

POSTAL SERVICE

39 CFR Parts 3 and 4

Amendments to Bylaws of the Board of Governors Concerning Information Furnished to Board—Program Review, and Concerning the Chief Postal Inspector

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: In October, 1996, the Board of Governors adopted two bylaw revisions. One relates to the information to be furnished to the Board concerning program review. This purpose of this revision was to further clarify what information management is to furnish to the Board regarding significant new programs, policies, and other initiatives. The second revision changed a bylaw discussing the Chief Postal Inspector, to conform to recently enacted legislation. Consequently, the Postal Service hereby publishes these two revisions as final rules.

EFFECTIVE DATE: October 7, 1996.

FOR FURTHER INFORMATION CONTACT: Thomas J. Koerber (202) 268-4800.

SUPPLEMENTARY INFORMATION: This document publishes two revisions. One change revises 39 CFR 3.7(d) of the Bylaws of the Board of Governors of the United States Postal Service. The second change revises 39 CFR 4.6 of those bylaws. Both were adopted by the Board in October, 1996.

Revision to Section 3.7(d)

Several goals are embodied in the amendments to section 3.7(d). In reference to paragraph 3.7(d)(1), which addresses "significant" information, new language provides that the Board wants to see information regarding any significant new policy adopted (in addition to seeing information about certain new programs and projects).

Second, new language requires that information about significant new programs, policies, projects, etc., shall be given to the Board before "entering into any agreement in furtherance of such project."

Third, the definition of "significant" was amended to point out that certain increases in expense amounts of the operating budget could qualify as "significant," and hence become reportable projects.

Fourth, new language indicates that the notification requirement of 3.7(d) "governs applicable projects regardless of the level of expenditure involved."

Finally, a newly adopted paragraph, subsection 3.7(d)(2), requires that management furnish to the Board information regarding any project whose potential liability, due to termination, breach, or other reason, would equal or exceed the 3.3(e) capital investment project approval threshold (currently \$10 million). This information also is to be given to the Board before entering into any agreement in furtherance of such project.

Revision of Section 4.6

The revision to section 4.6 would delete the sentence in the bylaw which states that the Chief Postal Inspector also holds the position of Inspector General, and for purposes of the Inspector General Act, reports to and is under the general supervision of the Postmaster General. This change is consistent with section 662 of the Treasury, Postal Service, and General Government Appropriations Act, 1997, set forth in Public Law 104-208, which creates a separate position of Inspector General within the Postal Service, and makes certain changes regarding the position of Chief Postal Inspector. The bylaw retains the requirements that the Postmaster General consult with the Governors in appointing the Chief Postal Inspector, and must obtain the concurrence of the Governors in order to remove or transfer the Chief Postal Inspector. The bylaw is also revised to reflect the requirement in the Act that the Governors be notified and given the reasons for any removal or transfer of the Chief Postal Inspector.

List of Subjects in 39 CFR Parts 3 and 4

Administrative Practice and procedure, Organization and functions (Government agencies), Postal Service.

Accordingly, § 3.7(d) and § 4.6 of title 39 CFR are amended as follows:

PART 3—BOARD OF GOVERNORS (ARTICLE III)

1. The authority citation for Part 3 continues to read as follows:

Authority: 39 U.S.C. 202, 203, 205, 401(2), (10), 402, 1003, 3013; 5 U.S.C. 552b(g), (j).

2. Section 3.7 is amended by revising paragraph (d) to read as follows:

§ 3.7 Information furnished to Board—program review.

* * * * *

(d) Management shall furnish to the Board:

(1) Information regarding any significant, new program, policy, major

modification or initiative; any plan to offer a significant, new or unique product or system implementation; or any significant, new project not related directly to the core business function of the Postal Service. This information shall be provided to the Board in advance of entering into any agreement in furtherance of such project. For the purposes of this paragraph, "significant" means a project anticipated to have a notable or conspicuous impact on (i) corporate visibility or (ii) the operating budget (including increases in expense amounts) or the capital investment budget. The notification requirement of this paragraph governs applicable projects regardless of the level of expenditure involved.

(2) Information regarding any project, in advance of entering into any agreement in furtherance of such project, where the potential liability due to termination, breach, or other reason would equal or exceed the amount specified by resolution for approval of capital investment projects pursuant to section 3.3(e) hereof.

PART 4—OFFICERS (ARTICLE IV)

3. The authority citation for Part 4 continues to read as follows:

Authority: 39 U.S.C. 202, 203, 205, 401(2), (10), 402, 1003, 3013.

4. Section 4.6 is revised to read as follows:

§ 4.6 Chief Postal Inspector.

The Postmaster General, in consultation with the Governors, appoints the Chief Postal Inspector, certain of whose powers and duties are delegated to the holder of that office by the Postmaster General, consistent with these bylaws and the Reorganization Act. The Chief Postal Inspector reports to and is under the general supervision of the Postmaster General. The Postmaster General has the power, with the concurrence of the Governors, to remove or transfer the Chief Postal Inspector to another position or location within the Postal Service. In the event of any such removal or transfer, the Postmaster General must promptly notify the Governors and both Houses of the Congress in writing of the reasons for such removal or transfer.

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