

II. Identification of Savings and Improvement Opportunities

Areas of improvement identified during the project were divided into Short-term and Long-term savings opportunities. Short-term opportunities are those savings or cost avoidances that can be affected immediately. Long-term opportunities are the savings and/or process improvements that cannot be put into place immediately. These savings will be realized in the out years. We were unable to cost out most of the recommendations in this category since: (1) many of the recommendations are overall process improvements, and (2) there is no way to determine the impact that other ongoing Installation Reform initiatives (i.e., A76) will have on the future structure of this installation.

The potential of ABM to assist management is powerful; however, it is not designed to trigger automatic decisions. It is designed to provide more accurate information about production and support activities and product and service costs so that management can focus its attention on what is most effective and efficient. Applying the ABM results is the most critical success factor. Careful planning, model building, and data collection will be of no benefit unless there is a dedicated effort to analyze the study results and act upon them.

Of Note: MCAGCC personnel identified, analyzed, and proposed solutions to 90-95% of the savings and improvement opportunities discussed below.

A. CAX Training Services

1. Equipment Support Division (ESD)/Enhanced Equipment Allowance Pool (EEAP)

Short-term Opportunities

- Purchasing and Contracts procedures need to be examined to determine if 30-day lead-time for repair part purchases can be reduced.
- The focus of NREA/Hazardous Materials inspections needs to be reexamined. ESD is receiving 'non compliance' reports for unattended coke cans in work area. ESD must take the time to respond to each report, no matter how trivial the problem. Recently ESD was cited because a waste oil container had not been emptied in a timely fashion even though the only organization that had the authority to empty the container was the one issuing the citation. Further, approximately 40 man-hours a day are lost while accounting for spray cans of WD-40 lubricant.
- It is unclear why NREA/Hazardous Materials denied ESD's request to be granted to expand the capacity of its Satellite Accumulation Area (SSA's). Significant operational efficiencies could be realized if ESD were granted authority to be a 21 day storage site with 72 hour status for work area SSA's.
- Risk analysis should be conducted to investigate possibility that NREA's interpretation of CA EPA standards is more conservative than necessary. Environmental compliance costs and CAX impact might be reduced if it was discovered that MCAGCC is stricter with base units than other bases.
 - A benchmarking study should be conducted to examine variations in environmental compliance activities at other USMC facilities in CA (Camp Pendleton, San Diego, Barstow, Miramar);

- An environmental benchmarking study should be extended to other CA desert DoD facilities, Irwin National Training Center, Edwards AFB, Naval Weapons Center;
- Benchmarking study should be then further extended to CA private sector heavy equipment maintenance facilities in the area.
- ESD ABC model data should be used to calculate cost of compliance at various levels of interpretation of environmental regulations.

Long-term Opportunities

- ESD might consider a benchmarking study, or other form of best practices review, with the Army's Ft. Riley, KS repair facility. Ft. Riley is already in the advanced stages of applying ABC/ABM techniques to heavy equipment maintenance operations.
- The Secondary Repairable (SecRep) system needs to be evaluated. 'Repaired Parts' require unacceptably high levels of rework before they can be used. Analysis needs to be performed to determine which suppliers are responsible for providing the substandard parts (ex. USMC logistic depots, private contractors, Prison Industries, General Support Maintenance Company, etc.). Those suppliers refusing to improve quality of work should be dropped from source list. Those suppliers providing superior products should be rewarded by being given a greater share of repair work.

B. Training Support Services

2. Range Operations: Control, Safety, Maintenance, Scheduling

Long-term Opportunities

- Range Operations appears to be understaffed. When base funds are freed up from secondary support functions, thought should be given to reassigning dollars to Range Operations, a critical component of the CAX exercise program.
 - Four of the five officer billets are vacant and BEARMAR (Range Control) is operating with four two-man teams instead of four five-man teams. These teams are the ones that provide air and ground control for as many as 50 units spread over 46 ranges, generally consisting of 10 to 15 different types of exercises. BEARMAR gives each unit permission to enter and exit the exercise areas, go live and cold, approves each major round to be fired and then keeps track of all the shots.
 - The team also checks to see that it has had radio contact with each group on an hourly basis. In the event that a Medivac flight is brought in, all units must be in radio contact so that they can be ordered to cease firing while the evacuation is underway.
 - All of this responsibility falls on the shoulders of two Lance Corporals per shift. They handle the job unflinchingly, seven days a week, for as many hours a day as Marines are in the field. Marine Corp Manpower Orders call for 18-20 individuals for this type organization, not 8. When funding is made available, the additional manpower will need to be civilian air traffic controllers. ATC's will be required at MCAGCC sooner or later to operate the FAA radar scheduled for installation on base.
 - Of note: Camp Pendleton, which hosts fewer training exercises than does MCAGCC, is reported to have 88 controllers on board.

3. Reserve Support Unit (RSU)

Short-term Opportunities

- Devise and use customer survey forms
- RSU CO is retiring. It would be helpful if a best practices listing for each major area of RSU responsibility were compiled at this time to be used to assist new unit commander during his/her transition.
- The reserve unit just completing CAX exercises presented RSU with a plaque as a token of appreciation for the high level of support they received during their stay at MCAGCC. Recommendation: Keep up the good work!

4. Center Magazine Area (CMA)

Short-term Opportunities

- MCAGCC tenant units have a history of abusing the issuance procedures for high priority A&E. From an ABM perspective, it would appear that curtailment of high priority requests would improve the safe and efficient management of a crucial CAX function.
 - Priority 03 requisitions are intended for Combat or Emergency use only. Air Ordnance high priority requests must be approved by a three star general. None have been requested in recent memory. Ground ordnance requests are made at the discretion of unit commanders. In a one-month period (June 1998) 17% of all requests processed by CMA were priority 03. Last month, CMA filled a priority 03 request for 15 smoke grenades.
 - Processing these requests distracts CMA from the two-week long, intensely active, load out of approximately 3,200 tons of CAX ammunition (32,000 total tons/yr for 10 CAX exercises). Maintaining focus on the CAX Bill of Materials (BOM) is imperative during this period. Although CAX units are supposed to give CMA 45 days advance notice for A&E, generally at least seven to ten alterations to the exercise's original BOM must be dealt with during the two-week load out. (It takes longer than two-weeks to accept the return of unspent CAX ammunition due to accountability procedures).
 - The situation prioritization abuse generally occurs when tenant units discover a gap in the CAX schedule that would allow them a training opportunity over and above their established training schedule. Units request permission from Range Scheduling to fit them in for a training exercise. In order to quickly get the ammunition they need, the units routinely submit priority 03 requests with CMA. Of Note: CMA officers have devised several alternatives to the present system that would reduce the problem but need command support to carry them out.
 - A November 1998 FSMAO audit report (the USMC's Field Supply and Maintenance Analysis Office) described the problem:
 - "The 'reactive' environment of an influx of high priority requisitions lends itself to accounting errors, inability to forecast accurately and order replenishment, degrades stock levels to support CAX, degrades support of planned standard priority 13 requisitions, increases the risk of an ammunition storage

