy, the MDC manager or supervisor does the following:

- a. Enter the range of serial numbers received.
- b. Notify RAFA of any discrepancies.
- c. Notify the appropriate Supply Management – Category Management Center of any discrepancies.

12-2.5 **Stock Received From Suppliers**

12-2.5.1 **Overview**

The SFS inventory manager or inventory supervisor enters stamp stock received from suppliers as follows:

- a. Report the amount received from suppliers in the inventory system as Received from Supplier. This includes automatic shipments from suppliers.
- b. Enter the numeric shipment number as stated on the advice of shipment.
- c. Enter the shipment amount as stated on the advice of shipment.
- d. Account for discrepancies in quantity by following the process outlined in [12-2.13](#).

The MDC supply center clerk enters money orders received from suppliers as follows:

- a. Report the amount received from suppliers in the Material Distribution and Inventory Management System (MDIMS) as Received from Supplier. This includes automatic shipments from suppliers.
- b. Select the contract number or item number (PSN).
- c. Enter the numeric shipment number.
- d. Enter the shipment amount as stated on the advice of shipment.
- e. If an advice of shipment is not received, prepare an Item 0-13, *Routing Slip*, containing the following:
 - (1) The item number.
 - (2) The date received.
 - (3) The quantity received.
 - (4) The unit value.
 - (5) The total value.
 - (6) The preparer's signature.

Account for discrepancies in quantity by contacting the contracting officer.

12-2.5.2 **Stock In-Transit Procedure (Stock Shipped From a Stamp Supplier to SFS)**

Accounting Services monitors all stamp stock shipments. Stock shipped to SFS from the stamp supplier creates an in-transit item for SFS. SFS clears the in-transit item when SFS records the shipment as received in the stamp inventory system.

SFS has 15 days to record the vendor stamp stock shipment as received. If a discrepancy exists for the in-transit item, the Field Sales Branch (FSB) does the following tasks:

- a. After 10 days, notify SFS to receive the outstanding in-transit stamp stock shipment.
- b. After 15 days, escalate the in-transit issue to the manager of RAFA.

12-2.6 **Stamp Stock Received From a Postal Retail Unit or Contract Postal Unit**

12-2.6.1 **General Information**

SFS enters stamp stock received from a PRU or a CPU as follows:

- a. Report the amount in the inventory system as Returned from Post Office.
- b. Enter the item number, area, unit finance number (UFN), and quantity.
- c. Enter the 10-digit shipment number — i.e., the numeric shipment number that was generated from the shipping unit and that appears on PS Form 17.

12-2.6.2 Saleable Stock

A PRU must request return authorization before returning saleable stock. If the PRU does *not* request return authorization, SFS or the SDO may send the stamp stock back to the PRU.

When it receives saleable stock, the SFS or SDO supervisor must do the following:

- a. Verify, sign, and date the PS Form 17 sent by the PRU returning saleable stock.
- b. Contact the shipping unit if there is a discrepancy.
- c. Receive stock back into inventory.
- d. Keep the PS Form 17 on file as supporting documentation.

12-2.6.3 Nonsaleable Stock

A PRU may return nonsaleable stock for destruction. SFS must provide a schedule for returning nonsaleable stock.

When it receives nonsaleable stock, the SFS return committee must do the following:

- a. Report the amount listed on the PS Form 17 sent by the PRU in the inventory system using Redeemed Receipt.
- b. Transfer the nonsaleable stock to the appropriate locator in the inventory system to be held for destruction.

12-2.6.4 Blank Money Order Stock

A PRU does *not* return blank money order stock to the MDC. A PRU has authority to locally destroy blank money order stock as referenced in [11-12.6](#).

12-2.7 Loose Stamp Stock Received From P&DCs, NDCs, or the MRC

Processing and Distribution Centers (P&DCs), Network Distribution Centers (NDCs), and the Mail Recovery Center (MRC) must return loose stamp stock found in the mailstream to SFS. Follow the procedures in [11-6.1.2](#).

When receiving loose stamp stock, the SFS supervisor must do the following:

- a. Report the amount listed on the PS Form 17 or routing slip sent by the unit in the inventory system as Stock Recovered.
- b. Transfer the nonsaleable stock to the appropriate locator to be held for destruction.

12-2.8 International Reply Coupons

The process for handling international reply coupons (IRCs) is as follows:

- a. By January 31 of each calendar year, a PRU sends IRCs to SFS.
- b. SFS consolidates and batches IRCs received from PRUs. SFS receives the returned IRCs in the inventory system at the value claimed on the PS Form 17. SFS submits to the UPU International Bureau all foreign-issued (exchanged) IRCs that have been accepted by PRUs through December 31 of each calendar year.
- c. By February 28 of each calendar year, SFS sends a notice of the IRCs to be exchanged (i.e., the IRCs received through December 31 of the previous calendar year) to the St. Louis Accounting Service Center International Accounting Branch, using the following email address: *International Accounting Management Team*. The notice provides the quantity and value of IRCs to be exchanged, and the number of boxes to be returned to the UPU International Bureau.
- d. The St. Louis Accounting Service Center sends SFS the completed IRC Cover Letter, the CN 03 form, and the Shipping Information packing list.
- e. Upon receipt of this information, SFS prepares the IRCs to be exchanged for shipment to the UPU International Bureau, as follows:
 - (1) SFS must return the IRCs in accordance with the Letter Post Manual, International reply coupons, currently Article RL 146 of the 2014-2017 Letter Post Manual.
 - (2) SFS must enclose the IRC Cover Letter, the CN 03 form (in duplicate — SFS makes the duplicate copy), and the Shipping Information packing list in a box labeled “Box 1 of X” (with “X” representing the total number of boxes in the shipment).
 - (3) SFS must ship the IRCs using Priority Mail Express International service, which requires an electronically generated PS Form 2976-B, *Priority Mail Express International Shipping Label and Customs Form*, and PS Form 2865, *Return Receipt for International Mail*. SFS must ship the IRCs to the following address:

UPU INTERNATIONAL BUREAU
INTERNATIONAL REPLY COUPONS
PO BOX 312
3000 BERNE 15
SWITZERLAND

For the return address for this shipment, SFS must use the following address:

INTERNATIONAL ACCOUNTING BRANCH
UNITED STATES POSTAL SERVICE
PO BOX 80408
SAINT LOUIS MO 63180-0408
USA

SFS uses its USPS Corporate Account Number as the method of payment.

12-2.9 Migratory Bird Hunting and Conservation Stamps

Stamp Production located at SFS reviews the previous year's usage of Migratory Bird Hunting and Conservation Stamps (bird stamps) and ensures an adequate supply on hand to fill requisitions during ordering periods.

SFS accounts for unsold bird stamps that are returned from PRUs and CPUs in the same manner as nonsaleable stock (follow the procedure in [12-2.6.3](#)).

12-2.10 Overstated Stamp Stock

If SFS overstates a stamp stock received shipment, SFS must enter the overstated amount in the inventory system using a Stock Overage Correction.

At the end of that business day, SFS prints an End of Day Report from the inventory system and keeps all supporting documentation.

12-2.11 Lost Vendor Shipments

SFS is responsible for initiating an investigation of missing vendor shipments of registered stamp stock and nonregistered shipments (envelopes and postal cards).

If all efforts fail to locate a missing vendor's registered or nonregistered stamp stock shipment, SFS performs the following tasks:

- a. Enter the stamp stock into the inventory system using Received from Supplier.
- b. Prepare PS Form 2130, *Claim for Loss*, in duplicate. Attach a copy of the correspondence including detailed information regarding steps taken to locate the missing vendor registered or nonregistered stamp stock shipment. This correspondence must include the name and address of the U.S. Postal Inspection Service (USPIS) inspector that was notified.
- c. Forward the documents to Stamp Production at *SFS_StampProd@usps.gov*.

Stamp Production reviews, adjudicates, and returns the documents to the SFS for processing.

Upon receipt of the approved claim for loss, the SFS Operations manager or supervisor does the following:

- a. Process the claim in the inventory system using Claim for Stock Loss.
- b. Maintain the original and all copies of supporting documentation for processing the claim.

12-2.12 Stock Discrepancies in Sealed Packages

SFS must immediately report a discrepancy in a sealed package that exceeds the limits noted in Exhibit 12-2.12.

Exhibit 12-2.12

Limits for Stock Discrepancies in Sealed Packages

Item	Discrepancy Not to Exceed
Booklets	A full unit of 25
Panes	A single deck or pad of 100
Postal cards	A full package of 250
Stamped envelopes	A carton of 500
Philatelic products (packets, folders, books, or albums)	15 of the applicable item (packets, folders, books, or albums)
Coil of 100 stamps	6 coils
Coil of 500 stamps	1 coil
Coil of 3,000 stamps	1 coil
Coil of 5,000 stamps	1 coil
Coil of 10,000 stamps	1 coil

If there is a discrepancy, SFS immediately sends an email to Stamp Production at SFS_StampProd@usps.gov to report overages and shortages in stock received (sealed packages only) from the following sources:

- Private-sector secure stamp printers.
- Stamp product contractors.
- A stamped envelope agency or stamped card manufacturer.
- Transfers between other SDOs and PRUs.

Provide a detailed explanation of the discrepancy and follow all reporting and accounting requirements (see [12-2.14](#)).

File a copy of the email locally as supporting documentation.

12-2.13 Accounting for Stock Discrepancies

12-2.13.1 Stock Overages

To report overages found in stamp stock vendor shipments, SFS Operations manager must do the following:

- Report as Stock Adjustment in the inventory system. The inventory system transmits the adjustment to General Ledger Account (GLA) 56203.247 in the Financial Performance Report (FPR).
- File a copy of the email sent to Stamp Production as supporting documentation for the AIC 247 expense entry.

12-2.13.2 Stock Shortages

To report shortages found in stamp stock vendor shipments, SFS must do the following:

- Report as Claim for Stock Loss in the inventory system. The inventory system transmits the adjustment to GLA 56203.647 in the FPR.
- File a copy of the email sent to Stamp Production as supporting documentation for the AIC 647 expense entry.

12-2.14 Reporting Stock Defects

Defective stock contains obvious printing and production errors such as the following:

- a. Bad color registration.
- b. Missing color.
- c. Missing printing.
- d. Upside-down printing.
- e. Missing perforations.
- f. Perforated stamp design.

Process the defective stock received as follows:

- a. Send an email to *SFS>Returns@usps.gov* requesting a Return Authorization Number, and also send a copy of the email to Stamp Production at *SFS_StampProd@usps.gov*. Provide a detailed explanation of the discrepancy and include the following information:
 - (1) Office name.
 - (2) Finance number.
 - (3) Contact name.
 - (4) Telephone number.
 - (5) Item number(s).
 - (6) Value and description.
 - (7) Quantity of the overage/shortage.
 - (8) Detailed description of the manufacturer's defect.
 - (9) Supplier name (i.e., the name of the item manufacturer).
 - (10) Advice of shipment date (from the manufacturer).
 - (11) The specific number on each carton.
- b. Print three copies of the email sent to Stamp Production.
- c. Enter the defective stock into the inventory system using Redeemed/Destroyed.
- d. Using Registered Mail service, send the defective stock with a copy of the email to the following address — be sure to insert the appropriate return authorization (RA) 7-digit number:

ATTENTION RA #####
 STAMP FULFILLMENT SERVICES
 US POSTAL SERVICE
 8300 NE UNDERGROUND DR #225
 KANSAS CITY, MO 64162-0001
- e. Send a copy of the email to the following address:

INSPECTOR IN CHARGE
 SECURITY GROUP
 US POSTAL INSPECTION SERVICE
 475 L'ENFANT PLZ SW RM 3621
 WASHINGTON DC 20260-2166
- f. File the third copy of the email locally as supporting documentation.

The MDC reports defective money order stock received as follows:

- a. Send an email to the contracting officer with details of quality issues. The contracting officer notifies the MDC with disposition instructions.
- b. Take appropriate action identified by the contracting officer.

12-3 Filling Requisitions

12-3.1 Automatic Shipments to Postal Retail Units

SFS sends automatic shipments directly to PRUs — PRUs do not receive shipments from outside suppliers. SFS typically uses automatic shipments to ship commemorative or special issue stamps to PRUs in advance of the First Day of Issue (FDI).

12-3.2 Requisitions

A PRU requests stamp stock orders utilizing the SFS website. A PRU must request emergency orders through customer service by calling 844-737-7826.

12-3.3 Processing Requisitions

SFS processes requisitions by releasing them in SEAM (Solution Enterprise Asset Management) according to local policy.

Note: SEAM sorts requisitions by the order date as received in SEAM.

12-3.4 Shipping Stamp Stock

The SFS inventory supervisor ensures that all items are available on the pick line for clerks to fill the day's orders. An employee identified as a picker fills the items ordered from the pick line. An employee identified as a verifier checks orders for accuracy and signs or initials the top of the pick list.

12-3.5 Distributing Money Order Sets (MDC)

The MDC supply center clerk distributes money order sets as follows:

- a. Select money order shipments based on quantity and item identified on the picking list.
- b. Ship money order sets via Registered Mail service.

Notes:

- a. *Domestic:* The MDC supply center clerk may *not* split a package of 100 domestic money order sets between PRUs.
- b. *International:* The MDC supply center clerk may issue international money orders in a minimum of five form sets.

12-3.6 Processing the Daily Closeout

SEAM runs a daily interface to process the daily closeout and sends all applicable finance records to the appropriate USPS system. The End of Day Report is available for SFS the following morning. The SFS supervisor may process a preliminary daily report in SEAM.

At the MDC, on the day money orders are shipped, the MDIMS system sends to the St. Louis Accounting Service Center a 6007 report that includes the serial numbers of money orders by site. The file updates the St. Louis Money Order Database to identify active money orders that have been shipped and are acceptable to be sold.

12-4 SFS and SDO Internal Nonsaleable Stock

Internal saleable stock that becomes obsolete is nonsaleable. When this situation occurs, the SFS return committee or SDO supervisor must do the following:

- a. Prepare PS Form 17.
- b. Report the amount in SEAM using Redeemed Receipt.
- c. Transfer internal nonsaleable stock to the appropriate SEAM locator pending destruction.
- d. Destroy internal nonsaleable stock each postal quarter per internal standard operating procedures or as directed by Headquarters.
- e. If for some reason internal nonsaleable stock is not destroyed within the quarter, complete a report as to the amount of internal nonsaleable stock on hand. Include the estimated time needed to destroy the stock.
- f. Depending on which facility completes the report described in 12-4e, submit the report as follows:
 - (1) SFS must send the report to the manager of Stamp Fulfillment at Headquarters.
 - (2) SDOs must send the report to the district Customer Relations manager.

Note: Use the SEAM system-generated Item Transaction History Report as supporting documentation when destroying internal vault stamp stock.

12-5 Stamp Stock Destruction

12-5.1 Overview

Stamp stock destruction includes counting, recording, and destroying nonsaleable stamps, stamped paper, and philatelic products.

Destruction does *not* include destroying foreign-issued IRCs, Post Office–spoiled meter stamps, postage validation imprinter (PVI) labels, or loose stamps not pasted on letter-size paper.

Only SFS and SDOs destroy stamp stock. However, USPIS personnel may approve alternative destruction locations on a case-by-case basis.

Exhibit 12-5.1 describes how to destroy stamps.

Exhibit 12-5.1

Stamp Destruction

For this item...	Follow this procedure...
Damaged stamps returned by customers	<ul style="list-style-type: none"> a. Do not count these stamps individually. b. Accept the credit value that is marked by the unit on the booklet or wrapper. c. If the value claimed by the unit seems excessive or unreasonable, notify the USPIS and OIG. d. For additional information on damaged stamps, see DMM 604.9.1.
Postal cards (the postage value is printed in the stamp area)	Redeem at item value (the amount that the item sells for) when returned unsold to SFS from a unit reserve.
Picture postcards (contain pictures printed on the entire front of the card — the postage value is printed on the back)	Redeem at item value (the amount that the item sells for) when returned unsold to SFS from a unit reserve.
Postal stamped paper	Accept the value claimed, especially when returned by customers. (See DMM 604.9.0 for provisions for exchanging stamped paper.)
Plain stamped and nonprofit envelopes	Record the value of stamped envelopes at full value, including window envelopes. Clearly display the value claimed for each item on PS Form 17.

12-5.2 **Destruction Responsibilities**

12-5.2.1 **SFS Responsibilities**

SFS redeemed clerks have the following responsibilities:

- a. Confirm that stamp stock submitted for destruction matches the information provided on PS Form 17.
- b. Destroy nonsaleable stamp stock.
- c. Certify that the stock has been destroyed by signing the PS Form 17.
- d. Forward the certified PS Form 17 to the SFS manager.
- e. Understand and follow the policies and procedures of stamp stock destruction.

12-5.2.2 **District Customer Relations Manager Responsibilities (for SDOs)**

The district Customer Relations manager for an SDO has the following responsibilities:

- a. Establish and appoint Stamp Destruction Committee members and alternates.
- b. Ensure that the Stamp Destruction Committee meets and destroys accumulated stock at least once per postal quarter.

- c. Require each member to complete PS Form 3237, *Stamp Stock Destruction Committee Notice of Appointment*, in the presence of the district Customer Relations manager.
- d. Keep the original PS Form 3237 and provide a copy to each committee member.
- e. Review any report of irregularities by members of the Stamp Destruction Committee or alternates.

12-5.3 **Composition of the Stamp Destruction Team/Committee**

12-5.3.1 **At SFS**

The SFS Stamp Destruction Team has two career employees and one EAS employee:

- a. One member must be a nonfinancial EAS employee.
- b. The other two members are career employees assigned to SFS.

12-5.3.2 **At the SDO**

Any career employee, regardless of pay level or status (full-time or part-time), is eligible to be appointed to the SDO's stamp destruction committee. Noncareer employees (such as casual employees, transitional employees, and contractors) are not eligible to serve on the committee.

An accountable paper supervisor can be a member of the committee but cannot serve as the nonfinancial supervisor.

The committee has six members. One regular member and one alternate member represent each of the following areas:

- a. A postmaster or nonfinancial supervisor.
- b. An employee of the accountable paper section.
- c. An employee with no stock or financial responsibility.

12-5.4 **Duration of Stamp Destruction Committee at SDOs**

Each member of the Stamp Destruction Committee serves for 3 years.

Potential members (regular or alternate members) must not have served on the committee for the 3 years preceding appointment.

If a serving member cannot be found in other parts of the district, the original accountable paper clerk may serve another term if the committee requests an exception to established procedure from the local OIG.

Note: The OIG considers exceptions on a case-by-case basis.

12-5.5 **Resigning or Removing a Member of the Stamp Destruction Committee at SDOs**

To resign voluntarily, a member must do the following:

- a. Submit a letter of resignation to the district Customer Relations manager or SDO manager. The letter should explain in detail the reason for the resignation.
- b. Send a copy of the resignation letter to the local OIG.

To remove a member of the committee, the district Customer Relations manager must do the following:

- a. Document the reasons for removal.
- b. Attach the documentation to the original PS Form 3237.
- c. Send a copy of the documentation to the local OIG.
- d. Maintain the documentation and original PS Form 3237 as part of the committee file.

12-5.6 Frequency of Destruction

Within 6 weeks from the acceptance date, SFS must destroy all nonsaleable stock or withdrawn-from-sale items sent for destruction by PRUs. For internal nonsaleable (obsolete) stock, see [12-4](#).

In quarter 4, by the end of August, SFS must count, verify, and expense all discrepancies of all stock sent for destruction. PRUs must resolve discrepancies and make any necessary offsetting expenses before the close of the fiscal year (September 30).

Avoid accumulating obsolete stock — such stock is an unnecessary inventory cost that also increases the risk of pilferage.

12-5.7 Destroying Stamp Stock

12-5.7.1 At SFS

Three SFS employees must be present during any stock destruction. One of the members present must be a nonfinancial EAS employee.

To destroy stamp stock, two members of the Stamp Destruction Team must do the following:

- a. Independently count the nonsaleable stock.
- b. Verify that the amounts entered on PS Form 17 agree with the actual count.

A third member of the Stamp Destruction Team must do the following:

- a. Record the counts of the other two members.
- b. If the counts of the other two members differ, verify the count.
- c. Record the correct amount and write the value of the stock in words on each PS Form 17.

Note: After the third member of the Stamp Destruction Team has written the value of the stock in words on each PS Form 17, all three members of the Stamp Destruction Team must sign each copy of PS Form 17.

All three members of the Stamp Destruction Team must do the following:

- a. Initial any corrections made to PS Form 17.
- b. Remain at the on-site destruction area and witness the actual destruction to ensure that the items have been totally destroyed.
- c. Sign all copies of PS Form 17 after the stock has been completely destroyed.

12-5.7.2 At an SDO

Three members of the Stamp Destruction Committee must be present at any stock destruction meeting. One of the members present must be a postmaster or a nonfinancial supervisor.

To destroy stamp stock, two members of the Stamp Destruction Committee must do the following:

- a. Independently count the nonsaleable stock.
- b. Verify that the amounts entered on PS Form 17 agree with the actual count.

A third member of the Stamp Destruction Committee must do the following:

- a. Record the counts of the other two members.
- b. If the counts of the other two members differ, verify the count.
- c. Record the correct amount and write the value of the stock in words on each PS Form 17.

Note: After the third member of the Stamp Destruction Committee has written the value of the stock in words on each PS Form 17, all three members of the Stamp Destruction Committee must sign each copy of PS Form 17.

All three members of the Stamp Destruction Committee must do the following:

- a. Initial any corrections made to PS Form 17.
- b. Remain at the on-site destruction area and witness the actual destruction to ensure that the items have been totally destroyed.
- c. Sign all copies of PS Form 17 after the stock has been completely destroyed.

Notes:

- a. Do not deviate from these procedures except in emergencies (such as natural disasters).
- b. The replacement for one of the three members must be the appropriate alternate committee member for which a PS Form 3237 is on file.

The supervisor assigns one of the members of the Stamp Destruction Committee to do the following:

- a. On each PS Form 17, enter the date the stock was destroyed.
- b. Log all counts to a destruction spreadsheet. The spreadsheet must include the following information:
 - (1) The PRU's UFN.
 - (2) The original amount stated on PS Form 17.
 - (3) The date of verification.
 - (4) The total value of stock to be destroyed.
 - (5) The net difference amount.
- c. Return the certified PS Form 17 to the SDO manager, who files the form locally.

12-5.7.3 **Exceptions for Destruction of Precanceled Postage**

For a PRU that exchanges at least 10,000 envelopes with postage affixed, the manager of Field Accounting Support may grant an exception to verify and destroy those envelopes locally instead of submitting the redeemed stamps to SFS. Upon completion of the destruction process, the PRU must submit the signed PS Form 17 along with the signed authorization letter from the manager of Field Accounting Support to SFS, which then enters the amount destroyed in the inventory system.

12-5.8 **Discrepancies in Stock to Be Destroyed**

After destruction of the stamp stock, the SFS Stamp Destruction Team forwards the certified PS Form(s) 17 and destruction spreadsheets to the accountable supervisor.

The SFS manager has the following responsibilities:

- a. Enter the net discrepancy amounts in SEAM, Stock Adjustment.
- b. Debit or credit the SFS finance number expense account as follows:
 - (1) Map overages to an expense account (GLA 56203) under AIC 247.
 - (2) Map shortages to an expense account (GLA 56203) under AIC 647.
- c. Make entries per item number in SEAM, Destroyed, to account for the amount destroyed.
- d. Notify RAFA and the FSB of stamp stock destruction discrepancies via email.

FSB processes a journal voucher (JV) transfer to disseminate expenses to the appropriate PRU.

12-5.9 **Determining Methods of Destruction**

12-5.9.1 **Overview**

SFS destroy stamps and stamp products by the methods described in this section unless USPIS personnel recommend other methods, such as burning stamps in a controlled environment. The USPIS approves alternative methods of destruction on a case-by-case basis.

Note: Do not destroy any exchanged foreign-issued or any U.S.-issued IRCs. See [12-2.8](#).

12-5.9.2 **Stamps, Stamps in Packages, and Pressure-sensitive Stamps**

Destroy stamps, stamps in packages, and pressure-sensitive stamps as follows:

- a. Destroy stamps by shredding to 1/4-inch-wide strips or particles no longer than 1/4 inch.
- b. Discard the packaging as waste — do not shred the packaging.

Note: Significant quantities of pressure-sensitive stamps may damage the disintegrators or shredders. The USPIS may approve an alternative method of destroying these stamps, such as pulping at a commercial location.

12-5.9.3 Philatelic Products

Destroy philatelic products — i.e., packets, folders, books, or albums — in the same way as stamps. However, SFS may obtain approval from the USPS to use another method of destruction.

12-5.9.4 Stamped Envelopes and Postal Cards

Destroy stamped envelopes and postal cards by cancelling, perforating, or defacing the postage, or otherwise rendering the items unusable. Afterwards, discard the stock as waste.

12-5.10 Destroying Credit and Debit Card Receipts

SFS and SDOs destroy credit and debit card receipts submitted by units that do not have the capability to shred the receipts on-site.

A unit must bundle the receipts and submit them to the appropriate facility by Priority Mail with Signature Confirmation service, following the normal scheduled return or destruction procedures, with a memo requesting that the receipts be shredded.

Note: SFS and SDOs do not make any accounting entries in the inventory system for these receipts because the receipts have no value.

12-6 Stamp Stock Issued to the USPS or the OIG

12-6.1 Authorizations

The USPS and the OIG have authorization to requisition stamps and stamped paper for investigative purposes using the eBuyPlus process.

The authorizing finance official must approve the requisition and the use of stamps and stamped paper for local testing, promotions, and presentations by the USPS or OIG.

12-6.2 USPS or OIG Obtaining Postage

The USPS and OIG must submit to the appropriate facility an eBuyPlus stamp requisition for test letters. A PRU must not fulfill stamp requisitions for the USPS or OIG.

To requisition a test letter, a postal inspector or OIG employee does the following:

- a. Prepare an original and three copies of PS Form 17, including the following information:
 - (1) The USPS or OIG division finance number.
 - (2) The applicable telephone number.
 - (3) The name and address of the USPS or OIG office.
 - (4) The printed name and signature of the postal inspector or OIG agent submitting the request.
 - (5) The date of the request.

- b. On PS Form 17, write “Test Letters — Inspection Service” or “Test Letters — OIG” (as appropriate).
- c. Submit the original and two copies of PS Form 17 to the supervisor of SFS or the SDO, and keep one copy on file locally.
- d. Upon receipt of the requested stamp stock, count the stock together with a witness. After counting the stock, the postal inspector or OIG employee signs PS Form 17 in the space for Signature of Person Receiving Stock, and the witness signs PS Form 17 in the space for Signature of Witness.
- e. At the local USPIS office or OIG office, file the PS Form 17 that was received with the stamp stock shipment.

12-6.3 **SFS or SDO Recording of Postage**

Upon receipt of the original and two copies of PS Form 17 from the USPIS or OIG, the SFS or SDO manager or supervisor records the postage as follows:

- a. Enter the data from PS Form 17 in SEAM using IMOD Code 11, Test Letter, against the stamp item number. This process stores the total value of the stamps under Item Number 339500.
- b. Withdraw stamps from the vault and have a witness verify that the stamp stock amounts match the quantities requested on PS Form 17.
- c. Together with the witness, sign and date all copies of PS Form 17.
- d. Prepare the package and include one signed PS Form 17 inside the package.
- e. Mail the package to the address of the USPIS or OIG office — use Priority Mail with Signature Confirmation service.
- f. Hold the remaining two signed copies of PS Form 17 for verification by the Stamp Destruction Team or the Stamp Destruction Committee.
- g. After verification, use IMOD Code 8, Stamp Stock Destroyed, for amounts of Item Number 339500, Test Letters.
- h. Ensure that the amounts in Item Number 339500 reconcile with all PS Forms 17 from the USPIS or OIG.
- i. Print the system-generated Item Transaction History Report.
- j. File the Item Transaction History Report and PS Form 17 locally.

12-7 Annual Inventory Count of Stamp Stock

SFS and each SDO must perform an annual count of its stamp stock inventory.

When there are multiple vaults, conduct counts at the same time.

The manager or supervisor and a nonbargaining employee — sometimes working together, or working separately, or one or the other doing the task — must perform the stamp stock count as follows:

- a. Before starting the count, the two individuals working together must complete all pending stamp stock transfers (in or out) and record them in the inventory system.

- b. The two individuals working together must ensure that all stamp stock waiting for destruction is recorded in the inventory system at face value. (Review each PS Form 17 sent by a PRU.)
- c. The two individuals working together must print the 3958 Report (Final Recap) from the inventory system.
Note: The SFS or SDO manager or supervisor prints an inventory report for each vault from the inventory system.
- d. The two individuals — working separately but each doing the same task — complete a separate PS Form 3294, *Cash and Stamp Stock Count and Summary*. Information reported on the PS Forms 3294 documents any differences in stamp stock.
- e. The manager or supervisor adjusts the inventory using the appropriate IMOD code in the inventory system, as follows:
 - (1) For stock overages, use IMOD 04, Stock Adjustment.
 - (2) For stock shortages, use MOD 05, Claim for Stock Loss, and follow the claim for loss process using PS Form 2130.
- f. The manager or supervisor adjusts the inventory and records the adjustments in the corresponding AICs, as follows:
 - (1) Record overages in AICs 247, 673, and 843.
 - (2) Record shortages in AICs 173, 647, and 849.
- g. After recording the corresponding adjustment, the manager or supervisor prints the 3958 Report (Final Recap) from the inventory system and verifies the following:
 - (1) The stock adjustment amount appears on 3958 Report (Final Recap), if required.
 - (2) The closing balance matches the amount of stamp stock as counted on PS Form 3294.
- h. The two individuals working together must do the following:
 - (1) Complete PS Form 3294 with signature and date on Page 4.
 - (2) Enter the results of the count on PS Form 3368-P, *Accountability Examination Record*, and file locally.
 - (3) Gather the inventory report, PS Form 3294, and the Form 3958 Report and file them locally.
- i. If the stamp stock discrepancy is at least 0.004% of the accountability, the manager or supervisor notifies the appropriate OIG field office.

13 Stamp Stock and Cash Credits

This chapter describes the requirements, responsibilities, and procedures for assigning, controlling, and counting stamp and cash credits. This chapter includes the following subchapters:

[13-1 Overview.](#)

[13-2 Stamp Credits.](#)

[13-3 Individual Stamp Credit Counts.](#)

[13-4 Unit Reserve Stamp Stock Credit Count.](#)

[13-5 Contract Postal Unit Stamp Credit Count.](#)

[13-6 Cash Credits.](#)

[13-7 Conducting Cash Counts.](#)

[13-8 Count and Tolerance Tables.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

13-1 Overview

13-1.1 Assignment

Stamp stock credits and cash credits are assigned as follows:

- Employee stamp stock credits (Mobile, Stamps by Mail, Philatelic).
- Employee cash credits.
- Unit reserve stock.
- Unit cash reserve.
- Retail floor stock.
- Lobby Sales
- Rural carrier consignment.
- Contract postal unit (CPU) credits.

Note: For information on sites under Single Drawer Accountability (SDA), see Chapter 24.

13-1.2 Responsibility

The postmaster, manager, or supervisor is responsible for management of all stamp stock credits and cash credits assigned and must ensure the timely performance of all credit counts.

All employees with consigned credits are financially accountable for the value of their assigned stamp stock, cash, and money orders.

Unit reserve stock custodians are financially accountable for the value of their assigned stamp stock and money orders.

CPUs are financially accountable for the value of their assigned stamp stock, cash, and money orders.

13-1.3 Stamp and Cash Credit Files

The postmaster, manager, or supervisor is responsible for establishing and maintaining a file for each credit (stamp or cash) assigned to an employee.

Stamp and cash credit files must contain the following (if applicable):

- a. PS Forms 3294, *Cash and Stamp Stock Count and Summary*, or system-generated PS Form 3294 along with both sets of independently-completed, system-generated counts sheets. (Retention period is 2 years.)
- b. PS Forms 3368-P, *Accountability Examination Record*. (Retention period is 2 years beyond the life of the credit.)
- c. PS Form 3369, *Consigned Credit Receipt*. (Retention period is 2 years beyond the life of the credit.)

Note: *Retail Floor Stock and Lobby Sales* segment are not assigned with PS Form 3369.

- d. Letters of demand (LOD) for payment.
- e. Letters of Debt Determination.

13-2 Stamp Credits

13-2.1 Overview

A stamp credit is the value of the stamp stock and serialized money orders consigned to a retail associate (RA) from the unit reserve stock at a postal retail unit (PRU).

Stamp credits should be limited to a reasonable multiple of the RA's weekly sales amount. A 2-week multiple is recommended. The postmaster, supervisor, or manager may adjust the value of stamp credits to be consistent with customer demand.

In order to maintain individual accountability, RAs must not trade or purchase stamp stock from one another.

A supervisor may authorize an RA to ship or receive stock from another RA as follows:

- a. The supervisor or RA completes a PS Form 17, *Stamp Requisition/Stamp Return*, in duplicate. Enter the names of both RAs and the amount of stamp stock on PS Form 17.
- b. The supervisor must witness and sign PS Form 17 authorizing this transaction.

- c. The RA must keep a copy of the PS Form 17 until the next stamp credit count.

13-2.2 Consigning a New Stamp Credit

A new stamp credit is consigned from the unit reserve stock using PS Form 17 as follows:

- a. The unit reserve stock custodian issues stock and signs PS Form 17 as the shipper.
- b. The supervisor and the RA each perform an independent count of the stamp stock.
- c. The RA signs as the person receiving stock and the supervisor signs as the witness on PS Form 17.
- d. The supervisor completes PS Form 3369 in duplicate with the following information:
 - (1) Name and work location of the RA accepting the stamp credit consignment.
 - (2) Amount of stock in the stamp credit.
 - (3) Date and signature of the person issuing the stamp credit.
 - (4) Date and signature of employee accepting responsibility for the credit.

Note: *Retail Floor Stock and Lobby Sales segment are not assigned with PS Form 3369.*

- e. Maintain the original PS Form 3369 in the employee's stamp and cash credit files.
- f. Give a copy of PS Form 3369 to the employee.
- g. Complete PS Form 3368-P.
 - (1) Complete the heading information.
 - (2) Specify the Date of Count (date issued).
 - (3) Identify the supervisor in the Counted by (Supervisor) column.
 - (4) List the amount in the Stamp Credit AIC 853 column.
- h. Report stamp stock issued via the appropriate reporting technology process.

Units that use this reporting tool...	Report stamp stock issued as follows...
e1412	Enter the total of the stamp credit to AIC 841 on the individual PS Form 1412, <i>Daily Financial Report</i> .
Point of Service (POS) Retail Systems Software (RSS)	<ul style="list-style-type: none"> a. Assign the RA the appropriate role in the RSS system. b. Create an inventory transfer to the employee. c. Have the RA receive the inventory transfer, which will generate an entry to AIC 841 on the RA's PS Form 1412.

13-2.3 **Cash Portion of Stamp Credit**

The cash portion of a stamp credit must not exceed \$100.99.

An RA with a stamp credit who is not scheduled for window duty within the next month must remit all funds.

13-2.4 **Issuing Money Orders**

Unit reserve stock custodians issue money orders to RAs as follows:

- a. Do not split packages of domestic money orders between RAs.
- b. International money orders may be split in groups of five or more.
- c. RA must verify the continuity of serial numbers.
- d. RAs must acknowledge the receipt of blank money order sets by signing PS Form 17 and accepting money orders through their reporting technology.
- e. When an RA's credit is canceled, the assigned money orders can be returned to the unit reserve and may then be reassigned to another RA within the same unit. In RSS you have the option to ship money orders to another RA within the same unit.
- f. All offices must enter all Money Order blocks into their retail reporting technology immediately upon receipt and maintain a record of all blank money order sets.

See subchapter [10-7](#) for information on Bait Money Orders.

13-2.5 **Unit Reserve Stock Assignment**

The unit reserve stock custodian is financially accountable for the value of all items in the unit reserve stock, is responsible for managing the stamp stock inventory, and must accurately report unit reserve stock activities.

Sales from the unit reserve stock are not allowed.

The unit reserve may be assigned to the postmaster, unit manager, or supervisor. At a detached finance station without a domiciled supervisor, a lead retail associate (LRA) may be assigned the unit reserve. The LRA may also be assigned a separate stamp and/or cash credit from which direct sales to the public are conducted.

After the supervisor and the designated unit reserve stock custodian count the unit reserve stock to be assigned, the supervisor must do the following:

- a. Complete PS Form 3369 in duplicate with the following information:
 - (1) The name and work location of the employee accepting the unit reserve stamp stock credit consignment.
 - (2) The amount of stock in the unit reserve stamp stock credit.
 - (3) Date and signature of the person assigning the unit reserve stamp stock credit.
 - (4) Date and signature of employee accepting responsibility for the unit reserve stamp stock credit.
- b. Maintain the original PS Form 3369 in the employee's stamp and cash credit files.

- c. Give a copy of the PS Form 3369 to the unit reserve stock custodian.
- d. Complete PS Form 3368-P.
 - (1) Complete the heading information.
 - (2) Specify the Date of Count (date issued).
 - (3) Identify the supervisor in the Counted by (Supervisor) block.
 - (4) List the amount in the Stamp Credit AIC 853 block.

The unit reserve stock custodian maintains and secures all accountable papers for the unit in compliance with the levels authorized for the various stamp credits or segments. The unit reserve stock custodian issues stamp stock directly to RAs assigned stamp credits, Lobby Sales or to the Retail Floor Stock.

The following table describes how units maintain unit reserve stock accountability.

Units that use this reporting tool...	Maintain unit reserve stock accountability using...
e1412	A system-generated PS Form 3959, <i>Stamp Stock Transaction and Daily Recap</i> .
Retail Systems Software (RSS)	A system-generated stamp stock inventory report and PS Form 3958.

All transactions that affect the unit reserve stock must be listed on the system-generated PS Form 3958 (RSS units) or on a system-generated PS Form 3959 (e1412 units) supported with a system-generated PS Form 17.

Submit the PS Form 3959 and PS Form(s) 17 to the close-out employee.

13-2.6 **Total Postal Retail Unit Stamp Accountability**

Maintain the total PRU accountability on PS Form 1412.

AIC 853 on the unit's PS Form 1412 is a combination of all stamp accountabilities within the same unit finance number (UFN) at the PRU. This includes:

- Unit reserve stock.
- Retail floor stock.
- Lobby Sales.
- Individual stamp credits.
- Internal pending stock transfers.

13-2.7 **Consigning Stamp Stock to Rural Route Carriers**

Unit reserve stock custodians consign stamp stock to rural route carriers as follows:

- a. Consign a fixed amount of stamp stock to each rural carrier. The amount must be sufficient to serve the needs of the customers on the route.

- b. Complete PS Form 3369 in duplicate and distribute as follows:
 - (1) Original to the unit reserve stock custodian.
 - (2) Copy to the rural carrier.
- c. Consign stock only from the unit reserve.

Note: Rural carrier credits are included in the unit reserve accountability. They are fixed amounts entered into the unit reserve total as unique item numbers and are not segments. *The Rural Credit item numbers are 910301 through 910399, at a one cent value (0.01). If a carrier is assigned a credit, one of these numbers is assigned to each carrier.*

To maintain consigned stamp stock, rural carriers, do the following:

- a. Replenish stamp credits regularly to ensure availability of stock for customer demand.
- b. To replenish the stock, rural carriers purchase stock from an RA.
- c. The RA treats this transaction as an over-the-counter sale of postage. *Do not use PS Form 17.*
- d. A supervisor must count rural stamp credits at least once every 4 months to ensure the credit is properly maintained. No tolerance is applied to rural stamp credits.

Note: The rural carrier may choose to purchase the stock with personal funds in which case, no consignment or count is required.

Also, see Handbook PO-603, *Rural Carrier Duties and Responsibilities*, section 162.

13-2.8 Replenishing Stamp Stock Credits

Unit reserve stock custodians must replenish stamp stock credits as follows:

- a. Replenish stamp credits according to a schedule provided by the unit manager.
- b. Maintain stamp credits to a reasonable multiple of the RA's weekly sales amount. A 2-week multiple is recommended.
- c. Prepare PS Form 17 in duplicate and send both copies to the unit reserve stock custodian.

When the stamp stock is received, the RA must do the following:

- a. Count the stock and verify with a witness the amount reported on PS Form 17.
- b. Sign PS Form 17 as the person receiving the stock. (A witness signature is required.)
- c. Enter the amount of stock received in AIC 841 on the individual's PS Form 1412 following the process for the reporting technology used by the PRU to report PS Form 1412.
- d. Keep a copy of the completed PS Form 17 until the next stamp credit count or resolution of differences, whichever is longer.

Note: RAs must notify the unit reserve stock custodian of any discrepancies with PS Form 17. Discrepancies must be resolved before the RA receives the stock.

13-3 Individual Stamp Credit Counts

13-3.1 Counting Requirements

Supervisors must randomly count stamp credits maintained by bargaining unit employees at least once every 4 months from the month of the last count.

Stamp credits maintained by nonbargaining unit employees must be counted by the nonbargaining employee and another employee no less frequently than once every fiscal year (October–September).

13-3.2 Scheduling Counts

When scheduling counts, supervisors must follow these requirements:

- Do not announce stamp credit counts and stagger the dates for counts so that a pattern will not be evident to the employees whose stock is to be counted.
- Count stamp credits before the employee has made any transactions.
- If possible, conduct examinations on days when business is light and most of the workforce is present.
- Select a site to conduct the count away from the window operation, preferably in a quiet area.
- For employees with multiple credits, count all credits concurrently to the maximum extent possible.

13-3.3 Forms to Use

The following table describes the forms used during random counts of employee's stamp credit.

Use...	to record...
e1412 PS Form 3294 (Manual)	an examination of a stamp credit. Both the supervisor and the employee to whom the credit is assigned, or the employee's representative must complete an independent PS Form 3294. (See part 3-8.3 for designated witness procedures.)
RSS the system-generated PS Form 3294	the examination of a stamp credit. RSS offices must attach both sets of individually-completed RSS system-generated count sheets to the RSS system-generated PS Form 3294.
PS Form 3368-P	stamp and cash credit count results.

13-3.4 Count

Before a count, the supervisor must prepare as follows:

- Verify the total unit accountability (see F-101 sections [11-11.1](#) and [11-11.2](#)).
- Ensure that all pending stock transfers are complete.

- c. For non-RSS units, obtain the closing balance as reported in AIC 853 on the employee's last PS Form 1412, and record the amount in the section Stamp Credit as reported in AIC 853, under **Cash/Stamp Stock Credit Count Summary** on PS Form 3294.
- d. Ensure that there are no pending financial adjustments.
- e. Verify that the closing balance, as reported in AIC 853 on the employee's last PS Form 1412, matches the total of the stamp credit on the clerk balance list or manual accountability recap form.
- f. Use the reporting technology to generate a report to determine the serial numbers of money orders issued to the employee, and complete the Verification of Money Orders section of PS Form 3294.

13-3.5 Physical Count

At non-RSS units, the supervisor must enter the count to one PS Form 3294, and the employee must enter an independent count to a separate PS Form 3294. Both must verify by item and resolve any discrepancies on the same day of and prior to finalizing the count.

