



## BOARD OF GOVERNORS

March 31, 2020

The Honorable Steven T. Mnuchin, Chairman  
Federal Financing Bank  
U.S. Department of the Treasury  
1500 Pennsylvania Ave NW  
Washington, D.C. 20220-0002

Dear Secretary Mnuchin:

Thank you for your letter to the United States Postal Service Board of Governors. As Chairman of the Board, I recognize the interest of the Federal Financing Bank in the financial condition of the United States Postal Service. In response to your request regarding the search for the next Postmaster General, Postal Service Governors met with you on February 6 to provide an update on our search. The search process continues for a candidate of the highest caliber. After creating a robust pool of candidates, we have narrowed the search to a small number of finalists, each of whom would serve the country well. Despite some minor delays necessitated by the current circumstances, we plan to bring the search to a conclusion in the near future.

I am also responding to your second request that the Board of Governors evaluate the pricing and cost allocation of Postal Service contracts. By law, the Board is responsible for reviewing the policies and procedures of the Postal Service. To fulfill that responsibility, the Board's Audit and Finance Committee will be hiring an independent consultant to review the Postal Service's costing and pricing strategies. The committee hopes that that work will be concluded by the end of the fiscal year (September 30, 2020). The Board will be happy to update you or your designee regarding this work.

In the short time since our meeting in February, the world has changed—and so has the Postal Service's financial condition. While I understand that you have the weight of the world's economy on your shoulders, we will hope you will have time for me or some of my fellow Governors to brief you on the Postal Service's outstanding efforts as a part of the critical national infrastructure during this pandemic, its deteriorating financial situation, and what we believe is needed in both the immediate and near-term future.

Thank you again for your continued interest in the Postal Service and the Board of Governors. As we carry out our responsibilities, be assured that each Governor takes seriously his responsibility to represent the public interest and make decisions that are in the best interests of the country.

Sincerely,

Robert M. Duncan  
Chairman