

Copalletization Program Standards

DRAFT

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A. Program Description:

Copalletization is a program which allows origin mailers to have mailings verified and ship their trays/bundles after postage has been paid to an authorized consolidator to be combined with other trays or bundles on pallets to receive destination entry prices. When authorized by Business Mailer Support, copal trays may be shipped to an authorized consolidator prior to postage payment. An origin mailer may also be an approved consolidator within their own facility.

The electronic release provides data about the pallets, which will be reported on PS Form 8125-CD except pallets identified as eInduction. Forms 8125-CD cannot be produced or printed, or mailings sent to or deposited at a destination postal facility, until mailings are released by the acceptance employee

1. Standard Mail Copalletization Tray (STD Mail Copal Tray)

STD Mail Copal Tray origin mailers must be authorized by Business Mailer Support (BMS) under *Domestic Mail Manual* (DMM) 705.8.7.4 to send STD Mail trays to a consolidator. STD Mail trays are transported to authorized Drop Shipment Management System (DSMS) consolidators who will copalletize the trays for destination entry at Destination Network Distribution Centers (DNDC) and Destination Sectional Center Facilities (DSCF) prices.

Origin mailers must present and document physical trays.

Payment and verification for STD Mail Copal Tray mailings will be made at the origin site where the permit is held for the portion that will be shipped to the consolidator and/or prepared internally at the DSCF or DNDC price as applicable.

NOTE: It may be permissible for origin mailers to ship STD mail trays prior to payment only if approved Drop Shipment Management System (DSMS) with an authorized consolidator listed in Attachment A. Under this option origin mailers must be authorized Special Postage Payment Mailing System (SPPS) through Business Mailer Support.

The original documentation sent by the origin mailer to the consolidator must maintain its integrity. The original file cannot be changed once the file has been sent to the consolidator to be included in the Original Container Information (OCI) file. If for any reason the original job has been change it must be pulled from the current STD Mail Copal Tray/Bundle mailing or have the new job information submitted to reflect the corrected Job Number.

2. Standard Mail Flat Copalletization Bundle (STD Mail Copal Bundle)

STD Mail Copal Bundle origin mailers must be authorized by BMS to send STD Mail flat bundles under DMM 705.8.7.4 to a consolidator. The STD Mail bundles are transported to authorized DSMS consolidators who will copalletize the bundles for destination entry at DNDC and DSCF prices.

Payment and verification for STD Mail Copal Bundle mailings will be made at the origin site where the permit is held for the portion that will be shipped to the consolidator and/or prepared internally at the DSCF or DNDC price as applicable.

NOTE: It may be permissible for origin mailers to ship STD mail trays prior to payment only if approved Drop Shipment Management System (DSMS) with an authorized consolidator listed in Attachment A. Under this option origin mailers must be authorized Special Postage Payment Mailing System (SPPS) through Business Mailer Support.

3. Periodical Bundle Copalletization (PBC)

Periodicals Bundle Copalletization (PBC) origin site mailers must be authorized by BMS under DMM 707.27. The Periodicals bundles are transported to the authorized consolidator who has the option of copalletizing the bundles for destination entry at Area Distribution Centers (DADC) and DSCF entry prices.

4. Facility Type:

- a. Origin mailers who submit trays/bundles to be consolidated with other origin mailings.
- b. A consolidator receiving trays/bundles from multiple origin mailers to be copalletized.
- c. A mailer may act as an origin and consolidator within a single facility.
- d. A mailer with multiple production plants, acting as its own origin and consolidator.

B. Participation Requirements:

The following conditions must be met to be authorized for STD Mail Copal Tray or Bundle and Periodicals Copal Bundle:

1. An approved Detached Mail Unit (DMU) with onsite Postal verifications.
2. Provide the DMU with a computer, printer, internet access (when applicable) for transmission of release data to the consolidation facility.
3. For Copal trays ensure the acceptance employee(s) are trained to use the Tray Release System.
4. Provide a Copal System User's Guide for trays and/or bundles.
5. Submit all documentation for each mailing electronically through *PostalOne!*.
6. Must have sufficient funds for postage payment on deposit at the post office where mailings are verified or in a CAPS account.
7. Must meet all applicable DMM standards, including standards for Plant Verified Drop Shipment (PVDS) in *DMM 705.15*.
8. A mailer must obtain a Copal Tray/Bundle authorization from the Manager BMS for each mailing location.
9. If portions of mailings are shipped to a CF for inclusion into a copal mailing the origin facility must be authorized under a Special Postage Payment System (SPPS) by BMS.
10. Any mailer wishing to participate in Copalletization is required to be participating in Seamless prior to authorization.
 - a. Must meet 90% Full-Service eligibility requirements prior to requesting participation.
 - b. Intelligent Mail tray labels (IMtb) must be used on trays and sacks and Intelligent Mail container placards must be used on pallets or similar containers.
 - c. Mailers who are "Seamless" eligible must onboard into the program on the timeline determined by BMS. At that point, if mailers do not agree to participate, mailers may no longer participate in the Copal program.
 - d. Mailers must onboard to eInduction to participate in Copalletization.
 - e. Logical mailers (MLOCR) participating in STD Mail Copalletization (excludes Periodicals Copal) will be required to link logical trays to be placed in copalletization to physical trays in the eDocumentation prior to releasing the trays to the third party consolidator.
 - i. Every physical tray presented for copalletization must be included in the P1 Update for Ready to Pay.
11. For mailers participating in the Mail Anywhere program must maintain one locally-held trust account or a single CAPS account for mailings nationwide.
12. The mailer must implement a quality assurance process that ensures Copal program standards are met.