At RSS units, the supervisor must enter the count on one system-generated count sheet, and the employee must enter an independent count to a separate system-generated count sheet. Both must verify by item and resolve any discrepancies on the same day of and prior to finalizing the count. Completing a Manual PS Form 3294

At e1412 units, the supervisor and the employee must independently complete the following sections of their PS Forms 3294:

- a. Worksheet for Unit Cash Reserve Count or Cash/Stamp Stock Credit Count on page 1.
 - Count each denomination of cash and enter the number in the Quantity column.
 - Multiply the quantities by the denominations and enter the result in the Amount column.
 - Total the Amount column and enter the result to Total Cash.
 - Transfer the Total Cash amount to the Total Cash as Counted line under **Cash/Stamp Stock Credit Count Summary**.
- b. Saleable Stamp Stock
 - Count each item of saleable stock and enter the item number, value, and quantities in the appropriate blocks on page 2 of PS Form 3294.
 - Multiply the total number of each item by its value.
 - Total all the blocks and enter the results to Sub-total Stamp Stock at bottom right corner of page 2 on PS Form 3294.
- c. Redeemed Stamp Stock
 - Count each item of redeemed stock and list by item description, item number, price, and quantity in the Redeemed Stock section on page 2 of PS Form 3294.

- Calculate dollar values by multiplying the quantity by price (redemption rate) for each item.
 - Total all of the redeemed stamps and enter the result to Total Redeemed at bottom right corner of page 2 on PS Form 3294.
- d. Add Sub-total Stamp Stock to Total Redeemed to obtain Total Stamp Stock. Transfer this figure to Total Stamp Stock as Counted line under **Cash/Stamp Stock Credit Count Summary**.
 - e. Add amounts reported for Total Cash as Counted and Total Stamp Stock as Counted to get Grand Total Cash and Stamp Stock as Counted.
 - f. Calculate the Difference by subtracting the amount reported for Stamp Credit as reported in AIC 853 (from last PS Form 1412) from the amount reported for Grand Total Cash and Stamp Stock as Counted.
 - g. Check the appropriate Action Taken box on PS Form 3294. A negative amount is a shortage and a positive amount is an overage.
 - h. Once the supervisor and the employee assigned complete independent counts, they must compare the manual PS Forms 3294 and resolve any discrepancies by immediately recounting any items/quantities that differ. When the supervisor and employee agree to the count, the supervisor must enter the count into the e1412 system the same day using instructions provided in the online user's guide which can be found at the Accounting Services webpage: <https://blue.usps.gov/accounting/>.

At RSS units, the supervisor must do the following:

- a. Log on to RSS as the back-office supervisor and initiate a count of the employee's assigned credit. Two sets of system-generated count sheets will print from RSS and the supervisor and employee assigned must each use a set to record independent counts of the credit.
Note: Supervisor role cannot initiate a count on a credit assigned to themselves.
- b. Enter the results of all counts performed in the RSS system prior to closing the day's business. Detailed instructions are available in the applicable RSS Procedures Guide on the Accounting Home page website:
 - (1) Go to the Accounting home page at <https://blue.usps.gov/accounting/>.
 - (2) Under "Toolkits," click on *RSS Toolkit*.
 - (3) Click on *RSS Guides*.
 - (4) Click on the applicable RSS Procedures Guide (based on unit type).

After the supervisor has finished entering the count into the system, the system sends the count summary to the employee to whom the stamp credit is assigned. The employee must then review and acknowledge the count summary and correct any Money Order Discrepancies prior to the end of day.

PS Form 3294 prints automatically after a cash and stamp credit count is entered and accepted by the accountability owner in RSS. Retain the system-generated PS Form 3294 along with both completed sets of system-generated count sheets.

13-3.6 **Completing the Count**

The supervisor and employee complete the stamp credit count as follows:

- a. If the difference amount does not exceed tolerance, the count is complete.
- b. If the difference amount exceeds tolerance and the parties involved cannot agree to the count, recount the credit at the request of the employee. After you have established the difference amount, bring the accountability into balance.
- c. The two employees that performed the count must sign and date both copies of PS Form 3294.

Note: PS Forms 3294 that are certified electronically do not require a signature.

- (1) The supervisor files one copy of the form in the employee's stamp credit file.
- (2) The employee keeps a copy of the form.
- d. The supervisor records the results of the count on PS Form 3368-P.

Note: RSS and e1412 systems require comments when there is a count discrepancy of \$100 or more; this information is electronically transmitted to the OIG.

For information on filing and retaining forms, see part [13-1.3](#).

Note: Please see section [13-8.2](#) for tolerances.

13-3.6.1 **Recording Count Overages**

When an employee stamp stock accountability overage exceeds the established tolerance, follow this procedure:

- a. Record the full amount of the overage in AIC 057 on the RA's PS Form 1412 on the day of the count. Amounts reported in AIC 057 will offset to stamp sales and thereby adjust AIC 853 to the actual amount counted.
- b. Provide a system-generated or a manual PS Form 3544 that shows the employee's name, count date, amount, and circumstances of the overage to the employee.
- c. If within 1 year, an overage is found to be related to a shortage, upon manager approval, use AIC 457 to offset part or all of the shortage.
 - (1) Managers should exercise judgment when determining the existence of a relationship that may warrant the offsetting of shortages.
 - (2) Managers must maintain appropriate documentation when offsetting.

- d. The e1412 and RSS systems automatically clear an outstanding balance when 366 days has been reached or exceeded since creation and offsets the amount to AIC 123.

13-3.6.2 Recording Count Shortages

When an employee accountability shortage exceeds the established tolerance, follow this procedure:

- a. Record the full amount of the shortage in AIC 767 on the RA's PS Form 1412 on the day of the count. Amounts reported in AIC 767 will offset to stamp sales and thereby adjust AIC 853 to the actual amount counted. See section [13-8.2](#) for tolerance table.
- b. When resolved, clear shortage amounts using AIC 367 offset with the employee's payment or the appropriate AIC, as applicable.
- c. Local unit management is responsible for monitoring and pursuing collection of the shortage (debt) while adhering to the applicable collective bargaining agreement and the Debt Collection Act.

Note for RSS units: Counts entered in the RSS system by the supervisor and acknowledged by the employee (stamp credit holder) will automatically post overages and shortages to the corresponding AICs on the employee's PS Form 1412. This will generate an employee receipt titled Count Results Receipt with the employee name, ID, amount of overage or shortage, and a unique reference number. RSS will maintain a log of all Unresolved Employee Items for the supervisor to manage accordingly.

13-3.7 Count Tolerance

The tolerance is based on the credit amount entered on the employee's PS Form 3369 or the highest balance in AIC 853 of the RA's PS Form 1412 since the previous examination, whichever is higher.

No tolerance is applied when closing a credit. For tolerance amounts, see section [13-8.2](#).

All counts performed must be recorded on the appropriate PS Form 3294, or system-generated PS Form 3294 and be documented using PS Form 3368-P, regardless of whether the result of the count is within the tolerance. The RA must not make any entries on PS Form 1412 when the count is within tolerance.

Note for RSS units: The supervisor must enter all counts performed in the RSS system, regardless of whether the result of the count is within the tolerance, and the employee must review and acknowledge the count on the same day of the count.

13-4 Unit Reserve Stamp Stock Credit Count

The count of the unit reserve stamp stock credit is the same as a stamp credit count for an employee (see subchapter [13-3](#)) with these exceptions:

- a. If the unit reserve stock custodian has a retail floor stock role (RSS units only), the unit reserve stamp stock credit must be counted concurrently with the retail floor stock (before any unit reserve

transactions take place). An LRA may only be custodian of the unit reserve stock in a detached finance unit where no supervisors are domiciled.

- b. If the result of the retail floor stock count (RSS units only) exceeds the inventory variance of 0.1 percent since the last count, a count of the unit reserve stamp stock credit must also be completed concurrently (before any unit reserve transactions take place).

Note: When the 0.1% variance is exceeded, the unit reserve stock is counted *after* the floor stock count has been finalized.

- c. Unit reserve stock must not contain any cash.
- d. Ensure the unit reserve stock inventory report matches the unit reserve total on the clerk balance list or the manual accountability re-cap form.
- e. For non-RSS units, obtain the closing balance from the last system-generated PS Form 3959, and record to Stamp Stock per PS Form 3959 under Unit Reserve Stamp Stock Count Summary on PS Form 3294.
- f. After the count is performed:

Units that use this reporting tool...	Report unit reserve stamp stock credit counts as follows...
e1412	Unit reserve stock custodian must post the count in the system and the other employee conducting the count will review and acknowledge the count. The system will auto-post overages and shortages and adjust inventory to amount as counted. Overages and shortages exceeding the tolerance will post to the Unresolved Employee Items report.
RSS	The Supervisor role that initiated the count must enter the results in the RSS system and the Unit Reserve Stock Custodian will review and acknowledge the count. When the Unit Reserve stock custodian is an LRA in a detached finance unit, the other employee counting must be a supervisor. The RSS system will auto-post overages and shortages and adjust inventory to amount as counted. Overages or shortages exceeding the tolerance will post to the Unresolved Employee Items report. Print the system-generated PS Form 3958 and inventory list and ensure totals match.

13-5 Contract Postal Unit Stamp Credit Count

13-5.1 Responsibilities

The postmaster, manager, or supervisor of the Host Administrative Office (HAO) has the following responsibilities:

- a. Ensuring that CPU stamp credit counts are conducted randomly at least once a fiscal year (see Count and Tolerance tables in [13-8](#)).
- b. Maintaining a separate file for CPU financial activities.

13-5.2 Count Procedure

The person conducting the count of a CPU's stamp accountability must do the following:

- a. If CPU has a meter, verify that the descending meter readings match the last business day's corresponding PS Form 3602-PO.
- b. Obtain the closing balance from AIC 853 on the CPU's last PS Form 1412.
Note: Descending reading and AIC 853 should not exceed bond limit.
- c. Verify that the closing stamp balance in AIC 853 agrees with the Stamp Stock Ledger balance in ADM. CPUs and HAO that cannot access ADM can obtain this information by calling the AHD at 866-974-2733.
- d. Review financial adjustments in ADM and offset any AIC 247 or AIC 647 adjustments if they can be resolved before the count. To access the report in ADM, select **Accounting>Shared Reports>User Shared>HQ>ASC>FPR Net Financial Differences (AIC 247/647) – All Expenses**.
- e. Verify that the CPU's total accountability does not exceed its bonded amount. If it does exceed, the HAO must work with the CPU to ensure their total accountability is within the bonded amount.
- f. Use PS Form 3294 to document the stamp credit count. One PS Form 3294 must be completed by the supervisor and one by the contractor.
- g. If the inventory discloses a discrepancy, recheck the credit.
- h. On PS Form 3294, in Notes, etc., the Postal Service official performing the count must annotate the following: "Any financial discrepancy subsequently discovered, related to financial transactions performed for the period the CPU contract is in effect, will be the responsibility of the CPU contractor to resolve with the COR."
- i. The supervisor and contractor must sign and date both copies of PS Form 3294. The contractor keeps a copy of the signed PS Form 3294.
- j. Record results of the counts to PS Form 3368-P.
- k. File documents in the contractor's stamp and cash credit file maintained at the HAO.

Note: No tolerance is applied to CPU counts.

13-5.2.1 Overages

The host Post Office handles CPU overages as follows:

- a. Record the full amount of the overage in AIC 057 on the CPU's PS Form 1412 by entering the count results on the business day of the count. Amounts reported in AIC 057 will offset to stamp sales and thereby adjust AIC 853 to the actual amount counted.
- b. Use the Unresolved Employee Item report in e1412 to maintain the details of all pending employee items to be resolved by the CPU.

- c. After ensuring that all pending financial adjustments have been cleared, do the following to return the overage to the CPU:
 - (1) Complete PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*.
 - (2) Enter the amount of the overage in AIC 457 and offset to AIC 280 on the CPU's PS Form 1412.
 - (3) Submit PS Form 3533 and a copy of the CPU's PS Form 1412 showing the AIC 280 entry to eIWS OnLine Forms for processing: <https://eiws.usps.gov/IWApplication/AppWelcome.do>.
 - (4) File a copy of the PS Form 3533 at the HAO as supporting documentation for PS Form 1412.

13-5.2.2 Shortages

The HAO handles CPU shortages as follows:

- a. Record the full amount of the shortage in AIC 767 on the CPU's PS Form 1412 by entering the count results on the business day of the count. Amounts reported in AIC 767 will offset to stamp sales and thereby adjust AIC 853 to the actual amount counted.
- b. Use the Unresolved Employee Item report in e1412 to maintain the details of all pending employee items to be resolved by the CPU.
- c. Ensure the contractor pays the shortage with personal funds at the time the shortage is identified and records the amount in AIC 367 on the CPU's PS Form 1412. The contractor's payment is included with the deposit.

If the contractor refuses to pay at the time the shortage is identified, do the following:

- a. Record entries to AICs 367 and 636 on the CPU's PS Form 1412.
- b. Complete PS Form 1902, *Justification for Billing Accounts Receivable*.
- c. Submit PS Form 1902 through eIWS OnLine Forms with a manual or system-generated PS Form 3544 receipt attached for supporting documentation. Retain a copy as supporting documentation for PS Form 1412 entries.

13-5.3 Closing a Contract Postal Unit

Before closing a CPU, the HAO must do the following:

- a. Notify Stamp Fulfillment Services (SFS) at least 10 days before closing (to discontinue stock shipments).
- b. Determine the accountability of the CPU.
- c. Perform a count of the CPU's accountability.
- d. Notify Accounting Services, Field Sales Branch (FSB), of the CPU's last transmission date of PS Form 1412.
- e. Ensure the CPU returns all accountable paper, accountable items, and equipment to the HAO.

13-5.3.1 Verifying the Contract Postal Unit's Accountability

Before conducting the count, the HAO verifies the CPU's accountability as follows:

- a. Verify that the CPU's closing stamp accountability balance (AIC 853) matches the Stock Ledger Balance report in ADM. Research and resolve any discrepancies.
- b. Review the Unresolved Employee Item report in e1412 or the Open Employed Items or Employee Items report in ADM to identify if the CPU has any unresolved employee items. Research and resolve any outstanding items.
- c. Review the Net Financial Differences (AIC 247/647) — All Expenses report in ADM and identify expenses charged to the CPU. Research and resolve any unresolved AIC 247 and AIC 647 expenses listed in the report.
- d. If the CPU has a Postage Meter Resetting System (PMRS) meter, do the following:
 - (1) The HAO should contact the Accounting Help Desk at 1-866-974-2733 prior to the count day and request AIC 110 variance report.
 - (2) Prior to the count, the HAO should contact the vendor to coordinate the closing of the postage meter and refund of any available postage to the USPS account.

After completing all necessary adjustments, conduct a count of all stamp stock credits in the CPU following the Count Procedures outlined in part [13-5.2](#).

After conducting the count and recording any final adjustments, the HAO ensures the CPU deposits all of the cash portion of the assigned credit to the bank. This is performed by reporting stamp sales for the amount of cash to be deposited (this will decrease the stamp accountability balance in AIC 853).

13-5.3.2 Returning Accountable Papers

If the CPU issues postal money orders, the HAO must perform a verification of all blank money orders before the money orders are returned to the HAO. The postal official performing the verification signs the PS Form 17 as a witness and retains a copy at the HAO.

Follow procedure in section [11-12.6](#) when destroying blank money orders.

After the final count of the CPU's stamp stock is conducted, the HAO supervisor does the following:

- a. Coordinates the return of any remaining stamp stock with the SFS. (If any stamp stock is transferred between the CPU and HAO, follow the procedure in part [11-10.3](#).)
- b. Records the amount of the returned stamp stock in AIC 848 on the CPU's PS Form 1412; this should decrease the stamp accountability balance in AIC 853 to zero.
- c. Enters the CPU's final PS Form 1412 into e1412.

- d. Three business days after transmitting the CPU's last PS Form 1412, certifies that the CPU's closing stamp accountability balance (AIC 853) is "zero". To obtain this information, use the Stock Ledger Balances report in the Accounting Data Mart (ADM) (Accounting>Shared Reports>SAFR>Stock Ledger Reports>Stock Ledger Balances — "Stock on Hand" column.) Units that cannot access the ADM can call the Accounting Help Desk (AHD) at 866-974-2733 for assistance.
- e. Contacts the Finance Number Control Master (FNCM) coordinator to deactivate the CPU unit.
- f. Contacts the SFS to deactivate the CPU after the last stock shipped out of the CPU is received by SFS.

13-5.3.3 Returning Equipment

If the CPU offers Post Office Box service, contact Field Maintenance Operations 14 days before closing the CPU to coordinate the pickup of the Post Office Boxes.

Follow Postal Service procedures for relocating Post Office Box customers to another facility. If relocating is not possible, follow the "Discontinued Postal Facility" process published in the *Mailing Standards of the United States Postal Service*, Domestic Mail Manual 508.4.6.2.

The CPU returns the following to the HAO:

- a. Electronic weighing scale (Postal Service).
- b. Credit and debit card terminal, and money order imprinters (if applicable).
- c. Accountable forms and penalty envelopes.
- d. Mailing supplies, displays, and signage.
- e. Round date stamp.

The HAO is responsible for returning or destroying equipment as follows:

For this item...	The HAO must ...
postage meter	The HAO should contact the vendor to coordinate the closing of the postage meter and refund of any available postage to the USPS account. Contact the Accounting Helpdesk at 1-866-974-2733 prior to the final count day and request AIC 110 variance report.
credit card equipment	contact the Retail and Delivery Equipment Integrator (RDEI) or go to the Corporate Treasury Web site Credit and Debit Cards page at http://blue.usps.gov/corptreasury/forms.htm , select <i>Additional Resources</i> , and then select the item that mentions payment device return notification and authorization form.
Paymaster money order imprinter	see section 3-5.1.2 .
bank deposit tickets	destroy and properly dispose of.
round date stamp	destroy and properly dispose of. If the CPU's round date stamp is missing, notify the OIG immediately.

13-6 Cash Credits

13-6.1 Unit Cash Reserves

13-6.1.1 Establishing a Unit Cash Reserve

PRUs may establish a unit cash reserve to supplement the needs of the unit.

The unit cash reserve is based on the Cost Ascertainment Group (CAG) assigned to the PRU. Below is the **maximum** amount of unit cash reserve that can be maintained for each CAG group:

CAG	Maximum Allowed
A	\$700.00
B	\$700.00
C	\$600.00
D	\$600.00
E	\$500.00
F	\$400.00
G	\$300.00
H	\$200.00
J	\$150.00
K	\$100.00
L	\$100.00

Note: PRUs have the ability to increase or decrease their unit cash reserve as long as it is within the authorized “maximum amount”. Management should make adjustments when circumstances warrant.

Use PS Form 3369, *Consigned Credit Receipt*, to assign the unit cash reserve to an employee who is directly accountable. The employee assigned may not allow anyone else to access the credit and is required to keep it secure at all times.

When circumstances warrant, the unit cash reserve custodian may reassign all or part of the unit cash reserve using PS Form 3369. Any reassigned funds must be kept separate from other accountable credits assigned to the employee. Personal funds may never be combined with Postal funds.

The unit cash reserve must be reported in AIC 753 on the unit’s PS Form 1412. When performing a count of the unit cash reserve, there is no authorized tolerance applied.

Note: CPUs and SDAs are not authorized to have a unit cash reserve.

13-6.1.2 Changes to Unit Cash Reserves

In certain instances, a PRU may require unit cash reserve above the allowable maximum amount as stated in Section [13-6.1.1](#). In these instances, the PRU may submit a request to its authorizing finance official to increase the amount of their unit cash reserve but must not exceed the cap amount for their CAG group. The cap amount by CAG is as follows:

CAG	Cap Amount- Not to Exceed
A	\$3,000.00
B	\$3,000.00
C	\$3,000.00
D	\$2,000.00
E	\$2,000.00
F	\$2,000.00
G	\$1,000.00
H	\$700.00
J	\$500.00
K	\$200.00
L	\$200.00

Example: If a unit is in CAG A and currently has the maximum allowable limit of \$700, then that unit can only request an increase of up to \$2,300, since \$3,000 is the cap amount for a CAG A office.

To request an increase to the unit cash reserve, PRU supervisors must do the following:

- Complete FNCM Unit Finance Number Request with header information and the current and new requested amount for Authorized Unit Cash Reserve.
- Scan and submit the request via email to the authorizing finance official for approval. The email must include "Request to Increase Unit Cash Reserve" in the subject line and justification for the request in the body of the email. File a copy locally of completed form and email request.

Upon receipt of the request, the authorizing finance official does one of the following:

- Send an email to the unit with decision of approval and submit the completed FNCM form along with approval email to "FNCM FSB Remedy" through the Outlook address book to update the unit cash reserve amount in FNCM.
- Send an email to the unit with decision of disapproval.

For approved requests, the PRU supervisor must do the following:

- Update PS Form 3369 to reflect the amount authorized by the authorizing finance official.
- Update the unit cash reserve amount as needed on PS Form 1412 (See [13-6.4](#)).
- Maintain copies of email as supporting documentation.

Note: If the authorizing finance official determines that a unit cash amount, considering the requested increase, is excessive, he or she can disapprove the requested increase and determine the appropriate cash level.

Once every fiscal year, the authorizing finance official must review the amount of the unit cash reserve for those units that have been authorized as an exception to validate that the need still exists for the increased amount.

13-6.2 Cash Retained

RAs that are only consigned a cash credit are authorized a cash retained amount of up to \$100.99 for which they are individually accountable. The employee assigned may not allow anyone else to access the credit and is required to keep it secure at all times. Personal funds must never be combined with postal funds. The maximum authorized cash retained amount is documented on PS Form 3369, *Consigned Credit Receipt*.

Individual RA cash retained amounts must be reported in AIC 753, *Cash Retained Today*, on the individual's PS Form 1412 and cannot exceed the approved amount.

Cash retained credits are considered inactive if there is no activity at least once each Postal quarter for credits with funds or \$0 balance reported in AIC 753. See part [13-6.5](#) for handling inactive cash retained credits.

Document any new cash retained credits on the Cash Retained/Unit Cash Reserve List with justification for the change on the Cash Retained/Unit Cash Reserve Notification Letter.

To remove (terminate) an RA in the RSS system, see the *RSS Procedures Guide*, which is available on the Accounting web site.

- a. Go to: <http://blue.usps.gov/accounting/rss/rsstoolkit.htm>.
- b. Under "RSS Guides" / "Procedures Guide:" click *RSS Procedures Guide* (the most current version available).

Note: Only an employee assigned an RSS Administrator role at the PRU can remove (terminate) a user (employee) from the RSS system.

13-6.3 Contract Postal Units Cash Credit

CPUs may maintain \$100 or 10 percent of their stamp credit, whichever is less.

13-6.4 Change Funds and Startup Cash

PRU supervisors may issue start-up cash to establish a new unit cash reserve or a new RA stamp or cash credit accountability as follows:

- a. Issued to an employee within the same finance number.
- b. Shipped to a PRU within the same finance number.

The issuing PRU may do the following:

- a. Use its authorized unit cash reserve.
- b. Authorize an RA with an assigned stamp or cash credit to issue the amount of funds required.

The amount of change funds issued and received must be reported in the PRU's or RA's PS Form 1412 as follows:

If...	Then...	Issuing unit reserve cash custodian or RA does the following...	Receiving unit reserve cash custodian or RA does the following...
Unit request for a new unit cash reserve or to increase the amount of an existing one. or RA request for start-up change funds.	unit cash reserve custodian or another RA may issue start-up cash.	a. Records the amount issued in AIC 647. This decreases AIC 752 by the amount issued. b. Uses Reason Code 11, Cash Transfer.	a. Records the amount received in AIC 247. This increases AIC 752 by the amount received. b. Uses Reason Code 11, Cash Transfer. c. Offsets the amount to AIC 753.

Upon issuance or receipt of change funds, the unit cash reserve custodian or the RA must immediately perform the appropriate accounting entry.

Note: RSS units: See section [8-6.1.3](#) for creating and offsetting financial differences (AIC 247/647).

13-6.5 Handling Inactive Cash Retained Credits

An RA's cash retained credit is considered inactive when there is no activity at least once each postal quarter for credits with funds or \$0 balance reported in AIC 753.

Note: Conducting a count of an RA's cash retained credit signifies activity.

Postal Retail Units (PRUs) handle inactive cash retained credits as follows:

- a. A supervisor conducts a physical count of the RA's cash retained credit. In the absence of the RA, see part [3-8.3](#) for designated witness procedures.
- b. Enter the count results in the RSS system (see part [13-7.3](#)). When initiating the count in the RSS system, select **<yes>** when prompted "Is this a final count?"
- c. The RA assigned the credit does the following:
 - (1) Acknowledges the count in the POS system.
 - (2) Ships all assigned money orders to the unit reserve.
 - (3) Banks or transfers to another RA any funds reported in AIC 753, reducing the AIC 753 balance to \$0 (zero).
- d. Remove the accountable role from the RA in the RSS system (see criteria for removing an accountable role in part [2-4.8](#)). It is not necessary to remove (terminate) the RA from the RSS system if the RA's job description requires the use of the RSS system at that PRU.

To transfer cash retained funds to another RA, follow this procedure:

- a. The RA remitting the funds and the RA receiving the funds verify the amount of the funds being transferred.
- b. The RA remitting the funds creates a Financial Differences — Shortage (AIC 647) in the POS system.
 - (1) Enter the amount shown in AIC 753 on the RA's PS Form 1412 (after a count of the credit was entered in the RSS system).
 - (2) Use Reason Code 11, Cash Transfer.

- c. The RA receiving the funds creates a Financial Differences — Overage (AIC 247) in the RSS system.
 - (1) Enter the amount of funds received.
 - (2) Use Reason Code 11, Cash Transfer.
- Note:** RSS units: See section [8-6.1.3](#) for creating and offsetting financial differences (AIC 247/647).

13-7 Conducting Cash Counts

13-7.1 Unit Cash Reserve Counts

The unit cash reserve that is assigned to an employee must be counted randomly at least once each Postal quarter. If an employee also has a cash retained credit, the unit cash reserve must be counted in conjunction with the cash retained count.

Any portions of the unit cash reserve reassigned to bargaining employees must be counted by a supervisor at least once each postal quarter in conjunction with the cash retained count.

The count is performed by the assignee and independently by a witness, one of whom must be a nonbargaining employee (see the note in part [13-7.3](#)).

There is no tolerance for unit cash reserve credits or the reassigned portions.

If custody of the unit cash reserve is reassigned temporarily or permanently to another employee, a count must be performed, results entered, and a new PS Form 3369 is completed for the replacement Cash Reserve custodian.

13-7.2 Recording Unit Cash Reserve Counts

After a physical count of the unit cash reserve, record counts as follows:

- a. Use PS Form 3294 or system-generated PS Form 3294 to document each unit cash reserve count with signatures of employees that performed the count.
- b. RSS units:
 - (1) Refer to the current RSS Procedures Guide for the “Count Unit Cash Reserve (Cash)” workflow. (RSS Procedure Guide section 4.3.3)
 - (2) RSS prints two manual count sheets. Both count sheets must be completed and attached to the system-generated PS Form 3294 as part of the official count documentation
 - (3) Enter the results of the count performed in RSS.
 - (4) A system-generated PS Form 3294 will print after the employee assigned to the unit cash reserve reviews and acknowledges the count.
 - (5) The system-generated form will record the electronic signature of the supervisor initiating the count and the employee assigned to review and accept the count. If a witness is used for the count,

the witness must sign the system-generated PS Form 3294 in lieu of an electronic signature.

- (6) Retain the system-generated PS Form 3294 along with both system-generated count sheets completed by each counter.
- c. Record the results of the unit cash reserve counts on PS Form 3368-P.
Note: RSS and e1412 systems require comments when there is a count discrepancy of \$100 or more; this information is electronically transmitted to the OIG.
- d. File PS Form 3294 or system-generated PS Form 3294, both sets of system-generated count sheets, and PS Form 3368-P in the employee's stamp and cash credit files. (For information on filing and retaining forms, see part [13-1.3](#).)

13-7.2.1 **Overages**

Upon completion of the count, do the following:

- a. Record overages in AIC 068 and offset the amount in AIC 752.
- b. Provide a system-generated or a manual PS Form 3544 that shows the employee's name, count date, amount, and circumstances of the overage to the employee.

The e1412 and RSS systems automatically clear an outstanding overage balance when 91 days has been reached or exceeded since creation and offsets the amount to AIC 123.

13-7.2.2 **Shortages**

Upon completion of the count, do the following:

- a. Record shortages in AIC 764 and offset the amount in AIC 752.
- b. Local unit management is responsible for monitoring and pursuing collection of the shortage (debt) while adhering to the applicable collective bargaining agreement and the Debt Collection Act.

When the shortage is paid, the funds are submitted to another RA who clears the amount with an entry to AIC 364.

13-7.3 **Cash Retained Credit Counts (RSS Units Only)**

Each employee working from the retail floor stock under segmented inventory accountability has a Cash Retained credit. Cash Retained credits with funds must be counted randomly at least once each postal quarter. Counts can be conducted any day within the postal quarter but should be conducted randomly to avoid establishing a pattern. This includes bargaining and nonbargaining employees and postmaster reliefs.

Cash retained credit counts must be conducted using the RSS workflow. Each employee's domestic and international (MP-1) money orders must be counted in conjunction with the cash credit count. (See the *RSS Procedures Guide*, subchapter 4.3, for instructions on conducting counts in the RSS system.)

If an employee has a reassigned portion of the unit cash reserve, it must be counted in conjunction with the Cash Retained credit count. The assigned employee and another employee, one of whom must be a nonbargaining employee, perform the count(s).

Note: If a nonbargaining employee is not domiciled at the unit, the postmaster, manager, or supervisor responsible for the unit is required to perform an independent cash credit count no less than once every postal quarter.

13-7.4 **Cash Retained Count Tolerance**

Each employee is authorized a tolerance of \$25 during his or her Cash Retained credit count regardless of the amount of the Cash Retained credit.

No tolerance is applied when conducting a final count of a Cash Retained credit. A final count of a Cash Retained credit must be conducted if any of the following conditions apply:

- a. The accountable role is being removed from the RA in the RSS system due to nonuse or inactivity.
- b. The RA is separated from the Postal Service.
- c. The RA bids to another position that does not require use of the RSS system.
- d. The RA's Cash Retained balance (AIC 753) is reduced to zero (a zero balance in AIC 753 allows the role to remain open for up to 4 months without activity).

13-7.5 **Recording Cash Retained Counts**

After a postal retail unit's (PRU's) supervisor performs a physical count of the Cash Retained credit, individual system-generated count sheets must be completed by the supervisor, the employee to whom the credit is assigned or that employee's witness, (see part [3-8.3](#) for designated witness procedures), record counts as follows:

- a. Use the RSS Retail Floor Clerk "Count Retail Floor Stock Clerk (Cash & MO)" workflow.
- b. Enter the results of the count performed in RSS.
- c. If the count results in a discrepancy of \$100.00 comments are required for the OIG.
- d. Print the system-generated PS Form 3294 after the employee assigned to the Cash Retained credit reviews and acknowledges the count (on the same day of the count).
- e. The system-generated form will record the electronic signature of the supervisor initiating the count and the employee assigned to review and accept the count. If a witness is used for the count, the witness must sign the system-generated PS Form 3294 in lieu of an electronic signature.
- f. Retain the system-generated PS Form 3294 along with both completed sets of system-generated count sheets.
- g. Post results of the counts to PS Form 3368-P.

- h. File the system-generated PS Form 3294, both completed sets of system-generated count sheets, and PS Forms 3368-P in the employee's stamp and cash credit files. (For information on filing and retaining forms, see part [13-1.3.](#))

13-7.5.1 **Overages**

Upon completion of the count, the RSS system automatically does the following:

- a. Records overages that exceed the \$25 tolerance or for final counts in AIC 068.
- b. Offsets the amount in AIC 752.
- c. Clears the outstanding balance when 91 days has been reached or exceeded since creation.

If an overage is found to be related to a shortage, supervisors must do the following:

- a. Use AIC 468 to offset the shortage.
- b. Exercise judgment when determining the existence of a relationship that may warrant an offset and maintain appropriate documentation locally.

13-7.5.2 **Shortages**

Upon completion of the count, the RSS system automatically records shortages that exceed the \$25 tolerance or for final counts in AIC 764 and offsets the amount in AIC 752.

When the shortage is paid, the funds are submitted to another RA who clears the amount with an entry to AIC 364 by clearing the Reference Number assigned.

Local unit management must monitor and pursue collection of the shortage (debt) while adhering to the applicable collective bargaining agreement and the Debt Collection Act.

13-8 Count and Tolerance Tables

13-8.1 **Counts**

The following table lists the frequency for counting accountability credits and specifies the AIC for recording overages and shortages.

For this accountability credit...	The tolerance is...	Count this credit every...	Record overages in...	Record shortages in...
Unit Reserve Stock				
Bargaining Employee	See part 13-8.2	4 months*	AIC 057	AIC 767
Nonbargaining Employee		once a fiscal year*	AIC 057	AIC 767
PMR		once a fiscal year*	AIC 057	AIC 767
Unit Cash Reserve				
Bargaining Employee	\$0.00	once a postal quarter*	AIC 068	AIC 764
Nonbargaining Employee	\$0.00	once a postal quarter*	AIC 068	AIC 764
PMR	\$0.00	once a postal quarter*	AIC 068	AIC 764
SIA Cash Credit (Cash Retained)				
Bargaining Employee	\$25.00	once a postal quarter*	AIC 068	AIC 764
Nonbargaining Employee	\$25.00	once a fiscal year*	AIC 068	AIC 764
PMR	\$25.00	once a fiscal year*	AIC 068	AIC 764
Stamp Stock Credit				
Bargaining Employee	See part 13-8.2	4 months*	AIC 057	AIC 767
Nonbargaining Employee		once a fiscal year*	AIC 057	AIC 767
PMR		once a fiscal year*	AIC 057	AIC 767
SIA Retail Floor Stock				
Difference is = or < .1% of sales	\$0.00	fiscal quarter	AIC 239	AIC 639
Difference > .1% of sales	\$0.00	fiscal quarter; must also count unit reserve stock	AIC 239	AIC 639
Lobby Sales				
Difference is = or < .1% of sales	\$0.00	fiscal quarter	AIC 221	AIC 612
Difference > .1% of sale	\$0.00	fiscal quarter; must also count unit reserve stock and Retail Floor stock	AIC 221	AIC 612
PMR	\$0.00	fiscal quarter	AIC 175	AIC 612
Contract Postal Unit	\$0.00	once a fiscal year*	AIC 057	AIC 767

* Counts must be conducted randomly within the minimum established frequency.

Count Frequency	Description
At least once each postal quarter	Counts must be conducted any day within each postal quarter. PQ1: October–December PQ2: January–March PQ3: April–June PQ4: July–September
At least once every 4 months	Counts must be conducted no less frequently than once every 4 months from the month of the last count. A count performed on January 2nd is scheduled to be counted again, at the latest, any day within the month of May.
Once a fiscal year	Counts must be conducted randomly and no less frequently than once every fiscal year (October–September).

13-8.2 Tolerances

The following table specifies the tolerance that PRU employees must use for counts:

Amount of Stamp Stock	Tolerance
Up to \$30,000.00	\$50.00
\$30,000.01 to \$60,000.00	\$100.00
Above \$60,000.00	\$150.00
Amount of Cash Credit	
Up to \$100.99	\$25.00

14 Segmented Inventory Accountability

This chapter contains the responsibilities and procedures for maintaining segmented inventory accountability (SIA). This chapter also describes the requirements and procedures for managing the retail floor stock. This chapter includes the following subchapters:

[14-1 Overview.](#)

[14-3 Retail Floor Stock.](#)

[14-3 Other Segment Counts.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

14-1 Overview

Each unit must maintain a unit reserve stock and may have a number of different segments.

Retail associates (RAs) who work at window services do not have a stamp stock inventory assigned and instead work from a shared retail floor stock.

RAs that work from the retail floor stock are authorized a cash retained credit of up to \$100.99, for which they are individually accountable (see section [13-7.2](#)).

Other segments may require stamp stock inventory assigned as individual accountability for which they are directly accountable.

14-1.1 Segment Definitions

The following segments enable the assignment of cash or stamp stock to various individuals or roles within a unit:

- a. *Mobile segment:* Stock for use by employees assigned to operate mobile units. This credit is directly accountable to an individual.

Note: Use mobile unit segments for special events. At the completion of the event, a count is conducted, and the balance is either returned to the unit reserve, prepared for destruction, or moved to the retail floor stock.

- b. *Philatelic segment:* The credit is assigned to an individual who has a dedicated philatelic accountability.
- c. *Retail floor stock:* A common inventory for use by retail employees who are not directly accountable for that inventory.

14-1.2 Responsibilities

Postmasters, managers, and supervisors at postal retail units (PRUs) must comply with the procedures defined in this section. In addition, postmasters, managers, and supervisors are responsible for the following:

- a. Establishing and controlling segments within the unit.
- b. Monitoring inventory levels.
- c. Ensuring proper entry of all financial transactions.
- d. Remitting all funds in excess of authorized reserves.
- e. Monitoring operations, including count procedures.

All PRU employees are responsible for the following:

- a. Ensuring financial integrity.
- b. Maintaining security of all postal stock, funds, equipment, and facilities.
- c. Reporting all retail transactions.
- d. Providing receipts to each customer.
- e. Using the Point of Service (POS) cash drawers for all daily transactions as they occur.

Employees are accountable for cash, stamp stock, and money orders directly assigned to them.

14-1.3 Maintaining Segment Accountability

The total of all stamp stock is posted in 853, Stamp Accountability Closing Balance, on the RSS system-generated PS Form 1412, *Daily Financial Report*.

The RSS Clerk Balance List identifies the balance of each segment's stock. This report will always include a unit reserve, a retail floor stock, and may include other segments such as mobile or philatelic.

The total value of stock computed on the "Clerk Balance List" must always equal the total reported in AIC 853 on the unit's PS Form 1412.

On the RSS system-generated PS Form 1412, the total of all cash retained or reserves is posted in AIC 753, Cash Retained Today. This is defined on the Clerk Balance List by listing the unit cash reserves plus the various assigned RA's cash retained credits.

14-2 Retail Floor Stock

14-2.1 Overview

Under the retail floor stock SIA concept, the following applies:

- a. Cash is separated from stamp stock in retail credits.
- b. A shared retail floor stock replaces individual stamp credits for RAs.

14-2.2 Documentation of Stock Assigned to the Retail Floor Stock

The unit reserve stock custodian issues stock directly to the retail floor stock. Although no individual RA is accountable for this stock, each RA making sales from this credit is responsible for ensuring accurate reporting of the sales from the retail floor stock.

RAs are also responsible for adequate protection and security of retail floor stock.

PS Form 17, *Stamp Requisition/Stamp Return*, is used to document shipments of stock from the unit reserve to retail floor stock and from retail floor stock back to the unit reserve as follows:

- a. The unit reserve stock custodian signs PS Form 17 in either the Signature of Shipper block or the Signature of Person Receiving Stock block.
- b. An employee assigned a retail floor stock role must independently count all stock moved into and out of the retail floor stock and sign the PS Form 17.
- c. An employee must acknowledge the stock received or stock shipped in the RSS system.

14-2.3 Retail Floor Stock Limits

Retail floor stock is the sum of display stock plus loose stock at a RSS unit. Retail floor stock limits are based on the following two periods:

- a. For Postal FY Quarter 1 (October 1–December 31), the retail floor stock limit is the retail floor stock total postage sales from the same period last year (SPLY), same quarter, divided by 4.5. (This will calculate to approximately 3 weeks sales.)

Example: If your retail floor stock total postage sales for Quarter 1 of the previous year totals \$18,000, your retail floor stock limit for each day in Quarter 1 of the current year must not exceed \$4,000 ($18,000 / 4.5 = 4,000$).

- b. For Postal FY Quarters 2, 3, and 4 (January 1–September 30), the retail floor stock limit is the total retail floor stock postage sales from Quarters 2, 3, and 4 of the SPLY divided by fourteen (14). (This will calculate to approximately 3 weeks sales.)

Example: If your retail floor stock total postage sales from Quarters 2, 3, and 4 of the previous year totals \$42,000, your retail floor stock limit for each day in Quarters 2, 3, and 4 of the current year must not exceed \$3,000 ($42,000 / 14 = 3,000$).

Note: Newly established PRUs under SIA can request the authorizing finance official to establish the retail floor stock limit when there are no SPLY sales to use for calculating the retail floor stock limit as described earlier. The authorizing finance official will provide the unit with a written authorization with the amount established, effective date, and expiration date.

For the purpose of establishing the retail floor stock limit, the calculation to determine same period last year (SPLY) stamp sales is to take the total amount reported in AIC 852 on the unit's PS Form 1412 and subtract AICs 011, 086, and 094. See part [14-2.3](#) to determine the calculations per quarter. If additional stamp stock is required that exceeds the Retail Floor Stock limit, the RSS system will request a Supervisor Override. The unit supervisor will log on with his or her login ID and authorize the transaction.

14-2.4 **Counts**

The postmaster, manager, or supervisor is responsible for the required count of the retail floor stock and the maintenance of established inventory levels. There is no tolerance applied for retail floor stock counts.

If an employee with a retail floor stock role is also assigned the unit reserve stock, a count of the unit reserve stamp stock credit must also be completed concurrently (before any unit reserve transactions take place).

14-2.5 **Count Frequency**

A retail floor stock count must be conducted at least once each fiscal year (FY) quarter.

FY Quarter	Dates
1	October 1–December 31
2	January 1–March 31
3	April 1–June 30
4	July 1–September 30

The calculation for total SIA sales is as follows:

- Take the total amount reported on the unit's PS Form 1412 in AIC 852 since the last count and subtract AICs 011, 086, and 094 since the last count. Divide the inventory variance by this total.
- If the result of the retail floor stock count exceeds the inventory variance of 0.1 percent since the last count, a count of the unit reserve stamp stock credit must also be completed concurrently (before any unit reserve transactions take place).
- The postmaster, manager, or supervisor is responsible for compliance with the minimum requirements defined in this section. The authorizing finance official, the district retail manager, and other concerned operations may establish additional requirements to satisfy the district business needs.

14-2.6 **Count Procedures**

An independent count of the retail floor stock must be performed by two employees. One of the participants must be the postmaster, manager, or supervisor responsible for the unit.

Do not conduct floor stock counts during business hours. The procedure for conducting a retail floor stock count is as follows:

- a. Resolve any differences between the clerk balance list and the unit's PS Form 1412.
- b. The counter with the supervisor role must initiate the retail floor stock count in RSS to print the inventory count sheets.
- c. Both counters perform the physical count of the retail floor stock by using the system-generated inventory count sheets to independently record items and quantities counted.
- d. Enter all value amounts into the RSS "Counts" workflow.
- e. After the count is entered and accepted in RSS, a system-generated PS Form 3294, *Cash and Stamp Stock Count and Summary*, will automatically be printed. The RSS system-generated PS Form 3294 will reflect the following:
 - (1) The qualified sales since last count.
 - (2) The threshold amount.
 - (3) Whether or not the threshold was exceeded.
 - (4) If a unit reserve stock count is required.
 - (5) Any overages posted to AIC 239.
 - (6) Any shortages posted to AIC 639.

The system-generated PS Form 3294 will record the electronic signature of the supervisor initiating the count and the RA who is assigned to review and accept the count.

There is no tolerance applied to the floor stock count.

Note: Do not include packaging or retail products in this count.

14-2.7 Documenting Count Results

Document the retail floor stock count results as follows:

- a. Use the system-generated PS Form 3294 and both sets of independently completed count sheets to document counts of the retail floor stock.
- b. Record results of retail floor stock counts on PS Form 3368-P.
- c. File documents locally as supporting documentation for retail floor stock count (For information on filing and retaining forms, see part [13-1.3](#)).

14-3 Other Segment Counts

Stamp stock credits assigned to bargaining employees must be counted at least once every 4 months (see part [13-3.1](#)).

Concurrent counts must be performed for employees assigned unit reserve stamp stock and other accountable stamp credits. This begins a new cycle for the required “count frequencies” for all assigned credits.

