

UNITED STATES POSTAL SERVICE
CONGRESSIONAL BUDGET WORKPAPERS
FY 2008

**FISCAL YEAR 2008 PRESIDENT'S
BUDGET HIGHLIGHTS**

ITEM	FY 2006 ACTUAL	USPS FY 2007 ESTIMATE	OMB PROPOSED ADJ.	OMB FY 2007 ESTIMATE	USPS FY 2008 ESTIMATE	OMB PROPOSED ADJ.	OMB FY 2008 ESTIMATE
Workyears	817,540	795,412		795,412	782,304		782,304
Mail Volume (Millions of Pieces)	213,482	212,313		212,313	211,159		211,159
Mail Volume (Percent Change Over Previous Year)	0.8%	-0.5%		-0.5%	-0.5%		-0.5%
Workyears (Percent Change Over Previous Year)	-0.5%	-2.7%		-2.7%	-1.6%		-1.6%
Change in Pieces Per Workyear (Percent Change Over Previous Year)	1.3%	2.2%		2.2%	1.1%		1.1%
Total Revenues and Operating Receipt	72,817,497	75,299,326		75,299,326	78,431,227		78,431,227
Total Expenses	71,917,004	73,353,197		73,353,197	74,366,397		74,366,397
Net Income or (Loss)	900,493	1,946,129		1,946,129	4,064,830		4,064,830
Capital Commitments (\$000) Net	4,768,162	3,548,495		3,548,495	3,008,775		3,008,775
Capital Commitments (\$000) Gross	0	3,548,495		3,548,495	3,008,775		3,008,775
Capital Outlays (\$000)	2,587,100	2,235,056		2,235,056	2,829,796		2,829,796

**ACTUAL FISCAL YEAR: 2006
BUDGET HIGHLIGHTS**

**COST SEGMENT 1
Postmasters**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	31,216	31,041	(175)	-0.6%	31,102	61	0.2%
Expenses (\$000):							
Salaries and Benefits	2,174,698	2,251,441	76,743	3.5%	2,359,948	108,507	4.8%
Travel and Transportation of Persons	31,699	34,060	2,361	7.4%	34,891	831	2.4%
Transportation of Things	-	-	-	0.0%	-	-	0.0%
Benefits of Former Personnel	-	-	-	0.0%	-	-	0.0%
Total	2,206,397	2,285,501	79,104	3.6%	2,394,839	109,339	4.8%

Description:

This segment includes personnel costs that can be attributed to postmasters and district managers/postmasters. Segment 1 costs consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-accounts 101 and 102. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**COST SEGMENT 2
Professionals and Supervisors**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	52,535	50,983	(1,552)	-3.0%	49,780	(1,203)	-2.4%
Expenses (\$000):							
Salaries and Benefits	4,151,164	4,175,144	23,979	0.6%	4,231,575	56,431	1.4%
Travel and Transportation of Persons	48,201	51,790	3,589	7.4%	53,054	1,264	2.4%
Transportation of Things	-	-	-	0.0%	-	-	0.0%
Benefits of Former Personnel	-	-	-	0.0%	-	-	0.0%
Total	4,199,365	4,226,934	27,569	0.7%	4,284,629	57,695	1.4%

Description:

This segment includes personnel costs that can be attributed to supervisors and technical personnel in field installations, except those in custodial, building and equipment maintenance activities (Segment 11), motor vehicle service activities (Segment 12), and miscellaneous local operations (Segment 13). Managers of postal installations other than post offices are covered by this segment. Segment 2 costs consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-accounts 103 and 130. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**COST SEGMENT 3
Clerks and Mail Handlers CAG A-J**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	309,270	292,922	(16,348)	-5.3%	283,087	(9,835)	-3.4%
Expenses (\$000):							
Salaries and Benefits	19,334,542	19,195,522	(139,019)	-0.7%	18,989,329	(206,193)	-1.1%
Travel and Transportation of Persons	16,412	17,633	1,221	7.4%	18,063	430	2.4%
Transportation of Things	-	-	-	0.0%	-	-	0.0%
Benefits of Former Personnel	-	-	-	0.0%	-	-	0.0%
Total	19,350,954	19,213,155	(137,798)	-0.7%	19,007,392	(205,763)	-1.1%

Description:

