

# POSTAL NEWS

No. 57/2010

**Formulated by UNI-Japan Post in cooperation with UNI-Apro,  
ASPEK Indonesia and SPPI**

- 1. Postal Service saves energy with Manhattan's largest green roof. July 26, 2010.**
- 2. How the U.S. Postal Service can really save itself. July 31, 2010.**
- 3. Postal Service starts hiring freeze for administrative jobs. August 2, 2010.**
- 4. Postal Workers Trained to Deliver Bioterror Countermeasures. August 2, 2010.**
- 5. TNT Opts For Total Separation Of Mail, Express. August 2, 2010.**
- 6. Trimming government bureaucracy: It's the service, stupid. Aug, 4, 2010.**
- 7. Postal Service Reports \$3.5 Billion Loss. Aug 5, 2010.**
- 8. How do you mail a top-secret letter?. Aug 3, 2010.**

## **1. Postal Service saves energy with Manhattan's largest green roof**

03:07 PM. Jul 26, 2010

PR Newswire/ZAP

The Postal Service, which has solar rooftop panels on some facilities and an entire fleet of alternative-fuel vehicles, has reduced its energy use 21% since 2003 and is two-thirds of the way toward meeting its goal of reducing energy use 30% by 2015, according to a recent announcement.

A key effort, it reports, is the 2.5-acre green roof on its Morgan mail processing facility in Manhattan, installed last year and expected to last 50 years or twice as long as its predecessor.

"A year ago, the Postal Service projected the green roof would help the Morgan facility save \$30,000 in annual energy expenses," said Tom Samra, the Postal Service's vice president of facilities. "We're pleased to have surpassed that goal, saving more than \$1 million since the implementation of the green roof and other energy-saving measures at Morgan."

Samra said the Morgan facility also replaced 1,600 windows and is pursuing certification from the U.S. Green Building Council's LEED (Leadership in Energy and Environmental Design) program. He noted there are already LEED-certified postal facilities in Denver, Colo., Southampton, N.Y., Greenville, S.C., and Troy, Mich.

The Postal Service, which has won dozens of environmental awards from the White House and the Environmental Protection Agency, installed an energy-management system last year that enables it to more closely monitor energy performance at its 33,000 facilities.

## **2. How the U.S. Postal Service can really save itself**

Saturday, July 31, 2010

The July 23 Washington Forum commentary by Paul B. Carroll and Chunka Mui, "How USPS can save itself," raised some important points about the future of the U.S. Postal Service. The agency must make changes to continue to provide a vital service to the American people, but cutting service, particularly Saturday mail delivery, should not be one of them.

For the Postal Service to effectively plan for the future, Congress must lift unnecessary financial burdens, allowing the agency to think long term rather than make shortsighted cuts to stay above water.

The Postal Service has been backed into a corner by a multibillion-dollar overpayment into the Civil Service Retirement Fund and a congressional mandate that it prefund its retiree health benefits on an accelerated schedule. Since 1971, the Postal Service has made as much as \$75 billion in overpayments into its federal retirement fund. If that money were returned to the Postal Service, it could be used to meet the requirement to prefund retiree health benefits. This unnecessary requirement, which forces the agency to pay a 75-year liability in a 10-year time frame, has turned Postal Service profits into losses in two of the past three years.

Fredric V. Rolando, Washington

The writer is president of the AFL-CIO's National Association of Letter Carriers.

000

## **3. Postal Service starts hiring freeze for administrative jobs**

By Ed O'Keefe

Updated, 4:35 p.m.: The cash-strapped U.S. Postal Service is freezing hiring and promotions for all administrative positions at post offices, field offices and its Washington headquarters until further notice as it tries to stave off further losses from slumping revenues and mail volume.

The decision impacts about 8,000 positions, including administrative, marketing and legal jobs and 2,000 vacancies for postmasters that manage post offices, USPS said. The average salary for the jobs ranged from around \$65,000 to \$70,000. The freeze does not impact delivery, customer service or transportation jobs. Officials did not rule out eliminating the frozen positions entirely.

"This is about managing the size of the organization and making sure we match resources to workload," said Tony Vegliante, USPS executive vice president for

human resources. "As the organization shrinks, it all shrinks, not just the part that delivers the mail."

