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§ 2.3 Offices.

The principal office of the Postal Service is located in Washington, DC, with such regional and other offices and places of business as the Postmaster General establishes from time to time, or the business of the Postal Service requires.

§ 2.4 Seal.

(a) The Seal of the Postal Service is filed by the Board in the Office of the Secretary of State, and is required by 39 U.S.C. 207 to be judicially noticed. The Seal shall be in the custody of the General Counsel, who shall affix it to all commissions of officers of the Postal Service, and use it to authenticate records of the Postal Service and for other official purposes. The following describes the Seal adopted for the Postal Service:

(1) A stylized bald eagle is poised for flight, facing to the viewer's right, above two horizontal bars between which are the words "U.S. MAIL", surrounded by a square border with rounded corners consisting of the words "UNITED STATES POSTAL SERVICE" on the left, top, and right, and consisting of nine five-pointed stars on the base.

(2) The color representation of the Seal shows, a white field on which the bald eagle appears in dark blue, the words "U.S. MAIL" in black, the bar above the words in red, the bar below in blue, and the entire border consisting of the words "UNITED STATES POSTAL SERVICE" and stars in ochre.



(b) The location and description of the Postal Service emblem is described at 39 CFR 221.7.

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§ 2.5 Authority.

These bylaws are adopted by the Board under the authority conferred upon the Postal Service by 39 U.S.C. 401(2) and 5 U.S.C. 552b(g).

§ 2.6 Severability, amendment, repeal, and waiver of bylaws.

The invalidity of any provision of these bylaws does not affect the validity of the remaining provisions, and for this purpose these bylaws are severable. The Board may amend or repeal these bylaws at any special or regular meeting, provided that each member of the Board has received a written notice containing a statement of the proposed amendment or repeal at least five (5) business days before the meeting. The members of the Board may waive the five (5) business days' notice or the operation of any other provision of these bylaws by unanimous consent, if that action is not prohibited by law. The Secretary shall submit the text of any amendment to these bylaws for publication in the FEDERAL REGISTER as soon as practicable after the amendment is adopted by the Board.

[86 FR 10012, Feb. 18, 2021]

PART 3—BOARD OF GOVERNORS (ARTICLE III)

Sec.

- 3.1 Composition and responsibilities of Board.
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- 3.4 Matters reserved for decision by the Governors.
- 3.5 Delegation of authority by Board.
- 3.6 Information furnished to Board—financial and operating reports.
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- 3.9 Establishment of rates and classes of competitive products of general applicability.
- 3.10 Establishment of rates and classes of competitive products not of general applicability.

AUTHORITY: 39 U.S.C. 202, 203, 205, 401 (2), (10), 402, 404(b), 414, 416, 504, 1003, 2005, 2011, 2802-2804, 3013, 3622, 3632, 3642, 3652, 3654, 3691, 3703; 5 U.S.C. 552b(g), (j); 5 U.S.C. App.; Pub. L. 107-67, 115 Stat. 514 (2001).

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SOURCE: 73 FR 78983, Dec. 24, 2008, unless otherwise noted.

§ 3.1 Composition and responsibilities of Board.

The composition of the Board is described in 39 U.S.C. 202. The Board directs the exercise of the powers of the Postal Service, reviews the practices and policies of the Postal Service, and directs and controls the expenditures of the Postal Service. Consistent with the broad delegation of authority to the Postmaster General in § 3.5 of these bylaws, and except for those powers, duties, or obligations which are specifically vested by statute in the Governors, as distinguished from the Board of Governors, the Board accomplishes its purposes by monitoring the operations and performance of the Postal Service, and by establishing basic objectives, broad policies, and long-range goals for the Postal Service.

§ 3.2 Compensation of Board.

Section 202(a)(1) of title 39 provides for the compensation of the Governors and for reimbursement for travel and reasonable expenses incurred in attending meetings of the Board and its Committees. Compensation is provided for not more than 42 days of meetings per year.

[86 FR 10012, Feb. 18, 2021]

§ 3.3 Matters reserved for decision by the Board.

The following matters are reserved for decision by the Board of Governors:

(a) Adoption of, and amendments to, the bylaws of the Board.

(b) Approval of the annual Postal Service Integrated Financial Plan, which shall include the Financing Plan, the Operating Plan, and the Capital Plan.

(c) Approval of the annual financial statements of the Postal Service following receipt of the annual report of the Postal Service's independent, certified public accounting firm.

(d) Approval of any use of the authority of the Postal Service to borrow money under 39 U.S.C. 2005 and 39 U.S.C. 2011, except for short-term borrowings, having maturities of one year or less, assumed in the normal course of business.

