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NOMINATIONS OF LeGREE DANIELS AND JOHN WALSH

HEARING

BEFORE THE

COMMITTEE ON GOVERNMENTAL AFFAIRS UNITED STATES SENATE

ONE HUNDRED SIXTH CONGRESS

FIRST SESSION

ON THE

NOMINATIONS OF LeGREE DANIELS, OF PENNSYLVANIA, AND JOHN WALSH, OF CONNECTICUT, TO BE GOVERNORS OF THE BOARD OF GOVERNORS OF THE U.S. POSTAL SERVICE

OCTOBER 21, 1999

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NOMINATIONS OF LeGREE DANIELS AND JOHN WALSH

THURSDAY, OCTOBER 21, 1999

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 10:03 a.m., in room SD–628, Dirksen Senate Office Building, Senator Thad Cochran presiding.

Present: Senators Cochran, Specter, Lieberman, and Akaka.

OPENING STATEMENT OF SENATOR COCHRAN

Senator COCHRAN. The Committee will please come to order. This morning we are meeting to have confirmation hearings for two nominees for the Board of Governors of the U.S. Postal Service, Mrs. LeGree Daniels and Mr. John Walsh. We welcome you to the Committee.

We are also pleased to have with the Committee this morning, the two distinguished Senators from Connecticut. One is the Ranking Minority Member of the Committee. The other is Senator Chris Dodd.

Senator Dodd, we appreciate your being here. We understand that you are here to introduce Mr. Walsh.

Senator DODD. I am.

Senator COCHRAN. You may proceed.

TESTIMONY OF HON. CHRISTOPHER DODD, A U.S. SENATOR FROM THE STATE OF CONNECTICUT

Senator DODD. Thank you very much. I am pleased to be able to do so, and pleased to be sharing the table with Mrs. Daniels as well. I congratulate you, Mrs. Daniels, on this nomination.

Mrs. DANIELS. Thank you.

Senator DODD. Mr. Chairman, this is a labor of pleasure and love to be able to introduce John Walsh, who is a wonderful friend. His lovely wife, Anne, is here with us as well, from New Haven, Connecticut.

I must tell you though at the outset, this nomination was submitted in 1996, in November 1996. The President made the submission in October 1998. This is not just here in this Committee. This is something we need to look at in a broader way. We ask people to consider these positions, and then for 2 or 3 years we leave people waiting. I called John Walsh a couple of years ago when the word came his nomination was going to be accepted, I said, "Well,

start licking stamps." If he had started licking stamps, we would have lost him a year or so ago. [Laughter.]

So as a broader matter, I sit on the Rules Committee, and every time I am faced with a nomination, I look at the length of time we make people go through a process here. We need to do something around here to be able to expedite a process for asking people to serve and then moving the process along in some way. And I know you share those thoughts as well.

But anyway, I am pleased to introduce to the Committee, John Walsh. Joe Lieberman, my good friend and colleague, would share these thoughts with you, but every State, I guess, finds these niches and claims. But William Goddard, a founding member of the U.S. Postal Service, Mr. Chairman, was from New London, Connecticut. His father was actually the postmaster in New London, Connecticut, two centuries ago. And his son decided he would take the concept a bit further, and formed in the mid 1770's the constitutional post, which was the forerunner to the U.S. Postal Service. And in 1774 he had 30 offices all across the United States, from Portsmouth, New Hampshire to Williamsburg, Virginia, operating a postal service prior to the establishment of our Nation. The Continental Congress, in July 1775, they formed the U.S. Postal Service. Ben Franklin, of course, became the first Postmaster General, which we all know from our history books. A different time in history, because it was his son-in-law, Richard Bache, who was named the Deputy Postmaster General. But William Goddard was named surveyor of the Post Office. So this fellow from Connecticut joined Franklin and Bache as really the triumvirate or troika, if you will, that started the U.S. Postal Service. But it was a New London fellow who really predated a national postal service with a constitutional post.

So there is a longstanding tradition of our interest in this subject matter, and John's nomination to the Postal Board of Governors is something that would follow in that tradition. He has had a wonderful record of service, and New Haven, Connecticut has given this country some wonderful leaders, not the least of which is the person who sits to your right, my colleague and dear friend, Joe Lieberman; and Rosa DeLauro, who sits in the House of Representatives. Roger Sherman, who created the U.S. Senate, was from New Haven, Connecticut, who came up with the concept of the Connecticut Compromise, which offered big States and small States a compromise in representation in the Federal Government.

So a wonderful, rich tradition coming out of this city, and John Walsh carries on in that tradition. He has been a wonderful, committed citizen in that community with 35 years of service to the people of New Haven, one of the quiet leaders, who just day in and day out gets the job done for average citizens.

So it is truly an honor to watch this quiet pillar, if you will, of New Haven be presented to this Committee for this prestigious position for which he is well suited and highly qualified, and I am confident that we will all be proud of his service in the U.S. Senate if we confirm him for this position.

Senator COCHRAN. Thank you very much, Senator, for an excellent history lesson.

Senator DODD. Always a little history is nice.

Senator COCHRAN. And eloquent statement in support of Mr. Walsh.

Senator Lieberman.

OPENING STATEMENT OF SENATOR LIEBERMAN

Senator LIEBERMAN. Well, thanks, Mr. Chairman. I am glad to welcome John Walsh here, and I appreciate the kind words of my colleague and the educational words of my colleague. I continue to learn from the senior senator.

Senator DODD. Thank you, Joe. Even early in the morning.

Senator LIEBERMAN. Even early in the morning. And this is not even on Don Imus's show.

Senator DODD. No, it is not.

Senator LIEBERMAN. It is an honor to welcome John Walsh and Governor LeGree Daniels.

You know, it struck me that if Mr. Walsh gets confirmed for this in the due process of all of this, you and I will have to refer to him as Governor Walsh.

Senator DODD. Governor, that is true. Well, maybe we will amend that. [Laughter.]

Senator LIEBERMAN. Mrs. Daniels, let me just say first that I know that you have served on the Board of Governors since 1990 with great distinction. I am pleased that the President has chosen to renominate you and that you have accepted this public responsibility once again. The Board has acted on many really remarkable, in some ways, revolutionary initiatives during your term, and I think you deserve credit for overseeing that, and I know that the Board will benefit by your serving a second term. So I appreciate that you have been willing to continue in this service.

As Senator Dodd indicated, John Walsh has really been a great citizen of Connecticut, of the greater New Haven area. He is a friend to both of us. I have known him for the better part of the 40 years or so that I have spent in the city of New Haven. He is a great public and private citizen. He has the extraordinary advantage, which all of us on this panel, and Senator Dodd, share, which is that he has a wife who is much his superior in most everything, and even at moments when we think harshly of John, the benign and beautiful face of Anne Gorrick Walsh mollifies our concerns. She is a member of a great New Haven family, Mr. Chairman. Her dad was just one of those classic family doctors who were there for people when they needed them, with not only great medical skill, but with great personal honor.

As Senator Dodd indicated, John has a great record, both in his private life and public life, graduate of Quinebaug College, active in business, then went on to serve, chairman of the New Haven Parking Authority, director of support services for the New Haven Police Department, purchasing agent and deputy controller for the City of New Haven, and now for a good part of this decade, the president of a very exciting and important project called the Ninth Square Association, which was established to take a central part of old New Haven which had deteriorated, and to revive it for both residential and commercial purposes. And today I can say that it is once again, this Ninth Square of New Haven, vibrant and teeming with activities.

It took a long time to get to this morning, but I am delighted, and I have great confidence that John will serve in this position with effectiveness and with honor.

In your pre-hearing questions, you stated that, "The Postal Service faces the challenge of improving service to the public as it enters a new millennium." I could not agree with you more in that statement, and I could not have higher confidence that you, together with Governor Daniels and your other colleagues, will do just that.

