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September 19, 2024

Mr. Ivan Butts
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Certified Mail Number:
9589 0710 5270 0684 7686 44

Dear Ivan:

As a matter of general interest, the Postal Service intends to revise Publication 156, *Guide to Contract Postal Units for Postal Service Employees*.

The subject revision includes, but is not limited to, retitling the publication, *Contract Postal Unit Agreement*, and dividing it into two documents – a policy document and a process document.

We have enclosed the following:

- A copy of the *Contract Postal Unit Agreement Policy* document, with and without track changes;
- A copy of the *Contract Postal Unit Agreement Process* document, with and without track changes; and
- A copy of a crosswalk, which inventories the revisions made from the original publication to the policy and process documents, respectively.

Please contact Mike Faber at 215-432-0613 if you have any questions concerning this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bruce A. Nicholson".

Bruce A. Nicholson
Director
Labor Relations Policies and Programs

Enclosures

Contract Postal Unit Agreement Procedure

Procedure

Publication 156-A

Issued

[XX/XX/2024]

Revisions

The procedures in this document supersede the January 2014 version of Publication 156.

Content

Procedural guidance for the requirements in Publication 156, *Contract Postal Unit (CPU) Agreement Policy*.

Policy Owner

Vice President, Retail and Post Office Operations

Availability

Copies are available for Postal Service employees for internal use only on the Postal Service PolicyNet website at <http://blue.usps.gov>.

Address questions about this process to the policy owner.

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1 Purpose

The procedures in this document support the requirements in the Publication 156, *Contract Postal Unit (CPU) Agreement Policy*. The execution of these procedures ensures fair and reasonable consideration of prospective suppliers. This document formalizes all procedures on the opening, managing, and terminating of all CPU contracts. Implementation of these actions enables the Postal Service to ensure CPUs are operating by service and quality standards.

2 Scope

The following procedures apply to the full life cycle of contracting a CPU, including justification, contract award, operations, and contract termination. All appointed, designated, and supporting Postal Service staff must comply with these procedures. [For an overview of the CPU Agreement Process flow, please refer to the Appendix.](#)

3 Determining and Verifying a Need for a Contract Postal Unit

3.1 Demonstrating Need

To prompt the need for a CPU, the requestor, typically the host administrative office (HAO), identifies the presence of one or more of the conditions listed in Publication 156. If a condition is present, the requestor must complete and submit a CPU request, including the CPU Needs Analysis Form and Revenue Forecast Model for approval.

3.2 Contract Postal Unit Needs Analysis Form

To complete the CPU Needs Analysis Form, the requestor must include the following information:

- a. Demographic and geographic characteristics of the proposed area.
- b. Projected growth within the proposed area.
- c. Date and results of last window operation survey.
- d. Review of retail operations.
- e. Consumer feedback.
- f. Competition: actual and projected.
- g. Increased benefit to the Postal Service relating to service and cost- effectiveness if a CPU was established.
- h. Impact on existing nearby classified offices including transportation and collection route.
- i. Proposed days and hours of operation (operation hours should exceed Post Office hours).

The requestor may also submit any additional documentation to justify the need as necessary. Examples of additional documentation include:

- Retail Mapping
- Demographic and Income Profile
- Wait-Time-In-Line Report

Further instructions on the above forms are in section 3.2.1. The CPAC Blueshare website contains blank forms and samples for reference at: [Alternate Access Channels-\(CPAC\) CPU/CPO/VPO - Home \(usps.gov\)](https://www.usps.gov/CPAC/CPAC-Access-Channels-Home).

3.2.1 Retail Facility Assessment Tool

The Retail Facility Assessment Tool supports analysis and identifies opportunities for new alternate access facilities through a web-based application. The requestor must use the Retail Facility Assessment Tool to complete Retail Mapping, Demographic and Income Profile, and Wait-Time-In-Line Report.

For more instructions, see the USPS Retail Facility Assessment User Guide on the CPAC Blueshare website.

3.3 Estimating Revenue

The requestor must complete a Revenue Forecast Model to estimate revenue for the proposed CPU. This model is used to forecast revenue for a new CPU location and identify the funding commitment.

To complete the Revenue Forecast Model, the requestor must enter information on the proposed CPU location and nearby Post Office into the model. When the requestor enters the information, the model calculates the potential revenue. The model displays the potential revenue as conservative, moderate, and optimistic. The requestor must use the conservative estimate for funding purposes.

For specific instructions and a blank model, see the Revenue Forecast Model excel workbook on the CPAC Blueshare website at: [Alternate Access Channels-\(CPAC\) CPU/CPO/VPO - Home \(usps.gov\)](https://www.usps.gov/CPAC/CPAC-Access-Channels-Home).

3.4 Approval Process

After the necessary documents required to initiate the approval process for a CPU Needs Analysis are completed, the requestor must follow the steps below:

- a. The requestor formally submits the CPU Needs Analysis, and any other supporting documentation, to the District Manager (DM) for approval.
- b. The DM reviews the CPU Needs Analysis and either approves or denies it.
- c. If approved, the DM provides written concurrence to the requestor.
- d. The requestor then submits the written concurrence along with the DM's decision to the Headquarters (HQ) Program Office for final review.
- e. The HQ Program Office reviews both the CPU Needs Analysis and the DM's decision, and if the HQ Program Office concurs, it will provide final written concurrence to the requestor. If denied by either the DM or the HQ Program Office, the CPU Needs Analysis will not be considered further.
- f. The requestor completes a CPU Design and Construction Requirements (D&CR) document and Source List upon receiving written concurrence from the HQ Program Office. For more information on the CPU D&CR document, see section 4; for the Source List, see section 5.

4 Design and Construction Requirements

4.1 Purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements

Attachment 5, *Contract Postal Unit Design and Construction Requirements (D&CR)*, a component of the CPU Request Package, serves the following purposes:

- Ensures that the finished CPU build-out is functional and presents a uniform image to the public.
- Defines the equipment and supplies needed for the build-out.
- Establishes responsibilities.
- Ensures that the build-out is included in the solicitation.

The requestor is responsible for completing the Attachment 5, which will also be attached to the Solicitation Package to ensure that all design and construction requirements are accurately communicated to potential supplier(s). For blank templates and samples of Attachment 5, see the CPAC Blueshare website.

4.2 Attachment 5, Contract Postal Unit Design and Construction Requirements

4.2.1 Overview

Attachment 5 contains the following three parts:

- Part A, *Responsibility Schedule*.
- Part B, *Signage Requirements*.
- Part C, *Build-Out Requirements*.

4.2.2 Part A — Responsibility Schedule

Part A is a mandatory part of the Attachment 5. The schedule serves the following purposes:

- Identifies responsibilities.
- Establishes quantities of equipment, including, office equipment, furniture and casework, interior and exterior signage, connectivity requirements, and miscellaneous items.
- Serves as an inventory sheet for all CPU supplies and equipment.

The requestor completes Part A by completing the following the steps:

- a. Review the notes section in the Responsibility Schedule.
 1. Understand that the schedule is not an order form.
 2. Understand that the items are not ordered until a contract is awarded, and a CPU design is approved.
- b. Indicate the quantity for each item. If an item is not required, mark the box “N/A.” Responsibilities are not required to be filled out as they are typically the same from CPU to CPU.

For information on ordering, see section 9.

4.2.3 Part B — Signage Requirements

Part B is a mandatory part of Attachment 5. CPU signage is critical to maintaining a uniform Postal Service CPU image. The signage requirements sheet lists all available CPU signs provided by the Postal Service for installation and maintenance by the supplier. The supplier is responsible for getting building permits and approvals.

Part B lists the following:

- Postal Service sign type (interior or exterior, illuminated or not).
- Sign size.

- Order number.
- Quantity.
- Lamps.
- Shipping weight and shipping size.

The requestor completes Part B by completing the “quantity” column as follows:

- a. Understand that the signage requirements sheet is not an order form.
- b. Understand that the signage is not ordered until a contract is awarded, and approvals are obtained.
- c. This schedule is used as an inventory sheet for all CPU signage.

For more information on the available CPU signs, see the CPAC Blueshare website at: [Alternate Access Channels-\(CPAC\) CPU/CPO/VPO - Home \(usps.gov\)](https://www.usps.gov/CPAC/CPAC-Access-Channels-CPAC-CPU/CPO/VPO-Home). For information addressing ordering signage, see section 9.8.

4.2.4 Part C — Build-Out Requirements

Part C is mandatory unless it has been waived by the DM. The supplier is always responsible for design and build-out. However, design and construction must comply with Postal Service requirements.

The requestor completes Part C by referencing the standard instructions listed below, located on the CPAC Blueshare website to determine the type of build-out needed for the CPU:

- *Attachment 5, Part C – CPU Build-out Requirements.*
- *CPU Workstation Options.*

The reasons for imposing design responsibility on the supplier are as follows:

- CPUs are constructed in the supplier’s space.
- Space is occupied by non-Postal Service employees.
- Many other high-liability issues can arise (e.g., safety, security, and damages).

For information on prototype drawings and Postal Service branding, see section 9.

5 Identifying Prospective CPU Suppliers

After Attachment 5 is complete, the requestor must then identify and source prospective suppliers. To do so, the requestor must compile a Source List using one or more of the recommended methods listed in section 5.1.

For a blank *Source List*, go to the CPAC Blueshare website.

5.1 Local Sourcing Methods

5.1.1 Retail Facility Assessment Tool

The Retail Facility Assessment Tool supports analysis of opportunities for new CPUs by utilizing multiple layers and data points to substantiate the request for new locations and identify prospective suppliers within the identified radius. For step-by-step instructions, see the Retail Facility Assessment User Guide on the CPAC Blueshare website.

5.1.2 Letter of Interest

A Letter of Interest can help garner interest from retailers located in a targeted area identified from the Retail Facility Assessment. The requestor can utilize the standard template found on the CPAC Blueshare website and edit the following information before printing it out on official letterhead:

- Preferred area boundaries.
- Contact information.

The Letter of Interest can be distributed via mail, e-mail, or in- person.

5.1.3 Chamber of Commerce

The requestor can ask to attend a chamber meeting to provide an overview of the CPU program and the proposed contract type.

5.1.4 Community Associations

The requestor can ask to attend a community meeting to provide an overview of the CPU program and proposed contract type. Many residential developments have community associations that meet regularly.

5.1.5 Cold Calls

The requestor can make cold calls (i.e., to talk with prospective CPU suppliers who have not had a previous introduction) by “walking the preferred area” and talking to retailers directly to gain their interest. If the store owner/manager is not available, the requestor can leave a business card and ask for an appointment.

For guidance on preparing supplier presentations, see section 5.2.

5.2 Supplier Presentations

Should multiple potential suppliers express interest in the contract, it is best to provide a presentation to ensure that all suppliers are aware of the process and expectations for CPU suppliers.

The benefits of bringing all potential suppliers together in one meeting include the following:

- All attendees hear consistent information and can ask questions.
- All interested parties are in attendance and competition for the contract may be generated.
- A single meeting saves time and travel.

The requestor follows the steps listed below to conduct a successful supplier presentation. For a standard version of the supplier presentation, see the *Request Package Presentation* in the Training Folder on the CPAC Blueshare website.

5.2.1 Supplier Presentation Requirements

Requirements for the supplier presentation include:

- a. Schedule a supplier presentation by contacting all potential supplier(s), allotting an hour and a half to two hours.
- b. Hold the presentation at the local Post Office, as it is recommended.
- c. Discuss the estimated revenue based on the Revenue Forecast Model with the Customer Products and Fulfillment Category Management Center (CPF CMC) buyer, outline the preferred area of interest, and distribute the supplier’s Estimated Cost

Worksheet to all potential suppliers in attendance.

- d. Ensure thorough knowledge of the contract requirements, including all attachments.

5.2.2 Supplier Presentation Agenda

The recommended supplier presentation agenda includes:

- a. Introduce the Postal Service representatives and thank all the potential suppliers for taking the time to attend.
- b. Distribute a copy of the Source List and ask attendees to read through and complete the requested information. The source listing will be included as part of the CPU Request Package.
- c. Advise the attendees of the estimated first-year revenue from the CPU operation as indicated by the CPU Revenue Forecast Model. The Estimated Cost Worksheet outlines the anticipated costs the supplier will incur to operate a CPU (e.g., cost to buy stamps, hiring contractors for the build-out, etc.). Potential suppliers need to consider their operational costs (i.e., costs for staffing, equipment, supply, telephone, and bond premium) as well as potential increased retail sales from the additional customer traffic.
- d. The requestor and the potential suppliers may discuss the payment rate. However, only the CPF CMC buyer or the contracting officer (CO) can negotiate and commit funds for the Postal Service. Remind suppliers that there is no franchise fee. Provide examples of CPU success stories.
- e. Encourage attendees to ask questions.

5.2.3 Supplier Presentation Materials

Use the CPU Request Package as a training tool to explain the CPU solicitation process to the potential CPU supplier(s).

5.2.3.1 Page 1 of the CPU Request Package

The following elements should be mentioned on page 1:

- a. Identify the HAO and provide an e-mail address.
- b. Explain that the HAO has administrative oversight of the day-to-day operations of the CPU.
- c. Indicate that the supplier will receive up to 40 hours of training from the Postal Service. Explain that the training can be conducted off-site, on-site, or a combination of the two.
- d. Discuss that for a competitive contract the evaluation criteria and award factors must be considered.
- e. Explain that an Evaluation Committee will be established and will perform an on-site visit. The evaluation factors used in the evaluation of offers are the following:
 - 1. Location.
 - 2. Current business volume.
 - 3. Physical characteristics (including accessibility to the handicapped).
 - 4. Parking and public transportation.
 - 5. Staffing.
 - 6. Placement of proposed CPU within the retail facility.
 - 7. Past performance.
 - 8. Supplier capability.

- f. Explain that the solicitation will indicate the role of price in the evaluation of the offer.

5.2.3.2 Page 2 of the CPU Request Package: Source List

Explain that the Source List is used as a sign-in sheet at the supplier presentation.

5.2.3.3 Page 3 of the CPU Request Package: Evaluation Committee Members

Explain that the requestor has identified the Evaluation Committee Members. The requestor will enter the names, addresses, e-mail addresses, and telephone numbers of the three committee members before the submission of the CPU Request Package to the CPF CMC.

5.2.3.4 Page 4 of the CPU Request Package: Attachment 1, Requirements

Discuss the following elements on page 4:

- a. Mention that the HAO information is entered by the requestor under Number 1, "Description."
- b. Explain Attachment 5, Design and Construction Requirements.
- c. Explain the general boundary and map for the area being considered.
- d. Indicate the days and hours of service (including that operation hours should exceed Post Office hours).
- e. Recommend the services to be provided (both mandatory and optional).

5.2.3.5 Pages 5 through 7 of the CPU Request Package: Part A – Responsibility Schedule

Explain what the Postal Service's and the supplier's responsibilities are for meeting the design and construction requirements. Explain who is responsible for providing, installing, and maintaining the requirements.

5.2.3.6 Page 8 of the CPU Request Package: Part B – Signage Requirements

Explain the signage that the Postal Service provides. Explain the sizes and weights, and inform the suppliers that they will be responsible for installing and maintaining the signs.

5.2.3.7 Attachment 2 of the Solicitation Package: Contract Postal Unit Supplier Business Proposal, Information, and Worksheet

Attachment 2 is a critical component of the solicitation. Discuss each evaluation factor with the attendees and, if possible, provide an example. Stress that each supplier must include all the requested information. If the supplier does not include the requested information, the offeror may be considered nonresponsive or may receive a lower score on its evaluation.

5.2.3.8 Attachment 3 of the Solicitation Package: Contract Postal Unit Surety Bond

Prospective suppliers must use the bond instructions and form to contact their insurance agent on the cost of getting a Postal Service surety bond. Refer to the Bureau of the Fiscal Service within the U.S. Department of Treasury for an exhaustive list of approved sureties.

Inform the attendees of the bond amount required and that operation of the CPU cannot begin until the bond requirement is met. The bond must cover all stamp stock, accountables, and the value of postage on the meter. A bond waiver will not be approved. In lieu of a bond, the supplier may provide an irrevocable letter of credit (from a bank or credit union) or a deposit of assets (cash).

Note: There is no bond requirement for a Retail System-Software Business Partner (RSS BP) CPU.

5.2.3.9 Attachment 4 of the Solicitation Package: Compensation

Attachment 4 indicates the performance payment percentages the supplier will request based on the sale of postal products and services. For any stamp sold in excess of current First-Class Mail® postage (i.e., semi-postal issues, which are stamps sold to generate funds for charitable endeavors), only the amount valid for postage can be considered toward the performance payment. The intent of the Performance-Based CPU contract is not to allow the CPU supplier to use the CPU as a mailing agency or as a mailing services provider in order to inflate postal revenue. The HAO must ensure compliance by the CPU supplier.

Individual stamp transactions greater than \$1,000.00 are prohibited and such requests must be referred to the HAO by the supplier. CPU suppliers can purchase stamps for their own use and use the CPU to mail their own mail in what is considered to be a reasonable and customary amount. However, the sale of stamps to another retailer or individual whose sole purpose would be the resale of those stamps is prohibited. The CPU supplier cannot use the CPU to function as a mail or letter shop. Bulk mailings are prohibited.

Note: Attachment 4 is only required for Performance-Based contracts.

5.2.3.10 Attachment 5 of the Solicitation Package: CPU Design and Construction Requirements

Emphasize that the CPU supplier is responsible for the cost of the build-out including signage installation. Exterior signage examples are provided and must meet landlord and local city or county codes and ordinances before the CPU can begin operations.

5.3 Restrictions and Special Considerations

When seeking potential suppliers, Postal Service employees must be aware of the restrictions outlined in section 6.1 of Publication 156.

5.3.1 Retail Service Agreements

Per Publication 156, Districts are not allowed to solicit a supplier that has multiple locations without approval from the HQ Program Office.

If a Postal Service employee is contacted by a company that has multiple locations, then the employee must send that contact information to the HQ Program Office. In these scenarios, the HQ Program Office, the CPAC Team, and the local District Postal Service team collaborate on the CPU Solicitation and Contract Award process.

5.3.2 Location of Contract Postal Unit

Per Publication 156, a CPU must not be:

- Located within close proximity of a Postal Retail Facility
- Located in, or directly connected to, a room where intoxicating beverages are sold for consumption on the premises.

These conditions are outlined in the contract.

5.3.3 Contracts with Postal Service Employees

Per Publication 156, CPU contracts may not be awarded to active or retired Postal Service

employees or members of their immediate families. A supplier who completes the Solicitation Package must identify any relations to Postal Service employees. If a potential supplier falls into this category, the requestor must contact Postal Service Ethics Office for further guidance. (Refer to the Postal Service Ethics Office Blueshare site at: <https://blue.usps.gov/uspslaw/ethics/>).

5.3.4 Post Office Box Service

New CPUs are not intended to provide Post Office box service; increased demand for Post Office box service is not a justifiable rationale for the establishment of a new CPU. If there is increased demand for Post Office box service, contact the DM.

5.3.5 Non-Postal Services

Per Publication 156, CPUs cannot offer any other mailing products or services (e.g., FedEx). The potential supplier must identify in the solicitation package any other mailing products or services provided at their establishment. Any request for an exception must be identified in the CPU Request Package, along with rationale and supporting evidence. The DM or appropriate designee will evaluate and determine exceptions on a case-by-case basis and determined by the DM or appropriate designee. The rationale for this exception must be documented by the requestor within the CPU Request Package and supported with appropriate evidence.

5.4 Competition

A contract that is competed is one that is open to multiple potential interested parties. In this context, a CPU contract that is competed is open to multiple prospective suppliers. These suppliers submit individual proposals that are evaluated based on the criteria outlined in the CPU Request Package.

In some cases, the business and competitive objectives of the Postal Service will best be met by awarding a CPU contract using the noncompetitive purchase method. Refer to the requirements set forth in section 7.5.2 of Publication 156.

For procedural guidance, see Management Instruction SP-S2-2024-1, *Noncompetitive Purchases* available on the Postal Service PolicyNet website. To access this guidance:

- a. Go to <http://blue.usps.gov/cpim>.
- b. Click on Management Instructions.
- c. Scroll down and select SP-S2-2024-1, Noncompetitive Purchases.
- d. Fill out the Noncompetitive Purchase Request Attachment.
- e. The approval must be included in the contract file.

6 Preparing the CPU Request Package

After completing the steps above, and producing the required documents, the requestor prepares and includes them in the CPU Request Package. The CPU Request Package is the formal package submitted to the CPAC Team for processing.

6.1 Contract Postal Unit Request Package Checklist

Include the following items in the CPU Request Package:

- Background information.
- Current conditions that support the need.
- Existing expanded access channels.
- Recommendation.
- Noncompetitive business case (if applicable).

For the CPU Request Package Checklist, see the respective contract's request package excel workbook on the CPAC Blueshare website.

6.2 Concerns for Approving Funding

Submit the solicitation funding (budget line 3G) to the CPF CMC. The DM's approval is mandatory on all funding documents relating to CPUs.

6.3 Contract Deviations

The requestor must document any deviations that apply to the prospective suppliers within the CPU Request Package. These deviations are considered by the DM before the approval process.

6.4 Evaluation Committee Member Selection

The Evaluation Committee member's names, addresses, e-mail addresses, and telephone numbers must be included in the CPU Request Package. The requestor must select three committee members who:

- Possess relevant familiarity with the local area of the proposed CPU, and any other contributing factors. All proposal factors are listed in the solicitation package in order of importance.
- Do not possess a known conflict-of-interest.
- Are non-bargaining (EAS) employees.

6.5 Request Package Approval Process

After the necessary documents required to initiate the approval process for a CPU Request Package are completed, the requestor must follow these steps:

Create an eBuyPlus requisition and attach all documents, including the e-mail approvals of the CPU Needs Analysis, Retail Mapping, Wait-Time-in-Line Report, Revenue Forecast Model, and any other evidence. Add the DM, or appropriate designee, to the approval chain of the eBuyPlus requisition.

- a. If the DM or appropriate designee approves the request, the CPF CMC buyer (who is assigned once the eBuyPlus requisition is submitted) will conduct a review of the CPU Request Package for completeness before forwarding it to the CO. The CPF CMC buyer or CO will then issue the CPU Solicitation Package to prospective suppliers. If the Request Package is incomplete, then the CPF CMC returns the package for completion. Some common errors are as follows:

1. **The eBuyPlus requisition is received with no attachments.** The Requester will receive a call or an e-mail from the CPF CMC buyer or CO stating that the eBuyPlus requisition was received with no attachments and to e-mail the rest of the documents to the CPAC Team at email address *cpac.team@usps.gov*. If the CPF CMC cannot match the attachments with the eBuyPlus requisition, this will delay the processing of the request. To avoid this, the requestor must annotate the eBuyPlus requisition number in the e-mail or in the subject line.
2. **The eBuyPlus requisition is received with attachments, but it is still missing**

required documents. The request will be assigned to a purchasing specialist for processing. The requestor will receive an e-mail requesting what is missing and who the missing items should be submitted to.

3. **The e-mail or mailed package is received with request/attachments, but there is no eBuyPlus requisition.** The package will be returned either via e-mail or through regular mail with instructions to send it again with the eBuyPlus requisition according to proper procedures.
4. **Received everything; however, some information is missing or incorrect:** The package will be returned to the Requester for corrections.

For more guidance, see the *eBuyPlus Step-by-Step Instructions* on the CPAC Blueshare website.

6.6 CPU Solicitation Package Requirements

All contracts undergo the same solicitation and award process. However, there are some distinctions for each contract type request package:

- a. Build-out is mandatory for Non-RSS BP Performance-Based.
- b. No mandatory build-out for a Firm-Fixed-Price CPU.
- c. Signage is mandatory and is provided.
- d. A surety bond or, in lieu of a bond, an irrevocable letter of credit (from a bank or credit union) or a deposit of assets (cash) does not apply to RSS BP contracts.

To ensure proper assembly of the CPU Solicitation Package, the requestor and CPF CMC buyer can see the sections 6.6.1 and 6.6.2 for the different contract types and components.

6.6.1 Contract Types

CPU contracts are distinguished by their payment structure. There are two (2) primary types of contracts for CPUs: Performance-Based Percentage Payment, and Firm-Fixed-Price. Of Performance-Based Percentage Payment contracts, there are two sub-types: RSS BP and Non-RSS BP. Each contract type requires certain components of the CPU Contract Award Package. The specific components of these contracts are outlined below.

6.6.1.1 Award of a Temporary (Emergency) Contract

6.6.1.1.1 Request

Temporary (emergency) contracts should be a last resort due to higher associated costs. The basic term of a temporary (emergency) contract is up to 6 months, and no extensions are generally allowed.

Upon review of the CPU Request Package, the CPAC Team may recommend a temporary (emergency) contract. A temporary (emergency) contract may be awarded when unforeseen circumstances require immediate intervention to prevent an interruption in services. For example, if the owner of an existing CPU is deceased, a temporary (emergency) contract may be offered to the inheritor of the business, such as the original owners child.

If the requestor has identified that the need for a CPU is temporary (emergency), this should be identified within the CPU Request Package, along with rationale and supporting evidence.

6.6.1.1.2 Temporary (Emergency) Contract Bond Requirement

Bond can be waived for the first 30 days of a temporary (emergency) contract only. The HAO is responsible for ensuring that the CPU supplier has a bond in place on day 31 of operation. The CPF CMC buyer must annotate the contract file to follow up with the HAO on bond placement. The HAO should notify the CPF CMC buyer when the bond has been received.

6.6.1.1.3 Solicitation for a Permanent Contract Postal Unit

If the HAO is seeking to convert the temporary CPU into a permanent CPU, a separate CPU Request Package for a permanent CPU must be sent to CPF CMC within 30 days after the award of a temporary (emergency) contract. This request package follows the same procedural steps outlined within this document.

6.6.2 Components of a Contract Postal Unit Solicitation Package

Each contract type requires certain components of the CPU Solicitation Package. The requestor must ensure that all required components of a CPU Solicitation Package are completed. Contract-specific requirements are outlined in the following sections.

The full list of components of a CPU Solicitation Package are the following:

- a. Part 1: Contract Postal Unit Schedule.
- b. Part 2: Solicitation Provisions.
- c. Part 3: Contract Clauses.
- d. Part 4: Attachments.
 1. Attachment 1: Requirements.
 2. Attachment 2: Contract Postal Unit Supplier Business Proposal and Information.
 3. Attachment 3: Contract Postal Unit Bond.
 4. Attachment 4: Compensation.
 5. Attachment 5: CPU Design and Construction Requirements.

6.6.2.1 Performance-Based Percentage Payment Contracts

An RSS BP Performance-Based Percentage Payment CPU Solicitation Package contains the following components:

- Part 1: Contract Postal Unit Schedule.
- Part 2: Solicitation Provisions.
- Part 3: Contract Clauses.
- Part 4: Attachments 1, 2, 4, and 5.

Note: Attachment 3 is not required for Performance-Based Percentage Payment contracts. Additionally, surety bonds, an irrevocable letter of credit, and a deposit of assets do not apply to RSS BP contracts.

A Non-RSS BP Performance-Based Percentage Payment CPU Solicitation Package contains the following components:

- Part 1: Contract Postal Unit Schedule.

- Part 2: Solicitation Provisions.
- Part 3 Contract Clauses.
- Part 4: Attachments 1, 2, 3, 4, and 5.

6.6.2.2 Firm-Fixed-Price Contract

A Firm-Fixed-Price CPU Solicitation Package contains the following components:

- Part 1: Contract Postal Unit Schedule.
- Part 2: Solicitation Provisions.
- Part 3: Contract Clauses.
- Part 4: Attachments 1, 2, and 3.

6.7 Solicitation Issuance

Prospective suppliers must return a completed CPU Solicitation Package (e.g., Request for Proposal [RFP]) to be considered further. The contents of the solicitation package vary by anticipated contract type. For more information on the different contract types, refer to section 6.6.2.

- a. The CPF CMC buyer generates the CPU Solicitation Package, which contains all requirements for the CPU.
- b. Copies of the solicitation must be provided to all suppliers on the Source List.
- c. The CPF CMC buyer notifies the following individuals via e-mail that the solicitation has been mailed to the sources that were provided and includes a return date of the solicitation:
 - HAO.
 - District designee.

7 Processing the CPU Request Package

7.1 Evaluation of Competitive Proposals

7.1.1 Evaluation Committee

The Evaluation Committee evaluates supplier business proposals in accordance with supplier-specific factors and proposal-specific factors as determined by the specific need(s) prompting the establishment of the CPU. These factors are included in the RFP.

The Evaluation Committee is comprised of one chair and two additional committee members. Once the three committee members are selected, the members elect the committee chair.

7.1.2 Evaluation Process

- a. The CPF CMC buyer sends the evaluation package to the Evaluation Committee Chairperson. The evaluation package includes the following items:
 1. A copy of each proposal.
 2. A copy of the evaluation and award factors.
 3. A cover letter with instructions on how to evaluate proposals.
 4. An Evaluation Worksheet to be completed for each proposal.
 5. A Conflict of Interest (COI) and Non-Disclosure Agreement (NDA) that must be signed by each Evaluation Committee member. The CO is responsible for

safeguarding against or mitigate any conflicts of interest when non-USPS employees are members of the Evaluation Committee.

6. A Final Rating Worksheet completed by the Committee Chairperson indicating for each proposal whether it was considered acceptable or unacceptable.
- b. The Committee Chairperson distributes the evaluation packages to the committee members during their first meeting and discusses the evaluation process.
- c. Each committee member must complete an independent, individual evaluation for each proposal.
- d. The committee then collectively reviews and discusses the individual evaluations made by each committee member to finalize the committee's final rating.
- e. The Committee Chairperson must document and submit the Final Rating Worksheet to the CPF CMC buyer for each evaluated proposal.

For more information, see the *Evaluation Worksheet* and *Guidelines for Completing the Evaluation Worksheet* on the CPAC Blueshare website.

7.1.3 Evaluation Worksheet

7.1.3.1 Past Performance and Supplier Capability

The Evaluation Committee reviews and assess the following evaluation factors:

- a. **Past Performance:** Prospective suppliers must provide references that will demonstrate a history of satisfactory past performance in the areas of quality, timeliness of performance, business relations, financial stability, and cost control. Past Performance is evaluated on a pass/fail basis. The Evaluation Committee must follow the specific questions on the Evaluation Worksheet, and reviewers are permitted to ask more questions to seek clarification.

The Evaluation Committee surveys the references and provides its findings and recommendation to the CPF CMC buyer, who then determines in concurrence with the CO if the offer will be evaluated further. If either the CPF CMC buyer or CO deems it unacceptable, the proposal will not be considered further.

- b. **Supplier Capability:** Prospective suppliers must provide information to demonstrate financial stability and ability to perform under the contract. The supplier needs to demonstrate the ability to purchase, in advance, the adequate stamps and meter postage to properly serve the postal customer. Financial information to be provided includes financial reports, profit and loss statements, and balance sheets. Supplier Capability is evaluated on a pass/fail basis. Upon an in-depth review of the financials, the CPF CMC buyer provides a recommendation to the CO. The CO determines if the offer will be evaluated further.

7.1.3.2 Other Proposal Factors

Each of the following other proposal factors are listed in the CPU Solicitation Package in order of importance:

- a. Characteristics of the supplier's retail facility:
 1. Location.
 2. Current business volume.
 3. Physical characteristics (including accessibility to the handicapped, which

must be compliant with applicable accessibility standards before service begins).

4. Parking and public transportation.
- b. Characteristics of the proposed CPU within the supplier's retail facility.
- c. Staffing.

Note: If the proposed CPU will be in a location provided by the facility, as in the case of a military installation, college campus, or a CPU that will be housed in the exact location where the previous CPU was located, then factors a. and b. do not apply and will not be evaluated.

The Evaluation Committee must be aware of the maximum points assigned to each of the other proposal factors to rate the proposals accordingly. The CPU Request Package should specify the maximum point assignment or pass/fail status for each of the other proposal factors, as determined by the requestor.

For example, an offeror who provided minimal staffing information would not be disqualified but would receive a low score for this factor.

7.1.3.3 Access for Persons with Disabilities

Handicapped accessibility is not assigned a maximum point value but is evaluated on a pass/fail basis.

Note: If a CPU contract is contemplated with a prospective supplier whose location is not accessible, the CO must document in the contract file the attempts made to find suppliers with accessible locations and the rationale for why the supplier should still be considered (e.g., the building is currently undergoing construction changes to become accessible). These exceptions must be a last resort and must be justified within the CPU Request Package.

7.2 Price Evaluation

The price is evaluated according to factors set by the requestor in the CPU Request Package. The evaluation factors for price can be considered as more important, less important, or equally important.

Under the noncompetitive process, the District may discuss the suggested price of a proposal with the offeror provided District makes it clear that the CPF CMC is the only office that is authorized to commit funds for the Postal Service. The District's discussion is ONLY to ascertain if the supplier is interested.

If the proposed compensation for a contract exceeds the guideline amount of 22 cents per revenue dollar, then an approved deviation is required. If the offer selected for award is higher than the funded amount on the approved funding document, the CPF CMC buyer contacts the HAO for more funding and to discuss other options.

7.3 Final Determination

After reviewing the Evaluation Committee's worksheets and evaluating price proposals, the CPF CMC buyer prepares a Best-Value Determination and submits it to the CO. After the CO reviews the proposals, a notification of Contract Non-Award or Contract Award letter is distributed.

7.3.1 Contract Non-Award

- a. Proposals that do not adequately satisfy the need(s) identified in the CPU Solicitation Package will be deemed unacceptable.

- b. The CO will deny any proposal deemed unacceptable and notify the CPF CMC buyer.
- c. The CPF CMC buyer will forward all unsuccessful offerors a Contract Non-Award letter.
- d. If there are no other prospective suppliers, the requestor must receive guidance from the DM to determine the next steps (e.g., solicit new prospective suppliers, discontinue pursuit of establishing a CPU, or pursue other alternatives).

7.3.2 Contract Award

- a. If the proposal satisfies the needs identified in the CPU Solicitation Package it is deemed acceptable.
- b. The CPF CMC buyer assigns a contract number and awards the contract.

For more information on award notification, see section 8.

8 Contract Award

Before or at the time of award, the CPF CMC buyer must receive the 10-digit Unit Finance Number (UFN) specific to the CPU and the agreed-upon site name for the supplier.

If the Postal Service is awarding an RSS BP CPU, the four-digit site ID is generated by the Contract Postal Unit Technology (CPUT) system. The CPF CMC buyer establishes payment information in the CPUT system. The contract number must be used when communicating with the CPU supplier, HAO, and the CPF CMC buyer.

8.1 Appointment of the Contracting Officer Representative and Assignment of the Host Administrative Office

At time of award, the CO appoints a contracting officer representative (COR) and assigns an HAO. The HAO acts as the local contact for the overall operation of the CPU. The buyer sends copies of the appointment to the supplier. The HAO meets with the CPU supplier to read and discuss the appointment.

The HAO completes the CPU Information and Certification Form and notifies the CPF CMC buyer, via e-mail, of the following information:

- Completion of all site specifications and training.
- Operational start date.
- Four-digit unit site ID (for an AIC reporting unit).
- Finance number.
- Type of business.

After receipt of the CPU Information and Certification Form, the CPF CMC buyer enters the operational start date and the type of business in CPUT.

For more information, see the Sample COR Appointment and HAO Operating Instructions on the CPAC Blueshare website.

8.2 Contract Records

Copies of the contract award, award letter, COR appointment, and the HAO Operating Instructions are distributed by the CPF CMC buyer to the following:

- Supplier.

- HAO.
- District designee.

Additionally, the CPF CMC buyer issues the following items to the supplier:

- Supplier and Payee Electronic Funds Transfer (EFT) Enrollment Form. This form is for direct deposit (EFT) of the supplier's payments for operation of the CPU.
- Instructions to submit drawings to the HAO within 15 days. The HAO approves the drawings or, if necessary, forwards the drawings to the Facilities Department for approval. Once the drawings are approved, the HAO notifies the CPF CMC. The CPF CMC issues the supplier a Notice to Proceed letter with copies to the HAO. See section 9.1 for more information.
- Instructions to work with the HAO and COR to ensure compliance with contract requirements.

The CPF CMC buyer maintains a copy of all existing and future documents related to the Contract Award or Non-Award in an electronic CPU file for the life of the contract. The HAO must also retain the CPU file for 6 years after contract termination. Refer to section 11.3 for a list of required documents that must be filed for auditing purposes.

9 Construction of the Contract Postal Unit Design

9.1 Prototype Drawings and Postal Service Branding

Postal Service—provided prototype drawings are mandatory to maintain a consistent Postal Service image for the CPU. For new constructions, materials and finishes need to comply with Postal Service standards. The Postal Service is responsible for providing all of the signage, cabinetry, and workstation(s) to the supplier to attain the desired result, unless waived by the DM. For more information on finishes and materials aligned to Postal Service branding, refer to *Standard Finishes and Materials Schedule* on the CPAC Blueshare website.

Postal Service prototype drawings and branding are needed for the following reasons:

- To determine whether a one-counter or two-counter design is needed.
- To assess the supplier's space constraints, which can impact design.

The requestor must document a deviation in the CPU Request Package when the supplier makes significant changes from the prototype drawings. This would include using nonstandard counters (any counter other than Postal Service-provided counters), omitting slat walls, changing color schemes, and omitting standard signage. For more information on contract deviations, see section 6.3.

9.2 Review of Attachment 5, CPU Design and Construction Requirements Documents

After receiving a copy of the CPU Contract Award, the HAO reviews the completed CPU D&CR to determine what casework and signage the Postal Service is to provide. The HAO coordinates and schedules a meeting with the CPU supplier, who prepares and submits the required CPU design layout based on the CPU D&CR.

9.3 Postal Service Design Assistance

The supplier is contractually responsible for the design of the CPU. Most facilities can readily adapt a prototype drawing. If needed, the Postal Service can assist the supplier by doing the following:

- a. Recommending the appropriate prototype.
- b. Suggesting locations for the CPU within the store.
- c. Giving an orientation of the CPU(s) at the suggested location(s).
- d. Assuring that the type and location of signage are most effective.
- e. Suggesting a path to collect mail from the CPU.
- f. Evaluating truck access and handicapped parking. If floor, ceiling, or lighting is unacceptable, notify the supplier.

Further clarification on all construction and responsibility issues is provided in *Attachment 5, Contract Postal Unit Design and Construction Requirements*.

9.4 Design Requirements

There are no mandatory supplier requirements for professional design services. The supplier is responsible for the following:

- a. Determining whether a permit is required.
- b. Obtaining all required permits.
- c. Retaining professional services if needed to obtain permits.

9.5 Supplier's Design Submittal

- a. The CPU supplier submits a preliminary design with its proposal. The preliminary layout may be identified as a Case I (Full Compliance) or a Case II (Substantial Compliance) submittal based on the criteria listed in *Attachment 5, Part C*. A Case III (Deviation) submittal will require drawings and specifications. The supplier determines whether professional services are needed.
- b. The HAO, with guidance from the Facilities Department (if needed), will approve the design.
- c. The HAO sends an e-mail to the CPF CMC that the drawings have been approved.
- d. The CPF CMC buyer advises the CPU supplier and the HAO in writing, via a Notice to Proceed letter, that the drawing/plan is accepted and build-out may commence. The CPU supplier is solely responsible for the means and methods and for obtaining permits and/or approvals for all signs. The CPU supplier is also responsible for installing and providing electrical power to the Postal Service illuminated signs.

9.6 On-Site Meeting

Although the means and methods that the supplier intends to use to accomplish the build-out is strictly the CPU supplier's responsibility, it is usually helpful for the Evaluation Committee to walk through the supplier's plan to help identify any potential problems the Postal Service may have observed on other build-outs.

The HAO must complete the following responsibilities:

- Verify the location of the CPU within the store and approves the design.
- Verify that the available space in the store will accommodate the design.
- Verify that the layout, orientation, and space around the CPU are adequate and consistent with the design.
- Review the supplier's proposed construction schedule and coordinates approximate delivery dates and times for Postal Service equipment.
- Discuss the size and weight of the cabinetry delivery items.
- Determine whether a dock-high delivery point is present or, if there is no dock, if a lift-gate truck will be needed.

- Discuss how the supplier intends to conduct the build-out.
- Determine whether entrance/exits dedicated for mail pick-up locations are suitable.
- Review proposed sign types and locations.
- Verify that the supplier has the necessary approvals for exterior signs.
- Remind the supplier that he/she needs to complete the pre-inspection checklist after construction is finished for final inspection.
- Place orders after design approval and the on-site meeting.
- Verify that the supplier has permits and approvals to install signage.
- For an RSS BP, verify LAN line installation.

The HAO ensures that orders are placed for furniture, casework, and CPU signage. Both the district designee and the HAO ensure that orders are placed for all other equipment needs per the CPU activation checklist.

Timely placement of orders and follow-through are critical. The CPU D&CR, Part A – Responsibility Schedule, shows the type and quantity of all items (except signage) to be ordered. Part B — Signage Requirements, shows the type and quantity of all signage to be ordered. Refer to the Part A and Part B samples on the CPAC Blueshare website.

Typically, the order consists of the following:

- Interior signage (e.g., CPU logo, door decals, illuminated window sign, placards).
- Exterior sign.
- Furniture and casework.
- Mail drop slot.
- Sack rack cabinets.

The HAO notes in the eBuyPlus requisition and on the Signage Order Form if the delivery will be at dock height. In some cases, it is necessary to deliver the equipment to the nearest Post Office with the approval of the local postmaster and with the understanding that the CPU supplier's contractor must come to the Post Office to pick up the equipment and deliver it to the site.

9.7 Ordering Furniture and Casework

Refer to Part A — Responsibility Schedule in the CPU D&CR (see Part A of Attachment 5).

The CPU workstation can be constructed into either a left- or a right-hand model. Pre-purchased cabinetry is only for a Performance-Based contract in which a build-out is being completed. The District must assume the cost of the counters, including shipping. During eBuyPlus requisition entry, be sure that you do not route the request to the CPF CMC buyer.

For more information, see the *Ordering Process for CPU Casework* and *CPU Casework Order Form* on the CPAC Blueshare website.

9.8 Ordering Signage

Refer to Part B — Signage Requirements in the CPU D&CR (see Part B of Attachment 5).

The Postal Service has a direct vendor through which all signage orders must be placed. Verify that the supplier has all permits and approvals for installing the signage and that an approved funding document at the District level has been approved before ordering signage. During eBuyPlus requisition entry, the HAO must ensure that the request is not routed to the CPF CMC buyer.

Refer to the order form, *Signage Form-CPU Signs* in the Publication 156 folder on the CPAC Blueshare website.

9.9 Finalizing the Design

The CPU supplier and the HAO must communicate consistently, and the HAO must follow the progress of the construction. The CPU supplier gives notice when the build-out is complete. Upon notice, the HAO performs a final inspection before formally accepting the space.

9.10 Finished Product

The supplier is responsible for attaining the required finished result. The supplier must accomplish the work in compliance with applicable codes. Postal Service employees are not permitted to be involved with the “means or methods” of attaining the finished result. For further guidance, contact the DM.

10 Activation of the Contract Postal Unit

10.1 Contract Postal Unit Activation Checklist

The CPU Activation Checklist provides a guide to logically activate the CPU. The checklist consists of the following phases:

- Post-award phase I (after contract award).
- Post-award phase II (after receipt of bond and concurrent with build-out). This does not apply to an RSS BP contract.
- Post-award phase III (build-out complete).
- Opening day.
- Grand opening.
- Follow-up.

For further guidance on the roles and responsibilities of this portion of the process, see the respective contract’s CPU Activation Checklist on the CPAC Blueshare website.

10.2 Notification

Announce the opening of a new CPU with a letter stating the pertinent information about the CPU. Refer to the respective contract Opening Announcement Letter located on the CPAC Blueshare website for the full distribution list.

10.3 Advertising

Many forms of advertising should be used before the opening of the CPU and continue throughout the life of the contract to ensure customers are informed. This includes grand opening advertising, point-of-purchase signage (POP), and local signage.

10.3.1 Grand Opening Advertising

Grand opening advertising consists of the following:

- a. Name and location of the CPU.
- b. Products and services provided.
- c. Hours of operation.
- d. Phone number.

- e. Contact for more information.
- f. Postcard.
- g. Door sign.
- h. Co-op advertising (supplier and Postal Service may partner on advertising).
- i. Sustaining advertising.

For more information, refer to the *Press Release for CPU Opening* on the CPAC Blueshare website.

10.3.2 POP Signage

POP signage is designed to give the right information at the right place and the right time so customers can make an informed decision as to the products and services that they need. The two types of POP are as follows:

- a. Continuity menu boards, which are continuously displayed and promote core products and services. (The HAO can order continuity menu boards from the Topeka Material Distribution Center [MDC]).
- b. Promotional POP, which is seasonal and provides a specific, solution- oriented product.

Refer to section 9.8 for information on ordering signage.

10.3.3 Local Signage

In some communities, the state's Department of Transportation (DOT) erects signs directing the public to the CPU location. If needed, the HAO may contact the state's DOT to make this request.

10.4 Training

Three types of training are required: COR training, HAO training, and CPU supplier/supplier employee training.

10.4.1 Contracting Officer's Representative Training

The COR for a CPU must have the proper training and certifications required. An active COR must re-take the prescribed COR training at least once every 5 years or more frequently if required by the CO (i.e., due to a substantive revision of the course being released). The COR must provide a record of successful completion to the CO who will verify the training and maintain the record in the contract file.

Training and certifications are available through the training course accessible through HERO at <https://usps.csod.com/ui/lms-learning-details/app/course/9ce39749-3e56-4f34-97fe-d9b5c91e763e>.

10.4.2 Host Administrative Office Training

HAO training explains the HAO's responsibilities and must be completed by all appropriate personnel upon notification of appointment and is fulfilled by visiting the CPAC Blueshare website; go to: [Alternate Access Channels-\(CPAC\) CPU/CPO/VPO - Home \(usps.gov\)](#). Click on the Host Admin Office (HAO) – Support Station on the left and review all documents under that tab. For further training, contact the COR.

10.4.3 Contract Postal Unit Supplier/Supplier Employee Training

Supplier training focuses on customer service, product knowledge, and equipment training.

This includes but is not limited to the following topics:

- HAZMAT and Aviation Security.
- Retail System-Software Business Partner (RSS BP).
- Supply ordering.
- Bank secrecy (if applicable).
- Daily financial reporting (if applicable).
- Registered Mail service.

The Postal Service provides the training schedule to the supplier 15 days before the opening date. CPU supplier/employees must complete up to 40 hours of required training before providing Post Office services. This includes but is not limited to training on reporting systems, forms, and products. If the Postal Service introduces a new product or service, an additional 8 hours of training per year may be necessary. The supplier is responsible for paying employees during training. Training must be documented in the supplier's employee training folder on the CPU training attendance record. This training record must be kept in the HAO file. Refer to the Contract Postal Unit Training Record in the Publication 156 folder on the CPAC Blueshare website at: [Alternate Access Channels-\(CPAC\) CPU/CPO/VPO - Home \(usps.gov\)](#).

10.4.4 Contract Postal Unit Technology System Training

Training is available to Postal Service employees through the CPUT user's manual accessible on the CPUT website at: <https://cput.usps.gov/Cput/Welcome.jsp>. Click on "User Guides" at the top of the screen. The CPUT support number is located in the user's manual.

10.4.5 Finance Training for 1412 Daily Reporting Offices

After contract award and receipt of an acceptable CPU bond, the HAO must provide finance training related to Postal Service accounting policies and procedures and the daily PS Form 1412.

10.4.6 Postage Meter at Contract Postal Unit

The HAO provides an authorization letter to the CPU supplier for access to the Postal Meter Resetting System (PMRS). This authorizes the supplier to use the PMRS. The CPU supplier must provide a signed copy of this letter to the meter manufacturer and retain a copy in the CPU. The guidelines for the CPU supplier are as follows:

- Lease the meter at the supplier's expense from an approved meter supplier.
- Use the meter exclusively for customer mailings.
- Do not use the postage meter for commercial mail services.
- Use the meter for CPU mail in an amount that would be considered reasonable and customary for the type of business that is hosting the CPU.
- Do not allow the combined value of stamp stock and meter postage to exceed the CPU bond limit.
- Do not request a meter setting in excess of \$25,000.
- Verify that all meter readings match the corresponding PS Form 3602-PO, *Postage Collected Through Post Office Meter*.
- Report daily meter revenue on PS Form 3602-PO, and on PS Form 1412, in AIC 110.
- Call the meter manufacturer to add postage.
- Report additional postage added on PS Form 3602-PO.

For more information, see the *Meter Activation Letter and Authorized Postage Evidencing (Postage Meter) Systems Vendors* on the CPAC Blueshare website.

11 Managing the Contract Postal Unit

11.1 CPU Financial Requirements (1412 Daily Reporting Offices)

11.1.1 Host Administrative Office Responsibilities

CPUs are financially accountable for the value of their assigned stamp stock, cash, and money orders. CPUs may maintain \$100 or 10 percent of their stamp credit, whichever is less.

The postmaster, manager, or supervisor of the HAO has the following responsibilities:

- a. Ensure that CPU stamp credit counts are conducted randomly at least once a fiscal year. There is no tolerance for a CPU count.
- b. Maintain a separate file for CPU financial activities.
- c. Ensure that the CPU has a current bond in place and that its accountability (Stamp Stock and available Meter Postage amount) is within the bond amount.

For Postal Quarters 1, 2, 3, and 4 (October 1–September 30), the CPU's stamp stock limit is calculated by dividing the prior FY sales reported in AIC 852 by four, with no items excluded.

Note: 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.

Note: When there are no same-period-last-year (SPLY) sales during a time period to accurately calculate the stamp stock limit, a Postal Retail Unit (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. For more information, see sections 11-3.4.1 and 13.5 of Handbook F-101, *Field Accounting Procedures*.

11.1.2 Verifying PS Form 1412

The daily responsibilities of the HAO, postmaster, or designated employee are to coordinate with the CPU to ensure receipt of a daily PS Form 1412, with supporting documentation for entry into its reporting technology. CPUs cannot combine daily reporting amounts from different days on one PS Form 1412.

If a CPU issues money orders, ensure that employees at the CPU complete the Bank Secrecy Act (BSA) training, have current forms on hand, and complete and mail forms as required.

11.1.3 Financial Operational Requirements

Financial operational tasks include the following:

- a. Implement mail collection schedule.

- b. Inform the CPU supplier of the procedure used to order stamp stock through an authorized Postal Service provider for RSS BP contracts or from a stamp distribution office (SDO) for Firm-Fixed-Price and Performance-Based contracts functioning in the Postal Service accounting system.
- c. Order postal supplies for the CPU, such as bank deposit slips, labels, envelopes, Priority Mail supplies, Express Mail supplies, and Global Mail supplies. (See *Sample CPU Supply Order Form* on the CPAC Blueshare website.)
- d. Set up the bank deposit process. (Not applicable for RSS BP contracts.)
- e. Notify the district finance number control master (FNCM) coordinator to have a unit ID added to the FNCM database and activated.

11.2 Reviews and Examinations

11.2.1 Performance Reviews

When executing performance reviews, the HAO must bring the CPU file, including previous review sheets. Refer to the Annual Performance Review Reference Guide on the CPAC Blueshare website for further guidance.

11.2.2 Financial Examinations

Financial examinations are conducted once a year by the HAO for Firm-Fixed-Price and Performance-Based CPUs. CPUs with an RSS BP unit do not require a financial examination.

There is no tolerance for a CPU. If the audit results in an overage and there is no claim pending at the HAO, then the money goes to the CPU supplier. If the audit results in a shortage, then the CPU supplier pays the shortage on the day of the audit, preferably by check.

11.2.2.1 Count Procedure

The HAO conducting the count of a CPU's stamp accountability must do the following:

- a. Use PS Form 3294, Cash and Stamp Stock Count and Summary. One PS Form 3294 must be completed by the supervisor and one by the contractor.
- b. Obtain the closing balance from AIC 853 on the CPU's last PS Form 1412.
- c. Verify that the CPU's total accountability does not exceed its bonded amount. If it does exceed the bonded amount, the HAO must work with the CPU to ensure its total accountability is within the bonded amount.
- d. If the inventory discloses a discrepancy, recheck the credit.
- e. Write the following on PS Form 3294, in Notes, etc., the HAO performing the count must write 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."
- f. Ensure the supervisor and contractor sign and date both copies of PS Form 3294. Give the contractor a copy of the signed PS Form 3294.
- g. Enter the count into the reporting technology (currently e1412), upon return to the USPS office. This will create the overage or shortage and adjust the accountability to match what was physically counted. Counts with a zero difference must be entered. This step is required to monitor count compliance.
- h. File documents in the contractor's stamp and cash credit file maintained at the HAO.

Note: No tolerance is applied to CPU counts.

11.2.2.2 Overages

The HAO 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.
 4. File a copy of the PS Form 3533 at the HAO as supporting documentation for PS Form 1412.

11.2.2.3 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. Retain a copy as supporting documentation for PS Form 1412 entries.

11.2.3 Post Office Box Reviews

In the event that a CPU does have Post Office boxes, the following procedures must be maintained by the HAO:

- a. Ensure that the CPU supplier is aware of procedures governing Post Office box usage.
- b. Charge the correct fees.
- c. Retain PS Forms 1093, *Application for Post Office Box or Caller Service*, in an alphabetical file.

- d. Follow proper payment notification procedure.
- e. Boxes must be locked out and closed if payment is not made according to established procedure.
- f. The HAO must review the CPU for compliance with the above-listed procedures when the financial audit is conducted.

11.2.4 Service Hours Reviews

If a supplier is in violation of the contract service hours, the HAO office notifies the supplier by issuing a "Letter of Warning," which is a letter citing specific conditions of unsatisfactory performance and stating a period of time allowed for correction. If not corrected, the CPF CMC, at the request of the HAO, will issue a Cure Notice and can terminate the contract.

11.2.5 Contract Postal Unit Revenue Performance

11.2.5.1 Reason for CPU Evaluation

The reasons for performing a CPU evaluation include the following:

- a. Identifying nonproductive CPUs.
- b. Identifying changing market conditions to optimize the network.
- c. Increasing return on investment.

11.2.5.2 Evaluation Justification of Contract Postal Units

To determine which CPUs to evaluate, the HAO must consider the following items:

- a. If the total CPU revenue is less than \$100,000 per year.
- b. If the cost per revenue dollar exceeds the guideline of 12 cents per revenue dollar (unless an approved compensation rate deviation is on file).
- c. If the percentage of stamp sales to meter sales is greater than 80/20. Do not include the following:
 1. CPUs with Post Office boxes.
 2. Public service CPUs.
 3. Seasonal CPUs.
 4. Temporary (emergency) CPUs.

For evaluation methods, see the Management Analysis for CPU Rate Increase Form included in the Rate Increase Package on the CPAC Blueshare website.

11.3 Contract Records Audit Requirements

The CPF CMC buyer retains the CPU files for 6 years after contract termination.

11.3.1 HAO's Administrative File

The following items are included in the HAO's administrative file:

- A copy of the contract.
- Copies of modifications.
- The original surety bond, letter of credit, or record of deposit of assets.
- The HAO Operating Instructions and COR appointment.
- A copy of the property/equipment form signed by the supplier and the HAO.

- A copy of all correspondence to and from the supplier.
- The original reviews, audits, and records of phone calls and other meetings or conversations about contract performance.
- A copy of the supplier's training record.
- Copies of reviews, audits, and records of phone calls and other meetings or conversations about contract performance.

11.3.2 Official Contract File — Customer Products and Fulfillment CMC

The following items are included in the official contract file:

- Original request package.
- Original contract document.
- Original unsuccessful business proposals
- Original modifications.
- A copy of the property/equipment form signed by the supplier and the HAO.
- A copy of the surety bond, letter of credit, or record of deposit of assets.
- A copy of the COR appointment and HAO Operating Instructions.
- A copy of all correspondence relating to the contract (including copies of correspondence sent to the supplier by the HAO).
- Copies of reviews, audits, and records of phone calls and other meetings or conversations about contract performance.

12 Compensating the Contract Postal Unit

12.1 Introduction

If a supplier fails to provide the correct finance number, unit ID or site ID, and supplier information for input into either Contract Postal Unit Technology (CPUT) or Account Payable Excellence (APEX) could result in delays in payment and dissatisfaction from the supplier.

12.1.1 Contract Postal Unit Technology (CPUT)

CPUT access is allowed to the following personnel:

- Purchasing specialists who are tasked with issuing CPU contracts have read-and-update capability in this system.
- Headquarters personnel who are tasked with administering the CPU program have read-and-write capability.
- Area retail personnel who are tasked with monitoring CPU performance have read-only capability.
- District retail personnel who are tasked with monitoring CPU performance have read-only capability.
- HAO representatives who are tasked with monitoring CPU performance have read-only capability.

12.1.2 Logon ID

To obtain access to the CPUT system, complete an application in e-Access.

12.2 CPU Payment

Under the CPU contract, all new CPUs receive payment via electronic funds transfer (EFT). Before the CPU can start operations or receive payment, the CPF CMC must have received the supplier's direct deposit form, and the HAO must have received the CPU bond (if required).

The HAO must have approved the build-out (if required) and accepted the facility for the Postal Service.

The HAO then notifies the CPF CMC verifying that the supplier has completed all training, complied with site-specification requirements, and the site-specification requirements have been received and accepted by the Postal Service. Included in this notification will be the effective start date for the contract and the unit or site ID assigned to the CPU. CPF CMC then enters this information into CPUT. It is critical that the HAO ensures all information is accurate; any inaccuracies may result in inaccurate or delayed payments to the supplier.

12.3 Types of Compensation

12.3.1 Performance-Based CPU Contract

A Performance-Based contract pays the supplier for the revenue generated from the sale of Postal Service products and services. Compensation can be determined by the following:

- a. A percentage of all the revenue.
- b. A split percentage of all the revenue.
- c. A fixed flat monthly fee and a percentage of stipulated revenue.

The rate of compensation should be fair both to the supplier and the Postal Service and should reflect current market conditions and need.

If the CPU provides Post Office box service, the supplier is compensated at the rate of 33 percent for the Post Office box revenue that is generated through the CPU. This rate is non-negotiable. This is only applicable to Non-RSS BP contracts.

12.3.2 Firm-Fixed-Price CPU Contract

A Firm-Fixed-Price contract pays the supplier a fixed amount over the annual term of the contract. This amount of compensation is not dependent on the amount of revenue that is generated by the CPU.

- a. Except for Public Service contracts, the fixed amount is divided by the annual term, and payment is made in equal monthly installments within 30 days after the end of the performance month.
- b. Seasonal and temporary (emergency) contracts are paid, in arrears, only after the months in operation.
- c. Public service contracts are paid once annually, in arrears, after the contract anniversary date or on the contract termination date.

Payment under a Firm-Fixed-Price contract may not exceed \$100 per year.

13 Contract Modification

Under Publication 156, the CO is responsible for authorizing modifications to any term of condition, including

pricing, in existing CPU contracts. To implement changes, the district designee must submit a modification request to the CPAC review mailbox at cpac.team@usps.gov, including the justification and supporting documentation provided by the HAO. The CO reviews requests, and if the CO approves the request, modifications are authorized and implemented, copies of the modified contract are issued via e-mail to the supplier, HAO, and district designee.

The HAO is authorized to handle the following actions independently without requiring approval from the CO for modification:

- a. **Performance Problems (Letter of Warning).** If performance problems are not resolved after the HAO's initial discussion with the supplier, the HAO sends a Letter of Warning. If the problems are not corrected, the HAO requests a Cure Notice from the CO. The CO will issue a Cure Notice giving the supplier a specified time frame to "cure" the problem. The HAO will notify the CO after the specified time frame included in the Cure Notice has passed if the problem has been cured or not. If not, the CO may terminate the contract. Only the CO at the CPF CMC can terminate a contract.
- b. **Change of Hours.** The HAO has the authority to change the hours of the contract by working directly with the supplier and providing written notice. The HAO cannot make any hour changes that affect the price of the contract. The HAO must contact the CPF CMC to negotiate those types of changes.
- c. **Surety Bonds.** The HAO is able to increase or decrease the bond amount, in writing, as needed in order to reflect the supplier's accountability. The HAO can rescind the bond requirement with notification to CPF CMC, which will issue a modification.
- d. **Shortages.** When a CPU supplier has a shortage, that shortage is applied to the HAO's finance number. Therefore, it is imperative that the HAO has the authority to recover lost monies as quickly as possible. The HAO must issue a Letter of Demand to the supplier immediately demanding the money to be paid. If the money is not paid, the HAO must notify the CO to issue a Cure Notice, and if the contract is Performance-Based or Firm-Fixed-Price, the HAO must begin notifying the bond company to retrieve the funds from the bond. Copies of all correspondence must be sent to the CPF CMC for the file.

In all of these cases, the CO must be notified and provided copies of all correspondence.

13.1 Disputes

In the event of a dispute between the supplier and the HAO, contact the CO in the CPF CMC for resolution.

13.2 Transfer of Contract Postal Unit Contracts (Novation Agreement)

Under no circumstances is a CPU supplier allowed to transfer or sell its interest in a CPU contract to a third party without going through the novation process, in which the CPF CMC, in consultation with legal counsel, can recognize and approve a third-party successor in interest. This approval is known as a Novation Agreement.

The policy for processing, approving, and executing a Novation Agreement is provided in USPS Purchasing Policy and Purchasing Procedures and in a Contract Transference document (see the Novations folder on the CPAC Blueshare website).

- a. A CPU supplier who wants to transfer or sell its interest must contact the HAO to start the novation process. The HAO must carefully consider if the CPU is still needed before considering a novation.
- b. The CO, in cooperation with the HAO and the district designee, must determine the capability of the transferee to continue the CPU operation before approving the transfer of ownership.
- c. Novation Agreements must be reviewed by HQ Legal Dept. before being signed by the CPU supplier (transferor), Successor in interest (transferee), and CO at the CPF CMC.
- d. The CPU supplier must provide a document of sale or transfer of assets. If the transfer is not

approved, the original supplier is still liable for performance under the contract. If the original supplier fails to perform sufficiently, the contract will be terminated. See section 14.1 for termination procedures.

13.3 Rate Increase Request Process

When establishing the contract, the HAO must make the CPU supplier aware of the conditions required to justify a rate increase specific to the contract type.

- a. The HAO documents how the CPU impacts the local Post Office and notifies the district designee.
- b. If the DM approves such requests, the HQ Program Office must provide concurrence on the decision.

13.3.1 Contract Postal Unit Supplier

The CPU supplier submits a completed Rate Increase Request to the HAO, per the contract. Supporting documentation must include a justification for direct cost increases or increased benefits to the Postal Service.

When the CPU supplier requests a rate increase, the District retail office will send the CPU supplier a Rate Increase Request Package. The Rate Increase Request Package includes a Rate Increase Request Form and a letter explaining the process to be followed in submitting a request.

Refer to the Rate Increase Request Package on the CPAC Blueshare website.

13.3.2 Host Administrative Office's Review

The HAO does the following to determine if a need for a particular CPU still exists:

- a. Identify if any other lower-cost service alternatives are available to the community.
- b. Determine if this CPU generates sufficient revenue to be considered for conversion to a Performance-Based contract.
- c. Review the request for completeness, proper documentation, and justification.
- d. Complete the Management Analysis for CPU Rate Increase Form.
- e. Complete the retail mapping and a revenue-trend projection along with the HAO's recommendation.
- f. Submit to the DM the supplier's rate increase request, the HAO retail mapping and revenue-trend projection, and the HAO's recommendation.

If the DM recommends a rate increase, the HAO prepares and submits a funding document (eBuyPlus requisition) and a Rate Increase Request Recommendation for the DM's approval (see *Sample Rate Increase Request Recommendation* on the CPAC Blueshare website).

The funding document for a Rate Increase for a Firm-Fixed-Price CPU must reflect the amount of the increase only. If the DM does not recommend a rate increase, the HAO prepares a justification and submits the entire package to the CPF CMC.

13.3.2.1 Rate Increase Recommended

When an agreement on a rate increase is reached, the CPF CMC issues a modification showing the increase in compensation. This modification is distributed to the following recipients:

- a. Supplier.
- b. HAO.

Under the contract terms, the supplier must do the following:

- a. Continue with the modified contract for a minimum of 1 year.
- b. Wait 2 years before requesting another increase.

The effective date of the contract or last increase is the date used to compute the 1- and 2-year periods before termination of the contract or a request for another rate increase.

13.3.2.2 Rate Increase Not Recommended

When an agreement cannot be reached between the Postal Service and the Supplier, or a rate increase is still undergoing negotiations by the CPF CMC, the contract continues at the existing payment rate unless terminated by either party under the Termination on Notice clause.

A rate denial letter must be issued by the CPF CMC. The Rate Increase Package must be submitted to the CPF CMC with the proper box checked for “not approved.”

Disapproval of the request for a rate increase does not preclude the supplier from making more requests later if it is at least 2 years after the previous approved rate increase.

13.3.3 Timeline for Request

The CPF CMC reviews all rate increase requests. The supplier will be notified of approval, disapproval, or counteroffer. If approved, the contract must be updated to reflect these changes. The entire process — from when the supplier makes the initial request to when the CPF CMC completes its review and processing — must be completed within 30 business days.

14 Termination and Closure

14.1 Termination Procedures

See the field step processes for terminations in the applicable folder on the CPAC Blueshare website at: [Alternate Access Channels-\(CPAC\) CPU/CPO/VPO – Home \(usps.gov\)](#).

14.1.1 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 (so that the SFS can 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 that the CPU returns all accountable paper, accountable items, and equipment to the HAO.

14.1.2 Verifying the Contract Postal Unit's Accountability

Before conducting the stamp stock 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 Accounting Data Mart (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, contact the vendor before the count 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.

After conducting the count and recording any final adjustments, the HAO ensures that 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).

14.1.3 Returning Accountable Papers

If the CPU issues postal money orders, the CPU must perform a verification of all blank money orders before returning money orders to the HAO. The Postal Service official performing the verification signs PS Form 17, *Stamp Requisition/Stamp Return*, as a witness and retains a copy at the HAO.

After destroying blank money orders and conducting the final count of the CPU's stamp stock, the HAO supervisor must do the following:

- a. Coordinate the return of any remaining stamp stock with the HAO.
- b. Record 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. Enter the CPU's final PS Form 1412.
- d. After waiting 3 business days from transmitting the CPU's last PS Form 1412, certify that the CPU's closing stamp accountability balance (AIC 853) is "zero." To obtain this information, access the following report in ADM: (Accounting>Shared Reports>SAFR>Stock Ledger Reports>Stock Ledger Balances — "Stock on Hand" column.)
- e. Complete and submit the FNCM Status Change Request to deactivate the CPU unit.
- f. After the SFS receives the last stock shipped out of the CPU, contact the SFS to deactivate the CPU.

14.1.4 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 *Mailing Standards of the United States Postal Service, Domestic Mail Manual*.

The CPU returns the following to the HAO:

- a. Electronic weighing scale (if provided by the 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 any Postal Service-owned equipment as follows:

For this item...	The HAO must ...
Postage meter	Contact the vendor to coordinate the closing of the postage meter and refund of any available postage to the USPS account.
Credit card equipment	Contact the Retail and Delivery Equipment Integrator (RDEI) or: Go to the Payment Technologies page on the Corporate Treasury website; select <i>Additional Resources</i> ; and select the item that mentions “payment device return notification and authorization form.”
Paymaster money order imprinter	Contact the MDC.
Bank deposit tickets	Destroy and properly dispose.
Round date stamp	Destroy and properly dispose. If the CPU’s round date stamp is missing, notify the OIG immediately.

14.1.5 CPU Close-Out

- a. Because an RSS BP CPU has no accountability, Handbook F-101 is not applicable. Instead, the RSS BP unit is shut down by the HAO and all Postal Service-owned equipment is returned.
 1. Contact RSSHardware@usps.gov to order boxes and labels for the proper return of equipment.
- b. All equipment, furniture, and signage provided by the USPS must be removed and returned to the HAO:
 1. For a Firm-Fixed-Price CPU see Attachment 1 — Requirements.
 2. For a Performance-Based CPU see Part A — Responsibility Schedule and Part B — Signage Requirements.
- c. The district designee must announce the termination to various offices.

See the CPAC Blueshare website at [Alternate Access Channels-\(CPAC\) CPU/CPO/VPO - Home \(usps.gov\)](#) for the following items:

- CPU Quality Performance Review Instructions.

- Contract Postal Unit Quality Performance Review.
- CPU Quality Performance Review Certification.
- Rate Increase Request Package.
- Sample Rate Increase Request Recommendation.
- Sample eBuyPlus requisition — Performance-Based Rate Increase.
- Sample eBuyPlus requisition — RSS BP Performance-Based Rate Increase.
- Contract Transference Document.
- Closing a Contract Postal Unit.
- RSS BP CPU Shut Down Instructions.
- CPU Closing Announcement Letter.

15 Community Post Offices

15.1 Introduction

A Community Post Office (CPO) usually provides Post Office box service and may also offer general delivery and left-notice article services. A CPO is authorized by the award of either a Firm-Fixed-Price or Performance-Based (usually Non-RSS BP) contract.

15.2 Activation of a Community Post Office

Once the CPO contract has been awarded, the HAO must meet with the supplier to establish a partnership, answer any questions, and conduct the initial training as defined in the contract. The HAO will obtain and forward to the CPO supplier all of the required Postal Service-supplied property, equipment, and supplies necessary to operate the CPO.

15.3 Management of a Community Post Office

The HAO representative is responsible for supporting the CPO supplier with information updates, ongoing training on Postal Service procedures, financial auditing, bond verification, aviation security, HAZMAT, and any other support activities that would normally be provided by a HAO to a contract unit.

15.4 Request for Rate Increase

Any requests for a rate increase must follow the procedures outlined in section 13.3.

15.5 Transfer of a Community Post Office Contract (Novation Agreement)

In the event of the sale of a business that is operated in conjunction with the CPO, follow the procedures outlined in section 13.2.

15.6 Termination of a Community Post Office Contract

Before terminating a CPO, the HAO and District Marketing Manager (or designee) must complete, sign, and date the *Guidelines for Closing a CPO Questionnaire*. The HQ Program Manager must then approve the questionnaire (see *Guidelines for Closing a CPO* on the CPAC Blueshare website).

The CO provides final review of the termination, and if the CO approves the termination, and if deemed necessary, the CO will address the possibility of any political ramifications, community issues, etc. with closing the CPO. Refer to the *Guidelines for Closing a CPO Questionnaire* for more information.

See the field step processes for CPO terminations can be found in the applicable folder on the CPAC Blueshare website at: [Alternate Access Channels-\(CPAC\) CPU/CPO/VPO - Home \(usps.gov\)](#).

15.7 Reporting Requirements for Community Post Office Discontinuance

Refer to section 123.6 in *Postal Operations Manual* on the Postal Service PolicyNet website at: <http://blue.usps.gov/cpim>. Additionally, see the CPAC Blueshare website for the *Guidelines for Closing a CPO Questionnaire*.

16 Definitions

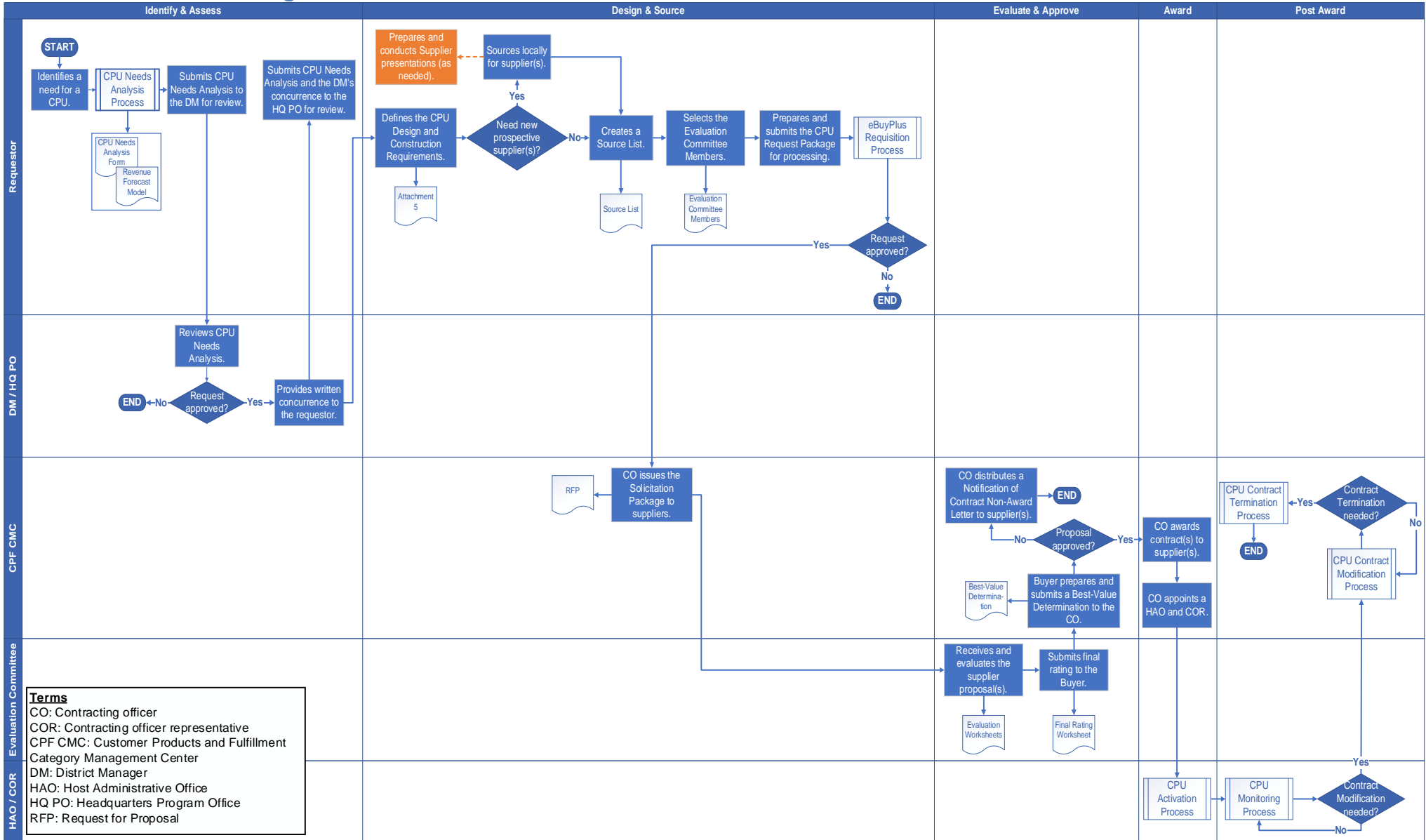
Term	Definition
Approved Shipper	A licensed agreement with a supplier and USPS™ to accept packages for shipping.
Community Post Office	A Community Post Office™ (CPO) is a contract unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A CPO is usually located in a small, rural community and provides a full line of Postal Service products and services to local Postal Service customers. A CPO usually bears its community's name and ZIP Code as part of a recognized mailing address.
Contract Postal Unit (CPU)	A CPU is a supplier-owned or supplier-leased facility operated by the supplier, under contract to the Postal Service, to provide postal services to the public at Postal Service prices.
Contract Postal Unit Technology (CPUT)	CPUT is a web-based application that contains the system that calculates the supplier payment each month. This system is used to manage, monitor, and report on the performance and compensation of Contract Postal Units and other retail partners. The payment reflects the applicable payment agreed upon in the supplier's CPU contract.
CPU Needs Analysis	An assessment of the condition(s) prompting the need for a CPU. The CPU Needs Analysis includes all relevant evidence supporting the recommendation to establish a CPU (e.g., Retail Mapping, Demographic and Income Profile, Wait-Time-In-Line Report).
Cure Notice	A written notice sent to the supplier specifying a designated time frame to "cure" specified conditions of unsatisfactory performance outlined in a previously administered Letter of Warning.
Demographic & Income Profile	A generated report on an area within a specified radius that lists various data points such as population size and income trends.
Design & Construction Requirements (D & CR) (Attachment 5)	The CPU D&CR Attachment 5 contains the following three parts: Part A, Responsibility Schedule, Part B, Signage Requirements, and Part C, Build-Out Requirements. Attachment 5, often referred to as the D&CR, is completed by the requestor and is used to inform the prospective supplier(s) of the design and construction requirements.
Double Build-Out	A CPU that includes two service counters.
Estimated Cost Worksheet	A worksheet completed by the requestor identifying the anticipated start-up, monthly, annual, and first-year costs to the supplier to establish and maintain the CPU. These costs include items such as office supplies, utilities, wages, and insurance.
Expanded Access Channels	Expanded access channels are alternate access provided to the community to meet their postal needs. Market research is required first to ensure which alternate access channel is needed to fulfill the exact needs of the community. A CPU is included as an alternate access channel. Other expanded access channels include Village Post Office™ (VPO), Approved Shipper, Stamps To Go® (STG).
Final Rating Worksheet	The completed evaluation worksheet with the final ratings for each section of the evaluation.
Letter of Demand	A letter sent to the supplier after an audit has been conducted and the result of the audit has indicated a monetary discrepancy. The letter outlines the

	amount owed from the supplier to the Postal Service and the deadline for the supplier to pay the specified amount.
Letter of Warning	A written notice sent to the supplier citing specific conditions of unsatisfactory performance.
Notice to Proceed	Documentation alerting the supplier that their build-out plan has been approved by the Postal Service and they may proceed with implementing actions to achieve the approved construction design.
Novation Agreement	Process in which the CPF CMC, in consultation with legal counsel, can recognize and approve a third-party successor in interest.
Point-of-Purchase Signage	Signage that communicates product and service information and promotional messages to customers.
Public Service Contract (Firm-Fixed-Rate)	A public service, Firm-Fixed-Price contract is based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for a community convenience or business reasons.
Retail Facility Assessment Tool	A web application that utilizes multiple layers and data points to substantiate requests for new CPU locations.
Retail Mapping	An assessment that helps to ensure that CPUs are located in the most needed and convenient sites to provide retail customers access to postal services. Retail Mapping is done using the Retail Facility Assessment Tool.
Retail System-Software Business Partner	The Postal Service provides a Retail System Software-Business Partner (RSS BP) mailing system to the CPU for weighing, metering, and calculating postage on mail-pieces.
Requestor	The individual(s) requesting the establishing of a CPU. The requestor is typically the HAO.
Request Package	The collection of forms and documentation used to demonstrate the need for a CPU. This includes the needs analysis, supporting evidence, and contact information for the requestor and anticipated HAO.
Revenue Forecast Model	A calculated prediction of the potential revenue that a CPU in the proposed location can generate.
Seasonal Contract	A seasonal contract is used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during winter months in a warm weather area).
Single Build-Out	A CPU that includes one service counter.
Solicitation Package	Based on the need(s) demonstrated in the request package, the solicitation package includes the forms and processes prospective suppliers must complete and submit to be considered to become a CPU. The contents of the package vary by specific contract type.
Source List	A list of prospective CPU suppliers.
Stamps To Go	A licensed agreement with USPS through American Bank Note (ABN) and the supplier to sell stamps at the supplier's retail establishments.
Temporary (Emergency) Contract	A limited term contract typically awarded when a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community.
Village Post Office	A supplier-owned or leased facility, similar to a CPU, but offering fewer services (i.e., stamp sales, pre-paid packaging, and possibly PO Boxes).
Wait-Time-In-Line Report	The report that helps determine if there is a need to provide relief to Postal

	Service facilities with excessive waiting times.
--	--

17 Appendix

Contract Postal Unit Agreement Process Overview



Legend



Contract Postal Unit Agreement Procedure

Procedure

Publication 156-A

Issued

[XX/XX/2024]

Revisions

The procedures in this document supersede the January 2014 version of Publication 156.

Content

Procedural guidance for the requirements in Publication 156, *Contract Postal Unit (CPU) Agreement Policy*.

Policy Owner

Vice President, Retail and Post Office Operations

Availability

Copies are available for Postal Service employees for internal use only on the Postal Service PolicyNet website at <http://blue.usps.gov>.

Address questions about this process to the policy owner.

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1 Purpose

The procedures in this document support the requirements in the Publication 156, *Contract Postal Unit (CPU) Agreement Policy*. The execution of these procedures ensures fair and reasonable consideration of prospective suppliers. This document formalizes all procedures on the opening, managing, and terminating of all CPU contracts. Implementation of these actions enables the Postal Service to ensure CPUs are operating by service and quality standards.

2 Scope

The following procedures apply to the full life cycle of contracting a CPU, including justification, contract award, operations, and contract termination. All appointed, designated, and supporting Postal Service staff must comply with these procedures. For an overview of the CPU Agreement Process flow, please refer to the Appendix.

2.3 Determining and Verifying a Need for a Contract Postal Unit

3.1 Demonstrating Need

To prompt the need for a CPU, the requestor, typically the host administrative office (HAO), identifies contract may be requested when the presence of one or more of the following conditions listed in Publication 156 are present:

If a condition is present, the requestor must complete and submit a CPU request, including the CPU Needs Analysis Form and Revenue Forecast Model for approval. After determining that a contract postal Unit (CPU) will satisfy the need for expanded access, the CPU coordinator documents this fact. The procedures described in this chapter are steps for the CPU coordinator to use to build a case for the establishment of a CPU.

3.2 Contract Postal Unit Needs Analysis Form

To complete the CPU Needs Analysis Form, the requestor must include the following Provide information on the following criteria to document the need for a CPU:

- a. a.—Demographic and geographic characteristics of the proposed area.
- b. b.—Projected growth within the proposed area.
- c. c.—Date and results of last window operation survey.
- d. d.—Review of retail operations.
- e. e.—Consumer feedback.
- f. f.—Competition: actual and projected.
- g. g.—Increased benefit to the Postal Service relating to service and cost- effectiveness if a CPU was established.
- h. h.—Impact on existing nearby classified offices including transportation and collection route.
- i. i.—Proposed days and hours of operation (operation hours should exceed Post Office hours).

The requestor may also submit any additional documentation to justify the need as necessary. Examples of additional documentation include:

- Three other tools for assessing needs are rRetail mMapping
- Demographic and Income Profile

- [the revenue forecast model and the Wait-Time-In-Line Report.](#)

Further instructions on the above forms are in [section 3.2.1](#). The CPAC Blueshare website contains blank forms and samples for reference at: [Alternate Access Channels-\(CPAC\) CPU/CPO/VPO - Home \(usps.gov\)](#).

3.2.1 Retail Mapping and Electronic Facilities Assessment Tool Management System (eFMS)

The Retail Facility Assessment Tool supports analysis and identifies opportunities for new alternate access facilities through a web-based application. The requestor must use the Retail Facility Assessment Tool to complete Retail Mapping, Demographic and Income Profile, and Wait-Time-In-Line Report.

For more instructions, see the USPS Retail Facility Assessment User Guide on the CPAC Blueshare website.

~~1 Contract Postal Unit Overview~~

~~1-1 Introduction~~

~~Contract postal units (CPUs) have been a historic part of the provision of postal services in the United States. Publication 156, *Guide to Contract Postal Units for Postal Service Employees*, provides a reference guide for the Postal Service's™ CPU program. Publication 156 is intended to assist each member of the team responsible for implementing and managing a CPU. Publication 156 addresses the following topics:~~

- ~~a. CPU opening.~~
- ~~b. Management of a CPU.~~
- ~~c. Justification for a CPU.~~
- ~~d. Package request.~~
- ~~e. Solicitation.~~
- ~~f. Contract award.~~
- ~~g. Construction.~~
- ~~h. Training, management, and evaluation of CPU suppliers.~~

~~Execution of the CPU program requires a funding commitment from the District Manager or other authorizing office. Frequent updates to Publication 156 make it impractical to keep it up to date in hard copy. Publication 156 is available on the Postal Service PolicyNet website; go to <http://blue.usps.gov/cpim> and click on *Pubs*.~~

~~**Note:** Publication 156 does not establish legal rights of CPU suppliers. The legal rights of CPU suppliers and those wishing to become CPU suppliers are provided within the terms of contracts and solicitations for contracts with the Postal Service.~~

~~1-2 Definitions~~

~~1-2.1~~ **Contract Postal Unit**

~~A CPU is a supplier-owned or supplier-leased facility operated by the supplier, under contract to the Postal Service, to provide postal services to the public at Postal Service prices. The contract for a CPU must be competed, except when a noncompetitive justification is submitted and approved pursuant to Management Instruction (MI) SP-S2-2011-1,~~

~~Noncompetitive Purchases, available on the Postal Service PolicyNet website; go to <http://blue.usps.gov/cpim> and click on MIs.~~

~~1-2.2~~ **Community Post Office**

~~A Community Post Office™ (CPO) is a contract unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A CPO usually bears its community's name and ZIP™ Code. A CPO contract must be competed unless a noncompetitive justification is submitted and approved pursuant to MI SP-S2-2011-1 available on the Postal Service PolicyNet website; go to <http://blue.usps.gov/cpim> and click on MIs.~~

~~Chapter [12](#) provides additional information on CPOs.~~

~~1-2.3~~ **Public Service Contract**

~~A public service, Firm-Fixed-Price contract is based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for a community convenience or business reasons. ~~Payment under a Firm-Fixed-Price contract may not exceed \$100 per year.~~ Public service CPUs may be considered only when the CPU would serve the best interests of both the customer and the Postal Service. A public service contract does not have to be competed and a noncompetitive justification is not required.~~

~~1-2.4~~ **Seasonal Contract**

~~A seasonal contract is used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during winter months in a warm weather area). A seasonal contract must be competed unless a noncompetitive justification is submitted and approved pursuant to MI SP-S2-2011-1 available on the Postal Service PolicyNet website; go to <http://blue.usps.gov/cpim> and click on MIs.~~

~~1-2.5~~ **Temporary (Emergency) Contract**

~~When a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community, the Host Administrative Office (HAO) may request that a temporary (emergency) contract be awarded. The contract time period may not exceed 6 months.~~

~~1-2.6~~ **Contract Access Retail System**

~~The Postal Service provides a Contract Access Retail System (CARS) mailing system to the CPU for weighing, metering, and calculating postage on mail pieces. Only CPUs under a Performance-Based percentage payment contract that do not have Post Office boxes or sell postal money orders qualify for a CARS mailing system.~~

~~1-2.7 Expanded Access Channels~~

~~Other expanded access channels are the following:~~

- ~~a. Village Post Office™ (VPO) — A supplier-owned or leased facility, similar to a CPU, but offering fewer services (i.e., stamp sales, pre-paid packaging, and possibly PO Boxes).~~
- ~~b. Approved Shipper — A licensed agreement with a supplier and USPS™ to accept packages for shipping.~~
- ~~c. Stamps To Go® (STG) — A licensed agreement with USPS through American Bank Note (ABN) and the supplier to sell stamps at the supplier's retail establishments.~~

~~Expanded access channels are alternate access provided to the community to meet their postal needs. Market research is required first to ensure which alternate access channel is needed to fulfill the exact needs of the community. A CPU is included as an alternate access channel.~~

1-3 Offices and Personnel

~~1-3.1 Customer Products and Fulfillment Category Management Center~~

~~The contracting officer (CO) for all CPUs is located at the Customer Products and Fulfillment CMC (Denver CMC) in Aurora, Colorado.~~

~~1-3.2 St. Louis Accounting Service Center~~

~~The St. Louis Accounting Service Center is responsible for payment of all CPU contracts.~~

~~1-3.3 Contract Postal Unit Team~~

~~The CPU team is comprised of the following individuals:~~

- ~~a. CPU coordinator (usually a retail specialist).~~
- ~~b. CO and/or buyer at the Denver CMC.~~
- ~~c. HAO.~~
- ~~d. Contracting officer representative (COR).~~

~~Each member of the CPU team has a role to play. Team members must work together to ensure that the CPU is established correctly and opens on time.~~

3-5.3 Estimating Revenue Forecast Model

The requestor must complete a CPU Revenue Forecast Model to estimate revenue for the proposed CPU. This model is used to forecast revenue for a new CPU location and identify the funding commitment.

To complete the Revenue Forecast Model, the requestor must enter information ~~he model~~ analyses input on the proposed CPU location and the nearby Post Office into the model. When the requestor enters the information, the model ~~and~~ calculates the potential revenue. The model ~~potential revenue is displayed~~ the potential revenue as conservative, moderate, and optimistic. The requestor must Always use the conservative estimate for funding purposes.

For specific instructions and a blank model, see the ~~(See a sample Revenue Forecast Model excel workbook in the Publication 156 folder on the CPAC b~~ Blueshare website at: Alternate Access

[Channels-\(CPAC\) CPU/CPO/VPO - Home \(usps.gov\)-http://supply.blueshare.usps.gov/sites/cpac/default.aspx.](http://supply.blueshare.usps.gov/sites/cpac/default.aspx)

Retail mapping displays all classified facilities and existing expanded retail access by ZIP Code. Demographic projections for 5 years display information on the proposed area's demographics (i.e., population and income). (See Sample Retail Mapping and Sample Demographic and Income Profile in the Publication 156 folder on the CPAC Blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

3.4 Approval Process

After the necessary documents required to initiate the approval process for a CPU Needs Analysis are completed, the requestor must follow the steps below:

- a. The requestor formally submits the CPU Needs Analysis, and any other supporting documentation, to the District Manager (DM) for approval.
- b. The DM reviews the CPU Needs Analysis and either approves or denies it.
- c. If approved, the DM provides written concurrence to the requestor.
- d. The requestor then submits the written concurrence along with the DM's decision to the Headquarters (HQ) Program Office for final review.
- e. The HQ Program Office reviews both the CPU Needs Analysis and the DM's decision, and if the HQ Program Office concurs, it will provide final written concurrence to the requestor. If denied by either the DM or the HQ Program Office, the CPU Needs Analysis will not be considered further.
- f. The requestor completes a CPU Design and Construction Requirements (D&CR) document and Source List upon receiving written concurrence from the HQ Program Office. For more information on the CPU D&CR document, see section 4; for the Source List, see section 5.

4 Design and Construction Requirements for a Contract Postal Unit

4.1-2 Purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements

The purposes of Attachment 5, *Contract Postal Unit Design and Construction Requirements (D&CR)*, which is a component of the CPU Request Package, serves the following purposes solicitation/award package, are as follows:

- a. Ensures that the finished CPU build-out is functional and presents a uniform image to the public.
- b. Defines the equipment and supplies needed for the build-out.
- c. Establishes responsibilities.
- d. Ensures that the build-out is included in the solicitation.

The requestor is responsible for completing the Attachment 5, which will also be attached to the Solicitation Package to ensure that all design and construction requirements are accurately communicated to potential supplier(s). For blank templates and samples of Attachment 5, see the CPAC Blueshare website.

4-3.2 Parts of Attachment 5, Contract Postal Unit Design and Construction Requirements

4-3.1.2.1 Overview

The D&CR Attachment 5 contains the following three parts:

- a. — Part A, Responsibility Schedule.
- b. — Part B, Signage Requirements.
- c. — Part C, Build-Out Requirements.

4-3.2.2 Part A — Responsibility Schedule

The important aspects of Part A are the following:

a. — Part A is always a mandatory part of the D&CR Attachment 5. The schedule serves the following purposes:

- d. — The schedule identifies responsibilities and establishes quantities of equipment, furniture, and signage.
- b. — Establishes quantities of equipment, including office equipment, furniture and casework, interior and exterior.
 - e. — signage, connectivity requirements, and miscellaneous items. (See Part A — Responsibility Schedule — GARS CPU and Part A — Responsibility Schedule — Performance-Based CPU in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>).
 - h. — This schedule is used as an inventory sheet for all CPU supplies and equipment.

The requestor completes Part A by completing the following the steps:

- a. Review the notes section in the Responsibility Schedule.
 1. f. — Understand that the schedule is not an order form.
 2. g. — Understand that the items are not ordered until a contract is awarded, and a CPU design is approved.
- b. e. — The schedule requires that a quantity be indicated the quantity for each item. If an item is not required, mark the box "N/A." Responsibilities usually are not required to be filled out as they are typically remain the same from CPU to CPU.

For information Chapter 8 addresses on ordering, see section 9. Review notes in the Responsibility Schedule. The Responsibility Schedule is included in the solicitation.

4-3.3.2.3 Part B — Signage Requirements

The important aspects of Part B are the following:

a. — Part B is a mandatory part of Attachment 5, unless a deviation to omit it has been approved by Retail Partner Integration at Headquarters.

b. — CPU signage is critical to maintaining a uniform Postal Service CPU image. The signage requirements sheet lists all available CPU signs provided by.

e. — Normally, the Postal Service provides signs and the supplier for installations and maintenance by the supplier.

f. — The supplier is responsible for obtaining getting building permits and approvals.

e. — Part B lists the following:

- (1) — Postal Service sign type (interior or exterior, illuminated or not).
- (2) — Sign size.

- (3) — Order number.
- (4) — Quantity.
- (5) — Lamps.
- (6) — Shipping weight and shipping size.

The requestor completes Part B by following the steps:

h. — C completing only the “quantity” column as follows:

- a. i. — Understand that the signage requirements sheet is not an order form.
- b. j. — Do not order. Understand that the signage is not ordered until a contract is awarded, and approvals are obtained. (See Signage Order Form — General Information in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)
- c. k. — This schedule is used as an inventory sheet for all CPU signage.

For more information on the available CPU signs, see the CPAC Blueshare website at: Alternate Access Channels-(CPAC) CPU/CPO/VPO - Home (usps.gov). For information Chapter 8 addressing ordering signage, see section 9.8. The signage requirements sheet is included in the solicitation.

4.2-3.4 Part C — Build-Out Requirements

The important aspects of Part C are the following:

a. — Part C is mandatory unless it has been waived by the DM. a deviation to omit it has been approved by Retail Partner Integration at Headquarters.

b. — The supplier is always responsible for design and build-out. However,

c. — Design and construction must comply with Postal Service requirements.-

The requestor completes Part C by referencing the standard instructions listed below, located on the CPAC Blueshare website to determine the type of build-out needed for the CPU:

- ~~CPU Design and Construction Requirements, Attachment 5, Part C – CPU Build-out Requirements.~~
- ~~(See CPU Workstation Options, and CPU Design and Construction Requirements, Attachment 5, Part C – CPU Build-out Requirements, in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

The reasons for imposing design responsibility on the supplier are as follows:

- a. — CPUs are constructed in the supplier’s space.
- b. — Space is occupied by non-Postal Service employees.

c. — Many other high-liability issues can arise (e.g., safety, security, and damages).

▪

For information on prototype drawings and Postal Service branding, see section 9.

5 Identifying Prospective Contract Postal Unit Suppliers

After Attachment 5 is complete, the Requestor must then identify and source prospective suppliers. To do so, the Requestor must compile a Source List using one or more of the recommended methods listed in section 5.1.

For a blank *Source List*, go to the CPAC Blueshare website.

5-2.1 Local Sourcing Methods

5.1.1 Retail Facility Assessment Tool

The Retail Facility Assessment Tool supports analysis of opportunities for new CPUs by utilizing multiple layers and data points to substantiate the request for new locations and identify prospective suppliers within the identified radius. For step-by-step instructions, see the Retail Facility Assessment User Guide on the CPAC Blueshare website.

5-2.1.1.2 Letter of Interest

~~A Letter of Interest can help garner interest from retailers located in a targeted area identified from the Retail Facility Assessment. The requestor can utilize the standard template found letter explains to the retailer the criteria necessary to become a prospective CPU supplier (See Letter of Interest: A Post Office in Your Store in the Publication 156 folder on the CPAC Blueshare website and edit the following information before printing it out on official letterhead at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

- Preferred area boundaries.
- Contact information.
-

The Letter of Interest can be distributed via mail, e-mail, or in-person.

