

SECRET

16 June 1981

MEMORANDUM FOR: Chief, Plans and Programs Staff, OL

25X1 FROM :
Chief, Supply Division, OL

SUBJECT : CORE Activities (U)

1. The following information is provided in response to a request from the Deputy Chief, Plans and Programs Staff:

25X1 a. BuildingSupply Management Branch Reorganization:

On 6 April 1981, the Supply Management Branch, SD, began testing a reorganization plan on a temporary basis. The plan proposes changing the branch from a commodity team concept to a functional group operation. Improved effectiveness, increased production, and greater flexibility in planning leave, training, and work schedules are among the many benefits expected from the change. (U)

Federal Automated Requisitioning System (FARS)

FARS became operational 8 April 1981. The system is designed for automated interface with GSA FEDSTRIP and DoD MILSTRIP systems. This system permits the processing of requisitions from computer to computer, thus greatly reducing manhours and manual processing. (U)

Implementation of new Overseas Storage Location:25X1 Arrangements were made with the Regional Support Activity to store safes and typewriters in an effort to reduce overseas response time. This arrangement has worked well to date and can be expanded subject to availability of storage space. (S)Field Administration Course:

Arrangements were made to hire a retired Senior Logistics Officer as our independent contractor to instruct the logistics portion of the Field Administration Course. OL was unable to identify an appropriate individual to instruct the course whose position permitted the assignment of additional duties which require eight weeks per year. (U) 25X1

OL 1-2499

WARNING NOTICE
INTELLIGENCE SOURCES
AND METHODS INVOLVED

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Excess Property Acquisition Program

During FY80 OL acquired \$155,449 in property from the excess list for various Headquarters elements. To date we have acquired \$11,924 in FY81. Both of these figures represent cost avoidance and are in addition to the economies realized by [redacted]

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[redacted] (S)

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b. [redacted]

25X1

[redacted]

25X1

[redacted]

25X1

Energy Savings

Reduction of courier trips from [redacted] to Fort Sam Houston from 5 to 3 per week. - \$1,165 yearly. (S)

25X1

Modification to [redacted]

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The center door of this security storage area was modified to accommodate the entry and exit of 463L Air Force pallets. This modification allows single staging area [redacted] general cargo for out-going shipments, and serves as an overnight and weekend receiving area. (U)

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[redacted]

Utilization of Corp of Engineers

Utilization of reserve units to complete annual engineering project [redacted] Labor is provided at no cost as part of a training program for the Corps of Engineers - \$75,000. (S)

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c. Materiel Facilities Branch (MFB)Preservation and Packaging Section (P&PS) (U)

-Improved overall efficiency of section by re-configuration of work area.

-Installed second automatic rip saw for peak load backup.

-Installed powered turntable in conveyor to eliminate package hang-up and speed distribution of finished cargo.

-Installed large-throat bandsaw with saw-welding device to improve pack fabrication process.

-Installed automatic nailing machine and fabricated ball-bearing loaded metal machine tables - (three) to speed box and pallet construction.

-Upgraded the Instapak System, increasing its reservoir capacity to reduce chemical costs and speed operation.

-Installed complement of handnailing guns to give a safer and speedier performance.

-Improved the safety and efficiency of the heavy-packing unit by complete overhaul of its gantry hoists.

-Installed electronic floor-scale and electronic conveyor-line scale, both with automatic readout in pounds and kilograms, to ensure improved speed and accuracy in the weighing process.

-Installed one and ordered two more electronic direct-readout type scales that mount integrally on forks of lift truck. This speeds-up packaging operation by permitting scale to be taken to the job instead of vice versa, and virtually eliminates scale queue-up.

-Installed heavy-duty rack that permits speedier choice of fiberboard sheeting by box machine operators.

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-Completely overhauled and retrofitted the large fiberboard box machine, ensuring continued reliable service of that unit for many additional years.

-Increased the number of hydraulic packaging tables from seven to fifteen.

-Installed new automatic tape dispensers on the hydraulic tables.

-Installed new 18 inch radial-saw to speed lumber sizing.