Additional Consolidator requirements:

1. Obtain a separate DSMS program authorization from the Manager BMS for each consolidation location.
2. Report on Forms 8125-CD only mailings that have been verified and released at a mailer's plant under the mailer's approved DSMS program.
3. Allow reasonable access to their Consolidation Facility (CF) and DSMS related records for postal reviews.
4. All mail must be presented as a single mailing for copalletization by logical mailers (MLOCR). The Consolidator must present all trays for a single destination on the same appointment in order to accurately report Start the Clock data.
5. Consolidators must use the Facility Access and Shipment Tracking (FAST) for shipments of copalletized mail deposited at a NDC, ADC, Auxiliary Service Facility (ASF), or SCF.

C. System requirements:

1. General Requirements:

Below are requirements for both the origin mailer and consolidator authorized Copal.

a. Origin Mailer:

1. All documentation must be submitted electronically through *PostalOne!*.
2. Electronic file(s) (mail.dat or Mail.XML) documentation records must be submitted to the consolidator that matches the electronic documentation (edoc).
3. For Standard Mail, two postage statements must be submitted.
 - a. One postage statement for mail that will be sent to the STD Mail Copal Tray/Bundle Consolidation facility:
 1. Listing pieces in 5-digit, 5-digit scheme, 3-digit, and/or 3-digit scheme trays that will be transported to the Consolidator for copalletizing will be claimed at the "DSCF" entry price or "DNDC" entry price.
 2. Pieces destinating within the ADC/AADC service area of the NDC in Mixed ADC/AADC and/or ADC/AADC trays that will be transported to the consolidator for copalletizing will be claimed at the "DNDC" entry price.
 3. Mail in MXD ADC/AADC trays must be prepared in accordance with DMM 246.3.4 exhibit in connection with L010 labeling list.
 - b. One postage statement listing all other pieces in the mailing that will be entered at the origin facility and not sent to the STD Mail Copal Tray/Bundle Consolidation facility – these pieces may be claimed at the appropriate destination entry prices for PVDS mail or "None" entry price for origin entered mail.

b. Consolidator:

1. For Copal Trays, the consolidator must develop a Tray Release Program that lists each tray by destination entry that will be sent to the consolidation facility by each origin site.
2. Mail must be properly palletized, labeled by the consolidator, and placards must contain an Intelligent Mail container barcode (IMcb) with the supporting documentation.
3. Documentation must be created using data from the merged electronic file(s) mail.dat to create the Original Container Information (OCI) report as required by *PostalOne!*.
4. Mail.XML messages must be updated by the consolidator with the new container information and linked with the Original Container Linkage Create and Cancel Request/Response.

Note: For STD Mail, mailings may be verified under a Special Postage Payment System (SPPS) authorization/agreement or may be weigh verified. The mailings must be supported by the documentation and meet all requirements for the agreements/authorizations unless an exception is approved by BMS.

2. Origin USPS Computer/Internet Access Requirements

The authorized Tray Release computer/internet application must have USPS access requirements that:

- a. Allow only the acceptance employee to release trays.
- b. Allow the acceptance employee to “un-release” (cancel release of) mailings.
- c. Allow the acceptance employee to print Release Reports identifying mail that has been released by the acceptance employee by job, mailing/ mailing segment and release date.