Thanks to both of you, and thank you, Mr. Chairman.

Senator COCHRAN. Thank you, Senator Lieberman.

We understand that Senator Specter is expected to come to the Committee to introduce Mrs. Daniels. Senator Santorum has indicated, because of proceedings on the floor of the Senate, he is unable to personally be here. But he sent over a written statement, which he asked that we make a part of the record, introducing and supporting Mrs. LeGree Daniels. That statement will be made a part of the record at this point.

[The prepared statement of Senator Santorum follows:]

PREPARED STATEMENT OF SENATOR RICK SANTORUM, A U.S. SENATOR FROM THE STATE OF PENNSYLVANIA

Mr. Chairman and Members of the Committee, I would like to thank you for extending me the opportunity to offer testimony on behalf of Mrs. LeGree Daniels, nominee for the U.S. Postal Service Board of Governors. Over the years, I have worked closely with Governor Daniels and am impressed with her demeanor and work ethic. I come before you this morning to recommend her continued service on the Board of Governors.

As you know, the Board is the governing body of the U.S. Postal Service. the Board directs the exercise of the powers of the Postal Service, directs and controls its expenditures, reviews its practices, conducts long-range planning, and sets policies on all postal matters. The Board takes up matters such as service standards, capital investments and facilities projects exceeding $10 million. It also approves officer compensation. With each of those important responsibilities in mind, the importance of having the best-qualified candidates serving as members of the Board is clear.

Mr. Chairman, I believe that Governor Daniels has the experience and skill to continue in her valuable contribution to the deliberations and actions of the Board. Governor Daniels, who has already served one full term on the Board, has had a long and impressive career, working with non-profit entities, the Federal Government, and the Commonwealth of Pennsylvania. For instance, Governor Daniels is a member of the Penn State Board of Advisors for the Harrisburg Campus, a member of the Board of Directors of the Center for International Private Enterprise, which is an arm of the U.S. Chamber of Commerce, and member of the John Heinz Harrisburg Senior Center. Moreover, Governor Daniels has been Vice Chairman of the National Electoral College on two occasions. She is a former member of the President's Commission on White House Fellows, the Army Science Board, the National Endowment for Democracy, and the Middle Atlanta Advisory Board of the U.S. Civil Rights Commission. She has also been Deputy Secretary of the Commonwealth of Pennsylvania and Commissioner of Election for the Pennsylvania Department of State. Currently, she is a member of the U.S. Postal Service Board's Audit Committee.

Mr. Chairman, in closing I would like to thank you once again for allowing my comments to be included in the record of this hearing, and I urge the Committee to expeditiously consider, and fully support, Mrs. Daniels' nomination.

Senator COCHRAN. Senator Akaka, did you have any opening statement or comments you would like to make before we proceed?

Senator AKAKA. When I ask my questions, I will make a brief statement.

Senator COCHRAN. OK. The rules of the Committee require that an inquiry be conducted into the experience, qualification, suitability and integrity of each nominee to serve in the position to which he or she has been nominated. The Committee has received all of the required information that it needs for this hearing.

In addition, each nominee has responded in writing to questions submitted by the Committee. Copies of each nominee's biographical information and pre-hearing responses will be made a part of the record of this hearing, and will be available upon request. The financial statements of the nominees are available for inspection by the public in the Committee Office.

The Committee has reviewed all of this information. The staff has examined the financial disclosure reports submitted by the Office of Government Ethics. And the Committee's Ranking Minority Member and I have reviewed the FBI background investigation reports.

The rules of the Committee require that all nominees be under oath while testifying on matters relating to their suitability for office, including the policies and programs which the nominee will pursue if confirmed.

Would the nominees please stand and raise your right hand for the oath?

Do you solemnly swear to tell the truth, the whole truth and nothing but the truth, so help you, God?

Mrs. DANIELS. I do.

Mr. WALSH. I do.

Senator COCHRAN. Thank you.

At this time we will be happy to recognize you for any statements or comments that you would like to make, Mrs. Daniels.

TESTIMONY OF LeGREE DANIELS, OF PENNSYLVANIA, TO BE A GOVERNOR OF THE BOARD OF THE U.S. POSTAL SERVICE

Mrs. DANIELS. Thank you.

I am not sure this morning. I got up with mixed feelings. Although I have been here before, I just felt this morning how important this is and what an important step I am still taking.

And coming over here I thought, "Well, what do I need to do that is any different from what I have been doing?" So the only thing I could think of is just say, pray a little harder that we do a better job, and continue to do what this Congress expects us to do, and I am sure that we will.

Senator COCHRAN. Thank you very much. Mr. Walsh.

TESTIMONY OF JOHN WALSH, OF CONNECTICUT, TO BE A GOVERNOR OF THE BOARD OF THE U.S. POSTAL SERVICE

Mr. WALSH. Yes, Mr. Chairman, Senators, Governor Daniels, and guests here in the room.

I am honored to be here today. To serve the people has always been one of my ambitions. I am deeply grateful to Senator Dodd, for his kind remarks, and for recommending me for a position on this board, and for his kind words and for over 25 years of friendship; and to my good friend, Senator Joe Lieberman, for his kind remarks, and for his support and friendship for over 40 years in the city of New Haven.

It is a very humbling experience to know that a person such as myself, with experience both in the public and private sector, can fulfill an ambition such as this.

Thank you, Mr. Chairman and Senators, for letting me appear here this morning.

Senator COCHRAN. Thank you, Mr. Walsh.

Let me ask you a few standard questions we ask of each nominee appearing for confirmation before the Committee. Is there anything you are aware of in your background which might present a conflict of interest with the duties of the office to which you have been nominated? Mrs. Daniels.

Mrs. DANIELS. Not that I can think of.

Senator COCHRAN. Mr. Walsh.

Mr. WALSH. None.

Senator COCHRAN. Do you know of any reason, personal or otherwise, that would in any way prevent you from fully and honorably discharging the responsibilities of the office to which you have been nominated? Mrs. Daniels.

Mrs. DANIELS. No.

Senator COCHRAN. Mr. Walsh.

Mr. WALSH. No.

Senator COCHRAN. Do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted committee of Congress if you are confirmed? Mrs. Daniels.

Mrs. DANIELS. Yes.

Senator COCHRAN. Mr. Walsh.

Mr. WALSH. Yes.

Senator COCHRAN. Thank you. Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman, I have just really a few questions.

In testimony that Postmaster General Henderson gave before one of the subcommittees here, he said that he does not think, "there is any question that the Postal Service of the future will be different than it is today."

So, in general terms—and I know, Governor Daniels, you have been there, Mr. Walsh, you are hopefully coming to it—I wonder what either of you think about what the Postal Service of the future may look like, or in a more limited way, what challenges do you think will face the Postal Service in the future? Governor Daniels.

Mrs. DANIELS. I think the challenges that we will be facing first thing is this Internet, as we get into the electronics. But you know, I have so much faith in the employees of the Postal Service. I have worked with them. I have walked through the Postal Service. And I just believe, like all Americans, whatever that challenge is, we will face it, overcome it, and we certainly will conquer it. I think they have the knowledge, and that they will do what needs to be done for the American people.

Senator LIEBERMAN. Thank you. Mr. Walsh.

Mr. WALSH. I certainly agree with Governor Daniels and her remarks. And I guess I would follow in the same line, that the Internet, as we go into the new millennium, is here to stay, not going away. I think the Post Office, just like every other business, has

to gear up for it, and I am assuming that the Post Office has already taken steps. I know that you can buy stamps on E-mail on the computer now. And I think down the line this is going to be the biggest area of change that the Post Office will see in the future.

Senator LIEBERMAN. Thank you.