-Installed automatic polypropylene strapping machine to replace time-consuming hand operation previously used.

-Initiated study of commercial developments in packaging materials, resulting in adoption of many cost-reducing methods and procedures without lowering the quality of the "package". This involved employment of cheaper grades of lumber and plywood, tri-wall containers, adhesives, fiberglass, molded products, etc.

-Installed batteries of heavy-duty circulating fans at open loading doors to promote effective removal of heat trapped in depot at closing time.

25X11 -Initiated measures, in conjunction with other components, to reduce through-put time at depot to five days or less and reduce backlog to 500 line items or less. These targets have been reached and are now steadily maintained or improved upon.

Design and Specification Unit (U)

-Completely reconstituted the packaging laboratory, which had been virtually inactive since 1974, and initiated a systematic updating of all Agency packaging specifications, the expansion of packaging developmental services, and a re-establishment of the vendor packaging program.

-Completely reconditioned the environmental chamber for package testing.

-Acquired new polytite machine for bubblepacking.

-Acquired new magnetometer for the preparation of hazardous cargo.

-Acquired vibration meter/accelerometer used in the testing of experimental packs.

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Consolidation, Repair and Disposal Section (CR&DS) (U)

-Established new General Services Administration (GSA) Inspection Center (Pickett Street Warehouse) for the inspection of Agency material declared excess through GSA.

-Maintains environmental chamber at Pickett Street Warehouse for storage of special paper products and other items requiring heat/humidity considerations.

-Developed and maintains viable disposal mechanism through Fort Belvoir Disposal Office that has greatly accelerated speed at which depot can move excess materials from its account. C

-Systematically disposed of all Agency excess equipment that had been moved to the Navy Yard for temporary storage when the [redacted] was condemned and had to be evacuated.

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Depot Support Section (U)

-Acquired new 15,000 pound capacity forktruck (yardlift) to handle outside cargo especially in outside storage.

-Placed on order quantity of \$35,000 worth of cargo racks as part of ongoing storage rack reconfiguration program.

-Acquired automatic floor striping machine for lane and aisle layout.

Storekeepers - Unit I and Unit II (U)

-Installed two each Console-Type Electronic Automatic Retrieval Systems. These units feature controlled stockage, rapid retrieval of stock, more precise inventorying, parts cleanliness, etc., while reducing by 2/3 the amount of space needed formerly to maintain the stock.

-Acquired one large and one small portable stretch-wrap machine for enclosing stock in plastic wrap to ensure cleanliness of stock and promote stability of cargo. Another large portable stretch-wrap machine is also on order.

Safety, Security, and Maintenance Section (U)

-Installed steel safety gates at all cargo doors to prevent unauthorized entry through those openings.

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-Established a cost-effective maintenance, repair and replacement program for forktrucks which has reduced number of trucks from a total of 38 to 30, expanded the number of hours worked/per day by each unit, increased battery efficiency, and deferred replacement of forktrucks during 1981 and 1982.

-Acquired a selection of fork extensions and longer forks to promote better cargo handling and positioning in the racks.

-Established acceptable safety-shoe program under control of the BSO Officer.

-Promoted safety and security through courses administered by the Safety Officer and the Medical Technician.

Freight Traffic Branch (FTB) (U)

-In October 1980, with the assistance of Data Control Unit personnel, initiated a computer program which tracks monthly the obligations made against the Single Transportation Allotment (STA). This program also produces a monthly listing of transportation expenditures by major component. The program, which replaced a manual system formerly in use, has resulted in a marked saving in man-hours.

-In February 1980, establishment of the [] Support Flight provided a secure, scheduled means of transporting Agency materials to [] Since its inception, over a quarter million pounds of cargo has been carried to the field at a pronounced saving over rates that would have applied if commercial air routes had been used.

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-In coordination with MFB/P&PS, arranges for the movement of large shipments to certain areas [] and the [] through the use of sea-containers. These 20 to 40 foot aluminum containers which convert readily to over-the-road trailers, provide excellent protection from weather and rough handling and enable shipment of cargo with but minimum packing. Through this technique a substantial saving in both manpower and material is realized.

