99.0	Reimbursable obligations	120		
99.9	Total new obligations	481	679	660

POSTAL SERVICE

Federal Funds

Payment to the Postal Service Fund

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code, ⟦$70,751,000⟧ *$70,371,000*, which shall not be available for obligation until October 1, ⟦2014⟧ *2015*: *Provided*, That mail for overseas voting and mail for the blind shall continue to be free: ⟦*Provided further*, That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level:⟧ *Provided further*, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further*, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices ⟦in fiscal year 2014⟧. *(Financial Services and General Government Appropriations Act, 2014.)*

Program and Financing (in millions of dollars)

Identification code 18–1001–0–1–372		2013 actual	2014 est.	2015 est.
	Obligations by program activity:			
0004	Advance Appropriation from the previous year	74	78	71
0900	Total new obligations (object class 41.0)	74	78	71
	Budgetary Resources:			
	Budget authority:			
	Appropriations, discretionary:			
	Advance appropriations, discretionary:			
1170	Advance appropriation	78	78	71
1173	Advance appropriations permanently reduced	–4		
1180	Advanced appropriation, discretionary (total)	74	78	71
1930	Total budgetary resources available	74	78	71
	Change in obligated balance:			
	Unpaid obligations:			
3010	Obligations incurred, unexpired accounts	74	78	71
3020	Outlays (gross)	–74	–78	–71
	Budget authority and outlays, net:			
	Discretionary:			
4000	Budget authority, gross	74	78	71
	Outlays, gross:			
4010	Outlays from new discretionary authority	74	78	71
4180	Budget authority, net (total)	74	78	71
4190	Outlays, net (total)	74	78	71

The Budget reflects $70,751,000 for Payment to the Postal Service Fund in 2015. This amount represents an advance appropriation for the estimated 2014 costs and the 2011 reconciliation adjustment for free mail service for the blind and overseas voting. These resources were made available to the U.S. Postal Service in 2014 (pursuant to P.L. 113–76, the Consolidated Appropriations Act, 2014). In addition, the Budget proposes $70,371,000 as an advance appropriation for 2016 for the estimated 2015 costs of free mail service for the blind and overseas voting.

Pursuant to Public Law 93–328, the 2015 appropriation request of the U.S. Postal Service for Payment to the Postal Service Fund is $29,342,000. This amount includes $49,519,000 requested for the estimated 2015 costs of free mail service for the blind and overseas voting, and -$20,177,000 as reconciliation adjustment for 2012 actual mail volume of free mail service for the blind and overseas voting.

Postal Service Fund

Program and Financing (in millions of dollars)