Blank money order stock assigned to an accountable segment employee must be verified and entered into the system each time the count is performed. Verify and document all money order serial numbers.

15 Employee Items

This chapter contains the responsibilities and procedures for resolving and documenting unresolved employee items. This chapter also describes the requirements and procedures for establishing an accounts receivable. This chapter includes the following subchapters:

[15-1 Locally Managed Employee Items.](#)

[15-2 Accounts Receivable.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

15-1 Locally Managed Employee Items

15-1.1 Overview

Locally Managed Employee Items include the following:

- a. Any advance travel issued.
- b. Employee stamp stock and/or cash credit overages or shortages.

Each field unit must maintain the following:

- a. A master control of employee items by category of employee items, showing the total amounts. The master control can be either a system-generated report or a manual ledger.
- b. A list of unresolved employee items using the Unresolved Employee Items report in RSS or e1412.

15-1.2 Reporting and Clearing

Exhibit 15-1.2a lists the AICs that employees must use to report unresolved employee items.

Exhibit 15-1.2a

AICs for Reporting Unresolved Employee Items

Use AIC...	To record...
AIC 755, <i>Emergency Travel Advance Issued</i>	emergency one-time nonrecurring advance issued to a bargaining unit employee on official business travel. Do not exceed \$1,000. See Handbook F-15, section 4-2.1.1.
AIC 764, <i>Employee Cash Shortage</i>	employee cash shortage amount that results from either a cash credit count or an employee's daily bank deposit shortage.

Use AIC...	To record...
AIC 767, <i>Employee Stamp Credit Shortage</i>	employee stamp stock credit shortage amount that results from a stamp credit count.
AIC 057, <i>Employee Stamp Credit Overage</i>	employee stamp stock credit overage amount that results from a stamp credit count.
AIC 068, <i>Employee Cash Overage</i>	employee cash overage amount that results from either a cash credit count or an employee's daily bank deposit overage.

Exhibit 15-1.2b lists the AICs that employees must use to clear unresolved employee items:

Exhibit 15-1.2b

AICs for Clearing Unresolved Employee Items

Use AIC...	To record...
AIC 355, <i>Emergency Travel Advance Cleared</i>	the payment (pay off) for an emergency travel advance issued.
AIC 364, <i>Employee Cash Shortage Cleared</i>	the payment (pay off) for an employee cash shortage.
AIC 367, <i>Stamp Credit Shortage Cleared</i>	the payment (pay off) for an employee stamp credit shortage.
AIC 457, <i>Employee Stamp Credit Overage Withdrawal</i>	the withdrawal amount, either partial or full, of employee stamp credit overage. RSS and e1412 automatically clear after 365 days.
AIC 468, <i>Employee Cash Overage Withdrawal</i>	the withdrawal amount, either partial or full, of employee cash overage. RSS and e1412 automatically clear after 90 days.

15-1.3 **Monitoring Employee Items**

At least once a month, the postmaster, manager, supervisor, or designated employee must reconcile Employee Item balances using Accounting Data Mart (ADM) or the Accounting Help Desk Customer Trust and Employee Items report to local records of individual employee items, and must research and resolve any differences.

The Open Employee Items report identifies all unresolved employee items. Access the following report in ADM: Accounting>Shared Reports>SAFR>Trust and Suspense>Open Employee Items.

The 3544 Receipt Detail report allows the applicable employee to query detailed data for the entire field unit's unresolved employee items. Access the following report in ADM: Accounting>Shared Reports>SAFR>Unreconciled Transmission Reports>Receipt Detail>3544 Receipt Detail.

15-2 Accounts Receivable

15-2.1 Overview

A field unit manager is responsible for monitoring and pursuing collection of employee debts upon a determination that a nonbargaining employee is indebted to the Postal Service following the collection and appeal procedures specified in *Employee and Labor Relations Manual* (ELM) 450.

When a bargaining employee is indebted to the Postal Service, the field unit manager or designee must follow the collections procedures in accordance with conditions set forth in Article 28 of the employee's respective collective bargaining agreement and in ELM 460.

A field unit manager or designee does the following tasks:

- a. When applicable, initiate PS Form 1902, *Justification for Billing Accounts Receivable*, using the eIWS OnLine Forms application at <https://olf.usps.gov/OLF>.
Note: Do not establish an accounts receivable unless the debt is at least \$25.
- b. When applicable, coordinate any ongoing involvement with USPS functional departments (e.g., Labor Relations, Legal, Human Resources) to pursue collection or resolution of the employee debt.
- c. When applicable, initiate PS Form 1007, *Employee Debt Modification Request*, using the eIWS OnLine Forms application at <https://olf.usps.gov/OLF>.
- d. When applicable, respond to employee questions or requests for records related to the debt timely.
- e. Maintain all related notifications and/or documents on file locally.

Accounting Services is responsible for managing and monitoring accounts receivable activity and for generating invoices, monthly statements, and delinquency notices for accounts receivable items.

Accounting Services does the following tasks:

- a. Review and process PS Form 1902.
- b. Initiate the Debt Collection Act Notifications:
 - (1) Issue the invoice and either a Letter of Demand (LOD, which is issued to bargaining unit employees) or a Letter of Debt Determination (LDD, which is issued to nonbargaining unit employees) to the employee's official mailing address of record, and provide a copy to the USPS official at the employee's office of record.
 - (2) After waiting 15 days from the date of issuing the invoice and either the LOD or LDD to the employee's official mailing address of record, issue the Notice of Involuntary Administrative Salary Offset to the employee's official mailing address of record, and provide a copy to the USPS official at the employee's office of record.

- c. Initiate the Automatic Payroll Debt Collection process.
- d. Process PS Form 1007 and flag receivables based on notification to prevent or reestablish automatic payroll debt collection.
- e. Respond to field inquiries.
- f. Process debt collection payments.

15-2.2 Establishing Accounts Receivable

15-2.2.1 Overview

The field unit manager or designee must exhaust all attempts to collect a debt owed the Postal Service before either establishing an accounts receivable or clearing the debt.

The field unit manager or designee must *not* establish an accounts receivable unless the debt is at least \$25.

15-2.2.2 Debts of Less Than \$25

For debts of less than \$25, the field unit manager or designee must *not* establish an accounts receivable. Instead, the field unit manager or designee must attempt to collect the debt from the employee.

15-2.2.3 Debts of at Least \$25

For debts of at least \$25, the field unit manager or designee establishes an accounts receivable as follows:

- a. Complete and submit PS Form 1902 using the eIWS OnLine Forms application at <https://olf.usps.gov/OLF>.
- b. If the debt is a locally managed employee item or field unit expense, record the appropriate entries to the PRU's PS Form 1412 as follows:
 - (1) Record the amount from PS Form 1902 into AIC 636, *Employee Receivables*, and in the appropriate offset AIC for clearing the employee item or expense item.
 - (2) Print the PS Form 1902 and attach the required supporting documentation for the AIC 636 entry as follows:
 - (a) RSS: Attach the system-generated receipt — PS Form 3544, *USPS Receipt for Money or Services*.
 - (b) e1412: Attach a copy of the field unit's PS Form 1412, *Daily Financial Report*, with the AIC 636 entry.
- c. Retain the printed PS Form 1902 with required signatures and support documentation on file locally.

15-2.3 Debt Collection Act Notifications

Accounting Services issues the invoice and either the LOD or LDD to the employee's official mailing address of record and provides a copy to the USPS official at the employee's office of record. The USPS official must maintain the copy of the invoice and either the LOD or LDD in the employee folder.

After waiting 15 days from the date of issuing the invoice and either the LOD or LDD to the employee's official mailing address of record, Accounting Services issues the Notice of Involuntary Administrative Salary Offset to the employee's official mailing address of record, and provides a copy to the USPS official at the employee's office of record. The USPS official must maintain the copy of the LOD or the LDD in the employee folder.

Note: Do *not* use this process to handle employee debts and invoices that are *not* subject to the Debt Collection Act.

15-2.4 Payroll Collection to Liquidate Indebtedness

15-2.4.1 Nonbargaining Unit Employee

When a nonbargaining employee is indebted to the Postal Service, the postmaster must follow the collection and appeal procedures specified in ELM 450.

15-2.4.2 Bargaining Unit Employee

When a bargaining employee is indebted to the Postal Service, the USPS official must follow the collections procedures in accordance with conditions set forth in Article 28 of the employee's respective collective bargaining agreement and in ELM 460.

15-2.5 Employee Receivable Report

The field unit manager or designee of each lead finance number receives an Employee Receivable report, which identifies open employee debts. Due to the sensitivity of the data, the field unit manager or designee must not share the report with other personnel, unless the field unit manager or designee deems it necessary.

The field unit manager or designee must store any hard copy reproduction of the report in a secured location and, after initiating the collections process, must destroy the report.

For additional information and resources, visit the Employee Receivable Toolkit located on the Accounting website at <http://blue.usps.gov/accounting/welcome.htm>.

15-2.6 Automatic Payroll Collection Process

15-2.6.1 Overview

Upon completion of the Debt Collection Act notifications, the Postal Service automatically begins collecting the debt, by deducting 15 percent of an employee's disposable pay, unless notified as indicated in section [15-2.6.2](#), [15-2.6.3](#), [15-2.6.4](#), or [15-2.6.5](#).

The term "disposable pay" refers to that part of an employee's salary that remains after all required deductions, such as the following:

- a. Normal retirement contributions.
- b. Federal Insurance Contributions Act (FICA) taxes.
- c. Medicare insurance taxes.

- d. Federal income tax.
- e. State and local income taxes.
- f. Employee-paid federal health insurance program.

Notes:

- a. If the individual's employment ends before collection of the full debt, the Postal Service may make deductions from subsequent payments of any nature due the employee.
- b. Employees also have the option for voluntary payroll debt collection that exceed 15 percent. The USPS official must complete and submit PS Form 1007 using the eIWS OnLine Forms application at <https://olf.usps.gov/OLF>, and must notify Accounting Services of the employee's use of this option.
- c. If the employee does not repay the debt by the end of the same calendar year, the IRS requires that payroll-related overpayments be treated as reportable income subject to applicable tax withholdings.
- d. The Postal Service does not use these procedures to handle employee debts and invoices that are *not* subject to the Debt Collection Act. Examples include a noncareer health benefit (PRD prefix L and T) or an OWCP authorized leave buy back request (PRD prefix R) related invoice.

15-2.6.2 **Full Repayment**

An employee can repay a debt within 30 days of notice as follows:

- a. To pay by check or money order, submit the payment with the invoice to the appropriate USPS official and address listed on the debt letter.
- b. To pay by credit card or debit card, the employee must have a valid email address. Send an email with the employee's name, employee identification number, invoice number, and the total amount to be paid to the following email address: yvvqj0@usps.gov.

Note: The secured link to pay online is provided in a return email notification.

15-2.6.3 **Stopping Automatic Payroll Debt Collection**

To stop the automatic payroll debt collection, the USPS official must complete and submit to Accounting Services PS Form 1007 using the eIWS OnLine Forms application at <https://olf.usps.gov/OLF>.

Additionally, when there is a resolution or a change in status (i.e., after a Grievance or a Judicial Hearing), the USPS official must complete and submit to Accounting Services PS Form 1007 using the eIWS OnLine Forms application at <https://olf.usps.gov/OLF>.

The Postal Service stops the Automatic Payroll Debt process when one of the following conditions are met:

- a. The employee pays the debt in full to Accounting Services.
- b. The employee files a Grievance or requests a Judicial Hearing (see section [15-2.6.4](#)).
- c. The employee is on active Military Duty leave.

15-2.6.4 Formal Proceedings Resolution Process

Formal proceedings occur when an employee files a grievance or a judicial hearing related to the debt. Based upon the adjudication of the formal proceedings, the USPS official must complete and submit PS Form 1007 using the eIWS OnLine Forms application at <https://olf.usps.gov/OLF>, and must upload signed copies of the resolution.

Accounting Services takes appropriate action, as follows, based on the resolution of the formal proceedings:

- a. Cancel the debt.
- b. Adjust the amount of the debt and initiate automatic payroll debt collection based on the resolution.
- c. Initiate the automatic payroll debt collection process on the original debt.

15-2.6.5 Severe Hardship Requests**15-2.6.5.1 Employee's Responsibility**

To make a severe hardship request, the employee must submit the proposed offset schedule to his or her immediate manager and include a justification for believing that the Postal Service's proposed deductions would result in a severe financial hardship.

The employee must provide all information in his or her possession relating to the debt and to his or her financial ability to repay it so that the manager of Field Accounting Support can make an informed decision on the employee's request.

The employee's proposal must include the following items:

- a. A written statement.
- b. The total amount to be paid each pay period.
- c. The number of pay periods required to repay the debt.
- d. The date that the first payment would be made.
- e. Supporting documentation, which must show the following information relating to the employee and his or her spouse and dependents for the 1-year period preceding the Postal Service's notice and the repayment period in the employee's proposed offset schedule:
 - (1) Total family income.
 - (2) Assets and liabilities.
 - (3) Number of dependents.
 - (4) Total expenses for food, housing, clothing, transportation, medical care, and any exceptional expenses.

15-2.6.5.2 Field Unit Manager's Responsibility

The USPS official must complete and submit PS Form 1007 using the eIWS OnLine Forms application at <https://olf.usps.gov/OLF>, and must upload all supporting documentation into the online system and must attach supporting documentation.

The OnLine Forms application routes PS Form 1007 for higher-level approval.

Upon the higher-level approval, eOLF routes PS Form 1007 to Accounting Services for processing. Payroll collection for a specific dollar amount must align with the following maximum repayment schedule:

- a. Debts of \$25–\$3,000 (inclusive): The maximum repayment timeframe is 10 pay periods.
- b. Debts greater than \$3,000: The maximum repayment timeframe is 26 pay periods.

Note: For either level of debt, the minimum acceptable dollar amount per pay period is \$50.

All applicable employees must complete and approve the severe hardship request no later than 30 calendar days from the date the employee receives the LOD or LDD. Severe hardship payroll collections begin the first pay period after Accounting Services fully processes the PS Form 1007 submission.

Note: The Postal Service will not accept a severe hardship request that is not completed and approved by all applicable employees within the timeframe noted above. Upon completion of the Debt Collection Act notifications, the Postal Service automatically begins collecting the debt, by deducting 15 percent of an employee's disposable pay.

15-2.7 Monitoring Accounts Receivable

The USPS official must perform the following actions:

- a. Maintain a copy of PS Form 1902, the invoice, the LOD or the LDD, the Notice of Involuntary Administrative Salary Offset (issued/sent by Accounting Services), and in the event of a Grievance or a Judicial Hearing, all the supporting documentation.
- b. Provide the employee with a copy of the invoice, the LOD or the LDD, and/or the Notice of Involuntary Administrative Salary Offset if the employee indicates that he or she did not receive the document(s).
- c. Provide timely responses with the required information when the employee has questions or provides a written request for records.
- d. Monitor the Employee Receivable report.
- e. If the employee files a Grievance or requests a Judicial Hearing, complete PS Form 1007 using the eIWS OnLine Forms application at <https://olf.usps.gov/OLF> to notify Accounting Services of the following:
 - (1) Stop the automatic collection process.
 - (2) Change the status.
 - (3) Report a resolution.

16 Customer Business Mail Activity (Permit Imprint and Periodicals)

This chapter contains the procedures for reporting business mail activity for both *PostalOne!* and non-*PostalOne!* units. This chapter also describes the procedures for accounting for deposits and withdrawals from customer advance deposit accounts. This chapter includes the following subchapters:

- [16-1 General Information.](#)
- [16-2 Application and Annual Fees.](#)
- [16-3 Presort Mailings — Additional Postage.](#)
- [16-4 Advance Deposits.](#)
- [16-5 Withdrawals from Customer Advance Deposit Accounts.](#)
- [16-6 Refund of Annual Permit Fees.](#)
- [16-7 Closing Customer Accounts for Inactivity.](#)
- [16-8 Handling Negative Balances in Customer Accounts.](#)
- [16-9 Enterprise Payment Accounts.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

16-1 General Information

Presort mailers may be authorized to mail material without affixing postage when payment is made at the time of mailing from a permit imprint advance deposit account. See *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) 604.5.0.

PostalOne! units are business mail entry units (BMEUs) or postal retail units (PRUs) that process all permit activities and maintain customer advance deposit accounts in the *PostalOne!* system.

Non-*PostalOne! units* are PRUs that accept deposits and process all permit activities from customer advance deposit accounts that are maintained using an individual PS Form 25, *Trust Fund Account*. Manage the accounts as follows:

- Enter the deposits and withdrawals and calculate the balance on an individual PS Form 25.
- Maintain a separate PS Form 25 with the daily summary grand total amount of all advance deposit account balances.

16-2 Application and Annual Fees

A mailer may obtain a permit to use a permit imprint indicia by submitting PS Form 3615, *Mailing Permit Application and Customer Profile*, and the applicable fees to the Post Office where the mailings are made or online using the Business Customer Gateway. Two forms of identification are required when submitting the application. One form of ID must contain a photograph of the applicant.

A valid, photo-bearing identification must be one of the following:

- State-issued driver's license.
- State-issued nondriver identification.
- Passport (foreign or domestic).
- U.S. military identification.
- Other U.S. government-issued identification.

Note: Social security cards, credit cards, and birth certificates are not acceptable forms of identification.

16-2.1 Collecting Application Fees

PRUs collect a one-time nonrefundable application fee, in advance, for customers who want to qualify for Periodicals rates or who want to use envelopes with a permit imprint.

Record these fees in the following AICs:

Fee	AIC
Periodical Application Fees	139
Permit Imprint Application Fees	140

16-2.2 Collecting Annual Fees

The following table lists the annual fees to be collected at PRUs and the AIC into which the fee is recorded.

Fee	AIC
First-Class Presort Annual Mailing Fee	117
Media and Library Mail Presort Mailing Fees	118
Standard Mail Annual Fees	138
Parcel Select — Annual Mailing Fee	142
Bound Printed Matter Destination BMC Annual Permit Fee	197

16-2.3 Accounting for Fees

All fees must have a PS Form 3544, *USPS Receipt for Money or Services*, or a system-generated receipt (3544).

PRUs must clearly identify each fee on PS Form 3544 to ensure proper AIC entry on PS Form 1412, *Daily Financial Report*.

Fees must be manually entered to the customer's account in the *PostalOne!* system for non-interfaced *PostalOne!* units or on an individual PS Form 25 for non-*PostalOne!* units.

16-3 Presort Mailings — Additional Postage

16-3.1 Overview

Customers may establish an advance deposit account to pay additional postage for postage affixed presort mailings. Alternatively, a customer may request that additional postage be withdrawn (adjustment) from a permit imprint account.

Presort mailings that require additional postage are:

- Metered or precanceled stamp mailings with postage affixed at the lowest qualifying rate in the mailing.
- Mailings that fail a presort or any other mail acceptance verification.

16-3.2 Collecting Additional Postage

16-3.2.1 PostalOne! Units

At *PostalOne!* units, collect additional postage as follows:

- a. Withdraw from customer's precancelled, metered, or permit account as applicable and process an adjustment to report additional postage revenue in AIC 113 as documented on the postage statement.
- b. If the customer's account has an insufficient balance, the customer must pay or deposit the difference to the account to at least cover the additional postage.

16-3.2.2 Non-PostalOne! Units

At non-*PostalOne!* units, collect additional postage as follows:

- a. Maintain a PS Form 25 for customers who establish an advance deposit account.
- b. Withdraw additional postage from the customer's account to pay the additional postage, as documented on the postage statement.
- c. Report revenue in AIC 113 on the retail associate's (RA's) PS Form 1412.
- d. File a copy of the postage statement with the adjustment.

16-4 Advance Deposits

16-4.1 Overview

Advance deposit accounts are trust funds comprised of permit imprint and periodicals accounts in accordance with the following requirements:

- a. Customers must pay for permit imprint and Periodicals mailings by cash, check, or debit card through an advance deposit or Enterprise Payment account before the mailing can be released for processing.
- b. The Postal Service withdraws the funds when payment for postage and fees is incurred.
- c. The Postal Service does not offer credit for postage and does not permit a negative balance in a trust account.
- d. Mailers may not carry a negative balance in a trust account.
- e. If funds paid or on deposit are less than the amount necessary to pay for the mailing, the customer must pay or deposit the difference before the Postal Service will accept the mailing.
- f. When an advance deposit account requires replenishment, the Postal Service notifies the customer.

16-4.2 Reconciling Advance Deposit Accounts

All units that maintain customer advance deposit trust accounts must reconcile their local customer trust balances with Accounting Data Mart (ADM) balances.

The following units...	Reconcile....
<i>PostalOne!</i>	Differences identified in the Accounting Help Desk (AHD) Trust & Expense Activity Report upon receipt of the report.
<i>Non-PostalOne!</i>	PS Form 3083, <i>Trust Accounts Receipts and Withdrawals</i> , with the Master Trust Customer Report in the ADM or the weekly AHD Trust & Expense Activity report at least once a month.

16-4.3 Accepting Checks for Advance Deposits

Customers must pay at the time they mail or through an advance deposit account.

To accept checks for advance deposit accounts, follow this procedure:

- a. Postmasters must apply standard check acceptance procedures for accepting business checks for permit holders and clients of permit holders (see subchapter [9-3](#)). Do not accept personal or business checks from customers whose name appears on the bad check list.
- b. The acceptance employee must examine the check before acceptance to ensure that the check is made payable to either "U.S. Postal Service" or "Postmaster."

- c. Either the permit holder or the acceptance employee must record the customer's permit account number and permit type (AIC) on the face of the check.
- d. For checks accepted at BMEUs, the accepting employee must record "BMEU" on the front of the check and must ensure that the permit number is an active account.
- e. For BMEUs not equipped with a retail terminal (Retail Systems Software (RSS) the postmaster or BMEU supervisor is responsible for designating a secure location for check storage. Checks are considered priority one items and require the highest level of security equipment available at the BMEU (see section [3-1.1.2](#), for the types of equipment to use, in priority order for securing accountable items.)
- f. The postmaster or BMEU supervisor is responsible for ensuring checks are transferred daily to the appropriate PRU. When transferring checks to the PRU for processing permit account deposits, include a list showing the value of each check, the total dollar amount of the checks, and the number of checks enclosed.
- g. PRUs must process checks received from a BMEU for deposit on the current business day.

Note: A mailing agent's check can be accepted for deposit into their customer's advance deposit account.

16-4.4 Recording Payments at Postal Retail Units

Payments to advance deposit accounts must be recorded as follows:

- a. Report funds collected and deposited into authorized advance deposit accounts for periodicals, permit imprint, and pending periodicals permits, in AIC 070 on PS Form 1412.
- b. Issue an original receipt (either PS Form 3544 or a system-generated receipt) with the customer's name, permit account number, and amount received to the customer.
- c. Forward a copy of the receipt (either PS Form 3544 or the system-generated receipt or report) to one of the following:
 - (1) The employee responsible for the non-*PostalOne!* customer's trust account and who records deposit into customer's account on PS Form 25.
 - (2) The PRU or BMEU employee as follows:
 - At non-interfaced RSS and *PostalOne!* units, to the employee who enters deposits into customers' accounts in the *PostalOne!* system.
 - At interfaced RSS and *PostalOne!* units, to the designated employee to validate against *PostalOne!* entries.

The PRU must maintain copies of receipts as follows:

- a. Maintain a copy of the PS Form 3544 or system-generated receipt or report locally.
- b. Maintain PS Forms 3544 in sequential order at the unit to ensure continuity of issuance.

Note: RSS units interfaced with the *PostalOne!* system must provide a copy of the Permit Account Activity Report (PAAR) to the *PostalOne!* unit or BMEU site for validating that deposits were correctly processed.

16-4.5 **Collecting on Nonsufficient Funds Checks**

If a permit holder writes a nonsufficient funds (NSF) check, Accounting Services will coordinate collection efforts with the BMEU or PRU. The BMEU or PRU may reduce the permit holder's account by the amount of the NSF check and applicable surcharge if the permit holder does not pay upon demand.

16-5 Withdrawals from Customer Advance Deposit Accounts

16-5.1 **Overview**

16-5.1.1 **Definition**

Withdrawals are disbursements from a customer's permit account to pay for mailing transactions, to issue a refund of any part of a customer's balance, or to transfer money to another account.

16-5.1.2 **Acceptance Employee Responsibilities**

When a customer brings a mailing to the PRU with a postage statement, the acceptance employee must do the following:

- a. Verify that funds are available in the customer's account.
- b. Verify the postage mailing statement.
- c. Compute the amount of the postage for the mailing.
- d. Perform all applicable acceptance and verification procedures.
(See MAPs, Job Aids, User Guides at <http://blue.usps.gov/bma/>.)

At *PostalOne!* units, the acceptance employee must do the following:

- a. Withdraw the total amount from the customer's permit account by entering the postage statement data in the *PostalOne!* system. This will automatically generate an accounting entry of the mailing (revenue) AIC with an offset to AIC 470 on PS Form 1412.
- b. Initiate the appropriate clearance of the mailing. (See MAPs, Job Aids, User Guides at <http://blue.usps.gov/bma/>.)

At non-*PostalOne!* units, the acceptance employee must do the following:

- a. Enter the amount in the corresponding mailing (revenue) AIC and offset the amount to AIC 470 on PS Form 1412.
- b. Withdraw the total amount from the individual customer's permit account maintained on PS Form 25 and calculate the balance.

If a customer pays the exact amount when they mail, do not record any accounting entries for deposits or withdrawals (AICs 070 and 470) on the PRU's PS Form 1412. Instead the acceptance employee must follow these steps:

- a. At the time of mailing, record the amount of postage for the mailing in the appropriate subsidiary ledger PS Form 25 or PS Form 3543, *(Special) Record of Periodicals Postage*.
- b. Verify the postage statement(s).
- c. Ensure the amount on the postage statement(s) is reported into the revenue AIC corresponding to the type of mailing listed.
- d. File a copy of the postage statement(s) locally.

16-5.2 Recording Postage Statements

Record postage statements by the following revenue categories:

Permit Imprint	AIC
First-Class Mail	121
Media and Library Mail	124
Nonprofit Standard Mail	125
Regular Standard Mail	130
Bound Printed Matter	131
International (only) Postage	132
Periodicals — Outside County	135
Periodicals — In-County	224
Periodicals — International (Foreign)	238
Parcel Post Postage	223
International Surface Air Lift (ISAL)	234
International Priority Airmail (IPA)	235
Global Package Link (GPL)	236
Priority Mail Postage	237
Global Direct Inbound	240

16-5.2.1 PostalOne! Units

At *PostalOne!* Units, record postage statements as follows:

- a. On PS Form 3083 verify that the opening balance matches the previous day's closing balance.
- b. Record and finalize postage statements in the *PostalOne!* system.
- c. Keep the original of all postage statements to support entries on PS Form 3083.
- d. Maintain PS Form 3083 and postage statements locally.

Note: Unit managers must reconcile differences when the AHD Trust & Expense Activity Report is received.

16-5.2.2 Non-PostalOne! Units

At non-*PostalOne!* units, the acceptance employee must transfer data to the Postal Service forms listed below.

Revenue Category	Form	Title
Permit Imprint	PS Form 25	<i>Trust Fund Account</i>
Periodicals	PS Form 3543	<i>(Special) Record of Periodicals Postage</i>

Payments and mailings must be controlled as follows:

- a. Use PS Form 3083 and individual account forms related to the specific revenue category.
- b. For each account type included in the PS Form 3083, verify that the opening balance matches the previous day's closing balance.
- c. Verify the totals of the forms below to withdrawals of the appropriate column.
 - PS Form 3541, *Postage Statement — Periodicals — One Issue or One Edition.*
 - PS Form 3541-MW, *Postage Statement — Periodicals — All Issues in a Calendar Month.*
 - PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts.*
- d. Compare the amount shown as received in each column with the duplicate PS Form 3544 or system-generated receipt or report received and resolve any discrepancies.
- e. Submit PS Form 3083 to the PRU.
- f. Enter revenue to the appropriate AIC(s) on the RA's PS Form 1412 and make the appropriate withdrawal entries.
- g. Maintain PS Form 3083 and postage statements locally.

Note: Unit managers must ensure that PS Form 3083 balances are reconciled with ADM balances at least once a month.

16-5.3 Payment of Annual Permit Fees from Customer Accounts

16-5.3.1 Customer Request

To request payment of an annual permit fee from an account balance, the customer must do the following:

- a. Submit a written request on the account holder's letterhead with the customer's authorized signature.
- b. Complete and submit PS Form 3533.

16-5.3.2 PostalOne! Units

At *PostalOne!* units the procedure for paying annual fees from a customer account is as follows:

- a. Verify that funds are available in the customer's account.
- b. Certify PS Form 3533.

- c. Withdraw funds from the customer's account in the *PostalOne!* system in the Fee Payment screen by clicking on the box next to the left of the "Pay from Account" option.
- d. The payment method will reflect that payment was made from the account.
- e. The system will generate account entries to the appropriate fee AIC (e.g., 117 and 138), which is offset by trust withdrawal AIC 470 on the *PostalOne!* PS Form 1412.
- f. Print two copies of the Fee Payment Confirmation page.
 - (1) Give one copy to the customer.
 - (2) File the second copy locally with the written request and PS Form 3533.

16-5.3.3 **Non-PostalOne! Units**

At non-*PostalOne!* units the procedure for paying annual fees from a customer account is as follows:

- a. Verify that funds are available in the customer's account.
- b. Certify PS Form 3533.
- c. Withdraw funds and record fee payment on individual PS Form 25.
- d. Enter the amount to the appropriate fee AIC (e.g., 117 and 138) and offset to AIC 470 on the RA's PS Form 1412.
- e. Provide the PS Form 3544 or system-generated receipt (3544) to the customer.
- f. File the PS Form 3533, PS Form 3544 or the system-generated receipt or report, and the customer's written request locally.

16-5.4 **Transfers**

Transfers are any movement of funds from one permit account to another.

16-5.4.1 **Customer Request**

To request a transfer of funds, the customer must do the following:

- a. Submit a written request on the account holder's letterhead with the customer's authorized signature.
- b. Submit a completed PS Form 3533 if requesting a transfer of funds between accounts not maintained at the same finance number.

16-5.4.2 **Procedures**

The following tables outline the procedures for transferring funds.

Step	Transfer of Funds Within the Same	
	<i>PostalOne!</i> Finance Number	Postal Retail Unit (Not on the <i>PostalOne!</i> System)
a. Verify the customer's account balance for available funds.	Yes	Yes
b. Transfer the funds from the customer's account to the requested account.	Yes, select Transfer option in the <i>PostalOne!</i> system to transfer funds.	Yes, record the amount to be transferred "to" and "from" on each individual PS Form 25.
c. Make accounting entries on PS Form 1412.	Yes, the <i>PostalOne!</i> system automatically makes AIC entries 070 and 470 for the transfers on the <i>PostalOne!</i> PS Form 1412.	No
d. File the customer's written request locally.	Yes	Yes

Step	Transfer of Funds Not Within the Same	
	<i>PostalOne!</i> Finance Number	Postal Retail Unit (Not on the <i>PostalOne!</i> System)
a. Verify the customer's account balance for available funds.	Yes	Yes
b. Certify PS Form 3533.	Yes	Yes
c. Withdraw the requested amount from the customer's account.	Yes, select Refund from Trust to Customer in the <i>PostalOne!</i> system. AICs 280 and 470 are automatically entered on the <i>PostalOne!</i> PS Form 1412.	Yes, enter the withdrawn amount in AIC 280 and offset to AIC 470 on PS Form 1412. Note: Do not issue a money order.
d. Submit as attachments the system-generated receipts (for documentation) along with the completed PS Form 3533 to EIWS Online Forms for processing.	Yes, <i>PostalOne!</i> automatically generates PS Form 3533-X, <i>Refund from Trust to Customer Confirmation</i> , for supporting documentation.	Yes, for RSS units the system automatically generates a PS Form 3544 receipt or report for supporting documentation. e1412 units must submit a copy of the unit's PS Form 1412 as supporting documentation.

Step	Transfer of Funds Not Within the Same	
	<i>PostalOne!</i> Finance Number	Postal Retail Unit (Not on the <i>PostalOne!</i> System)
e. File a copy of the PS Form 3533 and customer's written request locally. Note: When the customer receives the requested funds, he or she may deposit the amount into the account at the other unit.	Yes, and locally file system-generated PS Form 3533-X.	Yes

16-5.5 Customer Requested Withdrawals

16-5.5.1 Customer Request

To request a withdrawal of all or part of the unused balance or to close a permit account with a balance, the customer must do the following:

- Submit a written request on the account holder's letterhead with the customer's authorized signature.
- Complete and submit PS Form 3533.

16-5.5.2 PostalOne! Units

At *PostalOne!* units, employees process a customer request for a withdrawal as follows:

- Verify that funds are available in the customer's account.
- Certify PS Form 3533.
- Withdraw the requested funds from the customer's account in *PostalOne!* by selecting the refund option "Refund from Trust to Customer." The system will generate PS Form 3533-X.
- The *PostalOne!* system generates accounting entries to AIC 470 with an offset to AIC 280.
- File a copy of PS Form 3533-X locally with the customer's written request.

16-5.5.3 Non-PostalOne! Units

At non-*PostalOne!* units, employees process a customer request for a withdrawal as follows:

- Verify that funds are available in the customer's account.
- Certify PS Form 3533.
- Regardless of the amount, withdraw the requested funds from the customer's account, enter the amount in AIC 280, and offset the amount to AIC 470 on PS Form 1412.

- d. Attach the required supporting documentation to the PS Form 3533 as follows:

Units that use this reporting technology...	Attach...
RSS	the system-generated receipt (PS Form 3544) for AIC 280.
E1412	a copy of the unit's PS Form 1412, which shows the AIC 280 entry.

- e. Enter and submit the data on the completed PS Form 3533 in eIWS Online Forms for processing.
- f. File a copy of PS Form 3533 locally with the customer's written request.

Note: PRU employees must not disburse local payments for withdrawals (refunds) from the customer's advance deposit account.

16-6 Refund of Annual Permit Fees

16-6.1 Customer Request

A customer may submit a written request on the account holder's letterhead and a completed PS Form 3533 for a refund of an annual presort mailing fee payment if no mailings have been made during the corresponding 12-month period. (See DMM 604.9.0.)

16-6.2 PostalOne! Units

If the fee was paid at the retail window, follow these steps:

- Verify that no mailings have been made during the corresponding 12-month period.
- Enter the amount in the *PostalOne!* system by selecting the Refund Option "Refund To Trust." Use "Other" as the reason code and explain in "Comments" that the annual fee was refunded per customer's request.
- The fee amount is credited to the customer's account. The system will generate PS Form 3533-X.
- File a copy of PS Form 3533-X along with the customer's written request locally.
- Cancel the fee payment from the customer's account.

If the fee was paid by withdrawing from customer's trust account, follow these steps:

- Verify that no mailings have been made during the corresponding 12-month period.
- Reverse the fee payment from the customer's account; the fee amount is automatically credited to the customer's account.

Note: If the customer is also requesting a refund of the amount on balance, process the refund for the balance as per instructions for *PostalOne!* units, after the fee amount has been credited to the customer's account. (See section [16-5.5.2.](#))

16-6.2.1 **Meter or Pre-Canceled Stamp Accounts at PostalOne! Units**

Meter and pre-canceled stamp accounts are not linked to a "Trust" account and a refund of the annual fees cannot be processed in *PostalOne!*

To refund annual fees to a customer with meter or pre-canceled stamp accounts due to inactivity, *PostalOne!* units do the following:

- Verify that no mailings have been made during the corresponding 12-month period.
- Reverse the fee entry in *PostalOne!* (This will not create a financial transaction.)
- Certify the customer completed PS Form 3533 and submit to the PRU.

The PRU does the following:

- a. Enters the amount of the refund in AIC 528 and offset to AIC 280 on PS Form 1412.
- b. Attaches the required supporting documentation to the PS Form 3533 as follows:

Units that use this reporting technology...	Attach...
RSS	the system-generated receipt (PS Form 3544) for AIC 280.
e1412	a copy of the unit's PS Form 1412, which shows the AIC 280 entry.

- c. Enter and submit the data on the completed PS Form 3533 in eIWS Online Forms for processing.
- d. Files a copy of PS Form 3533 locally.

Note: PRU employees must not disburse payments for refunds of annual fees locally.

16-6.3 **Non-PostalOne! Units**

If the fee was paid at the retail window, follow these steps:

- a. Verify that no mailings were made during the corresponding 12-month period.
- b. Enter the fee amount in AIC 070 and offset to AIC 528 on the RA's PS Form 1412. Do not issue a money order.
- c. Credit the amount of the refund back to the customer's account.
- d. File the PS Form 3533, PS Form 3544 or the system-generated receipt or report, and the customer's written request locally.
- e. Cancel the fee payment for the customer's account on PS Form 25.

Note: If the customer is also requesting a refund of the amount on balance, process the refund for the balance according to the instructions for non-*PostalOne!* units, after the fee amount has been credited to the customer's account. (See section [16-5.5.3.](#))

16-6.3.1 Meter or Pre-Canceled Stamp Accounts at Non-PostalOne! Units

To refund annual fees to a customer with meter or pre-canceled stamp accounts due to inactivity at non-*PostalOne!* units, the PRU does the following:

- a. Verifies that no mailings have been made during the corresponding 12-month period.
- b. Certifies the customer completed PS Form 3533.
- c. Enters the amount of the refund in AIC 528 and offsets to AIC 280 on PS Form 1412.
- d. Attaches the required supporting documentation to the PS Form 3533 as follows:

Units that use this reporting technology...	Attach...
RSS	the system-generated receipt (PS Form 3544) for AIC 280.
e1412	a copy of the unit's PS Form 1412, which shows the AIC 280 entry.

- e. Enter and submit the data on the completed PS Form 3533 in eIWS Online Forms for processing.
- f. Files a copy of PS Form 3533 locally.

Note: PRU employees must not disburse payments for refunds of annual fees locally.

16-7 Closing Customer Accounts for Inactivity

Inactive permit imprint, meter, or pre-canceled accounts are defined as having no mailings or payment of fees during a 2-year period from the date of fee expiration. Inactive Add-Pos accounts are defined as having no postage adjustments during a 2-year period.

Non-PostalOne! Sites:

The postmaster, unit manager, or designated employee must close inactive permit, meter, pre-canceled, or Add-Pos accounts as follows:

- a. If the account balance exceeds \$25, send a cancellation notice and a PS Form 3533 to the customer.
- b. Allow the customer 30 days from the date of the notice to respond.
- c. Close the account if:
 - (1) The customer does not respond to the cancellation notice.
 - (2) The letter is returned as undeliverable as addressed.
 - (3) The customer submits PS Form 3533 requesting a refund of the account balance.

PostalOne! Sites Only:

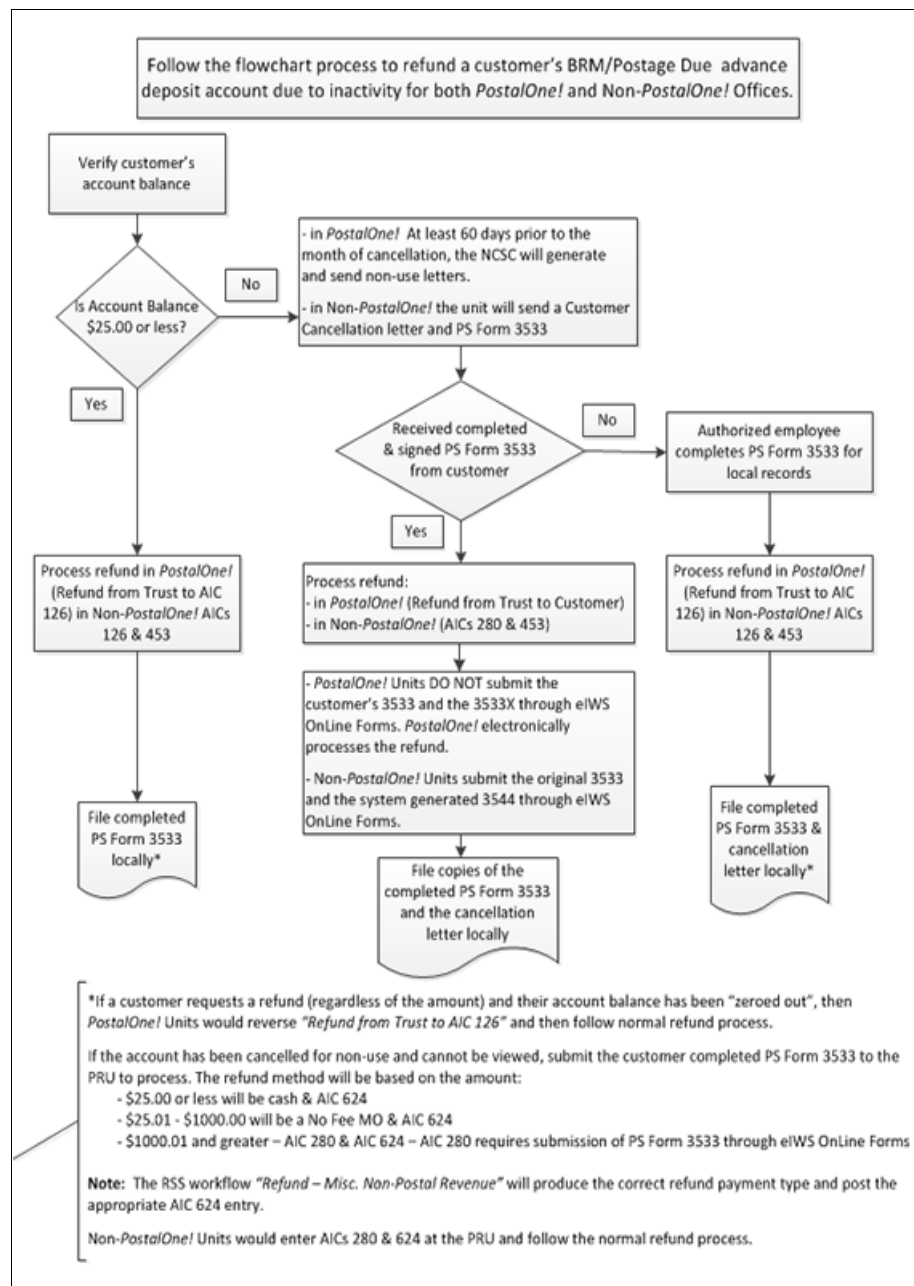
No further action is necessary. The system will automatically close the account at the end of 26 months of no activity.

See parts [16-7.1](#), [16-7.2](#), [16-7.3](#), and [Appendix C](#).

16-7.1

Issuing a Refund for Inactive Permit Accounts

Use the following flowchart process to refund a customer's Permit advance deposit account due to inactivity for both *PostalOne!* and *Non-PostalOne!* offices.



16-7.2 **Sample Non-Use Cancellation Notice****Non-Use Cancellation Notice****[Date]****[Name of Permit Holder]****[Address]****[City, State, ZIP+4]**RE: Permit Account Number: **[XXXXXX]**Dear **[Contact Name]** or Postal Customer:

According to our records, the permit account number referenced above has not been used for mailing in the last 2 years. A permit must be revoked for non use during any 2-year period. (See *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) 604.5). Our records indicate the last date of mailing for this permit account was _____, or the account shows no activity. This account has a balance of \$_____.

In accordance with the above provision, the permit account is canceled. A written appeal of this action may be submitted to the postmaster at the following address within 30 days of the date of this notice.

POSTMASTER

[POST OFFICE STREET OR PO BOX ADDRESS]**[CITY/STATE/ZIP CODE]**

Before we can refund the account balance, you must complete PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*, and mail it to the address above. We will send a refund for the remaining account balance, if applicable, to the account holder's address appearing on this letter. If the account's address is not current, please notify the Post Office at the address listed above. You must submit your notification of an address change in writing and on the account holder's letterhead.

