

DEPARTMENT OF VETERANS AFFAIRS**38 CFR Chapter I**

RIN 2900-AL15

Board of Veterans' Appeals Title Change**AGENCY:** Department of Veterans Affairs.**ACTION:** Final rule.

SUMMARY: The Board of Veterans' Appeals (Board) adjudicates appeals from denials of claims for veterans' benefits filed with the Department of Veterans Affairs (VA). This document amends VA regulations to reflect that the "Director of Administrative Service (014)" at the Board has been changed to the "Director, Management and Administration (01E)".

DATES: Effective Date: April 4, 2002.

FOR FURTHER INFORMATION CONTACT: Steven L. Keller, Senior Deputy Vice Chairman (012), Board of Veterans' Appeals, Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420 (202-565-5978).

SUPPLEMENTARY INFORMATION: This final rule merely concerns agency management. Accordingly, we are dispensing with prior notice and comment and delayed effective date provisions of 5 U.S.C. 553.

Paperwork Reduction Act

This document contains no provisions constituting a collection of information under the Paperwork Reduction Act (44 U.S.C. 3501-3520).

Regulatory Flexibility Act

The Secretary of Veterans Affairs hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601-612, since this final rule does not contain any substantive provisions. Therefore, pursuant to 5 U.S.C. 605(b), this final rule is exempt from the regulatory flexibility analysis requirements of sections 603 and 604.

There is no Catalog of Federal Domestic Assistance number for this final rule.

Approved: March 25, 2002.

Anthony J. Principi,*Secretary of Veterans Affairs.*

For the reasons set out in the preamble, under 38 U.S.C. 501, 38 CFR chapter 1 is amended as set forth below:

CHAPTER I—DEPARTMENT OF VETERANS AFFAIRS

In chapter I, revise all references to "Director, Administrative Service

(014)", "Director of the Administrative Service (014)", or "Director of Administrative Service (014)" to read "Director, Management and Administration (01E)".

[FR Doc. 02-8120 Filed 4-3-02; 8:45 am]

BILLING CODE 8320-01-P

POSTAL SERVICE**39 CFR Parts 224, 229, 233, 266, 273****Transfer of Functions From the Postal Inspection Service to the Inspector General****AGENCY:** Postal Service.**ACTION:** Final Rule.

SUMMARY: The Postal Service is amending the Code of Federal Regulations to reflect the role the Inspector General plays in the audit, investigative, and oversight activity of the Postal Service. This is the first comprehensive revision of the Postal Service Inspector General regulations since the independent postal Inspector General came into existence in 1997. The intent of this revision is to remove outdated references to the Inspection Service's duties that are now the responsibility of the Office of Inspector General.

DATES: Effective April 4, 2002.

FOR FURTHER INFORMATION CONTACT: Andrea Bernardo, Managing Counsel, Legal Services, Office of Inspector General, 703-248-4676.

SUPPLEMENTARY INFORMATION: The primary responsibility of the Office of Inspector General is to conduct audits and investigations to prevent, detect, and report fraud, waste, abuse, and mismanagement; to promote efficiency in the programs and operations of the Postal Service; and to provide oversight of the Inspection Service. The 1996 amendments to the Inspector General Act (Act) created an independent inspector general for the Postal Service. The responsibility of serving as the inspector general was removed from the Chief Postal Inspector. The basic purpose of the Act was to strengthen audit and investigative activities in order to obtain greater efficiency and effectiveness in federal government operations. This purpose was to be achieved by consolidating audit and investigative units under a single individual reporting directly to the agency head; providing protections designed to ensure that the new offices had independence and authority to carry out their responsibilities; and by

requiring periodic reports to agency heads and Congress on their activities.

Section 2 of the Act specifically provided that the Inspector General shall audit all programs and operations of the Postal Service. With the creation of the independent postal inspector general, representatives of the Inspection Service and the Office of Inspector General met to work out the transition of selected functions from the Inspection Service to the Office of Inspector General. After several negotiation sessions, the two parties agreed to a formal designation of functions. As a result, certain activities formerly performed by the Inspection Service were now to be performed by the Office of Inspector General. References in Title 39 of the Code of Federal Regulations citing the Inspection Service as the party responsible for a variety of audit and oversight duties became outdated. This revision removes incorrect references to the Inspector Service and the Chief Postal Inspector and inserts very limited additional text. A new Part 230, Responsibilities of the Office of Inspector General, which will outline the duties of the Inspector General, will be published separately.

List of Subjects*39 CFR Part 224*

Organization and functions (Government agencies).

39 CFR Part 229

Organization and functions (Government agencies).

39 CFR Part 233

Administrative practice and procedure, Crime, Law enforcement, Penalties, Privacy.

39 CFR Part 266

Privacy.

39 CFR Part 273

Administrative practice and procedure, Claims, Fraud, Penalties.

For the reasons stated in the preamble, the Postal Service amends 39 CFR as follows:

PART 224—ORGANIZATIONS REPORTING DIRECTLY TO THE POSTMASTER GENERAL

A. Part 224 is amended as follows:

1. The authority citation for part 224 continues to read as follows:

Authority: 39 U.S.C. 203, 204, 401(2), 403, 404, 409, 1001; Inspector General Act of 1978, as amended (Pub. L. No. 95-452, as amended), 5 U.S.C. App. 3.

