

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Logistics Conference Highlights

DD/A Registry

83-4384

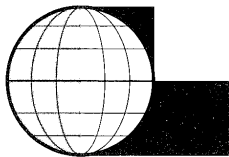
FR Printing & Photography Division 158 P&P Bldg.	EXTENSION 	NO. DATE 28 September 1983	STAT STAT
--	---	--------------------------------------	------------------

TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. <i>A/KO/</i> DDA 7D24 Hqs.	28 SEP 1983	28 SEP 1983	<i>AKO</i>	Dan King asked that I send these direct. The color pictures were made on the new electronic scanner. <div style="border: 1px solid black; width: 200px; height: 80px; margin: 10px auto;"></div> <p style="text-align: center; font-size: 1.5em; margin: 10px auto;">REGISTRY</p> <p style="text-align: center; font-size: 1.5em; margin: 10px auto;">100-20</p>
2. DDA	30 SEP 1983		<i>D</i>	
3. A DDA		3 OCT 1983		
4. EXO		5 OCT 1983	<i>R</i>	
5. Registry				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				

STAT

83-4384

SECRET



HIGHLIGHTS

Logistics Conference

2 and 3 May 1983

SECRET

Page Denied

Next 1 Page(s) In Document Denied

Approved For Release 2008/04/30 : CIA-RDP85B01152R001101440008-1

SECRET

The summaries contained herein were obtained from notes prepared during the Logistics Conference and accurately reflect, insofar as possible, presentations by each speaker. Readers should be advised, however, that abbreviated summaries may not fully describe the material presented, or, by omitting certain facts, may portray the subject matter in a somewhat different light than that intended by the speaker. Any such misrepresentations are unintentional and we apologize for any inaccuracies present in these highlights.

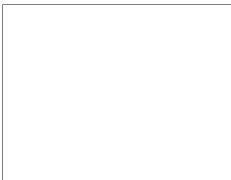
Page Denied

INTRODUCTION

Our annual conference again provided the opportunity for our Logistics Careerists to meet, exchange ideas, discuss problems and to socialize in a relaxed and cordial atmosphere. The variety of topics and the expertise of all the speakers gave the attendees a rewarding and enjoyable experience.

These notes are an opportunity to thank you for attending and making this conference so successful. For those of you who were not able to be included this year, it is hoped that you will get some insight into the events that took place and be able to join us in the future.

We regret that some of our friends and coworkers have passed away this year, and it is to their memory that we have dedicated these conference notes.



25X1

25X1



Daniel C. King
Director of Logistics

By any measure, the "state of the office" is better than it was at this time last year. Work and moral are up; additional positions have been established both here and abroad with approximately 50 new positions anticipated over the next two years; our budget has increased at a rate greater than the inflation rate; monies are being provided for recapitalization; and, most important of all, we are being given good "marks" for performance by all segments of senior Agency management.

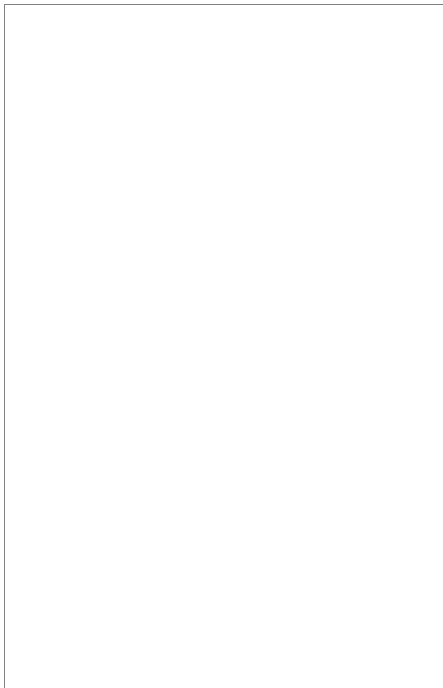
However, if we are to continue to succeed, we must continue to emphasize those critical characteristics that the logistician brings to his or her job.

1. **RESPONSIVENESS**—both in terms of "customer service" and to those new ideas such as LIMS which will make the system more efficient.
2. **INTEGRITY**—not just of the contracting officers but for all of us in both our acts and in the appearance of those acts.
3. **EQUALITY**—so that through affirmative action our office at all levels becomes representative of the society we serve.
4. **COMPASSION**—listening and helping in times of personal and professional problems is the least we owe our officers who willingly take disruptive and sometimes even dangerous or unpleasant assignments.

5. **PROFESSIONALISM**—participation in professional societies as a source of new ideas, but even more importantly, the sharing of those ideas and the helping of new officers as they enter the logistics profession.

6. **A SENSE OF HUMOR**—for ourselves and the seemingly endless variety of problems we are called upon to solve. We have a profession to be proud of and you can take particular pride in your contributions to the success of this Agency's operations.

Page Denied



Chief, Supply Division, OL

[redacted] gave a presentation on the past and current status of Supply Division and where he sees Supply Division going in the next several years.

Speaking on where we were as a Division overall, [redacted] stated that we were understaffed in certain areas; had lost most of our ordnance expertise; were using an outdated Inventory Control System; and were not prepared, across the board, to support the current return to covert action.

Presently, the Division is actively involved in increasing [redacted]

[redacted] ing inventory assistance to external components both domestically and overseas. Additional automated capabilities are being implemented daily. The recruitment of new personnel under the SOT Program and rebuilding lost skills [redacted]

[redacted] are also present tasks in the Supply Division. Future plans consist of using more sophisticated automated systems, increasing the recruiting and training of SD personnel to meet contingency and quick response requirements, continuing with ICS upgrades, and expanding Supply Division's capabilities to support covert action.