- compatibility error, and degrades safety as a result of unplanned magazine operational tempo, etc.”
- FSMAO concludes its report with: “It is recommended that local policy be established in conjunction with the MSCs to clearly define what constitutes an emergency and the processing of high priority class V(W) requisitions. Failure to do so may compromise safe handling, accurate inventory control, and overall MEF class V(W) support.”
 - CMA needs to be authorized to issue 100 percent ‘Uncleared for Overhead Fire’ ammunition for pre-CAX training fires that do not involve troops downrange. FMF units attending CAX training tend to automatically request ‘Cleared for Overhead Fire’ (COF) ammunition even when uncleared ammo will suffice. As a result, CMA personnel must engage in a significant amount of rework (restowing bunkers unnecessarily in order to gain access to COF munitions):
 - For safety reasons, DoD tracks firing results of new lots of ammunition. On a DoD-wide basis, new ammo is not cleared to fire over the head of troops until at least 5% of the batch has been satisfactorily fired without incident. Ammo issued for CAX exercises is all COF. However, when CAX units need ammo for pre-CAX training, it could be 100% uncleared because all firing is downrange with no overheard fire allowed. As a rule, perhaps out of habit, CAX units specify COF ammo for pre-CAX training as well as CAX exercises. CMA compromises by issuing 50/50 cleared/uncleared loads for pre-CAX training purposes.
 - Because its peacetime annual level of ammunition usage is the largest in the DoD, MCAGCC is sent a great deal of ammo from new batches. This means there is a lot of uncleared ordnance that must be stowed and worked around. Being able to use more of it for pre-CAX training would not only make CMA operations more efficient, but would benefit the entire DoD establishment by decreasing the amount of time it takes to clear 5% of new lots of ammunition.

5. Marksmanship Training Unit (MTU)

Short-term Opportunities

- An effort needs to be made to improve attendance rates for rifle and pistol qualification SLR’s. Year-to-date average for 2000 is 65%; the performance metric is 95%. MTU could consolidate SLR’s if low attendance were known ahead of time. This would free up a week here and there that is needed to train MTU FAP’s for:
 - Marksmanship training skills, munitions, arms and range management requirement must be taught (MOT);
 - Time must be allowed for FAP’s to maintain deployment readiness (PFT, MOS, BST (Basic Skills Test), Swim quals, etc.
 - Low fill rate implies that many Marines are not meeting annual requirement to requalify with rifle and pistol. This impacts their warfighting ability and prevents them from being promoted since requalification scores are a necessary factor in advancement. Unit Training Officers need to focus on requirement.
- MCAGCC needs to pursue the possibility of assigning Unit Diary qualified clerk to MTU.
 - MTU could enter scores directly into Unit Diary, saving base units time and effort.
 - MTU would have staff necessary to routinely notify units of their SLR obligations.

- Staff available to generate value added reports from system.
- Resolve problem that requires MTU to rework 85% of attendee data submitted by units.
- When rifles are checked out of the armory for burial duty, one member of the team must carry a side arm because of a regulation that requires weapons to be guarded. Since the sidearm can't be worn during the ceremony, it stays locked up in the car. This doesn't make sense, as the chance of having the pistol stolen from the car is probably much greater than the odds of someone at a funeral taking a Marine's rifle away from him or her. Either the regulation needs to be waived for this type of occasion; an unobtrusive shoulder holster needs to be worn; or each of the Marines needs to be given several rounds to carry in their pocket so they can 'guard' their own rifles.

Long-term Opportunities

- USMC-wide: A need exists to reengineer munitions and ordnance accountability systems.
 - The AA&E (Arms, Ammunition & Explosives) reporting system is dysfunctional.
 - Between MTU, CMA and EOD, approximately 3-5 man-years are dedicated to the AA&E inventory and paperwork process.
 - AA&E process does not accomplish its goal. Materials could be stolen but AA&E paperwork could be made to appear correct for audit purposes. The accountability system now in place is an overreaction to an incident that occurred years ago at another facility. The process needs to be reengineered. Other more effective, less onerous safeguards are in place rendering the current paper trail wasteful.
 - The DoD and USMC inspection process is excessive, redundant and time consuming.
 - Some of the annual inspections are conducted by:
 - FSAMO (USMC's Field Supply & Maintenance Analysis Office)
 - DDESP (DoD Explosive Safety Board)
 - MCAGCC Base Inspector Self Audits
 - DON/USMC ESI (Explosive Safety Inspection)
 - DoD/HQ USMC could save travel time & money by dispatching fewer teams per year to MCAGCC. EOD, CMA and MTU would benefit as well by having less time taken away from mission-oriented work to deal with non-value added audits.
 - The process for establishing inspection frequency and level of detail investigated during each visit needs to be examined. DoD inspectors should consider benchmarking themselves with a best-in-class accounting and auditing partnership. The first step auditing firms take at the beginning of a new engagement is to conduct a preliminary analysis that determines how detailed an audit needs to be performed given existing circumstances. If the primary safeguards and controls appear to be functioning smoothly, a less intrusive audit is justified. Statistical sampling is used to verify preliminary findings. If the preliminary analysis reveals weaknesses, a more detailed investigation is planned and conducted. If subsequent testing reveals weaknesses, the scope of the audit is expanded.
 - The DoD audit teams focus on different areas of the MCAGCC A&E operations, (with a fair amount of overlap): safe handling and storage of munitions, physical security of the site and accountability for the materials at each stage of the training, emergency disposal and supply process (receipt, storage, issuance, return of unexpended rounds and disposal of unsafe product).
 - The Base Inspection Self Audit should be made as robust as possible so that it adequately covers all of these areas. If a problem surfaces, the base need to know ASAP, not wait until an outside auditor shows up to find it.
 - When inspection teams arrive on base they should first audit the Base Self Inspection program. The goal would be to tailor the intensity of their inspection to the local conditions. If the base records show that conditions have remained normal since the