This segment includes personnel costs that can be attributed to clerks and mail handler personnel in CAG A-J post offices, their classified stations and branches, processing and distribution centers/facilities, air mail centers, facilities, bulk mail centers, and remote encoding centers. Segment 3 costs consist of the salaries, benefits, travel and relocation recorded in general ledger sub-accounts 104 and 107. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**COST SEGMENT 4
Clerks CAG K**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	107	105	(1)	-1.2%	105	(1)	-0.7%
Expenses (\$000):							
Salaries and Benefits	5,322	5,595	273	5.1%	5,721	126	2.3%
Travel and Transportation of Persons	94	101	7	7.4%	103	2	2.4%
Transportation of Things	-	-	-	0.0%	-	-	0.0%
Benefits of Former Personnel	-	-	-	0.0%	-	-	0.0%
Total	5,415	5,695	280	5.2%	5,824	128	2.3%

Description:

This segment includes personnel costs that can be attributed to clerks in CAG K post offices. Segment 4 costs consist of the salaries, benefits, travel and relocation recorded in general ledger sub-account 105. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**COST SEGMENT 6
City Delivery Carriers**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	248,057	244,028	(4,029)	-1.6%	240,793	(3,235)	-1.3%
Expenses (\$000):							
Salaries and Benefits	16,122,601	16,561,016	438,415	2.7%	16,707,179	146,163	0.9%
Travel and Transportation of Persons	6,206	6,668	462	7.4%	6,830	163	2.4%
Transportation of Things	-	-	-	0.0%	-	-	0.0%
Benefits of Former Personnel	-	-	-	0.0%	-	-	0.0%
Total	16,128,807	16,567,684	438,877	2.7%	16,714,009	146,325	0.9%

Description:

This segment includes personnel costs that can be attributed to city delivery carriers. Segment 6 includes office activity, and segment 7 includes street activity. Segment 6 and 7 costs consist of the salaries, benefits, travel and relocation recorded in general ledger sub-account 113. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**COST SEGMENT 8
Vehicle Drivers**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	9,552	9,448	(104)	-1.1%	9,408	(40)	-0.4%
Expenses (\$000):							
Salaries and Benefits	637,086	659,719	22,633	3.6%	671,039	11,320	1.7%
Travel and Transportation of Persons	193	207	14	7.2%	212	5	2.4%
Transportation of Things	-	-	-	0.0%	-	-	0.0%
Benefits of Former Personnel	-	-	-	0.0%	-	-	0.0%
Total	637,280	659,926	22,647	3.6%	671,251	11,325	1.7%

Description:

This segment includes personnel costs that can be attributed to vehicle service drivers. Segment 8 costs consist of the salaries, benefits, travel and relocation costs recorded in general ledger sub-account 114. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**COST SEGMENT 10
Rural Carriers**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	100,303	100,790	487	0.5%	101,412	622	0.6%
Expenses (\$000):							
Salaries and Benefits	5,525,677	5,829,591	303,914	5.5%	6,000,625	171,034	2.9%
Travel and Transportation of Persons	6,448	6,928	480	7.4%	7,097	169	2.4%
Transportation of Things	485,036	511,419	26,382	5.4%	512,235	816	0.2%
Benefits of Former Personnel	-	-	-	0.0%	-	-	0.0%
Total	6,017,161	6,347,938	330,777	5.5%	6,519,957	172,019	2.7%

Description:

This segment includes personnel costs that can be attributed to rural carriers. Segment 10 costs consist of the salaries, benefits, travel and relocation costs recorded in general ledger sub-account 112. Also included are amounts recorded in account identifier codes related to the same sub-accounts. Rural carrier equipment maintenance allowance costs (52462) are included in this segment.

**COST SEGMENT 11
Building, Plant and Operating Equipment**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	46,310	45,705	(605)	-1.3%	45,841	136	0.3%
Expenses (\$000):							
Salaries and Benefits	3,161,273	3,262,847	101,573	3.2%	3,347,793	84,947	2.6%
Travel and Transportation of Persons	21,213	22,782	1,570	7.4%	23,337	555	2.4%
Transportation of Things	-	-	-	0.0%	-	-	0.0%
Benefits of Former Personnel	-	-	-	0.0%	-	-	0.0%
Other Services	97,368	101,273	3,905	4.0%	105,420	4,147	4.1%
Total	3,279,854	3,386,902	107,048	3.3%	3,476,550	89,648	2.6%

Description:

This segment includes all personnel costs, including supervision, that can be attributed to building services, postal operating, building, and plant equipment maintenance, maintenance administrative support, and repair center activities. Segment 11 costs consist of the salaries, benefits, travel and relocation recorded in general ledger sub-accounts 121, 123, 125, 127, and 153. Also included are amounts recorded in account identifier codes related to the same sub-accounts. Costs for contract cleaners (52311) are included in this segment.

