UNITED STATES MARINE CORPS
MARINE CORPS BASE
PSC BOX 20004
CAMP LEJEUNE, NC 28542-0004

BO 5200.2
BQMD

27 JAN 1999

BASE ORDER 5200.2

From: Commander
To: Distribution List

Subj: INSTALLATION REFORM PROGRAM

Ref: (a) BO 12335.1F

Encl: (1) MCB Camp Lejeune's Cost Reduction Initiative (CRI) Plan

1. Purpose. To establish internal procedures, assign responsibilities, and to publish monetary savings targets for Marine Corps Base (MCB), Camp Lejeune that are aligned with the Marine Corps Competitive Sourcing and Privatization Program, Cost Reduction Initiatives, Revolution in Business Affairs, and Installation Reform Program.

2. Information

a. The Marine Corps' weapon system acquisition and modernization is severely under funded. This poses an immediate potential threat to our readiness capability. To remedy this situation, Headquarters Marine Corps (HQMC) has levied a Marine Corps wide "savings wedge" of $110 million sustained savings through Fiscal Year 2004 (FY04). These savings have already been removed from each supporting establishment's annual operating budget by specific fiscal year and will be reprogrammed into the Procurement Marine Corps (PMC) accounts. The target assigned to MCB, Camp Lejeune, for the period FY99 through FY04 is $11,551,000. To reach the $11,551,000, Camp Lejeune has identified savings targets, in manpower, materials, and services, for each department/activity, by fiscal year, which is shown in enclosure (1).

b. Camp Lejeune's strategy to achieve savings will include reduction of labor force through attrition, realignment and retraining of the work force where necessary and possible, workload analysis and review, elimination of redundancies and duplications, streamlining processes, reorganizing where

appropriate to achieve greater efficiencies, conservation of resources, and regionalization where each makes good business sense. This strategy will position us to become a truly efficient organization in the event we compete any base functions through the A-76 process.

c. In order to achieve savings targets, managers have identified civilian billets to be eliminated. To ease the effects on the civilian labor force as it is being drawn down, a comprehensive civilian manpower staffing program has been put in place. The program is intended to minimize the impact on the civilian labor force by allowing opportunities for retraining and reassignment to other functional areas. Reference (a) is the Base Order that provides guidance for these civilian personnel actions.

3. Action

a. The Executive Steering Committee (ESC)

(1) Determine the strategic plan for all Cost Reduction Initiatives.

(2) Determine monetary goals for each department/activity by fiscal year.

(3) Determine local manpower policies and guidelines for use in meeting the Cost Reduction Initiatives.

(4) Determine the external requirements (consultant services, budgets, training, etc.) to accomplish cost reduction targets and obtain appropriate resources to accomplish the objectives.

b. Quality Management Division (QMD)

(1) Review all higher headquarters' decisions and actions relating to Cost Reduction Initiatives. Disseminate updated information, as required, to all managers/supervisors.

(2) Serve as the primary point of contact for information flow to/from higher headquarters on matters pertaining to cost reduction initiatives and better business practices.

(3) Compile and maintain a current file of all the better business practices that are completed, ongoing, or planned for each department/activity.

(4) Coordinate and facilitate ESC meetings, including soliciting information from the members and setting the agenda prior to each meeting.

(5) Conduct liaison with all external agencies and higher headquarters to facilitate training for Activity Based Costing (ABC), OMB Circular A-76 including Performance Work Statements (PWS) and Costing, and use of other business tools as required.

c. Assistant Chief of Staff, Manpower (AC/S Manpower)

(1) Advise management/supervisors on regulations, procedures, and policies relating to personnel actions. Publish/update the Base Order (Reference (a)) as required to remain current with the dynamic nature of civilian personnel management.

(2) Coordinate with HQMC (RFO) to reconcile the Letter of Allowance for civilian personnel with the plan for the civilian employee reductions.

d. Assistant Chief of Staff, Comptroller (AC/S Comptroller)

(1) Serve as scorekeeper for savings attributed to the Cost Reduction Initiatives.

(2) Annually reconcile the Budget Tracks, Letter of Allowance, and the local phased fund allocation plan. Report any discrepancies to the ESC for information and/or appropriate action.

(3) Publish a department/activity savings plan, by fiscal year, for the period FY99 through FY04. This plan is to be reviewed for possible revision annually by 30 November and is to be included as enclosure (1) to reference (a). The old enclosure (1) is to be discarded on 30 November of each year and replaced by the revised one.

e. Departments/Activities

(1) Develop an internal plan where operational costs are reduced to meet the assigned targets by fiscal year.

(2) Provide annually, by 1 November, a revised internal Plan of Action for meeting the assigned targets to the Quality

Management Division via AC/S Manpower and AC/S Comptroller. A revised Plan of Action must not result in a net reduction to the assigned targets. Unresolved questions and/or concerns by the department/activity, Comptroller, and/or Manpower will be presented to the ESC for resolution.

(3) Review and become knowledgeable with the content of reference (a) and all other pertinent guidance with reference to becoming more efficient through better business practices.