Let me mention one other piece of testimony before the Governmental Affairs Committee. Richard Moe, who is president of the National Trust for Historic Preservation, testified that the issue of Post Office closings is one of the top priorities of his organization. He is concerned about whether the Postal Service is giving sufficient consideration to communities' input related to preserving historic Post Offices. Now, I do not know whether you have had any time to think about that. I wanted to mention it to you because it is testimony before this Committee, and just generally ask you if you have any thoughts about the Postal Service's policy regarding the preservation of Post Offices that are located in historic buildings. Mr. Walsh, do you have any thoughts on that?

Mr. WALSH. Not knowing any of the procedures that the Post Office has to maintain these buildings, I would just like to say that I think that in any changes in a community, the community should be involved in the decision-making process. Ultimately it will be the decision of the Postal Service, but you need to bring in the people in the community to look at these buildings and see if it is feasible to keep them.

Senator LIEBERMAN. Thank you. Governor Daniels.

Mrs. DANIELS. I feel that it is critical that we keep these Post Offices open where we can, especially in small towns, in order for the rural customers to have access to the same goods and services of customers in the cities. So I honestly feel that if it is financial feasible, that we should work with the people in those areas to keep them open where we can.

Senator LIEBERMAN. I thank you both. I note that our colleague, Senator Specter is here.

And I look forward, Mr. Chairman, to working with you; appreciate the speed—although it took a long time for these two nominations to get here. Actually, Mr. Walsh had no gray hair at the time he was nominated. [Laughter.]

Well, I may be exaggerating a bit.

Once the nominations got here, you moved—and I thank Senator Cochran—very quickly, to get them before us, and I hope we can move with equal dispatch to get both of them through the Senate. Thanks very much.

Senator COCHRAN. Thank you, Senator Lieberman.

Senator Specter, we welcome you to the hearing. We know you are interested in the nomination of Mrs. Daniels, particularly, and you are recognized at this time for any comments you would like to make.

OPENING STATEMENT OF SENATOR SPECTER

Senator SPECTER. Thank you very much, Mr. Chairman, Senator Lieberman, and Senator Akaka. It is a great pleasure to appear before this very distinguished Committee, because I am a Member of this Committee. [Laughter.]

So I have an option of seating arrangements today, but I choose to sit next to Mrs. LeGree Daniels, who is a friend of some 30 years. We are called upon very frequently to introduce constituents, but infrequently to introduce one whom I have known as long as I have known Mrs. Daniels.

She has an extraordinary record, and was a member of the Senate family going back to 1974 when she was a staff assistant for Senator Hugh Scott. Her career has included being Assistant Secretary for Civil Rights in the Department of Education in the 1987 to 1989 time frame. She has been an examiner and supervisor with the Pennsylvania Bureau of Motor Vehicles. She attended Temple University and the Lincoln Business School. She is a member of the Harrisburg Branch of the NAACP and the Dauphin County Urban League. She has been very active in Republican State politics, and I might say, with great discretion in that position, former Secretary of the Republican State Committee and Director Emeritus and member of the Policy Committee of the Pennsylvania County of Republican Women.

She has a very distinguished family background, married to Oscar Daniels, two stepdaughters, Octavia Duncan and Gwendolyn Daniels.

She has served on the Postal Service Board of Governors, and now she is up for a renewed term, and I am delighted that LeGree has been willing to re-enlist, because she is experienced and dedicated and competent. You cannot ask for much more than that.

I appreciate the opportunity to appear here, Mr. Chairman, and Members of the Committee, and I would ask leave to be excused to go back to the Appropriations Committee, where we are trying to get out a Bill on Labor, Health, Human Services and Education.

Senator COCHRAN. Without objection, that leave request is granted.

Senator LIEBERMAN. Thank you. [Laughter.]

Senator COCHRAN. And thank you for your kind comments and your excellent statement in support of Mrs. Daniels.

Senator Lieberman.

Senator LIEBERMAN. Well, I was just going to ask Senator Specter to make sure he did not forget all of those requests for Connecticut projects before his Appropriations Subcommittee. [Laughter.]

Senator SPECTER. As usual, Connecticut is over-represented. [Laughter.]

Senator COCHRAN. Senator Akaka, do you have any questions of the nominees?

OPENING STATEMENT OF SENATOR AKAKA

Senator AKAKA. Thank you very much, my friend, Mr. Chairman, and my friend and colleague, Senator Lieberman. I am glad to be a part of this hearing.

And I join them in welcoming you to the Committee, and also your families and friends that are gathered here.

Mrs. Daniels, I would like to take this opportunity to thank you for your willingness to serve for another term. Sometimes it is a question after you serve a term, whether you should continue. But you chose to do just that, to continue as a Governor of the Postal

Service. I am aware of the time it takes to be a member of this Board, and I am also aware of how seriously you take your responsibility. Since 1990 you have represented the public's interest before the Board in much the same way that a member of a board of directors of a private corporation would represent the stockholder's interest. We certainly appreciate what you have done.

Since your confirmation 9 years ago, the Postal Service has made significant progress. This is history. Customer satisfaction is up. Revenue is strong. And on-time delivery of first class mail is at an all-time high. And so we are at the best we have ever been, and thanks to you and others who have been serving thus far, we owe a big debt of gratitude to you.

I have several questions I would like to ask you, and then I will do the same with Mr. Walsh.

Mrs. Daniels, are there specific steps that the Board has taken that you believe have contributed to these successes?

Mrs. DANIELS. Well, the one step we have taken is the fact that we have set up committees so we are on top of everything usually, and we work very closely with management. And I think not only that has helped us, but some of the Governors make it a part of their duties to visit the Post Office to see what our postal employees are doing. We know it is a part-time job, but most of us have felt it is a full-time job, because we owe it not only first to our postal employees, but also second, to our customers, which are our outside customers. So we felt when we took—at least I have—when I took this oath, that it was for real, and that I owed it not only to myself but to the American people to do a good job, and that is what we have tried to do, and with that help and the help of our employees. We have the best in the country. And you ask them to do something, 9 chances out of 10, they will come through for you, and this is why the success. It has not been us. It has been those postal employees on whose shoulders we are all standing, and they have come through for us, and will continue to do so.

Senator AKAKA. Well, you speak so highly of postal employees, and I know you are interested in how the postal employees are treated. Are you satisfied with how labor relations have progressed for them?

Mrs. DANIELS. No, I am not totally satisfied, but both sides are trying to work it out. A case in kind has been the last labor meeting we have gone through, and it has been much better than it has been in the past. It is something we all have to work with, not only labor, but management as well. And you know when people talk and get together, eyeball to eyeball, it usually works because we are all Americans, and there is always a way that you can find an answer, the correct answer.

Senator AKAKA. You and Mr. Walsh commented on the Internet and the place that it will be playing in the future of the Postal Services, and I am sure you have been able to witness what has been happening. How do you envision the Postal Service responding to these changes? For instance, there was a criticism that the Postal Service was not receiving enough resources to move in these areas, but I am asking how you envision the Postal Service responding to these changes?

Mrs. DANIELS. Exactly what we are now doing. The Postmaster General, along with us, we have had a conference that we called together for the Governors as well as postal management, to see how we envision the year 2000. The Postmaster General now is working on those appointments, and things that he thinks we need to change this Postal Service, so we can go into the year 2000 and 2001. He will be presenting that to the Governors, and I am sure those rules and regulations he has changed will be presented to you all.

It is hard for me to explain today exactly what we are going into, but we are looking at all of it to make sure we go into it so that we can continue to deliver mail every day, everywhere, for all Americans.

Senator AKAKA. I understand that like most Governors, you have not taken a position on H.R. 22, the Postal Reform Bill in the House. However, as you probably know, there are provisions in the bill that could privatize certain aspects of mail delivery. Would you care to comment on this issue?

