

REPORT
to the
PRESIDENT

Annual Plan
for

COST REDUCTION
and
MANAGEMENT IMPROVEMENT

Agency
for
International Development

Fiscal Year 1967

BEST AVAILABLE COPY

INFORMATION

To obtain additional copies or further information about specific activities within a Cost Reduction Campaign, call or write to Mr. Richard W. Parsons, Cost Reduction Officer, A/MP, Room 725 SA-12, Extension 128-28176.

UNITED STATES GOVERNMENT

Memorandum

TO : ALL ASSISTANT ADMINISTRATORS, HEADS OF OFFICES AND STAFFS, MISSION DIRECTORS, AID REPRESENTATIVES AND AID AFFAIRS OFFICERS DATE:

FROM : AA/A, William O. Hall 

SUBJECT: AID Cost Reduction and Management Improvement Plan for FY 1967

The AID Cost Reduction and Management Improvement Plan for Fiscal Year 1967 has been sent to the President. A copy of the plan is attached for the information of all AID personnel.

The Administrator has set the Agency's Cost Reduction goal at \$8,217,000 for this Fiscal Year. This overall Agency goal is based on the individual Cost Reduction plans reported by AID/W offices and overseas units within the thirteen Cost Reduction Campaigns which constitute the basic AID Cost Reduction program this year.

As many of you already know, AID has instituted a new kind of Cost Reduction program this year. The new techniques which we are using in its administration will allow this program to play a more active role in the overall management of the Agency in this and in future years.

The major innovation in the program has been the introduction of the Agency-wide Cost Reduction Campaign concept. Each Campaign has been selected to focus Agency-wide attention on a specific cost area which our experience has shown to contain a significant potential for Cost Reduction pay-off. Responsibility for providing overall leadership and guidance for each campaign has been placed in the hands of an Action Coordinator--the head of the central staff office having responsibility for the functional area within which a Cost Reduction Campaign falls. This new approach to Cost Reduction will allow the Agency to mount vigorous, centrally directed Cost Reduction efforts on an Agency-wide basis and, thereby, greatly increase the effectiveness of this program.

The establishment of Cost Reduction Campaigns, however, does not mean that we can ignore opportunities for cost savings or neglect reporting Cost Reductions accomplished in areas other than those covered by Campaigns. The Campaigns are simply the means which we have chosen to stimulate Cost Reduction activities in specific areas in which the potential for savings has been clearly demonstrated. We should all be continually alert to possibilities for savings in all areas of program and operating activities. The success which offices and missions achieve in areas outside the present Cost Reduction Campaigns will, to a large extent, influence the choice of future Campaigns.

Enclosure:
Cost Reduction and Management Improvement Plan for Fiscal Years 1967 and 1968



DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

OFFICE OF
THE ADMINISTRATOR



MEMORANDUM FOR THE PRESIDENT

THROUGH: Director, Bureau of the Budget

I am pleased to submit AID's cost reduction and management improvement plans for Fiscal Years 1967-68.

I have set an Agency-wide cost reduction goal for FY 1967 of \$8,217,000 with carry-over savings from actions taken in FY 1967 of \$1,595,000 which will be realized during FY 1968. This goal is based on cost reduction projects already placed into effect this Fiscal Year or scheduled for implementation during the next few months.

Two innovations in AID's Cost Reduction and Management Improvement Program have been undertaken this year. First, thirteen specific areas of potential cost savings have been identified and Agency attention has been focused on them by establishing an Agency-wide "Cost Reduction Campaign" for each. Second, under the overall direction of AID's Assistant Administrator for Administration, the leadership and guidance of each of these campaigns has been assigned to an "Action Coordinator" -- the head of the central staff office having functional responsibility for that area.

With the introduction of these innovations, the Cost Reduction and Management Improvement Program establishes discrete management improvement goals for the Agency, specifies the magnitude and direction of the effort, and involves all organizational elements in the Agency's continuing pursuit of better management in the Foreign Assistance Program.