Identification code 18–4020–0–3–372		2013 actual	2014 est.	2015 est.
	Obligations by program activity:			
0801	Postal field operations	46,769	45,525	45,378
0802	Transportation	6,735	6,743	6,999
0803	Building occupancy	1,866	1,899	1,919
0804	Supplies and services	2,431	2,625	2,542
0805	Research and development	21	22	23
0806	Administration and area operations	11,687	21,394	19,247
0807	Interest	192	185	201
0808	Servicewide expenses	109	109	110
0809	Reimbursable program activities, subtotal	69,810	78,502	76,419
0810	Capital Investment	754	1,200	1,842
0811	Change in resources on order and inventory	349		
0819	Reimbursable program activities, subtotal	1,103	1,200	1,842
0900	Total new obligations	70,913	79,702	78,261
	Budgetary Resources:			
	Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1		2,104	
	Budget authority:			
	Spending authority from offsetting collections, discretionary:			
1700	Collected			255
1710	Transferred to other accounts [18–0100]			–241
1710	Transferred to other accounts [18–0200]			–14
	Spending authority from offsetting collections, mandatory:			
1800	Collected	73,272	68,017	67,366
1810	Spending authority from offsetting collections transferred to other accounts [18–0100]	–241		
1810	Spending authority from offsetting collections transferred to other accounts [18–0200]	–14		
1850	Spending auth from offsetting collections, mand (total)	73,017	68,017	67,366
1900	Budget authority (total)	73,017	68,017	67,366
1930	Total budgetary resources available	73,017	70,121	67,366
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	2,104		
	Change in obligated balance:			
	Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1	191		8,499
3010	Obligations incurred, unexpired accounts	70,913	79,702	78,261
3020	Outlays (gross)	–71,104	–71,203	–71,463
3050	Unpaid obligations, end of year		8,499	15,297
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year	191		8,499
3200	Obligated balance, end of year		8,499	15,297
	Budget authority and outlays, net:			
	Mandatory:			
4090	Budget authority, gross	73,017	68,017	67,366
	Outlays, gross:			
4100	Outlays from new mandatory authority	70,913	71,203	71,463
4101	Outlays from mandatory balances	191		
4110	Outlays, gross (total)	71,104	71,203	71,463
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4120	Federal sources	–843	–841	–829
4123	Non-Federal sources	–72,429	–67,176	–66,792
4130	Offsets against gross budget authority and outlays (total)	–73,272	–68,017	–67,621
4160	Budget authority, net (mandatory)	–255		–255
4170	Outlays, net (mandatory)	–2,168	3,186	3,842
4180	Budget authority, net (total)	–255		–255
4190	Outlays, net (total)	–2,168	3,186	3,842
	Memorandum (non-add) entries:			
5000	Total investments, SOY: Federal securities: Par value	2,590	2,860	2,860
5001	Total investments, EOY: Federal securities: Par value	2,860	2,860	2,860
	Unfunded deficiencies:			
7000	Unfunded deficiency, start of year			–9,581

POSTAL SERVICE FUND—Continued

Program and Financing—Continued

Identification code 18–4020–0–3–372	2013 actual	2014 est.	2015 est.
Change in deficiency during the year:			
7010 New deficiency		–9,581	–10,895
7020 Unfunded deficiency, end of year		–9,581	–20,476

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority	–255		–255
Outlays	–2,168	3,186	3,842
Amounts included in the adjusted baseline:			
Outlays		–5,700	
Legislative proposal, subject to PAYGO:			
Outlays		–1,693	–5,058
Total:			
Budget Authority	–255		–255
Outlays	–2,168	–4,207	–1,216

The Postal Reorganization Act of 1970, Public Law 91–375, converted the Post Office Department into the U.S. Postal Service (USPS), an independent establishment within the executive branch. The Postal Service commenced operations July 1, 1971. This agency is charged with providing patrons with reliable mail service at reasonable rates and fees.

The U.S. Postal Service is governed by an 11-member Board of Governors, including nine Governors appointed by the President, a Postmaster General who is selected by the Governors, and a Deputy Postmaster General who is selected by the Governors and the Postmaster General.

Effective in 1986, the Postal Service Fund (Fund) was included in the congressional and executive budget process and taken into account in making calculations under the Balanced Budget and Emergency Deficit Control Act of 1985 (Gramm-Rudman-Hollings). The Omnibus Budget Reconciliation Act of 1989 amended title 39 of the U.S. Code by adding a new section, 2009a, which provides that, beginning in 1990, the receipts and disbursements of the Fund shall not be considered as part of the congressional and executive budget process and shall not be taken into account in making calculations under Gramm-Rudman-Hollings.

Programs.—Included are all postal activities providing window services; processing, delivery, and transportation of mail; research and development; administration of postal field activities; and associated expenses of providing facilities and equipment.

The Postal Accountability and Enhancement Act (P.L. 109–435), was signed by the President on December 20, 2006. The Act made a number of changes affecting the operations and oversight of the Postal Service. The Act provided for separate accounting and reporting for Postal Service activities related to: (1) products where the Postal Service dominates the market; and (2) products where the Postal Service is in a competitive market. The Act amended the process for determining rate increases for market-dominant products, in part by imposing a limitation on rate increases for at least the next 10 years linked to the Consumer Price Index for All Urban Consumers (CPI-U). This was intended to provide the Postal Service with pricing flexibility and ratepayers with a degree of rate predictability. The Act also replaced the Postal Rate Commission with a Postal Regulatory Commission with expanded authorities, including subpoena powers.