If you wish to resume mailing using a permit account, the appropriate application and fees payment is required. If you need additional assistance, please contact the Post Office that maintains your account.

Sincerely,

[Name/Title]**[Telephone Number]**

Enclosure

16-7.3 **Sample Add-Pos Non-Use Cancellation Notice****Add-Pos Non-Use Cancellation Notice****[Date]****[Name of Permit Holder]****[Address]****[City, State, ZIP+4]**RE: Permit Account Number: **[XXXXXX]**Dear **[Contact Name]** or Postal Customer:

According to our records, the Add-Pos account number referenced above has not been used for mailing adjustments in the last 2 years. A permit must be revoked for non-use during any 2-year period. (See *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) 604.5.) Our records indicate the last date of a postage adjustment for this Add-Pos account was _____, or the account shows no activity. This account has a balance of \$_____.

In accordance with the above provision, the Add-Pos account balance has been closed. A written appeal of this action may be submitted to the postmaster at the following address within 10 days of receipt of this notice.

POSTMASTER

[POST OFFICE STREET OR PO BOX ADDRESS]**[CITY/STATE/ZIP CODE]**

Before we can refund the account balance, you must complete PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*, and mail it to the address above. We will send a refund for the remaining account balance, if applicable, to the account holder's address appearing on this letter. If the account's address is not current, please notify the Post Office at the address listed above. You must submit your notification of an address change in writing and on the account holder's letterhead.

If you wish to resume using an Add-Pos account, the appropriate application is required. If you need additional assistance, contact the Post Office that maintains your account.

Sincerely,

[Name/Title]**[Telephone Number]**

Enclosure

16-8 Handling Negative Balances in Customer Accounts

If a customer's trust account balance (permit or periodicals) results in a negative balance, it is the responsibility of the unit (PRU or BMEU) to ensure collections of funds from customers to maintain their accounts in good status. The following matrix is a guideline for proper collections for negative balance accounts.

Negative Balance Customer Accounts		
Issue	Process	Action
Encountered a negative balance account.	Notify the customer via telephone call or e-mail.	Do not authorize any mailings. If no response from customer by the 15th calendar day, follow the next step.
After 15 calendar days with no response.	Mail notification letter via regular mail and Certified Mail to the customer's address on file; allow 20 calendar days from date of letter for customer resolution.	Do not authorize any mailings. If no resolution from the customer within the allowed 20 calendar days, follow the next step accordingly.
If no response after 20 calendar days from date of letter, and the negative balance amount is \$100 or more.	BMEU or PRU uses eIWS Online Forms to initiate a PS Form 1902, <i>Justification for Billing Accounts Receivable</i> (include the Tax Identification Number [TIN] on PS Form 1902), attaches a copy of the notification letter and the AIC 636 receipt, and submits the items to the authorizing finance official for approval. Upon approval, Accounting Services will establish an accounts receivable. <i>PostalOne: BMEU initiates PS Form 1902.</i> <i>Non-PostalOne: PRU initiates PS Form 1902.</i>	Bring the customer's account balance to zero and close the account. Accounting entries: 1. Enter the amount into AIC 070. 2. Offset with AIC 636. 3. Attach the support documentation for the above accounting entries to PS Form 1902. Note: Accounting entries must be recorded in the PRU's PS Form 1412. The PRU files a copy of the PS Form 1902 locally.
Customer moved, left no address, address unknown, cannot be reached (any amount). Or Uncollectible negative balance amount below \$100.	BMEU or PRU uses eIWS Online Forms to initiate PS Form 2130, <i>Claim for Loss</i> , and attaches a copy of the carrier-endorsed notification letter. Upon approval, the BMEU or PRU may continue with accounting entries, and then closes out the online PS Form 2130 with accounting annotations. <i>PostalOne: BMEU initiates PS Form 2130.</i> <i>Non-PostalOne: PRU initiates PS Form 2130.</i>	Bring the customer's account balance to zero and close the account. Accounting entries: 1. Enter the amount into AIC 070. 2. Offset with AIC 633, Claim for Loss (Use Reason Code 09, Uncollectible Customer Account Items). Note: Accounting entries must be recorded in the PRU's PS Form 1412. The PRU files PS Form 2130 locally.

16-9 Enterprise Payment Accounts

16-9.1 **Customer Account Funding via Check**

USPS Customers may use checks (electronic or paper) to deposit funds into their accounts. Acceptance of checks is a privilege and convenience the USPS offers to our customers. The USPS accepts checks with the full expectation the checks will be honored by customer's financial institutions. Customers must maintain adequate funds in their accounts for payment of postage and fees for services provided by the USPS.

16-9.2 **Returned Checks**

The return of a check will result in the customer incurring a \$30.00 returned check fee per event. If the returned check creates a negative balance, the customer is responsible for clearing the negative balance and paying the return check fee. Customers that experience 3 (three) returned checks, in a 12 (twelve) month period, will lose the privilege of using checks to fund their Enterprise Payment Account (EPA). Discounted rate USPS services provided to the customer may be suspended until amounts owed to the USPS are paid in full.

Accounting Services Center or collection agency will provide instructions to customer to clear the returned check. The customer is expected to follow the instructions and immediately clear the amount due. Failure to comply will result in the customer losing the privilege of presenting checks to the USPS.

16-9.3 **ACH Debit Transactions**

A dishonored Automated Clearing House (ACH) debit transaction will result in the customer incurring a \$30.00 fee for each transaction, and suspension of the ACH debit funding option may be placed. The EPS Help Desk will reinstate the ACH debit funding option after the customer calls them, and the EPS Help Desk determines that the ACH issue has been resolved. A third dishonored ACH debit transaction, within a 12 (twelve) month period, results in a permanent suspension of the customers ACH debit funding option. If the dishonored ACH debit creates a negative balance, see [16-9.4](#).

16-9.4 **Negative Balances**

The occurrence of an EPA negative balance requires immediate payment from the customer. The customer will be required to send funds, including the related fee, via wire transfer to clear the negative balance. Failure to clear the negative balance immediately may result in the following penalties:

1. Suspension of the customer's EPA.
2. The loss of discounted rates for postage and fees until the account is reinstated.
3. Interest accrual on the negative balance at the legally allowable rate.

The negative balance must be paid in full before the customer can resume using the EPA. In circumstances where the negative balances are not cleared within thirty days, the USPS reserves the right to close the EPA permanently and pursue collection through all available legal means. The time period may be shorter in cases where the Postal Services suspects fraud. Additional fees and expenses incurred for collection activity will be passed on to the customer. These expenses may include, but are not limited to:

- Criminal prosecution.
- Civil penalties.
- Collection agency fees.
- Credit reporting fees.
- Related legal fees.
- US Treasury fees.

Customer accounts, such as permits, BRM, etc. must be disabled if they are linked to an EPS account that is deemed to be delinquent per directions from MEPT and Corporate Accounting.

17 Non-Trust Account Customer Business Reply Mail and Postage Due Activity

This chapter contains the procedures for reporting business reply mail and postage due activity for both *PostalOne!* and *Non-PostalOne!* units. This chapter also describes the procedures for accounting for deposits and withdrawals from customer advance deposit accounts. This chapter includes the following subchapters:

[17-1 Overview.](#)

[17-2 Fees.](#)

[17-3 Non-Trust Account Business Reply Mail and Postage Due Activities.](#)

[17-4 Advance Deposits.](#)

[17-5 Withdrawals from Customer Accounts.](#)

[17-6 Closing Customer Accounts for Inactivity.](#)

[17-7 Handling Negative Balances in Customer Accounts.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

17-1 Overview

Business Reply Mail (BRM) service enables a permit holder to receive First-Class Mail and Priority Mail items back from customers and pay postage and a per piece fee only for the pieces returned. (See *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) 505.1.0.)

Qualified Business Reply Mail (QBRM) is a subset of BRM available for specific automation-compatible letter-size pieces that qualify for an automation postage rate and a reduced per piece fee. (See DMM 505.1.1.3.)

USPS Returns allows an authorized permit holder to pay the postage and extra service fees on single-piece rate First-Class Packages, Priority Mail, and Ground Return Service parcels that are returned to the permit holder by the permit holder's customers via a special label. (See DMM 505.3.0.)

Bulk Parcel Return Service (BPRS) allows mailers of large quantities of Standard Mail machineable parcels that are either undeliverable as addressed or opened and remailed by addressees to be returned to designated Postal Service facilities. (See DMM 505.5.0.)

Note: In this chapter, references to BRM include the aforementioned reply mail accounts.

Postage Due (PD) mail customers must pay in cash for postage due mail before the mail is delivered. Payment may be made by advance deposit of money in a postage due account used solely to pay postage due. (See DMM 604.6.0.)

PostalOne! units are business mail entry units (BMEUs) or postal retail units (PRUs) that process all BRM and postage due activities and maintain customer advance deposit accounts in the *PostalOne!* system.

Non-*PostalOne!* units are PRUs that accept deposits and process all BRM and postage due activities and maintain customer advance deposit accounts using an individual PS Form 25, *Trust Fund Account*. Manage the accounts as follows:

- a. Enter the deposits and withdrawals and calculate the balance on an individual PS Form 25.
- b. Maintain a separate PS Form 25 with the daily summary grand total amount of all advance deposit accounts balances.

When the employee provides BRM to the customer, the postage-due clerk ensures that PS Form 3582-C, *Business Reply Postage*, has been printed from the *PostalOne!* system and is provided with the mail. Non-*PostalOne!* sites must use PS Form 3582-P, *BRM/Postage Due Invoice*.

17-2 Fees

17-2.1 Collecting Fees

The following table lists the fees, AIC in which to record the fee, and how often the fee is collected.

Title	AIC	Frequency
Business Reply Mail (BRM), Qualified Business Reply Mail (QBRM), and Weight Averaged Business Reply Mail Annual Accounting Fee	116	Annually
BRM Weight Averaged Fee	126	Monthly
BRM — Annual Permit Fee	134	Annually
QBRM Quarterly Billing Fee	169	Quarterly
BPRS Annual Permit Fee	172	Annually

17-2.2 **Accounting for Fees**

PRUs must account for fees as follows:

- a. When collecting fees, always issue a receipt: either system-generated or PS Form 3544, *USPS Receipt for Money or Services*.
- b. Clearly identify each fee on PS Form 3544 to ensure proper AIC entry on PS Form 1412, *Daily Financial Report*.
- c. Fee payments will post to *PostalOne!* automatically if RSS units are interfaced with *PostalOne!*. Non-interfaced RSS units, as well as e1412 units that are on *PostalOne!*, will record fee payments by logging into *PostalOne!* and posting the fee transaction. Non-*PostalOne!* units will record fee payments to a customer's account on the individual PS Form 25.

17-3 Non-Trust Account Business Reply Mail and Postage Due Activities

17-3.1 **Handling Over-the-Counter Pickup**

Over-the-counter postage due mail is mail for which postage is collected directly from the customer upon delivery for non-trust account BRM, shortpaid, or forward/return to sender articles. Postage is not withdrawn from a customer trust account.

When retail associates (RAs) retrieve an over-the-counter postage due article from the Left Notice area, they must record the postage due and fee, when applicable, on a PS Form 3584, *Postage Due Log*. Upon receiving payment for the required postage and fee, when applicable, postal retail units must record the amount into AIC 114, *Postage Due Invoice*.

17-3.2 **Carrier Delivery — City, Rural, and Contract Delivery Route**

Non-trust account BRM and postage due must be consigned to city, rural, and contract delivery route carriers and box clerks on PS Form 3584. The same form is used to clear the delivering employee of responsibility.

17-3.3 **Consigning Non-Trust Account Business Reply Mail and Postage Due**

Each article of non-trust account BRM and postage due must be clearly marked with the amount due before sorting to the delivering employee. If an additional service fee is due, the article should also be clearly marked with the fee amount due. The article then must go to the appropriate delivering employee who will withdraw any article known to be undeliverable.

The value of postage due and additional service fee, when applicable, must be entered in the appropriate column by route on PS Form 3584. Delivering employees accept responsibility for the non-trust account BRM and postage due by initialing the Postage Due Log.

Rural carriers, at their option, may pay for the non-trust account BRM and postage due at the time of consignment using PS Form 3584 and must follow these requirements:

- a. When the carrier chooses to pay in advance, complete the checkout side of PS Form 3584, record the amount collected, and initial under the check-in portion. The carrier must initial in the appropriate column.
- b. Prepare separate forms listing routes served for each assigning employee.
- c. Adequately secure the forms while carriers are pending clearance.
- d. Use ink to make entries.
- e. Initial changes (both the delivering and assigning employee).

17-3.4 **Clearing Non-Trust Account Business Reply Mail and Postage Due**

As the delivering employees return, the clearing employee must do the following:

- a. Complete the employee check-in section of PS Form 3584, entering the amount of postage and fees for articles returned and the amount collected in the appropriate column.
- b. Subtract the returned amount from the accepted amount to arrive at the amount to collect from the delivering employee. The delivering employee must pay the necessary funds and initial.
- c. Initial the PS Form 3584 to release the delivering employee of responsibility.
- d. Send the returned articles at regular intervals to the appropriate customer service unit for over-the-counter delivery.

If a rural carrier who paid the postage due in advance returns any articles, the clearing employee should take the following action using a blank line on PS Form 3584:

- a. Enter the route number.
- b. On the check-in side, enter the number of pieces and the amount in the article returned columns.
- c. In the amount collected column, enter the amount of the returned article(s) in brackets, thus representing a negative amount.
- d. Refund the amount to the carrier.
- e. Initial and have the carrier initial.

After clearing all delivering employees who report non-trust account BRM and postage due, the clearing employee must do the following:

- a. Complete PS Form 3584.
- b. If the clearing employee does not prepare an individual PS Form 1412, submit PS Form 3584 and funds collected as entered in Block 3 to the PRU for processing.

- c. If the clearing employee prepares an individual PS Form 1412 or, for PRU processing, PS Form 3584, enter the amount collected into AIC 114 as in section [17-3.1](#). RSS offices must enter each postage due category from the PS Form 3584 separately.

17-4 Advance Deposits

17-4.1 Overview

Advance deposit accounts are trust funds that a mailer gives the Postal Service to pay for future return services and postage due mailings. Advance deposit accounts are subject to the following requirements:

- a. Customers must pay for each mailing either by cash, check, or debit card through an advance deposit or Enterprise Payment account before the Postal Service will release the mailing for processing.
- b. PRUs maintain separate accounts for each service by mailer.
- c. The Postal Service withdraws the funds when payment for postage and fees is due.
- d. The Postal Service does not offer credit for postage.
- e. Mailers may not carry a negative balance in a trust account.
- f. If funds paid or on deposit are less than the amount necessary to pay for the mailing, the mailer must pay or deposit the difference before the Postal Service delivers the mail pieces.
- g. When an advance deposit account requires replenishment, the PRU must notify the customer.
- h. BRM and BPRS mailers must maintain a sub account in *PostalOne!*.

If the customer has a BRM/BPRS permit and a postage due account, funds must be on deposit in a BRM/BPRS subaccount because these types of accounts track fees. This prevents BRM/BPRS mail pieces from being delivered after the annual fee expires.

Mailers may do the following:

- a. Choose to establish an advance deposit account(s) from which postage, per piece charges, and other fees are deducted. For certain extra services, an advance deposit account is required.
- b. Use a separate advance deposit account to pay postage due charges for each type of service (e.g., BRM and BPRS).

17-4.2 Reconciling Advance Deposit Accounts

All PRUs that maintain customer advance deposit trust accounts must reconcile their local customer trust balances with Accounting Data Mart (ADM) balances.

The following units...	Reconcile...
<i>PostalOne!</i>	differences identified in the Accounting Help Desk (AHD) Trust & Expense Activity Report upon receipt of the report.
<i>Non-PostalOne!</i>	PS Form 3083, <i>Trust Accounts Receipts and Withdrawals</i> , with the Master Trust Customer Report in the ADM or the weekly AHD Trust & Expense Activity report at least once a month.

17-4.3 Accepting Checks for Advance Deposits

The procedure for accepting checks for advance deposit accounts is as follows:

- a. Postmasters must apply standard check acceptance for accepting business checks for BRM and postage due permit holders and clients of permit holders (see subchapter [9-3](#)). Do not accept personal or business checks from customers whose name appears on the bad check list.
- b. The acceptance employee must examine the check before acceptance to ensure that the check is made payable to either "U.S. Postal Service" or "Postmaster."
- c. Either the permit holder or the acceptance employee must record the customer's BRM and postage due trust account number on the face of the check.
- d. For checks accepted at bulk mail entry units (BMEUs), the accepting employee must record "BMEU" on the front of the check and must ensure that the BRM and postage due permit number is an active account.
- e. For BMEUs not equipped with a retail terminal, the postmaster or BMEU supervisor is responsible for designating a secure location for check storage. Checks are considered priority one items and require the highest level of security equipment available at the BMEU (see section [3-1.1.2](#), for the types of equipment to use, in priority order for securing accountable items).
- f. The postmaster or BMEU supervisor is responsible for ensuring checks are transferred daily to the appropriate PRU. When transferring checks to the PRU for processing permit account deposits, include a list showing the value of each check, the total dollar amount of the checks, and the number of checks enclosed.
- g. PRUs process checks received from a BMEU for deposit on the current business day.

Note: A mailing agent's check can be accepted for deposit into their customer's advance deposit account.

17-4.4 **Recording Advance Deposit Payments**

Record payments to advance deposit accounts as follows:

- a. Report funds collected and deposited into authorized advance deposit accounts for BRM, and postage due in AIC 053 on PS Form 1412.
- b. Issue an original receipt (either PS Form 3544 or a system-generated receipt) with the customer's name, permit account number, and amount received to the customer.
- c. Forward a copy of the receipt (either PS Form 3544 or the system-generated receipt or report) to one of the following:
 - (1) The employee responsible for the non-*PostalOne!* customer's trust account and who records deposits into the customer's account on PS Form 25.
 - (2) The PRU or BMEU employee as follows:
 - At non-interfaced *PostalOne!* units, to the employee who enters deposits into customers' accounts in the *PostalOne!* system.
 - At Interfaced *PostalOne!* units, to the designated employee to validate against *PostalOne!* entries.

The PRU must maintain copies of receipts as follows:

- a. Maintain a copy of the PS Form 3544 or system-generated receipt or report locally.
- b. Maintain PS Forms 3544 in sequential order at the unit to ensure continuity of issuance.

Note: RSS units that interface with *PostalOne!* must provide a copy of the Permit Account Activity Report to the *PostalOne!* unit or BMEU for validating that deposits were correctly processed.

17-4.5 **Collecting on Nonsufficient Funds Checks**

When the writer of an NSF check is the permit holder, Accounting Services must coordinate collection efforts with the BMEU or PRU. The BMEU or PRU may reduce the permit holder's account by the amount of the NSF check and applicable surcharge if the permit holder does not pay upon demand.

17-5 Withdrawals from Customer Accounts

17-5.1 **Recording Daily Invoices**

17-5.1.1 **Overview**

Withdrawals are disbursements (e.g., invoices, refunds for any part of a customer's balance, and transfers) made from a customer's BRM and postage due account.

17-5.1.2 **PostalOne! Units**

A designated employee must validate in the *PostalOne!* system that funds are available in the customer's account, then proceed as follows:

- a. Count and rate the BRM and postage due mail pieces. If an automated sorting process is used to count the BRM mailpieces, ensure to print the End-of-Run Report; otherwise use a "daily worksheet" for manual counts of BRM mailpieces. Withdraw the amounts of BRM and postage due from the customer's account.
- b. The following entries are performed in the *PostalOne!* system:
 - (1) BRM — Use the BRM workflow in *PostalOne!*, which will automatically make the entry to AIC 274, *Business Reply Mail Services*, with an offsetting entry to AIC 453, *Advance Deposit Withdrawal*, and generate a PS Form 3582-C, *BRM/Postage Due Invoice*, which must be issued to the customer with the mail.
 - (2) Postage Due — Use the Postage Due workflow in *PostalOne!*, which will automatically make the entry to AIC 114, *Postage Due Invoices*, with an offsetting entry to AIC 453, *Advance Deposit Withdrawal*, and generate a PS Form 3582-C, *BRM/Postage Due Invoice*, which must be issued to the customer with the mail.
- c. The *PostalOne!* system posts all withdrawals to the accounting system and automatically closes the day's business every evening. Do not make entries on the unit's PS Form 1412.
- d. At close of business, review PS Form 3083 from *PostalOne!*.

Note: Unit managers responsible for *PostalOne!* activity must ensure that, upon receipt of the AHD Trust & Expense Activity Report, all differences are reconciled.

17-5.1.3 **Non-PostalOne! Units**

A designated employee must validate that funds are available in the customer's account, then proceed as follows:

1. Count and rate the BRM and postage due mailpieces.
 - a. BRM — Prepare PS Form 3582-P, *BRM/Postage Due Invoice*, in duplicate, calculate the charges and sign the form certifying the amount to be withdrawn from customer's account on PS Form 25. Record this amount into AIC 274, *Business Reply Mail*, with an offset to AIC 453, *BRM/Postage Due Advance Deposit Withdrawal*. Issue PS Form 3582-P to customer with the mail and maintain a copy as PS Form 1412 support documentation.
 - b. Postage Due — Prepare PS Form 3582-P, *BRM/Postage Due Invoice*, in duplicate, calculate the charges, and sign the form certifying the amount to be withdrawn from customer's account on PS Form 25. Record this amount into AIC 114, *Postage Due Invoices*, with an offset to AIC 453, *BRM/Postage Due Advance Deposit Withdrawal*. Issue PS Form 3582-P to customer with the mail and maintain a copy as PS Form 1412 support documentation.

2. Designated employees must add the total of all PS Forms 3582-P for the business day and certify that the total amount equals the Unit 1412 and the summary amount withdrawal on PS Form 3083 and file locally.

Note: Unit managers receive the AHD Trust & Expense Activity Report on a weekly basis. Managers must reconcile the local PS Form 3083 balances with the AHD report at least once a month.

17-5.2 **Payment of Fees From Customer Accounts**

To request payment of the BRM annual permit or accounting fee from an account balance, the customer must do the following:

- a. Submit a written request on the account holder's letterhead with the customer's authorized signature.
- b. Submit a completed PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*.

The postmaster, manager, or supervisor must provide an authorizing signature on PS Form 3533 to approve a withdrawal from customer account balance for annual fee payment.

17-5.2.1 **PostalOne! Units**

The BRM annual permit fee payment cannot be deducted from the customer's account in the *PostalOne!* system. However, a customer can request a refund from their account balance to pay the BRM annual permit fee as follows:

- a. Submit a written request on the account holder's letterhead with the customer's authorized signature.
- b. Submit a completed PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*.

The postmaster, manager, or supervisor must do the following:

- a. Verify that funds are available in the customer's account.
- b. Certify PS Form 3533. The postmaster, manager, or supervisor will provide an authorizing signature on PS Form 3533 to approve a withdrawal from customer account balance for annual permit fee payment.

The Retail Associate (RA) must do the following:

- a. Withdraw the amount from the customer's account. In the *PostalOne!* system, select the Refund Option *Refund from Trust to Customer*. The system generates PS Form 3533-X, *Refund from Trust to Customer Confirmation*, with an account entry to AIC 280, which is offset by trust withdrawal AIC 453.
- b. *PostalOne!* will transmit the refund request to Accounts Payable in a nightly batch file. File the customer's written request, PS Form 3533, and PS Form 3533-X locally.
- c. Once the customer receives the refund check, the customer can pay the BRM annual fee locally.

Note: No PS Form 1412 accounting entries are necessary at the PRU.

The BRM annual accounting fee payment *can be deducted* from the customer's account in the *PostalOne!* system. The customer must:

- a. Submit a written request on the account holder's letterhead with the customer's authorized signature.
- b. Submit a completed PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*.

The postmaster, manager, or supervisor must do the following:

- a. Verify that funds are available in the customer's account.
- b. Certify PS Form 3533. The postmaster, manager, or supervisor will provide an authorizing signature on PS Form 3533 to approve any withdrawals from customer account balance for annual permit fee payment.

The RA must do the following:

- a. Withdraw the amount from the customer's account in the *PostalOne!* system:
 - (1) From the Fee payment section, select *BRM Accounting Fee*.
 - (2) Check the *Pay from Account* box.
 - (3) Click the *Submit* button. Once submitted, the system generates account entries to AIC 116, which is offset by trust withdrawals to AIC 453.
- b. File the PS Form 3533, the system-generated receipt or report, and the customer's written request locally.

Note: No PS Form 1412 accounting entries are necessary at the PRU.

17-5.2.2 **Non-PostalOne! Units**

The BRM annual permit and accounting fees may be deducted from the customer's account in non-*PostalOne!* units. The customer must do the following:

- a. Submit a written request on the account holder's letterhead with the customer's authorized signature.
- b. Submit a completed PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*.

The postmaster, manager, or supervisor must do the following:

- a. Verify that funds are available in the customer's account.
- b. Certify PS Form 3533. The postmaster, manager, or supervisor will provide an authorizing signature on PS Form 3533 to approve any withdrawal from customer account balance for annual fee payment.

The RA must do the following:

- a. Record withdrawal and payment of fee to the customer's account on PS Form 25.
- b. Enter the amount in the appropriate fee AIC and offset to AIC 453 on the RA's PS Form 1412.
- c. Give a receipt (either PS Form 3544 or a system-generated receipt) to the customer.

- d. File the PS Form 3533, PS Form 3544 or the system-generated receipt or report, and the customer's written request locally.

17-5.2.3 Nonpayment of Fees

If a customer's BRM Annual Permit is not paid, it is the responsibility of the unit (PRU or BMEU) to notify the customer to maintain the accounts in good status. The matrix in [Exhibit 17-5.2.3](#) is a guideline for proper collections for BRM Annual Fees.

Exhibit 17-5.2.3

BRM Annual Permit Fees Not Paid Process

Issue	Process	Action
BRM Annual Permit Fees not paid	Notify the customer via telephone call or e-mail.	<p>PostalOne! Fee renewal letters are sent from NCSC in Memphis, TN. Do not authorize any Pending Links or release of Business Reply Mail pieces.</p> <p>Non-PostalOne! Use PS Form 3621-A which is found on the Forms page under Essential Links (on BLUE). Do not authorize release of Business Reply Mail pieces.</p>
After 3 calendar days with no response.	Charge the account with Basic BRM (i.e. QBRM, Hi-Vol (Q)BRM).	Charge the account with Basic BRM (i.e. QBRM, Hi-Vol (Q)BRM). Do not authorize any Pending Links or release of Business Reply Mail pieces.
After 15 calendar days with no response.	Mail notification letter via regular mail and Certified Mail to the customer's address on file.	Do not authorize any invoices. If no resolution from the customer within the allowed 20 calendar days from BRM Annual Fee Paid Date, follow the next step accordingly.
If no response after 21 calendar days from BRM Annual Fee Paid Date.	If no resolution by Day 21: Deny any pending transaction(s) in <i>PostalOne!</i> .	<ul style="list-style-type: none"> ■ If the original permit was issued at another Post Office, forward BRM pieces to the issuing office for collection of postage and fees from the permit holder. ■ If the original permit was issued at your Post Office, close the account and treat BRM pieces as follows: <ol style="list-style-type: none"> a. Dispose of BRM postcards of no obvious value. b. If the BRM has a return address, return it to sender marked "Unclaimed." c. If the BRM has no return address, send it to the mail recovery center marked "Unclaimed" DMM 507.1 <p>Note: Some customers or agencies may require additional time (maybe 30 days) to process a payment from their accounting office, therefore use discretion prior to returning BRM mailpieces.</p>

17-5.3 Customer Requested Withdrawals

17-5.3.1 Customer Request

To request a withdrawal of all or part of the unused balance or to close a BRM or postage due account with a balance, the customer must do the following:

- a. Submit a written request on the account holder's letterhead with an authorized signature.
- b. Submit a completed PS Form 3533.

The postmaster, manager, or supervisor will provide an authorizing signature on PS Form 3533 to approve a withdrawal of unused balance from the customer account.

17-5.3.2 PostalOne! Units

At *PostalOne!* units, employees process a customer request for a withdrawal as follows:

- a. Verify that funds are available in the customer's account.
- b. Certify PS Form 3533. The postmaster, manager, or supervisor will provide an authorizing signature on PS Form 3533 to approve any withdrawals of unused balance from the customer account.
- c. Withdraw the requested funds from the customer's account in the *PostalOne!* system. Select the refund option *Refund from Trust to Customer*. The system will generate PS Form 3533-X with account entries to AIC 280, which is offset by trust withdrawal AIC 453.
- d. File PS Form 3533 with the system-generated PS Form 3533-X. *PostalOne!* will transmit refund requests to Accounts Payable in a nightly batch file.
- e. No 1412 entry is necessary at the PRU.

17-5.3.3 Non-PostalOne! Units

At non-*PostalOne!* units, employees must process a customer request for a withdrawal as follows:

- a. Verify that funds are available in the customer's account
- b. Certify PS Form 3533. The postmaster, manager, or supervisor will provide an authorizing signature on PS Form 3533 to approve the withdrawal of unused balance from the customer account.
- c. Withdraw the requested funds from the customer's account on PS Form 25.
- d. Regardless of the amount, enter the amount in AIC 280, and offset the amount in AIC 453 on PS Form 1412.

- e. Attach the required supporting documentation to the PS Form 3533 as follows:

Units that use this reporting technology...	Attach...
RSS	the system-generated receipt (PS Form 3544) for AIC 280.
e1412	a copy of the unit's PS Form 1412 which shows the AIC 280 entry.

- f. Submit the completed PS Form 3533 using the eIWS OnLine Forms application for processing.
- g. File a copy of PS Form 3533 locally with the customer's written request.

Note: PRU employees must not disburse local payments for withdrawals (refunds) from the customer's advance deposit account.

17-5.4 Transfers

Transfers are defined as movement of funds from one account to another.

17-5.4.1 Customer Request

To request a transfer of funds from one BRM account to another, the customer must do the following:

- Submit a written request on the account holder's letterhead with the customer's authorized signature.
- Submit a completed PS Form 3533 if requesting a transfer of funds between accounts not maintained at the same *PostalOne!* finance number or PRU.

17-5.4.2 Procedures

The following tables outline procedures for transferring funds.

Step	Transfer of Funds Within the Same	
	<i>PostalOne!</i> Finance Number	Postal Retail Unit (Not on the <i>PostalOne!</i> System)
a. Verify that funds are available in the customer's account.	Yes	Yes
b. Transfer the funds from the customer's account to the requested account.	Yes, select the Transfer option in the <i>PostalOne!</i> system to transfer funds.	Yes, record the amount to be transferred "to" and "from" on each individual PS Form 25.
c. Make the accounting entries on PS Form 1412.	Yes, the <i>PostalOne!</i> system automatically makes AIC entries 053 and 453 for the transfers on the <i>PostalOne!</i> PS Form 1412.	No

Step	Transfer of Funds Within the Same	
	<i>PostalOne!</i> Finance Number	Postal Retail Unit (Not on the <i>PostalOne!</i> System)
d. File the customer's written request and PS Form 3533 locally.	Yes	Yes

Step	Transfer of Funds Not Within the Same	
	<i>PostalOne!</i> Finance Number	Postal Retail Unit (Not on the <i>PostalOne!</i> System)
a. Verify that funds are available in the customer's account.	Yes	Yes
b. Certify PS Form 3533.	Yes	Yes
c. Withdraw the requested amount from the customer's account.	Yes, select the Refund from Trust to Customer in the <i>PostalOne!</i> system. AICs 280 and 453 are automatically entered on the <i>PostalOne!</i> PS Form 1412.	Yes, enter the withdrawn amount in AIC 280 and offset to AIC 453 on PS Form 1412. Note: Do not issue a money order.
d. Submit the system-generated receipts (for documentation) along with the completed PS Form 3533 using the eWS OnLine Forms application for processing.	No, the <i>PostalOne!</i> system will transmit refund requests to Accounts Payable in a nightly batch file.	Yes, for RSS units the system automatically generates a PS Form 3544 receipt or report for supporting documentation. e1412 units must submit a copy of the unit's PS Form 1412 as supporting documentation.
e. File a copy of the PS Form 3533 and customer's written request locally. Note: When the customer receives the requested funds, he or she may deposit the amount into the account at the other unit.	Yes, in addition, locally file system-generated PS Form 3533-X.	Yes

Note: The *PostalOne!* system now allows for transfers between BRM/PD accounts and PI/PE accounts as well as between finance numbers nationwide.

17-6 Closing Customer Accounts for Inactivity

Inactive BRM or Postage Due accounts are defined as accounts with no mailings or payment of fees during a 2-year period from the date of fee expiration. All BRM annual fees must be renewed every year.

Non-PostalOne! Sites:

The postmaster, unit manager, or designated employee must close inactive BRM and postage due accounts as follows:

- a. If the account balance exceeds \$25, send a cancellation notice and PS Form 3533 to the customer.
- b. Allow the customer 30 days from the date of the notice to respond.
- c. Close the account if:
 - (1) The customer does not respond to the cancellation notice.
 - (2) The letter is returned as undeliverable as addressed.
 - (3) The customer submits PS Form 3533 requesting a refund of the account balance.

Do not close postage due accounts established for PO boxes or addresses associated with a Priority Express Mail or Priority Mail reshipment.

Establishing a postage due account is mandatory when a customer enters into an Express Mail or Priority Mail reshipment agreement. If these types of accounts are automatically canceled in *PostalOne!*, reset the account to “Active” status without contacting the customer.

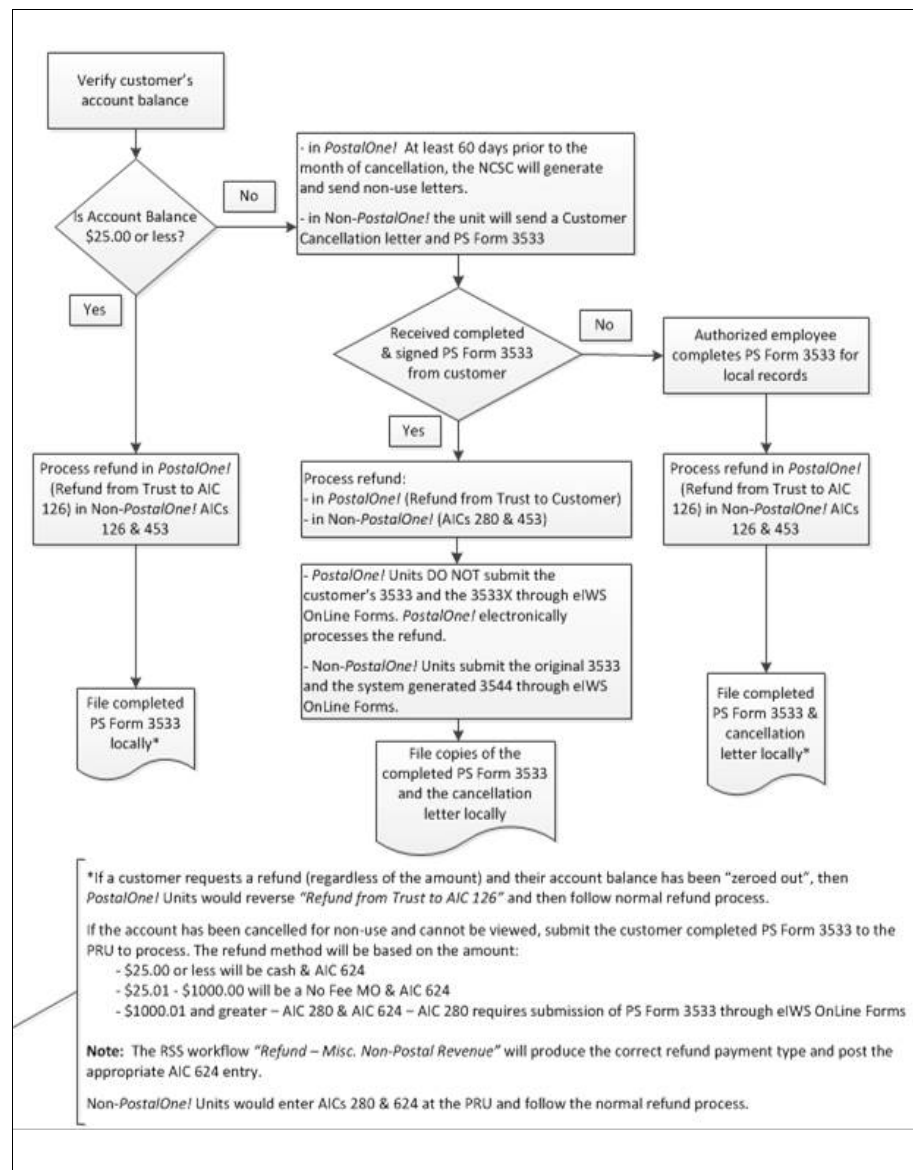
See parts [17-6.1](#), [17-6.2](#), and [Appendix C](#).

PostalOne! Sites Only:

No further action is necessary. The system will automatically close the account at the end of 26 months of no activity.

17-6.1 Issuing a Refund for Inactive BRM and Postage Due Accounts

Use the following flowchart process to refund a customer's BRM/Postage Due advance deposit account due to inactivity for both *PostalOne!* and Non-*PostalOne!* offices.



17-6.2 **Sample Non-Use Notice Letter****Non-Use Notice****[Date]****[Name of Permit Holder]****[Address]****[City, State, ZIP+4]**RE: BRM or Postage Due Account Number: **[XXXXXX]**Dear **[Contact Name]** or Postal Customer:

According to our records, the Business Reply Mail (BRM) or postage due trust account number referenced above has not been used in the last 24 months and/or the annual BRM fee has expired. Therefore, the BRM or postage due trust account is being closed. Our records indicate the date the last mail pieces were deducted from this BRM or postage due account was _____, or the BRM annual fee expired _____ and there is no record of payment. This account has a balance of \$_____.

You must complete PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*, and mail it to the address below before the account balance is refunded. A refund for the remaining account balance, if applicable, will be sent to the account holder's address appearing on this letter. If the account's address above is not current, you must submit notification of an address change in writing and on the account holder's letterhead within 30 days of the date of this notice.

If you wish to resume mailing or if additional assistance is needed, please contact your local Post Office:

[Post Office Address]**[Post Office Telephone Number]**

Sincerely,

[Name/Title]**[Telephone Number]**

Enclosure

17-7 Handling Negative Balances in Customer Accounts

If a customer's trust account balance (BRM or postage due) results in a negative balance, it is the responsibility of the unit (PRU or BMEU) to ensure collections of funds from customers to maintain their accounts in good status. The following matrix is a guideline for proper collections for negative balance accounts.

Negative Balance Customer Accounts

Issue	Process	Action
Encountered a negative balance account.	Notify the customer via telephone or e-mail.	Do not authorize any invoices. If no response from customer after 5 calendar days, follow the next step.
After 3 calendar days with no response.	Upcharge the account with Basic BRM (i.e. QBRM, Hi-Vol (Q)BRM). Do not authorize / release any pieces for this invoice.	Upcharge the account with Basic BRM (i.e. QBRM, Hi-Vol (Q)BRM). Do not authorize / release any pieces for this invoice
After 15 calendar days with no response.	Mail notification letter via regular mail and Certified Mail to the customer's address on file; allow 20 calendar days from date of letter for customer resolution.	Do not authorize any invoices. If no resolution from the customer within the allowed 20 calendar days, follow the next step accordingly.
If no response after 21 calendar days from date of letter, and the negative balance amount is \$100 or more.	<p>BMEU or PRU initiates a PS Form 1902, <i>Justification for Billing Accounts Receivable</i> (January 2009 version) and submits it with a copy of the notification letter to the unit's postmaster, manager, or supervisor for approval. Include TIN on PS Form 1902.</p> <p>Upon approval, the BMEU or PRU submits PS Form 1902 and a required AIC 636 receipt using the eIWS Online Forms application for processing. An accounts receivable will be established at Accounting Services.</p> <p>Note: If the PRU has any BRM pending transactions in PostalOne!, deny the transactions. Return the mail as indicated in the Action column.</p>	<p>Bring the customer's account balance to zero and close the account.</p> <ul style="list-style-type: none"> ■ Dispose of BRM postcards of no obvious value. ■ If the BRM has a return address, return it to sender marked "Unclaimed." ■ If the BRM has no return address, send it to the mail recovery center marked "Unclaimed" DMM 507.1. <p>Accounting entries:</p> <ol style="list-style-type: none"> 1. Enter the negative amount into AIC 053. 2. Offset with AIC 636. 3. Attach the support documentation for the above accounting entries to PS Form 1902. <p>Note: Accounting entries must be recorded in the PRU's PS Form 1412. The PRU files a copy of the PS Form 1902 locally.</p>

18 Other Customer Mail Activity

This chapter describes the responsibilities and procedures for reporting and controlling deposits and withdrawals for USPS Corporate Accounts (USPSCAs) and special provisions trust accounts. This chapter includes the following subchapters:

[18-1 USPS Corporate Accounts.](#)

[18-2 Special Provisions Trust Accounts.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

18-1 USPS Corporate Accounts

This subchapter contains the procedures for handling existing USPSCA deposits, mailing labels, withdrawals, and refunds, as well as for closing accounts.

The USPSCA trust balance of each finance number is part of the national USPSCA balance. As such, these procedures apply to the USPSCA trust balance.

18-1.1 Postal Retail Unit Procedures

18-1.1.1 Deposits

Accept deposits only for existing USPSCAs.

Record the amount of the deposit in AIC 055 on PS Form 1412, *Daily Financial Report*.

The accounting entry is electronically transmitted to the Electronic Marketing Reporting System (EMRS).

18-1.1.2 Mailings

The procedure for mailings at Retail Systems Software (RSS) units is as follows:

- a. Scan the barcode or type the number of the Express Mail label in the RSS system. A file is electronically transmitted to EMRS.
- b. File the Express Mail label (Finance copy) locally.
- c. Enter the USPSCA number in the RSS system.

All e1412 units must enter all Express Mail label data into the Product Tracking System (PTS) Express Mail Label Entry application. PTS transmits the data to EMRS.

18-1.1.3 **Withdrawals**

Do not make any entries to AIC 455 or AIC 133. Revenues are reallocated to the appropriate district based on EMRS.

18-1.2 **District Procedures**

18-1.2.1 **Processing Service Failure Refunds**

The district Mailing Requirements office currently processes customer service failure refunds. The refund is credited back to the USPSCA.

18-1.2.2 **Negative Balance Accounts**

The authorizing finance official or designee must review the USPSCA Deficient Balance report at least twice per year to ensure that the District Business Mail Entry office complies with established collection procedures for negative balance accounts. The authorizing finance official or designee must contact the manager of Bulk Mail Entry (MBME) to request a copy of the Deficient Balance report.

The collection procedure for a negative balance account is as follows:

- a. Exhaust all methods for local collection.
- b. Close the account in EMRS and initiate PS Form 2134, *USPS Corporate Account (USPSCA) Uncollectible*.
- c. Submit PS Form 2134 to Eagan Accounting Services.

The collection agency provides confirmation through a placement report to Accounting Services.

18-1.2.3 **Closing an Account by Customer Request**

The following are the steps to close an account as a result of a customer request:

- a. The customer completes PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*.
- b. The customer submits a written request to the PRU to close the account.
- c. A PRU employee submits PS Form 3533 and the written request to the district Mailing Requirements office.
- d. The Mailing Requirements office immediately invalidates (cancels) the customer's account in EMRS.
- e. The Mailing Requirements office refunds the account balance to the customer after 30 days from invalidation.
- f. The Mailing Requirements office submits the completed PS Form 3533 using the eIWS OnLine Forms application for processing.
- g. EMRS automatically posts entries to AIC 280 and AIC 455 — the PRU employee does not make any local PS Form 1412 entries.

