

**UNITED STATES**  
**POSTAL SERVICE**

# **FINANCIAL & OPERATING STATEMENTS**

**Accounting Period 6, PFY 2002**

**January 26 - February 22, 2002**

**Prepared by: Financial Reporting and Analysis**

**Highlights**  
Accounting Period 6, FY 2002  
(Millions)

Accounting Period 6					
Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY
\$ 5,051.3	\$ 5,242.5	[\$ -191.2]	[ -3.6]	\$ 5,128.1	-1.5
<u>5,242.1</u>	<u>5,391.5</u>	<u>-149.4</u>	<u>-2.8</u>	<u>5,278.5</u>	<u>-0.7</u>
\$ (-190.8)	\$ (-149.0)	[\$ -41.8]	-	\$ (-150.4)	-
\$ -5.6	\$ 22.3	\$ -27.9	-125.1	\$ 49.8	-111.2
117.9	-	-	-	123.5	-4.5

Year-to-Date					
Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY
\$ 30,992.4	\$ 32,489.4	[\$ -1,497.0]	[ -4.6]	\$ 31,121.2	-0.4
<u>31,187.6</u>	<u>32,041.3</u>	<u>-853.7</u>	<u>-2.7</u>	<u>31,249.9</u>	<u>-0.2</u>
\$ (-195.2)	\$ 448.1	[\$ -643.3]	-	\$ -128.7	-
\$ 557.3	\$ 613.4	\$ -56.1	-9.1	\$ 437.2	27.5
722.0	-	-	-	760.5	-5.1

[ ] = Unfavorable variance to budget

Note: Totals may not sum due to rounding.

Note: Mail Volume numbers are preliminary numbers and are subject to change.

\*SPLY data may differ from previous reports due to subsequent adjustments.

\*\*Headquarters budget, not yet allocated to individual Headquarters units, will be included in the AP 7 report.

Actual Number Of:	Current Period	Last Period	SPLY
Post Offices	27,867	27,867	27,873
Active Postal Owned Vehicles			
Administrative	5,542	5,542	5,617
Operations	203,742	203,742	201,495
Possible City Deliveries (000)	83,996	83,921	83,534
City Delivery Routes	167,416	167,829	168,274
Rural Routes	69,564	69,477	67,894
Career Employees (Excludes Inspector General)	767,069	769,587	782,986
Casual Employees	23,749	27,261	34,898
Transitional Employees	12,863	13,716	13,851

Statement of Income & Expense  
Accounting Period 6, FY 2002  
(\$ Millions)

Current Period							Year-to-Date						
Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY		Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY	
\$ 5,049.1	\$ 5,240.4	[\$ -191.3]	[-3.7]	\$ 5,125.1	-1.5	Operating Revenue	\$ 30,977.6	\$ 32,475.1	[\$ -1,497.5]	[-4.6]	\$ 31,104.4	-0.4	
<u>5,090.4</u>	<u>5,233.2</u>	<u>-142.8</u>	<u>-2.7</u>	<u>5,124.2</u>	<u>-0.7</u>	Operating Expense	<u>30,270.7</u>	<u>31,097.1</u>	<u>-826.4</u>	<u>-2.7</u>	<u>30,317.0</u>	<u>-0.2</u>	
\$ (-41.3)	\$ 7.2	[\$ -48.5]	-	\$ 0.9	-	Income (Loss) From Operations	\$ 706.9	\$ 1,378.0	[\$ -671.1]	-	\$ 787.4	-	
2.2	2.1	0.1	5.3	3.0	-26.0	Investment Income	14.8	14.3	0.5	4.0	17.1	-13.3	
-25.6	-32.2	6.6	-20.3	-30.4	-15.8	Interest Expense	-160.2	-187.5	27.3	-14.6	-189.7	-15.5	
<u>-126.1</u>	<u>-126.1</u>	<u>0.0</u>	<u>0.0</u>	<u>-123.9</u>	<u>1.8</u>	Interest on Deferred Ret. Liabilities	<u>-756.7</u>	<u>-756.7</u>	<u>0.0</u>	<u>0.0</u>	<u>-743.5</u>	<u>1.8</u>	
\$ (-190.8)	\$ (-149.0)	[\$ -41.8]	-	\$ (-150.4)	-	Income/(Loss)	\$ (-195.2)	\$ 448.1	[\$ -643.3]	-	\$ -128.7	-	