Mrs. DANIELS. I would not like to get into it totally, because I do not have it with me. I am not for privatization of the Postal Service, but there are some things in there that perhaps would help us. I have not gone through it totally, and when I have, I will give it to you in writing at another time.

Senator AKAKA. Mr. Walsh, I wish to express my appreciation for your interest in serving the public as a member of the Board of Postal Governors. The journey on which you are about to embark, if confirmed as a governor—will be exciting, but it will be time consuming also, as you probably know. I thank your family in advance for their willingness to have you serve as a member of the Board. I am sure that Mrs. Daniels can attest to the many responsibilities and activities beyond the monthly meetings that take up her time, and that will be taking up your time as well. And I hear from my colleagues that you are a busy person in New Haven, so this is an additional responsibility.

Mr. Walsh, you have had a distinguished career, which my colleagues from Connecticut have recounted eloquently. You do not appear to be afraid of tackling large-scale projects involving significant financing, nor dealing with contract and personnel issues. Obviously, there is a great deal of information that a new Board Governor has to learn, and I am not sure where I could start if I were in your position at this moment; however, I am sure that you have given this much consideration.

I would be interested to know how you will undertake this tremendous challenge.

Mr. WALSH. Thank you for your kind words, Senator.

First of all, I have to be a learner. I have to listen. I have to get involved. I have to listen to my colleagues on the Board. I imagine I have to do a lot of reading. I have to visit postal offices. I think in any new venture that you go into, there is a learning process. I have programmed myself for a 6-month learning process. I hope I can learn as much as I can in those 6 months that will help me to be a contributor to the policy of the Board. But I think I have to get up to speed real quick.

Senator AKAKA. Well, with the experiences you have had already in the community, and capitalizing on your years of experience with strategic and long-range planning in government and the private sector, have you had an opportunity to think about how you would integrate this experience with your responsibilities as a Governor?

Mr. WALSH. Well, I think I would leave that up to the Chairman of the Board, whatever committee he would want to put me on, but my experience is in labor negotiations, contracts, leasing, purchasing, development, that whole area. So I would hope that is where I might have a fit in those areas.

Senator AKAKA. I think you would assume very well the responsibilities of a Governor. The Postal Service has come a long way in improving labor/management relations, but there remains much to do, as we all know. Do you have any suggestions as to how postal management and labor unions can find a common ground in this area?

Mr. WALSH. Well, whenever you start the negotiation process, there has to be honesty, integrity on both sides of the table. I think once you develop that, then I think other things begin to fall into place, but you have to have honesty and integrity to be the main focus when you start off in negotiation. But I think every problem can be solved.

Senator AKAKA. My last question, Mr. Chairman.

Because, Mr. Walsh, you have not been confirmed as a member of the Board, and have not had an opportunity to review Postal Reform legislation, I feel that it would be unfair of me to ask you about this issue. However, you would probably know that the bill has the potential of privatizing mail delivery. Do you have any general comments—and again, I leave it to whether you care to answer or not—comments on privatization, and any specific thoughts on how privatization of certain postal functions could impact delivery of mail?

Mr. WALSH. I really do not feel qualified to answer that directly, but I will answer the privatization, that companies all over, and cities and States all over the country are getting into. They are looking at this: Is it feasible? What are the cost factors? There is a whole list of items to be looked at. So I think the Post Office, just like any other major business, will look at these avenues, and then make a decision which will affect the future of the Post Office.

Senator AKAKA. Well, I thank you so much for your responses, and those of Mrs. Daniels. I welcome you here and wish you well.

Mr. WALSH. Thank you very much, Senator.

Senator AKAKA. Thank you very much, Mr. Chairman.

Senator COCHRAN. Senator Akaka, thank you for your contribution to this hearing.

We appreciate very much the cooperation that each of you have shown to the Committee and the confirmation process. We congratulate you, Mrs. Daniels, on your excellent and exemplary service previously as a member of the Board of Governors of the Postal Service, and we look forward to working with you in the years ahead, as you embark upon your second term.

Mr. Walsh, it is good to meet you, and I congratulate you again on your nomination, and wish you well in your period of service as a member of the Board of Governors.

Mr. WALSH. Thank you, Mr. Chairman.

Senator COCHRAN. The record will remain open for any additional statements Members may wish to place in the record. We have no other questions at this time, but if additional questions need to be submitted, we hope you will respond to them in a timely fashion.

Mr. WALSH. I certainly will.

Senator COCHRAN. The hearing is adjourned.

[Whereupon, at 10:39 a.m., the Committee was adjourned.]

APPENDIX

BIOGRAPHICAL AND FINANCIAL INFORMATION REQUESTED OF NOMINEES

A. Biographical Information

1. **Name:** (Include any former names used.)

   LeGree Sylvia Atterbury Daniels

2. **Position to which nominated:**

   Governor, United States Postal Service

3. **Date of nomination:**

   10/01/99

4. **Address:** (List current place of residence and office addresses.)

   1715 Glenside Drive, Harrisburg, PA 17109-1809

5. **Date and place of birth:**

   2/29/20, Denmark, South Carolina

6. **Marital status:** (Include maiden name of wife or husband=s name.)

   Married to Oscar Daniels

7. **Names and ages of children:**

   Two Stepdaughters: Octavia A. Duncan (71), and Gwendolyn Daniels (59)

8. **Education:** List secondary and higher education institutions, dates attended, degree receibed and date degree granted.

   Gillespie High School, Philadelphia, PA 1932-36 – Diploma
   Temple University, Philadelphia, PA 1939
   Lincoln Business School 1939-1940
   Temple University, Philadelphia, PA -
   Governor's Management Seminar 8/5/86-8/8/86 – Certificate
   State Government Training Courses, Supervisory and Management
   Courses in Travel (AAA) and Notary Public work

9. **Employment record:** List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment. (Please use separate attachment, if necessary.)

Dec `41-Jan '70 – Commonwealth of PA, Bureau of Motor Vehicles
Harrisburg, PA – Examiner and Supervisor
Feb `70-July '74 – AAA Central PA Auto Club, Harrisburg, PA
Travel Agent and Notary Public
Aug `74-Sept `76 - U.S. Senator Hugh Scott, Harrisburg Office
Staff Assistant
Sept `76-Apr `82 – AAA Central PA Auto Club, Harrisburg, PA
Travel Agent and Notary Public
Apr `82-July `82 - U.S. Department of Transportation, Washington, DC
Urban Mass Trans. Adm. – Special Projects
Jan `81-Apr `86 - PA State Tax Equalization Board, Harrisburg, PA
Member and Chairman
Apr `86-Oct `86 - Department of State, Commonwealth of PA –
Commissioner, Bureau of Commissions,
Elections & Legislation
Oct `86-Mar `87 - Deputy Secretary of the Commonwealth of PA

July `87-Mar `89 – Assistant Secretary for Civil Rights
U.S. Department of Education, Washington, DC

April, 1983, appointed Member of the Advisory Committee for Trade Negotiations by President Reagan for the period of two years

1985-1987 – Member of the President's Commission on White House Fellows

1985-1988 - U.S. Army Science Board, Washington, DC – Board Member

1990-present – Board of Governors, U.S. Postal Service

10. **Government Experience:**

See answer #9 above.

11. **Business relationships:** List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business enterprise, educational or other institution.

None

12. **Memberships:** List all memberships and offices held in professional, business, fraternal, scholarly, civic, public, charitable and other organizations.