18-1.2.4 Closing an Inactive Account

An inactive USPSCA is defined as one having no mailings for 2 years from the date of last mailing.

The district Mailing Requirements office must close an account as a result of inactivity as follows:

- a. Confirm that the Postal Service has a valid address on file for the customer.
- b. Send a Non-Use Cancellation Notice (see Exhibit 18-1.2.4) and PS Form 3533 to the customer.
- c. Allow the customer 30 days from the date of the notice to respond.

Exhibit 18-1.2.4

Sample Non-Use Cancellation Notice for USPSCA



Date

CUSTOMER NAME
CUSTOMER ADDRESS
CITY STATE ZIP

Re: USPS Corporate Account Number XXXXXX

Dear (Contact Name) or Postal Business Customer:

According to our records, the USPS Corporate Account number referenced above has not been used in the last 2 years. Our records indicate that the last date that funds were deducted for mailed pieces from this account was xxxx. In accordance with Postal Service guidelines, your account number will be invalidated on (Date 30 days away) and your account will be closed.

This account has a current balance of \$xxxxx.xx. You must complete PS Form 3533, Application for Refund of Fees, Products and Withdrawal of Customer Accounts, in order to receive a refund of the remaining account balance. Please complete the form and mail it in the envelope provided along with a copy of this letter. A refund for the remaining account balance, if applicable, will be sent to the account holder's address appearing on this letter. If the account's address above is not current, you must submit notification of an address change in writing and on the account holder's letterhead within 30 days of the date of this notice. If you do not return the application for refund, or bring your account current, your account will be closed and all funds remaining in your account will be transferred to our Postmaster account on (30 days after the date in paragraph 1).

Should you have any questions or need additional assistance, please contact:

Post Office Name
Post Office Address
Post Office Telephone Number

Thank you for your immediate attention to this matter.

Sincerely,

Name/Title
Telephone Number
Enclosure

If the customer submits PS Form 3533 requesting a refund of the account balance, perform the following steps:

- a. Invalidate (cancel) the account in EMRS.
- b. After 30 days, EMRS closes the USPSCA and the balance appears as “Transfer to PM.” EMRS automatically posts accounting entries to AICs 280 and 455 — the PRU employee does not make any local PS Form 1412 entries.
- c. The district Mailing Requirements office submits the completed PS Form 3533 using the eIWS OnLine Forms application for processing.

If the customer does not respond or if the letter is returned as undeliverable as addressed, perform the following steps:

- a. Complete PS Form 3533 noting that mail to the customer is “undeliverable” or that the “customer is unresponsive.”
- b. Invalidate (cancel) the account in EMRS.
- c. After 30 days, EMRS closes the USPSCA and the balance appears as “Transfer to PM.” EMRS automatically posts accounting entries to AICs 280 and 455 — the PRU employee does not make any local PS Form 1412 entries.
- d. File PS Form 3533 as local support documentation.
- e. Contact the Accounting Help Desk (AHD) to open a ticket for Accounting Services, Field Sales Branch to process a journal entry voucher (JEV) that will increase AIC 126 and decrease AIC 280 by the amount of the closed account.

18-1.2.5 **Closing an Account With a Negative Balance**

The District Business Mail Entry office must close an account that has a negative balance as follows:

- a. The Mailing Requirements office notifies the customer that the Postal Service will forward the account to the collection agency.
- b. If the customer makes no payment, the Mailing Requirements office closes the account.
- c. EMRS automatically posts accounting entries to AICs 055 and 606 — the PRU employee does not make any local PS Form 1412 entries.
- d. The Mailing Requirements office completes PS Form 2134 and forwards it to Eagan Accounting Services.

18-2 Special Provisions Trust Accounts

The Postal Service authorizes special provisions trust accounts for the following entities:

- a. A government agency that is governed by an annual budget and that requires an annual advance deposit for future payment of USPS products and services.
- b. An authorized business — i.e., a registered and licensed business that has annual budget constraints.

The Postal Service may use the following AICs only for special provisions trust accounts: AIC 074, Special Provisions Local Trust Advance Deposit, and AIC 474, Special Provisions Local Trust Withdrawal.

PRUs manage special provision trust accounts as follows:

- a. Record deposits by government agencies or authorized businesses as AIC 074 on PS Form 1412.
- b. Maintain individual government advance deposit accounts using PS Form 25, *Trust Fund Account*. Enter the deposits and withdrawals and calculate the balance.
- c. Maintain a separate PS Form 25 with the daily summary grand total amount of all government advance deposit accounts balances (reported in AIC 074).
- d. Record funds withdrawn from special provision trust accounts as AIC 474 on PS Form 1412. The offset must be one of the following:
 - (1) A purchase of USPS products or services.
 - (2) A refund of the unused balance requested by the customer.
 - (3) The closure of the account by the Postal Service.
- e. Daily at the close of business, report activities for all accounts on PS Form 3083, *Trust Accounts Receipts and Withdrawals*.
- f. At least once a month, the postmaster, manager, or supervisor must verify that the AIC 074 closing balance in Accounting Data Mart or from the Accounting Help Desk emailed report matches the closing balance on PS Form 3083 and on the PS Form 25 daily summary.

Note: These trust deposit accounts are locally maintained and cannot be linked to the PostalOne! system.

An inactive special provision trust account is defined as one having no funds withdrawn from the account for 2 years.

When a special provision trust account become inactive, the PRU must do the following:

- a. If the account balance exceeds \$25, send a non-use notice and PS Form 3533 to the customer.
- b. Allow the customer 30 days from the date of the notice to respond.
- c. Close the account in any of the following situations:
 - (1) The customer does not appeal in writing.
 - (2) The customer does not respond to the cancellation notice with a current address.
 - (3) The letter is returned as undeliverable as addressed.
 - (4) The customer submits PS Form 3533 requesting a refund of the account balance.
- d. If the account balance is \$25 or less, clear the balance with AIC 474 and offset it with AIC 126.

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19 Payments

This chapter describes the hierarchy and payment methods used when making payments. This chapter also contains the requirements, responsibilities, and procedures for making payments locally and by Accounting Services. This chapter includes the following subchapters:

[19-1 Preferred Payment Methods.](#)

[19-2 Documenting Payments.](#)

[19-3 Supplier Check Problem Resolution.](#)

[19-4 Prompt Payment Act.](#)

[19-5 1099-Reportable Vendor Payments.](#)

[19-6 Quick Reference Payment Table.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

19-1 Preferred Payment Methods

19-1.1 Hierarchy

Before making a purchase, an employee must search the eBuy+ Excess Items Catalog to see if needed resources or materials are available from other USPS facilities. After the employee searches the eBuy+ Excess Items Catalog, the Postal Service's preferred payment method for recurring USPS expenses is through eBuy+ on-catalog. Field units are to use the following payment methods, which are listed in order of priority and preference:

- a. eBuy+ Excess Items Catalog (for excess materials available from other USPS facilities, often free of charge).
- b. eBuy+ on-catalog (for catalog items available from external vendors).
- c. National or area contracts.
- d. SmartPay purchase card.
- e. Purchase card checks. These require extended lead-time and approval for check book issuance.
- f. Nonrecurring local payments:
 - (1) Cash for a purchase or expense that does not to exceed \$35.
 - (2) No-fee money order for a nonrecurring purchase within the limitations of USPS policies and procedures.

At field units, avoid cash payments. Pay in cash only in an emergency, except for locations with approved imprest funds.

Note: To prevent duplication, use only one of the above methods.

19-1.2 **eBuy+ Goods and Services (Except Personal Service Contractors)**

After the employee searches the eBuy+ Excess Items Catalog, the Postal Service's preferred payment method for recurring USPS expenses is through eBuy+ on-catalog.

All employees with intranet access must use eBuy+, which offers the following benefits:

- eBuy+ is the USPS web-based application for ordering goods and services.
- eBuy+ allows USPS employees to order online from national mandatory and priority source contracts with order status checking, reconciliation, reporting, and electronic payment capabilities.
- eBuy+ includes the ability to electronically certify payment for utility invoices, except telecommunications (which are paid through a national contract). Utilities are electricity, natural gas, oil, metered fuel, water, and garbage and sewer services.)

Obtain access to eBuy+ through eAccess. For eBuy+ assistance, contact the National Material Customer Service Center at 800-332-0317, and follow the prompts.

Note: Do not record purchases made through eBuy+ on the unit's PS Form 1412, *Daily Financial Report*.

19-1.3 **National or Area Contracts**

National or area contracts or agreements are available service-wide or to specific geographical areas for Headquarters or field customer use, as follows:

- Verify the availability of national or area contracts for specific supplies or services (i.e., snow removal) by contacting the Purchasing Shared Services Center (PSSC) at https://uspshelp.custhelp.com/app/home_pssc.
- Place multiple orders against these contracts and agreements. These orders are not considered split purchases regardless of the payment method used as long as they do not exceed the ordering limits in the governing contract or agreement.

19-1.4 SmartPay Purchase Card

For information regarding purchase card payments, see Handbook AS-709, *Purchase Card Local Buying Policies and Procedures*.

19-1.5 Local Payments

19-1.5.1 Overview

A field office may issue a local payment for a nonrecurring local purchase to a supplier that is not in eBuy+ and does not accept the purchase card or purchase card checks. All purchases of goods and services, regardless of payment type, require an approved eBuy+ requisition.

Exception: Single Drawer Accountability (SDA) offices are not allowed to issue no-fee money orders. The administrative Post Office that the SDA is assigned to must process all local payments.

The appropriate personnel (as noted here) must follow these steps for all local payments:

- a. The purchase card holder must obtain funding approval through eBuy+. Avoid using no-fee money orders as the selected payment method in eBuy+ bulk funding approvals with recurring payments.
- b. The retail associate (RA) must record cash or no-fee money order payments on PS Form 1412. Use the AIC Crosswalk in [Appendix A](#) to identify the correct AIC. Also, note the following requirements for a one-time local purchase:
 - If funds are available, and if the payment does not exceed \$35, issue a cash payment — a cash payment must not exceed \$35.
 - If funds of up to \$35 are not available, or if the payment exceeds \$35, issue a no-fee money order or multiple no-fee money orders as required — the maximum amount for a money order must not exceed \$1,000. The total amount for a nonrecurring local payment must not exceed \$10,000.
 - Report the fee for the no-fee money order in AIC 586 using reason code 29.
- c. To ensure consistency in the invoice certification process, the certifying official must apply to the invoice a stamp containing the elements shown in the image following this section and then must enter the required information and sign where noted. An electronic version that contains all these elements is permissible as long as it is completed, signed, and printed.

I certify that the goods or services described have been received and that the invoice is correct and proper for payment.	
_____ Signature	
_____ Printed or typed name and title	
(____)____ - ____ Phone number	____/____/____ Date of certification
_____ Postal Facility	_____ Finance number
_____ CIP asset number	____/____/____ Date goods or services received
_____ Order or Contract number	_____ GL Account number
_____ TIN (EIN or SSN)	\$_____ Invoice Amount
____/____/____ Invoice Date	____/____/____ Invoice Received Date

- d. File the invoice, approved eBuy+ requisition, and proof of payment locally as supporting documentation for the PS Form 1412 entries.

If payments for services (or a combination of services and supplies) exceed \$600 in a calendar year, the field unit must report the payments on an IRS Form 1099. Report such payments as follows:

- Complete PS Form 8231, *Vendor Payment 1099 Reporting Form*, describing the services, and submit the form using the eIWS OnLine Forms application at <https://olf.usps.gov/OLF/> on the day that the payment is made.
- Keep a copy of PS Form 8231 and supporting documentation on file locally.

See subchapter [19-5](#) for additional information.

19-1.5.2 **Temporary Cash Advance for Payments**

The procedure for a field unit to make a local cash purchase is as follows:

- The manager or a designated employee documents the amount and reason for a temporary cash advance for a local payment on a routing slip (often called a “buck slip” — in Publication 247, *Supply and Equipment Catalog*, the routing slip’s PSIN is O13), and gives this routing slip to the requesting employee. The temporary cash advance must not exceed \$35.
- The requesting employee presents the routing slip to the RA.
- The RA issues the temporary cash advance and retains the routing slip in the cash drawer.

- d. When the requesting employee presents the original sales receipt (and change, if applicable) for items purchased to the RA, the RA must return the routing slip to the requesting employee.
- e. The RA records the purchase payment in the appropriate AIC on PS Form 1412.
- f. The RA submits the original sales receipt as supporting documentation for the entry on PS Form 1412.
- g. The closeout employee maintains the original sales receipt with the approved eBuy+ requisition (or PS Form 7381, if eBuy+ is not available) as supporting documentation for the unit's PS Form 1412.
- h. The RA and the person receiving the cash advance (and any other applicable USPS personnel) must complete and settle the temporary cash advance transaction by close of business the same day. If the person receiving the cash is *not* going to use it to pay for a local purchase that same day, the RA must not provide the cash advance — otherwise, the person receiving the cash would have to return the money to the RA that day without making the purchase.

See part [2-4.7](#) for the separation of duties guidelines.

19-1.6 **Non-Goods and Non-Services**

PS Form 2551, *Non-Goods and Non-Services — Payment Authorization*, is the method of payment for non-goods and non-services, such as tort claims, Occupational Safety and Health Administration (OSHA) fines, Office of Workers' Compensation Programs (OWCP), and other third-party payments.

The procedures for a field unit paying for non-goods and non-services are as follows:

- a. Immediately upon receiving the payment request (invoice or other supporting documentation), the certifying official must complete and submit PS Form 2551 using the eIWS OnLine Forms application at <https://olf.usps.gov/OLF>. This immediate action helps to prevent a delayed payment.
- b. Submit one PS Form 2551 for each payment to be processed. The payables system records the payment for each invoice separately to prevent duplicate payments.
- c. Keep a printed copy of PS Form 2551 on file locally as supporting documentation.

Additional information on submission of forms is available on the eIWS OnLine Forms Toolkit webpage at <http://blue.usps.gov/accounting/eiws/eiwsforms.htm>.

19-2 Documenting Payments

19-2.1 Recurring Payments

Recurring payments are payments that remain the same on an ongoing basis, such as charges for contract cleaners and monthly landscaping.

For recurring payments that fall within local buying limits and policies included within *Administrative Support Manual (ASM) 72* or Handbook AS-709, *Purchase Card Local Buying Policies and Procedures*, a field unit may make a local payment with a purchase card or a purchase card check.

If making recurring purchases to one or more merchants, the field unit can consider whether establishing a contract would be more beneficial to the Postal Service. For more information, contact *Purchasing Support*.

19-2.2 Advance Payments

Advance payments for goods or services are acceptable when justified and permitted. Examples include facility rentals, magazine subscriptions, tuitions, software maintenance, and booth space at conventions.

MI FM 610-2010-2, *Advance Payments*, describes the circumstances in which the Postal Service pays in advance for products and services.

MI FM-610-2010-2 is available on the Postal Service Intranet at <https://blue.usps.gov>:

- In the left-hand column, click *Essential Links*, and then click *PolicyNet*.
- On the PolicyNet page, on the right-hand side under “Published Forms and Directives,” click *Management Instructions*.
- Scroll down to the entry for this MI and click the PDF icon.

The direct URL for the MI is <https://blue.usps.gov/cpim/ftp/manage/fm610102.pdf>.

19-3 Supplier Check Problem Resolution

19-3.1 Overview

If Accounting Services issued to a supplier a check that was destroyed, damaged, misplaced, lost, stolen, or not received, the supplier may initiate a Supplier Check Stop Payment/Photocopy Request by contacting the Accounting Help Desk at 866-974-2733 or through the local field unit. The Postal Service will issue a new check. Suppliers can also use the same request form to obtain a photocopy of a cashed or canceled check.

Exception: A Postal Service employee may submit a stop payment of a supplier check only for reasons such as erroneous payments, wrong supplier payments, or other internal reasons by providing his or her signature on the request form.

A field unit employee may obtain a copy of the Supplier Check Stop Payment/Photocopy Request and may view the Frequently Asked Questions at <https://blue.usps.gov/accounting/supplierstoppayrequests.htm>.

19-3.2 **Supplier Stop Pay or Photocopy Request**

A supplier can request a stop payment of a check or a photocopy of a check in one of the following ways:

- a. Request a copy of a Supplier Check Stop Payment/Photocopy Request from the Accounting Help Desk, and then complete and submit the request form using one of the submission methods detailed on the request.
- b. Submit a signed written request to the local field unit. In this case, the field unit employee completes a Supplier Check Stop Payment/Photocopy Request and submits it to Accounting Services, along with the supplier's written request as supporting documentation.

19-4 Prompt Payment Act

19-4.1 **Overview**

The Prompt Payment Act (PPA), as amended in 1988, requires that the Postal Service to comply with the Act.

Postal Service policy is to pay suppliers under the terms of the contract (formal or informal) subject to the requirements of the PPA.

19-4.2 **Compliance**

When the Postal Service fails to pay a vendor's invoice on or before the due date established in the contract (or if no contract exists, within 30 calendar days of receipt of a proper invoice), the vendor is entitled to an interest payment in accordance with the PPA, as described in MI FM-610-2013-4, *Compliance with the Prompt Payment Act*.

Interest for late payment of an invoice is computed from the day after the due date through the date of the check or EFT. The Postal Service charges PPA interest to the budgetary finance number that is on the invoice.

Standard PPA terms are net 30 days unless the vendor offers discount terms.

The following payments are exempt from the PPA:

- a. Utility vendors.
- b. Postal Service employees.
- c. Customers for refunds.
- d. Other federal agencies.

19-5 1099-Reportable Vendor Payments

Federal law requires reporting of payments that are made locally for services. Field unit employees must report local payments for services as follows:

- a. Complete PS Form 8231 when payment by cash, money order, or purchase card check is made to a nonemployee in excess of \$600 in a calendar year for services that are 1099-reportable. Such reportable services are performed by individuals who are not USPS employees or USPS contractors, or individuals or incorporated local service providers who accept the purchase card for payment.
- b. Submit the completed PS Form 8231 using the eWS OnLine Forms application at <https://olf.usps.gov/OLF/on> the same day that the payment is made.

Exhibit 19-5a identifies the types of payments that field units must report and that they do not report.

Exhibit 19-5a

Reportable and Unreportable Payments

Report payments for...	Do not report payments for...
Services provided by: <ul style="list-style-type: none"> ■ Individuals. ■ Proprietorships. Services paid locally with cash or money order.	<ul style="list-style-type: none"> ■ Utility expenses. ■ Purchases paid via Purchase card. ■ Purchases paid via eBuy+. ■ Supplies or parts.

If an invoice contains an itemization for services and supplies, report only the services. However, if the services and supplies are not itemized, the total invoice is reportable.

Exhibit 19-5b shows examples of IRS 1099 reportable services.

Exhibit 19-5b

Examples of IRS 1099 Reportable Services

- Copier and printing services
- Equipment rental or lease
- Equipment repairs (labor)
- Garbage removal
- Instructor services
- Janitorial services
- Lawn mowing, weed control, or landscaping
- Mop head cleaning
- Overprinting of forms
- Pest control
- Sign language interpreter
- Snow removal services
- Vehicle repairs (labor)
- Vehicle washing
- Window cleaning
- Medical services

19-6 Quick Reference Payment Table

Exhibit 19-6 describes how to process different types of payments.

Exhibit 19-6

Quick Reference Payment Table

Type of Payment	Form	Process
Contractual payments.	None	<ol style="list-style-type: none"> Certify contract invoices using the certification stamp process discussed in 19-1.5.1c. Submit contract invoices to Accounting Services, Contractual Payables Branch.
Credit invoices (if originally paid using PS Form 2551).	PS Form 2551	<ol style="list-style-type: none"> Check credit box. Submit PS Form 2551 and credit invoice using the eIWS OnLine Forms application at https://olf.usps.gov/OLF/. <p>Note: A credit invoice refers to a supplier owing money to the Postal Service, such as when the Postal Service makes an over payment or duplicate payments. Do not submit credit invoices for recurring utility payments — these credits offset on future invoices.</p>
Local payments (invoices for <i>nonrecurring local purchases</i>) to suppliers that are not in eBuy+ and that do not accept the purchase card.	None	<ol style="list-style-type: none"> Issue cash (not to exceed \$35) if available, or if the payment exceeds \$35, issue a no-fee money order or multiple no-fee money orders as required (not to exceed \$1,000 each). The total for a nonrecurring local payment must not exceed \$10,000. When issuing a no-fee money order, report the fee amount in AIC 586 and use Reason Code 29. Record the payment on PS Form 1412. File the invoice and proof of payment locally as supporting documentation. <p>Note: If the invoice is 1099-reportable, submit PS Form 8231 using the eIWS OnLine Forms application at https://olf.usps.gov/OLF/.</p>
Medical bills — invoices from medical facilities resulting from treatment of job-related injuries and pre-employment testing.	None	The expense purchase card or purchase card check may be used to pay for <i>medical</i> services, but only under the Purchase Card Local Buying Authority of the National and Area Medical Directors, who may re-delegate this authority to the area and district Occupational Health Nurse Administrators (OHNAs).
OSHA payments.	See subchapter 20-4 .	
Telecommunications.	None	Invoices are processed directly through national contract.
Goods (supplies) and services.	None	<ol style="list-style-type: none"> Requisition goods and services through eBuy+. Follow the preferred-method hierarchy (see 19-1) for payment of goods and services.
Tort claims.	PS Form 2551	<p>Claims less than \$5,000:</p> <ol style="list-style-type: none"> Ensure that the expense is applied to GLA 55216000. (Refer to ASM, chapter 25.) Submit PS Form 2551 using the eIWS OnLine Forms application at https://olf.usps.gov/OLF/.

Type of Payment	Form	Process
	PS Form 2198, <i>Accident Report — Tort Claim</i>	Claims of at least \$5,000 but not greater than \$50,000, and denials for claims under \$5,000: <ol style="list-style-type: none"> Submit PS Form 2198 and the General Counsel Authorization Letter to the following address: TORT CLAIM PROCESSING ACCOUNTING SERVICES PO BOX 80471 ST LOUIS MO 63180-9471 File all supporting documentation locally.
	None	Claims greater than \$50,000: Submit claims to the National Tort Claim Center through the district tort claims coordinator.
Utilities, except telecommunications.	<ol style="list-style-type: none"> For all users having intranet access, eBuy+ is the required method for utilities paid directly to a supplier. For a third-party payment (such as a utility paid through a property management company), use a SmartPay purchase card — but if the supplier does not accept payment from a SmartPay purchase card, use PS Form 2551. 	<ol style="list-style-type: none"> Record the invoice number for a utility invoice using the utility-assigned account number, followed by the invoice month and year (e.g., 123456789DEC06). For a third-party payment not paid through eBuy+ or SmartPay purchase card, submit PS Form 2551 and the original invoice using the eWS OnLine Forms application at https://olf.usps.gov/OLF/. Keep a copy on file locally as supporting documentation. For questions, contact <i>Purchasing Support</i>.

For questions about processing payments, open an incident (i.e., open a “ticket”) through the Accounting Help Desk, as follows:

- Online: Open an incident using the MyAccounting self-service portal at <https://myaccountinghelp.usps.gov>.
- Telephone: 866-974-2733.

For more information on how to submit forms, see the eWS OnLine Forms Toolkit at <http://blue.usps.gov/accounting/eiws/eiwsforms.htm>.

20 Payment Types

This chapter describes the responsibilities and procedures for the various types of payments and reimbursements. This chapter includes the following subchapters:

- [20-1 Customer Domestic Claims.](#)
- [20-2 Customer International Claims.](#)
- [20-3 Tort Claims.](#)
- [20-4 Health Benefit \(HB\) 202 Payments.](#)
- [20-5 Occupational Safety and Health Administration Payments.](#)
- [20-6 Non-Postal Service Training Payments.](#)
- [20-7 Employee Uniform Cap Reimbursement.](#)
- [20-8 EZ Pass and Toll Collection.](#)
- [20-9 Injury Compensation Settlement Funds \(Third-Party Liability\).](#)
- [20-10 Contract Cleaning Services.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

20-1 Customer Domestic Claims

20-1.1 Overview

Customers may file domestic claims online or by mail.

All claims are adjudicated by Accounting Services. PRUs must not adjudicate any claims locally, regardless of the amount.

PRUs do not process repayments for previously paid claims. Repayment instructions are provided in the letter mailed to the customer by Accounting Services. For questions related to claims, advise the customer to contact the Accounting Help Desk (AHD) via email, helpdeskaccounting-st.louis@usps.gov; or by phone, 866-974-2733.

The following resources and links provide more information on domestic claims:

- Accounting Website — Claims
<http://blue.usps.gov/accountingaccountingaccountingaccounting/claims.htm>.
- Filing Indemnity Claims for Loss or Damage (DMM 609)
<http://pe.usps.gov/text/dmm300/609.htm>.

- How to File Insurance Claims (usps.com)
<http://www.usps.com/insuranceclaims/welcome.htm>.
- Publication 122, *Domestic Claims: Customer Reference Guide*
<http://about.usps.com/publications/pub122.pdf>.

20-1.2 Filing Domestic Claims

Publication 122, *Domestic Claims: Customer Reference Guide*, contains a table listing the time limits for filing customer claims for both domestic and international services.

Note: PRUs no longer process domestic claims or distribute PS Form 1000.

To file a domestic claim online, customers must go to www.usps.com/ship/file-insurance-claims.htm. The online system captures all the required information about the claim. Customers who file a domestic claim online must upload JPG or PDF file(s) to provide evidence of insurance, proof of value, and, if applicable, proof of damage or missing contents. Once the online claim is submitted, the customer may print a copy as a record. The customer can check online at any time for the status of the claim.

To file a domestic claim by mail, customers must call 800-ASK-USPS (800-275-8777) to have a PS Form 1000 mailed to them. Customers send the completed form with all other required supporting documentation for loss or damage of an item mailed with insured services to the address printed on the form.

Note: Customer must submit original PS Form 1000. Copies or other variations of the PS Form 1000 are not permitted and will delay processing.

20-1.3 Damaged or Missing Contents

Upon inspection of a damaged domestic or missing contents item presented by a customer, Retail Associates (RAs) must do the following:

- a. Perform the verification of the damaged article and documents submitted by the customer as evidence of mailing and value.
- b. Prepare a PS Form 3831, *Receipt for Article(s) Damaged in Mails*, and give it to the customer.
- c. Prepare a PS Form 2856, *Damage Report of Insured Parcel and Contents* via MyPO but do not provide a copy of the PS Form 2856 to the customer.
- d. Submit completed PS Form 2856 online via MyPO.
- e. Do not fax or mail PS Form 2856.

Note: PRUs do not mail damaged articles to St. Louis Accounting Service Center.

20-1.4 **Appealing a Denied Domestic Claim**

For domestic claims, with insurance purchased, that were denied, the procedure for customers is as follows:

- For a denied claims, customers may appeal a decision by sending a copy of the denial letter and a written appeal focusing on the basis of the claim denial within **30 days** of the date of the original decision to the following address:
DOMESTIC CLAIM APPEALS
ST. LOUIS ACCOUNTING SERVICE CENTER
PO BOX 80141
ST LOUIS MO 63180-0141
- If the original claim was filed online, customers may file an appeal online by signing into their account at www.usps.com/ship/file-insurance-claims.htm. The appeal must be filed **within 30 days** of the date of the original decision.
- If a customer receives a check for a lessor amount than the requested amount, the customer may submit a copy of the partial pay letter and a written appeal focused on the basis of the partial pay **within 30 days** of the date of the original decision.

If first appeal, send to the following address:

DOMESTIC CLAIM APPEALS
ST. LOUIS ACCOUNTING SERVICE CENTER
PO BOX 80141
ST LOUIS MO 63180-0141

If second appeal, send to the following address:

CONSUMER ADVOCATE
US POSTAL SERVICE - DOMESTIC CLAIMS APPEALS
475 L'ENFANT PLZ SW RM 4131
WASHINGTON, DC 20260-0343

20-2 Customer International Claims

20-2.1 **Overview**

An inquiry refers to a request for information or to a report of the disposition of an article received via international mail.

The International Research Group (IRG) handles all inquiries for international articles.

Customers must contact the IRG at 800-222-1811 to report the loss, damage, and/or rifling (missing contents) of articles mailed via Global Express Guaranteed, Priority Mail Express International (PMEI), Priority Mail International (PMI), insured or ordinary service, or Registered Mail.

Inquiries are not accepted for First-Class International letters, PMI flat-rate envelopes, PMI small flat-rate boxes, or M-bags.

20-2.2 How to Initiate an Inquiry

Depending on the type of service, inquiries may be initiated by phone or online.

Customers can initiate an inquiry by phone by contacting the International Research Group (IRG) at 800-222-1811 within the time limits listed in the International Mail Manual (IMM), Exhibit 921.2 at <http://pe.usps.com/cpim/ftp/manuals/Imm/imm9.pdf>.

The IMM also lists the types of International services that inquiries can be initiated for, and information on payments and limitations.

International inquiries for some services may be submitted online. Customers can visit <https://www.usps.com/help/claims.htm> for more information on services eligible for online inquiry.

The customer must be the U.S. sender and must submit the inquiry within the time limits listed in the IMM, Exhibit 921.2.

After an inquiry is received by the IRG, the IRG will correspond with the post in the foreign country. If the investigation determines that a claim for the item should be initiated, the IRG will send a claim packet to the customer with instructions for completing the claim form and mailing the claim to St. Louis Accounting Service Center., Claims Accounting Branch.

All claims are adjudicated by St. Louis Accounting Service Center. PRUs must not adjudicate any claims locally, regardless of the amount or distribute PS Form 2855.

The following resources and links provide more information on international claims:

- Accounting Website — International Claims at <https://blue.usps.gov/accounting/international.htm>.
- How to File Insurance Claims: USPS.com at <https://www.usps.com/help/international-claims.htm>.
- International Inquiries and Claims at <http://www.usps.com/international-claims>.
- International Mail Manual (IMM 920) at <http://pe.usps.com/cpim/ftp/manuals/Imm/imm9.pdf>.
- Consumer Programs and Policies at <http://blue.usps.gov/caweb/privacy/consumer/welcome.htm>.
- Universal Postal Union (UPU) at <http://www.upu.int>.

20-2.3 **Lost Articles**

To report the loss of an article sent to a foreign country, customers must call the IRG at 800-222-1811 and provide the relevant information regarding the item, including, but not limited to, the following:

- a. Article number appearing under the barcode.
- b. Names, addresses, and telephone numbers of the mailer and addressee.
- c. Date of mailing, weight, postage paid, and additional fees (if applicable).
- d. Description and value of contents.

Inquiries for Priority Mail International flat-rate envelopes and small flat-rate boxes will not be accepted unless registered service is purchased.

Before initiating an inquiry of an article mailed to a foreign country, the customer must allow sufficient time for delivery of the mail piece to the foreign country.

20-2.4 **Damaged, Rifled, or Missing Items**

For damaged articles that are held in a foreign country, the U.S. sender must initiate an inquiry by calling the IRG at 800-222-1811.

For damaged articles that are held in the United States, an inquiry is not required.

To start the claims process for a damaged international article, U.S. senders must do the following:

- a. Call 800-222-1811 to initiate an inquiry.
- b. Take the damaged item to any PRU immediately for inspection.
- c. Instruct the foreign sender to file a claim with his or her foreign postal administration.

Upon inspection of a damaged international item presented by a customer, RAs do the following:

- a. Perform the verification of the damaged article and documents submitted by the customer as evidence of mailing and value.
- b. Prepare a PS Form 3831, Receipt for Article(s) Damaged in Mails, and give it to the customer.
- c. Prepare a PS Form 2856, Damage Report of Insured Parcel and Contents but do not provide a copy of the PS Form 2856 to the customer.
- d. Complete the PS Form 2856 in MyPO.
- e. Print, then Mail or Fax:

INTERNATIONAL RESEARCH GROUP
UNITED STATES POSTAL SERVICE
PO BOX 512318
LOS ANGELES, CA 90051-0318
FAX: 651-306-6165

Note: PRUs do not mail damaged articles to St. Louis Accounting Service Center.

To obtain the status or information regarding a filed claim, both Postal Service employees and customers may contact the Accounting Help Desk (AHD) via email, helpdeskaccounting-st.louis@usps.gov; or by phone, 866-974-2733.

For GXG claims, customers may call the IRG at 800-222-1811. The call will be transferred to our alliance partner, Federal Express. For more information on GXG service, go to <https://www.usps.com/international/gxg.htm>.

20-3 Tort Claims

Tort claims are claims for damage to or loss of property, for personal injury, or for death to non-Postal Service personnel caused by the negligent or wrongful act or omission of an employee while acting within the scope of employment.

To process a Tort claim, field units do the following:

- a. Complete a PS Form 2551, *Non-Goods and Services Payment Authorization*. Ensure the expense is applied to AIC 597 by using the following account numbers:
 - 55101: Commercial Hired Motor Vehicles – Tort Claims.
 - 55103: Hired for Postal Employee Motor Vehicle – Tort Claims.
 - 55105: Rural Carriers Motor Vehicles – Tort Claims.
 - 55107: US Government Owned Motor Vehicles – Tort Claims.
 - 55212: Accidents on government Owned Property – S/T/F.
 - 55213: Accidents on Leased Property Other Than US Government.
 - 55215: Other Non-Vehicle Accidents.
 - 55216: Tort Claims Paid at MSC - \$100 or Less.
- b. Submit the completed PS Form 2551 using the eIWS OnLine Forms application for processing.

For additional information, see part [19-6](#), Payment Process Table. See also Administrative Support Manual (ASM), chapter 25.

20-4 Health Benefit (HB) 202 Payments

The following table explains how Health Benefit Premium reimbursement payments are processed:

What are HB 202 payments?	HB 202 payments are health benefit premium reimbursements to postal employees who have been on OWCP for more than a year. The health benefits premiums are charged at the OPM higher rate for those on OWCP greater than one year.
What documentation is required to authorize an HB 202 payment?	PS Form 2551 along with the HB 202 form to authorize payment.
What information must be recorded on PS Form 2551?	Complete PS Form 2551 as follows: Item 1: Select the Payment checkbox. Item 2: Use the employee's SSN for the Tax Identification Number (TIN). Item 3: Select the Postal Employee checkbox. Item 4: Enter the Payee Name. Item 5: Enter the Remit to Address. Item 6: Enter the Invoice number as Health Code/Last name of Employee/Last service Date; (ex., 402/Smith/Dec202013). Item 7: Enter GLA Account #. Use GLA 51209, along with the finance number to be charged for the fines and the dollar amount. Item-8: Enter the Gross Amount to be paid. Item 9: Enter the Post Office Contact Information with the name and telephone number of the contact person at the local office. Print the contact person's name. Item 10: Obtain the signature and enter the title of the certifying official. Enter the date certified and the originating office ZIP Code.
Where do I send HB 202 invoices?	Submit PS Form 2551 along with supporting documentation (system-generated HB 202 form) using the eIWS OnLine Forms application for processing.
How do I inquire about HB payments?	Go to EDW/ADM to inquire about the status of a payment. If payment status is not available in EDW/ADM, call the AHD at 866-974-2733.

20-5 Occupational Safety and Health Administration Payments

The following table explains how Occupational Safety and Health Administration (OSHA) payments are processed.

What is an OSHA payment?	OSHA payments are court-approved fines assessed for violations of OSHA regulations at postal facilities.
What documentation is required to authorize an OSHA payment?	An original invoice and settlement documentation must be provided with PS Form 2551 to authorize payment.
What information must be recorded on PS Form 2551?	Complete PS Form 2551 as follows: Item 1: Select the Payment checkbox. Item 2: Use 000006742 for the Tax Identification Number (TIN). Item 3: Select the Government Agency checkbox. Item 4: Enter the Payee Name. Item 5: Enter the Remit to Address. Item 6: Enter the Vendor Invoice number, which is located on the OSHA settlement documentation (the Penalty Number). Item 7: Enter GLA Account #. Use GLA 55324 for civil cases and GLA 55325 for criminal cases, along with the finance number to be charged for the fines and the dollar amount. Item 8: Enter the Invoice Gross Amount of the settlement (this might be different from the original OSHA invoice). Item 9: Enter the Post Office Contact Information with the name and telephone number of the contact person at the local office. Print the contact person's name. Item 10: Obtain the signature and enter the title of the certifying official. Enter the date certified and the originating office ZIP Code.
Where do I send OSHA invoices?	Submit OSHA invoices using the eIWS OnLine Forms application for processing. To avoid payment of additional penalties or interest, immediately submit OSHA payments.
How do I inquire about OSHA payments?	Go to EDW/ADM to inquire the status of a payment. If payment status is not available in EDW/ADM, call the AHD at 866-974-2733.

20-6 Non-Postal Service Training Payments

20-6.1 Overview

Employee and Labor Relations Manual (ELM) 740 defines nonpostal training as training provided by nonpostal sources under a tuition or registration fee arrangement funded wholly or partially by the Postal Service.

ELM policies and procedures take precedence and must be followed to determine whether employee training is appropriate.

To request training, the Postal Service employee must submit an eBuy Plus requisition (when available) for all nonpostal training budget and commitment approval.

20-6.2 Classifications and Limits

Once approved, employees may charge tuition and books for nonpostal training (for commercial courses and college and university tuition) on their Postal Service individually-billed travel card or pay individually (personal credit card or check) and be reimbursed through eTravel. (Refer to ELM 740.)

Contact Human Resources for additional restrictions covering university and college courses and degree programs.

While this section reflects individual payment processing for nonpostal training, group training enrollment costs for commercially available training courses may be paid under local buying procedures and payment methods up to \$10,000 (see ASM 722, Local Buying Authority). Group enrollment requests in excess of \$10,000 require a contract and must follow contractual payment procedures. Contact the Travel, Retail, and Temporary Services Category Management Center for assistance at the Supply Management Website at <http://blue.usps.gov/purchase>. (Click the *Who Buys My Stuff?* link.)

Payment of professional or technical training services as described requires issuance of a contract and is therefore prohibited under local buying authority. Contact the Professional, Printing, and Creative Services CMC at the Supply Management Website.

20-6.3 Payment Methods

The following methods of payment and reimbursement are in the preferred descending order for tuition, course fees, books, and supplies (for commercial courses and college and university tuition).

- a. *eTravel*. Employees with access to eTravel and who paid with a Postal Service individually-billed travel card or by personal means (e.g., personal credit card or check) must use eTravel for reimbursement as follows:
 - (1) Use of the individually-billed government travel card is preferred to pay for properly approved nonpostal training (for any dollar amount), with reimbursement to be made to the card service through eTravel.

- (2) If the employee made payment using a personal credit card or check, they may also be reimbursed through eTravel.
- (3) Payments manually entered on the expense entry page of eTravel, as opposed to pre-populating the data from the credit card page, may require submittal of receipt(s) with the eTravel receipt report.
- (4) Ensure that a training expense type is selected in eTravel.

See Travel Website for additional information: <https://blue.usps.gov/accounting/travel.htm>.

- b. *Purchase card.* When nonpostal training payments are within the responsible manager's local buying delegation authority (cannot exceed \$10,000), payments may be made with the responsible office's purchase card (may be an advance payment or after an invoice is received).

A copy of the approved eBuy Plus requisition and delivery documentation must be kept with the cardholder's records. (See Handbook AS-709, *Credit Card Policies and Procedures for Local Buying*, section 335.1, for further guidelines.)

- c. *PS Form 2551.* When use of eTravel or the Postal purchase card is not an option, advance payment or employee reimbursement may be sought through the PS Form 2551 process using the following requirements:
 - (1) A copy of the approved eBuy Plus requisition and supporting receipts must be submitted with the PS Form 2551 request for payment.
 - (2) Payments exceeding \$10,000 will only be processed when approval from the manager of Corporate Accounting is included on or with the PS Form 2551.

20-7 Employee Uniform Cap Reimbursement

The postmaster may authorize a uniform cap reimbursement when an employee is required to wear a uniform cap before becoming eligible for a uniform allowance. The procedure for reimbursing an employee for a uniform cap is as follows:

- a. The postmaster completes PS Form 3236, Uniform Allowance Cap Disbursements, ensuring that the employee's information is verified and correctly documented.
- b. The employee signs the invoice.
- c. The RA issues cash (up to \$35.00) or a no-fee money order and enters the amount of the payment in AIC 610 on PS Form 1412. If a no-fee money order is issued, report the fee amount in AIC 586; all units use Reason Code 29, One-time Local Purchase.
- d. The closeout employee files PS Form 3236, the invoice, and proof of payment as supporting documentation for the AIC 610 entry on PS Form 1412.

20-8 EZ Pass and Toll Collection

Each district has a designated purchase cardholder (DPC) who processes payment of billing statements for EZ Pass badges and stickers or toll collections for official use vehicles. Individuals responsible for official use vehicles are also responsible for billing statements for automated toll collection.

The DPC manages the accounts for maintenance and administrative vehicles. The Transportation Networks office manages the accounts for mail delivery and pick-up vehicles.

Transportation Networks and Administrative Services managers (or their respective designees) are responsible for analyzing the benefits of using the automated toll collection system in their jurisdiction.

When deemed beneficial, the DPC and Transportation Network managers do the following:

- a. Open an advance deposit account with the local, state, or city transportation commission for EZ Pass, not to exceed an estimated quarterly use.
- b. Review account balances every quarter to determine if the quarterly use estimate needs to be adjusted.
- c. Maintain a control record of the account numbers assigned to the EZ Pass badges and stickers with the identified vehicle.
- d. Secure unused EZ Pass badges and stickers to prevent unauthorized use.
- e. Review monthly statements to verify that only authorized personnel used the EZ Pass badges and stickers.
- f. Ensure that payments to the account are paid by one of the following methods:
 - (1) Purchase card (preferred method).
 - (2) Submission of a correctly completed PS Form 2551, only if the agency does not accept the Purchase card.

20-9 Injury Compensation Settlement Funds (Third-Party Liability)

To process disbursements of injury compensation settlements from third-party payments, Injury Compensation does the following:

- a. Determines to whom the check is made payable.
- b. If the third-party check is made payable to the Office of Workers' Compensation Programs (OWCP) and includes only the OWCP payment, then Injury Compensation sends the check and OWCP Form EN-1108, *Long Form Statement of Recovery*, or Form EN-1122, *Short Form Statement of Recovery*, as applicable, directly to the appropriate OWCP lockbox address.

What are third-party payments?	Third-party payments can be made to employees, attorneys, or OWCP when reimbursement is made to USPS.
What documentation is required to authorize a third-party payment?	Either the EN-1108 or EN-1122 along with PS Form 2551 to authorize payment.
What information must be recorded on PS Form 2551?	<p>Complete PS Form 2551 as follows:</p> <p>Item 1: Select the Payment checkbox.</p> <p>Item 2: Use the Tax Identification Number (TIN) for OWCP or the attorney or use the SSN of the employee.</p> <p>Item 3: Select the appropriate box (the Government Agency checkbox for OWCP, the EIN checkbox for an attorney, or the Postal Service Employee checkbox for a USPS employee).</p> <p>Item 4: Enter the Payee Name.</p> <p>Item 5: Enter the Remit to Address.</p> <p>Item 6: Enter the Invoice number as a combination of the file number from either the EN-1108 or EN-1122 documentation as follows.</p> <p>If payment is made to the employee for file number 02345, the invoice number would be: Third Party 02345EMP.</p> <p>For OWCP, it would be: Third Party 02345OWCP.</p> <p>For Attorney, it would be: Third Party 02345ATTORNEY.</p> <p>Item 7: Enter GLA Account # 51208, along with the finance number to be charged and the dollar amount.</p> <p>Item 8: Enter the Gross Amount of the from either the EN-1108 or EN-1122 documentation.</p> <p>Item 9: Enter the Post Office Contact Information with the name and telephone number of the contact person at the local office. Print the contact person's name.</p> <p>Item 10: Obtain the signature and enter the title of the certifying official. Enter the date certified and the originating office ZIP Code.</p>
Where do I send third-party payments?	Submit PS Form 2551 along with supporting documentation (either the EN-1108 or EN-1122) using the eIWS OnLine Forms application for processing— if payment amount is \$10,000.00 or greater, a copy of the settlement check is also required. To avoid payment of additional penalties or interest, immediately submit payment requests.
How do I inquire about third-party payments?	Go to EDW/ADM to inquire the status of a payment. If payment status is not available in EDW/ADM, call the AHD at 866-974-2733.