[ ]=Unfavorable variance to budget

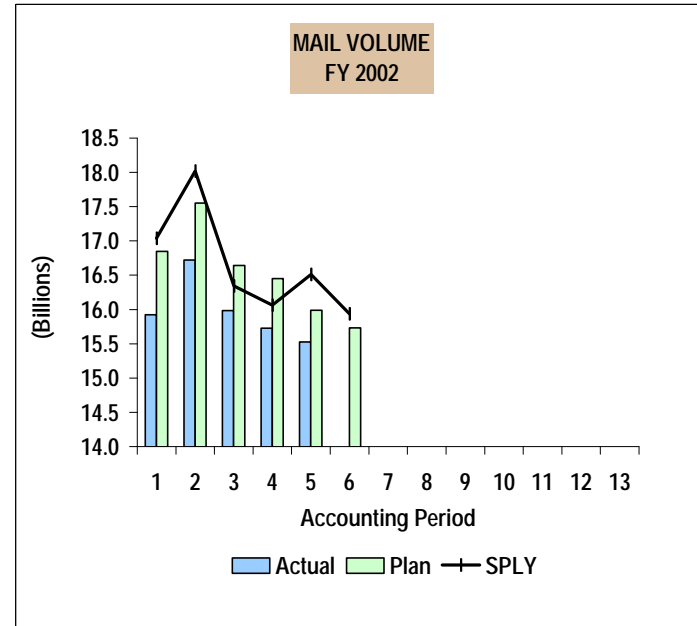
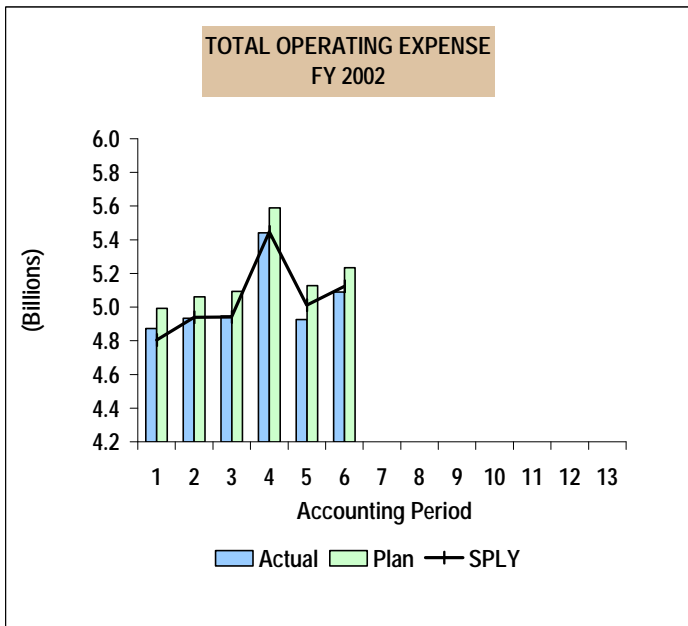
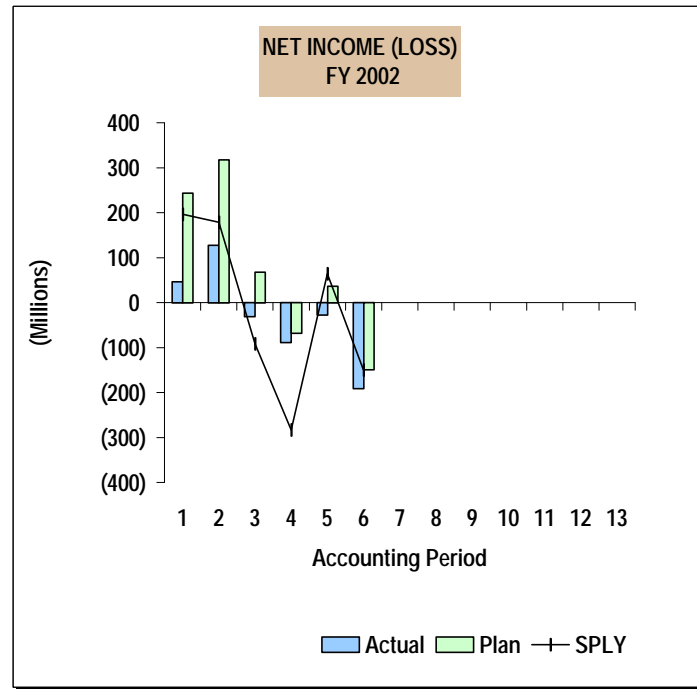
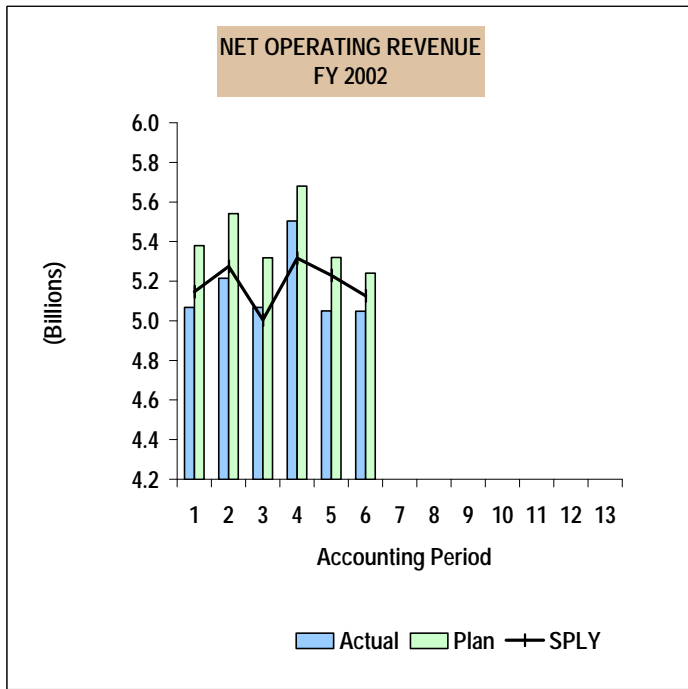
Note: Totals may not sum due to rounding.