5-2.1.1.3 Chamber of Commerce

~~The requestor can Host Administrative Office (HAO) (who is sometimes a Postmaster) or the CPU coordinator could ask to attend a chamber meeting to give provide an overview of the CPU program and the proposed a Performance-Based contract type.~~

5-2.1.1.4 Community Associations

~~The requestor can Many residential developments have community associations that meet regularly. If the community is in an area of high growth, the local Postmaster probably has received requests from the community for a Postal Service presence. The HAO or the CPU coordinator could ask to attend a community meeting to provide an overview of the CPU program and proposed a Performance-Based contract type. Many residential developments have community associations that meet regularly.~~

5-2.1.1.5 Cold Calls

~~The requestor can If the efforts noted in 5-2.1 to 5-2.5 fail to generate interest, it might be necessary to make cold calls (i.e., to talk with prospective CPU suppliers who have not had a previous introduction). This is done by “walking the preferred area” and talking to retailers directly to gain their interest. If the store owner/manager is not available, the requestor can leave a business card and ask for an appointment.~~

For guidance on preparing supplier presentations, see section 5.2 Use the Source List, to record information from these calls. (See Source List in the Publication 156 folder on the CPAC blueshare at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

5.2 Supplier Presentations

Should multiple potential suppliers express interest in the contract, it is best to provide a presentation to ensure that all suppliers are aware of the process and expectations for CPU suppliers.

The benefits of bringing all potential suppliers together in one meeting are the following include the following:

- a. —All attendees hear consistent information and have the opportunity to can ask questions.
- b. —All interested parties are in attendance and competition for the contract may be generated.
- c. —A single meeting saves time and travel.

The requestor follows the steps listed below to conduct a successful supplier presentation. For a standard version of the supplier presentation, see the *Request Package Presentation* in the Training Folder on the CPAC Blueshare website.

5-45.2.1 Requirements for Supplier Presentation Requirements

Requirements for the supplier presentation include:

- a. The HAO contacts the CPU coordinator after responses have been received to sSchedule a supplier presentation by contacting all potential supplier(s), allotting an hour and a half to two hours.
- b. It is recommended that Hold the presentation be held at the local Post Office, as it is recommended.
- c. Discuss the estimated revenue based on the Revenue Forecast Model with the Customer Products and Fulfillment Category Management Center (CPF CMC) buyer, outline the preferred area of interest, and distribute the supplier's Estimated Cost Worksheet to all potential suppliers in attendance.
- d. Ensure thorough knowledge of the contract requirements, including all attachments. Postal Service attendees must include the HAO representative.

5-7.1.2.2 Introduction and OverviewSupplier Presentation Agenda

The recommended supplier presentation agenda includes:

- a. Allow about 1 and 1/2 to 2 hours for the presentation. Introduce the Postal Service representatives and thank all the potential suppliers for taking the time to attend.
—Distribute a copy of the sSource l list and ask attendees to read through and

- b. complete the requested information, and return it to the CPU coordinator. (The source listing will be included as part of the CPU Request Package.)
- c. Advise the attendees of the estimated first-year revenue from the CPU operation as indicated by the CPU Revenue Forecast Model. The Estimated Cost Worksheet outlines the anticipated costs the supplier will incur to operate a CPU (e.g., cost to buy stamps, hiring contractors for the build-out, etc.). Potential suppliers need to consider their operational costs (i.e., costs for staffing, equipment, supply, telephone, and bond premium) as well as potential increased retail sales from the additional customer traffic. Provide suppliers with an estimated cost worksheet.
- d. For a noncompetitive contract or conversion to a Performance-Based contract, the requestor CPU coordinator and the potential suppliers may discuss the performance payment rate. However, only the Denver CPF CMC buyer or the contracting officer (CO) can negotiate and commit funds for the Postal Service. Remind suppliers that there is no franchise fee. Provide examples of CPU success stories.
- e. Encourage attendees to ask questions.

5-7.25.2.3 Presenting Supplier Presentation Materials

Use the CPU Request Package as a training tool to explain the CPU solicitation process to the potential CPU supplier(s).

5.2.3.1-7.2.1.1 Page 1 of the CPU Request Package

The following elements should be mentioned on To complete page 1, do the following:

- a. a. — Identify the HAO and provide an e-mail address address and introduce the CPU coordinator.
- b. b. — Explain that the HAO has administrative oversight of the day-to-day operations of the CPU.
- c. c. — Indicate that the supplier will receive up to forty (40) hours of training from the Postal Service. Explain that the training can be conducted off-site, on-site, or a combination of the two.
- d. d. — Discuss that for a competitive contract the evaluation criteria and award factors must be considered.
- e. e. — Explain that an eEvaluation Committee team will be established who and will perform an on-site visit. The evaluation factors used in the evaluation of offers are the following:
 1. (1) — Location.
 2. (2) — Current business volume.
 3. (3) — Physical characteristics (including accessibility to the handicapped-accessible).
 4. (4) — Parking and public transportation.
 5. (5) — Staffing.
 6. (6) — Placement of proposed CPU within the retail facility.
 7. (7) — Past Pperformance.
 8. (8) — Supplier Ccapability.
- f. f. — Explain that the solicitation will indicate the role of price in the evaluation of the offer.

5-7.2.1.2.2.3.2 Source List (Page 2 of the CPU Request Package): Source List

Explain that Use the sSource List is used as a sign-in sheet at the supplier presentation.

5.2.3.3-7.2.1.3 Evaluation Committee Members (Page 3 of the CPU Request Package: Evaluation Committee Members)

Explain that the a requestor has identified the Evaluation eCommittee Members.of three will individually perform an on-site evaluation before any contract will be awarded. The CPU coordinator will then enter :The requestor will enter the names, addresses, e-mail addresses, and telephone numbers.

of the three committee members prior to submitting the before the submission of the CPU Request Package to the Denver CPF CMC.

5-7.2.1.4.2.3.4 Attachment 1, Requirements (Page 4 of the CPU Request Package): Attachment 1, Requirements

To complete and discuss page 4, do the following elements on page 4:

- a. a.—Mention that Enter the HAO information is entered by the requestor under Number 1, "Description."
- b. b.—Explain Attachment 5, Design and Construction Requirements.
- c. c.—Explain the general boundary and map for the area being considered.
- d. d.—Indicate the days and hours of service (recommend extended including that operation hours should exceed Post Office hours).
- e. e.—Recommend the services to be provided (both mandatory and optional).

5-7.2.1.5.2.3.5 Part A – Responsibility Schedule (Pages 5 through 7 of the CPU Request Package: Part A – Responsibility Schedule)

Explain what the Postal Service's and the supplier's responsibilities are for meeting the design and construction requirements. Explain who is responsible for providing, installing, and maintaining the requirements.

5-7.2.1.6.2.3.6 Part B – Signage Requirements (Page 8 of the CPU Request Package: Part B – Signage Requirements)

Explain the signage that the Postal Service provides. Explain the sizes and weights, and inform the suppliers that they will be responsible for installing and maintaining the signs.

5-7.2.2.2.3.7 Attachment 2 (of the Solicitation Package) – Contract Postal Unit Supplier Business Proposal, Information, and Worksheet

Attachment 2 is a critical component of the solicitation. Discuss each evaluation factor with the attendees and, if possible, provide an example. Stress that each supplier must include all the requested information must be included. If the supplier does not include the requested information is not included, the offeror may be considered nonresponsive or may receive a lower score on its evaluation.

5-7.2.3.2.3.8 Attachment 3 (of the Solicitation Package) – Contract Postal Unit Surety Bond

Prospective suppliers must use the bond instructions and form to contact their insurance agent on the cost of getting a Postal Service surety bond. Refer to the Bureau of the Fiscal Service within the U.S. Department of Treasury for an exhaustive list of approved sureties. The approved sureties listing website is at: www.fms.treas.gov/c570/index.html.

Inform the attendees of the bond amount required and that operation of the CPU cannot begin until the bond requirement is met. The bond must cover all stamp stock, accountables, and the value of postage on the meter. A bond waiver will not be approved. In lieu of a bond, the supplier may provide an irrevocable letter of credit (from a bank or credit union) or a deposit of assets (cash).

Note: There is no bond requirement for a CARS Retail System-Software Business Partner (RSS BP) CPU.

~~5.2.3.9-7.2.4~~ Attachment 4 (of the ~~s~~Solicitation ~~p~~Package):– Compensation-

Attachment 4 indicates the performance payment percentages the supplier will request based on the sale of postal products and services. For any

stamp sold in excess of current First-Class Mail® postage (i.e., semi-postal

issues, which are stamps sold to generate funds for charitable endeavors), only the amount valid for postage can be considered toward the performance payment. The intent of the Performance-Based CPU contract is not to allow the CPU supplier to use the CPU as a mailing agency or as a mailing services provider in order to inflate postal revenue. The HAO or CPU coordinator must ensure compliance by the CPU supplier.

Individual stamp transactions greater than \$1,000.00 are prohibited and such requests must be referred to the HAO by the supplier. CPU suppliers can purchase stamps for their own use and use the CPU to mail their own mail in what is considered to be a reasonable and customary amount. However, the sale of stamps to another retailer or individual whose sole purpose would be the resale of those stamps is prohibited. The CPU supplier cannot use the CPU to function as a mail or letter shop. Bulk mailings are prohibited.

Note: Attachment 4 is only required for Performance-Based contracts.

~~5.2.3.10-7.2.5~~ Attachment 5 (of the ~~s~~Solicitation ~~p~~Package):– CPU Design and Construction Requirements

Discuss design criteria and build-out and the potential suppliers' responsibilities. Explain the equipment and signage provided by the Postal Service. ~~T~~Emphasize that the CPU supplier is responsible for the cost of the build-out including signage installation. Depending on complexity of the build-out, the average cost is \$8,000 to \$10,000. Exterior signage examples are provided and must meet landlord and local city or county codes and ordinances prior to beginningbefore the CPU can begin operations.

~~1-6.6.5.3~~ Restrictions and Special Considerations

When seeking potential suppliers, Postal Service employees must be aware of the restrictions outlined in section 6.1 of Publication 156.

~~5.3.11-6.3~~ Retail Service Agreements

Per Publication 156, Districts are not allowed to solicit a supplier that has multiple locations without approval from the HQ Program Office.

If a ~~field person~~Postal Service employee is contacted by a company that has ~~five or more~~multiple locations, then the ~~field person~~employee must needs to send that contact information to the HQ Program OfficeRetail Partner Integrations at Headquarters. In these scenarios, the HQ Program Office, the CPAC Team, and the local District Postal Service team collaborate on the CPU Solicitation and Contract Award process. ~~eadquarters~~ provides assistance to the area or district when meeting with the potential supplier, provides a broad overview of the program, and ascertains the interest in becoming a CPU supplier. If interest is indicated and a need exists for CPUs in locations operated by the national or regional chain, then Retail Partner Integrations at Headquarters or local Postal Service authorities begin the solicitation process. Implementation of a CPU is based on need and value to the customer and the Postal Service.

~~1-6.6.1~~5.3.2 Location of Contract Postal Unit

Per Publication 156, a CPU must not be:

- Located within close proximity of a Postal Retail Facility

- The CPU must not be located in, or directly connected to, a room where intoxicating beverages are sold for consumption on the premises.

These conditions are outlined in the contract.

1-6.6.25.3.3 Contracts with Postal Service Employees

Per Publication 156, CPU contracts may not be awarded to active or retired Postal Service employees or members of their immediate families. A supplier who completes the Solicitation Package must identify any relations to Postal Service employees. If a potential supplier falls into this category, the requestor must contact Postal Service Ethics Office for further guidance. (Refer to the Postal Service Ethics Office Blueshare site at: <https://blue.usps.gov/uspslaw/ethics/>).

1-6.6.35.3.4 Post Office Box Service

New CPUs are not intended to ~~must not provide~~ Post Office box service; increased demand for Post Office box service is not a justifiable rationale for the establishment of a new CPU. If there is increased demand for Post Office box service, contact the DM. ~~Providing this service at a CPU location makes a commitment to the customer as to the availability of a delivery service. This commitment can have an adverse effect on the flexibility of relocating or closing the CPU if there is a change in market conditions.~~

1-6.6.45.3.5 Non-Postal Services

Per Publication 156, CPUs cannot offer any other mailing ~~must provide~~ Postal Service products or ~~and services (e.g., FedEx), exclusively.~~ The potential supplier must identify in the solicitation package any other mailing products or services provided at their establishment. Any request for an exception must be identified in the CPU Request Package, along with rationale and supporting evidence. ~~The DM or appropriate designee will evaluate and determine exceptions is on a case-by-case basis and determined by the CQDM or appropriate designee.~~ The rationale for this exception must be documented by the requestor within the CPU Request Package and supported with appropriate evidence.

1-6.5.4 Competition

A contract that is competed is one that is open to multiple potential interested parties. In this context, a CPU contract that is competed is open to multiple prospective suppliers. These suppliers submit individual proposals that are evaluated based on the criteria outlined in the CPU Request Package.

In some cases, the business and competitive objectives of the Postal Service will best be met by ~~awarding a CPU contract~~ ~~if the CPU purchase team decides to use~~ ~~the noncompetitive purchasing method.~~ ~~the team must document the rationale for the decision in a business case and submit it for approval in accordance with~~ Refer to the requirements set forth in section 7.5.2 of Publication 156.

For procedural guidance, see Management Instruction ~~the MI SP-S2-202411-1, Noncompetitive Purchases~~ available on the Postal Service PolicyNet website;. To access this guidance:

- ~~a. Go to <http://blue.usps.gov/cpim>.~~ ~~and~~
- ~~b. Click on [MIs](#) Management Instructions.~~
- ~~c. Scroll down and select [SP-S2-2024-1, Noncompetitive Purchases](#).~~
- ~~d. Fill out the [Noncompetitive Purchase Request Attachment](#).~~
- ~~e. The approval must be included in the contract file.~~

6 Preparing the Contract Postal Unit Request Package

After having completing the steps above, and producing the required documents, the requestor justified the need for a contract postal unit (CPU), the CPU coordinator prepares and includes them in the CPU Request Package. The CPU Request Package is the formal package submitted to the CPAC Team for processing to the Customer Products and Fulfillment Category Management Center (Denver CMC) in Aurora, Colorado.

6-4.1 Contract Postal Unit Request Package Checklist

Include the following items in the CPU Request Package:

- Background information.
- Current conditions that support the need.
- Existing expanded access channels.
- Recommendation.
- Noncompetitive business case (if applicable).

See the Publication 156 folder For the CPU Request Package Checklist, see the respective contract's request package excel workbook on the CPAC BlueShare website, at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the following items:

a. Sample Cover Letter Summary.

~~b. CPU Deviation Request Form.~~

~~c. CPU Request Package Checklist.~~

6.-2 Concerns for Approving Funding Documents

~~Some concerns for approving funding documents are the following:~~

~~a. Submit the solicitation funding (budget line 3G) to the Denver CPF CMC.~~

~~b. The District Manager DM's approval is mandatory on all funding documents relating to CPUs, as stated in Handbook F-66, General Investment Policies and Procedures, 2-6.2, which is reprinted in its entirety as follows:~~

6.3 Contract Deviations

~~The requestor must document any deviations that apply to the prospective suppliers within the CPU Request Package. These deviations are considered by the DM before the approval process.~~

6.4 Evaluation Committee Member Selection

~~The Evaluation Committee member's names, addresses, e-mail addresses, and telephone numbers must be included in the CPU Request Package. The requestor must select three committee members who:~~

- ~~▪ Possess relevant familiarity with the local area of the proposed CPU, and any other contributing factors. All proposal factors are listed in the solicitation package in order of importance.~~
- ~~▪ Do not possess a known conflict-of-interest.~~
- ~~▪ Are non-bargaining (EAS) employees.~~

6.5 Request Package Approval Process

~~After the necessary documents required to initiate the Once approval process for a CPU Request Package are completed, the requestor must follow these steps:~~

~~Create an is received, attach all documents to the eBuyPlus2 requisition and attach all documents, including the e-mail approvals of the CPU Needs Analysis, Retail Mapping, Wait-Time-in-Line Report, Revenue Forecast Model, and any other evidence. Add the DM, or appropriate designee, to the approval chain of the eBuyPlus requisition.~~

~~a. If the DM or appropriate designee approves the request, the CPF CMC buyer (who is assigned once the eBuyPlus requisition is submitted) will conduct a review of the CPU Request Package for completeness before forwarding it to the CO. The CPF CMC buyer or CO will then issue the CPU Solicitation Package to prospective suppliers. If the Request Package is incomplete, then the CPF CMC returns the package for completion. Some common errors are as follows:~~

- ~~1. a. **The eBuyPlus requisition2 is received with no attachments.** The Requester will receive a call or an e-mail from the Denver CPF CMC buyer or CO stating that the eBuyPlus requisition2 was received with no attachments and to e-mail the rest of the documents to the CPAC Team at email address *cpac.team@usps.gov*. If the CPF CMC cannot match the attachments with the eBuyPlus requisition, this will delay the processing of the request. To avoid this, the requestor must Annotate the eBuyPlus2 requisition number in the e-mail or in the subject line. If Denver cannot match the attachments with the eBuy2, this will delay the processing of the request.~~
- ~~2. b. **The eBuyPlus requisition2 is received with attachments, but it is still**~~

missing required documents. The request will be assigned to a purchasing specialist for processing. The requestor You will receive an e-mail requesting what is missing and who youthe missing items should be submitted the missing item to.

3. c. ——— The e-mail or mailed package is received with request/attachments, but there is no eBuyPlus requisition². The package will be returned either via e-mail or through regular mail with instructions to send it again with the eBuyPlus requisition² according to proper procedures.
4. d. ——— Received everything; however, some information is missing or incorrect: The package will be returned to the Requester for corrections.

For more guidance, see the [eBuyPlus Step-by-Step Instructions](#) on the CPAC Blueshare website.

6.6 CPU Solicitation Package Requirements

All contracts undergo the Characteristics of a Non-CARS Performance-Based and Firm-Fixed-Price CPU contract include the following:

a. ——— Same solicitation and award process. However, there are some distinctions for each contract type request package:

- a. b. ——— Build-out is mandatory for Non-CARS RSS BP Performance-Based.
- b. c. ——— No mandatory build-out for a Firm-Fixed-Price CPU.
- c. d. ——— Signage is mandatory and is provided.
- d. e. ——— A surety bond or, in lieu of a bond, an irrevocable letter of credit (from a bank or credit union) or a deposit of assets (cash) does not apply to RSS BP contracts is required.

To ensure proper assembly of the CPU Solicitation Package, the requestor and CPF CMC buyer can see the sections 6.6.1 and 6.6.2 for the different contract types and components.

1-56.6.1 Contract Types and Terms

CPU contracts are distinguished by their payment structure. There are two (2) primary types of contracts for CPUs: are as follows:

- a. Performance-Based p Percentage p Payment, and contracts (CARS and Non-CARS).
- b. Firm-Fixed-Price contract. Of Performance-Based Percentage Payment contracts, there are two sub-types: RSS BP and Non-RSS BP.
- c. Each contract type requires certain components of the CPU solicitation/ eContract a Award p Package. The specific components of these contracts are outlined below.

10-56.6.1.1 Award of a Temporary (Emergency) Contract

10-5-16.6.1.1.1 Request

When a contract is terminated on short notice, or if, through unforeseen circumstances, the lack of a CPU creates a hardship on the community, the HAO, with the assistance of the CPU coordinator, may request that a short-term temporary (emergency) contract be awarded.

Temporary (emergency) contracts his option should be an option of last resort due to higher associated costs because it is a very expensive option. The basic term of a temporary (emergency) contract is up to 6 months, and no extensions are generally allowed.

Upon review of the CPU Request Package, the CPAC Team may

recommend a temporary (emergency) contract. A temporary (emergency) contract may be awarded when unforeseen circumstances require immediate intervention to prevent an interruption in services. For example, if the owner of an existing CPU is deceased, a temporary (emergency) contract may be offered to the inheritor of the business, such as the original owners child.

If the requestor has identified that the need for a CPU is temporary (emergency), this should be identified within the CPU Request Package, along with rationale and supporting evidence.

6.6.1.1.2 Temporary (Emergency) Contract Bond Requirement

Bond can be waived for the first 30 days of a temporary (emergency) contract only. The HAO is responsible for ensuring that the CPU supplier has a bond in place on the 31st day 31 of operation. The CPF CMC buyer at the Denver CMC and the CPU coordinator must annotate the contract file to follow up with the HAO on bond placement. The HAO should notify the Denver CPF CMC buyer when the bond has been received.

10-5-26.6.1.1.3 Solicitation for a Permanent Contract Postal Unit

If the HAO is seeking to convert the temporary CPU into a permanent CPU, a separate CPU Request Package for a permanent CPU must be sent to CPF CMC within 30 days after the award of a temporary (emergency) contract. This request package follows the same procedural steps outlined within this document.

1-46.6.2 Components of a Contract Postal Unit Solicitation/ Award Package

Each contract type requires certain components of the CPU Solicitation Package. The requestor must ensure that all required components of a CPU Solicitation Package are completed. Contract-specific requirements are outlined in the following sections.

The full list of components of a CPU ~~s~~Solicitation/~~award p~~Package are the following:

- a. ~~a.~~ Part 1: Contract Postal Unit Schedule.
- b. ~~b.~~ Part 2: Solicitation Provisions.
- a. ~~c.~~ Part 3: Contract Clauses.
- c.

~~d. d.~~ Part 4: Attachments.

~~1. (1)~~ Attachment 1: Requirements.

~~2. (2)~~ Attachment 2: Contract Postal Unit Supplier Business Proposal and Information.

~~3. (3)~~ Attachment 3: Contract Postal Unit Bond.

~~4. (4)~~ Attachment 4: Compensation.

~~5. (5)~~ Attachment 5: CPU Design and Construction Requirements.

~~(See Components of a PB CPU Solicitation Award Package on the CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~1-5 Contract Types and Terms~~

~~The two types of contracts for CPUs are as follows:~~

~~a. Performance Based percentage payment contracts (CARS and Non-CARS).~~

~~b. Firm Fixed Price contract.~~

~~c. Each contract type requires certain components of the solicitation/ contract award package.~~

~~6.6.2.14-5.1~~ Performance-Based Percentage Payment Contracts

~~a. An [RSS BPCARS](#) Performance-Based Percentage Payment CPU Solicitation/[Award document Package](#) contains the following components:~~

~~▪ ~~b.~~ Part 1: Contract Postal Unit Schedule.~~

~~▪ ~~c.~~ Part 2: Solicitation Provisions.~~

~~▪ ~~d.~~ Part 3: Contract Clauses.~~

~~▪ ~~d.~~ Part 4: Attachments 1, 2, 4, and 5.~~

~~**Note:** Attachment 3 is not required for Performance-Based Percentage Payment contracts. Additionally, surety bonds, an irrevocable letter of credit, and a deposit of assets do not apply to RSS BP contracts.~~

~~A Non-[CARS-RSS BP](#) Performance-Based Percentage Payment CPU Solicitation/[Award document Package](#) contains the following components:~~

~~▪ ~~a.~~ Part 1: Contract Postal Unit Schedule.~~

~~▪ ~~b.~~ Part 2: Solicitation Provisions.~~

~~▪ ~~c.~~ Part 3 Contract Clauses.~~

~~▪ ~~d.~~ Part 4: Attachments 1, 2, 3, 4, and 5.~~

~~▪~~

~~1-5-26.6.2.2~~ Firm-Fixed-Price Contract

~~A Firm-Fixed-Price CPU Solicitation/[Award document Package](#) contains the following components:~~

~~▪ ~~a.~~ Part 1: Contract Postal Unit Schedule.~~

~~▪ ~~b.~~ Part 2: Solicitation Provisions.~~

~~▪ ~~c.~~ Part 3: Contract Clauses.~~

~~▪ ~~d.~~ Part 4: Attachments 1, 2, and 3.~~

~~1-6 Competition~~

~~1-6.1 Overview~~

~~Generally, it is recommended to use the competitive purchasing method to obtain CPU contracts in the most desirable locations. However, in some cases, the business and competitive objectives of the Postal Service will best be met by awarding CPU contract(s) using the noncompetitive purchase method. This scenario is especially true under the following conditions:~~

- ~~a. The Postal Service has established a business relationship with a retailer that has successfully operated a CPU in its other retail locations.~~
- ~~b. The proposed CPU is the only supplier capable of providing or willing to provide the service needed.~~

~~If the CPU purchase team decides to use the noncompetitive purchasing method, the team must document the rationale for the decision in a business case and submit it for approval in accordance with the MI SP S2-2011-1 available on the Postal Service PolicyNet website; go to <http://blue.usps.gov/opim> and click on MI/c. The approval must be included in the contract file.~~

~~See Chapter 6 for a thorough discussion of competitive and noncompetitive purchasing.~~

~~1-6.2 Authority~~

~~The vice president of Channel Access at Headquarters and vice presidents of Area Operations or designee have the authority to approve the establishment of a CPU based on demonstrated need and value to the consumer and the Postal Service.~~

~~1-6.3 Retail Service Agreements~~

~~Often a national chain or large regional chain contacts Headquarters directly or is contacted about the CPU program through Headquarters' marketing efforts. If a field person is contacted by a company that has five or more locations, then the field person needs to send that contact information to Retail Partner Integrations at Headquarters. Districts are not allowed to pursue relationships with this type of company without approval from Headquarters. In these scenarios, Headquarters provides assistance to the area or district when meeting with the potential supplier, provides a broad overview of the program, and ascertains the interest in becoming a CPU supplier. If interest is indicated and a need exists for CPUs in locations operated by the national or regional chain, then Retail Partner Integrations at Headquarters or local Postal Service authorities begin the solicitation process. Implementation of a CPU is based on need and value to the customer and the Postal Service.~~

~~1-6.4 Requisition Approval~~

~~Only District Managers can approve requisitions for CPUs. This authority may not be delegated below the District Manager level.~~

7-2-26.7 Solicitation Issuance

Prospective suppliers must return a completed CPU Solicitation Package (e.g., Request for Proposal [RFP]) to be considered further. The contents of the solicitation package vary by anticipated contract

type. For more information on the different contract types, refer to [section 6.6.2](#).

— ~~The Denver CPF CMC buyer generates the CPU Solicitation Package document, which contains all of the requirements for the CPU. (See Sample Solicitation for CARS Contract in~~

a.

the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.

Copies of the solicitation ~~are~~ **must be** provided to all suppliers on the ~~e~~Source List.

b.

c. The CPF CMC buyer notifies the following individuals via e-mail that receive an e-mail from Denver CMC stating the solicitation has been mailed to the sources that were provided and ~~provides~~ **includes** a return date of the solicitation:

- a. Host Administrative Office (HAO).
- b. CPU coordinator ~~District designee~~.

7 Processing the Contract Postal Unit Request Package

7-2.3.1 Evaluation of Competitive Proposals

7.1.1 Evaluation Committee

The ~~e~~Evaluation ~~e~~Committee evaluates supplier business proposals in accordance with ~~supplier-specific factors and proposal-specific factors as determined by the specific need(s) prompting the establishment of the CPU. These factors are included in the RFP.~~

The Evaluation Committee ~~is comprised~~ of one chair and two additional committee members. Once the three committee members are selected, the members elect the committee chair.

7.1.2 Evaluation Process

a. The ~~Denver~~CPF CMC buyer sends the evaluation package to the ~~e~~Evaluation ~~e~~Committee ~~e~~Chairperson. The evaluation package includes the following items:

1. a. A copy of each proposal.
2. b. A copy of the evaluation and award factors.
3. c. A cover letter with instructions on how to evaluate proposals.
4. d. An Evaluation ~~w~~Worksheet to be completed for each proposal (See Evaluation Worksheet in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>).
5. e. A Conflict of Interest (COI) and Non-Disclosure Agreement (NDA) that must be signed by each ~~e~~Evaluation ~~e~~Committee member. The ~~contracting officer~~CO is responsible for safeguarding against or mitigate any conflicts of interest when non-USPS employees are members of the ~~e~~Evaluation ~~e~~Committee.
6. f. A ~~F~~final ~~R~~Rating ~~w~~Worksheet completed by the ~~e~~Committee ~~e~~Chairperson indicating for each proposal whether it was considered acceptable or unacceptable.

b. The ~~Committee~~ ~~e~~Chairperson distributes the evaluation packages to the committee members during their first meeting and discusses the evaluation process.

c. Each committee member **must** completes an independent, individual evaluation for each proposal.

d. The committee then reconvenes collectively reviews and to discusses the individual the evaluations made by each committee member to finalize the committee's final rating.
e. compare proposals, and finalize point assignments. The eCommittee eChairperson man must document and submit the then transfers the numeric average for each evaluated proposal to the fFinal rRating wWorksheet to the CPF CMC buyer for each evaluated proposal. Proposals considered unacceptable are also documented on the final rating worksheet.

For more information, see the (See Guidelines for Completing the Evaluation Worksheet and Guidelines for Completing the Evaluation Worksheet in the Publication 156 folder on the CPAC bBlueshare website. at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx.)

7.1.3 Evaluation Worksheet

7.1.3.1-2.4.2 Past Performance and Supplier Capability

The Evaluation Committee reviews and assess the following evaluation factors are reviewed and assessed by the contracting officer. If deemed unacceptable, the proposal will not be considered further:

a. a.—Past Performance: Prospective suppliers must provide references that will demonstrate a history of satisfactory past performance in the areas of quality, timeliness of performance, business relations, financial stability, and cost control. Past Performance is evaluated on a pass/fail basis. The Evaluation Committee must follow the specific questions on the Evaluation Worksheet and reviewers are permitted to ask more questions to seek clarification.

The Evaluation Committee surveys the references and provides theirits findings and recommendation to the contracting officer CPF CMC buyer, who then determines in concurrence with the CO if the offer will be evaluated further. If either the CPF CMC buyer or CO deems it unacceptable, the proposal , who then determines if the offer will not be evaluated considered further.

b. b.—Supplier Capability: Prospective suppliers must provide information to demonstrate financial stability and ability to perform under the contract. The supplier needs to demonstrate the ability to purchase, in advance, the adequate stamps and meter postage to properly serve the postal customer. Financial information to be provided includes financial reports, profit and loss statements, and balance sheets. Supplier Capability is evaluated on a pass/fail basis. Upon an in-depth review of the financials, the contracting officer CPF CMC buyer provides a recommendation to the CO. The CO determines if the offer will be evaluated further.

7-2.4.3.1.3.2 Other Proposal Factors

Each of the following other proposal factors are listed in the CPU sSolicitation ePackage in order of importance:

a. a.—Characteristics of the supplier's retail facility:

1. (1) — Location.
2. (2) — Current business volume.
3. (3) — Physical characteristics (including accessibility to the handicapped, which must be compliant with applicable accessibility standards before service begins).

4. (4)——Parking and public transportation.

b. b.—Characteristics of the proposed CPU within the supplier's retail facility.

c. e.—Staffing.

Note: If the proposed CPU will be in a location provided by the facility, as in the case of a military installation, college campus, or a CPU that will be housed in the exact location where the previous CPU was located, then factors a. and b. do not apply and will not be evaluated.

The eEvaluation eCommittee must be aware of keep in mind the maximum points assigned to each of the other proposal factors and to rate the proposals accordingly. Except for handicapped accessibility, the CPU coordinator indicates in tThe CPU Request pPackage should specify submitted to the Denver CMC the maximum point assignment or pass/fail status for each of the other proposal factors, as determined by the requestor.

For example, if an offeror has who provided minimal staffing information, he/she would not be disqualified but would receive a low score for this factor.

1-77.1.3.3 Access for Persons Wwith Disabilities

Handicapped accessibility is not assigned a maximum point value but is evaluated on a pass/fail basis.

Note: If a CPU contract is contemplated with a prospective supplier whose location is not accessible, the CO must document in the contract file the attempts made to find suppliers with accessible locations and the rationale for why the supplier should still be considered (e.g., the building is currently undergoing construction changes to become accessible). These exceptions must be a last resort and must be justified within the CPU Request Package.

7-2.5 Price Evaluation

The price is evaluated according to factors set by the requestor in the CPU Request Package. The evaluation factors coordinator indicates in the request package submitted to Denver CMC if for price can be is considered as more important, less important, or equally important or as important as the evaluation factors.

Under the noncompetitive process, the eDistrict may discuss the suggested price of a proposal with the offeror provided they District makes it clear that the Denver CPF CMC is the only office that is authorized to commit funds for the Postal Service. The District's discussion is ONLY to ascertain if the supplier is interested.

If the proposed compensation for a contract exceeds the guideline amount of 242 cents per revenue dollar, then an approved deviation is required. If the offer selected for award is higher than the funded amount on the approved funding document, the Denver CPF CMC buyer contacts the GPU coordinator HAO for additional more funding and to discuss other options.

7.3 Final Determination

After reviewing the eEvaluation eCommittee's worksheets and evaluating price proposals, the Denver CPF CMC buyer prepares a bBest-yValue dDetermination, assigns a contract number, and awards the contract. The CPF CMC Buyer and submits the Best-Value Determination to the CO. After the CO reviews the proposals, a notification of Contract Non-Award or Contract Award letter is distributed.

7.3.1 Contract Non-Award

- a. Proposals that do not adequately satisfy the need(s) identified in the CPU Solicitation Package will be deemed unacceptable.
- b. The CO will deny any proposal deemed unacceptable and notify the CPF CMC buyer.
- c. The CPF CMC buyer will forward all ~~Unsuccessful offerors will receive a notification of a~~ Contract Non-Award letter.
- d. by the Denver CMC. If there are no other prospective suppliers, the requestor must receive guidance from the DM to determine the next steps (e.g., solicit new prospective suppliers, discontinue pursuit of establishing a CPU, or pursue other alternatives).

7.3.2 Contract Award

- a. If the proposal satisfies the needs identified in the CPU Solicitation Package it is deemed acceptable.
- b. The CPF CMC buyer assigns a contract number and awards the contract.

For more information on award notification, see section 8.

1-6.58 Contract Award

Prior to ~~Before~~ or at the time of award, the Denver ~~CPF CMC buyer~~ must receive the 10-digit Unit Finance Number (UFN) specific to the CPU and the agreed-upon site name for the supplier.-

If the Postal Service is awarding an ~~CARS~~ RSS BP CPU, the ~~4~~ four-digit site ID is generated by the Contract Postal Unit Technology (CPUT) system. The Denver ~~CPF CMC buyer~~ establishes payment information in the CPUT system.

The contract number must be used when communicating with the CPU supplier, HAO, CPU coordinator, and the Denver ~~CPF CMC buyer~~. Only designated COs who possess a Contracting Officer Certificate of Appointment may award CPU contracts.

~~1.6.6~~ **Restrictions and Special Considerations**

~~1.6.6.1~~ **Location of Contract Postal Unit**

~~The CPU must not be located in, or directly connected to, a room where intoxicating beverages are sold for consumption on the premises.~~

~~1.6.6.2~~ **Contracts with Postal Service Employees**

~~CPU contracts may not be awarded to Postal Service employees or members of their immediate families. Contracts may be awarded to retired or former Postal Service employees or their family members subject to restrictions on post-employment activities of Postal Service employees as imposed by law.~~

~~1.6.6.3~~ **Post Office Box Service**

~~A CPU must not provide Post Office box service. Providing this service at a CPU location makes a commitment to the customer as to the availability of a delivery service. This commitment can have an adverse effect on the flexibility of relocating or closing the CPU if there is a change in market conditions.~~

~~1.6.6.4~~ **Non-Postal Services**

~~CPUs must provide Postal Service products and services, exclusively. The~~

supplier may not, in the CPU or in any part of the supplier's premises in which the CPU is located, offer directly or by subcontract, lease, or sublease or otherwise provide the following:

a. ~~Commercial mail receiving (private mailbox) services.~~

b. ~~Third-party delivery services.~~

c. ~~Any products or services that the CO determines are similar to, or competitive with, delivery and parcel services offered by the Postal Service.~~

~~Fax service and copy service are examples of products that are not similar to, or competitive with, those of the Postal Service.~~

~~**Note:** Some older contracts have these services "grandfathered" in to their contracts. This exception is on a case-by-case basis and determined by the CO.~~

~~1-7 Access for Persons With Disabilities~~

~~Ensure that all Post Offices, including CPUs, are readily accessible to all unless the facility cannot reasonably be configured. Whenever possible, suppliers under consideration for a CPU contract award must already be in a location accessible to the disabled or in a location that will be made accessible as a condition of contract award.~~

~~If a CPU contract is contemplated with a supplier whose location is not accessible, the CO must document in the contract file the attempts made to find suppliers with accessible locations.~~
~~The components of the CPU Solicitation-Award Package can be found in the Publication folder online on the CPAC blueshare website at: [http:// supply.blueshare.usps.gov/sites/epac/default.aspx](http://supply.blueshare.usps.gov/sites/epac/default.aspx).~~

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~~2 Determining Need for a Contract Postal Unit~~

~~2-1 Benefits of a Contract Postal Unit~~

~~When determining whether a contract postal unit (CPU) is the appropriate method for providing expanded access to postal services, consider the benefits of a CPU.~~

~~2-1.1 Benefits for Customers~~

~~A CPU provides customers the following benefits:~~

- ~~a. Expanded access to Postal Service products and services at Postal Service prices.~~
- ~~b. Convenient location.~~
- ~~c. Extended hours (weekends and evenings).~~

~~2-1.2 Benefits for Suppliers~~

~~A CPU provides suppliers the following benefits:~~

- ~~a. Customer traffic.~~
- ~~b. Generate additional sales.~~
- ~~c. Customer awareness of CPU locations.~~
- ~~d. Competitive advantage.~~

~~2-1.3 Benefits for Postal Service~~

~~A CPU provides the Postal Service the following benefits:~~

- ~~a. Cost-effective process for providing Postal Service products and services.~~
- ~~b. Reduction in wait time for customers.~~
- ~~c. Increase in customer satisfaction.~~
- ~~d. Increase in Postal Service presence in high-growth retail locations.~~

2-2 ~~Conditions for Requesting a Contract Postal Unit~~

~~A CPU contract may be requested when one or more of the following conditions are present:~~

- ~~a. A newly developed community requires postal retail services but does not yet warrant a Postal Service facility.~~
- ~~b. Existing retail units are not able to serve customers efficiently because of limited space or high customer demand.~~
- ~~c. Flexibility in service hours is needed.~~
- ~~d. An independent Post Office or CPU has discontinued service.~~
- ~~e. Other alternate access channels for selling USPS products, such as Stamps to Go, Stamps By Mail®, Stamps Online™, Approved Shipper, or Village Post Office have been considered and determined not feasible.~~
- ~~f. There is insufficient parking and retail space with no ability to expand.~~
- ~~g. Seasonal issues present special situations.~~
- ~~h. The Postal Service will realize service, scheduling, or other benefits from the CPU.~~

~~3~~ Verifying Need for a Contract Postal Unit

~~3-1~~ Introduction

~~After determining that a contract postal Unit (CPU) will satisfy the need for expanded access, the CPU coordinator documents this fact. The procedures described in this chapter are steps for the CPU coordinator to use to build a case for the establishment of a CPU.~~

~~3-2~~ Contract Postal Unit Needs Analysis

~~The Host Administrative Office (HAO) or the CPU coordinator completes a CPU Needs Analysis Form (See a sample Contract Postal Unit Needs Analysis Form in the Publication 156 folder online on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~Consider the following retail conditions at the HAO or targeted station or branch:~~

- ~~a. Insufficient hours.~~
- ~~b. Insufficient area coverage.~~
- ~~c. Low customer satisfaction.~~

~~Provide information on the following criteria to document the need for a CPU:~~

- ~~a. Demographic and geographic characteristics of the proposed area.~~
- ~~b. Projected growth within the proposed area.~~
- ~~c. Date and results of last window operation survey.~~
- ~~d. Review of retail operations.~~
- ~~e. Consumer feedback.~~
- ~~f. Competition: actual and projected.~~
- ~~g. Increased benefit to the Postal Service relating to service and cost effectiveness if a CPU was established.~~
- ~~h. Impact on existing nearby classified offices including transportation and collection route.~~
- ~~i. Proposed days and hours of operation (should exceed Post Office hours).~~

~~Three other tools for assessing needs are retail mapping, the revenue forecast model and the wait time in line report.~~

~~3-3 Retail Mapping and Electronic Facilities Management System (eFMS)~~

~~Retail mapping, as completed through the Electronic Facilities Management System (eFMS), helps to ensure that CPUs are located in the most needed and convenient sites to provide retail customers access to postal services.~~

~~Retail mapping displays all classified facilities and existing expanded retail access by ZIP Code. Demographic projections for 5 years display information on the proposed area's demographics (i.e., population and income). (See Sample Retail Mapping and Sample Demographic and Income Profile in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~With the Postal Service's continued focus on reducing cost and improving efficiency, retail mapping is a key tool that supports the following:~~

- ~~a. Support for Postal Service strategic objectives (i.e., the Retail Optimization Plan) to expand access channels.~~
- ~~b. Reduced reliance on "brick-and-mortar" (new construction) costs.~~
- ~~c. Strong partnerships that focus on marketplace growth.~~
- ~~d. Visual geographic perspective to allocate retail resources.~~
- ~~e. Integration of facility planning and Retail Operations into the future success of the Postal Service.~~

~~3-4 Wait-Time-In-Line Report~~

~~The wait time in line report helps determine if there is a need to provide relief to Postal Service facilities with excessive waiting times. (See a sample Wait-Time-In-Line Report in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~3-5 Revenue Forecast Model~~

~~The CPU Revenue Forecast Model is used to forecast revenue for a new CPU location. The model analyses input on the proposed CPU location and the nearby Post Office and calculates the potential revenue. The potential revenue is displayed as conservative, moderate, and optimistic. Always use the conservative estimate for funding purposes. (See a sample Revenue Forecast Model in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

3-6 Retail Partner Integration Approval

All new CPU requests must have Retail Partner Integration Approval. Send an electronic (email) to the CPU Review mailbox found in Outlook with the Needs Analysis, Retail Mapping, Wait Time in-Line Report and Revenue Forecast Model. ~~Once approval is received, attach all documents to the eBuy2, including the email approval.~~

See the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the following items:

- a. Sample Contract Postal Unit Needs Analysis Form.
- b. Sample Retail Mapping.
- c. Sample Demographic and Income Profile.
- d. Sample Wait-Time-In-Line Report.
- e. Sample Revenue Forecast Model.

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~~4 Design and Construction Requirements for a Contract Postal Unit~~

~~4-1 Overview~~

~~It is important to present to the consumer in a private retail location a “branded image” associated with the Postal Service. This chapter discusses the requirements for a “build-out,” the Postal Service term for branded design used in contract postal units (CPUs).~~

~~4-2 Purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements~~

~~The purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements (D&CR), which is a component of the solicitation/award package, are as follows:~~

- ~~a. Ensure that the finished CPU build-out is functional and presents a uniform image to the public.~~
- ~~b. Define the equipment and supplies needed for the build-out.~~
- ~~c. Establish responsibilities.~~
- ~~d. Ensure that the build-out is included in the solicitation.~~

~~4-3 Parts of Attachment 5, Contract Postal Unit Design and Construction Requirements~~

~~4.3.1 Overview~~

~~The D&CR Attachment 5 contains the following three parts:~~

- ~~a. Part A, Responsibility Schedule.~~
- ~~b. Part B, Signage Requirements.~~
- ~~c. Part C, Build-Out Requirements.~~

~~4.3.2~~ **Part A — Responsibility Schedule**

~~The important aspects of Part A are the following:~~

- ~~a. — Part A is always a mandatory part of the D&CR Attachment 5.~~
- ~~b. — Equipment includes office equipment, furniture and casework, interior and exterior.~~
- ~~c. — signage, connectivity requirements, and miscellaneous items. (See Part A — Responsibility Schedule — CARS CPU and Part A — Responsibility Schedule — Performance Based CPU in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~
- ~~d. — The schedule identifies responsibilities and establishes quantities of equipment, furniture, and signage.~~
- ~~e. — The schedule requires that a quantity be indicated for each item. If an item is not required, mark the box “N/A.” Responsibilities usually remain the same from CPU to CPU.~~
- ~~f. — The schedule is not an order form.~~
- ~~g. — Items are not ordered until a contract is awarded and a CPU design is approved.~~
- ~~h. — This schedule is used as an inventory sheet for all CPU supplies and equipment.~~

~~Chapter 8 addresses ordering. Review notes in the Responsibility Schedule. The Responsibility Schedule is included in the solicitation.~~

~~4.3.3~~ **Part B — Signage Requirements**

~~The important aspects of Part B are the following:~~

- ~~a. — Part B is mandatory unless a deviation to omit it has been approved by Retail Partner Integration at Headquarters.~~
- ~~b. — CPU signage is critical to maintaining a uniform Postal Service CPU image.~~
- ~~c. — Part B lists the following:
 - ~~(1) — Postal Service sign type (interior or exterior, illuminated or not).~~
 - ~~(2) — Sign size.~~
 - ~~(3) — Order number.~~
 - ~~(4) — Quantity.~~
 - ~~(5) — Lamps.~~
 - ~~(6) — Shipping weight and shipping size.~~~~
- ~~d. — (See Part B — Signage Requirements and Direct Vendor CPU Signage Catalog in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~
- ~~e. — Normally, the Postal Service provides signs and the supplier installs and maintains them.~~
- ~~f. — The supplier is responsible for obtaining building permits/approvals.~~
- ~~g. — The signage requirements sheet lists all available CPU signs.~~

- ~~h. Complete only the "quantity" column.~~
- ~~i. The signage requirements sheet is not an order form.~~
- ~~j. Do not order signage until a contract is awarded and approvals are obtained. (See Signage Order Form - General Information in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~
- ~~k. This schedule is used as an inventory sheet for all CPU signage. Chapter 8 addresses ordering signage. The signage requirements sheet is included in the solicitation.~~

~~4.3.4 Part C - Build-Out Requirements~~

~~The important aspects of Part C are the following:~~

- ~~a. Part C is mandatory unless a deviation to omit it has been approved by Retail Partner Integration at Headquarters.~~
- ~~b. The supplier is always responsible for design and build-out.~~
- ~~c. Design and construction must comply with Postal Service requirements. (See CPU Workstation Options and CPU Design and Construction Requirements, Attachment 5, Part C - CPU Build-out Requirements, in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~

4-4 Reasons for Imposing Design Responsibility on the Supplier

~~The reasons for imposing design responsibility on the supplier are as follows:~~

- ~~a. CPUs are constructed in the supplier's space.~~
- ~~b. Space is occupied by non Postal Service employees.~~
- ~~c. Many other high liability issues can arise (e.g., safety, security, and damages).~~

7-2.78.1 Appointment of the Contracting Officer Representative and Assignment of the Host Administrative Office

~~The Denver CMC appoints a COR and an HAO. At time of award, the CO appoints a contracting officer representative (COR) and assigns an HAO. The HAO acts as the local contact for the overall operation of the CPU. The buyer sends copies of the appointment are sent to the following:~~

- ~~a. Supplier.~~
- ~~b. HAO.~~
- ~~c. CPU coordinator.~~

~~The HAO meets in person with the CPU supplier to read and discuss the appointment.~~

~~The CPU coordinator HAO completes the CPU Information and Certification Form and notifies the Denver CPF CMC buyer, via e-mail, of the following information:~~

- ~~▪ a. Completion of all site specifications and training.~~
- ~~▪ b. Operational start date.~~
- ~~▪ c. Four-digit unit site ID (if for an AIC reporting unit).~~

- d. Finance number.
- e. Type of business.

After receipt of the CPU Information and Certification Form, the Denver CPF CMC buyer enters the operational start date and the type of business in CPUT.

For more information, see the (See Sample COR Appointment and HAO Operating Instructions in the Publication 156 folder on the CPAC Blueshare website, at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

7-3.38.2 Contract Records Responsibility

Copies of the contract award, award letter, and COR appointment, and the HAO Operating Instructions are distributed by the CPF CMC buyer to the following people:

- a. Successful supplier.
- b. HAO.
- c. CPU coordinator/District designee.
- d. IGI (if CARS).

Additionally, the CPF CMC buyer issues the following items to the supplier:

- e. Supplier and Payee Electronic Funds Transfer (EFT) Enrollment Form. This form is for direct deposit, (EFT) of your the supplier's payments for operation of the CPU.
- f. Instructions to submit drawings to the CPU coordinator/HAO within 15 days. The CPU coordinator/HAO approves the drawings or, if necessary, forwards the drawings to the Facilities Department Service Office (FSO) for approval. Once the drawings are approved, the CPU coordinator/HAO notifies the Denver CPF CMC. The Denver CPF CMC issues the supplier a Notice to Proceed letter with copies to the CPU coordinator/HAO. See section 9.1 for more information.
- g. Instructions to work with the HAO, CPU coordinator and COR to ensure compliance with contract requirements.

The CPF CMC buyer maintains a copy of All existing documents related to the contract award and all future documents related to the Contract Award or Non-Award about this CPU are kept in an electronic CPU file for the life of the contract.

The HAO must also retains the CPU file for 3 years after contract termination and then turns it over to the CPU coordinator, who maintains the file for 6 years after contract termination. Refer to section 11.3 for a list of required documents that must be filed for auditing purposes.

89 Construction of the Contract Postal Unit Design

4-59.1 Prototype Drawings and Postal Service Branding

The important aspects of prototype drawings and Postal Service branding are the following:

- a. Postal Service provided prototype drawings are mandatory.
- b. A consistent Postal Service to maintain a consistent Postal Service image for the CPU is required.

f. For new constructions, Materials and finishes need to comply with Postal Service standards if new

construction. The (See Standard Finishes and Materials Schedule in

|

~~the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.~~

~~g. Typically, the Postal Service provides~~ [is responsible for providing all of the signage, cabinetry, and workstation\(s\) to the supplier to attain the desired result, unless waived by the DM. For more information on finishes and materials aligned to Postal Service branding, refer to *Standard Finishes and Materials Schedule* on the CPAC Blueshare website.](#)

~~e. The objective is to have the completed CPU look like the prototype.~~

~~Postal Service prototype drawings and branding are needed for the following reasons:~~

- ~~▪ d. To determine whether a one-counter or two-counter design is needed.~~
- ~~▪ e. To assess T~~ [the supplier's space constraints, which can impact design.](#)

~~f. Materials and finishes need to comply with Postal Service standards if new construction. (See *Standard Finishes and Materials Schedule* in~~

~~the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.~~

- ~~g. Typically, the Postal Service provides all of the signage, cabinetry, and workstation(s) to the supplier to attain the desired result.~~

~~The CPU coordinator requestor must submit document a deviation in the CPU Request Package when the supplier makes significant changes from the prototype drawings. This would include using nonstandard counters (any counter other than Postal Service-provided counters), omitting slat walls, changing color schemes, and omitting standard signage. For more information on contract deviations, see section 6.3.~~

8-29.2 Review of Attachment 5, CPU Design and Construction Requirements Documents

~~After First, the CPU coordinator receives a copy of the CPU eContract Award. Then, the HAO CPU coordinator reviews the completed CPU Design and Construction Requirements (D&CR) to determine what casework and signage the Postal Service is to provide.~~

~~The HAO CPU coordinator coordinates and schedules a meeting with the n-on-site meeting with the following team members:~~

- ~~a. CPU coordinator.~~
- ~~b. Host Administrative Office (HAO).~~
- ~~c. CPU supplier.~~

~~The CPU supplier, who prepares and submits the required CPU design layout based on the CPU D&CR.~~

4-99.3 Postal Service Design Assistance

~~Listed below are important aspects of Postal Service design assistance:~~

- ~~a. The supplier is contractually responsible for the design of the CPU. If needed, Most facilities can readily adapt a prototype drawing. If needed, design (See Supplier Pre Acceptance Inspection Checklist in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~
- ~~b. The Postal Service accumulates experience over a large number of CPUs.~~
- ~~c. The Postal Service can assist the supplier by doing the following:~~
 - ~~a. (1) Recommending the appropriate prototype.~~
 - ~~b. (2) Suggesting locations for the CPU within the store.~~
 - ~~c. (3) Giving an orientation of the CPU(s) at the suggested location(s).~~
 - ~~d. (4) Assuring that the type and location of signage are most effective.~~
 - ~~e. (5) Suggesting a path to collect mail from the CPU.~~
 - ~~(6) Evaluating truck access and handicapped parking.~~
- ~~f. If floor, ceiling, or lighting is unacceptable, notify the supplier.~~

~~e. Further clarification on all construction and responsibility issues is provided in Attachment 5, Contract Postal Unit Design and Construction Requirements.~~

4-79.4 Design Requirements

The important aspects of the design requirements are the following:

- a. — There are no mandatory supplier requirements for professional design services.
- b. — The supplier is responsible for the following:
 - a. (1) — Determining whether a permit is required.
 - b. (2) — Obtaining all required permits.
 - c. (3) — Retaining professional services if needed to obtain permits.

8-39.5 Supplier's Design Submittal

- a. The CPU supplier submits a preliminary design with its proposal. The preliminary layout may be adequate identified if it is a Case I (Full eCompliance) or a Case II (sSubstantial eCompliance) submittal based on the criteria listed in Attachment 5, Part C (see 4-8). A Case III (Deviation) submittal will require drawings and specifications. The supplier determines whether professional services are needed. The CPU coordinator reviews and approves the drawings.
- b. The CPU coordinator HAO, with guidance from the Facilities Department Service Office (FSO) (if needed), will approve the design.
- c. The CPU coordinator HAO sends an e-mail to the Denver CPF CMC that the drawings have been approved.
- d. The Denver CPF CMC buyer advises the CPU supplier, CPU coordinator, and the HAO in writing via a Notice to Proceed letter, that the drawing/plan is accepted and build-out may commence via a Notice to Proceed letter. The CPU supplier is solely responsible for the means and methods and for obtaining permits and/or approvals for all signs. The CPU supplier is also responsible for installing and providing electrical power to the Postal Service illuminated signs.

8-49.6 On-Site Meeting

Although the means and methods that the supplier intends to use to accomplish the build-out is strictly the CPU supplier's responsibility, it is usually helpful for the Evaluation Committee to walk through the supplier's plan to help identify any potential problems the Postal Service may have observed on other build-outs.

The CPU coordinator HAO does must complete the following responsibilities:

- a. — Verifies the location of the CPU within the store and approves the design.
- b. — Verifies that the available space in the store will accommodate the design.
- c. — Verifies that the layout, orientation, and space around the CPU are adequate and consistent with the design.
- d. — Reviews the supplier's proposed construction schedule and coordinates approximate delivery dates and times for Postal Service equipment.
- e. — Discusses the size and weight of the cabinetry delivery items.
- f. — Determines whether a dock-high delivery point is present or, if there is no dock, if a lift-gate truck will be needed.
- g. — Discusses how the supplier intends onto conduct doing the build-out.
- h. — Determines whether entrance/exits dedicated for mail pick-up locations are suitable.
- i. — Reviews proposed sign types and locations.
- j. — Verifies that the supplier has the necessary approvals for exterior signs.
- k. — Reminds the supplier that he/she needs to complete the pre-inspection checklist after construction is finished for final inspection.
- l. — Places orders after design approval and the on-site meeting.
- m. — Verifies that the supplier has permits and approvals to install signage.

- n. If CARS For an RSS BP, verifies LAN line installation.

The CPU coordinator HAO ensures that orders are placed for furniture, casework, and CPU signage. Both the district designee CPU coordinator and the HAO ensure that orders are placed for all other equipment needs per the CPU activation checklist.

Timely placement of orders and follow-through are critical. The CPU D&CR, Part A — Responsibility Schedule, shows the type and quantity of all items (except signage) to be ordered. Part B — Signage Requirements, shows the type and quantity of all signage to be ordered. Refer to the (See Sample Part A — CARS, Sample Part A — PB, and Sample and Part B samples in the Publication 156 folder on the CPAC bBlueshare website. at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

Typically, the order consists of the following:

- a. Interior signage (e.g., CPU logo, door decals, illuminated window sign, placards).
- b. Exterior sign.
- c. Furniture and casework.
- d. Mail drop slot.
- e. Sack rack cabinets.

The HAO Nnotes in the eBuyPlus requisition² and on the Signage Order Form if the delivery will be at dock height. In some cases, it is necessary to deliver the equipment to the nearest Post Office with the approval of the local Ppostmaster and with the understanding that the CPU supplier's contractor must come to the Post Office to pick up the equipment and deliver it to the site.

8-59.7 Ordering Furniture and Casework

Refer to Part A — Responsibility Schedule in the CPU D&CR (see Part A of Attachment 5).

The CPU workstation can be constructed into either a left- or a right-hand model. Pre-purchased cabinetry is only for a Performance-Based contract in which a build-out is being completed. The dDistrict must assume the cost of the counters, including shipping. During eBuyPlus requisition² entry, be sure that you do not route the request to the Denver CPF CMC buyer.

For more information, see the (See Ordering Process for CPU Casework and CPU Casework Order Form in the Publication 156 folder on the CPAC bBlueshare website. at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

8-69.8 Ordering Signage

Refer to Part B — Signage Requirements in the CPU D&CR (see Part B of Attachment 5).

The Postal Service has a direct vendor through which all signage orders must be placed. Verify that the supplier has all permits and approvals for installing the signage and that an approved funding document at the District level has been approved prior to before ordering signage. During eBuy²Plus requisition entry, the HAO must be sure ensure that you do not route the request is not routed to the Denver CPF CMC buyer.

Refer to the order form. (See Signage Order Form-CPU Signs in the Publication 156 folder on the CPAC bBlueshare website. at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

8-79.9 Finalizing the Design

The CPU supplier and the HAO must Communicate consistently, and the HAO must follow the progress of the construction. The CPU supplier gives notice when the build-out is complete. Upon notice, the HAO and CPU coordinator performs a final inspection before. Then the CPU coordinator formally accepting the space.

4-69.10 Finished Product

The important aspects of the finished product are the following:

- a. ~~Do not get involved with the "means or methods."~~
- b. The supplier is responsible for attaining the required finished result.
- e. The supplier must accomplish the work in compliance with applicable codes. [Postal Service employees are not permitted to be ~~Do not get involved with the "means or methods."~~ Of attaining the finished result. For further guidance, contact the DM.](#)

~~4-7 Design Requirements~~

~~The important aspects of the design requirements are the following:~~

- a. ~~There is no mandatory requirement for professional design services.~~
- b. ~~The supplier is responsible for the following:~~
 - (1) ~~Determining whether a permit is required.~~
 - (2) ~~Obtaining all required permits.~~
 - (3) ~~Retaining professional services if needed to obtain permits.~~

~~The Postal Service does not review the design for code compliance. The Postal Service does review the design for layout, finishes, materials, and signage for compliance with the contract (i.e., the Postal Service determines if the result will appear like one of the prototype drawings).~~

4-8 Design Submittal

The important aspects of the design submittal are the following:

- a. There are three different options for a supplier's design submittal:
 - (1) Case I: Full compliance.
 - (2) Case II: Substantial compliance.
 - (3) Case III: Deviation.
- b. The prototype drawings help simplify the supplier's design.
- c. The drawings also indicate full (or substantial) compliance with the prototype:
 - (1) Full compliance: With full compliance, the supplier chooses a prototype drawing and provides a proposed Finishes and Materials Schedule.
 - (2) Substantial compliance: With substantial compliance, the supplier provides a marked-up prototype drawing and a proposed Finishes and Materials Schedule.

~~(3) — Deviation: With a deviation request, the supplier prepares and submits drawings and complete specifications for all finishes and materials for Postal Service approval.~~

~~4-9 Postal Service Design Assistance~~

~~Listed below are important aspects of Postal Service design assistance:~~

- ~~a. — The supplier is contractually responsible for design (See Supplier Pre-Acceptance Inspection Checklist in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~
- ~~b. — The Postal Service accumulates experience over a large number of CPUs.~~
- ~~c. — The Postal Service can assist the supplier by doing the following:~~
 - ~~(1) — Recommending the appropriate prototype.~~
 - ~~(2) — Suggesting locations for the CPU within the store.~~
 - ~~(3) — Giving an orientation of the CPU at the suggested location(s).~~
 - ~~(4) — Assuring the type and location of signage are most effective.~~
 - ~~(5) — Suggesting a path to collect mail from the CPU.~~
 - ~~(6) — Evaluating truck access and handicapped parking.~~

~~If floor, ceiling, or lighting is unacceptable, notify the supplier.~~

~~4-10 Design Assistance Versus Design Responsibility~~

~~Listed below are important aspects of design assistance versus design responsibility:~~

- ~~a. — Maintain supplier design responsibility.~~
- ~~b. — In practice, the design is usually simple. Most facilities can readily adapt a prototype drawing.~~
- ~~c. — Further clarification on all construction and responsibility issues is provided in Attachment 5, Contract Postal Unit Design and Construction Requirements.~~

~~See the Publication 156 folder on CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/epac/default.aspx> for the following items:~~

- ~~a. — Part A — Responsibility Schedule — CARS CPU.~~
- ~~b. — Part A — Responsibility Schedule — Performance-Based CPU.~~
- ~~c. — Part B — Signage Requirements.~~
- ~~d. — Direct Vendor CPU Signage Catalog.~~
- ~~e. — Signage Order Form — General Information.~~
- ~~f. — CPU Workstation Options.~~
- ~~g. — CPU Design and Construction Requirements, Attachment 5 Part C — CPU Build-Out Requirements.~~

h. ~~Standard Finishes and Materials Schedule.~~

i. ~~Supplier Pre-Acceptance Inspection Checklist.~~

~~5 Identifying Prospective Contract Postal Unit Suppliers~~

~~5-1 Overview~~

~~Use the techniques in this chapter to create supplier interest in becoming a prospective contract postal unit (CPU) supplier.~~

~~5-2 Local Sourcing~~

~~5-2.1 Letter of Interest~~

~~A letter of interest is a letter from the Postmaster delivered to retailers in a targeted area. The letter explains to the retailer the criteria necessary to become a prospective CPU supplier. (See Letter of Interest: A Post Office in Your Store in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~5-2.2 Newspaper Advertisements~~

~~Another way of creating interest in the business community is by placing an ad in the local paper. The ad must provide information about the CPU and the geographic area being targeted.~~

~~5-2.3 Community Interest News Articles~~

~~The CPU coordinator can ask the customer relations coordinator or the Postmaster for assistance in contacting the local newspaper to write a community interest story. (See Community Interest News Stories in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~The reporter could interview the CPU coordinator or the Postmaster for background information about the need for expanded retail access. To add interest to the story, photos could be taken of other CPUs (with build-outs). Often these articles generate sufficient interest to enable a CPU supplier presentation to be scheduled.~~

~~5-2.4 Chamber of Commerce~~

~~Many local businesses are members of the chamber of commerce. The chamber is usually aware of community needs and concerns and is a good~~

~~potential source for interested retailers. The Host Administrative Office (HAO) (who is sometimes a Postmaster) or the CPU coordinator could ask to attend a chamber meeting to give an overview of the CPU program and a Performance-Based contract.~~

~~5.2.5 Community Associations~~

~~Many residential developments have community associations that meet regularly. If the community is in an area of high growth, the local Postmaster probably has received requests from the community for a Postal Service presence. The HAO or the CPU coordinator could ask to attend a community meeting to provide an overview of the CPU program and a Performance-Based contract.~~

~~5.2.6 Cold Calls~~

~~If the efforts noted in 5.2.1 to 5.2.5 fail to generate interest, it might be necessary to make cold calls (i.e., to talk with prospective CPU suppliers who have not had a previous introduction). This is done by “walking the proferred area” and talking to retailers directly to gain their interest. If the store owner/manager is not available, leave a business card and ask for an appointment. Use the Source List, to record information from these calls. (See Source List in the Publication 156 folder on the CPAC blueshare at: <http://supply.blueshare.ucps.gov/sites/epac/default.aspx>.)~~

~~The HAO must be comfortable with the presentation and have knowledge of the Performance-Based contract.~~

~~Be prepared by having copies of Publication 296, CPU Marketing Brochure, and supplier presentation materials available. (See Ordering Instructions for Pub 296, CPU Marketing Brochure in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~

5-3 Reviewing Responses and Scheduling Meetings

~~The HAO contacts the CPU coordinator after responses have been received to schedule a supplier presentation. It is recommended that the presentation be held at the local Post Office. Postal Service attendees must include the HAO representative. The benefits of bringing all potential suppliers together in one meeting are the following:~~

- ~~a. All attendees hear consistent information and have the opportunity to ask questions.~~
- ~~b. All interested parties are in attendance and competition for the contract may be generated.~~
- ~~c. A single meeting saves time and travel.~~

~~5-4 Requirements for Supplier Presentation~~

~~Prior to the presentation to potential suppliers, the HAO should have discussed the estimated revenue based on the revenue forecast model, outlined the preferred area of interest, and distributed the supplier's estimated cost worksheet. With prior knowledge of this information, the presentation can begin. The HAO must also be thoroughly knowledgeable on the Performance-Based contract requirements, including all attachments.~~

~~5-5 Supplier Presentation Handouts~~

~~Before the presentation, the HAO must become familiar with all of the following materials that are to be handed out at the supplier presentation:~~

- ~~a. Source list to be used as a sign-in sheet.~~
- ~~b. Publication 296 that defines a CPU, the benefits of a partnership with the Postal Service, and the method of compensation and gives examples of build-out and signage.~~
- ~~c. Attachment 1, Requirements, of the CPU solicitation/award package.~~
- ~~d. Attachment 2, Supplier Business Proposal and Information, of the CPU solicitation/award package and the CPU Supplier's Estimated Cost Worksheet (See CPU Supplier's Estimated Cost Worksheets in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~
- ~~e. Attachment 3, CPU Bond, of the CPU solicitation/award package (not applicable for CPUs that will have GARS).~~
- ~~f. Attachment 4, Compensation, of the CPU solicitation/award package.~~
- ~~g. Attachment 5, CPU Design and Construction Requirements, of the CPU solicitation/award package.~~
- ~~h. See Section 5-G.2 and Chapter 7 for more information on the three solicitation/award package contract types.~~

~~5-6 Share Lessons Learned~~

~~Provide a sample of a blank solicitation so attendees can familiarize themselves with the contents.~~

~~5-7 How to Conduct the Supplier Presentation~~

~~5-7.1 Introduction and Overview~~

~~Allow about 1 and 1/2 to 2 hours for the presentation. Introduce the Postal Service representatives and thank all the potential suppliers for taking the time to attend. Distribute a copy of the source list and ask attendees to~~

~~complete the requested information and return it to the CPU coordinator. (The source listing will be included as part of the CPU request package.) Encourage attendees to ask questions.~~

~~5-7.2 Presenting Supplier Materials~~

~~The materials described in 5-G.2.1 through 5-G.2.5 are essential to a successful presentation because the materials cover the critical parts of the contract requirements.~~

~~5-7.2.1 Contract Postal Unit Request Package~~

~~Use the CPU request package as a training tool to explain the CPU solicitation process to the potential CPU suppliers.~~

~~5-7.2.1.1 Page 1 of the CPU Request Package~~

~~To complete page 1, do the following:~~

- ~~a. Identify the HAO and provide e-mail address and introduce the CPU coordinator.~~
- ~~b. Explain that the HAO has administrative oversight of the day-to-day operations of the CPU.~~
- ~~c. Indicate that the supplier will receive 40 hours of training from the Postal Service. Explain that the training can be conducted off-site, on-site, or a combination of the two.~~
- ~~d. Discuss that for a competitive contract the evaluation criteria and award factors must be considered.~~
- ~~e. Explain that an evaluation team will be established who will perform an on-site visit. The evaluation factors used in the evaluation of offers are the following:
 - ~~(1) Location.~~
 - ~~(2) Current business volume.~~
 - ~~(3) Physical characteristics (handicapped accessible).~~
 - ~~(4) Parking and public transportation.~~
 - ~~(5) Staffing.~~
 - ~~(6) Placoment of proposed CPU within the retail facility.~~
 - ~~(7) Past Performance.~~
 - ~~(8) Supplier Capability.~~~~
- ~~f. Explain that the solicitation will indicate the role of price in the evaluation of the offer.~~

~~5-7.2.1.2 Source List (Page 2 of the CPU Request Package)~~

~~Use the source list as a sign-in sheet at the supplier presentation.~~

~~5-7.2.1.3 Evaluation Committee Members (Page 3 of the CPU Request Package)~~

~~Explain that a committee of three will individually perform an on-site evaluation before any contract will be awarded. The CPU coordinator will then enter the names, addresses, e-mail addresses, and telephone numbers~~

~~of the three committee members prior to submitting the request package to the Denver CMC.~~

~~5-7.2.1.4 Attachment 1, Requirements (Page 4 of the CPU Request Package)~~

~~To complete and discuss page 4, do the following:~~

- ~~a. Enter the HAO information under Number 1, "Description."~~
- ~~b. Explain Attachment 5, Design and Construction Requirements.~~
- ~~c. Explain the general boundary and map for the area being considered.~~
- ~~d. Indicate the days and hours of service (recommend extended hours).~~
- ~~e. Recommend the services to be provided (both mandatory and optional).~~

~~5-7.2.1.5 Part A Responsibility Schedule (Pages 5 through 7 of the CPU Request Package)~~

~~Explain what the Postal Service's and the supplier's responsibilities for meeting the design and construction requirements. Explain who is responsible for providing, installing, and maintaining the requirements.~~

~~5-7.2.1.6 Part B Signage Requirements (Page 8 of the CPU Request Package)~~

~~Explain the signage that the Postal Service provides. Explain the sizes and weights, and inform the suppliers that they will be responsible for installing and maintaining the signs.~~

~~5-7.2.2 Attachment 2 (of the solicitation package) Contract Postal Unit Supplier Business Proposal, Information, and Worksheet~~

~~Attachment 2 is a critical component of the solicitation. Discuss each evaluation factor with the attendees and, if possible, provide an example. Stress that all the requested information must be included. If the requested information is not included, the offeror may be considered nonresponsive or may receive a lower score on its evaluation.~~

~~5-7.2.3 Attachment 3 (of the solicitation package) Contract Postal Unit Surety Bond~~

~~Prospective suppliers must use the bond instructions and form to contact their insurance agent on the cost of getting a Postal Service surety bond. The approved sureties listing website is at: www.fms.treas.gov/e570/index.html.~~

~~Inform the attendees of the bond amount required and that operation of the CPU cannot begin until the bond requirement is met. The bond must cover all stamp stock, accountables, and the value of postage on the motor. A bond waiver will not be approved. In lieu of a bond, the supplier may provide an irrevocable letter of credit (from a bank or credit union) or a deposit of assets (cash).~~

~~Note: There is no bond requirement for a CARS CPU.~~

~~5-7.2.4 Attachment 4 (of the solicitation package) — Compensation~~

~~Attachment 4 indicates the performance payment percentages the supplier will request based on the sale of postal products and services. For any stamp sold in excess of current First Class Mail® postage (i.e., semi postal issues, which are stamps sold to generate funds for charitable endeavors), only the amount valid for postage can be considered toward the performance payment. The intent of the Performance Based CPU contract is not to allow the CPU supplier to use the CPU as a mailing agency or as a mailing services provider in order to inflate postal revenue. The HAO or CPU coordinator must ensure compliance by the CPU supplier.~~

~~Individual stamp transactions greater than \$1000.00 are prohibited and such requests must be referred to the HAO. CPU suppliers can purchase stamps for their own use and use the CPU to mail their own mail in what is considered to be a reasonable and customary amount. However, the sale of stamps to another retailer or individual whose sole purpose would be the resale of these stamps is prohibited. The CPU supplier cannot use the CPU to function as a mail or letter shop. Bulk mailings are prohibited.~~

~~5-7.2.5 Attachment 5 (of the solicitation package) — CPU Design and Construction Requirements~~

~~Discuss design criteria and build-out and the potential suppliers' responsibilities. Explain the equipment and signage provided by the Postal Service. The CPU supplier is responsible for the cost of the build-out including signage installation. Depending on complexity of the build-out, the average cost is \$8,000 to \$10,000. Exterior signage examples are provided and must meet landlord and local city or county codes and ordinances prior to beginning operations.~~

~~5-7.2.6 Compensation and Supplier Costs~~

~~Advise attendees of estimated first year revenue from the CPU operation as indicated by the CPU Revenue Forecast model. Potential suppliers need to consider their operational costs (i.e., costs for staffing, equipment, supply, telephone, and bond premium) as well as potential increased retail sales from the additional customer traffic. Provide suppliers with an estimated cost worksheet. For a noncompetitive contract or conversion to a Performance Based contract, the CPU coordinator and the potential supplier may discuss the performance payment rate. However, only the Denver CMC can negotiate and commit funds for the Postal Service. Remind suppliers that there is no franchise fee. Provide examples of CPU success stories.~~

~~5-7.2.7 Conclude Supplier Presentation~~

~~Conclude the meeting by asking if there are any questions and thank the attendees for their interest. Provide contact information (i.e., business cards). See the Publication 156 folder on CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.) for the following items:~~

- ~~a. Letter of Interest: A Post Office in Your Store.~~
- ~~b. Community Interest News Stories.~~

- ~~e. Source List.~~
- ~~d. Ordering Instructions for Pub 296—CPU Marketing Brochure.~~
- ~~e. CPU Supplier's Estimated Cost Worksheets.~~

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~~6 Preparing the Contract Postal Unit Request Package~~

~~6-1 Introduction~~

~~After having justified the need for a contract postal unit (CPU), the CPU coordinator prepares a CPU request package. The request package is the formal package submitted for processing to the Customer Products and Fulfillment Category Management Center (Denver CMC) in Aurora, Colorado.~~

~~The cover letter summary must include the following information:~~

- ~~a. Background information.~~
- ~~b. Current conditions that support the need.~~
- ~~c. Existing expanded access channels.~~
- ~~d. Recommendation.~~
- ~~e. Noncompetitive business case (if applicable).~~
- ~~f. (See Sample Cover Letter Summary in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~The competitive purchase method is the preferred method that satisfies the business objectives of the Postal Service. However, at times when the noncompetitive purchase method better suits the business situation and the needs of the Postal Service, refer to the Management Instruction SP-S2-2011-1, Noncompetitive Purchases, on the Postal Service PolicyNet website; go to: <http://blue.usps.gov/epim> and click on MIs.~~

~~6-2 Concerns for Approving Funding Documents~~

~~Some concerns for approving funding documents are the following:~~

- ~~a. Submit the solicitation funding (budget line 3G) to the Denver CMC.~~
- ~~b. The District Manager's approval is mandatory on all funding documents relating to CPUs, as stated in Handbook F-66, General Investment Policies and Procedures, 2-6.2, which is reprinted in its entirety as follows:~~

~~"Contract postal units are post offices operated by a contractor under the jurisdiction of [a host] post office, usually in a store or other privately owned and operated place of business. At the Headquarters level, vice presidents~~

~~and above have the authority to approve funding for contract postal units. They may re-delegate, in writing, portions of this authority. At the field level~~

~~, vice presidents, Area Operations, or their designees have the authority to establish contract units. (Refer to the *Postal Operations Manual* (POM), section 123.24 on the Postal Service PolicyNet website. Go to <http://blue.usps.gov/epim> and click on Manuals.) This approval authority may be re-delegated, in writing, to the District Manager, but may not be re-delegated by the District Manager.~~

6-3 Contract Postal Unit Deviation Request Process

6-3.1 Approval by Headquarters

All deviation requests must be approved by Retail Partner Integration at Headquarters.

6-3.2 Deviation Requests

The four types of deviation requests are the following:

- a. CPU policy (See 6-3.2.1).
- b. CPU design standards (See 6-3.2.2).
- c. CPU contract type (See 6-3.2.3).
- d. CPU compensation (See 6-3.2.4).

(See CPU Deviation Request Form in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

6-3.2.1 Contract Postal Unit Policy

Postal Service policy requires a build-out for all new or converted Performance-Based CPUs. The CPU coordinator must submit a deviation when the supplier does not intend to follow Postal Service policy. Adding Post Office boxes to new or existing CPUs or deviating from using the mandatory services in the contract also requires a deviation.

6-3.2.2 Contract Postal Unit Design Standards

The CPU coordinator must submit a deviation when the supplier makes significant changes from the prototype drawings. This would include using nonstandard counters (any counter other than Postal Service provided counters), emitting slot walls, changing color schemes, and omitting standard signage.

6-3.2.3 Contract Postal Unit Contract Type

A deviation is usually required when the contract type is anything other than a CARS Performance-Based contract. Refer to the CPU Request Package Checklist for exceptions (see 6-4).

~~6.3.2.4 Contract Postal Unit Compensation~~

~~If the proposed compensation for a contract exceeds the guideline amount of 12 cents per revenue dollar, then an approved deviation is required. The contracting officer is responsible for ensuring the recommended price is fair and reasonable for the immediate area where the CPU is located.~~

~~6.3.3 How to Process a Deviation Form (Departure from Accepted Contract Postal Unit Process)~~

~~The steps for processing a deviation form are the following:~~

- ~~a. Complete one deviation request form per contract.~~
- ~~b. Attach adequate justification (including drawings and photographs when necessary).~~
- ~~c. Be thorough and concise.~~
- ~~d. Obtain local approval authority from the district.~~
- ~~e. Electronically transmit the request to the area office for approval, if required. If area approval is not required, please indicate "Not applicable" on the area signature line.~~
- ~~f. If the area office approves the deviation request, the area will transmit the approved deviation request to Retail Partner Integration at Headquarters for final approval. If the area office does not approve the request, the area returns the deviation request to the district office for correction and resubmittal.~~
- ~~g. Whether the area approves or rejects the deviation request, Retail Partner Integration at Headquarters returns the deviation form to the originating office (either the area office or the district office, as applicable).~~
- ~~h. The Area Office provides the returned request to the District Retail Office (if applicable).~~
- ~~i. The District Retail Office will include the approved deviation in the CPU request package.~~

~~**Note:** If the Area Office requires that it must review and approve the original CPU request package before it is sent to the Denver CMC, follow the local procedures.~~

~~6.4 Contract Postal Unit Request Package Checklist~~

~~A CPU request package checklist explains the required elements for all types of contracts. Attach all required elements to your approved eBUY2 and send electronically to the Denver CMC. (See CPU Request Package Checklist in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~See the Publication 156 folder on CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the following items:~~

- ~~a. Sample Cover Letter Summary.~~

- ~~b. CPU Deviation Request Form.~~
- ~~c. CPU Request Package Checklist.~~

~~7 Processing the Contract Postal Unit Request Package~~

~~7-1 Introduction~~

~~The contract postal unit (CPU) coordinator prepares the CPU request package and submits it to the Denver CMC. This chapter explains how the Denver CMC processes the package. The chapter also discusses responsibilities of the different team members involved in this process.~~

~~7-2 CARS Performance-Based Contract Postal Units~~

~~7-2.1 Request Package Denver CMC Review Process~~

~~If the request package is incomplete, then the Denver CMC returns the package for completion. Some common errors are as follows:~~

- ~~a. The eBuy2 is received with no attachments. The requestor will receive a call or an e-mail from the Denver CMC stating that the eBuy2 was received with no attachments and to e-mail the rest of the documents to the CPAC team at email address epac.team@usps.gov. Annotate the eBuy2 requisition number in the e-mail or in the subject line. If Denver cannot match the attachments with the eBuy2, this will delay the processing of the request.~~
- ~~b. The eBuy2 is received with attachments, but it is still missing required documents. The request will be assigned to a purchasing specialist for processing. You will receive an e-mail requesting what is missing and who you should submit the missing item to.~~
- ~~c. The e-mail or mailed package is received with request/attachments, but there is no eBuy2. The package will be returned either via e-mail or through regular mail with instructions to send it again with the eBuy2 according to proper procedures.~~
- ~~d. Received everything; however, some information is missing or incorrect. The package will be returned to the requestor for corrections.~~

~~7-2.2 Solicitation Issuance~~

~~The Denver CMC generates the solicitation document, which contains all of the requirements for the CPU. (See Sample Solicitation for CARS Contract in~~

~~the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~

~~Copies of the solicitation are provided to all suppliers on the source list.~~

~~The following individuals receive an e-mail from Denver CMC stating the solicitation has been mailed to the sources that were provided and provides a return date of the solicitation:~~

- ~~a. Host Administrative Office (HAO).~~
- ~~b. CPU coordinator.~~

~~7-2.3~~ **Evaluation of Competitive Proposals**

~~The Denver CMC sends the evaluation package to the evaluation committee chairperson. The evaluation package includes the following items:~~

- ~~a. A copy of each proposal.~~
- ~~b. A copy of the evaluation and award factors.~~
- ~~c. A cover letter with instructions on how to evaluate proposals. (See Guidelines for Completing the Evaluation Worksheet in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~
- ~~d. A worksheet to be completed for each proposal (See Evaluation Worksheet in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~
- ~~e. A Conflict of Interest and Non-Disclosure Agreement that must be signed by each evaluation committee member. The contracting officer is responsible for safeguarding against or mitigate any conflicts of interest when non-USPS employees are members of the evaluation committee.~~
- ~~f. A final rating worksheet completed by the committee chairperson indicating for each proposal whether it was considered acceptable or unacceptable.~~

~~The chairperson distributes the evaluation packages to the committee members during their first meeting and discusses the evaluation process. Recommended members of the evaluation committee are the following:~~

- ~~a. HAO.~~
- ~~b. CPU coordinator.~~
- ~~c. Manager of Post Office Operations.~~
- ~~d. Other Postal Service operational personnel (i.e., a neighboring Postmaster).~~

~~7-2.4~~ **Business Evaluation**

~~7-2.4.1~~ **Overview**

~~The evaluation committee evaluates supplier business proposals in accordance with supplier specific factors and proposal specific factors.~~

~~7-2.4.2 Past Performance and Supplier Capability~~

~~The following evaluation factors are reviewed and assessed by the contracting officer. If deemed unacceptable, the proposal will not be considered further:~~

- ~~a. Past Performance: Prospective suppliers must provide references that will demonstrate a history of satisfactory past performance in the areas of quality, timeliness of performance, business relations, financial stability, and cost control. The Evaluation Committee surveys the references and provides their findings to the contracting officer, who then determines if the offer will be evaluated further.~~
- ~~b. Supplier Capability: Prospective suppliers must provide information to demonstrate financial stability and ability to perform under the contract. The supplier needs to demonstrate the ability to purchase, in advance, the adequate stamps and meter postage to properly serve the postal customer. Financial information to be provided includes financial reports, profit and loss statements, and balance sheets. Upon an in-depth review of the financials, the contracting officer determines if the offer will be evaluated further.~~

~~7-2.4.3 Other Proposal Factors~~

~~Offerors that are deemed acceptable on the Past Performance and Supplier Capability factors will then be evaluated on all other proposal factors. Except for handicapped accessibility, the CPU coordinator indicates in the request package submitted to the Donor CMC the maximum point assignment for each of the other proposal factors.~~

~~Handicapped accessibility is not assigned a maximum point value. Offerors that do not propose facilities that are handicapped accessible or that do not adequately demonstrate how the facility will meet the applicable accessibility standards before service begins, will not be evaluated further.~~

~~Each of the following other proposal factors are listed in the solicitation package in order of importance:~~

- ~~a. Characteristics of the supplier's retail facility:
 - ~~(1) Location.~~
 - ~~(2) Current business volume.~~
 - ~~(3) Physical characteristics (including accessibility to the handicapped, which must be compliant with applicable accessibility standards before service begins).~~
 - ~~(4) Parking and public transportation.~~~~
- ~~b. Characteristics of the proposed CPU within the supplier's retail facility.~~
- ~~c. Staffing.~~

~~**Note:** If the proposed CPU will be in a location provided by the facility, as in the case of a military installation, college campus, or a CPU that will be housed in the exact location where the previous CPU was located, then factors a. and b. do not apply and will not be evaluated.~~

~~The evaluation committee must keep in mind the maximum points assigned to each of the other proposal factors and to rate the proposals accordingly. For example, if an offeror has provided minimal staffing information, he/she would not be disqualified but would receive a low score for this factor.~~

~~Each committee member completes an independent, individual evaluation for each proposal. The committee then reconvenes to discuss the evaluations, compare proposals, and finalize point assignments. The committee chairman then transfers the numeric average for each evaluated proposal to the final rating worksheet. Proposals considered unacceptable are also documented on the final rating worksheet.~~

~~7.2.5~~ **Price Evaluation**

~~The CPU coordinator indicates in the request package submitted to Denver CMC if price is considered more important, less important, or as important as the evaluation factors. Under the competitive process, only the Denver CMC is authorized to negotiate the price of a proposal with the offeror.~~

~~Under the noncompetitive process, the district may discuss the suggested price of a proposal with the offeror provided they make it clear that the Denver CMC is the only office that is authorized to commit funds for the Postal Service. The District's discussion is ONLY to ascertain if the supplier is interested. The District cannot commit, promise, or finalize any price with the supplier. Remember, if the compensation offer exceeds the recommended guideline of 12 cents per revenue dollar, Retail Partner Integration at Headquarters must approve a deviation request.~~

~~If the offer selected for award is higher than the funded amount on the approved funding document, the Denver CMC contacts the CPU coordinator for additional funding and to discuss other options.~~

~~7.2.6~~ **Contract Award**

~~After reviewing the evaluation committee's worksheets and evaluating price proposals, the Denver CMC prepares a best value determination, assigns a contract number, and awards the contract. Prior to or at the time of award, the Denver CMC must receive the 10 digit Unit Finance Number (UFN) specific to the CPU and the agreed upon site name for the supplier. If the Postal Service is awarding a CARS CPU, the 4 digit site ID is generated by Contract Postal Unit Technology (CPUT) system. The Denver CMC establishes payment information in the CPUT system.~~

~~The contract number must be used when communicating with the supplier, HAO, CPU coordinator, and the Denver CMC. Copies of the contract award, award letter, and COR appointment and the HAO Operating Instructions are distributed to the following people:~~

- ~~a. Successful supplier.~~
- ~~b. HAO.~~
- ~~c. CPU coordinator.~~
- ~~d. IGI (if CARS).~~

~~The CPU coordinator must verify CPUT information for accuracy. The HAO must enter all information into the Facilities database.~~

~~Unsuccessful offerors will receive a notification of contract award letter by the Denver CMC. All documents related to the contract award and all future documents about this CPU are kept in an electronic CPU file for the life of the contract.~~

~~In addition to the contract award, award letter, COR appointment, and the HAO Operating Instructions, the supplier receives the following items:~~

- ~~a. CARS CPU Profile Form. This form must be completed and returned to the CPU coordinator.~~
- ~~b. Pitney Bowes CARS/CPU Authorization Agreement Form. This form must be completed and returned to the CPU coordinator with a copy of a voided check. Note: CARS will not be ordered until the forms in items~~
- ~~a. and b. are completed and received by the CPU coordinator.~~
- ~~c. CPU Stamp Order and CPU Stamp Write-in Forms. Use these forms to order stamps from Kansas City Stamp Fulfillment Services.~~
- ~~d. Postal Service Guidelines for Ordering Stamps from Kansas City via ACH Debit. These guidelines specify the policy and procedures for ordering stamps, stamped paper products, and postage.~~
- ~~e. Supplier and Payee Electronic Funds Transfer (EFT) Enrollment Form. This form is for direct deposit, EFT of your payments for operation of the CPU.~~
- ~~f. Instructions to submit drawings to the CPU coordinator within 15 days. The CPU coordinator approves the drawings or, if necessary, forwards the drawings to the Facilities Service Office (FSO) for approval. Once the drawings are approved, the CPU coordinator notifies the Denver CMC. The Denver CMC issues the supplier a Notice to Proceed letter with copies to the CPU coordinator.~~
- ~~g. Instructions to work with the HAO, CPU coordinator to ensure compliance with contract requirements.~~

~~The CPU coordinator completes the CPU Information and Certification Form and notifies the Denver CMC, via e-mail, of the following information:~~

- ~~a. Completion of all site specifications and training.~~
- ~~b. Operational start date.~~
- ~~c. Four digit unit ID (if AIC reporting unit).~~
- ~~d. Finance number.~~
- ~~e. Type of business~~

~~After receipt of the CPU Information and Certification Form, the Denver CMC enters the operational start date and the type of business in CPUT.~~

~~7-2.7 Appointment of Contracting Officer Representative and Host Administrative Office~~

~~The Denver CMC appoints a COR and an HAO at time of award. (See Sample COR Appointment and HAO Operating Instructions in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~

~~The HAO acts as the local contact for the overall operation of the CPU. Copies of the appointment are sent to the following:~~

- ~~a. Supplier.~~
- ~~b. HAO.~~
- ~~c. CPU coordinator.~~

~~The HAO meets in person with the supplier to read and discuss the appointment.~~

7-3 ~~Non-CARS Performance-Based and Firm-Fixed Price CPU Contracts~~

7-3.1 ~~Characteristics~~

~~Characteristics of a Non-CARS Performance-Based and Firm-Fixed Price CPU contract include the following:~~

- ~~a. Same solicitation and award process.~~
- ~~b. Build-out is mandatory for Non-CARS Performance-Based.~~
- ~~c. No mandatory build-out for a Firm-Fixed Price CPU.~~
- ~~d. Signage is mandatory and is provided.~~
- ~~e. A surety bond or, in lieu of a bond, an irrevocable letter of credit (from a bank or credit union) or a deposit of assets (cash) is required.~~

~~(See Sample Solicitation for Non-CARS Performance-Based Contract and Sample Solicitation for Firm-Fixed Price Contract in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

7-3.2 ~~HAO Expanded Delegation Authority for CPUs~~

~~To improve responsiveness and reduce the administrative costs associated with CPU contracting, the CPU HAO appointment was revised in 2003 and again in 2012. The revised appointment gives the HAO more authority to carry out administrative actions and more control in the operation of their CPUs.~~

~~Four changes have been made to the original HAO appointment, and they are summarized as follows:~~

- ~~a. Performance Problems (Letter of Warning). If performance problems are not resolved after the HAO's initial discussion with the supplier, the HAO sends a written notice directly to the supplier citing specific conditions of unsatisfactory performance. This is known as a letter of warning. If the problems are not corrected, the HAO requests a Cure Notice from the Denver CMC contracting officer (CO). The CO in Denver will issue a Cure Notice giving the supplier 10 days to "cure" the problem. The HAO will notify the CO after 10 days if the problem has been cured or not. If not, the CO will issue a termination of the contract. Only the CO at the Denver CMC can suspend or terminate a contract.~~

- ~~b. Change of Hours. The HAO has the authority to change the hours of the contract by working directly with the supplier and providing written notice. The HAO cannot make any hour changes that affect the price of the contract. Contact the Denver CMC to negotiate and make those types of changes.~~
- ~~c. Surety Bonds. The HAO is able to increase or decrease the bond amount, in writing, as needed in order to reflect the supplier's accountability. The HAO can rescind the bond requirement with notification to CMC who will issue a modification.~~
- ~~d. Shortages. When a CPU supplier has a shortage, that shortage is applied to the HAO's finance number. Therefore, it is imperative that the HAO has the authority to recover lost monies as quickly as possible. A Letter of Demand must be issued to the supplier immediately demanding the money to be paid. If the money is not paid, the HAO must notify the CO in Denver to issue a Cure Notice, and if the contract is Performance-Based or Firm Fixed Price, the HAO must begin notifying the bond company to retrieve the funds from the bond. Copies of all correspondence must be sent to the Denver CMC for the file.~~

~~(See HAO Expanded Delegation Authority for CPUs in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~7.3.3 Contract Records Responsibility~~

~~7.3.3.1 Responsibility~~

~~Record keeping is the responsibility of the Denver CMC, the HAO, and the CPU coordinator.~~

~~7.3.3.2 Official Contract File — Denver CMC~~

~~The following items are included in the official contract file:~~

- ~~a. Original request package.~~
- ~~b. Original contract document.~~
- ~~c. Original unsuccessful business proposals.~~
- ~~d. Original modifications.~~
- ~~e. A copy of the property/equipment form signed by the supplier~~
- ~~f. and the HAO.~~
- ~~g. A copy of the surety bond, letter of credit, or record of deposit of assets.~~
- ~~h. A copy of the COR appointment and HAO Operating Instructions.~~
- ~~i. A copy of all correspondence relating to the contract (including copies of correspondence sent to the supplier by the HAO).~~
- ~~j. Copies of reviews, audits, and records of phone calls and other meetings or conversations about contract performance.~~

~~The Denver CMC retains the CPU file for 6 years after contract termination.~~

~~7-3.3.3 HAO and CPU Coordinator's Administrative File~~~~The following items are included in the HAO and CPU coordinator's administrative file:~~

- ~~a. A copy of the contract.~~
- ~~b. Copies of modifications.~~
- ~~c. The original surety bond, letter of credit, or record of deposit of assets.~~
- ~~d. The HAO Operating Instructions and COR appointment.~~
- ~~e. A copy of the property/equipment form signed by the supplier and the HAO.~~
- ~~f. A copy of all correspondence to and from the supplier.~~
- ~~g. The original reviews, audits, and records of phone calls and other meetings or conversations about contract performance.~~
- ~~h. A copy of the supplier's training record.~~
- ~~i. Copies of reviews, audits, and records of phone calls and other meetings or conversations about contract performance.~~

~~The HAO retains the CPU file for 3 years after contract termination and then turns it over to the CPU coordinator, who maintains the file for 6 years.~~~~See the Publication 156 folder on CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the following items:~~

- ~~a. Sample Solicitation for CARS Performance-Based Contract.~~
- ~~b. Guidelines for Completing the Evaluation Worksheet.~~
- ~~c. Evaluation Worksheet.~~
- ~~d. Sample COR Appointment and HAO Operating Instructions.~~
- ~~e. Sample Solicitation for Non-CARS Performance-Based Contract.~~
- ~~f. Sample Solicitation for Firm-Fixed-Price Contract.~~
- ~~g. HAO Expanded Delegation Authority for CPUs.~~

~~8 Construction of the Contract Postal Unit Design~~

~~8-1 Introduction~~

~~After the contract postal unit (CPU) contract has been approved, construction begins. Chapter 8 explains the construction process.~~

~~8-2 Review of Attachment 5, CPU Design and Construction Requirements Documents~~

~~First, the CPU coordinator receives a copy of the CPU contract award. Then, the CPU coordinator reviews the completed CPU Design and Construction Requirements (D&CR) to determine what casework and signage the Postal Service is to provide.~~

~~The CPU coordinator coordinates and schedules an on-site meeting with the following team members:~~

- ~~a. CPU coordinator.~~
- ~~b. Host Administrative Office (HAO).~~
- ~~c. CPU supplier.~~

~~The CPU supplier prepares and submits the required CPU design layout based on the CPU D&CR.~~

~~8-3 Supplier's Design Submittal~~

~~The supplier submits a preliminary design with its proposal. The preliminary layout may be adequate if it is a Case I (full compliance) or Case II (substantial compliance) submittal (see 4-8). A Case III submittal will require drawings and specifications. The supplier determines whether professional services are needed. The CPU coordinator reviews and approves the drawings.~~

~~The CPU coordinator, with guidance from the Facilities Service Office (FSO) (if needed), will approve the design. The CPU coordinator sends an email to the Denver CMC that the drawings have been approved.~~

~~The Denver CMC advises the CPU supplier, CPU coordinator, and HAO in writing that the drawing/plan is accepted and build-out may commence via a Notice to Proceed letter. The supplier is solely responsible for means and methods and obtaining permits and/or approvals for all signs. The supplier is also responsible for installing and providing electrical power to the Postal Service illuminated signs.~~

~~8-4 On Site Meeting~~

~~Although the means and methods that the supplier intends to use to accomplish the build-out is strictly the supplier's responsibility, it is usually helpful to walk through the supplier's plan to help identify any potential problems the Postal Service may have observed on other build-outs.~~

~~The CPU coordinator does the following:~~

- ~~a. Verifies the location of the CPU within the store and approves the design.~~
- ~~b. Verifies that the available space in the store will accommodate the design.~~
- ~~c. Verifies that the layout, orientation, and space around the CPU are adequate and consistent with the design.~~
- ~~d. Reviews the supplier's proposed construction schedule and coordinates approximate delivery dates and times for Postal Service equipment.~~
- ~~e. Discusses the size and weight of the cabinetry delivery items.~~
- ~~f. Determines whether a dock-high delivery point is present or, if there is no dock, if a lift-gate truck will be needed.~~
- ~~g. Discusses how the supplier intends on doing the build-out.~~
- ~~h. Determines whether entrance/exits dedicated for mail pick-up locations are suitable.~~
- ~~i. Reviews proposed sign types and locations.~~
- ~~j. Verifies that the supplier has the necessary approvals for exterior signs.~~
- ~~k. Reminds the supplier that he/she needs to complete the pre-inspection checklist after construction is finished for final inspection.~~
- ~~l. Places orders after design approval and the on-site meeting.~~
- ~~m. Verifies that the supplier has permits and approvals to install signage.~~
- ~~n. If CARS, verifies LAN line installation.~~

~~The CPU coordinator ensures that orders are placed for furniture, casework, and CPU signage. Both the CPU coordinator and HAO ensure that orders are placed for all other equipment needs per the CPU activation checklist.~~

~~Timely placement of orders and follow-through are critical. The CPU D&CR, Part A—Responsibility Schedule, shows the type and quantity of all items (except signage) to be ordered. Part B—Signage Requirements, shows the type and quantity of all signage to be ordered. (See Sample Part A—CARS, Sample Part A—PB, and Sample Part B in the Publication 156 folder on the~~

~~CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~

~~Typically, the order consists of the following:~~

- ~~a. Interior signage (e.g., CPU logo, door decals, illuminated window sign, placards).~~
- ~~b. Exterior sign.~~
- ~~c. Furniture and casework.~~
- ~~d. Mail drop slot.~~
- ~~e. Sack rack cabinets.~~

~~Note in eBuy2 and on the Signage Order Form if the delivery will be at dock height. In some cases, it is necessary to deliver the equipment to the nearest Post Office with the approval of the local Postmaster and with the understanding that the CPU supplier's contractor must come to the Post Office to pick up the equipment and deliver it to the site.~~

~~8.5 Ordering Furniture and Casework~~

~~Refer to Part A — Responsibility Schedule in the CPU D&CR (see Part A of Attachment 5).~~

~~The CPU workstation can be constructed into either a left or right hand model. Pre-purchased cabinetry is only for a Performance-Based contract in which a build-out is being completed. The district must assume the cost of the counters, including shipping. During eBuy2 entry, be sure you do not route the request to the Denver CMC.~~

~~(See Ordering Process for CPU Casework and CPU Casework Order Form in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~

~~8.6 Ordering Signage~~

~~Refer to Part B — Signage Requirements in the CPU D&CR (see Part B of Attachment 5).~~

~~The Postal Service has a direct vendor through which all signage orders must be placed. Verify the supplier has all permits and approvals for installing the signage and an approved funding document at the District level has been approved prior to ordering signage. During eBuy2 entry, be sure you do not route the request to the Denver CMC.~~

~~(See Signage Order Form CPU Signs in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~

~~8-7 Finalizing the Design~~

~~Communicate consistently and follow the progress of the construction. The supplier gives notice when the build-out is complete. The HAO and CPU coordinator perform a final inspection. Then the CPU coordinator formally accepts the space.~~

~~See Publication 156 folder on CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the following items:~~

- ~~a. Sample Part A CARS.~~
- ~~b. Sample Part A PB.~~
- ~~c. Sample Part B.~~
- ~~d. Ordering Process for CPU Casework.~~
- ~~e. CPU Casework Order Form.~~
- ~~f. Signage Order Form CPU Signs.~~

910 Activation of the Contract Postal Unit

9-1 Introduction

~~After the paperwork is completed, a lot of work remains for the project's success. The Host Administrative Office (HAO) and contract postal unit (CPU) coordinator continue to work with the CPU team to ensure that constructing and supplying the CPU go according to plan.~~

9-210.1 Contract Postal Unit Activation Checklist

The CPU ~~a~~Activation ~~e~~Checklist provides a guide to logically activate the CPU. The checklist consists of the following phases:

- ~~▪ a. _____ Post-award phase I (after contract award).~~
- ~~▪ b. _____ Post-award phase II (after receipt of bond and concurrent with build-out). (This does not apply to an [RSS BPCARS](#) contract).~~
- ~~▪ c. _____ Post-award phase III (build-out complete).~~
- ~~▪ d. _____ Opening day.~~
- ~~▪ e. _____ Grand opening.~~
- ~~▪ f. _____ Follow-up.~~

~~For further guidance on the roles and responsibilities of this portion of the process, see the respective contract's (See [CARS CPU Activation Checklist](#) and [FF and PB CPU Activation Checklist](#) in the [Publication 156](#) folder on the CPAC [Blueshare](#) website, at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

9-310.2 Notification

Announce the opening of a new CPU with a letter stating the pertinent information about the CPU.