- c. If the check is made payable to the Postal Service, then Injury Compensation sends the third-party check to the Disbursing Branch with a cover letter indicating the office finance number. Annotate GLA 51208 on the check and mail it to the following address:

DISBURSING OFFICER
ACCOUNTING SERVICES
2825 LONE OAK PKWY
EAGAN MN 55121-9640

Note: The Disbursing Branch deposits the third-party check and credits GLA 51208, Workers Compensation.

- d. Mails the original OWCP Form EN-1108 or OWCP Form EN-1122 directly to the OWCP central mailroom.
- e. Completes a separate PS Form 2551 for each disbursement (e.g., OWCP, employee, and attorney).
- f. Attaches a copy of the OWCP Form EN-1108 or OWCP Form EN-1122 to each PS Form 2551 as the invoice.
- g. Identifies the address of each payee on separate PS Forms 2551 (OWCP payment to OWCP lockbox address).
- h. Annotates the third party, the claim number, and check recipient (e.g., OWCP, Emp, or Atty) in Item 6, Invoice #, on PS Form 2551. This information appears on the remittance advice.
- i. Submit PS Forms 2551 using the eIWS OnLine Forms application for processing.
- j. If the third party is paying by installment, forward checks as received to Accounting Services, Disbursing Branch, with a cover letter identifying the finance number to credit and GLA 51208. Once the recovery is final, complete the appropriate PS Form 2551 for disbursement, as indicated above, and submit using the eIWS OnLine Forms.

Accounting Services processes the payment to OWCP and other payees, as identified, on PS Form 2551. The information in Item 6, Vendor Invoice, of the PS Form 2551, must appear on the remittance advice. Accounting Services debits GLA 51208 for this transaction.

20-10 Contract Cleaning Services

20-10.1 Guidelines

The Cleaning Services Local Buying Agreement Guidelines (CSLBAG) is available on the Accounting Website at <http://blue.usps.gov/accounting/>.

Under "References," click *Cleaning Services Local Buying Agreement Guidelines*.

The direct URL for the guidelines is http://blue.usps.gov/supplymanagement/_pdf/localcleanguide.pdf.

PS Form 7355, *Cleaning Agreement*, is available on the Forms Website. Go to <http://blue.usps.gov/forms>. For information about the status of a payment, contact the Accounting Help Desk (AHD) via email at helpdeskaccounting-st.louis@usps.gov, or by phone, 866-974-2733. For information about contractual issues, call the proper purchasing specialist. A list of frequently asked questions (FAQs) is available on the Supply Management Website.

- a. Go to <http://blue.usps.gov/supplymanagement/facilities-services-home.htm>.
 - b. Under "Introduction," click Cleaning Services.
 - c. Under "Information & Resources," click Cleaning Services FAQs.
- The direct URL for the Cleaning Services FAQs is http://blue.usps.gov/supplymanagement/_pdf/CleanerFAQs.pdf.

20-10.2 Local Cleaning Agreements

Local cleaning agreements are established as follows:

- a. Use local agreements for annual payments under \$10,000 to a self-employed individual or under \$2,500 to a cleaning service company.
- b. If the annual payments are equal to or for more than these amounts, the contract request must be submitted through an approved eBuy Plus requisition.
- c. The eBuy Plus requisition must be set up with routing instruction to Supply Management, Facility Services CMC, for establishing a Postal Service contract at:
 FACILITY SERVICES CMC
 3300 S. PARKER RD, STE 400
 AURORA, CO 80014-3500
- d. Each PRU that uses contract cleaners must have on file a completed and signed copy of PS Form 7355.

Note: PS Form 7355 states that either the Postal Service or the supplier may terminate the contract on 30 days' written notice to the other party. If the contract cleaner fails to abide by this requirement, immediately submit CSLBAG Attachment 6 to Accounting Services, indicating the date that service was terminated.

20-10.2.1 Recurring Cleaning Services — Between 1 and 2 Years

Local cleaning agreements for services that recur for 1 year to 2 years are paid by the Contractual Payables Branch as follows:

- a. Complete PS Form 7227, Local Cleaning Service Agreement and Payment Authorization, and submit in the eIWS OnLine Forms application.
- b. After submission, print the completed PS Form 7227 from the eIWS Online Forms application.
- c. Keep a copy locally for 2 years after the agreement expires. Accounting Services establishes the supplier account and makes the payments every 2 weeks through the Accounts Payable System. Electronic funds transfer (EFT) can be set up by completing a PS Form 3881-X, *Supplier*

and Payee Electronic Funds Transfer (EFT) Enrollment. To set up EFT payments for the first time, the supplier/payee must bring the form to their financial institution for verification before they submit it to the USPS for processing. Mail the completed form to: Submit PS Form 3881-X along with the PS Form 7227 using eIWS Online Forms application.

PS Form 7227 requires bi-weekly and annual payment information. Calculate the bi-weekly amount as follows:

- a. Calculate the daily pay rate by dividing the annual payment amount by the number of days to be worked annually. Do not calculate an hourly rate.
- b. Multiply the daily pay rate by the number of days to be worked each 2-week period to determine the bi-weekly amount.
- c. Also use the daily amount when sending PS Form 7228, Cleaning Services Modification, to Accounting Services to increase or decrease a payment to the contract cleaner.
- d. The beginning date of work must be the Saturday of week 2 of a pay period and the ending date must be Friday of week 1 of a pay period. Current agreements will not be changed.

Upon expiration, you are required to complete PS Form 7227, Local Cleaning Service Agreement and Payment Authorization. The renewal contract beginning date must be Saturday of week 1 of a pay period. If this creates a gap (1 week or more) between the end of the current contract and the beginning of the new contract, the field unit must submit PS Form 2551 to process payment for the gap.

20-10.2.2 **Recurring Cleaning Services — Less Than One Year**

To process payments to cleaning contractors, do the following:

- a. Use the Purchase card (or Purchase card checks) for each 2-week period of work. Do not complete PS Form 7227.
- b. Calculate the daily rate amount as follows:
 - (1) Divide the total amount to be paid by the number of days the supplier will work during the length of the agreement. Do not calculate an hourly rate.
 - (2) Multiply the daily pay rate by the number of days worked during the 2-week period; this will be the amount to be entered as the Invoice Gross Amount for payment.
- c. Maintain a copy of the form and invoice locally.

20-10.3 **Nonrecurring One-Time Cleaning Services**

Payments to suppliers who provide one-time cleaning services may be made locally with a no-fee money order (not to exceed \$1,000) or cash (not to exceed \$35). See part [19-1.5](#) for local payment procedures.

Postmasters must record such payments as they are made on PS Form 8231, *Vendor Payment 1099 Reporting Form*, and submit using the eIWS OnLine Forms application for processing.

20-10.4 **Renewing a Local Agreement**

To renew a cleaning agreement for up to \$10,000 (self-employed individuals) or \$2,500 (service companies), do the following:

- a. Ensure the cleaning services are included in your budget.
- b. Submit an eBuy Plus requisition for approval.
- c. Complete and retain a new PS Form 7355.
- d. Complete and sign a new PS Form 7227, *Local Cleaning Services Payment Authorization*. Make a copy of the completed form and retain it with the PS 7355.
- e. Complete, submit and eSign PS Form 7227, *Local Cleaning Service Agreement and Payment Authorization* using eWS Online Forms application.

Note: The Contractual Payables Branch must receive this form at least 15 business days prior to the expiration of the existing contract.

Keep local agreements in the local office for two years after the expiration date.

21 Refunds and Exchanges

This chapter describes the requirements, responsibilities, and procedures for reporting and documenting refund and exchange activities. This chapter includes the following subchapters:

[21-1 Overview.](#)

[21-2 Postage.](#)

[21-3 Miscellaneous Non-Postal Revenue.](#)

[21-4 Postage Label Printer Labels and Post Office Meter Strips.](#)

[21-5 Self-Service Kiosks \(SSK\).](#)

[21-6 Post Office Box Rents, Caller Service Fees, and Key Deposits.](#)

[21-7 Premium Forwarding Refunds.](#)

[21-8 mPOS.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

21-1 Overview

PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*, is used to document all refund activities.

- a. The customer completes and signs Part 1, Application, of PS Form 3533 and submits to the postal retail unit (PRU) for processing.
- b. The retail associate (RA) reviews the PS Form 3533 for completeness and accuracy and ensures the appropriate box in the Request Disbursement For section is checked.
- c. The RA completes Part 2, Verification of Disbursements, of PS Form 3533 prior to issuing the refund locally or submitting PS Form 3533 through eIWS OnLine Forms for processing. The RA must sign the Form under Certifying Employee Signature.

- d. A witness to the refund transaction signs the Witness Signature line in Part 2. In offices where multiple employees work concurrently, the PS Form 3533 should have a witness signature. In offices where there is just one employee, enter “NWA” on the witness signature line indicating no witness available and process the PS Form 3533 accordingly. It is the responsibility of the postmaster/unit manager to review PS Form 3533 to ensure the refund is warranted and that PS Form 3533 is completed properly.

PRUs do not locally issue refunds for more than \$1000 except when refunding Sure Money principal and fee amounts.

SDA offices must reference Chapter 24 for further guidelines pertaining to SDA offices.

See [Appendix C](#) for a quick reference guide for refunds.

See *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) 604.9.0, for policy on refunds and exchanges.

21-1.1 Refunds for \$1000 or Less

To issue a refund for \$1000 or less, the RA does the following:

- a. Ensures Part 1 and Part 2 of PS Form 3533 is completed as detailed in subchapter [21-1](#).
- b. If the refund is paid in cash (limited to \$35), instruct the payee to sign and date Part 5, Disbursements for Refunds, of PS Form 3533.
- c. If the refund amount is greater than \$35, a no-fee money order is issued and the money order serial number and date are recorded in Part 5 of PS Form 3533.
- d. Enters the amount of the refund in the appropriate refund AIC on PS Form 1412, *Daily Financial Report*. (Follow the guidelines on PS Form 3533 in the Request Disbursement For section.)
- e. If a no-fee money order is issued, confirms the fee amount is reported in AIC 586 using appropriate reason code listed in [Exhibit 21-1.1](#).
- f. Submits the completed PS Form 3533 to the closeout employee as supporting documentation for PS Form 1412 entries.

PRUs do not locally refund balances from customer trust accounts, regardless of the amount. See parts [16-5.5](#), [17-5.3](#), or [Appendix C](#) for procedures for refunding customer trust account requests.

See [Exhibit 21-1.1](#) for the reason codes to be entered to identify this type of transaction.

Exhibit 21-1.1

Reason Codes for No-Fee Money Orders

Code	Description	AIC
18	Refund of Postage and Fees – (AIC 553)	586
19	Refund Misc Non-Postal Revenue – (AIC 624)	586
20	SSK Print on Demand Reject Labels – (AIC 486)	586
22	SSK Variable Rate Postage Label – (AIC 552)	586
26	Emergency Salary – (AIC 754)	586
27	Payroll Adjustment Payment Issued – (AIC 554)	586
28	Emergency Advance Travel (AIC 755)	586
29	One-time Local Purchase (AIC 587)	586
30	Refund – Retail and Packaging Products (AIC 608)	586
31	Postage Applied to BRM (AIC 528)	586
32	Money Order Replacement (AIC 641)	586
33	No Available Cash for Customer Change	586
34	Refund – Spoiled/Unused Meter Postage (AIC 526)	586
35	Refund – PO Box, Fees & Misc. Revenue (AICs 535, 553)	586
36	Social and Rec Committee Fund Disbursement	586
37	Refund – Express Mail (AIC 676)	586
38	Refund – Sure Money (AIC 645, 646)	586
39	Refund – Premium Forwarding Service (AIC 623)	586
40	Same Day Debit Card Overcharge	586

21-1.2 Refunds for More Than \$1000

Refunds for more than \$1000 are issued by Accounting Services. To process a refund for more than \$1000, the RA does the following:

- a. Ensures a PS Form 3533 is submitted for each refund. (PS Forms 3533 containing multiple refunds will be rejected.)
- b. Ensures Part 1 and Part 2 of PS Form 3533 is completed as detailed in subchapter [21-1](#).
- c. Follows the instructions in Part 6, Disbursements Processed by the Accounting Service Center (ASC), of PS Form 3533.
- d. Enters the amount into the corresponding refund AIC and offsets the amount to AIC 280 on PS Form 1412.
- e. Submits the completed PS Form 3533 to the closeout employee as supporting documentation for PS Form 1412 entries.
- f. Submits the completed PS Form 3533 using eIWS OnLine Forms application for processing:
 - (1) RSS Units: The RSS system-generated customer receipt (PS Form 3544) confirming the entry in AIC 280, needs submitted as an attachment in eIWS OnLine Forms.
 - (2) e1412 Units: A copy of the transmitted unit PS Form 1412 confirming the entry in AIC 280 needs to be submitted as an attachment in eIWS OnLine Forms.

See the eIWS OnLine Forms Toolkit for instructions on completing the Refund in eIWS OnLine Forms.

The customer will receive a commercial check in the mail.

Do not use the procedures in this section for refunds of postage validation imprinter (PVI) or Post Office meter labels, refer to procedures in subchapter [21-4](#).

21-2 Postage

21-2.1 Types of Postage Refunds

RAs may issue a refund for the following types of postage:

- a. Postage stamps affixed on Business Reply Mail (BRM) pieces. (Record in AIC 528.)
- b. Postage meter stamps or meter impressions. (Record in AIC 526.)
- c. Permit imprint mailings. (Record in AIC 528.)

21-2.2 Procedure for Postage Refunds

Follow the procedure in part [21-1.1](#) for refunds of \$1000 or less or part [21-1.2](#) for refunds for more than \$1000.

A Business Reply Mail (BRM) permit holder may request a credit to an advance deposit account for postage affixed to returned BRM pieces. Only the value of the postage affixed may be credited or refunded. Refunds are not given for foreign postage affixed to BRM.

Additional procedures are as follows:

- a. The customer submits BRM pieces with postage affixed or postage meter stamps for refund along with PS Form 3533 within 60 days of date of mailing.
- b. A PRU employee calculates the amount to be refunded and completes Part 3, *Postage or Meter Stamps*, on PS Form 3533.
- c. An employee and a witness destroy the submitted postage stamps affixed on BRM pieces or postage meter stamps.
- d. The manager/supervisor and a witness certify the destruction by signing Part 3 of PS Form 3533.
- e. Refund must be processed within 30 days.
- f. Refunds related to BRM postage affixed are issued to the customer's *PostalOne!* or EPS account. Do not submit the PS Form 3533 through eIWS OnLine forms.
- g. If an advance deposit is not used or is unavailable, a refund may be issued for postage affixed to BRM following procedures in [21-1.1](#) or [21-1.2](#).

Note: In offices where multiple employees work concurrently, the PS Form 3533 should have a witness signature. In offices where there is just one employee, enter "NWA" on the witness signature line indicating no witness available and process the PS Form 3533 accordingly.

For additional information see [Appendix C](#).

21-2.3 **OMAS Postage Refund Procedures**

Official mail is mail matter sent by and relating exclusively to the business of the U.S. government. The postage for mail in this category is paid using the Official Mail Accounting System (OMAS).

The OMAS customer submits OMAS spoiled postage (including meter strips) along with PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts* for each refund. (PS Forms 3533 containing multiple refunds will be rejected.)

Refunds for OMAS postage are issued by Headquarters. To process an OMAS refund, the RA does the following:

- a. Review the PS Form 3533 to ensure the customer has completed Part 1 to include the Postage Meter (OMAS) Number section. Confirm the appropriate box was checked in the “Request Disbursement For” section.
- b. Calculate the amount to be refunded and complete Part 3, *Postage or Meter Stamps*, on PS Form 3533.
- c. Send the PS Form 3533 and a photocopy of mailpieces with spoiled postage by email to OMASHQ@usps.gov.

After receipt of refund notice from HQ, an employee and a witness destroy the OMAS spoiled postage.

The manager/supervisor and a witness certify the destruction by signing Part 3 of PS Form 3533.

Note: Follow the witness procedures listed in [21-2.2](#).

OMAS customers will receive adjustments to their OMAS accounts. (OMAS customers receive monthly reports with transactions and adjustments.)

21-2.4 **Priority Mail Express Postage Labels – Service Failure**

The policy for refunding postage labels purchased through for a domestic Priority Express Mail package is as follows:

- a. A claim for postage refund of a Priority Express Mail package may only be made by the mailer.
- b. A customer must present an original Label 11-B or the receipt if no Label 11-B was used.
- c. The refund request must be made within 30 days after the date of mailing, as shown in the ‘Date In’ box on Label 11-B, or on the receipt if no Label 11-B was used. If an extra service was purchased with the Priority Mail Express package, the refund request must be made no sooner than 30 days and no later than 60 days after the date of mailing, as shown in the ‘Date In’ box on Label 11-B, or on the receipt if no Label 11-B was used.
- d. If the mailer is entitled to a refund, USPS refunds the postage immediately in cash or with a no-fee money order.

To complete a Priority Express Mail refund, the RA must do the following:

- a. Use an original Priority Express Mail receipt to validate claim.
- b. When applicable, annotate on the Priority Express Mail receipt: 'Refund given' and initial.
- c. Ensure PS Form 3533 is properly completed and includes all required signatures and dates.
- d. Report the refund in AIC 676, Express Mail Refunds.
- e. Give the customer cash (not to exceed \$35) or a no-fee money order for the same total value.
- f. Make a copy of the PS Form 3533 and Express Mail receipt.
- g. Submit the original PS Form 3533, Label 11-B or Express Mail receipt, and proof of service failure as supporting documentation for PS Form 1412 entries.
- h. Hand the copy of PS Form 3533 and all supporting documentation to a servicing employee to file in the Refund Document folder.

21-3 Miscellaneous Non-Postal Revenue

A complete and certified PS Form 3533 is required for all refunds of miscellaneous nonpostal revenue (see subchapter [21-1](#)).

To issue a refund for miscellaneous nonpostal revenue, follow the procedure in part [21-1.1](#) or part [21-1.2](#).

Enter the reason for the Refund in Part 4 with explanation.

The RA enters the amount of the refund in AIC 624 on PS Form 1412.

21-4 Postage Label Printer Labels and Post Office Meter Strips

21-4.1 **Postage Label Printer Label – Voided Prior to Tender**

To account for postage label printer labels erroneously printed, damaged, or spoiled prior to tendering the transaction, the RA must use the RSS void functionality workflow. The RA ensures the following:

- a. The postage label printer label(s) printed are marked as Void.
- b. Print the RSS receipt for supporting documentation (do not use PS Form 3533).
- c. Attach the unused, damaged, spoiled, or misprinted postage label printer label to the receipt.
- d. Submit this receipt as supporting documentation for AIC 509, *Voided postage label printer labels*.

21-4.2 **Postage Label Printer Label — Voided After Tender**

21-4.2.1 **Postage Label Printer: Label — Available**

A postage label printer label should be considered “available” if the amount can be determined. To account for available postage label printer labels erroneously printed, damaged, or spoiled after tendering the transaction, the RA must use the refund functionality in RSS. The RA ensures the following:

- a. Print the RSS receipt for supporting documentation (do not use PS Form 3533).
- b. Attach the unused, damaged, spoiled, or misprinted postage label printer label to the receipt.
- c. Submit this receipt as supporting documentation for AIC 509, *Voided postage label printer labels*.

21-4.2.2 **Postage Label Printer: Label — Not Available**

A postage label printer label should be considered “not available” if the label is blank or missing, or if the dollar amount cannot be determined. To account for a postage label printer labels, that is not available, that was erroneously printed, damaged, or spoiled after tendering the transaction, the RA must use the refund functionality in RSS. The RA ensures the following:

- a. A witness is required and a witness certification logon box will be displayed for witness Logon ID and Password (must be someone other than yourself).
- b. The RSS receipt for supporting documentation is printed with the witness’s logon ID, name, and the amount.
- c. Submit this receipt as supporting documentation for AIC 509, *Voided postage label printer labels*.

If a witness is not available, select <No Witness Available>. The closeout person is notified, and the transaction is recorded. If a witness was not available, the RSS receipt will indicate “No Witness Available”. Retain this receipt as supporting documentation for AIC 509.

21-4.3 **Post Office Postage Meter Strips**

To account for an erroneously printed, damaged, or spoiled Post Office meter strip, the RA must do the following:

- a. Complete Part 1, Application, of PS Form 3533 by printing his/her RA’s name in the customer block.
- b. Check the “Post Office Postage Meter/PVI Error” box in the Request Disbursement For section.
- c. Attach the Post Office postage meter strips to PS Form 3533.
- d. Complete Part 2, Verification of Disbursements, and sign as the certifying employee.
- e. Submit PS Form 3533 as supporting documentation for AIC 509.

21-4.4 **RSS Business Partners (RSSBP) Postage Meter Strips**

No refunds are processed locally. All refunds are processed through Pitney Bowes. To process a refund the RSSBP completes the RSSBP PC Postage refund form. The RSSBP submits the form to Pitney Bowes for processing.

Follow instructions listed in RSS for Business Partners Procedure Guide, which can be located at <https://blue.usps.gov/retail/reporting-systems-applications/applications/retail-systems-software.htm>.

21-5 Self-Service Kiosks (SSK)

The refund and exchange policy for Self-Service Kiosks (SSK) is as follows:

- a. No cash (or cash equivalent) refunds are allowed and the refund request date must be within 60 days of the SSK transaction date.
- b. Exchanges are allowed for equivalent value stamps only.
- c. Exchanges may only be made at the office where purchased.
- d. Refunds may be given for postage on Express Mail packages if there is a service failure.

RA must exchange SSK merchandise as follows:

- a. Complete PS Form 3533.
- b. Ensure that the "Request Disbursement For" in Part 1 on PS Form 3533 section is completed by checking the Other Refunds box and write in "SSK" in the explanation line and use AIC 552. Record the transaction amount in AIC 552 and offset the amount with a postage sale transaction on PS Form 1412.
- c. Explain the reason for the exchange and attach all variable rate meter strips or shipping labels to the form.
- d. File a copy of the PS Form 3533 in the SSK refund document file.
 - (1) Establish a file folder to track all SSK exchanges. This folder allows managers to easily analyze SSK exchange activity.
 - (2) Keep this file folder separate from all other daily documents.

21-5.1 **Variable Rate Postage Labels — Customer Error**

The policy for exchanging variable-rate postage labels purchased through an SSK is as follows:

- a. Customers may not exchange variable-rate postage labels purchased through an SSK for cash.
- b. Customers may exchange labels only for stamps of an equivalent value.
- c. SSK postage labels may not be reused, modified, or cut.
- d. SSK postage labels removed from letters and packages will not be accepted.
- e. Exchanges must be at 100 percent of value.

RAs must exchange variable rate postage labels as follows:

- a. Physically mark the label submitted by the customer as “void.”
- b. Ensure PS Form 3533 is completed and attach the variable rate postage label(s) to the back of the form.
- c. Ensure that the “Request Disbursement For” section is completed by checking the Other Refunds box. Write in “SSK” and an explanation for the exchange.
- d. Record the transaction amount in AIC 552 and offset the amount with a postage sale transaction on PS Form 1412.
- e. Only give the customer stamps for the same total value.
- f. Submit the PS Form 3533 as supporting documentation for the PS Form 1412 entries.
- g. Give a copy of the PS Form 3533 to the SSK servicing employee.

21-5.2 **Print-on-Demand (POD) Labels**

The policy for refunding postage labels purchased through an SSK for a Print on Demand label that was not dispensed successfully to the customer is as follows:

- a. Verify the customer’s receipt to ensure that the bank card was charged and the system did not credit customer’s account.
- b. Check inside the kiosk to see if the POD labels are in the kiosk and just did not drop-down dispenser shoot.
- c. Ensure PS Form 3533 is properly completed and includes all required signatures and dates.
- d. Complete the “Request Disbursement For” section by checking the “Other Refunds” box. Write in “SSK” and an explanation for the exchange.
- e. Record the transaction amount in AIC 486 and offset the amount with a postage sale transaction on PS Form 1412.
- f. Give the customer stamps only for the same total value.
- g. Submit the PS Form 3533 as supporting documentation for the PS Form 1412 entries.
- h. Give a copy of the PS Form 3533 to the SSK servicing employee. The SSK servicing employee files the copy of PS Form 3533 in the SSK refund document file.

21-5.3 **Partial Exchange**

A *partial exchange* occurs when a customer purchased multiple items but wants to exchange one or some of them.

The process for a partial exchange is as follows:

- a. Circle the exchanged amount. Initial and photocopy the receipt.
- b. Give the customer the annotated copy.
- c. Follow the procedure in part [21-5](#) for stamp exchanges and [21-5.1](#) and [21-5.2](#) for postage label exchanges.

21-6 Post Office Box Rents, Caller Service Fees, and Key Deposits

To issue a refund for Post Office Box rents, caller service fees, or key deposits, follow the procedure in part [21-1.1](#) for refunds of \$1000 or less or part [21-1.2](#) for refunds for more than \$1000.

The RA follows the workflow for their reporting technology and confirms the refund is recorded in AIC 535 on PS Form 1412.

See DMM 508.4.0 for Post Office Box service and DMM 508.5.0 for Caller Service.

21-7 Premium Forwarding Refunds

Application fees are not refundable.

Premium Forwarding refunds are for the unused portion of the weekly mailing charges.

- a. Ensure PS Form 3533 is properly completed and includes all required signatures and dates.
- b. Note the change requested on the customer's original application.
- c. Use *Premium Forwarding* AIC 623 to reimburse locally.
- d. File PS Form 3533 locally with the original PFS application.

Note: If the customer submitted the Premium Forwarding application fee online, tell the customer to use the online account to make a refund request for any unused weekly mailing charges.

21-8 mPOS

No cash refunds are allowed; exchange for equivalent value stamps only or perform credit card reversal.

The refund and exchange policy for mPOS transactions is as follows:

- a. mPOS postage labels may not be reused, modified or cut.
- b. mPOS postage labels removed from letters and packages will not be accepted.
- c. Exchanges will be at 100% of value.
- d. Obtain label from customer and physically mark it as void.
- e. Complete a PS Form 3533 with signature of the mPOS user and submit and store with Unit End of Day reports and PS Form 1412.

Note: mPOS labels may not be sold for future use. The printing of the label includes an Acceptance scan sent to Product Tracking System (PTS). Therefore, the label must be applied to packages that are ready for mailing and acceptance.

21-8.1 mPOS Label Voids/Refunds

This process is used when the mPOS device prints a label and it is damaged, a customer changes their mind prior to swiping credit card, a credit card is declined, or the customer decides to cancel mailing following the credit card approval but prior to mPOS being closed for the day.

If the payment has processed in mPOS than go to “Back Office” and the “Transaction Log” and locate the transaction to be voided (use the time of transaction if unsure).

21-8.2 mPOS Electronic Postage Labels for Priority Mail Flat-Rate Mail Pieces (only)

The RA voids the mPOS transaction and mPOS returns a Success/Fail message to alert the user to the completion of the postage void. The RA must remove the electronic postage label from the customer’s mail piece and write “VOID” across the label.

Physically take the electronic postage label and apply to a PS Form 3533. Mark or write void/spoiled across the label. If the label did not print correctly, indicate the intended amount on the label and reason (i.e., label jam).

At the end of the employee’s mPOS shift, print an mPOS sales report and match the amount in AIC 551 with the amount of spoiled labels attached to PS Form 3533s to ensure they match for supporting documentation. If they do not match, research must be conducted and the issue corrected.

File the PS Form 3533 forms with the mPOS sales report attached showing amounts match, with the daily mPOS paperwork.

Note: For label refunds after mPOS Final 1412 close out, follow workflow process for refunds of postage in RSS using a PS Form 3533. No Cash Refunds.

21-8.3 mPOS Stamp Booklet Exchange

No Cash refunds, exchange for equivalent value stamps only. Exchanges may only be made at the office where purchased.

Full Service Window RSS

- a. The RA will utilize the Exchange Stamp Products option in the RSS system.
- b. Enter the value of the stamps to be exchanged as a 1-cent “Redeemed Stamp.”
- c. Attach “Redeemed Stamp” to a sheet of paper and submit at closeout to be placed in redeemed stock location in retail floor stock.
- d. Enter or scan the item number and quantity of replacement stamps.
- e. Issue the customer the replacement stamps of the same value.

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22 Travel

This chapter describes the requirements and procedures for issuing emergency travel advances and repayment. This chapter includes the following subchapters:

[22-1 Travel Advances for Bargaining Unit Employees.](#)

[22-2 Travel Reimbursements.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

22-1 Travel Advances for Bargaining Unit Employees

22-1.1 Overview

Field travel expenses must only be for travel costs for official business. For official travel policy, see Handbook F-15, *Travel and Relocation*.

Note: A nonbargaining unit employee is required to have a travel card. The Postal Service prohibits local emergency travel advances for nonbargaining unit employees (see Handbook F-15 subchapter [3-2.2](#)). Nonbargaining unit employees who do not have a travel card must pay out-of-pocket for any travel expenses incurred during travel. The Postal Service will reimburse nonbargaining unit employees via eTravel after completion of travel.

22-1.2 Emergency Travel Advances

Field units may issue emergency travel advances only to bargaining unit employees who have not been issued government travel cards and who are notified of travel requirements less than 2 weeks from the beginning of the travel period. (See Handbook F-15 part 4-2.)

In emergencies, such as last-minute official travel (i.e., travel with less than 2 weeks advance notice) where there is no time for an employee to receive a check from Accounting Services, the employee may request an emergency travel advance by doing the following:

- a. Complete all required sections of PS Form 1011, *Travel Advance Request and Itinerary Schedule*, sign the form, and submit it to a supervisor or approving official.
- b. Obtain approval for PS Form 1011 from the supervisor or approving official.

- c. Submit the approved PS Form 1011 to a retail associate (RA).

Note: The emergency travel advance may not exceed \$1,000.

To issue an emergency travel advance, the postal retail unit (PRU) does the following:

- a. Upon receipt of an approved PS Form 1011 from the employee, the retail associate (RA) issues the employee a no-fee money order, as follows:
 - The RA uses the appropriate reporting technology — i.e., the Retail Systems Software (RSS) or the Electronic 1412 (e1412) — to report the fee for the no-fee money order in AIC 586, *Fee Offset — No Fee Money Order*.
 - All units use Reason Code 28, Emergency Advance Travel.
- b. The RA records the amount of the advance as AIC 755, *Emergency Travel Advance Issued*, on PS Form 1412, *Daily Financial Report*.
- c. The RA submits the PS Form 1011 as supporting documentation for PS Form 1412.
- d. The PRU files the PS Form 1011 locally as supporting documentation for the unit's PS Form 1412.
- e. The unit manager maintains a log with the employee's name, employee identification number, date, and amount of travel advance issued, as explained in Exhibit 22-1.2.

Exhibit 22-1.2

Travel Advance Log

A unit that uses this reporting tool...	Maintains a list of unresolved employee items using the...
Retail Systems Software (RSS)	Unresolved Employee Items report in RSS
Electronic 1412 (e1412)	Unresolved Employee Items History report

Note: The PRU must not accept a PS Form 1011 that has a travel date of more than 2 weeks in advance.

Note: Single Drawer Accountability (SDA) offices are not authorized to perform travel advances.

22-1.3 Repaying Travel Advances

An employee's business travel advance is considered outstanding if the advance was issued but not was finalized in eTravel within 120 days after the travel is complete. The Internal Revenue Service (IRS) considers an outstanding advance to be reportable compensation that is subject to withholding federal income taxes, Federal Insurance Contributions Act (FICA) taxes, and Medicare taxes.

Note: The Disbursement Office at Eagan Accounting Services will issue an invoice statement to notify an employee who has an outstanding travel advance that is subject to federal income tax from the IRS. The

Disbursement Office will ask the employee to either repay the outstanding amount or provide reasonable substantiation (such as receipts) that the money was used for business travel.

For additional information, see Handbook F-15 chapter 10.

22-1.3.1 **Regular Travel Advance**

For information on a regular travel advance, see Handbook F-15 chapter 10.

22-1.3.2 **Emergency Travel Advance**

Immediately after completing the travel, the employee must do the following:

- a. Submit travel expenses via eTravel for reimbursement.
Note: Bargaining unit employees without eTravel access must use the Web Alias process to submit travel expenses via eTravel.
- b. Upon receiving the reimbursement check or electronic funds transfer via eTravel Reimbursement, repay the full amount of the “emergency” travel advance at the issuing PRU.

The RA reports the collection of the travel advance by recording the amount paid as AIC 355, *Emergency Travel Advance Cleared*, on PS Form 1412.

Note: The postmaster, manager, or supervisor must monitor and pursue collection of the employee’s debt while adhering to the applicable collective bargaining agreement and the Debt Collection Act (see *Employee and Labor Relations Manual* part 460).

22-2 Travel Reimbursements

22-2.1 **Overview**

See Handbook F-15 for policies and procedures related to the following situations:

- a. Reimbursement of travel expenses while conducting official Postal Service business.
- b. Reimbursement of expenses incurred for route inspection or street supervision at either the daily rate or the standard mileage rate.
- c. Submitting travel expenses via eTravel.

Note: Bargaining unit employees without eTravel access must use the Web Alias process to submit travel expenses via eTravel.

22-2.2 **Nonrecurring Travel**

Upon receipt of a completed and approved PS Form 1164, *Claim for Reimbursement for Expenditures on Official Business*, or PS Form 1312, *Local Transportation Payments*, an RA at the PRU does the following:

- a. Issue cash (if sufficient funds are available) or a no-fee money order. If issuing a no-fee money order, report the fee amount in AIC 586. To document receipt of payment for the travel, the employee must complete and sign the “Cash Payment Receipt” section of PS Form 1164 or Section II of PS Form 1312.

- b. Record payment with the appropriate AIC on PS Form 1412 as follows:
 - Use AIC 538 to reimburse an employee for local transportation expenses *except* for those associated with payment of bridge, ferry, and highway tolls.
 - Use AIC 540 to reimburse an employee for *only* those local transportation expenses associated with payment of bridge, ferry, and highway tolls.
- c. Submit PS Form 1164 and PS Form 1312 as supporting documentation for entries on PS Form 1412.

Note: The Postal Service limits local payments for travel reimbursements to nonrecurring travel and emergency situations only.

23 Payroll

This chapter describes the requirements, responsibilities, and procedures for issuing payroll checks, processing payroll adjustments, and issuing emergency salary to employees. This chapter includes the following subchapters:

[23-1 Payroll Checks.](#)

[23-2 Payroll Adjustments.](#)

[23-3 Employee Emergency Salary Issuance.](#)

[23-4 Carrier Drive-Out Agreements.](#)

[23-5 Requests for Payroll Information.](#)

[23-6 Payroll-Related Forms Processed in eIWS OnLine Form \(OLF\) Application.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

23-1 Payroll Checks

23-1.1 Receiving and Distributing

The policy for receiving and distributing payroll checks at field units is as follows:

- a. The postmaster must appoint a designee to receive and distribute payroll checks. It is recommended that more than one designee be identified and trained to cover scheduled and unscheduled absences. Distribute checks in the best manner for the facility.
- b. Each postal retail unit (PRU) must maintain a separation of duties. Employees who are responsible for distributing payroll checks must not be involved with processing personnel documents. (See Handbook F-21, *Time and Attendance*, section 113.12.)
- c. Postal Service employees who have access to employee payroll information must not disclose employee's earnings except to carry out official duties.
- d. Postmasters must not release checks to employees who were not in a pay status during the pay period for which the check is issued.
- e. Postmasters must keep salary checks and earning statements in a secured place.

Mailed salary checks should reach PRUs by the Thursday immediately following the close of each pay period. Upon receipt, immediately verify the contents of salary check shipments.

If the shipment...	Then...
Includes checks for another installation.	Call the intended installation and send the checks to the correct installation by the fastest method. Contact the Accounting Help Desk at 866-974-2733.
Has not arrived by noon on the day before the designated pay day.	Notify the disbursing officer, Accounting Services.
Is missing 100 or more checks.	Accounting Services will initiate the stop payment procedure for the original checks.
Is missing fewer than 100 checks.	See section 23-3.2.2.

Distribute payroll checks on a date other than the salary check date under the following conditions:

- a. After the local banks close on Thursday, distribute checks to employees whose regular tour of duty ends after local banks close on Friday.
- b. If checks are available at the employee's pay location, and the employee is not scheduled for duty on payday, or is scheduled for leave on payday, the employee can do the following:
 - (1) Establish direct deposit through *PostalEASE*.
 - (2) Make arrangements to receive the check at the end of the tour on Thursday.
 - (3) Complete, sign, and submit PS Form 3077, *Request to Forward Salary Check*, to the custodian of the salary checks for mailing the check to another address.

When Friday is a national holiday, Thursday is payday, and checks are available at the employee's pay location, distribute the salary checks at the end of an employee's tour on Wednesday.

Note: The "Check Mail" finance number in the Finance Number Control Master system defines the mailing address used for payroll check distribution. To request a change to a payroll check mailing address, select "FNCM - HQ" from the Outlook address book and then send an email containing the facility's current finance number along with the new finance number and the new address where the checks are to be distributed.

23-1.2 Payroll Register Distribution

Managers at field units must use the Payroll Register to reference issued checks and net to bank payments.

Note: Access to the Payroll Register is granted in eAccess. Request access to EDW – Payroll Register at the Finance Number, Lead Finance Number, PFC, Area or National level.

23-1.3 Direct Deposits and Allotments

The Postal Service honors employee requests to forward all or part of their salaries for credit to their accounts at financial organizations.

An employee may add, cancel, or make changes to allotments or net to bank via the following methods:

- a. *PostalEASE*. To log in, employees need their Postal Service employee identification number and password.
- b. *PostalEASE* Interactive Voice Response. Employees must call the Human Resources Shared Service Center (HRSSC) at 877-477-3273, menu option 5.

23-1.4 Checks Mailed to a Designated Address

Employees may request that their salary check be forwarded under the following conditions:

- a. Employee is on leave.
- b. Employee is on temporary detail to another duty station.

The procedure for forwarding salary checks at the request of the employee is as follows:

- a. The employee completes, signs, and submits PS Form 3077 to the custodian of the salary checks.
- b. The custodian forwards the salary check to the employee's designated address in a penalty envelope.

Note: Management must deny requests for continuous mailing of salary checks.

23-1.5 Payroll Checks Mailed to Separated Employees

Any payment for a separated employee will be disbursed as follows:

- a. For employees with a current direct deposit, the funds will be sent to the employee's financial institution as a net to bank deposit.
- b. For employees who do not have direct deposit, a commercial Postal Service check will be sent to the employee's work location which is determined by the duty station finance number on file in the Employee Master File.

The installation head or designee is responsible for mailing a hard copy payroll check to the employee's address of record. If the employee's payroll check is undeliverable, return the check with a buck slip or memo providing the reason for non-delivery to the following address:

DISBURSING OFFICER
ACCOUNTING SERVICES
2825 LONE OAK PARKWAY
EAGAN MN 55121-9642

The unit may not retain any payroll checks. All checks must be distributed or mailed to the disbursing officer as described above.

Note: Eagan Finance will not release checks to the local office for distribution to the employee if there is an unresolved employee receivable. If an outstanding employee receivable balance exists, the

check will be pulled, and payment applied to clear the outstanding invoice(s). Payment for any differences due to the employee will be issued to the employee's address of record on file.

In addition, field units are responsible for monitoring and pursuing collection of employee debts following the collection and appeal procedures specified in *Employee and Labor Relations Manual* 450 and 460.

23-1.6 **Stop Pay or Replacement of Payroll Check**

If a payroll check is lost, stolen, or destroyed after the employee receives it, the employee must notify the manager at his or her office.

The manager must do one of the following:

- a. Use the AdjustPay module (see part [23-3.2.2](#)), if available.
- b. If AdjustPay is not available for this check, use the Payroll Checks Stop Pay Photocopy Request online tool which is available on the Accounting Web site at <https://blue.usps.gov/accounting/welcome.htm>.
- c. Create an Incident ticket by calling the Help Desk at 866-974-2733.

Note: Once a request for a stop payment or replacement check has been processed, the request cannot be canceled. If the original payroll check is recovered at the unit, do not give the recovered paycheck to the employee. The check has been stopped and is no longer valid. The check must be returned to the Disbursing Branch at the following address:

ACCOUNTING SERVICES
DISBURSING BRANCH
2825 LONE OAK PARKWAY
EAGAN, MN 55121-9640

23-1.7 **Undeliverable Payroll Checks**

Return undeliverable employee payroll checks with a buck slip or a memo providing the reason for non-delivery to the Accounting Services Disbursing Branch (see part [23-1.5](#) for the address).

23-1.8 **Deceased Employee Payroll Checks**

Return payroll checks for deceased employees to the Accounting Services Disbursing Branch with a brief explanation. (See part [23-1.5](#) for the address.)

The lump sum benefits for money or compensation due (unpaid compensation) to beneficiaries may be delayed until return of these payroll checks.

23-1.9 **Erroneous or Overpayment Payroll Check**

Return the salary check and the appropriate PS Form 2240, *Pay, Leave, or Other Hours Adjustment Request*, PS Form 2240-R, *Rural Pay or Leave Adjustment Request for PS Form 1314*, or PS Form 2240-RA, *Rural Pay or Leave Adjustment Request for PS Form 1314-A*, to Accounting Services, Disbursing Branch with an explanation when:

- a. An error is in the name or EIN of the payee.
- b. A payroll check is received that is greater than the amount due to the employee.

NEVER deface the returned check (do not write “void” across the front or back of the returned check).

(See section [23-1.5](#) for the address of the Disbursing Branch.)

Note: Use eIWS OnLine Forms (OLF) to only generate and print, not submit, PS 2240 form types used to support returned checks sent to the Disbursing Branch.

If an emergency salary is required because of the error, treat it like non-receipt of a payroll check (see section [23-3.2.2](#)).

23-1.10 **Separated Employee Overpayment**

For a separated employee overpayment, return the payroll check and the appropriate PS Forms 2240, 2240-R, or 2240-RA directly to the disbursing officer with an explanation. (See part [23-1.5](#) for the address).

Note: Use eIWS OnLine Forms (OLF) to only generate and print, not submit, PS 2240 form types used to support returned checks sent to the Disbursing Branch.

23-2 Payroll Adjustments

23-2.1 **Payroll and Missing Check Adjustments**

AdjustPay application is used for processing payroll adjustments. The AdjustPay application enables authorization of basic payroll hours adjustments for non-rural, rural (1314) employees and missing checks for all employees, for the most recent 53 pay periods.

Upon completion of the AdjustPay transaction, retain a copy of the AdjustPay Adjustment Certification Certificate on file locally.

Note: Contact the TACS Helpdesk for assistance in completing adjustment form using eIWS OnLine Forms when unable to access and process via AdjustPay application. (See [23-6](#).)

If an emergency salary issuance is authorized by the employee's supervisor, follow the procedures for issuing an emergency salary in part [23-3.2](#). Fully complete the emergency salary advance authorization and receipt section at the bottom of the form and obtain the employee signature when the advance is issued.