\*SPLY data may differ from previous reports due to subsequent adjustments.

Quarter II Revenue, Pieces and Weight data will be available during the week of March 18th.

At the end of each postal quarter, the Quarterly Revenue, Pieces and Weights report will be published rather than Accounting Period data since its sampling structure is designed to produce more accurate volume data than the Accounting Period estimates.

This information will be posted on the U.S. Postal Service web site at "<http://www.usps.com/financials/rpw/welcome.htm>".



\*SPLY data may differ from previous reports due to subsequent adjustments.

Qtr II volume is not available at this time.

**REVENUE BY SOURCE**  
Accounting Period 6, FY 2002  
(\$ Millions)

Current Period				Year-to-Date		
Actual	SPLY	% SPLY		Actual	SPLY	% SPLY
			<b>Operating Revenue:</b>			
\$ 1,966.4	\$ 2,006.4	- 2.0	Metered Postage	\$ 11,640.9	\$ 11,801.3	- 1.4
850.4	910.4	- 6.6	Stamps and Stamped Paper	5,465.0	5,615.1	- 2.7
1,094.4	1,112.3	- 1.6	Permit Imprint	6,896.2	6,953.8	- 0.8
165.1	171.4	- 3.7	Periodicals & Standard	996.8	994.8	0.2
61.5	56.0	9.7	Official Mail	413.3	377.6	9.5
706.0	656.4	7.6	Presort First-Class & Package Svc./Permit Imprint	4,374.8	4,127.6	6.0
53.4	52.8	1.0	Box Rents *	320.0	317.5	0.7
19.2	14.5	32.4	Money Order Fees	100.9	84.8	19.0
<u>129.0</u>	<u>139.8</u>	- 7.8	Other	<u>747.2</u>	<u>801.1</u>	- 6.7
<b>\$ 5,045.4</b>	<b>\$ 5,120.0</b>	<b>- 1.5</b>	<b>Subtotal</b>	<b>\$ 30,955.1</b>	<b>\$ 31,073.6</b>	<b>- 0.5</b>
			<b>Government Appropriation:</b>			
<u>3.7</u>	<u>5.1</u>	- 27.0	Revenue Forgone	<u>22.5</u>	<u>30.8</u>	- 27.0
<b>\$ 5,049.1</b>	<b>\$ 5,125.1</b>	<b>- 1.5</b>	<b>Total Operating Revenue</b>	<b>\$ 30,977.6</b>	<b>\$ 31,104.4</b>	<b>- 0.4</b>
<u>2.2</u>	<u>3.0</u>	- 26.0	Investment Income	<u>14.8</u>	<u>17.1</u>	- 13.3
<b>\$ 5,051.3</b>	<b>\$ 5,128.1</b>	<b>- 1.5</b>	<b>Total Revenue</b>	<b>\$ 30,992.4</b>	<b>\$ 31,121.5</b>	<b>- 0.4</b>

Note: Totals may not sum due to rounding.

\*Beginning FY 2002, box rent revenue reporting has been modified.

**REVENUE BY CATEGORY**  
**Accounting Period 6, FY 2002**  
**(\$ Millions)**

Current Period				Year-to-Date		
Actual	Budget	% Budget		Actual	Budget	% Budget
			<b>Commercial Revenue</b>			
\$ 2,008.9	\$ 2,091.0	[ 3.9]	Permit Revenue	\$ 12,552.9	\$ 13,147.8	[ 4.5]
<u>1,727.1</u>	<u>1,839.8</u>	[ 6.1]	Other Commercial Accounts Revenue	<u>10,286.7</u>	<u>11,016.7</u>	[ 6.6]
<b>\$ 3,736.0</b>	<b>\$ 3,930.8</b>	<b>[ 4.9]</b>	<b>Total Commercial Revenue</b>	<b>\$ 22,839.6</b>	<b>\$ 24,164.5</b>	<b>[ 5.4]</b>
			<b>Retail Revenue</b>			
1,045.1	1,041.3	0.4	Retail Postage Revenue	6,611.8	6,693.1	[ 1.2]
78.2	72.5	7.8	Retail Services Revenue	447.1	435.2	2.7
9.4	9.6	[ 1.7]	Retail Products Revenue	59.6	57.9	3.0
<u>142.3</u>	<u>139.9</u>	1.7	Other Retail Channels Revenue	<u>814.3</u>	<u>851.8</u>	[ 4.4]
<b>\$ 1,275.0</b>	<b>\$ 1,263.4</b>	<b>1.0</b>	<b>Total Retail Revenue *</b>	<b>\$ 7,932.8</b>	<b>\$ 8,038.0</b>	<b>[ 1.2]</b>
<b>\$ 5,010.9</b>	<b>\$ 5,194.2</b>	<b>[ 3.5]</b>	<b>Total Commercial &amp; Retail Revenue</b>	<b>\$ 30,772.4</b>	<b>\$ 32,202.5</b>	<b>[ 4.4]</b>
34.5	42.5	[ 18.7]	Other Income	182.8	250.2	[ 26.9]
<u>3.7</u>	<u>3.7</u>	0.0	Revenue Forgone	<u>22.5</u>	<u>22.5</u>	0.0
<b>\$ 5,049.1</b>	<b>\$ 5,240.4</b>	<b>[ 3.7]</b>	<b>Total Operating Revenue</b>	<b>\$ 30,977.6</b>	<b>\$ 32,475.1</b>	<b>[ 4.6]</b>
<u>2.2</u>	<u>2.1</u>	5.3	Investment Income	<u>14.8</u>	<u>14.3</u>	4.0
<b>\$ 5,051.3</b>	<b>\$ 5,242.5</b>	<b>[ 3.6]</b>	<b>Total Revenue</b>	<b>\$ 30,992.4</b>	<b>\$ 32,489.4</b>	<b>[ 4.6]</b>