- last outside inspection, they should test the base findings, and then pare back their audit plan accordingly.
- If they are not already doing so, the auditors should refer to the audit findings of the previous outside auditors and not reinvestigate areas of overlap that were recently found to be functioning well.
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- The Fleet Assistance Program (FAP), in the form of Category III FAPs, provides a majority of PMO staffing. From a managerial efficiency standpoint, it would help if the FAP's were Category II (1 year assignment) v. Cat. III (6 month assignment). It takes a considerable amount of time to train Marines assigned to MTU on how to run a range and how to teach marksmanship skills. Due to timing of assignment to MTU, Cat. III FAP's are only fully effective for a three-month period. If MTU were assigned Cat. II. FAP's, the effectiveness window would extend to 9 months.
 - Further, MTU duty provides a stable work environment that can be a benefit to FAP Marines searching for their niche in the USMC.
 - Formalized contact between other bases MTU's should be established.
 - The HQ Marksmanship Program Management Section (MPMS) should disseminate some form of results collected from the 31 USMC ranges that can be used for benchmarking purposes.
 - USMC wide: Establish a specific intranet site dedicated to the exchange of best practices among the 30+ USMC MTU units.
 - Investigate speeding up the installation of a LOMAH unit (Location Of Misses And Hits, an automated scorekeeping system) at MTU-now scheduled for FY 2007.
 - An unacceptable level of injuries has occurred at the \$7 mil proto-type lead free range (1 injury per 100,000 rounds v. MTU performance measure of 1,000,000). A newly designed range bullet trap is supposed to keep lead from entering eco-system, but it is putting lead in Marines instead. The new facility has caused ricochets to hit 4 scorekeeping personnel in the pits (no deaths, but several close calls have occurred to date).
 - One conclusion that could be reached concerning the proto-type would be that it will be necessary to install a \$1 mil LOMAH unit at the range. The automatic scorekeeping capabilities of LOMAH will eliminate the need for pit crew manual scorekeepers. [Note: since LOMAH will be required to make the new bullet trap safe for Marines, as well as the environment, the funding for LOMAH should come from the same source that funded the initial installation].
 - The early use of LOMAH at the lead-free range will provide data on MTU savings that will accrue from this new technology that can be used to justify use of the scorekeeping technology at other ranges.
 - The LOMAH System will cut the time Marines spend at the range in half
 - Fill rates should improve as thru-put increases
 - A consensus appears to be growing among interested parties that the solution to this problem that will ultimately be reached will be the removal of the lead free-range protector. This alternative is unfortunate since the addition of a LOMAH unit would: protect Marines by rendering the facility safe; protect the \$7 million investment already in place; protect the environment; and improve the training capability of MTU.
 - Investigate advancing building schedule at range site for classroom to replace area taken over by new computer simulation equipment (ISMT) (replacement building not scheduled until FY2005).
 - Effectiveness of providing extensive instruction related to technical and safety issues greatly undermined by now having to give classes outside during inclement weather (heat, cold, wind).

- When it is no longer needed on mainside, the trailer complex that is now being used as temporary office space while permanent buildings are being repaired (currently occupied by HQ Command) would be ideal for MTU purposes.

6. Training & Visual Information Support Center (TVISC)

Long-term Opportunities

- TVISC has oversight responsibility for the Defense Automated Printing Service (DAPS) facility on base. However, TVISC does not have any authority to require that DAPS' improve its record of poor output quality, slow turnaround times and costly services. This situation has existed for some time to the detriment of all base and tenant units.
 - The reproduction area is a likely area for immediate outsourcing. A private firm, such as Kinko's or Xerox, could be contracted to replace DAPS.

7. Explosive Ordnance Disposal (EOD)

Short-term Opportunities

- Requirement to provide standby EOD support for Grenade Training at Range 410A should be reviewed
 - EOD must expend 60-man days/yr monitoring grenade practice in case a grenade is a dud. Historically no dud grenades have occurred. If EOD were relieved of this guard duty, it would still be able to respond within its 30-minute window should a grenade prove to be a dud.

Long-term Opportunities

- Please see the discussion of the Arms, Ammunition and Explosives audit procedures in the MTU section above.

C. Community Support Services

8. MCCA Business Operations

In the current operating environment it is necessary to take advantage of all possible opportunities to reduce, if not eliminate, those activities that are duplicative in nature. One of the areas aboard MCAGCC, and throughout the Marine Corp as a whole, that is heavily laden with duplicate activities is the MCCA arena. MCCA has its own accounting, maintenance and repair, personnel, warehousing, purchasing, custodial, and information system support functions. All of these services are available on the appropriated funds side of the base operations.

Because MCCA was unable to participate in this evolution of the model build it is unclear what the ultimate cost of these duplicative functions are at MCAGCC. A cursory review of these activities reveals that the expenses are sufficiently large enough to warrant a closer examination. It is realized that addressing the issue of combining non-appropriated funding and appropriated funding falls outside of the Combat Center's immediate control, however, the issue does need to be examined. The primary reason for much of the duplication of effort in this area is the different sources of funding for operations. Reviewing the information from the earlier KPMG effort, it was determined that these functions combined for a total of \$4.4 million. If the Marine Corps can find a way to handle the funding differences, savings could be realized by consolidating and sharing MCCA functions (finance, repairs, etc.) with other base operations.

In recent years, as funding constraints increased, MCCA has been funding a greater portion of its operations through NAF dollars. Now that more precise ABC data is available the time is right to take a closer look at the level of services that MCCA provides and make real-world business decisions on the feasibility of a number of the programs provided. It is recognized that quality of life is of vital importance to the Marine Corps, and critical to ensuring the investment in developing and training Marines pays off with reenlistments, however, a number of the programs that are being funded do not have the participation level necessary to make them successful to the general population as a whole.

Long-term opportunities

The acquisition and implementation of a scanning system that utilizes the UPC tags vice the existing system of creating price tags and placing them on the products will enable the Business Operations area to eliminate approximately 5 positions that are currently involved in the pricing of products. Additionally, utilizing a scanning system for pricing would also improve the inventory process, which is very time consuming due to HQMC requirements for a shrinkage rate of 1% compared to an industry standard of 3%. Possibly saving additional positions in the long run.

9. MCCS – Child & Youth Programs

Short-term opportunities

The Child and Youth Program area currently houses the school age program in the child development center. These programs could be more easily conducted in the Youth Center freeing additional spaces for those Marines in need of childcare. There is currently a very long waiting list for these services.

Long-term opportunities

It is believed that the compensation for the teen/youth staff should be comparable to that of child development staff. This would enable the positions to be more interchangeable and allow flexible staffing. The NAF employees would be able to assist in the Child Development Center.

10. Semper Fit

Short-term opportunities

Marine Corp Order requires a Fitness Director position within the Semper Fit program. Management believes that the two Fitness Center managers are currently handling the requirements. It is recommended that the Fitness Director continue to remain unfilled.

Currently the West Gym had extended hours, it would be more efficient for the East Gym to remain open longer due to its proximity to the barracks and the majority of the patrons that would utilize the service during extended hours.

Semper Fit management believes that the staffing level of fitness instructors is not sufficient relative to the base population in accordance with the Marine Corp order, however, the number that should be utilized in determining requirements should be based on gym usage not base population.

Long-term opportunities

Semper Fit's main services (gyms and other sports) are designated as Category A facilities and as a result are supposed to be funded primarily through appropriated funds and support by appropriated operations. Due to recent funding cuts a larger portion of the facilities have been funded from non-appropriated funds, resulting in a reduction in the overall cost recovery of MCCS. It will require HQMC intervention, but a review needs to be undertaken to determine the feasibility of continuing to fund these types of operations through appropriated funds.

11. Fire Department

911 Communications

Background

The 911 communications for MCAGCC is operated via a communications consol that is manned 24 hours a day (8am-4pm, 4pm-12am, and 12am-8am) seven days a week by staff in the Fire Department. These shifts are handled with 4 GS-5 employees and 1 GS-6 lead. All communicators are actually under the 2151 job family (GMED dispatchers). The lead communicator handles the administrative duties, scheduling, and acts as a floater for days off. During FY99 the communications center handled approximately 3100 911 calls, of these calls approximately 1200 required an actual dispatch of fire department personnel. The remainder of the calls were either false alarms, hang ups, non-fire related information calls, and calls that were transferred to the Provost Marshall's Desk Sergeant (PMO related emergency).

