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*W. J. ...*  
*BUD*

11 DEC 1987

MEMORANDUM FOR: Chief, Management Staff, DA

FROM: John M. Ray  
Director of Logistics

SUBJECT: Temporary Allocation for FY 88

REFERENCE: A. Memo for D/L fm DDA, dtd 1 Dec 87, Same  
Subj  
B. Memo for C/MS/DDA fm D/L, dtd 25 Nov 87,  
Subj: Resource Implications - New Headquarters  
Building

1. The temporary allocation provided by Reference A will severely strain the Office of Logistics' (OL) ability to continue to provide the same level of service as we have in the past. Excluding [redacted] the Headquarters Facilities Upgrade Initiative, OL is contending with an approximate 20-percent reduction in resources. As we have no other large initiatives in FY 88, the majority of these resources must come from our Base.

2. In order to absorb a reduction of this enormity, we will be forced to utilize some of the resources identified in Reference B that have been derived from the slippage in the planned occupancy of the New Headquarters Building. We propose that [redacted] identified in Reference B as savings be earmarked for the HPSCI/SSCI reduction. The balance of the savings can be applied against Office of Information Technology shortfalls. The total deferrals of [redacted] identified in Reference B should be applied against our [redacted] reduction. We will require restoration of these funds in FY 89.

3. We will reduce the [redacted] program by [redacted] in FY 88. This reduction can be made without interference to the current plans for [redacted] CLAS will be reduced by [redacted] which will impact on the number of terminals that can be procured.

All Portions Secret

[redacted]

[redacted]

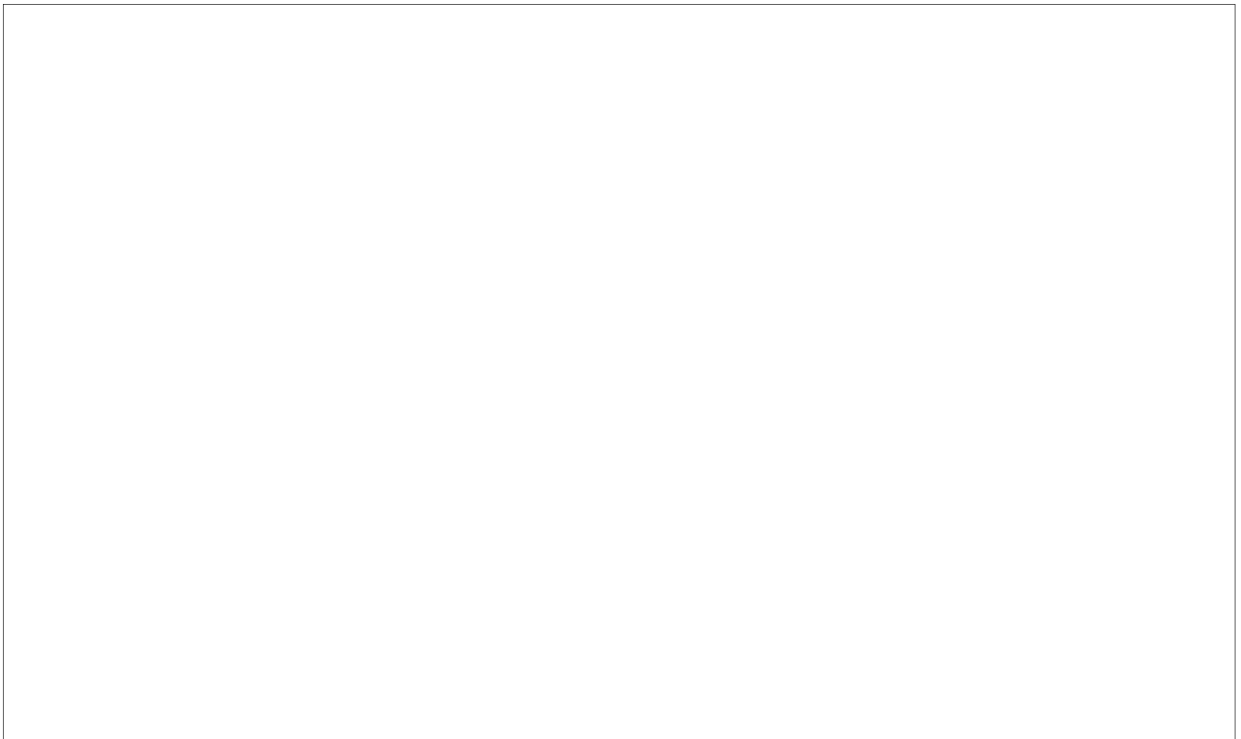
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4. The balance of this reduction will be taken from OL Base resources which will require all of our offices to manage their activities with less resources than were used in the previous year. We expect the following impact from these reductions:

- ° The copier population will be frozen at current levels and acquisition of supplies and equipment in support of Printing and Photography Division will be substantially reduced which will delay planned improvements in productivity and quality that was to be obtained through the web press enhancement. The reduction in supplies may impact on our ability to continue to provide unclassified printing support.

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- ° Procurement Division will be unable to implement scheduled enhancements to support its reorganization. We will be unable to continue the contract for temporary typing assistance for the preparation of contracts and we will have to substantially reduce travel funds which would have allowed our Contracting Officer Interns and

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Procurement Officer Interns to travel to contractor facilities to directly participate in contractor negotiations.

- ° Real Estate and Construction Division will have to reduce significantly the amount of architectural and engineering (A&E) support provided

[Redacted]

- ° Facilities Management Division will have to reduce substantially procurement of ADP equipment and replacement motor vehicles; eliminate the equipment required for the new mail room; reduce contractor support being provided by the General Electric Company, Contel, and Dicon which will impact on A & E support; delay CAD enhancements; and significantly reduce the Allied budget with a resulting reduction in Allied overtime, and 24-hour service calls. Custodial services will also be reduced.

5. The last few years have been among the most dynamic in the history of the Office of Logistics. Consequently, a reduction of 20 percent in Base resources is particularly painful. We believe our strategy will allow us to absorb this reduction and continue to operate, but we are stretched thin and there is no cushion remaining to cover unexpected requirements nor are there funds available to cover earlier identified unfunded requirements for GSA Rent [Redacted] and direct leases [Redacted]. Given the gravity of this reduction, we have no choice but to cut into customer services which will adversely impact on our image as well as on the Directorate of Administration as a whole.

[Redacted Signature]

John M. Ray

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