National Endowment for Democracy, Washington, DC –
Former Board Member and Secretary
Esther Chapter #1, O.E.S. – Worthy Matron 1968
YWCA, Harrisburg, PA – Former Board Member
Tri-County Mental Health Association – Former Board Member
Recreation Board of Susquehanna Township – Member
Advisory Board, Harrisburg Hospital – Former Member
Edgemont Community Association – Former Member
Harrisburg Branch, NAACP – Member
Dauphin County Urban League – Member
Family and Children's Service, Harrisburg – Former Board Member
Homemakers, Harrisburg – Former Board Member
Tri-County Comm. For Community Action – Delegate
Advisory Board, Polyclinic Medical Center – Former Member
Hamilton Health Center – Former Board Member
Chester M. and Mary McInroy Sheffer Scholarship Fund –
Former Member of Advisory Committee
Middle Atlantic Adv. Bd., U.S. Civil Rights Comm – Former Member
John Heinz Senior Center, Harrisburg, PA – Chairman

13. **Political affiliations and activities:**

(a) List all offices with a political party which you have held or any public office for which you have been a candidate.

Republican State Committee of PA – Former Secretary
Susquehanna Township, Dauphin County, PA –
Former Third Ward Committeewoman
PA Council of Republican Women – Director Emeritus (1999) and
Member of Policy Committee
Germantown Council of Republican Women, Philadelphia, PA –
Founder and Former Member
Pennsylvania Black Republican Council – Former Member and Advisor
Republican National Committee – Former Member, Executive Comm.
National Black Republican Council – Former Chairman
Finance Committee of the Republican State Committee of PA – Former Member
Capitol Hill Council of Republican Women – Member
Dauphin Council of Republican Women – Member
Republican Committee of Dauphin County – Second Vice Chairman

(b) List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

See above.

(c) Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of $50 or more for the past 5 years.

Pennsylvania Republican State Committee ($50 each year for past 5 years)

Republican National Committee ($50 each year for past 5 years)

14. **Honors and awards:** List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals and any other special recognitions for outstanding service or achievements.

Minority Council of Republican Women, Harrisburg, PA, established the "LeGree Daniels Scholarship Award" – 1998-current

John Heinz Senior Center – Harrisburg, PA – Pioneer Award – July 1994

Citation from the Pennsylvania State Senate and House – July 1994

Office of Civil Rights, Department of Education
Award in appreciation for leadership during the `80s, 1989

Doctor of Humane Letters Honorary Degree – The Atlanta University, July 1988

Drum Major for Justice Ward, for Woman in Politics
The Southern Christian Leadership Conference, April 1988

5th Masonic District Ward for outstanding achievement and dedication to community service, April 1988

Omega Psi Phi Fraternity, Inc. of the Kappa Omega Chapter, Harrisburg, PA, Award as outstanding citizen of the year, November 1987

Women's National Republican Club Award for outstanding achievement in the field of Black Politics, 1985

Mayor of City of Harrisburg declared May 24, 1985, "LeGree Daniels Day" for acts of volunteerism, commitment and concern in and for the City of Harrisburg, PA

15. **Published writings:** List the titles, publishers, and dates of books, articles, reports, or other published materials which you have written.

None

16. **Speeches:** Provide the Committee with three copies of any formal speeches you have delivered during the last 5 years which you have copies of and are on topics relevant to the position for which you have been nominated.

See attachments.

17. **Selection:**

(a) Do you know why you were chosen for this nomination by the President?

I think the President chose me because of my nine years of service on the Board of Governors, U.S. Postal Service, and my experience in administration in local government, state government, and federal government (former Assistant Secretary, U.S. Department of Education.)

(b) What do you believe in your background or employment experience affirmatively qualifies you for this particular appointment?

I have been a Member of the Board of Governors, U.S. Postal Service , since August 1990 and have acquired an extensive knowledge of the Postal Service and a sense of the challenges facing the Postal Service in the future. I have a lifetime of experience administering organizations of all sizes and types in the private sector, state government and local government.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, business associations or business organizations if you are confirmed by the Senate.

The only connections I now have is my service as a Member of the Board of Governors, U.S. Postal Service.

2. Do you have any plans, commitments or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, explain.

No

3. Do you have any plans, commitments or agreements after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization?

No

4. Has anybody made a commitment to employ your services in any capacity after you leave government service?

No

5. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable?

Yes

C. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients or customers.

None

2. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

None

3. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

None

4. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation or affecting the administration and execution of law or public policy.

My only activity has been contact, letters and conversation, with Members of the Congress concerning proposed legislation before respective oversight committees regarding the United States Postal Service.

5. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Please provide copies of any trust or other agreements.)

I do not expect to encounter any conflicts of interest but in the event of any potential conflict, I would request guidance from the Ethics Officer, U.S. Postal Service.

6. Do you agree to have written opinions provided to the Committee by the designated agency ethics officer of the agency to which you are nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position?

Yes

D. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No

2. Have you ever been investigated, arrested, charged or held by any Federal, State, or other law enforcement authority for violation of any Federal, State, county or municipal law, regulation or ordinance, other than a minor traffic offense? If so, provide details.

No

3. Have you or any business of which you are or were an officer ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

No

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense?

No

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

None

AFFADAVIT

LaGrea S. Daniels being duly sworn, hereby states that he/she has read and signed the foregoing Statement on Biographical and Financial information and that the information provided therin is, to the best of his/her knowledge, current, accurate, and complete.

LaGrea S. Daniels

Subscribed and sworn before me this 10th day of October, 1999

Notary Public

My Commission Expires February 14, 2004.

Pre-hearing Questionnaire
for Ms. LeGree S. Daniels to be Governor
of the United States Postal Service

I. Nomination Process and Experience

1. Why do you believe that the President has nominated you to serve another term as a Governor on the Postal Service Board of Governors? **Answer**. I would like to think it is because I have served effectively as a Governor over the past 10 years.

2. How do you view the role of a Governor of the Postal Service? What would be your priorities as a Governor? **Answer**. We have an oversight role with the responsibility for setting policy, approving postage rates, selecting the Postmaster General and Deputy Postmaster and reviewing the overall performance of postal operations.

3. What have been the highlights of your experience as a Governor on the Board of Governors? **Answer**. Seeing the progress the Postal Service has made, particularly over the past 5 years in service to our customers and in improving our finances.

4. What changes or improvements, if any, would you like to see in the role of the Governors or their relationship to postal management? **Answer**. I think we continue to make changes and improvements in our role through our committees and in general with the improved working relations with management. We are now better informed and better prepared in our oversight role.

5. Governors are chosen to represent the public interest generally. How have you interacted with various stakeholders interested in postal-related matters and how would you assess the Board's effectiveness in representing the public interest? **Answer**. Personally, I have met with postal employees at postal facilities and postal customers through National Postal Forums. I have also attended postmaster conventions and various postal-related functions. I have talked with employees and customers and listened to their concerns.

II. Role and Responsibilities of Governor

1. What primary challenges does the Postal Service face as it enters a new millennium? How should the Board of Governors work with postal management to address these challenges? What should be the Board of Governors' top priorities?
   Answer.
   - Increased competition.
   - Anticipated decline in mail volume due to emergence of the Internet and greater use of computers to communicate.
   - Labor/management relations.

   We have already started to work with management to address the challenges with our top priorities as being more involved in e-commerce and continuing our universal service mandate.

2. How do you plan to communicate to Congress on efforts to address USPS issues? Answer. The Annual Performance Plan recently submitted to Congress was developed in cooperation with management and the Board. It started with our strategic planning committee and was brought forward to the Board for our review and approval.

3. How do you plan to communicate to USPS staff on efforts to address USPS issues? Answer. We already do now through the various committees of the Board, at our Board meetings and individually as we become aware of particular issues.

III. Policy Issues

A. Performance Issues

1. Although in recent years the Postal Service has made over $5 billion in net revenues, some anticipate that this strong performance may not be sustained due to increased competition. What approach should the Postal Service take to maintain its viability and competitiveness? Answer. This past June we had a special three-day meeting where we focused on this and addressed this very issue. Our universal service mandate and because we deliver to every house every day we need to use that to build our business to maintain our viability and competitiveness.

