

[17th CONGRESS.]

No. 45.

[1st SESSION.]

ACCOUNTS OF THE GENERAL POST OFFICE.

COMMUNICATED TO THE HOUSE OF REPRESENTATIVES, ON THE 26TH OF MARCH, 1822.

TREASURY DEPARTMENT, *March 23, 1822.*

SIR:

In obedience to a resolution of the House of Representatives of the 22d of January last, directing the Secretary of the Treasury to report to the House "what progress has been made in the settlement of the arrears in the accounts of the Post Office Establishment, and also what difficulties, if any, have interfered in the final liquidation thereof," I have the honor to communicate the report of the First Comptroller of the Treasury, together with the documents by which it is accompanied.

This report furnishes all the information required by the resolution.

I have the honor to be, your most obedient servant,

WILLIAM H. CRAWFORD.

Hon. P. P. BARBOUR, *Speaker of the House of Representatives.*

TREASURY DEPARTMENT, COMPTROLLER'S OFFICE, *March 19, 1822.*

SIR:

In compliance with your request to be furnished with the information required by the resolution of the honorable House of Representatives of the United States, relative to the "progress which has been made in the settlement of the arrears in the accounts of the Post Office Establishment, and also what difficulties, if any, have interfered in the final liquidation thereof," I have the honor to present to you a statement, marked No. 1, which exhibits the existing state of the accounts of the General Post Office, for the years 1815 and 1816, as they have been reported upon in my office; and, in order to present as satisfactory a view of these accounts as can at present be afforded, the statement has been made out in such manner as to exhibit the balance due from the General Post Office at the commencement of the first quarter of the year 1815, and at the end of each quarter of that year; and, also, the gross amount of the postage for each quarter; payments for transportation of the mail; incidental expenses of the General Post Office; compensation to Deputy Postmasters, including contingent expenses; way and ship letters; total amount of expenditures; nett amount of postage; payments made into the Treasury; and balance due the United States at the end of each quarter; and the like exhibit in the same statement for the year 1816: these being the latest accounts of the General Post Office, which have been reported upon in my office, and not comprehending all the accounts which have been examined and reported upon by the Fifth Auditor of the Treasury.

I deemed it proper, in order to comply as fully as practicable with the object of the resolution, to address a letter to the Fifth Auditor of the Treasury, and to enclose him a copy of the resolution; and I have the honor to enclose his answer, marked No. 2, and a statement marked A, referred to in his letter, which exhibits the existing state of the Post Office accounts for the years 1817 and 1818, and the first quarter of 1819, as they have been reported upon by him.

In consequence of the view of the existing state of the accounts of the General Post Office, thus presented, it may be proper to observe, that when I came into office, which was on the 1st of March, 1815, the Post Office accounts had only been settled up to the third quarter of 1808, inclusive; they have since been brought up in my office, and reported upon, as hereinbefore stated, to the fourth quarter of 1816, inclusive. It will, however, be perceived that these accounts are reported upon by the Fifth Auditor, for two years and one quarter more than they have been examined and reported upon in my office. As a reason for this difference, it may be proper to remark, that when the Fifth Auditor commenced his duties, he was enabled to put four clerks on the General Post Office accounts, and that number was continued upon these accounts until within a few months past, when the agency of the Treasury was transferred to him. Since then I have understood that he has been compelled to lessen the number of clerks upon the General Post Office accounts; whereas, I have not been able to employ more than one clerk on these accounts, until about the 16th of February, 1821, when, from a new arrangement which I made in the duties of some of the clerks, I was thereby enabled to put another clerk on these accounts.

In answer to that part of the resolution which asks "what difficulties, if any, have interfered in the final liquidation of the General Post Office accounts?" I have to observe that, according to the manner in which the accounts of the General Post Office have heretofore been settled at the Treasury, since the first establishment of the Post Office Department, no particular difficulties have interfered in the final settlement of these accounts. The manner in which these accounts were settled, so far as respects the expenditures for carrying the mail, was to credit the General Post Office with the amount of all the moneys stated to have been expended for carrying the mail, and for which receipts for that specific object were produced. These receipts were uniformly considered the proper criterion by which to judge of the amount to which the General Post Office was entitled to credit for transportation of the mail. It may be proper to observe, that the Post Office laws, with respect to the manner of settling the accounts of the General Post Office at the Treasury, had received a practical construction long anterior to my coming into office; and taking it for granted, after so long a practice had obtained, that the law had received a correct interpretation, these accounts have, accordingly, been constantly settled in the same manner ever since I came into office, until lately.