William S. Gaud

Attachment
a/s

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

AID has set a cost reduction goal for FY 1967 of \$8,217,000 with carry-over savings from projects implemented in FY 1967 of \$1,595,000 to be realized during FY 1968. This goal is based on cost reduction projects already placed into effect this Fiscal Year or scheduled for implementation during the next few months. These projects are encompassed within thirteen specific Agency-wide Cost Reduction Campaign areas summarized by title and dollar goal in Attachment A. A more detailed description of each of the thirteen cost reduction projects, the nature of the savings or benefits to be achieved, and the planned or probable disposition of the savings accruing is contained in Attachment B.

Two innovations in AID's Cost Reduction and Management Improvement Program have been undertaken this year. Their objective has been to mount a strong, centrally directed Agency-wide attack on specific management improvement opportunities in the Foreign Assistance Program. First, thirteen specific areas of potential cost savings have been identified and Agency attention has been focused on them by establishing an Agency-wide "Cost Reduction Campaign" for each. All agency organizational units, both in AID/Washington and overseas, have been asked to establish individual cost reduction projects in each of the campaigns applicable to their operations. Second, under the overall direction of AID's Assistant Administrator for Administration, the leadership and guidance of each of these campaigns has been assigned to an "Action Coordinator"--in each case, the head of the central staff office having functional responsibility for that area. Action Coordinators are expected to be both a source of ideas for cost reducing innovations and a central clearing house within the Agency for information on cost reduction efforts undertaken by individual Agency organizations. In this latter capacity, they will disseminate information on successful cost reduction efforts achieved by individual organizational units to all others, thereby insuring the widest possible effect from the cost reduction activities of diverse organizational elements.

The dollar savings goals set by AID for FY 1967 and FY 1968 are lower than those projected in FY 1966. This in no way implies a diminution of the cost reduction efforts to be undertaken by the Agency. Rather, it reflects a clarification of program dimensions, an increased specificity in project definitions, and a heightened focusing of management attention in selected areas. The efforts to increase efficiency and cut costs at all levels of the Agency and at every step in the process of administering the foreign assistance program will continue to be encouraged and emphasized. Savings resulting from such prudent management actions will continue to accrue. The dollar goal established under the formal Cost Reduction and Management Improvement Program, however, is expected to result from special attention--over and above normal, efficient administration--in specific areas having cost savings potential.

Part of the program redirection described above, which has resulted in a goal in excess of \$8 million, has been prompted by Bureau of the Budget guidance; part by Agency experience over the past two years. The revised definition of savings contained in the recently issued Budget Bureau Circular A-44, Revised (August 3, 1966), now specifically excludes two areas from the Cost Reduction Program under which AID could formerly achieve and report significant savings. These two areas are "new uses for foreign currencies" and "acquisition of excess property". While AID will continue to place high priority on achieving savings and augmenting the scope of foreign aid through these means, such planned actions are not included within the cost reduction goal set.

In addition to the tighter Bureau of the Budget criteria, the Agency, in establishing its dollar cost reduction goals, has placed an increasingly heavy emphasis on the achievement of planned savings in the campaign areas. Cost reduction actions taken which do not fall into one of the specific Agency-wide projects established, and cost reduction actions taken which do not result from special management actions planned in advance, have been excluded from consideration in establishing the FY 1967-68 goals.

It seems unlikely at this time that the cost reductions planned in FY 1967-68 can be reduced from AID's FY 1968 Budget Request. Savings realized as a result of the thirteen special cost reduction campaigns will, in most cases, be reprogrammed for other approved activities. Such savings may also need to be allocated to meet other urgent program requirements should the level of new obligational authority resulting from Congressional appropriation action be reduced from the level of the Administration's Foreign Assistance request. The Agency will be in a better position to evaluate this possibility, however, upon completion of the appropriation process.