For additional information, reference the TACS website at <https://blue.usps.gov/tacs> and Accounting Services > Salary Advance website at <https://blue.usps.gov/accounting/salaryadvance/salaryadvance.htm>.

23-2.2 Back Pay Claims

Note: For more information on back pay, see the latest Management Instruction (MI) on the topic of back pay — as of this edition of Handbook F-101, the latest MI is MI EL-430-2017-6, *Back Pay*. (In this edition of Handbook F-101, all other references to the back pay MI are to MI EL-430-2017-6, but it is to be understood that all such references also include the phrase “or the latest back pay MI.”)

Back pay claims include, but are not limited to, the following:

- a. Grievance/arbitration-related hour's adjustments equaling one full pay period or more.
- b. Other qualifying grievance/arbitration-related awards and settlements. (For more information, see MI-EL-430-2017-6.)
- c. Equal Employee Opportunity Commission (EEOC) settlements and decisions.
- d. EEOC redress settlements.
- e. Merit System Protection Board (MSPB) settlements and decisions.
- f. Other third-party agency settlements and decisions.
- g. Erroneous separation for retirement cases referred by OPM.
- h. Court of law decisions and pretrial settlements.

Accounting Services, Payroll Services processes all back pay adjustment cases. For specific instructions and guidance on submitting back pay claims for processing, see MI-EL-430-2017-6.

To process a back pay claim, do the following:

- a. Complete PS Form 8038, *Employee Statement to Recover Back Pay*, and PS Form 8039, *Back Pay Decision/Settlement Worksheet*, for all back-pay claim adjustments.
- b. Submit PS Forms 8038 and 8039 directly to the address on last page of the PS Form 8039.
- c. Complete and submit all back-pay claim documents no later than 30 days after settlement date to ensure prompt payment is made to the employee.
- d. For specific instructions and guidance, see MI-EL-430-2017-6.

Note: Incomplete forms will be returned. Offices that are not Web-enabled, should contact the Greensboro HRSSC at 877-477-3273, option 5 for assistance.

Decisions resulting from arbitration, administrative agency, court, and pre-arbitration settlements must be initiated using PS Forms 8038 and 8039.

23-3 Employee Emergency Salary Issuance

23-3.1 Overview

23-3.1.1 Authorized Conditions

Salary advances must be issued through AdjustPay and processed (paid) at RSS offices. e1412 offices are not permitted to process salary advances.

Postmasters and supervisors are authorized to issue an emergency salary to an employee in the following circumstances:

- a. An employee receives a salary check that is at least a full day of pay less than the amount due. AIC 554, Payroll Adjustment Payment Issued, will be posted.
- b. An employee does not receive a salary check, which is listed in the payroll register as being issued (not direct deposit). AIC 754, Authorized Emergency Salary Issued, will be posted.

Note: Access to the Payroll Register is granted in eAccess. Request access to EDW – Payroll Register at the Finance Number, Lead Finance Number, District, Area or National level.

- c. New employees who do not receive a salary check due to a late PS Form 50, *Notification of Personnel Action*. AIC 554, Payroll Adjustment Payment Issued, will be posted.

See part [23-3.2](#) for information on issuing an authorized emergency salary.

23-3.1.2 Unauthorized Conditions

Postmasters and supervisors are not authorized to issue emergency salary in the following circumstances:

- a. The direct deposit amount is validated in the payroll register. The employee must contact his or her bank for resolution.
- b. The claim is for less than a full day of pay.

Note: Eight (8) hours equal a full day's pay for full time employees. Non-full time employees day's pay is based on the number of hours they are scheduled to work on a given day.
- c. The employee has been terminated.
- d. For rural equipment maintenance allowance.
- e. For an employee business expense.
- f. For back pay awards.
- g. For grievance settlements, if payment is due to the employee within 60 days.
- h. Employee receives a check and the check is subsequently lost or destroyed. (Follow procedure in part [23-1.6](#).)
- i. OWCP payments.

- j. For premium hours if basic pay was received.
- k. For a nationwide issue.

23-3.2 Issuing Emergency Salary

23-3.2.1 Payroll Adjustments Associated With a Salary Advance

Payroll adjustments associated with a Salary Advance are required to be processed in the AdjustPay application.

The AdjustPay (Pay Adjustment with Salary Advance) process will perform the following functions:

- a. AdjustPay will automatically calculate the authorized salary advance amount.
Note: If the net amount cannot be determined for an emergency salary authorization, the unit manager may authorize an amount equal to 65 percent of the estimated gross as a guideline to calculate the net amount due.
- b. AdjustPay will produce an AdjustPay Certification Form (barcoded) which will be printed, signed and presented for processing at an RSS Full Window Service Post Office window to issue the advance.
Note: e1412 offices are not permitted to process salary advances.
- c. RSS screens will be automatically populated with information from AdjustPay when barcoded certification form is scanned.
- d. AIC 554, Payroll Adjustment Payment Issued, for the amount of the salary advance issued will be system-generated onto the PS Form 1412.
- e. Retain a signed copy of the AdjustPay Certification Form for support of all AdjustPay entries.

Exception: For system reasons that result in non-use of AdjustPay, use manual specific PS Forms 2240 for non-rural or rural, including 1314-A. Reference the TACS website at <https://blue.usps.gov/tacs> for additional information.

Note: If conditions indicate a payroll adjustment is authorized under [23-3.1](#), under no circumstances may the salary advance be issued to an employee prior to payday, unless allowed under the distribution guidelines.

For additional information, reference the TACS website at <https://blue.usps.gov/tacs> and Accounting Services > Salary Advance website at <https://blue.usps.gov/accounting/salaryadvance/salaryadvance.htm>.

23-3.2.2 Emergency Salary Issued for Non-receipt of a Salary Check

All employees (rural and non-rural) will be issued a Salary Advance using the AdjustPay module for a missing check.

The AdjustPay Salary Advance (missing check) process will perform the following functions:

- a. AdjustPay will auto-populate the original check amount.
- b. AdjustPay will automatically process a stop payment on the original check.
- c. AdjustPay will produce an AdjustPay Emergency Salary Issuance (PS Form 1608) which will be printed, signed and presented for processing at an RSS Full Window Service Post Office window to issue the advance.

An Unresolved Employee Item (UEI) will not be created and the advance is not collected locally, as Eagan will clear the UEI in the AdjustPay Process.

Note: If a salary advance has been issued to the employee at the retail unit and the original payroll check is received after the advance is issued, do NOT give the recovered check to the employee and do not allow the check to be cashed.

The check must be returned to the Disbursing Branch at:

ACCOUNTING SERVICES DISBURSING BRANCH
2825 LONE OAK PARKWAY
EAGAN MN 55121-9642

For additional information, reference the TACS website at <https://blue.usps.gov/tacs> and Accounting Services > Salary Advance website at <https://blue.usps.gov/accounting/salaryadvance/salaryadvance.htm>.

23-3.2.3 Grievance Settlement Prepayment

If an employee is not paid within 60 days after submission of all the necessary grievance settlement documentation, then an interim emergency salary may be issued equal to 70 percent of the gross amount due, as long as the adjustment is for less than 80 hours. (See the following table for guidelines.)

If the employee...	Can Emergency Salary Be Issued?	Documentation	Process	AIC
Is due a payment for grievance settlement within 60 days.	No	Appropriate documentation as required by Compensation.	The postmaster, manager, or supervisor submits the appropriate documentation as required by MI EL-430-2017-6.	N/A
Does not receive payment within 60 days after the grievance settlement is submitted to Accounting Services and the claim is for less than 80 hours. Note: Grievance prepayments of 80 hours or more cannot be issued locally.	Yes	Appropriate documentation as required by Compensation and an authorized PS Form 2240.	The postmaster, manager, or supervisor does the following: a. Submit the appropriate documentation as required by MI EL-430-2017-6. b. Complete PS Form 2240, 2240-R, or 2240-RA (as applicable), including the Emergency Salary Authorization section, and submit through the eIWS OnLine Forms application for processing. c. Issue salary advance using the “Emergency Salary” workflow in RSS. d. File PS Form 2240 as supporting documentation for PS Form 1412.	554
Does not receive payment within 60 days after the grievance settlement is submitted to Accounting Services and the claim is for 80 hours or more.	No	Appropriate documentation as required by Compensation.	The postmaster, manager, or supervisor submits the appropriate documentation as required by MI EL-430-2017-6.	N/A

Note: Lump-sum grievance adjustments must be processed through GATS. Adjustment requests submitted using the eIWS OnLine Forms application will be returned unprocessed to the PRU for local entry into GATS.

To request a grievance prepayment for settlements of 80 hours or more, the authorizing manager or supervisor must send the request via one of the following:

- a. E-mail request to *Eagan.Grievance.Prepay@usps.gov*.
- b. Submit a written notification to the following address:
PAYROLL SERVICES – PL 9600
ACCOUNTING SERVICES
2825 LONE OAK PKWY
EAGAN MN 55121-9631

23-4 Carrier Drive-Out Agreements

In accordance with Handbook EL-901, *Agreement between USPS and National Association of Letter Carriers, AFL-CIO*, carriers under the National Association of Letter Carriers (NALC) are eligible for carrier drive-out payments.

To compensate a NALC carrier for using his or her private vehicle for delivering mail and parcels follow these procedures:

- a. Prepare PS Form 1839, *Payment Record for Carrier Drive Out Agreements*, in triplicate each pay period. Record the carrier's name, EIN, and the amount due.
- b. Submit the approved PS Form 1839 immediately after the end of the relevant pay period using the eIWS OnLine Forms application for processing. Allow one full pay period after submission to eIWS for processing.
- c. Give a copy of PS Form 1839 to the carrier.
- d. File a copy of PS Form 1839 locally.

To find out the status of a payment, open an AHD incident (ticket) online using the MyAccounting self-service portal at <https://myaccountinghelp.usps.gov>.

23-5 Requests for Payroll Information

23-5.1 **Payroll Journal, Duplicate Earnings Statement, and Time and Attendance History**

All employees (except for retired or separated former USPS employees) are eligible to view their earnings statements online.

To obtain Payroll Journals (earnings statements):

- a. Log into www.liteblue.usps.gov.
- b. Enter your Employee ID and Self-Service Password.
- c. Click the *My HR* tab at the top of the page.
- d. Under "I want to," click the *Access ePayroll* link.

Note: Terminated/Separated employees must contact management from their former employing office to request a Payroll Journal for that pay period.

For time and attendance history, contact the TACS Help Desk for assistance.

23-5.2 **Court-Related Salary Inquiries, Mortgage, Employment Verifications, and Other Agency Inquiries**

When a field unit receives a court-related salary inquiry, mortgage inquiry, or other agency inquiry, they should do one of the following:

- a. Forward the request to the Greensboro HRSSC 877-477-3273, option 5.
- b. Inform the person seeking proof of employment of how to use the Work Number. The Work Number is an automated process for employment and income verification. The Postal Service employer code number is 12946. Access the Work Number by the following two options:
 - (1) Online at <http://www.theworknumber.com>.
 - (2) By calling 800-367-5690.

23-5.3 **Garnishment, Tax Levy, and Other External Deductions**

When an employee or other party requests information related to involuntary payroll deductions (e.g., garnishments, tax levies, child or spousal support, agency offsets, and bankruptcy), instruct the employee or other party to contact the Involuntary Deductions Unit:

- The telephone number is 651-406-3600.
- Office hours are Monday, Tuesday, Thursday, and Friday from 9:00 A.M. to 12:00 P.M. and from 1:00 P.M. to 3:00 P.M. Central Time.
- The address is as follows:
 INVOLUNTARY DEDUCTIONS UNIT
 ACCOUNTING SERVICES
 2825 LONE OAK PKWY
 EAGAN MN 55121-9650

This includes original requests for income withholding, as well as follow-up requests and inquiries.

23-5.4 **Postal Union Inquiries**

Direct all requests from the union for payroll information to the relevant supervisor or Labor Relations office.

23-5.5 **Office of Inspector General Inquiries**

Submit Office of Inspector General inquiries to Greensboro HRSSC at 877-477-3273, option 5.

23-5.6 **U.S. Savings Bonds (Replacement Requests), Thrift Savings Plan Inquiries, and Insurance Program Inquiries**

Contact the Greensboro HRSSC at 877-477-3273, option 5.

23-5.7 **W-2 Duplicate Requests and Income Tax Withholding Inquiries**

Use *PostalEASE* to request duplicate W-2s, or call the AHD at 866-9SHARED (866-974-2733).

23-6 Payroll-Related Forms Processed in eIWS OnLine Form (OLF) Application

The Enterprise Imaging Workflow System (eIWS) processes the following payroll-related forms:

- a. PS Form 1164-A, *Claim for Reimbursement for Postal Supervisors*.
- b. PS Form 1221, *Advanced Sick Leave Authorization*.
- c. PS Form 1839, *Payment Record for Carrier Drive-Out Agreements*.
- d. PS Form 2240, *Pay, Leave, or Other Hours Adjustment Request*.
- e. PS Form 2240-R, *Rural Pay or Leave Adjustment Request for PS Form 1314*.
- f. PS Form 2240-RA, *Rural Pay or Leave Adjustment Request for PS Form 1314-A*.
- g. PS Form 8127, *Rural Carrier Supplemental Payment*.
- h. PS Form 3970-T, *Donated Leave Transfer*.

Indebtedness. When accompanied with an overpayment salary check, submit PS Forms 2240, 2240-R, and 2240-RA following procedure in part [23-1.9](#).

Note: Information on the eIWS OnLine Forms application, including training resources, job aids, and access to the application, is located at <https://olf.usps.gov/OLF/>.

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24 Single Drawer Accountability for 2-, 4-, and 6-Hour Offices

Chapter 24 describes the policies of the Single Drawer Accountability (SDA), which is specifically designed for 2-hour, 4-hour and 6-hour Remotely Managed Post Offices (RMPO), which are overseen by an Administrative Post Office. The policies streamline existing financial processes in order to add efficiencies that align with changing operational requirements and demands. SDA is a single accountability comprised of stamp stock, cash, postage meters, and money orders (no unit reserve stock or individual accountabilities).

Throughout this chapter, the abbreviations “R2,” “R4,” and “R6” refer to 2-hour, 4-hour, and 6-hour RMPOs, respectively.

The chapter includes the following subchapters, separated by office type (either e1412 offices or RSS offices):

e1412 Offices: 2-, 4-, and 6-Hour RMPO Offices

[24-1 Overview for e1412 Offices.](#)

[24-2 Responsibilities.](#)

[24-3 Security.](#)

[24-4 Money Orders.](#)

[24-5 Replenishing Single Drawer Accountability.](#)

[24-6 Meters.](#)

[24-7 SDA Accountabilities.](#)

[24-8 Banking Procedures for Single Drawer Accountability.](#)

[24-9 Unit Closeout Procedures.](#)

[24-10 Refunds.](#)

[24-11 Exchanges.](#)

RSS Offices: 2-, 4-, and 6-Hour RMPO Offices

[24-12 Overview for RSS Offices.](#)

[24-13 Responsibilities.](#)

[24-14 Security.](#)

[24-15 Money Orders.](#)

[24-16 Replenishing Single Drawer Accountability.](#)

[24-17 SDA Accountabilities.](#)

[24-18 Banking Procedures for Single Drawer Accountability.](#)

[24-19 Unit Closeout Procedures.](#)

[24-20 Refunds.](#)

[24-21 Exchanges.](#)

Note: There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to [Appendix A](#).

24-1 Overview for e1412 Offices

Single Drawer Accountability (SDA) is comprised of stamp stock, cash, and money orders consigned specifically to Non-RSS 2-hour, 4-hour, and 6-hour offices, which are overseen by an Administrative Post Office.

The RMPO employee(s), who work at the same office, operate from a shared SDA including money orders and complete the unit's daily PS Form 1412, *Daily Financial Report*.

SDA offices do not maintain the following:

- a. Individual accountabilities.
- b. Unit Cash Reserve.
- c. Unit Reserve Stock.
- d. PS Form 3959, *Stamp Stock Transactions and Daily Recap*.
- e. PS Form 3295, *Record of Stamps, Stamped Paper, and Non-Postal Stamps on Hand*.

The managing Administrative Post Office manages the unit accountability limit of the SDA office:

R2 and R4 Offices

The SDA must not exceed the total unit accountability calculated by:

- Dividing the prior FY (October 1-September 30) sales reported in AIC 852 by four or a maximum of \$5,000, whichever is less.
- The unit accountability includes stamp stock and cash.

The authorizing finance official may approve an exception for the maximum unit accountability limit. (See section [24-5.1.1](#).) For customers requesting special orders, the Administrative Post Office may temporarily adjust the unit accountability of the SDA to meet customer demands. (See section [24-5.1.2](#).)

R6 Offices

The SDA must not exceed the total unit accountability calculated by:

- Dividing the prior FY (October 1-September 30) sales reported in AIC 852 by four or a maximum of \$10,000, whichever is less.
- The unit accountability includes stamp stock and cash.

The authorizing finance official may approve an exception for the maximum unit accountability limit (See section [24-5.1.1](#).) For customers requesting special orders, the Administrative Post Office may temporarily adjust the unit accountability of the SDA to meet customer demands. (See section [24-5.1.2](#).)

24-2 Responsibilities

24-2.1 Postmaster at Administrative Post Office

The Administrative Post Office postmaster is responsible for oversight of the SDA offices. This oversight includes ensuring the accuracy and timeliness of financial reporting which may include physical examination of stamp stock and supporting documentation. The SDA includes stamp stock, cash, postage meters, and money orders. The Administrative Post Office must ensure the timely performance of all SDA counts. Stamp counts are randomly mandated by Field Accounting Support based on financial risk and monitoring indicators. The Administrative Post Office is responsible for stamp stock management and limits in accordance with this policy.

24-3 Security

The RMPO employee is responsible and must provide adequate security for all accountable items. Accountable items include postal funds, stamp stock, blank money order stock, philatelic products, retail products, accountable receipts, postage meters, and money order imprinters.

24-3.1 Equipment

The following types of equipment must be used to secure accountable items:

- a. Burglar-resistant chests in fireproof safes or security containers located in walk-in vaults.
- b. Postal Service standard vaults or security containers.
- c. Security chests or burglar-resistant chest portion of fireproof safes.
- d. Fireproof safes or vaults built to Postal Service standards.
- e. Lockable metal cabinets and file drawer.

Note: The equipment used to secure accountable items will vary among field units due to equipment availability.

24-3.2 Key and Safe Combination Controls

24-3.2.1 Single Drawer Accountability Controls

The Administrative Post Office postmaster must ensure that the RMPO office keeps the SDA drawer keys, and PS Forms 3977, *Duplicate Key Combination and Password*, in secured equipment as described under Security.

SDA office controls are as follows:

- a. The duplicate SDA drawer key must be maintained in a completed PS Form 3977; the Administrative Post Office postmaster signs the PS Form 3977 and writes “No Witness Available” (NWA) on the envelope, if applicable.
- b. The daily SDA drawer key must be stored at the closing of each day in secured equipment as described under Security.

- c. The SDA drawer keys and PS Form 3977 must not be taken out of the RMPO building.
- d. The safe combination must be maintained in a completed PS Form 3977 in a secure location as described in Security.
- e. All individual login IDs and passwords (including credit card) must be maintained in a completed PS Form 3977. When accessing PS Form 3977 the RMPO employee must contact the Administrative Post Office postmaster to ensure compliance with the PS Form 3977 process.
- f. PS Form 3902, *Log and Lock Examination*, must be completed for the semi-annual exams of PS Form 3977 and for the annual key exams.

24-3.2.2 Administrative Post Office Controls

Administrative Post Office controls are as follows:

- a. The Administrative Post Office must maintain a set of building keys for each SDA office in a completed PS Form 3977. The SDA building keys must be stored in a safe location in the Administrative Post Office for entry to the unit, if necessary.
- b. The Administrative Post Office must maintain the SDA office's safe combination (if applicable) in a completed PS Form 3977.

Note: If the Administrative Post Office is responsible for multiple SDA offices, there will be a separate PS Form 3977 for the keys and safe combination for each location.

24-4 Money Orders

Money orders are shared by the RMPO employees who work at the SDA office.

24-4.1 Ordering Money Orders

The Administrative Post Office postmaster must follow these procedures to replenish money orders:

- a. Order money orders in eBay Plus using the RMPO's 10-digit Unit Finance Number ID.
- b. R2 and R4 Offices order money orders in increments of one hundred (100). Only one block can be requested per order with a maximum quantity of 200 money orders on hand at a given time, unless approved by the Administrative Post Office.
- c. R6 Offices order money orders in increments of one hundred (100) with a maximum quantity of 300 money orders on hand at a given time, unless approved by the Administrative Post Office.
- d. Enter all money order blocks into e1412 immediately upon receipt and maintain a record of all blank money order sets using the Money Order Block Report.
- e. Issue money orders in the correct sequence.

24-4.2 Daily Procedures

These procedures must be followed daily to account for money orders:

- a. Print the e1412 Money Order Blocks report.
- b. When multiple employees work on the same day, each money order sold must be annotated with the employee's name who sold the corresponding money order.
- c. On a daily basis, prior to opening for business, verification must be performed to ensure no money orders are missing. To perform verification, verify the next available money order in block by comparing against the previous day's e1412 Money Order Blocks report.
- d. All money order discrepancies must be reported to the Administrative Post Office postmaster for immediate research.
- e. If the Administrative Post Office researches and finds there is an issue with a missing money order, they must:
 - (1) Record the money order in e1412 as missing.
 - (2) If blank money orders are lost or stolen, the Administrative Post Office postmaster must immediately contact the U.S. Postal Inspection Service (USPIS) and report the serial numbers of the missing forms.

Note: If blank money order forms are recovered, notify the Inspector in charge.

24-4.3 Bait Money Orders

Bait Money orders assigned to the RMPO are signed for by the Administrative Post Office postmaster. All bait money orders must be accounted for on a Bait Money Order Control Log, reference the Bait Money Order Management Instruction. The Administrative Post Office ensures bait money orders are utilized in compliance with the Management Instruction.

To obtain a copy of the most current management instruction on bait money orders, contact the USPIS or mail to the following address:

INSPECTOR IN CHARGE MAIL
THEFT AND VIOLENT CRIMES GROUP
US POSTAL INSPECTION SERVICE
475 L'ENFANT PLZ SW RM 3521
WASHINGTON DC 20260-2168

24-4.4 No-Fee Money Orders

The issuance of no-fee money orders is not authorized in SDA offices for any reason, (see exception at section [24-4.5](#)) including to create employee items such as salary advances or travel advances.

If a no-fee money order is needed for an employee item or refund, the Administrative Post Office will need to issue it to the employee or customer. (See section [24-10](#) for refund policy.)

24-4.5 Replacement Money Orders

The issuance of a no-fee money order for money order replacements requested by customers is allowed in an SDA office. If a domestic or international postal money order is mutilated or damaged and the customer has the damaged money order and the original customer's receipt from the money order, the PRU may issue a no-fee replacement by using the proper workflow in e1412.

24-5 Replenishing Single Drawer Accountability

24-5.1 Unit Accountability Limit

The managing Administrative Post Office monitors the unit accountability limit of the SDA office:

- **R2 and R4 Offices:** The SDA must not exceed their current total unit accountability, calculated by dividing the prior FY (October 1 – September 30) sales reported in AIC 852 by four, or a maximum of \$5,000, whichever is less. The accountability includes stamp stock and cash.
- **R6 Offices:** The SDA must not exceed the current total unit accountability, calculated by dividing the prior FY (October 1 – September 30) sales reported in AIC 852 by four, or a maximum of \$10,000, whichever is less. The accountability includes stamp stock and cash.

Note: R2, R4 and R6 Offices - The maximum authorized retained cash is \$150, which is included in the maximum unit accountability limit.

24-5.1.1 Exceptions to Authorized Limit

The Administrative Post Office postmaster may request an exception to increase the unit accountability limit for their SDA office when sales exceed their limit.

Supporting documentation showing that postage sales are in excess to maintain the accountability limit must be prepared and provided in an email to justify the proposed increase to the authorizing finance official.

R2 and R4 Offices

Unit accountability limit for consideration will be based on a progressive scale starting at \$7,500 to a maximum amount of \$10,000.

R6 Offices

The maximum unit accountability limit cannot exceed \$12,000.

Note: R2, R4 and R6 Offices - The authorizing finance official evaluates each request and if approved forwards the email authorizing the level of change to Accounting Services, Field Sales Branch (FSB) at *FSBSysAcct@usps.gov*. The subject line must state "SDA Accountability Exception"; the email must include the Performance Cluster Code PFC, 10-digit unit finance number, unit name, and approved accountability limit.

24-5.1.2 Temporary Increases to Stamp Stock Limits

The Administrative Post Office postmaster may temporarily adjust the unit accountability limit of the SDA office:

- **R2, R4, and R6 Offices:** Due to customers requesting special orders, the maximum unit accountability must be reduced as soon as customer needs are met.
- **R6 Offices Only:** For the month of December only, the maximum threshold of \$12,000 applies.

24-5.2 Ordering Stamp Stock

Replenish SDA office according to ordering schedule set by Stamp Fulfillment Services (SFS).

The Administrative Post Office must order and replenish the SDA office as follows:

R2 and R4 Offices

- a. Administrative Post Office prepares one consolidated stamp stock order for all of their R2 and R4 RMPOs using SFS Web at <https://sfsweb.usps.gov/sfsweb> under the Administrative Post Office 10-digit Unit ID.
- b. Upon receipt of the stamp stock order at the Administrative Post Office, the Administrative Post Office must receive the entire order into the Administrative Post Office Unit Reserve accountability and make appropriate receipt entries into their reporting technology.
- c. The Administrative Post Office will prepare in duplicate a PS Form 17 with a witness (if available) documenting shipment to the RMPO 10-digit Unit ID using the return stamp stock shipment store to store transfer process in their reporting technology. If no witness is available enter “NWA” on the Administrative Post Office PS Form 17 copy only.
- d. Whether the Administrative Post Office is mailing or physically taking the order to the RMPO, stamp stock orders along with PS Form 17 must be packaged via Priority Mail Signature Confirmation. The Priority Mail packaged stamp order must be scanned upon arrival at the RMPO following appropriate scanning procedures.
- e. Maintain SDA office to a maximum of \$5,000 or total unit accountability, whichever is less, which includes stamp stock and cash. (See section [24-5.1](#).)
- f. Exceptions are as follows:
 - (1) Increased unit accountability limit was approved by an authorizing finance official.
 - (2) Administrative Post Office postmaster temporarily approved the increase in unit accountability for customer’s special request.
- g. The Administrative Post Office receives minimal amounts of automatic shipments of newly issued stamps and distributes to RMPOs according to anticipated sales via the procedures in section [24-5.2](#).

R6 Offices

- a. Administrative Post Office prepares a stamp stock order for the RMPO office through SFS Web at <https://sfswweb.usps.gov/sfswweb> under the RMPO 10-digit Unit ID.
- b. Upon receipt of the stamp stock order from SFS the RMPO employee must receive the stamp stock into the RMPO stamp accountability and make appropriate receipt entries into their e1412.
- c. The Administrative Post Office maintains the RMPO office to a maximum of \$10,000, or total unit accountability whichever is less, which includes stamp stock and cash (see section [24-5.1](#)).
- d. Exceptions are as follows:
 - (1) Increased unit accountability limit was approved by an authorizing finance official.
 - (2) Administrative Post Office postmaster temporarily approved the increase in unit accountability for customer's special request or during the month of December only.
- e. The RMPO office receives automatic shipments directly from SFS.

24-5.3 **Receiving Stamp Stock**

When the stamp stock is received at the RMPO, the RMPO employee must do the following:

R2, R4 and R6 Offices

- a. Count the stamp stock and verify with a witness. If no witness available, write "NWA" and initial.
- b. Sign PS Form 17, Stamp Requisition/Stamp Return, as the person receiving the stamp stock.
- c. The RMPO employee receives the stamp stock by item number in e1412 and verifies the amount that auto posts to AIC 841, matches the amount on the PS Form 17.
- d. Maintain a copy of the completed PS Form 17 with the daily financial paperwork.
- e. The RMPO employee must notify the Administrative Post Office postmaster of any discrepancies with the PS Form 17 received.

Notes:

- **R2 and R4 Offices:** If a discrepancy exists the RMPO employee enters the physical amount of stamp stock received into e1412. The Administrative Post Office researches, performs a count of the Administrative Post Office unit reserve stock and informs the RMPO office if any financial entries are necessary or if the claim for loss process needs to be followed by the Administrative Post Office.
- **R6 Offices:** If a discrepancy exists the RMPO employee enters the physical amount of stamp stock received into e1412. The Administrative Post Office follows the discrepancy reporting procedures to the SFS.

24-5.4 **Returned Stamp Stock**

Returned stamp stock in the RMPO Office should be directly returned to SFS in accordance with the quarterly return schedule.

R2, R4 and R6 Offices

- a. Administrative Post Office postmaster counts the stamp stock at the RMPO office and verifies with a witness.
- b. Using e1412, enter the amount of stamp stock returned by item number which will generate a PS Form 17. The Administrative Post Office postmaster and RMPO employee must sign the generated PS Form 17.
- c. Properly prepare and package return stamp stock for shipment to SFS and file a copy of the PS Form 17 locally.

24-6 Meters

RMPO offices are required to have a postage meter. The cost of the meter rental is funded by HQ.

24-6.1 **Meter Vendor**

Pitney Bowes is the required vendor for new meter procurement.

24-6.1.1 **Initial Order**

To order a Pitney Bowes postage meter using eBuyPlus, the APO office must use the fedstrip of the RMPO. This is done by changing the shipping address in the eBuyPlus requisition.

You will need to order the following:

1. Pitney Bowes C200 (SendPro c series) Postage Meter.
2. PS Form 3602-PO, *Postage Collected Through Post Office Meter*.
3. 620-9, *Postage Tape Sheets for PB Meter* – order as many labels as you need.

Notes:

- New meters contain enough ink for 3,000 impressions. Additional ink may be ordered via item # 793-5.
- eBuyPlus is NOT to be used to request funds to add postage to the meter.

24-6.2 **Replenishing Meters**

SDA offices should replenish postage meters as follows:

- a. The maximum per meter setting is \$1,000, maximum total postage on meter should not exceed \$1,500.
- b. Use PS Form 3602-PO to record meter settings; report meters sales in AIC 110.
- c. Postage totals on meter are not part of the overall SDA accountability.

24-6.3 **Monthly Requirement for Meters**

All sites are REQUIRED to connect to their meter manufacturer during the first week of every month. This practice serves three purposes:

1. Verification to the meter company that the meter is still actively being used.
2. Allows the meter company to provide reports to USPS through National Meter Accounting and Tracking System (NMATS) for the amount of postage that has been used on that specific meter since the last connection.
3. Rates updated, if applicable and postage can be added if needed.

USPS requires that all postage meters be tracked by the meter companies who must verify the meter is being used in the location it was assigned to. Meters that do not report can be turned off by the meter company. The meter company must report these “missing/non-reporting meters” to the Postal Inspection Service for revenue protection.

24-6.4 **Postal Meter Help Line**

If assistance is needed, call the Postal Pitney Bowes Help Desk at 888-598-9551. The Help Desk customer service representatives are trained to understand the uniqueness of Postal meter operations. Please do not call the phone number located on the actual meter; this phone number is for a non-Postal meter customer.

24-7 SDA Accountabilities

24-7.1 **Single Drawer Accountability Financial Documents**

SDA offices must maintain the following files at their unit for review by the Administrative Post Office:

- a. PS Form 3294, *Cash and Stamp Stock Count and Summary*.
- b. PS Form 3368-P, *Accountability Examination Record*.
- c. PS Form 3369, *Consigned Credit Receipt*.
- d. PS Form 3902, *Form 3977 Log and Lock Examination*.
- e. PS Form 2130, *Claim for Loss* (if applicable).
- f. PS Form 17, *Stamp Requisition/Stamp Return*.
- g. PS Form 3977, *Duplicate Key, Combination and Password Envelope*.

24-7.2 **Counting Requirements**

The Administrative Post Office postmaster is responsible for counting the SDA maintained by the RMPO employee(s).

R2 and R4 Offices

Must be counted at least once every fiscal year.

However, the Administrative Post Office postmaster may count more frequently at their discretion. Field Accounting Support monitors the SDA

office unit accountability and may direct the Administrative Post Office postmaster to count more frequently than the once per fiscal year requirement.

Note: If an office was given an exception to exceed the \$5,000 limit, the Administrative Post Office is required to perform the count twice a fiscal year, as directed by Field Accounting Support.

R6 Offices

Must be counted at least twice every fiscal year.

However, the Administrative Post Office postmaster may count more frequently at their discretion. Field Accounting Support monitors the SDA office accountability and may direct the Administrative Post Office postmaster to count more frequently than the twice per fiscal year requirement.

24-7.3 **Scheduling and Monitoring Counts**

Counts are randomly scheduled and monitored for compliance by Field Accounting Support. The Administrative Post Office postmaster must adhere to the following requirements:

- a. The count must be completed within 14 calendar days from the time of notification.
- b. The SDA office must be counted before making any transactions.

24-7.4 **Forms Needed for Count**

The following table describes the forms used during scheduled and random counts of single drawer accountability.

Form to use...	To record...
PS Form 3294, <i>Cash and Stamp Stock Count and Summary</i>	An examination of a stamp credit. The Administrative Post Office postmaster and the RMPO employee must complete an independent PS Form 3294.
PS Form 3368-P, <i>Accountability Examination Record</i>	Stamp and cash credit count results.

24-7.5 **Physical Count**

The Administrative Post Office postmaster and RMPO employee or designee must each perform an independent count and complete a separate PS Form 3294.

24-7.6 **Completing the Count**

24-7.6.1 **Recording Count Overages**

When there is an SDA overage, the full amount of the overage will auto-post in AIC 222, *Adjusted Losses - SDA Overages*, on the Unit PS Form 1412 on the day of the count. AICs 699 and 843 on the PS Form 1412 will also auto-post and adjust AIC 853, *Stamp Accountability Closing Balance*, to the actual amount of stamp stock counted.

24-7.6.2 Recording Count Shortages

When there is an SDA shortage, the full amount of the shortage will auto-post in AIC 622, *Adjusted Losses - SDA Shortage*, on the Unit PS Form 1412 on the day of the count. AICs 299 and 849 on the PS Form 1412 will also auto-post and adjust AIC 853, *Stamp Accountability Closing Balance*, to the actual amount of stamp stock counted.

24-7.6.3 Posting Audit Results

After conducting the audit and entering into e1412, results will auto-post in e1412 using the AICs for overages and shortages (see section [24-7.6.1](#) or [24-7.6.2](#)). Record the audit results on PS Form 3368-P. File PS Form 3294 and PS Form 3368-P.

24-8 Banking Procedures for Single Drawer Accountability

The RMPO office consolidates funds generated from daily transactions into one bank deposit. RMPO offices must not make bank deposits for less than \$100.

Exception: Check items (checks, money orders, traveler's checks, etc.) should be deposited within 5 business days, even if the total deposit is less than \$100.

The RMPO does not prepare a bank deposit for amounts less than \$100, but will record the funds in AIC 753, *Cash Retained*, on the PS Form 1412. The following business day, this amount is recorded in AIC 353, *Cash Retained on Hand From Previous Day*, and continues to be reported in AIC 753 and AIC 353 on subsequent business days until the funds available for deposit equal or exceed \$100 (or within the 5 business days for check items). Postal funds recorded in AIC 753 must be retained in a secure location.

Note: The office must continue to report all financial transactions daily on the Unit PS Form 1412.

24-9 Unit Closeout Procedures

The RMPO office performs the unit closeout as follows:

- a. Complete PS Form 3602-PO and enter the register readings in e1412 which will automatically post sales amount in AIC 110 on the Unit PS Form 1412.
 - (1) Enter money orders and amount in e1412 which will automatically post to AIC 100 and AIC 101. Verify that the sequential order of money orders is continued from the previous day and that the amount, fees, issue ID, and date are correct.
 - (2) Report any missing money orders in e1412 and to the Administrative Post Office to be reported immediately to the Postal Inspection Service.

- (3) Report any voided money orders in e1412. The RMPO employee ensures the serial number was recorded as voided on the e1412 money order report and then destroys all parts of the voided money order.

Note: Postal Retail Units (PRUs) may void a postal money order only in the event of a USPS error, and this option may be done only on the same day as the transaction.

- (4) When multiple employees work on the same day, each money order sold must be annotated with the employee name of who sold the corresponding money orders on the e1412 money order report.

Note: If unable to account for the dollar amount of a missing voucher, enter the required information into the e1412 application using the Money Order Inquiry workflow. Select Postmaster as the Inquiry Type.

- b. Organize all supporting documents by type and calculate the amount by products and service and enter into the appropriate AICs on the Unit PS Form 1412.
- c. Post sales of retail products (if applicable) into the appropriate AICs on the Unit PS Form 1412.
- d. Run the Batch Close Report from the credit and debit card terminal(s) (if the unit had credit or debit card transactions for the day). Verify and account for all credit and debit card receipts. Enter the totals into AIC 762 (credit) and AIC 772 (debit) on the Unit PS Form 1412.
- e. Run a calculator tape of all checks accepted.
- f. Count the funds (cash, checks and money orders) to be deposited and enter the total amount into AIC 752 on the Unit PS Form 1412. (if less than \$100, enter in AIC 753) - Prepare and dispatch bank deposit following procedures in section [9-1.2](#). The bank deposit slip total must match AIC 752.
- g. Calculate the amount of postage sales and enter into the appropriate AICs on the Unit PS Form 1412.
- h. Certify the Unit PS Form 1412 and upload as directed.
- i. Print the following documents:
 - (1) Unit PS Form 1412.
 - (2) Money Order and Missing Money Order reports.
 - (3) Any other supporting documentation as needed (i.e., WebBATS report).
- j. File Unit PS Form 1412 with electronic signature and supporting documentations.
- k. File credit and debit card receipts in a separate and secure location.
- l. Enter Priority Express Mail label data into the Product Tracking System (PTS) Priority Express Mail Label Entry application.
- m. Secure stamps and cash in safe and lock.
- n. Secure SDA drawer key.

- o. Provide the Administrative Post Office postmaster with the Financial Difference/Adjustment Report from e1412.

Note: For financial differences, make adjustments by increasing or decreasing the incorrect AIC, and offset to AIC 247 or AIC 647. (See section [8-6.1](#) for supporting documentation for AIC 247/647 activity.)

24-10 Refunds

Use PS Form 3533, Application for Refund of Fees, Products and Withdrawal of Customer Accounts, to document all refund activities.

24-10.1 Refunds Processed by Single Drawer Accountability (SDA) Office

Refund types and amounts are limited at SDA units to cash refunds of \$35. Issuance of no-fee money orders is not permitted. To issue cash refunds of \$35 or less, the RMPO employee does the following:

- a. Have customer complete Part 1, *Application, and Part 5, Disbursements for Refunds*, of PS Form 3533.
- b. Enter the amount of the refund in the appropriate refund AIC on the Unit PS Form 1412.
- c. If no witness is available, annotate on appropriate line “NWA.”

Exception: PO Box cash refunds greater than \$35 will require approval from the Administrative Post Office before the SDA unit can process and post on the unit 1412.

24-10.2 Refunds Processed by Administrative Post Office

For refund amounts greater than \$35 with the exception of PO Boxes; the RMPO office must send PS Form 3533 to the Administrative Post Office for approval and payment. If applicable, the Administrative Post Office submits the PS Form 3533 via eIWS Online Forms for processing the refund payment following the guidelines in Subchapter 21, for various types of refunds, and record in the proper AIC.

- a. Have customer complete Part 1 of PS Form 3533.
- b. The RMPO employee reviews the PS Form 3533 and ensures the form is complete and the proper support is provided.
- c. The RMPO employee submits PS Form 3533 to the Administrative Post Office for processing.

Note: RMPO Office does not record refund AIC entries on the SDA Unit PS Form 1412 when submitting PS Form 3533 to the Administrative Post Office.

24-10.3 Postage Meter Labels

To account for an erroneously printed, damaged, or spoiled Post Office meter label, the RMPO employee must do the following:

- a. Complete Part 1, *Application*, of PS Form 3533 by printing his/her name in the customer block.
- b. Check the “Other Refunds” box in the Request Disbursement For section and enter AIC 509, Voided Postage Validation Imprinter Labels and PO Meter Stamps.
- c. Attach the Post Office postage meter labels to the PS Form 3533.
- d. Complete Part 2, *Verification of Disbursements*, and sign as the certifying employee.
- e. Enter the amount of the refund in the AIC 509 on Unit PS Form 1412.
- f. File PS Form 3533 as supporting documentation.

24-11 Exchanges

Stamps may not be exchanged for cash. Customers may exchange stamps only for equivalent value stamps. Unusable stamps, including stamped paper, accepted from a customer must be those on sale at Post Offices within 12 months before the transaction. Maximum stamp exchange for each transaction of damaged stamps is limited and must not exceed \$50.00.

24-12 Overview for RSS Offices

Single Drawer Accountability (SDA) is comprised of stamp stock, cash, and money orders consigned specifically to RSS 2-hour, 4-hour and 6-hour offices, which are overseen by an Administrative Post Office.

The RMPO employee(s), who work at the same office, operate from a shared SDA including money order blocks and complete the unit’s daily PS Form 1412, *Daily Financial Report*.

SDA offices do not maintain the following:

- a. Individual accountabilities.
- b. Unit Cash Reserve.
- c. Unit Reserve Stock.
- d. PS Form 3959, *Stamp Stock Transactions and Daily Recap*.
- e. PS Form 3295, *Record of Stamps, Stamped Paper, and Non-Postal Stamps on Hand*.

The managing Administrative Post Office manages the accountability limits of the SDA office:

R2 and R4 Offices

The SDA must not exceed the total unit accountability calculated by:

- Dividing the prior FY (October 1-September 30) sales reported in AIC 852 by four or a maximum of \$5,000, whichever is less.

- The unit accountability includes stamp stock and cash.

The authorizing finance official may approve an exception for the maximum stamp stock limit (see section [24-6.1.1](#)). For customers requesting special orders, the Administrative Post Office may temporarily adjust the value of the SDA to meet customer demands (see section [24-16.1.2](#)).

R6 Offices

The SDA must not exceed the total unit accountability calculated by:

- Dividing the prior FY (October 1-September 30) sales reported in AIC 852 by four or a maximum of \$10,000, whichever is less.
- The accountability includes stamp stock and cash.

The authorizing finance official may approve an exception for the maximum stamp stock limit (see section [24-16.1.1](#)). For customers requesting special orders the Administrative Post Office may temporarily adjust the value of the SDA to meet customer demands (see section [24-16.1.2](#)).

24-13 Responsibilities

24-13.1 **Postmaster at Administrative Post Office**

The Administrative Post Office postmaster is responsible for oversight of the SDA offices. This oversight includes ensuring the accuracy of financial reporting which may include physical examination of stamp stock and supporting documentation. The SDA includes stamp stock, cash, postage meters, and money orders. The Administrative Post Office must ensure the timely performance of all SDA counts. Stamp counts are randomly mandated by Field Accounting Support based on financial risk and monitoring indicators. The Administrative Post Office is responsible for stamp stock management and limits in accordance with this policy.

24-14 Security

The RMPO employee is responsible and must provide adequate security for all accountable items. Accountable items include postal funds, stamp stock, blank money order stock, philatelic products, retail products, accountable receipts, postage meters, and money order imprinters.