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-Maintains an ongoing program for the careful scheduling of pickups and deliveries, both in and outside of the local area, to ensure fullest utilization of [] vehicles and to promote the consolidation of cargoes wherever practicable. This program is very cost effective in terms of manpower and fuel conservation.

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[] fleet of over-the-road vehicles is designed to meet the many varied requirements of the Agency. In order to promote effective maintenance, minimum stockage of repair parts, improved driver training, etc., vehicle engines, transmissions, differentials, brake systems, controls, wheels, tires, lighting systems, etc., have been purposely standardized throughout wherever practicable. This standardization program has been significantly cost-effective and through it our diesel vans and tractors, for example, can haul cargo at an average of 97 cents per mile and have a life expectancy up to 400 thousand miles.

-Installation of an electronic direct-readout yard scale now enables the weighing of truckloads on the depot premises and also accommodates outsize cargo that is beyond the capacity of the depot interior scales.

Receiving Branch (RB) (U)

-Assumed responsibility for [] File Room in October 1979. 25X1

-Established records reduction program which has significantly streamlined file room procedures in anticipation of absorption of all subsidiary files maintained [] 25X1

-Implemented "write up of receivings on the dock" procedures to streamline traffic flow.

-Regulated receiving procedures for external direct-delivery points.

-Arranged for regular input to ICS of current, pertinent Testing and Inspection (T&I) information.

-In conjunction with Office of Communications, regulated T&I scheduling of receivings and, in that way, reduced T&I of receivings by 32 percent.

-In conjunction with Procurement Division and Office of Finance, developed "expedited payment" procedures for selected procurement actions.

General (U)

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[] Core Office Complex has been constructed and occupied. In addition, extensive area over offices affords ample space for much of P&PS packing materials, BSO materials, and a selected quantity of depot stock.

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-Automatic treadle-operated doors have been installed at front entrance and the hallways redecorated.

-The Safety and Security Officer has been permanently assigned to an office located near the main entrance for close monitoring of activities there and the Security Guard Control Room has been cleared of unnecessary equipment, the phones replaced, and painting and decorating of that room is expected shortly.

-The automatic file system in the depot central file room has been replaced.

-The Guide-A-Matic Train System has been completely retrofitted and changed to a two-unit system with sidings established at various locations in the depot. The track layout has been completely re-configured and provided with optional paths.

-Reduced overtime by 10 percent over same period last year.

-Additional DACs have been provided to DCU and DAC positions have also been established at CR&DS and RB. Direct access to the computer by these functions should be very cost-effective through the elimination of paperwork and information time-lag.

-Installation of vestibule entrance to Small Purchase Branch (SPB) receiving dock has contributed to employee comfort and energy saving in the cold weather.

-SPB program to combine "buying trips" has resulted in significant reduction of vehicle usage with resulting energy saving.

2. Proposals for future savings, efficiencies, or cost avoidance are as follows:

a.

Economies could be obtained by consolidating all Agency wide transportation arrangements in the Office of Logistics. At the present time, two military detailees assigned

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Logistics positions assigned to various area divisions and staffs should be transferred to the OL. This arrangement would greatly improve OL's ability to control its own destiny and should subsequently be standardized and better support being provided to its customers. The Office of Communications long ago recognized the benefits of such an arrangement. (U)

25X1 b. [REDACTED]

25X1 [REDACTED] plans to purchase a small portable processor for fingerprint removal and bluing of small quantities of weapons. The purchase of a smaller unit will result in a cost avoidance of \$1,000 per annum by not having to utilize a much larger and more expensive equipment for small quantities. (U)

25X1 [REDACTED] also plans the purchase of computerized scales for their fork lifts to preclude separate handling of the material for weighing. (U)

25X1 c. [REDACTED]

-Enclose both shipping and receiving docks, provide suitable dock equipment, and install inflate-a-seal padding at truck openings to prevent heat loss.

-Insulate depot roof with suitable reflective aluminum paint to lower summer eave-temperature and promote employee comfort.

