



United States Department of State
Washington, D.C. 20520

OCT 26 2006

Dear Mr. Boyanton,

This letter is in response to your letter dated September 29, 2006, which advises the Department of State (DoS) that the Department of Defense (DoD) will begin the process of converting 17 Diplomatic Post Offices (DPO) to direct billing by the U.S. Postal Service (USPS) effective October 1, 2006. The letter also advises that DoS should plan for USPS direct billing for the remaining post offices at Embassy and Consulate locations to transfer by October 1, 2007.

I'm pleased to advise that USPS and DoS have made arrangements to begin direct billing for the 17 DPOs effective October 1, 2006 per your request. All required action is complete.

We are working with the Military Postal Service Agency (MPSA), USPS, all affected foreign affairs agencies, overseas posts, and internal DoS components to develop a plan for direct billing for the remaining post offices at Embassies and Consulates by October 1, 2007.

We must caution, however, the Department of State cannot unilaterally effect this change. We must receive approval from the ICASS Executive Council, representing the overseas foreign affairs community at-large. We have scheduled a briefing to this community on November 08, 2006. We will keep you apprised of our progress towards this milestone.

Mr. Earl B. Boyanton, Jr.

Assistant Deputy Under Secretary
Transportation Policy

Office of the Under Secretary of Defense
3000 Defense Pentagon
Washington, DC 20301-3000

If you have need for additional information, please feel free to contact Timothy Keitz of my staff at 202-663-1810.

Sincerely,

A handwritten signature in blue ink, appearing to read "Cecilia M. Coates". The signature is fluid and cursive, with a large initial "C" and "M".

Cecilia M. Coates

Director

Program Management and Policy
Office of Logistics Management