[redacted] a concentrated effort will be involved with the construction of additional storage space to house bulk paper, CRAFT equipment, and hazardous materiel. A modular storage facility, providing the funds become available, will also be constructed. Repaving the entire exterior [redacted] and upgrading the black and

secure telephone systems are other plans that will involve the [redacted]

Pending projects for [redacted] include renovating the Administration Building, conducting a readiness test of the base, improving secure communications capabilities, upgrading staff housing, acquiring a staff engineer, as well as establishing LIMS on-line capacity.

25X1
25X1
25X1

25X1

25X1
25X1

25X1
25X1

25X1

25X1

SECRET

25X1

The mission of Logistics Services Division (LSD) is to provide that near perfect working environment in the Metropolitan Washington Area so that each of our employees can perform their task efficiently and professionally. In order to accomplish this mission, LSD has been expending a great deal of effort in many areas.

Since May of 1982, Office of Logistics representatives have been meeting with General Services Administration (GSA). Special emphasis has been placed on the leasing of space, the operation and maintenance of the 2430 "E" Street complex, the Powerhouse at Headquarters and other areas of concern regardless of where they may occur. Several problems have been eliminated by these meetings. In addition, monthly Walk-about have been made with Mr. Fitzwater, DDA; Chief, LSD; and the GSA Building Manager to identify those items which require corrective action. These have produced some good results and have especially demonstrated to GSA the Agency's concern for our work place. In addition, there have been many other meetings to discuss the feasibility of the Agency taking over the total responsibility for the operation and maintenance of the Headquarters Building. Needless to say, this action is loaded with mine fields, not the least of which is the SLUC reimbursement. However, serious consideration is being given to this possible action.

Space requirements in the metropolitan area continue to grow in excess of our ability to accommodate them. Although we

have leased many additional office areas

25X1

we still have re-

25X1

quirements on hand for over square

25X1

feet in Headquarters Building. At this time we see little relief but are continuing to work on the problem hoping that redesign, more efficient utilization of existing space and even approval to lease additional space will partially alleviate the problem somewhat.

Through the years, the quality of food in the cafeterias in Headquarters Building has been of great concern. Also the manner and timeliness of its service has left much to be desired. In concert with the Agency Cafeteria Committee, LSD has been meeting regularly with GSA and Guest Services Incorporated (GSI) in an attempt to bring about improvements. As a result of these efforts, some modest changes have taken place. Serving lines have been rearranged, additional check-out registers set up and management personnel from GSI are evident in front, readily available to identify problems and solve them quickly. In the near future, new check-out stands will be built in both cafeteria areas and upon completion of the moves

25X1

and within Headquarters. The balcony area in South Cafeteria will be recaptured and set up for quick service items. Liaison will continue with all interested parties to see if even more can be done to provide better food and service.

Chief, Logistics Services Division, OL

LSD Questionnaires—At the suggestion of the Director of Logistics, LSD developed a Questionnaire which was sent out to all Directorates asking for information on the performance of LSD. A format was used which was easy to follow and would give the kind of information that would enable LSD to improve. The results were quite interesting.

Seventy-five percent of offices polled felt that the building supply stores were adequately stocked. All felt that the people were helpful and the service was rated as good overall. Of the offices relocated during the year, 86 percent were satisfied with the moves. The mail system was considered reliable and efficient by a great majority. Three quarters of the offices rated the shuttle service as adequate, although the overall performance was felt to be good to excellent. Many felt that the service of the Architectural Design Staff was not performed in a timely fashion; however, they still rated the quality of work as good to excellent. Space Maintenance and Facilities Branch performed efficiently and the majority of those polled were generally satisfied with the condition of their office environment. Generally, there was satisfaction with parking on the Headquarters compound and the overall administration of the parking program was rated as good to excellent. The cleanliness of the offices, corridors, public areas, the efficiency of the custodial force, and the condition of the compound grounds were all considered good to excellent, as was the overall operations and maintenance of Headquarters

Building. The greatest complaint of the poll resulted in fifty-four percent of the raters feeling that their offices were too warm in summer and too cold in winter.

All in all, LSD was gratified to receive this positive feedback of its users and to be able to determine the strengths and weaknesses of its mission to better serve the community.

25X1

Page Denied

SECRET

In his introductory statement, [redacted] reviewed the transition of the Agency outlook in the '80s:

“Do More with Less”

“Do More and More with the Same Resources”

The continuing and accelerated growth of the Agency, the critical sense of urgency of its needs, as well as reliability of the support environment and the growing application of an advanced technology in the new “paperless society” environment have increased the requirements for flexibility and creativity in responsiveness by the Office of Logistics.

These trends and factors have provided the Real Estate and Construction Division (RECD) with many challenges. Much energy is consumed in dealing with the General Services Administration (GSA) on various leasing problems, with the attempt to get better support for the Agency in maintenance and operation areas as well as facilities modifications. A new role is now effective with many of the buildings under direct Agency lease rather than under GSA lease authority. These leasing agreements result in more contract administration details, custodial, maintenance and operation problems, zoning and citizen association appeals and contacts. NPIC, Headquarters Power House [redacted] and others show the continuing trend of increased RECD responsibilities.