-Relocate RB dock activities from front of depot to side of depot next to shipping dock and add second cargo door at that position. This will promote cross-dock activity and bring all RB operations to one area.

-Relocate the refuse compactor to a more suitable spot at the depot.

-Re-surface the depot exterior grounds.

-Provide a long-lasting seal to depot concrete floors.

-Replace the obsolete depot heating units with modern, dependable, energy-saving units.

-Refurbish the exterior Butler Buildings and construct a temperature controlled chamber at the rear end of [REDACTED] for storage of hazardous materials in accordance with approved OSHA standards.

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-Install energy-saving aircurtains at the three dock doors leading to the shipping/receiving docks.

-Re-configure storage racks throughout the depot to provide optimum storage capacity and improve the flow of materials in conjunction with the re-activation of the Guide-A-Matic Train System.

-Reconstitute metal furniture storage, repair, and issue methods used in Bulter Buildings [redacted] to ensure adequate support to Logistics Services Division.

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-Develop an emergency power capability that will ensure depot operation during power outages.

-Refurbish old MFB offices and convert them into all-purpose conference room/classroom.

-Re-configure and refurbish storage rooms on westside of depot building to improve controlled storage activities.

-Expand and update restroom facilities at depot in conjunction with re-configured office and laboratory areas.

-Eliminate work-file duplication by combining all files in the depot central file room.

-Relocate main gate guard-shack to median strip.

-Erect a 20,000 square foot temperature controlled, air supported structure in vacant lot in southeast corner of depot grounds. With its capacity to accommodate twenty foot high racks configured for the Raymond Extended-Reach Fork Trucks, such a structure would provide a storage capacity greater than half the present main building at the depot.

3. Please contact [redacted] should additional information be required. (U)

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[redacted]

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(AVACOS) (DLSA - FACS)

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a. Supply Management Branch Reorganization:

On 6 April 1981, the Supply Management Branch, SD, began testing a reorganization plan on a temporary basis. The plan proposes changing the branch from a commodity team concept to a functional group operation. Improved effectiveness, increased production and greater flexibility in planning leave, training, and work schedules are among the many benefits expected from the change. In fact, after two months trial period, most predictions are holding true. Of special interest is the reduction in the amount of time required to process a requisition through SMB. A study conducted in November 1979 revealed that 3.52 calendar days were required to process 1034 requisitions. A recently completed study shows that it took an average of 1.65 calendar days to process the 1162 requisitions received in May 1981. The reorganization plan may be adopted after a six-month trial period.

b. Federal Automated Requisitioning System (FARS)

FARS became operational 8 April 1981. The system is designed for automated interface with automated GSA FEDSTRIP and DoD MILSTRIP systems. Permits the processing of requests from computer to computer, thus greatly reducing manhours and manual processing.

c. Implementation of new Overseas Storage Location:

25X1 Arrangements were made with the Regional Support Activity in to store safes and typewriters in an effort to reduce overseas response time. This arrangement has worked well to date and can be expanded subject to availability of storage space.

d. Use of Funds for Weapons Sold to the Department of Defense: The Supply Division has forwarded a proposal to OGS which, if approved, would permit OL to utilize funds for weapons sold to DoD for the purchase of like ordnance materiel. FY80 Sales amounted to \$68,000.

e. Field Administration Course:

Arrangements were made to hire a retired Senior Logistics Officer as our independent contractor to instruct the logistics portion of the Field Administration Course. OL was unable to identify an appropriate individual to instruct the course whose position permitted the assignment of additional duties which require eight weeks per year.

f. Fabrication of cleaning rod handles from section of the M10 cleaning rod. Savings related to the cost of the handles and intangible benefits derived from expedited shipments - \$2,000.