Bob Rapoza, president of the National Association of Postmasters of the United States, said the decision means letter carriers and clerks are temporarily filling vacant postmaster and supervisor jobs, taking them away from processing mail deliveries.

"Freezing the management positions that are part of moving the mail just makes no operational sense," Rapoza said. "We're not going to save money in the long term and it'll certainly deteriorate service in the short term."

The freeze should save USPS up to \$30 million per quarter and is part of \$3.5 billion in cost cuts before the end of the Postal Service's fiscal year, Sept. 30. The mail agency has cut about 200,000 positions in the last decade through attrition, with more than half of the cuts made in the last four years.

The freeze was announced last week the day before lawmakers said they will block efforts to end Saturday mail deliveries. But the decision is more about saving money and adjusting the size of the Postal Service workforce, Vegliante said.

"It's an ongoing process, probably something we should be doing everyday," he said.

Despite the hiring freeze, the Postal Service announced Monday that Paul Vogel, its former head of international business, will become the agency's third in command as president of mailing and shipping services. He replaces Robert F. Bernstock, who left USPS in June amid an investigation into no-bid contracts he awarded to former business associates.

Leave your thoughts in the comments section below

This post has been updated since it was first published.

By Ed O'Keefe | August 2, 2010; 4:35 PM ET

000

#### **4. Postal Workers Trained to Deliver Bioterror Countermeasures**

Monday, Aug. 2, 2010 (Global Security Newswire)

U.S. Postal Service mail carriers in six cities are being trained to quickly disperse drugs that would counteract the effects of anthrax or other biological agents used in an act of terrorism, USA Today reported today (see GSN, Jan. 4).

At the end of 2009, President Barack Obama issued an executive order requiring the Postal Service and other federal agencies to prepare a plan for distributing medical countermeasures following a major biological strike on a U.S. city.

"We need the capability" to provide medications quickly in the wake of a disease-based attack, because "what we know is: hours matter," said White House spokesman Nick Shapiro.

The White House declined to identify the participating cities, while the Homeland Security Department would not say whether other local governments appeared ready to join the nonmandatory initiative.

Shapiro said, though, that "many cities have expressed interest" in the effort. The District of Columbia is "looking at it," said one D.C. Health Department official.

Many cities have already established systems for providing antibiotics or vaccines at schools, health facilities or other distribution points. The White House says using postal carriers offers an effective, economical system for reaching potential victims, including senior citizens and others with potentially restricted mobility and those unable to wait for extended periods at distribution sites.

"It doesn't make any difference if we make all these new antibiotics and vaccines if we don't have ways to get them to people," says Randall Larsen of the WMD Center.

It is estimated to cost \$1 million in each city to establish the program and provide training to Postal Service employees.

Minneapolis-St. Paul in Minnesota is the only urban area in which postal workers have received training in this type of distribution. It requires employee volunteers to undergo testing to ensure they could safely use antibiotics, acquire a fitted mask and receive the necessary instruction, said Chris Wittenburg of the National Association of Letter Carriers. Distribution also requires a plan for combining delivery sectors, rapidly shutting down standard mail delivery operations, bringing in the volunteers and then deploying them with the countermeasure packages and instructions.

Roughly 60 percent of mail delivery employees in Minneapolis have agreed to help in the event of a biological crisis. They could provide drugs to 205,000 households in an eight-hour period, and officials hope to ultimately have the capacity to reach each of the 735,000 households in the Twin Cities area (Mimi Hall, USA Today, Aug. 2).

000

\* AUGUST 2, 2010, 11:06 A.M. ET

## **5. TNT Opts For Total Separation Of Mail, Express**

AMSTERDAM (Dow Jones)--Dutch postal and express group TNT NV (TNT.AE) Monday said it will split its mail and express operations into separate companies because it no longer sees compelling reasons to keep them together.

The company previously had decided to legally split the businesses and look at a partial sale or listing of the mail unit, a move that fueled speculation that the express unit could become a takeover target.

The move follows sustained pressure from investors, who had argued that more value could be gained by breaking up the company rather than building a European ...

000

## **6. Trimming government bureaucracy: It's the service, stupid**

President Barack Obama made another important step toward improving federal management this week when he froze presidential appointee bonuses and cash awards. Although he stopped short of demanding a statutory ban on these inappropriate rewards, he did acknowledge the public's outrage during a time of economic stress and Wall Street excess.

