

Domestic Mail

HANDBOOK DM-109 REVISION

New Process for Annual Zone Analysis for Periodicals

Effective March 17, 2005, we are revising Handbook DM-109, *Business Mail Acceptance*, by replacing chapter 6. The new chapter 6 discusses postage payment review procedures. These procedures replace the current postage payment review procedures described in Handbook DM-202, *Periodicals Postage Payment Review*. Consequently, we are also obsoleting Handbook DM-202.

The Postal Service™ has revised the review process because of improvements in the software that produces documentation for Periodicals and the extensive time it took Postal Service personnel to perform these reviews under the previous process. The revised procedures — titled the Zone Analysis Program (ZAP) — use mailer options and Postal Service verification of documentation. The Postal Service developed ZAP to assist publishers and Postal Service personnel in verifying the correct zone allocation and postage payment for Periodicals mailings, including identification as In-County or Outside County, based on USPS® national electronic zone charts.

The Postal Service requires each publication to undergo a complete ZAP verification at least once a year. The office that performs the verification is the office where mail is entered and postage is paid — regardless of whether that office is the original or additional entry office. The postmaster (or designee) of that office normally schedules these reviews.

Handbook DM-109 is available on the Postal Service PolicyNet Web site:

- Go to <http://blue.usps.gov>.
- Under “Essential Links” in the left-hand column, click on *References*.
- Under “References” in the right-hand column, under “Policies,” click on *PolicyNet*.
- Click on *PUBs*.

(The direct URL for the Postal Service PolicyNet Web site is <http://blue.usps.gov/cpim>.)

Handbook DM-109, *Business Mail Acceptance*

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[Revise chapter 6 in its entirety to read as follows:]

6 Periodicals

6-1 Confirming Zone Distribution

6-1.1 Overview

The Postal Service must ensure that the zones claimed and the postage paid by a Periodicals publisher are accurate and reflect the most current zone information. Postmasters must follow the processes listed in this chapter when confirming the accuracy of a publisher’s zone distribution.

The Postal Service verifies documentation through its Zone Analysis Program (ZAP). The Postal Service developed ZAP to assist publishers and Postal Service personnel in verifying the correct zone allocation and postage payment for Periodicals mailings, including identification as In-County or Outside County, based on USPS® national electronic zone charts. ZAP-approved software accurately assigns zones using the USPS national electronic zone charts and is updated at least once each calendar year.

6-1.2 Publications That Must Confirm Zone Accuracy

The Postal Service confirms zone accuracy for all publications *except* for nonprofit publications that have 10% or less advertising and that claim the Outside County pound rates for their copies.

6-1.3 Frequency of Zone Accuracy Confirmation

For all publications (with the exceptions noted in section 6-1.2), the Postal Service performs a zone accuracy review once each year.

6-1.4 Postmaster’s Confirmation of Zone Accuracy

The postmaster (or designee) of the office(s) where a publication’s mailings are entered for verification and acceptance (i.e., any office where the mail is entered and postage is paid) is responsible for either ensuring that the documentation presented is ZAP-approved or confirming through a manual review process that the publisher’s zone distribution is accurate. The verification office could be the original or additional entry office or both.

6-2 Publisher's Options

6-2.1 Overview

The publisher has several options to document its zone distribution accuracy:

- a. Option 1.
- b. Option 2-A.
- c. Option 2-B.
- d. Option 3.
- e. Option 4-A
- f. Option 4-B.

Depending on which option the publisher chooses, the publisher and postmaster have different responsibilities, as described in the following sections.

6-2.2 Option 1

Publisher: A publisher using PAVE-certified software for Periodicals mailings must certify on PS Form 3541, *Postage Statement — Periodicals: One Issue or One Edition*, that the software has been PAVE-certified. (This meets the ZAP-approval requirements, because all PAVE-certified software is also ZAP-approved.) In addition, the heading on the USPS qualification report must show the date of the USPS national electronic zone chart data.

Note: Presort Accuracy Validation and Evaluation (PAVE) is a software certification program that serves as a standard of excellence for presort software products. The program analyzes presorting software products to determine their mail-sorting accuracy based on *Domestic Mail Manual* (DMM®) standards. Software products that successfully complete the PAVE tests are granted PAVE certification.

Postmaster: The postmaster (or designee) must verify at the time of acceptance that the publisher has certified on PS Form 3541 that the mailings were PAVE-certified (and therefore ZAP-approved).

Procedures: No further review is necessary.

6-2.3 Option 2-A

Publisher: A publisher using ZAP-approved software must certify on PS Form 3541 that the software has been ZAP-approved. In addition, the heading on the USPS qualification report must show the date of the USPS national electronic zone chart data.

Postmaster: The postmaster (or designee) must verify at the time of acceptance that the publisher has certified on PS Form 3541 that the mailings were ZAP-approved.

Procedures: No further review is necessary.

6-2.4 Option 2-B

Publisher: A publisher using ZAP-approved software but not submitting PS Form 3541 or a USPS qualification report must submit a Mail.dat file with a header record indicating

that the software has been ZAP-approved and showing the date of the USPS national electronic zone chart data.