~~Refer to the respective contract (See [CARS CPU Opening Announcement Letter](#) located and [FNCM Request and Non-CARS CPU Opening Announcement Letter](#) in the [Publication 156](#) folder on the CPAC [Blueshare](#) website for the full distribution list, at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

9-4 Advertising

9-4.1 Overview

10.3 Advertising

Advertising creates community awareness of the CPU's location and hours of operation. Many forms of advertising should be used ~~prior to~~ before the opening of the CPU and continue throughout the life of the contract ~~to ensure customers are informed~~. This includes ~~ing~~ grand opening advertising, ~~point-of-purchase signage (POP)~~ Message Maker 4, and local signage.

9-4.2 10.3.1 Grand Opening Advertising

Grand opening advertising consists of the following ~~items~~:

~~a. Grand opening news release with the following information:~~

~~a. (1) Name and location of the CPU.~~

~~b. (2) Products and services provided.~~

~~c. (3) Hours of operation.~~

~~d. (4) Phone number.~~

~~e. (5) Contact for additional more information.~~

~~f. b. Postcard.~~

~~g. e. Door sign.~~

~~h. d. Co-op advertising (supplier and Postal Service may partner on advertising).~~

~~i. e. Sustaining advertising.~~

~~For more information, refer to the (See Press Release for CPU Opening in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

9-4.3 Message Maker 4

~~Message Maker 4 consists of the following CPU elements:~~

~~a. Create awareness postcards, which are sent to local addresses, to advertise CPUs at the following types of business:~~

~~(1) Retail food store.~~

~~(2) Pharmacy.~~

~~(3) Convenience store.~~

~~(4) Bank.~~

~~(5) Generic.~~

~~b. Create awareness door sign.~~

9-4.4 10.3.2 Point-of-Purchase POP Signage

~~a. Point-of-purchase signage (POP) is signage that communicates product and service information and promotional messages to customers. POP signage is designed to give the right information at the right place and the right time so customers can make an informed decision as to the products and services that they need. The two types of POP are as follows:~~

- a. ~~a.~~—Continuity menu boards, which are continuously displayed and promote core products and services. ~~{(The CPU coordinator~~HAO can order continuity menu boards from the Topeka Material Distribution Center ~~{(MDC)}).~~
- b. ~~b.~~—Promotional POP, which is seasonal and provides a specific, solution- oriented product.

Refer to section 9.8 for information on ordering signage.

9-4.510.3.3 Local Signage

In some communities, the state's ~~e~~D~~e~~partment of ~~t~~T~~r~~ansportation (DOT) erects signs directing the public to the CPU location. ~~In most cases~~if needed, the HAO ~~should~~may contact the state's DOT to make this request.

9-510.4 Training

9-5.1 ~~Overview~~

Three types of training are required: COR training, HAO training, and CPU supplier/supplier employee training.

9-5.210.4.1 Contracting Officer's Representative Training

The ~~Contracting Officer's Representative (COR) for all Contract Postal Units~~a CPU is a designee from Retail Partners Integration at Headquarters and must have the proper training and certifications required. An active COR must re-take the prescribed COR training at least once every 5 years or more frequently if required by the CO (i.e., due to a substantive revision of the course being released). The COR must provide a record of successful completion to the CO who will verify the training and maintain the record in the contract file.

Training and certifications are available through the training course accessible through ~~the Learning Management System (LMS)HERO~~ at <https://usps.csod.com/ui/lms-learning-details/app/course/9ce39749-3e56-4f34-97fe-d9b5c91e763e>.<https://blue.usps.gov/wps/myportal/LMS>. The COR must abide by the ~~Standards of Ethical Conduct for Employees of the Ethical Branch, 5 CFR Part 2635, and the Supplemental Standards of Ethical Conduct for Employees of the United States Postal Service, 5 CFR Part 7001.~~

9-5.310.4.2 Host Administrative Office Training

HAO training explains the HAO's responsibilities and must be completed by all appropriate personnel within 2 weeks of the upon notification of appointment and is fulfilled by visiting the CPAC Blueshare website; go to: Alternate Access Channels-(CPAC) CPU/CPO/VPO - Home (usps.gov)<http://supply.blueshare.usps.gov/sites/cpac/default.aspx>. Click on the Host Admin Office (HAO) – Support Station on the left and review all documents under that tab. For further training, contact the COR.

9-5.410.4.3 Contract Postal Unit Supplier/Supplier Employee Training

9-4 Advertising

Supplier training focuses on customer service, product knowledge, and equipment training. A customized video training program, developed by the Retail Partner Integration (HQ Program Office), is provided to the supplier to train both current and future employees.

The 40 hours of training, both classroom and on-the-job training, This includes but is not limited to the following topics:

- a. HAZMAT and Aviation Security Course # 54294-00.
-

- ~~b.~~ ~~—Retail System-Software Business Partner Contract Access Retail System (RSS BPCARS).~~
- ~~c.~~ ~~—Supply ordering.~~
- ~~d.~~ ~~—Bank secrecy (if applicable).~~
- ~~e.~~ ~~—Daily financial reporting (if applicable).~~
- ~~f.~~ ~~—Registered Mail service.~~

The Postal Service provides the training schedule to the supplier 15 days ~~prior to~~ before the opening date. ~~CPU supplier/employees must complete up to 40 hours of required training prior to~~ before providing Post Office services. This includes but is not limited to training on reporting systems, forms, and products. If the Postal Service introduces a new product or service, an additional 8 hours of training per year may be necessary. The supplier is responsible for paying employees during training. Training must be documented in the supplier's employee training folder on the CPU training attendance record. ~~This training record must be~~ This training record must be kept in the HAO ~~and CPU coordinator's~~ file.

~~(Refer to the See~~ Contract Postal Unit Training Record in the Publication 156 folder on the CPAC ~~Blue~~share website at: [Alternate Access Channels-\(CPAC\) CPU/CPO/VPO - Home \(usps.gov\)http://supply.blueshare.usps.gov/sites/cpac/default.aspx](http://supply.blueshare.usps.gov/sites/cpac/default.aspx)).

11-1.1.210.4.4 **Contract Postal Unit Technology System Training**

~~Training is available to Postal Service employees through~~ provided by the CPUT user's manual accessible on the CPUT website at: <https://cput.usps.gov/Cput/Welcome.jsp>. Click on "User Guides" at the top of the screen. The CPUT support number is located in the user's manual.

9-5.510.4.5 Finance Training for 1412 Daily Reporting Offices

After contract award and receipt of an acceptable CPU bond, the HAO must provide finance training related to Postal Service accounting policies and procedures and the daily PS Form 1412, *Daily Financial Report*.

~~Training must include items described below in 9-5.5.1 through 9-5.5.3.~~

9-5.5.110.4.6 Postage Meter at Contract Postal Unit

The HAO provides an authorization letter to the CPU supplier for access to the Postal Meter Resetting System (PMRS). This authorizes the supplier to use the PMRS. The CPU supplier must provide a signed copy of this letter to the meter manufacturer and retain a copy in the CPU. The guidelines for the CPU supplier are as follows:

- ~~a.~~ ~~—Lease the meter at the supplier's expense from an approved meter supplier.~~
- ~~b.~~ ~~—Use the meter exclusively for customer mailings.~~
- ~~c.~~ ~~—Do not use the postage meter for commercial mail services.~~
- ~~d.~~ ~~—Use the meter for CPU mail in an amount that would be considered reasonable and customary for the type of business that is hosting the CPU.~~
- ~~e.~~ ~~—Do not allow the combined value of stamp stock and meter postage to exceed the CPU bond limit.~~
- ~~f.~~ ~~—Do not request a meter setting in excess of \$25,000.~~
- ~~Verify that all meter readings match the corresponding PS Form 3602-PO, Postage~~

Collected Through Post Office Meter.

- g. Report daily meter revenue on PS Form 3602-PO, ~~Postage Collected Through Post Office Meter~~, and on PS Form 1412, ~~Daily Financial Report~~, in AIC 110.
- h. Call the meter manufacturer to add postage.
 - i. Report additional postage added on PS Form 3602-PO, ~~Postage Collected Through Post Office Meter~~.
- _____

~~j. (For more information, see the Meter Activation Letter and Authorized Postage Evidencing (Postage Meter) Systems Vendors in the Publication 156 folder on the CPAC Blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~9-5.5.2 CPU Daily Financial Closeout~~

~~The CPU contractor must prepare PS Form 1412 to report daily financial transactions performed and submit to the HAO daily with the required supporting documents (i.e., tapes, lists, and receipts). Prepare PS Form 1412 in ink, duplicate with the date, name, and opening accountability balance noted. If an error is made, draw one line through the entry and write the correction above and initial.~~

~~Perform daily closeout as follows:~~

- ~~a. Complete PS Form 3602-PO (if applicable) and enter the calculated amount into AIC 110, Post Office Postage Meter Sales.~~
- ~~b. Run a calculator tape of money orders sold, enter amount of money orders into AIC 100, Domestic Money Order — Value, and the money order fees into AIC 101, Domestic Money Order Fees.~~
- ~~c. Organize supporting documentation by type, calculate the amount by products and service, and enter into the appropriate AICs (i.e., PO box fees and lobby service revenues).~~
- ~~d. Post sales of retail products (if applicable) into the appropriate AICs of the PS Form 1412.~~
- ~~e. Run a calculator tape of checks accepted.~~
- ~~f. Count the funds to be deposited and enter amounts to AIC 752, Cash Remitted Final.~~
- ~~g. Calculate the amount of postage sales and enter into AIC 090, Postage Stock Sales.~~
- ~~h. Verify that AIC 840, Stamp Accountability Opening Balance, matches the previous day's AIC 853, Stamp Accountability Closing Balance.~~
- ~~i. Complete the Stamp Accountability section of PS Form 1412 as follows:

 - ~~(1) Enter in AIC 841, Stamp Stock Received, if any stock received from the SDO.~~
 - ~~(2) Enter AIC 848, Stamp Stock Returned, if any stock returned to the SDO.~~
 - ~~(3) Enter AIC 852, Total Stamp Accountability Sales, total sales of AIC 090.~~
 - ~~(4) Calculate the amount of AIC 853, Stamp Accountability Closing Balance.~~~~
- ~~j. Ensure PS Form 1412 is in balance, totals of AIC 400, Cash Required, and AIC 800, Cash Accounted For, must match.~~
- ~~k. Sign, date, and submit the PS Form 1412 to the assigned Host Administrative Office.~~

9-5.5.3—Required Documents

The required documents for 1412 reporting units are the following:

- a. The original PS Form 1412.
- b. The original PS Form 3602 PO. (See notes on last page of form for instructions.)
- c. Duplicate PS Forms 3544, USPS Receipt for Money or Services.
- d. Original COD tags (if not paid at the unit).
- e. Original Customs Form 3419A, Mail Entry—Customs, and PS Form 2944, Receipt for Customs Duty Mail.
- f. Money order vouchers, spoiled money orders, and calculator tapes.
- g. Original PS Form 17, Stamp Requisition/Stamp Return, for stock shipped/received/returned.

CPUs must continue to use their green, zippered PS Form 1412 pouches to dispatch their daily financial reports and documents to the assigned HAO. **Note:** See Handbook F-101, *Field Accounting Procedures*.

9-6 Equipment, Property, and Supplies**9-6.1—Firm-Fixed-Price or Performance-Based CPU**

Firm-Fixed-Price and Performance-Based CPUs are PS Form 1412, *Daily Financial Report*, reporting units. After contract award and receipt of an acceptable CPU bond, the HAO must provide any Postal Service-furnished equipment, property, and supplies as required by the contract as follows:

- a. The HAO must complete an equipment/property/supplies (EPS) inventory list for Firm-Fixed-Price CPUs. Have the EPS list signed by the CPU supplier, and retain the list in the contract administration file. (See EPS Inventory List in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)
- b. The Part A—Responsibility Schedule and Part B—Signage Requirements provide the inventory listing for a Performance-Based CPU. The HAO must complete an EPS Inventory List if any additional equipment is provided.

9-6.2—Contract Access Retail System (CARS) CPU

The Part A—Responsibility Schedule and Part B—Signage Requirements provide the inventory listing for a CARS CPU.

The CARS is provided to CPU suppliers that have Performance-Based contracts, do not have Post Office boxes, and do not sell postal money orders. The CARS device weighs and rates mail and reports transactional data. Using CARS will cause a change in the way that financial and accountable issues are handled in these CPU locations. CARS cannot be used in a PS Form 1412 reporting office.

Suppliers are responsible for all supplies for CARS. Stamps are obtained through an Authorized Postal Service supplier. Postage in the Postage Security Device (PSD) is paid for in advance through an ACH debit account withdrawn by the CPU supplier and downloaded through CARS. Transactional data and financial data is uploaded daily from CARS and then to the Postal Service for tracking and compensation purposes. Headquarters pays for the cost of equipment. No bonding, PS Form 1412, financial audits, or separation of funds are required.

The Postal Service will not provide credit/debit acceptance equipment to any CPU. The supplier will need to obtain its own equipment. All fees and charges are the responsibility of the CPU supplier.

1011- Managing the Contract Postal Unit

9-811.1 CPU Financial Requirements (1412 Daily Reporting Offices)

9-8.111.1.1 Host Administrative Office Responsibilities

CPUs are financially accountable for the value of their assigned stamp stock, cash, and money orders. CPUs may maintain \$100 or 10 percent of their stamp credit, whichever is less.

The postmaster, manager, or supervisor of the HAO has the following responsibilities:

- a. Ensure that CPU stamp credit counts are conducted randomly at least once a fiscal year. There is no tolerance for a CPU count.
- b. Maintain a separate file for CPU financial activities.
- c. Ensure that the CPU has a current bond in place and that its accountability (Stamp Stock and available Meter Postage amount) is within the bond amount.

For Postal Quarters 1, 2, 3, and 4 (October 1–September 30), the CPU's stamp stock limit is calculated by dividing the prior FY sales reported in AIC 852 by four, with no items excluded.

Note: 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.

Note: When there are no same-period-last-year (SPLY) sales during a time period to accurately calculate the stamp stock limit, a Postal Retail Unit (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. For more information, see sections 11-3.4.1 and 13.5 of Handbook F-101, *Field Accounting Procedures*.

9-8.211.1.2 Verifying PS Form 1412

The daily responsibilities of the HAO, Postmaster, or designated employee are to as follows:

- a. Coordinate with the CPU to ensure receipt of a daily PS Form 1412, with

~~supporting documentation for entry into its . CPUs cannot combine daily reporting technology. CPUs cannot combine daily reporting amounts from different days on one PS Form 1412.~~

~~b. If applicable, review the money order tape as follows:~~

~~(1) Verify money order serial numbers.~~

~~(2) Verify that beginning and ending numbers are correct and sold in sequence.~~

~~c. If a CPU issues money orders, ensure that employees at the CPU complete the Bank Secrecy Act (BSA) training, have current forms on hand, and complete and mail forms as required.~~

~~d. Verify the following on PS Form 1412:~~

~~(1) The opening balance of AIC 840 with the previous day's AIC 853 ending balance.~~

~~(2) AIC 110 with PS Form 3602-PO, Postage Collected Through Postage Meters, if CPU has a postage meter.~~

~~(3) 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 submit PS Form 3533 with attached labels as supporting documentation.~~

9-711.1.3 Financial Operational Requirements

~~The HAO is responsible for ensuring that all other operational requirements outlined in Publication 116, Contract Postal Unit Operations Guide, August 2002 (as applicable), the Mailing Standards of the United States Postal Service, Domestic Mail Mail, the International Mail Manual, the HAO Operating Instructions, the HAO Expanded Delegation Authority, and the applicable CPU Activation Checklist are followed. Refer to the HAO Support Station on the CPAC bBlueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>. Financial operational ~~These~~ tasks include the following:~~

~~a. a. Implementing mail collection schedule.~~

~~b. b. Informing the CPU supplier of the procedure used to order stamp stock through an authorized Postal Service provider for CARS-RSS BP contracts or from a stamp distribution office (SDO) for Firm-Fixed-Price and Performance-Based contracts functioning in the Postal Service accounting system.~~

~~c. c. Ordering postal supplies for the CPU, such as bank deposit slips, labels, envelopes, Priority Mail supplies, Express Mail supplies, and Global Mail supplies. (See Sample CPU Supply Order Form in the Publication 156 folder on the CPAC bBlueshare website, at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~d. d. Setting up the bank deposit process. (Not applicable for CARS-RSS BP contracts.)~~

~~e. e. Notifying the district finance number control master (FNCM) coordinator to have a unit ID added to the FNCM database and activated.~~

~~9-8 CPU Financial Requirements (1412 Daily Reporting Offices)~~

~~9.8.1 Host Administrative Office Responsibilities~~

~~Handbook F-1, section 2-4.1.7.1, states “To ensure that all accounting transactions for contract postal units (CPUs) are included in the financial systems, the CPU must provide its daily financial activity to the Host~~

~~Administrative Office at the close of business on the same day business day. The Host Administrative Office is responsible for transmitting daily financial activities for their CPUs on the day of receipt.”~~

~~Faxes are acceptable for data input. However, the original documents must follow and must be verified and filed. Consider hand delivery if it is the only way to meet the schedule.~~

~~The HOA must create a file box for PS Forms 3544 to ensure the receipts are used in sequential order without any being skipped. When the unit has spoiled a receipt, all copies must be marked “Spoiled.” The original and duplicate are submitted to the Host Administrative Office with the daily PS Form 1412.~~

~~The data input person must verify all documents against the AICs on each PS Form 1412. When documents do not match the AIC, have been omitted from the report, or are not submitted, the person who entered the data must correct the AIC and create the necessary trust or suspense item to balance PS Form 1412. For more detailed policies and procedures on financial reporting, see 5-7 of Handbook F-101, *Field Accounting Procedures*.~~

~~Money orders require special verification. The data input person aligns the money order vouchers in serial number order, creates an independent calculator tape to “prove” AIC’s 100 and 101, signs and dates the tape, and attaches it to the CPU tape that was provided.~~

~~Submit spoiled money orders by the CPU to the HAO. The data entry person verifies that all spoiled orders are submitted, annotates on the verification tape any spoiled money order received, and destroys the money orders (the vouchers can be stamped “spoiled” and kept with the daily vouchers). If a spoiled money order is claimed by the CPU but not submitted, and if the money order is subsequently cashed, the CPU is liable for that amount.~~

~~9.8.2 Verifying PS Form 1412~~

~~The daily responsibilities of the HAO Postmaster or designated employee are as follows:~~

- ~~a. Coordinate with the CPU to ensure receipt of a daily PS Form 1412 with supporting documentation. CPUs cannot combine daily reporting mounts from different days on one PS Form 1412.~~
- ~~b. If applicable, review the money order tape as follows:~~
 - ~~(1) Verify 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 missing money orders to the U.S. Postal Inspection Service (USPIS) immediately.
- (5) Verify spoiled and voided money orders (all parts), and submit them to unit manager for destruction.
- (6) Identify missing vouchers.

Note: If a Postmaster is unable to account for the dollar amount of a missing voucher, complete a PS Form 6401, *Money Order Inquiry*, and mail it to the SIC 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:

GENERAL ACCOUNTING BRANCH — MISSING VOUCHERS
 ACCOUNTING SERVICES
 PO BOX 82449
 ST LOUIS MO 63182-2449

~~e. If a CPU issues money orders, ensure that employees at the CPU complete the Bank Secrecy Act (BSA) training, have current forms on hand, and complete and mail forms as required.~~

~~d. Verify the following on PS Form 1412:~~

~~(1) The opening balance of AIC 840 with the previous day's AIC 853 ending balance.~~

~~(2) AIC 110 with PS Form 3602 PO, Postage Collected Through Postage Meters, if CPU has a postage meter.~~

~~(3) 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 submit PS Form 3533 with attached labels as supporting documentation.~~

~~e. Enter the CPU's PS Form 1412 via eMOVES.~~

~~f. Log AICs 247 and AIC 647 activities. The Postmaster or designated employee may choose to use the FPR Net Financial Differences (AIC 247/647) Line-Detail report in the Accounting Data Mart (ADM) for monitoring AIC 247 and AIC 647 expenses.~~

~~g. Examine the CPU's accountability annually for compliance.~~

~~h. Ensure that the CPU's total accountability does not exceed its bonded amount.~~

~~i. For discrepancies of \$100 or more, complete PS Form 571, Discrepancies of \$100 or More in Financial Responsibility, and submit to the appropriate Office of Inspector General.~~

9-8.3 **Printing Missing Money Order Report**

To print the Missing Money Order Report, access eMOVES and do the following:

- a. Select "REPORTS."

- ~~b. Select "MISSING MONEY ORDER REPORT."~~
- ~~c. Select "VIEW BY ALL USERS."~~
- ~~d. Select "PRINT."~~

All blank money orders shipped to a CPU must also be tracked in eMOVES.

The HAO must enter new blocks in the unit money order files in MOVES. From each of its CPUs, the HAO must obtain a copy of all PS Forms 17, whether for stock or money orders.

Once all units are input for the day, do the following:

- ~~a. File accountable documents.~~
- ~~b. Attach any other documentation to PS Forms 1412 and file by date.~~
- ~~c. Maintain envelopes specifically for CPU business by the week.~~
- ~~d. Annotate the unit numbers, dates, month/FY, and week of the enclosed reports on the outside of the envelope.~~
- ~~e. Store in date order.~~

These may be requested for random verification separately from the classified unit documents. HAOs must input all CPU PS Forms 1412 into MOVES no later than 9:00 A.M. the next morning.

The HAO must receive all reports and documents the morning of the next business day, if possible. If the original reports do not reach the HAO the next morning, faxes are acceptable for data input. However, the original documents must follow and must be verified and filed. Consider hand delivery if it is the only way to meet the schedule. The HAO must create a file box for PS Forms 3544 to ensure the receipts are used in sequential order without any being skipped. When the unit has spoiled a receipt, all copies must be marked "Spoiled." Submit the original and duplicate to the HAO with the daily PS Form 1412.

The data input person must verify all documents against the AICs on each PS Form 1412. When documents do not match the AIC, have been omitted from the report, or are not submitted, the data input person must correct the AIC and create the necessary trust or suspense item to balance PS Form 1412.

See the Publication 156 folder on CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the following items:

- ~~a. CARS CPU Activation Checklist.~~
- ~~b. FF and PB CPU Activation Checklist.~~
- ~~c. CARS CPU Opening Announcement Letter and FNCM Request.~~
- ~~d. Non-CARS CPU Opening Announcement Letter.~~
- ~~e. Press Release for GPU Opening.~~
- ~~f. Contract Postal Unit Training Record.~~
- ~~g. Meter Activation Letter.~~
- ~~h. Authorized Postage Evidencing (Postage Meter) Systems Vendors.~~
- ~~i. EPS Inventory List.~~
- ~~j. Sample CPU Supply Order Form.~~

~~10 Managing the Contract Postal Unit~~

~~10-1 Introduction~~

~~The contract postal unit (CPU) staff has celebrated its grand opening, and the customers and suppliers are happy. However, the Host Administrative Office's (HAO's) responsibility does not end here. One of the main reasons that the Postal Service experiences problems with CPUs is a lack of consistent management and follow-through. The HAO needs to ensure that the supplier is fulfilling its obligations under the contract and that the customers are receiving prompt, efficient, accurate, and courteous service.~~

~~10-2 Contracting Officer Representative Appointment and Host Administrative Office Appointment~~

~~A contracting officer's representative (COR) (Program Office Manager in HQ) and an HAO are appointed at the time of contract award. The HAO plays a major role in contract administration, providing training to the CPU operator and their employees, monitoring the CPU operation, and ensuring contract compliance.~~

~~10-311.2~~ **Reviews and Examinations**

~~10-3.111.2.1~~ **Contract Postal Unit Performance Reviews**

~~When executing performance reviews, The HAO conducts CPU performance reviews quarterly to promote continuous quality performance and improve the business relationship. These review are called Quarterly Performance Reviews. During these reviews, the following aspects of CPU performance are evaluated and discussed:~~

- ~~a. _____ Operational efficiency.~~
- ~~b. _____ Aviation security.~~
- ~~c. _____ HAZMAT acceptance.~~
- ~~d. _____ Bank secrecy act (if applicable).~~
- ~~e. _____ Sales skills and product knowledge.~~
- ~~f. _____ Retail products and services.~~
- ~~g. _____ Facility image.~~

~~h. _____ Revenue performance.~~

~~The HAO must bring the CPU file, including previous review sheets. Refer to the [Annual Performance Review Reference Guide on the CPAC Blueshare website](#) for further guidance. ~~performance review. Check to see if previously noted problems have been resolved. Analyze the situation to determine an action plan to improve performance or remedy a problem. The results of this review will help determine if the CPU is performing according to contractual requirements. If problems are not resolved, the HAO must issue to the supplier a letter (i.e., Letter of Warning) citing specific conditions of unsatisfactory performance. If the supplier does not correct the problems, then contact the Denver CMC and request a Cure Notice and possible termination of the contract.~~~~

~~i. _____ (See CPU Quarterly Performance Review Instructions, Contract Postal Unit Quarterly Performance Review, and CPU Quarterly Performance Review Certification in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

10-3.211.2.2 Contract Postal Unit Financial Examinations

Financial examinations are conducted once a year by the HAO for Firm-Fixed-Price and Performance-Based CPUs. CPUs with an GARS-RSS BP unit do not require a financial examination. ~~Follow directions stated in Handbook F-1, Post Office Accounting Procedures, Part 429.~~

~~Use PS Form 3294, Cash and Stamp Stock Count and Summary, and do the following:~~

- ~~a. _____ Review the bond amount.~~
- ~~b. _____ Ensure that the bond has been paid and is current. Ask for a receipt or cancelled check if the expiration date is not on the bond itself.~~
- ~~c. _____ Ensure that the bond amount reflects current accountability.~~
- ~~d. _____ Ensure that the bond will not lapse before the next review.~~

There is no tolerance for a CPU. If the audit results in an overage and there is no claim pending at the HAO, then the money goes to the CPU supplier. If the audit results in a shortage, then the CPU supplier pays the shortage on the day of the audit, preferably by check. ~~If the amount of the shortage is \$100 or more, the COR must prepare PS Form 571, Discrepancy of \$100 or More in Financial Responsibility.~~

11.2.2.1 Count Procedure

The HAO conducting the count of a CPU's stamp accountability must do the following:

- a. Use PS Form 3294, Cash and Stamp Stock Count and Summary. One PS Form 3294 must be completed by the supervisor and one by the contractor.
- b. Obtain the closing balance from AIC 853 on the CPU's last PS Form 1412.
- c. Verify that the CPU's total accountability does not exceed its bonded amount. If it does exceed the bonded amount, the HAO must work with the CPU to ensure its total accountability is within the bonded amount.
- d. If the inventory discloses a discrepancy, recheck the credit.

- e. Write the following on PS Form 3294, in Notes, etc., the HAO performing the count must write 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."
- f. Ensure the supervisor and contractor sign and date both copies of PS Form 3294. Give the contractor a copy of the signed PS Form 3294.
- g. Enter the count into the reporting technology (currently e1412), upon return to the USPS office. This will create the overage or shortage and adjust the accountability to match what was physically counted. Counts with a zero difference must be entered. This step is required to monitor count compliance.
- h. File documents in the contractor's stamp and cash credit file maintained at the HAO.

Note: No tolerance is applied to CPU counts.

11.2.2.2 Overages

The HAO 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.
 - 4. File a copy of the PS Form 3533 at the HAO as supporting documentation for PS Form 1412.

11.2.2.3 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. Retain a copy as supporting

10-3.311.2.3 Post Office Box Reviews

~~Placement of Post Office box service at a CPU is discouraged and requires an approved deviation from Retail Partners at Headquarters.~~ In the event that a CPU does have Post Office boxes, the following procedures must be maintained by the HAO:

- ~~a.~~ a.—Ensure that the CPU supplier is aware of procedures governing Post Office box usage.
- ~~b.~~ b.—Charge the correct fees.
- ~~c.~~ c.—Retain PS Forms 1093, Application for Post Office Box or Caller Service, in an alphabetical file.
- ~~d.~~ d.—Follow proper payment notification procedure.

- e. ~~e.~~ Boxes must be locked out and closed if payment is not made according to established procedure.
- f. ~~f.~~ The HAO must review the CPU for compliance with the above-listed procedures when the financial audit is conducted.

40-3.411.2.4 Service Hours Reviews

~~If a supplier is in violation of the contract service hours, the HAO must ensure that the CPU supplier is providing service to the public as specified in the contract. The supplier must provide service on the days and hours stipulated in the contract. If the supplier is not in compliance, then the HAO must notify the District Retail office. The HAO and/or District Retail office notifies the supplier that it is in violation of the contract by issuing a "Letter of Warning," which is a letter citing specific conditions of unsatisfactory performance and stating a period of time allowed for correction. If not corrected, the Denver CPF CMC, at the request of the CPU coordinator and HAO, will issue a Cure Notice and can terminate the contract.~~

40-3.511.2.5 Contract Postal Unit Revenue Performance

40-3.5.1 Overview

~~All CPUs must be evaluated on an annual basis to ensure that their revenue performance is cost effective for the Postal Service.~~

40-3.5.211.2.5.1 Reason for CPU Evaluation

The reasons for performing a CPU evaluation include the following:

- a. ~~a.~~ Identifying nonproductive CPUs.
- b. ~~b.~~ Identifying changing market conditions to optimize the network.
- c. ~~c.~~ Increasing return on investment.
- d. ~~Identifying existing categories (types of business).~~

40-3.5.311.2.5.2 Evaluation Justification of Contract Postal Units

To determine which CPUs to evaluate, the HAO must consider the following items:

- a. ~~a.~~ If the ~~T~~total CPU revenue is less than \$100,000 per year.
- b. ~~b.~~ If the ~~C~~cost per revenue dollar exceeds the guideline of 12 cents per revenue dollar (unless an approved compensation rate deviation is on file).
- c. ~~c.~~ If ~~T~~the percentage of stamp sales to meter sales is greater than 80/20. Do not include the following:
 1. ~~(1)~~ CPUs with Post Office boxes.
 2. ~~(2)~~ Public service CPUs.
 3. ~~(3)~~ Seasonal CPUs.
 4. ~~(4)~~ Temporary (emergency) CPUs.

For ~~proper~~ evaluation methods, see the Management Analysis for CPU Rate Increase Form included in the Rate Increase Package on the CPAC Blueshare website.

11.3 Contract Records Audit Requirements

The Denver CPF CMC buyer retains the CPU files for 6 years after contract termination.

10-4 Request for Rate Increase

10-4.1 Firm-Fixed-Price Contracts

10-4.1.1 Request

7-3.3.2 11.3.1 HAO and CPU Coordinator's Administrative File

The following items are included in the HAO and CPU coordinator's administrative file:

- a. — A copy of the contract.
- b. — Copies of modifications.
- c. — The original surety bond, letter of credit, or record of deposit of assets.
- d. — The HAO Operating Instructions and COR appointment.
- e. — A copy of the property/equipment form signed by the supplier and the HAO.
- f. — A copy of all correspondence to and from the supplier.
- g. — The original reviews, audits, and records of phone calls and other meetings or conversations about contract performance.
- h. — A copy of the supplier's training record.
- i. — Copies of reviews, audits, and records of phone calls and other meetings or conversations about contract performance.

7-3.3.2 11.3.2 Official Contract File — Denver Customer Products and Fulfillment CMC

The following items are included in the official contract file:

- a. — Original request package.
- b. — Original contract document.
- c. — Original unsuccessful business proposals
- d. — Original modifications.
- e. — A copy of the property/equipment form signed by the supplier
- f. — and the HAO.
- g. — A copy of the surety bond, letter of credit, or record of deposit of assets.
- h. — A copy of the COR appointment and HAO Operating Instructions.
- i. — A copy of all correspondence relating to the contract (including copies of correspondence sent to the supplier by the HAO).
- j. — Copies of reviews, audits, and records of phone calls and other meetings or conversations about contract performance.

11.2 Compensating the Contract Postal Unit

11.2.1 Introduction

The last part of the contract postal unit (CPU) process, and the most important part to the supplier, is the compensation. It is very important to maintain a strong partnership with CPU suppliers and to ensure that their payment is correct and timely. A CPU, like any other business, depends on its cash flow to meet its expenses. Failure if a supplier fails to provide the correct finance number, unit ID or site ID, and supplier information for input into either Contract Postal Unit Technology (CPUT) or Account Payable Excellence (APEX), could result in delays in payment and dissatisfaction from the supplier.

11-1.1.12.1.1 Contract Postal Unit Technology (CPUT)

CPUT access is allowed to the following personnel:

- a. — Purchasing specialists who are tasked with issuing CPU contracts have read-and-update capability in this system.
- b. — Headquarters personnel who are tasked with administering the CPU program have read-and-write capability.
- c. — Area retail personnel who are tasked with monitoring CPU performance have read-only capability.
- d. — District retail personnel who are tasked with monitoring CPU performance have read-only capability.
- e. — HAO representatives who are tasked with monitoring CPU performance have read-only capability.

11-1.1.12.1.2 Logon ID

To obtain access to the CPUT system, complete an application in e-Access.

11-1.212.2 CPU Payment

In accordance with Under the CPU contract, payment for all new CPUs is made receive payment via electronic funds transfer (EFT). However, the first payment may be by paper check to allow sufficient time for the EFT to be established. Before the CPU can start operations or receive payment, the Denver CPF CMC must have received the supplier's direct deposit form, and the HAO must have received the CPU bond (if required).

The HAO CPU coordinator must have approved the build-out (if required) and accepted the facility for the Postal Service.

The HAO then notifies the CPF CMC

Written notification from the CPU coordinator verifying that the supplier has completed all training, complied with site-specification requirements, and the site-specification requirements have been received complied with and accepted by the Postal Service must have been received. Included in this notification will be the effective start date for the contract and the unit or site ID assigned to the CPU.

CPF CMC then enters this information into CPUT. It is critical that the HAO ensures all information is accurate; any inaccuracies may result in inaccurate or delayed payments to the supplier.

11-212.3 — Types of Compensation11-2.12.3.1 Performance-Based CPU Contract

A Performance-Based contract pays the supplier for the revenue generated from the sale of Postal Service products and services. This eCompensation can be determined by consist of the following:

- a. a. — A percentage of all the revenue.
- b. b. — A split percentage of all the revenue.
- c. e. — A fixed flat monthly fee and a percentage of stipulated revenue.

The rate of compensation should be fair both to the supplier and the Postal Service and should reflect current market conditions and need.

If the CPU provides Post Office box service, the supplier is compensated at the rate of 33 percent for the Post Office box revenue that is generated through the CPU. This rate is non-

negotiable. This is only applicable to Non-RSS BP contracts.

11-2.212.3.2 Firm-Fixed-Price Contract Postal Unit Contract

A Firm-Fixed-Price contract pays the supplier a fixed amount over the annual term of the contract. This amount of compensation is not dependent on the amount of revenue that is generated by the CPU.-

a. Except for Public Service contracts, the fixed amount is divided by the annual term, and payment is made in equal monthly installments within 30 days after the end of the performance month.-

b. Seasonal and temporary (emergency) contracts are paid, in arrears, only after the months in operation.-

—Public service contracts are paid once annually, in arrears, after the contract anniversary date or on the contract termination date.-

c.-

Payment under a Firm-Fixed-Price contract may not exceed \$100 per year.-

10-63 Contract Modification

Under Publication 156, the CO is responsible for ~~Only the Denver CMC is authorizing~~ed to modifications ~~to any term of~~ condition, including pricing, ~~in existing of a~~ CPU contracts. To implement ~~Changes~~, the district designee must submit a modification request to the CPAC review mailbox at cpac.team@usps.gov, including ~~are processed through a~~ modification. The CPU coordinator must provide the justification and supporting documentation provided by the HAO. The CO reviews requests, and if the CO approves the request, modifications are authorized and implemented, ~~to the Denver CMC to support the modification request. Copies of the modified contract are issued via e-mail to the~~ ~~ation are issued to the following:~~

a. ~~Supplier.~~

b. _____ HAO;

c. _____, and district designee CPU coordinator.

The HAO is authorized to handle the following actions independently without requiring approval from the CO for modification. Four changes have been made to the original HAO appointment, and they are summarized as follows:

a. **a.—Performance Problems (Letter of Warning).** If performance problems are not resolved after the HAO’s initial discussion with the supplier, the HAO sends a **Letter of Warning**, written notice directly to the supplier citing specific conditions of unsatisfactory performance. This is known as a letter of warning. If the problems are not corrected, the HAO requests a Cure Notice from the Denver CMC contracting officer (CO). The CO in Denver will issue a Cure Notice giving the supplier a specified time frame 10 days to “cure” the problem. The HAO will notify the CO after the specified time frame included in the Cure Notice has passed 10 days if the problem has been cured or not. If not, the CO will ~~may terminate~~ issue a termination of the contract. Only the CO at the Denver CPF CMC can suspend or terminate a contract.

a. _____

- ~~b. **b.—Change of Hours.** The HAO has the authority to change the hours of the contract by working directly with the supplier and providing written notice. The HAO cannot make any hour changes that affect the price of the contract. The HAO must ~~contact~~ contact the Denver CPF CMC to negotiate and make those types of changes.~~
- ~~c. **c.—Surety Bonds.** The HAO is able to increase or decrease the bond amount, in writing, as needed in order to reflect the supplier's accountability. The HAO can rescind the bond requirement with notification to CPF CMC ~~who, which~~ will issue a modification.~~
- ~~d. **d.—Shortages.** When a CPU supplier has a shortage, that shortage is applied to the HAO's finance number. Therefore, it is imperative that the HAO has the authority to recover lost monies as quickly as possible. The HAO must issue a Letter of Demand ~~must be issued~~ to the supplier immediately demanding the money to be paid. If the money is not paid, the HAO must notify the CO in Aurora in Denver to issue a Cure Notice, and if the contract is Performance-Based or Firm-Fixed-Price, the HAO must begin notifying the bond company to retrieve the funds from the bond. Copies of all correspondence must be sent to the Denver CPF CMC for the file.~~

~~In all of these cases, the CO in the Denver CMC must be notified and provided copies of all correspondence. For samples and further details on HAO responsibilities, see the Host Admin Office HAO Support Station on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.~~

~~10-7~~ 13.1 Disputes

~~In the event of a disputes between the supplier and the HAO, contact are referred to the CO in the Denver CPF CMC for resolution.~~

~~10-8~~ 13.2 Transfer of Contract Postal Unit Contracts (Novation Agreement)

~~Under no circumstances is a CPU supplier allowed to transfer or sell its interest in a CPU contract to a third party without going through the novation process, in which the Denver CPF CMC, in consultation with legal counsel, can recognize and approve a third-party successor in interest. This approval is known as a Novation Agreement.~~

~~The policy for processing, approving, and executing a Novation Agreement is provided in USPS Purchasing Policy and Purchasing Procedures Process Step #5: Measure & Manage Supply in the USPS Supplying Principles and Practices and in a Contract Transference document (See the Novations folder Contract Transference Document in~~

~~the Publication 156 folder on the CPAC bBlueshare website) at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.~~

- ~~a. A CPU supplier who wants to transfer or sell its interest must contact the HAO or the CPU coordinator to start the novation process. The HAO or the CPU coordinator must carefully consider if the CPU is still needed before considering a novation.~~
- ~~b. The contracting officer (CO) at the Denver CMC, in cooperation with the HAO and the CPU coordinator/district designee, must determine the capability of the transferee to continue the CPU operation before approving the transfer of ownership.~~

~~Novation aAgreements must be reviewed by HQ Legal Dept. before being signed by the all of the following:~~

- ~~a. CPU supplier (transferor);~~
- ~~b. Successor in interest (transferee), and ;~~
- ~~c. e. CO at the Denver CPF CMC.~~
- ~~d. The CPU supplier must provide a document of sale or transfer of assets. If the transfer is not approved, the original supplier is still liable for performance under the contract. If the original supplier fails to perform sufficiently, the contract will be terminated. See section 14.1 for termination procedures.~~

13.3 Rate Increase Request Process

~~When establishing the contract, the CPU coordinator HAO must make the CPU supplier aware of these conditions required to justify a rate increase specific to the contract type when establishing the contract.~~

- ~~a. The HAO documents how the CPU impacts the local Post Office and notifies the district designee.~~
- ~~b. If the DM approves such requests, the HQ Program Office must provide concurrence on the decision.~~

10-4.1.1-113.3.1 Contract Postal Unit Supplier

~~The CPU supplier submits a completed rRate iIncrease rRequest to the HAO, per the contract. Supporting documentation must include a justification for direct cost increases or increased benefits to the Postal Service. The HAO documents how the CPU impacts the local Post Office and notifies the CPU coordinator~~

~~A Firm Fixed Price contract CPU supplier may request a rate increase after being in operation for at least two years and then every two years thereafter. When the CPU supplier requests a rate increase, the dDistrict retail office will send the CPU supplier a rRate iIncrease rRequest pPackage. The rRate iIncrease rRequest pPackage includes a rRate iIncrease rRequest fForm and a letter explaining the process to be followed in submitting a request. The rate increase package may be downloaded from the applicable folder on the CPAC blueshare website at: [Http://supply.blueshare.usps.gov/sites/cpac/default.aspx](http://supply.blueshare.usps.gov/sites/cpac/default.aspx).~~

~~Refer to the (See Rate Increase Request Package in the Publication 156 folder on the CPAC bBlueshare website, at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

10-4.1.1.2 Host Administrative Office

~~The supplier submits a completed rate increase request to the HAO. Supporting documentation must include a justification for direct cost~~

~~increases or increased benefits to the Postal Service. The HAO documents how the CPU impacts the local Post Office and notifies the CPU coordinator~~

~~10-4.1.2~~ **Review and Recommendation by HAO and CPU Coordinator**

~~10-4.1.2.1~~ **113.3.32** Host Administrative Office's Review

The HAO does the following to determine if a need for a particular CPU still exists:

- ~~a. a.~~ Identify if any other lower-cost service alternatives are available to the community.
- ~~b. b.~~ Determine if this CPU generates sufficient revenue to be considered for conversion to a Performance-Based contract.
- ~~c. c.~~ Review the request for completeness, proper documentation, and justification.
- ~~d. d.~~ Complete the Management Analysis for CPU Rate Increase Form.
- ~~e. e.~~ Submit the HAO's recommendation and the supplier's rate increase request to the CPU coordinator DM.
- ~~10-4.1.2.2 CPU Coordinator~~
- ~~e. The CPU coordinator~~ HAO c Completes the retail mapping and a revenue-trend projection and provides this information along with at the HAO's recommendation.
- ~~f. Submit to the DM the supplier's rate increase request, the HAO retail mapping and revenue-trend projection, and the HAO's recommendation and sends it to the DM.~~

~~to the HAO. The HAO then prepares a recommendation and sends it to the CPU coordinator, who reviews it and prepares a recommendation for review by the District Manager. If the DM~~ HAO c ~~recommends a rate increase, the CPU coordinator~~ HAO prepares and submits a funding document (eBuy2Plus requisition) and a Rate Increase Request Recommendation for the District Manager DM's approval. (See Sample Rate Increase Request Recommendation in the Publication 156 folder on the

CPAC ~~bBlueshare website)~~ at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>)

The funding document for a Rate Increase for a Firm-Fixed-Price CPU must reflect the amount of the increase only.

If the ~~CPU coordinator~~~~DM~~ does not recommend a rate increase, the ~~CPU coordinator~~~~HAO~~ prepares a justification and submits the entire package to the ~~Denver CPF~~ CMC.

~~10-4.1.3~~ ~~Review and Processing by Denver CMC~~

~~10-4.1.3.1~~~~113.3.32.1~~ ~~Rate Increase Recommended~~

When an agreement on a rate increase is reached, the ~~Denver CPF~~ CMC issues a modification showing the increase in compensation. ~~Send a copy of t~~his modification is distributed to the following recipients:

- ~~a. a.~~ Supplier.
- ~~b. b.~~ HAO.
- ~~c.~~ ~~CPU coordinator.~~

~~In accordance with~~Under the contract terms, the supplier must do the following:

- ~~a. a.~~ Continue with the modified contract for a minimum of 1 year.
- ~~b. b.~~ Wait 2 years before requesting another increase.

The effective date of the contract or last increase is the date used to compute the 1- and 2-year periods before termination of the contract or a request for another rate increase.

~~10-4.1.3.2~~~~113.3.2.3.2~~ ~~Rate Increase Not Recommended~~

When an agreement cannot be reached between the Postal Service and the ~~s~~Supplier, or a rate increase is ~~not processed~~still undergoing negotiations by the ~~Denver CPF~~ CMC, the contract continues at the existing payment rate unless terminated by either party ~~in accordance with~~under the Termination on Notice clause.

-A rate denial letter must be issued by the ~~Denver CPF~~ CMC. The ~~#Rate i~~Rate increase ~~p~~Package must be submitted to the ~~Denver CPF~~ CMC with the proper box checked for "not approved."

Disapproval of the request for a rate increase does not preclude the supplier from making ~~additional more~~ requests ~~at a later time as long as~~if it is at least 2 years after the previous approved rate increase.

~~10-4.1.4~~~~113.3.43~~ ~~Timeline for Request~~

The CPF CMC reviews all rate increase requests. The supplier will be notified of approval, disapproval, or counteroffer. If approved, the contract must be updated to reflect these changes. The entire process — from when the supplier makes the initial request to when the ~~Denver CPF~~ CMC completes its review and processing — must be completed within 30 business days.

~~10-4.2~~ ~~Performance-Based Contract~~

~~A CPU supplier with a Performance-Based contract can request a rate increase after being in operation for one year. The supplier must submit the request in writing following the same procedures used for a Firm-Fixed-Price contract stated in 10-4.1. When reviewing the request, the HAO and the CPU coordinator follow the same procedures used for a Firm-Fixed-Price contract stated in 10-4.1.~~

~~(See Sample eBuy2—Performance-Based Rate Increase and Sample eBuy2—CARS Performance-Based Rate Increase for funding documents similar to the funding documents for a Firm Fixed Price Rate Increase mentioned in [10-4.1.2.2](#) in the Publication 156 folder on the CPAC blueshare website at:~~

~~<http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~After the initial rate increase, the CPU supplier may request an additional rate increase after 2 years from the first rate increase based on the following conditions:~~

- ~~a. Change in market conditions.~~
- ~~b. Change in overhead expenses.~~
- ~~c. Increase in customer traffic.~~

~~The CPU coordinator must make the CPU supplier aware of these conditions when establishing the contract.~~

~~10-5 Award of a Temporary (Emergency) Contract~~

~~10-5.1 Request~~

~~When a contract is terminated on short notice, or if, through unforeseen circumstances, the lack of a CPU creates a hardship on the community, the HAO, with the assistance of the CPU coordinator, may request that a short-term temporary (emergency) contract be awarded.~~

~~This option should be an option of last resort because it is a very expensive option. The basic term of a temporary (emergency) contract is up to 6 months, and no extensions are generally allowed. Bond can be waived for the first 30 days of a temporary (emergency) contract only. The HAO is responsible for ensuring that the CPU supplier has a bond in place on the 31st day of operation. The buyer at the Denver CMC and the CPU coordinator must annotate the contract file to follow up with the HAO on bond placement. The HAO should notify the Denver CMC buyer when the bond has been received.~~

~~10-5.2 Solicitation for a Permanent Contract Postal Unit~~

~~A request package for a permanent Performance-Based CPU must be sent to Denver CMC within 30 days after the award of a temporary (emergency) contract.~~

~~10-6 Contract Modification~~

~~Only the Denver CMC is authorized to modify any term or condition, including pricing, of a CPU contract. Changes are processed through a modification. The CPU coordinator must provide justification and documentation to the Denver CMC to support the modification request. Copies of the modification are issued to the following:~~

- ~~a. Supplier.~~

~~b. HAO.~~

~~c. CPU coordinator.~~

~~The following actions can be handled by the HAO, after discussion with the District Retail office, without having to refer to the Denver CMC for a modification:~~

~~a. Performance problems: The HAO, in conjunction with the CPU coordinator, sends a written notice to the supplier if performance problems are not resolved after a discussion with the supplier. The HAO is specific about the problem and the time period allowed to correct the problem. If the supplier does not correct the problem within the allowed time period, the HAO may request a Cure Notice and possible termination of the contract from the CO in the Denver CMC.~~

~~b. Change of hours: The HAO has the authority to change the hours of the contract by working directly with the supplier and providing written notice.~~

~~c. Surety bonds: The HAO may increase or decrease the bond amount, working with the bonding company and the supplier, to ensure that the bond amount covers the total accountability (stamps and meter postage). (This is not applicable for CARS contracts.)~~

~~d. Shortages: If a supplier refuses to pay a shortage, the HAO sends a notice to the bonding company requesting remuneration of the shortage as stated in the provisions of the surety bond as well as a Letter of Demand for the money.~~

~~In all of these cases, the CO in the Denver CMC must be notified and provided copies of all correspondence. For samples and further details on HAO responsibilities, see the Host Admin Office~~

~~HAO Support Station on the CPAC blueshare website at:~~

~~<http://supply.blueshare.usps.gov/sites/cpac/default.aspx>~~

~~10-7 Disputes~~

~~Disputes between the supplier and the HAO are referred to the CO in the Denver CMC for resolution.~~

~~10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)~~

~~Under no circumstances is a CPU supplier allowed to transfer or sell its interest in a CPU contract to a third party without going through the novation process, in which the Denver CMC, in consultation with legal counsel, can recognize and approve a third party successor in interest. This approval is known as a novation agreement. The policy for processing, approving, and executing a novation agreement is provided in Process Step #5: Measure & Manage Supply in the USPS Supplying Principles and Practices and in a Contract Transference document. (See Contract Transference Document in~~

~~the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.~~

~~A CPU supplier who wants to transfer or sell its interest must contact the HAO or the CPU coordinator to start the novation process. The HAO or the CPU coordinator must carefully consider if the CPU is still needed before considering a novation.~~

~~The contracting officer (CO) at the Denver CMC, in cooperation with the HAO and the CPU coordinator, must determine the capability of the transferee to continue the CPU operation before approving the transfer of ownership.~~

~~Novation agreements must be signed by all of the following:~~

- ~~a. CPU supplier (transferor);~~
- ~~b. Successor in interest (transferee);~~
- ~~c. CO at the Denver CMC.~~

~~The CPU supplier must provide a document of sale or transfer of assets. If the transfer is not approved, the original supplier is still liable for performance under the contract. If the original supplier fails to perform sufficiently, the contract will be terminated.~~

~~All documents are reviewed by the HQ Legal Dept. before being signed by the CO in Denver.~~

10-9 Termination of Performance-Based and Firm-Fixed-Price Contracts

Contracts can be terminated by the use of either of the following:

- a. Termination on notice.
- b. A time-specific notice (usually 120 days) if in the best interest of the Postal Service.

All terminations must be processed by the Denver CMC.

Note: Some contracts have a 60-day termination clause. Refer to the individual contract to determine the time period for termination.

14 Termination and Closure

14.140-10 Termination Procedures

See the Field step processes for terminations ~~can be found~~ in the applicable folder on the CPAC blueshare website at: [Alternate Access Channels-\(CPAC\) CPU/CPO/VPO – Home \(usps.gov\)](http://supply.blueshare.usps.gov/sites/cpac/default.aspx)~~http://supply.blueshare.usps.gov/sites/cpac/default.aspx~~.

14.1.1 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 (so that the SFS can 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 that the CPU returns all accountable paper, accountable items, and equipment to the HAO.

14.1.2 Verifying the Contract Postal Unit's Accountability

Before conducting the stamp stock 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 Accounting Data Mart (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, contact the vendor before the count 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.

After conducting the count and recording any final adjustments, the HAO ensures that 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).

14.1.3 Returning Accountable Papers

If the CPU issues postal money orders, the CPU must perform a verification of all blank money orders before returning money orders to the HAO. The Postal Service official performing the verification signs PS Form 17, *Stamp Requisition/Stamp Return*, as a witness and retains a copy at the HAO.

After destroying blank money orders and conducting the final count of the CPU's stamp stock, the HAO supervisor must do the following:

- a. Coordinate the return of any remaining stamp stock with the HAO.
- b. Record 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. Enter the CPU's final PS Form 1412.
- d. After waiting 3 business days from transmitting the CPU's last PS Form 1412, certify that the CPU's closing stamp accountability balance (AIC 853) is "zero." To obtain this information, access the following report in ADM (Accounting>Shared Reports>SAFR>Stock Ledger Reports>Stock Ledger Balances — "Stock on Hand" column.)
- e. Complete and submit the FNCM Status Change Request to deactivate the CPU unit.
- f. After the SFS receives the last stock shipped out of the CPU, contact the SFS to deactivate the CPU.

14.1.4 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*.

The CPU returns the following to the HAO:

- a. Electronic weighing scale (if provided by the 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 any Postal Service-owned equipment as follows:

<u>For this item...</u>	<u>The HAO must ...</u>
<u>Postage meter</u>	<u>Contact the vendor to coordinate the closing of the postage meter and refund of any available postage to the USPS account.</u>
<u>Credit card equipment</u>	<u>Contact the Retail and Delivery Equipment Integrator (RDEI) or: Go to the Payment Technologies page on the Corporate -Treasury website; select <i>Additional Resources</i>; and select the item that mentions “payment device return notification and authorization form.”</u>
<u>Paymaster money order imprinter</u>	<u>Contact the MDC.</u>
<u>Bank deposit tickets</u>	<u>Destroy and properly dispose.</u>
<u>Round date stamp</u>	<u>Destroy and properly dispose. If the CPU’s round date stamp is missing, notify the OIG immediately.</u>

10-10.114.1.5 CPU Close-Out

- 1. Handbook F-101, *Field Accounting Procedures*, provides instructions for closing out Firm-Fixed Price and Performance-Based CPUs (See Closing a Contract Postal Unit on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>).

- a. ~~2.~~—Because an ~~CARS-RSS BP~~ CPU has no accountability, Handbook F-101 is not applicable. Instead, the ~~CARS-RSS BP~~ unit is shut down ~~and by the HAO and all Postal Service-owned equipment is returned.~~ ~~(See CARS CPU Shut Down Instructions on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~
1. ~~Contact RSSHardware@usps.gov to order boxes and labels for the proper return of equipment.~~
- b. ~~3.~~—All equipment, furniture, and signage provided by the USPS must be removed ~~and returned to the HAO:~~
1. ~~a.~~—For a Firm Fixed Price CPU ~~refer to see~~ Attachment 1 — Requirements.
2. ~~b.~~—For a Performance-Based CPU ~~refer to see~~ Part A — Responsibility Schedule and Part B — Signage Requirements.
- c. ~~4.~~—The ~~CPU coordinator~~~~district designee~~ must announce the termination to various offices.

~~(See CPU Closing Announcement Letter in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~

See ~~Publication 156 folder on the CPAC blueshare website at [Alternate Access Channels- \(CPAC\) CPU/CPO/WPO - Home \(usps.gov\)](http://supply.blueshare.usps.gov/sites/epac/default.aspx)~~~~<http://supply.blueshare.usps.gov/sites/epac/default.aspx>~~ for the following items:

- ~~a.~~—CPU ~~Quarterly Quality~~ Performance Review Instructions.
- ~~b.~~—Contract Postal Unit ~~Quarterly Quality~~ Performance Review.
- ~~c.~~—CPU ~~Quarterly Quality~~ Performance Review Certification.
- ~~d.~~—Rate Increase Request Package.
- ~~e.~~—Sample Rate Increase Request Recommendation.
- ~~f.~~—~~f.~~Sample eBuy~~Plus2 requisition~~ — Performance-Based Rate Increase.
- ~~g.~~—Sample eBuy~~Plus requisition2~~ — ~~CARS-RSS BP~~ Performance-Based Rate Increase.
- ~~h.~~—Contract Transference Document.
- ~~i.~~—Closing a Contract Postal Unit.
- ~~j.~~—~~CARS-RSS BP~~ CPU Shut Down Instructions.
- ~~k.~~—CPU Closing Announcement Letter.

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~~11 Compensating the Contract Postal Unit~~

~~11.1 Introduction~~

~~The last part of the contract postal unit (CPU) process, and the most important part to the supplier, is the compensation. It is very important to maintain a strong partnership with CPU suppliers and to ensure that their payment is correct and timely. A CPU, like any other business, depends on its cash flow to meet its expenses. Failure to provide the correct finance number, unit ID or site ID, and supplier information for input into either Contract Postal Unit Technology (CPUT) or APEX could result in delays in payment and dissatisfaction from the supplier.~~

~~11.1.1 CPUT~~

~~CPUT is a Web-based application that contains the system that calculates the correct supplier payment each month. The payment reflects the applicable payment agreed upon in the supplier's CPU contract.~~

~~CPUT access is allowed to the following personnel:~~

- ~~a. Purchasing specialists who are tasked with issuing CPU contracts have read and update capability in this system.~~
- ~~b. Headquarters personnel who are tasked with administering the CPU program have read and write capability.~~
- ~~c. Area retail personnel who are tasked with monitoring CPU performance have read-only capability.~~
- ~~d. District retail personnel who are tasked with monitoring CPU performance have read-only capability.~~
- ~~e. HAO representatives who are tasked with monitoring CPU performance have read-only capability.~~

~~11.1.1.1 Logon ID~~

~~To obtain access to the CPUT system, complete an application in e-Access.~~

~~11.1.1.2 Training~~

~~Training is provided by the CPUT user's manual accessible on the CPUT website at: <https://cput.usps.gov/Cput/Welcome.jsp>. Click on "User Guides" at the top of the screen. The CPUT support number is located in the user's manual.~~

~~11-1.2 CPU Payment~~

~~In accordance with the CPU contract, payment for all new CPUs is made via electronic funds transfer (EFT). However, the first payment may be by paper check to allow sufficient time for the EFT to be established. Before the CPU can start operations or receive payment, the Denver CMC must have received the supplier's direct deposit form and the HAO must have received the CPU bond (if required).~~

~~The CPU coordinator must have approved the build-out (if required) and accepted the facility for the Postal Service.~~

~~Written notification from the CPU coordinator verifying that all training and site-specification requirements have been complied with and accepted by the Postal Service must have been received. Included in this notification will be the effective start date for the contract and the unit or site ID assigned to the CPU.~~

~~11-1.3 Payment Schedule~~

~~Payments will be made automatically, in arrears, by the St. Louis Accounting Service Center (ASC) within 30 days after the end of the performance period.~~

~~11-2 Types of Compensation~~

~~11-2.1 Performance-Based CPU Contract~~

~~A Performance-Based contract pays the supplier for the revenue generated from the sale of Postal Service products and services. This compensation can consist of the following:~~

- ~~a. A percentage of all the revenue.~~
- ~~b. A split percentage of all the revenue.~~
- ~~c. A fixed flat monthly fee and a percentage of stipulated revenue.~~

~~The rate of compensation should be fair both to the supplier and the Postal Service and should reflect current market conditions and need. If the CPU provides Post Office box service, the supplier is compensated at the rate of 33 percent for the Post Office box revenue that is generated through the CPU. This rate is non-negotiable.~~

~~11-2.2 Firm-Fixed-Price Contract Postal Unit Contract~~

~~A Firm-Fixed-Price contract pays the supplier a fixed amount over the annual term of the contract. This amount of compensation is not dependent on the amount of revenue that is generated by the CPU. Except for Public Service contracts, the fixed amount is divided by the annual term, and payment is made in equal monthly installments within 30 days after the end of the performance month. Seasonal and temporary (emergency) contracts are paid, in arrears, only after the months in operation. Public service contracts are paid once annually, in arrears, after the contract anniversary date or on the contract termination date.~~

~~12-15~~ 12-15 Community Post Offices

~~1215.1-4~~ 1215.1-4 Introduction

~~A Community Post Office (CPO) is a contract postal unit that is usually located in a small, rural community and provides a full line of Postal Service products and services to local Postal Service customers. A CPO bears its community's name and ZIP Code as part of a recognized mailing address.~~

A Community Post Office (CPO) usually provides Post Office box service and may also offer general delivery and left-notice article services. A CPO is authorized by the award of either a Firm-Fixed-Price or Performance-Based (usually Non-~~CARS~~SRSS BP) contract.

~~12-2~~ 12-2 Establishment of a Community Post Office

~~When the need for a CPO is established, the Host Administrative Office (HAO) and the CPU coordinator work together to prepare a CPU request package. An approved deviation is required to either open a new or replace an existing CPO. Once completed, the CPU request package will be submitted to the Denver CMC for the solicitation and award of the CPU contract. Under the terms of the contract, the supplier is paid automatically, in arrears, by the St. Louis ASC, in 12 equal monthly installments, within 30 days after the end of the performance period.~~

~~12-3~~12-3.2 Activation of a Community Post Office

Once the CPO contract has been awarded, the HAO must meet with the supplier to establish a partnership, answer any questions, and conduct the initial training as defined in the contract. The HAO ~~and CPU coordinator work together to will~~ obtain and forward to the CPO supplier all of the required Postal Service-supplied property, equipment, and supplies necessary to operate the CPO ~~to the CPO supplier~~.

~~12-4~~12-4.3 Management of a Community Post Office

~~The HAO representative is normally a Postmaster of a classified office (Administrative Office) located near the CPO. The HAO representative is~~

responsible for supporting the CPO supplier with information updates, ongoing training on Postal Service procedures, financial auditing, bond verification, aviation security, HAZMAT, and any other support activities that would normally be provided by a HAO to a contract unit. ~~CPOs may accept insurance claims but cannot process them. Send claim forms to the nearest Post Office for processing.~~

12-515.4 Request for Rate Increase

All Any requests for a rate increase must follow the procedures outlined in [Chapter section 13.340](#).

12-615.5 Transfer of a Community Post Office Contract (Novation Agreement)

In the event of the sale of a business that is operated in conjunction with the CPO, follow the procedures outlined in [section 13.2Chapter 40](#).

12-715.6 Termination of a Community Post Office Contract

~~Field step processes for CPO terminations can be found in the applicable folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.~~

Before terminating a CPO, the ~~Guidelines for Closing a CPO Questionnaire must be completed in its entirety, signed, and dated by the~~ HAO and District Marketing Manager (or designee) ~~and approved by the~~ must complete, sign, and date the [Guidelines for Closing a CPO Questionnaire](#). The HQ Program Manager ~~must then approve the questionnaire~~ (See Guidelines for Closing a CPO on the CPAC ~~Blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>).~~

The ~~Denver CMC~~ CO ~~will~~ provides final review ~~of the termination, and if the CO approves the termination, and approval.~~ If deemed necessary, the CO ~~and CPU coordinator~~ will address the possibility of any political ramifications, community issues, etc. with closing the CPO. Refer to the [Guidelines for Closing a CPO Questionnaire](#) for more information.

~~See the~~ [Field step processes for CPO terminations can be found in the applicable folder on the CPAC Blueshare website at: \[Alternate Access Channels-\\(CPAC\\) CPU/CPO/VPO - Home \\(usps.gov\\).http://supply.blueshare.usps.gov/sites/epac/default.aspx\]\(http://supply.blueshare.usps.gov/sites/epac/default.aspx\).](#)

12-815.7 Reporting Requirements for Community Post Office Discontinuance

~~CPOs are not subject to discontinuance procedures as detailed in Handbook PO-101, *Post Office Discontinuance Guide*. However, there are reporting requirements to meet when a CPO is closed. Refer to the section 123.6 in *Postal Operations Manual*, ~~section 123.6~~ on the Postal Service PolicyNet website at: <http://blue.usps.gov/cpim>.~~

See Publication 156 folder on CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>. Additionally, see the CPAC Blueshare website for the *Guidelines for Closing a CPO Questionnaire*.

1-216 Definitions

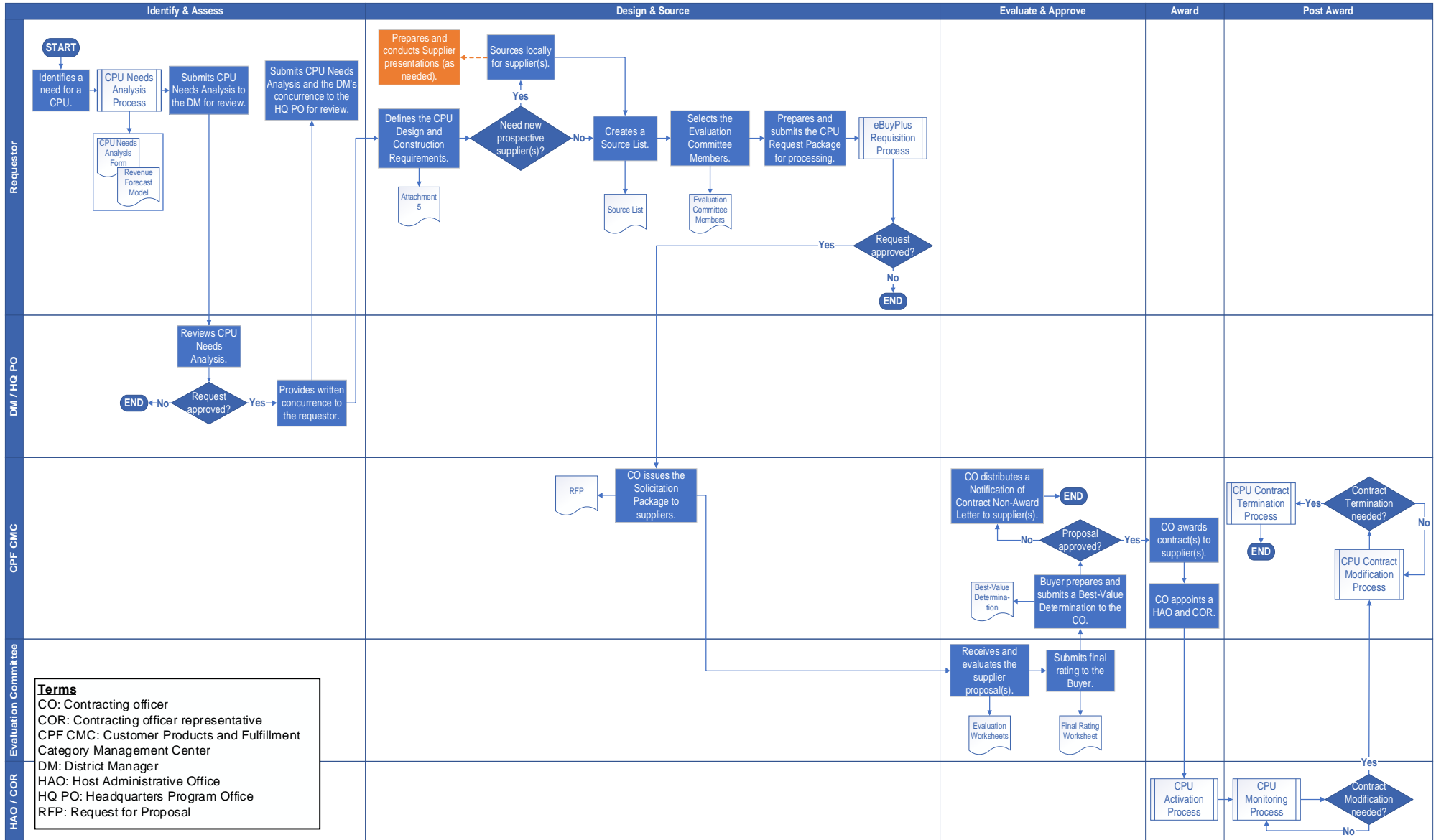
<u>Term</u>	<u>Definition</u>
<u>Approved Shipper</u>	<u>A licensed agreement with a supplier and USPS™ to accept packages for shipping.</u>
<u>Community Post Office</u>	<u>A Community Post Office™ (CPO) is a contract unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A CPO is usually located in a small, rural community and provides a full line of Postal Service products and services to local Postal Service customers. A CPO usually bears its community's name and ZIP Code as part of a recognized mailing address.</u>
<u>Contract Postal Unit (CPU)</u>	<u>A CPU is a supplier-owned or supplier-leased facility operated by the supplier, under contract to the Postal Service, to provide postal services to the public at Postal Service prices.</u>
<u>Contract Postal Unit Technology (CPUT)</u>	<u>CPUT is a web-based application that contains the system that calculates the supplier payment each month. This system is used to manage, monitor, and report on the performance and compensation of Contract Postal Units and other retail partners. The payment reflects the applicable payment agreed upon in the supplier's CPU contract.</u>
<u>CPU Needs Analysis</u>	<u>An assessment of the condition(s) prompting the need for a CPU. The CPU Needs Analysis includes all relevant evidence supporting the recommendation to establish a CPU (e.g., Retail Mapping, Demographic and Income Profile, Wait-Time-In-Line Report).</u>
<u>Cure Notice</u>	<u>A written notice sent to the supplier specifying a designated time frame to "cure" specified conditions of unsatisfactory performance outlined in a previously administered Letter of Warning.</u>
<u>Demographic & Income Profile</u>	<u>A generated report on an area within a specified radius that lists various data points such as population size and income trends.</u>
<u>Design & Construction Requirements (D & CR) (Attachment 5)</u>	<u>The CPU D&CR Attachment 5 contains the following three parts: Part A, Responsibility Schedule, Part B, Signage Requirements, and Part C, Build-Out Requirements. Attachment 5, often referred to as the D&CR, is completed by the requestor and is used to inform the prospective supplier(s) of the design and construction requirements.</u>
<u>Double Build-Out</u>	<u>A CPU that includes two service counters.</u>
<u>Estimated Cost Worksheet</u>	<u>A worksheet completed by the requestor identifying the anticipated start-up, monthly, annual, and first-year costs to the supplier to establish and maintain the CPU. These costs include items such as office supplies, utilities, wages, and insurance.</u>
<u>Expanded Access Channels</u>	<u>Expanded access channels are alternate access provided to the community to meet their postal needs. Market research is required first to ensure which alternate access channel is needed to fulfill the exact needs of the community. A CPU is included as an alternate access channel. Other expanded access channels include Village Post Office™ (VPO), Approved Shipper, Stamps To Go® (STG).-</u>
<u>Final Rating Worksheet</u>	<u>The completed evaluation worksheet with the final ratings for each section of the evaluation.</u>
<u>Letter of Demand</u>	<u>A letter sent to the supplier after an audit has been conducted and the result of the audit has indicated a monetary discrepancy. The letter outlines the amount owed from the supplier to the Postal Service and the deadline for the supplier to pay the specified amount.</u>
<u>Letter of Warning</u>	<u>A written notice sent to the supplier citing specific conditions of unsatisfactory performance.</u>

Notice to Proceed	Documentation alerting the supplier that their build-out plan has been approved by the Postal Service and they may proceed with implementing actions to achieve the approved construction design.
Novation Agreement	Process in which the CPF CMC, in consultation with legal counsel, can recognize and approve a third-party successor in interest.
Point-of-Purchase Signage (POP)	Signage that communicates product and service information and promotional messages to customers.
Public Service Contract (Firm-Fixed-Rate)	A public service, Firm-Fixed-Price contract is based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for a community convenience or business reasons.
Retail Facility Assessment Tool	A web application that utilizes multiple layers and data points to substantiate requests for new CPU locations.
Retail Mapping	An assessment that helps to ensure that CPUs are located in the most needed and convenient sites to provide retail customers access to postal services. Retail Mapping is done using the Retail Facility Assessment Tool.
Retail System-Software Business Partner	The Postal Service provides a Retail System Software-Business Partner (RSS BP) mailing system to the CPU for weighing, metering, and calculating postage on mail-pieces.
Requestor	The individual(s) requesting the establishing of a CPU. The requestor is typically the HAO.
Request Package	The collection of forms and documentation used to demonstrate the need for a CPU. This includes the needs analysis, supporting evidence, and contact information for the requestor and anticipated HAO.
Revenue Forecast Model	A calculated prediction of the potential revenue that a CPU in the proposed location can generate.
Seasonal Contract	A seasonal contract is used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during winter months in a warm weather area).
Single Build-Out	A CPU that includes one service counter.
Solicitation Package	Based on the need(s) demonstrated in the request package, the solicitation package includes the forms and processes prospective suppliers must complete and submit to be considered to become a CPU. The contents of the package vary by specific contract type.
Source List	A list of prospective CPU suppliers.
Stamps To Go	A licensed agreement with USPS through American Bank Note (ABN) and the supplier to sell stamps at the supplier's retail establishments.
Temporary (Emergency) Contract	A limited term contract typically awarded when a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community.
Village Post Office	A supplier-owned or leased facility, similar to a CPU, but offering fewer services (i.e., stamp sales, pre-paid packaging, and possibly PO Boxes).
Wait-Time-In-Line Report	The report that helps determine if there is a need to provide relief to Postal Service facilities with excessive waiting times.

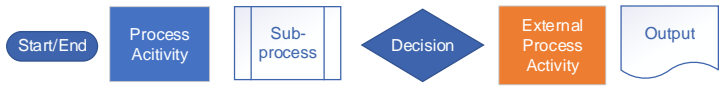
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17 Appendix

Contract Postal Unit Agreement Process Overview



Legend



Contract Postal Unit Agreement Policy

Policy

PUB 156

Issued

[XX/XX/2024]

Revisions

This policy and its supporting materials supersede the January 2014 version of Publication 156.

Content

Policy sets forth the requirements for establishing Contract Postal Unit contracts and outlines the mechanisms Postal Service employees will utilize to ensure Contract Postal Unit suppliers maintain compliance with these contracts and the requirements they set forth.

Policy Owner

Vice President, Retail and Post Office Operations

Availability

Copies are available for Postal Service employees for internal use only on the Postal Service PolicyNet website at <http://blue.usps.gov>.

Address questions about this policy to the Policy Owner.

These and other trademarks appear in the policy are among the many trademarks owned by the United States Postal Service®: Postal Service™, Post Office®, Postmaster General™, PO Box™, Zip Code™, and USPS®. This is not a comprehensive list of all Postal Service™ trademarks.

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1 Purpose

Supplier-operated Contract Postal Units (CPUs) are contracted to augment the service area of a main Post Office and provide postal services to the public at Postal Service prices. CPUs are established based on need for expanded coverage of postal services. This policy is intended to set the requirements for Postal employees responsible for implementing and managing CPU Agreements.

2 Scope

This policy establishes the factors for demonstrating CPU demand and establishing contracts with suppliers intending to provide postal services to the public. It outlines responsibilities of Postal employees to ensure supplier compliance throughout the opening, operation, and termination of a CPU. All appointed, designated, and supporting Postal Service staff must comply with this policy.

This policy does not establish legal rights of CPU suppliers. The legal rights of CPU suppliers and those wishing to become CPU suppliers are provided within the terms of contracts and solicitations for contracts with the Postal Service.

3 Roles and Responsibilities

Role	Responsibility
Headquarters Program Office (HQ Program Office)	<ul style="list-style-type: none"> ▪ Provides concurrence on all new CPU requests. ▪ Manages the operational processes pertaining to CPUs. ▪ Consults Contracting Officer(s) on contractual matters pertaining to program compliance.
Customer Products and Fulfillment Category Management Center (CPF CMC) Alternate Access Channels Team	<ul style="list-style-type: none"> ▪ Oversees Contract Postal Units (CPUs), Village Post Offices (VPOs), Contract Post Offices (CPOs), Stamps to Go and Partner Expansion. ▪ Includes the Contract Postal Access Channels (CPAC) Team, Buyer, and Contracting Officer.
Contract Postal Access Channels (CPAC) Team	<ul style="list-style-type: none"> ▪ Provides support and guidance for contractual issues to the Contracting Officer. ▪ Manages the CPAC Mailbox and CPAC Blueshare website.
Buyer	<ul style="list-style-type: none"> ▪ Evaluates all required financial documentation to determine Supplier Capability. ▪ Provides a best-value determination and final recommendation to the Contracting Officer based on evaluation committee findings.
Contracting Officer (CO)	<ul style="list-style-type: none"> ▪ Appoints Contracting Officer Representative (COR), Host Administrative Office (HAO), and District Designee at time of contract award. ▪ Maintains records of all original contracts and modifications. ▪ Resolves disputes between the HAO and Supplier. ▪ Issues final and sole approval on all contract awards and modifications through Final Decision letters under the Contract Disputes Act.
Contracting Officer Representative (COR)	<ul style="list-style-type: none"> ▪ Protects Postal Service interest at all times during the supplier's performance and ensures that the work is accomplished in accordance with the contract. ▪ Serves as the technical liaison to the supplier; furnishes the supplier with all technical guidance. ▪ Oversees supplier's performance and ensures compliance and safety requirements per the scope of the contract. ▪ Prepares and submits all progress reports and performance, compliance, or safety concerns to Contracting Officer.

	<ul style="list-style-type: none"> ▪ Provides review and comments on proposed contract changes. ▪ Keep records of all property to and returned by the supplier. ▪ Ensures supplier goods and services comply with contract specifications, requirements, or delivery schedule.
District Manager	<ul style="list-style-type: none"> ▪ Approves all eBuyPlus requisitions. ▪ Oversees and addresses all deviations within the District. ▪ Serves as the final approval authority for CPU contracts and oversight within the District. ▪ Ensures compliance with policies and guidelines across all district locations.
District Designee and Manager of Operations Integration (District Designee)	<ul style="list-style-type: none"> ▪ Serves as a liaison between Supplier, HAO, CPAC, and Program office. ▪ Assists the HAO with verifying Contract Postal Unit Technology (CPUT) information for accuracy.
Host Administrative Office (HAO)	<ul style="list-style-type: none"> ▪ Prepares the CPU request package. ▪ Maintains all original contracts, modifications, financial audits, and training records. ▪ Oversees bond compliance for temporary (emergency) contracts. ▪ Ensures compliance with operational requirements outlined in Publication 116, <i>Contract Postal Unit Operations Guide</i> (as applicable), the <i>Mailing Standards of the United States Postal Service</i>, Domestic Mail Manual, the International Mail Manual, the HAO Operating Instructions, the HAO Expanded Delegation Authority, and any applicable CPU activation guidance. ▪ Ensures the supplier fulfills its obligations under the contract and that the customers are receiving prompt, efficient, accurate, and courteous service. ▪ Reports contractual issues to the Contracting Officer. ▪ Conducts CPU Quality Performance Reviews and inputs findings into CPUT system. ▪ Provides ongoing support to Community Post Office (CPO) supplier, including information updates, ongoing training on Postal Service procedures, financial auditing, bond verification, aviation security, HAZMAT, and any other support activities that would normally be provided by a HAO to a contract unit, including Community Post Offices. Issues Letters of Warning and any subsequent Cure Notices. ▪ Reports all information into the Facilities database accurately and in a timely manner. ▪ Submits any and all applicable financial forms (e.g., PS Form 1412) accurately and on time.
Requestor	<ul style="list-style-type: none"> ▪ Completes and submits the CPU needs analysis. ▪ Completes a Revenue Forecast Model to provide an estimated revenue for the proposed CPU. ▪ Acquires funding commitment from the District Manager or other authorizing office, based on the findings of the Revenue Forecast Model.

4 Determining and Verifying Need for a Contract Postal Unit

4.1 Conditions for Requesting a Contract Postal Unit

Conditions may prompt the need for a CPU. The establishment of a CPU can provide a cost-effective means of providing Postal Service products and services, resulting in reduced wait time for customers and increased Postal Service presence in high-growth retail locations. Historically, the presence of one or more of the following conditions has been identified:

- a. A newly developed community requires postal retail services but does not yet warrant a Postal Service

facility.

- b. Existing retail units are not able to serve customers efficiently because of limited space or high customer demand.
- c. Flexibility in service hours is needed.
- d. An independent Post Office or CPU has discontinued service.
- e. Other alternate access channels for selling USPS products, such as Stamps to Go, Stamps By Mail®, Stamps Online™, Approved Shipper, or Village Post Office have been considered and determined not feasible.
- f. There is insufficient parking and retail space with no ability to expand.
- g. Seasonal issues present special situations.
- h. The Postal Service will realize service, scheduling, or other benefits from the CPU.

4.2 Contract Postal Unit Types

A Contract Postal Unit (CPU) is a supplier-owned or supplier-leased facility operated by the supplier, under contract to the Postal Service, to provide postal services to the public at Postal Service prices. There are different types of CPUs as listed below:

Public Service Contract

A public service, Firm-Fixed-Price contract is based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for a community convenience or business reasons. Public service CPUs may be considered only when the CPU would serve the best interests of both the customer and the Postal Service.

Seasonal Contract

A seasonal contract is used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during winter months in a warm weather area).

Temporary (Emergency) Contract

When a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community, the Host Administrative Office (HAO) may request that a temporary (emergency) contract be awarded. The contract time period may not exceed 6 months.

Community Post Office

A Community Post Office™ (CPO) is a contract unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A CPO usually bears its community's name and ZIP™ Code.

4.3 Contract Postal Unit Needs Analysis

The Requestor must conduct a needs analysis to demonstrate necessity and obtain approval from the District Manager to initiate the solicitation process.

The Requestor must consider the following retail conditions the CPU is intended to address when conducting a needs analysis:

- Insufficient hours.
- Insufficient area coverage.
- Low customer satisfaction.

4.4 Approval Authority

The District Manager serves as the final approval authority for CPU contracts and oversight within the District. The Requestor must submit and receive approval on the needs analysis from the District Manager. HQ Program Office provides final concurrence on all District Manager approved CPU requests. All new CPU requests must have HQ Program Office concurrence.

Execution of the CPU program requires a funding commitment from the District Manager or other

authorizing office. The Requestor must complete a Revenue Forecast Model to provide an estimated revenue for the proposed CPU. The Requestor is responsible for acquiring a funding commitment from the District Manager or other authorizing office, based on the findings of the Revenue Forecast Model.

5 Design and Construction Requirements

The Requestor must complete the Design and Construction Requirements identified in Attachment 5 of the request package. Attachment 5 includes:

- Part A, Responsibility Schedule.
- Part B, Signage Requirements.
- Part C, Build-Out Requirements.

This documentation will be used as inventory for the CPU. For additional information, refer to the Contract Postal Unit Agreement Procedure document.

5.1 Part A – Responsibility Schedule

The Requestor must complete Part A – Responsibility Schedule. The Requestor must identify quantities of equipment, furniture, and signage, and which party is responsible for providing upkeep of each item.

5.2 Part B – Signage Requirements

The Requestor must complete Part B – Signage Requirements. The supplier is responsible for installing and maintaining all Postal Service provided signage.

5.3 Part C – Build-Out Requirements

The supplier is contractually responsible for both design and build-out. All new or converted Performance-Based CPUs are required to create a build-out unless the District Manager previously waived this requirement when reviewing the request package. The CPU build-out must be functional and present a uniform image to the public. Any deviation must be documented and justified within the request package.

5.3.1 Prototype Drawings and Postal Service Branding

Postal Service-provided prototype drawings are a mandatory element of the Request Package unless the District Manager waives this requirement. The Supplier must complete the prototype drawings. The objective is to have the completed CPU look like the prototype. Any deviation must be documented and justified within the request package.

5.3.2 Finished Product Responsibility

The Postal Service does not review the design for code compliance. The Postal Service does review the design for layout, finishes, materials, and signage for compliance with the contract (i.e., the Postal Service determines if the result will appear like one of the prototype drawings).

The supplier is responsible for ensuring the CPU is constructed in compliance with applicable building codes to attain a completed layout and appearance using the materials and finishes shown in the supplier prepared, USPS approved, CPU Design Documents and the Solicitation.

6 Identifying Prospective CPU Suppliers

When need is established and funding has been committed, the Requestor must then identify and solicit prospective supplier(s). The Requestor is responsible for informing potential supplier(s) of the requirements and expectations of operating a CPU. Refer to the Contract Postal Unit Agreement Procedure for guidance regarding identifying prospective suppliers through appropriate means.

6.1 Restrictions and Special Considerations

6.1.1 Retail Service Agreements

Districts are not permitted to solicit a supplier that has multiple locations without prior approval from HQ Program Office.

6.1.2 Location of a Contract Postal Unit

Generally, prospective CPUs must not be located within close proximity of a Postal Retail Facility. The CPU must not be located in, or directly connected to, a room where intoxicating beverages are sold for consumption on the premises.

6.1.3 Contracts with Postal Service Employees

CPU contracts may not be awarded to active or retired Postal Service employees or members of their immediate families. Contracts may be awarded to retired or former Postal Service employees or their family members subject to restrictions on post-employment activities of Postal Service employees as imposed by Federal criminal laws, along with the Standards of Ethical Conduct for Employees of the Executive Branch.

6.1.4 Post Office Box Service

New CPUs are not intended to provide Post Office box service; increased demand for Post Office box service is not a justifiable rationale for the establishment of a new CPU. Certain CPUs may be permitted to offer Post Office box services, per their existing contract.

6.1.5 Non-Postal Services

The supplier may not, in the CPU or in any part of the supplier's premises in which the CPU is located, offer directly or by subcontract, lease, or sublease or otherwise provide the following:

- a. Commercial mail receiving (private mailbox) services.
- b. Third-party delivery services.
- c. Any products or services that the CO determines are similar to, or competitive with, delivery and parcel services offered by the Postal Service.

Note: Some existing contracts may permit the CPU to offer these services. Any such exception for new CPUs must be evaluated on a case-by-case basis and determined by the District Manager or appropriate designee.

7 Preparing the CPU Request Package

7.1 Request Package

The request package includes the needs analysis, supporting evidence, and contact information for the requestor and anticipated Host Administrative Office (HAO).

7.2 Contract Types

CPU contracts are distinguished by their payment structure. There are two primary types of contracts for CPUs: Performance-Based Percentage Payment, and Firm-Fixed-Price. There are two sub-contract types of Performance-Based Percentage Payment contracts: Retail System-Software Business Partner (RSS BP) and Non-RSS BP. Each contract type requires certain components of the solicitation/contract award package. The Requestor must identify the requested contract type within the Request Package. Refer to the Contract Postal Unit Agreement Procedure document for required components for each contract type.

7.3 Award of a Temporary (Emergency) Contract

The Requestor may request that a short-term temporary (emergency) contract be awarded. The contract

time period may not exceed six (6) months. Bonds can be waived for the first thirty (30) days of a temporary (emergency) contract only.

A request package for a permanent Performance-Based CPU must be sent to CPF CMC within thirty (30) days after the award of a temporary (emergency) contract.

7.4 Contract Deviations

The Requestor must document any deviations that apply to the prospective supplier(s) within the request package. All deviations must be approved by the District Manager.

7.5 Competition

7.5.1 Overview

The contract for a CPU, including CPOs, must be competed, except when a noncompetitive justification is submitted and approved pursuant to the Management Instruction SP-S2-2024-1, *Noncompetitive Purchases*.

Note: A public service contract does not have to be competed and a noncompetitive justification is not required.

7.5.2 Noncompetitive Purchasing

In some cases, the business and competitive objectives of the Postal Service will best be met by awarding CPU contract(s) using the noncompetitive purchase method. This exception applies under the following conditions:

- a. **Sole Source.** Only one supplier exists who is capable of satisfying a requirement.
- b. **Industry Structure or Practice.** The industry producing or supplying the required goods or services is structured in a manner that renders competition ineffective; for example, when purchasing goods or services that are regulated, such as some utilities, or when purchasing from nonprofit or educational institutions that do not compete in the marketplace.
- c. **Compelling Business Interests.** There is a business interest that is so compelling that purchasing noncompetitively outweighs the benefits of competition. These situations can include, but are not limited to, the urgency of the requirement, a supplier innovation that furthers Postal Service business objectives, or undue cost or delay would result from a contract award to a new supplier.
- d. **Superior Performance.** A supplier's superior performance and its contributions to the Postal Service's business and competitive objectives merit award of a particular purchase. For example, extending the term or expanding the scope of a contract for substantially the same or similar goods or services when a supplier has performed at such a high level that the extension or expansion is deserved and continues to provide best value, or when a supplier's superior performance makes continued performance highly beneficial to Postal Service operations.

7.6 Solicitation Package

The CPF CMC will provide prospective supplier(s) a solicitation package. Prospective supplier(s) must return a completed solicitation package to be considered further. The contents of the solicitation package vary by anticipated contract type.

8 Processing the CPU Request Package

8.1 Evaluation Committee

An evaluation committee, selected by the Requestor, evaluates supplier business proposals in accordance with supplier-specific factors and proposal-specific factors as determined by the specific need(s) prompting the establishment of the CPU. The evaluation committee comprises of one chair and two additional

committee members. Once the three committee members are selected, the members elect the committee chair. Requestors must select committee members who:

- Possess relevant familiarity with the local area of the proposed CPU, and any other contributing factors. All proposal factors are listed in the solicitation package in order of importance.
- Do not possess a known conflict-of-interest.
- Are non-bargaining (EAS) employees.

Each committee member must complete an independent, individual evaluation for each proposal. The committee then collectively finalizes point assignments. The committee chairman must document and submit the committee's final rating for each evaluated proposal.

8.2 Evaluation of Criteria

8.2.1 Access for Persons with Disabilities

All Post Offices, including CPUs, must be readily accessible to all unless the facility cannot reasonably be configured. Whenever possible, suppliers under consideration for a CPU contract award must already be in a location accessible to the disabled or in a location that will be made accessible as a condition of contract award.

Offerors that do not propose facilities that are handicapped accessible or that do not adequately demonstrate how the facility will meet the applicable accessibility standards before service begins, will not be evaluated further.

8.2.2 Past Performance and Supplier Capability

The CO must evaluate and assess a supplier's past performance and supplier capability. If deemed unacceptable, the proposal will not be considered further.

8.2.3 Price Evaluation

Under the competitive process, only the CPF CMC is authorized to negotiate the price of a proposal with the offeror. If the proposed compensation for a contract exceeds the guideline amount of twenty-two (22) cents per revenue dollar, then an approved deviation is required. The CO is responsible for ensuring the recommended price is fair and reasonable for the immediate area where the CPU is located.

For noncompetitive purchases, refer to Management Instruction SP-S2-2024-1, *Noncompetitive Purchases*.

8.2.4 Other Proposal Factors

Suppliers that are deemed acceptable on the Past Performance and Supplier Capability factors must also be evaluated on all other proposal factors. These factors are listed in the solicitation package in order of importance, as determined by the Requestor.

8.3 Final Determination

The CPF CMC is responsible for preparing a best-value determination based on the evaluation committee's worksheets and recommendations. Only designated persons who possess a Contracting Officer Certificate of Appointment may award CPU contracts in accordance with 39 CFR Section 601.

The District Manager has the authority to determine if the Requestor can solicit new prospective supplier(s). The District Manager has the authority to discontinue the pursuit of establishing a CPU or pursue other appropriate means of fulfilling the identified need.

All documents related to the contract award, or non-award, and all future documents about the CPU must be kept in an electronic CPU file for the life of the contract.

8.4 Contracting Officer Representative and Host Administrative Office Appointment

A COR (Program Office Manager in HQ) and an HAO must be appointed at the time of contract award. The

COR serves as the technical liaison to the supplier and, in conjunction with the HAO, monitors and ensures contract compliance. The COR is authorized to make changes to cost, scope, delivery schedule, or duration of contracts. The HAO plays a major role in contract administration, providing training to the CPU operator and their employees, monitoring the CPU operation, and ensuring contract compliance.