In the direct design and construction contracting areas, [redacted]

the secure voice telephone systems, major modifications to the existing NPIC Building, upgrading of [redacted] HVAC balancing of the new Wang terminals and other computerized systems and support design and construction at [redacted]

Utilities Reliability with the enhancement of the UPS system and the Capital Improvement Program are also concerns. The Headquarters Building project engineering support will handle Phase II of Project SAFE, the power vault and the additional thermostats resulting from the explosion of terminals and processors utilized by the Agency. RECD continues its challenges in its response to all the new facilities engineering expansion initiatives, the domestic field facilities upgrading and Office of Communications Recapitalization Program. Support is continually given to [redacted]

25X1

25X1

25X1

25X1

25X1

25X1

25X1

25X1

Chief, Real Estate and Construction Division, OL

SECRET

SECRET

[redacted] spoke on his perception that the Office of Logistics (OL) is a professional family of Agency employees responsive to the Agency's needs for logistical support. OL management is fully appreciative of the value of our careerists and strives to maintain and develop meaningful leadership so as to foster for these OL careerists a satisfying career which will develop a personal sense of value and worth to the Agency as well as provide a challenging work environment and assignment.

It is management's goal that employees enjoy their job, feel a part of OL, and feel they are making a worth-while contribution while they have a satisfying future within the career service.

A practical and realistic view of the requirements of promotions and recognition was shown to vary within grade categories. Typical considerations for Wage Grades (WG) and GS grades 01 through 11 require a minimum time in grade and headroom slot; though the WG must meet the particular job specifications, the GS-01 through 06 must be recommended and the GS-07 through 11 are ranked competitively. Further promotions for GS-10s and 11s are normally determined by the pursuit of a college degree. Beyond this grade and without the college degree education, many careerists will find a plateau with slower movement, and only long and faithful work will move the best of the 12s and 13s into the higher GS grades.

OL must have Supply Officer Trainees and Logistics Officer Trainees (SOTs/

LOTs) to produce the needed leaders for the future and we try to share promotions with the non-SOT/LOT as well. Although separate promotion tracts have been considered, these are not presently in effect. The requirements for a successful SOT/LOT should be to earn a "6" level or better PAR, to accept regular and fairly frequent (each 6 months, except PCS O/S) reassignments and to earn promotions "on schedule." Inability to follow those goals result in a transfer to the regular TRACK career.

"Pack your own Parachute" continues to be the guidance for career advancement. The careerist is responsible for making known his desires for training and assignments and to seek positive counseling, as opposed to self-initiated counseling which becomes a rap or informal chat. This periodic counsel will keep communications "on-line" and keep supervisors and management properly informed. A five-year plan is not necessary but certainly some plan is for anyone to have a rewarding career.

There are a great variety of OL jobs here in the metropolitan area, elsewhere in the United States and especially overseas. This includes PCS and TDY to such places as Beirut, the Middle East, and Central America. We have been asked to provide OL careerists for over 35 new jobs in the past eighteen months. The Agency is expanding both in personnel, jobs and tasking which makes the challenges for LOGISTICS exciting.

Deputy Director of Logistics

Page Denied

Next 1 Page(s) In Document Denied

SECRET

[redacted] initial remarks centered on personnel evaluations and promotions. Under this heading, he reviewed recent actions affecting Performance Appraisal Reports—specifically, the attempt to make these evaluations more realistic; announced a planned review of the personnel evaluation criteria currently in use within the Office of Logistics (OL); discussed the shared responsibilities of the OL evaluation panels and the Director of Logistics in the promotion process; reviewed OL policy of rapid promotion between grades GS-07 and GS-09 for new professional hires in the descriptive Category I; and advised the conferees of the bright outlook for adequate headroom during the rest of the fiscal year. In the course of discussing promotions, figures were presented that showed, contrary to predictions made at last year's conference, the promotion rate for Logistics careerists during calendar year 1982 was only slightly less than for 1981.

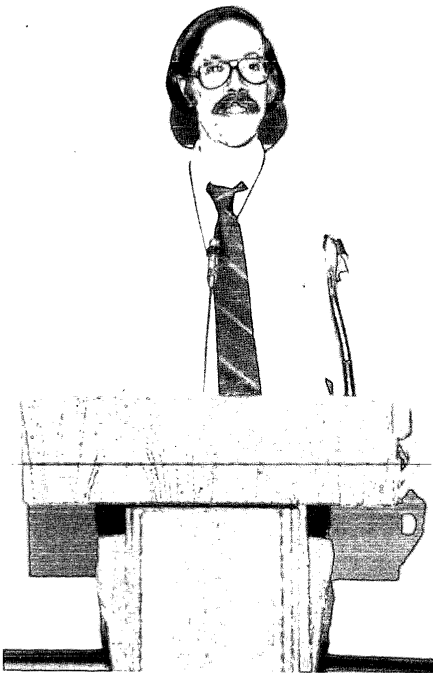
The audience was informed that the Position Management and Classification Division (PMCD) of the Office of Personnel was conducting an office-wide survey within OL. The survey has been underway since November 1982, and the audit phase will be concluded by late June 1983 with the final written report on the entire survey scheduled to be submitted to the Director of Logistics in September 1983. Related to the survey activity is a simultaneous effort by PMCD to develop position standards for certain occupations within the office. After an 18-month effort, standards for contract officers have been prepared which will

principally be used to determine grades for positions on the contract teams serving various Agency components. Position standards are also being prepared for logistics officers and assistants and supply officers and assistants, and it is hoped that the standards will be completed and approved by this fall.