Financing.—The activities of the U.S. Postal Service are financed from the following sources: (1) mail and services revenue; (2) reimbursements from Federal and non-Federal sources; (3) proceeds from borrowing; (4) interest from U.S. securities and other investments; and (5) appropriations by the Congress. All receipts and deposits are made to the Postal Service Fund and are available without fiscal year limitation for payment of all expenses incurred, retirement of obligations, investment in capital assets, and investment in obligations and securities.

Separate legislation also increased the Postal Service's statutory borrowing authority beginning in 1991. Section 2005 of title 39, United States Code, as amended, increased the Postal Service's borrowing authority by $2.5 billion in 1991 for a revised ceiling of $12.5 billion and an additional $2.5 billion in 1992 for a revised total ceiling of $15 billion. The total annual increase in net outstanding debt was also increased to annually grow by up to $2.0 billion in obligations issued for the purpose of capital improvements and by $1.0 billion for the purpose of paying operating expenses. P.L. 109–435 removed the separate limitations on borrowing for capital improvements and operating expenses so that under the $15 billion debt cap, the annual increase in outstanding debt cannot now exceed a combined total of $3.0 billion. As of September 30, 2013, the total debt instruments issued and outstanding pursuant to this authority amounts to the full $15 billion.

Operating.—According to USPS estimates, revenue will total approximately $67 billion in 2015. Total expenses are estimated at approximately $71 billion in 2015.

The Postal Reorganization Act of 1970 established the Postal Service as a self-sufficient, independent entity. Postal revenues were to cover the full costs of postal operations. When the Act was passed, the Postal Service received substantial taxpayer subsidies, both appropriated and unappropriated. Consistent with the intent of the 1970 Act, the Congress has taken steps over time to reduce these subsidies, particularly by requiring the Postal Service to assume greater portions of its personnel-related costs. Since 1982 the Postal Service had not received any appropriations for general mail delivery as a public service. At the end of 2013, the Postal Service employed 491,000 persons (down from 623,000 at the end of 2009). Under the 1974 Civil Service Retirement Fund Postal Employee Benefits Act, the Postal Service assumed responsibility for paying unfunded retirement costs from wage schedule increases under Postal labor contracts that are not covered by normal employee/employer contributions to the retirement fund. The 1985 Reconciliation Act shifted responsibility for paying health benefit costs of Postal annuitants retiring after 1986 from the Office of Personnel Management (OPM) to the Postal Service. The 1987 Reconciliation Act had the Postal Service make one-time payments to defray annuitant health benefit costs in 1988 and 1989, and retirement COLA costs in 1988. (Retirement COLAs, like wage schedule increases, result in retirement liabilities not covered by normal retirement fund contributions.) Under the 1989 Reconciliation Act, the Postal Service assumed responsibility for paying health benefits of survivors of post-86 annuitants and unfunded retirement COLA liabilities for post-86 annuitants.

The Omnibus Budget Reconciliation Act of 1990 superseded certain existing legislation and expanded the Postal Service's responsibility for benefit costs of Postal annuitants. Effective October 1, 1990, the Postal Service was required to fund Civil Service Retirement System (CSRS) COLAs and the employer's share of Federal Employees Health Benefits Program (FEHBP) premiums for Postal annuitants who retired after June 30, 1971, and their survivors. In addition, the Postal Service was required to fund the retroactive CSRS COLA and FEHBP premium costs for which the Postal Service would have been liable if the provisions of this new legislation had been in effect as of July 1, 1971.

Under the Omnibus Reconciliation Act of 1993, the Postal Service was required to make certain payments for past COLAs and health benefits, over and above any other payments required by law. This amounted to $693 million to the Civil Service Retirement and Disability Fund, and $348 million to the Employees Health Benefits Fund. These two amounts were made in three equal annual installments, beginning in fiscal year 1996.