9 Activating the CPU

9.1 Training

9.1.1 COR and HAO Training

The COR and HAO must complete all necessary training upon notification of appointment. The active COR must re-take the prescribed COR training at least once every (five) 5 years or more frequently if required by the CO (i.e., due to a substantive revision of the course being released). The COR must provide a record of successful completion to the CO who will verify the training and maintain the record in the contract file.

9.1.2 CPU Supplier/Supplier Employee Training

- a. CPU supplier/employees must complete up to forty (40) hours of required training prior to providing Post Office services. This includes, but is not limited to, training on reporting systems, forms, and products.
- b. The Postal Service must provide the training schedule to the supplier fifteen (15) days prior to the CPU opening date.
- c. If the Postal Service introduces a new product or service, an additional eight (8) hours of training per year may be necessary. The supplier is responsible for paying employees during training. The HAO is responsible for documenting supplier training attendance.

9.2 Operational Requirements

The HAO is responsible for ensuring that all other operational requirements outlined in Publication 116, *Contract Postal Unit Operations Guide*, the *Mailing Standards of the United States Postal Service*, Domestic Mail Manual, the International Mail Manual, the HAO Operating Instructions, the HAO Expanded Delegation Authority, and the applicable CPU Activation Checklist are followed.

9.3 Equipment, Property, and Supplies

Firm-Fixed-Price and Performance-Based CPUs are categorized as PS Form 1412, *Daily Financial Report*, reporting units. This designation requires the completion of specific documentation outlined below by contract type. Refer to the Contract Postal Unit Agreement Procedure for additional guidance.

9.3.1 Firm-Fixed-Price CPUs

After contract award and receipt of an acceptable CPU bond, the HAO must provide any Postal Service-furnished equipment, property, and supplies as required by the contract by completing an equipment/property/supplies (EPS) inventory list for Firm-Fixed-Price CPUs.

9.3.2 Performance-Based CPU

After contract award and receipt of an acceptable CPU bond, the HAO must provide any Postal Service-furnished equipment, property, and supplies as required by the contract by completing the following forms:

- a. Part A of *Responsibility Schedule*
- b. Part B of *Signage Requirements*, provide the inventory listing for a Performance-Based CPU. The HAO must complete an EPS Inventory List if any additional equipment is provided.

9.3.3 Retail System-Software Business Partner (RSS BP) CPU

The Postal Service provides a Retail System Software-Business Partner (RSS BP) mailing system

to the CPU for weighing, metering, and calculating postage on mail pieces. The RSS BP is provided to CPU suppliers that have Performance-Based contracts, do not have Post Office boxes, and do not sell postal money orders. Using RSS BP will cause a change in the way that financial and accountable issues are handled in these CPU locations. RSS BP cannot be used in a PS Form 1412 reporting office.

Suppliers are responsible for all supplies for RSS BP. Part A of *Responsibility Schedule* and Part B of *Signage Requirements*, provide the inventory listing for an RSS BP CPU.

Stamps are obtained through an Authorized Postal Service supplier. Postage in the Postage Security Device (PSD) is paid for in advance through an ACH debit account withdrawn by the CPU supplier and downloaded through RSS BP. Transactional data and financial data is uploaded daily from RSS BP and then to the Postal Service for tracking and compensation purposes. Headquarters pays for the cost of equipment. No bonding, PS Form 1412, financial audits, or separation of funds are required.

Note: The Postal Service will not provide credit/debit acceptance equipment to any CPU. The supplier will need to obtain its own equipment. All fees and charges are the responsibility of the CPU supplier.

10 Managing the CPU

10.1 Financial Requirements (1412 Daily Reporting Offices)

CPUs are financially accountable for the value of their assigned stamp stock, cash, and money orders. CPUs may maintain \$100 or 10 percent of their stamp credit, whichever is less. A CPU must not at any time exceed the maximum stock limit, even if its authorized bond amount is higher.

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. There is no tolerance for a CPU count.
- b. Maintaining a separate file for CPU financial activities.
- c. Ensuring that the CPU has a current bond in place and that their accountability (Stamp Stock and available Meter Postage amount) is within the bond amount.

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 reported in Account Identifier Code (AIC) 852 by four, with no items excluded.

10.2 Reviews and Examinations

The reasons for performing a CPU evaluation include the following:

- a. Identifying nonproductive CPUs.
- b. Identifying changing market conditions to optimize the network.
- c. Increasing return on investment.

10.2.1 Performance Reviews

The HAO must conduct CPU Quality Performance Reviews to promote continuous quality performance and improve the business relationship. During these reviews, the following aspects of CPU performance are evaluated and discussed:

- Operational efficiency.
- Aviation security.
- HAZMAT acceptance.

- Bank Secrecy Act (if applicable).
- Sales skills and product knowledge.
- Retail products and services.
- Facility image.
- Revenue performance.

The results of the review will help determine if the CPU is performing according to contractual requirements. If problems are not resolved, the HAO must issue to the supplier a letter (i.e., Letter of Warning) citing specific conditions of unsatisfactory performance. If the supplier does not correct the problems, the HAO must contact the CPF CMC and request a Cure Notice. Should the issue remain unresolved, the HAO may contact the CPF CMC and request possible termination of the contract. To determine which CPUs must be reviewed, refer to the Contract Postal Unit Agreement Procedure document.

10.2.2 Financial Examinations

All CPUs must be evaluated on an annual basis to ensure that their revenue performance is cost effective for the Postal Service. The HAO is responsible for conducting these evaluations. CPUs with an RSS BP unit do not require a financial examination.

If a supplier refuses to pay a shortage, the HAO issues a Letter of Demand to the supplier. If the shortage remains unpaid, the HAO has the authority to then send a notice to the bonding company requesting remuneration of the shortage, as stated in the provisions of the surety bond.

10.2.3 Post Office Box Reviews

In the event that a CPU does have Post Office boxes, the HAO must review the CPU for procedural compliance when the financial audit is conducted.

10.2.4 Service Hours Reviews

The supplier must provide service on the days and hours stipulated in the contract. If the HAO becomes aware that the supplier is not in compliance, then the HAO must notify the CPF CMC. If the supplier seeks to alter their service hours and/or days, the supplier must notify the HAO. The HAO has the authority to adjust service hours as needed. To document this change, the HAO must submit a Change of Hours Request Form to the CO. The CO will then modify the contract terms to reflect accurate service hours.

10.3 Compensation

The payment the supplier receives must reflect the applicable payment agreed upon in the supplier's CPU contract.

10.3.1 Types of Compensation

10.3.1.1 Performance-Based Contract

A Performance-Based contract pays the supplier for the revenue generated from the sale of Postal Service products and services. Compensation can be determined by the following:

- a. A percentage of all the revenue.
- b. A split percentage of all the revenue.
- c. A fixed flat monthly fee and a percentage of stipulated revenue.

The rate of compensation will be reflected and executed as stated in the contract.

If the CPU provides Post Office box service, the supplier is compensated at the rate of thirty-three (33) percent for the Post Office box revenue that is generated through the

CPU. This rate is non-negotiable. This is only applicable to Non-RSS BP contracts.

10.3.1.2 Firm-Fixed-Price Contract

A Firm-Fixed-Price contract pays the supplier a fixed amount over the annual term of the contract. This amount of compensation is not dependent on the amount of revenue that is generated by the CPU.

- a. Except for Public Service contracts, the fixed amount is divided by the annual term, and payment is made in equal monthly installments within thirty (30) days after the end of the performance month. Payment under a Firm-Fixed-Price contract may not exceed \$100 per year.
- b. Seasonal and temporary (emergency) contracts are paid, in arrears, only after the months in operation.
- c. Public service contracts are paid once annually, in arrears, after the contract anniversary date or on the contract termination date.

10.3.2 CPU Payment

In accordance with the CPU contract, payment for all new CPUs is made via electronic funds transfer (EFT). The St. Louis Accounting Service Center manages payment of all CPU contracts. Before the CPU can start operations or receive payment the following must be completed:

- a. The CPF CMC must have received the supplier's direct deposit form.
- b. The HAO must have received the CPU bond (if required).
- c. Written notification from the HAO verifying that all training and site-specification requirements have been complied with and accepted by the Postal Service must have been received.

10.3.3 Payment Schedule

Payments must be made automatically, in arrears, by the St. Louis Accounting Service Center (ASC) within thirty (30) days after the end of the performance period.

11 Contract Modification

Modification of any term or condition in an existing CPU contract, including pricing, is authorized solely by the CO. A modification request must be submitted by the District Designee, which includes justification and supporting documentation. Once the CO authorizes the modification, copies are issued to the supplier, HAO, and District Designee.

The HAO is authorized to handle the following actions independently without requiring approval from the CO for modification:

- a. **Performance problems:** The HAO sends a written notice to the supplier if performance problems are not resolved after a discussion with the supplier. The HAO must be specific about the problem and the time period allowed to correct the problem. If the supplier does not correct the problem within the allowed time period, the HAO may request a Cure Notice and possible termination of the contract from the CO in the CPF CMC.
- b. **Change of hours:** The HAO has the authority to change the hours of the contract by working directly with the supplier and providing written notice.
- c. **Surety bonds:** The HAO may increase or decrease the bond amount, working with the bonding company and the supplier, to ensure that the bond amount covers the total accountability (stamps and meter postage). This is not applicable for RSS contracts.

In all cases, the CO must be notified and provided copies of all correspondence.

11.1 Disputes

Disputes between the supplier and the HAO must be referred to the CO in the CPF CMC for resolution.

11.2 Transfer of Contracts (Novation Agreement)

Under no circumstances is a CPU supplier allowed to transfer or sell its interest in a CPU contract to a third party without going through the novation process, in which the CPF CMC, in consultation with legal counsel, recognize and approve a third-party successor in interest.

- a. All documents must be reviewed by the HQ Legal Dept. before being signed by the CO.
- b. Novation agreements must be signed by the CPU supplier (transferor), Successor in Interest (transferee), and CO at the CPF CMC.
- c. The CPU supplier must provide a document of sale or transfer of assets. If the transfer is not approved, the original supplier is still liable for performance under the contract. If the original supplier fails to perform sufficiently, the contract will be terminated.

11.3 Rate Increase Requests

When establishing the contract, the HAO must make the CPU supplier aware of the conditions required to justify a rate increase specific to the contract type. The District Manager approves such requests and HQ Program Office provides concurrence on the decision. All requests for a rate increase must follow the procedures outlined in the accompanying procedural document.

11.3.1 Firm-Fixed-Price Contracts

A Firm-Fixed-Price contract CPU supplier may request a rate increase after being in operation for at least two (2) years and then every two (2) years thereafter, based on the following conditions:

- a. Change in market conditions.
- b. Change in overhead expenses.

11.3.2 Performance-Based Contracts

A CPU supplier with a Performance-Based contract can request a rate increase after being in operation for one (1) year. After the initial rate increase, the CPU supplier may request an additional rate increase after two (2) years from the first rate increase, based on the following conditions:

- a. Change in market conditions.
- b. Change in overhead expenses.
- c. Increase in customer traffic.

11.3.3 Timeline for Request

The CPF CMC reviews all rate increase requests. The supplier will be notified of approval, disapproval, or counteroffer. If approved, the contract must be updated to reflect these changes.

The entire process, from when the supplier makes the initial request to when the CPF CMC completes its review and processing, must be completed in thirty (30) business days.

12 Termination and Closure

Contracts can be terminated for a number of reasons, as outlined in the contract. All terminations must be processed by the CPF CMC. Contracts can be terminated using either of the following:

- a. Termination on notice.
- b. A time-specific notice (usually 120 days) if in the best interest of the Postal Service.

Note: The individual contract Termination Clause determines the time period for termination.

13 Community Post Offices (CPOs)

13.1 Introduction

A Community Post Office™ (CPO) is a contract postal unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A CPO usually provides Post Office box service and may also offer general delivery and left-notice article services. A CPO is authorized by the award of either a Firm-Fixed-Price or Performance-Based (usually Non-RSS BP) contract.

13.2 Establishment of a Community Post Office

An approval from HQ Program Office is required to either open a new or replace an existing CPO. Once completed, the CPU request package must be submitted to the CPF CMC for the solicitation and award of the CPU contract. Under the terms of the contract, the supplier is paid automatically, in arrears, by the St. Louis ASC, within 30 days after the end of the performance period.

13.3 Request for Rate Increase

All requests for a rate increase are subject to the same requirements outlined in section 11.3.

13.4 Transfer of a Community Post Office Contract (Novation Agreement)

The sale of a business that is operated in conjunction with the CPO is subject to the same requirements outlined in section 11.2.

13.5 Termination of a Community Post Office Contract

Before terminating a CPO, the Guidelines for Closing a CPO questionnaire must be completed in its entirety, signed, and dated by the HAO and District Marketing Manager (or designee) and approved by the HQ Program Manager.

The CPF CMC CO provides final review and approval. If deemed necessary, the CO will address the possibility of any political ramifications, community issues, etc. with closing the CPO. Refer to the Guidelines for Closing a CPO questionnaire on the CPAC Blueshare website for more information.

13.6 Reporting Requirements for Community Post Office Discontinuance

CPOs are not subject to discontinuance procedures as detailed in PO-101, *Post Office Discontinuance Guide*. However, there are reporting requirements to meet when a CPO is closed. Refer to Contract Postal Unit Agreement Procedure document for more information.

14 Definitions

Term	Definition
Approved Shipper	A licensed agreement with a supplier and USPS™ to accept packages for shipping.
Community Post Office (CPO)	A Community Post Office™ (CPO) is a contract unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A CPO is usually located in a small, rural community and provides a full line of Postal Service products and services to local Postal Service customers. A CPO usually bears its community's name and ZIP Code as part of a recognized mailing address.
Contract Postal Unit (CPU)	A CPU is a supplier-owned or supplier-leased facility operated by the supplier, under contract to the Postal Service, to provide postal services to the public at Postal Service prices.
Contract Postal Unit Technology (CPUT)	A Web-based application that contains the system that calculates the correct supplier payment each month. This system is used to manage, monitor, and report on the performance and compensation of Contract Postal Units and other retail partners. The payment reflects the applicable agreement agreed upon in the supplier's CPU contract.
Contracting Officer Representative (COR)	A designee from Headquarters Program Office.
Cure Notice	A written notice sent to the supplier specifying a designated time frame to “cure” specified conditions of unsatisfactory performance outlined in a previously administered Letter of Warning.
Expanded Access Channels	Expanded access channels are alternate access provided to the community to meet their postal needs. Market research is required first to ensure which alternate access channel is needed to fulfill the exact needs of the community. A CPU is included as an alternate access channel. Other expanded access channels include Village Post Office™ (VPO), Approved Shipper, Stamps To Go® (STG).
Letter of Demand	A letter sent to the supplier after an audit has been conducted and the result of the audit has indicated a monetary discrepancy. The letter outlines the amount owed from the supplier to the Postal Service and the deadline for the supplier to pay the specified amount.
Letter of Warning	A written notice sent to the supplier citing specific conditions of unsatisfactory performance.
Notice to Proceed	Documentation alerting the supplier that their build-out plan has been approved by the Postal Service and they may proceed with implementing actions to achieve the approved construction design.
Novation Agreement	Process in which the CPF CMC, in consultation with legal counsel, can recognize and approve a third-party successor in interest.
Point of Purchase Signage (POP)	Signage that communicates product and service information and promotional messages to customers.
Public Service Contract (Firm-Fixed-Rate)	A public service, Firm-Fixed-Price contract is based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for a community convenience or business reasons.

Request Package	The request package is the collection of forms and documentation used to demonstrate the need for a CPU. This includes the needs analysis, supporting evidence, and contact information for the requestor and anticipated Host Administrative Office (HAO).
Retail System-Software Business Partner	The Postal Service provides a Retail System Software-Business Partner (RSS BP) mailing system to the CPU for weighing, metering, and calculating postage on mail pieces.
Seasonal Contract	A seasonal contract is used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during winter months in a warm weather area).
Solicitation Package	Based on the need(s) demonstrated in the request package, the solicitation package includes the forms and processes prospective suppliers must complete and submit to be considered to become a CPU. The contents of the package vary by specific contract type.
Stamps To Go [®] (STG)	A licensed agreement with USPS through American Bank Note (ABN) and the supplier to sell stamps at the supplier's retail establishments.
Temporary (Emergency) Contract	A limited term contract typically awarded when a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community.
Village Post Office [™] (VPO)	A supplier-owned or leased facility, similar to a CPU, but offering fewer services (i.e., stamp sales, pre-paid packaging, and possibly PO Boxes).

Contract Postal Unit Agreement Policy

Policy

PUB 156

Issued

[XX/XX/2024]

Revisions

This policy and its supporting materials supersede the January 2014 version of Publication 156.

Content

Policy sets forth the requirements for establishing Contract Postal Unit contracts and outlines the mechanisms Postal Service employees will utilize to ensure Contract Postal Unit suppliers maintain compliance with these contracts and the requirements they set forth.

Policy Owner

Vice President, Retail and Post Office Operations

Availability

Copies are available for Postal Service employees for internal use only on the Postal Service PolicyNet website at <http://blue.usps.gov>.

Address questions about this policy to the Policy Owner.

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1 Purpose

Supplier-operated Contract Postal Units (CPUs) are contracted to augment the service area of a main Post Office and provide postal services to the public at Postal Service prices. CPUs are established based on need for expanded coverage of postal services. This policy ~~Publication 156 is intended to set the requirements for Postal employees assist each member of the team responsible for implementing and managing a CPU Agreements.~~

~~4~~ Contract Postal Unit Overview

1-1 Introduction

~~Contract postal units (CPUs) have been a historic part of the provision of postal services in the United States. Publication 156, Guide to Contract Postal Units for Postal Service Employees, provides a reference guide for the Postal Service's™ CPU program. Publication 156 is intended to assist each member of the team responsible for implementing and managing a CPU. Publication 156 addresses the following topics:~~

- ~~a. CPU opening.~~
- ~~b. Management of a CPU.~~
- ~~c. Justification for a CPU.~~
- ~~d. Package request.~~
- ~~e. Solicitation.~~
- ~~f. Contract award.~~
- ~~g. Construction.~~
- ~~h. Training, management, and evaluation of CPU suppliers.~~

2 Scope

This policy establishes the factors for demonstrating CPU demand and establishing contracts with suppliers intending to provide postal services to the public. It outlines responsibilities of Postal employees to ensure supplier compliance throughout the opening, operation, and termination of a CPU. All appointed, designated, and supporting Postal Service staff must comply with this policy.

~~Execution of the CPU program requires a funding commitment from the District Manager or other authorizing office. Frequent updates to Publication 156 make it impractical to keep it up to date in hard copy. Publication 156 is available on the Postal Service PolicyNet website; go to <http://blue.usps.gov/cpim> and click on Pubs.~~

~~Note: Publication 156 This policy does not establish legal rights of CPU suppliers. The legal rights of CPU suppliers and those wishing to become CPU suppliers are provided within the terms of contracts and solicitations for contracts with the Postal Service.~~

3 Roles and Responsibilities

<u>Role</u>	<u>Responsibility</u>
-------------	-----------------------

Contents

Headquarters Program Office (HQ Program Office)	<ul style="list-style-type: none"> ▪ Provides concurrence on all new CPU requests. ▪ Manages the operational processes pertaining to CPUs. ▪ Consults Contracting Officer(s) on contractual matters pertaining to program compliance.
Customer Products and Fulfillment Category Management Center (CPF CMC) Alternate Access Channels Team	<ul style="list-style-type: none"> ▪ Oversees Contract Postal Units (CPUs), Village Post Offices (VPOs), Contract Post Offices (CPOs), Stamps to Go and Partner Expansion. ▪ Includes the Contract Postal Access Channels (CPAC) Team, Buyer, and Contracting Officer.
Contract Postal Access Channels (CPAC) Team	<ul style="list-style-type: none"> ▪ Provides support and guidance for contractual issues to the Contracting Officer. ▪ Manages the CPAC Mailbox and CPAC Blueshare website.
Buyer	<ul style="list-style-type: none"> ▪ Evaluates all required financial documentation to determine Supplier Capability. ▪ Provides a best-value determination and final recommendation to the Contracting Officer based on evaluation committee findings.
Contracting Officer (CO)	<ul style="list-style-type: none"> ▪ Appoints Contracting Officer Representative (COR), Host Administrative Office (HAO), and District Designee at time of contract award. ▪ Maintains records of all original contracts and modifications. ▪ Resolves disputes between the HAO and Supplier. ▪ Issues final and sole approval on all contract awards and modifications through Final Decision letters under the Contract Disputes Act.
Contracting Officer Representative (COR)	<ul style="list-style-type: none"> ▪ Protects Postal Service interest at all times during the supplier's performance and ensures that the work is accomplished in accordance with the contract. ▪ Serves as the technical liaison to the supplier; furnishes the supplier with all technical guidance. ▪ Oversees supplier's performance and ensures compliance and safety requirements per the scope of the contract. ▪ Prepares and submits all progress reports and performance, compliance, or safety concerns to Contracting Officer. ▪ Provides review and comments on proposed contract changes. ▪ Keep records of all property to and returned by the supplier. ▪ Ensures supplier goods and services comply with contract specifications, requirements, or delivery schedule.
District Manager	<ul style="list-style-type: none"> ▪ Approves all eBuyPlus requisitions. ▪ Oversees and addresses all deviations within the District. ▪ Serves as the final approval authority for CPU contracts and oversight within the District. ▪ Ensures compliance with policies and guidelines across all district locations.
District Designee and Manager of Operations Integration (District Designee)	<ul style="list-style-type: none"> ▪ Serves as a liaison between Supplier, HAO, CPAC, and Program office. ▪ Assists the HAO with verifying Contract Postal Unit Technology (CPUT) information for accuracy.
Host Administrative Office (HAO)	<ul style="list-style-type: none"> ▪ Prepares the CPU request package. ▪ Maintains all original contracts, modifications, financial audits, and training records. ▪ Oversees bond compliance for temporary (emergency) contracts. ▪ Ensures compliance with operational requirements outlined in Publication 116, <i>Contract Postal Unit Operations Guide</i> (as applicable), the <i>Mailing</i>

	<p><u>Standards of the United States Postal Service, Domestic Mail Manual, the International Mail Manual, the HAO Operating Instructions, the HAO Expanded Delegation Authority, and any applicable CPU activation guidance.</u></p> <ul style="list-style-type: none"> ▪ <u>Ensures the supplier fulfills its obligations under the contract and that the customers are receiving prompt, efficient, accurate, and courteous service.</u> ▪ <u>Reports contractual issues to the Contracting Officer.</u> ▪ <u>Conducts CPU Quality Performance Reviews and inputs findings into CPUT system.</u> ▪ <u>Provides ongoing support to Community Post Office (CPO) supplier, including information updates, ongoing training on Postal Service procedures, financial auditing, bond verification, aviation security, HAZMAT, and any other support activities that would normally be provided by a HAO to a contract unit, including Community Post Offices. Issues Letters of Warning and any subsequent Cure Notices.</u> ▪ <u>Reports all information into the Facilities database accurately and in a timely manner.</u> ▪ <u>Submits any and all applicable financial forms (e.g., PS Form 1412) accurately and on time.</u>
Requestor	<ul style="list-style-type: none"> ▪ <u>Completes and submits the CPU needs analysis.</u> ▪ <u>Completes a Revenue Forecast Model to provide an estimated revenue for the proposed CPU.</u> ▪ <u>Acquires funding commitment from the District Manager or other authorizing office, based on the findings of the Revenue Forecast Model.</u>

~~1-2 Definitions~~

~~1-2.1 Contract Postal Unit~~

24 Determining and Verifying Need for a Contract Postal Unit

2-24.1 Conditions for Requesting a Contract Postal Unit

Conditions may prompt the need for a CPU. The establishment of a CPU can provide a cost-effective means of providing Postal Service products and services, resulting in reduced wait time for customers and increased Postal Service presence in high-growth retail locations.

Historically, the presence of A CPU contract may be requested when one or more of the following conditions has been identified are present:

- a. A newly developed community requires postal retail services but does not yet warrant a Postal Service facility.
- b. Existing retail units are not able to serve customers efficiently because of limited space or high customer demand.
- c. Flexibility in service hours is needed.
- d. An independent Post Office or CPU has discontinued service.
- e. Other alternate access channels for selling USPS products, such as Stamps to Go, Stamps By Mail®, Stamps Online™, Approved Shipper, or Village Post Office have been considered and

determined not feasible.

f. There is insufficient parking and retail space with no ability to expand.

g. Seasonal issues present special situations.

h. The Postal Service will realize service, scheduling, or other benefits from the CPU.

4.2 Contract Postal Unit Types

A Contract Postal Unit (CPU) is a supplier-owned or supplier-leased facility operated by the supplier, under contract to the Postal Service, to provide postal services to the public at Postal Service prices. There are different types of CPUs as listed below:

~~The contract for a CPU must be competed, except when a noncompetitive justification is submitted and approved pursuant to Management Instruction (MI) SP-S2-2011-1,~~

~~Noncompetitive Purchases, available on the Postal Service PolicyNet website; go to <http://blue.usps.gov/epim> and click on MIs.~~

1-2.2 — Community Post Office Public Service Contract-

A public service, Firm-Fixed-Price contract is based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for a community convenience or business reasons. Public service CPUs may be considered only when the CPU would serve the best interests of both the customer and the Postal Service.

Seasonal Contract-

A seasonal contract is used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during winter months in a warm weather area).

Temporary (Emergency) Contract-

When a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community, the Host Administrative Office (HAO) may request that a temporary (emergency) contract be awarded. The contract time period may not exceed 6 months.

Community Post Office-

A Community Post Office™ (CPO) is a contract unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A CPO usually bears its community's name and ZIP™ Code. ~~A CPO contract must be competed unless a noncompetitive justification is submitted and approved pursuant to MI SP-S2-2011-1 available on the Postal Service PolicyNet website; go to <http://blue.usps.gov/epim> and click on MIs.~~

Chapter 12 provides additional information on CPOs.

~~1-2.3 — Public Service Contract~~

~~A public service, Firm-Fixed-Price contract is based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for a community convenience or business reasons. Payment under a Firm-Fixed-Price contract may not exceed \$100 per year. Public service CPUs may be considered only when the CPU would serve the best interests of both the customer and the Postal Service. A public service contract does not have to be competed and a noncompetitive justification is not required.~~

~~1-2.4 — Seasonal Contract~~

~~A seasonal contract is used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during winter months in a warm weather area). A seasonal contract must be competed unless a noncompetitive justification is submitted and approved pursuant to MI SP-S2-2011-1 available on the Postal Service PolicyNet website; go to <http://blue.usps.gov/epim> and click on MIs.~~

~~1-2.5 — Temporary (Emergency) Contract~~

~~When a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community, the Host Administrative Office (HAO) may request that a temporary (emergency) contract be awarded. The contract time period may not exceed 6 months.~~

~~1-2.6 — Contract Access Retail System~~

~~The Postal Service provides a Contract Access Retail System (CARS) mailing system to the CPU for weighing, metering, and calculating postage on mail pieces. Only CPUs under a Performance-Based percentage payment contract that do not have Post Office boxes or sell postal money orders qualify for a CARS mailing system.~~

1-2.7 Expanded Access Channels

Other expanded access channels are the following:

- a. Village Post Office™ (VPO) — A supplier-owned or leased facility, similar to a CPU, but offering fewer services (i.e., stamp sales, pre-paid packaging, and possibly PO Boxes).
- b. Approved Shipper — A licensed agreement with a supplier and USPS™ to accept packages for shipping.
- c. Stamps To Go® (STG) — A licensed agreement with USPS through American Bank Note (ABN) and the supplier to sell stamps at the supplier's retail establishments.

~~Expanded access channels are alternate access provided to the community to meet their postal needs. Market research is required first to ensure which alternate access channel is needed to fulfill the exact needs of the community. A CPU is included as an alternate access channel.~~

1-3 Offices and Personnel

1-3.1 Customer Products and Fulfillment Category Management Center

The contracting officer (CO) for all CPUs is located at the Customer Products and Fulfillment CMC (Denver CMC) in Aurora, Colorado.

1-3.2 St. Louis Accounting Service Center

~~The St. Louis Accounting Service Center is responsible for payment of all CPU contracts.~~

1-3.3 Contract Postal Unit Team

The CPU team is comprised of the following individuals:

- a. CPU coordinator (usually a retail specialist).
- b. CO and/or buyer at the Denver CMC.
- c. HAO.
- d. Contracting officer representative (COR).

Each member of the CPU team has a role to play. Team members must work together to ensure that the CPU is established correctly and opens on time.

1-4 Components of a Contract Postal Unit Solicitation/ Award Package

The components of a CPU solicitation/award package are the following:

- a. Part 1: Contract Postal Unit Schedule.
- b. Part 2: Solicitation Provisions.
- c. Part 3: Contract Clauses.

- d. ~~Part 4: Attachments.~~
 - (1) ~~Attachment 1: Requirements.~~
 - (2) ~~Attachment 2: Contract Postal Unit Supplier Business Proposal and Information.~~
 - (3) ~~Attachment 3: Contract Postal Unit Bond.~~
 - (4) ~~Attachment 4: Compensation.~~
 - (5) ~~Attachment 5: CPU Design and Construction Requirements.~~
- ~~(See Components of a PB CPU Solicitation-Award Package on the CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

3-24.3 Contract Postal Unit Needs Analysis

~~The Requestor must conduct a needs analysis to demonstrate necessity and obtain approval from the District Manager to initiate the solicitation process. The Host Administrative Office (HAO) or the CPU coordinator completes a CPU Needs Analysis Form (See a sample Contract Postal Unit Needs Analysis Form in the Publication 156 folder online on the CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~The Requestor must consider the following retail conditions the CPU is intended to address when conducting a needs analysis at the HAO or targeted station or branch:~~

- ~~a. Insufficient hours.~~
- ~~b. Insufficient area coverage.~~
- ~~c. Low customer satisfaction.~~

~~Provide information on the following criteria to document the need for a CPU:~~

- ~~a. Demographic and geographic characteristics of the proposed area.~~
 - ~~b. Projected growth within the proposed area.~~
 - ~~c. Date and results of last window operation survey.~~
 - ~~d. Review of retail operations.~~
 - ~~e. Consumer feedback.~~
 - ~~f. Competition: actual and projected.~~
 - ~~g. Increased benefit to the Postal Service relating to service and cost-effectiveness if a CPU was established.~~
 - ~~h. Impact on existing nearby classified offices including transportation and collection route.~~
 - ~~i. Proposed days and hours of operation (should exceed Post Office hours).~~
- ~~Three other tools for assessing needs are retail mapping; the revenue forecast model and the wait time in-line report.~~

1-6.24.4 Approval Authority

~~The District Manager serves as the final approval authority for CPU contracts and oversight within the District. The Requestor must submit and receive approval on the needs analysis from the District Manager. HQ Program Office provides final concurrence on all District Manager approved CPU requests. All new CPU requests must have HQ Program Office-Retail Partner Integration Approval concurrence.~~

~~Execution of the CPU program requires a funding commitment from the District Manager or other authorizing office. The Requestor must complete a Revenue Forecast Model to provide an estimated revenue for the proposed CPU. The Requestor is responsible for acquiring a funding commitment from the District Manager or other authorizing office, based on the findings of the Revenue Forecast Model.~~

45 Design and Construction Requirements for a Contract Postal Unit

The Requestor must complete the Design and Construction Requirements identified in Attachment 5 of the request package. Attachment 5 includes:

- Part A, Responsibility Schedule.
- Part B, Signage Requirements.
- Part C, Build-Out Requirements.

This documentation will be used as inventory for the CPU. For additional information, refer to the Contract Postal Unit Agreement Procedure document.

4-3.25.1 Part A — Responsibility Schedule

The Requestor must complete Part A – Responsibility Schedule. The Requestor must identify quantities of equipment, furniture, and signage, and which party is responsible for providing upkeep of each item.

4-3.35.2 Part B — Signage Requirements

The Requestor must complete Part B – Signage Requirements. The supplier is responsible for installing and maintaining all Postal Service provided signage.

4-3.45.3 Part C — Build-Out Requirements

The supplier is contractually responsible for both design and build-out. ~~Postal Service policy requires a build-out for a~~All new or converted Performance-Based CPUs are required to create a build-out unless the District Manager previously waived this requirement when reviewing the request package. The CPU build-out must be functional and present a uniform image to the public. Any deviation must be documented and justified within the request package.

4-55.3.1 Prototype Drawings and Postal Service Branding

Postal Service-provided prototype drawings are a mandatory element of the Request Package unless the District Manager waives this requirement. The Supplier must complete the prototype drawings. The objective is to have the completed CPU look like the prototype. Any deviation must be documented and justified within the request package.

5.3.2 Finished Product Responsibility

The Postal Service does not review the design for code compliance. The Postal Service does review the design for layout, finishes, materials, and signage for compliance with the contract (i.e., the Postal Service determines if the result will appear like one of the prototype drawings).

The supplier is responsible for ensuring the CPU is constructed in compliance with applicable building codes to attain a completed layout and appearance using the materials and finishes shown in the supplier prepared, USPS approved, CPU Design Documents and the Solicitation.

56 Identifying Prospective Contract Postal Unit Suppliers

When need is established and funding has been committed, the Requestor must then identify and solicit prospective supplier(s). The Requestor is responsible for informing potential supplier(s) of the requirements and expectations of operating a CPU. Refer to the Contract Postal Unit Agreement Procedure for guidance regarding identifying prospective suppliers through appropriate means.

1-6.6.1 Restrictions and Special Considerations

1-6.36.1.1 Retail Service Agreements

Districts are not allowed permitted to solicit a supplier that has multiple locations this type of company without prior approval from Headquarters HQ Program Office.

1-6.6.16.1.2 Location of a Contract Postal Unit

Generally, prospective CPUs must not be located within close proximity of a Postal Retail Facility. The CPU must not be located in, or directly connected to, a room where intoxicating beverages are sold for consumption on the premises.

1-6.6.26.1.3 Contracts with Postal Service Employees

CPU contracts may not be awarded to active or retired Postal Service employees or members of their immediate families. Contracts may be awarded to retired or former Postal Service employees or their family members subject to restrictions on post-employment activities of Postal Service employees as imposed by Federal criminal laws, along with the Standards of Ethical Conduct for Employees of the Executive Branch.

1-6.6.36.1.4 Post Office Box Service

New CPUs are not intended to must not provide Post Office box service; increased demand for Post Office box service is not a justifiable rationale for the establishment of a new CPU. Certain CPUs may be permitted to offer Post Office box services, per their existing existing contract. Providing this service at a CPU location makes a commitment to the customer as to the availability of a delivery service. This commitment can have an adverse effect on the flexibility of relocating or closing the CPU if there is a change in market conditions.

1-6.6.46.1.5 Non-Postal Services

CPUs must provide Postal Service products and services, exclusively. The supplier may not, in the CPU or in any part of the supplier's premises in which the CPU is located, offer directly or by subcontract, lease, or sublease or otherwise provide the following:

- a. a.—Commercial mail receiving (private mailbox) services.
- b. b.—Third-party delivery services.
- c. c.—Any products or services that the CO determines are similar to, or competitive with, delivery and parcel services offered by the Postal Service.

Note: Some existing existing older contracts may permit the CPU to offer have these services. Any such "grandfathered" in to their contracts. This exception for new CPUs must be evaluated is on a case-by-case basis and determined by the CO District Manager or appropriate designee.

67 Preparing the Contract Postal Unit Request Package

7.1 Request Package

The request package includes the needs analysis, supporting evidence, and contact information for the requestor and anticipated Host Administrative Office (HAO).

4-57.2 Contract Types and Terms

CPU contracts are distinguished by their payment structure. There are two primary types of contracts for CPUs: Performance-Based Percentage Payment, and Firm-Fixed-Price. There are two sub-contract types of contracts for CPUs are as follows:

a. Performance-Based Percentage Payment contracts: Retail System-Software Business Partner (RSS BP)CARS and Non-RSS BP-CARS).

b. Firm-Fixed-Price contract.

e. Each contract type requires certain components of the solicitation/-contract award package. The Requestor must identify the requested contract type within the Request Package. Refer to the Contract Postal Unit Agreement Procedure document for required components for each contract type.

4-5.1 Performance-Based Percentage Payment Contracts

a. A CARS Performance-Based Percentage Payment CPU Solicitation/ Award document contains the following components:

b. Part 1: Contract Postal Unit Schedule.

c. Part 2: Solicitation Provisions.

d. Part 3: Contract Clauses.

e. Part 4: Attachments 1, 2, 4, and 5.

A Non-CARS Performance-Based Percentage Payment CPU Solicitation/ Award document contains the following components:

a. Part 1: Contract Postal Unit Schedule.

b. Part 2: Solicitation Provisions.

c. Part 3 Contract Clauses.

d. Part 4: Attachments 1, 2, 3, 4, and 5.

4-5.2 Firm-Fixed-Price Contract

A Firm-Fixed-Price CPU Solicitation/Award document contains the following components:

a. Part 1: Contract Postal Unit Schedule:

b. Part 2: Solicitation Provisions.

c. Part 3: Contract Clauses.

d. Part 4: Attachments 1, 2, and 3.

7.310-5 Award of a Temporary (Emergency) Contract

The Requestor ~~When a contract is terminated on short notice, or if, through unforeseen circumstances, the lack of a CPU creates a hardship on the community, the HAO, with the assistance of the CPU coordinator, may request that a short-term temporary (emergency) contract be awarded.~~

The contract time period may not exceed six (6) months.

Bonds can be waived for the first thirty (30) days after the award of a temporary (emergency) contract only.

A request package for a permanent Performance-Based CPU must be sent to Denver CPF CMC within thirty (30) days after the award of a temporary (emergency) contract.

7.4- Contract Deviations

The Requestor must document any deviations that apply to the prospective supplier(s) within the request package. All deviations requests must be approved by the District Manager ~~Retail Partner Integration at Headquarters.~~

4-67.5 Competition

4-6.17.5.1 Overview

The contract for a CPU, including CPOs, must be competed, except when a noncompetitive justification is submitted and approved pursuant to the Management Instruction (MI) SP-S2-202411-1.

Noncompetitive Purchases, available on the Postal Service PolicyNet website; go to <http://blue.usps.gov/epim> and click on MIs.

Note: A public service contract does not have to be competed and a noncompetitive justification is not required.

7.5.2 Noncompetitive Purchasing

~~Generally, it is recommended to use the competitive purchasing method to obtain CPU contracts in the most desirable locations. However, in some cases, the business and competitive objectives of the Postal Service will best be met by awarding CPU contract(s) using the noncompetitive purchase method. This scenario is especially true exception applies~~ under the following conditions:

- ~~a. a. —~~ **Sole Source.** Only one supplier exists who is capable of satisfying a requirement. The Postal Service has established a business relationship with a retailer that has successfully operated a CPU in its other retail locations.
- ~~b. b. —~~ **Industry Structure or Practice.** The industry producing or supplying the required goods or services is structured in a manner that renders competition ineffective; for example, when purchasing goods or services that are regulated, such as some utilities, or when purchasing from nonprofit or educational institutions that do not compete in the marketplace. The proposed CPU is the only supplier capable of providing or willing to provide the service needed.
- ~~c. c. —~~ **Compelling Business Interests.** There is a business interest that is so compelling that purchasing noncompetitively outweighs the benefits of competition. These situations can include, but are not limited to, the urgency of the requirement, a supplier innovation that furthers Postal Service business objectives, or undue cost or delay would result from a contract award to a new supplier.

d. **Superior Performance.** A supplier's superior performance and its contributions to the Postal Service's business and competitive objectives merit award of a particular purchase. For example, extending the term or expanding the scope of a contract for substantially the same or similar goods or services when a supplier has performed at such a high level that the extension or expansion is deserved and continues to provide best value, or when a supplier's superior performance makes continued performance highly beneficial to Postal Service operations.

a.

If the CPU purchase team decides to use the noncompetitive purchasing method, the team must document the rationale for the decision in a business case and submit it for approval in accordance with the MI SP S2-2011-1 available on the Postal Service PolicyNet website; go to <http://blue.usps.gov/cpim> and click on MIs. The approval must be included in the contract file.

See Chapter 6 for a thorough discussion of competitive and noncompetitive purchasing.

7.6 Solicitation Package

The CPF CMC will provide prospective supplier(s) a solicitation package. Prospective supplier(s) must return a completed solicitation package to be considered further. The contents of the solicitation package vary by anticipated contract type.

~~1-6.2 Authority~~

~~The vice president of Channel Access at Headquarters and vice presidents of Area Operations or designee have the authority to approve the establishment of a CPU based on demonstrated need and value to the consumer and the Postal Service.~~

~~1-6.3 Retail Service Agreements~~

~~Often a national chain or large regional chain contacts Headquarters directly or is contacted about the CPU program through Headquarters' marketing efforts. If a field person is contacted by a company that has five or more locations, then the field person needs to send that contact information to Retail Partner Integrations at Headquarters. Districts are not allowed to pursue relationships with this type of company without approval from Headquarters. In these scenarios, Headquarters provides assistance to the area or district when meeting with the potential supplier, provides a broad overview of the program, and ascertains the interest in becoming a CPU supplier. If interest is indicated and a need exists for CPUs in locations operated by the national or regional chain, then Retail Partner Integrations at Headquarters or local Postal Service authorities begin the solicitation process. Implementation of a CPU is based on need and value to the customer and the Postal Service.~~

~~1-6.4 Requisition Approval~~

~~Only District Managers can approve requisitions for CPUs. This authority may not be delegated below the District Manager level.~~

~~1.6.5 Contract Award~~

~~Only designated COs who possess a Contracting Officer Certificate of Appointment may award CPU contracts.~~

~~1.6.6 Restrictions and Special Considerations~~

~~1.6.6.1 Location of Contract Postal Unit~~

~~The CPU must not be located in, or directly connected to, a room where intoxicating beverages are sold for consumption on the premises.~~

~~1.6.6.2 Contracts with Postal Service Employees~~

~~CPU contracts may not be awarded to Postal Service employees or members of their immediate families. Contracts may be awarded to retired or former Postal Service employees or their family members subject to restrictions on post-employment activities of Postal Service employees as imposed by law.~~

~~1.6.6.3 Post Office Box Service~~

~~A CPU must not provide Post Office box service. Providing this service at a CPU location makes a commitment to the customer as to the availability of a delivery service. This commitment can have an adverse effect on the flexibility of relocating or closing the CPU if there is a change in market conditions.~~

~~1.6.6.4 Non Postal Services~~

~~CPUs must provide Postal Service products and services, exclusively. The supplier may not, in the CPU or in any part of the supplier's premises in which the CPU is located, offer directly or by subcontract, lease, or sublease or otherwise provide the following:~~

- ~~a. Commercial mail receiving (private mailbox) services.~~
- ~~b. Third-party delivery services.~~
- ~~c. Any products or services that the CO determines are similar to, or competitive with, delivery and parcel services offered by the Postal Service.~~

~~Fax service and copy service are examples of products that are not similar to, or competitive with, those of the Postal Service.~~

~~**Note:** Some older contracts have these services "grandfathered" in to their contracts. This exception is on a case-by-case basis and determined by the CO.~~

78 Processing the Contract Postal Unit Request Package

8.1 Evaluation Committee

The An evaluation committee, selected by the Requestor, evaluates supplier business proposals in accordance with supplier-specific factors and proposal-specific factors as determined by the specific need(s) prompting the establishment of the CPU. The evaluation committee comprises of one chair and two additional committee members. Once the three committee members are selected, the members elect the committee chair. Requestors must select committee members who:

- Possess relevant familiarity with the local area of the proposed CPU, and any other contributing factors. All proposal factors are listed in the solicitation package in order of importance.
- Do not possess a known conflict-of-interest.
- Are non-bargaining (EAS) employees.

Each committee member must complete an independent, individual evaluation for each proposal. The committee then collectively reconvenes to discuss the evaluations, compare proposals, and finalize point assignments. The committee chairman must document and submit then transfers the numeric average for each evaluated proposal to the committee's final rating worksheet for each evaluated proposal. Proposals considered unacceptable are also documented on the final rating worksheet.

8.2 Evaluation of Criteria

1-78.2.1 Access for Persons ~~W~~with Disabilities

Ensure that aAll Post Offices, including CPUs, must be are readily accessible to all unless the facility cannot reasonably be configured. Whenever possible, suppliers under consideration for a CPU contract award must already be in a location accessible to the disabled or in a location that will be made accessible as a condition of contract award.

Offerors that do not propose facilities that are handicapped accessible or that do not adequately demonstrate how the facility will meet the applicable accessibility standards before service begins, will not be evaluated further.

If a CPU contract is contemplated with a supplier whose location is not accessible, the CO must document in the contract file the attempts made to find suppliers with accessible locations. The components of the CPU Solicitation-Award Package can be found in the Publication folder online on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>

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7-2.4.28.2.2 Past Performance and Supplier Capability

The CO must evaluate and assess a supplier's past performance and supplier capability. If deemed unacceptable, the proposal will not be considered further.

7-2.58.2.3 Price Evaluation

Under the competitive process, only the Denver CPF CMC is authorized to negotiate the price of a proposal with the offeror.

If the proposed compensation for a contract exceeds the guideline amount of 12twenty-two (22) cents per revenue dollar, then an approved deviation is required. The contracting officerCO is responsible for ensuring the recommended price is fair and reasonable for the immediate area where the CPU is located.

For noncompetitive purchases, refer to Management Instruction SP-S2-2024-1, Noncompetitive Purchases.

7-2.4.38.2.4 Other Proposal Factors

Suppliers Offerors that are deemed acceptable on the Past Performance and Supplier Capability factors must also will then be evaluated on all other proposal factors. These factors are listed in the solicitation package in order of importance, as determined by the Requestor.

8.3 Final Determination

After reviewing the evaluation committee's worksheets and evaluating price proposals, tThe Denver CPF CMC is responsible for preparinges a best-value determination based on the evaluation committee's worksheets and recommendations, assigns a contract number, and awards the contract. Only designated personsCOs who possess a Contracting Officer Certificate of Appointment may award CPU contracts in accordance with 39 CFR Section 601.

The District Manager has the authority to determine if the Requestor can solicit new prospective supplier(s). The District Manager has the authority to discontinue the pursuit of establishing a CPU or pursue other appropriate means of fulfilling the identified need.

All documents related to the contract award, or non-award and all future documents about theis CPU are must be kept in an electronic CPU file for the life of the contract.

10-28.4 Contracting Officer Representative Appointment and Host Administrative Office Appointment

A contracting officer's representative (COR) (Program Office Manager in HQ) and an HAO must beare appointed at the time of contract award. The COR serves as the technical liaison to the supplier and, in conjunction with the HAO, monitors and ensures contract compliance. The COR is authorized to make changes to cost, scope, delivery schedule, or duration of contracts. The HAO plays a major role in contract administration, providing training to the CPU operator and their employees, monitoring the CPU operation, and ensuring contract compliance.

~~2 Determining Need for a Contract~~ ~~Postal Unit~~

2-1 Benefits of a Contract Postal Unit

When determining whether a contract postal unit (CPU) is the appropriate method for providing expanded access to postal services, consider the benefits of a CPU.

2-1.1 Benefits for Customers

A CPU provides customers the following benefits:

- a. Expanded access to Postal Service products and services at Postal Service prices.
- b. Convenient location.
- c. Extended hours (weekends and evenings).

2-1.2 Benefits for Suppliers

A CPU provides suppliers the following benefits:

- a. Customer traffic.
- b. Generate additional sales.
- c. Customer awareness of CPU locations.
- d. Competitive advantage.

2-1.3 Benefits for Postal Service

A CPU provides the Postal Service the following benefits:

- a. Cost-effective process for providing Postal Service products and services.
- b. Reduction in wait time for customers.
- c. Increase in customer satisfaction.
- d. Increase in Postal Service presence in high-growth retail locations.

~~2-2 Conditions for Requesting a Contract Postal Unit~~

~~A CPU contract may be requested when one or more of the following conditions are present:~~

- ~~a. A newly developed community requires postal retail services but does not yet warrant a Postal Service facility.~~
- ~~b. Existing retail units are not able to serve customers efficiently because of limited space or high customer demand.~~
- ~~c. Flexibility in service hours is needed.~~
- ~~d. An independent Post Office or CPU has discontinued service.~~
- ~~e. Other alternate access channels for selling USPS products, such as Stamps to Go, Stamps By Mail®, Stamps Online™, Approved Shipper, or Village Post Office have been considered and determined not feasible.~~
- ~~f. There is insufficient parking and retail space with no ability to expand.~~
- ~~g. Seasonal issues present special situations.~~
- ~~h. The Postal Service will realize service, scheduling, or other benefits from the CPU.~~

~~3~~ Verifying Need for a Contract Postal Unit

~~3-1~~ Introduction

~~After determining that a contract postal Unit (CPU) will satisfy the need for expanded access, the CPU coordinator documents this fact. The procedures described in this chapter are steps for the CPU coordinator to use to build a case for the establishment of a CPU.~~

~~3-2~~ Contract Postal Unit Needs Analysis

~~The Host Administrative Office (HAO) or the CPU coordinator completes a CPU Needs Analysis Form (See a sample Contract Postal Unit Needs Analysis Form in the Publication 156 folder online on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~Consider the following retail conditions at the HAO or targeted station or branch:~~

- ~~a. Insufficient hours.~~
- ~~b. Insufficient area coverage.~~
- ~~c. Low customer satisfaction.~~

~~Provide information on the following criteria to document the need for a CPU:~~

- ~~a. Demographic and geographic characteristics of the proposed area.~~
- ~~b. Projected growth within the proposed area.~~
- ~~c. Date and results of last window operation survey.~~
- ~~d. Review of retail operations.~~
- ~~e. Consumer feedback.~~
- ~~f. Competition: actual and projected.~~
- ~~g. Increased benefit to the Postal Service relating to service and cost effectiveness if a CPU was established.~~
- ~~h. Impact on existing nearby classified offices including transportation and collection route.~~
- ~~i. Proposed days and hours of operation (should exceed Post Office hours).~~

~~Three other tools for assessing needs are retail mapping, the revenue forecast model and the wait time in line report.~~

~~3-3 Retail Mapping and Electronic Facilities Management System (eFMS)~~

~~Retail mapping, as completed through the Electronic Facilities Management System (eFMS), helps to ensure that CPUs are located in the most needed and convenient sites to provide retail customers access to postal services.~~

~~Retail mapping displays all classified facilities and existing expanded retail access by ZIP Code. Demographic projections for 5 years display information on the proposed area's demographics (i.e., population and income). (See Sample Retail Mapping and Sample Demographic and Income Profile in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~With the Postal Service's continued focus on reducing cost and improving efficiency, retail mapping is a key tool that supports the following:~~

- ~~a. Support for Postal Service strategic objectives (i.e., the Retail Optimization Plan) to expand access channels.~~
- ~~b. Reduced reliance on "brick and mortar" (new construction) costs.~~
- ~~c. Strong partnerships that focus on marketplace growth.~~
- ~~d. Visual geographic perspective to allocate retail resources.~~
- ~~e. Integration of facility planning and Retail Operations into the future success of the Postal Service.~~

~~3-4 Wait-Time-In-Line Report~~

~~The wait time in line report helps determine if there is a need to provide relief to Postal Service facilities with excessive waiting times. (See a sample Wait Time In Line Report in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~3-5 Revenue Forecast Model~~

~~The CPU Revenue Forecast Model is used to forecast revenue for a new CPU location. The model analyses input on the proposed CPU location and the nearby Post Office and calculates the potential revenue. The potential revenue is displayed as conservative, moderate, and optimistic. Always use the conservative estimate for funding purposes. (See a sample Revenue Forecast Model in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

3-6 Retail Partner Integration Approval

All new CPU requests must have Retail Partner Integration Approval. Send an electronic (email) to the CPU Review mailbox found in Outlook with the Needs Analysis, Retail Mapping, Wait Time in-Line Report and Revenue Forecast Model. Once approval is received, attach all documents to the eBuy2, including the email approval.

See the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the following items:

- a. Sample Contract Postal Unit Needs Analysis Form.
- b. Sample Retail Mapping.
- c. Sample Demographic and Income Profile.
- d. Sample Wait Time In-Line Report.
- e. Sample Revenue Forecast Model.

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~~4 Design and Construction Requirements for a Contract Postal Unit~~

~~4-1 Overview~~

~~It is important to present to the consumer in a private retail location a “branded image” associated with the Postal Service. This chapter discusses the requirements for a “build-out,” the Postal Service term for branded design used in contract postal units (CPUs).~~

~~4-2 Purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements~~

~~The purposes of Attachment 5, *Contract Postal Unit Design and Construction Requirements (D&CR)*, which is a component of the solicitation/award package, are as follows:~~

- ~~a. Ensure that the finished CPU build-out is functional and presents a uniform image to the public.~~
- ~~b. Define the equipment and supplies needed for the build-out.~~
- ~~c. Establish responsibilities.~~
- ~~d. Ensure that the build-out is included in the solicitation.~~

~~4-3 Parts of Attachment 5, Contract Postal Unit Design and Construction Requirements~~

~~4-3.1 Overview~~

~~The D&CR Attachment 5 contains the following three parts:~~

- ~~a. Part A, Responsibility Schedule.~~
- ~~b. Part B, Signage Requirements.~~
- ~~c. Part C, Build-Out Requirements.~~

~~4.3.2~~ **Part A — Responsibility Schedule**

The important aspects of Part A are the following:

- a. ~~Part A is always a mandatory part of the D&CR Attachment 5.~~
- b. ~~Equipment includes office equipment, furniture and casework, interior and exterior~~
- c. ~~signage, connectivity requirements, and miscellaneous items. (See Part A — Responsibility Schedule — CARS CPU and Part A — Responsibility Schedule — Performance-Based CPU in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>).~~
- d. ~~The schedule identifies responsibilities and establishes quantities of equipment, furniture, and signage.~~
- e. ~~The schedule requires that a quantity be indicated for each item. If an item is not required, mark the box “N/A.” Responsibilities usually remain the same from CPU to CPU.~~
- f. ~~The schedule is not an order form.~~
- g. ~~Items are not ordered until a contract is awarded and a CPU design is approved.~~
- h. ~~This schedule is used as an inventory sheet for all CPU supplies and equipment. Chapter 8 addresses ordering. Review notes in the Responsibility Schedule. The Responsibility Schedule is included in the solicitation.~~

~~4.3.3~~ **Part B — Signage Requirements**

The important aspects of Part B are the following:

- a. ~~Part B is mandatory unless a deviation to omit it has been approved by Retail Partner Integration at Headquarters.~~
- b. ~~CPU signage is critical to maintaining a uniform Postal Service CPU image.~~
- c. ~~Part B lists the following:~~
 - (1) ~~Postal Service sign type (interior or exterior, illuminated or not).~~
 - (2) ~~Sign size.~~
 - (3) ~~Order number.~~
 - (4) ~~Quantity.~~
 - (5) ~~Lamps.~~
 - (6) ~~Shipping weight and shipping size.~~
- d. ~~(See Part B — Signage Requirements and Direct Vendor CPU Signage Catalog in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~
- e. ~~Normally, the Postal Service provides signs and the supplier installs and maintains them.~~
- f. ~~The supplier is responsible for obtaining building permits/approvals.~~
- g. ~~The signage requirements sheet lists all available CPU signs.~~

- h. Complete only the “quantity” column.
 - i. The signage requirements sheet is not an order form.
 - j. Do not order signage until a contract is awarded and approvals are obtained. (See Signage Order Form—General Information in the Publication 156 folder on the CPAC blueshare website at: [http:// supply.blueshare.usps.gov/sites/cpac/default.aspx](http://supply.blueshare.usps.gov/sites/cpac/default.aspx).)
 - k. This schedule is used as an inventory sheet for all CPU signage.
- Chapter 8 addresses ordering signage. The signage requirements sheet is included in the solicitation.

~~4.3.4 Part C — Build-Out Requirements~~

The important aspects of Part C are the following:

- a. Part C is mandatory unless a deviation to omit it has been approved by Retail Partner Integration at Headquarters.
- b. The supplier is always responsible for design and build-out.
- c. Design and construction must comply with Postal Service requirements. (See CPU Workstation Options and CPU Design and Construction Requirements, Attachment 5, Part C—CPU Build-out Requirements, in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

~~4-4 Reasons for Imposing Design Responsibility on the Supplier~~

The reasons for imposing design responsibility on the supplier are as follows:

- a. CPUs are constructed in the supplier’s space.
- b. Space is occupied by non-Postal Service employees.
- c. Many other high-liability issues can arise (e.g., safety, security, and damages).

~~4-5 Prototype Drawings and Postal Service Branding~~

The important aspects of prototype drawings and Postal Service branding are the following:

- a. Postal Service-provided prototype drawings are mandatory.
- b. A consistent Postal Service image for the CPU is required.
- c. The objective is to have the completed CPU look like the prototype.
- d. To determine whether a one-counter or two-counter design is needed.
- e. The supplier’s space constraints can impact design.
- f. Materials and finishes need to comply with Postal Service standards if new construction. (See Standard Finishes and Materials Schedule in

the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>)

- g. Typically, the Postal Service provides all of the signage, cabinetry, and workstation(s) to the supplier to attain the desired result.

4-6 Finished Product

The important aspects of the finished product are the following:

- a. Do not get involved with the “means or methods.”
- b. The supplier is responsible for attaining the required finished result.
- c. The supplier must accomplish the work in compliance with applicable codes.

4-7 Design Requirements

The important aspects of the design requirements are the following:

- a. There is no mandatory requirement for professional design services.
- b. The supplier is responsible for the following:
 - (1) Determining whether a permit is required.
 - (2) Obtaining all required permits.
 - (3) Retaining professional services if needed to obtain permits.

~~The Postal Service does not review the design for code compliance. The Postal Service does review the design for layout, finishes, materials, and signage for compliance with the contract (i.e., the Postal Service determines if the result will appear like one of the prototype drawings).~~

4-8 Design Submittal

The important aspects of the design submittal are the following:

- a. There are three different options for a supplier’s design submittal:
 - (1) Case I: Full compliance.
 - (2) Case II: Substantial compliance.
 - (3) Case III: Deviation.
- b. The prototype drawings help simplify the supplier’s design.
- c. The drawings also indicate full (or substantial) compliance with the prototype:
 - (1) Full compliance: With full compliance, the supplier chooses a prototype drawing and provides a proposed Finishes and Materials Schedule.
 - (2) Substantial compliance: With substantial compliance, the supplier provides a marked-up prototype drawing and a proposed Finishes and Materials Schedule.

- (3) ~~Deviation: With a deviation request, the supplier prepares and submits drawings and complete specifications for all finishes and materials for Postal Service approval.~~

~~4-9 Postal Service Design Assistance~~

Listed below are important aspects of Postal Service design assistance:

- a. ~~The supplier is contractually responsible for design (See Supplier Pre-Acceptance Inspection Checklist in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~
- b. ~~The Postal Service accumulates experience over a large number of CPUs.~~
- c. ~~The Postal Service can assist the supplier by doing the following:~~
 - (1) ~~Recommending the appropriate prototype.~~
 - (2) ~~Suggesting locations for the CPU within the store.~~
 - (3) ~~Giving an orientation of the CPU at the suggested location(s).~~
 - (4) ~~Assuring the type and location of signage are most effective.~~
 - (5) ~~Suggesting a path to collect mail from the CPU.~~
 - (6) ~~Evaluating truck access and handicapped parking.~~

~~If floor, ceiling, or lighting is unacceptable, notify the supplier.~~

~~4-10 Design Assistance Versus Design Responsibility~~

Listed below are important aspects of design assistance versus design responsibility:

- a. ~~Maintain supplier design responsibility.~~
- b. ~~In practice, the design is usually simple. Most facilities can readily adapt a prototype drawing.~~
- c. ~~Further clarification on all construction and responsibility issues is provided in Attachment 5, Contract Postal Unit Design and Construction Requirements.~~

~~See the Publication 156 folder on CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the following items:~~

- a. ~~Part A – Responsibility Schedule – CARS CPU.~~
- b. ~~Part A – Responsibility Schedule – Performance-Based CPU.~~
- c. ~~Part B – Signage Requirements.~~
- d. ~~Direct Vendor CPU Signage Catalog.~~
- e. ~~Signage Order Form – General Information.~~
- f. ~~CPU Workstation Options.~~
- g. ~~CPU Design and Construction Requirements, Attachment 5 Part C – CPU Build-Out Requirements.~~

- ~~h. Standard Finishes and Materials Schedule.~~
- ~~i. Supplier Pre-Acceptance Inspection Checklist.~~

~~5 Identifying Prospective Contract Postal Unit Suppliers~~

~~5-1 Overview~~

~~Use the techniques in this chapter to create supplier interest in becoming a prospective contract postal unit (CPU) supplier.~~

~~5-2 Local Sourcing~~

~~5-2.1 Letter of Interest~~

~~A letter of interest is a letter from the Postmaster delivered to retailers in a targeted area. The letter explains to the retailer the criteria necessary to become a prospective CPU supplier. (See Letter of Interest: A Post Office in Your Store in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~5-2.2 Newspaper Advertisements~~

~~Another way of creating interest in the business community is by placing an ad in the local paper. The ad must provide information about the CPU and the geographic area being targeted.~~

~~5-2.3 Community Interest News Articles~~

~~The CPU coordinator can ask the customer relations coordinator or the Postmaster for assistance in contacting the local newspaper to write a community interest story. (See Community Interest News Stories in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~The reporter could interview the CPU coordinator or the Postmaster for background information about the need for expanded retail access. To add interest to the story, photos could be taken of other CPUs (with build-outs). Often these articles generate sufficient interest to enable a CPU supplier presentation to be scheduled.~~

~~5-2.4 Chamber of Commerce~~

~~Many local businesses are members of the chamber of commerce. The chamber is usually aware of community needs and concerns and is a good~~

potential source for interested retailers. The Host Administrative Office (HAO) (who is sometimes a Postmaster) or the CPU coordinator could ask to attend a chamber meeting to give an overview of the CPU program and a Performance-Based contract.

5-2.5 **Community Associations**

Many residential developments have community associations that meet regularly. If the community is in an area of high growth, the local Postmaster probably has received requests from the community for a Postal Service presence. The HAO or the CPU coordinator could ask to attend a community meeting to provide an overview of the CPU program and a Performance-Based contract.

5-2.6 **Cold Calls**

If the efforts noted in 5-2.1 to 5-2.5 fail to generate interest, it might be necessary to make cold calls (i.e., to talk with prospective CPU suppliers who have not had a previous introduction). This is done by “walking the preferred area” and talking to retailers directly to gain their interest. If the store owner/manager is not available, leave a business card and ask for an appointment. Use the Source List, to record information from these calls. (See Source List in the Publication 156 folder on the CPAC blueshare at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

The HAO must be comfortable with the presentation and have knowledge of the Performance-Based contract.

Be prepared by having copies of Publication 296, *CPU Marketing Brochure*, and supplier presentation materials available. (See Ordering Instructions for Pub 296, *CPU Marketing Brochure* in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

5-3 **Reviewing Responses and Scheduling Meetings**

The HAO contacts the CPU coordinator after responses have been received to schedule a supplier presentation. It is recommended that the presentation be held at the local Post Office. Postal Service attendees must include the HAO representative. The benefits of bringing all potential suppliers together in one meeting are the following:

- a. All attendees hear consistent information and have the opportunity to ask questions.
- b. All interested parties are in attendance and competition for the contract may be generated.
- c. A single meeting saves time and travel.

5-4 Requirements for Supplier Presentation

Prior to the presentation to potential suppliers, the HAO should have discussed the estimated revenue based on the revenue forecast model, outlined the preferred area of interest, and distributed the supplier's estimated cost worksheet. With prior knowledge of this information, the presentation can begin. The HAO must also be thoroughly knowledgeable on the Performance-Based contract requirements, including all attachments.

5-5 Supplier Presentation Handouts

Before the presentation, the HAO must become familiar with all of the following materials that are to be handed out at the supplier presentation:

- a. Source list to be used as a sign-in sheet.
- b. Publication 296 that defines a CPU, the benefits of a partnership with the Postal Service, and the method of compensation and gives examples of build-out and signage.
- c. Attachment 1, Requirements, of the CPU solicitation/award package.
- d. Attachment 2, Supplier Business Proposal and Information, of the CPU solicitation/award package and the CPU Supplier's Estimated Cost Worksheet (See CPU Supplier's Estimated Cost Worksheets in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)
- e. Attachment 3, CPU Bond, of the CPU solicitation/award package (not applicable for CPUs that will have CARS).
- f. Attachment 4, Compensation, of the CPU solicitation/award package.
- g. Attachment 5, CPU Design and Construction Requirements, of the CPU solicitation/award package.
- h. See Section 5-G.2 and Chapter 7 for more information on the three solicitation/award package contract types.

5-6 Share Lessons Learned

Provide a sample of a blank solicitation so attendees can familiarize themselves with the contents.

5-7 How to Conduct the Supplier Presentation

5-7.1 Introduction and Overview

Allow about 1 and 1/2 to 2 hours for the presentation. Introduce the Postal Service representatives and thank all the potential suppliers for taking the time to attend. Distribute a copy of the source list and ask attendees to

complete the requested information and return it to the CPU coordinator. (The source listing will be included as part of the CPU request package.) Encourage attendees to ask questions.

~~5-7.2~~ **Presenting Supplier Materials**

The materials described in ~~5-G.2.1~~ through ~~5-G.2.5~~ are essential to a successful presentation because the materials cover the critical parts of the contract requirements.

~~5-7.2.1~~ **Contract Postal Unit Request Package**

Use the CPU request package as a training tool to explain the CPU solicitation process to the potential CPU suppliers.

~~5-7.2.1.1~~ **Page 1 of the CPU Request Package**

To complete page 1, do the following:

- a. Identify the HAO and provide e-mail address and introduce the CPU coordinator.
- b. Explain that the HAO has administrative oversight of the day-to-day operations of the CPU.
- c. Indicate that the supplier will receive 40 hours of training from the Postal Service. Explain that the training can be conducted off-site, on-site, or a combination of the two.
- d. Discuss that for a competitive contract the evaluation criteria and award factors must be considered.
- e. Explain that an evaluation team will be established who will perform an on-site visit. The evaluation factors used in the evaluation of offers are the following:
 - (1) Location.
 - (2) Current business volume.
 - (3) Physical characteristics (handicapped accessible).
 - (4) Parking and public transportation.
 - (5) Staffing.
 - (6) Placement of proposed CPU within the retail facility.
 - (7) Past Performance.
 - (8) Supplier Capability.
- f. Explain that the solicitation will indicate the role of price in the evaluation of the offer.

~~5-7.2.1.2~~ **Source List (Page 2 of the CPU Request Package)**

Use the source list as a sign-in sheet at the supplier presentation.

~~5-7.2.1.3~~ **Evaluation Committee Members (Page 3 of the CPU Request Package)**

Explain that a committee of three will individually perform an on-site evaluation before any contract will be awarded. The CPU coordinator will then enter the names, addresses, e-mail addresses, and telephone numbers

of the three committee members prior to submitting the request package to the Denver CMC.

5-7.2.1.4 — Attachment 1, Requirements (Page 4 of the CPU Request Package)

To complete and discuss page 4, do the following:

- a. Enter the HAO information under Number 1, "Description."
- b. Explain Attachment 5, Design and Construction Requirements.
- c. Explain the general boundary and map for the area being considered.
- d. Indicate the days and hours of service (recommend extended hours).
- e. Recommend the services to be provided (both mandatory and optional).

5-7.2.1.5 — Part A — Responsibility Schedule (Pages 5 through 7 of the CPU Request Package)

Explain what the Postal Service's and the supplier's responsibilities for meeting the design and construction requirements. Explain who is responsible for providing, installing, and maintaining the requirements.

5-7.2.1.6 — Part B — Signage Requirements (Page 8 of the CPU Request Package)

Explain the signage that the Postal Service provides. Explain the sizes and weights, and inform the suppliers that they will be responsible for installing and maintaining the signs.

5-7.2.2 — Attachment 2 (of the solicitation package) — Contract Postal Unit Supplier Business Proposal, Information, and Worksheet

Attachment 2 is a critical component of the solicitation. Discuss each evaluation factor with the attendees and, if possible, provide an example. Stress that all the requested information must be included. If the requested information is not included, the offeror may be considered nonresponsive or may receive a lower score on its evaluation.

5-7.2.3 — Attachment 3 (of the solicitation package) — Contract Postal Unit Surety Bond

Prospective suppliers must use the bond instructions and form to contact their insurance agent on the cost of getting a Postal Service surety bond. The approved sureties listing website is at: www.fms.treas.gov/c570/index.html.

Inform the attendees of the bond amount required and that operation of the CPU cannot begin until the bond requirement is met. The bond must cover all stamp stock, accountables, and the value of postage on the meter. A bond waiver will not be approved. In lieu of a bond, the supplier may provide an irrevocable letter of credit (from a bank or credit union) or a deposit of assets (cash).

Note: There is no bond requirement for a CARS CPU.

~~5-7.2.4 Attachment 4 (of the solicitation package) — Compensation~~

~~Attachment 4 indicates the performance payment percentages the supplier will request based on the sale of postal products and services. For any stamp sold in excess of current First-Class Mail[®] postage (i.e., semi-postal issues, which are stamps sold to generate funds for charitable endeavors), only the amount valid for postage can be considered toward the performance payment. The intent of the Performance-Based CPU contract is not to allow the CPU supplier to use the CPU as a mailing agency or as a mailing services provider in order to inflate postal revenue. The HAO or CPU coordinator must ensure compliance by the CPU supplier.~~

~~Individual stamp transactions greater than \$1000.00 are prohibited and such requests must be referred to the HAO. CPU suppliers can purchase stamps for their own use and use the CPU to mail their own mail in what is considered to be a reasonable and customary amount. However, the sale of stamps to another retailer or individual whose sole purpose would be the resale of those stamps is prohibited. The CPU supplier cannot use the CPU to function as a mail or letter shop. Bulk mailings are prohibited.~~

~~5-7.2.5 Attachment 5 (of the solicitation package) — CPU Design and Construction Requirements~~

~~Discuss design criteria and build-out and the potential suppliers' responsibilities. Explain the equipment and signage provided by the Postal Service. The CPU supplier is responsible for the cost of the build-out including signage installation. Depending on complexity of the build-out, the average cost is \$8,000 to \$10,000. Exterior signage examples are provided and must meet landlord and local city or county codes and ordinances prior to beginning operations.~~

~~5-7.2.6 Compensation and Supplier Costs~~

~~Advise attendees of estimated first-year revenue from the CPU operation as indicated by the CPU Revenue Forecast model. Potential suppliers need to consider their operational costs (i.e., costs for staffing, equipment, supply, telephone, and bond premium) as well as potential increased retail sales from the additional customer traffic. Provide suppliers with an estimated cost worksheet.~~

~~For a noncompetitive contract or conversion to a Performance-Based contract, the CPU coordinator and the potential supplier may discuss the performance payment rate. However, only the Denver CMC can negotiate and commit funds for the Postal Service. Remind suppliers that there is no franchise fee. Provide examples of CPU success stories.~~

~~5-7.2.7 Conclude Supplier Presentation~~

~~Conclude the meeting by asking if there are any questions and thank the attendees for their interest. Provide contact information (i.e., business cards).~~

~~See the Publication 156 folder on CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the following items:~~

- ~~a. Letter of Interest: A Post Office in Your Store.~~
- ~~b. Community Interest News Stories.~~

- ~~c. Source List.~~
- ~~d. Ordering Instructions for Pub 296 - CPU Marketing Brochure.~~
- ~~e. CPU Supplier's Estimated Cost Worksheets.~~

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~~6 Preparing the Contract Postal Unit Request Package~~

~~6-1 Introduction~~

~~After having justified the need for a contract postal unit (CPU), the CPU coordinator prepares a CPU request package. The request package is the formal package submitted for processing to the Customer Products and Fulfillment Category Management Center (Denver CMC) in Aurora, Colorado. The cover letter summary must include the following information:~~

- ~~a. Background information.~~
- ~~b. Current conditions that support the need.~~
- ~~c. Existing expanded access channels.~~
- ~~d. Recommendation.~~
- ~~e. Noncompetitive business case (if applicable).~~
- ~~f. (See Sample Cover Letter Summary in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~The competitive purchase method is the preferred method that satisfies the business objectives of the Postal Service. However, at times when the noncompetitive purchase method better suits the business situation and the needs of the Postal Service, refer to the Management Instruction SP-S2-2011-1, *Noncompetitive Purchases*, on the Postal Service PolicyNet website; go to: <http://bluc.usps.gov/epim> and click on MIs.~~

~~6-2 Concerns for Approving Funding Documents~~

~~Some concerns for approving funding documents are the following:~~

- ~~a. Submit the solicitation funding (budget line 3G) to the Denver CMC.~~
- ~~b. The District Manager's approval is mandatory on all funding documents relating to CPUs, as stated in Handbook F-66, General Investment Policies and Procedures, 2-6.2, which is reprinted in its entirety as follows:~~

~~"Contract postal units are post offices operated by a contractor under the jurisdiction of [a host] post office, usually in a store or other privately owned and operated place of business. At the Headquarters level, vice presidents~~

and above have the authority to approve funding for contract postal units. They may re-delegate, in writing, portions of this authority. At the field level

, vice presidents, Area Operations, or their designees have the authority to establish contract units. (Refer to the *Postal Operations Manual* (POM), section 123.24 on the Postal Service PolicyNet website. Go to <http://blue.usps.gov/cpim> and click on *Manuals*.) This approval authority may be re-delegated, in writing, to the District Manager, but may not be re-delegated by the District Manager.”

6-3 Contract Postal Unit Deviation Request Process

6-3.1 Approval by Headquarters

All deviation requests must be approved by Retail Partner Integration at Headquarters.

6-3.2 Deviation Requests

The four types of deviation requests are the following:

- a. CPU policy (See 6-3.2.1).
- b. CPU design standards (See 6-3.2.2).
- c. CPU contract type (See 6-3.2.3).
- d. CPU compensation (See 6-3.2.4).

(See CPU Deviation Request Form in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

6-3.2.1 Contract Postal Unit Policy

Postal Service policy requires a build-out for all new or converted Performance-Based CPUs. The CPU coordinator must submit a deviation when the supplier does not intend to follow Postal Service policy. Adding Post Office boxes to new or existing CPUs or deviating from using the mandatory services in the contract also requires a deviation.

6-3.2.2 Contract Postal Unit Design Standards

The CPU coordinator must submit a deviation when the supplier makes significant changes from the prototype drawings. This would include using nonstandard counters (any counter other than Postal Service-provided counters), omitting slat walls, changing color schemes, and omitting standard signage.

6-3.2.3 Contract Postal Unit Contract Type

A deviation is usually required when the contract type is anything other than a GARS-Performance-Based contract. Refer to the CPU Request Package Checklist for exceptions (see 6-4).

~~6-3.2.4 Contract Postal Unit Compensation~~

~~If the proposed compensation for a contract exceeds the guideline amount of 12 cents per revenue dollar, then an approved deviation is required. The contracting officer is responsible for ensuring the recommended price is fair and reasonable for the immediate area where the CPU is located.~~

~~6-3.3 How to Process a Deviation Form (Departure from Accepted Contract Postal Unit Process)~~

~~The steps for processing a deviation form are the following:~~

- ~~a. Complete one deviation request form per contract.~~
- ~~b. Attach adequate justification (including drawings and photographs when necessary).~~
- ~~c. Be thorough and concise.~~
- ~~d. Obtain local approval authority from the district.~~
- ~~e. Electronically transmit the request to the area office for approval, if required. If area approval is not required, please indicate "Not applicable" on the area signature line.~~
- ~~f. If the area office approves the deviation request, the area will transmit the approved deviation request to Retail Partner Integration at Headquarters for final approval. If the area office does not approve the request, the area returns the deviation request to the district office for correction and resubmittal.~~
- ~~g. Whether the area approves or rejects the deviation request, Retail Partner Integration at Headquarters returns the deviation form to the originating office (either the area office or the district office, as applicable).~~
- ~~h. The Area Office provides the returned request to the District Retail Office (if applicable).~~
- ~~i. The District Retail Office will include the approved deviation in the CPU request package.~~

~~**Note:** If the Area Office requires that it must review and approve the original CPU request package before it is sent to the Denver CMC, follow the local procedures.~~

~~6-4 Contract Postal Unit Request Package Checklist~~

~~A CPU request package checklist explains the required elements for all types of contracts. Attach all required elements to your approved eBUY2 and send electronically to the Denver CMC. (See CPU Request Package Checklist in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~See the Publication 156 folder on CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the following items:~~

- ~~a. Sample Cover Letter Summary.~~

- b. ~~— CPU Deviation Request Form.~~
- c. ~~— CPU Request Package Checklist.~~

~~7 Processing the Contract Postal Unit Request Package~~

~~7-1 Introduction~~

~~The contract postal unit (CPU) coordinator prepares the CPU request package and submits it to the Denver CMC. This chapter explains how the Denver CMC processes the package. The chapter also discusses responsibilities of the different team members involved in this process.~~

~~7-2 CARS Performance-Based Contract Postal Units~~

~~7-2.1 Request Package Denver CMC Review Process~~

~~If the request package is incomplete, then the Denver CMC returns the package for completion. Some common errors are as follows:~~

- ~~a. The eBuy2 is received with no attachments. The requester will receive a call or an e-mail from the Denver CMC stating that the eBuy2 was received with no attachments and to e-mail the rest of the documents to the CPAC team at email address epac.team@usps.gov. Annotate the eBuy2 requisition number in the e-mail or in the subject line. If Denver cannot match the attachments with the eBuy2, this will delay the processing of the request.~~
- ~~b. The eBuy2 is received with attachments, but it is still missing required documents. The request will be assigned to a purchasing specialist for processing. You will receive an e-mail requesting what is missing and who you should submit the missing item to.~~
- ~~c. The e-mail or mailed package is received with request/attachments, but there is no eBuy2. The package will be returned either via e-mail or through regular mail with instructions to send it again with the eBuy2 according to proper procedures.~~
- ~~d. Received everything; however, some information is missing or incorrect. The package will be returned to the requester for corrections.~~

~~7-2.2 Solicitation Issuance~~

~~The Denver CMC generates the solicitation document, which contains all of the requirements for the CPU. (See Sample Solicitation for CARS Contract in~~

the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

Copies of the solicitation are provided to all suppliers on the source list.

The following individuals receive an e-mail from Denver CMC stating the solicitation has been mailed to the sources that were provided and provides a return date of the solicitation:

- a. Host Administrative Office (HAO).
- b. CPU coordinator.

7-2.3 Evaluation of Competitive Proposals

The Denver CMC sends the evaluation package to the evaluation committee chairperson. The evaluation package includes the following items:

- a. A copy of each proposal.
- b. A copy of the evaluation and award factors.
- c. A cover letter with instructions on how to evaluate proposals. (See Guidelines for Completing the Evaluation Worksheet in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)
- d. A worksheet to be completed for each proposal (See Evaluation Worksheet in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)
- e. A Conflict of Interest and Non-Disclosure Agreement that must be signed by each evaluation committee member. The contracting officer is responsible for safeguarding against or mitigate any conflicts of interest when non-USPS employees are members of the evaluation committee.
- f. A final rating worksheet completed by the committee chairperson indicating for each proposal whether it was considered acceptable or unacceptable.

The chairperson distributes the evaluation packages to the committee members during their first meeting and discusses the evaluation process. Recommended members of the evaluation committee are the following:

- a. HAO.
- b. CPU coordinator.
- c. Manager of Post Office Operations.
- d. Other Postal Service operational personnel (i.e., a neighboring Postmaster).

7-2.4 Business Evaluation

7-2.4.1 Overview

~~The evaluation committee evaluates supplier business proposals in accordance with supplier-specific factors and proposal-specific factors.~~

~~7-2.4.2~~ Past Performance and Supplier Capability

The following evaluation factors are reviewed and assessed by the contracting officer. If deemed unacceptable, the proposal will not be considered further:

- a. ~~Past Performance: Prospective suppliers must provide references that will demonstrate a history of satisfactory past performance in the areas of quality, timeliness of performance, business relations, financial stability, and cost control. The Evaluation Committee surveys the references and provides their findings to the contracting officer, who then determines if the offer will be evaluated further.~~
- b. ~~Supplier Capability: Prospective suppliers must provide information to demonstrate financial stability and ability to perform under the contract. The supplier needs to demonstrate the ability to purchase, in advance, the adequate stamps and meter postage to properly serve the postal customer. Financial information to be provided includes financial reports, profit and loss statements, and balance sheets. Upon an in-depth review of the financials, the contracting officer determines if the offer will be evaluated further.~~

~~7-2.4.3~~ Other Proposal Factors

~~Offerors that are deemed acceptable on the Past Performance and Supplier Capability factors will then be evaluated on all other proposal factors. Except for handicapped accessibility, the CPU coordinator indicates in the request package submitted to the Denver CMC the maximum point assignment for each of the other proposal factors.~~

~~Handicapped accessibility is not assigned a maximum point value. Offerors that do not propose facilities that are handicapped accessible or that do not adequately demonstrate how the facility will meet the applicable accessibility standards before service begins, will not be evaluated further.~~

~~Each of the following other proposal factors are listed in the solicitation package in order of importance:~~

- a. ~~Characteristics of the supplier's retail facility:~~
 - (1) ~~Location.~~
 - (2) ~~Current business volume.~~
 - (3) ~~Physical characteristics (including accessibility to the handicapped, which must be compliant with applicable accessibility standards before service begins).~~
 - (4) ~~Parking and public transportation.~~
- b. ~~Characteristics of the proposed CPU within the supplier's retail facility.~~
- c. ~~Staffing.~~

Note: ~~If the proposed CPU will be in a location provided by the facility, as in the case of a military installation, college campus, or a CPU that will be housed in the exact location where the previous CPU was located, then factors a. and b. do not apply and will not be evaluated.~~

The evaluation committee must keep in mind the maximum points assigned to each of the other proposal factors and to rate the proposals accordingly. For example, if an offeror has provided minimal staffing information, he/she would not be disqualified but would receive a low score for this factor.

~~Each committee member completes an independent, individual evaluation for each proposal. The committee then reconvenes to discuss the evaluations, compare proposals, and finalize point assignments. The committee chairman then transfers the numeric average for each evaluated proposal to the final rating worksheet. Proposals considered unacceptable are also documented on the final rating worksheet.~~

~~7.2.5 Price Evaluation~~

~~The CPU coordinator indicates in the request package submitted to Denver CMC if price is considered more important, less important, or as important as the evaluation factors. Under the competitive process, only the Denver CMC is authorized to negotiate the price of a proposal with the offeror.~~

~~Under the noncompetitive process, the district may discuss the suggested price of a proposal with the offeror provided they make it clear that the Denver CMC is the only office that is authorized to commit funds for the Postal Service. The District's discussion is ONLY to ascertain if the supplier is interested. The District cannot commit, promise, or finalize any price with the supplier. Remember, if the compensation offer exceeds the recommended guideline of 12 cents per revenue dollar, Retail Partner Integration at Headquarters must approve a deviation request.~~

~~If the offer selected for award is higher than the funded amount on the approved funding document, the Denver CMC contacts the CPU coordinator for additional funding and to discuss other options.~~

~~7.2.6 Contract Award~~

~~After reviewing the evaluation committee's worksheets and evaluating price proposals, the Denver CMC prepares a best value determination, assigns a contract number, and awards the contract. Prior to or at the time of award, the Denver CMC must receive the 10-digit Unit Finance Number (UFN) specific to the CPU and the agreed upon site name for the supplier. If the Postal Service is awarding a CARS CPU, the 4 digit site ID is generated by Contract Postal Unit Technology (CPUT) system. The Denver CMC establishes payment information in the CPUT system.~~

~~The contract number must be used when communicating with the supplier, HAO, CPU coordinator, and the Denver CMC. Copies of the contract award, award letter, and COR appointment and the HAO Operating Instructions are distributed to the following people:~~

- ~~a. Successful supplier.~~
- ~~b. HAO.~~
- ~~c. CPU coordinator.~~
- ~~d. IGI (if CARS).~~

~~The CPU coordinator must verify CPUT information for accuracy. The HAO must enter all information into the Facilities database.~~

~~Unsuccessful offerors will receive a notification of contract award letter by the Denver CMC. All documents related to the contract award and all future documents about this CPU are kept in an electronic CPU file for the life of the contract.~~

~~In addition to the contract award, award letter, COR appointment, and the HAO Operating Instructions, the supplier receives the following items:~~

- ~~a. CARS CPU Profile Form. This form must be completed and returned to the CPU coordinator.~~
- ~~b. Pitney Bowes CARS/CPU Authorization Agreement Form. This form must be completed and returned to the CPU coordinator with a copy of a voided check. Note: CARS will not be ordered until the forms in items a. and b. are completed and received by the CPU coordinator.~~
- ~~c. CPU Stamp Order and CPU Stamp Write-in Forms. Use these forms to order stamps from Kansas City Stamp Fulfillment Services.~~
- ~~d. Postal Service Guidelines for Ordering Stamps from Kansas City via ACH Debit. These guidelines specify the policy and procedures for ordering stamps, stamped paper products, and postage.~~
- ~~e. Supplier and Payee Electronic Funds Transfer (EFT) Enrollment Form. This form is for direct deposit, EFT of your payments for operation of the CPU.~~
- ~~f. Instructions to submit drawings to the CPU coordinator within 15 days. The CPU coordinator approves the drawings or, if necessary, forwards the drawings to the Facilities Service Office (FSO) for approval. Once the drawings are approved, the CPU coordinator notifies the Denver CMC. The Denver CMC issues the supplier a Notice to Proceed letter with copies to the CPU coordinator.~~
- ~~g. Instructions to work with the HAO, CPU coordinator to ensure compliance with contract requirements.~~

~~The CPU coordinator completes the CPU Information and Certification Form and notifies the Denver CMC, via e-mail, of the following information:~~

- ~~a. Completion of all site specifications and training.~~
- ~~b. Operational start date.~~
- ~~c. Four-digit unit ID (if AIC reporting unit).~~
- ~~d. Finance number.~~
- ~~e. Type of business~~

~~After receipt of the CPU Information and Certification Form, the Denver CMC enters the operational start date and the type of business in CPUT.~~

~~7-2.7—Appointment of Contracting Officer Representative and Host Administrative Office~~

~~The Denver CMC appoints a COR and an HAO at time of award. (See Sample COR Appointment and HAO Operating Instructions in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

The HAO acts as the local contact for the overall operation of the CPU. Copies of the appointment are sent to the following:

- a. Supplier.
- b. HAO.
- c. CPU coordinator.

The HAO meets in person with the supplier to read and discuss the appointment.

~~7-3 Non-CARS Performance-Based and Firm-Fixed Price CPU Contracts~~

~~7.3.1 Characteristics~~

Characteristics of a Non-CARS Performance-Based and Firm-Fixed-Price CPU contract include the following:

- a. Same solicitation and award process.
- b. Build-out is mandatory for Non-CARS Performance-Based.
- c. No mandatory build-out for a Firm-Fixed-Price CPU.
- d. Signage is mandatory and is provided.
- e. A surety bond or, in lieu of a bond, an irrevocable letter of credit (from a bank or credit union) or a deposit of assets (cash) is required.

(See Sample Solicitation for Non-CARS Performance-Based Contract and Sample Solicitation for Firm-Fixed-Price Contract in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

~~7.3.2 HAO Expanded Delegation Authority for CPUs~~

To improve responsiveness and reduce the administrative costs associated with CPU contracting, the CPU HAO appointment was revised in 2003 and again in 2012. The revised appointment gives the HAO more authority to carry out administrative actions and more control in the operation of their CPUs.

Four changes have been made to the original HAO appointment, and they are summarized as follows:

- a. Performance Problems (Letter of Warning). If performance problems are not resolved after the HAO's initial discussion with the supplier, the HAO sends a written notice directly to the supplier citing specific conditions of unsatisfactory performance. This is known as a letter of warning. If the problems are not corrected, the HAO requests a Cure Notice from the Denver CMC contracting officer (CO). The CO in Denver will issue a Cure Notice giving the supplier 10 days to "cure" the problem. The HAO will notify the CO after 10 days if the problem has been cured or not. If not, the CO will issue a termination of the contract. Only the CO at the Denver CMC can suspend or terminate a contract.

- b. ~~Change of Hours. The HAO has the authority to change the hours of the contract by working directly with the supplier and providing written notice. The HAO cannot make any hour changes that affect the price of the contract. Contact the Denver CMC to negotiate and make those types of changes.~~
- c. ~~Surety Bonds. The HAO is able to increase or decrease the bond amount, in writing, as needed in order to reflect the supplier's accountability. The HAO can rescind the bond requirement with notification to CMC who will issue a modification.~~
- d. ~~Shortages. When a CPU supplier has a shortage, that shortage is applied to the HAO's finance number. Therefore, it is imperative that the HAO has the authority to recover lost monies as quickly as possible. A Letter of Demand must be issued to the supplier immediately demanding the money to be paid. If the money is not paid, the HAO must notify the CO in Denver to issue a Cure Notice, and if the contract is Performance-Based or Firm-Fixed-Price, the HAO must begin notifying the bond company to retrieve the funds from the bond. Copies of all correspondence must be sent to the Denver CMC for the file.~~

~~(See HAO Expanded Delegation Authority for CPUs in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~

~~7.3.3 Contract Records Responsibility~~

~~7.3.3.1 Responsibility~~

~~Record keeping is the responsibility of the Denver CMC, the HAO, and the CPU coordinator.~~

~~7.3.3.2 Official Contract File — Denver CMC~~

~~The following items are included in the official contract file:~~

- a. ~~Original request package.~~
- b. ~~Original contract document.~~
- c. ~~Original unsuccessful business proposals~~
- d. ~~Original modifications.~~
- e. ~~A copy of the property/equipment form signed by the supplier~~
- f. ~~and the HAO.~~
- g. ~~A copy of the surety bond, letter of credit, or record of deposit of assets.~~
- h. ~~A copy of the COR appointment and HAO Operating Instructions.~~
- i. ~~A copy of all correspondence relating to the contract (including copies of correspondence sent to the supplier by the HAO).~~
- j. ~~Copies of reviews, audits, and records of phone calls and other meetings or conversations about contract performance.~~

~~The Denver CMC retains the CPU file for 6 years after contract termination.~~

~~7-3.3.3 HAO and CPU Coordinator's Administrative File~~

~~The following items are included in the HAO and CPU coordinator's administrative file:~~

- ~~a. A copy of the contract.~~
- ~~b. Copies of modifications.~~
- ~~c. The original surety bond, letter of credit, or record of deposit of assets.~~
- ~~d. The HAO Operating Instructions and COR appointment.~~
- ~~e. A copy of the property/equipment form signed by the supplier and the HAO.~~
- ~~f. A copy of all correspondence to and from the supplier.~~
- ~~g. The original reviews, audits, and records of phone calls and other meetings or conversations about contract performance.~~
- ~~h. A copy of the supplier's training record.~~
- ~~i. Copies of reviews, audits, and records of phone calls and other meetings or conversations about contract performance.~~

~~The HAO retains the CPU file for 3 years after contract termination and then turns it over to the CPU coordinator, who maintains the file for 6 years.~~

~~See the Publication 156 folder on CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx> for the following items:~~

- ~~a. Sample Solicitation for CARS Performance-Based Contract.~~
- ~~b. Guidelines for Completing the Evaluation Worksheet.~~
- ~~c. Evaluation Worksheet.~~
- ~~d. Sample COR Appointment and HAO Operating Instructions.~~
- ~~e. Sample Solicitation for Non-CARS Performance-Based Contract.~~
- ~~f. Sample Solicitation for Firm Fixed-Price Contract.~~
- ~~g. HAO Expanded Delegation Authority for CPUs.~~

~~8 Construction of the Contract Postal Unit Design~~

~~8-1 Introduction~~

~~After the contract postal unit (CPU) contract has been approved, construction begins. Chapter 8 explains the construction process.~~

~~8-2 Review of Attachment 5, CPU Design and Construction Requirements Documents~~

~~First, the CPU coordinator receives a copy of the CPU contract award. Then, the CPU coordinator reviews the completed CPU Design and Construction Requirements (D&CR) to determine what easework and signage the Postal Service is to provide.~~

~~The CPU coordinator coordinates and schedules an on-site meeting with the following team members:~~

- ~~a. CPU coordinator.~~
- ~~b. Host Administrative Office (HAO).~~
- ~~c. CPU supplier.~~

~~The CPU supplier prepares and submits the required CPU design layout based on the CPU D&CR.~~

~~8-3 Supplier's Design Submittal~~

~~The supplier submits a preliminary design with its proposal. The preliminary layout may be adequate if it is a Case I (full compliance) or Case II (substantial compliance) submittal (see 4-8). A Case III submittal will require drawings and specifications. The supplier determines whether professional services are needed. The CPU coordinator reviews and approves the drawings.~~

~~The CPU coordinator, with guidance from the Facilities Service Office (FSO) (if needed), will approve the design. The CPU coordinator sends an email to the Denver CMC that the drawings have been approved.~~

The Denver CMC advises the CPU supplier, CPU coordinator, and HAO in writing that the drawing/plan is accepted and build-out may commence via a Notice to Proceed letter. The supplier is solely responsible for means and methods and obtaining permits and/or approvals for all signs. The supplier is also responsible for installing and providing electrical power to the Postal Service-illuminated signs.

8-4 On-Site Meeting

Although the means and methods that the supplier intends to use to accomplish the build-out is strictly the supplier's responsibility, it is usually helpful to walk through the supplier's plan to help identify any potential problems the Postal Service may have observed on other build-outs.

The CPU coordinator does the following:

- a. Verifies the location of the CPU within the store and approves the design.
- b. Verifies that the available space in the store will accommodate the design.
- c. Verifies that the layout, orientation, and space around the CPU are adequate and consistent with the design.
- d. Reviews the supplier's proposed construction schedule and coordinates approximate delivery dates and times for Postal Service equipment.
- e. Discusses the size and weight of the cabinetry delivery items.
- f. Determines whether a dock-high delivery point is present or, if there is no dock, if a lift-gate truck will be needed.
- g. Discusses how the supplier intends on doing the build-out.
- h. Determines whether entrance/exits dedicated for mail pick-up locations are suitable.
- i. Reviews proposed sign types and locations.
- j. Verifies that the supplier has the necessary approvals for exterior signs.
- k. Reminds the supplier that he/she needs to complete the pre-inspection checklist after construction is finished for final inspection.
- l. Places orders after design approval and the on-site meeting.
- m. Verifies that the supplier has permits and approvals to install signage.
- n. If CARS, verifies LAN line installation.

The CPU coordinator ensures that orders are placed for furniture, casework, and CPU signage. Both the CPU coordinator and HAO ensure that orders are placed for all other equipment needs per the CPU activation checklist.

Timely placement of orders and follow through are critical. The CPU D&CR, Part A—Responsibility Schedule, shows the type and quantity of all items (except signage) to be ordered. Part B—Signage Requirements, shows the type and quantity of all signage to be ordered. (See Sample Part A—CARS, Sample Part A—PB, and Sample Part B in the Publication 156 folder on the

CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

Typically, the order consists of the following:

- a. Interior signage (e.g., CPU logo, door decals, illuminated window sign, placards).
- b. Exterior sign.
- c. Furniture and casework.
- d. Mail drop slot.
- e. Sack rack cabinets.

Note in eBuy2 and on the Signage Order Form if the delivery will be at dock height. In some cases, it is necessary to deliver the equipment to the nearest Post Office with the approval of the local Postmaster and with the understanding that the CPU supplier's contractor must come to the Post Office to pick up the equipment and deliver it to the site.

8-5 Ordering Furniture and Casework

Refer to Part A—Responsibility Schedule in the CPU D&CR (see Part A of Attachment 5).

The CPU workstation can be constructed into either a left or right hand model. Pre-purchased cabinetry is only for a Performance-Based contract in which a build-out is being completed. The district must assume the cost of the counters, including shipping. During eBuy2 entry, be sure you do not route the request to the Denver CMC.