[ ]=Unfavorable variance to budget

Note: Totals may not sum due to rounding.

\*Beginning FY 2002, box rent revenue reporting has been modified.



**ANALYSIS OF OPERATING EXPENSES**  
**Accounting Period 6, FY 2002**  
**Personnel Compensation**  
**(\$ Millions)**

Current Period						Year-to-Date						
Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY		Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY
						<b>Total Compensation **</b>						
						Operations:						
\$ 26.3	\$ 27.1	\$ -0.8	-3.0	\$ 27.4	-3.8	-Support	\$ 153.6	\$ 159.7	\$ -6.1	-3.8	\$ 157.5	-2.5
840.4	832.7	[ 7.7]	[ 0.9]	883.1	-4.8	-Mail Processing	5,182.8	5,167.2	[ 15.6]	[ 0.3]	5,469.7	-5.2
318.4	316.4	[ 2.0]	[ 0.6]	311.1	2.3	-Rural Delivery	1,886.6	1,886.5	[ 0.1]	[ 0.0]	1,856.3	1.6
1,120.9	1,095.3	[ 25.6]	[ 2.3]	1,118.2	0.2	-Other Delivery	6,729.5	6,672.3	[ 57.2]	[ 0.9]	6,740.9	-0.2
79.9	81.1	-1.1	-1.4	79.4	0.6	-Vehicles Services	481.2	489.1	-7.8	-1.6	480.1	0.2
197.7	201.4	-3.7	-1.8	197.1	0.3	-Plant & Equip Maint	1,173.8	1,196.9	-23.1	-1.9	1,170.8	0.3
556.7	541.8	[ 15.0]	[ 2.8]	579.4	-3.9	-Customer Services	3,357.3	3,303.3	[ 54.0]	[ 1.6]	3,543.1	-5.2
19.2	22.9	-3.7	-16.1	23.2	-17.3	Finance	115.0	134.7	-19.8	-14.7	137.3	-16.2
24.5	26.1	-1.5	-5.9	25.2	-2.7	Human Resources	142.9	152.8	-9.9	-6.5	147.0	-2.8
36.0	33.7	[ 2.3]	[ 6.8]	32.5	10.9	Customer Service & Sales	195.7	200.0	-4.3	-2.2	193.5	1.1
180.8	164.6	[ 16.2]	[ 9.8]	162.2	11.5	Administration	963.4	957.8	[ 5.7]	[ 0.6]	948.9	1.5
126.0	230.9	-104.9	-45.4	156.4	-19.4	Other Salaries & Benefits	883.3	1,292.4	-409.1	-31.7	879.3	0.5
<b>\$ 3,526.9</b>	<b>\$ 3,574.0</b>	<b>\$ -47.0</b>	<b>-1.3</b>	<b>\$ 3,595.2</b>	<b>-1.9</b>	<b>Total Salaries &amp; Benefits</b>	<b>\$ 21,265.1</b>	<b>\$ 21,612.7</b>	<b>\$ -347.6</b>	<b>-1.6</b>	<b>\$ 21,724.5</b>	<b>-2.1</b>
112.4	78.5	[ 33.9]	[ 43.2]	76.6	46.7	Workers' Compensation	504.6	471.0	[ 33.5]	[ 7.1]	432.5	16.7
4.8	4.8	[ 0.0]	[ 0.2]	4.7	3.1	Unemployment Compensation	28.9	30.7	-1.8	-5.8	28.1	3.0
107.9	107.9	0.0	0.0	107.4	0.5	Deferred Retirement Cost	647.5	647.5	0.0	0.0	644.1	0.5
65.3	65.3	0.0	0.0	61.3	6.5	CSRS Annuitant COLA	411.6	411.6	0.0	0.0	367.5	12.0
73.5	80.5	7.0	8.7	66.3	10.9	Annuitant Health Benefits	476.2	483.2	7.0	1.4	397.9	19.7
144.2	162.1	-17.9	-11.1	80.9	78.3	Other Compensation	661.7	752.9	-91.1	-12.1	333.1	98.7
<b>\$ 4,035.1</b>	<b>\$ 4,073.1</b>	<b>\$ -38.0</b>	<b>-0.9</b>	<b>\$ 3,992.4</b>	<b>1.1</b>	<b>Total Personnel Compensation</b>	<b>\$ 23,995.6</b>	<b>\$ 24,409.6</b>	<b>\$ -414.0</b>	<b>-1.7</b>	<b>\$ 23,927.6</b>	<b>0.3</b>

Note: Totals may not sum due to rounding.