AGENCY FOR INTERNATIONAL DEVELOPMENT
 COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
 SUMMARY PLAN

<u>Campaign (Goal) Titles</u>	<u>Annual Savings Goals</u>		<u>Proposed Use of Savings (See Key)</u>
	<u>Dollars (000)</u>		
	<u>FY 1967</u>	<u>FY 1968</u>	
Review Regional and Inter-Regional Technical Assistance and Research Projects	1,500	500	d
Augment Voluntary Foreign Aid Agency Assistance to AID Programs	100	100	d
Reduce Costs of Program Procurement	4,500	75	d
Enlarge Host Country Contributions to AID Programs	1,000	500	d
Increase the Substitution of Foreign Nationals for American Employees	100	80	d
Decrease Overtime Usage	60	--	d
Reduce Agency Real Property Costs	150	250	a, d
Save on Costs of Agency Inventories	175	10	d
Cut Costs of Overseas Administrative Support Activities	100	30	a, d
Reduce Motor Vehicle Fleets	175	40	d
Economize on Vehicle Maintenance and Operation	40	10	a, d
Curtail Cable Traffic	17	--	d
Simplify Agency Reporting Requirements and Improve Information Dissemination Methods	<u>300</u>	<u>--</u>	b
TOTAL PROJECTED SAVINGS	8,217	1,595	

Savings Key:

- a - Use to finance increased costs, such as pay increases.
- b - Apply to production of more units of work.
- c - Apply to raise quality of service or performance.
- d - Use to finance some other approved program or activity.
- e - Place in reserve, or apply to reducing President's Budget.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Review Regional and Inter-Regional Technical Assistance and Research Projects

Estimated Savings: \$1,500,000 in FY 67 and \$500,000 in FY 68

PROJECT DESCRIPTION: AID's Regional Bureaus and the Office of Technical Cooperation and Research will initiate a special, intensified review and analysis of all on-going regional and inter-regional technical assistance and research projects for which they are responsible with the objective of eliminating projects found upon careful analysis to be marginal or of low priority; reducing the size or scope of regional or inter-regional projects wherever possible; or accomplishing the project goal through alternative, less expensive means.

NATURE OF SAVINGS OR BENEFITS: The savings resulting from this review will be calculated on the basis of the amount of funds formally programmed, authorized or obligated for each project which are de-authorized, de-obligated or reprogrammed for other approved programs as a direct result of this effort. Deferments of obligations or costs to future years will not be considered savings. This effort should result in a tighter, more effective program of regional and inter-regional projects. Such projects are funded from Technical Cooperation appropriations, portions of which are reserved to AID/Washington for allocation to projects having wide application throughout one or more regions of the less-developed world. The savings will be actual reductions in the costs of on-going projects.

DISPOSITION OF SAVINGS: In most cases, savings accruing from this effort will be reprogrammed for use in other approved AID projects. They will be clearly needed to fund high-priority projects which could not otherwise be implemented should the level of new obligational authority resulting from Congressional appropriation action be reduced from the level of the Administration's Foreign Assistance request.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Augment Voluntary Foreign Aid Agency Assistance to AID programs

Estimated Savings: \$100,000 in FY 67 and \$100,000 in FY 68

PROJECT DESCRIPTION: Each AID overseas post in whose country Voluntary Foreign Aid Agencies (e.g., CARE, Catholic Relief Services, Church World Service, etc.) operate will devote particular attention to encouraging an increase in their contribution to the support of AID programs and projects.

NATURE OF SAVINGS OR BENEFITS: Savings will be reported when an increase in the contribution of a Voluntary Agency corresponds to a decrease in the contribution of AID, and the VOLAG increase results from the efforts of the overseas post. Savings will be computed as the amount by which such efforts decrease AID's programmed, authorized or obligated funding levels. Most of the savings achieved by individual actions will be one time in nature, but continued efforts of this type by AID overseas posts will produce additional savings in future years.

DISPOSITION OF SAVINGS: In most cases, savings resulting from this effort will be programmed for use in other approved AID projects. They will clearly be needed to fund high-priority projects which could not otherwise be implemented should the level of new obligational authority resulting from Congressional appropriation action be reduced from the level of the Administration's Foreign Assistance request.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Reduce the Costs of AID Program Procurement

Estimated Savings: \$4,500,000 in FY 67 and \$75,000 in FY 68

PROJECT DESCRIPTION: Each overseas posts and AID/W office responsible for the procurement of program commodities, equipment or services will take affirmative action to improve program procurement policies and practices. Special effort will be focused on increasing consolidated buying of non-loan financed, non-GSA procured program commodities. Special attention will also be devoted to reducing freight and attendant transportation costs to the lowest possible levels.