[redacted] concluded his presentation by spending a few moments discussing how the Office of Logistics communicates with its careerists. Aside from scheduled meetings, such as the annual OL Conference and the D/L quarterlies, a variety of publications which have been distributed or are planned for distribution were mentioned. Among these are the OL Personnel Handbook, which has been greatly enlarged over previous editions; the OL Panel Members Handbook, which evaluation panel members use as a guide to the performance of their responsibilities; and a personnel management newsletter which Personnel and Training Staff will be publishing on a quarterly basis beginning this fall. Special events which have been successful in improving communications with our careerists included the Job Fair, held in March 1983. Attended by more than 250 visitors, the Fair offered an opportunity to talk with division and staff chiefs about career opportunities within the occupational areas of OL. In April 1983, a Secretarial Conference was held [redacted] which was attended by OL senior secretaries and representatives of OL management. The conference was designed to allow the participants to discuss their profession, its problems, and to hear a variety of speakers on topics of mutual interest.

**Chief, Personnel and Training Staff,
OL**

SECRET



Edward P. Levine
Senate Select Committee on
Intelligence

As a representative of the Staff of the Senate Select Committee on Intelligence (SSCI), Mr. Levine began by describing what the committee does in general with the information provided to them, how the system operates and its security concerns for handling and protecting sensitive information.

Created out of the Foreign Relations, Judiciary, and Armed Services committees, the SSCI is the authorization source for budgetary spending and justifications in the intelligence arena. The budget is thereby utilized as a tool to question all readiness resources, seek input from the scientific community and to receive follow up on sensitive, covert, and counterintelligence information. The committee occasionally does reports for public dissemination and institutionalized briefings for various officials as well as gets involved in passing legislative bills concerning specific intelligence community issues.

The fifteen members of the committee represent the spread within each political party but make a great effort to achieve a consensus on their decisions even though a political payoff is not evident. The staff members are varied and essentially "generalist" in their skills and background but all are aware of the special problems and differences of the Intelligence Community versus the rest of the Government. Experienced and capable leadership gives strength to the Intelligence Community's

position and, according to Mr. Levine, is the answer to success or failure in satisfying our particular needs.

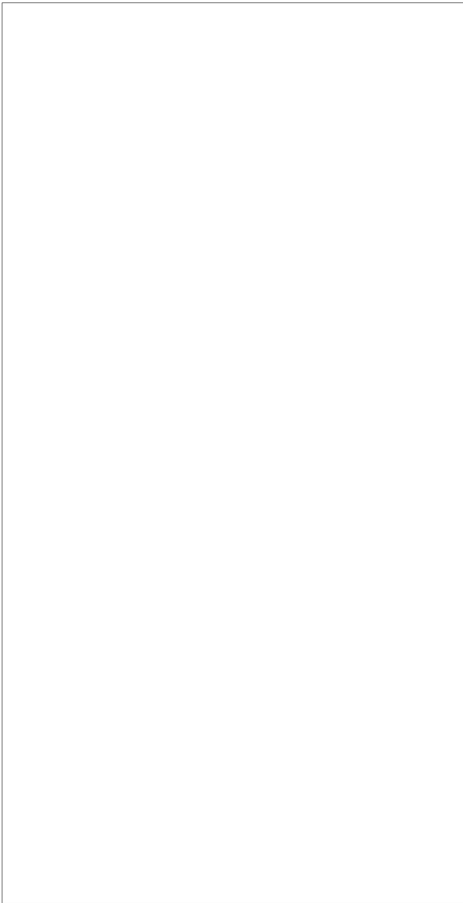


Director of Finance

A review of the relationship between the Offices of Finance and Logistics, stated Mr. [redacted] shows where the two offices occasionally met and supported each other in the past but are now experiencing a changing and binding relationship. This slowly began in the early 1970s with the lowered cost of data processing and has rapidly proceeded to the present due to that and many other factors.

Audit and finance moved into the OL arena with the implementation of the prompt payment system. The resultant new system recommended by OL has saved the Agency a great deal of money from avoiding late payment penalties on invoices. LIMS represents another link in the movement to break down any barriers between the two offices with its computer data base involved in every action from the cutting of the purchase request through the payment of the final invoice.

[redacted] indicated that he foresees the gradual combining of both OL and OF with the Office of Finance eventually phasing 50% of its people into other offices for audit, certification and payroll functions. Agency accounting will become completely automated. The present accountants will become data base managers of the new systems. All Agency accounting will eventually be automated and the dispersal of funds will be done by machine tellers.



25X1
25X1
25X1

25X1

Page Denied



Harry E. Fitzwater
Deputy Director for Administration

In reviewing the history of the Agency, Mr. Fitzwater compared the different Agency directors' relationships with the various political administrations and their individual interest in intelligence capabilities. This arrangement always has a great impact on the Agency budget, which in turn impacts on the future plans for the offices in the Directorate of Administration (DA). There is a concern that the bad press we are currently receiving [redacted] may result in an extreme [redacted] attitude which would hamper our ability to effectively do our job and reduce our budget overall. This also means that the amount of money budgeted for our new building remains in question.

Presently, each of the DA offices are concerned with varied problems. OL must ensure that sufficient space is leased and available until the new building has been completed. Over [redacted] is being used for readying [redacted] Building. The Office of Finance has systems that are in severe condition and require updating, but neither money nor support have been available. A new memorandum of understanding is in effect between the Office of Communications and the Department of Defense concerning the diplomatic communication system that will eliminate duplication of effort between the Department of State and the Central Intelligence Agency; however, the shortage of qualified communications personnel continues to hinder progress. The Office of Data Processing is involved in the costly SAFE Program and is acquiring many new terminals as well as

people. Polygraphs in the Office of Security have increased almost 100% this year to handle over 200,000 applications and 19,000 interviews. More security people are needed overseas as well as locally to do the required increased background investigations.

The future nature of the Agency will depend on the FY 1985 and FY 1986 budget process, which the DDA foresees as getting more difficult. The many DA offices and lack of homogeneous skills in the DA do not allow easy movement of our people and we must be prepared to use our resources as best we can for the immediate future.