(e) Approval of the terms and conditions of each series of obligations issued by the Postal Service under 39 U.S.C. 2005 and 39 U.S.C. 2011, including the time and manner of sale and the underwriting arrangements, except for short-term borrowings, having maturities of one year or less, assumed in the normal course of business.

(f) Approval of any use of the authority of the Postal Service to require the Secretary of the Treasury to purchase Postal Service obligations under 39 U.S.C. 2006(b), or to request the Secretary of the Treasury to pledge the full faith and credit of the Government of the United States for the payment of principal and interest on Postal Service obligations under 39 U.S.C. 2006(c).

(g) Authorization of the Postal Service to request that the Postal Regulatory Commission submit an advisory opinion on a proposed change in the nature of postal services which will generally affect service on a nationwide or substantially nationwide basis, pursuant to 39 U.S.C. 3661.

(h) Determination of the number of officers, described in 39 U.S.C. 204 as Assistant Postmasters General, whether so denominated or not, as the Board authorizes by resolution.

(i) Compensation and benefits of officers the Postal Service whose positions are included in Level II of the Postal Career Executive Service.

(j) Approval of official statements adopting major policy positions or departing from established major policy positions, and of official positions on legislative proposals having a major impact on the Postal Service.

(k) Approval of all major policy positions taken with the Department of Justice on petitioning the Supreme Court of the United States for writs of certiorari.

(l) Approval and transmittal to the President and the Congress of the Annual Report to Congress, which shall include the annual report of the Postmaster General under 39 U.S.C. 2402, the comprehensive statement of the Postal Service under 39 U.S.C. 2401(e), the Postal Service's annual performance plan under 39 U.S.C. 2803, and the Postal Service's report on program performance under 39 U.S.C. 2804.

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(m) Approval and transmittal to the President and the Congress of the Postal Service's strategic plan, pursuant to 39 U.S.C. 2802.

(n) All other matters that the Board may consider appropriate to reserve for its decision by resolution adopted by the Board, pursuant to § 3.5.

[73 FR 78983, Dec. 24, 2008, as amended at 86 FR 10012, Feb. 18, 2021; 86 FR 24713, May 10, 2021]

§ 3.4 Matters reserved for decision by the Governors.

The following matters are reserved for decision by the Governors:

(a) Appointment, pay, term of service, and removal of the Postmaster General, 39 U.S.C. 202(c).

(b) Appointment, term of service, and removal of the Deputy Postmaster General (by the Governors and the Postmaster General, 39 U.S.C. 202(d)); pay of the Deputy Postmaster General, 39 U.S.C. 202(d).

(c) Election of the Chairman, 39 U.S.C. 202(a)(1), and Vice Chairman of the Board of Governors.

(d) Establishment of rates and classes of competitive products of both general and not of general applicability under 39 U.S.C. 3632 in accordance with the procedures set out in sections 3.9 and 3.10 of these bylaws.

(e) Authorization of the Postal Service to adjust the rates and fees for market dominant products and to seek the Postal Regulatory Commission's review of the adjusted rates or fees for such products under 39 U.S.C. 3622.

(f) Authorization of the Postal Service to request that the Postal Regulatory Commission, under 39 U.S.C. 3642, change the lists of market dominant and competitive products by adding a product, removing a product, or transferring a product.

(g) Authorization of the Postal Service to file a notice with the Postal Regulatory Commission of substantive modifications to the product descriptions in the Mail Classification Schedule.

(h) Authorization of the Postal Service to file a request with the Postal Regulatory Commission for adjustment of rates on an expedited basis due to extraordinary or exceptional cir-

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cumstances, as provided in 39 U.S.C. 3622(d)(1)(E).

(i) Appointment and removal (in conjunction with Commissioners of the Postal Regulatory Commission) of the Inspector General under 39 U.S.C. 202(e).

(j) Exercise of the authority of the Governors under 5 U.S.C. App. 8G(f)(3)(A).

(k) Compensation and benefits, term of service, and appointment/removal of the Secretary of the Board and other necessary staff, which shall be considered annually in closed session.

(l) Transmittal to the Congress of the semi-annual report of the Inspector General under section 5 of the Inspector General Act.

(m) Establishment of the price of any special postage stamp under 39 U.S.C. 414 and any semi-postal stamp under 39 U.S.C. 416 or any act of Congress.

(n) Selection of an independent, certified public accounting firm to certify the accuracy of Postal Service financial statements as required by 39 U.S.C. 2008(e).

(o) Consideration and potential adjustment of the funding requested in the Postal Regulatory Commission's budget for the succeeding fiscal year as required by 39 U.S.C. 504(d).

(p) Approval of any program established under 39 U.S.C. 3703 to enter into agreements with agencies of state, local or tribal governments to provide property or non-postal services to the public on behalf of such agencies for non-commercial purposes.