NATURE OF SAVINGS OR BENEFITS: Savings which result from planned actions to reduce the costs of program procurement will be computed on the basis of the difference between the actual costs under any new procedure or practice and the previous costs of procurement.

DISPOSITION OF SAVINGS: In most cases, savings resulting from this effort will be reprogrammed for use in other approved AID projects. They will clearly be needed to fund high-priority projects should the level of new obligational authority resulting from Congressional appropriation action be reduced from the levels of the Administration's Foreign Assistance request.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Enlarge Host Country Contributions to AID Programs

Estimated Savings: \$1,000,000 in FY 67, \$500,000 in FY 68

PROJECT DESCRIPTION : Subject to overriding United States political or economic interests in specific countries, each overseas post will undertake a special effort to increase the use of host country resources in lieu of U.S. assistance to fund individual projects and activities.

NATURE OF SAVINGS OR BENEFITS: All decreases in the obligated, authorized or programmed U.S. dollars for an individual activity, project or component will constitute a savings in this area when accompanied by a corresponding increase in the contribution by the host country of its own resources. Such savings will usually be the result of a planned renegotiation of a project agreement.

DISPOSITION OF SAVINGS : In most cases, savings resulting from this effort will be reprogrammed for use in other approved AID projects. They will clearly be needed to fund high-priority projects should the level of new obligational authority resulting from Congressional appropriation action be reduced from the level of the Administration's Foreign Assistance request.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Increase the Substitution of Foreign Nationals for American Employees.

Estimated Savings: \$100,000 in FY 1967; \$80,000 in FY 1968

PROJECT DESCRIPTION: Each AID overseas post will undertake a special review of positions now encumbered by U.S. Nationals with a view toward substituting local or third country nationals wherever possible.

NATURE OF SAVINGS OR BENEFITS: Savings will be determined on the basis of the difference between the salary and allowances of the U.S. National and the comparable costs of the foreign national. The savings will be recurring in nature and will result from the substitution of less costly alternatives.

DISPOSITION OF SAVINGS: In most cases, savings resulting from this effort will be reprogrammed for use in other approved AID projects or activities. They will clearly be needed to fund high priority projects or activities should the level of new obligational authority resulting from Congressional appropriation action be reduced from the level of the Administration's Foreign Assistance request.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Decrease Overtime Usage

Estimated Savings: \$60,000 in FY 1967

PROJECT DESCRIPTION: Each AID overseas post and AID/W office will undertake a project to focus management attention on ways and means to reduce the annual level of paid overtime.

NATURE OF SAVINGS OR BENEFITS: Savings will consist of the actual decrease in the amount of paid overtime during the reporting period using as a base the comparable period of the previous fiscal year. Only those reductions that result from an identifiable management action such as staggering of work periods, higher level of approval, etc., will be reported.

DISPOSITION OF SAVINGS: Dollar savings resulting from this campaign will clearly be needed to fund high priority activities should the level of new obligational authority resulting from Congressional appropriation action be reduced from the level of the Administration's Foreign Assistance request. Savings reported by overseas posts will normally represent savings in local currency costs since most of the personnel receiving overtime overseas are foreign national clerical or service employees; such savings will be reallocated to other approved high priority activities.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Reduce Agency Real Property Costs

Estimated Savings: \$150,000 in FY 1967 and \$250,000 in FY 1968

PROJECT DESCRIPTION: Each overseas post, either alone or in concert with other foreign affairs agencies, will give special attention during this fiscal year to methods which will result in the attainment of more favorable lease arrangements or in the elimination or consolidation of office, warehouse and residential real property.

NATURE OF SAVINGS OR BENEFITS: Savings will consist of the actual difference on an annual basis between the cost of new leases and cost of former leases, or the cost of leases terminated. The savings achieved within this campaign will be accomplished almost entirely by AID overseas posts. In many cases, the savings will be reflected as a reduction in the local currency costs of the overseas post. The greater portion of the savings to be achieved in this campaign will be realized during FY 1968 from actions completed by AID overseas posts during the second half of FY 1967. Savings will be reported for a twelve-month period for each lease renegotiated or terminated.