In the course of the last session of Congress, the chairman of the Committee of Investigation upon Post Office affairs made application to this office for an official statement of certain contracts for carrying the mail, and requested me to give the "names of the contractors, the amount of the respective compensations, commencement and termination of the routes, duration of the contracts, &c.;" which information was communicated, as far as the papers in my office enabled me to give it. Subsequent application was made by the chairman of the committee, in which he requested to be informed what amount had been paid by the General Post Office to these contractors for transporting the mail on the routes upon which they had contracted to carry it. This call, thus made, led necessarily to a comparison between the amount contracted for in carrying the mail on the routes referred to in the call made by the committee, and the sums charged to have been paid for the transportation of the mail upon those routes. The sums thus charged for carrying the mail on the routes for which contracts had been made were found to be much greater than the sums which had been agreed to be paid according to the contracts. This fact, thus ascertained, induced me to doubt the correctness of the manner in which the accounts of the General Post Office had been settled, as hereinbefore stated. Thus impressed, (and as is usual in all cases where doubts are entertained respecting the construction of any law which is to be carried into effect by this Department of the Treasury,) I considered it my duty to consult you upon the subject; and you will no doubt recollect that, about the close of the last session of Congress, I called upon you and presented a view of the difference between the amount contracted to be paid for carrying the mail on certain routes, and the amount which was stated by the General Post Office to have been actually paid for carrying the mail upon these routes; and that, when I presented to you a statement of the charges thus made, you gave the Post Office laws a cursory view, and, after some conversation had thereon, you expressed great doubt as to the correctness of the mode of settlement which had been so long practised in the Treasury; but, not then having time to go into a full examination of the law respecting the Post Office Department, it was concluded to defer a final decision thereon until more time could be afforded for a full and critical examination thereof, which was had some time thereafter, when you expressed a decided opinion that the manner in which the General Post

Office accounts had been settled, as hereinbefore stated, was not correct; and that it would be proper and necessary, in all future settlements of these accounts, to compare the amount contracted to be paid for carrying the mail with the amount actually paid, according to the receipts produced, and to allow the General Post Office credit for no greater amount than the sum contracted for. Agreeing with you in the opinion thus expressed, it was concluded that the Fifth Auditor of the Treasury (who reports on the Post Office accounts to this office) should be instructed accordingly, which was done; and you will perceive, by his letter, that he apprehends no difficulty in the change of the mode of settlement, except what may arise from a want of the duplicate contracts, which the law requires the Postmaster General to deposit in the Comptroller's office, and which, I take leave to observe, it will be absolutely necessary to have, in order to make the settlements in the manner now contemplated. Whatever duplicate contracts may therefore be wanting, to enable the accounting officers to progress with the settlements of the General Post Office accounts, the Postmaster General will be requested to supply.

I have the honor to be, with great respect, your most obedient servant,

JOS. ANDERSON, *Comptroller.*

Hon. WILLIAM H. CRAWFORD, *Secretary of the Treasury.*

No. 1.

A statement exhibiting the receipts and expenditures of the General Post Office, from the first quarter of the year 1815 to the fourth quarter of 1816, both inclusive, as reported upon in this office.

Quarter of the year.	Balance due at the beginning of the quarter.	Gross amount of postage.	PAYMENTS FOR					Total amount.	Nett amount of postage.	Payments into the Treasury.	Balance due the U. States at the end of each quarter.
			Transportation of the mail.	Incidental expenses of the General Post Office.	Compensation to Deputy Postmasters, including contingent expenses.	Way and ship letters.					
1815.											
First,	302,665 15	223,611 79	127,125 13	2,966 12	69,080 80	425 86	200,597 91	23,013 88	-	325,679 03	
Second,	325,679 03	274,356 75	107,538 55	3,879 60	58,980 58	1,539 95	171,938 68	102,318 07	60,000 00	367,997 10	
Third,	367,997 10	270,690 64	119,650 42	2,964 09	56,640 34	1,794 15	181,049 00	99,541 64	75,000 00	382,638 64	
Fourth,	382,638 64	273,657 53	129,607 96	1,388 45	56,160 31	2,208 27	189,364 99	84,292 54	66,198 43	400,732 75	
1816.											
First,	400,732 75	290,479 54	128,881 87	3,032 40	58,064 45	3,000 60	192,979 32	97,500 32	67,000 00	431,232 97	
Second,	431,232 97	215,789 03	133,551 36	4,819 56	63,646 72	2,306 09	204,323 67	11,465 36	-	442,698 27	
Third,	442,698 27	218,056 61	128,447 95	5,562 75	64,534 32	2,103 14	200,648 16	17,408 45	16,700 00	443,406 72	
Fourth,	443,406 72	236,402 79	134,507 45	2,435 53	69,956 53	2,044 36	206,899 51	29,503 28	-	470,875 64	

TREASURY DEPARTMENT, COMPTROLLER'S OFFICE, January 28, 1822.