The Balanced Budget Act of 1997 repealed the authorization for transitional appropriations to the Postal Service which had funded the liabilities of the former Post Office Department to the Employees' Compensation Fund. Effective October 1, 1997, these remaining claims became liabilities of the Postal Service payable out of the Postal Service Fund.

Early in 2003, OPM determined that, at the then-current rate of funding, the Postal Service would pay substantially more than needed to fund the estimated future benefits of postal employees and retirees participating in the Civil Service Retirement System. This projected over-funding resulted from interest earned by the fund in excess of the assumed statutory rate of five percent. As a result, the Administration proposed and the Congress passed CSRS reform legislation that was enacted on April 23, 2003 (P.L. 108–18). The provisions of P.L. 108–18 eliminated all future retirement liability payments related to general wage increases and the retirement COLA payments, and the Postal Service became responsible for the Civil Service retirement obligations related to military service of Postal Service employees. In addition, the Postal Service funded CSRS retirement benefits at 17.4 percent of current CSRS employees' wages, beginning in May 2003. This was a dynamic funding requirement, not a static requirement, thus employer contributions could change based on interest earnings and amounts that are needed to fund the full cost of the future benefit. Annually, OPM was directed to calculate the amount of any potential supplemental retirement liability and the Postal Service was required to fund any such liability in annual payments through a 40-year amortization schedule.

P.L. 109–435 created the Postal Service Retiree Health Benefits (RHB) Fund to put the Postal Service on a path that fully funds its substantial retiree (annuitant) health benefits liabilities. This new Fund receives from the Postal Service: 1) The pension savings provided to the Postal Service by the Postal Civil Service Retirement System Funding Reform Act of 2003 (P.L. 108–18) that were held in escrow during 2006; 2) A 10-year stream of payments defined within P.L 109–435 to begin the liquidation of the Postal Service's unfunded liability for post-retirement health benefits; 3) Beginning in 2017, payments for the actuarial cost of Postal Service contributions for the post-retirement health benefits for its current employees; 4) Beginning in 2017, a 40-year amortization payment to fund any remaining unfunded liabilities associated with post-retirement health benefits of USPS employees; and 5) The surplus resources of the Civil Service Retirement and Disability Fund that are not needed to finance future retirement benefits under CSRS to current or former employees of the Postal Service that are attributable to civilian employment with the Postal Service, including the savings from shifting the responsibility for retirement credit related to military service from the Postal Service to the Treasury (effectively eliminating the need for the dynamic CSRS funding payments and supplemental liability payments noted in the previous paragraph). As a result, beginning in 2017, the Postal Service will no longer pay annual premiums for its post-1971 annuitants. Instead, these premium payments will be paid from the Postal Service Retiree Health Benefit Fund. Payments for the portion of the premium costs of Postal Service annuitants pre-1971 service will continue to be paid by the General Fund of the Treasury through the Government Payment for Annuitants, Employees Health Benefits account.

Section 164 of Division B of P.L. 111–68, the Continuing Appropriations Resolution, 2010, reduced the 2009 amount USPS was required to contribute toward the liquidation of its post-retirement health benefits liability (item 2 in the preceding paragraph) from $5.4 billion to $1.4 billion. This reduction had the effect of increasing the size of 40-year amortization payment for the remaining unfunded liability that USPS is required to make starting in 2017 (item 4 in the preceding paragraph).

Section 623 of Division C of P.L. 112–74, the Consolidated Appropriations Act, 2012, amended Title 5, United States Code by striking the date specified in Sec. 8909a(d)(3)(A)(v) of September 30, 2011 and inserting August 1, 2012 for the scheduled payment of $5.5 billion to the Postal Service Retiree Health Benefit (RHB) Fund. However, the Postal Service was unable to make any payments on its $11.1 billion in scheduled RHB payments due in 2012, or its $5.6 billion payment due in 2013.

