

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 1997

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Docket No. R97-1

THE DIRECT MARKETING ASSOCIATION, INC.'S FIFTH SET OF
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS
DIRECTED TO USPS WITNESS TAYMAN
(DMA/USPS-T9-30-33)

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the Direct Marketing Association, Inc. hereby submits the attached fifth set of interrogatories and requests for production of documents to USPS witness Tayman (DMA/USPS-T9-30-33). If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,



Dana T. Ackerly II, Esq.
David L. Meyer
Michael D. Bergman
COVINGTON & BURLING
1201 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
(202) 662-5296

Counsel for the Direct Marketing
Association, Inc.

September 15, 1997

Witness Tayman (USPS-T-9)

DMA/USPS-T9-30. Please refer to page 29 of LR-H-10 where it states, "**MISCELLANEOUS HEADQUARTERS PROGRAMS** -- as described in detail in Library Reference H-12, Chapter VI, Section A, the FY 1997 changes in costs for most Headquarters programs and corporatewide activities are determined by comparing budgeted amounts by budget line numbers to actual costs by budget line numbers and account numbers. These costs are then allocated to cost segments and components." Please also refer to LR-H-10, Appendix A, Page 4, Line "Misc. HQ Programs," LR-H-10, Appendix B, Page 4, and LR-H-12, Chapter VI, Section a, Spreadsheet "Allocated."

- a. Please confirm that LR-H-12, Chapter VI, Section A, Spreadsheet Allocation compares FY 1996 and FY 1997 costs by account for all "Headquarters Administered Programs, Corporate-Wide Activities." If not confirmed, please explain.
- b. Please confirm that LR-H-12, Chapter VI, Section A does not provide a narrative explanation of the reasons why FY 1997 costs are higher than FY 1996 costs, and does not provide work papers describing how the Postal Service estimated the cost increase by budgeted line number and account.
- c. If subpart b. is confirmed, please explain fully, by budget line number, why miscellaneous HQ program were projected to increase by \$224 million between FY 1996 and FY 1997 and provide relevant workpapers.

DMA/USPS-T9-31. Please refer to page 29 of LR-H-10 where it states, "**MISCELLANEOUS HEADQUARTERS PROGRAMS** -- as described in detail in Library Reference H-12, Chapter VI, Section A, the FY 1997 changes in costs for most Headquarters programs and corporatewide activities are determined by comparing budgeted amounts by budget line numbers to actual costs by budget line numbers and account numbers. These costs are then allocated to cost segments and components." Please also refer to LR-H-10, Appendix B, Page 4, Line "Misc. HQ Programs," and LR-H-12, Chapter VI, Section a, Spreadsheet "RF Summary."

- a. Please confirm that the amount in Row "Total" and Column "Inc/(Dec) From FY 1997" on Spreadsheet "RF Summary" is \$351,180,860.
- b. Please confirm that the amount in the Row "Misc. HQ Programs" and Column "Total" of LR-H-10, Appendix B, Page 4 is \$200,000 and that all figures on this page are in thousands.
- c. Please explain why the amounts in subpart a. and subpart b. differ.
- d. Please explain which figure was included in the FY 1998 "Other Programs" adjustment for "Misc. HQ Programs."

- e. Please explain fully, by budget line number, why miscellaneous HQ programs were projected to increase by either \$200 million or \$351 million between FY 1997 and FY 1998 and provide relevant workpapers.

DMA/USPS-T9-32. Are there categories of expenses in the Total Expenses on page 1 of the Financial & Operating Statements by Accounting Period issued by the Finance Group of the United States Postal Service that are not included in the Base Year or FY 1998 costs in the roll forward? If so, please list them.

DMA/USPS-T9-33. Are there categories of costs in the Base Year or FY 1998 in the roll forward that are not included in the Total Expenses on page 1 of the Financial & Operating Statements by Accounting Period issued by the Finance Group of the United States Postal Service? If so, please list them.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with Rule 12 (section 3001.12) of the Postal Rate Commission's Rules of Practice and Procedure and Rule 3 of the Commission's Special Rules of Practice in this proceeding.


Michael D. Bergman

September 15, 1997