3. Consolidator USPS Computer/Internet Access Requirements:

The authorized DSMS computer application must have sufficient security measures that:

- a. Ensure USPS acceptance employees have secure access to the PS Form 8125-CD release program.
- b. USPS acceptance employees have unique Identification (IDs).
- c. System must be able to identify users and activity by individual IDs for all internal and external users.
- d. Allow only mailings that have been released by USPS acceptance employees to be reported/printed on Forms 8125-CD.
- e. Have a built-in time-out for system inactivity

4. Origin Tray Release System Security

The authorized Release computer application must have sufficient security measures that:

- a. Ensure USPS acceptance employees have secure access to the Tray Release program.
- b. USPS acceptance employees have unique Identification (IDs) and password.
- c. System must be able to identify users and activity by individual IDs for all internal and external users.
- d. Allow only mailings that have been released by USPS acceptance employees to be reported and printed on Tray Release Report.
- e. Have a built-in time-out for system inactivity.

D. Participant Responsibilities:

1. Origin STD Copal Tray/Bundle Mailer Responsibilities:

- a. Documentation.

The following records must be presented or available for review at or before the time the mail is produced:

- (1) Production schedule
- (2) Presort reports (USPS Qualification Report, Pallet Reports).
- (3) List identifying individual jobs and mailing and their scheduled release dates (date when postage will be paid).
- (4) *STD Mail Copal Bundle Communication Document* must have the following elements completed by the Mail Preparer:
 - a. The name of the authorized Origin Copal Bundle Mail Preparer user generating the Communication Document and contact information (consolidator), Entry Post address, and Consolidator Name and Address.

- b. Required data elements for bundle group in a mailing:
 - i. Mail Owner Name and Address
 - ii. eDoc (Y or N)
 - iii. Permit number
 - iv. Number of bundles.
 - v. Job Number
 - (5) The completed communication document must be presented to the DMU with the mailing.
 - a. The U.S. Postal Service acceptance employee will electronically send the Communication Document to the consolidation facility DMU.
 - (6) STD Copal Tray/Bundle records must be retained for 90 days unless otherwise specified by standard or mailing system agreement/authorization requirements.
- b. Quality Assurance
The mailer's quality process must ensure that:
- (1) Generic placards used to identify copal pallets.
 - (2) Copal pallets are correctly shipped to a consolidation facility.
 - (3) Postage for all mailings has been paid at the correct prices.

c. Process

The mailer must adhere to the following procedures for every Copal Tray/Bundle mailing:

- (1) Provide the acceptance employee reasonable access to the production area to complete USPS verifications.
- (2) Provide the production schedule, qualification report and the schedule released dates document to the acceptance employee in sufficient time to complete USPS verifications.
- (3) Trays/Bundles may not be shipped to the consolidation location until cleared by the acceptance employee.
- (4) Separately stage pallet groups and/or mailing segments for USPS verification procedures.
- (5) Provide the postage statements and registers to the acceptance employee in sufficient time to allow for the reconciliation of the records, and correction of any discrepancies, prior to the release of mailings/ mailing segments.
- (6) Provide Release Report data to the acceptance employee in the Tray Release computer application
- (7) Mailings may not be released by the acceptance employee until postage has been paid (except when authorized by BMS).

2. Origin Mailer Periodical Copal Bundle – Communication Document

a. Documentation.

The following records must be presented or available for review at or before the time the mail is produced:

- (1) Production schedule
- (2) Presort reports (USPS Qualification Report, Pallet Reports).
- (3) List identifying individual jobs and mailing and their scheduled release dates (date when postage will be paid).
- (4) Periodical Bundle Copal Communication Document must have the following elements completed by the Mail Preparer:
 - a. The name of the authorized Origin Periodical Bundle Copal Mail Preparer user generating the Communication Document and contact information (consolidator), Entry Post address, and Consolidator Name and Address.
 - b. Required data elements for tray/bundle group in a mailing:
 - 1. Mail Owner Name and Address

2. eDoc (Y or N)
 3. USPS Publication Number
 4. Job Title/Number
 5. Issue Date
 6. Edition Code
- (1) The completed communication document must be presented to the DMU with the mailing.
 - (2) The U.S. Postal Service acceptance employee will electronically send the Communication Document to the consolidation facility DMU.
 - (3) Periodical Bundle Copal records must be retained for 90 days unless otherwise specified by standard or mailing system agreement/authorization requirements.
- b. Quality Assurance
The mailer's quality process must ensure that:
- (1) Generic placards used to identify copal pallets.
 - (2) Copal pallets are correctly shipped to a consolidation facility.
 - (3) Postage for all mailings will be paid at the correct prices.
- c. Process
The mailer must adhere to the following procedures for every Periodical Bundle Copal mailing:
- (1) Provide the acceptance employee reasonable access to the production area to complete USPS verifications.
 - (2) Provide the production schedule, qualification report and the schedule released dates document to the acceptance employee in sufficient time to complete USPS verifications.
 - (3) Bundles may not be shipped to the consolidation location until cleared by the acceptance employee.
 - (4) Separately stage pallet groups and/or mailing segments for USPS verification procedures.
- d. The completed communication document must be presented to the DMU with the mailing.
- e. Postage for Periodicals will be paid at the CF.