(See Ordering Process for CPU Casework and CPU Casework Order Form in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

8-6 Ordering Signage

Refer to Part B—Signage Requirements in the CPU D&CR (see Part B of Attachment 5).

The Postal Service has a direct vendor through which all signage orders must be placed. Verify the supplier has all permits and approvals for installing the signage and an approved funding document at the District level has been approved prior to ordering signage. During eBuy2 entry, be sure you do not route the request to the Denver CMC.

(See Signage Order Form CPU Signs in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

8-7 Finalizing the Design

Communicate consistently and follow the progress of the construction. The supplier gives notice when the build-out is complete. The HAO and CPU coordinator perform a final inspection. Then the CPU coordinator formally accepts the space.

See Publication 156 folder on CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/epac/default.aspx> for the following items:

- a. Sample Part A CARS.
- b. Sample Part A PB.
- c. Sample Part B.
- d. Ordering Process for CPU Casework.
- e. CPU Casework Order Form.
- f. Signage Order Form CPU Signs.

9 ~~Activating~~on of the Contract Postal Unit

9-1 ~~Introduction~~

~~After the paperwork is completed, a lot of work remains for the project's success. The Host Administrative Office (HAO) and contract postal unit (CPU) coordinator continue to work with the CPU team to ensure that constructing and supplying the CPU go according to plan.~~

9-2 ~~Contract Postal Unit Activation Checklist~~

~~The CPU activation checklist provides a guide to logically activate the CPU. The checklist consists of the following phases:~~

- ~~a. Post-award phase I (after contract award).~~
- ~~b. Post-award phase II (after receipt of bond and concurrent with build-out) (this does not apply to a CARS contract).~~
- ~~c. Post-award phase III (build-out complete).~~
- ~~d. Opening day.~~
- ~~e. Grand opening.~~
- ~~f. Follow-up.~~

~~(See CARS CPU Activation Checklist and FF and PB CPU Activation Checklist in the Publication 156 folder on the CPAC blueshare website at:
<http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

9-3 ~~Notification~~

~~Announce the opening of a new CPU with a letter stating the pertinent information about the CPU.
(See CARS CPU Opening Announcement Letter and FNCM Request and Non-CARS CPU Opening Announcement Letter in the Publication 156 folder on the CPAC blueshare website at:
<http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

9-4 Advertising

9-4.1 Overview

Advertising creates community awareness of the CPU's location and hours of operation. Many forms of advertising should be used prior to the opening of the CPU and continue throughout the life of the contract including grand opening advertising, Message Maker 4, and local signage.

9-4.2 Grand Opening Advertising

Grand opening advertising consists of the following items:

a. Grand opening news release with the following information:

- (1) Name and location of the CPU.
- (2) Products and services provided.
- (3) Hours of operation.
- (4) Phone number.
- (5) Contact for additional information.

b. Postcard.

c. Door sign.

d. Co-op advertising (supplier and Postal Service partner on advertising).

e. Sustaining advertising.

(See Press Release for CPU Opening in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

9-4.3 Message Maker 4

Message Maker 4 consists of the following CPU elements:

a. Create awareness postcards, which are sent to local addresses, to advertise CPUs at the following types of business:

- (1) Retail food store.
- (2) Pharmacy.
- (3) Convenience store.
- (4) Bank.
- (5) Generic.

b. Create awareness door sign.

9-4.4 Point-of-Purchase Signage

Point of purchase signage (POP) is signage that communicates product and service information and promotional messages to customers. POP is designed to give the right information at the right place and the right time so customers can make an informed decision as to the products and services that they need. The two types of POP are as follows:

- a. Continuity menu boards, which are continuously displayed and promote core products and services. [The CPU coordinator can order continuity menu boards from the Topeka Material Distribution Center (MDC)].
- b. Promotional POP, which is seasonal and provides a specific, solution-oriented product.

9-4.5 Local Signage

In some communities, the state's department of transportation (DOT) erects signs directing the public to the CPU location. In most cases, the HAO should contact the state's DOT to make this request.

9-5.1 Training

9-5.1.1 Overview COR and HAO Training

~~Three types of training are required: COR training, and HAO training must complete all necessary training upon notification of appointment, and CPU supplier/employee training. The active COR must re-take the prescribed COR training at least once every (five) 5 years or more frequently if required by the CO (i.e., due to a substantive revision of the course being released). The COR must provide a record of successful completion to the CO who will verify the training and maintain the record in the contract file. Three types of training are required: COR training, HAO training, and CPU supplier/employee training.~~

9-5.2 Contracting Officer's Representative Training

~~The Contracting Officer's Representative (COR) for all Contract Postal Units is a designee from Retail Partners Integration at Headquarters and must have the proper training and certifications required. Training and certifications are available through the training course accessible through the Learning Management System (LMS) at <https://blue.usps.gov/wps/myportal/LMS>. The COR must abide by the Standards of Ethical Conduct for Employees of the Ethical Branch, 5 CFR Part 2635, and the Supplemental Standards of Ethical Conduct for Employees of the United States Postal Service, 5 CFR Part 7001.~~

9-5.3 Host Administrative Office Training

HAO training explains the HAO's responsibilities and must be completed within 2 weeks of the notification of appointment and is fulfilled by visiting the CPAC Blueshare website; go to: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>. Click on the Host Admin Office (HAO) — Support Station on the left and review all documents under that tab. For further training, contact the COR.

9.1.2-5.4 Contract Postal Unit Supplier/Supplier Employee Training

- Supplier training focuses on customer service, product knowledge, and equipment training. A customized video training program, developed by the Retail Partner Integration (HQ Program Office), is provided to the supplier to train both current and future employees.
- The 40 hours of training, both classroom and on-the-job training, includes but is not limited to the following:
 - a. HAZMAT and Aviation Security — Course # 54294-00.

- ~~b. Contract Access Retail System (CARS).~~
- ~~c. Supply ordering.~~
- ~~d. Bank secrecy (if applicable).~~
- ~~e. Daily financial reporting (if applicable).~~
- ~~f. Registered Mail service.~~
- a. CPU supplier/employees must complete up to forty (40) hours of required training prior to providing Post Office services. This includes but is not limited to training on reporting systems, forms, and products.
- b. The Postal Service must provides the training schedule to the supplier fifteen (15) days prior to the CPU opening date.
- c. If the Postal Service introduces a new product or service, an additional eight (8) hours of training per year may be necessary. The supplier is responsible for paying employees during training. The HAO is responsible for documenting supplier training attendance. Training must be documented in the supplier's employee training folder on the CPU training attendance record. This training record must be kept in the HAO and CPU coordinator's file.

~~(See Contract Postal Unit Training Record in the Publication 156 folder on the CPAC blueshare website at:~~

~~<http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~9-5.5 Finance Training for 1412 Daily Reporting Offices~~

~~After contract award and receipt of an acceptable CPU bond, the HAO must provide finance training related to Postal Service accounting policies and procedures and the daily PS Form 1412, Daily Financial Report.~~

~~Training must include items described below in 9-5.5.1 through 9-5.5.3.~~

~~9-5.5.1 Postage Meter at Contract Postal Unit~~

~~The HAO provides an authorization letter to the CPU supplier for access to the Postal Meter Resetting System (PMRS). This authorizes the supplier to use the PMRS. The CPU supplier must provide a signed copy of this letter to the meter manufacturer and retain a copy in the CPU. The guidelines for the CPU supplier are as follows:~~

- ~~a. Lease the meter at the supplier's expense from an approved meter supplier.~~
- ~~b. Use the meter exclusively for customer mailings.~~
- ~~c. Do not use the postage meter for commercial mail services.~~
- ~~d. Use the meter for CPU mail in an amount that would be considered reasonable and customary for the type of business that is hosting the CPU.~~
- ~~e. Do not allow the combined value of stamp stock and meter postage to exceed the CPU bond limit.~~
- ~~f. Do not request a meter setting in excess of \$25,000.~~
- ~~g. Report daily meter revenue on PS Form 3602-PO, Postage Collected Through Post Office Meter, and on PS Form 1412, Daily Financial Report, in AIC 110.~~
- ~~h. Call the meter manufacturer to add postage.~~

- i. ~~Report additional postage added on PS Form 3602-PO, Postage Collected Through Post Office Meter.~~

- ~~j.—(See Meter Activation Letter and Authorized Postage Evidencing (Postage Meter) Systems Vendors in the Publication 156 folder on the CPAC blueshare website at:
<http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

9-5.5.2 CPU Daily Financial Closeout

~~The CPU contractor must prepare PS Form 1412 to report daily financial transactions performed and submit to the HAO daily with the required supporting documents (i.e., tapes, lists, and receipts). Prepare PS Form 1412 in ink, duplicate with the date, name, and opening accountability balance noted. If an error is made, draw one line through the entry and write the correction above and initial.~~

~~Perform daily closeout as follows:~~

- ~~a. Complete PS Form 3602-PO (if applicable) and enter the calculated amount into AIC 110, Post Office Postage Meter Sales.~~
- ~~b. Run a calculator tape of money orders sold, enter amount of money orders into AIC 100, Domestic Money Order—Value, and the money order fees into AIC 101, Domestic Money Order Fees.~~
- ~~c. Organize supporting documentation by type, calculate the amount by products and service, and enter into the appropriate AICs (i.e., PO box fees and lobby service revenues).~~
- ~~d. Post sales of retail products (if applicable) into the appropriate AICs of the PS Form 1412.~~
- ~~e. Run a calculator tape of checks accepted.~~
- ~~f. Count the funds to be deposited and enter amounts to AIC 752, Cash Remitted Final.~~
- ~~g. Calculate the amount of postage sales and enter into AIC 090, Postage Stock Sales.~~
- ~~h. Verify that AIC 840, Stamp Accountability Opening Balance, matches the previous day's AIC 853, Stamp Accountability Closing Balance.~~
- ~~i. Complete the Stamp Accountability section of PS Form 1412 as follows:

 - ~~(1) Enter in AIC 841, Stamp Stock Received, if any stock received from the SDO.~~
 - ~~(2) Enter AIC 848, Stamp Stock Returned, if any stock returned to the SDO.~~
 - ~~(3) Enter AIC 852, Total Stamp Accountability Sales, total sales of AIC 090.~~
 - ~~(4) Calculate the amount of AIC 853, Stamp Accountability Closing Balance.~~~~
- ~~j. Ensure PS Form 1412 is in balance, totals of AIC 400, Cash Required, and AIC 800, Cash Accounted For, must match.~~
- ~~k. Sign, date, and submit the PS Form 1412 to the assigned Host Administrative Office.~~

9-5.5.3 Required Documents

The required documents for 1412 reporting units are the following:

- a. The original PS Form 1412.
- b. The original PS Form 3602-PO. (See notes on last page of form for instructions.)
- c. Duplicate PS Forms 3544, USPS Receipt for Money or Services.
- d. Original COD tags (if not paid at the unit).
- e. Original Customs Form 3419A, Mail Entry — Customs, and PS Form 2944, Receipt for Customs Duty Mail.
- f. Money order vouchers, spoiled money orders, and calculator tapes.
- g. Original PS Form 17, Stamp Requisition/Stamp Return, for stock shipped/received/returned.

CPUs must continue to use their green, zippered PS Form 1412 pouches to dispatch their daily financial reports and documents to the assigned HAO. Note: See Handbook F-101, Field Accounting Procedures.

9-7.2 Operational Requirements

The HAO is responsible for ensuring that all other operational requirements outlined in Publication 116, Contract Postal Unit Operations Guide, August 2002 (as applicable), the Mailing Standards of the United States Postal Service, Domestic Mail Manual, the International Mail Manual, the HAO Operating Instructions, the HAO Expanded Delegation Authority, and the applicable CPU Activation Checklist are followed.

9-6.3 Equipment, Property, and Supplies

Firm-Fixed-Price and Performance-Based CPUs are categorized as PS Form 1412, Daily Financial Report, reporting units. This designation requires the completion of specific documentation outlined below by contract type. Refer to the Contract Postal Unit Agreement Procedure for additional guidance.

9.3-6.1 Firm-Fixed-Price or Performance-Based CPUs

~~Firm-Fixed-Price and Performance-Based CPUs are PS Form 1412, Daily Financial Report, reporting units.~~ After contract award and receipt of an acceptable CPU bond, the HAO must provide any Postal Service-furnished equipment, property, and supplies as required by the contract by as follows:

- a. ~~The HAO must complete~~ an equipment/property/supplies (EPS) inventory list for Firm-Fixed-Price CPUs. ~~Have the EPS list signed by the CPU supplier, and retain the list in the contract administration file. (See EPS Inventory List in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~
- b. ~~The Part A — Responsibility Schedule and Part B — Signage Requirements provide the inventory listing for a Performance-Based CPU. The HAO must complete an EPS Inventory List if any additional equipment is provided.~~

9.3.2 Performance-Based CPU

After contract award and receipt of an acceptable CPU bond, the HAO must provide any Postal Service-furnished equipment, property, and supplies as required by the contract by completing the following forms:

- a. ~~b. The Part A of Responsibility Schedule~~
b. ~~and Part B of Signage Requirements, provide the inventory listing for a Performance-Based CPU. The HAO must complete an EPS Inventory List if any additional equipment is provided.~~

9-6.2.3.3 ~~Contract Access-Retail System-Software Business Partner (CARSRSS BP) CPU~~

~~The Postal Service provides a Contract Access-Retail System-Software Business Partner (CARSRSS BP) mailing system to the CPU for weighing, metering, and calculating postage on mail pieces. The Part A — Responsibility Schedule and Part B — Signage Requirements provide the inventory listing for a CARS CPU.~~

The ~~CARS-RSS BP~~ is provided to CPU suppliers that have Performance-Based contracts, do not have Post Office boxes, and do not sell postal money orders. ~~The CARS device weighs and rates mail and reports transactional data.~~ Using ~~CARS-RSS BP~~ will cause a change in the way that financial and accountable issues are handled in these CPU locations. ~~CARS-RSS BP~~ cannot be used in a PS Form 1412 reporting office.

Suppliers are responsible for all supplies for [CARS RSS BP, Part A, of Responsibility Schedule and Part B, of Signage Requirements](#) provide the inventory listing for an RSS BP CPU.

Stamps are obtained through an Authorized Postal Service supplier. Postage in the Postage Security Device (PSD) is paid for in advance through an ACH debit account withdrawn by the CPU supplier and downloaded through [CARS RSS BP](#). Transactional data and financial data is uploaded daily from [CARS RSS BP](#) and then to the Postal Service for tracking and compensation purposes. Headquarters pays for the cost of equipment. No bonding, PS Form 1412, financial audits, or separation of funds are required.

Note: The Postal Service will not provide credit/debit acceptance equipment to any CPU. The supplier will need to obtain its own equipment. All fees and charges are the responsibility of the CPU supplier.

~~9-7 Operational Requirements~~

~~The HAO is responsible for ensuring that all other operational requirements outlined in Publication 416, *Contract Postal Unit Operations Guide*, August 2002 (as applicable), the *Mailing Standards of the United States Postal Service*, Domestic Mail Mail, the International Mail Manual, the HAO Operating Instructions, the HAO Expanded Delegation Authority, and the applicable CPU Activation Checklist are followed. Refer to the HAO Support Station on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>. These tasks include the following:~~

- ~~a. Implementing mail collection schedule.~~
- ~~b. Informing the CPU supplier of the procedure used to order stamp stock through an authorized Postal Service provider for CARS contracts or from a stamp distribution office (SDO) for Firm-Fixed-Price and Performance-Based contracts functioning in the Postal accounting system.~~
- ~~c. Ordering postal supplies for the CPU, such as labels, envelopes, Priority Mail supplies, Express-Mail supplies, and Global Mail supplies. (See Sample CPU Supply Order Form in the Publication 456 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/epac/default.aspx>.)~~
- ~~d. Setting up the bank deposit process. (Not applicable for CARS contracts.)~~
- ~~e. Notifying the district finance number control master (FNCM) coordinator to have a unit ID added to the FNCM database and activated.~~

10- Managing the Contract Postal Unit

9-810.1 CPU-Financial Requirements (1412 Daily Reporting Offices)

CPUs are financially accountable for the value of their assigned stamp stock, cash, and money orders. CPUs may maintain \$100 or 10 percent of their stamp credit, whichever is less. A CPU must not at any time exceed the maximum stock limit, even if its authorized bond amount is higher.

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. There is no tolerance for a CPU count.
- b. Maintaining a separate file for CPU financial activities.
- c. Ensuring that the CPU has a current bond in place and that their accountability (Stamp Stock and available Meter Postage amount) is within the bond amount.

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 reported in Account Identifier Code (AIC) 852 by four, with no items excluded.

9-8.1 Host Administrative Office Responsibilities

~~Handbook F-1, section 2-4.1.7.1, states “To ensure that all accounting transactions for contract postal units (CPUs) are included in the financial systems, the CPU must provide its daily financial activity to the Host~~

~~Administrative Office at the close of business on the same day business day. The Host Administrative Office is responsible for transmitting daily financial activities for their CPUs on the day of receipt.”~~

~~Faxes are acceptable for data input. However, the original documents must follow and must be verified and filed. Consider hand delivery if it is the only way to meet the schedule.~~

~~The HOA must create a file box for PS Forms 3544 to ensure the receipts are used in sequential order without any being skipped. When the unit has spoiled a receipt, all copies must be marked “Spoiled.” The original and duplicate are submitted to the Host Administrative Office with the daily PS Form 1412.~~

~~The data input person must verify all documents against the AICs on each PS Form 1412. When documents do not match the AIC, have been omitted from the report, or are not submitted, the person who entered the data must correct the AIC and create the necessary trust or suspense item to balance PS Form 1412. For more detailed policies and procedures on financial reporting, see 5-7 of Handbook F-101, *Field Accounting Procedures*.~~

~~Money orders require special verification. The data input person aligns the money order vouchers in serial number order, creates an independent calculator tape to “prove” AIC’s 100 and 101, signs and dates the tape, and attaches it to the CPU tape that was provided.~~

~~Submit spoiled money orders by the CPU to the HAO. The data entry person verifies that all spoiled orders are submitted, annotates on the verification tape any spoiled money order received, and destroys the money orders (the vouchers can be stamped “spoiled” and kept with the daily vouchers). If a spoiled money order is claimed by the CPU but not submitted, and if the money order is subsequently cashed, the CPU is liable for that amount.~~

~~9-8.2~~ **Verifying PS Form 1412**

The daily responsibilities of the HAO Postmaster or designated employee are as follows:

- ~~a. Coordinate with the CPU to ensure receipt of a daily PS Form 1412 with supporting documentation. CPUs cannot combine daily reporting mounts from different days on one PS Form 1412.~~
- ~~b. If applicable, review the money order tape as follows:
 - ~~(1) Verify 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 missing money orders to the U.S. Postal Inspection Service (USPIS) immediately.~~
- ~~(5) Verify spoiled and voided money orders (all parts), and submit them to unit manager for destruction.~~
- ~~(6) Identify missing vouchers.~~

Note: If a Postmaster is unable to account for the dollar amount of a missing voucher, complete a PS Form 6401, *Money Order Inquiry*, and mail it to the SIC 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:

GENERAL ACCOUNTING BRANCH — MISSING VOUCHERS ACCOUNTING SERVICES
PO BOX 82449
ST LOUIS MO 63182-2449

- ~~c. If a CPU issues money orders, ensure that employees at the CPU complete the Bank Secrecy Act (BSA) training, have current forms on hand, and complete and mail forms as required.~~
- ~~d. Verify the following on PS Form 1412:

 - ~~(1) The opening balance of AIC 840 with the previous day's AIC 853 ending balance.~~
 - ~~(2) AIC 110 with PS Form 3602-PO, Postage Collected Through Postage Meters, if CPU has a postage meter.~~
 - ~~(3) 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 submit PS Form 3533 with attached labels as supporting documentation.~~
- ~~e. Enter the CPU's PS Form 1412 via eMOVES.~~
- ~~f. Log AICs 247 and AIC 647 activities. The Postmaster or designated employee may choose to use the FPR Net Financial Differences (AIC 247/647) Line Detail report in the Accounting Data Mart (ADM) for monitoring AIC 247 and AIC 647 expenses.~~
- ~~g. Examine the CPU's accountability annually for compliance.~~
- ~~h. Ensure that the CPU's total accountability does not exceed its bonded amount.~~
- ~~i. For discrepancies of \$100 or more, complete PS Form 571, Discrepancies of \$100 or More in Financial Responsibility, and submit to the appropriate Office of Inspector General.~~

~~9-8.3 Printing Missing Money Order Report~~

~~To print the Missing Money Order Report, access eMOVES and do the following:~~

- ~~a. Select "REPORTS."~~

~~b. Select "MISSING MONEY ORDER REPORT."~~

~~c. Select "VIEW BY ALL USERS."~~

~~d. Select "PRINT."~~

~~All blank money orders shipped to a CPU must also be tracked in eMOVES.~~

~~The HAO must enter new blocks in the unit money order files in MOVES. From each of its CPUs, the HAO must obtain a copy of all PS Forms 17, whether for stock or money orders.~~

~~Once all units are input for the day, do the following:~~

~~a. File accountable documents.~~

~~b. Attach any other documentation to PS Forms 1412 and file by date.~~

~~c. Maintain envelopes specifically for CPU business by the week.~~

~~d. Annotate the unit numbers, dates, month/FY, and week of the enclosed reports on the outside of the envelope.~~

~~e. Store in date order.~~

~~These may be requested for random verification separately from the classified unit documents. HAOs must input all CPU PS Forms 1412 into MOVES no later than 9:00 A.M. the next morning.~~

~~The HAO must receive all reports and documents the morning of the next business day, if possible. If the original reports do not reach the HAO the next morning, faxes are acceptable for data input. However, the original documents must follow and must be verified and filed. Consider hand delivery if it is the only way to meet the schedule. The HAO must create a file box for PS Forms 3544 to ensure the receipts are used in sequential order without any being skipped. When the unit has spoiled a receipt, all copies must be marked "Spoiled." Submit the original and duplicate to the HAO with the daily PS Form 1412.~~

~~The data input person must verify all documents against the AICs on each PS Form 1412. When documents do not match the AIC, have been omitted from the report, or are not submitted, the data input person must correct the AIC and create the necessary trust or suspense item to balance PS Form 1412.~~

~~See the Publication 156 folder on CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the following items:~~

~~a. CARS CPU Activation Checklist.~~

~~b. FF and PB CPU Activation Checklist.~~

~~c. CARS CPU Opening Announcement Letter and FNCM Request.~~

~~d. Non-CARS CPU Opening Announcement Letter.~~

~~e. Press Release for CPU Opening.~~

~~f. Contract Postal Unit Training Record.~~

~~g. Meter Activation Letter.~~

~~h. Authorized Postage Evidencing (Postage Meter) Systems Vendors.~~

~~i. EPS Inventory List.~~

~~j. Sample CPU Supply Order Form.~~

10-3-2 **Reviews and Examinations**

The reasons for performing a CPU evaluation include the following:

- a. a.—Identifying nonproductive CPUs.
- b. b.—Identifying changing market conditions to optimize the network.
- c. e.—Increasing return on investment.
- d. Identifying existing categories (types of business).

10.2-3.1 **Contract Postal Unit Performance Reviews**

The HAO must conduct CPU Quality Performance Reviews quarterly to promote continuous quality performance and improve the business relationship. These reviews are called Quarterly Performance Reviews. During these reviews, the following aspects of CPU performance are evaluated and discussed:

- a. Operational efficiency.
- b. Aviation security.
- c. HAZMAT acceptance.
- d. Bank Secrecy Act (if applicable).
- e. Sales skills and product knowledge.
- f. Retail products and services.
- g. Facility image.
- h. Revenue performance.

Check to see if previously noted problems have been resolved. Analyze the situation to determine an action plan to improve performance or remedy a problem. The results of this review will help determine if the CPU is performing according to contractual requirements. If problems are not resolved, the HAO must issue to the supplier a letter (i.e., Letter of Warning) citing specific conditions of unsatisfactory performance. If the supplier does not correct the problems, the HAO must contact the Denver CPF CMC and request a Cure Notice. Should the issue remain unresolved, the HAO may contact the CPF CMC and request and possible termination of the contract.

i. (See CPU Quarterly Performance Review Instructions, Contract Postal Unit Quarterly Performance Review, and CPU Quarterly Performance Review Certification in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.) To determine which CPUs must be reviewed, refer to the Contract Postal Unit Agreement Procedure document.

10-3.2.2 **Contract Postal Unit Financial Examinations**

All CPUs must be evaluated on an annual basis to ensure that their revenue performance is cost effective for the Postal Service. Financial examinations are conducted once a year for Firm-Fixed-Price and Performance-Based CPUs. The HAO is responsible for conducting these evaluations. CPUs with an CARS/RSS BP unit do not require a financial examination.

d. Shortages: If a supplier refuses to pay a shortage, the HAO issues a Letter of Demand to the supplier. If the shortage remains unpaid, the HAO has the authority to then send a notice to the bonding company requesting remuneration of the shortage, as stated in the provisions of the surety bond, as well as a Letter of Demand for the money.

10.2-3.3 Post Office Box Reviews

In the event that a CPU does have Post Office boxes, the HAO must review the CPU for procedural compliance when the financial audit is conducted.

10.2-3.4 Service Hours Reviews

The HAO must ensure that the CPU supplier is providing service to the public as specified in the contract. The supplier must provide service on the days and hours stipulated in the contract. If the HAO becomes aware that the supplier is not in compliance, then the HAO must notify the District Retail office/CPF CMC. If the supplier seeks to alter their service hours and/or days, the supplier must notify the HAO. The HAO has the authority to adjust service hours as needed. To document this change, the HAO must submit a Change of Hours Request Form to the CO. The CO will then modify the contract terms to reflect accurate service hours.

10.34 Compensation of the Contract Postal Unit

The payment the supplier receives must reflect the applicable payment agreed upon in the supplier's CPU contract.

11-2 10.3.1 Types of Compensation

11-2.1 10.3.1.1 Performance-Based CPU Contract

A Performance-Based contract pays the supplier for the revenue generated from the sale of Postal Service products and services. This compensation can be determined by consist of the following:

- a. a.—A percentage of all the revenue.
- b. b.—A split percentage of all the revenue.
- c. c.—A fixed flat monthly fee and a percentage of stipulated revenue.

The rate of compensation should will be reflected and executed as stated in the contract, fair both to the supplier and the Postal Service and should reflect current market conditions and need.

If the CPU provides Post Office box service, the supplier is compensated at the rate of thirty-three (33) percent for the Post Office box revenue that is generated through the CPU. This rate is non-negotiable. This is only applicable to Non-RSS BP contracts.

11-2.1 10.3.1.2 Firm-Fixed-Price Contract Postal Unit Contract

A Firm-Fixed-Price contract pays the supplier a fixed amount over the annual term of the contract. This amount of compensation is not dependent on the amount of revenue that is generated by the CPU.

- a. Except for Public Service contracts, the fixed amount is divided by the annual term, and payment is made in equal monthly installments within thirty (30) days after the end of the performance month. Payment under a Firm-Fixed-Price contract may not exceed \$100 per year.
- b. Seasonal and temporary (emergency) contracts are paid, in arrears, only after the months in operation.
- c. Public service contracts are paid once annually, in arrears, after the contract

anniversary date or on the contract termination date.

11-1.2-10.3.2 CPU Payment

In accordance with the CPU contract, payment for all new CPUs is made via electronic funds transfer (EFT). The St. Louis Accounting Service Center manages is responsible for payment of all CPU contracts. However, the first payment may be by paper check to allow sufficient time for the EFT to be established. Before the CPU can start operations or receive payment the following must be completed:

- a. ~~†~~The Denver CPF CMC must have received the supplier's direct deposit form, and†
- b. The HAO must have received the CPU bond (if required).
- c. Written notification from the HAO verifying that all training and site-specification requirements have been complied with and accepted by the Postal Service must have been received.

11-1.310.3.3 Payment Schedule

Payments ~~must~~ will be made automatically, in arrears, by the St. Louis Accounting Service Center (ASC) within thirty (30) days after the end of the performance period.

~~10 Managing the Contract Postal Unit~~

~~10-1 Introduction~~

~~The contract postal unit (CPU) staff has celebrated its grand opening, and the customers and suppliers are happy. However, the Host Administrative Office's (HAO's) responsibility does not end here. One of the main reasons that the Postal Service experiences problems with CPUs is a lack of consistent management and follow-through. The HAO needs to ensure that the supplier is fulfilling its obligations under the contract and that the customers are receiving prompt, efficient, accurate, and courteous service.~~

~~10-2 Contracting Officer Representative Appointment and Host Administrative Office Appointment~~

~~A contracting officer's representative (COR) (Program Office Manager in HQ) and an HAO are appointed at the time of contract award. The HAO plays a major role in contract administration, providing training to the CPU operator and their employees, monitoring the CPU operation, and ensuring contract compliance.~~

~~10.3 Reviews and Examinations~~

~~10.3.1 Contract Postal Unit Performance Reviews~~

~~The HAO conducts CPU performance reviews quarterly to promote continuous quality performance and improve the business relationship. These review are called Quarterly Performance Reviews. During these reviews, the following aspects of CPU performance are evaluated and discussed:~~

- ~~a. Operational efficiency.~~
- ~~b. Aviation security.~~
- ~~c. HAZMAT acceptance.~~
- ~~d. Bank secrecy act (if applicable).~~
- ~~e. Sales skills and product knowledge.~~
- ~~f. Retail products and services.~~
- ~~g. Facility image.~~

~~h. Revenue performance.~~

~~The HAO must bring the CPU file, including previous review sheets, to the performance review. Check to see if previously noted problems have been resolved. Analyze the situation to determine an action plan to improve performance or remedy a problem. The results of this review will help determine if the CPU is performing according to contractual requirements. If problems are not resolved, the HAO must issue to the supplier a letter (i.e., Letter of Warning) citing specific conditions of unsatisfactory performance. If the supplier does not correct the problems, then contact the Denver CMC and request a Cure Notice and possible termination of the contract.~~

~~i. (See CPU Quarterly Performance Review Instructions, Contract Postal Unit Quarterly Performance Review, and CPU Quarterly Performance Review Certification in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~10.3.2 Contract Postal Unit Financial Examinations~~

~~Financial examinations are conducted once a year for Firm Fixed Price and Performance Based CPUs. CPUs with a CARS unit do not require a financial examination. Follow directions stated in Handbook F-1, *Post Office Accounting Procedures*, Part 429.~~

~~Use PS Form 3294, *Cash and Stamp Stock Count and Summary*, and do the following:~~

- ~~a. Review the bond amount.~~
- ~~b. Ensure that the bond has been paid and is current. Ask for a receipt or cancelled check if the expiration date is not on the bond itself.~~
- ~~c. Ensure that the bond amount reflects current accountability.~~
- ~~d. Ensure that the bond will not lapse before the next review.~~

~~There is no tolerance for a CPU. If the audit results in an overage and there is no claim pending at the HAO, then the money goes to the supplier. If the audit results in a shortage, then the CPU supplier pays the shortage on the day of the audit, preferably by check. If the amount of the shortage is \$100 or more, the COR must prepare PS Form 571, *Discrepancy of \$100 or More in Financial Responsibility*.~~

~~10.3.3 Post Office Box Reviews~~

~~Placement of Post Office box service at a CPU is discouraged and requires an approved deviation from Retail Partners at Headquarters. In the event that a CPU does have Post Office boxes, the following procedures must be maintained:~~

- ~~a. Ensure that the CPU supplier is aware of procedures governing Post Office box usage.~~
- ~~b. Charge the correct fees.~~
- ~~c. Retain PS Forms 1093, *Application for Post Office Box or Caller Service*, in an alphabetical file.~~
- ~~d. Follow proper payment notification procedure.~~

- e. ~~Boxes must be locked out and closed if payment is not made according to established procedure.~~
- f. ~~The HAO must review the CPU for compliance with the above-listed procedures when the financial audit is conducted.~~

~~10-3.4~~ **Service Hours Reviews**

~~The HAO must ensure that the CPU supplier is providing service to the public as specified in the contract. The supplier must provide service on the days and hours stipulated in the contract. If the supplier is not in compliance, then the HAO must notify the District Retail office. The HAO and/or District Retail office notifies the supplier that it is in violation of the contract by issuing a "Letter of Warning," which is a letter citing specific conditions of unsatisfactory performance and stating a period of time allowed for correction. If not corrected, the Denver CMC, at the request of the CPU coordinator and HAO, will issue a Cure notice and can terminate the contract.~~

~~10-3.5~~ **Contract Postal Unit Revenue Performance**

~~10-3.5.1~~ **Overview**

~~All CPUs must be evaluated on an annual basis to ensure that their revenue performance is cost effective for the Postal Service.~~

~~10-3.5.2~~ **Reason for CPU Evaluation**

~~The reasons for performing a CPU evaluation include the following:~~

- a. ~~Identifying nonproductive CPUs.~~
- b. ~~Identifying changing market conditions to optimize the network.~~
- c. ~~Increasing return on investment.~~
- d. ~~Identifying existing categories (types of business).~~

~~10-3.5.3~~ **Evaluation of Contract Postal Units**

~~To determine which CPUs to evaluate, consider the following items:~~

- a. ~~Total CPU revenue is less than \$100,000 per year.~~
- b. ~~Cost per revenue dollar exceeds the guideline of 12 cents per revenue dollar (unless an approved compensation rate deviation is on file).~~
- c. ~~The percentage of stamp sales to meter sales is greater than 80/20. Do not include the following:~~
 - (1) ~~CPUs with Post Office boxes.~~
 - (2) ~~Public service CPUs.~~
 - (3) ~~Seasonal CPUs.~~
 - (4) ~~Temporary (emergency) CPUs.~~

~~For proper evaluation methods, see the Management Analysis for CPU Rate-Increase Form included in the Rate Increase Package.~~

10-61 Contract Modification

~~Only the Denver CMC is authorized to modify any term or condition in an existing CPU contract, including pricing, is authorized solely by the CO. A modification request must be submitted by the District Designee, which includes of a CPU contract. Changes are processed through a modification. The CPU coordinator must provide justification and supporting documentation. Once the CO authorizes the modification, to the Denver CMC to support the modification request. Copies of the modification are issued to the following:~~

- ~~a. Supplier.~~
- ~~b. HAO.~~
- ~~c. CPU coordinator and District Designee.~~

~~The following actions can be handled by the HAO is authorized to handle the following actions independently after discussion with the District Retail office, without requiring approval from having to refer to the CO Denver CMC for a modification:~~

- ~~a. a. **Performance problems:** The HAO, in conjunction with the CPU coordinator, sends a written notice to the supplier if performance problems are not resolved after a discussion with the supplier. The HAO is **must be** specific about the problem and the time period allowed to correct the problem. If the supplier does not correct the problem within the allowed time period, the HAO may request a Cure Notice and possible termination of the contract from the CO in the Denver CPF CMC.~~
- ~~a. b. **Change of hours:** The HAO has the authority to change the hours of the contract by working directly with the supplier and providing written notice.~~
- ~~b.~~
- ~~c. c. **Surety bonds:** The HAO may increase or decrease the bond amount, working with the bonding company and the supplier, to ensure that the bond amount covers the total accountability (stamps and meter postage). (This is not applicable for CARS/RSS contracts.)~~

~~In all of these cases, the CO in the Denver CMC must be notified and provided copies of all correspondence. For samples and further details on HAO responsibilities, see the Host Admin Office — HAO — Support Station on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.~~

10-711.1 Disputes

~~Disputes between the supplier and the HAO must be referred to are referred to the CO in the Denver CPF CMC for resolution.~~

10-811.2 Transfer of Contracts Postal Unit Contracts (Novation Agreement)

~~Under no circumstances is a CPU supplier allowed to transfer or sell its interest in a CPU contract to a third party without going through the novation process, in which the Denver CPF CMC, in consultation with legal counsel, can recognize and approve a third-party successor in interest. This approval is known as a novation agreement. The policy for processing, approving, and executing a novation agreement is provided in Process Step #5: Measure & Manage Supply in the USPS Supplying Principles and Practices and in a Contract Transference document (See Contract Transference Document in~~

~~the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.~~

~~a. All documents are must be reviewed by the HQ Legal Dept. before being signed by the CO in Denver.~~

~~Novation agreements must be signed by all of the following:~~

~~a. the CPU supplier (transferor),~~

~~b. Successor in interest (transferee), and~~

~~b. e. CO at the Denver CPF CMC.~~

~~c. The CPU supplier must provide a document of sale or transfer of assets. If the transfer is not approved, the original supplier is still liable for performance under the contract. If the original supplier fails to perform sufficiently, the contract will be terminated.~~

10-411.3 Request for Rate Increase Requests

When establishing the contract, the HAO must make the CPU supplier aware of the conditions required to justify a rate increase specific to the contract type. The District Manager approves such requests and HQ Program Office provides concurrence on the decision. All requests for a rate increase must follow the procedures outlined in the accompanying procedural document.

10-4.11.3.1 Firm-Fixed-Price Contracts

10-4.1.1 Request

10-4.1.1.1 Contract Postal Unit Supplier

A Firm-Fixed-Price contract CPU supplier may request a rate increase after being in operation for at least two (2) years and then every two (2) years thereafter, based on the following conditions:

a. Change in market conditions.

b. Change in overhead expenses.

~~When the supplier requests a rate increase, the district retail office will send the supplier a rate increase request package. The rate increase request package includes a rate increase request form and a letter explaining the process to be followed in submitting a request. The rate increase package may be downloaded from the applicable folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.~~

~~(See Rate Increase Request Package in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

10-4.1.1.2 Host Administrative Office

~~The supplier submits a completed rate increase request to the HAO. Supporting documentation must include a justification for direct cost increases or increased benefits to the Postal Service. The HAO documents how the CPU impacts the local Post Office and notifies the CPU coordinator~~

10-4.1.2 Review and Recommendation by HAO and CPU Coordinator

10-4.1.2.1 Host Administrative Office's Review

~~The HAO does the following to determine if a need for a particular CPU still exists:~~

~~a. Identify if any other lower-cost service alternatives are available to the~~

community.

- b. Determine if this CPU generates sufficient revenue to be considered for conversion to a Performance-Based contract.
- c. Review the request for completeness, proper documentation, and justification.
- d. Complete the Management Analysis for CPU Rate Increase Form.
- e. Submit the HAO's recommendation and the supplier's rate increase request to the CPU coordinator.

10-4.1.2.2 **CPU Coordinator**

The CPU coordinator completes the retail mapping and a revenue trend projection and provides this information to the HAO. The HAO then prepares a recommendation and sends it to the CPU coordinator, who reviews it and prepares a recommendation for review by the District Manager. If the CPU coordinator recommends a rate increase, the CPU coordinator prepares and submits a funding document (eBuy2 requisition) and a Rate Increase Request Recommendation for the District Manager's approval. (See Sample Rate Increase Request Recommendation in the Publication 156 folder on the

CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)

The funding document for a Rate Increase for a Firm-Fixed-Price CPU must reflect the amount of the increase only.

If the CPU coordinator does not recommend a rate increase, the CPU coordinator prepares a justification and submits the entire package to the Denver CMC.

~~10-4.1.3~~ **Review and Processing by Denver CMC**

~~10-4.1.3.1~~ **Rate Increase Recommended**

~~When an agreement on a rate increase is reached, the Denver CMC issues a modification showing the increase in compensation. Send a copy of this modification to the following recipients:~~

- ~~a. Supplier.~~
- ~~b. HAO.~~
- ~~c. CPU coordinator.~~

~~In accordance with the contract terms, the supplier must do the following:~~

- ~~a. Continue with the modified contract for a minimum of 1 year.~~
- ~~b. Wait 2 years before requesting another increase.~~

~~The effective date of the contract or last increase is the date used to compute the 1- and 2-year periods before termination of the contract or a request for another rate increase.~~

~~10-4.1.3.2~~ **Rate Increase Not Recommended**

~~When an agreement cannot be reached between the Postal Service and the supplier, or a rate increase is not processed by the Denver CMC, the contract continues at the existing payment rate unless terminated by either party in accordance with the Termination on Notice clause. A rate denial letter must be issued by the Denver CMC. The rate increase package must be submitted to the Denver CMC with the proper box checked for "not approved."~~

~~Disapproval of the request for a rate increase does not preclude the supplier from making additional requests at a later time as long as it is at least 2 years after the previous approved rate increase.~~

10-4.211.3.2 Performance-Based Contracts

A CPU supplier with a Performance-Based contract can request a rate increase after being in operation for one (1) year. After the initial rate increase, the CPU supplier may request an additional rate increase after two (2) years from the first rate increase, based on the following conditions:

- a. a.—Change in market conditions.
- b. b.—Change in overhead expenses.
- c. c.—Increase in customer traffic.

10-4.1.411.3.3 Timeline for Request

The CPF CMC reviews all rate increase requests. The supplier will be notified of approval, disapproval, or counteroffer. If approved, the contract must be updated to reflect these

The entire process, — from when the supplier makes the initial request to when the [Denver CPF CMC](#) completes its review and processing, — must be completed in [thirty \(30\)](#) business days.

~~10-4.2~~ **Performance-Based Contract**

~~A CPU supplier with a Performance-Based contract can request a rate increase after being in operation for one year. The supplier must submit the request in writing following the same procedures used for a Firm-Fixed-Price contract stated in [10-4.1](#). When reviewing the request, the HAO and the CPU coordinator follow the same procedures used for a Firm-Fixed-Price contract stated in [10-4.1](#).~~

~~(See Sample eBuy2 — Performance-Based Rate Increase and Sample eBuy2 — CARS Performance-Based Rate Increase for funding documents similar to the funding documents for a Firm-Fixed-Price Rate Increase mentioned in [10-4.1.2.2](#) in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~After the initial rate increase, the CPU supplier may request an additional rate increase after 2 years from the first rate increase based on the following conditions:~~

- ~~a. Change in market conditions.~~
- ~~b. Change in overhead expenses.~~
- ~~c. Increase in customer traffic.~~

~~The CPU coordinator must make the CPU supplier aware of these conditions when establishing the contract.~~

~~10-5 Award of a Temporary (Emergency) Contract~~

~~10-5.1 Request~~

~~When a contract is terminated on short notice, or if, through unforeseen circumstances, the lack of a CPU creates a hardship on the community, the HAO, with the assistance of the CPU coordinator, may request that a short-term temporary (emergency) contract be awarded.~~

~~This option should be an option of last resort because it is a very expensive option. The basic term of a temporary (emergency) contract is up to 6 months, and no extensions are generally allowed. Bond can be waived for the first 30 days of a temporary (emergency) contract only. The HAO is responsible for ensuring that the CPU supplier has a bond in place on the 31st day of operation. The buyer at the Denver CMC and the CPU coordinator must annotate the contract file to follow up with the HAO on bond placement. The HAO should notify the Denver CMC buyer when the bond has been received.~~

~~10-5.2 Solicitation for a Permanent Contract Postal Unit~~

~~A request package for a permanent Performance-Based CPU must be sent to Denver CMC within 30 days after the award of a temporary (emergency) contract.~~

~~10-6 Contract Modification~~

~~Only the Denver CMC is authorized to modify any term or condition, including pricing, of a CPU contract. Changes are processed through a modification. The CPU coordinator must provide justification and documentation to the Denver CMC to support the modification request. Copies of the modification are issued to the following:~~

- ~~a. Supplier.~~

- ~~b. HAO.~~
- ~~c. CPU coordinator.~~

~~The following actions can be handled by the HAO, after discussion with the District Retail office, without having to refer to the Denver CMC for a modification:~~

- ~~a. Performance problems: The HAO, in conjunction with the CPU coordinator, sends a written notice to the supplier if performance problems are not resolved after a discussion with the supplier. The HAO is specific about the problem and the time period allowed to correct the problem. If the supplier does not correct the problem within the allowed time period, the HAO may request a Cure Notice and possible termination of the contract from the CO in the Denver CMC.~~
- ~~b. Change of hours: The HAO has the authority to change the hours of the contract by working directly with the supplier and providing written notice.~~
- ~~c. Surety bonds: The HAO may increase or decrease the bond amount, working with the bonding company and the supplier, to ensure that the bond amount covers the total accountability (stamps and motor postage). (This is not applicable for CARS contracts.)~~
- ~~d. Shortages: If a supplier refuses to pay a shortage, the HAO sends a notice to the bonding company requesting remuneration of the shortage as stated in the provisions of the surety bond as well as a Letter of Demand for the money.~~

~~In all of these cases, the CO in the Denver CMC must be notified and provided copies of all correspondence. For samples and further details on HAO responsibilities, see the Host Admin Office~~

~~HAO Support Station on the CPAC blueshare website at:
<http://supply.blueshare.usps.gov/sites/epac/default.aspx>~~

~~10-7 Disputes~~

~~Disputes between the supplier and the HAO are referred to the CO in the Denver CMC for resolution.~~

~~10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)~~

~~Under no circumstances is a CPU supplier allowed to transfer or sell its interest in a CPU contract to a third party without going through the novation process, in which the Denver CMC, in consultation with legal counsel, can recognize and approve a third party successor in interest. This approval is known as a novation agreement. The policy for processing, approving, and executing a novation agreement is provided in Process Step #5: Measure & Manage Supply in the USPS Supplying Principles and Practices and in a Contract Transference document (See Contract Transference Document in~~

~~the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.~~

~~A CPU supplier who wants to transfer or sell its interest must contact the HAO or the CPU coordinator to start the novation process. The HAO or the CPU coordinator must carefully consider if the CPU is still needed before considering a novation.~~

~~The contracting officer (CO) at the Denver CMC, in cooperation with the HAO and the CPU coordinator, must determine the capability of the transferee to continue the CPU operation before approving the transfer of ownership.~~

~~Novation agreements must be signed by all of the following:~~

- ~~a. CPU supplier (transferor).~~
- ~~b. Successor in interest (transferee).~~
- ~~c. CO at the Denver CMC.~~

~~The CPU supplier must provide a document of sale or transfer of assets. If the transfer is not approved, the original supplier is still liable for performance under the contract. If the original supplier fails to perform sufficiently, the contract will be terminated.~~

~~All documents are reviewed by the HQ Legal Dept. before being signed by the CO in Denver.~~

12 Termination and Closure

10-9 Termination of Performance-Based and Firm-Fixed-Price Contracts

~~Contracts can be terminated for a number of reasons as outlined in the contract. All terminations must be processed by the CPF CMC. Contracts can be determined using either of the following:~~

- ~~a. a. Termination on notice.~~
- ~~b. b. A time-specific notice (usually 120 days) if in the best interest of the Postal Service.~~

~~All terminations must be processed by the Denver CMC.~~

~~**Note:** The individual contract Termination Clause Some contracts have a 60-day termination clause. Refer to the individual contract to determine the time period for termination.~~

10-10 Termination Procedures

~~Field step processes for terminations can be found in the applicable folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.~~

10-10.1 CPU Close-Out

- ~~1. Handbook F 101, *Field Accounting Procedures*, provides instructions for closing out Firm-Fixed Price and Performance-Based CPUs (See Closing a Contract Postal Unit on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>).~~

- ~~2. Because a CARS CPU has no accountability, Handbook F-101 is not applicable. Instead, the CARS unit is shut down and returned. (See CARS CPU Shut Down Instructions on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~
- ~~3. All equipment, furniture, and signage provided by the USPS must be removed:
 - ~~a. For a Firm Fixed Price CPU refer to Attachment 1—Requirements.~~
 - ~~b. For a Performance-Based CPU refer to Part A—Responsibility Schedule and Part B—Signage Requirements.~~~~
- ~~4. The CPU coordinator must announce the termination to various offices. (See CPU Closing Announcement Letter in the Publication 156 folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

~~See Publication 156 folder on CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the following items:~~

 - ~~a. CPU Quarterly Performance Review Instructions.~~
 - ~~b. Contract Postal Unit Quarterly Performance Review.~~
 - ~~c. CPU Quarterly Performance Review Certification.~~
 - ~~d. Rate Increase Request Package.~~
 - ~~e. Sample Rate Increase Request Recommendation.~~
 - ~~f. Sample eBuy2—Performance-Based Rate Increase.~~
 - ~~g. Sample eBuy2—CARS Performance-Based Rate Increase.~~
 - ~~h. Contract Transference Document.~~
 - ~~i. Closing a Contract Postal Unit.~~
 - ~~j. CARS CPU Shut Down Instructions.~~
 - ~~k. CPU Closing Announcement Letter.~~

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~~11 Compensating the Contract Postal Unit~~

~~11-1 Introduction~~

~~The last part of the contract postal unit (CPU) process, and the most important part to the supplier, is the compensation. It is very important to maintain a strong partnership with CPU suppliers and to ensure that their payment is correct and timely. A CPU, like any other business, depends on its cash flow to meet its expenses. Failure to provide the correct finance number, unit ID or site ID, and supplier information for input into either Contract Postal Unit Technology (CPUT) or APEX could result in delays in payment and dissatisfaction from the supplier.~~

~~11-1.1 CPUT~~

~~CPUT is a Web-based application that contains the system that calculates the correct supplier payment each month. The payment reflects the applicable payment agreed upon in the supplier's CPU contract.~~

~~CPUT access is allowed to the following personnel:~~

- ~~a. — Purchasing specialists who are tasked with issuing CPU contracts have read and update capability in this system.~~
- ~~b. — Headquarters personnel who are tasked with administering the CPU program have read and write capability.~~
- ~~c. — Area retail personnel who are tasked with monitoring CPU performance have read-only capability.~~
- ~~d. — District retail personnel who are tasked with monitoring CPU performance have read-only capability.~~
- ~~e. — HAO representatives who are tasked with monitoring CPU performance have read-only capability.~~

~~11-1.1.1 Logon ID~~

~~To obtain access to the CPUT system, complete an application in e-Access.~~

~~11-1.1.2 Training~~

~~Training is provided by the CPUT user's manual accessible on the CPUT website at:~~

~~<https://cput.usps.gov/Cput/Welcome.jsp>. Click on "User Guides" at the top of the screen. The CPUT support number is located in the user's manual.~~

~~11.1.2 CPU Payment~~

~~In accordance with the CPU contract, payment for all new CPUs is made via electronic funds transfer (EFT). However, the first payment may be by paper check to allow sufficient time for the EFT to be established. Before the CPU can start operations or receive payment, the Denver CMC must have received the supplier's direct deposit form and the HAO must have received the CPU bond (if required).~~

~~The CPU coordinator must have approved the build-out (if required) and accepted the facility for the Postal Service.~~

~~Written notification from the CPU coordinator verifying that all training and site-specification requirements have been complied with and accepted by the Postal Service must have been received. Included in this notification will be the effective start date for the contract and the unit or site ID assigned to the CPU.~~

~~11.1.3 Payment Schedule~~

~~Payments will be made automatically, in arrears, by the St. Louis Accounting Service Center (ASC) within 30 days after the end of the performance period.~~

~~11.2 Types of Compensation~~

~~11.2.1 Performance-Based CPU Contract~~

~~A Performance-Based contract pays the supplier for the revenue generated from the sale of Postal Service products and services. This compensation can consist of the following:~~

- ~~a. A percentage of all the revenue.~~
- ~~b. A split percentage of all the revenue.~~
- ~~c. A fixed flat monthly fee and a percentage of stipulated revenue.~~

~~The rate of compensation should be fair both to the supplier and the Postal Service and should reflect current market conditions and need. If the CPU provides Post Office box service, the supplier is compensated at the rate of 33 percent for the Post Office box revenue that is generated through the CPU. This rate is non-negotiable.~~

~~11.2.2 Firm-Fixed-Price Contract Postal Unit Contract~~

~~A Firm-Fixed-Price contract pays the supplier a fixed amount over the annual term of the contract. This amount of compensation is not dependent on the amount of revenue that is generated by the CPU. Except for Public Service contracts, the fixed amount is divided by the annual term, and payment is made in equal monthly installments within 30 days after the end of the performance month. Seasonal and temporary (emergency) contracts are paid, in arrears, only after the months in operation. Public service contracts are paid once annually, in arrears, after the contract anniversary date or on the contract termination date.~~

~~132~~ Community Post Offices (CPOs)

~~1213-1~~ Introduction

~~A Community Post Office™ (CPO) is a contract postal unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A Community Post Office (CPO) is a contract postal unit that is usually located in a small, rural community and provides a full line of Postal Service products and services to local Postal Service customers. A CPO bears its community's name and ZIP Code as part of a recognized mailing address.~~

A CPO usually provides Post Office box service and may also offer general delivery and left-notice article services. A CPO is authorized by the award of either a Firm-Fixed-Price or Performance-Based (usually Non-CARSRSS BP) contract.

~~12-13.2~~ Establishment of a Community Post Office

~~When the need for a CPO is established, the Host Administrative Office (HAO) and the CPU coordinator work together to prepare a CPU request package. An approved from HQ Program Office deviation is required to either open a new or replace an existing CPO. Once completed, the CPU request package will-must be submitted to the Denver-CPF CMC for the solicitation and award of the CPU contract. Under the terms of the contract, the supplier is paid automatically, in arrears, by the St. Louis ASC, in 12 equal monthly installments, within 30 days after the end of the performance period.~~

~~12-3~~ Activation of a Community Post Office

~~Once the CPO contract has been awarded, the HAO must meet with the supplier to establish a partnership, answer any questions, and conduct the initial training as defined in the contract. The HAO and CPU coordinator work together to obtain and forward all of the required Postal Service-supplied property, equipment, and supplies necessary to operate the CPO to the CPO supplier.~~

~~12-4~~ Management of a Community Post Office

~~The HAO representative is normally a Postmaster of a classified office (Administrative Office) located near the CPO. The HAO representative is~~

~~responsible for supporting the CPO supplier with information updates, ongoing training on Postal Service procedures, financial auditing, bond verification, aviation security, HAZMAT, and any other support activities that would normally be provided by a HAO to a contract unit. CPOs may accept insurance claims but cannot process them. Send claim forms to the nearest Post Office for processing.~~

12-513.3 Request for Rate Increase

All requests for a rate increase ~~are subject to the same requirements must follow the procedures outlined in Chapter section 11.310.~~

12-613.4 Transfer of a Community Post Office Contract (Novation Agreement)

~~In the event of a~~The sale of a business that is operated in conjunction with the CPO is subject to the same requirements, follow the procedures outlined in ~~Chapter 10~~section 11.2.

12-713.5 Termination of a Community Post Office Contract

~~Field step processes for CPO terminations can be found in the applicable folder on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.~~

Before terminating a CPO, the Guidelines for Closing a CPO questionnaire must be completed in its entirety, signed, and dated by the HAO and District Marketing Manager (or designee) and approved by the HQ Program Manager ~~(See Guidelines for Closing a CPO on the CPAC blueshare website at: <http://supply.blueshare.usps.gov/sites/cpac/default.aspx>.)~~

The ~~Denver CPF~~ CMC CO ~~will~~ provides final review and approval. If deemed necessary, the CO ~~and CPU coordinator~~ will address the possibility of any political ramifications, community issues, etc. with closing the CPO. Refer to the Guidelines for Closing a CPO questionnaire on the CPAC Blueshare website for more information.

12-813.6 Reporting Requirements for Community Post Office Discontinuance

CPOs are not subject to discontinuance procedures as detailed in ~~Handbook PO-101, Post Office Discontinuance Guide~~. However, there are reporting requirements to meet when a CPO is closed. Refer to Contract Postal Unit Agreement Procedure document for more information, the Postal Operations Manual, section 123.6 on the Postal Service PolicyNet website at: <http://blue.usps.gov/cpim>.

See Publication 156 folder on CPAC blueshare website at <http://supply.blueshare.usps.gov/sites/cpac/default.aspx> for the Guidelines for Closing a CPO-Questionnaire.

1-214 Definitions

Term	Definition
Approved Shipper	A licensed agreement with a supplier and USPS™ to accept packages for shipping.
Community Post Office (CPO)	A Community Post Office™ (CPO) is a contract unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A CPO is usually located in a small, rural community and provides a full line of Postal Service products and services to local Postal Service customers. A CPO usually bears its community's name and ZIP Code as part of a recognized mailing address.
Contract Postal Unit (CPU)	A CPU is a supplier-owned or supplier-leased facility operated by the supplier, under contract to the Postal Service, to provide postal services to the public at Postal Service prices.
Contract Postal Unit Technology (CPUT)	CPUT is a A Web-based application that contains the system that calculates the correct supplier payment each month. This system is used to manage, monitor, and report on the performance and compensation of Contract Postal Units and other retail partners. The payment reflects the applicable agreement agreed upon in the supplier's CPU contract.
Contracting Officer Representative (COR)	The Contracting Officer's Representative (COR) for all Contract Postal Units is a designee from Headquarters Program Office. Retail Partners Integration at Headquarters and must have the proper training and certifications required.
Cure Notice	A written notice sent to the supplier specifying a designated time frame to "cure" specified conditions of unsatisfactory performance outlined in a previously administered Letter of Warning.
Expanded Access Channels	Expanded access channels are alternate access provided to the community to meet their postal needs. Market research is required first to ensure which alternate access channel is needed to fulfill the exact needs of the community. A CPU is included as an alternate access channel. Other expanded access channels include Village Post Office™ (VPO), Approved Shipper, Stamps To Go® (STG).
Letter of Demand	A letter sent to the supplier after an audit has been conducted and the result of the audit has indicated a monetary discrepancy. The letter outlines the amount owed from the supplier to the Postal Service and the deadline for the supplier to pay the specified amount.
Letter of Warning	A written notice sent to the supplier citing specific conditions of unsatisfactory performance.
Notice to Proceed	Documentation alerting the supplier that their build-out plan has been approved by the Postal Service and they may proceed with implementing actions to achieve the approved construction design.

<u>Novation Agreement</u>	<u>Process in which the CPF, CMC, in consultation with legal counsel, can recognize and approve a third-party successor in interest.</u>
<u>Point of Purchase Signage (POP)</u>	<u>Point-of-purchase signage (POP) is a Signage that communicates product and service information and promotional messages to customers.</u>
<u>Public Service Contract (Firm-Fixed-Rate)</u>	<u>A public service, Firm-Fixed-Price contract is based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for a community convenience or business reasons.</u>
<u>Request Package</u>	<u>The request package is the collection of forms and documentation used to demonstrate the need for a CPU. This includes the needs analysis, supporting evidence, and contact information for the requestor and anticipated Host Administrative Office (HAO).</u>
<u>Retail System-Software Business Partner</u>	<u>The Postal Service provides a Retail System Software-Business Partner (RSS BP) mailing system to the CPU for weighing, metering, and calculating postage on mail pieces.</u>
<u>Seasonal Contract</u>	<u>A seasonal contract is used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during winter months in a warm weather area).</u>
<u>Solicitation Package</u>	<u>Based on the need(s) demonstrated in the request package, the solicitation package includes the forms and processes prospective suppliers must complete and submit to be considered to become a CPU. The contents of the package vary by specific contract type.</u>
<u>Stamps To Go[®] (STG)</u>	<u>A licensed agreement with USPS through American Bank Note (ABN) and the supplier to sell stamps at the supplier's retail establishments.</u>
<u>Temporary (Emergency) Contract</u>	<u>A limited term contract typically awarded when a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community.</u>
<u>Village Post Office[™] (VPO)</u>	<u>A supplier-owned or leased facility, similar to a CPU, but offering fewer services (i.e., stamp sales, pre-paid packaging, and possibly PO Boxes).</u>

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Original Policy Title:		PUB 156, Guide to Contract Postal Units for Postal				
Updated Policy Title (if applicable):		TBD				
USPS Update Team:		Elvin Mercado, Tracy Raymond, Roberta Scott, Carmen Woodson, Susan Thiel, Shaun LaBay, Jeffrey Sinn, Timothy Truong				
LMI Update Team:		Marissa Mercado, Holly Turcich, Julia Moss, Brennan Mullaney, Nicholas Gregory, Elizabeth Chuong, Ebonee Mayo-Mitchell, Erin Blöse				
ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
1	N/A - New Language	N/A	N/A - New Language	Contract Postal Unit Agreement Policy Policy Publication 156 Issued [XX/XX/2024]	Policy	Cover Page
2	N/A - New Language	N/A	N/A - New Language	Contract Postal Unit Agreement Procedure Procedure Publication 156-A Issued [XX/XX/2024]	Procedure	Cover Page
3	N/A - New Language	N/A	N/A - New Language	Revisions This policy and its supporting materials supersede the January 2014 version of Publication 156. Content This policy sets forth the requirements for establishing Contract Postal Unit (CPU) contracts and outlines the mechanisms that Postal Service employees use to ensure CPU suppliers maintain compliance with these contracts and the requirements they set forth.	Policy	Cover Page
4	N/A - New Language	N/A	N/A - New Language	Revisions The procedures in this document supersede the January 2014 version of Publication 156. Content Procedural guidance for the requirements in Publication 156, Contract Postal Unit (CPU) Agreement Policy.	Procedure	Cover Page
5	N/A - New Language	N/A	N/A - New Language	Policy Owner Vice President, Retail and Post Office Operations	Policy	Cover Page
6	N/A - New Language	N/A	N/A - New Language	Policy Owner Vice President, Retail and Post Office Operations	Procedure	Cover Page
7	N/A - New Language	N/A	N/A - New Language	Availability Copies are available for Postal Service employees for internal use only on the Postal Service PolicyNet website at http://blue.usps.gov . Address questions about this policy to the policy owner.	Policy	Cover Page
8	N/A - New Language	N/A	N/A - New Language	Availability Copies are available for Postal Service employees for internal use only on the Postal Service PolicyNet website at http://blue.usps.gov . Address questions about this process to the policy owner.	Procedure	Cover Page

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
9	N/A - New Language	N/A	N/A - New Language	These and other trademarks that appear in the policy are among the many trademarks owned by the United States Postal Service®: Postal Service™, Post Office®, PO Box™, ZIP Code™, USPS®, Village Post Office™, Stamps Online™, Stamps To Go®, Stamps By Mail®, and Post Office™. This is not a comprehensive list of all Postal Service™ trademarks.	Policy	Cover Page
10	N/A - New Language	N/A	N/A - New Language	These and other trademarks appear in the procedure document are among the many trademarks owned by the United States Postal Service®: Postal Service™, Post Office®, PO Box™, ZIP Code™, USPS®, First-Class Mail®, Village Post Office™, Stamps To Go®, and Registered Mail®. This is not a comprehensive list of all Postal Service™ trademarks.	Procedure	Cover Page
11	Contents	vi	This page intentionally left blank	N/A - Removed	N/A - Extraneous	N/A - Removed
12	N/A - New Language	N/A	N/A - New Language	1 Purpose	Policy	1 Purpose
13	N/A - New Language	N/A	N/A - New Language	1 Purpose	Procedure	1 Purpose
14	N/A - New Language	N/A	N/A - New Language	The procedures in this document support the requirements in the Publication 156, Contract Postal Unit (CPU) Agreement Policy. The execution of these procedures ensures fair and reasonable consideration of prospective suppliers. This document formalizes all procedures on the opening, managing, and terminating of all CPU contracts. Implementation of these actions enables the Postal Service to ensure CPUs are operating by service and quality standards.	Procedure	1 Purpose
15	N/A - New Language	N/A	N/A - New Language	The Postal Service contracts with Contract Postal Units (CPUs) to augment the service area of a main Post Office and provide postal services to the public at Postal Service prices. The Postal Service establishes CPUs based on need for expanded coverage of postal services. This policy is intended to set the requirements for Postal employees responsible for implementing and managing CPU Agreements.	Policy	1 Purpose
16	N/A - New Language	N/A	N/A - New Language	2 Scope	Procedure	2 Scope
17	N/A - New Language	N/A	N/A - New Language	The following procedures apply to the full life cycle of contracting a CPU, including justification, contract award, operations, and contract termination. All appointed, designated, and supporting Postal Service staff must comply with these procedures. For an overview of the CPU Agreement Process flow, please refer to the Appendix.	Procedure	2 Scope
18	1 Contract Postal Unit Overview	1	1 Contract Postal Unit Overview	N/A - Removed	N/A - Extraneous	N/A - Removed
19	1-1 Introduction	1	1-1 Introduction	N/A - Removed	N/A - Extraneous	N/A - Removed
20	1-1 Introduction	1	Contract postal units (CPUs) have been a historic part of the provision of postal services in the United States.	N/A - Removed	N/A - Extraneous	N/A - Removed

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
21	1-1 Introduction	1	Publication 156, Guide to Contract Postal Units for Postal Service Employees, provides a reference guide for the Postal Service's™ CPU program. Publication 156 is intended to assist each member of the team responsible for implementing and managing a CPU.	This policy is intended to set the requirements for Postal employees responsible for implementing and managing CPU Agreements.	Policy	1 Purpose
22	1-1 Introduction	1	Publication 156 addresses the following topics: a. CPU opening. b. Management of a CPU. c. Justification for a CPU. d. Package request. e. Solicitation. f. Contract award. g. Construction. h. Training, management, and evaluation of CPU suppliers.	N/A - Removed	N/A - Extraneous	N/A - Removed
23	N/A - New Language	N/A	N/A - New Language	2 Scope	Policy	2 Scope
24	N/A - New Language	N/A	N/A - New Language	This policy establishes the factors for demonstrating CPU demand and establishing contracts with suppliers intending to provide postal services to the public. It outlines responsibilities of Postal Service employees to ensure supplier compliance throughout the opening, operation, and termination of a CPU. All appointed, designated, and supporting Postal Service staff must comply with this policy.	Policy	2 Scope
25	1-1 Introduction	1	Execution of the CPU program requires a funding commitment from the District Manager or other authorizing office.	No change.	Policy	4.4 Approval Authority
26	1-1 Introduction	1	Frequent updates to Publication 156 make it impractical to keep it up to date in hard copy. Publication 156 is available on the Postal Service PolicyNet website; go to http://blue.usps.gov/cpim and click on Pubs.	N/A - Removed	N/A - Extraneous	N/A - Removed
27	1-1 Introduction	1	Note: Publication 156 does not establish legal rights of CPU suppliers. The legal rights of CPU suppliers and those wishing to become CPU suppliers are provided within the terms of contracts and solicitations for contracts with the Postal Service.	This policy does not establish legal rights of CPU suppliers. Instead, the Postal Service provides legal rights to CPU suppliers and those wishing to become CPU suppliers within the terms of contracts and solicitations for contracts with the Postal Service.	Policy	2 Scope
28	N/A - New Language	N/A	N/A - New Language	3 Roles and Responsibilities	Policy	3 Roles and Responsibilities
29	N/A - New Language	N/A	N/A - New Language	[Column Headers] Role Responsibilities [Row Content] Headquarters Program Office (HQ Program Office) • Provide concurrence on all new CPU requests. • Manage the operational processes pertaining to CPUs. • Consult contracting officer(s) on contractual matters pertaining to program compliance .	Policy	3 Roles and Responsibilities

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
30	N/A - New Language	N/A	N/A - New Language	[Column Headers] Role Responsibilities [Row Content] Customer Products and Fulfillment Category Management Center (CPF CMC) Alternate Access Channels Team <ul style="list-style-type: none"> ▪ Oversee CPUs, Village Post Offices (VPOs), Community Post Offices (CPOs), Stamps to Go and Partner Expansion. ▪ Includes the Contract Postal Access Channels (CPAC) Team, buyer, and contracting officer. 	Policy	3 Roles and Responsibilities
31	N/A - New Language	N/A	N/A - New Language	[Column Headers] Role Responsibilities [Row Content] Contract Postal Access Channels (CPAC) Team <ul style="list-style-type: none"> ▪ Provide support and guidance for contractual issues to the contracting officer. ▪ Manage the CPAC Mailbox and CPAC Blueshare website . 	Policy	3 Roles and Responsibilities
32	N/A - New Language	N/A	N/A - New Language	[Column Headers] Role Responsibilities [Row Content] Buyer <ul style="list-style-type: none"> ▪ Evaluate all required financial documentation to determine Supplier Capability. ▪ Provide a best-value determination and final recommendation to the contracting officer based on evaluation committee findings. 	Policy	3 Roles and Responsibilities
33	N/A - New Language	N/A	N/A - New Language	[Column Headers] Role Responsibilities [Row Content] Contracting Officer (CO) <ul style="list-style-type: none"> ▪ Appoint contracting officer representative (COR) and assign the host administrative office (HAO). ▪ Maintain records of all original contracts and modifications. ▪ Resolve disputes between the HAO and Supplier. ▪ Issue final and sole approval on all contract awards and modifications. ▪ Issue Final Decisions in response to supplier claims under the Contract Disputes Act. 	Policy	3 Roles and Responsibilities
34	N/A - New Language	N/A	N/A - New Language	[Column Headers] Role Responsibilities [Row Content] Contracting Officer Representative (COR) <ul style="list-style-type: none"> ▪ Protect Postal Service interest at all times during the supplier’s performance and ensures that the work is accomplished in accordance with the contract. ▪ Serve as the technical liaison to the supplier; furnishes the supplier with all technical guidance. ▪ Oversee the supplier’s performance and ensures compliance and safety requirements per the scope of the contract. 	Policy	3 Roles and Responsibilities

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
35	N/A - New Language	N/A	N/A - New Language	<p>[Column Headers] Role Responsibilities [Row Content] Contracting Officer Representative (COR) </p> <ul style="list-style-type: none"> ▪ Prepare and submit all progress reports and performance, compliance, or safety concerns to the CO. ▪ Provide review and comments on proposed contract changes. ▪ Keep records of all property to and returned by the supplier. ▪ Ensure that supplier goods and services comply with contract specifications, requirements, or delivery schedule. 	Policy	3 Roles and Responsibilities
36	N/A - New Language	N/A	N/A - New Language	<p>[Column Headers] Role Responsibilities [Row Content] District Manager </p> <ul style="list-style-type: none"> ▪ Appoint District Designee. ▪ Approve all eBuyPlus requisitions. ▪ Oversee and addresses all deviations within the District. ▪ Serve as the final approval authority for CPU contracts and oversight within the District. ▪ Ensure compliance with policies and guidelines across all district locations. 	Policy	3 Roles and Responsibilities
37	N/A - New Language	N/A	N/A - New Language	<p>[Column Headers] Role Responsibilities [Row Content] District Designee and Manager of Operations Integration (District Designee) </p> <ul style="list-style-type: none"> ▪ Serve as a liaison between the supplier, HAO, CPAC, and Program office. ▪ Help the HAO with verifying Contract Postal Unit Technology (CPUT) information for accuracy. 	Policy	3 Roles and Responsibilities
38	N/A - New Language	N/A	N/A - New Language	<p>[Column Headers] Role Responsibilities [Row Content] Host Administrative Office (HAO) </p> <ul style="list-style-type: none"> ▪ Prepare the CPU request package. ▪ Maintain all original contracts, modifications, financial audits, and training records. ▪ Oversee bond compliance for temporary (emergency) contracts. ▪ Ensure compliance with operational requirements outlined in Publication 116, Contract Postal Unit Operations Guide (as applicable), Domestic Mail Manual; Mailing Standards of the United States Postal Service, International Mail Manual; the HAO Operating Instructions, the HAO Expanded Delegation Authority, and any applicable CPU activation guidance. ▪ Ensure that the supplier fulfills its obligations under the contract and that the customers are receiving prompt, efficient, accurate, and courteous service. ▪ Report contractual issues to the CO. 	Policy	3 Roles and Responsibilities

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
39	N/A - New Language	N/A	N/A - New Language	<p>[Column Headers] Role Responsibilities [Row Content] Host Administrative Office (HAO) </p> <ul style="list-style-type: none"> Conducts CPU Quality Performance Reviews and inputs findings into CPUT system. Conduct CPU Quality Performance Reviews and inputs findings into CPUT system. Provide ongoing support to CPO/CPU supplier, including information updates, ongoing training on Postal Service procedures, financial auditing, bond verification, aviation security, HAZMAT, and any other support activities that an HAO would provide to a contract unit, including Community Post Offices. 	Policy	3 Roles and Responsibilities
40	N/A - New Language	N/A	N/A - New Language	<p>[Column Headers] Role Responsibilities [Row Content] Host Administrative Office (HAO) </p> <ul style="list-style-type: none"> Issue Letters of Warning and any subsequent Cure Notices. Report all information into the Facilities database accurately and in a timely manner. Submit any and all applicable financial forms (e.g. , PS Form 1412, Daily Financial Report) accurately and on time. 	Policy	3 Roles and Responsibilities
41	N/A - New Language	N/A	N/A - New Language	<p>[Column Headers] Role Responsibilities [Row Content] Requestor </p> <ul style="list-style-type: none"> Complete and submit the CPU needs analysis. Complete a Revenue Forecast Model to provide an estimated revenue for the proposed CPU. Acquire funding commitment from the district manager or other authorizing office, based on the findings of the Revenue Forecast Model. 	Policy	3 Roles and Responsibilities
42	1-2 Definitions	1	1-2 Definitions	14 Definitions	Policy	14 Definitions
43	1-2 Definitions	1	1-2 Definitions	16 Definitions	Procedure	16 Definitions
44	1-2 Definitions	1	1-2.1 Contract Postal Unit	N/A - Removed	N/A - Extraneous	N/A - Removed
45	N/A - New Language	N/A	N/A - New Language	4.2 Contract Postal Unit Types	Policy	4.2 Contract Postal Unit Types
46	1-2 Definitions	1	A CPU is a supplier-owned or supplier-leased facility operated by the supplier, under contract to the Postal Service, to provide postal services to the public at Postal Service prices.	A CPU is a supplier-owned or supplier-leased facility operated by the supplier, under contract to the Postal Service, to provide postal services to the public at Postal Service prices. There are different types of CPUs, as listed below:	Policy	4.2 Contract Postal Unit Types
47	1-2 Definitions	1	A CPU is a supplier-owned or supplier-leased facility operated by the supplier, under contract to the Postal Service, to provide postal services to the public at Postal Service prices.	Contract Postal Unit (CPU) A supplier-owned or supplier-leased facility operated by the supplier, under contract to the Postal Service, to provide postal services to the public at Postal Service prices.	Policy	14 Definitions

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
48	1-2 Definitions	1	The contract for a CPU must be competed, except when a noncompetitive justification is submitted and approved pursuant to Management Instruction (MI) SP-S2-2011-1, Noncompetitive Purchases, available on the Postal Service PolicyNet website; go to http://blue.usps.gov/cpim and click on MIs.	The contract for a CPU, including CPOs, must be competed, except when a noncompetitive justification is submitted and approved pursuant to the Management Instruction SP-S2-2024-1, titled Noncompetitive Purchases.	Policy	7.5.1 Overview
49	1-2.2 Community Post Office	2	1-2.2 Community Post Office	N/A - Removed	N/A - Extraneous	N/A - Removed
50	1-2.2 Community Post Office	2	A Community Post Office™ (CPO) is a contract unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A CPO usually bears its community's name and ZIP™ Code.	Community Post Office A CPO is a contract unit that provides postal services in small communities where an independent Post Office has been discontinued. A CPO usually bears its community's name and ZIP Code.	Policy	4.2 Contract Postal Unit Types
51	1-2.2 Community Post Office	2	A Community Post Office™ (CPO) is a contract unit that provides postal services in small communities where an independent Post Office™ has been discontinued.	A Community Post Office (CPO) is a contract postal unit that provides postal services in small communities where an independent Post Office™ has been discontinued.	Policy	13.1 Introduction
52	1-2.2 Community Post Office	2	A Community Post Office™ (CPO) is a contract unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A CPO usually bears its community's name and ZIP™ Code.	Community Post Office (CPO) A CPO is a contract unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A CPO is usually located in a small, rural community and provides a full line of Postal Service products and services to local Postal Service customers. A CPO usually bears its community's name and ZIP Code as part of a recognized mailing address.	Policy	14 Definitions
53	1-2.2 Community Post Office	2	A CPO contract must be competed unless a noncompetitive justification is submitted and approved pursuant to MI SP-S2-2011-1 available on the Postal Service PolicyNet website; go to http://blue.usps.gov/cpim and click on MIs. Chapter 12 provides additional information on CPOs.	N/A - Removed	N/A - Repetitive	N/A - Removed
54	1-2.3 Public Service Contract	2	1-2.3 Public Service Contract	N/A - Removed	N/A - Extraneous	N/A - Removed
55	1-2.3 Public Service Contract	2	A public service, Firm-Fixed-Price contract is based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for a community convenience or business reasons.	Public Service Contract A public service, Firm-Fixed-Price contract is based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for community convenience or business reasons.	Policy	4.2 Contract Postal Unit Types
56	1-2.3 Public Service Contract	2	A public service, Firm-Fixed-Price contract is based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for a community convenience or business reasons.	Public Service Contract (Firm-Fixed-Rate) A contract based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for a community convenience or business reasons.	Policy	14 Definitions
57	1-2.3 Public Service Contract	2	Payment under a Firm-Fixed-Price contract may not exceed \$100 per year.	No change.	Policy	10.3.1.2 Firm-Fixed-Price Contract
58	1-2.3 Public Service Contract	2	Payment under a Firm-Fixed-Price contract may not exceed \$100 per year.	No change.	Procedure	12.3.2 Firm-Fixed-Price Contract Postal Unit Contract
59	1-2.3 Public Service Contract	2	Public service CPUs may be considered only when the CPU would serve the best interests of both the customer and the Postal Service.	No change.	Policy	4.2 Contract Postal Unit Types

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
60	1-2.3 Public Service Contract	2	A public service contract does not have to be competed and a noncompetitive justification is not required.	Note: A public service contract does not have to be competed, and a noncompetitive justification is not required.	Policy	7.5.1 Overview
61	1-2.4 Seasonal Contract	2	1-2.4 Seasonal Contract	N/A - Removed	N/A - Extraneous	N/A - Removed
62	1-2.4 Seasonal Contract	2	A seasonal contract is used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during winter months in a warm weather area).	Seasonal Contracts A seasonal contract is used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during summer months in a warm weather area).	Policy	4.2 Contract Postal Unit Types
63	1-2.4 Seasonal Contract	2	A seasonal contract is used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during winter months in a warm weather area).	Seasonal Contract A contract used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during summer months in a warm weather area).	Policy	14 Definitions
64	1-2.4 Seasonal Contract	2	A seasonal contract must be competed unless a noncompetitive justification is submitted and approved pursuant to MI SP-S2-2011-1 available on the Postal Service PolicyNet website; go to http://blue.usps.gov/cpim and click on MIs.	N/A - Removed	N/A - Repetitive	N/A - Removed
65	1-2.5 Temporary (Emergency) Contract	2	1-2.5 Temporary (Emergency) Contract	N/A - Removed	N/A - Extraneous	N/A - Removed
66	1-2.5 Temporary (Emergency) Contract	2	When a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community, the Host Administrative Office (HAO) may request that a temporary (emergency) contract be awarded. The contract time period may not exceed 6 months.	Temporary (Emergency) Contract When a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community, the HAO may request that a temporary (emergency) contract be awarded. The contract time period may not exceed 6 months.	Policy	4.2 Contract Postal Unit Types
67	1-2.5 Temporary (Emergency) Contract	2	When a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community, the Host Administrative Office (HAO) may request that a temporary (emergency) contract be awarded.	Temporary (Emergency) Contract A limited term contract typically awarded when a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community.	Policy	14 Definitions
68	1-2.5 Temporary (Emergency) Contract	2	The contract time period may not exceed 6 months.	No change.	Policy	7.3 Award of a Temporary (Emergency) Contract
69	1-2.6 Contract Access Retail System	2	1-2.6 Contract Access Retail System	N/A - Removed	N/A - Extraneous	N/A - Removed
70	1-2.6 Contract Access Retail System	2	The Postal Service provides a Contract Access Retail System (CARS) mailing system to the CPU for weighing, metering, and calculating postage on mail pieces.	Retail System-Software Business Partner (RSS BP) A mailing system that the Postal Service provides to the CPU for weighing, metering, and calculating postage on mail-pieces.	Policy	14 Definitions
71	1-2.6 Contract Access Retail System	2	The Postal Service provides a Contract Access Retail System (CARS) mailing system to the CPU for weighing, metering, and calculating postage on mail pieces.	The Postal Service provides a Retail System Software-Business Partner (RSS BP) mailing system to the CPU for weighing, metering, and calculating postage on mail-pieces.	Policy	9.3.3 Retail System-Software Business Partner (RSS BP) CPU
72	1-2.6 Contract Access Retail System	2	Only CPUs under a Performance-Based percentage payment contract that do not have Post Office boxes or sell postal money orders qualify for a CARS mailing system.	N/A - Removed	N/A - Obsolete	N/A - Removed

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73	1-2.7 Expanded Access Channels	3	1-2.7 Expanded Access Channels	N/A - Removed	N/A - Extraneous	N/A - Removed
74	1-2.7 Expanded Access Channels	3	Other expanded access channels are the following: a. Village Post Office™ (VPO) — A supplier-owned or leased facility, similar to a CPU, but offering fewer services (i.e., stamp sales, pre-paid packaging, and possibly PO Boxes). b. Approved Shipper — A licensed agreement with a supplier and USPS™ to accept packages for shipping. c. Stamps To Go® (STG) — A licensed agreement with USPS through American Bank Note (ABN) and the supplier to sell stamps at the supplier's retail establishments.	N/A - Removed	N/A - Repetitive	N/A - Removed
75	1-2.7 Expanded Access Channels	3	Expanded access channels are alternate access provided to the community to meet their postal needs. Market research is required first to ensure which alternate access channel is needed to fulfill the exact needs of the community. A CPU is included as an alternate access channel.	Expanded Access Channels Alternate access provided to the community to meet their postal needs. Market research is required first to ensure which alternate access channel is needed to fulfill the exact needs of the community. A CPU is included as an alternate access channel. Other expanded access channels include VPO, Approved Shipper, Stamps To Go.	Policy	14 Definitions
76	N/A - New Language	N/A	N/A - New Language	Village Post Office (VPO) A supplier-owned or leased facility, similar to a CPU, but offering fewer services (i.e., stamp sales, pre-paid packaging, and possibly PO Boxes).	Policy	14 Definitions
77	N/A - New Language	N/A	N/A - New Language	Approved Shipper A licensed agreement with a supplier and the Postal Service to accept packages for shipping.	Policy	14 Definitions
78	N/A - New Language	N/A	N/A - New Language	Stamps to Go A licensed agreement with the Postal Service through American Bank Note (ABN) and the supplier to sell stamps at the supplier's retail establishments.	Policy	14 Definitions
79	1-3 Offices and Personnel	3	1-3 Offices and Personnel	N/A - Removed	N/A - Extraneous	N/A - Removed
80	1-3.1 Customer Products and Fulfillment Category Management Center	3	1-3.1 Customer Products and Fulfillment Category Management Center	N/A - Removed	N/A - Extraneous	N/A - Removed
81	1-3.1 Customer Products and Fulfillment Category Management Center	3	The contracting officer (CO) for all CPUs is located at the Customer Products and Fulfillment CMC (Denver CMC) in Aurora, Colorado.	N/A - Removed	N/A - Extraneous	N/A - Removed
82	1-3.2 St. Louis Accounting Service Center	3	1-3.2 St. Louis Accounting Service Center	N/A - Removed	N/A - Extraneous	N/A - Removed
83	1-3.2 St. Louis Accounting Service Center	3	The St. Louis Accounting Service Center is responsible for payment of all CPU contracts.	The St. Louis Accounting Service Center (ASC) manages payment of all CPU contracts.	Policy	10.3.2 CPU Payment
84	1-3.3 Contract Postal Unit Team	3	1-3.3 Contract Postal Unit Team	N/A - Removed	N/A - Extraneous	N/A - Removed
85	1-3.3 Contract Postal Unit Team	3	The CPU team is comprised of the following individuals: a. CPU coordinator (usually a retail specialist). b. CO and/or buyer at the Denver CMC. c. HAO. d. Contracting officer representative (COR).	N/A - Removed	N/A - Extraneous	N/A - Removed
86	1-3.3 Contract Postal Unit Team	3	Each member of the CPU team has a role to play. Team members must work together to ensure that the CPU is established correctly and opens on time.	N/A - Removed	N/A - Extraneous	N/A - Removed

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87	1-4 Components of a Contract Postal Unit Solicitation/ Award Package	3	1-4 Components of a Contract Postal Unit Solicitation/ Award Package	6.6.2 Components of a Contract Postal Unit Solicitation Package	Procedure	6.6.2 Components of a Contract Postal Unit Solicitation Package
88	N/A - New Language	N/A	N/A - New Language	Each contract type requires certain components of the CPU Solicitation Package. The requestor must ensure that all required components of a CPU Solicitation Package are completed. Contract-specific requirements are outlined in the following sections.	Procedure	6.6.2 Components of a Contract Postal Unit Solicitation Package
89	1-4 Components of a Contract Postal Unit Solicitation/ Award Package	3	The components of a CPU solicitation/award package are the following:	The full list of components of a CPU Solicitation Package are the following:	Procedure	6.6.2 Components of a Contract Postal Unit Solicitation Package
90	1-4 Components of a Contract Postal Unit Solicitation/ Award Package	3	a. Part 1: Contract Postal Unit Schedule. b. Part 2: Solicitation Provisions. c. Part 3: Contract Clauses.	No change.	Procedure	6.6.2 Components of a Contract Postal Unit Solicitation Package
91	1-4 Components of a Contract Postal Unit Solicitation/ Award Package	4	d. Part 4: Attachments. (1) Attachment 1: Requirements. (2) Attachment 2: Contract Postal Unit Supplier Business Proposal and Information. (3) Attachment 3: Contract Postal Unit Bond. (4) Attachment 4: Compensation. (5) Attachment 5: CPU Design and Construction Requirements.	No change.	Procedure	6.6.2 Components of a Contract Postal Unit Solicitation Package
92	1-4 Components of a Contract Postal Unit Solicitation/ Award Package	4	(See Components of a PB CPU Solicitation-Award Package on the CPAC blueshare website at http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	N/A - Removed	N/A - Repetitive	N/A - Removed
93	N/A - New Language	N/A	N/A - New Language	7.6 Solicitation Package	Policy	7.6 Solicitation Package
94	N/A - New Language	N/A	N/A - New Language	The CPF CMC will provide prospective suppliers a solicitation package. Prospective suppliers must return a completed solicitation package to be considered further. The contents of the solicitation package vary by anticipated contract type.	Policy	7.6 Solicitation Package
95	N/A - New Language	N/A	N/A - New Language	Solicitation Package A package that, based on the need(s) demonstrated in the request package, includes the forms and processes prospective suppliers must complete and submit to be considered to become a CPU. The contents of the package vary by specific contract type.	Policy	14 Definitions
96	1-5 Contract Types and Terms	4	1-5 Contract Types and Terms	7.2 Contract Types	Policy	7.2 Contract Types
97	1-5 Contract Types and Terms	4	1-5 Contract Types and Terms	6.6.1 Contract Types	Procedure	6.6.1 Contract Types
98	N/A - New Language	N/A	N/A - New Language	CPU contracts are distinguished by their payment structure. There are two primary types of contracts for CPUs: Performance-Based Percentage Payment, and Firm-Fixed-Price.	Policy	7.2 Contract Types
99	N/A - New Language	N/A	N/A - New Language	CPU contracts are distinguished by their payment structure.	Procedure	6.6.1 Contract Types

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
100	1-5 Contract Types and Terms	4	The two types of contracts for CPUs are as follows: a. Performance-Based percentage payment contracts (CARS and Non- CARS). b. Firm-Fixed-Price contract. c. Each contract type requires certain components of the solicitation/ contract award package.	There are two sub-contract types of Performance-Based Percentage Payment contracts: Retail System-Software Business Partner (RSS BP) and Non-RSS BP. Each contract type requires certain components of the solicitation/contract award package. The Requestor must identify the requested contract type within the Request Package. Refer to Publication 156-A for required components for each contract type.	Policy	7.2 Contract Types
101	1-5 Contract Types and Terms	4	The two types of contracts for CPUs are as follows: a. Performance-Based percentage payment contracts (CARS and Non- CARS). b. Firm-Fixed-Price contract. c. Each contract type requires certain components of the solicitation/ contract award package.	There are two (2) primary types of contracts for CPUs: Performance-Based Percentage Payment, and Firm-Fixed-Price. Of Performance-Based Percentage Payment contracts, there are two sub-types: RSS BP and Non-RSS BP. Each contract type requires certain components of the CPU Contract Award Package. The specific components of these contracts are outlined below.	Procedure	6.6.1 Contract Types
102	1-5.1 Performance-Based Percentage Payment Contracts	4	1-5.1 Performance-Based Percentage Payment Contracts	6.6.2.1 Performance-Based Percentage Payment Contracts	Procedure	6.6.2.1 Performance-Based Percentage Payment Contracts
103	1-5.1 Performance-Based Percentage Payment Contracts	4	a. A CARS Performance-Based Percentage Payment CPU Solicitation/ Award document contains the following components: b. Part 1: Contract Postal Unit Schedule. c. Part 2: Solicitation Provisions. d. Part 3: Contract Clauses. e. Part 4: Attachments 1, 2, 4, and 5.	An RSS BP Performance-Based Percentage Payment CPU Solicitation Package contains the following components: ▪ Part 1: Contract Postal Unit Schedule. ▪ Part 2: Solicitation Provisions. ▪ Part 3: Contract Clauses. ▪ Part 4: Attachments 1, 2, 4, and 5.	Procedure	6.6.2.1 Performance-Based Percentage Payment Contracts
104	N/A - New Language	N/A	N/A - New Language	Note: Attachment 3 is not required for Performance-Based Percentage Payment contracts. Additionally, surety bonds, an irrevocable letter of credit, and a deposit of assets do not apply to RSS BP contracts.	Procedure	6.6.2.1 Performance-Based Percentage Payment Contracts
105	1-5.1 Performance-Based Percentage Payment Contracts	4	A Non-CARS Performance-Based Percentage Payment CPU Solicitation/ Award document contains the following components:	A Non-RSS BP Performance-Based Percentage Payment CPU Solicitation Package contains the following components:	Procedure	6.6.2.1 Performance-Based Percentage Payment Contracts
106	1-5.1 Performance-Based Percentage Payment Contracts	4	a. Part 1: Contract Postal Unit Schedule. b. Part 2: Solicitation Provisions. c. Part 3 Contract Clauses. d. Part 4: Attachments 1, 2, 3, 4, and 5.	▪ Part 1: Contract Postal Unit Schedule. ▪ Part 2: Solicitation Provisions. ▪ Part 3 Contract Clauses. ▪ Part 4: Attachments 1, 2, 3, 4, and 5.	Procedure	6.6.2.1 Performance-Based Percentage Payment Contracts
107	1-5.2 Firm-Fixed-Price Contract	4	1-5.2 Firm-Fixed-Price Contract	6.6.2.2 Firm-Fixed-Price Contract	Procedure	6.6.2.2 Firm-Fixed-Price Contract
108	1-5.2 Firm-Fixed-Price Contract	4	A Firm-Fixed-Price CPU Solicitation/Award document contains the following components:	A Firm-Fixed-Price CPU Solicitation Package contains the following components:	Procedure	6.6.2.2 Firm-Fixed-Price Contract
109	1-5.2 Firm-Fixed-Price Contract	4	a. Part 1: Contract Postal Unit Schedule: b. Part 2: Solicitation Provisions. c. Part 3: Contract Clauses. d. Part 4: Attachments 1, 2, and 3.	▪ Part 1: Contract Postal Unit Schedule. ▪ Part 2: Solicitation Provisions. ▪ Part 3: Contract Clauses. ▪ Part 4: Attachments 1, 2, and 3.	Procedure	6.6.2.2 Firm-Fixed-Price Contract
110	1-6 Competition	5	1-6 Competition	7.5 Competition	Policy	7.5 Competition
111	1-6 Competition	5	1-6 Competition	5.4 Competition	Procedure	5.4 Competition

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
112	N/A - New Language	N/A	N/A - New Language	A contract that is competed is one that is open to multiple potential interested parties. In this context, a CPU contract that is competed is open to multiple prospective suppliers. These suppliers submit individual proposals that are evaluated based on the criteria outlined in the CPU Request Package.	Procedure	5.4 Competition
113	1-6.1 Overview	5	1-6.1 Overview	7.5.1 Overview	Policy	7.5.1 Overview
114	N/A - New Language	N/A	N/A - New Language	7.5.2 Noncompetitive Purchasing	Policy	7.5.2 Noncompetitive Purchasing
115	1-6.1 Overview	5	Generally, it is recommended to use the competitive purchasing method to obtain CPU contracts in the most desirable locations. However, in some cases, the business and competitive objectives of the Postal Service will best be met by awarding CPU contract(s) using the noncompetitive purchase method. This scenario is especially true under the following conditions:	In some cases, the business and competitive objectives of the Postal Service will best be met by awarding CPU contract(s) using the noncompetitive purchase method. This exception applies under the following conditions:	Policy	7.5.2 Noncompetitive Purchasing
116	1-6.1 Overview	5	Generally, it is recommended to use the competitive purchasing method to obtain CPU contracts in the most desirable locations. However, in some cases, the business and competitive objectives of the Postal Service will best be met by awarding CPU contract(s) using the noncompetitive purchase method.	In some cases, the business and competitive objectives of the Postal Service will best be met by awarding a CPU contract using the noncompetitive purchase method.	Procedure	5.4 Competition
117	1-6.1 Overview	5	a. The Postal Service has established a business relationship with a retailer that has successfully operated a CPU in its other retail locations. b. The proposed CPU is the only supplier capable of providing or willing to provide the service needed.	a. Sole Source. Only one supplier exists who is capable of satisfying a requirement. b. Industry Structure or Practice. The industry producing or supplying the required goods or services is structured in a manner that renders competition ineffective — for example, when purchasing goods or services that are regulated, such as some utilities, or when purchasing from nonprofit or educational institutions that do not compete in the marketplace.	Policy	7.5.2 Noncompetitive Purchasing
118	N/A - New Language	N/A	N/A - New Language	[This scenario is especially true under the following conditions:] c. Compelling Business Interests. There is a business interest that is so compelling that purchasing noncompetitively outweighs the benefits of competition. These situations can include, but are not limited to, the urgency of the requirement, if a supplier innovation that furthers Postal Service business objectives, or if undue cost or delay would result from a contract award to a new supplier.	Policy	7.5.2 Noncompetitive Purchasing

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119	N/A - New Language	N/A	N/A - New Language	[This scenario is especially true under the following conditions:] d. Superior Performance. A supplier's superior performance and its contributions to the Postal Service's business and competitive objectives merit award of a particular purchase. For example, extending the term or expanding the scope of a contract for substantially the same or similar goods or services when a supplier has performed at such a high level that the extension or expansion is deserved and continues to provide best value, or when a supplier's superior performance makes continued performance highly beneficial to Postal Service operations.	Policy	7.5.2 Noncompetitive Purchasing
120	N/A - New Language	N/A	N/A - New Language	Refer to the requirements set forth in section 7.5.2 of Publication 156.	Procedure	5.4 Competition
121	1-6.1 Overview	5	If the CPU purchase team decides to use the noncompetitive purchasing method, the team must document the rationale for the decision in a business case and submit it for approval in accordance with the MI SP-S2-2011-1 available on the Postal Service PolicyNet website; go to http://blue.usps.gov/cpim and click on MIs. The approval must be included in the contract file.	For procedural guidance, see Management Instruction SP-S2-2024-1, Noncompetitive Purchases available on the Postal Service PolicyNet website. To access this guidance: a. Go to http://blue.usps.gov/cpim . b. Click on Management Instructions. c. Scroll down and select SP-S2-2024-1, Noncompetitive Purchases. d. Fill out the Noncompetitive Purchase Request Attachment. e. The approval must be included in the contract file.	Procedure	5.4 Competition
122	1-6.1 Overview	5	See Chapter 6 for a thorough discussion of competitive and noncompetitive purchasing.	N/A - Removed	N/A - Repetitive	N/A - Removed
123	1-6.2 Authority	5	1-6.2 Authority	4.4 Approval Authority	Policy	4.4 Approval Authority
124	N/A - New Language	N/A	N/A - New Language	The District Manager serves as the final approval authority for CPU contracts and oversight within the District. The Requestor must submit and receive approval on the needs analysis from the District Manager. The HQ Program Office provides final concurrence on all District Manager-approved CPU requests.	Policy	4.4 Approval Authority
125	N/A - New Language	N/A	N/A - New Language	The Requestor must complete a Revenue Forecast Model to provide an estimated revenue for the proposed CPU. The Requestor is responsible for acquiring a funding commitment from the District Manager or other authorizing office, based on the findings of the Revenue Forecast Model.	Policy	4.4 Approval Authority
126	1-6.2 Authority	5	The vice president of Channel Access at Headquarters and vice presidents of Area Operations or designee have the authority to approve the establishment of a CPU based on demonstrated need and value to the consumer and the Postal Service.	N/A - Removed	N/A - Obsolete	N/A - Removed
127	1-6.3 Retail Service Agreements	5	1-6.3 Retail Service Agreements	6.1.1 Retail Service Agreements	Policy	6.1.1 Retail Service Agreements
128	1-6.3 Retail Service Agreements	5	1-6.3 Retail Service Agreements	5.3.1 Retail Service Agreements	Procedure	5.3.1 Retail Service Agreements