[ ]=Unfavorable variance to budget

\*SPLY data may differ from previous reports due to subsequent adjustments.

\*\*Total Compensation - Field operating budgets have been adjusted to reflect lower workload. Accordingly, functional budgets have been adjusted.

Corresponding offsets to these adjustments are reflected in Other Salaries & Benefits line. Also included in the Other Salaries & Benefits line are budget funds for Headquarters units which will be (have not been) allocated to individual units based on the new organization structure.

**ANALYSIS OF NON-PERSONNEL EXPENSES**  
**Accounting Period 6, FY 2002**  
**(\$ Millions)**

Current Period						Year-to-Date						
Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY	Description **	Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY
\$ 390.2	\$ 442.3	\$ - 52.1	- 11.8	\$ 408.2	- 4.4	Transportation	\$ 2,568.7	\$ 2,582.5	\$ - 13.9	- 0.5	\$ 2,444.5	5.1
217.1	275.1	- 57.9	- 21.1	220.1	- 1.3	Supplies & Services	1,134.2	1,665.6	- 531.3	- 31.9	1,342.4	- 15.5
179.1	183.1	- 4.1	- 2.2	182.6	- 1.9	Depreciation	1,059.4	1,056.4	[ 3.0]	[ 0.3]	997.5	6.2
76.9	76.5	[ 0.4]	[ 0.5]	76.4	0.7	Rent	383.7	370.8	[ 12.9]	[ 3.5]	356.4	7.7
38.2	46.8	- 8.6	- 18.3	45.9	- 16.6	Fuel & Utilities	215.6	232.5	- 17.0	- 7.3	215.7	- 0.0
29.3	30.6	- 1.2	- 4.1	29.8	- 1.8	Rural Carrier Equip Maint Allowance	26.6	27.6	- 0.9	- 3.4	25.2	5.9
31.1	34.8	- 3.7	- 10.6	37.3	- 16.6	Vehicle Maintenance	181.2	194.7	- 13.5	- 6.9	199.9	- 9.3
21.6	1.4	[ 20.2]	-	35.8	- 39.7	Information Technology	153.3	7.2	[ 146.1]	-	121.1	26.7
7.4	11.4	- 4.1	- 35.5	12.4	- 40.7	Building Projects Expensed	58.1	66.3	- 8.2	- 12.3	73.6	- 21.1
5.3	5.1	[ 0.2]	[ 3.8]	5.0	6.6	Contract Job Cleaners	32.4	31.1	[ 1.3]	[ 4.3]	30.7	5.6
9.6	6.1	[ 3.5]	[ 57.3]	12.2	- 21.4	Travel & Relocation	55.5	35.8	[ 19.7]	[ 55.1]	55.9	- 0.8
18.8	8.5	[ 10.2]	[ 119.7]	16.8	11.5	Communications	83.7	51.2	[ 32.6]	[ 63.6]	85.1	- 1.6
5.5	6.3	- 0.8	- 12.7	6.3	- 11.4	Contract Stations	30.4	31.6	- 1.3	- 4.0	30.1	0.9
2.1	1.0	[ 1.1]	[ 117.7]	3.2	- 34.7	Printing	13.3	5.5	[ 7.8]	[ 140.8]	13.2	0.3
4.3	4.9	- 0.7	- 13.5	5.0	- 15.3	Training	22.6	23.8	- 1.2	- 4.9	28.4	- 20.3
4.2	4.6	- 0.4	- 8.5	3.5	21.6	Carfare & Tolls	26.6	27.6	- 0.9	- 3.4	25.2	5.9
2.2	3.2	- 1.1	- 33.0	4.1	- 47.5	Vehicle Hire	15.2	18.5	- 3.3	- 17.9	20.9	- 27.3
5.2	3.1	[ 2.0]	[ 64.1]	4.1	26.2	Accident Cost	23.5	20.1	[ 3.4]	[ 16.8]	22.5	4.2
- 1.7	- 3.4	[ 1.7]	[ 49.2]	- 3.9	- 56.0	Capitalized Interest	- 18.2	- 20.5	[ 2.3]	[ 11.2]	- 26.6	- 31.5
8.9	18.5	- 9.6	- 51.9	27.1	-	Miscellaneous	209.2	259.3	- 50.1	- 19.3	327.5	-
<b>\$ 1,055.3</b>	<b>\$ 1,160.1</b>	<b>\$- 104.8</b>	<b>- 9.0</b>	<b>\$ 1,131.9</b>	<b>- 6.8</b>	<b>Total Other Operating Expenses</b>	<b>\$ 6,275.1</b>	<b>\$ 6,687.5</b>	<b>\$- 412.4</b>	<b>- 6.2</b>	<b>\$ 6,389.1</b>	<b>- 1.8</b>

[ ]=Unfavorable variance to budget

Note: Totals may not sum due to rounding.

\*SPLY data may differ from previous reports due to subsequent adjustments.

