

The Department also makes a special effort to hire physically handicapped employees. More than 14,000 have been appointed since 1962. More than 1,000 mentally retarded have been appointed since 1963. We have 158 deaf mutes and 207 blind employees.

H. GAO Audit Reports

70. Has the General Accounting Office issued any audit reports on the overall operations of your agency, that is, reports not directed at a functional program of the agency, but rather at the management and administration of the agency?

Potential economies and improvements in service through modernization of the Postal Field Service (B-114874), December 7, 1967.

71. If so, to what extent have the recommendations contained in these reports been carried out?

To our knowledge, the Congress has taken no action on the first three recommendations. Mail-processing operations for outgoing and transit mails had already been consolidated in sectional center and other centralized facilities to the degree permitted by the space in existing facilities before receipt of GAO's report. We are about to centralize in 75 post offices the processing of all personnel paperwork involved in the appointment, promotion, transfer, and separation of employees. The degree to which we can actually centralize administrative and financial functions in post offices will depend upon the capability of our facilities and the service and administrative requirements in each area.

We do not agree that we should eliminate the name of a city or community from the postmark.

Our policy for discontinuing and converting independent offices was worked out with the House Post Office and Civil Service Committee. We do not plan to change it unless it be the will of the Congress. Between June 30, 1960, and June 30, 1967, we have reduced the number of offices by 44,062—from 76,688 to 32,626.

A. Program Category I—Direct Services to Mailers

1. What is the nature of and authority for this program?

This category was established on guidelines published in Bureau of the Budget Circular 68-9. The authority to perform the service is included in title 39, United States Code.

2. Who is the person primarily in charge of this program at the operative level (name and title)?

William M. McMillan, Assistant Postmaster General, Bureau of Operations, is responsible for the overall management of this program category.

3. How much money and capital equipment is available under this program for fiscal 1968?

For fiscal year 1968, we have allocated for this program \$1,356,530,000 out of the operations appropriation. The capital equipment supporting this program is included in the logistical postal support category.

4. Would you describe the output generated by this program?

The output of this program is providing the various types of direct services to mailers to the 200 million Americans, including sale of postage, providing of special services, collection, and acceptance of mail.

5. Can you quantify this output in any way?

The outputs are quantifiable by number of window hours, the number of pickups in collection service, and volume of mail.

6. Would you describe the principal operations that are involved in producing this output?

The principal operations that are involved in producing this output are:

- (a) Number of collections made by carriers.
- (b) Number of window hours of service available to patrons.
- (c) Volume of mail processed in small first-class post offices and all second-, third-, and fourth-class post offices.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

There are approximately 144,000 clerical employees, 5,000 supervisory employees, 6,000 city delivery employees, and 31,000 postmasters.

8. What is the grade structure and how many supergrades—quota and non-quota—are involved?

The clerk, carriers, and mail handlers are predominantly in PFS levels 4, 5, 6. The supervisors are predominantly in PFS levels 8, 9, 10. Postmasters are predominantly in PFS levels 6, 7, 8, 9, and 10.