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129	N/A - New Language	N/A	N/A - New Language	Per the CPU Agreement Policy, Districts are not allowed to solicit a supplier that has multiple locations without approval from HQ Program Office.	Procedure	5.3.1 Retail Service Agreements
130	1-6.3 Retail Service Agreements	5	Often a national chain or large regional chain contacts Headquarters directly or is contacted about the CPU program through Headquarters' marketing efforts.	N/A - Removed	N/A - Extraneous	N/A - Removed
131	1-6.3 Retail Service Agreements	5	If a field person is contacted by a company that has five or more locations, then the field person needs to send that contact information to Retail Partner Integrations at Headquarters.	Per Publication 156, Districts are not allowed to solicit a supplier that has multiple locations without approval from the HQ Program Office.	Procedure	5.3.1 Retail Service Agreements
132	1-6.3 Retail Service Agreements	5	Districts are not allowed to pursue relationships with this type of company without approval from Headquarters.	Districts are not permitted to solicit a supplier that has multiple locations without prior approval from the HQ Program Office.	Policy	6.1.1 Retail Service Agreements
133	1-6.3 Retail Service Agreements	5	In these scenarios, Headquarters provides assistance to the area or district when meeting with the potential supplier, provides a broad overview of the program, and ascertains the interest in becoming a CPU supplier. If interest is indicated and a need exists for CPUs in locations operated by the national or regional chain, then Retail Partner Integrations at Headquarters or local Postal Service authorities begin the solicitation process. Implementation of a CPU is based on need and value to the customer and the Postal Service.	If a Postal Service employee is contacted by a company that has multiple locations, then the employee must send that contact information to the HQ Program Office. In these scenarios, the HQ Program Office, the CPAC Team, and the local District Postal Service team collaborate on the CPU Solicitation and Contract Award process.	Procedure	5.3.1 Retail Service Agreements
134	1-6.4 Requisition Approval	5	1-6.4 Requisition Approval	N/A - Removed	N/A - Extraneous	N/A - Removed
135	1-6.4 Requisition Approval	5	Only District Managers can approve requisitions for CPUs. This authority may not be delegated below the District Manager level.	Add the DM, or their designee, to the approval chain of the eBuyPlus requisition.	Procedure	6.5 Request Package Approval Process
136	1-6.5 Contract Award	6	1-6.5 Contract Award	8 Contract Award	Procedure	8 Contract Award
137	1-6.5 Contract Award	6	Only designated COs who possess a Contracting Officer Certificate of Appointment may award CPU contracts.	Only designated persons who possess a Contracting Officer Certificate of Appointment may award CPU contracts in accordance with 39 CFR Section 601.	Policy	8.3 Final Determination
138	1-6.6 Restrictions and Special Considerations	6	1-6.6 Restrictions and Special Considerations	6.1 Restrictions and Special Considerations	Policy	6.1 Restrictions and Special Considerations
139	1-6.6 Restrictions and Special Considerations	6	1-6.6 Restrictions and Special Considerations	5.3 Restrictions and Special Considerations	Procedure	5.3 Restrictions and Special Considerations
140	N/A - New Language	N/A	N/A - New Language	When seeking potential suppliers, Postal Service employees must be aware of the restrictions outlined in section 6.1 of Publication 156.	Procedure	5.3 Restrictions and Special Considerations
141	1-6.6.1 Location of Contract Postal Unit	6	1-6.6.1 Location of Contract Postal Unit	6.1.2 Location of a Contract Postal Unit	Policy	6.1.2 Location of a Contract Postal Unit
142	1-6.6.1 Location of Contract Postal Unit	6	1-6.6.1 Location of Contract Postal Unit	5.3.2 Location of a Contract Postal Unit	Procedure	5.3.2 Location of a Contract Postal Unit
143	N/A - New Language	N/A	N/A - New Language	Generally, prospective CPUs must not be located within close proximity of a Postal Retail Facility.	Policy	6.1.2 Location of a Contract Postal Unit
144	N/A - New Language	N/A	N/A - New Language	Per Publication 156, a CPU must not be: <ul style="list-style-type: none"> Located within close proximity of a Postal Retail Facility 	Procedure	5.3.2 Location of a Contract Postal Unit

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
145	1-6.6.1 Location of Contract Postal Unit	6	The CPU must not be located in, or directly connected to, a room where intoxicating beverages are sold for consumption on the premises.	No change.	Policy	6.1.2 Location of a Contract Postal Unit
146	1-6.6.1 Location of Contract Postal Unit	6	The CPU must not be located in, or directly connected to, a room where intoxicating beverages are sold for consumption on the premises.	[Per Publication 156, a CPU must not be:] ▪ Located in, or directly connected to, a room where intoxicating beverages are sold for consumption on the premises.	Procedure	5.3.2 Location of a Contract Postal Unit
147	N/A - New Language	N/A	N/A - New Language	These conditions are outlined in the contract.	Procedure	5.3.2 Location of a Contract Postal Unit
148	1-6.6.2 Contracts with Postal Service Employees	6	1-6.6.2 Contracts with Postal Service Employees	6.1.3 Contracts with Postal Service Employees	Policy	6.1.3 Contracts with Postal Service Employees
149	1-6.6.2 Contracts with Postal Service Employees	6	1-6.6.2 Contracts with Postal Service Employees	5.3.3 Contracts with Postal Service Employees	Procedure	5.3.3 Contracts with Postal Service Employees
150	N/A - New Language	N/A	N/A - New Language	Per Publication 156, CPU contracts may not be awarded to active or retired Postal Service employees or members of their immediate families. A supplier who completes the Solicitation Package must identify any relations to Postal Service employees. If a potential supplier falls into this category, the requestor must contact Postal Service Ethics Office for further guidance. (Refer to the Postal Service Ethics Office Blueshare site at: https://blue.usps.gov/uspslaw/ethics/).	Procedure	5.3.3 Contracts with Postal Service Employees
151	1-6.6.2 Contracts with Postal Service Employees	6	CPU contracts may not be awarded to Postal Service employees or members of their immediate families. Contracts may be awarded to retired or former Postal Service employees or their family members subject to restrictions on post-employment activities of Postal Service employees as imposed by law.	CPU contracts may not be awarded to active or retired Postal Service employees or members of their immediate families except as subject to restrictions on post-employment activities of Postal Service employees as imposed by Federal criminal laws, along with the Standards of Ethical Conduct for Employees of the Executive Branch.	Policy	6.1.3 Contracts with Postal Service Employees
152	1-6.6.3 Post Office Box Service	6	1-6.6.3 Post Office Box Service	6.1.4 Post Office Box Service	Policy	6.1.4 Post Office Box Service
153	1-6.6.3 Post Office Box Service	6	1-6.6.3 Post Office Box Service	5.3.4 Post Office Box Service	Procedure	5.3.4 Post Office Box Service
154	1-6.6.3 Post Office Box Service	6	A CPU must not provide Post Office box service. Providing this service at a CPU location makes a commitment to the customer as to the availability of a delivery service. This commitment can have an adverse effect on the flexibility of relocating or closing the CPU if there is a change in market conditions.	New CPUs are not intended to provide Post Office box service; increased demand for Post Office box service is not a justifiable rationale for the establishment of a new CPU. Certain CPUs may be permitted to offer Post Office box services, per their existing contract.	Policy	6.1.4 Post Office Box Service
155	1-6.6.3 Post Office Box Service	6	A CPU must not provide Post Office box service. Providing this service at a CPU location makes a commitment to the customer as to the availability of a delivery service. This commitment can have an adverse effect on the flexibility of relocating or closing the CPU if there is a change in market conditions.	New CPUs are not intended to provide Post Office box service; increased demand for Post Office box service is not a justifiable rationale for the establishment of a new CPU. If there is increased demand for Post Office box service, contact the DM.	Procedure	5.3.4 Post Office Box Service

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
156	1-6.6.4 Non-Postal Services	6	1-6.6.4 Non-Postal Services	6.1.5 Non-Postal Services	Policy	6.1.5 Non-Postal Services
157	1-6.6.4 Non-Postal Services	6	1-6.6.4 Non-Postal Services	5.3.5 Non-Postal Services	Procedure	5.3.5 Non-Postal Services
158	1-6.6.4 Non-Postal Services	6	CPUs must provide Postal Service products and services, exclusively. The supplier may not, in the CPU or in any part of the supplier's premises in which the CPU is located, offer directly or by subcontract, lease, or sublease or otherwise provide the following:	The supplier may not, in the CPU or in any part of the supplier's premises in which the CPU is located, offer directly or by subcontract, lease, or sublease or otherwise provide the following:	Policy	6.1.5 Non-Postal Services
159	1-6.6.4 Non-Postal Services	6	CPUs must provide Postal Service products and services, exclusively.	Per Publication 156, CPUs cannot offer any other mailing products or services (e.g., FedEx).	Procedure	5.3.5 Non-Postal Services
160	N/A - New Language	N/A	N/A - New Language	The potential supplier must identify in the solicitation package any other mailing products or services provided at their establishment.	Procedure	5.3.5 Non-Postal Services
161	1-6.6.4 Non-Postal Services	6	a. Commercial mail receiving (private mailbox) services. b. Third-party delivery services. c. Any products or services that the CO determines are similar to, or competitive with, delivery and parcel services offered by the Postal Service.	No change.	Policy	6.1.5 Non-Postal Services
162	1-6.6.4 Non-Postal Services	6	Fax service and copy service are examples of products that are not similar to, or competitive with, those of the Postal Service.	N/A - Removed	N/A - Extraneous	N/A - Removed
163	1-6.6.4 Non-Postal Services	6	Note: Some older contracts have these services "grandfathered" in to their contracts. This exception is on a case-by-case basis and determined by the CO.	Note: Some existing contracts permit the CPU to offer these services. Any such exception for new CPUs must be evaluated on a case-by-case basis and determined by the District Manager or appropriate designee.	Policy	6.1.5 Non-Postal Services
164	1-6.6.4 Non-Postal Services	6	This exception is on a case-by-case basis and determined by the CO.	Any request for an exception must be identified in the CPU Request Package, along with rationale and supporting evidence. The DM or appropriate designee will evaluate and determine exceptions on a case-by-case basis and determined by the DM or appropriate designee. The rationale for this exception must be documented by the requestor within the CPU Request Package and supported with appropriate evidence.	Procedure	5.3.5 Non-Postal Services
165	N/A - New Language	N/A	N/A - New Language	8.2 Evaluation of Criteria	Policy	8.2 Evaluation of Criteria
166	1-7 Access for Persons With Disabilities	6	1-7 Access for Persons With Disabilities	8.2.1 Access for Persons with Disabilities	Policy	8.2.1 Access for Persons with Disabilities
167	1-7 Access for Persons With Disabilities	6	1-7 Access for Persons With Disabilities	7.1.3.3 Access for Persons With Disabilities	Procedure	7.1.3.3 Access for Persons With Disabilities
168	1-7 Access for Persons With Disabilities	6	Ensure that all Post Offices, including CPUs, are readily accessible to all unless the facility cannot reasonably be configured. Whenever possible, suppliers under consideration for a CPU contract award must already be in a location accessible to the disabled or in a location that will be made accessible as a condition of contract award.	All Post Offices, including CPUs, must be readily accessible to all unless the facility cannot reasonably be configured. Whenever possible, suppliers under consideration for a CPU contract award must already be in a location accessible to the disabled or in a location that will be made accessible as a condition of contract award.	Policy	8.2.1 Access for Persons with Disabilities

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
169	1-7 Access for Persons With Disabilities	7	If a CPU contract is contemplated with a supplier whose location is not accessible, the CO must document in the contract file the attempts made to find suppliers with accessible locations.	Note: If a CPU contract is contemplated with a prospective supplier whose location is not accessible, the CO must document in the contract file the attempts made to find suppliers with accessible locations and the rationale for why the supplier should still be considered (e.g., the building is currently undergoing construction changes to become accessible). These exceptions must be a last resort and must be justified within the CPU Request Package.	Procedure	7.1.3.3 Access for Persons With Disabilities
170	1-7 Access for Persons With Disabilities	7	The components of the CPU Solicitation-Award Package can be found in the Publication folder online on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .	N/A - Removed	N/A - Repetitive	N/A - Removed
171	Blank Page	8	This page intentionally left blank	N/A - Removed	N/A - Extraneous	N/A - Removed
172	2 Determining Need for a Contract Postal Unit	9	2 Determining Need for a Contract Postal Unit	4 Determining and Verifying a Need for a Contract Postal Unit	Policy	4 Determining and Verifying a Need for a Contract Postal Unit
173	2 Determining Need for a Contract Postal Unit	9	2 Determining Need for a Contract Postal Unit	3 Determining and Verifying a Need for a Contract Postal Unit	Procedure	3 Determining and Verifying a Need for a Contract Postal Unit
174	2-1 Benefits of a Contract Postal Unit	9	2-1 Benefits of a Contract Postal Unit	N/A - Removed	N/A - Extraneous	N/A - Removed
175	2-1 Benefits of a Contract Postal Unit	9	When determining whether a contract postal unit (CPU) is the appropriate method for providing expanded access to postal services, consider the benefits of a CPU.	N/A - Removed	N/A - Extraneous	N/A - Removed
176	2-1.1 Benefits for Customers	9	2-1.1 Benefits for Customers	N/A - Removed	N/A - Extraneous	N/A - Removed
177	2-1.1 Benefits for Customers	9	A CPU provides customers the following benefits: a. Expanded access to Postal Service products and services at Postal Service prices. b. Convenient location. c. Extended hours (weekends and evenings).	N/A - Removed	N/A - Repetitive	N/A - Removed
178	2-1.2 Benefits for Suppliers	9	2-1.2 Benefits for Suppliers	N/A - Removed	N/A - Extraneous	N/A - Removed
179	2-1.2 Benefits for Suppliers	9	A CPU provides suppliers the following benefits: a. Customer traffic. b. Generate additional sales. c. Customer awareness of CPU locations. d. Competitive advantage.	N/A - Removed	N/A - Repetitive	N/A - Removed
180	2-1.3 Benefits for Postal Service	9	2-1.3 Benefits for Postal Service	N/A - Removed	N/A - Extraneous	N/A - Removed
181	2-1.3 Benefits for Postal Service	9	A CPU provides the Postal Service the following benefits: a. Cost-effective process for providing Postal Service products and services. b. Reduction in wait time for customers. c. Increase in customer satisfaction. d. Increase in Postal Service presence in high-growth retail locations.	N/A - Removed	N/A - Repetitive	N/A - Removed
182	2-2 Conditions for Requesting a Contract Postal Unit	10	2-2 Conditions for Requesting a Contract Postal Unit	4.1 Conditions for Requesting a Contract Postal Unit	Policy	4.1 Conditions for Requesting a Contract Postal Unit

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
183	N/A - New Language	N/A	N/A - New Language	Conditions may prompt the need for a CPU. The establishment of a CPU can provide a cost-effective means of providing Postal Service products and services, resulting in reduced wait time for customers and an increased Postal Service presence in high-growth retail locations.	Policy	4.1 Conditions for Requesting a Contract Postal Unit
184	2-2 Conditions for Requesting a Contract Postal Unit	10	A CPU contract may be requested when one or more of the following conditions are present:	Historically, the presence of one or more of the following conditions has been identified:	Policy	4.1 Conditions for Requesting a Contract Postal Unit
185	N/A - New Language	N/A	N/A - New Language	3.1 Demonstrating Need	Procedure	3.1 Demonstrating Need
186	2-2 Conditions for Requesting a Contract Postal Unit	10	A CPU contract may be requested when one or more of the following conditions are present:	To prompt the need for a CPU, the requestor, typically the host administrative office (HAO), identifies the presence of one or more of the conditions listed in Publication 156.	Procedure	3.1 Demonstrating Need
187	2-2 Conditions for Requesting a Contract Postal Unit	10	a. A newly developed community requires postal retail services but does not yet warrant a Postal Service facility. b. Existing retail units are not able to serve customers efficiently because of limited space or high customer demand. c. Flexibility in service hours is needed.	No change.	Policy	4.1 Conditions for Requesting a Contract Postal Unit
188	2-2 Conditions for Requesting a Contract Postal Unit	10	[A CPU contract may be requested when one or more of the following conditions are present:] d. An independent Post Office or CPU has discontinued service. e. Other alternate access channels for selling USPS products, such as Stamps to Go, Stamps By Mail®, Stamps Online™, Approved Shipper, or Village Post Office have been considered and determined not feasible.	[A CPU contract may be requested when one or more of the following conditions are present:] d. An independent Post Office or CPU has discontinued service. e. Other alternate access channels for selling USPS products, such as Stamps to Go, Stamps By Mail, Stamps Online, Approved Shipper, or Village Post Office have been considered and determined not feasible.	Policy	4.1 Conditions for Requesting a Contract Postal Unit
189	2-2 Conditions for Requesting a Contract Postal Unit	10	[A CPU contract may be requested when one or more of the following conditions are present:] f. There is insufficient parking and retail space with no ability to expand. g. Seasonal issues present special situations. h. The Postal Service will realize service, scheduling, or other benefits from the CPU.	No change.	Policy	4.1 Conditions for Requesting a Contract Postal Unit
190	3 Verifying Need for a Contract Postal Unit	11	3 Verifying Need for a Contract Postal Unit	N/A - Removed	N/A - Repetitive	N/A - Removed
191	3-1 Introduction	11	3-1 Introduction	N/A - Removed	N/A - Extraneous	N/A - Removed
192	3-1 Introduction	11	After determining that a contract postal Unit (CPU) will satisfy the need for expanded access, the CPU coordinator documents this fact. The procedures described in this chapter are steps for the CPU coordinator to use to build a case for the establishment of a CPU.	If a condition is present, the Requestor must complete and submit a CPU request, including the CPU Needs Analysis Form and Revenue Forecast Model for approval.	Procedure	3.1 Demonstrating Need
193	3-2 Contract Postal Unit Needs Analysis	11	3-2 Contract Postal Unit Needs Analysis	4.3 Contract Postal Unit Needs Analysis	Policy	4.3 Contract Postal Unit Needs Analysis
194	3-2 Contract Postal Unit Needs Analysis	11	3-2 Contract Postal Unit Needs Analysis	3.2 Contract Postal Unit Needs Analysis Form	Procedure	3.2 Contract Postal Unit Needs Analysis Form

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
195	N/A - New Language	N/A	N/A - New Language	The Requestor must conduct a needs analysis to demonstrate necessity and obtain approval from the District Manager to initiate the solicitation process.	Policy	4.3 Contract Postal Unit Needs Analysis
196	3-2 Contract Postal Unit Needs Analysis	11	The Host Administrative Office (HAO) or the CPU coordinator completes a CPU Needs Analysis Form (See a sample Contract Postal Unit Needs Analysis Form in the Publication 156 folder online on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	N/A - Removed	N/A - Repetitive	N/A - Removed
197	3-2 Contract Postal Unit Needs Analysis	11	Consider the following retail conditions at the HAO or targeted station or branch: a. Insufficient hours. b. Insufficient area coverage. c. Low customer satisfaction.	The Requestor must consider the following retail conditions that the CPU is intended to address when conducting a needs analysis: ▪ Insufficient hours. ▪ Insufficient area coverage. ▪ Low customer satisfaction.	Policy	4.3 Contract Postal Unit Needs Analysis
198	3-2 Contract Postal Unit Needs Analysis	11	Provide information on the following criteria to document the need for a CPU: a. Demographic and geographic characteristics of the proposed area. b. Projected growth within the proposed area. c. Date and results of last window operation survey. d. Review of retail operations. e. Consumer feedback.	To complete the CPU Needs Analysis Form, the requestor must include the following information: a. Demographic and geographic characteristics of the proposed area. b. Projected growth within the proposed area. c. Date and results of last window operation survey. d. Review of retail operations. e. Consumer feedback.	Procedure	3.2 Contract Postal Unit Needs Analysis Form
199	3-2 Contract Postal Unit Needs Analysis	11	[Provide information on the following criteria to document the need for a CPU:] f. Competition: actual and projected. g. Increased benefit to the Postal Service relating to service and cost- effectiveness if a CPU was established. h. Impact on existing nearby classified offices including transportation and collection route. i. Proposed days and hours of operation (should exceed Post Office hours).	[To complete the CPU Needs Analysis Form, the requestor must include the following information:] f. Competition: actual and projected. g. Increased benefit to the Postal Service relating to service and cost- effectiveness if a CPU was established. h. Impact on existing nearby classified offices including transportation and collection route. i. Proposed days and hours of operation (operation hours should exceed Post Office hours).	Procedure	3.2 Contract Postal Unit Needs Analysis Form
200	3-2 Contract Postal Unit Needs Analysis	12	Three other tools for assessing needs are retail mapping; the revenue forecast model and the wait-time-in-line report.	The requestor may also submit any additional documentation to justify the need as necessary. Examples of additional documentation include: ▪ Retail Mapping ▪ Demographic and Income Profile ▪ Wait-Time-In-Line Report	Procedure	3.2 Contract Postal Unit Needs Analysis Form
201	N/A - New Language	N/A	N/A - New Language	Further instructions on the above forms are in section 3.2.1. The CPAC Blueshare website contains blank forms and samples for reference at: Alternate Access Channels- (CPAC) CPU/CPO/VPO - Home (usps.gov).	Procedure	3.2 Contract Postal Unit Needs Analysis Form
202	3-3 Retail Mapping and Electronic Facilities Management System (eFMS)	12	3-3 Retail Mapping and Electronic Facilities Management System (eFMS)	5.1.1 Retail Facility Assessment Tool	Procedure	5.1.1 Retail Facility Assessment Tool
203	3-3 Retail Mapping and Electronic Facilities Management System (eFMS)	12	3-3 Retail Mapping and Electronic Facilities Management System (eFMS)	3.2.1 Retail Facility Assessment Tool	Procedure	3.2.1 Retail Facility Assessment Tool

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
204	3-3 Retail Mapping and Electronic Facilities Management System (eFMS)	12	Retail mapping, as completed through the Electronic Facilities Management System (eFMS), helps to ensure that CPUs are located in the most needed and convenient sites to provide retail customers access to postal services.	The Retail Facility Assessment Tool supports analysis of opportunities for new CPUs by utilizing multiple layers and data points to substantiate the request for new locations and identify prospective suppliers within the identified radius.	Procedure	5.1.1 Retail Facility Assessment Tool
205	3-3 Retail Mapping and Electronic Facilities Management System (eFMS)	12	Retail mapping, as completed through the Electronic Facilities Management System (eFMS), helps to ensure that CPUs are located in the most needed and convenient sites to provide retail customers access to postal services.	The Retail Facility Assessment Tool supports analysis and identifies opportunities for new alternate access facilities through a web-based application.	Procedure	3.2.1 Retail Facility Assessment Tool
206	N/A - New Language	N/A	N/A - New Language	The Requestor must use the Retail Facility Assessment Tool to complete Retail Mapping, Demographic and Income Profile, and Wait-Time-In-Line Report.	Procedure	3.2.1 Retail Facility Assessment Tool
207	3-3 Retail Mapping and Electronic Facilities Management System (eFMS)	12	Retail mapping displays all classified facilities and existing expanded retail access by ZIP Code. Demographic projections for 5 years display information on the proposed area's demographics (i.e., population and income). (See Sample Retail Mapping and Sample Demographic and Income Profile in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	For step-by-step instructions, see the Retail Facility Assessment User Guide on the CPAC Blueshare website.	Procedure	5.1.1 Retail Facility Assessment Tool
208	3-3 Retail Mapping and Electronic Facilities Management System (eFMS)	12	Retail mapping displays all classified facilities and existing expanded retail access by ZIP Code. Demographic projections for 5 years display information on the proposed area's demographics (i.e., population and income).	N/A - Removed	N/A - Obsolete	N/A - Removed
209	3-3 Retail Mapping and Electronic Facilities Management System (eFMS)	12	(See Sample Retail Mapping and Sample Demographic and Income Profile in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	For more instructions, see the USPS Retail Facility Assessment User Guide on the CPAC Blueshare website.	Procedure	3.2.1 Retail Facility Assessment Tool
210	3-3 Retail Mapping and Electronic Facilities Management System (eFMS)	12	With the Postal Service's continued focus on reducing cost and improving efficiency, retail mapping is a key tool that supports the following: a. Support for Postal Service strategic objectives (i.e., the Retail Optimization Plan) to expand access channels. b. Reduced reliance on "brick-and-mortar" (new construction) costs. c. Strong partnerships that focus on marketplace growth. d. Visual geographic perspective to allocate retail resources. e. Integration of facility planning and Retail Operations into the future success of the Postal Service.	N/A - Removed	N/A - Obsolete	N/A - Removed
211	3-4 Wait-Time-In-Line Report	12	3-4 Wait-Time-In-Line Report	N/A - Removed	N/A - Extraneous	N/A - Removed
212	3-4 Wait-Time-In-Line Report	12	The wait-time-in-line report helps determine if there is a need to provide relief to Postal Service facilities with excessive waiting times. (See a sample Wait- Time-In-Line Report in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	N/A - Removed	N/A - Obsolete	N/A - Removed

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
213	3-5 Revenue Forecast Model	12	3-5 Revenue Forecast Model	3.3 Estimating Revenue	Procedure	3.3 Estimating Revenue
214	N/A - New Language	N/A	The CPU Revenue Forecast Model is used to forecast revenue for a new CPU location.	The requestor must complete a Revenue Forecast Model to estimate revenue for the proposed CPU. This model is used to forecast revenue for a new CPU location and identify the funding commitment.	Procedure	3.3 Estimating Revenue
215	3-5 Revenue Forecast Model	12	The model analyses input on the proposed CPU location and the nearby Post Office and calculates the potential revenue.	To complete the Revenue Forecast Model, the requestor must enter information on the proposed CPU location and nearby Post Office into the model. When the requestor enters the information, the model calculates the potential revenue.	Procedure	3.3 Estimating Revenue
216	3-5 Revenue Forecast Model	12	The potential revenue is displayed as conservative, moderate, and optimistic. Always use the conservative estimate for funding purposes.	The model displays the potential revenue as conservative, moderate, and optimistic. The requestor must use the conservative estimate for funding purposes.	Procedure	3.3 Estimating Revenue
217	3-5 Revenue Forecast Model	12	(See a sample Revenue Forecast Model in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx).	For specific instructions and a blank model, see the Revenue Forecast Model excel workbook on the CPAC Blueshare website at: Alternate Access Channels-(CPAC) CPU/CPO/VPO - Home (usps.gov).	Procedure	3.3 Estimating Revenue
218	3-6 Retail Partner Integration Approval	13	3-6 Retail Partner Integration Approval	N/A - Removed	N/A - Extraneous	N/A - Removed
219	N/A - New Language	N/A	N/A - New Language	3.4 Approval Process	Procedure	3.4 Approval Process
220	N/A - New Language	N/A	N/A - New Language	After the necessary documents required to initiate the approval process for a CPU Needs Analysis are completed, the requestor must follow the steps below: a. The requestor formally submits the CPU Needs Analysis, and any other supporting documentation, to the District Manager (DM) for approval. b. The DM reviews the CPU Needs Analysis and either approves or denies it. c. If approved, the DM provides written concurrence to the requestor.	Procedure	3.4 Approval Process

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
221	N/A - New Language	N/A	N/A - New Language	<p>[After the necessary documents required to initiate the approval process for a CPU Needs Analysis are completed, the requestor must follow the steps below:]</p> <p>d. The requestor then submits the written concurrence along with the DM's decision to the Headquarters (HQ) Program Office for final review.</p> <p>e. The HQ Program Office reviews both the CPU Needs Analysis and the DM's decision, and if the HQ Program Office concurs, it will provide final written concurrence to the requestor. If denied by either the DM or the HQ Program Office, the CPU Needs Analysis will not be considered further.</p> <p>f. The requestor completes a CPU Design and Construction Requirements (D&CR) document and Source List upon receiving written concurrence from the HQ Program Office. For more information on the CPU D&CR document, see section 4; for the Source List, see section 5.</p>	Procedure	3.4 Approval Process
222	N/A - New Language	N/A	N/A - New Language	6.5 Request Package Approval Process	Procedure	6.5 Request Package Approval Process
223	3-6 Retail Partner Integration Approval	13	All new CPU requests must have Retail Partner Integration Approval.	All new CPU requests must have HQ Program Office concurrence.	Policy	4.4 Approval Authority
224	3-6 Retail Partner Integration Approval	13	Send an electronic (email) to the CPU Review mailbox found in Outlook with the Needs Analysis, Retail Mapping, Wait Time in Line Report and Revenue Forecast Model.	N/A - Removed	N/A - Obsolete	N/A - Removed
225	3-6 Retail Partner Integration Approval	13	Once approval is received, attach all documents to the eBuy2, including the email approval.	<p>After the necessary documents required to initiate the approval process for a CPU Request Package are completed, the requestor must follow these steps:</p> <p>Create an eBuyPlus requisition and attach all documents, including the e-mail approvals of the CPU Needs Analysis, Retail Mapping, Wait-Time-in-Line Report, Revenue Forecast Model, and any other evidence. Add the DM, or appropriate designee, to the approval chain of the eBuyPlus requisition.</p>	Procedure	6.5 Request Package Approval Process
226	N/A - New Language	N/A	N/A - New Language	<p>a. If the DM or appropriate designee approves the request, the CPF CMC buyer (who is assigned once the eBuyPlus requisition is submitted) will conduct a review of the CPU Request Package for completeness before forwarding it to the CO. The CPF CMC buyer or CO will then issue the CPU Solicitation Package to prospective suppliers.</p>	Procedure	6.5 Request Package Approval Process

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
227	3-6 Retail Partner Integration Approval	13	See the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx for the following items: a. Sample Contract Postal Unit Needs Analysis Form. b. Sample Retail Mapping. c. Sample Demographic and Income Profile. d. Sample Wait-Time-In-Line Report. e. Sample Revenue Forecast Model.	N/A - Removed	N/A - Repetitive	N/A - Removed
228	Blank Page	14	This page intentionally left blank	N/A - Removed	N/A - Extraneous	N/A - Removed
229	4 Design and Construction Requirements for a Contract Postal Unit	15	4 Design and Construction Requirements for a Contract Postal Unit	4 Design and Construction Requirements	Procedure	4 Design and Construction Requirements
230	4 Design and Construction Requirements for a Contract Postal Unit	15	4 Design and Construction Requirements for a Contract Postal Unit	5 Design and Construction Requirements	Policy	5 Design and Construction Requirements
231	N/A - New Language	N/A	N/A - New Language	The Requestor must complete the Design and Construction Requirements identified in Attachment 5 of the request package. Attachment 5 includes the following: ▪ Part A, Responsibility Schedule. ▪ Part B, Signage Requirements. ▪ Part C, Build-Out Requirements. This documentation will be used as inventory for the CPU. For more information, refer to Publication 156-A.	Policy	5 Design and Construction Requirements
232	4-1 Overview	15	4-1 Overview	N/A - Removed	N/A - Extraneous	N/A - Removed
233	4-1 Overview	15	It is important to present to the consumer in a private retail location a “branded image” associated with the Postal Service. This chapter discusses the requirements for a “build-out,” the Postal Service term for branded design used in contract postal units (CPUs).	N/A - Removed	N/A - Extraneous	N/A - Removed
234	4-2 Purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements	15	4-2 Purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements	4.1 Purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements	Procedure	4.1 Purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements
235	4-2 Purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements	15	The purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements (D&CR), which is a component of the solicitation/award package, are as follows: a. Ensure that the finished CPU build-out is functional and presents a uniform image to the public. b. Define the equipment and supplies needed for the build-out. c. Establish responsibilities. d. Ensure that the build-out is included in the solicitation.	Attachment 5, Contract Postal Unit Design and Construction Requirements (D&CR), a component of the CPU Request Package, serves the following purposes: ▪ Ensures that the finished CPU build-out is functional and presents a uniform image to the public. ▪ Defines the equipment and supplies needed for the build-out. ▪ Establishes responsibilities. ▪ Ensures that the build-out is included in the solicitation.	Procedure	4.1 Purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements
236	N/A - New Language	N/A	N/A - New Language	The requestor is responsible for completing the Attachment 5, which will also be attached to the Solicitation Package to ensure that all design and construction requirements are accurately communicated to potential supplier(s). For blank templates and samples of Attachment 5, see the CPAC Blueshare website.	Procedure	4.1 Purposes of Attachment 5, Contract Postal Unit Design and Construction Requirements

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
237	4-3 Parts of Attachment 5, Contract Postal Unit Design and Construction Requirements	15	4-3 Parts of Attachment 5, Contract Postal Unit Design and Construction Requirements	4.2 Attachment 5, Contract Postal Unit Design and Construction Requirements	Procedure	4.2 Attachment 5, Contract Postal Unit Design and Construction Requirements
238	4-3 Parts of Attachment 5, Contract Postal Unit Design and Construction Requirements	15	4-3.1 Overview	4.2.1 Overview	Procedure	4.2.1 Overview
239	4-3 Parts of Attachment 5, Contract Postal Unit Design and Construction Requirements	15	The D&CR Attachment 5 contains the following three parts: a. Part A, Responsibility Schedule. b. Part B, Signage Requirements. c. Part C, Build-Out Requirements.	Attachment 5 contains the following three parts: •Part A, Responsibility Schedule. •Part B, Signage Requirements. •Part C, Build-Out Requirements.	Procedure	4.2.1 Overview
240	4-3.2 Part A — Responsibility Schedule	16	4-3.2 Part A — Responsibility Schedule	4.2.2 Part A — Responsibility Schedule	Procedure	4.2.2 Part A — Responsibility Schedule
241	4-3.2 Part A — Responsibility Schedule	16	4-3.2 Part A — Responsibility Schedule	5.1 Part A — Responsibility Schedule	Policy	5.1 Part A — Responsibility Schedule
242	N/A - New Language	N/A	N/A - New Language	The Requestor must complete Part A – Responsibility Schedule. The Requestor must identify quantities of equipment, furniture, and signage, and which party is responsible for providing the upkeep of each item.	Policy	5.1 Part A — Responsibility Schedule
243	4-3.2 Part A — Responsibility Schedule	16	The important aspects of Part A are the following: a. Part A is always a mandatory part of the D&CR Attachment 5. b. Equipment includes office equipment, furniture and casework, interior and exterior c. signage, connectivity requirements, and miscellaneous items. (See Part A - Responsibility Schedule – CARS CPU and Part A - Responsibility Schedule – Performance-Based CPU in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx). d. The schedule identifies responsibilities and establishes quantities of equipment, furniture, and signage.	Part A is a mandatory part of the CPU Attachment 5. The schedule serves the following purposes: • Identifies responsibilities. • Establishes quantities of equipment, including, office equipment, furniture and casework, interior and exterior signage, connectivity requirements, and miscellaneous items. • Serves as an inventory sheet for all CPU supplies and equipment.	Procedure	4.2.2 Part A — Responsibility Schedule
244	4-3.2 Part A — Responsibility Schedule	16	[The important aspects of Part A are the following:] e. The schedule requires that a quantity be indicated for each item. If an item is not required, mark the box “N/A.” Responsibilities usually remain the same from CPU to CPU. f. The schedule is not an order form. g. Items are not ordered until a contract is awarded and a CPU design is approved. h. This schedule is used as an inventory sheet for all CPU supplies and equipment.	[Part A is a mandatory part of the CPU Attachment 5. The schedule serves the following purposes:] The requestor completes Part A by completing the following steps: a. Review the notes section in the Responsibility Schedule. 1. Understand that the schedule is not an order form. 2. Understand that the items are not ordered until a contract is awarded, and a CPU design is approved. b. Indicate the quantity for each item. If an item is not required, mark the box “N/A.” Responsibilities are not required to be filled out as they are typically the same from CPU to CPU.	Procedure	4.2.2 Part A — Responsibility Schedule
245	4-3.2 Part A — Responsibility Schedule	16	Chapter 8 addresses ordering. Review notes in the Responsibility Schedule. The Responsibility Schedule is included in the solicitation.	For information on ordering, see section 9.	Procedure	4.2.2 Part A — Responsibility Schedule

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
246	4-3.3 Part B — Signage Requirements	16	4-3.3 Part B — Signage Requirements	4.2.3 Part B — Signage Requirements	Procedure	4.2.3 Part B — Signage Requirements
247	4-3.3 Part B — Signage Requirements	16	4-3.3 Part B — Signage Requirements	5.2 Part B — Signage Requirements	Policy	5.2 Part B — Signage Requirements
248	N/A - New Language	N/A	N/A - New Language	The Requestor must complete Part B – Signage Requirements. The supplier is responsible for installing and maintaining all Postal Service provided-signage.	Policy	5.2 Part B — Signage Requirements
249	4-3.3 Part B — Signage Requirements	16	The important aspects of Part B are the following: a. Part B is mandatory unless a deviation to omit it has been approved by Retail Partner Integration at Headquarters. b. CPU signage is critical to maintaining a uniform Postal Service CPU image.	Part B is a mandatory part of the CPU Attachment 5. CPU signage is critical to maintaining a uniform Postal Service CPU image.	Procedure	4.2.3 Part B — Signage Requirements
250	4-3.3 Part B — Signage Requirements	16	[The important aspects of Part B are the following:] c. Part B lists the following: (1) Postal Service sign type (interior or exterior, illuminated or not). (2) Sign size. (3) Order number. (4) Quantity. (5) Lamps. (6) Shipping weight and shipping size.	Part B lists the following: ▪ Postal Service sign type (interior or exterior, illuminated or not). ▪ Sign size. ▪ Order number. ▪ Quantity. ▪ Lamps. ▪ Shipping weight and shipping size.	Procedure	4.2.3 Part B — Signage Requirements
251	4-3.3 Part B — Signage Requirements	16	[The important aspects of Part B are the following:] d. (See Part B - Signage Requirements and Direct Vendor CPU Signage Catalog in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .) e. Normally, the Postal Service provides signs and the supplier installs and maintains them. f. The supplier is responsible for obtaining building permits/approvals. g. The signage requirements sheet lists all available CPU signs.	The signage requirements sheet lists all available CPU signs provided by the Postal Service for installation and maintenance by the supplier. The supplier is responsible for getting building permits and approvals.	Procedure	4.2.3 Part B — Signage Requirements
252	4-3.3 Part B — Signage Requirements	17	[The important aspects of Part B are the following:] h. Complete only the “quantity” column. i. The signage requirements sheet is not an order form. j. Do not order signage until a contract is awarded and approvals are obtained. (See Signage Order Form – General Information in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .) k. This schedule is used as an inventory sheet for all CPU signage.	The requestor completes Part B by completing the “quantity” column as follows: a. Understand that the signage requirements sheet is not an order form. b. Understand that the signage is not ordered until a contract is awarded, and approvals are obtained. c. This schedule is used as an inventory sheet for all CPU signage.	Procedure	4.2.3 Part B — Signage Requirements
253	4-3.3 Part B — Signage Requirements	17	Chapter 8 addresses ordering signage. The signage requirements sheet is included in the solicitation.	For more information on the available CPU signs, see the CPAC Blueshare website at: Alternate Access Channels-(CPAC) CPU/CPO/VPO - Home (usps.gov). For information addressing ordering signage, see section 9.8.	Procedure	4.2.3 Part B — Signage Requirements
254	4-3.4 Part C — Build-Out Requirements	17	4-3.4 Part C — Build-Out Requirements	4.2.4 Part C — Build-Out Requirements	Procedure	4.2.4 Part C — Build-Out Requirements
255	4-3.4 Part C — Build-Out Requirements	17	4-3.4 Part C — Build-Out Requirements	5.3 Part C — Build-Out Requirements	Policy	5.3 Part C — Build-Out Requirements

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
256	N/A - New Language	N/A	N/A - New Language	The supplier is contractually responsible for both design and build-out.	Policy	5.3 Part C — Build-Out Requirements
257	4-3.4 Part C — Build-Out Requirements	17	The important aspects of Part C are the following: a. Part C is mandatory unless a deviation to omit it has been approved by Retail Partner Integration at Headquarters. b. The supplier is always responsible for design and build-out. c. Design and construction must comply with Postal Service requirements. (See CPU Workstation Options and CPU Design and Construction Requirements, Attachment 5, Part C – CPU Build-out Requirements, in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	Part C is mandatory unless it has been waived by the DM. The supplier is always responsible for design and build-out. However, design and construction must comply with Postal Service requirements. The requestor completes Part C by referencing the standard instructions listed below, located on the CPAC Blueshare website to determine the type of build-out needed for the CPU: ▪ Attachment 5, Part C – CPU Build-out Requirements. ▪ CPU Workstation Options.	Procedure	4.2.4 Part C — Build-Out Requirements
258	4-4 Reasons for Imposing Design Responsibility on the Supplier	17	4-4 Reasons for Imposing Design Responsibility on the Supplier	N/A - Removed	N/A - Extraneous	N/A - Removed
259	4-4 Reasons for Imposing Design Responsibility on the Supplier	17	The reasons for imposing design responsibility on the supplier are as follows: a. CPUs are constructed in the supplier's space. b. Space is occupied by non-Postal Service employees. c. Many other high-liability issues can arise (e.g., safety, security, and damages).	The reasons for imposing design responsibility on the supplier are as follows: ▪ CPUs are constructed in the supplier's space. ▪ Space is occupied by non-Postal Service employees. ▪ Many other high-liability issues can arise (e.g., safety, security, and damages).	Procedure	4.2.4 Part C — Build-Out Requirements
260	N/A - New Language	N/A	N/A - New Language	For information on prototype drawings and Postal Service branding, see section 9.	Procedure	4.2.4 Part C — Build-Out Requirements
261	4-5 Prototype Drawings and Postal Service Branding	17	4-5 Prototype Drawings and Postal Service Branding	5.3.1 Prototype Drawings and Postal Service Branding	Policy	5.3.1 Prototype Drawings and Postal Service Branding
262	4-5 Prototype Drawings and Postal Service Branding	17	4-5 Prototype Drawings and Postal Service Branding	9.1 Prototype Drawings and Postal Service Branding	Procedure	9.1 Prototype Drawings and Postal Service Branding
263	N/A - New Language	N/A	N/A - New Language	Postal Service—provided prototype drawings are a mandatory element of the Request Package unless the District Manager waives this requirement. The Supplier must complete the prototype drawings. The objective is to have the completed CPU look like the prototype. Any deviation must be documented and justified within the request package.	Policy	5.3.1 Prototype Drawings and Postal Service Branding
264	4-5 Prototype Drawings and Postal Service Branding	17	The important aspects of prototype drawings and Postal Service branding are the following: a. Postal Service-provided prototype drawings are mandatory. b. A consistent Postal Service image for the CPU is required. c. The objective is to have the completed CPU look like the prototype.	Postal Service—provided prototype drawings are mandatory to maintain a consistent Postal Service image for the CPU.	Procedure	9.1 Prototype Drawings and Postal Service Branding

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
265	4-5 Prototype Drawings and Postal Service Branding	17	[The important aspects of prototype drawings and Postal Service branding are the following:] d. To determine whether a one-counter or two-counter design is needed. e. The supplier's space constraints can impact design.	Postal Service prototype drawings and branding are needed for the following reasons: ▪ To determine whether a one-counter or two-counter design is needed. ▪ To assess the supplier's space constraints, which can impact design.	Procedure	9.1 Prototype Drawings and Postal Service Branding
266	4-5 Prototype Drawings and Postal Service Branding	17	[The important aspects of prototype drawings and Postal Service branding are the following:] f. Materials and finishes need to comply with Postal Service standards if new construction. (See Standard Finishes and Materials Schedule in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .) g. Typically, the Postal Service provides all of the signage, cabinetry, and workstation(s) to the supplier to attain the desired result.	For new constructions, materials and finishes need to comply with Postal Service standards. The Postal Service is responsible for providing all of the signage, cabinetry, and workstation(s) to the supplier to attain the desired result, unless waived by the DM. For more information on finishes and materials aligned to Postal Service branding, refer to Standard Finishes and Materials Schedule on the CPAC Blueshare website.	Procedure	9.1 Prototype Drawings and Postal Service Branding
267	4-6 Finished Product	18	4-6 Finished Product	9.10 Finished Product	Procedure	9.10 Finished Product
268	N/A - New Language	N/A	N/A - New Language	5.3.2 Finished Product Responsibility	Policy	5.3.2 Finished Product Responsibility
269	4-6 Finished Product	18	The important aspects of the finished product are the following: a. Do not get involved with the "means or methods." b. The supplier is responsible for attaining the required finished result. c. The supplier must accomplish the work in compliance with applicable codes.	The supplier is responsible for attaining the required finished result. The supplier must accomplish the work in compliance with applicable codes. Postal Service employees are not permitted to be involved with the "means or methods" of attaining the finished result. For further guidance, contact the DM.	Procedure	9.10 Finished Product
270	4-7 Design Requirements	18	4-7 Design Requirements	9.4 Design Requirements	Procedure	9.4 Design Requirements
271	4-7 Design Requirements	18	The important aspects of the design requirements are the following: a. There is no mandatory requirement for professional design services. b. The supplier is responsible for the following: (1) Determining whether a permit is required. (2) Obtaining all required permits. (3) Retaining professional services if needed to obtain permits.	There are no mandatory supplier requirements for professional design services. The supplier is responsible for the following: a. Determining whether a permit is required. b. Obtaining all required permits. c. Retaining professional services if needed to obtain permits.	Procedure	9.4 Design Requirements
272	4-7 Design Requirements	18	The Postal Service does not review the design for code compliance. The Postal Service does review the design for layout, finishes, materials, and signage for compliance with the contract (i.e., the Postal Service determines if the result will appear like one of the prototype drawings).	No change.	Policy	5.3.2 Finished Product Responsibility
273	N/A - New Language	N/A	N/A - New Language	The supplier is responsible for ensuring that the CPU is constructed in compliance with applicable building codes to attain a completed layout and appearance using the materials and finishes shown in the supplier prepared, USPS-approved, CPU Design Documents and the Solicitation.	Policy	5.3.2 Finished Product Responsibility
274	4-8 Design Submittal	18	4-8 Design Submittal	N/A - Removed	N/A - Extraneous	N/A - Removed

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
275	4-8 Design Submittal	18	<p>The important aspects of the design submittal are the following:</p> <p>a. There are three different options for a supplier's design submittal:</p> <p>(1) Case I: Full compliance.</p> <p>(2) Case II: Substantial compliance.</p> <p>(3) Case III: Deviation.</p>	N/A - Removed	N/A - Repetitive	N/A - Removed
276	4-8 Design Submittal	18	<p>[The important aspects of the design submittal are the following:]</p> <p>b. The prototype drawings help simplify the supplier's design.</p> <p>c. The drawings also indicate full (or substantial) compliance with the prototype:</p> <p>(1) Full compliance: With full compliance, the supplier chooses a prototype drawing and provides a proposed Finishes and Materials Schedule.</p> <p>(2) Substantial compliance: With substantial compliance, the supplier provides a marked-up prototype drawing and a proposed Finishes and Materials Schedule.</p>	N/A - Removed	N/A - Repetitive	N/A - Removed
277	4-8 Design Submittal	19	<p>[The important aspects of the design submittal are the following:]</p> <p>(3) Deviation: With a deviation request, the supplier prepares and submits drawings and complete specifications for all finishes and materials for Postal Service approval.</p>	N/A - Removed	N/A - Repetitive	N/A - Removed
278	4-9 Postal Service Design Assistance	19	4-9 Postal Service Design Assistance	9.3 Postal Service Design Assistance	Procedure	9.3 Postal Service Design Assistance
279	4-9 Postal Service Design Assistance	19	<p>Listed below are important aspects of Postal Service design assistance:</p> <p>a. The supplier is contractually responsible for design (See Supplier Pre- Acceptance Inspection Checklist in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx.)</p> <p>b. The Postal Service accumulates experience over a large number of CPUs.</p> <p>c. The Postal Service can assist the supplier by doing the following:</p>	The supplier is contractually responsible for the design of the CPU. If needed, the Postal Service can assist the supplier by doing the following:	Procedure	9.3 Postal Service Design Assistance
280	4-9 Postal Service Design Assistance	19	<p>[c. The Postal Service can assist the supplier by doing the following:]</p> <p>(1) Recommending the appropriate prototype.</p> <p>(2) Suggesting locations for the CPU within the store.</p> <p>(3) Giving an orientation of the CPU at the suggested location(s).</p> <p>(4) Assuring the type and location of signage are most effective.</p> <p>(5) Suggesting a path to collect mail from the CPU.</p> <p>(6) Evaluating truck access and handicapped parking. If floor, ceiling, or lighting is unacceptable, notify the supplier.</p>	<p>[If needed, the Postal Service can assist the supplier by doing the following:]</p> <p>a. Recommending the appropriate prototype.</p> <p>b. Suggesting locations for the CPU within the store.</p> <p>c. Giving an orientation of the CPU(s) at the suggested location(s).</p> <p>d. Assuring that the type and location of signage are most effective.</p> <p>e. Suggesting a path to collect mail from the CPU.</p> <p>f. Evaluating truck access and handicapped parking. If floor, ceiling, or lighting is unacceptable, notify the supplier.</p>	Procedure	9.3 Postal Service Design Assistance
281	4-10 Design Assistance Versus Design Responsibility	19	4-10 Design Assistance Versus Design Responsibility	N/A - Removed	N/A - Extraneous	N/A - Removed
282	4-10 Design Assistance Versus Design Responsibility	19	<p>Listed below are important aspects of design assistance versus design responsibility:</p> <p>a. Maintain supplier design responsibility.</p>	N/A - Removed	N/A - Repetitive	N/A - Removed

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283	4-10 Design Assistance Versus Design Responsibility	19	[Listed below are important aspects of design assistance versus design responsibility:] b. In practice, the design is usually simple. Most facilities can readily adapt a prototype drawing.	Most facilities can readily adapt a prototype drawing.	Procedure	9.3 Postal Service Design Assistance
284	4-10 Design Assistance Versus Design Responsibility	19	[Listed below are important aspects of design assistance versus design responsibility:] c. Further clarification on all construction and responsibility issues is provided in Attachment 5, Contract Postal Unit Design and Construction Requirements.	Further clarification on all construction and responsibility issues is provided in Attachment 5, Contract Postal Unit Design and Construction Requirements.	Procedure	9.3 Postal Service Design Assistance
285	4-10 Design Assistance Versus Design Responsibility	19	See the Publication 156 folder on CPAC blueshare website at http://supply.blueshare.usps.gov/sites/cpac/default.aspx for the following items: a. Part A – Responsibility Schedule – CARS CPU. b. Part A – Responsibility Schedule – Performance-Based CPU. c. Part B – Signage Requirements. d. Direct Vendor CPU Signage Catalog. e. Signage Order Form – General Information. f. CPU Workstation Options. g. CPU Design and Construction Requirements, Attachment 5 Part C – CPU Build-Out Requirements.	N/A - Removed	N/A - Repetitive	N/A - Removed
286	4-10 Design Assistance Versus Design Responsibility	20	[See the Publication 156 folder on CPAC blueshare website at http://supply.blueshare.usps.gov/sites/cpac/default.aspx for the following items:] h. Standard Finishes and Materials Schedule. i. Supplier Pre-Acceptance Inspection Checklist.	N/A - Removed	N/A - Repetitive	N/A - Removed
287	5 Identifying Prospective Contract Postal Unit Suppliers	21	5 Identifying Prospective Contract Postal Unit Suppliers	5 Identifying Prospective CPU Suppliers	Procedure	5 Identifying Prospective CPU Suppliers
288	5 Identifying Prospective Contract Postal Unit Suppliers	21	5 Identifying Prospective Contract Postal Unit Suppliers	6 Identifying Prospective CPU Suppliers	Policy	6 Identifying Prospective CPU Suppliers
289	N/A - New Language	N/A	N/A - New Language	Once the Requestor establishes need and funding has been committed, the Requestor must then identify and solicit prospective suppliers. The Requestor is responsible for informing potential suppliers of the requirements and expectations of operating a CPU.	Policy	6 Identifying Prospective CPU Suppliers
290	N/A - New Language	N/A	N/A - New Language	After the Attachment 5 is complete, the requestor must then identify and source prospective suppliers. To do so, the requestor must compile a Source List using one or more of the recommended methods listed in section 5.1. For a blank Source List, go to the CPAC Blueshare website.	Procedure	5 Identifying Prospective CPU Suppliers
291	N/A - New Language	N/A	N/A - New Language	Refer to Publication 156-A for guidance regarding identifying prospective suppliers through appropriate means.	Policy	6 Identifying Prospective CPU Suppliers
292	5-1 Overview	21	5-1 Overview	N/A - Removed	N/A - Extraneous	N/A - Removed
293	5-1 Overview	21	Use the techniques in this chapter to create supplier interest in becoming a prospective contract postal unit (CPU) supplier.	N/A - Removed	N/A - Extraneous	N/A - Removed

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294	5-2 Local Sourcing	21	5-2 Local Sourcing	5.1 Local Sourcing Methods	Procedure	5.1 Local Sourcing Methods
295	5-2.1 Letter of Interest	21	5-2.1 Letter of Interest	5.1.2 Letter of Interest	Procedure	5.1.2 Letter of Interest
296	5-2.1 Letter of Interest	21	A letter of interest is a letter from the Postmaster delivered to retailers in a targeted area. The letter explains to the retailer the criteria necessary to become a prospective CPU supplier (See Letter of Interest: A Post Office in Your Store in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	A Letter of Interest can help garner interest from retailers located in a targeted area identified from the Retail Facility Assessment. The requestor can utilize the standard template found on the CPAC Blueshare website and edit the following information before printing it out on official letterhead: <ul style="list-style-type: none"> ▪ Preferred area boundaries. ▪ Contact information. The Letter of Interest can be distributed via mail, e-mail, or in- person.	Procedure	5.1.2 Letter of Interest
297	5-2.2 Newspaper Advertisements	21	5-2.2 Newspaper Advertisements	N/A - Removed	N/A - Extraneous	N/A - Removed
298	5-2.2 Newspaper Advertisements	21	Another way of creating interest in the business community is by placing an ad in the local paper. The ad must provide information about the CPU and the geographic area being targeted.	N/A - Removed	N/A - Obsolete	N/A - Removed
299	5-2.3 Community Interest News Articles	21	5-2.3 Community Interest News Articles	N/A - Removed	N/A - Obsolete	N/A - Removed
300	5-2.3 Community Interest News Articles	21	The CPU coordinator can ask the customer relations coordinator or the Postmaster for assistance in contacting the local newspaper to write a community interest story (See Community Interest News Stories in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	N/A - Removed	N/A - Obsolete	N/A - Removed
301	5-2.3 Community Interest News Articles	21	The reporter could interview the CPU coordinator or the Postmaster for background information about the need for expanded retail access. To add interest to the story, photos could be taken of other CPUs (with build-outs). Often these articles generate sufficient interest to enable a CPU supplier presentation to be scheduled.	N/A - Removed	N/A - Obsolete	N/A - Removed
302	5-2.4 Chamber of Commerce	21	5-2.4 Chamber of Commerce	5.1.3 Chamber of Commerce	Procedure	5.1.3 Chamber of Commerce
303	5-2.4 Chamber of Commerce	21	Many local businesses are members of the chamber of commerce. The chamber is usually aware of community needs and concerns and is a good potential source for interested retailers.	N/A - Removed	N/A - Extraneous	N/A - Removed
304	5-2.4 Chamber of Commerce	22	The Host Administrative Office (HAO) (who is sometimes a Postmaster) or the CPU coordinator could ask to attend a chamber meeting to give an overview of the CPU program and a Performance-Based contract.	The requestor can ask to attend a chamber meeting to provide an overview of the CPU program and the proposed contract type.	Procedure	5.1.3 Chamber of Commerce
305	5-2.5 Community Associations	22	5-2.5 Community Associations	5.1.4 Community Associations	Procedure	5.1.4 Community Associations

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
306	5-2.5 Community Associations	22	Many residential developments have community associations that meet regularly. If the community is in an area of high growth, the local Postmaster probably has received requests from the community for a Postal Service presence. The HAO or the CPU coordinator could ask to attend a community meeting to provide an overview of the CPU program and a Performance- Based contract.	The requestor can ask to attend a community meeting to provide an overview of the CPU program and proposed contract type. Many residential developments have community associations that meet regularly.	Procedure	5.1.4 Community Associations
307	5-2.6 Cold Calls	22	5-2.6 Cold Calls	5.1.5 Cold Calls	Procedure	5.1.5 Cold Calls
308	5-2.6 Cold Calls	22	If the efforts noted in 5-2.1 to 5-2.5 fail to generate interest, it might be necessary to make cold calls (i.e., to talk with prospective CPU suppliers who have not had a previous introduction). This is done by “walking the preferred area” and talking to retailers directly to gain their interest. If the store owner/manager is not available, leave a business card and ask for an appointment. Use the Source List, to record information from these calls. (See Source List in the Publication 156 folder on the CPAC blueshare at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	The requestor can make cold calls (i.e., to talk with prospective CPU suppliers who have not had a previous introduction) by “walking the preferred area” and talking to retailers directly to gain their interest. If the store owner/manager is not available, the requestor can leave a business card and ask for an appointment. For guidance on preparing supplier presentations, see section 5.2.	Procedure	5.1.5 Cold Calls
309	5-2.6 Cold Calls	22	The HAO must be comfortable with the presentation and have knowledge of the Performance-Based contract.	N/A - Removed	N/A - Extraneous	N/A - Removed
310	5-2.6 Cold Calls	22	Be prepared by having copies of Publication 296, CPU Marketing Brochure, and supplier presentation materials available. (See Ordering Instructions for Pub 296, CPU Marketing Brochure in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	N/A - Removed	N/A - Extraneous	N/A - Removed
311	5-3 Reviewing Responses and Scheduling Meetings	22	5-3 Reviewing Responses and Scheduling Meetings	N/A - Removed	N/A - Extraneous	N/A - Removed
312	N/A - New Language	N/A	N/A - New Language	5.2 Supplier Presentations	Procedure	5.2 Supplier Presentations
313	N/A - New Language	N/A	N/A - New Language	Should multiple potential suppliers express interest in the contract, it is best to provide a presentation to ensure that all suppliers are aware of the process and expectations for CPU suppliers.	Procedure	5.2 Supplier Presentations
314	5-3 Reviewing Responses and Scheduling Meetings	22	The HAO contacts the CPU coordinator after responses have been received to schedule a supplier presentation. It is recommended that the presentation be held at the local Post Office. Postal Service attendees must include the HAO representative.	Requirements for the supplier presentation include: a. Schedule a supplier presentation by contacting all potential supplier(s), allotting an hour and a half to two hours. b. Hold the presentation at the local Post Office, as it is recommended. c. Discuss the estimated revenue based on the Revenue Forecast Model with the Customer Products and Fulfillment Category Management Center (CPF CMC) buyer, outline the preferred area of interest, and distribute the supplier's Estimated Cost Worksheet to all potential suppliers in attendance. d. Ensure thorough knowledge of the contract requirements, including all attachments.	Procedure	5.2.1 Supplier Presentation Requirements

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
315	5-3 Reviewing Responses and Scheduling Meetings	22	<p>The benefits of bringing all potential suppliers together in one meeting are the following:</p> <ul style="list-style-type: none"> a. All attendees hear consistent information and have the opportunity to ask questions. b. All interested parties are in attendance and competition for the contract may be generated. c. A single meeting saves time and travel. 	<p>The benefits of bringing all potential suppliers together in one meeting include the following:</p> <ul style="list-style-type: none"> ▪ All attendees hear consistent information and can ask questions. ▪ All interested parties are in attendance and competition for the contract may be generated. ▪ A single meeting saves time and travel. 	Procedure	5.2 Supplier Presentations
316	N/A - New Language	N/A	N/A - New Language	<p>The requestor follows the steps listed below to conduct a successful supplier presentation. For a standard version of the supplier presentation, see the Request Package Presentation in the Training Folder on the CPAC Blueshare website.</p>	Procedure	5.2 Supplier Presentations
317	5-4 Requirements for Supplier Presentation	23	5-4 Requirements for Supplier Presentation	5.2.1 Supplier Presentation Requirements	Procedure	5.2.1 Supplier Presentation Requirements
318	5-4 Requirements for Supplier Presentation	23	<p>Prior to the presentation to potential suppliers, the HAO should have discussed the estimated revenue based on the revenue forecast model, outlined the preferred area of interest, and distributed the supplier's estimated cost worksheet. With prior knowledge of this information, the presentation can begin. The HAO must also be thoroughly knowledgeable on the Performance-Based contract requirements, including all attachments.</p>	N/A - Removed	N/A - Repetitive	N/A - Removed
319	5-5 Supplier Presentation Handouts	23	5-5 Supplier Presentation Handouts	N/A - Removed	N/A - Extraneous	N/A - Removed
320	5-5 Supplier Presentation Handouts	23	<p>Before the presentation, the HAO must become familiar with all of the following materials that are to be handed out at the supplier presentation:</p> <ul style="list-style-type: none"> a. Source list to be used as a sign-in sheet. b. Publication 296 that defines a CPU, the benefits of a partnership with the Postal Service, and the method of compensation and gives examples of build-out and signage. c. Attachment 1, Requirements, of the CPU solicitation/award package. d. Attachment 2, Supplier Business Proposal and Information, of the CPU solicitation/award package and the CPU Supplier's Estimated Cost Worksheet (See CPU Supplier's Estimated Cost Worksheets in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx.) 	N/A - Removed	N/A - Repetitive	N/A - Removed

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
321	5-5 Supplier Presentation Handouts	23	[Before the presentation, the HAO must become familiar with all of the following materials that are to be handed out at the supplier presentation:] e. Attachment 3, CPU Bond, of the CPU solicitation/award package (not applicable for CPUs that will have CARS). f. Attachment 4, Compensation, of the CPU solicitation/award package. g. Attachment 5, CPU Design and Construction Requirements, of the CPU solicitation/award package. h. See Section 5-G.2 and Chapter 7 for more information on the three solicitation/award package contract types.	N/A - Removed	N/A - Repetitive	N/A - Removed
322	5-6 Share Lessons Learned	23	5-6 Share Lessons Learned	N/A - Removed	N/A - Extraneous	N/A - Removed
323	5-6 Share Lessons Learned	23	Provide a sample of a blank solicitation so attendees can familiarize themselves with the contents.	N/A - Removed	N/A - Obsolete	N/A - Removed
324	5-7 How to Conduct the Supplier Presentation	23	5-7 How to Conduct the Supplier Presentation	N/A - Removed	N/A - Extraneous	N/A - Removed
325	5-7.1 Introduction and Overview	23	5-7.1 Introduction and Overview	5.2.2 Supplier Presentation Agenda	Procedure	5.2.2 Supplier Presentation Agenda
326	5-7.1 Introduction and Overview	23	Allow about 1 and 1/2 to 2 hours for the presentation. Introduce the Postal Service representatives and thank all the potential suppliers for taking the time to attend. Distribute a copy of the source list and ask attendees to complete the requested information and return it to the CPU coordinator. (The source listing will be included as part of the CPU request package.)	The recommended supplier presentation agenda includes: a. Introduce the Postal Service representatives and thank all the potential suppliers for taking the time to attend. b. Distribute a copy of the Source List and ask attendees to read through and complete the requested information. The source listing will be included as part of the CPU Request Package.	Procedure	5.2.2 Supplier Presentation Agenda
327	5-7.1 Introduction and Overview	24	Encourage attendees to ask questions.	e. Encourage attendees to ask questions.	Procedure	5.2.2 Supplier Presentation Agenda
328	5-7.2 Presenting Supplier Materials	24	5-7.2 Presenting Supplier Materials	5.2.3 Supplier Presentation Materials	Procedure	5.2.3 Supplier Presentation Materials
329	5-7.2 Presenting Supplier Materials	24	The materials described in 5-G.2.1 through 5-G.2.5 are essential to a successful presentation because the materials cover the critical parts of the contract requirements.	N/A - Removed	N/A - Extraneous	N/A - Removed
330	5-7.2.1 Contract Postal Unit Request Package	24	5-7.2.1 Contract Postal Unit Request Package	N/A - Removed	N/A - Extraneous	N/A - Removed
331	5-7.2.1 Contract Postal Unit Request Package	24	Use the CPU request package as a training tool to explain the CPU solicitation process to the potential CPU suppliers.	Use the CPU Request Package as a training tool to explain the CPU solicitation process to the potential CPU supplier(s).	Procedure	5.2.3 Supplier Presentation Materials
332	5-7.2.1.1 Page 1 of the CPU Request Package	24	5-7.2.1.1 Page 1 of the CPU Request Package	5.2.3.1 Page 1 of the CPU Request Package	Procedure	5.2.3.1 Page 1 of the CPU Request Package

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333	5-7.2.1.1 Page 1 of the CPU Request Package	24	<p>To complete page 1, do the following:</p> <p>a. Identify the HAO and provide e-mail address and introduce the CPU coordinator.</p> <p>b. Explain that the HAO has administrative oversight of the day-to-day operations of the CPU.</p> <p>c. Indicate that the supplier will receive 40 hours of training from the Postal Service. Explain that the training can be conducted off-site, on-site, or a combination of the two.</p> <p>d. Discuss that for a competitive contract the evaluation criteria and award factors must be considered.</p>	<p>The following elements should be mentioned on page 1:</p> <p>a. Identify the HAO and provide an e-mail address.</p> <p>b. Explain that the HAO has administrative oversight of the day-to-day operations of the CPU.</p> <p>c. Indicate that the supplier will receive up to 40 hours of training from the Postal Service. Explain that the training can be conducted off-site, on-site, or a combination of the two.</p> <p>d. Discuss that for a competitive contract the evaluation criteria and award factors must be considered.</p>	Procedure	5.2.3.1 Page 1 of the CPU Request Package
334	5-7.2.1.1 Page 1 of the CPU Request Package	24	<p>[To complete page 1, do the following:]</p> <p>e. Explain that an evaluation team will be established who will perform an on-site visit. The evaluation factors used in the evaluation of offers are the following:</p> <p>(1) Location.</p> <p>(2) Current business volume.</p> <p>(3) Physical characteristics (handicapped accessible).</p> <p>(4) Parking and public transportation.</p> <p>(5) Staffing.</p> <p>(6) Placement of proposed CPU within the retail facility.</p> <p>(7) Past Performance.</p> <p>(8) Supplier Capability.</p> <p>f. Explain that the solicitation will indicate the role of price in the evaluation of the offer.</p>	<p>e. Explain that an Evaluation Committee will be established and will perform an on-site visit. The evaluation factors used in the evaluation of offers are the following:</p> <p>1. Location.</p> <p>2. Current business volume.</p> <p>3. Physical characteristics (including accessibility to the handicapped).</p> <p>4. Parking and public transportation.</p> <p>5. Staffing.</p> <p>6. Placement of proposed CPU within the retail facility.</p> <p>7. Past performance.</p> <p>8. Supplier capability.</p> <p>f. Explain that the solicitation will indicate the role of price in the evaluation of the offer.</p>	Procedure	5.2.3.1 Page 1 of the CPU Request Package
335	5-7.2.1.2 Source List (Page 2 of the CPU Request Package)	24	5-7.2.1.2 Source List (Page 2 of the CPU Request Package)	5.2.3.2 Page 2 of the CPU Request Package: Source List	Procedure	5.2.3.2 Page 2 of the CPU Request Package: Source List
336	5-7.2.1.2 Source List (Page 2 of the CPU Request Package)	24	Use the source list as a sign-in sheet at the supplier presentation.	Explain that the Source List is used as a sign-in sheet at the supplier presentation.	Procedure	5.2.3.2 Page 2 of the CPU Request Package: Source List
337	5-7.2.1.3 Evaluation Committee Members (Page 3 of the CPU Request Package)	24	5-7.2.1.3 Evaluation Committee Members (Page 3 of the CPU Request Package)	5.2.3.3 Page 3 of the CPU Request Package: Evaluation Committee Members	Procedure	5.2.3.3 Page 3 of the CPU Request Package: Evaluation Committee Members
338	5-7.2.1.3 Evaluation Committee Members (Page 3 of the CPU Request Package)	24	Explain that a committee of three will individually perform an on-site evaluation before any contract will be awarded.	Explain that the requestor has identified the Evaluation Committee Members.	Procedure	5.2.3.3 Page 3 of the CPU Request Package: Evaluation Committee Members
339	5-7.2.1.3 Evaluation Committee Members (Page 3 of the CPU Request Package)	24	The CPU coordinator will then enter the names, addresses, e-mail addresses, and telephone numbers of the three committee members prior to submitting the request package to the Denver CMC.	The requestor will enter the names, addresses, e-mail addresses, and telephone numbers of the three committee members before the submission of the CPU Request Package to the CPF CMC.	Procedure	5.2.3.3 Page 3 of the CPU Request Package: Evaluation Committee Members

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340	5-7.2.1.4 Attachment 1, Requirements (Page 4 of the CPU Request Package)	25	5-7.2.1.4 Attachment 1, Requirements (Page 4 of the CPU Request Package)	5.2.3.4 Page 4 of the CPU Request Package: Attachment 1, Requirements	Procedure	5.2.3.4 Page 4 of the CPU Request Package: Attachment 1, Requirements
341	5-7.2.1.4 Attachment 1, Requirements (Page 4 of the CPU Request Package)	25	To complete and discuss page 4, do the following: a. Enter the HAO information under Number 1, "Description." b. Explain Attachment 5, Design and Construction Requirements. c. Explain the general boundary and map for the area being considered. d. Indicate the days and hours of service (recommend extended hours). e. Recommend the services to be provided (both mandatory and optional).	Discuss the following elements on page 4: a. Mention that the HAO information is entered by the requestor under Number 1, "Description." b. Explain Attachment 5, Design and Construction Requirements. c. Explain the general boundary and map for the area being considered. d. Indicate the days and hours of service (including that operation hours should exceed Post Office hours). e. Recommend the services to be provided (both mandatory and optional).	Procedure	5.2.3.4 Page 4 of the CPU Request Package: Attachment 1, Requirements
342	5-7.2.1.5 Part A – Responsibility Schedule (Pages 5 through 7 of the CPU Request Package)	25	5-7.2.1.5 Part A – Responsibility Schedule (Pages 5 through 7 of the CPU Request Package)	5.2.3.5 Pages 5 through 7 of the CPU Request Package: Part A – Responsibility Schedule	Procedure	5.2.3.5 Pages 5 through 7 of the CPU Request Package: Part A – Responsibility Schedule
343	5-7.2.1.5 Part A – Responsibility Schedule (Pages 5 through 7 of the CPU Request Package)	25	Explain what the Postal Service's and the supplier's responsibilities for meeting the design and construction requirements. Explain who is responsible for providing, installing, and maintaining the requirements.	Explain what the Postal Service's and the supplier's responsibilities are for meeting the design and construction requirements. Explain who is responsible for providing, installing, and maintaining the requirements.	Procedure	5.2.3.5 Pages 5 through 7 of the CPU Request Package: Part A – Responsibility Schedule
344	5-7.2.1.6 Part B – Signage Requirements (Page 8 of the CPU Request Package)	25	5-7.2.1.6 Part B – Signage Requirements (Page 8 of the CPU Request Package)	5.2.3.6 Page 8 of the CPU Request Package: Part B – Signage Requirements	Procedure	5.2.3.6 Page 8 of the CPU Request Package: Part B – Signage Requirements
345	5-7.2.1.6 Part B – Signage Requirements (Page 8 of the CPU Request Package)	25	Explain the signage that the Postal Service provides. Explain the sizes and weights, and inform the suppliers that they will be responsible for installing and maintaining the signs.	No change.	Procedure	5.2.3.6 Page 8 of the CPU Request Package: Part B – Signage Requirements
346	5-7.2.2 Attachment 2 (of the solicitation package) – Contract Postal Unit Supplier Business Proposal, Information, and Worksheet	25	5-7.2.2 Attachment 2 (of the solicitation package) – Contract Postal Unit Supplier Business Proposal, Information, and Worksheet	5.2.3.7 Attachment 2 of the Solicitation Package: Contract Postal Unit Supplier Business Proposal, Information, and Worksheet	Procedure	5.2.3.7 Attachment 2 of the Solicitation Package: Contract Postal Unit Supplier Business Proposal, Information, and Worksheet

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347	5-7.2.2 Attachment 2 (of the solicitation package) – Contract Postal Unit Supplier Business Proposal, Information, and Worksheet	25	Attachment 2 is a critical component of the solicitation. Discuss each evaluation factor with the attendees and, if possible, provide an example. Stress that all the requested information must be included. If the requested information is not included, the offeror may be considered nonresponsive or may receive a lower score on its evaluation.	Attachment 2 is a critical component of the solicitation. Discuss each evaluation factor with the attendees and, if possible, provide an example. Stress that each supplier must include all the requested information. If the supplier does not include the requested information, the offeror may be considered nonresponsive or may receive a lower score on its evaluation.	Procedure	5.2.3.7 Attachment 2 of the Solicitation Package: Contract Postal Unit Supplier Business Proposal, Information, and Worksheet
348	5-7.2.3 Attachment 3 (of the solicitation package) – Contract Postal Unit Surety Bond	25	5-7.2.3 Attachment 3 (of the solicitation package) – Contract Postal Unit Surety Bond	5.2.3.8 Attachment 3 of the Solicitation Package: Contract Postal Unit Surety Bond	Procedure	5.2.3.8 Attachment 3 of the Solicitation Package: Contract Postal Unit Surety Bond
349	5-7.2.3 Attachment 3 (of the solicitation package) – Contract Postal Unit Surety Bond	25	Prospective suppliers must use the bond instructions and form to contact their insurance agent on the cost of getting a Postal Service surety bond. The approved sureties listing website is at: www.fms.treas.gov/c570/index.html .	Prospective suppliers must use the bond instructions and form to contact their insurance agent on the cost of getting a Postal Service surety bond. Refer to the Bureau of the Fiscal Service within the U.S. Department of Treasury for an exhaustive list of approved sureties.	Procedure	5.2.3.8 Attachment 3 of the Solicitation Package: Contract Postal Unit Surety Bond
350	5-7.2.3 Attachment 3 (of the solicitation package) – Contract Postal Unit Surety Bond	25	Inform the attendees of the bond amount required and that operation of the CPU cannot begin until the bond requirement is met. The bond must cover all stamp stock, accountables, and the value of postage on the meter. A bond waiver will not be approved. In lieu of a bond, the supplier may provide an irrevocable letter of credit (from a bank or credit union) or a deposit of assets (cash).	No change.	Procedure	5.2.3.8 Attachment 3 of the Solicitation Package: Contract Postal Unit Surety Bond
351	5-7.2.3 Attachment 3 (of the solicitation package) – Contract Postal Unit Surety Bond	25	Note: There is no bond requirement for a CARS CPU.	Note: There is no bond requirement for a Retail System-Software Business Partner (RSS BP) CPU.	Procedure	5.2.3.8 Attachment 3 of the Solicitation Package: Contract Postal Unit Surety Bond
352	5-7.2.4 Attachment 4 (of the solicitation package) - Compensation	26	5-7.2.4 Attachment 4 (of the solicitation package) - Compensation	5.2.3.9 Attachment 4 of the Solicitation Package: Compensation	Procedure	5.2.3.9 Attachment 4 of the Solicitation Package: Compensation
353	5-7.2.4 Attachment 4 (of the solicitation package) - Compensation	26	Attachment 4 indicates the performance payment percentages the supplier will request based on the sale of postal products and services. For any stamp sold in excess of current First-Class Mail® postage (i.e., semi-postal issues, which are stamps sold to generate funds for charitable endeavors), only the amount valid for postage can be considered toward the performance payment.	No change.	Procedure	5.2.3.9 Attachment 4 of the Solicitation Package: Compensation
354	5-7.2.4 Attachment 4 (of the solicitation package) - Compensation	26	The intent of the Performance-Based CPU contract is not to allow the CPU supplier to use the CPU as a mailing agency or as a mailing services provider in order to inflate postal revenue. The HAO or CPU coordinator must ensure compliance by the CPU supplier.	The intent of the Performance-Based CPU contract is not to allow the CPU supplier to use the CPU as a mailing agency or as a mailing services provider in order to inflate postal revenue. The HAO must ensure compliance by the CPU supplier.	Procedure	5.2.3.9 Attachment 4 of the Solicitation Package: Compensation

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355	5-7.2.4 Attachment 4 (of the solicitation package) - Compensation	26	Individual stamp transactions greater than \$1000.00 are prohibited and such requests must be referred to the HAO. CPU suppliers can purchase stamps for their own use and use the CPU to mail their own mail in what is considered to be a reasonable and customary amount. However, the sale of stamps to another retailer or individual whose sole purpose would be the resale of those stamps is prohibited. The CPU supplier cannot use the CPU to function as a mail or letter shop. Bulk mailings are prohibited.	Individual stamp transactions greater than \$1000.00 are prohibited and such requests must be referred to the HAO by the supplier. CPU suppliers can purchase stamps for their own use and use the CPU to mail their own mail in what is considered to be a reasonable and customary amount. However, the sale of stamps to another retailer or individual whose sole purpose would be the resale of those stamps is prohibited. The CPU supplier cannot use the CPU to function as a mail or letter shop. Bulk mailings are prohibited.	Procedure	5.2.3.9 Attachment 4 of the Solicitation Package: Compensation
356	N/A - New Language	N/A	N/A - New Language	Note: Attachment 4 is only required for Performance-Based contracts.	Procedure	5.2.3.9 Attachment 4 of the Solicitation Package: Compensation
357	5-7.2.5 Attachment 5 (of the solicitation package) – CPU Design and Construction Requirements	26	5-7.2.5 Attachment 5 (of the solicitation package) – CPU Design and Construction Requirements	5.2.3.10 Attachment 5 of the Solicitation Package: CPU Design and Construction Requirements	Procedure	5.2.3.10 Attachment 5 of the Solicitation Package: CPU Design and Construction Requirements
358	5-7.2.5 Attachment 5 (of the solicitation package) – CPU Design and Construction Requirements	26	Discuss design criteria and build-out and the potential suppliers’ responsibilities. Explain the equipment and signage provided by the Postal Service. The CPU supplier is responsible for the cost of the build-out including signage installation. Depending on complexity of the build-out, the average cost is \$8,000 to \$10,000. Exterior signage examples are provided and must meet landlord and local city or county codes and ordinances prior to beginning operations.	Emphasize that the CPU supplier is responsible for the cost of the build-out including signage installation. Exterior signage examples are provided and must meet landlord and local city or county codes and ordinances before the CPU can begin operations.	Procedure	5.2.3.10 Attachment 5 of the Solicitation Package: CPU Design and Construction Requirements
359	5-7.2.6 Compensation and Supplier Costs	26	5-7.2.6 Compensation and Supplier Costs	N/A - Removed	N/A - Extraneous	N/A - Removed
360	5-7.2.6 Compensation and Supplier Costs	26	Advise attendees of estimated first-year revenue from the CPU operation as indicated by the CPU Revenue Forecast model. Potential suppliers need to consider their operational costs (i.e., costs for staffing, equipment, supply, telephone, and bond premium) as well as potential increased retail sales from the additional customer traffic. Provide suppliers with an estimated cost worksheet.	c. Advise the attendees of the estimated first-year revenue from the CPU operation as indicated by the CPU Revenue Forecast Model. The Estimated Cost Worksheet outlines the anticipated costs the supplier will incur to operate a CPU (e.g., cost to buy stamps, hiring contractors for the build-out, etc.). Potential suppliers need to consider their operational costs (i.e., costs for staffing, equipment, supply, telephone, and bond premium) as well as potential increased retail sales from the additional customer traffic.	Procedure	5.2.2 Supplier Presentation Agenda
361	5-7.2.6 Compensation and Supplier Costs	26	For a noncompetitive contract or conversion to a Performance-Based contract, the CPU coordinator and the potential supplier may discuss the performance payment rate. However, only the Denver CMC can negotiate and commit funds for the Postal Service. Remind suppliers that there is no franchise fee. Provide examples of CPU success stories.	d. The requestor and the potential suppliers may discuss the payment rate. However, only the CPF CMC buyer or the contracting officer (CO) can negotiate and commit funds for the Postal Service. Remind suppliers that there is no franchise fee. Provide examples of CPU success stories.	Procedure	5.2.2 Supplier Presentation Agenda
362	5-7.2.7 Conclude Supplier Presentation	26	5-7.2.7 Conclude Supplier Presentation	N/A - Removed	N/A - Extraneous	N/A - Removed

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363	5-7.2.7 Conclude Supplier Presentation	26	Conclude the meeting by asking if there are any questions and thank the attendees for their interest. Provide contact information (i.e., business cards).	N/A - Removed	N/A - Obsolete	N/A - Removed
364	5-7.2.7 Conclude Supplier Presentation	26	See the Publication 156 folder on CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .) for the following items: a. Letter of Interest: A Post Office in Your Store. b. Community Interest News Stories.	N/A - Removed	N/A - Obsolete	N/A - Removed
365	5-7.2.7 Conclude Supplier Presentation	27	[See the Publication 156 folder on CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .) for the following items:] c. Source List. d. Ordering Instructions for Pub 296 - CPU Marketing Brochure. e. CPU Supplier's Estimated Cost Worksheets.	N/A - Removed	N/A - Obsolete	N/A - Removed
366	Blank Page	28	This page intentionally left blank	N/A - Removed	N/A - Extraneous	N/A - Removed
367	6 Preparing the Contract Postal Unit Request Package	29	6 Preparing the Contract Postal Unit Request Package	6 Preparing the CPU Request Package	Procedure	6 Preparing the CPU Request Package
368	6 Preparing the Contract Postal Unit Request Package	29	6 Preparing the Contract Postal Unit Request Package	7 Preparing the CPU Request Package	Policy	7 Preparing the CPU Request Package
369	6-1 Introduction	29	6-1 Introduction	N/A - Removed	N/A - Extraneous	N/A - Removed
370	6-1 Introduction	29	After having justified the need for a contract postal unit (CPU), the CPU coordinator prepares a CPU request package. The request package is the formal package submitted for processing to the Customer Products and Fulfillment Category Management Center (Denver CMC) in Aurora, Colorado.	After completing the steps above, and producing the required documents, the requestor prepares and includes them in the CPU Request Package. The CPU Request Package is the formal package submitted to the CPAC Team for processing.	Procedure	6 Preparing the CPU Request Package
371	6-1 Introduction	29	The cover letter summary must include the following information: a. Background information. b. Current conditions that support the need. c. Existing expanded access channels. d. Recommendation. e. Noncompetitive business case (if applicable). f. (See Sample Cover Letter Summary in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	N/A - Removed	N/A - Obsolete	N/A - Removed
372	N/A - New Language	N/A	N/A - New Language	Prospective suppliers must return a completed CPU Solicitation Package (e.g., Request for Proposal [RFP]) to be considered further. The contents of the solicitation package vary by anticipated contract type. For more information on the different contract types, refer to section 6.6.2.	Procedure	6.7 Solicitation Issuance

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373	6-1 Introduction	29	The competitive purchase method is the preferred method that satisfies the business objectives of the Postal Service. However, at times when the noncompetitive purchase method better suits the business situation and the needs of the Postal Service, refer to the Management Instruction SP-S2- 2011-1, Noncompetitive Purchases, on the Postal Service PolicyNet website; go to: http://blue.usps.gov/cpim and click on MIs.	N/A - Removed	N/A - Repetitive	N/A - Removed
374	6-2 Concerns for Approving Funding Documents	29	6-2 Concerns for Approving Funding Documents	6.2 Concerns for Approving Funding	Procedure	6.2 Concerns for Approving Funding
375	6-2 Concerns for Approving Funding Documents	29	Some concerns for approving funding documents are the following: a. Submit the solicitation funding (budget line 3G) to the Denver CMC. b. The District Manager's approval is mandatory on all funding documents relating to CPUs, as stated in Handbook F-66, General Investment Policies and Procedures, 2-6.2, which is reprinted in its entirety as follows:	Submit the solicitation funding (budget line 3G) to the CPF CMC. The DM's approval is mandatory on all funding documents relating to CPUs.	Procedure	6.2 Concerns for Approving Funding
376	6-2 Concerns for Approving Funding Documents	29	"Contract postal units are post offices operated by a contractor under the jurisdiction of [a host] post office, usually in a store or other privately owned and operated place of business. At the Headquarters level, vice presidents and above have the authority to approve funding for contract postal units.	N/A - Removed	N/A - Extraneous	N/A - Removed
377	6-2 Concerns for Approving Funding Documents	30	They may re-delegate, in writing, portions of this authority. At the field level ,vice presidents, Area Operations, or their designees have the authority to establish contract units. (Refer to the Postal Operations Manual (POM), section 123.24 on the Postal Service PolicyNet website. Go to http:// blue.usps.gov/cpim and click on Manuals.) This approval authority may be re-delegated, in writing, to the District Manager, but may not be re-delegated by the District Manager."	N/A - Removed	N/A - Extraneous	N/A - Removed
378	6-3 Contract Postal Unit Deviation Request Process	30	6-3 Contract Postal Unit Deviation Request Process	N/A - Removed	N/A - Extraneous	N/A - Removed
379	N/A - New Language	N/A	N/A - New Language	7.4 Contract Deviations	Policy	7.4 Contract Deviations
380	N/A - New Language	N/A	N/A - New Language	6.3 Contract Deviations	Procedure	6.3 Contract Deviations
381	N/A - New Language	N/A	N/A - New Language	The Requestor must document any deviations that apply to the prospective suppliers within the request package.	Policy	7.4 Contract Deviations
382	N/A - New Language	N/A	N/A - New Language	The requestor must document any deviations that apply to the prospective suppliers within the CPU Request Package. These deviations are considered by the DM before the approval process.	Procedure	6.3 Contract Deviations
383	6-3.1 Approval by Headquarters	30	6-3.1 Approval by Headquarters	N/A - Removed	N/A - Extraneous	N/A - Removed
384	6-3.1 Approval by Headquarters	30	All deviation requests must be approved by Retail Partner Integration at Headquarters.	All deviations must be approved by the District Manager.	Policy	7.4 Contract Deviations
385	6-3.2 Deviation Requests	30	6-3.2 Deviation Requests	N/A - Removed	N/A - Obsolete	N/A - Removed

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
386	6-3.2 Deviation Requests	30	The four types of deviation requests are the following: a. CPU policy (See 6-3.2.1). b. CPU design standards (See 6-3.2.2). c. CPU contract type (See 6-3.2.3). d. CPU compensation (See 6-3.2.4).	N/A - Removed	N/A - Obsolete	N/A - Removed
387	6-3.2 Deviation Requests	30	(See CPU Deviation Request Form in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	N/A - Removed	N/A - Obsolete	N/A - Removed
388	6-3.2.1 Contract Postal Unit Policy	30	6-3.2.1 Contract Postal Unit Policy	N/A - Removed	N/A - Extraneous	N/A - Removed
389	6-3.2.1 Contract Postal Unit Policy	30	Postal Service policy requires a build-out for all new or converted Performance-Based CPUs.	All new or converted Performance-Based CPUs are required to create a build-out unless the District Manager previously waived this requirement when reviewing the request package.	Policy	5.3 Part C — Build-Out Requirements
390	N/A - New Language	N/A	N/A - New Language	The CPU build-out must be functional and present a uniform image to the public. Any deviation must be documented and justified within the request package.	Policy	5.3 Part C — Build-Out Requirements
391	6-3.2.1 Contract Postal Unit Policy	30	The CPU coordinator must submit a deviation when the supplier does not intend to follow Postal Service policy. Adding Post Office boxes to new or existing CPUs or deviating from using the mandatory services in the contract also requires a deviation.	N/A - Removed	N/A - Obsolete	N/A - Removed
392	6-3.2.2 Contract Postal Unit Design Standards	30	6-3.2.2 Contract Postal Unit Design Standards	N/A - Removed	N/A - Extraneous	N/A - Removed
393	6-3.2.2 Contract Postal Unit Design Standards	30	The CPU coordinator must submit a deviation when the supplier makes significant changes from the prototype drawings. This would include using nonstandard counters (any counter other than Postal Service-provided counters), omitting slat walls, changing color schemes, and omitting standard signage.	The requestor must document a deviation in the CPU Request Package when the supplier makes significant changes from the prototype drawings. This would include using nonstandard counters (any counter other than Postal Service-provided counters), omitting slat walls, changing color schemes, and omitting standard signage.	Procedure	9.1 Prototype Drawings and Postal Service Branding
394	N/A - New Language	N/A	N/A - New Language	For more information on contract deviations, see section 6.3.	Procedure	9.1 Prototype Drawings and Postal Service Branding
395	6-3.2.3 Contract Postal Unit Contract Type	30	6-3.2.3 Contract Postal Unit Contract Type	N/A - Removed	N/A - Extraneous	N/A - Removed
396	6-3.2.3 Contract Postal Unit Contract Type	30	A deviation is usually required when the contract type is anything other than a CARS Performance-Based contract. Refer to the CPU Request Package Checklist for exceptions (see 6-4).	A deviation is usually required when the contract type is anything other than a RSS BP Performance-Based contract. Refer to the CPU Request Package Checklist for exceptions X.	N/A - Obsolete	N/A - Removed
397	6-3.2.4 Contract Postal Unit Compensation	30	6-3.2.4 Contract Postal Unit Compensation	N/A - Removed	N/A - Extraneous	N/A - Removed
398	6-3.2.4 Contract Postal Unit Compensation	31	If the proposed compensation for a contract exceeds the guideline amount of 12 cents per revenue dollar, then an approved deviation is required.	If the proposed compensation for a contract exceeds the guideline amount of 22 cents per revenue dollar, then an approved deviation is required.	Procedure	7.2 Price Evaluation
399	6-3.2.4 Contract Postal Unit Compensation	31	If the proposed compensation for a contract exceeds the guideline amount of 12 cents per revenue dollar, then an approved deviation is required. The contracting officer is responsible for ensuring the recommended price is fair and reasonable for the immediate area where the CPU is located.	If the proposed compensation for a contract exceeds the guideline amount, then an approved deviation is required. The CO is responsible for ensuring the recommended price is fair and reasonable for the immediate area where the CPU is located.	Policy	8.2.3 Price Evaluation

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
400	N/A - New Language	N/A	N/A - New Language	See Publication 156-A for current guidelines per revenue dollar. For noncompetitive purchases, refer to Management Instruction SP-S2-2024-1, Noncompetitive Purchases.	Policy	8.2.3 Price Evaluation
401	6-3.3 How to Process a Deviation Form (Departure from Accepted Contract Postal Unit Process)	31	6-3.3 How to Process a Deviation Form (Departure from Accepted Contract Postal Unit Process)	N/A - Removed	N/A - Obsolete	N/A - Removed
402	6-3.3 How to Process a Deviation Form (Departure from Accepted Contract Postal Unit Process)	31	The steps for processing a deviation form are the following: a. Complete one deviation request form per contract. b. Attach adequate justification (including drawings and photographs when necessary). c. Be thorough and concise. d. Obtain local approval authority from the district. e. Electronically transmit the request to the area office for approval, if required. If area approval is not required, please indicate "Not applicable" on the area signature line.	N/A - Removed	N/A - Obsolete	N/A - Removed
403	6-3.3 How to Process a Deviation Form (Departure from Accepted Contract Postal Unit Process)	31	[The steps for processing a deviation form are the following:] f. If the area office approves the deviation request, the area will transmit the approved deviation request to Retail Partner Integration at Headquarters for final approval. If the area office does not approve the request, the area returns the deviation request to the district office for correction and resubmittal. g. Whether the area approves or rejects the deviation request, Retail Partner Integration at Headquarters returns the deviation form to the originating office (either the area office or the district office, as applicable). h. The Area Office provides the returned request to the District Retail Office (if applicable). i. The District Retail Office will include the approved deviation in the CPU request package.	N/A - Removed	N/A - Obsolete	N/A - Removed
404	6-3.3 How to Process a Deviation Form (Departure from Accepted Contract Postal Unit Process)	31	Note: If the Area Office requires that it must review and approve the original CPU request package before it is sent to the Denver CMC, follow the local procedures.	N/A - Removed	N/A - Obsolete	N/A - Removed
405	6-4 Contract Postal Unit Request Package Checklist	31	6-4 Contract Postal Unit Request Package Checklist	6.1 Contract Postal Unit Request Package Checklist	Procedure	6.1 Contract Postal Unit Request Package Checklist
406	N/A - New Language	N/A	N/A - New Language	Include the following items in the CPU Request Package: ▪ Background information. ▪ Current conditions that support the need. ▪ Existing expanded access channels. ▪ Recommendation. ▪ Noncompetitive business case (if applicable).	Procedure	6.1 Contract Postal Unit Request Package Checklist

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
407	6-4 Contract Postal Unit Request Package Checklist	31	A CPU request package checklist explains the required elements for all types of contracts. Attach all required elements to your approved eBUY2 and send electronically to the Denver CMC. (See CPU Request Package Checklist in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	N/A - Removed	N/A - Obsolete	N/A - Removed
408	6-4 Contract Postal Unit Request Package Checklist	31	See the Publication 156 folder on CPAC blueshare website at http://supply.blueshare.usps.gov/sites/cpac/default.aspx for the following items: a. Sample Cover Letter Summary. b. CPU Deviation Request Form. c. CPU Request Package Checklist.	For the CPU Request Package Checklist, see the respective contract's request package excel workbook on the CPAC Blueshare website.	Procedure	6.1 Contract Postal Unit Request Package Checklist
409	7 Processing the Contract Postal Unit Request Package	33	7 Processing the Contract Postal Unit Request Package	7 Processing the CPU Request Package	Procedure	7 Processing the CPU Request Package
410	7 Processing the Contract Postal Unit Request Package	33	7 Processing the Contract Postal Unit Request Package	8 Processing the CPU Request Package	Policy	8 Processing the CPU Request Package
411	N/A - New Language	N/A	N/A - New Language	7.1 Request Package	Policy	7.1 Request Package
412	N/A - New Language	N/A	N/A - New Language	The request package includes the needs analysis, supporting evidence, and contact information for the Requestor and anticipated HAO.	Policy	7.1 Request Package
413	7-1 Introduction	33	7-1 Introduction	N/A - Removed	N/A - Extraneous	N/A - Removed
414	7-1 Introduction	33	The contract postal unit (CPU) coordinator prepares the CPU request package and submits it to the Denver CMC. This chapter explains how the Denver CMC processes the package. The chapter also discusses responsibilities of the different team members involved in this process.	N/A - Removed	N/A - Repetitive	N/A - Removed
415	7-2 CARS Performance-Based Contract Postal Units	33	7-2 CARS Performance-Based Contract Postal Units	N/A - Removed	Procedure	N/A - Removed
416	7-2.1 Request Package Denver CMC Review Process	33	7-2.1 Request Package Denver CMC Review Process	N/A - Removed	N/A - Extraneous	N/A - Removed
417	7-2.1 Request Package Denver CMC Review Process	33	If the request package is incomplete, then the Denver CMC returns the package for completion. Some common errors are as follows: a. The eBuy2 is received with no attachments. The requester will receive a call or an e-mail from the Denver CMC stating that the eBuy2 was received with no attachments and to e-mail the rest of the documents to the CPAC team at email address cpac.team@usps.gov . Annotate the eBuy2 requisition number in the e-mail or in the subject line. If Denver cannot match the attachments with the eBuy2, this will delay the processing of the request.	If the Request Package is incomplete, then the CPF CMC returns the package for completion. Some common errors are as follows: 1. The eBuyPlus requisition is received with no attachments. The Requester will receive a call or an e-mail from the CPF CMC buyer or CO stating that the eBuyPlus requisition was received with no attachments and to e-mail the rest of the documents to the CPAC Team at email address cpac.team@usps.gov . If the CPF CMC cannot match the attachments with the eBuyPlus requisition, this will delay the processing of the request. To avoid this, the requestor must annotate the eBuyPlus requisition number in the e-mail or in the subject line.	Procedure	6.5 Request Package Approval Process