\*\*Description - As noted on page 6, Headquarters budgets have not yet been allocated to individual units. Only, the transportation and depreciation items have been allocated for Headquarters. All other non-personnel budget categories for Headquarters units are reflected in Supplies and Services. All other lines reflect field budget allocations only.

**STATEMENT OF FINANCIAL POSITION**  
**Accounting Period 6, FY 2002**  
**(\$ Millions)**

Assets	February 22, 2002	January 25, 2002	September 30, 2001 *
<b>Current Assets:</b>			
Cash and cash equivalents _1/	\$ 214	\$ 297	\$ 999
U.S. Government securities, at amortized cost which approximates market	6	6	6
<b>Receivables:</b>			
Foreign countries	430	423	379
U.S. Government	108	132	133
Other	215	223	206
	<u>753</u>	<u>778</u>	<u>718</u>
Less allowances	<u>117</u>	<u>116</u>	<u>110</u>
	636	662	608
Supplies, advances and prepayments	<u>301</u>	<u>301</u>	<u>320</u>
<b>Total Current Assets</b>	<b>1,157</b>	<b>1,266</b>	<b>1,933</b>
Other assets _2/	372	372	372
<b>Property and equipment, at cost:</b>			
Buildings	19,327	19,291	18,808
Equipment	16,080	15,988	15,456
Land	2,751	2,745	2,684
	<u>38,158</u>	<u>38,024</u>	<u>36,948</u>
Less allowances for depreciation	<u>15,497</u>	<u>15,364</u>	<u>14,792</u>
	22,661	22,660	22,156
Construction in progress	1,615	1,662	1,969
Leasehold improvements, net	<u>655</u>	<u>660</u>	<u>638</u>
	24,931	24,982	24,763
Deferred Retirement Costs _3/	<u>33,824</u>	<u>33,998</u>	<u>32,023</u>
<b>Total Assets</b>	<b><u>\$ 60,284</u></b>	<b><u>\$ 60,618</u></b>	<b><u>\$ 59,091</u></b>

\_1/ Includes securities with maturities of 90 days or less in accordance with Statement of Financial Accounting Standards (SFAS) No. 95.

\_2/ Includes \$370 million as of September 30, 2001, January 25, 2002 and February 22, 2002 for appropriation receivable for revenue forgone.

\_3/ Represents the Postal Service's deferred retirement liability to OPM for increases in basic pay and annuitants' COLAs. Amounts applicable to future periods are capitalized as deferred retirement costs and amortized over 30 years for basic pay and 15 years for annuitants' COLAs.

\* Audited year-end data

**STATEMENT OF FINANCIAL POSITION**  
**Accounting Period 6, FY 2002**  
**(\$ Millions)**

Liabilities and Equities	February 22, 2002	January 25, 2002	September 30, 2001 *
<b>Current Liabilities:</b>			
Compensation and employees' benefits	\$ 6,353	\$ 6,275	\$ 5,810
Estimated prepaid postage	1,614	1,623	1,623
<b>Payables and accrued expenses:</b>			
Foreign countries	585	530	499
U.S. Government	155	187	151
Other	2,909	2,922	956
	<u>3,649</u>	<u>3,639</u>	<u>1,606</u>
Appropriation for free & reduced rate mail	29	33	0
Prepaid permit mail and box rentals	1,486	1,496	1,866
Outstanding postal money orders	863	805	988
Current portion of debt	977	2,566	5,564
	<u>14,971</u>	<u>16,437</u>	<u>17,457</u>
<b>Total Current Liabilities</b>	<b>14,971</b>	<b>16,437</b>	<b>17,457</b>
<b>Long-term debt, less current portion</b>	<b>6,950</b>	<b>5,751</b>	<b>5,751</b>
<b>Other Liabilities:</b>			
Amounts payable for retirement benefits _3/	32,436	32,436	29,932
Workers' compensation claims	5,619	5,506	5,167
Employees' accumulated leave	1,877	1,875	2,124
Other	1,239	1,228	986
	<u>41,171</u>	<u>41,045</u>	<u>38,209</u>
<b>Total Other Liabilities</b>	<b>41,171</b>	<b>41,045</b>	<b>38,209</b>
Capital Contributions of the US Government	3,034	3,034	3,034
Deficit Since Reorganization	- 5,842	- 5,649	- 5,360
Equity/Capital Deficiency	- 2,808	- 2,615	- 2,326
	<u>- 8,650</u>	<u>- 5,230</u>	<u>- 4,652</u>
<b>Total Liabilities and Equity</b>	<b>\$ 60,284</b>	<b>\$ 60,618</b>	<b>\$ 59,091</b>

\_3/ Represents the Postal Service's deferred retirement liability to OPM for increases in basic pay and annuitants' COLAs. Amounts applicable to future periods are capitalized as deferred retirement costs and amortized over 30 years for basic pay and 15 years for annuitants' COLAs.