**COST SEGMENT 12
Vehicle Maintenance**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	6,337	6,329	(7)	-0.1%	6,367	38	0.6%
Expenses (\$000):							
Salaries and Benefits	432,792	452,973	20,181	4.7%	466,808	13,834	3.1%
Travel and Transportation of Persons	1,500	1,611	111	7.4%	1,650	39	2.4%
Transportation of Things	15,224	15,703	479	3.1%	15,798	95	0.6%
Benefits of Former Personnel	-	-	-	0.0%	-	-	0.0%
Communication, Utilities, and Misc.	4	5	0	4.2%	5	0	3.6%
Other Services	143,389	149,260	5,871	4.1%	154,565	5,304	3.6%
Supplies and Materials	280,293	292,569	12,276	4.4%	303,547	10,977	3.8%
Inventory Adjustments	282,414	294,312	11,898	4.2%	305,003	10,691	3.6%
Total	1,155,616	1,206,434	50,817	4.4%	1,247,375	40,941	3.4%

Description:

This segment includes all personnel costs, including supervision, that can be attributed to motor vehicle maintenance services. Segment 11 costs consist of the salaries, benefits, travel and relocation recorded in general ledger sub-account 141. Also included are amounts recorded in account identifier codes related to the same sub-accounts. Costs for motor vehicle supplies, materials, maintenance, and vehicle hire are included in this segment.

ACTUAL FISCAL YEAR:

2006

**COST SEGMENT 13
Miscellaneous Field Operations**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	673	673	-	0.0%	673	-	0.0%
Expenses (\$000):							
Salaries and Benefits	194,952	191,719	(3,233)	-1.7%	196,532	4,813	2.5%
Travel and Transportation of Persons	29,648	30,978	1,330	4.5%	31,902	924	3.0%
Transportation of Things	27,878	26,301	(1,577)	-5.7%	26,862	560	2.1%
Benefits of Former Personnel	-	-	-	0.0%	-	-	0.0%
Communication, Utilities, and Misc.	6	6	-	0.0%	6	-	0.0%
Other Services	73,922	81,586	7,664	10.4%	90,222	8,636	10.6%
Supplies and Materials	149,753	155,370	5,617	3.8%	157,965	2,595	1.7%
Total	476,160	485,960	9,801	2.1%	503,488	17,528	3.6%

Description:

This segment includes personnel costs that can be attributed to the Mail Equipment Shops, the facility field offices, and the purchasing field service centers. Segment 13 costs consist of the salaries, benefits, travel and relocation costs recorded in general ledger sub-accounts 142, 146, and 148. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

ACTUAL FISCAL YEAR:

2006

**COST SEGMENT 14
Transportation**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	-	-	-	0.0%	-	-	0.0%
Expenses (\$000):							
Transportation of Things	6,044,707	6,529,782	485,075	8.0%	6,440,045	(89,737)	-1.4%
Total	6,044,707	6,529,782	485,075	8.0%	6,440,045	(89,737)	-1.4%

Description:

This segment includes the cost of non-Postal Service contractual resources used to transport domestic mail between Postal Service facilities within the United States of America. Air, highway, rail, and water transportation modes are included. (The cost of Postal Services used to transport mail, which include Vehicle Service Drivers and Postal Service owned vehicles, are included in Cost Segment 8.) This segment also includes the costs of transporting international mail between the United States and foreign countries, and the impact on international mail transportation of fluctuations in the international currency conversion exchange rates, known as Special Drawing Rights, or SDR's. The cost of overseas military and official U. S. Government mail and an exactly offsetting reimbursement from the U. S. Government is also included in this segment.

**COST SEGMENT 15
Building Occupancy**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	-	-	-	0.0%	-	-	0.0%
Expenses (\$000):							
Transportation of Things	2,074	1,952	(122)	-5.9%	1,993	41	2.1%
Rental Payments to GSA	48,862	50,793	1,931	4.0%	52,713	1,921	3.8%
Rental Payments to Others	1,000,310	1,039,839	39,529	4.0%	1,079,161	39,321	3.8%
Communications, Utilities, and Misc	778,262	832,480	54,218	7.0%	866,559	34,079	4.1%
Other Services	261,137	241,735	(19,402)	-7.4%	247,621	5,885	2.4%
Equipment	-	-	-	0.0%	-	-	0.0%
Capitalized Leases	(93,697)	(97,400)	(3,703)	4.0%	(101,083)	(3,683)	3.8%
Total	1,996,947	2,069,400	72,452	3.6%	2,146,964	77,564	3.7%

Description:

This segment includes the non-capital related non-personnel costs of occupying and maintaining Postal Service owned and rented facilities. These costs include rent, heating fuel, building repairs and alterations, and utilities, such as gas, electricity, water, and voice telephone.