§ 224.3 [Amended]

2. Section 224.3 is amended as follows:

- a. Paragraph (a) is revised;
 - b. Paragraph (b)(6) is removed, and paragraphs (b)(7) and (8) are redesignated as (b)(6) and (7) respectively.
 - c. Paragraph (c) is revised;
 - d. Paragraph (d) is removed.
- The revisions read as follows:

* * * * *

(a) The Postal Inspection Service is headed by the Chief Postal Inspector who also acts as the Chief Security Officer and Defense Coordinator for the Postal Service.

* * * * *

(c) The Inspection Service through the Chief Postal Inspector shall promptly report to the Inspector General the significant activities being carried out by the Inspection Service and on all other matters as required by law.

§ 224.4 [Amended]

6. In sections 224.4(b)(1) and (2), remove the reference to “§ 224.3(d)” each place it appears and add in its place “§ 230.1(c)”.

PART 229—FIELD ORGANIZATIONS

B. Part 229 is amended as follows:

1. The authority citation for part 229 continues to read as follows:

Authority: 39 U.S.C. 401, 402, 403, and 404.

§ 229.2 [Amended]

2. In § 229.2(b)(1), remove “auditing,”

PART 233—INSPECTION SERVICE AUTHORITY

C. Part 233 is amended as follows:

1. The authority citation for part 233 continues to read as follows:

Authority: 39 U.S.C. 101, 102, 202, 204, 401, 402, 403, 404, 406, 410, 411, 1003, 3005(e)(1); 12 U.S.C. 3401–3422; 18 U.S.C. 981, 1956, 1957, 2254, 3061; 21 U.S.C. 881; Omnibus Budget Reconciliation Act of 1996, sec. 662 (Pub. L. No. 104–208).

2. The heading for Part 233 is revised to read as set forth above.

§ 233.1 [Amended]

3. In § 233.1 paragraph (c) is revised and in paragraph (d) the words “or audit” are removed. The revision to paragraph (c) reads as follows:

* * * * *

(c) Administrative subpoenas may be served by delivering a copy to a person or by mailing a copy to his or her last known address. For the purposes of this provision, delivery of a copy includes handing it to the party or leaving it at the party's office or residence with a person of suitable age and discretion

employed or residing therein. Service by mail is complete upon mailing.

PART 266—PRIVACY OF INFORMATION

D. Part 266 is amended as follows:

1. The authority citation for part 266 continues to read as follows:

Authority: 39 U.S.C. 401; 5 U.S.C. 552a.

§ 266.6 [Amended]

2. Section 266.6(a)(1) is amended by adding the following after “268–2608.”:

* * * * *

(a)***(1)*** Requests submitted to the Office of Inspector General should be submitted to the Freedom of Information Act/Privacy Officer, Office of Inspector General, 1735 North Lynn Street, Arlington, Virginia, 22209–2020.***

PART 273—ADMINISTRATION OF PROGRAM FRAUD CIVIL REMEDIES ACT

E. Part 273 is amended as follows:

1. The authority citation for part 273 continues to read as follows:

Authority: 31 U.S.C. Chapter 38; 39 U.S.C. 401.

2. Section 273. 2 (c) is revised to read as follows:

§ 273.2 Definitions.

* * * * *

(c) Investigating Official refers to the Inspector General of the Postal Service or any designee within the United States Office of the Inspector General who serves in a position for which the rate of basic pay is not less than the minimum rate of basic pay for grade GS–16 under the General Schedule.

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Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 02–8105 Filed 4–3–02; 8:45 am]

BILLING CODE 7710–12–P

POSTAL SERVICE**39 CFR Part 230****Responsibilities of the Office of Inspector General**

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: The Postal Service is amending the Code of Federal Regulations to reflect the role the Inspector General plays in the audit, investigative, and oversight activity of the Postal Service. This is the first comprehensive revision of the Postal Service Inspector General regulations since the independent postal Inspector

General came into existence in 1997. The intent of this revision is to clarify the responsibilities and duties of the Inspector General for postal customers and employees.

DATES: Effective April 4, 2002.

FOR FURTHER INFORMATION CONTACT:

Andrea Bernardo, Managing Counsel, Legal Services, Office of Inspector General, 703–248–4676.

SUPPLEMENTARY INFORMATION: The primary responsibility of the Office of Inspector General is to conduct audits and investigations to prevent, detect, and report fraud, waste, abuse, and mismanagement; to promote efficiency in the programs and operations of the Postal Service, and to provide oversight of the Inspection Service.

The 1996 amendments to the Inspector General Act (Act) created an independent inspector general for the Postal Service. The responsibility of serving as the inspector general was removed from the Chief Postal Inspector. The basic purpose of the Act was to strengthen audit and investigative activities in order to obtain greater efficiency and effectiveness in federal government operations. This purpose was to be achieved by consolidating audit and investigative units under a single individual reporting directly to the agency head; providing protections designed to ensure that the new offices had independence and authority to carry out their responsibilities; and by requiring periodic reports to agency heads and Congress on their activities.

Section 2 of the Act specifically provided that the Inspector General shall audit all programs and operations of the Postal Service. With the creation of the independent postal inspector general, representatives of the Inspection Service and the Office of Inspector General met to work out the transition of selected functions from the Inspection Service to the Office of Inspector General. After several negotiation sessions, the two parties agreed to a formal designation of functions. As a result, certain activities formerly performed by the Inspection Service were now to be performed by the Office of Inspector General. References in Title 39 of Code of Federal Regulations citing the Inspection Service as the party responsible for a variety of audit and oversight duties became outdated. This situation has been thoroughly addressed in this revision. The inaccurate references to the Inspector Service and the Chief