However, Obama did not go far enough. Despite a long list of recent proposals for trimming government spending and improving organizational performance, the administration's agenda is long, but still falls short of the comprehensive reform Americans want. More importantly, its most significant reforms such as eliminating duplication and overlap have not been converted into concrete proposals for achieving results.

The freeze was quickly followed up by an Office of Management and Budget celebration of this year's SAVE award entries. According to OMB, the first two weeks of the competition produced 68,000 entries and 164,000 votes from the federal employees who will pick the winner. Although the "American Idol" style contest is no doubt interesting, most of the ideas appear to involve further tinkering such as more double-sided copying, electronic payroll deposits, and more video conferencing.

The announcements also came in the wake of a new Government Accountability Office report on improper disability payments to 1,500 workers. According to the report, the 1,500 received about \$1.7 million in fraudulent payments each month over the past two years. It is an amount that far offsets the savings from the presidential appointee bonus freeze and last year's winning SAVE award.

The best news of the week came from the U.S. Postal Service. According to the Washington Post, the long-suffering government corporation announced Tuesday that it will freeze hiring and promotions for 8,000 administrative positions sprinkled throughout the agency. "This is about managing the size of the organization and making sure we match resources to workload, a senior Postal Service official said. "As the organization shrinks, it all shrinks, not just the part that delivers the mail."

The decision provoked an immediate rebuke from the National Association of Postmasters of the United States. The union argued that the freeze will move letter carriers off the front lines to fill the vacant jobs.

The question is whether the jobs need to be filled at all. The freeze will save \$120 million a year, and could improve service as the Postal Service seeks \$3.5 billion in cuts this fiscal year. Moreover, the freeze should improve the movement of

information up the chain of command. "It's an ongoing process," the senior Postal Service official said, "probably something we should be doing every day."

This statement deserves an emphatic "amen." But this kind of aggressive thinking has yet to penetrate the administration's more general view of government reform. Despite mutterings here and there within the Office of Management and Budget about the needless layering within the federal hierarchy, the administration has not advanced a proposal.

Freezes are notoriously blunt and mostly ineffective in stemming the steady "thickening" of the federal organizational chart. President Ronald Reagan made exactly no progress in pushing for flattening through his "bulge project," which flirted with a freeze. Facing inexorable pressure from supervisors-in-waiting, agencies almost always find a way around the freeze.

Vice President Al Gore made more progress by ordering all agencies to reduce the number of supervisors by a quarter. Agencies complied with the spirit of the order, but not necessarily the letter. Even as the number of managers and supervisors dropped by 40,000 on paper, many supervisors were merely reclassified into de facto supervisory posts. More importantly, the number of management layers remained virtually unchanged down through the federal hierarchy, as did the micro-management. Even if there were fewer supervisors per layers, the pass-through costs remained.

The Postal Service freeze could be easily translated into a Clinton-esque slogan: It's the service, stupid. If a job does not accelerate and improve performance, it should be cut.

Such a motto requires a deliberate implementation process, however. Instead of using a freeze as the tool for flattening, the federal government must use a more deliberative process. Every supervisory layer and job has to be evaluated. If they contribute to speed and performance, they stay. If not, they go. Either the resources go back into the agency for more front-line employees, or back to the treasury for debt relief.

Flattening the layers and harvesting the resources saved is a perfect job for deputy secretaries and administrators. They should establish the criteria for evaluating each layer, propose needed cuts, and implement permanent change. Most agencies already have the authority to do so in statute. The devil will be in the details, but Congress generally gives the benefit of the doubt to agencies on basic structure.

The place to start is at the very top where presidential appointees and civil service executives occupy one of the most byzantine hierarchies imaginable. Alongside eliminating bonuses and cash awards for appointees, the Obama administration might impose its own deep cuts in the 2,000 political officers appointed without Senate confirmation. A freeze on these appointments would not only save money, it would send the signal that the president means business about improving performance all the way to the bottom.

By Paul Light

| August 4, 2010; 11:25 AM ET | Category: Federal government leadership

000

\* AUGUST 5, 2010, 1:18 P.M. ET

## **7. Postal Service Reports \$3.5 Billion Loss**

By TESS STYNES

The U.S. Postal Service's fiscal-third-quarter loss widened to \$3.5 billion as mail volume fell 1.7% and operating expenses increased, and a potential cash crunch looms.