[73 FR 78983, Dec. 24, 2008, as amended at 86 FR 10012, Feb. 18, 2021; 87 FR 68908, Nov. 17, 2022]

§ 3.5 Delegation of authority by Board.

As authorized by 39 U.S.C. 402, these bylaws delegate to the Postmaster General the authority to exercise the powers of the Postal Service to the extent that this delegation of authority does not conflict with powers reserved to the Governors or to the Board by law, these bylaws, or resolutions adopted by the Board. Any of the powers delegated to the Postmaster General by these bylaws may be redelegated by the Postmaster General to any officer, employee, or agency of the Postal Service.

§ 3.6 Information furnished to Board—financial and operating reports.

(a) To enable the Board to monitor the performance of the Postal Service during the most recent accounting periods for which data are available, postal management shall furnish the Board (on a quarterly basis) financial and operating statements for the fiscal year to date, addressing the following categories:

- (1) Mail volume by class;
- (2) Income and expense by principal categories;
- (3) Balance sheet information;
- (4) Statement of cash flow; and
- (5) Service quality measurements.

(b) These statements shall include, where applicable, comparable figures for the previous year and the current year's plan.

(c) At the reasonable request of the Board, Postal management shall furnish to the Board such other information as the Board deems necessary.

[73 FR 78983, Dec. 24, 2008, as amended at 86 FR 10013, Feb. 18, 2021; 86 FR 24713, May 10, 2021]

§ 3.7 Information furnished to Board—program review.

(a) To enable the Board to review the Postal Service operating program, postal management shall furnish the Board information on all aspects of the Postal Service budget plan, including:

- (1) Five-year and ten-year plans, annual operating and investment plans, and significant departures from estimates upon which the plans were based;
- (2) Productivity measurements (reflecting workload and resource utilization);
- (3) The need for rate adjustments and the outcome of significant matters before the Postal Regulatory Commission and related litigation; and
- (4) Debt financing needs, including a review of all borrowings of the Postal Service from the U.S. Treasury and private sources.

(b) To enable the Board to review the effectiveness of the Postal Service's equal employment opportunity program, performance data relating to this program shall be furnished to the Board at least annually. These data

shall be categorized in such manner as the Board, from time to time, specifies.

(c) Postal management shall also regularly furnish the Board information regarding major programs for improving postal service or reducing the cost of postal operations.

(d) Postal management shall annually provide the Board with a summary of the Annual Compliance Report filed with the Postal Regulatory Commission, which includes data on product costs.

(e) Management shall furnish to the Board: 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 (e), "significant" means a project anticipated to have a notable or conspicuous impact on corporate visibility or 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 or potential liability involved.

(f) At the reasonable request of the Board, Postal management shall furnish to the Board such other information as the Board deems necessary.

[73 FR 78983, Dec. 24, 2008, as amended at 86 FR 10013, Feb. 18, 2021; 86 FR 24713, May 10, 2021]

§ 3.8 Information furnished to Board—special reports.

To insure that the Board receives significant information of developments meriting its attention, postal management shall bring to the Board's attention the following matters:

(a) Major developments in personnel areas, including but not limited to equal employment opportunity, career development and training, and grade and salary structures.

(b) Major litigation activities. Postal management shall also notify the Board in a timely manner whenever it

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proposes to seek review by any United States Court of Appeals of an adverse judicial or regulatory decision significantly impacting the Postal Service or involving a new, novel, or potentially controversial issue.

(c) Any significant changes proposed in the Postal Service's system of accounts or methods of accounting.

(d) Matters of special importance, including but not limited to important research and development initiatives, major changes in Postal Service organization or structure, major law enforcement activities, and other matters having a significant impact upon the relationship of the Postal Service with its employees, with any major branch of Government, or with the general public.

(e) Information concerning any proposed grant of unique or exclusive licenses to use Postal Service intellectual properties (other than patents and technical data rights), or any proposed joint venture involving the use of such property.

(f) Major or significant financial, operational and compliance reports or studies the Postal Service is required by statute or regulation to prepare.

(g) Other matters having important policy implications.

(h) At the reasonable request of the Board, Postal management shall furnish to the Board such other information as the Board deems necessary.

[73 FR 78983, Dec. 24, 2008, as amended at 86 FR 10013, Feb. 18, 2021]

§ 3.9 Establishment of rates and classes of competitive products of general applicability.

This section relates to changes in rates or classes of competitive products of general applicability.

(a) Prior to establishing changes in rates or classes of competitive products of general applicability, postal management shall furnish to the Governors the following:

(1) The proposed rate and classification changes; and

(2) Management analysis demonstrating compliance with the standards of 39 U.S.C. 3633(a).

(b) Pursuant to § 6.6(f) of these bylaws, the Governors shall issue a written decision on any changes in rates or

classes of competitive products of general applicability, which shall include a statement as to when the decision becomes effective.