2. How proactive should the Board be in identifying areas for cutting costs and improving efficiency in postal operations? Answer. (a) I see this as management's responsibility as they are responsible for the day-to-day management of postal operations. (b) The Board's role is more one of oversight. We approve the annual budget and the incentive plan for performance awards and collectively they have driven a change in how the business is managed.

3. While the Postal Service has invested heavily in automating its mail processing, labor costs continue to consume almost 80% of total expenses. To what extent do you believe it is possible for the Postal Service to achieve its goal of substituting capital for labor? **Answer**. The progress has been slow but we are seeing some progress. We are going to need to see even greater progress in the future. We have an opportunity to gain more reductions in processing costs, however, we are continuing to increase the number of deliveries and as a result have increased delivery costs. We need to get greater benefits from delivery point sequencing of mail through automation to keep our delivery costs down.

4. The Postal Service is required to report to Congress annually on its plans and performance related to its major goals. This information is vital to congressional oversight. However, some concerns have been raised about the integrity of some of the data used to measure performance. For example, in West Virginia last year, postal employees were found to have undermined the integrity of the data on overnight deliveries. What can the Board of Governors do to help ensure the integrity of performance data? **Answer**. The Board of Governors receives regular briefings on service and financial performance. We feel the incident in West Virginia was not reflective of the current postal environment. Additionally, we have access to the Office of Inspector General and the Inspection Service should we have concerns or suspicions of improper or inaccurate reporting.

B. Postal Rates

1. Several Board members have expressed concern that the current rate-making process is too restrictive and limits the Postal Service's ability to quickly adjust postage rates in a highly competitive and changing marketplace. What are your thoughts on this issue? **Answer**. With the environment changing so quickly, we need to find a way to be more responsive. The present ratemaking process needs to change to be more responsive to our customers and our needs.

2. Questions have been raised about the need for another rate increase given the Postal Service's record profits over the last several years. What are your views with respect to the need and timing of rate increases? **Answer**. We have been receiving rate case briefings over the past several months and there is a need to increase rates. I would hope that any increase would be below the rate of inflation and not effective until January 2001.

C. Reform Issues

1. Do you view the Postal Service as fundamentally operating more like a private sector business or more like a federal agency? Are changes needed to redirect the Service? If so, what are they? **Answer**. While the Postal Service operates more like a business, we still need to act like a federal agency. At this time I don't see any need for changes.

2. What are your views on the extent to which change is needed in the laws and regulations that govern the Postal Service? In what areas do you believe that such reform may be needed? **Answer**. I believe there is a need for some changes, particularly in pricing flexibility.

3. Recently, some foreign postal administrations, such as the one in Germany, have been acquiring interests in private sector delivery firms in other countries including the U.S. As you know, the Postal Service is prohibited from engaging in similar arrangements. Some have suggested that if the U.S. Postal Service is to remain competitive in the global marketplace, Congress should remove such prohibitions. What are your views with regard to this suggestion? **Answer**. I really haven't had an opportunity to review this proposal and I am not prepared to respond to this issue.

4. Some concerns have been raised about whether it is appropriate for the Postal Service to offer new non-postal products and services. What are your views regarding whether it is appropriate for the Postal Service to offer non-postal products and services that compete with private sector companies? **Answer**. I am not opposed to the Postal Service offering new products or services when it enhances the core business.

C. Personnel-Related Issues

1. Another major postal issue has been the need to improve labor-management relations within the Postal Service. What can the Board of Governors do to encourage and facilitate greater cooperation between postal management and labor unions? **Answer**. This has been an ongoing issue for years and only recently have we seen progress. The latest labor negotiations are an example of the progress that has been made as contracts were negotiated with two of the major unions. Management is fully aware of our concerns and they continue to work to improve those relations.

2. Concerns have been raised regarding diversity within the Postal Service, particularly in the composition of top executives and in contracting practices. What role do you see for the Board of Governors in addressing these concerns? Answer. As you probably know, in November 1996, the Board commissioned a special study of the diversity program in the Postal Service. Governor del Junco and I were instrumental in having the study conducted. Since the results of the study have been made known, we have received briefings from management on their efforts to improve our diversity program. We plan to continue to monitor progress in this critical area.

3. Another major issue has been violence in the Postal Service. How can the Board of Governors support efforts to mitigate this problem? Answer. We have had a special interest in this area for a number of years now. Management currently has a special study led by Joseph Califano in progress and we will be very interested in the results of the study.

4. The Postal Service has recently become subject to Occupational Safety and Health Act (OSHA) workplace safety laws in the same manner as other employers. How can the Board of Governors ensure compliance with this law and encourage efforts to improve the safety of the workplace? Answer. Both the Board and management are very interested in the Postal Service's compliance with OSHA laws. The potential for fines could significantly impact the financial performance of the Postal Service. As a member of the Board's compensation committee, we insisted management include OSHA performance results in the annual performance award program.

D. Preparations for Year 2000

1. A critical issue for the Postal Service this year is whether its systems are ready for the year 2000. How should the Board of Governors ensure that the Postal Service is prepared for Y2K and have adequate contingency plans been made in the event that problems arise? Answer. As a current and past member of the Board's Audit Committee, we have now for several years had an ongoing interest in the Postal Service's readiness for the Year 2000. Additionally, the Board has been receiving monthly briefings on the Y2K preparedness and contingency plans. I feel confident we are prepared for the Year 2000.

E. Post Office Closings

1. A major issue frequently raised by our constituents relates to the Postal Service's decisions on locating, relocating or closing post offices. Some are concerned that the Postal Service does not adequately involve affected communities in the decision-making process. What are your views on this issue? Answer. We have been assured by management on several occasions and particularly in the past couple of years that the Postal Service involves the communities when relocating post offices. Closing post offices is generally not a popular decision in communities.

2. The Postal Service currently has a moratorium on post office closings. Do you believe that this moratorium should be continued? How should the Service balance its mandate to provide universal access to postal services while also recognizing that about half of all post offices do not take in sufficient revenues to cover their expenses?
Answer. I agree with the current moratorium on closing post offices. Universal service is a critical part of our business and we have and continue to need to build those costs into our rate cases. We also need to find ways to generate more revenue at those offices to help offset their costs.

F. Governance

1. Currently, the Inspector General for the Postal Service is appointed by the Postal Service Governors, rather than nominated by the President. Recently, legislation was introduced by Senator Thompson which would transfer the appointment authority for the IG from the Governors to the President, subject to Senate confirmation. What are your views on this legislative proposal? Answer. I have not as yet seen the legislation so it would be inappropriate for me to comment. I fully expect that if the proposed legislation were to become law, we would support it in the same professional manner in which we supported the initial Inspector General legislation.

IV. Relations with Congress

1. Do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted committee of the Congress if you are confirmed? Answer. Yes.

2. Do you agree without reservation to reply to any reasonable request for information from any duly constituted committee of the Congress if you are confirmed? Answer. Yes.

V. Assistance

1. Are these answers your own? Have you consulted with USPS or any other interested parties? If so, please indicate which entities. Answer. The answers are my own. I had the assistance of the Postal Service Secretary of the Board of Governors to help assemble the information requested.

AFFIDAVIT

I, Leafrea S. Daniel being duly sworn, hereby state that I have read and signed the foregoing Statement on Pre-hearing Questions and that the information provided therein is, to the best of my knowledge, current, accurate, and complete.

Leafrea S. Daniel

Subscribed and sworn before me this 12th day of October, 1999.

Notary Public

My Commission Expires February 14, 2004.