ACTUAL FISCAL YEAR:

2006

**COST SEGMENT 16
Supplies and Services**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	222	222	-	0.0%	222	-	0.0%
Expenses (\$000):							
Salaries and Benefits	16,935	17,621	685	4.0%	18,108	487	2.8%
Travel and Transportation of Persons	264	284	20	7.4%	291	7	2.4%
Transportation of Things	422	404	(17)	-4.1%	402	(2)	-0.6%
Benefits of Former Personnel	-	-	-	0.0%	-	-	0.0%
Communications, Utilities and Misc.	154,898	160,541	5,643	3.6%	164,986	4,445	2.8%
Printing and Reproduction	121,284	74,936	(46,347)	-38.2%	73,218	(1,718)	-2.3%
Other Services	1,531,026	1,532,837	1,810	0.1%	1,550,400	17,563	1.1%
Supplies and Materials	881,501	855,651	(25,850)	-2.9%	866,191	10,540	1.2%
Equipment	2,135	1,542	(593)	-27.8%	1,568	26	1.7%
Inventory Adjustments	187,085	139,551	(47,534)	-25.4%	140,837	1,287	0.9%
Total	2,895,551	2,783,367	(112,184)	-3.9%	2,816,001	32,634	1.2%

Description:

This segment includes the non-personnel cost of supplies and spare parts, and the personnel cost of employees at Material Distribution Centers who purchase and maintain inventories of postal supplies and spare parts, and then distribute them to postal installations. Also included is the cost of printing and reproduction, including postage stock and other accountable paper, and the cost of contractual and other services, except those related to the transportation of mail which are included in Cost Segment 14, and those related to Headquarters Administration which are included in Cost Segment 18.

ACTUAL FISCAL YEAR:

2006

**COST SEGMENT 17
Research and Development**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	-	-	-	0.0%	-	-	0.0%
Expenses (\$000):							
Other Services	41,093	37,311	(3,782)	-9.2%	38,136	825	2.2%
Total	41,093	37,311	(3,782)	-9.2%	38,136	825	2.2%

Description:

This segment includes the costs of contractual services related to Research and Development (R&D) initiatives on new technologies and equipment which primarily include efforts to improve mail processing technology, construction engineering, and field industrial engineering. Personnel costs for Postal Service employees engaged in R&D activities are described in Segment 18.

COST SEGMENT 18
Administration and Area Operations

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	12,917	13,124	207	1.6%	13,472	348	2.7%
Expenses (\$000):							
Salaries and Benefits	2,805,668	2,692,716	(112,952)	-4.0%	2,873,562	180,846	6.7%
Travel and Transportation of Persons	55,225	59,339	4,114	7.4%	60,787	1,448	2.4%
Transportation of Things	-	-	-	0.0%	-	-	0.0%
Benefits of Former Personnel	1,735,259	1,909,425	174,166	10.0%	2,125,930	216,505	11.3%
Communications, Utilities and Misc.	0	0	0	3.7%	0	0	2.9%
Printing and Reproduction	1,952	1,838	(114)	-5.9%	1,876	38	2.1%
Other Services	296,924	293,685	(3,239)	-1.1%	297,459	3,774	1.3%
Supplies and Materials	(984)	(990)	(6)	0.6%	(986)	3	-0.4%
Equipment	27	28	1	3.4%	28	0	1.7%
Total	4,894,072	4,956,041	61,969	1.3%	5,358,657	402,616	8.1%

Description:

This segment includes the personnel cost of employees at Headquarters, Headquarters related Field Service Units, and Area offices. Non-personnel costs specifically related to Headquarters or Area Administration, and miscellaneous support costs and contingencies which are corporatewide in nature are also included. Other costs included are awards and lump sum payments made to employees whose personnel costs are included in Segments 15, 16, 17, and 19, and corporatewide personnel costs which are not allocated by employee category. Only those awards and lump sum payments which relate to individual performance or some other circumstance unique to an individual are included in Segment 18. Awards and lump sum payments that are made to all or most employees in an employee category are included with the personnel cost of that employee category. Corporatewide personnel costs include workers' compensation, unemployment compensation, CSRS undunded liabilities, CSRS annuitant COLAs, annuitant health benefits, annuitant life insurance, repricing of annual leave, annuity protection program, and health benefits for employees on workers' compensation.