In its 2013 annual financial report (Form 10-K), the USPS states that, absent changes to its financial forecast from legislative action, it will likely default on a $5.7 billion RHB prefunding payment due September 30, 2014. As such, the Budget includes two baselines to address this. The baseline required under Section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended, reflects the 2014 RHB payment being made as required under current law. An adjusted baseline, which appears in the Budget, reflects adjustments to the BBEDCA baseline to account for the more realistic assumption that the USPS will not make its 2014 payment, as it has indicated in writing.

Statement of Annual Operations (estimates per USPS and on an accrual accounting basis)

	2012 actual	2013 actual	2014 estimate
Revenue	65,248	67,342	68,017
Expense	–81,154	–72,319	–71,203
Net income or loss from operations (-)	(15,906)	(4,977)	(3,186)

Object Classification (in millions of dollars)

Identification code 18–4020–0–3–372		2013 actual	2014 est.	2015 est.
	Reimbursable obligations:			
	Personnel compensation:			
11.1	Full-time permanent	26,325	25,478	25,172
11.3	Other than full-time permanent	4,626	4,530	4,498
11.5	Other personnel compensation	4,614	4,471	4,437
11.9	Total personnel compensation	35,565	34,479	34,107
12.1	Civilian personnel benefits	17,641	26,580	24,481
13.0	Benefits for former personnel	3,293	3,172	3,315
21.0	Travel and transportation of persons	110	117	117
22.0	Transportation of things	7,354	7,360	7,623
23.1	Rental payments to GSA	119	38	39
23.2	Rental payments to others	988	1,010	1,029
23.3	Communications, utilities, and miscellaneous charges	788	794	794
24.0	Printing and reproduction	61	49	48
25.2	Other services from non-Federal sources	2,411	3,158	3,099
26.0	Supplies and materials	1,534	1,457	1,460
31.0	Equipment	388	851	1,257
32.0	Land and structures	367	350	587
42.0	Insurance claims and indemnities	102	102	104
43.0	Interest and dividends	192	185	201
99.9	Total new obligations	70,913	79,702	78,261

POSTAL SERVICE FUND—Continued

Employment Summary

Identification code 18–4020–0–3–372	2013 actual	2014 est.	2015 est.
2001 Reimbursable civilian full-time equivalent employment	574,669	560,457	558,057

POSTAL SERVICE FUND

(Amounts included in the adjusted baseline)

Program and Financing (in millions of dollars)

Identification code 18–4020–7–3–372	2013 actual	2014 est.	2015 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1			5,700
3020 Outlays (gross)		5,700	
3050 Unpaid obligations, end of year		5,700	5,700
Memorandum (non-add) entries:			
3100 Obligated balance, start of year			5,700
3200 Obligated balance, end of year		5,700	5,700
Budget authority and outlays, net:			
Mandatory:			
Outlays, gross:			
4100 Outlays from new mandatory authority		–5,700	
4190 Outlays, net (total)		–5,700	

This account reflects adjustments to the baseline to reflect the realistic assumption that the United States Postal Service will not make its statutory $5.7 billion payment to prefund retiree health benefits, which is due to the Office of Personnel Management's Postal Service Retiree Health Benefits Fund by September 30, 2014.

POSTAL SERVICE FUND

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 18–4020–4–3–372	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0801 Postal field operations		–2,500	–2,500
0806 Administration and area operations		861	5,861
0809 Reimbursable program activities, subtotal		–1,639	3,361
0900 Total new obligations (object class 12.1)		–1,639	3,361
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1			1,644
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected		5	10
1850 Spending auth from offsetting collections, mand (total)		5	10
1930 Total budgetary resources available		5	1,654
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year		1,644	–1,707
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1			49
3010 Obligations incurred, unexpired accounts		–1,639	3,361
3020 Outlays (gross)		1,688	5,048
3050 Unpaid obligations, end of year		49	8,458
Memorandum (non-add) entries:			
3100 Obligated balance, start of year			49
3200 Obligated balance, end of year		49	8,458
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross		5	10
Outlays, gross:			
4100 Outlays from new mandatory authority		–1,688	–5,048
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources		–5	–10
4190 Outlays, net (total)		–1,693	–5,058