BIOGRAPHICAL AND FINANCIAL INFORMATION REQUESTED OF NOMINEES

A. Biographical Information

I. Name: (Include any former names used.)

John F. Walsh

II. Position to which nominated:

United States Postal Service Board of Governors

III. Date of nomination:

October 5, 1998

IV. Address: (List current place of residence and office addresses.)

33 Hunting Ridge Farms
Branford, Connecticut 06405

V. Date and place of birth:

March 29, 1927. New Haven, Connecticut

VI. Marital Status: (Include maiden name of wife or husband=s name.)

Married. Ann Groark Walsh

VII. Names and ages of children:

Sheila Walsh Riegelmann. Age 37
Joseph A. Walsh. Age 35

VIII. Education: List secondary and higher education institutions, dates attended, degree received and date degree granted.

B.S. Business Administration, Quinnipiac College. 1957.
A.S. Business Administration, Quinnipiac College. 1949.
Syracuse University. 1949 - 1950.
New Haven College, Executive Training School. 1956.
C.A.P.M. Basic and Advanced Purchasing Courses
C.A.P.M. District 9 Workshops and Seminars.
Purchasing Courses - Connecticut and New York

IX. Employment record: List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment. (Please use separate attachment, if necessary.)

1992 - 1997 **President**. Ninth Square Association, Inc.
1992 - 1998 **Chairman**, New Haven Parking Authority

1990 - 1992	**Director of District Development**, Ninth Square Assoc.
1978 - 1990	**Purchasing Agent**, City of New Haven
1968 - 1978	**Director of Support Services**, New Haven Police Dept.
1967 - 1968	**Purchasing Agent**, Peter Paul, Inc., Naugatuck
1964 - 1967	**Deputy Controller**, City of New Haven
1954 - 1967	**Purchasing Agent**, A.C. Gilbert Co., New Haven
1952 - 1953	**Buyer**, Bigelow-Sanford Inc., New York City

X. Government Experience: List any advisory, consultative, honorary or other part-time service or positions with Federal, State, or local governments, other than those listed above.

None

XI. Business relationships: List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business enterprise, educational or other institution.

None

XII. Memberships: List all memberships and offices held in professional, business, fraternal, scholarly, civic, public, charitable and other organizations.

National Association of Purchasing Managers

Board of Directors. 1980 - 1982.
Chairman, Recommendations and Suggestions Committee. 1983 - 1987.
Shipman Award Committee. 1982 - 1983.
Credentials Committee. 1981 - 1983.
Chairman. Permanent Conference Committee. 1983 - 1988.

District 9: New England Region

Vice President. 1981 - 1982.
Chairman. Public Relations. 1982 - 1985.
Chairman. Audit Committee. 1981 - 1982
Chairman. Activities Committee. 1979 - 1980.

Connecticut Association of Purchasing Management

Fred A. Harvey Award. 1984.
Director of National Affairs. 1979 - 1980.
President. 1978.
First Vice President. 1977 - 1978.
Second Vice President. 1976 - 1977.
Director. 1975 - 1977.

Chairman. Trade Show. 1976 - 1978.

Other Professional Activities

Public Purchasing Assoc. Of Connecticut.

National Purchasing Institute.

Civic and Fraternal Organizations

Commissioner. Purchasing Committee, 1995 Special Olympic World Games.

Chairman. New Haven Parking Authority. 1992 - 1998.

Director. Greater New Haven Chamber of Commerce. 1992 - 1998.

Director. New Haven Grid Iron Club.

Knights of Saint Patrick.

Director. New Haven Skating Club. 1965 - 1971.

Charter Revision Committee. City of New Haven. 1968.

Director. Connecticut Classic Basketball Tournament. 1994 - Present.

XIII. Political affiliations and activities:
(a) List all offices with a political party which you have held or any public office for which you have been a candidate.

None

(b) List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

Finance Committee - Connecticut Democratic Central Committee.

(c) Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of $50 or more for the past 5 years.

Senator Christopher Dodd	$1,250.00
Senator Joseph Lieberman	$ 600.00
Congresswoman Rosa DeLauro	$ 975.00
Mayor John DeStephano, Jr.	$ 1,440.00
John Larson	$ 150.00
Bill Curry	$ 150.00
State Senator Martin Looney	$ 75.00
State Representative Bill Dyson	$ 150.00
High Sheriff Frank Kinney	$ 500.00
Connecticut State Central Committee	$ 1,050.00

XIV. Honors and awards: List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals and any other special recognition for outstanding service or achievements.

Fred A. Harvey Award. Highest Purchasing Honor - Connecticut

XV. Published writings: List the titles, publishers, and dates of books, articles, reports, or other published materials which you have written.

None

XVI. Speeches: Provide the Committee with three copies of any formal speeches you have delivered during the last 5 years which you have copies of and are on topics relevant to the position for which you have been nominated.

XVII. Selection:
(a) Do you know why you were chosen for this nomination by the President?

I communicated through Senator Dodd my desire to serve in the administration due to my retirement from the public and private sector.

(b) What do you believe in your background or employment experience affirmatively qualifies you for this particular appointment?

I feel that I am qualified to serve on the Board of Governors of the United States Postal Service because of my many years in government and private industry. My knowledge of contracts, insurance, and negotiations, as well as other areas of government and business will enable me to better serve The Postal Service in all capacities.

B. FUTURE EMPLOYMENT RELATIONSHIPS

I. Will you sever all connections with your present employers, business firms, business associations or business organizations if you are confirmed by the Senate.

Yes

II. Do you have any plans, commitments or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, explain.

No

III. Do you have any plans, commitments or agreements after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization?

No

IV. Has anybody made a commitment to employ your services in any capacity after you leave government service?

No

V. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable?

Yes

C. POTENTIAL CONFLICTS OF INTEREST

I. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients or customers.

None

II. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

None

III. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

None

IV. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation or affecting the administration and execution of law or public policy.

None

V. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Please provide copies of any trust or other agreements.)

I have none at this time that I am aware of.

VI. Do you agree to have written opinions provided to the Committee by the designated agency ethics officer of the agency to which you are nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position?

Yes

D. LEGAL MATTERS

I. Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No

II. Have you ever been investigated, arrested, charged or held by any Federal, State, or other law enforcement authority for violation of any Federal, State, county or municipal law, regulation or ordinance, other than a minor traffic offense? If so, provide details.

No

III. Have you or any business of which you are or were an officer ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

No

IV. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense?

No

V. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

None

AFFIDAVIT

John F. Walsh being duly sworn, hereby states that he/she has read and signed the foregoing Statement on Biographical and Financial information and that the information provided therein is, to the best of his/her knowledge, current, accurate, and complete.

Subscribed and sworn before me this 22 day of Jan, 19 99

Notary Public

My Commission Expires October 31, 2000

Pre-hearing Questionnaire
for John Walsh to be Governor
of the United States Postal Service

I. Nomination Process and Conflicts of Interest

1. Why do you believe the President nominated you to serve as a Governor of the United States Postal Service (USPS)?

   I communicated through Senator Dodd my desire to serve in the administration due to my retirement from the public and private sector.

2. Were any conditions, expressed or implied, attached to your nomination? If so, please explain.

   None

3. What specific background and experience affirmatively qualifies you to be a Governor of the USPS?

   I feel that I am qualified to serve on the Board of Governors of the United States Postal Service because of my many years in government and private industry. My knowledge of contracts, insurance, and negotiations, as well as other areas of government and business will enable me to better serve The Postal Service in all capacities.

4. Have you made any commitments with respect to the policies and principles you will attempt to implement as a Governor? If so, what are they and to whom have the commitments been made?

   No

5. If confirmed, are there any issues from which you may have to recuse or disqualify yourself because of a conflict of interest or the appearance of a conflict of interest? If so, please explain what procedures you will use to carry out such a recusal or disqualification.