The Postal Service has lost money each year since 2007, while mail volume has declined 20% since then, hit by the economy's downturn and the growing use of email and online bill payment. The problem is compounded by high fixed costs for the Postal Service.

Postal Service Chief Financial Officer Joseph R. Corbett said Thursday that liquidity remains a concern because it is uncertain whether it can both meet a \$5.5 billion payment to its retiree health fund at the end of September and "retain sufficient liquidity" into the next fiscal year.

Despite cost cuts of more than \$10 billion in the past three years, the Postal Service last month proposed raising the price of a first-class stamp in what would be the seventh increase in a decade.

The Postal Service's \$3.5 billion loss for the quarter ended June 30 compares with a \$2.4 billion loss a year earlier. Its year-to-date loss widened to \$5.4 billion from \$4.7 billion.

Postmaster General John Potter said the Postal Service remains on track for cost savings of \$3 billion this year, thanks to consolidating some operations and transportation networks, realigning carriers' routes, reducing workers' hours and delaying the construction of new facilities.

Write to Tess Stynes at [tess.stynes@dowjones.com](mailto:tess.stynes@dowjones.com)

000

## **8. How do you mail a top-secret letter?**

Between the Wikileaks release of secret Afghan war documents and the publication of Top Secret America, there's been plenty of talk recently about how the government

classifies its many secrets. But what's the real difference between secret, top secret, confidential and other information? Let's take a moment to define what those mean and how they're handled.

The beauty of government is that there's a definition for everything. Here's how the security levels are described, according to "Executive Order 13526 - Classified National Security Information."

(1) "Top Secret" shall be applied to information, the unauthorized disclosure of which reasonably could be expected to cause exceptionally grave damage to the national security that the original classification authority is able to identify or describe.

(2) "Secret" shall be applied to information, the unauthorized disclosure of which reasonably could be expected to cause serious damage to the national security that the original classification authority is able to identify or describe.

(3) "Confidential" shall be applied to information, the unauthorized disclosure of which reasonably could be expected to cause damage to the national security that the original classification authority is able to identify or describe.

So, for us regular folks: Top secret means it would cause "grave" damage. Secret is considered "serious" damage. And confidential is at the low end of the scale, causing just damage to national security.

Each type of information has a specific way in which it is to be handled and transmitted, which is spelled out in the directive.

An example of how top secret information should be handled: Forget the mailbox. The language reads, "Under no circumstances will Top Secret information be transmitted via the U.S. Postal Service or any other cleared or uncleared commercial carrier."

What can be used? -- Top Secret information shall be transmitted by direct contact between authorized persons; the Defense Courier Service or an authorized government agency courier service; a designated courier or escort with Top Secret clearance; electronic means over approved communications systems.

Information that's considered secret, however, can use certain types of services offered by the U.S. Postal Service. Spelled out, Any of the methods established for Top Secret; U.S. Postal Service Express Mail and U.S. Postal Service Registered Mail, as long as the Waiver of Signature block on the U.S. Postal Service Express Mail Label shall not be completed; and cleared commercial carriers or cleared commercial messenger services.

But it cautions: "The use of street-side mail collection boxes is strictly prohibited."

And for confidential information, it "shall be transmitted by any of the methods established for Secret information or U.S. Postal Service Certified Mail."

But there' are notes of caution: "When first class mail is used, the envelope or outer wrapper shall be marked to indicate that the information is not to be forwarded, but is to be returned to sender. The use of street-side mail collection boxes is prohibited."

The document also explains the proper way to destroy classified information. "The methods and equipment used to routinely destroy classified information include burning, cross-cut shredding, wet-pulping, melting, mutilation, chemical decomposition or pulverizing."

The debate is sure to continue about top secret and secret clearances and how they're used. Have thoughts, comments about the use of top secret and secret clearances? Please share.

By Dana Hedgpeth and Jennifer Jenkins | August 3, 2010; 6:37 PM ET

000

Collected by Chairul Anwar, Bandung, Indonesia.

E-mail address : [chairulanwar49@operamail.com](mailto:chairulanwar49@operamail.com), [uyungchairul@plasa.com](mailto:uyungchairul@plasa.com).