



DCN: 2179
DEFENSE LOGISTICS AGENCY
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IN REPLY
REFER TO

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January 6, 2005

MEMORANDUM FOR PRINCIPALS, SUPPLY AND STORAGE JOINT-CROSS SERVICE GROUP

SUBJECT: Use of Defense Component Submitted Cost of Base Realignment Activity (COBRA)

Timely and accurate COBRA data call responses from your respective Defense Component BRAC offices are critical to the success of the Supply and Storage Joint-Cross Service Group (S&S JCSG). The quality of some of the COBRA data, particularly supply data, which the S&S JCSG Team has been receiving from the Components has not been good. The Team has shown several cases where the data is incomplete, inconsistent, and/or incorrect. We have to fix this quickly, and I need your help.

At present, we have two options: (1) we can direct the S&S JCSG Team to use the COBRA data they have received from your various Defense Component BRAC offices as reported or (2) we can direct the use of standards, which allows the normalization of the data. This option ensures fair and equitable treatment of the information, attempting to "make sense" of the data and simplifying analysis to a lesser degree. The Team has developed standards for our consideration. I request that each of you consider this approach -- get back to your respective Components and confirm if this is viable. Please have the Components produce certified data consistent with these standards and/or justify why the data they have provided (or will provide) to the S&S JCSG Team is good and is to be used as reported. Time is of the essence, we need a complete response back from the components no later than January 12, 2005.

- Facilities: We have cases where the Components have reported "0" facilities vacated although a function involving hundreds of people has been disestablished. We have cases where the amount of space vacated is greater than the actual facility known capacity. The Team proposes the following:
 - MILCON: Recognize input for administrative facilities, warehouses, and parking. Quality of Life inputs will not be factored. Rationale is that these have been inconsistently applied across the board and, as a result, require a much deeper level of analysis than is possible at this time.
 - Excess Capacity: If a receiving installation shows excess capacity, reduce the MILCON value submitted by the excess capacity reflected in the previously certified capacity data. Rationale is that excess space should be eliminated prior to new construction.
 - Facilities Shutdown: If a facility is to be shutdown or substantially vacated, but 0 percent is reported vacated, vacate 75 percent of the known capacity. If greater than known capacity is reported, use 100 percent of the known capacity.



If the Component has differing input, provide justification for the stated input.
Rationale is to ensure COBRA accurately reflects vacated space.

- Personnel Positions: The Team proposes 10 percent as the standard for personnel reductions across the board. If the Component reports a figure less than 10 percent, the Component should provide rationale for the use of that figure and certify it. If the Component has reported a figure greater than a 10 percent personnel reduction, use the reported figure. Rationale is that 10 percent is the minimum gain in productivity from consolidation of functions. It is a conservative approach reflecting past United States Navy and Defense Logistics Agency experience.
- BOS Labor: The Team proposes using certified COBRA data for BOS-related costs and the reflection of personnel reductions commensurate with the ratio of personnel being moved and/or eliminated.

The Team recognizes extenuating circumstances in all of these instances. It would therefore benefit all of us if your Component BRAC offices worked directly with the S&S JCSG Team to ensure the validity of the reported information. The COBRA point of contact in this matter is Mr. Joe Meconnahey, (703) 696-9401 x 313, and the point of contact for S&S JCSG Team Lead is Colonel Louis Neeley, USAF, (703) 696-9401 x 236.



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