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
418	7-2.1 Request Package Denver CMC Review Process	33	[If the request package is incomplete, then the Denver CMC returns the package for completion. Some common errors are as follows:] b. The eBuy2 is received with attachments, but it is still missing required documents. The request will be assigned to a purchasing specialist for processing. You will receive an e-mail requesting what is missing and who you should submit the missing item to.	[If the request package is incomplete, then the CPF CMC returns the package for completion. Some common errors are as follows:] 2. The eBuyPlus requisition is received with attachments, but it is still missing required documents. The request will be assigned to a purchasing specialist for processing. The requestor will receive an e-mail requesting what is missing and who the missing items should be submitted to.	Procedure	6.5 Request Package Approval Process
419	7-2.1 Request Package Denver CMC Review Process	33	[If the request package is incomplete, then the Denver CMC returns the package for completion. Some common errors are as follows:] c. The e-mail or mailed package is received with request/attachments, but there is no eBuy2. The package will be returned either via e-mail or through regular mail with instructions to send it again with the eBuy2 according to proper procedures. d. Received everything; however, some information is missing or incorrect: The package will be returned to the requester for corrections.	[If the request package is incomplete, then the CPF CMC returns the package for completion. Some common errors are as follows:] 3. The e-mail or mailed package is received with request/attachments, but there is no eBuyPlus requisition. The package will be returned either via e-mail or through regular mail with instructions to send it again with the eBuyPlus requisition according to proper procedures. 4. Received everything; however, some information is missing or incorrect: The package will be returned to the Requester for corrections.	Procedure	6.5 Request Package Approval Process
420	N/A - New Language	N/A	N/A - New Language	For more guidance, see the eBuyPlus Step-by-Step Instructions on the CPAC Blueshare website.	Procedure	6.5 Request Package Approval Process
421	7-2.2 Solicitation Issuance	33	7-2.2 Solicitation Issuance	6.7 Solicitation Issuance	Procedure	6.7 Solicitation Issuance
422	7-2.2 Solicitation Issuance	33	The Denver CMC generates the solicitation document, which contains all of the requirements for the CPU. (See Sample Solicitation for CARS Contract in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	a. The CPF CMC buyer generates the CPU Solicitation Package, which contains all the requirements for the CPU.	Procedure	6.7 Solicitation Issuance
423	7-2.2 Solicitation Issuance	34	Copies of the solicitation are provided to all suppliers on the source list.	b. Copies of the solicitation must be provided to all suppliers on the Source List.	Procedure	6.7 Solicitation Issuance
424	7-2.2 Solicitation Issuance	34	The following individuals receive an e-mail from Denver CMC stating the solicitation has been mailed to the sources that were provided and provides a return date of the solicitation: a. Host Administrative Office (HAO). b. CPU coordinator.	c. The CPF CMC buyer notifies the following individuals via e-mail that the solicitation has been mailed to the sources that were provided and includes a return date of the solicitation: ▪ HAO. ▪ District designee.	Procedure	6.7 Solicitation Issuance
425	7-2.3 Evaluation of Competitive Proposals	34	7-2.3 Evaluation of Competitive Proposals	7.1 Evaluation of Competitive Proposals	Procedure	7.1 Evaluation of Competitive Proposals
426	N/A - New Language	N/A	N/A - New Language	7.1.2 Evaluation Process	Procedure	7.1.2 Evaluation Process
427	7-2.3 Evaluation of Competitive Proposals	34	The Denver CMC sends the evaluation package to the evaluation committee chairperson. The evaluation package includes the following items: a. A copy of each proposal. b. A copy of the evaluation and award factors. c. A cover letter with instructions on how to evaluate proposals.	a. The CPF CMC buyer sends the evaluation package to the Evaluation Committee Chairperson. The evaluation package includes the following items: 1. A copy of each proposal. 2. A copy of the evaluation and award factors. 3. A cover letter with instructions on how to evaluate proposals.	Procedure	7.1.2 Evaluation Process

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
428	7-2.3 Evaluation of Competitive Proposals	34	(See Guidelines for Completing the Evaluation Worksheet in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	For more information, see the Evaluation Worksheet and Guidelines for Completing the Evaluation Worksheet on the CPAC Blueshare website.	Procedure	7.1.2 Evaluation Process
429	7-2.3 Evaluation of Competitive Proposals	34	[The Denver CMC sends the evaluation package to the evaluation committee chairperson. The evaluation package includes the following items:] d. A worksheet to be completed for each proposal (See Evaluation Worksheet in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .) e. A Conflict of Interest and Non-Disclosure Agreement that must be signed by each evaluation committee member. The contracting officer is responsible for safeguarding against or mitigate any conflicts of interest when non-USPS employees are members of the evaluation committee. f. A final rating worksheet completed by the committee chairperson indicating for each proposal whether it was considered acceptable or unacceptable.	[The CPF CMC buyer sends the evaluation package to the Evaluation Committee Chairperson. The evaluation package includes the following items:] 4. An Evaluation Worksheet to be completed for each proposal. 5. A Conflict of Interest (COI) and Non-Disclosure Agreement (NDA) that must be signed by each Evaluation Committee member. The CO is responsible for safeguarding against or mitigate any conflicts of interest when non-USPS employees are members of the Evaluation Committee. 6. A Final Rating Worksheet completed by the Committee Chairperson indicating for each proposal whether it was considered acceptable or unacceptable.	Procedure	7.1.2 Evaluation Process
430	7-2.3 Evaluation of Competitive Proposals	34	The chairperson distributes the evaluation packages to the committee members during their first meeting and discusses the evaluation process.	b. The Committee Chairperson distributes the evaluation packages to the committee members during their first meeting and discusses the evaluation process.	Procedure	7.1.2 Evaluation Process
431	7-2.3 Evaluation of Competitive Proposals	34	Recommended members of the evaluation committee are the following: a. HAO. b. CPU coordinator. c. Manager of Post Office Operations. d. Other Postal Service operational personnel (i.e., a neighboring Postmaster).	N/A - Removed	N/A - Obsolete	N/A - Removed
432	7-2.4 Business Evaluation	34	7-2.4 Business Evaluation	N/A - Removed	N/A - Extraneous	N/A - Removed
433	7-2.4 Business Evaluation	34	7-2.4 Business Evaluation	N/A - Removed	Procedure	N/A - Removed
434	7-2.4.1 Overview	34	7-2.4.1 Overview	N/A - Removed	N/A - Extraneous	N/A - Removed
435	N/A - New Language	N/A	N/A - New Language	6.4 Evaluation Committee Member Selection	Procedure	6.4 Evaluation Committee Member Selection
436	N/A - New Language	N/A	N/A - New Language	The Evaluation Committee member's names, addresses, e-mail addresses, and telephone numbers must be included in the CPU Request Package. The requestor must select three committee members who: ▪ Possess relevant familiarity with the local area of the proposed CPU, and any other contributing factors. All proposal factors are listed in the solicitation package in order of importance. ▪ Do not possess a known conflict-of-interest. ▪ Are non-bargaining (EAS) employees.	Procedure	6.4 Evaluation Committee Member Selection
437	N/A - New Language	N/A	N/A - New Language	8.1 Evaluation Committee	Policy	8.1 Evaluation Committee

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
438	N/A - New Language	N/A	N/A - New Language	7.1.1 Evaluation Committee	Procedure	7.1.1 Evaluation Committee
439	7-2.4.1 Overview	34	The evaluation committee evaluates supplier business proposals in accordance with supplier-specific factors and proposal-specific factors.	An evaluation committee, selected by the Requestor, evaluates supplier business proposals in accordance with supplier-specific factors and proposal-specific factors as determined by the specific need(s) prompting the establishment of the CPU.	Policy	8.1 Evaluation Committee
440	7-2.4.1 Overview	34	The evaluation committee evaluates supplier business proposals in accordance with supplier-specific factors and proposal-specific factors.	The Evaluation Committee evaluates supplier business proposals in accordance with supplier-specific factors and proposal-specific factors as determined by the specific need(s) prompting the establishment of the CPU. These factors are included in the RFP.	Procedure	7.1.1 Evaluation Committee
441	N/A - New Language	N/A	N/A - New Language	The evaluation committee is comprised of one chair and two additional committee members. Once the Requestor selects the three committee members, the members elect the committee chair. Requestors must select committee members who: <ul style="list-style-type: none"> ▪Possess relevant familiarity with the local area of the proposed CPU, and any other contributing factors. All proposal factors are listed in the solicitation package in order of importance. ▪Do not possess a known conflict-of-interest. ▪Are non-bargaining (EAS) employees. 	Policy	8.1 Evaluation Committee
442	N/A - New Language	N/A	N/A - New Language	The Evaluation Committee is comprised of one chair and two additional committee members. Once the three committee members are selected, the members elect the committee chair.	Procedure	7.1.1 Evaluation Committee
443	N/A - New Language	N/A	N/A - New Language	7.1.3 Evaluation Worksheet	Procedure	7.1.3 Evaluation Worksheet
444	7-2.4.2 Past Performance and Supplier Capability	35	7-2.4.2 Past Performance and Supplier Capability	7.1.3.1 Past Performance and Supplier Capability	Procedure	7.1.3.1 Past Performance and Supplier Capability
445	7-2.4.2 Past Performance and Supplier Capability	35	7-2.4.2 Past Performance and Supplier Capability	8.2.2 Past Performance and Supplier Capability	Policy	8.2.2 Past Performance and Supplier Capability
446	N/A - New Language	N/A	N/A - New Language	The CO must evaluate and assess a supplier's past performance and supplier capability. If deemed unacceptable, the proposal will not be considered further.	Policy	8.2.2 Past Performance and Supplier Capability

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
447	7-2.4.2 Past Performance and Supplier Capability	35	<p>The following evaluation factors are reviewed and assessed by the contracting officer. If deemed unacceptable, the proposal will not be considered further:</p> <p>a. Past Performance: Prospective suppliers must provide references that will demonstrate a history of satisfactory past performance in the areas of quality, timeliness of performance, business relations, financial stability, and cost control. The Evaluation Committee surveys the references and provides their findings to the contracting officer, who then determines if the offer will be evaluated further.</p>	<p>The Evaluation Committee reviews and assess the following evaluation factors:</p> <p>a. Past Performance: Prospective suppliers must provide references that will demonstrate a history of satisfactory past performance in the areas of quality, timeliness of performance, business relations, financial stability, and cost control. Past Performance is evaluated on a pass/fail basis. The Evaluation Committee must follow the specific questions on the Evaluation Worksheet, and reviewers are permitted to ask more questions to seek clarification.</p> <p>The Evaluation Committee surveys the references and provides its findings and recommendation to the CPF CMC buyer, who then determines in concurrence with the CO if the offer will be evaluated further. If either the CPF CMC buyer or CO deems it unacceptable, the proposal will not be considered further.</p>	Procedure	7.1.3.1 Past Performance and Supplier Capability
448	7-2.4.2 Past Performance and Supplier Capability	35	<p>[The following evaluation factors are reviewed and assessed by the contracting officer. If deemed unacceptable, the proposal will not be considered further:]</p> <p>b. Supplier Capability: Prospective suppliers must provide information to demonstrate financial stability and ability to perform under the contract. The supplier needs to demonstrate the ability to purchase, in advance, the adequate stamps and meter postage to properly serve the postal customer. Financial information to be provided includes financial reports, profit and loss statements, and balance sheets. Upon an in-depth review of the financials, the contracting officer determines if the offer will be evaluated further.</p>	<p>[The Evaluation Committee reviews and assess the following evaluation factors:]</p> <p>b. Supplier Capability: Prospective suppliers must provide information to demonstrate financial stability and ability to perform under the contract. The supplier needs to demonstrate the ability to purchase, in advance, the adequate stamps and meter postage to properly serve the postal customer. Financial information to be provided includes financial reports, profit and loss statements, and balance sheets. Supplier Capability is evaluated on a pass/fail basis. Upon an in-depth review of the financials, the CPF CMC buyer provides a recommendation to the CO. The CO determines if the offer will be evaluated further.</p>	Procedure	7.1.3.1 Past Performance and Supplier Capability
449	7-2.4.3 Other Proposal Factors	35	7-2.4.3 Other Proposal Factors	7.1.3.2 Other Proposal Factors	Procedure	7.1.3.2 Other Proposal Factors
450	7-2.4.3 Other Proposal Factors	35	7-2.4.3 Other Proposal Factors	8.2.4 Other Proposal Factors	Policy	8.2.4 Other Proposal Factors
451	7-2.4.3 Other Proposal Factors	35	Offerors that are deemed acceptable on the Past Performance and Supplier Capability factors will then be evaluated on all other proposal factors.	Suppliers that are deemed acceptable on the Past Performance and Supplier Capability factors must also be evaluated on all other proposal factors.	Policy	8.2.4 Other Proposal Factors
452	N/A - New Language	N/A	N/A - New Language	These factors are listed in the solicitation package in order of importance, as determined by the Requestor.	Policy	8.2.4 Other Proposal Factors
453	7-2.4.3 Other Proposal Factors	35	Except for handicapped accessibility, the CPU coordinator indicates in the request package submitted to the Denver CMC the maximum point assignment for each of the other proposal factors.	The CPU Request Package should specify the maximum point assignment or pass/fail status for each of the other proposal factors, as determined by the requestor.	Procedure	7.1.3.2 Other Proposal Factors

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454	7-2.4.3 Other Proposal Factors	35	Handicapped accessibility is not assigned a maximum point value.	Handicapped accessibility is not assigned a maximum point value but is evaluated on a pass/fail basis.	Procedure	7.1.3.3 Access for Persons With Disabilities
455	7-2.4.3 Other Proposal Factors	35	Offerors that do not propose facilities that are handicapped accessible or that do not adequately demonstrate how the facility will meet the applicable accessibility standards before service begins, will not be evaluated further.	Offerors who do not propose facilities that are handicapped accessible or who do not adequately demonstrate how the facility will meet the applicable accessibility standards before service begins, will not be evaluated further.	Policy	8.2.1 Access for Persons with Disabilities
456	7-2.4.3 Other Proposal Factors	35	Each of the following other proposal factors are listed in the solicitation package in order of importance: a. Characteristics of the supplier's retail facility: (1) Location. (2) Current business volume. (3) Physical characteristics (including accessibility to the handicapped, which must be compliant with applicable accessibility standards before service begins). (4) Parking and public transportation. b. Characteristics of the proposed CPU within the supplier's retail facility. c. Staffing.	Each of the following other proposal factors are listed in the CPU Solicitation Package in order of importance: a. Characteristics of the supplier's retail facility: 1. Location. 2. Current business volume. 3. Physical characteristics (including accessibility to the handicapped, which must be compliant with applicable accessibility standards before service begins). 4. Parking and public transportation. b. Characteristics of the proposed CPU within the supplier's retail facility. c. Staffing.	Procedure	7.1.3.2 Other Proposal Factors
457	7-2.4.3 Other Proposal Factors	35	Note: If the proposed CPU will be in a location provided by the facility, as in the case of a military installation, college campus, or a CPU that will be housed in the exact location where the previous CPU was located, then factors a. and b. do not apply and will not be evaluated.	No change.	Procedure	7.1.3.2 Other Proposal Factors
458	7-2.4.3 Other Proposal Factors	36	The evaluation committee must keep in mind the maximum points assigned to each of the other proposal factors and to rate the proposals accordingly.	The Evaluation Committee must be aware of the maximum points assigned to each of the other proposal factors to rate the proposals accordingly.	Procedure	7.1.3.2 Other Proposal Factors
459	7-2.4.3 Other Proposal Factors	36	For example, if an offeror has provided minimal staffing information, he/she would not be disqualified but would receive a low score for this factor.	For example, an offeror who provided minimal staffing information would not be disqualified but would receive a low score for this factor.	Procedure	7.1.3.2 Other Proposal Factors
460	7-2.4.3 Other Proposal Factors	36	Each committee member completes an independent, individual evaluation for each proposal. The committee then reconvenes to discuss the evaluations, compare proposals, and finalize point assignments. The committee chairman then transfers the numeric average for each evaluated proposal to the final rating worksheet. Proposals considered unacceptable are also documented on the final rating worksheet.	Each committee member must complete an independent, individual evaluation for each proposal. The committee then collectively finalizes point assignments. The committee chairman must document and submit the final rating for each evaluated proposal.	Policy	8.1 Evaluation Committee
461	7-2.4.3 Other Proposal Factors	36	Each committee member completes an independent, individual evaluation for each proposal. The committee then reconvenes to discuss the evaluations, compare proposals, and finalize point assignments. The committee chairman then transfers the numeric average for each evaluated proposal to the final rating worksheet. Proposals considered unacceptable are also documented on the final rating worksheet.	c. Each committee member must complete an independent, individual evaluation for each proposal. d. The committee then collectively reviews and discusses the individual evaluations made by each committee member to finalize the committee's final rating. e. The Committee Chairperson must document and submit the Final Rating Worksheet to the CPF CMC buyer for each evaluated proposal.	Procedure	7.1.2 Evaluation Process
462	7-2.5 Price Evaluation	36	7-2.5 Price Evaluation	7.2 Price Evaluation	Procedure	7.2 Price Evaluation

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463	7-2.5 Price Evaluation	36	7-2.5 Price Evaluation	8.2.3 Price Evaluation	Policy	8.2.3 Price Evaluation
464	7-2.5 Price Evaluation	36	The CPU coordinator indicates in the request package submitted to Denver CMC if price is considered more important, less important, or as important as the evaluation factors.	The price is evaluated according to factors set by the requestor in the CPU Request Package. The evaluation factors for price can be considered as more important, less important, or equally important.	Procedure	7.2 Price Evaluation
465	7-2.5 Price Evaluation	36	Under the competitive process, only the Denver CMC is authorized to negotiate the price of a proposal with the offeror.	Under the competitive process, only the CPF CMC is authorized to negotiate the price of a proposal with the offeror.	Policy	8.2.3 Price Evaluation
466	7-2.5 Price Evaluation	36	Under the noncompetitive process, the district may discuss the suggested price of a proposal with the offeror provided they make it clear that the Denver CMC is the only office that is authorized to commit funds for the Postal Service. The District's discussion is ONLY to ascertain if the supplier is interested.	Under the noncompetitive process, the District may discuss the suggested price of a proposal with the offeror provided District makes it clear that the CPF CMC is the only office that is authorized to commit funds for the Postal Service. The District's discussion is ONLY to ascertain if the supplier is interested.	Procedure	7.2 Price Evaluation
467	7-2.5 Price Evaluation	36	The District cannot commit, promise, or finalize any price with the supplier. Remember, if the compensation offer exceeds the recommended guideline of 12 cents per revenue dollar, Retail Partner Integration at Headquarters must approve a deviation request.	N/A - Removed	N/A - Repetitive	N/A - Removed
468	7-2.5 Price Evaluation	36	If the offer selected for award is higher than the funded amount on the approved funding document, the Denver CMC contacts the CPU coordinator for additional funding and to discuss other options.	If the offer selected for award is higher than the funded amount on the approved funding document, the CPF CMC buyer contacts the HAO for more funding and to discuss other options.	Procedure	7.2 Price Evaluation
469	7-2.6 Contract Award	36	7-2.6 Contract Award	7.3.2 Contract Award	Procedure	7.3 Final Determination
470	N/A - New Language	N/A	N/A - New Language	8.3 Final Determination	Policy	8.3 Final Determination
471	7-2.6 Contract Award	36	After reviewing the evaluation committee's worksheets and evaluating price proposals, the Denver CMC prepares a best-value determination, assigns a contract number, and awards the contract.	The CPF CMC is responsible for preparing a best-value determination based on the evaluation committee's worksheets and recommendations.	Policy	8.3 Final Determination
472	7-2.6 Contract Award	36	After reviewing the evaluation committee's worksheets and evaluating price proposals, the Denver CMC prepares a best-value determination, assigns a contract number, and awards the contract.	After reviewing the Evaluation Committee's worksheets and evaluating price proposals, the CPF CMC buyer prepares a Best-Value Determination and submits it to the CO.	Procedure	7.3 Final Determination
473	N/A - New Language	N/A	N/A - New Language	After the CO reviews the proposals, a notification of Contract Non-Award or Contract Award letter is distributed.	Procedure	7.3 Final Determination
474	N/A - New Language	N/A	N/A - New Language	7.3.1 Contract Non-Award	Procedure	7.3.1 Contract Non-Award
475	N/A - New Language	N/A	N/A - New Language	a. Proposals that do not adequately satisfy the need(s) identified in the CPU Solicitation Package will be deemed unacceptable. b. The CO will deny any proposal deemed unacceptable and notify the CPF CMC buyer.	Procedure	7.3.1 Contract Non-Award

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
476	N/A - New Language	N/A	N/A - New Language	The District Manager has the authority to determine if the Requestor can solicit new prospective supplier(s). The District Manager has the authority to discontinue the pursuit of establishing a CPU or pursue other appropriate means of fulfilling the identified need.	Policy	8.3 Final Determination
477	N/A - New Language	N/A	N/A - New Language	d. If there are no other prospective suppliers, the requestor must receive guidance from the DM to determine the next steps (e.g., solicit new prospective suppliers, discontinue pursuit of establishing a CPU, or pursue other alternatives).	Procedure	7.3.1 Contract Non-Award
478	N/A - New Language	N/A	N/A - New Language	a. If the proposal satisfies the needs identified in the CPU Solicitation Package, it is deemed acceptable. b. The CPF CMC buyer assigns a contract number, and awards the contract. For more information on award notification, see section 8.	Procedure	7.3.2 Contract Award
479	7-2.6 Contract Award	36	Prior to or at the time of award, the Denver CMC must receive the 10-digit Unit Finance Number (UFN) specific to the CPU and the agreed upon site name for the supplier. If the Postal Service is awarding a CARS CPU, the 4-digit site ID is generated by Contract Postal Unit Technology (CPUT) system. The Denver CMC establishes payment information in the CPUT system.	Before or at the time of award, the CPF CMC buyer must receive the 10-digit Unit Finance Number (UFN) specific to the CPU and the agreed-upon site name for the supplier. If the Postal Service is awarding an RSS BP CPU, the four-digit site ID is generated by the Contract Postal Unit Technology (CPUT) system. The CPF CMC buyer establishes payment information in the CPUT system.	Procedure	8 Contract Award
480	7-2.6 Contract Award	36	The contract number must be used when communicating with the supplier, HAO, CPU coordinator, and the Denver CMC.	The contract number must be used when communicating with the CPU supplier, HAO, and the CPF CMC buyer.	Procedure	8 Contract Award
481	7-2.6 Contract Award	36	Copies of the contract award, award letter, and COR appointment and the HAO Operating Instructions are distributed to the following people: a. Successful supplier. b. HAO. c. CPU coordinator. d. IGI (if CARS).	Copies of the contract award, award letter, COR appointment, and the HAO Operating Instructions are distributed by the CPF CMC buyer to the following: ▪ Supplier. ▪ HAO. ▪ District designee.	Procedure	8.2 Contract Records
482	7-2.6 Contract Award	36	The CPU coordinator must verify CPUT information for accuracy. The HAO must enter all information into the Facilities database.	N/A - Removed	N/A - Repetitive	N/A - Removed
483	7-2.6 Contract Award	37	Unsuccessful offerors will receive a notification of contract award letter by the Denver CMC.	c. The CPF CMC buyer will forward all unsuccessful offerors a Contract Non-Award letter.	Procedure	7.3.1 Contract Non-Award
484	7-2.6 Contract Award	37	All documents related to the contract award and all future documents about this CPU are kept in an electronic CPU file for the life of the contract.	All documents related to the contract award, or non-award and all future documents about the CPU must be kept in an electronic CPU file for the life of the contract.	Policy	8.3 Final Determination
485	7-2.6 Contract Award	37	All documents related to the contract award and all future documents about this CPU are kept in an electronic CPU file for the life of the contract.	The CPF CMC buyer maintains a copy of all existing and future documents related to the Contract Award or Non-Award in an electronic CPU file for the life of the contract.	Procedure	8.2 Contract Records

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
486	7-2.6 Contract Award	37	<p>In addition to the contract award, award letter, COR appointment, and the HAO Operating Instructions, the supplier receives the following items:</p> <p>a. CARS CPU Profile Form. This form must be completed and returned to the CPU coordinator.</p> <p>b. Pitney Bowes CARS/CPU Authorization Agreement Form. This form must be completed and returned to the CPU coordinator with a copy of a voided check. Note: CARS will not be ordered until the forms in items a. and b. are completed and received by the CPU coordinator.</p>	N/A - Removed	N/A - Obsolete	N/A - Removed
487	7-2.6 Contract Award	37	<p>[In addition to the contract award, award letter, COR appointment, and the HAO Operating Instructions, the supplier receives the following items:]</p> <p>c. CPU Stamp Order and CPU Stamp Write-in Forms. Use these forms to order stamps from Kansas City Stamp Fulfillment Services.</p> <p>d. Postal Service Guidelines for Ordering Stamps from Kansas City via ACH Debit. These guidelines specify the policy and procedures for ordering stamps, stamped paper products, and postage.</p>	N/A - Removed	N/A - Obsolete	N/A - Removed
488	7-2.6 Contract Award	37	<p>[In addition to the contract award, award letter, COR appointment, and the HAO Operating Instructions, the supplier receives the following items:]</p> <p>e. Supplier and Payee Electronic Funds Transfer (EFT) Enrollment Form. This form is for direct deposit, EFT of your payments for operation of the CPU.</p> <p>f. Instructions to submit drawings to the CPU coordinator within 15 days. The CPU coordinator approves the drawings or, if necessary, forwards the drawings to the Facilities Service Office (FSO) for approval. Once the drawings are approved, the CPU coordinator notifies the Denver CMC. The Denver CMC issues the supplier a Notice to Proceed letter with copies to the CPU coordinator.</p> <p>g. Instructions to work with the HAO, CPU coordinator to ensure compliance with contract requirements.</p>	<p>Additionally, the CPF CMC buyer issues the following items to the supplier:</p> <ul style="list-style-type: none"> ▪ Supplier and Payee Electronic Funds Transfer (EFT) Enrollment Form. This form is for direct deposit (EFT) of the supplier's payments for operation of the CPU. ▪ Instructions to submit drawings to the HAO within 15 days. The HAO approves the drawings or, if necessary, forwards the drawings to the Facilities Department for approval. Once the drawings are approved, the HAO notifies the CPF CMC. The CPF CMC issues the supplier a Notice to Proceed letter with copies to the HAO. See section 9.1 for more information. ▪ Instructions to work with the HAO and COR to ensure compliance with contract requirements. 	Procedure	8.2 Contract Records
489	7-2.6 Contract Award	37	<p>The CPU coordinator completes the CPU Information and Certification Form and notifies the Denver CMC, via e-mail, of the following information:</p> <p>a. Completion of all site specifications and training.</p> <p>b. Operational start date.</p> <p>c. Four-digit unit ID (if AIC reporting unit).</p> <p>d. Finance number.</p> <p>e. Type of business</p>	<p>The HAO completes the CPU Information and Certification Form and notifies the CPF CMC buyer, via e-mail, of the following information:</p> <ul style="list-style-type: none"> · Completion of all site specifications and training. · Operational start date. · Four-digit unit ID (for an AIC reporting unit). · Finance number. · Type of business 	Procedure	8.1 Appointment of the Contract Officer Representative and Assignment of the Host Administrative Office
490	7-2.6 Contract Award	37	<p>After receipt of the CPU Information and Certification Form, the Denver CMC enters the operational start date and the type of business in CPUT.</p>	<p>After receipt of the CPU Information and Certification Form, the CPF CMC buyer enters the operational start date and the type of business in CPUT.</p>	Procedure	8.1 Appointment of the Contract Officer Representative and Assignment of the Host Administrative Office

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
491	7-2.7 Appointment of Contracting Officer Representative and Host Administrative Office	37	7-2.7 Appointment of Contracting Officer Representative and Host Administrative Office	8.1 Appointment of the Contract Officer Representative and Assignment of the Host Administrative Office	Procedure	8.1 Appointment of the Contract Officer Representative and Assignment of the Host Administrative Office
492	7-2.7 Appointment of Contracting Officer Representative and Host Administrative Office	37	The Denver CMC appoints a COR and an HAO at time of award.	At time of award, the CO appoints a contracting officer representative (COR) and assigns an HAO.	Procedure	8.1 Appointment of the Contract Officer Representative and Assignment of the Host Administrative Office
493	7-2.7 Appointment of Contracting Officer Representative and Host Administrative Office	37	(See Sample COR Appointment and HAO Operating Instructions in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	For more information, see the Sample COR Appointment and HAO Operating Instructions on the CPAC Blueshare website.	Procedure	8.1 Appointment of the Contract Officer Representative and Assignment of the Host Administrative Office
494	7-2.7 Appointment of Contracting Officer Representative and Host Administrative Office	38	The HAO acts as the local contact for the overall operation of the CPU. Copies of the appointment are sent to the following: a. Supplier. b. HAO. c. CPU coordinator.	The HAO acts as the local contact for the overall operation of the CPU. The buyer sends copies of the appointment to the supplier.	Procedure	8.1 Appointment of the Contract Officer Representative and Assignment of the Host Administrative Office
495	7-2.7 Appointment of Contracting Officer Representative and Host Administrative Office	38	The HAO meets in person with the supplier to read and discuss the appointment.	The HAO meets with the CPU supplier to read and discuss the appointment.	Procedure	8.1 Appointment of the Contract Officer Representative and Assignment of the Host Administrative Office
496	7-3 Non-CARS Performance-Based and Firm-Fixed Price CPU Contracts	38	7-3 Non-CARS Performance-Based and Firm-Fixed Price CPU Contracts	N/A - Removed	N/A - Extraneous	N/A - Removed
497	7-3.1 Characteristics	38	7-3.1 Characteristics	N/A - Removed	N/A - Extraneous	N/A - Removed
498	N/A - New Language	N/A	N/A - New Language	6.6 CPU Solicitation Package Requirements	Procedure	6.6 CPU Solicitation Package Requirements

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
499	7-3.1 Characteristics	38	<p>Characteristics of a Non-CARS Performance-Based and Firm-Fixed-Price CPU contract include the following:</p> <ul style="list-style-type: none"> a. Same solicitation and award process. b. Build-out is mandatory for Non-CARS Performance-Based. c. No mandatory build-out for a Firm-Fixed-Price CPU. d. Signage is mandatory and is provided. e. A surety bond or, in lieu of a bond, an irrevocable letter of credit (from a bank or credit union) or a deposit of assets (cash) is required. 	<p>All contracts undergo the same solicitation and award process. However, there are some distinctions for each contract type request package:</p> <ul style="list-style-type: none"> a. Build-out is mandatory for Non-RSS BP Performance-Based. b. No mandatory build-out for a Firm-Fixed-Price CPU. c. Signage is mandatory and is provided. d. A surety bond or, in lieu of a bond, an irrevocable letter of credit (from a bank or credit union) or a deposit of assets (cash) does not apply to RSS BP contracts. 	Procedure	6.6 CPU Solicitation Package Requirements
500	N/A - New Language	N/A	N/A - New Language	To ensure proper assembly of the CPU Solicitation Package, the requestor and CPF CMC buyer can see the sections 6.6.1 and 6.6.2 for the different contract types and components.	Procedure	6.6 CPU Solicitation Package Requirements
501	7-3.1 Characteristics	38	(See Sample Solicitation for Non-CARS Performance-Based Contract and Sample Solicitation for Firm-Fixed-Price Contract in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	N/A - Removed	N/A - Repetitive	N/A - Removed
502	7-3.2 HAO Expanded Delegation Authority for CPUs	38	7-3.2 HAO Expanded Delegation Authority for CPUs	N/A - Removed	N/A - Extraneous	N/A - Removed
503	7-3.2 HAO Expanded Delegation Authority for CPUs	38	To improve responsiveness and reduce the administrative costs associated with CPU contracting, the CPU HAO appointment was revised in 2003 and again in 2012. The revised appointment gives the HAO more authority to carry out administrative actions and more control in the operation of their CPUs.	N/A - Removed	N/A - Extraneous	N/A - Removed
504	7-3.2 HAO Expanded Delegation Authority for CPUs	38	<p>Four changes have been made to the original HAO appointment, and they are summarized as follows:</p> <ul style="list-style-type: none"> a. Performance Problems (Letter of Warning). If performance problems are not resolved after the HAO's initial discussion with the supplier, the HAO sends a written notice directly to the supplier citing specific conditions of unsatisfactory performance. This is known as a letter of warning. If the problems are not corrected, the HAO requests a Cure Notice from the Denver CMC contracting officer (CO). The CO in Denver will issue a Cure Notice giving the supplier 10 days to "cure" the problem. The HAO will notify the CO after 10 days if the problem has been cured or not. If not, the CO will issue a termination of the contract. Only the CO at the Denver CMC can suspend or terminate a contract. 	<p>The HAO is authorized to handle the following actions independently without requiring approval from the CO for modification:</p> <ul style="list-style-type: none"> a. Performance Problems (Letter of Warning). If performance problems are not resolved after the HAO's initial discussion with the supplier, the HAO sends a Letter of Warning. If the problems are not corrected, the HAO requests a Cure Notice from the CO. The CO will issue a Cure Notice giving the supplier a specified time frame to "cure" the problem. The HAO will notify the CO after the specified time frame included in the Cure Notice has passed if the problem has been cured or not. If not, the CO may terminate the contract. Only the CO at the CPF CMC can terminate a contract. 	Procedure	13 Contract Modification

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
505	7-3.2 HAO Expanded Delegation Authority for CPUs	39	[Four changes have been made to the original HAO appointment, and they are summarized as follows:] b. Change of Hours. The HAO has the authority to change the hours of the contract by working directly with the supplier and providing written notice. The HAO cannot make any hour changes that affect the price of the contract. Contact the Denver CMC to negotiate and make those types of changes.	[The HAO is authorized to handle the following actions independently without requiring approval from the CO for modification:] b. Change of Hours. The HAO has the authority to change the hours of the contract by working directly with the supplier and providing written notice. The HAO cannot make any hour changes that affect the price of the contract. The HAO must contact the CPF CMC to negotiate those types of changes.	Procedure	13 Contract Modification
506	7-3.2 HAO Expanded Delegation Authority for CPUs	39	[Four changes have been made to the original HAO appointment, and they are summarized as follows:] c. Surety Bonds. The HAO is able to increase or decrease the bond amount, in writing, as needed in order to reflect the supplier's accountability. The HAO can rescind the bond requirement with notification to CMC who will issue a modification.	[The HAO is authorized to handle the following actions independently without requiring approval from the CO for modification:] c. Surety Bonds. The HAO is able to increase or decrease the bond amount, in writing, as needed in order to reflect the supplier's accountability. The HAO can rescind the bond requirement with notification to CPF CMC which will issue a modification.	Procedure	13 Contract Modification
507	7-3.2 HAO Expanded Delegation Authority for CPUs	39	[Four changes have been made to the original HAO appointment, and they are summarized as follows:] d. Shortages. When a CPU supplier has a shortage, that shortage is applied to the HAO's finance number. Therefore, it is imperative that the HAO has the authority to recover lost monies as quickly as possible. A Letter of Demand must be issued to the supplier immediately demanding the money to be paid. If the money is not paid, the HAO must notify the CO in Denver to issue a Cure Notice, and if the contract is Performance-Based or Firm-Fixed-Price, the HAO must begin notifying the bond company to retrieve the funds from the bond. Copies of all correspondence must be sent to the Denver CMC for the file.	[The HAO is authorized to handle the following actions independently without requiring approval from the CO for modification:] d. Shortages. When a CPU supplier has a shortage, that shortage is applied to the HAO's finance number. Therefore, it is imperative that the HAO has the authority to recover lost monies as quickly as possible. The HAO must issue a Letter of Demand to the supplier immediately demanding the money to be paid. If the money is not paid, the HAO must notify the CO to issue a Cure Notice, and if the contract is Performance-Based or Firm-Fixed-Price, the HAO must begin notifying the bond company to retrieve the funds from the bond. Copies of all correspondence must be sent to the CPF CMC for the file.	Procedure	13 Contract Modification
508	7-3.2 HAO Expanded Delegation Authority for CPUs	39	(See HAO Expanded Delegation Authority for CPUs in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	N/A - Removed	N/A - Repetitive	N/A - Removed
509	7-3.3 Contract Records Responsibility	39	7-3.3 Contract Records Responsibility	8.2 Contract Records	Procedure	8.2 Contract Records
510	7-3.3.1 Responsibility	39	7-3.3.1 Responsibility	N/A - Removed	N/A - Extraneous	N/A - Removed
511	7-3.3.1 Responsibility	39	Record keeping is the responsibility of the Denver CMC, the HAO, and the CPU coordinator.	N/A - Removed	N/A - Repetitive	N/A - Removed
512	7-3.3.2 Official Contract File — Denver CMC	39	7-3.3.2 Official Contract File — Denver CMC	11.3.2 Official Contract File — CPF CMC	Procedure	11.3.2 Official Contract File — CPF CMC

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
513	7-3.3.2 Official Contract File — Denver CMC	39	The following items are included in the official contract file: a. Original request package. b. Original contract document. c. Original unsuccessful business proposals d. Original modifications. e. A copy of the property/equipment form signed by the supplier f. and the HAO.	The following items are included in the official contract file: ▪ Original request package. ▪ Original contract document. ▪ Original unsuccessful business proposals ▪ Original modifications. ▪ A copy of the property/equipment form signed by the supplier and the HAO.	Procedure	11.3.2 Official Contract File — CPF CMC
514	7-3.3.2 Official Contract File — Denver CMC	39	[The following items are included in the official contract file: a. Original request package.] g. A copy of the surety bond, letter of credit, or record of deposit of assets. h. A copy of the COR appointment and HAO Operating Instructions. i. A copy of all correspondence relating to the contract (including copies of correspondence sent to the supplier by the HAO). j. Copies of reviews, audits, and records of phone calls and other meetings or conversations about contract performance.	[The following items are included in the official contract file:] ▪ A copy of the surety bond, letter of credit, or record of deposit of assets. ▪ A copy of the COR appointment and HAO Operating Instructions. ▪ A copy of all correspondence relating to the contract (including copies of correspondence sent to the supplier by the HAO). ▪ Copies of reviews, audits, and records of phone calls and other meetings or conversations about contract performance.	Procedure	11.3.2 Official Contract File — CPF CMC
515	7-3.3.2 Official Contract File — Denver CMC	39	The Denver CMC retains the CPU file for 6 years after contract termination.	The CPF CMC buyer retains the CPU files for 6 years after contract termination.	Procedure	11.3 Contract Records Audit Requirements
516	7-3.3.3 HAO and CPU Coordinator's Administrative File	40	7-3.3.3 HAO and CPU Coordinator's Administrative File	11.3.1 HAO's Administrative File	Procedure	11.3.1 HAO's Administrative File
517	7-3.3.3 HAO and CPU Coordinator's Administrative File	40	The following items are included in the HAO and CPU coordinator's administrative file: a. A copy of the contract. b. Copies of modifications. c. The original surety bond, letter of credit, or record of deposit of assets. d. The HAO Operating Instructions and COR appointment. e. A copy of the property/equipment form signed by the supplier and the HAO.	The following items are included in the HAO's administrative file: ▪ A copy of the contract. ▪ Copies of modifications. ▪ The original surety bond, letter of credit, or record of deposit of assets. ▪ The HAO Operating Instructions and COR appointment. ▪ A copy of the property/equipment form signed by the supplier and the HAO.	Procedure	11.3.1 HAO's Administrative File
518	7-3.3.3 HAO and CPU Coordinator's Administrative File	40	[The following items are included in the HAO and CPU coordinator's administrative file:] f. A copy of all correspondence to and from the supplier. g. The original reviews, audits, and records of phone calls and other meetings or conversations about contract performance. h. A copy of the supplier's training record. i. Copies of reviews, audits, and records of phone calls and other meetings or conversations about contract performance.	[The following items are included in the HAO's administrative file:] ▪ A copy of all correspondence to and from the supplier. ▪ The original reviews, audits, and records of phone calls and other meetings or conversations about contract performance. ▪ A copy of the supplier's training record. ▪ Copies of reviews, audits, and records of phone calls and other meetings or conversations about contract performance.	Procedure	11.3.1 HAO's Administrative File
519	7-3.3.3 HAO and CPU Coordinator's Administrative File	40	The HAO retains the CPU file for 3 years after contract termination and then turns it over to the CPU coordinator, who maintains the file for 6 years.	The HAO must also retain the CPU file for 6 years after contract termination.	Procedure	8.2 Contract Records
520	N/A - New Language	N/A	N/A - New Language	Refer to section 11.3 for a list of required documents that must be filed for auditing purposes.	Procedure	8.2 Contract Records

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
521	7-3.3.3 HAO and CPU Coordinator's Administrative File	40	See the Publication 156 folder on CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx . for the following items: a. Sample Solicitation for CARS Performance-Based Contract. b. Guidelines for Completing the Evaluation Worksheet. c. Evaluation Worksheet. d. Sample COR Appointment and HAO Operating Instructions. e. Sample Solicitation for Non-CARS Performance-Based Contract. f. Sample Solicitation for Firm-Fixed-Price Contract. g. HAO Expanded Delegation Authority for CPUs.	N/A - Removed	N/A - Repetitive	N/A - Removed
522	8 Construction of the Contract Postal Unit Design	41	8 Construction of the Contract Postal Unit Design	9 Construction of the Contract Postal Unit Design	Procedure	9 Construction of the Contract Postal Unit Design
523	8-1 Introduction	41	8-1 Introduction	N/A - Removed	N/A - Extraneous	N/A - Removed
524	8-1 Introduction	41	After the contract postal unit (CPU) contract has been approved, construction begins. Chapter 8 explains the construction process.	N/A - Removed	N/A - Extraneous	N/A - Removed
525	8-2 Review of Attachment 5, CPU Design and Construction Requirements Documents	41	8-2 Review of Attachment 5, CPU Design and Construction Requirements Documents	9.2 Review of Attachment 5, CPU Design and Construction Requirements Documents	Procedure	9.2 Review of Attachment 5, CPU Design and Construction Requirements Documents
526	8-2 Review of Attachment 5, CPU Design and Construction Requirements Documents	41	First, the CPU coordinator receives a copy of the CPU contract award. Then, the CPU coordinator reviews the completed CPU Design and Construction Requirements (D&CR) to determine what casework and signage the Postal Service is to provide.	After receiving a copy of the CPU Contract Award, the HAO reviews the completed CPU D&CR to determine what casework and signage the Postal Service is to provide.	Procedure	9.2 Review of Attachment 5, CPU Design and Construction Requirements Documents
527	8-2 Review of Attachment 5, CPU Design and Construction Requirements Documents	41	The CPU coordinator coordinates and schedules an on-site meeting with the following team members: a. CPU coordinator. b. Host Administrative Office (HAO). c. CPU supplier. The CPU supplier prepares and submits the required CPU design layout based on the CPU D&CR.	The HAO coordinates and schedules a meeting with the CPU supplier, who prepares and submits the required CPU design layout based on the CPU D&CR.	Procedure	9.2 Review of Attachment 5, CPU Design and Construction Requirements Documents
528	8-3 Supplier's Design Submittal	41	8-3 Supplier's Design Submittal	9.5 Supplier's Design Submittal	Procedure	9.5 Supplier's Design Submittal
529	8-3 Supplier's Design Submittal	41	The supplier submits a preliminary design with its proposal. The preliminary layout may be adequate if it is a Case I (full compliance) or Case II (substantial compliance) submittal (see 4-8). A Case III submittal will require drawings and specifications. The supplier determines whether professional services are needed. The CPU coordinator reviews and approves the drawings.	a. The CPU supplier submits a preliminary design with its proposal. The preliminary layout may be identified as a Case I (Full Compliance) or a Case II (Substantial Compliance) submittal based on the criteria listed in Attachment 5, Part C. A Case III (Deviation) submittal will require drawings and specifications. The supplier determines whether professional services are needed.	Procedure	9.5 Supplier's Design Submittal

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530	8-3 Supplier's Design Submittal	41	The CPU coordinator, with guidance from the Facilities Service Office (FSO) (if needed), will approve the design. The CPU coordinator sends an email to the Denver CMC that the drawings have been approved.	b. The HAO, with guidance from the Facilities Department (if needed), will approve the design. c. The HAO sends an e-mail to the CPF CMC that the drawings have been approved.	Procedure	9.5 Supplier's Design Submittal
531	8-3 Supplier's Design Submittal	42	The Denver CMC advises the CPU supplier, CPU coordinator, and HAO in writing that the drawing/plan is accepted and build-out may commence via a Notice to Proceed letter. The supplier is solely responsible for means and methods and obtaining permits and/or approvals for all signs. The supplier is also responsible for installing and providing electrical power to the Postal Service illuminated signs.	d. The CPF CMC buyer advises the CPU supplier and the HAO in writing, via a Notice to Proceed letter, that the drawing/plan is accepted and build-out may commence. The CPU supplier is solely responsible for the means and methods and for obtaining permits and/or approvals for all signs. The CPU supplier is also responsible for installing and providing electrical power to the Postal Service illuminated signs.	Procedure	9.5 Supplier's Design Submittal
532	8-4 On-Site Meeting	42	8-4 On-Site Meeting	9.6 On-Site Meeting	Procedure	9.6 On-Site Meeting
533	8-4 On-Site Meeting	42	Although the means and methods that the supplier intends to use to accomplish the build-out is strictly the supplier's responsibility, it is usually helpful to walk through the supplier's plan to help identify any potential problems the Postal Service may have observed on other build-outs.	Although the means and methods that the supplier intends to use to accomplish the build-out is strictly the CPU supplier's responsibility, it is usually helpful for the Evaluation Committee to walk through the supplier's plan to help identify any potential problems the Postal Service may have observed on other build-outs.	Procedure	9.6 On-Site Meeting
534	8-4 On-Site Meeting	42	The CPU coordinator does the following: a. Verifies the location of the CPU within the store and approves the design. b. Verifies that the available space in the store will accommodate the design. c. Verifies that the layout, orientation, and space around the CPU are adequate and consistent with the design. d. Reviews the supplier's proposed construction schedule and coordinates approximate delivery dates and times for Postal Service equipment. e. Discusses the size and weight of the cabinetry delivery items. f. Determines whether a dock-high delivery point is present or, if there is no dock, if a lift-gate truck will be needed.	The HAO must complete the following responsibilities: · Verify the location of the CPU within the store and approves the design. · Verify that the available space in the store will accommodate the design. · Verify that the layout, orientation, and space around the CPU are adequate and consistent with the design. · Review the supplier's proposed construction schedule and coordinates approximate delivery dates and times for Postal Service equipment. · Discuss the size and weight of the cabinetry delivery items. · Determine whether a dock-high delivery point is present or, if there is no dock, if a lift-gate truck will be needed.	Procedure	9.6 On-Site Meeting

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535	8-4 On-Site Meeting	42	<p>[The CPU coordinator does the following:]</p> <p>g. Discusses how the supplier intends on doing the build-out.</p> <p>h. Determines whether entrance/exits dedicated for mail pick-up locations are suitable.</p> <p>i. Reviews proposed sign types and locations.</p> <p>j. Verifies that the supplier has the necessary approvals for exterior signs.</p> <p>k. Reminds the supplier that he/she needs to complete the pre-inspection checklist after construction is finished for final inspection.</p> <p>l. Places orders after design approval and the on-site meeting.</p> <p>m. Verifies that the supplier has permits and approvals to install signage.</p> <p>n. If CARS, verifies LAN line installation.</p>	<p>[The HAO must complete the following responsibilities:]</p> <ul style="list-style-type: none"> · Discuss how the supplier intends to conduct the build-out. · Determine whether entrance/exits dedicated for mail pick-up locations are suitable. · Review proposed sign types and locations. · Verify that the supplier has the necessary approvals for exterior signs. · Remind the supplier that he/she needs to complete the pre-inspection checklist after construction is finished for final inspection. · Place orders after design approval and the on-site meeting. · Verify that the supplier has permits and approvals to install signage. · For an RSS BP, verify LAN line installation. 	Procedure	9.6 On-Site Meeting
536	8-4 On-Site Meeting	42	The CPU coordinator ensures that orders are placed for furniture, casework, and CPU signage. Both the CPU coordinator and HAO ensure that orders are placed for all other equipment needs per the CPU activation checklist.	The HAO ensures that orders are placed for furniture, casework, and CPU signage. Both the district designee and the HAO ensure that orders are placed for all other equipment needs per the CPU activation checklist.	Procedure	9.6 On-Site Meeting
537	8-4 On-Site Meeting	42	Timely placement of orders and follow-through are critical. The CPU D&CR, Part A - Responsibility Schedule, shows the type and quantity of all items (except signage) to be ordered. Part B — Signage Requirements, shows the type and quantity of all signage to be ordered.	No change.	Procedure	9.6 On-Site Meeting
538	8-4 On-Site Meeting	42	(See Sample Part A — CARS, Sample Part A — PB, and Sample Part B in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	Refer to the Part A and Part B samples on the CPAC Blueshare website.	Procedure	9.6 On-Site Meeting
539	8-4 On-Site Meeting	43	<p>Typically, the order consists of the following:</p> <p>a. Interior signage (e.g., CPU logo, door decals, illuminated window sign, placards).</p> <p>b. Exterior sign.</p> <p>c. Furniture and casework.</p> <p>d. Mail drop slot.</p> <p>e. Sack rack cabinets.</p>	<p>Typically, the order consists of the following:</p> <ul style="list-style-type: none"> ▪ Interior signage (e.g., CPU logo, door decals, illuminated window sign, placards). ▪ Exterior sign. ▪ Furniture and casework. ▪ Mail drop slot. ▪ Sack rack cabinets. 	Procedure	9.6 On-Site Meeting
540	8-4 On-Site Meeting	43	Note in eBuy2 and on the Signage Order Form if the delivery will be at dock height. In some cases, it is necessary to deliver the equipment to the nearest Post Office with the approval of the local Postmaster and with the understanding that the CPU supplier's contractor must come to the Post Office to pick up the equipment and deliver it to the site.	The HAO notes in the eBuyPlus requisition and on the Signage Order Form if the delivery will be at dock height. In some cases, it is necessary to deliver the equipment to the nearest Post Office with the approval of the local postmaster and with the understanding that the CPU supplier's contractor must come to the Post Office to pick up the equipment and deliver it to the site.	Procedure	9.6 On-Site Meeting
541	8-5 Ordering Furniture and Casework	43	8-5 Ordering Furniture and Casework	9.7 Ordering Furniture and Casework	Procedure	9.7 Ordering Furniture and Casework

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542	8-5 Ordering Furniture and Casework	43	Refer to Part A — Responsibility Schedule in the CPU D&CR (see Part A of Attachment 5).	No change.	Procedure	9.7 Ordering Furniture and Casework
543	8-5 Ordering Furniture and Casework	43	The CPU workstation can be constructed into either a left- or right-hand model. Pre-purchased cabinetry is only for a Performance-Based contract in which a build-out is being completed. The district must assume the cost of the counters, including shipping. During eBuy2 entry, be sure you do not route the request to the Denver CMC.	The CPU workstation can be constructed into either a left- or a right-hand model. Pre-purchased cabinetry is only for a Performance-Based contract in which a build-out is being completed. The District must assume the cost of the counters, including shipping. During eBuyPlus requisition entry, be sure that you do not route the request to the CPF CMC buyer.	Procedure	9.7 Ordering Furniture and Casework
544	8-5 Ordering Furniture and Casework	43	(See Ordering Process for CPU Casework and CPU Casework Order Form in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	For more information, see the Ordering Process for CPU Casework and CPU Casework Order Form on the CPAC Blueshare website.	Procedure	9.7 Ordering Furniture and Casework
545	8-6 Ordering Signage	43	8-6 Ordering Signage	9.8 Ordering Signage	Procedure	9.8 Ordering Signage
546	8-6 Ordering Signage	43	Refer to Part B — Signage Requirements in the CPU D&CR (see Part B of Attachment 5).	No change.	Procedure	9.8 Ordering Signage
547	8-6 Ordering Signage	43	The Postal Service has a direct vendor through which all signage orders must be placed. Verify the supplier has all permits and approvals for installing the signage and an approved funding document at the District level has been approved prior to ordering signage. During eBuy2 entry, be sure you do not route the request to the Denver CMC.	The Postal Service has a direct vendor through which all signage orders must be placed. Verify that the supplier has all permits and approvals for installing the signage and that an approved funding document at the District level has been approved before ordering signage. During eBuyPlus requisition entry, the HAO must ensure that the request is not routed to the CPF CMC buyer.	Procedure	9.8 Ordering Signage
548	8-6 Ordering Signage	43	(See Signage Order Form-CPU Signs in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	Refer to the order form, Signage Form-CPU Signs in the Publication 156 folder on the CPAC Blueshare website.	Procedure	9.8 Ordering Signage
549	8-7 Finalizing the Design	44	8-7 Finalizing the Design	9.9 Finalizing the Design	Procedure	9.9 Finalizing the Design
550	8-7 Finalizing the Design	44	Communicate consistently and follow the progress of the construction. The supplier gives notice when the build-out is complete. The HAO and CPU coordinator perform a final inspection. Then the CPU coordinator formally accepts the space.	The CPU supplier and the HAO must communicate consistently, and the HAO must follow the progress of the construction. The CPU supplier gives notice when the build-out is complete. Upon notice, the HAO performs a final inspection before formally accepting the space.	Procedure	9.9 Finalizing the Design

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551	8-7 Finalizing the Design	44	See Publication 156 folder on CPAC blueshare website at http://supply.blueshare.usps.gov/sites/cpac/default.aspx for the following items: a. Sample — Part A — CARS. b. Sample — Part A — PB. c. Sample — Part B. d. Ordering Process for CPU Casework. e. CPU Casework Order Form. f. Signage Order Form-CPU Signs.	N/A - Removed	N/A - Repetitive	N/A - Removed
552	9 Activation of the Contract Postal Unit	45	9 Activation of the Contract Postal Unit	10 Activation of the Contract Postal Unit	Procedure	10 Activation of the Contract Postal Unit
553	9 Activation of the Contract Postal Unit	45	9 Activation of the Contract Postal Unit	9 Activating the CPU	Policy	9 Activating the CPU
554	9-1 Introduction	45	9-1 Introduction	N/A - Removed	N/A - Extraneous	N/A - Removed
555	9-1 Introduction	45	After the paperwork is completed, a lot of work remains for the project's success. The Host Administrative Office (HAO) and contract postal unit (CPU) coordinator continue to work with the CPU team to ensure that constructing and supplying the CPU go according to plan.	N/A - Removed	N/A - Extraneous	N/A - Removed
556	9-2 Contract Postal Unit Activation Checklist	45	9-2 Contract Postal Unit Activation Checklist	10.1 Contract Postal Unit Activation Checklist	Procedure	10.1 Contract Postal Unit Activation Checklist
557	9-2 Contract Postal Unit Activation Checklist	45	The CPU activation checklist provides a guide to logically activate the CPU. The checklist consists of the following phases: a. Post-award phase I (after contract award). b. Post-award phase II (after receipt of bond and concurrent with build-out) (this does not apply to a CARS contract). c. Post-award phase III (build-out complete). d. Opening day. e. Grand opening. f. Follow-up.	The CPU Activation Checklist provides a guide to logically activate the CPU. The checklist consists of the following phases: ▪ Post-award phase I (after contract award). ▪ Post-award phase II (after receipt of bond and concurrent with build-out). This does not apply to an RSS BP contract. ▪ Post-award phase III (build-out complete). ▪ Opening day. ▪ Grand opening. ▪ Follow-up.	Procedure	10.1 Contract Postal Unit Activation Checklist
558	9-2 Contract Postal Unit Activation Checklist	45	(See CARS CPU Activation Checklist and FF and PB CPU Activation Checklist in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	For further guidance on the roles and responsibilities of this portion of the process, see the respective contract's CPU Activation Checklist on the CPAC Blueshare website.	Procedure	10.1 Contract Postal Unit Activation Checklist
559	9-3 Notification	45	9-3 Notification	10.2 Notification	Procedure	10.2 Notification
560	9-3 Notification	45	Announce the opening of a new CPU with a letter stating the pertinent information about the CPU.	No change.	Procedure	10.2 Notification
561	9-3 Notification	45	(See CARS CPU Opening Announcement Letter and FNCM Request and Non-CARS CPU Opening Announcement Letter in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	Refer to the respective contract Opening Announcement Letter located on the CPAC Blueshare website for the full distribution list.	Procedure	10.2 Notification
562	9-4 Advertising	46	9-4 Advertising	10.3 Advertising	Procedure	10.3 Advertising
563	9-4.1 Overview	46	9-4.1 Overview	N/A - Removed	N/A - Extraneous	N/A - Removed

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564	9-4.1 Overview	46	Advertising creates community awareness of the CPU's location and hours of operation. Many forms of advertising should be used prior to the opening of the CPU and continue throughout the life of the contract including grand opening advertising, Message Maker 4, and local signage.	Many forms of advertising should be used before the opening of the CPU and continue throughout the life of the contract to ensure customers are informed. This includes grand opening advertising, point-of-purchase signage (POP), and local signage.	Procedure	10.3 Advertising
565	9-4.2 Grand Opening Advertising	46	9-4.2 Grand Opening Advertising	10.3.1 Grand Opening Advertising	Procedure	10.3.1 Grand Opening Advertising
566	9-4.2 Grand Opening Advertising	46	Grand opening advertising consists of the following items: a. Grand opening news release with the following information: (1) Name and location of the CPU. (2) Products and services provided. (3) Hours of operation. (4) Phone number. (5) Contact for additional information.	Grand opening advertising consists of the following: a. Name and location of the CPU. b. Products and services provided. c. Hours of operation. d. Phone number. e. Contact for more information.	Procedure	10.3.1 Grand Opening Advertising
567	9-4.2 Grand Opening Advertising	46	[Grand opening advertising consists of the following items: a. Grand opening news release with the following information:] b. Postcard. c. Door sign. d. Co-op advertising (supplier and Postal Service partner on advertising). e. Sustaining advertising.	[Grand opening advertising consists of the following:] f. Postcard. g. Door sign. h. Co-op advertising (supplier and Postal Service may partner on advertising). i. Sustaining advertising.	Procedure	10.3.1 Grand Opening Advertising
568	9-4.2 Grand Opening Advertising	46	(See Press Release for CPU Opening in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	For more information, refer to the Press Release for CPU Opening on the CPAC Blueshare website.	Procedure	10.3.1 Grand Opening Advertising
569	9-4.3 Message Maker 4	46	9-4.3 Message Maker 4	N/A - Removed	N/A - Extraneous	N/A - Removed
570	9-4.3 Message Maker 4	46	Message Maker 4 consists of the following CPU elements: a. Create-awareness postcards, which are sent to local addresses, to advertise CPUs at the following types of business: (1) Retail food store. (2) Pharmacy. (3) Convenience store. (4) Bank. (5) Generic. b. Create awareness door sign.	N/A - Removed	N/A - Obsolete	N/A - Removed
571	9-4.4 Point-of-Purchase Signage	46	9-4.4 Point-of-Purchase Signage	10.3.2 POP Signage	Procedure	10.3.2 POP Signage
572	9-4.4 Point-of-Purchase Signage	46	Point-of-purchase signage (POP) is signage that communicates product and service information and promotional messages to customers.	Point-of-Purchase Signage (POP) Signage that communicates product and service information and promotional messages to customers.	Policy	14 Definitions
573	9-4.4 Point-of-Purchase Signage	46	POP is designed to give the right information at the right place and the right time so customers can make an informed decision as to the products and services that they need.	POP signage is designed to give the right information at the right place and the right time so customers can make an informed decision as to the products and services that they need.	Procedure	10.3.2 POP Signage
574	9-4.4 Point-of-Purchase Signage	47	The two types of POP are as follows: a. Continuity menu boards, which are continuously displayed and promote core products and services. [The CPU coordinator can order continuity menu boards from the Topeka Material Distribution Center (MDC)]. b. Promotional POP, which is seasonal and provides a specific, solution- oriented product.	The two types of POP are as follows: a. Continuity menu boards, which are continuously displayed and promote core products and services. (The HAO can order continuity menu boards from the Topeka Material Distribution Center [MDC]). b. Promotional POP, which is seasonal and provides a specific, solution- oriented product. Refer to section 9.8 for information on ordering signage.	Procedure	10.3.2 POP Signage

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575	9-4.5 Local Signage	47	9-4.5 Local Signage	10.3.3 Local Signage	Procedure	10.3.3 Local Signage
576	9-4.5 Local Signage	47	In some communities, the state's department of transportation (DOT) erects signs directing the public to the CPU location. In most cases, the HAO should contact the state's DOT to make this request.	In some communities, the state's Department of Transportation (DOT) erects signs directing the public to the CPU location. If needed, the HAO may contact the state's DOT to make this request.	Procedure	10.3.3 Local Signage
577	9-5 Training	47	9-5 Training	9.1 Training	Policy	9.1 Training
578	9-5 Training	47	9-5 Training	10.4 Training	Procedure	10.4 Training
579	9-5.1 Overview	47	9-5.1 Overview	9.1.1 COR and HAO Training	Policy	9.1.1 COR and HAO Training
580	N/A - New Language	N/A	N/A - New Language	The active COR must re-take the prescribed COR training at least once every 5 years, or more frequently if required by the CO (i.e., due to a substantive revision of the course being released). The COR must provide a record of successful completion to the CO, who will verify the training and maintain the record in the contract file.	Policy	9.1.1 COR and HAO Training
581	9-5.1 Overview	47	9-5.1 Overview	N/A - Removed	Procedure	N/A - Removed
582	9-5.1 Overview	47	Three types of training are required: COR training, HAO training, and CPU supplier/employee training.	The COR and HAO must complete all necessary training upon notification of appointment.	Policy	9.1.1 COR and HAO Training
583	N/A - New Language	N/A	N/A - New Language	Training requirements include: a. CPU supplier/employees must complete up to 40 hours of required training before providing Post Office services. This includes, but is not limited to, training on reporting systems, forms, and products.	Policy	9.1.2 Contract Postal Unit Supplier/Supplier Employee Training
584	9-5.1 Overview	47	Three types of training are required: COR training, HAO training, and CPU supplier/employee training.	Three types of training are required: COR training, HAO training, and CPU supplier/supplier employee training.	Procedure	10.4 Training
585	9-5.2 Contracting Officer's Representative Training	47	9-5.2 Contracting Officer's Representative Training	10.4.1 Contracting Officer's Representative Training	Procedure	10.4.1 Contracting Officer's Representative Training
586	9-5.2 Contracting Officer's Representative Training	47	The Contracting Officer's Representative (COR) for all Contract Postal Units is a designee from Retail Partners Integration at Headquarters and must have the proper training and certifications required.	Contracting Officer Representative (COR) A designee from the Headquarters Program Office.	Policy	14 Definitions
587	9-5.2 Contracting Officer's Representative Training	47	The Contracting Officer's Representative (COR) for all Contract Postal Units is a designee from Retail Partners Integration at Headquarters and must have the proper training and certifications required.	The COR for a CPU must have the proper training and certifications required.	Procedure	10.4.1 Contracting Officer's Representative Training
588	N/A - New Language	N/A	N/A - New Language	An active COR must re-take the prescribed COR training at least once every 5 years or more frequently if required by the CO (i.e., due to a substantive revision of the course being released). The COR must provide a record of successful completion to the CO who will verify the training and maintain the record in the contract file.	Procedure	10.4.1 Contracting Officer's Representative Training
589	9-5.2 Contracting Officer's Representative Training	47	Training and certifications are available through the training course accessible through the Learning Management System (LMS) at https://blue.usps.gov/wps/myportal/LMS .	Training and certifications are available through the training course accessible through the HERO at https://usps.csod.com/ui/lms-learning-details/app/course/9ce39749-3e56-4f34-97fe-d9b5c91e763e .	Procedure	10.4.1 Contracting Officer's Representative Training

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590	9-5.2 Contracting Officer's Representative Training	47	The COR must abide by the Standards of Ethical Conduct for Employees of the Ethical Branch, 5 CFR Part 2635, and the Supplemental Standards of Ethical Conduct for Employees of the United States Postal Service, 5 CFR Part 7001.	N/A - Removed	N/A - Repetitive	N/A - Removed
591	9-5.3 Host Administrative Office Training	47	9-5.3 Host Administrative Office Training	10.4.2 Host Administrative Office Training	Procedure	10.4.2 Host Administrative Office Training
592	9-5.3 Host Administrative Office Training	47	HAO training explains the HAO's responsibilities and must be completed within 2 weeks of the notification of appointment and is fulfilled by visiting the CPAC Blueshare website; go to: http://supply.blueshare.usps.gov/sites/cpac/default.aspx . Click on the Host Admin Office (HAO) – Support Station on the left and review all documents under that tab. For further training, contact the COR.	HAO training explains the HAO's responsibilities and must be completed by all appropriate personnel upon notification of appointment and is fulfilled by visiting the CPAC Blueshare website; go to: Alternate Access Channels-(CPAC) CPU/CPO/VPO - Home (usps.gov). Click on the Host Admin Office (HAO) – Support Station on the left and review all documents under that tab. For further training, contact the COR.	Procedure	10.4.2 Host Administrative Office Training
593	9-5.4 Contract Postal Unit Supplier Employee Training	47	9-5.4 Contract Postal Unit Supplier Employee Training	10.4.3 Contract Postal Unit Supplier/Supplier Employee Training	Procedure	10.4.3 Contract Postal Unit Supplier/Supplier Employee Training
594	9-5.4 Contract Postal Unit Supplier Employee Training	47	9-5.4 Contract Postal Unit Supplier Employee Training	9.1.2 CPU Supplier/Supplier Employee Training	Policy	9.1.2 CPU Supplier/Supplier Employee Training
595	9-5.4 Contract Postal Unit Supplier Employee Training	47	Supplier training focuses on customer service, product knowledge, and equipment training. A customized video training program, developed by the Retail Partner Integration (HQ Program Office), is provided to the supplier to train both current and future employees.	Supplier training focuses on customer service, product knowledge, and equipment training.	Procedure	10.4.3 Contract Postal Unit Supplier/Supplier Employee Training
596	9-5.4 Contract Postal Unit Supplier Employee Training	47	The 40 hours of training, both classroom and on-the-job training, includes but is not limited to the following:	This includes but is not limited to the following topics:	Procedure	10.4.3 Contract Postal Unit Supplier/Supplier Employee Training
597	9-5.4 Contract Postal Unit Supplier Employee Training	48	[The 40 hours of training, both classroom and on-the-job training, includes but is not limited to the following:] a. HAZMAT and Aviation Security — Course # 54294-00. b. Contract Access Retail System (CARS). c. Supply ordering. d. Bank secrecy (if applicable). e. Daily financial reporting (if applicable). f. Registered Mail service.	[This includes but is not limited to the following topics:] ▪ HAZMAT and Aviation Security. ▪ Retail System Software Business Partner (RSS BP). ▪ Supply ordering. ▪ Bank secrecy (if applicable). ▪ Daily financial reporting (if applicable). ▪ Registered Mail service.	Procedure	10.4.3 Contract Postal Unit Supplier/Supplier Employee Training
598	9-5.4 Contract Postal Unit Supplier Employee Training	48	The Postal Service provides the training schedule to the supplier 15 days prior to the opening date. If the Postal Service introduces a new product or service, an additional 8 hours of training per year may be necessary. The supplier is responsible for paying employees during training. Training must be documented in the supplier's employee training folder on the CPU training attendance record. This training record must be kept in the HAO and CPU coordinator's file.	b. The Postal Service must provide the training schedule to the supplier 15 days before the CPU opening date. c. If the Postal Service introduces a new product or service, an additional 8 hours of training per year may be necessary. The supplier is responsible for paying employees during training. The HAO is responsible for documenting supplier training attendance.	Policy	9.1.2 CPU Supplier/Supplier Employee Training

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599	9-5.4 Contract Postal Unit Supplier Employee Training	48	The Postal Service provides the training schedule to the supplier 15 days prior to the opening date. If the Postal Service introduces a new product or service, an additional 8 hours of training per year may be necessary. The supplier is responsible for paying employees during training. Training must be documented in the supplier's employee training folder on the CPU training attendance record. This training record must be kept in the HAO and CPU coordinator's file.	The Postal Service provides the training schedule to the supplier 15 days before the opening date. CPU supplier/employees must complete up to 40 hours of required training before providing Post Office services. This includes but is not limited to training on reporting systems, forms, and products. If the Postal Service introduces a new product or service, an additional 8 hours of training per year may be necessary. The supplier is responsible for paying employees during training. Training must be documented in the supplier's employee training folder on the CPU training attendance record. This training record must be kept in the HAO file.	Procedure	10.4.3 Contract Postal Unit Supplier/Supplier Employee Training
600	9-5.4 Contract Postal Unit Supplier Employee Training	48	(See Contract Postal Unit Training Record in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	(Refer to the Contract Postal Unit Training Record in the Publication 156 folder on the CPAC Blueshare website at: Alternate Access Channels-(CPAC) CPU/CPO/VPO - Home (usps.gov)).	Procedure	10.4.3 Contract Postal Unit Supplier/Supplier Employee Training
601	9-5.5 Finance Training for 1412 Daily Reporting Offices	48	9-5.5 Finance Training for 1412 Daily Reporting Offices	10.4.5 Finance Training for 1412 Daily Reporting Offices	Procedure	10.4.5 Finance Training for 1412 Daily Reporting Offices
602	9-5.5 Finance Training for 1412 Daily Reporting Offices	48	After contract award and receipt of an acceptable CPU bond, the HAO must provide finance training related to Postal Service accounting policies and procedures and the daily PS Form 1412, Daily Financial Report.	After contract award and receipt of an acceptable CPU bond, the HAO must provide finance training related to Postal Service accounting policies and procedures and the daily PS Form 1412.	Procedure	10.4.5 Finance Training for 1412 Daily Reporting Offices
603	9-5.5 Finance Training for 1412 Daily Reporting Offices	48	Training must include items described below in 9-5.5.1 through 9-5.5.3.	N/A - Removed	N/A - Obsolete	N/A - Removed
604	9-5.5.1 Postage Meter at Contract Postal Unit	48	9-5.5.1 Postage Meter at Contract Postal Unit	10.4.6 Postage Meter at Contract Postal Unit	Procedure	10.4.6 Postage Meter at Contract Postal Unit
605	9-5.5.1 Postage Meter at Contract Postal Unit	48	The HAO provides an authorization letter to the CPU supplier for access to the Postal Meter Resetting System (PMRS). This authorizes the supplier to use the PMRS. The CPU supplier must provide a signed copy of this letter to the meter manufacturer and retain a copy in the CPU.	No change.	Procedure	10.4.6 Postage Meter at Contract Postal Unit
606	9-5.5.1 Postage Meter at Contract Postal Unit	48	The guidelines for the CPU supplier are as follows: a. Lease the meter at the supplier's expense from an approved meter supplier. b. Use the meter exclusively for customer mailings. c. Do not use the postage meter for commercial mail services. d. Use the meter for CPU mail in an amount that would be considered reasonable and customary for the type of business that is hosting the CPU. e. Do not allow the combined value of stamp stock and meter postage to exceed the CPU bond limit.	The guidelines for the CPU supplier are as follows: ▪ Lease the meter at the supplier's expense from an approved meter supplier. ▪ Use the meter exclusively for customer mailings. ▪ Do not use the postage meter for commercial mail services. ▪ Use the meter for CPU mail in an amount that would be considered reasonable and customary for the type of business that is hosting the CPU. ▪ Do not allow the combined value of stamp stock and meter postage to exceed the CPU bond limit.	Procedure	10.4.6 Postage Meter at Contract Postal Unit

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607	9-5.5.1 Postage Meter at Contract Postal Unit	48	<p>[The guidelines for the CPU supplier are as follows:]</p> <p>f. Do not request a meter setting in excess of \$25,000.</p> <p>g. Report daily meter revenue on PS Form 3602-PO, Postage Collected Through Post Office Meter, and on PS Form 1412, Daily Financial Report, in AIC 110.</p> <p>h. Call the meter manufacturer to add postage.</p> <p>i. Report additional postage added on PS Form 3602-PO, Postage Collected Through Post Office Meter.</p>	<p>[The guidelines for the CPU supplier are as follows:]</p> <ul style="list-style-type: none"> ▪ Do not request a meter setting in excess of \$25,000. ▪ Verify that all meter readings match the corresponding PS Form 3602-PO, Postage Collected Through Post Office Meter. ▪ Report daily meter revenue on PS Form 3602-PO, and on PS Form 1412 in AIC 110. ▪ Call the meter manufacturer to add postage. ▪ Report additional postage added on PS Form 3602-PO. 	Procedure	10.4.6 Postage Meter at Contract Postal Unit
608	9-5.5.1 Postage Meter at Contract Postal Unit	49	<p>[The guidelines for the CPU supplier are as follows:]</p> <p>j. (See Meter Activation Letter and Authorized Postage Evidencing (Postage Meter) Systems Vendors in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx.)</p>	For more information, see the Meter Activation Letter and Authorized Postage Evidencing (Postage Meter) Systems Vendors on the CPAC Blueshare website.	Procedure	10.4.6 Postage Meter at Contract Postal Unit
609	9-5.5.2 CPU Daily Financial Closeout	49	9-5.5.2 CPU Daily Financial Closeout	N/A - Removed	N/A - Extraneous	N/A - Removed
610	9-5.5.2 CPU Daily Financial Closeout	49	The CPU contractor must prepare PS Form 1412 to report daily financial transactions performed and submit to the HAO daily with the required supporting documents (i.e., tapes, lists, and receipts). Prepare PS Form 1412 in ink, duplicate with the date, name, and opening accountability balance noted. If an error is made, draw one line through the entry and write the correction above and initial.	N/A - Removed	N/A - Obsolete	N/A - Removed
611	9-5.5.2 CPU Daily Financial Closeout	49	<p>Perform daily closeout as follows:</p> <p>a. Complete PS Form 3602-PO (if applicable) and enter the calculated amount into AIC 110, Post Office Postage Meter Sales.</p> <p>b. Run a calculator tape of money orders sold, enter amount of money orders into AIC 100, Domestic Money Order — Value, and the money order fees into AIC 101, Domestic Money Order Fees.</p> <p>c. Organize supporting documentation by type, calculate the amount by products and service, and enter into the appropriate AICs (i.e., PO box fees and lobby service revenues).</p> <p>d. Post sales of retail products (if applicable) into the appropriate AICs of the PS Form 1412.</p>	N/A - Removed	N/A - Obsolete	N/A - Removed
612	9-5.5.2 CPU Daily Financial Closeout	49	<p>[Perform daily closeout as follows:]</p> <p>e. Run a calculator tape of checks accepted.</p> <p>f. Count the funds to be deposited and enter amounts to AIC 752, Cash Remitted Final.</p> <p>g. Calculate the amount of postage sales and enter into AIC 090, Postage Stock Sales.</p> <p>h. Verify that AIC 840, Stamp Accountability Opening Balance, matches the previous day's AIC 853, Stamp Accountability Closing Balance.</p>	N/A - Removed	N/A - Obsolete	N/A - Removed

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613	9-5.5.2 CPU Daily Financial Closeout	49	<p>[Perform daily closeout as follows:]</p> <p>i. Complete the Stamp Accountability section of PS Form 1412 as follows:</p> <p>(1) Enter in AIC 841, Stamp Stock Received, if any stock received from the SDO.</p> <p>(2) Enter AIC 848, Stamp Stock Returned, if any stock returned to the SDO.</p> <p>(3) Enter AIC 852, Total Stamp Accountability Sales, total sales of AIC 090.</p> <p>(4) Calculate the amount of AIC 853, Stamp Accountability Closing Balance.</p> <p>j. Ensure PS Form 1412 is in balance, totals of AIC 400, Cash Required, and AIC 800, Cash Accounted For, must match.</p> <p>k. Sign, date, and submit the PS Form 1412 to the assigned Host Administrative Office.</p>	N/A - Removed	N/A - Obsolete	N/A - Removed
614	9-5.5.3 Required Documents	50	9-5.5.3 Required Documents	N/A - Removed	N/A - Extraneous	N/A - Removed
615	9-5.5.3 Required Documents	50	<p>The required documents for 1412 reporting units are the following:</p> <p>a. The original PS Form 1412.</p> <p>b. The original PS Form 3602-PO. (See notes on last page of form for instructions.)</p> <p>c. Duplicate PS Forms 3544, USPS Receipt for Money or Services.</p> <p>d. Original COD tags (if not paid at the unit).</p> <p>e. Original Customs Form 3419A, Mail Entry — Customs, and PS Form 2944, Receipt for Customs Duty Mail.</p> <p>f. Money order vouchers, spoiled money orders, and calculator tapes.</p> <p>g. Original PS Form 17, Stamp Requisition/Stamp Return, for stock shipped/received/returned.</p>	N/A - Removed	N/A - Repetitive	N/A - Removed
616	9-5.5.3 Required Documents	50	CPUs must continue to use their green, zippered PS Form 1412 pouches to dispatch their daily financial reports and documents to the assigned HAO. Note: See Handbook F-101, Field Accounting Procedures.	N/A - Removed	N/A - Obsolete	N/A - Removed
617	9-6 Equipment, Property, and Supplies	50	9-6 Equipment, Property, and Supplies	9.3 Equipment, Property, and Supplies	Policy	9.3 Equipment, Property, and Supplies
618	9-6.1 Firm-Fixed-Price or Performance-Based CPU	50	9-6.1 Firm-Fixed-Price or Performance-Based CPU	9.3.1 Firm-Fixed-Price CPUs	Policy	9.3.1 Firm-Fixed-Price CPUs
619	9-6.1 Firm-Fixed-Price or Performance-Based CPU	50	9-6.1 Firm-Fixed-Price or Performance-Based CPU	9.3.2 Performance-Based CPU	Policy	9.3.2 Performance-Based CPU
620	9-6.1 Firm-Fixed-Price or Performance-Based CPU	50	Firm-Fixed-Price and Performance-Based CPUs are PS Form 1412, Daily Financial Report, reporting units.	N/A - Removed	N/A - Repetitive	N/A - Removed

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621	9-6.1 Firm-Fixed-Price or Performance-Based CPU	50	After contract award and receipt of an acceptable CPU bond, the HAO must provide any Postal Service-furnished equipment, property, and supplies as required by the contract as follows: a. The HAO must complete an equipment/property/supplies (EPS) inventory list for Firm-Fixed-Price CPUs. Have the EPS list signed by the CPU supplier, and retain the list in the contract administration file. (See EPS Inventory List in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	After contract award and receipt of an acceptable CPU bond, the HAO must provide any Postal Service—furnished equipment, property, and supplies as required by the contract by completing an equipment/property/supplies (EPS) inventory list for Firm-Fixed-Price CPUs.	Policy	9.3.1 Firm-Fixed-Price CPUs
622	9-6.1 Firm-Fixed-Price or Performance-Based CPU	50	Firm-Fixed-Price and Performance-Based CPUs are PS Form 1412, Daily Financial Report, reporting units.	No change.	Policy	9.3 Equipment, Property, and Supplies
623	N/A - New Language	N/A	N/A - New Language	This designation requires the completion of specific documentation outlined below by contract type. Refer to Publication 156-A for additional guidance.	Policy	9.3 Equipment, Property, and Supplies
624	9-6.1 Firm-Fixed-Price or Performance-Based CPU	50	After contract award and receipt of an acceptable CPU bond, the HAO must provide any Postal Service-furnished equipment, property, and supplies as required by the contract as follows: a. The HAO must complete an equipment/property/supplies (EPS) inventory list for Firm-Fixed-Price CPUs. Have the EPS list signed by the CPU supplier, and retain the list in the contract administration file. (See EPS Inventory List in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	After contract award and receipt of an acceptable CPU bond, the HAO must provide any Postal Service—furnished equipment, property, and supplies as required by the contract by completing the following forms:	Policy	9.3.2 Performance-Based CPU
625	9-6.1 Firm-Fixed-Price or Performance-Based CPU	50	[After contract award and receipt of an acceptable CPU bond, the HAO must provide any Postal Service-furnished equipment, property, and supplies as required by the contract as follows:] b. The Part A — Responsibility Schedule and Part B — Signage Requirements provide the inventory listing for a Performance-Based CPU. The HAO must complete an EPS Inventory List if any additional equipment is provided.	[After contract award and receipt of an acceptable CPU bond, the HAO must provide any Postal Service-furnished equipment, property, and supplies as required by the contract as follows:] a. Part A, Responsibility Schedule b. Part B, Signage Requirements which provides the inventory listing for a Performance-Based CPU. The HAO must complete an EPS Inventory List if any additional equipment is provided.	Policy	9.3.2 Performance-Based CPU
626	9-6.2 Contract Access Retail System (CARS) CPU	50	9-6.2 Contract Access Retail System (CARS) CPU	9.3.3 Retail System-Software Business Partner (RSS BP) CPU	Policy	9.3.3 Retail System-Software Business Partner (RSS BP) CPU
627	9-6.2 Contract Access Retail System (CARS) CPU	50	The Part A — Responsibility Schedule and Part B — Signage Requirements provide the inventory listing for a CARS CPU.	Part A, Responsibility Schedule and Part B, Signage Requirements provide the inventory listing for an RSS BP CPU.	Policy	9.3.3 Retail System-Software Business Partner (RSS BP) CPU

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628	9-6.2 Contract Access Retail System (CARS) CPU	50	The CARS is provided to CPU suppliers that have Performance-Based contracts, do not have Post Office boxes, and do not sell postal money orders. The CARS device weighs and rates mail and reports transactional data. Using CARS will cause a change in the way that financial and accountable issues are handled in these CPU locations. CARS cannot be used in a PS Form 1412 reporting office.	The Postal Service provides the RSS BP mailing system to CPU suppliers that have Performance-Based contracts, do not have Post Office boxes, and do not sell postal money orders. Using RSS BP will cause a change in the way that financial and accountable issues are handled in these CPU locations. RSS BP cannot be used in a PS Form 1412 reporting office.	Policy	9.3.3 Retail System-Software Business Partner (RSS BP) CPU
629	9-6.2 Contract Access Retail System (CARS) CPU	51	Suppliers are responsible for all supplies for CARS.	Suppliers are responsible for all supplies for RSS BP.	Policy	9.3.3 Retail System-Software Business Partner (RSS BP) CPU
630	9-6.2 Contract Access Retail System (CARS) CPU	51	Stamps are obtained through an Authorized Postal Service supplier. Postage in the Postage Security Device (PSD) is paid for in advance through an ACH debit account withdrawn by the CPU supplier and downloaded through CARS. Transactional data and financial data is uploaded daily from CARS and then to the Postal Service for tracking and compensation purposes. Headquarters pays for the cost of equipment. No bonding, PS Form 1412, financial audits, or separation of funds are required.	Stamps are obtained through an Authorized Postal Service supplier. Postage in the Postage Security Device (PSD) is paid for in advance through an Automated Clearing Hour (ACH) debit account withdrawn by the CPU supplier and downloaded through RSS BP. Transactional data and financial data is uploaded daily from RSS BP and then to the Postal Service for tracking and compensation purposes. Headquarters pays for the cost of equipment. No bonding, PS Form 1412, financial audits, or separation of funds are required.	Policy	9.3.3 Retail System-Software Business Partner (RSS BP) CPU
631	9-6.2 Contract Access Retail System (CARS) CPU	51	The Postal Service will not provide credit/debit acceptance equipment to any CPU. The supplier will need to obtain its own equipment. All fees and charges are the responsibility of the CPU supplier.	Note: The Postal Service will not provide credit/debit acceptance equipment to any CPU. The supplier will need to obtain its own equipment. All fees and charges are the responsibility of the CPU supplier.	Policy	9.3.3 Retail System-Software Business Partner (RSS BP) CPU
632	9-7 Operational Requirements	51	9-7 Operational Requirements	9.2 Operational Requirements	Policy	9.2 Operational Requirements
633	9-7 Operational Requirements	51	9-7 Operational Requirements	11.1.3 Financial Operational Requirements	Procedure	11.1.3 Financial Operational Requirements
634	9-7 Operational Requirements	51	The HAO is responsible for ensuring that all other operational requirements outlined in Publication 116, Contract Postal Unit Operations Guide, August 2002 (as applicable), the Mailing Standards of the United States Postal Service, Domestic Mail Mail, the International Mail Manual, the HAO Operating Instructions, the HAO Expanded Delegation Authority, and the applicable CPU Activation Checklist are followed.	The HAO is responsible for ensuring that the CPU follows all other operational requirements outlined in the following documents: Publication 116, Contract Postal Unit Operations Guide, Domestic Mail Manual; Mailing Standards of the United States Postal Service, International Mail Manual; the HAO Operating Instructions; the HAO Expanded Delegation Authority; and the applicable CPU Activation Checklist.	Policy	9.2 Operational Requirements

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635	9-7 Operational Requirements	51	Refer to the HAO Support Station on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx . These tasks include the following: a. Implementing mail collection schedule. b. Informing the CPU supplier of the procedure used to order stamp stock through an authorized Postal Service provider for CARS contracts or from a stamp distribution office (SDO) for Firm-Fixed-Price and Performance-Based contracts functioning in the Postal accounting system. c. Ordering postal supplies for the CPU, such as labels, envelopes, Priority Mail supplies, Express Mail supplies, and Global Mail supplies. (See Sample CPU Supply Order Form in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	Financial operational tasks include the following: a. Implement mail collection schedule. b. Inform the CPU supplier of the procedure used to order stamp stock through an authorized Postal Service provider for RSS BP contracts or from a stamp distribution office (SDO) for Firm-Fixed-Price and Performance-Based contracts functioning in the Postal Service accounting system. c. Order postal supplies for the CPU, such as bank deposit slips, labels, envelopes, Priority Mail supplies, Express Mail supplies, and Global Mail supplies. (See Sample CPU Supply Order Form on the CPAC Blueshare website.)	Procedure	11.1.3 Financial Operational Requirements
636	9-7 Operational Requirements	51	[These tasks include the following:] d. Setting up the bank deposit process. (Not applicable for CARS contracts.) e. Notifying the district finance number control master (FNCM) coordinator to have a unit ID added to the FNCM database and activated.	[These tasks include the following:] d. Set up the bank deposit process. (Not applicable for RSS BP contracts.) e. Notify the district finance number control master (FNCM) coordinator to have a unit ID added to the FNCM database and activated.	Procedure	11.1.3 Financial Operational Requirements
637	9-8 CPU Financial Requirements (1412 Daily Reporting Offices)	52	9-8 CPU Financial Requirements (1412 Daily Reporting Offices)	11.1 CPU Financial Requirements (1412 Daily Reporting Offices)	Procedure	11.1 CPU Financial Requirements (1412 Daily Reporting Offices)
638	9-8 CPU Financial Requirements (1412 Daily Reporting Offices)	52	9-8 CPU Financial Requirements (1412 Daily Reporting Offices)	10.1 Financial Requirements (1412 Daily Reporting Offices)	Policy	10.1 Financial Requirements (1412 Daily Reporting Offices)
639	9-8.1 Host Administrative Office Responsibilities	52	9-8.1 Host Administrative Office Responsibilities	11.1.1 Host Administrative Office Responsibilities	Procedure	11.1.1 Host Administrative Office Responsibilities
640	9-8.1 Host Administrative Office Responsibilities	52	Handbook F-1, section 2-4.1.7.1, states "To ensure that all accounting transactions for contract postal units (CPUs) are included in the financial systems, the CPU must provide its daily financial activity to the Host Administrative Office at the close of business on the same day business day. The Host Administrative Office is responsible for transmitting daily financial activities for their CPUs on the day of receipt."	N/A - Removed	N/A - Obsolete	N/A - Removed
641	9-8.1 Host Administrative Office Responsibilities	52	Faxes are acceptable for data input. However, the original documents must follow and must be verified and filed. Consider hand delivery if it is the only way to meet the schedule.	N/A - Removed	N/A - Obsolete	N/A - Removed

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642	9-8.1 Host Administrative Office Responsibilities	52	The HOA must create a file box for PS Forms 3544 to ensure the receipts are used in sequential order without any being skipped. When the unit has spoiled a receipt, all copies must be marked "Spoiled." The original and duplicate are submitted to the Host Administrative Office with the daily PS Form 1412.	N/A - Removed	N/A - Obsolete	N/A - Removed
643	9-8.1 Host Administrative Office Responsibilities	52	The data input person must verify all documents against the AICs on each PS Form 1412. When documents do not match the AIC, have been omitted from the report, or are not submitted, the person who entered the data must correct the AIC and create the necessary trust or suspense item to balance PS Form 1412. For more detailed policies and procedures on financial reporting, see 5-7 of Handbook F-101, Field Accounting Procedures.	N/A - Removed	N/A - Obsolete	N/A - Removed
644	9-8.1 Host Administrative Office Responsibilities	52	Money orders require special verification. The data input person aligns the money order vouchers in serial number order, creates an independent calculator tape to "prove" AIC's 100 and 101, signs and dates the tape, and attaches it to the CPU tape that was provided.	N/A - Removed	N/A - Obsolete	N/A - Removed
645	9-8.1 Host Administrative Office Responsibilities	52	Submit spoiled money orders by the CPU to the HAO. The data entry person verifies that all spoiled orders are submitted, annotates on the verification tape any spoiled money order received, and destroys the money orders (the vouchers can be stamped "spoiled" and kept with the daily vouchers). If a spoiled money order is claimed by the CPU but not submitted, and if the money order is subsequently cashed, the CPU is liable for that amount.	N/A - Removed	N/A - Obsolete	N/A - Removed
646	N/A - New Language	N/A	N/A - New Language	CPUs are financially accountable for the value of their assigned stamp sock, cash, and money orders. CPUs may maintain \$100 or ten (10) percent of their stamp credit, whichever is less.	Procedure	11.1.1 Host Administrative Office Responsibilities
647	N/A - New Language	N/A	N/A - New Language	CPUs are financially accountable for the value of their assigned stamp stock, cash, and money orders. CPUs may maintain \$100 or ten (10) percent of their stamp credit, whichever is less. A CPU must not at any time exceed the maximum stock limit even if its authorized bond amount is higher.	Policy	10.1 Financial Requirements (1412 Daily Reporting Offices)
648	N/A - New Language	N/A	N/A - New Language	The postmaster, manager, or supervisor of the HAO has the following responsibilities: a. Ensure that CPU stamp credit counts are conducted randomly at least once a fiscal year. There is no tolerance for a CPU count. b. Maintain a separate file for CPU financial activities. c. Ensure that the CPU has a current bond in place and that its accountability (Stamp Stock and available Meter Postage amount) is within the bond amount.	Procedure	11.1.1 Host Administrative Office Responsibilities

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649	N/A - New Language	N/A	N/A - New Language	The postmaster, manager, or supervisor of the HAO has the following responsibilities: a. Ensure that CPU stamp credit counts are conducted randomly at least once a fiscal year. There is no tolerance for a CPU count. b. Maintain a separate file for CPU financial activities. c. Ensure that the CPU has a current bond in place and that its accountability (stamp stock and available meter postage amount) is within the bond amount.	Policy	10.1 Financial Requirements (1412 Daily Reporting Offices)
650	N/A - New Language	N/A	N/A - New Language	For Postal Quarters 1, 2, 3, and 4 (October 1–September 30), the CPU’s stamp stock limit is calculated by dividing the prior FY sales reported in AIC 852 by four, with no items excluded.	Procedure	11.1.1 Host Administrative Office Responsibilities
651	N/A - New Language	N/A	N/A - New Language	For Postal Quarters 1, 2, 3, and 4 (October 1--September 30), the stamp stock limit is calculated by dividing the prior FY sales reported in Account Identifier Code (AIC) 852 by four, with no items excluded.	Policy	10.1 Financial Requirements (1412 Daily Reporting Offices)
652	N/A - New Language	N/A	N/A - New Language	Note: 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.	Procedure	11.1.1 Host Administrative Office Responsibilities
653	N/A - New Language	N/A	N/A - New Language	Note: When there are no same-period-last-year (SPLY) sales during a time period to accurately calculate the stamp stock limit, a Postal Retail Unit (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. For more information, see sections 11-3.4.1 and 13.5 of Handbook F-101, Field Accounting Procedures.	Procedure	11.1.1 Host Administrative Office Responsibilities
654	9-8.2 Verifying PS Form 1412	52	9-8.2 Verifying PS Form 1412	11.1.2 Verifying PS Form 1412	Procedure	11.1.2 Verifying PS Form 1412
655	9-8.2 Verifying PS Form 1412	52	The daily responsibilities of the HAO Postmaster or designated employee are as follows: a. Coordinate with the CPU to ensure receipt of a daily PS Form 1412 with supporting documentation. CPUs cannot combine daily reporting mounts from different days on one PS Form 1412. b. If applicable, review the money order tape as follows: (1) Verify money order serial numbers. (2) Verify that beginning and ending numbers are correct and sold in sequence.	The daily responsibilities of the HAO, postmaster, or designated employee are to coordinate with the CPU to ensure receipt of a daily PS Form 1412, with supporting documentation for entry into its reporting technology. CPUs cannot combine daily reporting amounts from different days on one PS Form 1412.	Procedure	11.1.2 Verifying PS Form 1412

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656	9-8.2 Verifying PS Form 1412	53	<p>[The daily responsibilities of the HAO Postmaster or designated employee are as follows:]</p> <p>(3) Verify amounts, issue ID, and date.</p> <p>(4) Report missing money orders to the U.S. Postal Inspection Service (USPIS) immediately.</p> <p>(5) Verify spoiled and voided money orders (all parts), and submit them to unit manager for destruction.</p> <p>(6) Identify missing vouchers.</p> <p>Note: If a Postmaster is unable to account for the dollar amount of a missing voucher, complete a PS Form 6401, Money Order Inquiry, and mail it to the SIC to retrieve a copy of the cashed item.</p>	N/A - Removed	N/A - Obsolete	N/A - Removed
657	9-8.2 Verifying PS Form 1412	53	<p>Mail the issue information regarding missing vouchers, identified within the same month as the issue date, to the following address:</p> <p>GENERAL ACCOUNTING BRANCH — MISSING VOUCHERS ACCOUNTING SERVICES PO BOX 82449 ST LOUIS MO 63182-2449</p>	N/A - Removed	N/A - Obsolete	N/A - Removed
658	9-8.2 Verifying PS Form 1412	53	<p>[The daily responsibilities of the HAO Postmaster or designated employee are as follows:]</p> <p>c. If a CPU issues money orders, ensure that employees at the CPU complete the Bank Secrecy Act (BSA) training, have current forms on hand, and complete and mail forms as required.</p>	If a CPU issues money orders, ensure that employees at the CPU complete the Bank Secrecy Act (BSA) training, have current forms on hand, and complete and mail forms as required.	Procedure	11.1.2 Verifying PS Form 1412
659	9-8.2 Verifying PS Form 1412	53	<p>[The daily responsibilities of the HAO Postmaster or designated employee are as follows:]</p> <p>d. Verify the following on PS Form 1412:</p> <p>(1) The opening balance of AIC 840 with the previous day's AIC 853 ending balance.</p> <p>(2) AIC 110 with PS Form 3602-PO, Postage Collected Through Postage Meters, if CPU has a postage meter.</p> <p>(3) AIC entries match the amounts from the supporting documentation. Supporting documentation must agree with the totals entered in individual AICs.</p> <p>Note: CPUs must report unused meter labels in AIC 553 on PS Form 1412 and submit PS Form 3533 with attached labels as supporting documentation.</p>	N/A - Removed	N/A - Obsolete	N/A - Removed