B. A. GOMBAR

DISTRIBUTION: A CAT I & II

MCB, CAMP LEJEUNE'S COST REDUCTION INTITIATIVE (CRI) PLAN

FACILITIES

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
00	126,757	0	0	0	94,000	220,757
01	150,273	0	0	0	157,000	307,273
02	101,514	0	0	0	29,000	130,514
03	952,457	0	0	0	0	952,457
04	733,386	0	0	0	0	733,386
TOTAL	**2,064,387**	**0**	**0**	**0**	**280,000**	**2,344,387**

LOGISTICS

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
98	154,927	0	0	0	0	154,927
99	0	0	0	0	0	0
00	600,118	0	254,000	0	0	854,118
01	648,450	297,000	615,000	0	0	1,560,450
02	0	297,000	0	0	0	297,000
03	0	297,000	0	0	0	297,000
04	0	297,505	0	0	0	297,505
TOTAL	**1,403,495**	**1,188,505**	**869,000**	**0**	**0**	**3,461,000**

ENVIRONMENTAL MANAGEMENT DEPARTMENT

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
00	60,134	29,866	0	0	0	90,000
01	0	98,000	0	0	0	98,000
02	0	118,000	0	0	0	118,000
03	0	162,000	0	0	0	162,000
04	0	159,000	0	0	0	159,000
TOTAL	**60,134**	**566,866**	**0**	**0**	**0**	**627,000**

1.Process improvement. Labor and/or M&S costs reduced. No significant organizational changes. For example, perform a function with 4 personnel vice 5.
2.Reengineering. Labor and/or M&S costs reduced through significant process, organizational, or structural improvements. For example, the use of the IMPAC credit card or Prime vendor method of resupply.
3.Consolidation/Regionalization. For example, forming a Regional Information Technology Center or consolidating the Messing Facilities.
4.Elimination. By objective review determine those tasks/activities being performed that can be eliminated. For example, eliminate gate guards or quality assurance (inspections) at the end of a process.
5.Competition. To privatize, outsource, or the otherwise compete with a commercial activity. For example, PPV of Family Housing, Refuse collection or Pest Control.

ENCLOSURE (1)

27 JAN 1999

MANAGEMENT SUPPORT DEPARTMENT

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
00	0	366,000	0	0	0	366,000
01	0	514,000	0	0	0	514,000
03	0	100,000	0	0	0	100,000
04	0	99,000	0	0	0	99,000
TOTAL	**0**	**1,079,000**	**0**	**0**	**0**	**1,079,000**

TRAINING, EDUCATION, & OPERATIONS

	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
99	51,995	0	0	0	0	51,995
00	29,526	0	0	0	0	29,526
01	43,214	0	0	0	0	43,214
04	36,856	0	0	0	0	36,856
TOTAL	**161,591**	**0**	**0**	**0**	**0**	**161,591**

COMPTROLLER

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
00	33,945	0	0	0	0	33,945
03	72,727	0	0	0	0	72,727
04	31,328	0	0	0	0	31,328
TOTAL	**138,000**	**0**	**0**	**0**	**0**	**138,000**

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MANPOWER

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
98	24,094	0	0	0	0	24,094
99	6,000	0	0	0	0	6,000
00	36,018	0	0	0	0	36,018
01	31,700	0	0	0	0	31,700
02	5,000	0	0	0	0	5,000
03	11,188	0	0	0	0	11,188
TOTAL	**114,000**	**0**	**0**	**0**	**0**	**114,000**

INSTALLATION, SAFETY, & SECURITY

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
01	54,427	0	0	0	0	54,427
03	44,528	0	0	0	0	44,528
TOTAL	**98,955**	**0**	**0**	**0**	**0**	**98,955**

STAFF JUDGE ADVOCATE

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
00	46,550	0	0	0	0	46,550
TOTAL	**46,550**	**0**	**0**	**0**	**0**	**46,550**

HUMAN SERVICES

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
00	42,000	0	0	0	0	42,000
TOTAL	**42,000**	**0**	**0**	**0**	**0**	**42,000**

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ENCLOSURE (1)

27 JAN 1999

WEAPONS TRAINING BATTALION

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
99	6,000	0	0	0	0	6,000
00	6,000	0	0	0	0	6,000
03	7,000	0	0	0	0	7,000
04	7,000	0	0	0	0	7,000
TOTAL	**26,000**	**0**	**0**	**0**	**0**	**26,000**

HEADQUARTERS & SUPPORT BATTALION

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
00	16,000	0	0	0	0	16,000
TOTAL	**16,000**	**0**	**0**	**0**	**0**	**16,000**

CHAPLAIN

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
00	15,000	0	0	0	0	15,000
TOTAL	**15,000**	**0**	**0**	**0**	**0**	**15,000**

BASE INSPECTOR

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
00	14,000	0	0	0	0	14,000
TOTAL	**14,000**	**0**	**0**	**0**	**0**	**14,000**

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ENCLOSURE (1)

CONSOLIDATED PUBLIC AFFAIRS

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
00	4,000	0	0	0	0	4,000
TOTAL	**4,000**	**0**	**0**	**0**	**0**	**4,000**

UTILITIES

FY	ACTION CODES 1	2	3	4	5	TOTAL SAVINGS
01	0	0	0	0	3,346,000	3,346,000
TOTAL	**0**	**0**	**0**	**0**	**3,346,000**	**3,346,000**

TOTAL: $11,533,483

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