DISPOSITION OF SAVINGS: Savings will be used by many posts to meet rising local currency costs and by others to finance other approved priority activities.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Save on Costs of Agency Inventories

Estimated Savings: \$175,000 in FY 1967; \$10,000 in FY 1968

PROJECT DESCRIPTION: Each AID overseas post and AID/W office will undertake an intensive review of all expendable and non-expendable supply inventories and all procurement of such AID titled, warehoused or stocked commodities with the objective of reducing inventories and procurement costs, and of using existing stocks to meet new supply requirements. Included within this review shall be commodities procured but not used for technical assistance projects.

NATURE OF SAVINGS OR BENEFITS: Procurement cost savings will be based on the difference between unit costs prior to and after the cost reduction action. Where action is taken to use, for other purposes, existing stocks which would not have otherwise been used for but this review, the value of the planned procurement will be the savings. In the area of supply inventories, the decreases in types and numbers of items will be calculated in terms of procurement which would otherwise have been made but for this review.

DISPOSITION OF SAVINGS: In most cases, savings resulting from this effort will be used to finance other approved high-priority activities or projects. They will clearly be needed should the level of new obligational authority resulting from Congressional appropriation action be reduced from the level of the Administration's Foreign Assistance request.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Cut Costs of AID Overseas Administrative Support
Activities

Estimated Savings: \$100,000 in FY 1967; \$30,000 in FY 1968

PROJECT DESCRIPTION: Each AID overseas post will make a cost-benefit analysis of post-operated administrative support services to determine which services could be more efficiently and economically provided under service contracts. Special areas which should come under this review include buildings maintenance and physical security (subject to existing security regulations).

NATURE OF SAVINGS OR BENEFITS: Savings will be determined as the difference between the cost of contract services and the actual cost of mission operated services during a comparable period of the prior fiscal year.

DISPOSITION OF SAVINGS: A portion of the savings which will be achieved in this campaign will be reductions in foreign currency costs. Such savings will be reallocated within the country achieving the saving to cover costs of other approved activities. In many cases, the money saved will be required to meet increased local currency costs brought about by inflation in the Host Country.

US dollar savings resulting from this effort will either be reallocated for use in other approved high priority activities or be used to accommodate budget reductions should the level of new obligational authority resulting from Congressional appropriation action be reduced from the level of the Administration's Foreign Assistance request.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Reduce Motor Vehicle Fleets

Estimated Savings: \$175,000 in FY 1967; \$40,000 in FY 1968

PROJECT DESCRIPTION: Each AID overseas post will undertake a concerted effort to reduce its motor vehicle fleet to the minimum number necessary to accomplish mission operations and program objectives. Special reviews will be undertaken to investigate the possibilities for substituting locally available transportation or employee automobiles in lieu of mission-provided transportation for AID, other Federal agency, and contract employees.

NATURE OF SAVINGS OR BENEFITS: When a surplus vehicle is disposed of without replacement, savings will be the acquisition cost of new motor vehicles which were not procured as a result of the special review, and the costs of maintaining and operating such vehicles. The one-time savings within this campaign may be considered the result of the elimination of low priority activities.

DISPOSITION OF SAVINGS: Savings realized as a result of this campaign will, in most cases, be reprogrammed to meet priority needs in other approved activities. Such savings may need to be allocated to meet other urgent program requirements should the level of new obligational authority resulting from Congressional appropriation action be reduced from the level of the Administration's Foreign Assistance request.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Economize on Vehicle Maintenance and Operation

Estimated Savings: \$40,000 in FY 1967; \$10,000 in FY 1968

PROJECT DESCRIPTION: Each AID overseas post will undertake a special study to determine new ways of reducing the costs of motor vehicle maintenance and operation. The fullest possible interchange among overseas posts of new ideas resulting from these studies will be provided to maximize the savings realized from this effort.