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			<p>[The daily responsibilities of the HAO Postmaster or designated employee are as follows:]</p> <p>e. Enter the CPU's PS Form 1412 via eMOVES.</p> <p>f. Log AICs 247 and AIC 647 activities. The Postmaster or designated employee may choose to use the FPR Net Financial Differences (AIC 247/647)–Line Detail report in the Accounting Data Mart (ADM) for monitoring AIC 247 and AIC 647 expenses.</p> <p>g. Examine the CPU's accountability annually for compliance.</p> <p>h. Ensure that the CPU's total accountability does not exceed its bonded amount.</p> <p>i. For discrepancies of \$100 or more, complete PS Form 571, Discrepancies of \$100 or More in Financial Responsibility, and submit to the appropriate Office of Inspector General.</p>			
660	9-8.2 Verifying PS Form 1412	53		N/A - Removed	N/A - Obsolete	N/A - Removed
661	9-8.3 Printing Missing Money Order Report	53	9-8.3 Printing Missing Money Order Report	N/A - Removed	N/A - Extraneous	N/A - Removed
			<p>To print the Missing Money Order Report, access eMOVES and do the following:</p> <p>a. Select "REPORTS."</p> <p>b. Select "MISSING MONEY ORDER REPORT."</p> <p>c. Select "VIEW BY ALL USERS."</p> <p>d. Select "PRINT."</p> <p>All blank money orders shipped to a CPU must also be tracked in eMOVES.</p> <p>The HAO must enter new blocks in the unit money order files in MOVES. From each of its CPUs, the HAO must obtain a copy of all PS Forms 17, whether for stock or money orders.</p>			
662	9-8.3 Printing Missing Money Order Report	53-54		N/A - Removed	N/A - Obsolete	N/A - Removed
663	9-8.3 Printing Missing Money Order Report	54	<p>Once all units are input for the day, do the following:</p> <p>a. File accountable documents.</p> <p>b. Attach any other documentation to PS Forms 1412 and file by date.</p> <p>c. Maintain envelopes specifically for CPU business by the week.</p> <p>d. Annotate the unit numbers, dates, month/FY, and week of the enclosed reports on the outside of the envelope.</p> <p>e. Store in date order.</p>	N/A - Removed	N/A - Obsolete	N/A - Removed
664	9-8.3 Printing Missing Money Order Report	54	<p>These may be requested for random verification separately from the classified unit documents. HAOs must input all CPU PS Forms 1412 into MOVES no later than 9:00 A.M. the next morning.</p>	N/A - Removed	N/A - Obsolete	N/A - Removed

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665	9-8.3 Printing Missing Money Order Report	54	The HAO must receive all reports and documents the morning of the next business day, if possible. If the original reports do not reach the HAO the next morning, faxes are acceptable for data input. However, the original documents must follow and must be verified and filed. Consider hand delivery if it is the only way to meet the schedule. The HAO must create a file box for PS Forms 3544 to ensure the receipts are used in sequential order without any being skipped. When the unit has spoiled a receipt, all copies must be marked "Spoiled." Submit the original and duplicate to the HAO with the daily PS Form 1412.	N/A - Removed	N/A - Obsolete	N/A - Removed
666	9-8.3 Printing Missing Money Order Report	54	The data input person must verify all documents against the AICs on each PS Form 1412. When documents do not match the AIC, have been omitted from the report, or are not submitted, the data input person must correct the AIC and create the necessary trust or suspense item to balance PS Form 1412.	N/A - Removed	N/A - Obsolete	N/A - Removed
667	9-8.3 Printing Missing Money Order Report	54	See the Publication 156 folder on CPAC blueshare website at http://supply.blueshare.usps.gov/sites/cpac/default.aspx for the following items: a. CARS CPU Activation Checklist. b. FF and PB CPU Activation Checklist. c. CARS CPU Opening Announcement Letter and FNCM Request. d. Non-CARS CPU Opening Announcement Letter. e. Press Release for CPU Opening. f. Contract Postal Unit Training Record. g. Meter Activation Letter. h. Authorized Postage Evidencing (Postage Meter) Systems Vendors. i. EPS Inventory List. j. Sample CPU Supply Order Form	N/A - Removed	N/A - Obsolete	N/A - Removed
668	10 Managing the Contract Postal Unit	55	10 Managing the Contract Postal Unit	11 Managing the Contract Postal Unit	Procedure	11 Managing the Contract Postal Unit
669	10 Managing the Contract Postal Unit	55	10 Managing the Contract Postal Unit	10 Managing the CPU	Policy	10 Managing the CPU
670	10-1 Introduction	55	10-1 Introduction	N/A - Removed	N/A - Extraneous	N/A - Removed
671	10-1 Introduction	55	The contract postal unit (CPU) staff has celebrated its grand opening, and the customers and suppliers are happy. However, the Host Administrative Office's (HAO's) responsibility does not end here. One of the main reasons that the Postal Service experiences problems with CPUs is a lack of consistent management and follow-through.	N/A - Removed	N/A - Extraneous	N/A - Removed
672	10-1 Introduction	55	The HAO needs to ensure that the supplier is fulfilling its obligations under the contract and that the customers are receiving prompt, efficient, accurate, and courteous service.	N/A - Removed	N/A - Repetitive	N/A - Removed
673	10-2 Contracting Officer Representative Appointment and Host Administrative Office Appointment	55	10-2 Contracting Officer Representative Appointment and Host Administrative Office Appointment	8.4 Contracting Officer Representative and Host Administrative Office Appointment	Policy	8.4 Contracting Officer Representative and Host Administrative Office Appointment

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
674	10-2 Contracting Officer Representative Appointment and Host Administrative Office Appointment	55	A contracting officer's representative (COR) (Program Office Manager in HQ) and an HAO are appointed at the time of contract award.	A COR (Program Office Manager in HQ) and an HAO must be appointed at the time of contract award.	Policy	8.4 Contracting Officer Representative and Host Administrative Office Appointment
675	N/A - New Language	N/A	N/A - New Language	The COR serves as the technical liaison to the supplier and, in conjunction with the HAO, monitors and ensures contract compliance. The COR is authorized to make changes to cost, scope, delivery schedule, or duration of contracts.	Policy	8.4 Contracting Officer Representative and Host Administrative Office Appointment
676	10-2 Contracting Officer Representative Appointment and Host Administrative Office Appointment	55	The HAO plays a major role in contract administration, providing training to the CPU operator and their employees, monitoring the CPU operation, and ensuring contract compliance.	No change.	Policy	8.4 Contracting Officer Representative and Host Administrative Office Appointment
677	10-3 Reviews and Examinations	55	10-3 Reviews and Examinations	11.2 Reviews and Examinations	Procedure	11.2 Reviews and Examinations
678	10-3 Reviews and Examinations	55	10-3 Reviews and Examinations	10.2 Reviews and Examinations	Policy	10.2 Reviews and Examinations
679	10-3.1 Contract Postal Unit Performance Reviews	55	10-3.1 Contract Postal Unit Performance Reviews	10.2.1 Performance Reviews	Policy	10.2.1 Performance Reviews
680	10-3.1 Contract Postal Unit Performance Reviews	55	10-3.1 Contract Postal Unit Performance Reviews	11.2.1 Performance Reviews	Procedure	11.2.1 Performance Reviews
681	10-3.1 Contract Postal Unit Performance Reviews	55	The HAO conducts CPU performance reviews quarterly to promote continuous quality performance and improve the business relationship. These review are called Quarterly Performance Reviews. During these reviews, the following aspects of CPU performance are evaluated and discussed: a. Operational efficiency. b. Aviation security. c. HAZMAT acceptance. d. Bank secrecy act (if applicable). e. Sales skills and product knowledge. f. Retail products and services. g. Facility image. h. Revenue performance.	The HAO must conduct CPU Quality Performance Reviews to promote continuous quality performance and improve the business relationship. During these reviews, the HAO evaluates and discusses the following aspects of CPU performance: ▪ Operational efficiency. ▪ Aviation security. ▪ HAZMAT acceptance. ▪ Bank Secrecy Act (if applicable). ▪ Sales skills and product knowledge. ▪ Retail products and services. ▪ Facility image. ▪ Revenue performance.	Policy	10.2.1 Performance Reviews
682	10-3.1 Contract Postal Unit Performance Reviews	56	The HAO must bring the CPU file, including previous review sheets, to the performance review.	When executing performance reviews, the HAO must bring the CPU file, including previous review sheets.	Procedure	11.2.1 Performance Reviews
683	N/A - New Language	N/A	N/A - New Language	Refer to the Annual Performance Review Reference Guide on the CPAC Blueshare website for further guidance.	Procedure	11.2.1 Performance Reviews

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684	10-3.1 Contract Postal Unit Performance Reviews	56	Check to see if previously noted problems have been resolved. Analyze the situation to determine an action plan to improve performance or remedy a problem. The results of this review will help determine if the CPU is performing according to contractual requirements. If problems are not resolved, the HAO must issue to the supplier a letter (i.e., Letter of Warning) citing specific conditions of unsatisfactory performance. If the supplier does not correct the problems, then contact the Denver CMC and request a Cure Notice and possible termination of the contract. i. (See CPU Quarterly Performance Review Instructions, Contract Postal Unit Quarterly Performance Review, and CPU Quarterly Performance Review Certification in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	The results of the review will help determine if the CPU is performing according to contractual requirements. If problems are not resolved, the HAO must issue to the supplier a letter (i.e., Letter of Warning) citing specific conditions of unsatisfactory performance. If the supplier does not correct the problems, the HAO must contact the CPF CMC and request a Cure Notice. Should the issue remain unresolved, the HAO may contact the CPF CMC and request possible termination of the contract.	Policy	10.2.1 Performance Reviews
685	N/A - New Language	N/A	N/A - New Language	To determine which CPUs must be reviewed, refer to Publication 156-A.	Policy	10.2.1 Performance Reviews
686	10-3.2 Contract Postal Unit Financial Examinations	56	10-3.2 Contract Postal Unit Financial Examinations	11.2.2 Financial Examinations	Procedure	11.2.2 Financial Examinations
687	10-3.2 Contract Postal Unit Financial Examinations	56	10-3.2 Contract Postal Unit Financial Examinations	10.2.2 Financial Examinations	Policy	10.2.2 Financial Examinations
688	10-3.2 Contract Postal Unit Financial Examinations	56	Financial examinations are conducted once a year for Firm-Fixed-Price and Performance-Based CPUs. CPUs with a CARS unit do not require a financial examination.	Financial examinations are conducted once a year by the HAO for Firm-Fixed-Price and Performance-Based CPUs. CPUs with an RSS BP unit do not require a financial examination.	Procedure	11.2.2 Financial Examinations
689	10-3.2 Contract Postal Unit Financial Examinations	56	Financial examinations are conducted once a year for Firm-Fixed-Price and Performance-Based CPUs. CPUs with a CARS unit do not require a financial examination.	CPUs with an RSS BP unit do not require a financial examination.	Policy	10.2.2 Financial Examinations
690	10-3.2 Contract Postal Unit Financial Examinations	56	Follow directions stated in Handbook F-1, Post Office Accounting Procedures, Part 429. Use PS Form 3294, Cash and Stamp Stock Count and Summary, and do the following: a. Review the bond amount. b. Ensure that the bond has been paid and is current. Ask for a receipt or cancelled check if the expiration date is not on the bond itself. c. Ensure that the bond amount reflects current accountability. d. Ensure that the bond will not lapse before the next review.	N/A - Removed	N/A - Obsolete	N/A - Removed
691	10-3.2 Contract Postal Unit Financial Examinations	56	There is no tolerance for a CPU. If the audit results in an overage and there is no claim pending at the HAO, then the money goes to the supplier. If the audit results in a shortage, then the CPU supplier pays the shortage on the day of the audit, preferably by check.	There is no tolerance for a CPU. If the audit results in an overage and there is no claim pending at the HAO, then the money goes to the CPU supplier. If the audit results in a shortage, then the CPU supplier pays the shortage on the day of the audit, preferably by check.	Procedure	11.2.2 Financial Examinations
692	10-3.2 Contract Postal Unit Financial Examinations	56	If the amount of the shortage is \$100 or more, the COR must prepare PS Form 571, Discrepancy of \$100 or More in Financial Responsibility.	N/A - Removed	N/A - Obsolete	N/A - Removed

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693	N/A - New Language	N/A	N/A - New Language	11.2.2.1 Count Procedure	Procedure	11.2.2.1 Count Procedure
694	N/A - New Language	N/A	N/A - New Language	<p>The HAO conducting the count of a CPU's stamp accountability must do the following:</p> <ul style="list-style-type: none"> a. Use PS Form 3294, Cash and Stamp Stock Count and Summary. One PS Form 3294 must be completed by the supervisor and one by the contractor. b. Obtain the closing balance from AIC 853 on the CPU's last PS Form 1412. c. Verify that the CPU's total accountability does not exceed its bonded amount. If it does exceed the bonded amount, the HAO must work with the CPU to ensure its total accountability is within the bonded amount. 	Procedure	11.2.2.1 Count Procedure
695	N/A - New Language	N/A	N/A - New Language	<p>[The HAO conducting the count of a CPU's stamp accountability must do the following:]</p> <ul style="list-style-type: none"> d. If the inventory discloses a discrepancy, recheck the credit. e. Write the following on PS Form 3294, in Notes, etc., the HAO performing the count must write 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." 	Procedure	11.2.2.1 Count Procedure
696	N/A - New Language	N/A	N/A - New Language	<p>[The HAO conducting the count of a CPU's stamp accountability must do the following:]</p> <ul style="list-style-type: none"> f. Ensure the supervisor and contractor sign and date both copies of PS Form 3294. Give the contractor a copy of the signed PS Form 3294. g. Enter the count into the reporting technology (currently e1412), upon return to the USPS office. This will create the overage or shortage and adjust the accountability to match what was physically counted. Counts with a zero difference must be entered. This step is required to monitor count compliance. 	Procedure	11.2.2.1 Count Procedure
697	N/A - New Language	N/A	N/A - New Language	<p>[The HAO conducting the count of a CPU's stamp accountability must do the following:]</p> <ul style="list-style-type: none"> h. File documents in the contractor's stamp and cash credit file maintained at the HAO. <p>Note: No tolerance is applied to CPU counts.</p>	Procedure	11.2.2.1 Count Procedure
698	N/A - New Language	N/A	N/A - New Language	11.2.2.2 Overages	Procedure	11.2.2.2 Overages

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
699	N/A - New Language	N/A	N/A - New Language	<p>The HAO handles CPU overages as follows:</p> <p>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.</p> <p>b. Use the Unresolved Employee Item report in e1412 to maintain the details of all pending employee items to be resolved by the CPU.</p>	Procedure	11.2.2.2 Overages
700	N/A - New Language	N/A	N/A - New Language	<p>[The HAO handles CPU overages as follows:]</p> <p>c. After ensuring that all pending financial adjustments have been cleared, do the following to return the overage to the CPU:</p> <ol style="list-style-type: none"> 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. 4. File a copy of the PS Form 3533 at the HAO as supporting documentation for PS Form 1412. 	Procedure	11.2.2.2 Overages
701	N/A - New Language	N/A	N/A - New Language	11.2.2.3 Shortages	Procedure	11.2.2.3 Shortages
702	N/A - New Language	N/A	N/A - New Language	<p>The HAO handles CPU shortages as follows:</p> <p>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.</p> <p>b. Use the Unresolved Employee Item report in e1412 to maintain the details of all pending employee items to be resolved by the CPU.</p> <p>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.</p>	Procedure	11.2.2.3 Shortages
703	N/A - New Language	N/A	N/A - New Language	<p>If the contractor refuses to pay at the time the shortage is identified, do the following:</p> <ol style="list-style-type: none"> 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. Retain a copy as supporting documentation for PS Form 1412 entries. 	Procedure	11.2.2.3 Shortages

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704	10-3.3 Post Office Box Reviews	56	10-3.3 Post Office Box Reviews	11.2.3 Post Office Box Reviews	Procedure	11.2.3 Post Office Box Reviews
705	10-3.3 Post Office Box Reviews	56	10-3.3 Post Office Box Reviews	10.2.3 Post Office Box Reviews	Policy	10.2.3 Post Office Box Reviews
706	10-3.3 Post Office Box Reviews	56	Placement of Post Office box service at a CPU is discouraged and requires an approved deviation from Retail Partners at Headquarters.	N/A - Removed	N/A - Repetitive	N/A - Removed
707	N/A - New Language	N/A	N/A - New Language	In the event that a CPU does have Post Office boxes, the HAO must review the CPU for procedural compliance when the financial audit is conducted.	Policy	10.2.3 Post Office Box Reviews
708	10-3.3 Post Office Box Reviews	56 - 57	In the event that a CPU does have Post Office boxes, the following procedures must be maintained: a. Ensure that the CPU supplier is aware of procedures governing Post Office box usage. b. Charge the correct fees. c. Retain PS Forms 1093, Application for Post Office Box or Caller Service, in an alphabetical file. d. Follow proper payment notification procedure. e. Boxes must be locked out and closed if payment is not made according to established procedure. f. The HAO must review the CPU for compliance with the above-listed procedures when the financial audit is conducted.	In the event that a CPU does have Post Office boxes, the following procedures must be maintained by the HAO: a. Ensure that the CPU supplier is aware of procedures governing Post Office box usage. b. Charge the correct fees. c. Retain PS Forms 1093, Application for Post Office Box or Caller Service, in an alphabetical file. d. Follow proper payment notification procedure. e. Boxes must be locked out and closed if payment is not made according to established procedure. f. The HAO must review the CPU for compliance with the above-listed procedures when the financial audit is conducted.	Procedure	11.2.3 Post Office Box Reviews
709	10-3.4 Service Hours Reviews	57	10-3.4 Service Hours Reviews	11.2.4 Service Hours Reviews	Procedure	11.2.4 Service Hours Reviews
710	10-3.4 Service Hours Reviews	57	10-3.4 Service Hours Reviews	10.2.4 Service Hours Reviews	Policy	10.2.4 Service Hours Reviews
711	10-3.4 Service Hours Reviews	57	The HAO must ensure that the CPU supplier is providing service to the public as specified in the contract.	N/A - Removed	N/A - Repetitive	N/A - Removed
712	10-3.4 Service Hours Reviews	57	The HAO must ensure that the CPU supplier is providing service to the public as specified in the contract. The supplier must provide service on the days and hours stipulated in the contract. If the supplier is not in compliance, then the HAO must notify the District Retail office.	The supplier must provide service on the days and hours stipulated in the contract. If the HAO becomes aware that the supplier is not in compliance, then the HAO must notify the CPF CMC.	Policy	10.2.4 Service Hours Reviews
713	N/A - New Language	N/A	N/A - New Language	If the supplier seeks to alter its service hours and/or days, the supplier must notify the HAO. The HAO has the authority to adjust service hours as needed. To document this change, the HAO must submit a Change of Hours Request Form to the CO. The CO will then modify the contract terms to reflect accurate service hours.	Policy	10.2.4 Service Hours Reviews
714	10-3.4 Service Hours Reviews	57	The HAO and/or District Retail office notifies the supplier that it is in violation of the contract by issuing a "Letter of Warning," which is a letter citing specific conditions of unsatisfactory performance and stating a period of time allowed for correction. If not corrected, the Denver CMC, at the request of the CPU coordinator and HAO, will issue a Cure notice and can terminate the contract.	If a supplier is in violation of the contract service hours, the HAO office notifies the supplier by issuing a "Letter of Warning," which is a letter citing specific conditions of unsatisfactory performance and stating a period of time allowed for correction. If not corrected, the CPF CMC, at the request of the HAO, will issue a Cure Notice and can terminate the contract.	Procedure	11.2.4 Service Hours Reviews

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715	10-3.5 Contract Postal Unit Revenue Performance	57	10-3.5 Contract Postal Unit Revenue Performance	11.2.5 Contract Postal Unit Revenue Performance	Procedure	11.2.5 Contract Postal Unit Revenue Performance
716	10-3.5.1 Overview	57	10-3.5.1 Overview	N/A - Removed	N/A - Extraneous	N/A - Removed
717	10-3.5.1 Overview	57	All CPUs must be evaluated on an annual basis to ensure that their revenue performance is cost effective for the Postal Service.	The HAO must evaluate all CPUs on an annual basis to ensure that their revenue performance is cost effective for the Postal Service.	Policy	10.2.2 Financial Examinations
718	10-3.5.2 Reason for CPU Evaluation	57	10-3.5.2 Reason for CPU Evaluation	11.2.5.1 Reason for CPU Evaluation	Procedure	11.2.5.1 Reason for CPU Evaluation
719	10-3.5.2 Reason for CPU Evaluation	57	The reasons for performing a CPU evaluation include the following: a. Identifying nonproductive CPUs. b. Identifying changing market conditions to optimize the network. c. Increasing return on investment. d. Identifying existing categories (types of business).	The reasons for performing a CPU evaluation include the following: a. Identifying nonproductive CPUs. b. Identifying changing market conditions to optimize the network. c. Increasing return on investment.	Procedure	11.2.5.1 Reason for CPU Evaluation
720	10-3.5.2 Reason for CPU Evaluation	57	The reasons for performing a CPU evaluation include the following: a. Identifying nonproductive CPUs. b. Identifying changing market conditions to optimize the network. c. Increasing return on investment. d. Identifying existing categories (types of business).	The reasons for performing a CPU evaluation include the following: a. Identifying nonproductive CPUs. b. Identifying changing market conditions to optimize the network. c. Increasing return on investment.	Policy	10.2 Reviews and Examinations
721	10-3.5.3 Evaluation of Contract Postal Units	57	10-3.5.3 Evaluation of Contract Postal Units	11.2.5.2 Evaluation Justification of Contract Postal Units	Procedure	11.2.5.2 Evaluation Justification of Contract Postal Units
722	10-3.5.3 Evaluation of Contract Postal Units	57	To determine which CPUs to evaluate, consider the following items: a. Total CPU revenue is less than \$100,000 per year. b. Cost per revenue dollar exceeds the guideline of 12 cents per revenue dollar (unless an approved compensation rate deviation is on file). c. The percentage of stamp sales to meter sales is greater than 80/20. Do not include the following: (1) CPUs with Post Office boxes. (2) Public service CPUs. (3) Seasonal CPUs. (4) Temporary (emergency) CPUs. For proper evaluation methods, see the Management Analysis for CPU Rate Increase Form included in the Rate Increase Package.	To determine which CPUs to evaluate, the HAO must consider the following items: a. If the total CPU revenue is less than \$100,000 per year. b. If the cost per revenue dollar exceeds the guideline of 12 cents per revenue dollar (unless an approved compensation rate deviation is on file). c. If the percentage of stamp sales to meter sales is greater than 80/20. Do not include the following: 1. CPUs with Post Office boxes. 2. Public service CPUs. 3. Seasonal CPUs. 4. Temporary (emergency) CPUs. For evaluation methods, see the Management Analysis for CPU Rate Increase Form included in the Rate Increase Package on the CPAC Blueshare website.	Procedure	11.2.5.2 Evaluation Justification of Contract Postal Units
723	N/A - New Language	N/A	N/A - New Language	11.3 Contract Records Audit Requirements	Procedure	11.3 Contract Records Audit Requirements
724	10-4 Request for Rate Increase	58	10-4 Request for Rate Increase	11.3 Rate Increase Requests	Policy	11.3 Rate Increase Requests
725	N/A - New Language	N/A	N/A - New Language	The District Manager approves such requests and HQ Program Office provides concurrence on the decision. All requests for a rate increase must follow the procedures outlined in Publication 156-A.	Policy	11.3 Rate Increase Requests
726	10-4.1 Firm-Fixed-Price Contracts	58	10-4.1 Firm-Fixed-Price Contracts	11.3.1 Firm-Fixed-Price Contracts	Policy	11.3.1 Firm-Fixed-Price Contracts

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727	10-4.1.1 Request	58	10-4.1.1 Request	N/A - Removed	N/A - Extraneous	N/A - Removed
728	10-4.1.1.1 Contract Postal Unit Supplier	58	10-4.1.1.1 Contract Postal Unit Supplier	13.3.1 Contract Postal Unit Supplier	Procedure	13.3.1 Contract Postal Unit Supplier
729	10-4.1.1.1 Contract Postal Unit Supplier	58	A Firm-Fixed-Price contract CPU supplier may request a rate increase after being in operation for at least two years and then every two years thereafter.	A Firm-Fixed-Price contract CPU supplier may request a rate increase after being in operation for at least 2 years and then every 2 years thereafter, based on the following conditions: a. Change in market conditions. b. Change in overhead expenses.	Policy	11.3.1 Firm-Fixed-Price Contracts
730	10-4.1.1.1 Contract Postal Unit Supplier	58	When the supplier requests a rate increase, the district retail office will send the supplier a rate increase request package. The rate increase request package includes a rate increase request form and a letter explaining the process to be followed in submitting a request. The rate increase package may be downloaded from the applicable folder on the CPAC blueshare website at: Http://supply.blueshare.usps.gov/sites/cpac/default.aspx . (See Rate Increase Request Package in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	When the CPU supplier requests a rate increase, the District retail office will send the CPU supplier a Rate Increase Request Package. The Rate Increase Request Package includes a Rate Increase Request Form and a letter explaining the process to be followed in submitting a request. Refer to the Rate Increase Request Package on the CPAC Blueshare website.	Procedure	13.3.1 Contract Postal Unit Supplier
731	10-4.1.1.2 Host Administrative Office	58	10-4.1.1.2 Host Administrative Office	N/A - Removed	N/A - Extraneous	N/A - Removed
732	10-4.1.1.2 Host Administrative Office	58	The supplier submits a completed rate increase request to the HAO. Supporting documentation must include a justification for direct cost increases or increased benefits to the Postal Service.	The CPU supplier submits a completed Rate Increase Request to the HAO, per the contract. Supporting documentation must include a justification for direct cost increases or increased benefits to the Postal Service.	Procedure	13.3.1 Contract Postal Unit Supplier
733	10-4.1.1.2 Host Administrative Office	58	The HAO documents how the CPU impacts the local Post Office and notifies the CPU coordinator.	a. The HAO documents how the CPU impacts the local Post Office and notifies the district designee.	Procedure	13.3 Rate Increase Request Process
734	10-4.1.2 Review and Recommendation by HAO and CPU Coordinator	58	10-4.1.2 Review and Recommendation by HAO and CPU Coordinator	N/A - Removed	N/A - Extraneous	N/A - Removed
735	10-4.1.2.1 Host Administrative Office's Review	58	10-4.1.2.1 Host Administrative Office's Review	13.3.2 Host Administrative Office's Review	Procedure	13.3.2 Host Administrative Office's Review

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736	10-4.1.2.1 Host Administrative Office's Review	58	<p>The HAO does the following to determine if a need for a particular CPU still exists:</p> <p>a. Identify if any other lower-cost service alternatives are available to the community.</p> <p>b. Determine if this CPU generates sufficient revenue to be considered for conversion to a Performance-Based contract.</p> <p>c. Review the request for completeness, proper documentation, and justification.</p> <p>d. Complete the Management Analysis for CPU Rate Increase Form.</p> <p>e. Submit the HAO's recommendation and the supplier's rate increase request to the CPU coordinator.</p> <p>The CPU coordinator completes the retail mapping and a revenue-trend projection and provides this information to the HAO.</p>	<p>The HAO does the following to determine if a need for a particular CPU still exists:</p> <p>a. Identify if any other lower-cost service alternatives are available to the community.</p> <p>b. Determine if this CPU generates sufficient revenue to be considered for conversion to a Performance-Based contract.</p> <p>c. Review the request for completeness, proper documentation, and justification.</p> <p>d. Complete the Management Analysis for CPU Rate Increase Form.</p> <p>e. Complete the retail mapping and a revenue-trend projection along with the HAO's recommendation.</p> <p>f. Submit to the DM the supplier's rate increase request, the HAO retail mapping and revenue-trend projection, and the HAO's recommendation.</p>	Procedure	13.3.2 Host Administrative Office's Review
737	10-4.1.2.2 CPU Coordinator	58	10-4.1.2.2 CPU Coordinator	N/A - Removed	N/A - Extraneous	N/A - Removed
738	10-4.1.2.2 CPU Coordinator	58 - 59	<p>The HAO then prepares a recommendation and sends it to the CPU coordinator, who reviews it and prepares a recommendation for review by the District Manager. If the CPU coordinator recommends a rate increase, the CPU coordinator prepares and submits a funding document (eBuy2 requisition) and a Rate Increase Request Recommendation for the District Manager's approval. (See Sample Rate Increase Request Recommendation in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx.)</p>	<p>If the DM recommends a rate increase, the HAO prepares and submits a funding document (eBuyPlus requisition) and a Rate Increase Request Recommendation for the DM's approval (see Sample Rate Increase Request Recommendation on the CPAC Blueshare website).</p>	Procedure	13.3.2 Host Administrative Office's Review
739	10-4.1.2.2 CPU Coordinator	59	<p>The funding document for a Rate Increase for a Firm-Fixed-Price CPU must reflect the amount of the increase only.</p> <p>If the CPU coordinator does not recommend a rate increase, the CPU coordinator prepares a justification and submits the entire package to the Denver CMC.</p>	<p>The funding document for a Rate Increase for a Firm-Fixed-Price CPU must reflect the amount of the increase only. If the DM does not recommend a rate increase, the HAO prepares a justification and submits the entire package to the CPF CMC.</p>	Procedure	13.3.2 Host Administrative Office's Review
740	10-4.1.3 Review and Processing by Denver CMC	59	10-4.1.3 Review and Processing by Denver CMC	N/A - Removed	N/A - Extraneous	N/A - Removed
741	10-4.1.3.1 Rate Increase Recommended	59	10-4.1.3.1 Rate Increase Recommended	13.3.2.1 Rate Increase Recommended	Procedure	13.3.2.1 Rate Increase Recommended

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
742	10-4.1.3.1 Rate Increase Recommended	59	<p>When an agreement on a rate increase is reached, the Denver CMC issues a modification showing the increase in compensation. Send a copy of this modification to the following recipients:</p> <ul style="list-style-type: none"> a. Supplier. b. HAO. c. CPU coordinator. <p>In accordance with the contract terms, the supplier must do the following:</p> <ul style="list-style-type: none"> a. Continue with the modified contract for a minimum of 1 year. b. Wait 2 years before requesting another increase. <p>The effective date of the contract or last increase is the date used to compute the 1- and 2-year periods before termination of the contract or a request for another rate increase.</p>	<p>When an agreement on a rate increase is reached, the CPF CMC issues a modification showing the increase in compensation. This modification is distributed to the following recipients:</p> <ul style="list-style-type: none"> a. Supplier. b. HAO. <p>Under the contract terms, the supplier must do the following:</p> <ul style="list-style-type: none"> a. Continue with the modified contract for a minimum of 1 year. b. Wait 2 years before requesting another increase. <p>The effective date of the contract or last increase is the date used to compute the 1- and 2-year periods before termination of the contract or a request for another rate increase.</p>	Procedure	13.3.2.1 Rate Increase Recommended
743	10-4.1.3.2 Rate Increase Not Recommended	59	10-4.1.3.2 Rate Increase Not Recommended	13.3.2.2 Rate Increase Not Recommended	Procedure	13.3.2.2 Rate Increase Not Recommended
744	10-4.1.3.2 Rate Increase Not Recommended	59	<p>When an agreement cannot be reached between the Postal Service and the supplier, or a rate increase is not processed by the Denver CMC, the contract continues at the existing payment rate unless terminated by either party in accordance with the Termination on Notice clause. A rate denial letter must be issued by the Denver CMC. The rate increase package must be submitted to the Denver CMC with the proper box checked for "not approved." Disapproval of the request for a rate increase does not preclude the supplier from making additional requests at a later time as long as it is at least 2 years after the previous approved rate increase.</p>	<p>When an agreement cannot be reached between the Postal Service and the Supplier, or a rate increase is still undergoing negotiations by the CPF CMC, the contract continues at the existing payment rate unless terminated by either party under the Termination on Notice clause. A rate denial letter must be issued by the CPF CMC. The Rate Increase Package must be submitted to the CPF CMC with the proper box checked for "not approved." Disapproval of the request for a rate increase does not preclude the supplier from making more requests later if it is at least 2 years after the previous approved rate increase.</p>	Procedure	13.3.2.2 Rate Increase Not Recommended
745	10-4.1.4 Timeline for Request	59	10-4.1.4 Timeline for Request	11.3.3 Timeline for Request	Policy	11.3.3 Timeline for Request
746	10-4.1.4 Timeline for Request	59	10-4.1.4 Timeline for Request	13.3.3 Timeline for Request	Procedure	13.3.3 Timeline for Request
747	N/A - New Language	N/A	N/A - New Language	<p>The CPF CMC reviews all rate increase requests. The supplier will be notified of approval, disapproval, or counteroffer. If approved, the contract must be updated to reflect these changes.</p>	Policy	11.3.3 Timeline for Request
748	N/A - New Language	N/A	N/A - New Language	<p>The CPF CMC reviews all rate increase requests. The supplier will be notified of approval, disapproval, or counteroffer. If approved, the contract must be updated to reflect these changes.</p>	Procedure	13.3.3 Timeline for Request
749	10-4.1.4 Timeline for Request	59	<p>The entire process — from when the supplier makes the initial request to when the Denver CMC completes its review and processing — must be completed in 30 business days.</p>	<p>The entire process, from when the supplier makes the initial request to when the CPF CMC completes its review and processing, must be completed in 30 business days.</p>	Policy	11.3.3 Timeline for Request
750	10-4.1.4 Timeline for Request	59	<p>The entire process — from when the supplier makes the initial request to when the Denver CMC completes its review and processing — must be completed in 30 business days.</p>	<p>The entire process — from when the supplier makes the initial request to when the CPF CMC completes its review and processing — must be completed within 30 business days.</p>	Procedure	13.3.3 Timeline for Request

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751	10-4.2 Performance-Based Contract	59	10-4.2 Performance-Based Contract	11.3.2 Performance-Based Contracts	Policy	11.3.2 Performance-Based Contracts
752	10-4.2 Performance-Based Contract	59	A CPU supplier with a Performance-Based contract can request a rate increase after being in operation for one year.	A CPU supplier with a Performance-Based contract can request a rate increase after being in operation for 1 year.	Policy	11.3.2 Performance-Based Contracts
753	10-4.2 Performance-Based Contract	59	The supplier must submit the request in writing following the same procedures used for a Firm-Fixed-Price contract stated in 10-4.1. When reviewing the request, the HAO and the CPU coordinator follow the same procedures used for a Firm-Fixed-Price contract stated in 10-4.1.	N/A - Removed	N/A - Obsolete	N/A - Removed
754	10-4.2 Performance-Based Contract	60	(See Sample eBuy2 – Performance-Based Rate Increase and Sample eBuy2 – CARS Performance-Based Rate Increase for funding documents similar to the funding documents for a Firm-Fixed-Price Rate Increase mentioned in 10-4.1.2.2 in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	N/A - Removed	Procedure	N/A - Removed
755	10-4.2 Performance-Based Contract	60	After the initial rate increase, the CPU supplier may request an additional rate increase after 2 years from the first rate increase based on the following conditions: a. Change in market conditions. b. Change in overhead expenses. c. Increase in customer traffic.	No change.	Policy	11.3.2 Performance-Based Contracts
756	10-4.2 Performance-Based Contract	60	The CPU coordinator must make the CPU supplier aware of these conditions when establishing the contract.	When establishing the contract, the HAO must make the CPU supplier aware of the conditions required to justify a rate increase specific to the contract type.	Policy	11.3 Rate Increase Requests
757	10-4.2 Performance-Based Contract	60	The CPU coordinator must make the CPU supplier aware of these conditions when establishing the contract.	When establishing the contract, the HAO must make the CPU supplier aware of the conditions required to justify a rate increase specific to the contract type.	Procedure	13.3 Rate Increase Request Process
758	N/A - New Language	N/A	N/A - New Language	b. If the DM approves such requests, the HQ Program Office must provide concurrence on the decision.	Procedure	13.3 Rate Increase Request Process
759	10-5 Award of a Temporary (Emergency) Contract	60	10-5 Award of a Temporary (Emergency) Contract	7.3 Award of a Temporary (Emergency) Contract	Policy	7.3 Award of a Temporary (Emergency) Contract
760	10-5 Award of a Temporary (Emergency) Contract	60	10-5 Award of a Temporary (Emergency) Contract	6.6.1.1 Award of a Temporary (Emergency) Contract	Procedure	6.6.1.1 Award of a Temporary (Emergency) Contract
761	10-5.1 Request	60	10-5.1 Request	N/A - Removed	N/A - Extraneous	N/A - Removed
762	10-5.1 Request	60	10-5.1 Request	6.6.1.1.1 Request	Procedure	6.6.1.1.1 Request
763	10-5.1 Request	60	When a contract is terminated on short notice, or if, through unforeseen circumstances, the lack of a CPU creates a hardship on the community, the HAO, with the assistance of the CPU coordinator, may request that a short-term temporary (emergency) contract be awarded.	The Requestor may request that a short-term temporary (emergency) contract be awarded.	Policy	7.3 Award of a Temporary (Emergency) Contract
764	10-5.1 Request	60	This option should be an option of last resort because it is a very expensive option.	N/A - Removed	N/A - Extraneous	N/A - Removed

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765	10-5.1 Request	60	The basic term of a temporary (emergency) contract is up to 6 months, and no extensions are generally allowed.	N/A - Removed	N/A - Repetitive	N/A - Removed
766	10-5.1 Request	60	Bond can be waived for the first 30 days of a temporary (emergency) contract only.	Bonds can be waived for the first 30 days of a temporary (emergency) contract only.	Policy	7.3 Award of a Temporary (Emergency) Contract
767	10-5.1 Request	60	When a contract is terminated on short notice, or if, through unforeseen circumstances, the lack of a CPU creates a hardship on the community, the HAO, with the assistance of the CPU coordinator, may request that a short-term temporary (emergency) contract be awarded. This option should be an option of last resort because it is a very expensive option. The basic term of a temporary (emergency) contract is up to 6 months, and no extensions are generally allowed.	Temporary (emergency) contracts should be a last resort due to higher associated costs. The basic term of a temporary (emergency) contract is up to 6 months, and no extensions are generally allowed.	Procedure	6.6.1.1.1 Request
768	N/A - New Language	N/A	N/A - New Language	Upon review of the CPU Request Package, the CPAC Team may recommend a temporary (emergency) contract. A temporary (emergency) contract may be awarded when unforeseen circumstances require immediate intervention to prevent an interruption in services. For example, if the owner of an existing CPU is deceased, a temporary (emergency) contract may be offered to the inheritor of the business, such as the original owners child.	Procedure	6.6.1.1.1 Request
769	N/A - New Language	N/A	N/A - New Language	If the requestor has identified that the need for a CPU is temporary (emergency), this should be identified within the CPU Request Package, along with rationale and supporting evidence.	Procedure	6.6.1.1.1 Request
770	N/A - New Language	N/A	N/A - New Language	6.6.1.1.2 Temporary (Emergency) Contract Bond Requirement	Procedure	6.6.1.1.2 Temporary (Emergency) Contract Bond Requirement
771	10-5.1 Request	60	Bond can be waived for the first 30 days of a temporary (emergency) contract only.	No change.	Procedure	6.6.1.1.2 Temporary (Emergency) Contract Bond Requirement
772	10-5.1 Request	60	The HAO is responsible for ensuring that the CPU supplier has a bond in place on the 31st day of operation. The buyer at the Denver CMC and the CPU coordinator must annotate the contract file to follow up with the HAO on bond placement. The HAO should notify the Denver CMC buyer when the bond has been received.	The HAO is responsible for ensuring that the CPU supplier has a bond in place on day 31 of operation. The CPF CMC buyer must annotate the contract file to follow up with the HAO on bond placement. The HAO should notify the CPF CMC buyer when the bond has been received.	Procedure	6.6.1.1.2 Temporary (Emergency) Contract Bond Requirement
773	10-5.1 Request	60	10-5.2 Solicitation for a Permanent Contract Postal Unit	N/A - Removed	N/A - Extraneous	N/A - Removed
774	10-5.1 Request	60	10-5.2 Solicitation for a Permanent Contract Postal Unit	6.6.1.1.3 Solicitation for a Permanent Contract Postal Unit	Procedure	6.6.1.1.3 Solicitation for a Permanent Contract Postal Unit
775	10-5.1 Request	60	A request package for a permanent Performance-Based CPU must be sent to Denver CMC within 30 days after the award of a temporary (emergency) contract.	A request package for a permanent Performance-Based CPU must be sent to CPF CMC within 30 days after the award of a temporary (emergency) contract.	Policy	7.3 Award of a Temporary (Emergency) Contract

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776	N/A - New Language	N/A	N/A - New Language	If the HAO is seeking to convert the temporary CPU into a permanent CPU, a separate CPU Request Package for a permanent CPU must be sent to CPF CMC within 30 days after the award of a temporary (emergency) contract. This request package follows the same procedural steps outlined within this document.	Procedure	6.6.1.1.3 Solicitation for a Permanent Contract Postal Unit
777	10-6 Contract Modification	60	10-6 Contract Modification	13 Contract Modification	Procedure	13 Contract Modification
778	10-6 Contract Modification	60	10-6 Contract Modification	11 Contract Modification	Policy	11 Contract Modification
779	10-6 Contract Modification	60 - 61	Only the Denver CMC is authorized to modify any term or condition, including pricing, of a CPU contract. Changes are processed through a modification. The CPU coordinator must provide justification and documentation to the Denver CMC to support the modification request. Copies of the modification are issued to the following: a. Supplier. b. HAO. c. CPU coordinator.	A modification of any term or condition in an existing CPU contract, including pricing, is authorized solely by the CO. The District Designee must submit a modification, which includes justification and supporting documentation. Once the CO authorizes the modification, copies are issued to the supplier, the HAO, and the District Designee.	Policy	11 Contract Modification
780	10-6 Contract Modification	60 - 61	Only the Denver CMC is authorized to modify any term or condition, including pricing, of a CPU contract. Changes are processed through a modification. The CPU coordinator must provide justification and documentation to the Denver CMC to support the modification request. Copies of the modification are issued to the following: a. Supplier. b. HAO. c. CPU coordinator.	Under Publication 156, the CO is responsible for authorizing modifications to any term of condition, including pricing, in existing CPU contracts. To implement changes, the district designee must submit a modification request to the CPAC review mailbox at cpac.team@usps.gov, including the justification and supporting documentation provided by the HAO. The CO reviews requests, and if the CO approves the request, modifications are authorized and implemented, copies of the modified contract are issued via e-mail to the supplier, HAO, and district designee.	Procedure	13 Contract Modification
781	10-6 Contract Modification	61	The following actions can be handled by the HAO, after discussion with the District Retail office, without having to refer to the Denver CMC for a modification: a. Performance problems: The HAO, in conjunction with the CPU coordinator, sends a written notice to the supplier if performance problems are not resolved after a discussion with the supplier. The HAO is specific about the problem and the time period allowed to correct the problem. If the supplier does not correct the problem within the allowed time period, the HAO may request a Cure Notice and possible termination of the contract from the CO in the Denver CMC.	The HAO is authorized to handle the following actions independently without requiring approval from the CO for modification: a. Performance problems: The HAO sends a written notice to the supplier if performance problems are not resolved after a discussion with the supplier. The HAO must be specific about the problem and the time period allowed to correct the problem. If the supplier does not correct the problem within the allowed time period, the HAO may request a Cure Notice and possible termination of the contract from the CO in the CPF CMC.	Policy	11 Contract Modification

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782	10-6 Contract Modification	61	[The following actions can be handled by the HAO, after discussion with the District Retail office, without having to refer to the Denver CMC for a modification:] b. Change of hours: The HAO has the authority to change the hours of the contract by working directly with the supplier and providing written notice. c. Surety bonds: The HAO may increase or decrease the bond amount, working with the bonding company and the supplier, to ensure that the bond amount covers the total accountability (stamps and meter postage). (This is not applicable for CARS contracts.)	[The HAO is authorized to handle the following actions independently without requiring approval from the CO for modification:] b. Change of hours: The HAO has the authority to change the hours of the contract by working directly with the supplier and providing written notice. c. Surety bonds: The HAO may increase or decrease the bond amount, working with the bonding company and the supplier, to ensure that the bond amount covers the total accountability (stamps and meter postage). This is not applicable for RSS contracts.	Policy	11 Contract Modification
783	10-6 Contract Modification	61	[The following actions can be handled by the HAO, after discussion with the District Retail office, without having to refer to the Denver CMC for a modification:] d. Shortages: If a supplier refuses to pay a shortage, the HAO sends a notice to the bonding company requesting remuneration of the shortage as stated in the provisions of the surety bond as well as a Letter of Demand for the money.	If a supplier refuses to pay a shortage, the HAO issues a Letter of Demand to the supplier. If the shortage remains unpaid, the HAO has the authority to then send a notice to the bonding company requesting remuneration of the shortage, as stated in the provisions of the surety bond.	Policy	10.2.2 Financial Examinations
784	10-6 Contract Modification	61	In all of these cases, the CO in the Denver CMC must be notified and provided copies of all correspondence. For samples and further details on HAO responsibilities, see the Host Admin Office — HAO — Support Station on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .	In all cases, the CO must be notified and provided copies of all correspondence.	Procedure	13 Contract Modification
785	10-6 Contract Modification	61	In all of these cases, the CO in the Denver CMC must be notified and provided copies of all correspondence. For samples and further details on HAO responsibilities, see the Host Admin Office — HAO — Support Station on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .	In all cases, the CO must be notified and provided copies of all correspondence.	Policy	11 Contract Modification
786	10-7 Disputes	61	10-7 Disputes	13.1 Disputes	Procedure	13.1 Disputes
787	10-7 Disputes	61	10-7 Disputes	11.1 Disputes	Policy	11.1 Disputes
788	10-7 Disputes	61	Disputes between the supplier and the HAO are referred to the CO in the Denver CMC for resolution.	In the event of a dispute between the supplier and the HAO, contact the CO in the CPF CMC for resolution.	Procedure	13.1 Disputes
789	10-7 Disputes	61	Disputes between the supplier and the HAO are referred to the CO in the Denver CMC for resolution.	Disputes between the supplier and the HAO must be referred to the CO in the CPF CMC for resolution.	Policy	11.1 Disputes
790	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	61	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	13.2 Transfer of Contract Postal Unit Contracts (Novation Agreement)	Procedure	13.2 Transfer of Contract Postal Unit Contracts (Novation Agreement)
791	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	61	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	11.2 Transfer of Contracts (Novation Agreement)	Policy	11.2 Transfer of Contracts (Novation Agreement)

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792	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	61 - 62	Under no circumstances is a CPU supplier allowed to transfer or sell its interest in a CPU contract to a third party without going through the novation process, in which the Denver CMC, in consultation with legal counsel, can recognize and approve a third-party successor in interest. This approval is known as a novation agreement. The policy for processing, approving, and executing a novation agreement is provided in Process Step #5: Measure & Manage Supply in the USPS Supplying Principles and Practices and in a Contract Transference document (See Contract Transference Document in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	Under no circumstances is a CPU supplier allowed to transfer or sell its interest in a CPU contract to a third party without going through the novation process, in which the CPF CMC, in consultation with legal counsel, can recognize and approve a third-party successor in interest. This approval is known as a Novation Agreement. The policy for processing, approving, and executing a Novation Agreement is provided in USPS Purchasing Policy and Purchasing Procedures and in a Contract Transference document (see the Novations folder on the CPAC Blueshare website).	Procedure	13.2 Transfer of Contract Postal Unit Contracts (Novation Agreement)
793	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	61 - 62	Under no circumstances is a CPU supplier allowed to transfer or sell its interest in a CPU contract to a third party without going through the novation process, in which the Denver CMC, in consultation with legal counsel, can recognize and approve a third-party successor in interest. This approval is known as a novation agreement. The policy for processing, approving, and executing a novation agreement is provided in Process Step #5: Measure & Manage Supply in the USPS Supplying Principles and Practices and in a Contract Transference document (See Contract Transference Document in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	Under no circumstances is a CPU supplier allowed to transfer or sell its interest in a CPU contract to a third party without going through the novation process, in which the CPF CMC, in consultation with legal counsel, recognize and approve a third-party successor in interest. Requirements include:	Policy	11.2 Transfer of Contracts (Novation Agreement)
794	N/A - New Language	N/A	N/A - New Language	Novation Agreement A process in which the CPF CMC, in consultation with legal counsel, can recognize and approve a third-party successor in interest.	Policy	14 Definitions
795	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	62	A CPU supplier who wants to transfer or sell its interest must contact the HAO or the CPU coordinator to start the novation process. The HAO or the CPU coordinator must carefully consider if the CPU is still needed before considering a novation. The contracting officer (CO) at the Denver CMC, in cooperation with the HAO and the CPU coordinator, must determine the capability of the transferee to continue the CPU operation before approving the transfer of ownership.	a. A CPU supplier who wants to transfer or sell its interest must contact the HAO to start the novation process. The HAO or must carefully consider if the CPU is still needed before considering a novation. b. The CO, in cooperation with the HAO and the district designee, must determine the capability of the transferee to continue the CPU operation before approving the transfer of ownership.	Procedure	13.2 Transfer of Contract Postal Unit Contracts (Novation Agreement)
796	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	62	Novation agreements must be signed by all of the following: a. CPU supplier (transferor). b. Successor in interest (transferee). c. CO at the Denver CMC.	c. Novation Agreements must be reviewed by HQ Legal Dept. before being signed by the CPU supplier (transferor), Successor in interest (transferee), and CO at the CPF CMC.	Procedure	13.2 Transfer of Contract Postal Unit Contracts (Novation Agreement)
797	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	62	Novation agreements must be signed by all of the following: a. CPU supplier (transferor). b. Successor in interest (transferee). c. CO at the Denver CMC.	b. The CPU supplier (transferor), the Successor in Interest (transferee), and the CO at the CPF CMC must sign novation agreements.	Policy	11.2 Transfer of Contracts (Novation Agreement)

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798	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	62	The CPU supplier must provide a document of sale or transfer of assets. If the transfer is not approved, the original supplier is still liable for performance under the contract. If the original supplier fails to perform sufficiently, the contract will be terminated.	d. The CPU supplier must provide a document of sale or transfer of assets. If the transfer is not approved, the original supplier is still liable for performance under the contract. If the original supplier fails to perform sufficiently, the contract will be terminated. See section 14.1 for termination procedures.	Procedure	13.2 Transfer of Contract Postal Unit Contracts (Novation Agreement)
799	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	62	All documents are reviewed by the HQ Legal Dept. before being signed by the CO in Denver.	N/A - Removed	N/A - Repetitive	N/A - Removed
800	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	62	The CPU supplier must provide a document of sale or transfer of assets. If the transfer is not approved, the original supplier is still liable for performance under the contract. If the original supplier fails to perform sufficiently, the contract will be terminated.	c. The CPU supplier must provide a document of sale or transfer of assets. If the transfer is not approved, the original supplier is still liable for performance under the contract. If the original supplier fails to perform sufficiently, the Postal Service will terminate the contract.	Policy	11.2 Transfer of Contracts (Novation Agreement)
801	10-8 Transfer of Contract Postal Unit Contracts (Novation Agreement)	62	All documents are reviewed by the HQ Legal Dept. before being signed by the CO in Denver.	a. The HQ Legal Department must review all documents before the CO signs the document.	Policy	11.2 Transfer of Contracts (Novation Agreement)
802	N/A - New Language	N/A	N/A - New Language	14 Termination and Closure	Procedure	14 Termination and Closure
803	N/A - New Language	N/A	N/A - New Language	12 Termination and Closure	Policy	12 Termination and Closure
804	10-9 Termination of Performance-Based and Firm-Fixed- Price Contracts	62	10-9 Termination of Performance-Based and Firm-Fixed- Price Contracts	N/A - Removed	N/A - Extraneous	N/A - Removed
805	N/A - New Language	N/A	N/A - New Language	Contracts can be terminated for a number of reasons, as outlined in the contract.	Policy	12 Termination and Closure
806	10-9 Termination of Performance-Based and Firm-Fixed- Price Contracts	62	Contracts can be terminated by the use of either of the following: a. Termination on notice. b. A time-specific notice (usually 120 days) if in the best interest of the Postal Service. All terminations must be processed by the Denver CMC. Note: Some contracts have a 60-day termination clause. Refer to the individual contract to determine the time period for termination.	All terminations must be processed by the CPF CMC. Contracts can be terminated using of either of the following: a. Termination on notice. b. A time-specific notice (usually 120 days) if in the best interest of the Postal Service. Note: The individual contract Termination Clause determines the time period for termination.	Policy	12 Termination and Closure
807	10-10 Termination Procedures	62	10-10 Termination Procedures	14.1 Termination Procedures	Procedure	14.1 Termination Procedures
808	10-10 Termination Procedures	62	Field step processes for terminations can be found in the applicable folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .	See the field step processes for terminations in the applicable folder on the CPAC Blueshare website at: Alternate Access Channels-(CPAC) CPU/CPO/VPO – Home (usps.gov).	Procedure	14.1 Termination Procedures
809	N/A - New Language	N/A	N/A - New Language	14.1.1 Closing a Contract Postal Unit	Procedure	14.1.1 Closing a Contract Postal Unit

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810	N/A - New Language	N/A	N/A - New Language	<p>Before closing a CPU, the HAO must do the following:</p> <ul style="list-style-type: none"> a. Notify Stamp Fulfillment Services (SFS) at least 10 days before closing (so that the SFS can 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 that the CPU returns all accountable paper, accountable items, and equipment to the HAO. 	Procedure	14.1.1 Closing a Contract Postal Unit
811	N/A - New Language	N/A	N/A - New Language	14.1.2 Verifying the Contract Postal Unit's Accountability	Procedure	14.1.2 Verifying the Contract Postal Unit's Accountability
812	N/A - New Language	N/A	N/A - New Language	<p>Before conducting the stamp stock count, the HAO verifies the CPU's accountability as follows:</p> <ul style="list-style-type: none"> 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 Accounting Data Mart (ADM) to identify if the CPU has any unresolved employee items. Research and resolve any outstanding items. 	Procedure	14.1.2 Verifying the Contract Postal Unit's Accountability
813	N/A - New Language	N/A	N/A - New Language	<p>[Before conducting the stamp stock count, the HAO verifies the CPU's accountability as follows:]</p> <ul style="list-style-type: none"> 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, contact the vendor before the count to coordinate the closing of the postage meter and refund of any available postage to the USPS account. 	Procedure	14.1.2 Verifying the Contract Postal Unit's Accountability
814	N/A - New Language	N/A	N/A - New Language	<p>After completing all necessary adjustments, conduct a count of all stamp stock credits in the CPU following the count procedures.</p> <p>After conducting the count and recording any final adjustments, the HAO ensures that 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).</p>	Procedure	14.1.2 Verifying the Contract Postal Unit's Accountability

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
815	N/A - New Language	N/A	N/A - New Language	14.1.3 Returning Accountable Papers	Procedure	14.1.3 Returning Accountable Papers
816	N/A - New Language	N/A	N/A - New Language	If the CPU issues postal money orders, the CPU must perform a verification of all blank money orders before returning money orders to the HAO. The Postal Service official performing the verification signs PS Form 17, Stamp Requisition/Stamp Return, as a witness and retains a copy at the HAO.	Procedure	14.1.3 Returning Accountable Papers
817	N/A - New Language	N/A	N/A - New Language	After destroying blank money orders and conducting the final count of the CPU's stamp stock, the HAO supervisor must do the following: a. Coordinate the return of any remaining stamp stock with the HAO. b. Record 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. Enter the CPU's final PS Form 1412.	Procedure	14.1.3 Returning Accountable Papers
818	N/A - New Language	N/A	N/A - New Language	[After destroying blank money orders and conducting the final count of the CPU's stamp stock, the HAO supervisor must do the following:] d. After waiting 3 business days from transmitting the CPU's last PS Form 1412, certify that the CPU's closing stamp accountability balance (AIC 853) is "zero." To obtain this information, access the following report in ADM: (Accounting>Shared Reports>SAFR>Stock Ledger Reports>Stock Ledger Balances — "Stock on Hand" column.) e. Complete and submit the FNCM Status Change Request to deactivate the CPU unit. f. After the SFS receives the last stock shipped out of the CPU, contact the SFS to deactivate the CPU.	Procedure	14.1.3 Returning Accountable Papers
819	N/A - New Language	N/A	N/A - New Language	14.1.4 Returning Equipment	Procedure	14.1.4 Returning Equipment
820	N/A - New Language	N/A	N/A - New Language	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 Mailing Standards of the United States Postal Service, Domestic Mail Manual.	Procedure	14.1.4 Returning Equipment

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
821	N/A - New Language	N/A	N/A - New Language	The CPU returns the following to the HAO: a. Electronic weighing scale (if provided by the 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.	Procedure	14.1.4 Returning Equipment
822	N/A - New Language	N/A	N/A - New Language	The HAO is responsible for returning or destroying any Postal Service-owned equipment as follows: [Column Headers] For this item... The HAO must... [Row Content] Postage meter Contact the vendor to coordinate the closing of the postage meter and refund of any available postage to the USPS account. Credit card equipment Contact the Retail and Delivery Equipment Integrator (RDEI) or: Go to the Payment Technologies page on the Corporate Treasury website; select Additional Resources; and select the item that mentions "payment device return notification and authorization form."	Procedure	14.1.4 Returning Equipment
823	N/A - New Language	N/A	N/A - New Language	[The HAO is responsible for returning or destroying equipment as follows:] [Column Headers] For this item... The HAO must... [Row Content] Paymaster money order imprinter Contact the MDC. Bank deposit tickets Destroy and properly dispose. Round date stamp Destroy and properly dispose. If the CPU's round date stamp is missing, notify the OIG immediately.	Procedure	14.1.4 Returning Equipment
824	10-10.1 CPU Close-Out	62	10-10.1 CPU Close-Out	14.1.5 CPU Close-Out	Procedure	14.1.5 CPU Close-Out
825	10-10.1 CPU Close-Out	62	1. Handbook F-101, Field Accounting Procedures, provides instructions for closing out Firm-Fixed Price and Performance-Based CPUs (See Closing a Contract Postal Unit on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx).	N/A - Removed	N/A - Obsolete	N/A - Removed
826	10-10.1 CPU Close-Out	63	2. Because a CARS CPU has no accountability, Handbook F-101 is not applicable. Instead, the CARS unit is shut down and returned (See CARS CPU Shut Down Instructions on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx).	a. Because an RSS BP CPU has no accountability, Handbook F-101 is not applicable. Instead, the RSS BP unit is shut down by the HAO and all Postal Service-owned equipment is returned. 1. Contact RSSHardware@usps.gov to order boxes and labels for the proper return of equipment.	Procedure	14.1.5 CPU Close-Out

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
827	10-10.1 CPU Close-Out	63	<p>3. All equipment, furniture, and signage provided by the USPS must be removed:</p> <p>a. For a Firm Fixed Price CPU refer to Attachment 1 — Requirements.</p> <p>b. For a Performance-Based CPU refer to Part A — Responsibility Schedule and Part B — Signage Requirements.</p> <p>4. The CPU coordinator must announce the termination to various offices (See CPU Closing Announcement Letter in the Publication 156 folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx.)</p>	<p>b. All equipment, furniture, and signage provided by the USPS must be removed and returned to the HAO:</p> <p>1. For a Firm-Fixed-Price CPU see Attachment 1 — Requirements.</p> <p>2. For a Performance-Based CPU see Part A — Responsibility Schedule and Part B — Signage Requirements.</p> <p>c. The district designee must announce the termination to various offices.</p>	Procedure	14.1.5 CPU Close-Out
828	10-10.1 CPU Close-Out	63	<p>See Publication 156 folder on CPAC blueshare website at http://supply.blueshare.usps.gov/sites/cpac/default.aspx for the following items:</p> <p>a. CPU Quarterly Performance Review Instructions.</p> <p>b. Contract Postal Unit Quarterly Performance Review.</p> <p>c. CPU Quarterly Performance Review Certification.</p> <p>d. Rate Increase Request Package.</p> <p>e. Sample Rate Increase Request Recommendation.</p> <p>f. Sample eBuy2 — Performance-Based Rate Increase.</p> <p>g. Sample eBuy2 — CARS Performance-Based Rate Increase.</p> <p>h. Contract Transference Document.</p> <p>i. Closing a Contract Postal Unit.</p> <p>j. CARS CPU Shut Down Instructions.</p> <p>k. CPU Closing Announcement Letter.</p>	<p>See the CPAC Blueshare website at Alternate Access Channels-(CPAC) CPU/CPO/VPO - Home (usps.gov) for the following items:</p> <ul style="list-style-type: none"> · CPU Quality Performance Review Instructions. · Contract Postal Unit Quality Performance Review. · CPU Quality Performance Review Certification. · Rate Increase Request Package. · Sample Rate Increase Request Recommendation. · Sample eBuyPlus requisition — Performance-Based Rate Increase. · Sample eBuyPlus requisition — RSS BP Performance-Based Rate Increase. · Contract Transference Document. · Closing a Contract Postal Unit. · RSS BP CPU Shut Down Instructions. · CPU Closing Announcement Letter. 	Procedure	14.1.5 CPU Close-Out
829	Blank Page	64	This page intentionally left blank	N/A - Removed	N/A - Extraneous	N/A - Removed
830	11 Compensating the Contract Postal Unit	65	11 Compensating the Contract Postal Unit	12 Compensating the Contract Postal Unit	Procedure	12 Compensating the Contract Postal Unit
831	11 Compensating the Contract Postal Unit	65	11 Compensating the Contract Postal Unit	10.3 Compensation	Policy	10.3 Compensation
832	11-1 Introduction	65	11-1 Introduction	12.1 Introduction	Procedure	12.1 Introduction
833	11-1 Introduction	65	The last part of the contract postal unit (CPU) process, and the most important part to the supplier, is the compensation. It is very important to maintain a strong partnership with CPU suppliers and to ensure that their payment is correct and timely. A CPU, like any other business, depends on its cash flow to meet its expenses.	N/A - Removed	N/A - Extraneous	N/A - Removed
834	11-1 Introduction	65	Failure to provide the correct finance number, unit ID or site ID, and supplier information for input into either Contract Postal Unit Technology (CPUT) or APEX could result in delays in payment and dissatisfaction from the supplier.	If a supplier fails to provide the correct finance number, unit ID or site ID, and supplier information for input into either Contract Postal Unit Technology (CPUT) or Account Payable Excellence (APEX) could result in delays in payment and dissatisfaction from the supplier.	Procedure	12.1 Introduction
835	11-1.1 CPUT	65	11-1.1 CPUT	12.1.1 Contract Postal Unit Technology (CPUT)	Procedure	12.1.1 Contract Postal Unit Technology (CPUT)

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
836	11-1.1 CPUT	65	CPUT is a Web-based application that contains the system that calculates the correct supplier payment each month. The payment reflects the applicable payment agreed upon in the supplier's CPU contract.	Contract Postal Unit Technology (CPUT) A Web-based application that contains the system that calculates the correct supplier payment each month. This system is used to manage, monitor, and report on the performance and compensation of CPUs and other retail partners. The payment reflects the applicable agreement agreed upon in the supplier's CPU contract.	Policy	14 Definitions
837	11-1.1 CPUT	65	The payment reflects the applicable payment agreed upon in the supplier's CPU contract.	The payment the supplier receives must reflect the applicable payment agreed upon in the supplier's CPU contract.	Policy	10.3 Compensation
838	11-1.1 CPUT	65	CPUT access is allowed to the following personnel: a. Purchasing specialists who are tasked with issuing CPU contracts have read-and-update capability in this system. b. Headquarters personnel who are tasked with administering the CPU program have read-and-write capability. c. Area retail personnel who are tasked with monitoring CPU performance have read-only capability. d. District retail personnel who are tasked with monitoring CPU performance have read-only capability. e. HAO representatives who are tasked with monitoring CPU performance have read-only capability.	CPUT access is allowed to the following personnel: ▪ Purchasing specialists who are tasked with issuing CPU contracts have read-and-update capability in this system. ▪ Headquarters personnel who are tasked with administering the CPU program have read-and-write capability. ▪ Area retail personnel who are tasked with monitoring CPU performance have read-only capability. ▪ District retail personnel who are tasked with monitoring CPU performance have read-only capability. ▪ HAO representatives who are tasked with monitoring CPU performance have read-only capability.	Procedure	12.1.1 Contract Postal Unit Technology (CPUT)
839	11-1.1.1 Logon ID	65	11-1.1.1 Logon ID	12.1.2 Logon ID	Procedure	12.1.2 Logon ID
840	11-1.1.1 Logon ID	65	To obtain access to the CPUT system, complete an application in e-Access.	No change.	Procedure	12.1.2 Logon ID
841	11-1.1.2 Training	65	11-1.1.2 Training	10.4.4 Contract Postal Unit Technology System Training	Procedure	10.4.4 Contract Postal Unit Technology System Training
842	11-1.1.2 Training	65	Training is provided by the CPUT user's manual accessible on the CPUT website at: https://cput.usps.gov/Cput/Welcome.jsp . Click on "User Guides" at the top of the screen. The CPUT support number is located in the user's manual.	Training is available to Postal Service employees through the CPUT user's manual accessible on the CPUT website at: https://cput.usps.gov/Cput/Welcome.jsp . Click on "User Guides" at the top of the screen. The CPUT support number is located in the user's manual.	Procedure	10.4.4 Contract Postal Unit Technology System Training
843	11-1.2 CPU Payment	66	11-1.2 CPU Payment	12.2 CPU Payment	Procedure	12.2 CPU Payment
844	11-1.2 CPU Payment	66	11-1.2 CPU Payment	10.3.2 CPU Payment	Policy	10.3.2 CPU Payment
845	11-1.2 CPU Payment	66	In accordance with the CPU contract, payment for all new CPUs is made via electronic funds transfer (EFT).	No change.	Policy	10.3.2 CPU Payment
846	11-1.2 CPU Payment	66	However, the first payment may be by paper check to allow sufficient time for the EFT to be established. Before the CPU can start operations or receive payment, the Denver CMC must have received the supplier's direct deposit form and the HAO must have received the CPU bond (if required).	Before the CPU can start operations or receive payment, the CPF CMC must have received the supplier's direct deposit form, and the HAO must have received the CPU bond (if required).	Procedure	12.2 CPU Payment

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
847	11-1.2 CPU Payment	66	However, the first payment may be by paper check to allow sufficient time for the EFT to be established. Before the CPU can start operations or receive payment, the Denver CMC must have received the supplier's direct deposit form and the HAO must have received the CPU bond (if required).	Before the CPU can start operations or receive payment the following must be completed: a. The CPF CMC must have received the supplier's direct deposit form. b. The HAO must have received the CPU bond (if required). c. Written notification from the HAO verifying that all training and site-specification requirements have been complied with and accepted by the Postal Service must have been received.	Policy	10.3.2 CPU Payment
848	11-1.2 CPU Payment	66	In accordance with the CPU contract, payment for all new CPUs is made via electronic funds transfer (EFT). However, the first payment may be by paper check to allow sufficient time for the EFT to be established. Before the CPU can start operations or receive payment, the Denver CMC must have received the supplier's direct deposit form and the HAO must have received the CPU bond (if required).	Under the CPU contract, all new CPUs receive payment via electronic funds transfer (EFT). Before the CPU can start operations or receive payment, the CPF CMC must have received the supplier's direct deposit form and the HAO must have received the CPU bond (if required).	Procedure	12.2 CPU Payment
849	11-1.2 CPU Payment	66	The CPU coordinator must have approved the build-out (if required) and accepted the facility for the Postal Service. Written notification from the CPU coordinator verifying that all training and site-specification requirements have been complied with and accepted by the Postal Service must have been received. Included in this notification will be the effective start date for the contract and the unit or site ID assigned to the CPU.	The HAO must have approved the build-out (if required) and accepted the facility for the Postal Service. The HAO then notifies the CPF CMC verifying that the supplier has completed all training, complied with site-specification requirements, and the site-specification requirements have been received and accepted by the Postal Service. Included in this notification will be the effective start date for the contract and the unit or site ID assigned to the CPU.	Procedure	12.2 CPU Payment
850	N/A - New Language	N/A	N/A - New Language	CPF CMC then enters this information into CPUT. It is critical that the HAO ensures all information is accurate; any inaccuracies may result in inaccurate or delayed payments to the supplier.	Procedure	12.2 CPU Payment
851	11-1.3 Payment Schedule	66	11-1.3 Payment Schedule	10.3.3 Payment Schedule	Policy	10.3.3 Payment Schedule
852	11-1.3 Payment Schedule	66	Payments will be made automatically, in arrears, by the St. Louis Accounting Service Center (ASC) within 30 days after the end of the performance period.	Payments must be made automatically, in arrears, by the ASC within 30 days after the end of the performance period.	Policy	10.3.3 Payment Schedule
853	11-2 Types of Compensation	66	11-2 Types of Compensation	12.3 Types of Compensation	Procedure	12.3 Types of Compensation
854	11-2 Types of Compensation	66	11-2 Types of Compensation	10.3.1 Types of Compensation	Policy	10.3.1 Types of Compensation
855	11-2.1 Performance-Based CPU Contract	66	11-2.1 Performance-Based CPU Contract	12.3.1 Performance-Based CPU Contract	Procedure	12.3.1 Performance-Based CPU Contract
856	11-2.1 Performance-Based CPU Contract	66	11-2.1 Performance-Based CPU Contract	10.3.1.1 Performance-Based Contract	Policy	10.3.1.1 Performance-Based Contract

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
857	11-2.1 Performance-Based CPU Contract	66	<p>A Performance-Based contract pays the supplier for the revenue generated from the sale of Postal Service products and services. This compensation can consist of the following:</p> <ul style="list-style-type: none"> a. A percentage of all the revenue. b. A split percentage of all the revenue. c. A fixed flat monthly fee and a percentage of stipulated revenue. <p>The rate of compensation should be fair both to the supplier and the Postal Service and should reflect current market conditions and need. If the CPU provides Post Office box service, the supplier is compensated at the rate of 33 percent for the Post Office box revenue that is generated through the CPU. This rate is non-negotiable.</p>	<p>A Performance-Based contract pays the supplier for the revenue generated from the sale of Postal Service products and services. Compensation be determined by the following:</p> <ul style="list-style-type: none"> a. A percentage of all the revenue. b. A split percentage of all the revenue. c. A fixed flat monthly fee and a percentage of stipulated revenue. <p>The rate of compensation should be fair both to the supplier and the Postal Service and should reflect current market conditions and need.</p> <p>If the CPU provides Post Office box service, the supplier is compensated at the rate of 33 percent for the Post Office box revenue that is generated through the CPU. This rate is non-negotiable. This is only applicable to Non-RSS BP contracts.</p>	Procedure	12.3.1 Performance-Based CPU Contract
858	11-2.1 Performance-Based CPU Contract	66	<p>A Performance-Based contract pays the supplier for the revenue generated from the sale of Postal Service products and services. This compensation can consist of the following:</p> <ul style="list-style-type: none"> a. A percentage of all the revenue. b. A split percentage of all the revenue. c. A fixed flat monthly fee and a percentage of stipulated revenue. <p>The rate of compensation should be fair both to the supplier and the Postal Service and should reflect current market conditions and need. If the CPU provides Post Office box service, the supplier is compensated at the rate of 33 percent for the Post Office box revenue that is generated through the CPU. This rate is non-negotiable.</p>	<p>A Performance-Based contract pays the supplier for the revenue generated from the sale of Postal Service products and services. Compensation can be determined by the following:</p> <ul style="list-style-type: none"> a. A percentage of all the revenue. b. A split percentage of all the revenue. c. A fixed flat monthly fee and a percentage of stipulated revenue. <p>If the CPU provides Post Office box service, the supplier is compensated at a non-negotiable rate for the Post Office box revenue that is generated through the CPU. This is only applicable to Non-RSS BP contracts. See Publication 156-A for more information, including the current rate for Post Office box revenue.</p>	Policy	10.3.1.1 Performance-Based Contract
859	11-2.2 Firm-Fixed-Price Contract Postal Unit Contract	66	11-2.2 Firm-Fixed-Price Contract Postal Unit Contract	12.3.2 Firm-Fixed-Price CPU Contract	Procedure	12.3.2 Firm-Fixed-Price CPU Contract
860	11-2.2 Firm-Fixed-Price Contract Postal Unit Contract	66	11-2.2 Firm-Fixed-Price Contract Postal Unit Contract	10.3.1.2 Firm-Fixed-Price Contract	Policy	10.3.1.2 Firm-Fixed-Price Contract
861	11-2.2 Firm-Fixed-Price Contract Postal Unit Contract	66	<p>A Firm-Fixed-Price contract pays the supplier a fixed amount over the annual term of the contract. This amount of compensation is not dependent on the amount of revenue that is generated by the CPU. Except for Public Service contracts, the fixed amount is divided by the annual term, and payment is made in equal monthly installments within 30 days after the end of the performance month. Seasonal and temporary (emergency) contracts are paid, in arrears, only after the months in operation. Public service contracts are paid once annually, in arrears, after the contract anniversary date or on the contract termination date.</p>	<p>A Firm-Fixed-Price contract pays the supplier a fixed amount over the annual term of the contract. This amount of compensation is not dependent on the amount of revenue that is generated by the CPU.</p> <ul style="list-style-type: none"> a. Except for Public Service contracts, the fixed amount is divided by the annual term, and payment is made in equal monthly installments within 30 days after the end of the performance month. b. Seasonal and temporary (emergency) contracts are paid, in arrears, only after the months in operation. c. Public service contracts are paid once annually, in arrears, after the contract anniversary date or on the contract termination date. 	Procedure	12.3.2 Firm-Fixed-Price CPU Contract

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
862	11-2.2 Firm-Fixed-Price Contract Postal Unit Contract	66	A Firm-Fixed-Price contract pays the supplier a fixed amount over the annual term of the contract. This amount of compensation is not dependent on the amount of revenue that is generated by the CPU.	No change.	Policy	10.3.1.2 Firm-Fixed-Price Contract
863	N/A - New Language	N/A	N/A - New Language	The contract type determines when this payment is distributed:	Policy	10.3.1.2 Firm-Fixed-Price Contract
864	11-2.2 Firm-Fixed-Price Contract Postal Unit Contract	66	Except for Public Service contracts, the fixed amount is divided by the annual term, and payment is made in equal monthly installments within 30 days after the end of the performance month.	a. Except for Public Service contracts, the fixed amount is divided by the annual term, and payment is made in equal monthly installments within thirty (30) days after the end of the performance month.	Policy	10.3.1.2 Firm-Fixed-Price Contract
865	11-2.2 Firm-Fixed-Price Contract Postal Unit Contract	66	Seasonal and temporary (emergency) contracts are paid, in arrears, only after the months in operation.	b. Seasonal and temporary (emergency) contracts are paid, in arrears, only after the months in operation.	Policy	10.3.1.2 Firm-Fixed-Price Contract
866	11-2.2 Firm-Fixed-Price Contract Postal Unit Contract	66	Public service contracts are paid once annually, in arrears, after the contract anniversary date or on the contract termination date.	c. Public service contracts are paid once annually, in arrears, after the contract anniversary date or on the contract termination date.	Policy	10.3.1.2 Firm-Fixed-Price Contract
867	12 Community Post Offices	67	12 Community Post Offices	13 Community Post Offices	Policy	13 Community Post Offices
868	12 Community Post Offices	67	12 Community Post Offices	15 Community Post Offices	Procedure	15 Community Post Offices
869	12-1 Introduction	67	12-1 Introduction	13.1 Introduction	Policy	13.1 Introduction
870	12-1 Introduction	67	12-1 Introduction	15.1 Introduction	Procedure	15.1 Introduction
871	12-1 Introduction	67	A Community Post Office (CPO) is a contract postal unit that is usually located in a small, rural community and provides a full line of Postal Service products and services to local Postal Service customers.	N/A - Removed	N/A - Repetitive	N/A - Removed
872	12-1 Introduction	67	A CPO bears its community's name and ZIP Code as part of a recognized mailing address.	N/A - Removed	N/A - Repetitive	N/A - Removed
873	12-1 Introduction	67	A CPO usually provides Post Office box service and may also offer general delivery and left-notice article services. A CPO is authorized by the award of either a Firm-Fixed-Price or Performance-Based (usually Non-CARS) contract.	A Community Post Office (CPO) usually provides Post Office box service and may also offer general delivery and left-notice article services. A CPO is authorized by the award of either a Firm-Fixed-Price or Performance-Based (usually Non-RSS BP) contract.	Procedure	15.1 Introduction
874	12-1 Introduction	67	A CPO usually provides Post Office box service and may also offer general delivery and left-notice article services. A CPO is authorized by the award of either a Firm-Fixed-Price or Performance-Based (usually Non-CARS) contract.	A CPO usually provides Post Office box service and may also offer general delivery and left-notice article services. A CPO is authorized by the award of either a Firm-Fixed-Price or Performance-Based (usually Non-RSS BP) contract.	Policy	13.1 Introduction
875	12-2 Establishment of a Community Post Office	67	12-2 Establishment of a Community Post Office	13.2 Establishment of a Community Post Office	Policy	13.2 Establishment of a Community Post Office
876	12-2 Establishment of a Community Post Office	67	When the need for a CPO is established, the Host Administrative Office (HAO) and the CPU coordinator work together to prepare a CPU request package.	N/A - Removed	N/A - Repetitive	N/A - Removed

ID	Section No. and Heading	Page No.	Former Language	Revised Language	Revised Language Document	Revised Language Location in Document
877	12-2 Establishment of a Community Post Office	67	An approved deviation is required to either open a new or replace an existing CPO. Once completed, the CPU request package will be submitted to the Denver CMC for the solicitation and award of the CPU contract. Under the terms of the contract, the supplier is paid automatically, in arrears, by the St. Louis ASC, in 12 equal monthly installments, within 30 days after the end of the performance period.	An approval from the HQ Program Office is required to either open a new or to replace an existing CPO. Once completed, the CPU request package must be submitted by the Requestor to the CPF CMC for the solicitation and award of the CPU contract. Under the terms of the contract, the supplier is paid automatically, in arrears, by the St. Louis ASC, within 30 days after the end of the performance period.	Policy	13.2 Establishment of a Community Post Office
878	12-3 Activation of a Community Post Office	67	12-3 Activation of a Community Post Office	15.2 Activation of a Community Post Office	Procedure	15.2 Activation of a Community Post Office
879	12-3 Activation of a Community Post Office	67	Once the CPO contract has been awarded, the HAO must meet with the supplier to establish a partnership, answer any questions, and conduct the initial training as defined in the contract. The HAO and CPU coordinator work together to obtain and forward all of the required Postal Service-supplied property, equipment, and supplies necessary to operate the CPO to the CPO supplier.	Once the CPO contract has been awarded, the HAO must meet with the supplier to establish a partnership, answer any questions, and conduct the initial training as defined in the contract. The HAO will obtain and forward to the CPO supplier all of the required Postal Service-supplied property, equipment, and supplies necessary to operate the CPO.	Procedure	15.2 Activation of a Community Post Office
880	12-4 Management of a Community Post Office	67	12-4 Management of a Community Post Office	15.3 Management of a Community Post Office	Procedure	15.3 Management of a Community Post Office
881	12-4 Management of a Community Post Office	67-68	The HAO representative is normally a Postmaster of a classified office (Administrative Office) located near the CPO.	N/A - Removed	N/A - Extraneous	N/A - Removed
882	12-4 Management of a Community Post Office	67-68	The HAO representative is responsible for supporting the CPO supplier with information updates, ongoing training on Postal Service procedures, financial auditing, bond verification, aviation security, HAZMAT, and any other support activities that would normally be provided by a HAO to a contract unit.	No change.	Procedure	15.3 Management of a Community Post Office
883	12-4 Management of a Community Post Office	67-68	CPOs may accept insurance claims but cannot process them. Send claim forms to the nearest Post Office for processing.	N/A - Removed	N/A - Obsolete	N/A - Removed
884	12-5 Request for Rate Increase	68	12-5 Request for Rate Increase	13.3 Rate Increase Request Process	Procedure	13.3 Rate Increase Request Process
885	12-5 Request for Rate Increase	68	12-5 Request for Rate Increase	13.3 Request for Rate Increase	Policy	13.3 Request for Rate Increase
886	12-5 Request for Rate Increase	68	12-5 Request for Rate Increase	15.4 Request for Rate Increase	Procedure	15.4 Request for Rate Increase
887	12-5 Request for Rate Increase	68	All requests for a rate increase must follow the procedures outlined in Chapter 10.	Any requests for a rate increase must follow the procedures outlined in section 13.3.	Procedure	15.4 Request for Rate Increase
888	12-5 Request for Rate Increase	68	All requests for a rate increase must follow the procedures outlined in Chapter 10.	All requests for a rate increase are subject to the same requirements outlined in section 11.3.	Policy	13.3 Request for Rate Increase
889	12-6 Transfer of a Community Post Office Contract (Novation Agreement)	68	12-6 Transfer of a Community Post Office Contract (Novation Agreement)	15.5 Transfer of a Community Post Office Contract (Novation Agreement)	Procedure	15.5 Transfer of a Community Post Office Contract (Novation Agreement)

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890	12-6 Transfer of a Community Post Office Contract (Novation Agreement)	68	12-6 Transfer of a Community Post Office Contract (Novation Agreement)	13.4 Transfer of a Community Post Office Contract (Novation Agreement)	Policy	13.4 Transfer of a Community Post Office Contract (Novation Agreement)
891	12-6 Transfer of a Community Post Office Contract (Novation Agreement)	68	In the event of the sale of a business that is operated in conjunction with the CPO, follow the procedures outlined in Chapter 10.	In the event of the sale of a business that is operated in conjunction with the CPO, follow the procedures outlined in section 13.2.	Procedure	15.5 Transfer of a Community Post Office Contract (Novation Agreement)
892	12-6 Transfer of a Community Post Office Contract (Novation Agreement)	68	In the event of the sale of a business that is operated in conjunction with the CPO, follow the procedures outlined in Chapter 10.	The sale of a business that is operated in conjunction with the CPO is subject to the same requirements outlined in section 11.2.	Policy	13.4 Transfer of a Community Post Office Contract (Novation Agreement)
893	12-7 Termination of a Community Post Office Contract	68	12-7 Termination of a Community Post Office Contract	15.6 Termination of a Community Post Office Contract	Procedure	15.6 Termination of a Community Post Office Contract
894	12-7 Termination of a Community Post Office Contract	68	12-7 Termination of a Community Post Office Contract	13.5 Termination of a Community Post Office Contract	Policy	13.5 Termination of a Community Post Office Contract
895	12-7 Termination of a Community Post Office Contract	68	Field step processes for CPO terminations can be found in the applicable folder on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .	See the field step processes for CPO terminations can be found in the applicable folder on the CPAC Blueshare website at: Alternate Access Channels-(CPAC) CPU/CPO/VPO - Home (usps.gov).	Procedure	15.6 Termination of a Community Post Office Contract
896	12-7 Termination of a Community Post Office Contract	68	Before terminating a CPO, the Guidelines for Closing a CPO questionnaire must be completed in its entirety, signed, and dated by the HAO and District Marketing Manager (or designee) and approved by the HQ Program Manager (See Guidelines for Closing a CPO on the CPAC blueshare website at: http://supply.blueshare.usps.gov/sites/cpac/default.aspx .)	Before terminating a CPO, the HAO and District Marketing Manager (or designee) must complete, sign, and date the Guidelines for Closing a CPO Questionnaire. The HQ Program Manager must then approve the questionnaire (see Guidelines for Closing a CPO on the CPAC Blueshare website).	Procedure	15.6 Termination of a Community Post Office Contract
897	12-7 Termination of a Community Post Office Contract	68	The Denver CMC CO will provide final review and approval. If deemed necessary, the CO and CPU coordinator will address the possibility of any political ramifications, community issues, etc. with closing the CPO. Refer to the Guidelines for Closing a CPO questionnaire for more information.	The CO provides final review of the termination, and if the CO approves the termination, and if deemed necessary, the CO will address the possibility of any political ramifications, community issues, etc. with closing the CPO. Refer to the Guidelines for Closing a CPO Questionnaire for more information.	Procedure	15.6 Termination of a Community Post Office Contract
898	12-7 Termination of a Community Post Office Contract	68	Refer to the Guidelines for Closing a CPO questionnaire for more information.	Refer to Publication 156-A for procedural guidance on the termination of a CPO.	Policy	13.5 Termination of a Community Post Office Contract
899	12-8 Reporting Requirements for Community Post Office Discontinuance	68	12-8 Reporting Requirements for Community Post Office Discontinuance	13.6 Reporting Requirements for Community Post Office Discontinuance	Policy	13.6 Reporting Requirements for Community Post Office Discontinuance

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900	12-8 Reporting Requirements for Community Post Office Discontinuance	68	12-8 Reporting Requirements for Community Post Office Discontinuance	15.7 Reporting Requirements for Community Post Office Discontinuance	Procedure	15.7 Reporting Requirements for Community Post Office Discontinuance
901	12-8 Reporting Requirements for Community Post Office Discontinuance	68	CPOs are not subject to discontinuance procedures as detailed in Handbook PO-101, Post Office Discontinuance Guide. However, there are reporting requirements to meet when a CPO is closed.	CPOs are not subject to discontinuance procedures as detailed in Handbook PO-101, Postal Service Operated Retail Facilities Discontinuance Guide. However, there are reporting requirements to meet when a CPO is closed. Refer to Publication 156-A for more information.	Policy	13.6 Reporting Requirements for Community Post Office Discontinuance
902	12-8 Reporting Requirements for Community Post Office Discontinuance	68-69	Refer to the Postal Operations Manual, section 123.6 on the Postal Service PolicyNet website at: http://blue.usps.gov/cpim . See Publication 156 folder on CPAC blueshare website at http://supply.blueshare.usps.gov/sites/cpac/default.aspx for the Guidelines for Closing a CPO Questionnaire.	Refer to section 123.6 in Postal Operations Manual on the Postal Service PolicyNet website at: http://blue.usps.gov/cpim . Additionally, see the CPAC Blueshare website for the Guidelines for Closing a CPO Questionnaire.	Procedure	15.7 Reporting Requirements for Community Post Office Discontinuance
903	Blank Page	70	This page intentionally left blank	N/A - Removed	N/A - Extraneous	N/A - Removed
904	N/A - New Language	N/A	N/A - New Language	Request Package The collection of forms and documentation used to demonstrate the need for a CPU. This includes the needs analysis, supporting evidence, and contact information for the Requestor and anticipated HAO.	Policy	14 Definitions
905	N/A - New Language	N/A	N/A - New Language	Notice to Proceed Documentation alerting the supplier that its build-out plan has been approved by the Postal Service and it may proceed with implementing actions to achieve the approved construction design.	Policy	14 Definitions
906	N/A - New Language	N/A	N/A - New Language	Letter of Demand A letter sent to the supplier after an audit has been conducted and the result of the audit has indicated a monetary discrepancy. The letter outlines the amount owed from the supplier to the Postal Service and the deadline for the supplier to pay the specified amount.	Policy	14 Definitions
907	N/A - New Language	N/A	N/A - New Language	Cure Notice A written notice sent to the supplier specifying a designated time frame to "cure" specified conditions of unsatisfactory performance outlined in a previously administered Letter of Warning.	Policy	14 Definitions
908	N/A - New Language	N/A	N/A - New Language	Letter of Warning A written notice sent to the supplier citing specific conditions of unsatisfactory performance.	Policy	14 Definitions
909	N/A - New Language	N/A	N/A - New Language	Approved Shipper A licensed agreement with a supplier and USPS™ to accept packages for shipping.	Procedure	16 Definitions

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910	N/A - New Language	N/A	N/A - New Language	Community Post Office A Community Post Office™ (CPO) is a contract unit that provides postal services in small communities where an independent Post Office™ has been discontinued. A CPO is usually located in a small, rural community and provides a full line of Postal Service products and services to local Postal Service customers. A CPO usually bears its community's name and ZIP Code as part of a recognized mailing address.	Procedure	16 Definitions
911	N/A - New Language	N/A	N/A - New Language	Contract Postal Unit (CPU) A CPU is a supplier-owned or supplier-leased facility operated by the supplier, under contract to the Postal Service, to provide postal services to the public at Postal Service prices.	Procedure	16 Definitions
912	N/A - New Language	N/A	N/A - New Language	CPU Needs Analysis An assessment of the condition(s) prompting the need for a CPU. The CPU Needs Analysis includes all relevant evidence supporting the recommendation to establish a CPU (e.g., Retail Mapping, Demographic and Income Profile, Wait-Time-In-Line Report).	Procedure	16 Definitions
913	N/A - New Language	N/A	N/A - New Language	Cure Notice A written notice sent to the supplier specifying a designated time frame to "cure" specified conditions of unsatisfactory performance outlined in a previously administered Letter of Warning.	Procedure	16 Definitions
914	N/A - New Language	N/A	N/A - New Language	Demographic & Income Profile A generated report on an area within a specified radius that lists various data points such as population size and income trends.	Procedure	16 Definitions
915	N/A - New Language	N/A	N/A - New Language	Design & Construction Requirements (D & CR) (Attachment 5) The CPU D&CR Attachment 5 contains the following three parts: Part A, Responsibility Schedule, Part B, Signage Requirements, and Part C, Build-Out Requirements. Attachment 5, often referred to as the D&CR, is completed by the requestor and is used to inform the prospective supplier(s) of the design and construction requirements.	Procedure	16 Definitions
916	N/A - New Language	N/A	N/A - New Language	Double Build-Out A CPU that includes two service counters.	Procedure	16 Definitions
917	N/A - New Language	N/A	N/A - New Language	Estimated Cost Worksheet A worksheet completed by the requestor identifying the anticipated start-up, monthly, annual, and first-year costs to the supplier to establish and maintain the CPU. These costs include items such as office supplies, utilities, wages, and insurance.	Procedure	16 Definitions

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918	N/A - New Language	N/A	N/A - New Language	Expanded Access Channels Expanded access channels are alternate access provided to the community to meet their postal needs. Market research is required first to ensure which alternate access channel is needed to fulfill the exact needs of the community. A CPU is included as an alternate access channel. Other expanded access channels include Village Post Office™ (VPO), Approved Shipper, Stamps To Go® (STG).	Procedure	16 Definitions
919	N/A - New Language	N/A	N/A - New Language	Final Rating Worksheet The completed evaluation worksheet with the final ratings for each section of the evaluation.	Procedure	16 Definitions
920	N/A - New Language	N/A	N/A - New Language	Letter of Demand A letter sent to the supplier after an audit has been conducted and the result of the audit has indicated a monetary discrepancy. The letter outlines the amount owed from the supplier to the Postal Service and the deadline for the supplier to pay the specified amount.	Procedure	16 Definitions
921	N/A - New Language	N/A	N/A - New Language	Letter of Warning A written notice sent to the supplier citing specific conditions of unsatisfactory performance.	Procedure	16 Definitions
922	N/A - New Language	N/A	N/A - New Language	Notice to Proceed Documentation alerting the supplier that their build-out plan has been approved by the Postal Service and they may proceed with implementing actions to achieve the approved construction design.	Procedure	16 Definitions
923	N/A - New Language	N/A	N/A - New Language	Novation Agreement Process in which the CPF CMC, in consultation with legal counsel, can recognize and approve a third-party successor in interest.	Procedure	16 Definitions
924	N/A - New Language	N/A	N/A - New Language	Point-of-Purchase Signage Signage that communicates product and service information and promotional messages to customers.	Procedure	16 Definitions
925	N/A - New Language	N/A	N/A - New Language	Public Service Contract (Firm-Fixed-Rate) A public service, Firm-Fixed-Price contract is based on a supplier's unsolicited proposal to the Postal Service to operate a CPU for a community convenience or business reasons.	Procedure	16 Definitions
926	N/A - New Language	N/A	N/A - New Language	Retail Facility Assessment Tool A web application that utilizes multiple layers and data points to substantiate requests for new CPU locations.	Procedure	16 Definitions
927	N/A - New Language	N/A	N/A - New Language	Retail Mapping An assessment that helps to ensure that CPUs are located in the most needed and convenient sites to provide retail customers access to postal services. Retail Mapping is done using the Retail Facility Assessment Tool.	Procedure	16 Definitions
928	N/A - New Language	N/A	N/A - New Language	Retail System-Software Business Partner The Postal Service provides a Retail System Software-Business Partner (RSS BP) mailing system to the CPU for weighing, metering, and calculating postage on mail-pieces.	Procedure	16 Definitions

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929	N/A - New Language	N/A	N/A - New Language	Requestor The individual(s) requesting the establishing of a CPU. The requestor is typically the HAO.	Procedure	16 Definitions
930	N/A - New Language	N/A	N/A - New Language	Request Package The collection of forms and documentation used to demonstrate the need for a CPU. This includes the needs analysis, supporting evidence, and contact information for the requestor and anticipated HAO.	Procedure	16 Definitions
931	N/A - New Language	N/A	N/A - New Language	Revenue Forecast Model A calculated prediction of the potential revenue that a CPU in the proposed location can generate.	Procedure	16 Definitions
932	N/A - New Language	N/A	N/A - New Language	Seasonal Contract A seasonal contract is used in areas where the seasons dictate the need for a CPU. The contract states the hours of operation per the seasons of the year (i.e., open during winter months in a ski resort area or open during winter months in a warm weather area).	Procedure	16 Definitions
933	N/A - New Language	N/A	N/A - New Language	Single Build-Out A CPU that includes one service counter.	Procedure	16 Definitions
934	N/A - New Language	N/A	N/A - New Language	Solicitation Package Based on the need(s) demonstrated in the request package, the solicitation package includes the forms and processes prospective suppliers must complete and submit to be considered to become a CPU. The contents of the package vary by specific contract type.	Procedure	16 Definitions
935	N/A - New Language	N/A	N/A - New Language	Source List A list of prospective CPU suppliers.	Procedure	16 Definitions
936	N/A - New Language	N/A	N/A - New Language	Stamps To Go A licensed agreement with USPS through American Bank Note (ABN) and the supplier to sell stamps at the supplier's retail establishments.	Procedure	16 Definitions
937	N/A - New Language	N/A	N/A - New Language	Temporary (Emergency) Contract A limited term contract typically awarded when a previously established CPU contract is terminated on short notice and the lack of a CPU creates a hardship on the community.	Procedure	16 Definitions
938	N/A - New Language	N/A	N/A - New Language	Village Post Office A supplier-owned or leased facility, similar to a CPU, but offering fewer services (i.e., stamp sales, pre-paid packaging, and possibly PO Boxes).	Procedure	16 Definitions
939	N/A - New Language	N/A	N/A - New Language	Wait-Time-In-Line Report The report that helps determine if there is a need to provide relief to Postal Service facilities with excessive waiting times.	Procedure	16 Definitions
940	N/A - New Language	N/A	N/A - New Language	Contract Postal Unit Technology (CPUT) CPUT is a web-based application that contains the system that calculates the supplier payment each month. This system is used to manage, monitor, and report on the performance and compensation of Contract Postal Units and other retail partners. The payment reflects the applicable payment agreed upon in the supplier's CPU contract.	Procedure	16 Definitions
941	N/A - New Language	N/A	N/A - New Language		17 Appendix	17 Appendix

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942	N/A - New Language	N/A	N/A - New Language	[Image]	Procedure	17 Appendix