Process

When a call comes into the communications center there are seven possible outcomes

- 1.) Fire Emergency
- 2.) Medical Emergency
- 3.) HazMat Emergency
- 4.) Non-emergency Request
- 5.) Police Emergency
- 6.) Hang-up/Disconnect
- 7.) Information Request (Non-fire related)

Items 1-4 are then transmitted via tone signals and PA announcements to the fire departments to identify the nature of the situation, the location, and the equipment that needs to be dispatched. During the event, the communicator remains in contact with the response team to coordinate any additional needs, including involvement from other areas such as FMD (electrical, gas, etc.).

For items 5-6, the communicator will transfer the call to the PMO Desk Sergeant informing them of the nature and location of the event. In the case of a hang-up/disconnect PMO will send a unit to determine if there is an actual emergency or if there is a false alarm.

Item 7 continues to cause a high level of concern for Fire Department staff. Since the inception of an automated system for the base operator, the fire department has had to field a high increase in non-emergency, non-fire related calls. When these calls are received, the communicators inform the caller that they have called and emergency line and if possible will refer them to another number for assistance. In some cases the communicator will attempt to help the caller if the situation allows.

Additional Information

In addition to handling the 911 consol, the communicators also spend a portion of the day doing some data entry into various fire department systems and prepare incident reports or other required reports.

Based on the current ABC model, the 911 communications function cost approximately \$232,500 in FY-99. Based on a call volume of 3100 911 calls, the cost was approximately \$75 per call. Using the actual number of

calls that resulted in fire/medical equipment being dispatched (1200) the cost was \$194 per dispatch, for 911 communications.

Recommendation

A large majority of the other emergency services in the Morongo basin utilize San Bernardino County Communications to dispatch responses to 911 calls. County Communications can be contracted to handle the 911 communications for the Combat Center. If contracted, the Combat Center would be charged a fee of \$25 per dispatch. This represents a significant savings opportunity over the current cost of \$75 or \$194 per call.

Conversion Cost and Potential Savings

Currently the 911 communications utilized by the MCAGCC Fire Department operate on a 400Mhz system, while the system utilized by County Communications operates at 800Mhz. In order to be able to fully utilize the County system, it is necessary for the radios used by MCAGCC to be converted to the 800Mhz system. Preliminary estimates for this conversion cost are approximately \$200,000.

Using the average rates used in the model, the 4 GS-5 and the GS-6 (76 hour) employees are costing approximately \$179,360. Assuming a consistent call volume of dispatched calls (1200), the estimated first year cost for the conversion and service will be \$230,000, not including any separation costs for the GS employees. Assuming minimal costs for this, the first year costs will be approximately equal to the FY-99 costs. Assuming a consistent call volume, annual savings will be approximately \$200,000 for the duration of the contract.

There are a few other issues that need to be resolved prior to making the change to County Communication. First, the Fire Department will have to find an alternative source of labor for the various data entry and reports currently being completed by the communicators. It will be possible to utilize a portion of the savings to hire an appropriately skilled GS employee to handle these duties on a full-time basis, or perhaps they can be completed by a part-time employee or volunteer. The second issue is those calls that require PMO assistance. It will be necessary to discuss these calls with the potential contractor to determine if they will be able to reroute those calls to the PMO desk sergeant.

12. Provost Marshall's Office

Short-term opportunities

PMO is tasked with providing gate sentry duties for the perimeter surrounding the airfield when aircraft are present. The rules state that PMO must provide staffing at each of the two gates on the airfield, despite the fact that the airfield is contained within the Combat Center gates. PMO should only be utilized in a supplemental role in providing sentry for these gates and leaving the primary responsibility for Marines attached to the CAX exercise. At a minimum, one of the gates should be closed and PMO could more successfully provide sentry duties with a mobile unit, patrolling the perimeter. There is also the possibility of installing an intrusion detection system at the airfield.

An idea presented by PMO management is the acquisition of infrared cameras with zoom capability to provide security. These cameras have the ability to be utilized in deployment situations as well to provide additional sentry security while on site.

Long-term opportunities

The Fleet Assistance Program (FAP), in the form of Category III FAPs, provides a majority of PMO staffing. These staff are on assignment for 6 months at a time and has the potential to cause inefficiencies in PMO operations due to the constant training requirements and the time needed to become familiarized with the base operations and layout. It is recommended that the use of Category II or even I be examined for feasibility.

13. Inspector and Safety

Short-term opportunities

The Base Safety office is currently understaffed relative to the Marine Corps Order. It is recommended that a risk analysis be undertaken to determine the need to continue to inspect all base facilities on an annual basis. There are a number of functional areas that historically pose no safety hazards and could have the inspection cycle lengthened accordingly. Increasing the inspection cycle would more than likely necessitate utilizing reinvention lab waiver.

The Base Safety office has the responsibility to participate in the review of all new construction that occurs on base for safety-related issues. A large portion of the time the office is excluded from the process or brought in as an afterthought resulting in an unnecessary burden for review under pressure. It is recommended that construction plans go through a predetermined series of reviews on the same set of plans. This will reduce the number of plans needed and enable each group to review comments from other groups resulting in better coordination on projects.

With the increased emphasis on installation reform and cost-savings, it is recommended that the Base Inspector place additional emphasis on ensuring the all base personnel are working as efficiently and effectively as possible. There is the appearance in several areas of personnel spending above normal time throughout the day in unproductive activities.

Long-term opportunities

Another potential opportunity for improvement would be the combination of base inspection duties to include safety, fire, and other similar requirements. This would enable better coordination among the various inspections and reduce the usage of GMED vehicles and reduce the burden on the functional areas.

14. Housing

Short-term opportunities

The command should review the current policy enforcement related to providing accommodations for geographical bachelors. Currently the billeting function provides accommodations for geographical bachelors, on base, for extended periods of time. This should not be occurring, as geo-bachelors are required to find living accommodations off base. As a result, a number of facilities are not available for those transient or bonafides that need quarters.

Family housing should be more involved in the project management of those construction/renovation projects involving housing facilities. Because of a current lack of funding for these projects the projects are chopped into phases and the project management does not necessarily choose phasing that makes the most sense.

Family Housing/Billeting should have control over all forms of housing on base to take advantage of expertise and to be able to more successfully plan. Currently, TLF and the VIP suites are under the control of other functional areas and result in some scheduling conflicts that could be avoided if they were all under the same control. Additionally, billeting is responsible for maintaining the VIP suites but does not have control over the flow of guests.

Long-term opportunities

The Combat Center is currently operating under a very unfavorable lease for the 801 housing. These units are costing approximately \$8.0 million per year for lease costs and that does not include the cost of maintenance and upkeep which housing must fund. If it were feasible to get out of the lease program a similar level of funding could provide more updated housing resulting in lower maintenance costs.