NATURE OF SAVINGS OR BENEFITS: Savings will be reported as the difference between the amount of vehicle maintenance costs incurred during the reporting period and those incurred during the comparable period of the previous fiscal year. Reporting units will be required to show that such savings resulted from identifiable management decisions designed to improve the quality and efficiency of maintenance operations or to develop new and less expensive sources of supply for POL and other operating supplies. Care will be taken to insure that reductions in the costs of POL and other motor vehicle supplies are not included in savings reported under other campaigns. Savings will be achieved primarily through the substitution of less costly alternatives but they may also be achieved through increased productivity as a result of local training programs. Savings have already begun to accrue at some posts; results are expected at most of the remainder during the first half of FY 1967.

DISPOSITION OF SAVINGS: Savings will be used to finance other approved projects and activities, usually those at the post which achieves the savings. Actual disposition of amounts saved under individual actions may vary from post to post. At a number of posts local currency savings will be applied to meet increased local operating costs which may rise due to inflation in the Host Country.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Curtail Cable Traffic

Estimated Savings: \$17,000 in FY 1967

PROJECT DESCRIPTION: Each AID overseas post and AID/W office will make concerted efforts to reduce the length and number of cables through the implementation of tighter internal controls, substitution of airgrams, etc.

NATURE OF SAVINGS OR BENEFITS: Savings will be the net reduction in the dollar cost of cable transmissions during the reporting period. Savings will result from the utilization of less costly alternatives. Savings under this project have already begun to accrue.

DISPOSITION OF SAVINGS: Savings resulting from this effort will be used to fund other approved high-priority activities. They will clearly be needed for this purpose should the level of new obligational authority resulting from Congressional action be reduced from the level of the Administration's Foreign Assistance request.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
PLAN FOR FISCAL YEARS 1967 AND 1968

CAMPAIGN (Goal): Simplify Agency Reporting Requirements and Improve
Methods of Information Dissemination

Estimated Savings: \$300,000 in FY 67

PROJECT DESCRIPTION: In conjunction with continuing Agency efforts to improve reporting requirements, each overseas post and AID/W Office will make special efforts to review their own internal reports with the objective of eliminating, consolidating, or reducing them in frequency and size. Overseas posts may also identify specific AID/W required reports which they would recommend for elimination or change, and the reasons for their recommendations. Agency organizations will also review the methods and procedures used to disseminate information to internal units. Methods of distribution will be simplified and extraneous material will be eliminated.

NATURE OF SAVINGS OR BENEFITS: Computation of the cost of each eliminated report will be based upon the time spent in preparation, review and issuance, the number of pages and copies of the report, and estimates of reading, handling and filing time. Savings reported for curtailment in the distribution of extraneous informational material will be based on estimates of reading, handling and filing time. Some dollar savings will result from reduced reproduction costs; the bulk of the savings, however, will be realized from the time Agency personnel spend in preparing, reading, handling, and filing the reports and informational materials which are eliminated.

DISPOSITION OF SAVINGS: Savings will be applied to the production of more units of work through devoting working time to higher priority tasks. Such savings will not affect Agency funding needs during FY 1967 or FY 1968.

AGENCY FOR INTERNATIONAL DEVELOPMENT
COST REDUCTION AND MANAGEMENT IMPROVEMENT PROGRAM
ACTION COORDINATORS

<u>Campaign</u>	<u>Action Coordinator</u>
Review Regional and Inter-Regional Technical Assistance and Research Projects	AA/PC
Augment Voluntary Foreign Aid Agency Assistance to AID Programs	AA/MR
Reduce Costs of Program Procurement	AA/MR
Enlarge Host Country Contributions to AID Programs	AA/PC
Increase the Substitution of Foreign Nationals for American Employees	A/PA
Decrease Overtime Usage	A/CONT
Reduce Agency Real Property Costs	A/AS
Save on Costs of Agency Inventories	A/AS
Cut Costs of Overseas Administrative Support Activities	A/AS
Reduce Motor Vehicle Fleets	A/AS
Economize on Vehicle Maintenance and Operation	A/AS
Curtail Cable Traffic	A/AS
Simplify Agency Reporting Requirements and Improve Information Dissemination Methods	A/MP