25X1
25X1

25X1
25X1

Page Denied

Contending that most people try to avoid problems [redacted] nevertheless, is kept busy with that minority whose problems reflect their performance and conduct. The Agency probably has about [redacted] people in trouble at any one time with alcohol being the cause of most of these problems. There is the normal effort to keep this hidden until no choice is available.

It is the responsibility of supervisors to report their concerns, both for the benefit of the employee as well as the organization, so that every effort for counselling and assistance to the employee can be utilized. Indicators of personal problems take many forms. Job performance is affected by attendance, and when an employee is frequently absent or takes overly long lunch periods, there is usually cause for concern. Psychological changes in personality may be the result of a medical condition or alcohol dependency and security violations often occur as a result of drug use. Changes in personal conduct and pressures from family problems require that the supervisors know and understand their people. Sex with a foreign national or engaging in a homosexual relationship are also very important issues of concern, as is the growing issue of indebtedness and its strain on the person.

Firing an individual is a difficult task, but one that must be done. All these terminations of employment cases must be presented to the Personnel Evaluation Board who acts as a fact finding group and attempts to solve the problems presented

before them. Even then, their decision is not necessarily final. A right of appeal is granted to all employees and final authority rests with the Director.

Everyone must do more to help. Counselling, if done soon enough, can frequently alleviate the long term action since employment termination is never the preferred solution.

25X1

25X1

**Chief, Special Activities Staff
Office of Personnel**

225X1

[redacted] Office of Security, presented a lecture which detailed the events of Christopher Boyce and William Bell, both convicted spies who had sold secrets to the Soviets, while they were employed by Defense Contractors. Also included were the details of how a Soviet Illegal creates his Life's Legend in the United States, how he operates once inside a Defense Contractor Company, and how carelessness on the part of cleared contractor employees contributes to a critical loss of classified material to the Soviets.

Included in the program was a large display of technical equipment such as audio devices, miniature cameras, and various types of locks. A hands-on demonstration of the use and misuse of these devices emphasized the security hazards involved in our day-to-day operations.

The basic security procedures for industrial contractors is a program which briefs contractor employees assigned to Agency classified programs. While tailored for the specific facility, according to size, contract sensitivity, degree of management support and previously identified security deficiencies, it presents basic security procedures for those who have had little or no counter-intelligence indoctrination.

Office of Security

Page Denied

In the overview presented by [redacted] it was shown that the Printing and Photography Division (P&PD) projected a 15 to 20 percent increase in workload in FY 1983 compared to FY 1982.

The goals for this division are to provide quality products to customers on time, to increase productivity, to increase capabilities in printing and photographic technologies, and to insure the maintenance of a professional trained workforce.

A central issue is to satisfy the new or changing requirements without degrading current production. For example, DDI/OCR and DDI/OCPAS both levied new requirements for typeset finished intelligence publications that were formerly printed directly from word processor prepared script. The conversion to typeset format cost the Division approximately 20 man-months in a five-month period. To accommodate these requirements, large amounts of overtime were expended. Therefore to cope with these changing and expanded requirements, P&PD is developing new capabilities by maximizing the potential of the workforce (working smarter) and by enhancing the technical base.

Initiatives supporting the solution encompass both the human and technical base. A quality of work-life survey was conducted in November 1982 and the survey evidenced a desire by the workforce to make a greater contribution to improving the quality of the Division's product. The survey also indicated that the work environment was conducive to the establish-

ment of quality circles. This pilot program was initiated in January 1983 with the formation of seven teams. The training phase will be completed in May and is already seeing positive results in terms of recommendations for improvements in the way P&PD produces its products and the general health and well being of the plant.

The Apprentice Program now has eight apprentices in the printing trades; and five new apprentices will enter the program in the next two months. This represents approximately seven percent of the workforce. An apprenticeship program for the photographic area will commence shortly.

Graphic Arts Technical Foundation conducted a technical audit of the printing plant in October 1982 which was very favorable. Several of the recommendations are being acted upon. Equipment recapitalization expenditures for the period FY 1982 - FY 1985 will be in excess of [redacted] 25X1 [redacted] each year. The digital prepress system representing an investment of approximately [redacted] will increase the productivity an estimated five times. It will also permit Agency customers to utilize powerful publication tools via remote ODP/VM facilities and will dramatically accelerate printing throughput times. Other equipment that will improve P&PD's capabilities include a 50-inch press, COM recorders, video replication equipment, and a color TV camera.

The production of computergraphics products has increased dramatically in the past years since the first Dicomed terminal

**Chief, Printing and Photography
Division, OL**

SECRET

was acquired. It is forecast that there will be an additional 33 percent increase in production this fiscal year. The potential of this medium is so great, P&PD produced a short film to demonstrate present and near-term capabilities of our computer-graphics facilities and its relationship to customers through the ODP/VM system.

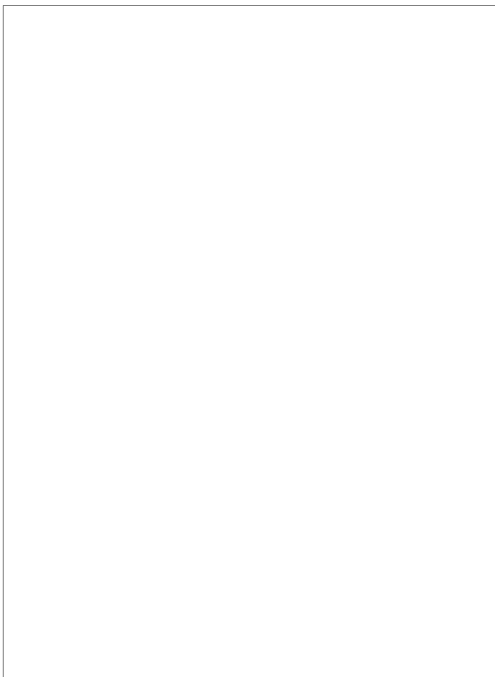
The support received from our sister divisions (Procurement Division, Real Estate and Construction Division, and Supply Division) has been outstanding in terms of responsiveness, professionalism, and quality.