ACTUAL FISCAL YEAR:

2006

**COST SEGMENT 19
Support Services**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	42	42	-	0.0%	42	-	0.0%
Expenses (\$000):							
Salaries and Benefits	4,380	4,486	106	2.4%	4,628	142	3.2%
Travel and Transportation of Persons	554	595	41	7.4%	609	15	2.4%
Transportation of Things	-	-	-	0.0%	-	-	0.0%
Benefits of Former Personnel	-	-	-	0.0%	-	-	0.0%
Other Services	45,877	49,091	3,214	7.0%	50,263	1,172	2.4%
Supplies and Materials	896	959	63	7.1%	982	23	2.4%
Total	51,706	55,131	3,424	6.6%	56,482	1,352	2.5%

Description:

This segment includes the non-personnel cost of equipment maintenance training supplies and services, and the personnel cost of employees at the Maintenance Technical Support Center.

ACTUAL FISCAL YEAR:

2006

**COST SEGMENT 20
Depreciation and Servicewide**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	-	-	-	0.0%	-	-	0.0%
Expenses (\$000):							
Other Services	4,765	5,346	582	12.2%	5,459	113	2.1%
Supplies and Materials	(250)	(137)	112	-45.0%	(132)	5	-3.7%
Equipment	-	-	-	0.0%	-	-	0.0%
Insurance Claims and Indemnities	89,241	89,321	80	0.1%	91,189	1,868	2.1%
Interest	235,025	246,528	11,503	4.9%	244,180	(2,348)	-1.0%
Land and Structures	-	-	-	0.0%	-	-	0.0%
Depreciation	2,207,136	2,194,978	(12,157)	-0.6%	2,344,102	149,124	6.8%
Total	2,535,917	2,536,036	119	0.0%	2,684,798	148,762	5.9%

Description:

This segment includes the cost of capital plant and equipment which consists of depreciation, amortization, and interest on debt. All Postal Service debt currently outstanding was incurred for the acquisition of capital. Also included in Segment 20 are claims, losses, and other non-capital amounts written off. Interest on retirement liabilities is reflected in Segment 20 so that all interest is included together in the same segment.

ACTUAL FISCAL YEAR:

2006

**COST SEGMENT 21
Capital Investments**

	Actual FY 2006	Estimate FY 2007	Change Amount FY 2007	Percent FY 2007	Estimate FY 2008	Change Amount FY 2008	Percent FY 2008
Resources:							
Positions							
Workyears	-	-	-	0.0%	-	-	0.0%
Expenses (\$000):							
Construction	458,540	709,006	250,466	54.6%	655,500	(53,506)	-7.5%
Building Improvements	1,131,401	579,092	(552,309)	-48.8%	558,787	(20,305)	-3.5%
Mail Processing Equipment	1,814,563	1,552,406	(262,157)	-14.4%	1,220,292	(332,114)	-21.4%
Vehicles	258,154	230,000	(28,154)	-10.9%	221,489	(8,511)	-3.7%
Retail Equipment	896	65,300	64,404	7187.5%	657	(64,643)	-99.0%
Postal Support Equipment	1,104,607	412,691	(691,916)	-62.6%	352,050	(60,641)	-14.7%
Total	4,768,162	3,548,495	(1,219,667)	-25.6%	3,008,775	(539,720)	-15.2%

Continued:

COST SEGMENT 21 Capital Investments

Descriptions:

Construction and Building Improvements

This category includes funds for acquisition of sites, design and construction of new postal owned buildings, purchase of existing facilities, and improvement to existing leased and owned post office buildings.

Mail Processing Equipment:

The funds planned in this program are for the purchase of fixed mechanization, non-fixed mechanization and other mail handling equipment. Fixed mechanization is custom made to meet the requirements for a particular mail handling operation or a specific building. Non-fixed mechanization consists of automated modules of equipment such as optical character readers, bar code sorters, expanded zip retrofit kits, etc. This program is directed toward reducing costs in mail processing operations.

Vehicles:

The vehicle program consists of four vehicle requirement categories: carrier motorization, bulk transfer vehicles for delivery and intra/inter transport of the mails, law enforcement vehicles for postal inspector surveillance, and other maintenance of vehicles and buildings.

Customer Service Equipment:

This equipment supports post office lobby, window, and self-service programs. The Postal Service's objective is to render new and improved services to postal customers in the retail areas of post offices.

Posta Support Equipment:

Support equipment consists of such items as office machines and furniture, maintenance equipment, and automatic data processing equipment.