15. Food Services

Long-term opportunities

- An upgrade of the Marine Corps Food Management Information System is currently being planned. The current system is woefully obsolete. It is a DOS based system with only a 9600 Baud rate, making communications awkward and extremely slow. If possible, Food Services should enlist the aid of Communications and Data to devise, and forward to headquarters, suggested minimum levels of system performance required to ensure efficient operations.
- Under the new regionalization contract, outsourcing messhall management will be occur one base at a time. If not already underway, the Marine Corps Food Service personnel in the region should consider establishing a quarterly meeting to coordinate the management change over. If problems begin to arise during the first several outsourcing events, due to unforeseen circumstances or

oversights in the contract vehicle, perhaps steps could be taken to rectify the situation right away rather than waiting for a full evaluation of the new system after the rollout is complete.

16. Personnel Services

Short-term opportunities

A serious review needs to be undertaken of the award process. There is an inordinate amount of time spent in both the Adjutant's office and in the functional areas preparing, reviewing, and processing awards. There has been a significant increase in the amount of awards in recent years that could indicate shortcomings in other areas that are being supplemented through the award process. It is recommended that the base examine the possibility of establishing a centralized award writing area that will prepare all awards with input from the functional areas.

It is recommended that Manpower not have a role in the temporary assignment of duty process. Currently they are responsible for cutting each order and entering it into the system. This function would be better suited to occur in the Travel section of the Finance office. By doing this, Travel would own the process from beginning to end and be able to anticipate workload changes by examining unpaid claims on outstanding orders. It would also eliminate an additional functional area from getting involved in the process, reducing processing and approval time for base staff utilizing the service.

Long-term opportunities

While outside of MCAGCC's direct control, there needs to be a review of the process necessary to establish new billets on a functional areas table of organization (TO). The process is very time consuming and involves numerous steps of review and re-reviews along the way. From the time a request is made until a position appears on the TO could take over 30 months. Additionally, organizations go through the process of developing their requirements knowing that only 85% of the request will be filled. This policy has the potential to lead to various forms of game playing.

17. Public Affairs Office (PAO)

Short-term opportunities

Currently the Public Affairs Office is involved in developing the content, editing the stories, and developing the layout for the weekly base newspaper. This effort is expending the time of half of the PAO staff equaling 2.4 FTE's (not including significant overtime) and \$79,600. This represents 25% of the total FY99 expenses. As a result of the often-hectic publication cycle, the PAO staff is often unable to allocate the necessary effort to other areas of responsibility. After discussing model results with PAO staff it was determined that increasing the time between publications would enable the staff to focus on other areas of responsibility.

One of the main benefits that could be derived from the bi-weekly production would be to utilize the additional time (an estimated 35-40% time savings) and resources to refocus PAO efforts on electronic media to provide more timely and proactive coverage of Combat Center and surrounding community events. The Observation Post could then take the form of a feature periodical rather than a newspaper. Currently, with weekly production, much of the content is dated before it is even published.

While there is no real cost savings associated with this recommendation, it does give the PAO staff the opportunity to provide an increased level of service with the same level of resources.

An additional aspect of this recommendation involves the current contract with the publisher who produces the Observation Post. The current contract is due for renegotiation this month and as part of the negotiation it is recommended that PAO staff explore the potential for the publisher to provide the editor for the publication. This would enable an additional PAO staff member to focus on developing web-based content. The benefit to the publisher would be having a person on-site to ensure that the publication cycle is managed in a timely manner, potentially reducing the high level of overtime that is experienced at the publisher's office on production nights.

There is also the potential to enable the publisher to own the web site that the "new" Observation Post is located on, thus expanding revenue-generating advertising. The advertising would, of course, have to meet the same requirements of content that the current publication does.

18. Comptroller

Short-term opportunities

When the ABM study began, the Finance Officer was attempting to work with DFAS to eliminate the sending of Leave and Earning statements to the Finance Office for further distribution to the units. A recent success in the endeavor will result in the reallocation of \$2,380, or 2 man-days, each month to core functions.

Currently, the Travel Section makes 2 copies of every travel claim document. The original is returned to the traveler, one copy is maintain for 3 months on-site and the third copy is sent via Federal Express each day to the DFAS office in Kansas City. It is recommended that the need for this copy being sent to Kansas City be examined. In the event of travel claim issues, the Finance Office is the first point of contact. The elimination of this step will result in resource savings in the form of time, copying supplies, and Federal Express charges.

The Finance Office currently expends \$84,700 and 2.24 FTE's conducting internal audit waivers and other special cases. The waiver portion of this expenses is attributed to researching and reporting on discrepancies in the basic housing allowance overpayments of Marines in base housing. This overpayment is the result of inaccurate data being entered into the 3270 (Marine Corps Total Force System) at the time a Marine goes into base housing. The overpayments are usually not discovered until the Marine's annual review of their Leave and Earning Statement. Depending on the circumstances surrounding the overpayment the Marine either returns the overpayment or requests a waiver through their unit commander. It is the latter case that involves the Finance Office. In FY-99 there were 9 cases totaling over \$22,000 in overpayments, year-to-date FY-00 there were an additional 9 cases totaling \$15,000. These overpayments and the associated work in the Finance Office could be averted at the time the error occurs if the housing staff inputting the data reviewed the error reports that the system generates.

Long-term opportunities

The REA section is responsible for the inputting data into the civilian timekeeping and payroll system (DCEPS). The adoption of this system resulted in a step backwards for the Marine Corps from the previous system (ALPS). Under ALPS, time was managed on an exception basis; each employee had a standard week defined and only deviations from the standard required entry into the system. By switching systems, the manual manipulation of employee data has increased from 20-30% to 100%. What 2 staff here once did at MCAGCC now requires those same 2 plus additional resources at DFAS. In discussion with REA staff, it was recommended that efforts be put into place to develop an automated system that could operate on an exception basis and then interface with the DCEPS to transfer the necessary information. The development

of a feeder system would also enable an interface with MAXIMO and enable the time for FMD employees to be automatically transferred, significantly reducing the time consuming effort on their end, not to mention the duplication of effort. The feeder system should also be available to staff throughout MCAGCC to enable automated data entry and eliminate the paper time card process all together.