24-14.1 **Equipment**

The following types of equipment must be used to secure accountable items:

- Burglar-resistant chests in fireproof safes or security containers located in walk-in vaults.
- Postal Service standard vaults or security containers.
- Security chests or burglar-resistant chest portion of fireproof safes.
- Fireproof safes or vaults built to Postal Service standards.
- Lockable metal cabinets and file drawer.

Note: The equipment used to secure accountable items will vary among field units due to equipment availability.

24-14.2 Key and Safe Combination Controls

24-14.2.1 Single Drawer Accountability Controls

The Administrative Post Office postmaster must ensure that the RMPO office keeps the SDA drawer keys, and PS Forms 3977, *Duplicate Key Combination and Password*, in secured equipment as described under Security.

SDA office controls are as follows:

- a. The duplicate SDA drawer key must be maintained in a completed PS Form 3977; the Administrative Post Office postmaster signs the PS Form 3977 and writes “No Witness Available” (NWA) on the envelope, if applicable.
- b. The daily SDA drawer key must be stored at the closing of each day in secured equipment as described under Security.
- c. The SDA drawer keys and PS Form 3977 must not be taken out of the RMPO building.
- d. The safe combination must be maintained in a completed PS Form 3977 in a secure location as described in Security.
- e. All individual login IDs and passwords (including credit card) must be maintained in a completed PS Form 3977. When accessing PS Form 3977 the RMPO employee must contact the Administrative Post Office postmaster to ensure compliance with the PS Form 3977 process.
- f. PS Form 3902, *Form 3977 Log and Lock Examination*, must be completed for the semi-annual exams of PS Form 3977 and for the annual key exams.

24-14.2.2 Administrative Post Office Controls

Administrative Post Office controls are as follows:

- a. The Administrative Post Office must maintain a set of building keys for each SDA office in a completed PS Form 3977. The SDA building keys must be stored in a safe location in the Administrative Post Office for entry to the unit, if necessary.
- b. The Administrative Post Office must maintain the SDA office’s safe combination (if applicable) in a completed PS Form 3977.

Note: If the Administrative Post Office is responsible for multiple SDA offices, there will be a separate PS Form 3977 for the keys and safe combination for each location.

24-15 Money Orders

Money orders are shared by the RMPO employees who work at the SDA office.

24-15.1 Ordering Money Orders

The Administrative Post Office postmaster must follow these procedures to replenish money orders:

- a. Order money orders in eBuyPlus using the RMPO's 10-digit Unit Finance Number ID.
- b. R2 and R4 Offices order money orders in increments of one hundred (100). Only one block can be requested per order with a maximum quantity of 200 money orders on hand at a given time, unless approved by the Administrative Post Office.
- c. R6 Offices order money orders in increments of one hundred (100) with a maximum quantity of 300 money orders on hand at a given time, unless approved by the Administrative Post Office.
- d. Enter all money order blocks into RSS.
- e. Issue money orders in the correct sequence.

24-15.2 Daily Procedures

These procedures must be followed daily to account for money orders:

- a. On a daily basis, prior to opening for business, verification must be performed to ensure no money orders are missing. To perform verification: verify the next available money order in block by comparing the RSS screen when the first employee logs on.
- b. All money order discrepancies must be reported to the Administrative Post Office postmaster for immediate research.
 - (1) Record the money order in RSS as missing.
 - (2) If blank money orders are lost or stolen, the Administrative Post Office postmaster must immediately contact the U.S. Postal Inspection Service (USPIS) and report the serial numbers of the missing forms.

Note: If blank money order forms are recovered notify the Inspector in charge.

24-15.3 Bait Money Orders

Bait Money orders assigned to the RMPO are signed for by the Administrative Post Office postmaster. All bait money orders must be accounted for on a Bait Money Order Control Log, reference the Bait Money Order Management Instruction. The Administrative Post Office ensures bait money orders are utilized in compliance with the Management Instruction.

To obtain a copy of the most current management instruction on bait money orders, contact the USPIIS or write to the following address:

INSPECTOR IN CHARGE MAIL
THEFT AND VIOLENT CRIMES GROUP
US POSTAL INSPECTION SERVICE
475 L'ENFANT PLZ SW RM 3521
WASHINGTON DC 20260-2168

24-15.4 **No-Fee Money Orders**

The issuance of no-fee money orders is not authorized in SDA offices for any reason, (exception, see section [24-15.5](#)) including to create employee items such as salary advances or travel advances.

If a no-fee money order is needed for an employee item or refund, the Administrative Post Office will need to issue it to the employee or customer (see section [24-20](#) for refund policy).

24-15.5 **Replacement Money Orders**

The issuance of a no-fee money order for money order replacements requested by customers is allowed in an SDA office. If a domestic or international postal money order is mutilated or damaged and the customer has the damaged money order and the original customer's receipt from the money order, the PRU may issue a no-fee replacement by using the proper workflow in RSS.

24-16 Replenishing Single Drawer Accountability

24-16.1 **Unit Accountability Limit**

The managing Administrative Post Office monitors the unit accountability limit of the SDA office:

R2 and R4 Offices: The SDA must not exceed their current total unit accountability calculated by dividing the prior FY (October 1 – September 30) sales reported in AIC 853 by four or a maximum of \$5,000, whichever is less. The unit accountability includes stamp stock and cash.

R6 Offices: The SDA must not exceed the current total unit accountability calculated by dividing the prior FY (October 1 – September 30) sales reported in AIC 853 by four or a maximum of \$10,000, whichever is less. The unit accountability includes stamp stock and cash.

Note: R2, R4 and R6 Offices - The maximum authorized retained cash is \$150, which is included in the maximum unit accountability limit.

24-16.1.1 **Exceptions to Authorized Limit**

The Administrative Post Office postmaster may request an exception to increase the unit accountability limit for their SDA office when sales exceed their limit.

Supporting documentation showing that postage sales are in excess to maintain the unit accountability limit must be prepared and provided in an email to justify the proposed increase to the authorizing finance official.

R2 and R4 Offices

Unit accountability thresholds for consideration will be based on a progressive scale starting at \$7,500 to a maximum amount of \$10,000.

R6 Offices

The maximum exception unit accountability limit cannot exceed \$12,000.

Note: R2, R4 and R6 Offices - The authorizing finance official evaluates each request and if approved forwards the email authorizing the level of change to Accounting Services, Field Sales Branch (FSB) at *FSBSysAcct@usps.gov*. The subject line must state “SDA Accountability Exception”; the email must include the PFC, 10-digit unit finance number, unit name, and approved accountability limit.

24-16.1.2 **Temporary Increases to Unit Accountability Limit**

The Administrative Post Office postmaster may temporarily adjust the unit accountability limit of the SDA office:

R2, R4 and R6 Offices

Due to customers requesting special orders, the maximum unit accountability must be reduced as soon as customer needs are met.

R6 Offices Only

For the month of December only, the maximum unit accountability limit of \$12,000 applies.

24-16.2 **Ordering Stamp Stock**

Replenish SDA office according to ordering schedule set by the Stamp Fulfillment Service (SFS).

The Administrative Post Office must order and replenish the SDA office as follows:

R2 and R4 Offices

- a. Administrative Post Office prepares one consolidated stamp stock order for all of their R2 and R4 RMPOs using SFS Web at <https://sfsweb.usps.gov/sfsweb> under the Administrative Post Office 10-digit Unit ID.
- b. Upon receipt of the stamp stock order by the Administrative Post Office, the Administrative Post Office must receive the entire order into the Administrative Post Office Unit Reserve accountability and make appropriate receipt entries into RSS.
- c. The Administrative Post Office will prepare in duplicate a PS Form 17 with a witness (if available) documenting shipment to the RMPO 10-digit Unit Id using the return stamp stock shipment store to store transfer process in RSS. If no witness is available enter “NWA” on the Administrative Post Office PS Form 17 copy only.

- d. Whether the Administrative Post Office is mailing or physically taking the order to the RMPO, stamp stock orders along with PS Form 17 must be packaged via Priority Mail Signature Confirmation. The priority mail packaged stamp order must be scanned upon arrival at the RMPO following appropriate scanning procedures.
- e. Maintain SDA office to a maximum of \$5,000 or total unit accountability, whichever is less, which includes stamp stock and cash. (See section [24-16.1.1](#)).
- f. Exceptions are as follows:
 - (1) Increased unit accountability limit was approved by an authorizing finance official.
 - (2) Administrative Post Office postmaster temporarily approved the increase in unit accountability limit for customer's special request.
- g. The Administrative Post Office receives minimal amounts of automatic shipments of newly issued stamps and distributes to RMPOs according to anticipated sales via the procedures in section [24-16.2](#).

R6 Offices

- a. Administrative Post Office prepares a stamp stock order for the RMPO office through SFS Web at <https://sfsweb.usps.gov/sfsweb> under the RMPO 10-digit Unit ID.
- b. Upon receipt of the stamp stock order from SFS the RMPO employee must receive the stamp stock into the RMPO accountability and make appropriate receipt entries into RSS.
- c. The Administrative Post Office maintains the RMPO office to a maximum of \$10,000, which includes stamp stock and cash (see section [24-16.1](#)).
- d. Exceptions are as follows:
 - (1) Increased unit accountability limit was approved by an authorizing finance official.
 - (2) Administrative Post Office postmaster may temporarily approve the increase in unit accountability limit for customer's special request or the month of December only.
- e. The RMPO office receives automatic shipments directly from SFS.

24-16.3

Receiving Stamp Stock

When the stamp stock is received at the RMPO, the RMPO employee must do the following:

R2 and R4 Offices

- a. Count the stamp stock and verify with a witness. If no witness available, write "NWA" and initial.
- b. Sign PS Form 17, Stamp Requisition/Stamp Return, as the person receiving the stamp stock.
- c. Enter the amount of stamp stock received using the Stock received workflow in RSS, which will post to AIC 841 on the Unit PS Form 1412.

- d. Maintain a copy of the completed PS Form 17 with the daily financial paperwork.
- e. The RMPO employee must notify the Administrative Post Office postmaster of any discrepancies with the PS Form 17 from the Administrative Post Office.

Note: If a discrepancy exists the RMPO employee enters the physical amount of stamp stock received into RSS. The Administrative Post Office researches, performs a count of the Administrative Post Office unit reserve stamp stock and informs the RMPO office if any financial entries are necessary or if the claim for loss process needs to be followed by the Administrative Post Office.

R6 Offices

- a. Count the stamp stock and verify with a witness. If no witness available, write "NWA" and initial.
- b. Sign PS Form 17, Stamp Requisition/Stamp Return, as the person receiving the stamp stock.
- c. Enter the amount of stamp stock received using the Stock received workflow in RSS, which will post to AIC 841 on the Unit PS Form 1412.
- d. Maintain a copy of the completed PS Form 17 with the daily financial paperwork.
- e. The RMPO employee must notify the Administrative Post Office postmaster of any discrepancies with PS Form 17 from the SFS.

Note: R6 Offices - If a discrepancy exists the RMPO employee enters the physical amount of stamp stock received into RSS. The Administrative Post Office follows the discrepancy reporting procedures to the SFS.

24-16.4 **Returned Stamp Stock**

Returned stamp stock in the RMPO Office should be directly returned to SFS in accordance with the quarterly return schedule.

R2, R4 and R6 Offices

- a. Administrative Post Office postmaster counts the stamp stock at the RMPO office and verifies with a witness.
- b. Using the RSS Return Stock workflow, enter the amount of stamp stock returned by item number this will generate PS Form 17. The Administrative Post Office postmaster and RMPO employee must sign the generated PS Form 17.
- c. Properly prepare and package return stamp stock for shipment to SFS and file a copy of the PS Form 17 locally.

24-17 SDA Accountabilities

24-17.1 **Single Drawer Accountability Financial Documents**

SDA offices must maintain the following files at their unit for review by the Administrative Post Office:

- a. PS Form 3294, *Cash and Stamp Stock Count and Summary*.
- b. PS Form 3368-P, *Accountability Examination Record*.
- c. PS Form 3369, *Consigned Credit Receipt*.
- d. PS Form 3902 and PS Form 3977, *Log and Lock Examination*.
- e. PS Form 2130, *Claim for Loss* (if applicable).
- f. PS Form 17, *Stamp Requisition/Stamp Return*.
- g. PS Form 3977, *Duplicate Key, Combination and Password Envelope*.

24-17.2 **Counting Requirements**

The Administrative Post Office postmaster is responsible for counting the SDA maintained by the RMPO employee(s).

R2 and R4 Offices

Must be counted at least once every fiscal year.

However, the Administrative Post Office postmaster may count more frequently at their discretion. Field Accounting Support monitors the SDA office accountability and may direct the Administrative Post Office postmaster to count more frequently than the once per fiscal year requirement.

Note: If an office was given an exception to exceed the \$5,000 limit, the Administrative Post Office is required to perform the count twice per fiscal year, as directed by Field Accounting Support.

R6 Offices

Must be counted at least semi-annually every fiscal year.

However, the Administrative Post Office postmaster may count more frequently at their discretion. Field Accounting Support monitors the SDA office accountability and may direct the Administrative Post Office postmaster to count more frequently than the twice per fiscal year requirement.

24-17.3 **Scheduling and Monitoring Counts**

Counts are randomly scheduled and monitored for compliance by Field Accounting Support. The Administrative Post Office postmaster must adhere to the following requirements:

- a. The count must be completed within 14 calendar days from the time of notification.
- b. The SDA office must be counted before making any transactions.

24-17.4 Forms Needed for Count

The following table describes the forms used during scheduled and random counts of single drawer accountability.

Form to use...	To record...
PS Form 3294, <i>Cash and Stamp Stock Count and Summary</i>	An examination of a stamp credit. The Administrative Post Office postmaster and the RMPO employee must complete an independent PS Form 3294.
PS Form 3368 –P, <i>Accountability Examination Record</i>	Stamp and cash credit count results

24-17.5 Physical Count

The Administrative Post Office postmaster and RMPO employee or designee must each perform an independent count and complete a separate PS Form 3294.

24-17.6 Completing the Count

24-17.6.1 Recording Count Overages

When there is an SDA overage the full amount of the overage will auto-post in AIC 222, *Adjusted Losses - SDA Overages*, on the Unit PS Form 1412 on the day of the count. AICs 699 and 843 will also auto-post on the PS Form 1412. This will adjust AIC 853, *Stamp Accountability Closing Balance*, to the actual amount of stamp stock counted.

24-17.6.2 Recording Count Shortages

When there is an SDA shortage, the full amount of the shortage will auto-post in AIC 622, *Adjusted Losses - SDA Shortage*, on the Unit PS Form 1412 on the day of the count. AICs 299 and 849 will also auto post on the PS Form 1412. This will adjust AIC 853, *Stamp Accountability Closing Balance*, to the actual amount of stamp stock counted.

24-17.6.3 Posting Audit Results

After conducting the audit and entering in RSS using the count workflow, the audit results will be auto-posted in RSS automatically post overages and shortages (see section [24-17.6.1](#) or [24-17.6.2](#)). Record the audit results on PS Form 3368-P. File PS Form 3294 and PS Form 3368-P.

24-18 Banking Procedures for Single Drawer Accountability

The RMPO office consolidates funds generated from daily transactions into one bank deposit. RMPO offices must not make bank deposits for less than \$100.

Exception: Check items (checks, money orders, traveler's checks, etc.) should be deposited within 5 business days, even if the total deposit is less than \$100.

The RMPO does not prepare a bank deposit for amounts less than \$100, but will record the funds in AIC 753, *Cash Retained*, on the PS Form 1412. The following business day, this amount is recorded in AIC 353, *Cash Retained on Hand from Previous Day*, and continues to be reported in AIC 753 and AIC 353 on subsequent business days until the funds available for deposit equal or exceed \$100 (or within the 5 business days for check items). Postal funds recorded in AIC 753 must be retained in a secure location.

Note: The office must continue to report all financial transactions daily on the Unit PS Form 1412.

24-19 Unit Closeout Procedures

The RMPO office performs the unit closeout as follows:

- a. Verify that the PS Form 1412 entries and match the amounts from the supporting documentation. Adjust the AIC(s), as necessary.
- b. Review the Money Order Grid, check for lost or missing money orders, and correct as needed.
- c. Compare the check list with the checks, and adjust, if necessary.
- d. Count funds to be deposited and complete the deposit process. If during the closeout process, the unit remits a bank deposit amount different from the RSS system expected amount, the RSS technology will automatically post to the unit a discrepancy as follows:
 - Financial Difference — Overage. This will appear in AIC 247.
 - Financial Difference — Shortage. This will appear in AIC 647.
- e. After selecting **<Verified funds and Continue to Sign Out>** in the RSS system, the closeout employee proceeds with closeout and certifies the Form 1412 is correct by selecting **<Reviewed and completed items>**. The final PS Form 1412 is printed.
- f. The closeout employee should have the following:
 - (1) Individual manual receipts and supporting documents organized by type. Any applicable system-generated reports can be filed with the PS Form 1412.
 - (2) The final PS Form 1412.
 - (3) Spoiled and voided money orders (all parts) for destruction.
 - (4) PS Form(s) 8105-A and 8105-B.
- g. Verify PO BOX Activity Report to entries in WebBats.
- h. File Unit PS Form 1412 with electronic signature and supporting documentations.
- i. File credit and debit card receipts in a separate and secure location.

24-20 Refunds

Use PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*, to document all refund activities.

24-20.1 Refunds Processed by Single Drawer Accountability (SDA) Office

Refund types and amounts are limited at SDA units to cash refunds of \$35. Issuance of no-fee money orders is not permitted. To issue cash refunds of \$35 or less, the RMPO employee does the following:

- a. Have customer complete Part 1, *Application and 5, Disbursements for Refunds*, of PS Form 3533.
- b. Enter the amount of the refund in the appropriate refund AIC on the Unit PS Form 1412.
- c. If no witness is available, annotate on appropriate line "NWA."

Exception: PO Box cash refunds greater than \$35 will require approval from the Administrative Post Office before the SDA unit can process and post on the unit 1412.

24-20.2 Refunds Processed by Administrative Post Office

For refund amounts greater than \$35 with the exception of PO Boxes; the RMPO office must send PS Form 3533 to the Administrative Post Office for approval and payment. If applicable, the Administrative Post Office submits the PS Form 3533 via eIWS Online Forms.

- a. Have customer complete Part 1 of PS Form 3533.
- b. The RMPO employee reviews the PS Form 3533 and ensures the form is complete and the proper support is provided.
- c. The RMPO employee submits PS Form 3533 to the Administrative Post Office for processing.

Note: RMPO Office does not perform any refund workflows in RSS when submitting PS Form 3533 to the Administrative Post Office.

24-20.3 Postage Meter Labels

RSS will automatically print a voided AIC 509 receipt to affix the PVI label to when the transaction is deleted from a current customer visit or voided after the customer visit.

These steps are performed in the event a duplicate blank AIC 509 receipt is required:

- a. Home Screen > Admin Functions > More Select AIC 509 Rcpt.
- b. Select Yes or No to the question: Do you have the printed label?
- c. If yes, AIC 509 receipt will print to attach the postage label.
- d. If no label is present, answer the prompts to complete the transaction.

24-21 Exchanges

Stamps may not be exchanged for cash. Customers may exchange stamps only for equivalent value stamps. Unusable stamps, including stamped paper, accepted from a customer must be those on sale at Post Offices within 12 months before the transaction. Maximum stamp exchange for each transaction of damaged stamps is limited and must not exceed \$50.00.

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Appendix A

Account Identifier Code/General Ledger Account Crosswalk

The entire list of account identifier codes (AICs) is available online at https://blue.usps.gov/accounting/_xls/AIC-GLA_Crosswalk.xls. This list contains information as follows:

AIC — The account identifier code consists of three digits. It is used to classify financial transactions to the proper general ledger account.

MASTER TITLE — The name of the AIC.

GENERAL DESCRIPTION — This column describes detailed elements of the AIC.

GLA Number — The general ledger account number consists of eight digits and corresponds to a Financial Reporting Line where the AIC is reported.

FPR — Financial Performance Report.

REVENUE — This column describes the revenue account of the AIC corresponding to the following codes:

No	Not a Revenue AIC
WIR	Retail — Walk-In Revenue
Retail	Retail — Other Revenue (Not Walk-In)
Comm	Commercial Revenue
Other	All Other Revenue

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Appendix B

Contacts and Addresses

B-1 Postal Service Contacts

Office or Resource	Contact Information	Notes
Accounting Help Desk (AHD)	Telephone: 866-9SHARED (866-974-2733)	When calling the AHD, have your 10-digit unit finance number (UFN). Use the worksheet on the 2nd page of the following brochure. http://blue.usps.gov/accounting/pdf/ahd_brochure_with_cert.pdf
	http://blue.usps.gov/wps/portal/accounting/accthelp/accthelpdesk	
	E-mail: helpdeskaccounting-st.louis@usps.gov	In the Outlook address book, type <i>Help Desk, Accounting – St. Louis, MO</i> .
eBuy Help Desk	Telephone: 800-877-7435	Say “eBuy” when prompted.
ePasswordReset System	https://epasswordreset/PasswordResetWeb/	See the Web site for the list of supported applications.
Involuntary Deduction Unit	INVOLUNTARY DEDUCTION UNIT ACCOUNTING SERVICES 2825 LONE OAK PKWY EAGAN MN 55121-9650 Telephone: 651-406-3600	See part 23-5.3 .
IT Support Line (General Help)	Telephone: 800-USPS-HEL(P) (800-877-7435)	
Material Distribution Center (MDC)	SUPPLY REQUISITIONS MATERIAL DISTRIBUTION CENTER 500 SW GARY ORMSBY DR TOPEKA KS 66624-9702 Telephone: 800-332-0317 Fax: 651-406-5583	
U.S. Postal Inspection Service (USPIS)	Fraud Hotline: 1-877-876-2455, option 4 from 8 A.M. to 4:30 P.M. in all time zones Web site: http://postalinspectors.uspis.gov	For addresses of postal inspectors in charge, see <i>Administrative Support Manual</i> (ASM) Exhibit 221.11.

B-2 Office of Inspector General Field Offices

OIG Field Office	Postal Districts
AREA EXECUTIVE SPECIAL AGENT IN CHARGE HEADQUARTERS OPERATIONS 1735 N LYNN ST STE 9.054 ARLINGTON VA 22209-2020 703-248-2100 Email: hotline@uspsoig.gov Online: uspsoig.gov/form/file-online-complaint	Postal Headquarters or issues spanning multiple OIG offices.
EXECUTIVE SPECIAL AGENT IN CHARGE NORTHEAST AREA FIELD OFFICE 90 CHURCH ST STE 3200 NEW YORK NY 10007 703-248-2100 Email: hotline@uspsoig.gov Online: uspsoig.gov/form/file-online-complaint	Operations Atlantic: ■ Connecticut ■ Delaware ■ MA-RI ■ ME-NH-VT ■ New Jersey District ■ New York 1, 2, and 3 Operations Southern: ■ Puerto Rico
EXECUTIVE SPECIAL AGENT IN CHARGE CENTRAL AREA FIELD OFFICE 433 W HARRISON ST CHICAGO IL 60699-3927 703-248-2100 Email: hotline@uspsoig.gov Online: uspsoig.gov/form/file-online-complaint	Operations Central: ■ Illinois 1 and 2 ■ KS – MO ■ Indiana ■ Michigan 1 and 2 ■ MN – ND ■ Wisconsin ■ IA – NE – SD Operations WestPac: ■ CO ■ WY
EXECUTIVE SPECIAL AGENT IN CHARGE MID-ATLANTIC AREA FIELD OFFICE 9201 EDGEWORTH DR RM 2030 CAPITOL HEIGHTS MD 20790-9576 703-248-2100 Email: hotline@uspsoig.gov Online: uspsoig.gov/form/file-online-complaint	Operations Atlantic: ■ PA2 ■ Maryland ■ North Carolina ■ Pennsylvania ■ Virginia Operations Central: ■ Ohio 1 and 2 ■ KY – WV Operations Southern: ■ South Carolina ■ Tennessee

OIG Field Office	Postal Districts
<p>EXECUTIVE SPECIAL AGENT IN CHARGE SOUTHERN AREA FIELD OFFICE 951 W BETHEL RD COPPELL TX 75099-5000 703-248-2100 Email: hotline@uspsaig.gov Online: uspsaig.gov/form/file-online-complaint</p>	<p>Operations Southern:</p> <ul style="list-style-type: none"> ■ AR – OK ■ AL – MS ■ Florida 1, 2, and 3 ■ Georgia ■ Louisiana ■ Texas 1, 2, and 3
<p>EXECUTIVE SPECIAL AGENT IN CHARGE WESTERN PACIFIC AREA FIELD OFFICE PO BOX 5227 CHULA VISTA CA 91912 703-248-2100 Email: hotline@uspsaig.gov Online: uspsaig.gov/form/file-online-complaint</p>	<p>Operations WestPac:</p> <ul style="list-style-type: none"> ■ Alaska ■ AZ – NM ■ California 1, 2, 3, 4, 5, and 6 ■ Hawaii ■ NV – UT ■ Washington ■ ID – MT - OR
<p>EXECUTIVE SPECIAL AGENT IN CHARGE CONTRACT FRAUD INVESTIGATIVE DIVISION 51 PENNWOOD PL STE 300 WARRENDALE PA 15086-7600 703-248-2100 Email: hotline@uspsaig.gov Online: uspsaig.gov/form/file-online-complaint</p>	<p>Issues involving any Postal Contract</p>

B-3 Postal Inspection Service Local Divisions

Area	Postal Districts	Postal Inspection Division
Atlantic Retail & Delivery	Connecticut District	<i>BST@uspis.gov</i>
	DE-PA2 District	<i>PHL@uspis.gov</i>
	MA-RI District	<i>BST@uspis.gov</i>
	Maryland District	<i>WSH@uspis.gov</i>
	ME-NH-VT District	<i>BST@uspis.gov</i>
	New Jersey District	<i>NWK@uspis.gov</i>
	New York 1 District	<i>NYC@uspis.gov</i>
	New York 2 District	<i>NYC@uspis.gov</i>
	New York 3 District	<i>NYC@uspis.gov</i>
	North Carolina District	<i>CLT@uspis.gov</i>
	Pennsylvania 1 District	<i>PIT@uspis.gov</i>
	Virginia District	<i>WSH@uspis.gov</i>
Central Retail & Delivery	IA-NE-SD District	<i>DEN@uspis.gov</i>
	Illinois 1 District	<i>CHI@uspis.gov</i>
	Illinois 2 District	<i>CHI@uspis.gov</i>
	Indiana District	<i>DET@uspis.gov</i>
	KS-MO District	<i>DEN@uspis.gov</i>
	KY-WV District	<i>PIT@uspis.gov</i>
	Michigan 1 District	<i>DET@uspis.gov</i>
	Michigan 2 District	<i>DET@uspis.gov</i>
	MN-ND District	<i>DEN@uspis.gov</i>
	Ohio 1 District	<i>PIT@uspis.gov</i>
	Ohio 2 District	<i>PIT@uspis.gov</i>
	Wisconsin District	<i>CHI@uspis.gov</i>
Southern Retail & Delivery	AL-MS District	<i>ATL@uspis.gov</i>
	AR-OK District	<i>FTW@uspis.gov</i>
	Florida 1 District	<i>MIA@uspis.gov</i>
	Florida 2 District	<i>MIA@uspis.gov</i>
	Florida 3 District	<i>MIA@uspis.gov</i>
	Georgia District	<i>ATL@uspis.gov</i>
	Louisiana District	<i>HOU@uspis.gov</i>
	Puerto Rico District	<i>NWK@uspis.gov</i>
	South Carolina District	<i>CLT@uspis.gov</i>
	Tennessee District	<i>ATL@uspis.gov</i>
	Texas 1 District	<i>FTW@uspis.gov</i>
	Texas 2 District	<i>HOU@uspis.gov</i>
	Texas 3 District	<i>FTW@uspis.gov</i>
WestPac Retail & Delivery	Alaska District	<i>SEA@uspis.gov</i>
	AZ-NM District	<i>PHX@uspis.gov</i>
	California 1 District	<i>SFC@uspis.gov</i>
	California 2 District	<i>SFC@uspis.gov</i>
	California 3 District	<i>LAC@uspis.gov</i>
	California 4 District	<i>LAC@uspis.gov</i>
	California 5 District	<i>LAC@uspis.gov</i>
	California 6 District	<i>LAC@uspis.gov</i>
	CO-WY District	<i>DEN@uspis.gov</i>
	Hawaii District	<i>SFC@uspis.gov</i>
	ID-MT-OR District	<i>SEA@uspis.gov</i>
	NV-UT District	<i>PHX@uspis.gov</i>
	Washington District	<i>SEA@uspis.gov</i>

Appendix C

Refunds Quick Reference

This appendix contains a quick reference guide to refunds.

C-1 Supporting Documentation

Every PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*, submitted using the eIWS Online Forms application must include the following supporting documentation

This type of unit....	Must include the following supporting documentation...
RSS	System-generated customer receipt (PS Form 3544) for AIC 280 from postal retail unit (PRU).
BMEU <i>PostalOne!</i>	System-generated PS Form 3533-X.
BRM <i>PostalOne!</i>	System-generated PS Form 3533-X.
e1412	Copy of the unit's final PS Form 1412 printed from e1412 that shows the AIC 280 entry.

C-2 Quick Reference Tables for Refunds

Exhibit C-2a

Postage and Fees

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Refund of postage and extra service fees for services not rendered or for Signature Confirmation service (after 30 days). (Refer to DMM 604.9.2.3 to review eligibility criteria on postage refunds.)	No more than \$1,000	PS Form 3533	Process reimbursement locally. Issue cash (\$35 limit) or no-fee money order. File PS Form 3533 locally. Exception: Refunds are limited at SDA units to cash refunds of \$35. Issuance of no-fee money orders is not permitted. For refund amounts greater than \$35 with the exception of PO Boxes; the SDA office must send PS Form 3533 to the Administrative Post Office for approval and processing.	Enter amount in AIC 553. For no-fee money order offset AIC 553 with AICs 100, 101, and 586. (For AIC 586, units use Reason Code 35, Refund — PO Box & Misc. Revenue.)
	More than \$1,000	PS Form 3533	Forward PS Form 3533 and the required supporting Documentation using the eIWS OnLine Forms application for processing. Exception: For refund amounts greater than \$35 with the exception of PO Boxes; the SDA office must send PS Form 3533 to the Administrative Post Office for approval and processing.	Enter amount in AIC 280 and offset to AIC 553.

Exhibit C-2b

Spoiled Unused Customer Meter Stamps

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Refund of spoiled or unused postage meter. Do not process meter refunds locally for OMAS customers – email PS Form 3533 to OMAS HQ to process via OMAS	No more than \$1,000	PS Form 3533	Process reimbursement locally. Issue cash (\$35 limit) or no-fee money order. File PS Form 3533 locally. Exception: SDA units cannot process refunds for customer meter stamps. The SDA office must send PS Form 3533 to the Administrative Post Office for approval and processing.	Enter amount in AIC 526. For a no-fee money order, offset AIC 526 with AICs 100, 101, and 586. (For AIC 586, units use Reason Code 34, Refund — Spoiled/ Unused Meter Postage.)
	More than \$1,000	PS Form 3533	Forward PS Form 3533 and the required supporting documentation using the eIWS OnLine Forms application for processing.	Enter amount in AIC 280 and offset to AIC 526.

Exhibit C-2c

Fees and Retail Services

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Refund of Post Office Box keys and refundable Post Office Box and Caller Service fees.	No more than \$1,000	PS Form 3533	Process reimbursement locally. Issue cash (\$35 limit) or no-fee money order. File PS Form 3533 locally. Exception: PO Box cash refunds greater than \$35 will require approval from the Administrative Post Office before the SDA unit can process and post on the unit 1412.	Enter amount in AIC 535. For a no-fee money order, offset AIC 535 with AICs 100, 101, and 586. (For AIC 586, units use Reason Code 35.)
	More than \$1,000	PS Form 3533	Forward PS Form 3533 and the required supporting documentation using the eIWS OnLine Forms application for processing.	Enter amount in AIC 280 and offset to AIC 535.

Exhibit C-2d

Customer Postage Meter Withdrawn

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Amount refunded to customer when removing CMRS postage meter from service.	All	None	Refund processed by postage meter manufacturer.	None.

Exhibit C-2e

Priority Mail Express Service – USPS Corporate Accounts

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Refund of postage and fees to USPS Corporate Accounts for Priority Mail Express.	All	PS Form 3533	Refund processed by district business mail entry (BME), credit to USPSCA account.	None.
Closed USPS Corporate Accounts (USPSCA).	All	Customer's written request and PS Form 3533	Closed account processed by district business mail entry (BME). Forward PS Form 3533 and copy of account inquiry report showing closed Account using the eIWS OnLine Forms application for processing.	None.

Exhibit C-2f

Priority Mail Express Service – Other Than USPS Corporate Accounts

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Refund of postage and fees to other customers (non-USPSCA) for Priority Mail Express service not rendered as guaranteed.	No more than \$1,000	PS Form 3533	Process reimbursement locally. Issue cash (\$35 limit) or no-fee money order. File PS Form 3533 locally. Exception: Refunds are limited at SDA units to cash refunds of \$35. Issuance of no-fee money orders is not permitted. For refund amounts greater than \$35 with the exception of PO Boxes; the SDA unit must send PS Form 3533 to the Administrative Post Office for approval and processing.	Enter amount in AIC 676. For no-fee money order offset AIC 676 with AICs 100, 101, and 586. (For AIC 586, units use Reason Code 37, Refund — Express Mail.)
	More than \$1,000	PS Form 3533	Forward PS Form 3533 and the required supporting documentation using the eIWS OnLine Forms application for processing. Exception: For refund amounts greater than \$35 with the exception of PO Boxes; the SDA unit must send PS Form 3533 to the Administrative Post Office for approval and processing.	Enter amount in AIC 280 and offset to AIC 676.

Exhibit C-2g

Sure Money

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Refunds of Sure Money principal and fee amounts.	All	PS Form 3533	Process reimbursement locally with cash (if available) or issue a no-fee money order. File PS Form 3533 locally.	For cash, use AICs 645 and 646; this decreases cash to bank. For a no-fee money order, use AICs 100 and 101, and offset to AICs 645, 646, and 586. (For AIC 586, units use Reason Code 38, Refund — Sure Money.)

Exhibit C-2h

Post Office PVI Label Error

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Spoiled, misprinted, or jammed PVI Labels.	All	PS Form 3533 (PVI Labels attached)	Process reimbursement locally. File PS Form 3533 locally.	Amount already recorded in AIC 109. Enter amount in AIC 509.

Exhibit C-2i

Premium Forwarding Service

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Unused portion of the weekly mailing charges. The initial application fee is nonrefundable.	All	PS Form 3533	Annotate the change requested on customer's application. Reimburse locally with a no-fee money order. File PS Form 3533 locally with PFS application.	Enter amount in AIC 623 and offset with AICs 100, 101, and 586. (For AIC 586, units use Reason Code 39, Refund — Premium Forwarding Service.)

Exhibit C-2j

Permit Postage & Fees (*PostalOne!* Offices)

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Funds deposited back to customer's account related to permit mailings, postage amounts of permit mailings damaged by the USPS and annual bulk mailing fee if no mailings are made.	All	PS Form 3533 and <i>PostalOne!</i> system-generated PS Form 3533-X	Enter transaction into <i>PostalOne!</i> File PS Form 3533 and system-generated PS Form 3533-X locally.	The <i>PostalOne!</i> system generates accounting entries to AIC 070 with an offset to AIC 528.

Exhibit C-2k

Permit Postage & Fees (Non-*PostalOne!* Offices)

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Funds deposited back to customer's account related to permit mailings, postage amounts of permit mailings damaged by the USPS, and annual bulk mailing fee if no mailings are made.	All	PS Form 3533	Credit refund amount back to customer's account. File PS Form 3533 locally.	Enter amount in AIC 070 and offset to AIC 528.

Exhibit C-2l

Withdrawals: Trust Accounts (*PostalOne!* Offices)

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Withdrawals and disbursements from customer's Permit account maintained at a BMEU or PRU.	All	Customer's written request, PS Form 3533 and <i>PostalOne!</i> system-generated PS Form 3533-X	Enter transaction into <i>PostalOne!</i> File a copy of the system-generated PS Form 3533-X locally with customer's Request and PS Form 3533 <i>PostalOne!</i> will transmit refund file to APEX nightly for processing.	The <i>PostalOne!</i> system generates accounting entries to AIC 470 with an offset to AIC 280.
Withdrawals and disbursements from customer's BRM, postage due, USPS Returns, or BPRS account maintained at a BMEU or PRU.	All	Customer's written request, PS Form 3533 and <i>PostalOne!</i> system-generated PS Form 3533-X	Withdraw amount from customer's account in <i>PostalOne!</i> File the system-generated PS Form 3533-X locally with customer's Request and PS Form 3533. <i>PostalOne!</i> will transmit refund file to APEX nightly for processing.	The <i>PostalOne!</i> system generates accounting entries to AIC 453 with an offset to AIC 280.

Exhibit C-2m

Withdrawals: Trust Accounts (*Non-PostalOne!* Offices)

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Withdrawals and disbursements from customer's permit account maintained at a PRU.	All	Customer's written request and PS Form 3533	Withdraw amount from customer's account. File a copy of PS Form 3533 locally with customer's request. Forward PS Form 3533 and the required supporting documentation using the eIWS OnLine Forms application for processing.	Enter amount in AIC 280 and offset to AIC 470.
Withdrawals and disbursements from customer's BRM, postage due, USPS Returns, or BPRS account maintained at a PRU.	All	Customer's written request and PS Form 3533	Withdraw amount from customer's account. File a copy of PS Form 3533 locally with customer's request. Forward PS Form 3533 and the required supporting Documentation using the eIWS OnLine Forms application for processing.	Enter amount in AIC 280 and offset to AIC 453.

Exhibit C-2n

Closing Out Trust Accounts (*PostalOne!* Offices – BMEU)

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Permit — Customer Requested.	All	Customer's written request, PS Form 3533 and <i>PostalOne!</i> system-generated PS Form 3533-X	Withdraw amount from customer's account in <i>PostalOne!</i> File the system-generated PS Form 3533-X locally with customer's request and PS Form 3533. <i>PostalOne!</i> will transmit refund file to Accounts Payable nightly for processing.	The <i>PostalOne!</i> system generates accounting entries to AIC 470 with an offset to AIC 280.
Permit — Postal Service Initiated.	No more than \$25	System-generated PS Form 3533-X	BMEU or PRU moves the amount in <i>PostalOne!</i> to AIC 126 until customer claims it. File the system-generated PS Form 3533-X locally.	The <i>PostalOne!</i> system generates accounting entries to AIC 126 with an offset to AIC 470.
	More than \$25	PS Form 3533 and the <i>PostalOne!</i> system-generated PS Form 3533-X	Withdraw amount from customer's account in <i>PostalOne!</i> File the system-generated PS Form 3533-X locally with customer's request and PS Form 3533. <i>PostalOne!</i> will transmit refund file to Accounts Payable nightly for processing. Note: If no confirmation of customer's address, withdraw amount from <i>PostalOne!</i> and offset to AIC 126 (awaiting customer claim). File the system-generated PS Form 3533-X locally.	The <i>PostalOne!</i> system generates accounting entries to AIC 470 with an offset to AIC 280.

Exhibit C-2o

Closing Out Trust Accounts (*PostalOne!* Offices – BRM/Postage Due/MRS/BPRS)

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
BRM — Customer Requested.	All	Customer's written request, PS Form 3533 and <i>PostalOne!</i> system-generated PS Form 3533-X	Enter transaction into <i>PostalOne!</i> File the system-generated PS Form 3533-X locally with customer's request and PS Form 3533. <i>PostalOne!</i> will transmit refund file to Accounts Payable nightly for processing.	The <i>PostalOne!</i> system generates accounting entries to AIC 453 with an offset to AIC 280.
BRM — Postal Service Initiated.	No more than \$25	System-generated PS Form 3533-X	BMEU or PRU moves the amount in <i>PostalOne!</i> to AIC 126 until customer claims it. File the system-generated PS Form 3533-X locally.	The <i>PostalOne!</i> system generates accounting entries to AIC 126 with an offset to AIC 453.
	More than \$25	PS Form 3533 and <i>PostalOne!</i> system-generated PS Form 3533-X	Withdraw amount from customer's account in <i>PostalOne!</i> File a copy of the system-generated PS Form 3533-X locally along with non-use letter. <i>PostalOne!</i> will transmit refund file to Accounts Payable nightly for processing. If no confirmation of customer's address, withdraw amount from <i>PostalOne!</i> and offset to AIC 126 (awaiting customer claim). File the system-generated PS Form 3533-X locally.	The <i>PostalOne!</i> system generates accounting entries to AIC 453 with an offset to AIC 280.

Exhibit C-2p

Closing Out Trust Accounts (Non-Postal/One! Permit Offices)

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
Permit — Customer Requested.	All	Customer's written request, PS Form 3533	Withdraw amount from customer's account. File a copy of PS Form 3533 locally with customer's request. Forward PS Form 3533 and the required supporting documentation using the eIWS OnLine Forms application for processing.	Enter amount in AIC 280 and offset to AIC 470.
Permit — Postal Service Initiated.	No more than \$25	PS Form 3533	Withdraw amount from customer's account. File PS Form 3533 locally with cancellation letter.	Enter amount in AIC 126 and offset to AIC 470.
	More than \$25	PS Form 3533	Withdraw amount from customer's account. File a copy of PS Form 3533 locally. Forward PS Form 3533 and the required supporting documentation using the eIWS OnLine Forms application for processing. If no confirmation of customer's address, withdraw amount from customer's account using AIC 470 and offset to AIC 126 (awaiting customer claim). File PS Form 3533 locally.	Enter amount in AIC 280 and offset to AIC 470.

Exhibit C-2q

Closing Out Trust Accounts (Non-Postal/One! Offices – BRM/Postage Due/USPS Returns/BPRS)

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
BRM — Customer Requested.	All	Customer's written request, PS Form 3533	Withdraw amount from customer's account. File a copy of PS Form 3533 locally with customer's request. Forward PS Form 3533 and the required supporting documentation using the eIWS OnLine Forms application for processing.	Enter amount in AIC 280 and offset to AIC 453.
BRM — Postal Service Initiated.	No more than \$25	PS Form 3533	Withdraw amount from customer's account. File PS Form 3533 locally with cancellation letter.	Enter amount in AIC 126 and offset to AIC 453.
BRM — Postal Service Initiated.	More than \$25	PS Form 3533	Withdraw amount from customer's account. File a copy of PS Form 3533 locally. Forward PS Form 3533 and the required supporting documentation using the eIWS OnLine Forms application for processing. If no confirmation of customer's address, withdraw amount from customer's account using AIC 453 and offset to AIC 126 (awaiting customer claim). File PS Form 3533 locally.	Enter amount in AIC 280 and offset to AIC 453.

Exhibit C-2r

Value Added Refunds

Disbursement or Withdrawal	Amount	PS Form Used	Process	PS Form 1412 Entries
<p>Refund to mailers who perform value added service and submit mail at discounted rate.</p> <p>Requests for combined and single statements which meet certain conditions will be automatically generated by <i>PostalOne!</i> Value-Added Refunds (VAR) will not be generated for combined mailings when the VAR amounts from all metered statements within the mailing total less than \$50. However, multiple postage statements in a combined mailing are eligible for a VAR as long as the SUM of all metered statements totals \$50 or more. All refund requests that are successfully processed will be sent from <i>PostalOne!</i> In a daily batch file for processing on the same business day. Payments will be sent directly to the customers.</p>	All	PS Form 3533	Enter transaction into <i>PostalOne!</i> File PS Form 3533 and system-generated PS Form 3533-X locally.	The <i>PostalOne!</i> system generates accounting entries to AIC 541 with an offset to AIC 280.