Postmaster: The postmaster (or designee) must verify at the time of acceptance that the publisher has certified in the Mail.dat header that the mailings were ZAP-approved.

Procedures: No further review is necessary.

6-2.5 Option 3

Publisher: A publisher using software that is *not* approved by the National Customer Support Center (NCSC) must submit with each mailing PS Form 3541 and standardized documentation that includes the 3-digit zone listing and the summary zone listing. (These listings enable the postmaster to verify that the software accurately assigned zone information.)

Postmaster: The postmaster (or designee) must perform an annual zone analysis for each publication entered at his or her office.

Procedures: The reviewing Post Office™ verifies the publisher's documentation by manually comparing the publisher's 3-digit zone listing to the current USPS national electronic zone charts and by comparing the summary zone listing to the zone information on PS Form 3541.

Note: For Option 3, Post Office personnel conduct the verification procedures *after* they have accepted the selected Periodicals mailing.

6-2.6 Option 4-A

Publisher: A publisher *not* using a software program to confirm zone accuracy must submit with each mailing PS Form 3541 and standardized documentation that includes the 3-digit zone listing and the summary zone listing. The publisher may submit this documentation in handwritten form.

Postmaster: The postmaster (or designee) must perform an annual zone analysis for each publication entered at his or her office.

Procedures: The reviewing Post Office verifies the publisher's documentation by manually comparing the publisher's 3-digit zone listing to the current USPS national electronic zone charts and by comparing the summary zone listing to the zone information on PS Form 3541.

Note: For Option 4-A, Post Office personnel conduct the verification procedures *after* they have accepted the selected Periodicals mailing.

6-2.7 Option 4-B

Publisher: A publisher who normally manually separates its zones and presort without documentation must submit for the verified issue PS Form 3541 and standardized documentation that includes a manually created 3-digit zone

listing and the summary zone listing. The publisher may submit this information in handwritten form.

Postmaster: The postmaster (or designee) must perform an annual zone analysis for each publication entered at his or her office.

Procedures: The reviewing Post Office verifies the publisher’s documentation by manually comparing the publisher’s 3-digit zone listing to the current USPS national electronic zone charts and by comparing the summary zone listing to the zone information on PS Form 3541.

Note: For Option 4-B, Post Office personnel conduct the verification procedures *after* they have accepted the selected Periodicals mailing.

6-3 Discrepancies

If the postmaster’s zone analysis indicates that the publisher has made an overpayment or underpayment, the

postmaster must resolve the issue with the publisher and either refund the overpayment or collect the deficiency according to Management Instruction DM-140-2001-1, *Assessing and Collecting Deficiencies in Postage or Fees*.

6-4 Maintaining Records

The original or additional entry office that performs the zone analysis maintains for 2 years the following items:

- a. Results of the review.
- b. At least one page from the USPS qualification report.
- c. The detailed zone listing.

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— *Business Mail Acceptance, Service and Market Development, 3-17-05*

DMM REVISION

Changes to Labeling Mixed ADC Bundles and Sacks

In the article titled “DMM Revision: Changes to Labeling Mixed ADC Bundles and Sacks” in *Postal Bulletin* 22147 (2-3-05, pages 10–17), we inadvertently revised a reference to labeling lists for mailings of nonautomation flats. Below, we have included the corrected text for footnote 3 in the optional endorsement line (OEL) exhibit in M013.2.5 and in the summaries of labeling lists L010 and L011.

In addition, we have revised *Domestic Mail Manual* (DMM®) items M210.4.0f, M610.4.6e, M722.2.4e, M730.2.4d, and M740.2.4d to allow use of L004 through May 14, 2005, for OEL and sack labeling for mixed area distribution center (ADC) bundles and sacks of nonautomation rate flats mailed at Periodicals, Standard Mail, and Packages Services rates. The revision in each of these sections reads, “(1) Line 1: Use L009, effective May 15, 2005. Until then, use ‘MXD’ followed by city, state, and ZIP Code of ADC serving the 3-digit ZIP Code prefix of the entry post office as shown in L004, or use L009.”

We will incorporate these revisions into the next printed version of the DMM and into the online version available via Postal Explorer® at <http://pe.usps.com>.

Domestic Mail Manual (DMM)

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L Labeling Lists

L000 General Use

L010 BMC/ASF Entry—Standard Mail Letters and Package Services Irregular Parcels

Summary

[Revise text to read as follows:]

L010 indicates the label destination (Column B) for mixed AADC and mixed ADC trays of Standard Mail letters and mixed ADC sacks of Package Services irregular parcels placed on an ASF or BMC pallet, or entered at an ASF or BMC (Column A). Through May 14, 2005, this list also may be used for mixed ADC bundles and sacks of automation rate Periodicals and Standard Mail flats and barcoded Bound Printed Matter flats when these mailings are entered at a BMC/ASF facility. Effective May 15, 2005, L009 must be used when labeling mixed ADC bundles and sacks of these types of mailings.

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