



OFFICE OF THE COMPTROLLER
ONE ASHBURTON PLACE
9TH FLOOR
BOSTON, MA 02108

Commonwealth of Massachusetts



OPERATIONAL SERVICES DIVISION

OPERATIONAL SERVICES DIVISION
ONE ASHBURTON PLACE
10TH FLOOR
BOSTON, MA 02108

To: Department Heads, Chief Fiscal Officers, MMARS Liaisons, Payroll Directors,
and General Counsels

From: William McNamara, Comptroller
Gary Lambert, Assistant Secretary/State Purchasing Agent

Date: March 22, 2022

Subject: Expiration of OFF46 March 20, 2022, Prospective Overnight and Express Mail
Services

Comptroller Memo FY#2022-17A

Executive Summary

United Parcel Service (UPS) has determined that upon the expiration of Statewide Contract OFF46: Small Package Delivery and Logistics Services on Sunday, March 20, 2022, they no longer will participate in OSD's Statewide Contracts. Therefore, after that date, there will be no Statewide Contract with UPS.

Agencies may continue to do business with UPS based on UPS's business terms, conditions, and pricing; or with a competitor offering such services. This will require agencies to use a different object code in MMARS.

When using overnight delivery services without a statewide or department-specific contract, agencies should **use the object code E06**. The object code formerly used for UPS (JJ2) henceforward will be used only for Auxiliary Services with an underlying department or state contract.

Recently, United Parcel Service (UPS) notified the Operational Services Division (OSD) that it no longer will participate in OSD's Statewide Contracts following the expiration of OFF46 on March 20, 2022. Although UPS no longer will be on statewide contract, state agencies may continue to use the services of UPS or seek to use the services of any other vendor in this space. Such use will require that the agency accept the vendor's terms, conditions, and pricing.

Prospectively, departments that had been using Statewide Contract OFF:46 should not use the JJ2 expenditure code (Auxiliary Services) for overnight and express mail services and, instead, should use E06 (Postage) for such services. The E06 object code allows departments to purchase overnight and express mail services from carriers at the carriers' regular business rates, and no contract is required. Departments must retain relevant supporting documentation for expenditures, however, and should be mindful of the need to anticipate likely business expenses and encumber funds appropriately. As of March 21, 2022, user agencies of OFF46: Small Package Delivery and Logistics Services should establish a new General Accounting

Encumbrance (GAE) under object code E06 for overnight delivery services through vendors such as UPS and FedEx.

Following the expiration of OFF46, UPS will:

- Starting March 21, 2022, charge the standard published rates detailed in the UPS Rate and Service Guide, in effect at the time of shipping. The UPS Rate and Service Guide may be found at <https://www.ups.com>.
- Continue to honor scheduled UPS pickups or deliveries. If you requested scheduled pickups with UPS prior to the contract expiration, UPS will continue to provide those services. However, a weekly service fee between \$15.50 and \$36.00 (depending on the type of service you have established) will be assessed beginning March 21, 2022.
- Work with customers to avoid unnecessary charges. Accounts that currently are set up with scheduled UPS pickups, but do not ship out frequently, may want to change to UPS's "occasional" pick-up option. Accounts set up as "occasional" may still process shipments, however, instead of relying on their scheduled pickup, the end user would schedule their pickup at the time of shipment processing. To change your account from a scheduled pickup to an occasional account, follow the steps outlined below:
 1. Email UPS Preferred Customer Support at preferred.us@ups.com.
 2. In the subject line provide your UPS account number and the name of the account.
 3. In the body of the email, you should ask to have your account changed to an occasional account.
 4. If you are unsure of the type of pickup you currently receive, please email UPS Preferred Customer Support or call them at 800.877.1497. You will need to provide your UPS account number.

Questions about this change to Object Codes may be directed to the [CTR Solution Desk](#).

Questions regarding Statewide Contract OFF46 may be directed to the [OSD Help Desk](#).