   No

II. Role and Responsibilities of Governor

2. How do you view the role of a Governor of the Postal Service? What would you

highlight from your experience that will enhance your effectiveness in this role?

My role of a Governor of the Postal Service would be one of active participation, involvement, and cooperation with fellow board members to better serve the United States Postal Service. My knowledge of procurement, contracts, insurance, and negotiations as well as other areas of government and business along with my strong leadership and effective decision-making abilitieswill enhance my effectiveness in this role.

2. What main challenges does the Postal Service face as it enters a new millennium? How should the Board of Governors work with postal management to address these challenges? How will you, as a Governor, address these challenges and what will your top priorities be?

The Postal Service faces the main challenge of improving service to the public as it enters a new millennium. The Board of Governors should be cooperative, concerned and interested as they work with postal management to address their goals to meet the challengse of a new millennium. As a Governor I will address these challenges by being an active and cooperative member of the board in all matters. My top priorities will be as an. active participant in matters of procurement, contracts, insurance, and negotiations as well as other areas of government and business where I feel my expertise would be beneficial.

3. How do you plan to communicate to Congress on efforts to address USPS issues?

My plan of communication to Congress on efforts to address USPS issues would be through the proper channels as determined by the Board of Governors of the United States Postal Service.

4. How do you plan to communicate to USPS staff on efforts to address USPS issues?

My plan of communication to USPS staff on efforts to address USPS issues would be through the proper channels as determined by the Board of Governors of the United States Postal Service.

III. Policy Issues

1. Although in recent years the Postal Service has made over $5 billion in net revenues,

some anticipate that this strong performance may not be sustained due to increased competition. What approach should the Postal Service take to maintain its viability and competitiveness?

The Postal Service in order to maintain its viability should be goal oriented to achieve excellent service in all areas. The competitiveness of the Postal Service would be to maintain rates and services that would be well received by the public it serves.

2. Several Board members have expressed concern that the current ratemaking process is too restrictive and limits the Postal Service's ability to quickly adjust postage rates in a highly competitive and changing marketplace. Do you have any thoughts on this issue?

I would have to listen to further discussion of the current ratemaking process by members of the Board of Governors before I could properly discuss this matter.

3. Questions have been raised about the need for the recent rate increase given the Postal Service's record profits. What are your views with respect to the need and timing of rate increases?

I believe that the need and timing of the rate increase was carefully thought out and discussed by all members of the Board of Governors before implementation.

4. Some concerns have been raised about whether it is appropriate for the Postal Service to offer certain new products and services. What are your views regarding whether it is appropriate for the Postal Service to offer products and services that compete with private sector companies?

The Postal Service should offer services and products that will benefit and be attractive to the general public.

5. A major issue frequently raised by our constituents relates to the Postal Service's decisions on locating, relocating, or closing post offices. Some are concerned that the Postal Service does not adequately involve affected communities in the decisionmaking process. What are your views on this issue?

Communities should be made aware of any changes regarding locating, relocating, or closing post offices in their area, but the decision making process should remain with the Postal Service.

6. Another major postal issue has been the need to improve labor-management relations within the Postal Service. What can the Board of Governors do to encourage and facilitate greater cooperation between postal management and labor unions?

Not being a member of the Board of Governors and not knowing their policy and procedures in this matter, I can only say that in order to encourage and facilitate greater cooperation between postal management and labor unions there must be a spirit of cooperation, honesty and integrity in all labor management relations.

7. What are your views on the extent to which fundamental reform is needed in the laws and regulations that govern the Postal Service? In what areas of postal operations do you believe such reform may be needed?

Not being a member of the Board of Governors of the Postal Service, I do not feel qualified to answer this question.

8. The Postal Service is required to annually report to Congress on its plans and performance related to its major goals. This information is vital to congressional oversight. However, some concerns have been raised about the integrity of some of the data used to measure performance. For example, in West Virginia last year postal employees were found to have undermined the integrity of the data on overnight deliveries. What can the Board of Governors do to help ensure the integrity of performance data?

This is a problem that the Post Master General must address to insure the integrity of all reports to congress. The Board of Governors should be supportive in all policy and procedures that will help the Post Master General to insure the integrity of all reports to Congress.

9. Recently, some foreign postal administrations, such as the one in Germany, have been acquiring interests in private sector delivery firms in other countries including the U.S. As you know the Postal Service is prohibited from engaging in similar arrangements. Some have suggested that if the U.S. Postal Service is to remain competitive in the global marketplace, Congress should remove such prohibitions. What are you views with regard to this suggestion?

The suggestion that Congress should remove prohibitions if the U.S. Postal Service is to remain competitive in the Global Marketplace should be studied, discussed and evaluated by the Board of Governors of the U.S. Postal Service. I have not been privy to this information and study therefore I do not feel qualified to answer this question.

10. Concerns have been raised regarding diversity within the Postal Service particularly in the composition of top executives and in contracting practices. What role do you see for the Board of Governors in addressing these concerns?

The role of the Board of Governors in addressing the concerns of the composition of top executives and in contracting practices would be to analyze and review what is now in

place and then to make a decision and recommendation based on the information gathered.

11. Another major issue has been violence in the Postal Service. How can the Board of Governors support efforts to mitigate this problem?

The Board of Governors must support efforts to mitigate this problem by working closely with not only the National Security of the Post Office, but with Federal, State and Local authorities.

12. While the Postal Service has invested heavily in automating mail processing, labor costs continue to consume about 80% of total expenses. To what extent do you believe it is possible for the Postal Service to achieve its goal of substituting capital for labor?

I would have to study the information available to the Board of Governors before I could make a statement regarding the possibility of the Postal Service to achieve its goal of substituting capital for labor.

13. The Postal Service has recently become subject to Occupational Safety and Health Act (OSHA) work place safety laws in the same manner as other employers. How can the Board of Governors ensure compliance with this law and encourage efforts to improve the safety of the workplace?

The Board of Governors can ensure compliance with this law and encourage efforts o improve the safety of the workplace by instructing the Post Master General to implement all procedures and laws pertaining to OSHA.

14. A critical issue for the Postal Service this year is whether its systems are ready for the year 2000. How should the Board of Governors ensure that the Postal Service is prepared and has adequate contingency plans in the event that problems arise?

The Board of Governors can ensure that the Postal Service is prepared and has adequate contingency plans in the event of problems by instructing the Post Master General to have a plan in place should the need arise and that all systems are prepared.

15. Do you view the Postal Service as "fundamentally operating" more like a private-sector business or more like a federal agency? Are changes needed to redirect the Service? If so, what are they?

The Postal Service is more like a federal agency because it services the citizens of our country.

16. How proactive should the Board be in identifying areas for cutting costs and improving

efficiency in postal operations?
The Board should be extremely proactive in identifying areas for cutting costs and improving efficiency in postal operations by reviewing and studying the procurement policies and procedures of the Postal Service; to improve efficiency in postal operations, the Board would have to have information concerning the plans for additional equipment that will facilitate the increased efficiency.

IV. Relations with Congress

1. Do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted committee of the Congress if you are confirmed?

   Yes

2. Do you agree without reservation to reply to any reasonable request for information from any duly constituted committee of the Congress if you are confirmed?

   Yes

V. Assistance

1. Are these answers your own? Have you consulted with USPS or any other interested parties? If so, please indicate which entities.

   Yes, these answers are my own and I have not consulted with USPS or any other interested parties.

AFFIDAVIT

I, John F. Walsh, being duly sworn, hereby states that I have read and signed the foregoing Statement on Pre-hearing Questions and that the information provided therein is, to the best of my knowledge, current, accurate, and complete.

John F. Walsh

Subscribed and sworn before me this 2nd day of March, 19 99

Patricia J. Martin
MCE 5/31/03 Notary Public