\* Audited year-end data

**CAPITAL INVESTMENTS**  
**FY 2002**  
(\$ Millions)

MAJOR CATEGORIES	COMMITMENTS			CASH OUTLAYS		
	A/P 6 Year-to-Date			A/P 6 Year-to-Date		
	ACTUAL	PLAN	SPLY	ACTUAL	PLAN	SPLY
CONSTRUCTION AND BUILDING PURCHASE	\$ 11.7	\$ 11.3	\$ 71.0	\$ 122.9	\$ 207.5	\$ 318.7
BUILDING IMPROVEMENTS	34.7	39.7	81.4	95.0	146.5	261.8
MAIL PROCESSING EQUIPMENT	426.7	441.2	157.1	583.0	349.5	393.5
VEHICLES	[ - 4.0 ]	16.6	23.4	92.0	62.8	134.1
RETAIL EQUIPMENT	8.1	7.0	30.1	29.2	36.7	113.6
POSTAL SUPPORT EQUIPMENT	80.0	97.7	74.2	126.5	141.9	175.6
<b>TOTAL COMMITMENTS/CASH OUTLAYS *</b>	<b>\$ 557.3</b>	<b>\$ 613.4</b>	<b>\$ 437.2</b>	<b>\$ 1,048.6</b>	<b>\$ 944.9</b>	<b>\$ 1,397.3</b>

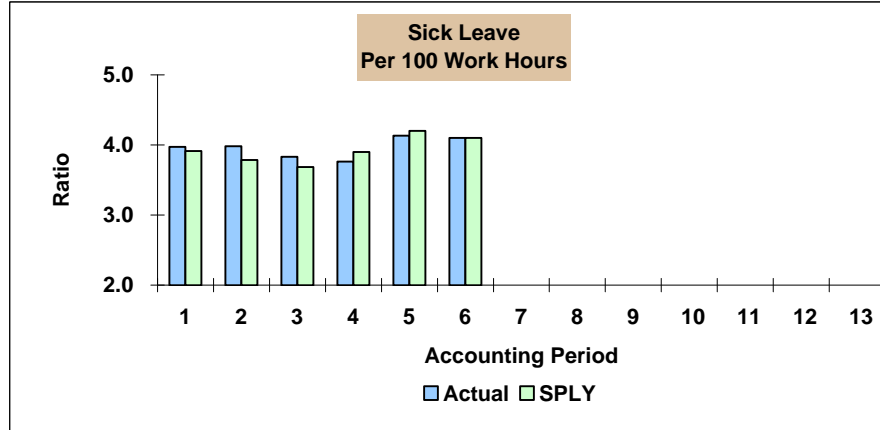
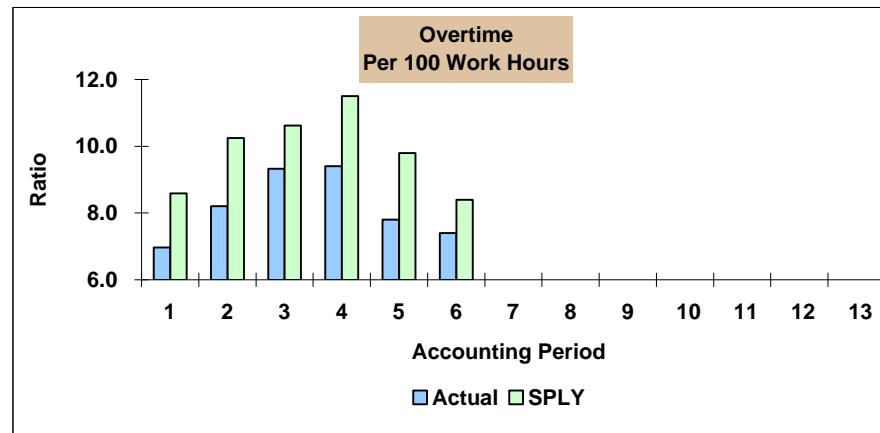
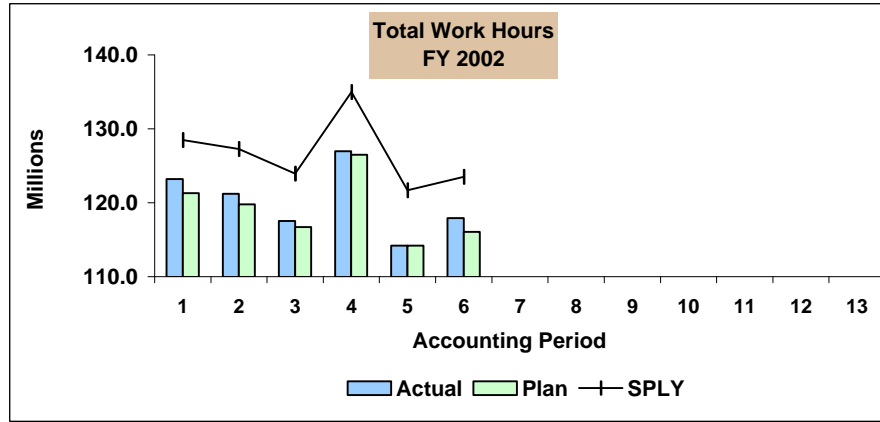
Note: Totals may not sum due to rounding.