25X1

SECRET

Page Denied

SECRET



Chief, Procurement Management Staff, OL

[redacted] related his responsibilities for the overview and management of the entire procurement system for the Central Intelligence Agency (CIA) with the attributes stated by the Director of Logistics that are considered critical to the success of the Office of Logistics. Procurement functions are an integral part of [redacted] LIMS, NIESO, the new building, the NPIC update, and the Office of Communications' recapitalization program.

Where *professionalism* is concerned, the CIA procurement team is one to be proud of. A recent profile of our work force shows the average educational level to be between a bachelor and master degree. It has been long stressed that membership in professional associations, such as the National Contract Management Association, is considered important and at least eight of our officers are Certified Professional Contract Managers. There are also a number of MBAs and attorneys. To further enhance our professionalism, a series of Procurement Workshops have been recently initiated. These voluntary sessions, which cover a variety of subjects, are given at lunchtime.

Responsiveness was another attribute the D/L mentioned, and no procurement organization in the Federal Government can boast of the responsiveness of CIA. In a period when requirements have increased in gargantuan leaps, we have responded by putting more decentralized teams into operating components. Teams have recently been assigned to the DDO, to

NIESO, and to NPIC. A new team has been placed in OD&E, and FBIS is currently talking to us about a team there. We have also moved toward increased automation for this greater responsiveness.

Diogenes would not need his lamp to find one honest procurement man in CIA. Certainly we have the highest integrity of any procurement team in the Federal Government. Notwithstanding this, we include in every one of our runnings of the course on Acquisition for Technical Managers, a full evening on "Ethics and Morals" as well as a Procurement Workshop on "Standards of Conduct." *Integrity* could easily be at the top of any list.

The attribute of *equality* especially for women and minorities can be seen in our tiny procurement career service, in which there are 18 professional women and seven minority members. Nine of the women hold bachelor level degrees and two have master's degrees—three others are working toward higher degrees. Of some 14 applicants in process, at least half are women and minorities and PMS is proud of this record in the area of women and minority employment.

The last quality, notwithstanding the importance of compassion and a sense of humor, could have been "*camaraderie*." So many people have been brought aboard during our period of rapid growth, that many do not know each other. A Procurement Policy Panel Meeting was scheduled for 19 May, with a wine and cheese party

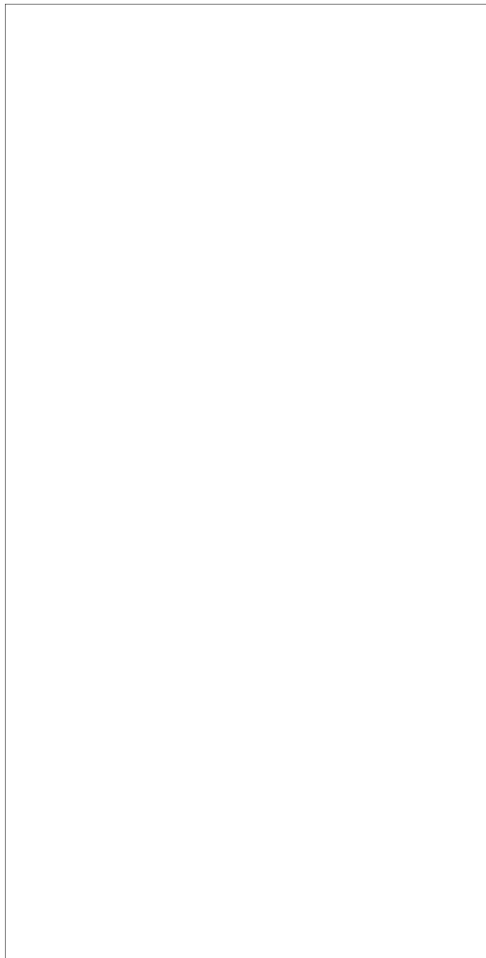
25X1
25X1

25X1
25X1

SECRET

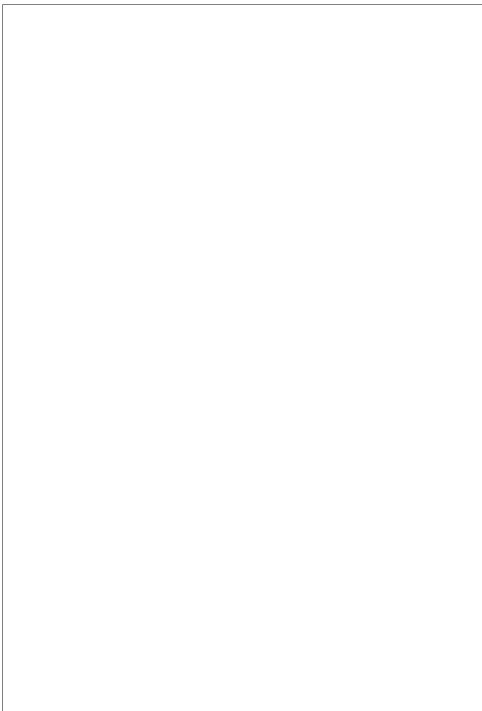
following. This was the first of several planned moves to bring the PMS family closer together. The workshop series also did much in this area, enabling Supply, Procurement and others to talk to each other.

