

# Management Instruction



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Originating Organization & OCC Code Philatelic and Retail Services Department PR200	
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## I. Introduction

### A. Purpose

The purpose of this management instruction is to:

- a. Establish realistic operating guidelines, including local operating planning targets for order filling, delivery, and financial control of Stamps by Mail (SBM).
- b. Recommend appropriate organization, supervision, and staffing of SBM operations.
- c. Achieve SBM's service standards consistently.

### B. Background

SBM is intended for all city delivery customers who find it useful. The service is free. Customers obtain order envelopes, Form 3227, *Stamps by Mail*, from letter carriers, within post office lobbies, or by telephoning the local delivery unit to request its delivery. After completing an order and enclosing a check, the customer drops the sealed envelope in a collection box or hands it to a letter carrier (no postage is necessary).

### C. Application

This management instruction applies to all city delivery post offices.

## II. Responsibilities

### A. Field Division and MSC Managers

Field Division and MSC Managers have primary responsibility for ensuring compliance with this instruction.

### B. Postmasters of City Delivery Offices

Postmasters of City Delivery Offices are responsible for ensuring direct supervision of SBM operations to achieve service standards and deal effectively with variances.

## III. Instructions

### A. Local Handling Procedures

1. *Form 3227.* Requisition Forms 3227 from the appropriate materiel distribution center. These centers apply limits to order quantities, depending on the CAG level of the requisitioning office. Since actual need may not be determined by such limits, Field Divisions and MSCs must order "buffer" supplies of forms to serve those units receiving too few.

2. *ZIP+4 Code.* Each post office must put the local city, state, and ZIP+4 Code on each Form 3227 before giving it to a customer. Do not rely on the customer to correctly complete this address. Placement of the address on the envelope must follow automation guidelines (Publication 25, *A Guide to Business Mail Preparation*). Missing addresses cause service failures.

### B. Handling Options

1. *Target Time for Order Filling.* The operating intent is to maximize quality and productivity within a required 24-hour target for order filling. Field Division and MSC Managers are expected to implement an appropriate mix of SBM operations among City Delivery units.

2. *Using Clerical Downtime.* If transaction volumes permit, one method of filling SBM orders is to use clerical "downtime"

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between customers arriving at windows; orders should be pre-addressed to, and filled by window clerks at customers' own delivery units.

3. *Pre-addressed Orders.* With higher volumes, SBM orders may be pre-addressed to (and filled at) central locations, such as the main office. Clerks filling orders at these sites need not be qualified window clerks.

4. *Automated Sites.* Placement of the barcode on the envelope and assigning a unique zip code to SBM provides an opportunity for automated sites to save workhours, speed the mail's availability, and sort directly to the order fulfillment operation.

5. *Regular Mail Delivery.* Orders normally are delivered by regular mail. Certify those valued at \$200.00 or more. Second attempts must be made the next day if unsuccessful on the initial delivery. See the following instructions for detailed procedures.

### C. In-office Procedures

1. *Centralized Fulfillment Locations.* In centralized fulfillment locations, assign at least one clerk and a designated back-up clerk to handle sustained order processing. Avoid service failures by training a third clerk to assist in handling heavy volumes expected before Christmas and following planned promotions or publicity.

2. *Order Filling Clerks.* Bring orders directly to the order filling clerk(s). Orders may be filled intermittently throughout the business day, so early availability is necessary to forecast volume and plan a day's work. Orders received by 2:00 p.m. should be filled before the end of the workday. All orders must be filled within eight hours (and delivered within 24 hours) of the clerk's receipt.

3. *Clerk's Responsibilities.* As each order is opened, the clerk must ascertain that:

- a. The customer has entered his/her name and address on both the order form, and especially on the return address label.
- b. The order form is properly filled in, including quantities and the costs of the ordered items. Check the customer's addition to ensure the total is correct.

c. The customer's check is payable "Postmaster" or United States (U.S.) Postal Service, in the amount shown on the order, and is signed.

4. *Errors.* If an error is found, take the following steps **before** returning the order or order form to the customer:

- a. If the value of the order exceeds the amount of the check, fill as much of the order as permitted, deducting postage equal to the value of the shortage.
- b. If the check lacks a signature or an amount, or if no check/order were enclosed, return the materials received to the customer. Enclose a short descriptive note to the customer, explaining the error. Always include a new order form.
- c. If the check's value exceeds the value of stock ordered, fill the order and have a no-fee Money Order prepared for the balance. Enclose the Money Order with the filled stamp order.

5. *Penalty Envelope.* When filling an order, use an appropriate size penalty envelope to contain it. Enclose another pre-addressed Form 3227 with the stock.

6. *Return Address Label.* Detach the return address label from the order form and apply it to the penalty envelope. Seal the envelope.

7. *Filled Order Forms.* Place filled order forms aside for filing at the end of the day's order filling. Each form must be round dated, initialed by the person who filled it, and filed by customer last name. These records must be retained in the unit until the next examination of the clerks' accountability or 30 days, whichever is greater.