**RESOURCES ON ORDER**  
(\$ Millions)

MAJOR CATEGORIES	February 22, 2002	September 30, 2001
CONSTRUCTION AND BUILDING PURCHASE	\$ 119.7	\$ 245.8
BUILDING IMPROVEMENTS	126.4	194.1
MAIL PROCESSING EQUIPMENT	955.6	1,115.2
VEHICLES	33.7	137.5
RETAIL EQUIPMENT	50.7	71.8
POSTAL SUPPORT EQUIPMENT	73.6	120.5
INVENTORIES	308.1	308.4
RESEARCH AND DEVELOPMENT	32.8	36.2
MISCELLANEOUS EXPENSE COMMITMENTS	4,361.2	3,359.1
<b>TOTAL RESOURCES ON ORDER</b>	<b>\$ 6,061.9</b>	<b>\$ 5,588.7</b>

Note: Totals may not sum due to rounding.

STATEMENT OF CASH FLOWS	
(\$ Millions)	
Fiscal Year 2002	
For the Fiscal Year through February 22, 2002	
<b>Cash flows from operating activities:</b>	
Net income/(loss) (Government Fiscal Year Basis)	\$ (482)
Adjustments to reconcile net income/(loss) to net cash provided/(used) by operating activities:	
Depreciation and amortization	923
Increase/(decrease) in other liabilities	253
Increase/(decrease) in employees' accumulated leave	(247)
Increase/(decrease) in non-current workers' compensation claims	452
Increase/(decrease) in retirement, net	703
Changes in current assets and liabilities:	
Increase/(decrease) in accrued compensation and benefits	543
Increase/(decrease) in deferred revenue	(360)
Increase/(decrease) in payables and accrued expenses	2,043
(Increase)/decrease in receivables	(28)
(Increase)/decrease in supplies, advances and prepayments	19
Increase/(decrease) in outstanding postal money orders	(125)
<b>Net cash provided by operating activities</b>	<b>3,694</b>
<b>Cash flows from investing activities:</b>	
Sale/(purchase) of U.S. Government securities, net	0
Purchase of property and equipment, net	(1,091)
<b>Net cash used in investing activities</b>	<b>(1,091)</b>
<b>Cash flows from financing activities:</b>	
Increase/(decrease) in debt	(3,388)
(Increase)/decrease in other non-current assets	0
<b>Net cash used by financing activities</b>	<b>(3,388)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(785)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>999</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 214</b>



**WORK HOURS & OVERTIME/SICK LEAVE RATIOS**  
 Accounting Period 6, FY 2002  
 (Data in Thousands)

Current Period					Total Work Hours	Year-to-Date				
Actual	Var. to Budget	% Budget	SPLY *	% SPLY		Actual	Var. to Budget	% Budget	SPLY *	% SPLY
703	- 32	- 4.3	763	- 7.9	Operations:	4,166	- 212	- 4.9	4,440	- 6.2
29,069	- 3	- 0.0	31,569	- 7.9	-Support	184,098	- 961	- 0.5	200,301	- 8.1
13,238	[ 52 ]	[ 0.4 ]	13,070	1.3	-Mail Processing	79,043	- 76	- 0.1	78,861	0.2
35,979	[ 296 ]	[ 0.8 ]	37,189	- 3.3	-Rural Delivery	218,412	[ 179 ]	[ 0.1 ]	228,593	- 4.5
2,536	- 63	- 2.4	2,587	- 2.0	-Other Delivery	15,395	- 303	- 1.9	15,655	- 1.7
6,398	- 204	- 3.1	6,487	- 1.4	-Vehicles Services	38,168	- 1,152	- 2.9	38,614	- 1.2
18,782	[ 66 ]	[ 0.4 ]	20,063	- 6.4	-Plant & Equip Maint	114,430	- 145	- 0.1	123,593	- 7.4
569	- 113	- 16.6	712	- 20.1	-Customer Services	3,425	- 610	- 15.1	4,242	- 19.2
676	- 45	- 6.2	727	- 7.0	Finance	3,997	- 294	- 6.9	4,302	- 7.1
1,116	[ 39 ]	[ 3.6 ]	1,052	6.1	Human Resources	6,162	- 250	- 3.9	6,292	- 2.1
5,162	[ 94 ]	[ 1.9 ]	5,140	0.4	Customer Service & Sales	30,245	[ 73 ]	[ 0.2 ]	30,720	- 1.5
114,228	[ 87 ]	[ 0.1 ]	119,359	- 4.3	Administration	697,541	- 3,751	- 0.5	735,613	- 5.2
3,683	-	-	4,158	- 11.4	Sub-Total	24,444	-	-	24,838	- 1.6
117,911	-	-	123,517	- 4.5	Other**	721,985	-	-	760,451	- 5.1
					Total Work Hours					

Overtime						
Actual	Budget	SPLY				SPLY
7.4%	7.9%	8.4%	Overtime Ratio Per 100 Work Hours			9.9%
			8.2%	9.0%		

Sick Leave						
Actual	Budget	SPLY				SPLY
4.1%	--	4.1%	Sick Leave Ratio Per 100 Work Hours			4.0%
			4.0%	--	4.0%	

[ ]=Unfavorable variance to budget

Note: Totals may not sum due to rounding.

\*SPLY data may differ from previous reports due to subsequent adjustments.

\*\*Other - Headquarters budgets have not yet been allocated to individual Headquarters units. Therefore, the Variance to Budget and % Budget entries have been omitted from the Other and Total Work Hours lines.