The Administration recognizes the enormous value of the United States Postal Service (USPS) to the Nation's commerce and communications, as well as the need for reform to ensure the future viability of USPS. Therefore, the Budget proposes specific authorities to improve USPS efficiency and net revenue, along with financial relief measures, grounded in principles of fiscal responsibility as well as sound financial management. The Administration will work with the Congress and postal stakeholders to secure the necessary reforms.

The Budget proposes to return to USPS the surplus amounts it has paid into its Office of Personnel Management (OPM) account for its share of Federal Employee Retirement System costs, and require that OPM calculate these costs using factors specific to the demographics of the Postal Service workforce. OPM has not yet calculated this estimate using Postal-specific demographic assumptions, and indicates that doing so will take approximately six months following enactment. The Budget reflects an estimate of this surplus of $5 billion, which is proposed to be paid to USPS over a period of two years; this amount is generally based off an estimate provided by the Postal Service Office of Inspector General in December 2012 using Postal-specific factors (including investment returns, salary growth rates, cost of living adjustments granted to Postal retirees, and Postal Service demographic trends).

The Budget also proposes to restructure USPS retiree health benefits payments that are currently specified in the Postal Accountability and Enhancement Act of 2006. This change would still prudently pre-fund retiree health liabilities, but on an accruing cost basis rather than the amounts fixed through 2016 in current law. This restructuring, which includes deferring the 2014 payment as well as half the fixed payments due in 2015 and 2016, combined with a shift to 'normal cost' RHB funding beginning in 2014 rather than 2017 as in current law, would provide USPS with more than $9 billion in financial relief through 2016. The Budget also proposes to codify the missed RHB payments in 2012 (totaling $11.1 billion) and 2013 ($5.6 billion); although these amounts are ultimately incorporated in the 40-year amortization schedule starting in 2017, they remain as outstanding liabilities on the Postal Service financial statement in each year. See the Office of Personnel Management section of this Appendix for more information on these aspects of the proposal.

In addition, the Budget proposes operational reforms to reduce Postal costs and improve its revenue, including: 1) reducing USPS operating costs by giving USPS authority to reduce mail delivery frequency from six days to five days, starting upon enactment; 2) allowing USPS to leverage its resources by increasing collaboration with State and local governments; 3) allowing the Postal Service to begin shifting to centralized and curbside delivery where appropriate and codify its current administrative plan to avoid small and rural post office closures, and 4) permanently extending the Postal Regulatory Commission's December 2013 'exigent' postage rate increase beyond two years.

Together, these reforms would set USPS on a sustainable business path, providing it with over $20 billion in cash relief, operational savings and revenue through 2016, and yield an estimated PAYGO savings of $38 billion over 11 years.

Object Classification (in millions of dollars)

Identification code 18–4020–4–3–372		2013 actual	2014 est.	2015 est.
	Reimbursable obligations:			
12.1	Civilian personnel benefits		–1,639	3,361
99.0	Reimbursable obligations		–1,639	3,361

UNSPECIFIED ADJUSTMENTS TO OPERATIONS

Program and Financing (in millions of dollars)

Identification code 18–9017–0–1–372		2013 actual	2014 est.	2015 est.
	Change in obligated balance:			
	Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1			3,186
3020	Outlays (gross)		3,186	4,097
3050	Unpaid obligations, end of year		3,186	7,283
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year			3,186
3200	Obligated balance, end of year		3,186	7,283
	Budget authority and outlays, net:			
	Mandatory:			
	Outlays, gross:			
4100	Outlays from new mandatory authority		–3,186	–4,097
4190	Outlays, net (total)		–3,186	–4,097