Our CIA procurement work force is the envy of other federal agencies. "Eat your heart out GSA, Navy and the rest." We at CIA have a proud record of service. Much yet remains to be done—and we will do it!



25X1

SECRET



Chief, Procurement Division, OL

[redacted] discussion centered around four basic topics:

1. Wang—Agency-wide equipment ordered and to be ordered. The following statistics were provided for Wang equipment ordered as of 31 March 1983. The value of the equipment ordered is \$8.5m.

	DCI	DDA	DDI	DDO	DDS&T	Total
Model Alliance System						
Model 7525 System						
Model 7520 System						
Work Stations						
Printers						

For fiscal years 1983 to 1985, the following quantities are expected to be purchased:

Model Alliance System	
Model 7525 System	
Model 7520 system	
Work Stations	
Printers	

2. Procurement Division (PD) Workload—The dollar increase in PD workload since 1979 was shown by the amounts obligated each year as follows:

1979	
1980	
1981	
1982	
1983	

In terms of line items and procurement actions, a similar increase is reflected. Steps to cope with this increase in work-

load being taken internally by PD have included the implementation of Wang systems division-wide, increased consolidation of requirements, and working with customers to determine outyear requirements so that more requirement type contracts or contracts with options can be written. There is an ongoing study for a future of procurement with less paper. This concept is supported by Supply Division and the Central Depot who have both expressed their willingness to make whatever contribution they can to accomplish this goal.

3. Imprest Funds. The participants were reminded that it is the policy of both the Directors of Logistics and Finance to use the Imprest Fund to the maximum practical extent. PD, as the principal recipient of a great increase in the number of requirements being generated, would like to be advised of areas in which there are problems with lack of access to an Imprest Fund. An Office of Federal Procurement Policy study indicated that it costs between \$40 to \$100 dollars to process a procurement action through agencies of the Federal Government so this should be kept in mind when a decision is made to satisfy a requirement through our current requisitioning system.

25X1

25X1

25X1

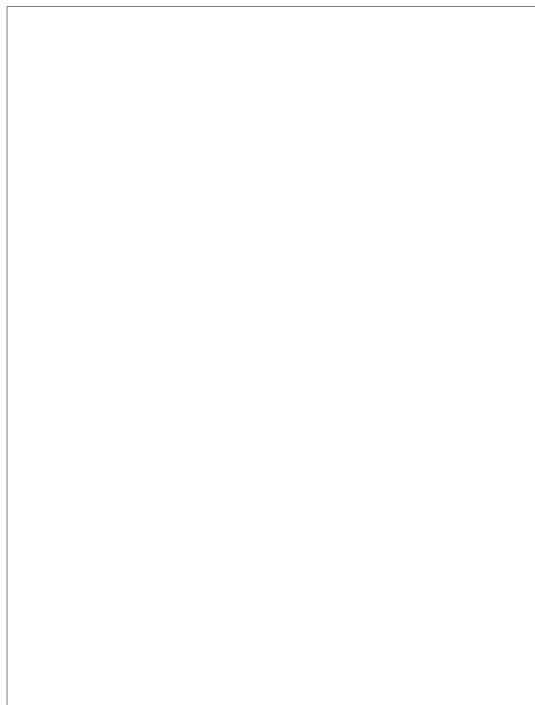
25X1

SECRET

4. *Requisitions.* With regard to this topic [redacted] expressed the observation that some quality assurance program involving the preparation of requisitions is very much needed. Key problems continue to include:

- a. Defining the requirement
- b. Source justification
- c. Required delivery date

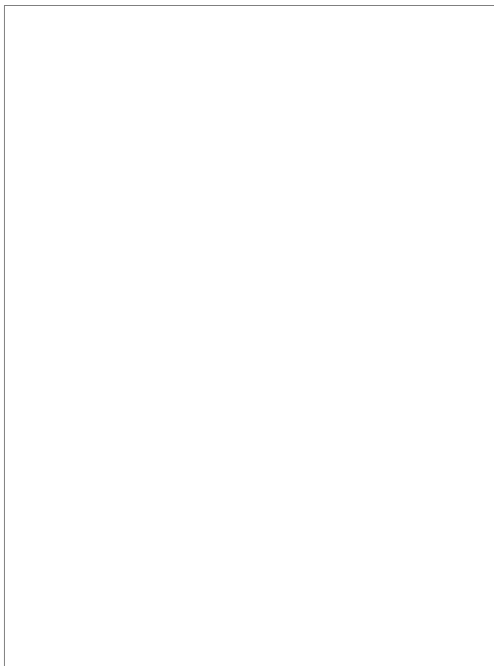
Procurement Division and Supply Management Branch of Supply Division will work jointly to improve the quality of requisitions.



25X1

25X1

Page Denied



Society of Logistics Engineers

[redacted] presented the thesis that logistics has become an applied science. Support elements prudently developed and managed need not be a cost burden, but they can be a profit generator. Any successful commercial or military strategy has a critical and essential need for logistics support and this has finally begun to be recognized.

The emergence of logistics into the commercial and military arena was a result of (1) the world's entrance into an era of shortages, (2) the development and use of many complex systems, and (3) the availability of management information with its emphasis on life cycle systems and the alternatives to providing this life cycle system support. Logistics management has matured and expanded to become a major factor of corporate strategy. In materiel management and in providing customer satisfaction, logistics now often spells the difference between success and failure. Management is recognizing that \$2 out of \$3 are being spent in the logistics cycle. Strategic decisions involve design reliability, maintainability and standardization. Management must decide on the levels of service required, the life cycle position, and the utilization of end result feedback.