D. Installation Support Services

19. Facilities Management Division (FMD)

Short-term Opportunities

There is much interest in streamlining FMD operations. FMD constitutes the largest area of appropriated funds usage at MCAGCC. A Process Action Team associated with last year's ABM modeling experience studied a number of important issues in detail. The results of their effort are being felt in FMD operations now as ideas and recommendations they originated are integrated with FMD operations. Further, the A-76 process currently underway will examine each FMD function in detail and recommend further streamlining and reengineering suggestions. Some of the issues that are under investigation revolve around the following situations:

- Some workers feel that there are few lines of communication between managers and line workers. Management feels that it provides ample opportunity for the workers to express themselves. Given the tension that has developed because of the A-76 process, increased emphasis needs to be placed on effective communications in the workplace.
- The prioritization of Work Orders is always a crucial link between customer satisfaction and efficient operations. Immediate reaction to "Command Interest Items" is a core mission of FMD. However, it would appear that workers are sometimes taken off jobs two or three times to perform other 'special' tasks before they are allowed to finish the first task. Somehow scheduling needs to effectively steer a path between these two parameters.
- Some tasks that management agrees to perform may be outside the scope of FMD's area of responsibility (and budget) and therefore execution of these additional duties can take resources away from legitimate projects.
 - Construction contractors are obligated to remove waste materials from the job site upon completion of their project. However, FMD sometimes responds to requests to remove the waste before the project is complete. This step transfers removal costs to FMD for which it has not budgeted and provides a windfall profit to contractors who had built removal labor and landfill costs into their contract bid.
- It would appear that an analysis of the system used to approve contracts for payment might be in order. It is possible that contractors need to be held more accountable for their actions.
 - Some FMD workers claim that they regularly get called upon to clean up after contractors rather than contractors being held accountable for job site waste removal.
 - Some FMD workers claim that they are routinely called upon correct mistakes made because of contractor negligence, after the contractor has finished the job and been paid.

- Perhaps FMD workers are mistaken about the frequency and amount of effort they expend in this area. FMD engineers note that a certain amount of rework and clean up is normal after outside contractors finish jobs.
- However, an analysis of this issue might provide useful information. FMD building inspectors stated that the inspectors assigned to the Resident Officer In Charge of Construction (ROICC) are responsible for final inspections of contractor work. ROICC inspectors claim that it is the responsibility of FMD to make the final inspection. It is possible that some inspections are not being made because of miscommunication between these two groups.
- A process to issue dig permits is in place; however, as with the private sector, the utility infrastructure is sometimes disrupted due to mistakes made on some of the 1500+ construction contract actions a year that occur on base. Recently a large amount of unbudgeted FMD time was required to repair the damage caused by a contractor who severed a natural gas pipeline and sewer line. NREA has a plan to improve the dig permit process that FMD should take under consideration.
- The Prime contractor system should be examined periodically to ensure that FMD is taking full advantage of the services offered, and to also ensure that the contractor is providing superior customer service. Workers report that they cannot get many of the parts they order in a timely fashion. Either the contractor is slow, and unnecessarily substitutes or disapproves legitimate claims, or the workers need more instruction in ordering, or both. There appears to be variation in the level of expertise among contractor personnel. Sometimes one prime vendor employee will request that FMD employees research purchases and make further justifications for the parts order while, other vendor employees know more about the product and do not need FMD help.
- Workers would like to be allowed to go back to old method of stocking repair trucks with spare parts. For example, plumbers, electricians and carpenters lose a great deal of time going back to the shop to pick up parts for routine repair parts. It would be much more efficient to have high volume use parts on hand at the job site.
- There appears to be a 600+ backlog of Work Orders waiting to be handled. This backlog has been in existence for a long time, but has been decreasing despite the loss of many experienced FMD personnel who took advantage of early retirement incentive programs several years ago. The pace of the backlog reduction needs to be increased. The efficiencies that must be instituted to win the A-76 competition are the same ones that are necessary to reduce backlogs.
- It is recommended that a formal analysis of the Work Order process be commenced. Each Work Order should be examined and categorized by the issue that is preventing it from being dealt with promptly: parts on order; unit contact not available to let FMD employee on site to fix problem; not enough trained personnel in a particular job skill area; etc. When all reasons for backlog creation are determined, a plan should be devised to deal with each type of problem. The most numerous causes of problems should be tackled first. There are a number of Root Cause Analysis techniques that would be of particular help in this area.

Other FMD issues include:

- In the past FMD was obligated by contract to provide immediate after-hours and weekend emergency services. 31 Marines are assigned to FMD to provide this service. Recently the housing contact has been revised to allow for a longer response time. Plans are being drawn up that would allow the Marines to be returned to the fleet. The plan revolves around a phone watch that will be able to dispatch both civilian and military personnel as appropriate to respond to "true" emergencies.

- The Facilities Maintenance Division (FMD) is performing repairs and maintenance to barracks, dormitories and installation housing/residences, which could be made the responsibility of the "tenants".
- FMD recently had to hire 7 low skilled, wage-grade employees to respond to these types of maintenance requests, i.e., replacement of light bulbs and electric socket's cover plates, tightening of water pipes or simple unclogging of toilets and drains, hammering of nails and the replacement of hinges.
- It is recommended that the base command conduct an informal investigation into a claim made by FMD workers that 60% of barracks maintenance is related to damage caused by negligence or vandalism. If this is the case, the solution to the problem will be beyond FMD's control.

Long-term Opportunities

- A significant amount of lost productivity is due to travel requirements associated with the fueling of Low Pressurized Gas (LPG) vehicles.
 - The only LPG fueling station in the valley is on the 29 Palms Marine Base.
 - As a civic service, the 29 Palms Marine Base provides fuel to all vehicles in the area needing LPG.
 - Due to the high demand within the valley (viz.: public transit buses) the Marine Corps Base LPG fuel station often runs low of fuel supply. Also, heavy fuel distribution lowers the pressure in the tank and it will sometimes take 30-40 additional minutes to refuel vehicles while waiting for pressure to build back up enough to pump gas.
 - This problem area will be resolved when construction begins next year on a slow fill LPG station to be located at FMD. Workers will be able to completely fill up their vehicles overnight.
- It will be interesting to follow the progress of a waiver Headquarters has filed that would allow the USMC to issue its own facilities maintenance contracts. NAVFACENGCOM has sole authorization to issue contracts for facilities maintenance services on USMC bases. MCAGCC must now pay NAVFACENGCOM a 12% surcharge for handling many contracts that could be easily handled on base by the Procurement and Contracting department.

20. Natural Resources & Environmental Affairs (NREA)

Short-term Opportunities

- NREA has proposed that it be included in the dig permit process for construction projects. NREA knows the location of the utilities, and with its imaging software, it could create overlays for site plans and blueprints. NREA has a vested interest in seeing that this process is adopted because it is responsible for overseeing clean up of spillages such as the recent contractor-caused gas and sewer line breaks.
- Installation of Hazardous Material lockers at Camp Wilson will increase compliance with environmental rules and reduce the chances of accidents occurring.
- Construction projects are sometimes held up because FMD does not give NREA enough notice to perform various types of compliance actions before construction is due to begin.
 - NREA must frequently get approval from other government agencies, i.e., Fish and Wildlife. The amount of time required to get various types of approval is known. FMD has been made aware of required lead times but still waits until last minute to act. (Safety registered the same complaint about lack of warning on building permit inspections).
- NREA needs to be closely involved in the base facilities planning process.
 - Environmental compliance ramifications need to be considered during the design phase of base construction projects and not tagged on as an after thought. Retrofitting facilities to comply with environmental regulations after construction is complete is much more costly than integrating equipment into the original plans. In private sector jargon, cooperation of this type between departments is called 'concurrent engineering.'
 - NREA can't budget for the cost of inspecting sites if it doesn't know about them in advance.
 - Compliance costs of NEPA (National Environmental Policy Act) should be built into a project's total cost. Currently projects are funded by MilCon dollars, but the preliminary environmental studies must be taken "out of hide."

