

### § 3.4

### 39 CFR Ch. I (7–1–13 Edition)

the Postmaster General under 39 U.S.C. 3013, summarizing the investigative activities of the Postal Service.

(q) Approval and transmittal to the President and the Congress of the Postal Service's strategic plan pursuant to the Government Performance and Results Act of 1993, 39 U.S.C. 2802; approval of the Postal Service annual performance plan under 39 U.S.C. 2803 and the Postal Service program performance report under 39 U.S.C. 2804, which are included in the comprehensive statement under 39 U.S.C. 2401.

(r) All other matters that the Board may consider appropriate to reserve for its decision.

#### **§ 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 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 circumstances, as provided in 39 U.S.C. 3622(d)(1)(E).

(i) Appointment and removal 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) The Governors shall meet annually in closed session to discuss compensation and benefits, term of service, and appointment/removal of the Board Secretary and other necessary staff.

(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 the breast cancer research special postage stamp under 39 U.S.C. 414 and any semipostal stamp under 39 U.S.C. 416.

(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).

#### **§ 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 monthly 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;

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- (3) Balance sheet information;
  - (4) service quality measurements;
  - (5) productivity measurements (reflecting workload and resource utilization); and
  - (6) changes in postal costs.
- (b) These statements shall include, where applicable, comparable figures for the previous year and the current year's plan.

### § 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) The tentative and final annual budgets submitted to the Office of Management and Budget and the Congress, and amendments to the budget;
- (2) Five-year plans, annual operating and investment plans, and significant departures from estimates upon which the plans were based;
- (3) The need for rate adjustments and the progress of any pending 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 quarterly. 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) 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, "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.

### § 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 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.