The logistician, it is recognized, must be brought back into the initial planning process as a force in the organization. Flexibility and the desire to change are essential. To achieve the best return on investment, the "winners" have modified their strategies to include logistics management, to

institute formal management programs that have integrated logistics systems and to use simulation and modeling to aid in their overall strategic planning. 225X1

Page Denied

Next 1 Page(s) In Document Denied

SECRET



Dr. Mary Frances Berry
Formerly with the U.S. Civil Rights Commission

Minorities in America

Dr. Berry spoke about women and minorities obtaining higher education and their efforts to achieve equal employment. The Affirmative Action Plan designed by Supreme Court Justice Berger recognized that a long history of discrimination had taken place against women and minorities. Action was required to equalize these human rights. Contrary to popular belief, said Dr. Berry, the affirmative action law does not require companies to hire or promote unqualified people. Qualifications for employment should be determined and proven, and only then would this law require that there be certain quotas for hiring (or promoting) minorities. If there is a finding, by the court, of discrimination against race, sex, or religion, then affirmative action steps can be taken against the company. However, if no discrimination is found, the case will be thrown out. Ideally, affirmative action is designed to institute merit standards where no merit standards existed before so that everyone receives the opportunity to compete for those jobs for which they are qualified.

Though the Supreme Court is trying to change affirmative action applicability from group to individual discrimination cases, if someone is turned down for a job or promotion because of their race, sex, or religion, they cannot be reclassified for an individual discrimination case.

Affirmative action was started because there was an acknowledgement by the

people and Congress that something wrong had happened and relief was essential. Unfortunately, according to Dr. Berry, the past two decades of civil rights and significant progress are being challenged by a determined assault moving to undercut the ideal of equal opportunity. It is essential for each organization to successfully implement its own affirmative action plan so that employment discrimination cannot recede to a prior time. This can be accomplished by:

1. Commitment of top leadership to create and carry out the affirmative action plan;
2. Extensive and accurate analysis of the organization's discriminatory problems;
3. Participation by all groups affected by the plan in identifying discriminatory problems and their remedies;
4. Comprehensive and well-integrated techniques and procedures for promoting equal employment opportunity throughout the organization;
5. Commitment of organizational leadership to overcome unforeseen difficulties and organizational resistance; and
6. Means for defining and continually evaluating the effectiveness of the plan.

SECRET

25X1
25X1

The Plans and Programs Staff (P&PS) briefing by [redacted] addressed two basic subjects: the Logistics Integrated Management System (LIMS) project—its past, present and future status and the concept of the proposed Data Administration (DA) function. The following points were presented to the attendees.

A brief definition of LIMS was given with its seven basic objectives. Also discussed was the content (modules) of LIMS and the associated interaction with the Office of Finance. This covered who is who in the project's development in terms of customers and developers and a personnel count—past, present and future—of full time entity involvement. Highlights of significant events in the project's development, the contractor's proposed schedule for phasing in the LIMS system, and five unique tools used in project development were also reviewed for the audience.

On the subject of the DA project, P&PS is occupied with the proliferation of ADP applications throughout the Office of Logistics and the need to centralize their administration and the DA concept with its primary objectives. Consideration of all organizational configurations must include the component structure, its functions and responsibilities, and the proposed grade structure. The current status of the project and its future development were also filled in for the audience.

Plans and Programs Staff, OL

Page Denied

Next 1 Page(s) In Document Denied

[redacted] spoke on a topic that is near and dear to the hearts of all Government employees—Social Security and Medical Benefits. His opening remarks expressed concern for the general feelings of panic and dismay that swept throughout the Agency as news of retirement policy changes spread. Though changes are inevitable in the retirement law, according to [redacted] thusfar OMB and OPM have not sent any official documents regarding these proposed changes in benefits. The present administration has focused on the monetary impact of the existing retirement policies and, motivated only by the cost of the system, the Executive Branch has unilaterally proposed a sweeping policy that they perceive will correct the financial difficulties of the present system.

These proposed changes are to:

- (1) Raise the retirement age for full retirement benefits from 55 years to 65. For everyone under 65, annuity will be reduced by 5%. A grandfather clause is anticipated to cover those who are 55 years of age when this policy becomes law.
- (2) Change the high-salaried 3 years requirement to 5 years. OMB will make an equivalent change in CIARDS, i.e., retirement at age 50 will be raised to age 60. Everyone will have to pay more for less attractive annuities.

Because this Agency has always encouraged early retirement, changing the age

requirement may have a devastating long-term impact on us. It will be more difficult to recruit the kinds of people for the high pressure and foreign area assignments that we have been hiring and need to continue to hire. Early retirement is considered an integral part of personnel management. Essential headroom must exist so that young, enthusiastic, competent employees will have an adequate opportunity for advancement. As retirement is the key to this policy, it will be the object of our negotiation strategy with the Executive and Legislative Branches to present the concept of a unique Agency retirement called CIARDS. CIARDS will have two levels. One would be similar to the existing CIARDS with retirement at age 50, and the second level would be similar to existing Civil Service, with retirement at age 55. The employee contributions to each of these proposed systems and the formula used to calculate retirement benefits would track those changes that are ultimately incorporated into the Civil Service retirement system. However, the ability to retire without penalty would remain at 55.

25X1

25X1

Deputy Director of Personnel

Page Denied

Next 2 Page(s) In Document Denied

SECRET

SECRET