JOSEPH ANDERSON, *Comptroller.*

No. 2.

TREASURY DEPARTMENT, FIFTH AUDITOR'S OFFICE, January 31, 1822.

SIR:

In compliance with the request contained in your letter of the 26th instant, which I had the honor to receive yesterday, together with a copy of a resolution of the House of Representatives of the 22d, I send herewith a statement, marked A, containing a summary of the settlement of the accounts of the General Post Office, from the 1st of January, 1817, to the 1st of April, 1819, as adjusted at this office, showing the balance due at the end of each quarter and year, and at the close of the first quarter of 1819. It may be proper to add, that the remainder of the accounts for that year are in a course of examination, some nearly finished, and embrace the whole of the accounts rendered by the General Post Office up to this period.

When this office was established, in 1817, the accounts of the Post Office Department had not been adjusted further than the third quarter of 1810, inclusive. They are daily becoming more voluminous, and, consequently, more laborious; those now under examination embracing the accounts of three thousand six hundred and nineteen Postmasters.

The laws in relation to the General Post Office having required duplicate contracts entered into by the Postmaster General for the transportation of the mail, together with all the proposals made on the subject, to be deposited in the Comptroller's office, the contracts were not considered as a part of the vouchers to be produced, and the accounts have hitherto been audited without reference to them, and credits been allowed in so far as receipts were actually produced.

It having been determined, however, on a recent and more attentive examination of the laws, that the contracts ought to form the basis of the settlement of all the Post Office accounts relating to that branch of expense, and you having intimated your intention to furnish me with them, from time to time, as you may receive them, (there being no authority in this office to require their production,) these accounts will hereafter be adjusted with a special reference to them, as well as to the receipts for payments made in pursuance of them. No difficulty or delay is anticipated in the settlement of these accounts, but what may arise from this cause.

With great respect, I have the honor to be, sir, your obedient servant,

S. PLEASANTON, *Fifth Auditor of the Treasury.*

JOSEPH ANDERSON, Esq., *Comptroller of the Treasury.*

A.

Statement exhibiting the receipts and expenditures of the General Post Office, from the 1st of January, 1817, to the 1st of April, 1819, per accounts rendered and audited at this office.

Year.	Quarter of the year.	Balance due at the beginning of the quarter.	Gross amount of postage.	PAYMENTS FOR					Nett amount of postage.	Excess of expenditure.	Payments made into the Treasury by warrants.	Balance due the United States at the end of the quarter.
				Transportation of the mail.	Incidental expenses of the General Post Office.	Compensation to Deputy Postmasters, includ'g contingent expenses.	Way and ship letters.	Total amount of expenditures.				
1817,	First quarter, - - -	\$470,875 64	\$240,244 88	\$128,434 39	\$4,674 59	\$70,693 62	\$1,660 45	\$205,463 05	\$34,781 83	-	\$19,999 50	\$485,657 97
	Second quarter, - - -	485,657 97	258,592 36	144,162 70	7,606 95	75,146 55	2,335 66	229,251 86	29,340 50	-	9,272 41	505,726 06
	Third quarter, - - -	505,726 06	254,983 23	169,306 02	7,586 10	76,729 90	2,293 72	255,915 74	-	\$932 51	-	504,793 55
	Fourth quarter, - - -	504,793 55	247,904 52	147,846 04	2,389 16	72,806 57	2,208 17	225,249 94	22,654 58	-	100 00	527,348 13
1818,	First quarter, - - -	527,348 13	282,365 92	161,001 16	9,080 79	83,642 24	2,304 40	256,028 59	26,337 33	-	14,070 00	539,615 46
	Second quarter, - - -	539,615 46	283,391 28	161,256 54	6,168 12	83,383 99	2,939 58	253,748 23	29,643 05	-	-	569,258 51
	Third quarter, - - -	569,258 51	287,135 54	168,567 93	5,714 05	85,745 57	2,521 59	262,549 14	24,586 40	-	-	593,844 91
	Fourth quarter, - - -	593,844 91	276,910 74	169,856 43	3,325 28	83,706 48	2,185 52	259,073 71	17,837 03	-	6,000 00	605,681 94
1819,	First quarter, - - -	605,681 94	303,831 62	157,047 40	6,651 11	90,125 48	2,197 40	256,021 39	47,810 23	-	-	653,492 17

TREASURY DEPARTMENT, FIFTH AUDITOR'S OFFICE, January 29, 1822.

S. PLEASANTON, Auditor.