### D. Telephone Inquiries

1. *Procedures.* Unit managers and clerical employees answering customers' telephone inquiries must be aware that customers may order SBM without using Form 3227 by simply writing to the local postmaster. The customer should indicate the kind and quantity of stamps desired, and must enclose a check or money order, payable to "Postmaster" for the amount of the stamps.

2. *Nonrefundable Postage.* Postage affixed to such an order is not refundable.

3. *Form 3227.* After filling orders, always enclose a Form 3227 for placing the next order.

## E. Delivering the Order

1. *Centralized Operations.* In centralized operations, separate filled orders by delivery unit or route, as appropriate. Certify any envelope containing stock worth \$200.00 or more.
2. *Number of Orders.* Record the number of orders in each dispatch to a delivery unit on an all-purpose ruled form.
3. *Registry Unit.* The SBM clerk takes the orders to the registry unit where the registry clerk validates the count of orders by delivery unit and returns a copy of the ruled form to the clerk, keeping a copy for registry records.
4. *Distribution for Delivery Units.* The registry clerk then places all orders for one delivery unit in a large envelope addressed to the unit manager, marked, "Open and Distribute." The registry clerk must record the number of enclosed orders on the envelope's face.
5. *Backstamping.* Backstamp each large envelope as though it were a regular Registered piece, without a Registered article number and without listing it on a registry control sheet.
6. *Dispatch.* Dispatch the large envelopes by pouch to appropriate delivery units.
7. *Receiving Delivery Unit.* At a receiving delivery unit, the manager removes and opens the unit envelope, checking the number of orders against the count appearing on the envelope. Notify the registry section immediately of any discrepancies.
8. *Distribution to Carriers.* Distribute the individual orders to the appropriate carriers. Carriers deliver the orders as regular mail, or Certified, as marked. Leave all orders except certified articles, in the delivery receptacle, unless an obvious security risk exists.
9. *Undeliverable as Addressed Orders.* If an order has been mis-addressed or is undeliverable as addressed, return it through the registry unit to the SBM section (supervisor/SBM clerk). The supervisor or SBM clerk determines from the Form 3227 which clerk filled it and if the correct address is on the envelope. The supervisor or SBM clerk notifies the customer to verify the address and explain the delay of the order. If the order is undeliverable and the customer cannot be contacted, return the order to the stamp

credit within a week (see F.5., below). Note: Customer addresses with incorrect or missing ZIP Codes are deliverable.

## F. Financial Controls

1. *SBM Revenue.* Report SBM revenue on Form 1412-A, *Daily Financial Report*, in AIC 094, Stamps by Mail Sales. If orders cannot be filled on the same day as opened, deposit the funds and enter the amount to Trust Funds Received. Make a withdrawal from Trust Funds and entry to AIC 094, on the next business day when the orders are filled. Continue to use AIC 090 for reporting of SBM revenue at offices with Integrated Retail Terminals (IRTs) until they have been updated to include AIC 094.
2. *Forms 3227.* Forms 3227 are not submitted as support for Forms 1412-A. Keep the files of these forms available for supervisors' review as directed in III C.7.
3. *Check Acceptance.* Accept the customers' check in accordance with procedures outlined in Handbook F-1, *Post Office Accounting Procedures* 311.23. Annotate the back of the check with the initials "SBM."
4. *Lost Orders.* SBM orders are rarely lost in the mail. If lost or missing, replace immediately as follows:
  - a. If a customer reports non-receipt, these procedures must be followed: Check the files (see III.C.7., above) for a record of the order. It is unnecessary to ask the customer for a copy of a cancelled check. Complete a Form 1510, *Mail Loss/Rifling Report* (initiated by the SBM clerk or supervisor receiving the non-receipt report). Retain a copy of the 1510 with the original order Form 3227 for a period of two years. Send all replacement orders by certified mail, regardless of value. Contact the customer prior to delivery of the replacement order to ensure the customer will be there to receive the order.
  - b. Record the customer's name and the reporting date of the loss on Form 1096, *Cash Receipt*, indicating, "Duplicate Stamps by Mail order - original reported lost."
  - c. The supervisor must clear the issuing clerk's accountability by initialing the Form 1096.

- d. The clerk submits the Form 1096 as support for the entry to suspense on Form 1412.

5. *Return to Stamp Credit.* Return an undeliverable order to the stamp credit out of which it was filled. Increase the stamp credit by reducing AIC 094 and increasing Trust Funds Received. Until AIC 094 is implemented on the IRT, increase the stamp credit is increased by reducing AIC 090 and increasing Trust Funds Received.

## **IV. Definitions**

### **A. SBM Service Standards**

SBM service standards provide for return of a customer's order within three working days of mailing, assuming that the order is mailed within the same 3-digit ZIP Code service area as the customer's delivery address.

### **B. SBM Plan Failures**

SBM plan failures are missed SBM operations targets resulting in inconsistent achievement of the SBM service standard.