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i. a. Utilization of 433rd ^{air wing} for air drop testing - \$50,000 yearly

j. Fuel Conservation Program:

1. Establishment of a bus route through the installation to transport employees to and from work sites \$418 yearly

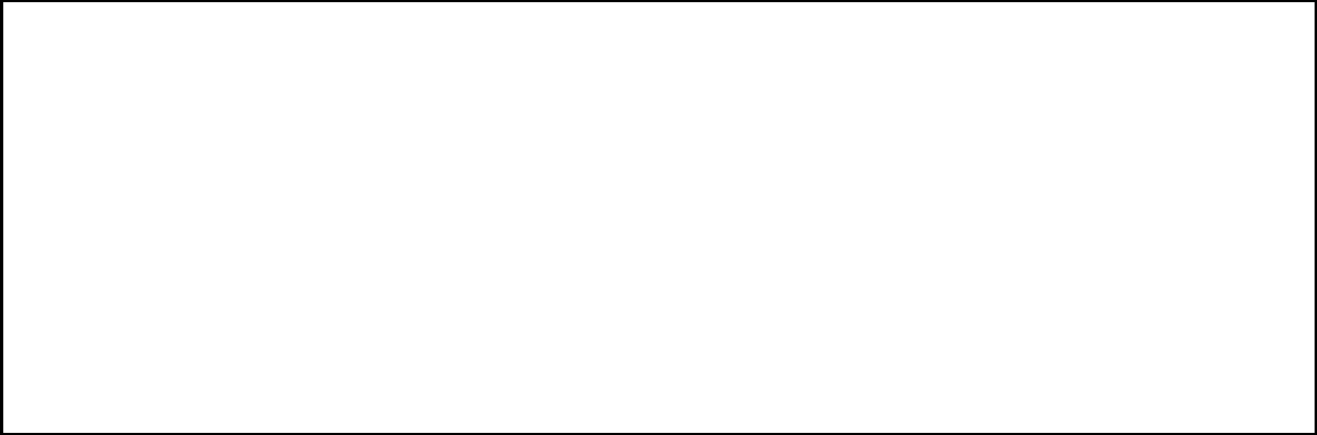
2. Elimination of school bus run by motor pool vehicles - \$9,000 yearly 25X1

3. Reduction of courier trips, ^{From} to Fort Sam Houston from 5 to 3 per week. - \$1,165 yearly.

k. Acquisition of bicycles for on-post and employee travel and acquisition of two fuel savings. 1/2-ton Army mules with 2 cycle engines for transporting small loads on-post - \$7,000 yearly

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for out-going shipments, and serves as an overnight and weekend receiving area. 25X1



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2. Proposals for future savings, efficiencies, or cost avoidance are as follows:

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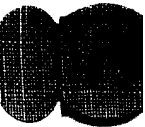
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d. Logistics positions assigned to various area divisions and staffs should be transferred to the OL. This arrangement would greatly improve OL's ability to control its own destiny and should subsequently by ~~so~~ standardization and better support being provided to its customers. The Office of Communications long ago recognized the benefits of such an arrangement.



COST REDUCTION SUGGESTIONS

1. Eliminate the Agency propaganda sheet (Public Affairs newspaper clipping service).
2. Stress the use of secure conference telephone calls in lieu of TDY travel by Contracting Officers and Technical Representatives.
3. Arbitrarily establish cuts in the service levels provided in the Headquarters area and ensure that services are cut, not just the funding for services.
 - A. Eliminate or reduce partition moves within an organization's perimeters (organization equals operating component). Impose (say) a fifty percent quota on each organization and let them decide which or their internal moves will be accomplished.
 - B. Ditto telephone service.
 - C. Spend some money to save some: push the office excellence program of refurbishing metal furniture, get it all done now, and then decline new furniture requests.
4. Eliminate the use of cost saving 'guidelines' for energy savings, use of non-published ~~gax~~ telephone lines, etc. Either set a rule that can (and is) enforced, or save the time and effort of issuing the guidelines.
5. On a much larger scale, let's rationale the organizations within CIA to align authorities with responsibilities. Basic structure of the Agency is 25 years old; basic structure of the DDA is 30+ years old; basic structure of logistics is older than Moses. The world has changed; the mission has changed; technology has changed; laws and regulations (and attitudes towards them) have changed. Given that change, are our structures responsive to today's requirements.
NOTE: CIA is a lot more like the Dept of Agriculture ~~than~~ today than it was 10, 20, years ago!

