

When all is said and done, the renewed prominence that the National Union is giving to its legislative and political program is an especially important, and hopefully effective, means of representing all Mail Handlers.

Internal Operations of the NPMHU

Ever since 1992, the National Union has focused a large part of its efforts on improving its own internal operations. That emphasis has continued unabated for the past four years. The NPMHU remains a well-run labor organization, with overall excellence in overall financial management, membership recruitment and maintenance, and internal communications.

Financial Management at the National Union: As has been true since 1992, for three of the past four years, the National Union continued its remarkable financial recovery, during which it managed to spend less each year than its annual income. With recent and significant declines in membership, however, that string of surpluses has now come to an end. In 2011, and continuing into the foreseeable future, the National Union will be running a deficit. Thus, although the National Union now enjoys a large surplus, approaching \$40 million, a compelling argument can be made that the Union's fund balance is now more important than ever.

Like most unions, the NPMHU must continually preserve its funds so that it has the resources necessary to effectively represent, and ultimately fight for, all of its members, without fear of financial collapse when such fights become necessary. Moreover, given the ongoing costs of the Union's activities, and the increasing share of the National Union's revenues that are being shared with the Local Unions, it is likely that the National Union will be operating at a deficit on a year-to-year basis. Thus, the maintenance of the NPMHU's general fund balance will become an ever-increasing internal priority.

The need for such a large fund balance should be obvious. If the National Union is to continue to obtain favorable agreements in collective bargaining, it is imperative that the Postal Service know that the NPMHU has the financial resources necessary to take the USPS through a complicated (and extremely costly) interest arbitration if bargaining does not produce an agreement, as is the case with the current deadlock in bargaining over the terms of the 2011 National

Agreement. Likewise, each time that the parties at the National level engage in National grievance arbitration, or threaten to file litigation against the other party, it is essential that USPS officials understand that the Union does not have to make strategic judgments based on its financial well-being. Without these financial resources, therefore, the Postal Service—which never has to worry about such financial limitations—will try to take advantage of the NPMHU, as it was last able to do successfully in the 1990 round of National negotiations.

Nor is there any risk that the operating fund maintained by the National Union will be squandered or expended inappropriately. The National Executive Board has authorized a conservative investment portfolio of government bonds and treasury notes. And in 2007 and 2008, the NPMHU was subject to a lengthy and in-depth audit by the U.S. Department of Labor, which determined that the National Office and its accounting office were appropriately managing the membership's money.

Financial Assistance to the Local Unions: Notwithstanding the continuous need to preserve National Union resources, the National Executive Board also has routinely recognized that the Local Unions have their own financial requirements that need to be met. That is why, on several occasions, the National Officers have supported—and, in fact, voluntarily adopted—programs designed to share large amounts of dues revenue with all of the Local Unions. At prior National Conventions, with the support of the National Union, the delegates adjusted the amount of per capita taxes retained by the National Union from both regular and associate members, transferring millions of dollars each year to the combined treasuries of the Local Unions. The National Executive Board also has adopted a Revenue Sharing Program, which in the ten years since it was started in 2003 has provided the Local Unions with nearly \$28 million in additional tax-free revenue. No other National Union has implemented such a voluntary effort to provide direct financial assistance to all of the Locals.

Stated another way, the improvement in the National Union's financial resources has had positive and wide-ranging effects, not the least of which has been to provide all 37 Local Unions with additional revenues with which to operate. Under the governing constitutional provisions, the Local Unions affiliated with the NPMHU cur-

rently receive more than 70% of all dues collected, and thus the Local Unions and members being represented at the Local level are the principal beneficiaries of these revenues. Here, the bottom line speaks for itself: In 1992, the National Union remitted a total of \$13.6 million to the Local Unions; by 1999, that amount had increased more than 50% and was up to \$21.7 million; and during the past four years—from 2008 through 2011—the amount of money remitted to the Local Unions reached an all-time high, at approximately \$23 million per year. In the past twenty years, therefore, the Local Unions have seen their revenues increase by very large margins.

Membership and Organizing: The National Union continues to maximize Union membership to the greatest extent possible. In 1998, at the peak of postal employment, the Union made history by reaching 50,000 members for the first time. Membership remained over 50,000 for several years, but because of recent downsizing in the postal workforce and a substantial number of retirements, the total membership today is down to approximately 38,000. As a percentage of all Mail Handlers, however, membership remains high, at almost 90%.

These membership numbers have not occurred by happenstance. For many years, the National Union, working in cooperation with the Locals, has made concerted efforts to sign-up new members and to convince many former members to give the NPMHU another try. On occasion, financial and other incentives are provided to members who helped in the recruitment efforts, and these campaigns will continue, especially with regard to new members of the bargaining unit who transfer into the mail handler craft from other USPS positions.

Communications: One area in which the National Union constantly works hard to improve is communications with the membership. The quarterly magazine—*The Mail Handler*—has successfully implemented its new look and larger proportions, allowing more substantive coverage of the major issues facing the Union. Monthly bulletins continue to be circulated to all Local Union officers and representatives, for posting on all bulletin boards. As discussed earlier, a quarterly newsletter—*Union Time*—has been published on contract-related issues important to Local Union officers and stewards. And the NPMHU website at www.npmhu.org is an increasingly important source for the timely circulation of information, especially in the legislative and