

**DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
2521 CLARK STREET, SUITE 600
ARLINGTON, VIRGINIA 22202
(703) 699-2950**

MEMORANDUM OF MEETING

DATE: July 13 and July 15, 2005

TIME: Various times

MEETING WITH: Community Group for DFAS Indianapolis and Mayor of Indianapolis

SUBJECT: To present information on why the Indianapolis, IN DFAS site should remain open.

PARTICIPANTS:

Note: Because both meetings discussed and presented the same information I consolidated into one memo of record.

At the first meeting the following participants were present:

Deborah Hohlt, Federal Representative, State of Indiana, (202) 624-1474

Jonathan O'Neal Dilley, Legislative Assistant, Congressman Burton

Ehren Bingaman, Fort Harrison Reuse Authority, (317) 377-3400

Viraj Mirani, King & Spalding LLP, (202) 661-7953

William Talmadge, King & Spalding LLP, (202) 661-2937

Commission Staff:

Marilyn Wasleski

Karl Gingrich

Duke Tran

Library Routing Slip 2005 BRAC Commission Materials

Title of Item: Memo of Mtg

Installation or Community: Indianapolis

Source: BRAC Commission Generated

Classified Material? yes no

Analyst / Provider: Marilyn Wasleski Date Received: 8/1/05

At the second meeting the following participants were present:

Bart Peteron, Mayor of Indianapolis

Melina Kennedy, Deputy Mayor of Economic Development, (317) 327-7456

Commission Staff

Chairman Principi

Marilyn Wasleski

Rory Cooper

MEETING SUMMARY:

The attached while paper summaries the main points made at both of the meetings concerning keeping the DFAS in Indianapolis open.

DFAS Indianapolis

WHITE PAPER-BRAC 2005 DFAS Consolidation

As part of the 2005 BRAC process, the Headquarters and Support Activities Joint Cross-Service Group recommended the consolidation of Defense Finance and Accounting Service (DFAS) operations to DFAS Indianapolis and two other sites (Columbus and Denver). DFAS Indianapolis, located within the Major General Emmett J. Bean Federal Center in Lawrence, Indiana (outside Indianapolis), is ideally positioned to assist in the efforts to consolidate and transform DFAS operations.

Capacity analysis

The Center is the United States' second largest military facility behind the Pentagon, and houses the largest DFAS facility in the nation. DFAS Indianapolis has the largest amount of DFAS personnel (2,712), as well as the greatest amount of used space (433,920 usable square feet). It also has 60 percent of the nation's entire usable square footage for DFAS safes, vaults and financial systems.*

Even more important, DFAS Indianapolis has the greatest ability of any DFAS facility to accommodate additional business, corporate and administrative DFAS functions. Despite its status as the largest current DFAS facility, DFAS Indianapolis also has the most overall capacity and excess capacity. Of the Center's total capacity of 682,885 usable square feet, the current usage is just 64 percent (433,920 usable square feet). As a result, DFAS Indianapolis has 248,965 usable square feet in excess capacity available for future growth. In fact, DFAS Indianapolis alone accounts for 35% of the entire nation's excess DFAS capacity.

Military Value

In addition to its capacity strengths, DFAS Indianapolis offers existing capabilities that rank among the highest in the nation. While DFAS Indianapolis ranked 9th in the DFAS Military Value scoring plan, the primary reason for this ranking was its location outside a Department of Defense owned installation with a controlled perimeter. Similarly, its location also affected its ranking by impacting its terrorist threat assessment ratings. Nonetheless, the facility does meet the DoD Antiterrorism/Force Protection (AT/FP) standards. As a result, without the location criteria, DFAS Indianapolis would have ranked among the top three DFAS facilities nationwide.

Ironically, the reason DFAS Indianapolis is no longer on a DoD owned installation is the closing of the surrounding installation (Fort Benjamin Harrison) as a result of the 1991 BRAC proceeding. Yet, while this previous BRAC process closed the rest of the installation, it preserved the Major General Emmett J. Bean Federal Center given its significant value.

The other criteria utilized in the Military Value scoring plan provide additional evidence of DFAS Indianapolis' worth. The facility ranked among the highest scorers in many other criteria, particularly with respect to local workforce, hiring, and network services. The BRAC report further notes that DFAS Indianapolis has the potential to evolve into a separate Business Line Center of Excellence and further enhance "unit cost" reductions beyond the BRAC facilities/personnel savings aspect.

Community strengths

DFAS Indianapolis is located in the city of Lawrence, near Indianapolis. This area, often referred to as the "Crossroads of America," offers convenient interstate and air access to the entire Midwest. In addition, the community boasts a high quality of life, with excellent schools, ample affordable housing, and abundant cultural opportunities. These qualities have helped the area attract a top caliber workforce, as noted in the Military Value scoring discussed above.

Conclusion

DFAS Indianapolis provides a unique opportunity to consolidate DFAS operations. The Major General Emmett J. Bean Federal Center offers unmatched capacity for growth, and the existing DFAS Indianapolis operation ranks among the highest DFAS facilities nationwide. This combination of capacity and capability make clear that DFAS Indianapolis represents the optimal choice for DFAS consolidation and transformation.