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Outlays		–3,186	–4,097
Amounts included in the adjusted baseline:			
Outlays		3,186	1,000
Legislative proposal, not subject to PAYGO:			
Outlays			3,097

This account includes unspecified adjustments to Postal operations that reflect the fact that the United States Postal Service (USPS) can only spend at amounts equal to its revenue and borrowing authority. For purposes of the Budget Baseline, the USPS is shown to operate at a break-even (i.e., revenues equal expenses) basis for 2014 and later years. This account is necessary because the USPS estimates of its revenues and expenses are unsustainable—estimated expenses far exceeded estimated revenues . The USPS fully exhausted its borrowing authority with the Department of the Treasury at the close of FY 2013. The Budget includes a legislative proposal that provides specific Postal financial relief and makes sustained reforms. The relief and reforms represent specific action the USPS would take, and would reduce the need for the unspecified adjustments contained in this account.

UNSPECIFIED ADJUSTMENTS TO OPERATIONS

(Amounts included in the adjusted baseline)

Program and Financing (in millions of dollars)

Identification code 18–9017–7–1–372		2013 actual	2014 est.	2015 est.
	Change in obligated balance:			
	Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1			–3,186
3020	Outlays (gross)		–3,186	–1,000
3050	Unpaid obligations, end of year		–3,186	–4,186
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year			–3,186
3200	Obligated balance, end of year		–3,186	–4,186
	Budget authority and outlays, net:			
	Mandatory:			
	Outlays, gross:			
4100	Outlays from new mandatory authority		3,186	1,000
4190	Outlays, net (total)		3,186	1,000

This account reflects adjustments to the baseline to reflect the realistic assumption that the United States Postal Service will not make its statutory $5.7 billion payment to prefund retiree health benefits, which is due to the Office of Personnel Management's Postal Service Retiree Health Benefits Fund by September 30, 2014.

UNSPECIFIED ADJUSTMENTS TO OPERATIONS

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 18–9017–2–1–372		2013 actual	2014 est.	2015 est.
	Change in obligated balance:			
	Unpaid obligations:			
3020	Outlays (gross)			–3,097
3050	Unpaid obligations, end of year			–3,097
	Memorandum (non-add) entries:			
3200	Obligated balance, end of year			–3,097
	Budget authority and outlays, net:			
	Mandatory:			
	Outlays, gross:			
4100	Outlays from new mandatory authority			3,097
4190	Outlays, net (total)			3,097

This schedule reflects the impact on the Unspecified Adjustments to Postal Operations account. This accounts for Postal financial relief and reform proposals to authorize the Postal Service to move from six- to five-day delivery and to permanently extend a December 2013 decision by the Postal Regulatory Commission to increase postage rates due to 'exigent' circumstances arising from the 2008 recession.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, ⟦$241,468,000⟧ *$243,883,000*, to be derived by transfer from the Postal Service Fund and expended as authorized by section 603(b)(3) of the Postal Accountability and Enhancement Act (Public Law 109–435)*: Provided, That unobligated balances remaining in this account on October 1, 2015, shall be transferred back to the Postal Service Fund*. *(Financial Services and General Government Appropriations Act, 2014.)*

Program and Financing (in millions of dollars)

Identification code 18–0100–0–1–372		2013 actual	2014 est.	2015 est.
	Obligations by program activity:			
0001	Audit	97	76	77
0002	Investigations	144	166	167
0900	Total new obligations	241	242	244
	Budgetary Resources:			
	Budget authority:			
	Spending authority from offsetting collections, discretionary:			
1700	Collected		1	1
1711	Transferred from other accounts [18–4020]	241	241	243
1750	Spending auth from offsetting collections, disc (total)	241	242	244
1900	Budget authority (total)	241	242	244
1930	Total budgetary resources available	241	242	244
	Change in obligated balance:			
	Unpaid obligations:			
3010	Obligations incurred, unexpired accounts	241	242	244
3020	Outlays (gross)	–241	–242	–244