Long-term Opportunities

- The base wastewater facility has been out of environmental compliance for three years. Although NREA doesn't own the assets, it owns the environmental impact problem if something goes wrong. Since a number of entities are involved it has been difficult to come to a consensus on how to resolve the issue. The overall problem could stem from a design flaw, which would mean that original contractor should be held liable for bringing the facility into compliance. It may be necessary to establish a base task force comprised of representatives from SJA, Procurement and Contracting, NREA and FMD to deal with the problem.

21. Garrison Mobile Equipment Division (GMED)

Short-term Opportunities

- Emission control testing could be done more efficiently off base. GMED plans to stop testing on site.
- Survey base units that regularly check out vehicles for trips to Camp Pendleton to discover purposes and times of travel. Objective of exercise would be to get information needed to adjust schedule of daily 'hospital runs,' making them more convenient to potential customers, (i.e., van departure time of 7am v. 5am).
- Procedures need to be established (if not already in place), and regularly communicated, that would address problem of GMED assets being committed for a certain uses without first checking availability with GMED schedulers.
- Cost/benefit analysis needs to be performed concerning the question of the most efficient method of distributing material carried in daily truck run. Currently a GMED tractor and 40,000 lb trailer bringing parts from Camp Pendleton drives around base distributing parts to units rather than having units pick up the parts at a central site. The difficulty in the current method is that the person at the unit who needs to sign for the shipment is often not available and return trips by GMED are then required.
 - Could the list of persons authorized to sign for deliveries be expanded?
 - Could one attempt at delivery be made, and if authorized individual not present, the parts taken to a central point for unit pick up later?

Long-term Opportunities

- Benchmark GMED vehicle check in/out operations against a local car rental agency (ex. Hertz at Palm Springs Airport). (GT)
- Benchmark heavy equipment maintenance against a firm providing rentals in this area.

22. Traffic Management Office (TMO)

Short-term Opportunities

- TMO has traditionally handled passport applications along with other PCS travel and shipping arrangements. However, the application process of verifying identification, getting photographs, etc. is very closely aligned with the function of the DEARS office that issues all other forms of picture identification on board MCAGCC. It would be much more efficient overall if responsibility for handling passport paperwork were transferred to DEARS.
- TMO sends travel requests, and then pays Sato Travel, using the credit card procedure. Sato receives a monthly listing from Bank of America delineating each credited travel transaction. Current procedures dictated from higher HQ require the TMO office to review Sato's bank record and verify each transaction against TMO records. This is a very time consuming, labor intensive reconciliation that is in essence performed on behalf of Sato (TMO has already exercised its management controls by verifying its records with Sato). The process is of value to Sato, not the USMC. Sato should be instructed to reconcile its own records.

Long-term Opportunities

- HQ USMC has delegated authority to TMO to investigate and disburse funds associated with claims for damaged personal property totaling less than \$1,000. Claims over this amount must be forwarded to HQ for further processing. The system would work more efficiently if TMO's adjudication authorization level were raised to \$5,000. Claims up to this level are generally no more complicated than routine claims under \$1,000, TMO has access to all the data needed to process claims for higher amounts, and is professionally capable of handling the additional responsibility. If the claim level were raised, the individual Marine would receive his/her funds more quickly, the incremental change in paperwork processing would not adversely affect TMO, and HQ would be relieved of an administrative burden.

23. Property Control

Short-term Opportunities

- Investigate outsourcing the copier machine selection and maintenance function. It is difficult and time consuming for Property Control to determine each unit's specific copier needs and then find the appropriate machine at a reasonable price. Each unit needs different features and has different usage levels. GSA offers a copier leasing service specifically designed to eliminate this type of hassle.
- Procedures for use of IMPAC card for purchases of computer equipment need to be examined to insure that Property Control has the information it needs to enter the new equipment into the base property inventory system. It appears that as the IMPAC system evolves several inadvertent loopholes have appeared that could result in PC not being made aware of all the new equipment being installed on base.

24. Purchasing & Contracting

Short-term Opportunities

Early Payment Discounts not taken

Although 29 Palms P&C sends in payment related paperwork early, and DFAS has the capability of paying upon receipt of the documents, early payment discounts are not often taken. There is variation in how DFAS handles 29 Palm's paperwork. Some DFAS representatives always meet the discount requirements. Some reps miss the discount deadline but pay on the 28th day. And for a variety of reasons, some miss both of these dates and incur a late payment fee that is charged to the USMC (the penalty will be charged back to specific bases in FY01).

29 Palms makes monthly payments on two Household Goods contracts totaling \$750,000/yr. The paperwork and payment cycle is routine and yet the 2% discount given for early payment is only earned 1

out of 10 times. This equates to a yearly overpayment of \$12,500 (10 of 12 discounts missed x (2% x \$750k)) on this contract alone. An arrangement needs to be made between DFAS and MAGCC to ensure that payment documents arrive in time to earn the 2% discount.

- Business Process analysis of the payment cycle should yield information that will help increase the number of discounts taken.

Late Payment Fees Assessed

The USMC is currently experiencing a large increase in Prompt Payment Act (PPA) Interest Penalties. HQ analysis indicates that 65% of the penalties are incurred because of USMC actions (25% failure to record payments in a timely manner and 40% because documentation packages sent to DFAS are incomplete). The remaining 35% of penalties are attributable to DFAS. In an attempt to lower costs by alerting the responsible parties as to the magnitude of the problem, beginning in FY 01, HQ will begin charging back interest penalties to specific bases.

DFAS Related Issues

If a DFAS representative discovers a problem in a MCAGCC payment package, the documents are returned for correction. Even using FedEx to send back corrections, this process generally results in a late payment charge.

It would appear that DFAS waits several weeks after receipt of a payment package before processing begins. If a mistake is found and the package returned to MCAGCC, the time delay results in a late payment fee.

- MCAGCC will increase its efforts to ensure that payment packages are complete and correct, but in cases where they are not, it would be helpful if DFAS could make a cursory review of the packages when they are first received even though full processing won't take place for several weeks.
- That way, if an obvious error is quickly identified and the package returned, MCAGCC would get a chance to correct the problem and still make the payment deadline.

Summary of DFAS Related Issues

MCAGCC will begin to be charged for its share of USMC late payment fees beginning in FY 01. This charge back will be a pro rata share of the total FY 01 USMC payment fees, allocated to each facility based upon FY 00 historical data.

It would be helpful for MCAGCC to investigate this issue as soon as possible to: 1) verify the historical data being used, and 2) ensure that it is not getting assigned payment fees that are a result of DFAS actions. DFAS claims that it is only responsible for 35% of the payments incurred. If it can be proven that in MCAGCC's case DFAS's percentage is much greater, this fact could be used to argue that MCAGCC's penalty allocation should be reduced.