(c) The Secretary shall certify that the vote of the Governors met the condition set forth in section 6.6(f) of these bylaws.

(d) The Secretary shall cause the decision of the Governors and its attached analysis, along with the record of the Governors' proceedings in connection with such decision, to be published in the FEDERAL REGISTER at least 30 days before the effective date of the changes in rates or classes of competitive products of general applicability. The record of the proceedings of the Governors consists of the certification by the Secretary of the vote of the Governors.

§ 3.10 Establishment of rates and classes of competitive products not of general applicability.

This section relates to changes in rates and classes of competitive products not of general applicability.

(a) Prior to establishing rates or classes of competitive products not of general applicability, postal management shall furnish to the Governors the following:

(1) The proposed changes in rates or ranges of rates, along with the proposed changes in classes; and

(2) Management analysis demonstrating compliance with the standards of 39 U.S.C. 3633(a).

(b) Pursuant to § 6.6(f) of these bylaws, the Governors shall issue a written decision on any changes in rates or classes of competitive products not of general applicability, which shall include a statement as to when the decision becomes effective.

(c) The Secretary shall certify that the vote of the Governors met the condition set forth in § 6.6(f) of these bylaws.

(d) The Secretary shall cause any decision of the Governors under this section, along with the record of any proceedings of the Governors, and any supporting documentation required by 39 CFR Part 3015, to be filed with the Postal Regulatory Commission. The record of the proceedings of the Governors consists of the certification by

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the Secretary of the vote of the Governors.

(e) Postal management is authorized to conclude agreements with customers concerning any rates or classes of competitive products not of general applicability, provided that any such rates are within the range, or such classes are within the scope, of a decision of the Governors then in effect.

PART 4—OFFICIALS (ARTICLE IV)

Sec.

- 4.1 Chairman.
- 4.2 Vice Chairman.
- 4.3 Postmaster General.
- 4.4 Deputy Postmaster General.
- 4.5 Assistant Postmasters General, General Counsel, Judicial Officer, Chief Postal Inspector.
- 4.6 Secretary of the Board.

AUTHORITY: 39 U.S.C. 202-205, 401(2), (10), 402, 1003, 3013, 3686.

SOURCE: 73 FR 78983, Dec. 24, 2008, unless otherwise noted.

§ 4.1 Chairman.

(a) The Chairman of the Board of Governors is elected by the Governors from among the members of the Board. The Chairman:

(1) Shall be elected at the Board's regularly scheduled annual meeting for a term that commences on December 1 of the calendar year in which the election occurred, or upon the death, departure or resignation of the current Chairman, whichever occurs first, and expires upon the election and installation of a successor Chairman;

(2) Shall preside at all regular and special meetings of the Board, and shall set the agenda for such meetings;

(3) Shall select and appoint the chairman, vice chairman (if any), and members of any committee properly established by the Board.

(b) If the Postmaster General is elected Chairman of the Board, the Governors shall also elect one of their number to preside during proceedings dealing with matters upon which only the Governors may vote.

(c) In the event of the Chairman's death, departure or resignation prior to the election of a successor, the Board, as soon as practicable, shall elect a new Chairman who shall serve a term

that commences immediately upon election and expires upon the election and installation of a successor Chairman.

[77 FR 17333, Mar. 26, 2012, as amended at 86 FR 10013, Feb. 18, 2021]

§ 4.2 Vice Chairman.

The Vice Chairman is elected by the Governors from among the members of the Board and shall perform the duties and exercise the powers of the Chairman during the Chairman's absence or disability. The Vice Chairman is elected at the Board's regularly scheduled annual meeting for a term that commences on December 1 of the calendar year in which the election occurred or upon the death, departure or resignation of the current Vice Chairman, whichever occurs first, and expires upon the election and installation of a successor Vice Chairman. In the event of the Vice Chairman's death, departure or resignation prior to the election of a successor, the Board, as soon as practicable, shall elect a new Vice Chairman who shall serve a term that commences immediately upon election and expires upon the election and installation of a successor Vice Chairman.

[86 FR 10013, Feb. 18, 2021]

§ 4.3 Postmaster General.

The appointment and role of the Postmaster General are described at 39 U.S.C. 202(c), 203. The Governors set the compensation and benefits of the Postmaster General by resolution, subject to 39 U.S.C. 1003(a) and 3686.

§ 4.4 Deputy Postmaster General.

The appointment and role of the Deputy Postmaster General are described at 39 U.S.C. 202(d), 203. The Deputy Postmaster General shall act as Postmaster General during the Postmaster General's absence or disability, and when a vacancy exists in the office of Postmaster General. The Governors set the compensation and benefits of the Deputy Postmaster General, subject to 39 U.S.C. 1003(a) and 3686.