3. Consolidator responsibilities: need over/under process

Quality assurance —

The consolidator's quality assurance process must ensure that:

- a. Scan or apply barcoded pallet labels upon receipt from the mailer's facility.
- b. Pallets received from mailer's plant are tracked and inventoried correctly.
- c. Prepare the copal pallets to the required sortation levels per DMM requirements.
- d. A documented process that identifies Overage, Shortage and Damaged trays (OSD).
 1. This report must be made available to the acceptance employee when OSDs are identified.
- e. Only mail that has been released by the acceptance employee is reported on Forms 8125-CD.
- f. Provide a Tray Reconciliation Report after each pool completes production.
- g. Mail is dispatched to the correct destination entry postal facility with the corresponding PS Form 8125-CD, based on the entry discounts claimed on the postage statement.

4. USPS responsibilities:

- a. The acceptance employee must follow verification processes listed in the applicable Standard Operating Procedure (SOP) and any applicable SPPS SOPs.
- b. Verify each Periodical and STD Bundle has a completed communication document.

- c. Verify each Periodical has a valid original/additional entry at the local post office.
- d. Accept, verify and bill each Periodical.

E. Authorization:

1. Mailer Request:

The Mailer must submit a letter of request to the Manager, BMS.

- a. If a mailer intends to prepare mailings under Copal at multiple locations, a separate letter of request must be prepared for each mailing location.
- b. The letter of request must indicate the following:
 - i. Name and address of the mailing location.
 - ii. Contact Name and phone number
 - iii. Office of the where the permit is held and verifying office
 - iv. Class of Mail and processing category
 - v. Knowledge of Copal requirements
 - vi. Is there an approved Special Postage Payment System at the facility
 - vii. eDocumentation approved
 - viii. Tentative Start date
 - ix. Vendor name that will be consolidating the trays/bundles

2. Approval Process

- a. Applicants meeting all program requirements, including a successful live test of the system, will receive authorization.
- b. Business Mailer Support must be on-site the day of start up at the origin or consolidation facility. These procedures do not change the existing pricing and classification standards for STD Mail as they are published in the DMM.
- c. Final authorization will remain in effect until the Mgr BMS or Mailer cancels the authorization.

4. Denial Process

If the application is denied, the applicant may file an appeal, in writing, within 15 days of receipt of the notice.

- a. The appeal must be submitted to the Manager BMS.
- b. The appeal must present additional information explaining why the Copal Tray/Bundle authorization should be approved.
- c. After review, if the Manager, BMS determines the application still does not warrant approval, the file is forwarded to the VP Mail Entry and Payment Technology for a final agency decision.

5. Suspension Process

A Copal Tray/Bundle authorization may be suspended by the Manager BMS at any time, pending investigation, if it appears that postage is not being fully paid or the Copal Tray/Bundle mailer fails to comply with any terms of the Copal Tray/Bundle authorization

6. Cancellation of Copal Tray/Bundle authorization

The USPS may cancel a Copal Tray/Bundle authorization if:

- a. The authorized Copal Tray/Bundle mailer provides misleading or incorrect data to avoid paying postage; presents no mailings under the Copal Tray/Bundle authorization during any consecutive 12-month period; or fails to comply with the Copal Tray/Bundle authorization or the standards applicable to the Copal Tray/Bundle program standards.

- b. Postal service periodic reviews or audit reveal that the Copal Tray/Bundle authorization should be discontinued because the mailer is not compliant with the program standards.
- c. The cancellation takes effect 15 days from the Copal Tray/Bundle users' receipt of the notice unless, within that time, the Copal Tray/Bundle user files a written appeal with the Manager, BMS stating why the Copal Tray/Bundle authorization should not be canceled. If the manager upholds the cancellation, the entire file is forwarded to VP Mail Entry and Payment Technology for a final agency decision.
- d. The Copal Tray/Bundle user may cancel its authorization at any time by sending written notice to the administering post office and Manager BMS.

F. USPS Review:

Copal Tray/Bundle is subject to review by the USPS at any time to ensure compliance with system requirements. A review may be conducted in conjunction with other mailing system reviews or may be conducted independent of other reviews.

Upon request, provide a listing of all SCF/NDC entry points.

This review may consist of on-site visits to the authorized mailer's plant, the consolidator's location(s), or any destination entry postal facility. All records pertaining to Copal Tray/Bundle and the mailer's quality assurance process must be made available for review upon request. The mailer/consolidator may also be asked to provide planned transportation information so a survey of current mailings can be conducted.