

## Threshold Process

Thresholds were established for the Full-Service Electronic Verifications, Move Update, Seamless Acceptance, and eInduction programs by using error data from all mailers participating in those programs. These thresholds were set at an achievable level as demonstrated by mailers within the mailing industry who were participating in the programs.

For each individual error type within a program (Full-Service, Move Update, eInduction, Seamless Acceptance) data is pulled from all participating mailers. Each mailer, as represented by an individual CRID, had an error percentage determined by each error type in each month if they were actively participating in the program. For example, CRID 123456 which submitted Full-Service mailings but not eInduction mailings would have an error percentage for each of the three months for barcode uniqueness piece error, an error percentage for STID errors, but not an error percentage for eInduction mis-shipped errors. Error data is aggregated solely across an eDoc submitter CRID. There is no data aggregation by Mailer ID, Permit, or Mail Owner used in setting thresholds.

A statistical analysis was performed to determine both an average and standard deviation for each error type using all available data. The threshold for each error type was set to at least one standard deviation from the average.

For Move Update, an additional level of analysis was performed to compare the threshold to the existing MERLIN process. The recommended threshold was raised from .4% to .8% to maintain equivalency between the two processes.

Prior to the establishment of these thresholds the methodology and data points were shared and discussed during various MTAC meetings including: MTAC quarterly Open Sessions, WG 143 – Seamless Acceptance, WG 138 – eInduction, UG1 – *PostalOne!* and UG5- Addressing.

Below are the current error type and corresponding thresholds for each program.

### Full-Service Thresholds

Error Type	Mailer Scorecard Error	Threshold	What is it?
Valid MID	MID Container	2%	Is the Mailer ID in the Intelligent Mail container barcode valid and registered with the Postal Service?
	MID Handling Unit	2%	Is the Mailer ID in the Intelligent Mail tray barcode valid and registered with the Postal Service?
	MID Piece	2%	Is the Mailer ID in the Intelligent Mail barcode valid and registered with the Postal Service?
Valid STID	STID	2%	Is the Service Type ID in the Intelligent Mail barcode valid and correct for the class and service level of the mailpiece?

Error Type	Mailer Scorecard Error	Threshold	What is it?
By/For	By/For	5% *	<p>Are the mail owner and mail preparer identified and accurate in the eDoc?</p> <ul style="list-style-type: none"> <li>Do the mail owner and mail preparer identifiers (MID, CRID, or Permit) provided in the eDoc exist in USPS reference systems?</li> <li>Is the mail owner also identified as the mail preparer within the same mailing?</li> <li>Has the mail owner been identified as a mail preparer in another mailing in the past 90 days?</li> </ul>
Unique Barcode	Barcode Uniqueness Container	2%	Is the Intelligent Mail container barcode unique across all mailings from all mailers over the previous 45 days?
	Barcode Uniqueness Handling Unit	2%	Is the Intelligent Mail tray barcode unique across all mailings from all mailers over the previous 45 days?
	Barcode Uniqueness Piece	2%	<p>Is the Intelligent Mail barcode unique across all mailings from all mailers over the previous 45 days?</p> <p>Note: The MID, Serial Number, and Mail Class from the STID define a unique IMb. If the same MID and Serial Number are used on two mailpieces with two different STIDs that indicate the same class of mail (for example First-Class STIDs 314 and 320), those pieces will be flagged as non-unique.</p>
Entry Facility	Entry Facility Container	2%	<p>Is the entry facility of the container a valid Postal Service location?</p> <p>Note: There is no validation that the container is entered at the correct facility per the drop-ship discount being claimed, solely that it is entered at any facility that exists in the USPS facilities database.</p>
	Entry Facility Handling Unit	2%	Is the entry facility of the handling unit not associated with a container linked to a valid Postal Service location?
Unlinked Copal	Unlinked Copal (Previously OCI)	5%	<p>Was a tray/virtual sack marked for copalletization at origin but no electronic documentation submitted with the tray/virtual sack on a pallet?</p> <p>This validation is logged against the handling unit (either tray or virtual sack) and is checked against the threshold by comparing the number of handling with an unlinked copal error / total number of handling units.</p> <p>This was previously called an OCI error.</p>

### Move Update Threshold

Mailer Scorecard Error	Threshold	What is it?
Move Update	0.8%	<p>Was there a Change-of-Address (COA) for this mailpiece created or with an effective date between 95 days and 18 months before the postage statement finalization date?</p> <p>USPS uses the later of the COA create date and Move Effective Date when determining if there is a Move Update error</p>

### Induction Thresholds

Error	Mailer Contact Threshold	Egregious Threshold	Additional Postage Assessment
Payment	0.00%	0.00%	Containers without proof of payment will be assessed the 30-day average

			<p>postage for containers mailed by the eDoc submitter CRID.</p> <p>Effective August 2014, mailers fully participating in Seamless Acceptance will not be invoiced for payment errors on containers. These containers will still show as unpaid in reporting; no dollar calculation or counted against threshold.</p>
Mis-shipped	1.05%	2.00%	Containers with a mis-shipped error will be assessed the difference between the origin entry rate and the original drop-ship discount provided.
Duplicate	0.17%	0.33%	Containers that are duplicate will be assessed the postage paid for the original instance of the duplicate container to all subsequent duplicates.
Zone	0.01%	0.02%	Containers with a zone error will be assessed the difference between the actual zone and eDoc zone.

## Seamless Acceptance Thresholds

Verification	Mailer Contact Threshold	Egregious Threshold	Postage Assessment
Undocumented	0.5%	0.8%	<p>Average Postage Rate for a month multiplied by total undocumented pieces for those pieces that exceed the threshold.</p> <p>Postage Rate is calculated as the average rate by mail class (determined by STID of IMb) for the assessment month.</p>
Delivery Point	2%	5%	The difference between the original piece postage and the new postage amount. The new postage for delivery point errors will be the single piece rate or highest rate for the mail class, processing category and weight as identified in the eDoc.
Nesting/Sortation (MPE)	1%	3%	The difference between the original piece postage and the new postage amount. The new postage for nesting/sortation errors will be the appropriate mixed rate (MAADC or MADC) by mail class, processing category and weight as identified in eDoc.
Nesting/Sortation (Sampling)	N/A	5%	<p>These errors are included in the General Postage Adjustment Factor (PAF). The General PAF is the ratio of postage which should have been paid for all sampled mailpieces, taking into account additional postage due from sampling nesting/sortation, postage, or weight errors, divided by postage paid. The PAF is always equal to or greater than 1. A mailer with no errors would have a PAF of 1.00. The PAF is an adjustment factor which is then applied to all mailpieces in the month if the threshold is exceeded.</p>
Postage			
Weight			
Mail Characteristic	N/A	0.5%	<p>This error is included in the Mail Characteristic Postage Adjustment Factor (PAF). The Mail Characteristic PAF is the ratio of postage which should have been paid for all sampled mailpieces, taking into account additional postage due from content errors, divided by postage paid. The PAF is always equal to or greater than 1. A mailer with no errors would have a PAF of 1.00. The PAF is an adjustment factor which is then applied to all mailpieces in the month if the threshold is exceeded.</p>
Barcode Quality	N/A	TBD	<p>This error is included in the Barcode Quality Postage Adjustment Factor (PAF). The Barcode Quality PAF is the ratio of postage which should have been paid for all sampled mailpieces, taking into account additional postage due from barcode quality errors, divided by postage paid. The PAF is always equal to or greater than 1. A mailer with no errors would have a PAF of 1.00. The PAF is an adjustment factor which is then applied to all mailpieces in the month if the threshold is exceeded.</p>