P & C Workload Increasing

As MCAGCC relies more heavily on outside contractors and service contracts to perform routine maintenance functions, the number of contracts the P & C lets and monitors increases. This increases the workload for the P&C staff. The normal USMC rotation of personnel makes it difficult to maintain continuity in this very complicated area of endeavor. It appears to be difficult to get USMC experts to PCS to 29 Palms.

This means that more reliance must be put on On-The-Job training. The education and experience needed for a Marine to become a certified contracting specialist takes from two to two and one half years to acquire, at which time the individual will rotate and probably never use those skills again.

- Because of the increase in P&C workload it may be helpful to add another civilian to the P&C staff in order to provide more continuity and lower training costs.

MCAGCC Wide Issues

- Returning Marines to the Fleet movement requires that the base policy for staffing work parties and parades needs to be reviewed in conjunction with unit performance metrics. Currently, each base support unit must supply x number of Marines for special details. As the Marine billets in each group shrink, the units will no longer have the manpower to both continue to supply Marines for extra duties and also continue to perform unit functions at agreed upon metric levels. (GT)
- Investigate feasibility of establishing a special cleaning establishment on base for treating certain types of base tenant clothing and warfighting material thereby making it unnecessary to send 3-ton trucks on daily laundry runs to Camp Pendleton. (GT)
- Interpretation and enforcement of Hazardous Materials regulations should be standardized across all base organizations. It would appear that some organizations spend more time and money complying with HazMat rules than others even though the functions and levels of HazMat usage appear to be equal. (GT)
- Some form of Strategic Plan Coordinating Council (a subset to the ESC) needs to be reestablished to coordinate and review plans for new construction and new IT systems (a planning committee was functioning well several years back but was discontinued). For example NREA and Safety need to know ahead of time about FMD construction projects in order to budget for, and schedule, necessary environmental approvals before construction begins. C&D needs to know about new computer systems that HQ drops on various base units from time to time. Bandwidth is in short supply and prior planning is necessary to avoid overloading system.
- Greater contact between the FMF and base operations will enhance ability of civilian employees to understand the USMC 21st Century Optempo they need to match while carrying out their duties.
 - 1) Base operations need to work directly with FMF in order to observe, and then match FMF Optempo; base operations leaders need to interact with FMF leaders more in order to observe and learn new leadership techniques;
 - 2) FMF needs to continually practice working closely with non-combat units [Quadrennial Defense Review (QDR) Section III, p7, "Smaller-scale contingency operations will also put a premium on the ability of the U.S. military to work effectively with other U.S. government agencies, nongovernmental organizations, private voluntary organizations, and a variety of coalition partners"].
 - Examples: The Garrison can work together with FMD to practice erecting a tent city for peacekeeping missions. FMD carpenters, wastewater, fresh water, utilities,

and heavy construction personnel can be matched with appropriate MOS specialists for knowledge and Optempo transfers.

- 'Focused Logistics' QDR VII, p.4 – 'Focused logistics will reduce the overall size of logistics support while helping to provide more agile, leaner combat forces that can be rapidly deployed and sustained around the globe.' CSSG-1 needs to work more closely with base warehouse and supply operations to impart the new Optempo and create logistics synergies.
- The current organizational structure of the Installation and Logistics Directorate appears to be unwieldy. Given the increased complexity and importance of base operations, it is possible that the wide variety of responsibilities now falling under I&L exceeds a reasonable span of control for any one manager. All of the functions listed below now report to the I&L Director. It is recommended that consideration be given to spreading the directorate among four areas. In conformance with HQ and MARFORPAC organizational concepts, a strong argument can be made for the creating of a new Logistics Directorate at MCAGCC that would encompass all the supply support services.

Branches Currently Reporting to the Director of Installation & Logistics

Installations Directorate	(Create New Directorate) Logistics Directorate
Facilities Management Division Utilities Natural Resources & Environmental Affairs Division	Supply Division Traffic Management Branch DSSC Branch Property Control Branch Food Service Branch Garrison Mobil Equip. Div. Purchasing & Contracting Branch
Community Support Services	Operations & Training Directorate
Family Housing Bachelor Housing Veterinary Services Commissary Fire Department	Center Magazine Branch Exercise Support Division Enhanced Equip. Allowance Pool

E. Organizational Sustaining Activities

One of the major benefits of implementing an activity-based costing system is the ability to identify and isolate similar functions that occur in multiple organizational units throughout the Combat Center. For the first evolution of the modeling process a series of 13 organizational sustaining activities were defined and the relevant data was collected. In addition to the organizational sustaining activities there was also a desire to capture the costs associated with Marines conducting necessary military duties during the normal working day.

A listing of these activities with the associated costs follows:

**USMC - MCAGCC
 ABC/M Project
 Organizational Sustaining Activities
 Year Ended FY 1999**

Perform Military Duties	S	3,539,628
Perform Other General Administrative Duties		2,782,214
Perform Resource Management		2,205,677
Liaison with External Agencies		1,674,583
Perform Personnel Actions		1,470,561
Conduct Briefings/ Training		1,257,475
Generate Reports		1,249,915
Maintain Equipment		1,166,808
Manage Supplies		1,017,253
Maintain Information Technology		914,765
Perform Grounds Maintenance		514,486
Perform Base Safety, Environmental & Fire Protection Duties		199,920
Perform Postal Functions		94,909
Acquire DAPS/Other Printing Services		47,897
Total MCAGCC Organizational Sustaining Activities	<u>S</u>	<u>18,136,091</u>

With the current model total of \$134.6 million, these organizational sustaining activities represent 13.5 percent of the total expense.

In general, organizational sustaining activities that occur in multiple units throughout the installation exhibit higher costs because of overly complex processes, fragmented processes, and duplicative processes. Identifying these processes is the first step toward improving them and thereby reducing their costs. Experience has shown that by utilizing the various ABM tools to conduct a process analysis and undertake business improvement can result in savings of 5-20%. In the case of organizational sustaining costs, this

would equate to savings of between \$900,000 and \$3.6 million, both significant contributions the MCAGCC's portion of the \$34 million wedge.

Due to the fact that this was the initial model, and the first attempt to identify sustaining processes at MCAGCC, it should be anticipated that numerous refinements would need to be made before discovering the true cost of these activities. However, the model does provide sufficient evidence in the near-term to begin an analysis of these organizational activities to identify process improvements and savings opportunities.

For example, a traditional financial reporting view of the costs related to the budget function would be \$490,000, the annual cost of running the Budget Department. However, one of the primary contributions of the Activity-Based Costing process is its ability to capture the cost of other departments' participation in the budget process. Slightly over 80% of the total costs involved in the budget function occur outside of the Comptroller Directorate. In the past, this \$2.2 million would be a hidden cost of doing business. (See the list above. This estimate is based on data collected for the 'Perform Resource Management' activity).

Adding the \$2.2 million expense incurred by all MCAGCC departments to that of the Budget Department yields a revised total FY 1999 budgeting cost of \$2.7 million. Now that the magnitude of the event has been more fully estimated, it will be easier to call attention to the fact that finding ways to streamline the budget process could serve as a good starting point on a campaign to lower overhead costs.