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UNITED STATES GENERAL ACCOUNTING OFFICE  
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AUG 2 1972

Lt. General Robert P. Keller, Commanding General  
Marine Corps Development and Education Command  
Marine Corps Base  
Quantico, Virginia 22134

Dear General Keller.

During April to June 1972 we conducted a survey of the Marine Corps Base, Quantico. The purpose of the survey was to determine the nature and types of activities located at the installation. Although our work was preliminary in nature, we believe the information developed can serve as a basis for sharing our thoughts with you on what we believe are areas warranting further attention. We have divided these areas into the following (1) possible consolidation of certain activities, (2) questionable need for certain activities, and (3) observations at the Marine Corps Air Station. These areas are discussed separately below.

Possible consolidation  
of certain activities

The Marine Corps Development and Education Command (Command) and the Marine Corps Air Station maintain separate motor transport facilities and photographic laboratories. Our survey indicated that the feasibility of consolidating the two motor transport facilities, which has been examined by the Navy and Marine Corps in the past, should be reexamined. In addition, it appears that the two photographic laboratories could be consolidated.

The data gathered during our survey showed that both motor transport facilities basically operate on a one-shift 40-hour workweek and are located approximately 1-1/2 miles from each other. The similar nature of the work performed by the two facilities, their identical workweek, and their physical proximity suggest that consolidation would be advantageous.

During calendar year 1971, approximately 60 percent of the Air Station's photographic laboratory work was for general photography. Since the Command's photographic laboratory is capable of performing all types of general photographic work, and more than half the work of the Air Station's laboratory is for general photography, we believe consolidation of the two laboratories may be practical.

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Consolidation of these facilities might be advantageous for a number of reasons. It appears that, as a minimum, some savings could be realized through a reduction in overhead costs. We believe other savings also could be realized because the two Air Station facilities could be declared excess and used for other purposes. In addition, although more study would be required to make such a determination, it is possible that fewer personnel would be needed in consolidated facilities.

We discussed the possible consolidation of these facilities with a Marine Corps Air Station official and an official from the Command's photographic laboratory. The Air Station official suggested that consolidation of the two motor transport facilities might not be feasible because the Air Station would have to depend on an outside motor transport facility and therefore might not be sure of securing vehicle maintenance on a timely basis. The Command official indicated that a problem in consolidating the two photographic laboratories was that the Command's laboratory is not equipped to do air photography development work. We believe these problems could be overcome by establishing appropriate priorities for vehicle maintenance and repairs and by transferring equipment needed for air photography development from the Air Station to the Command's photographic laboratory.

#### Questionable need for certain activities

The Command maintains its own laundry and drycleaning facility, pastry shop, and meat processing and issue section. In January 1969 and January 1970 the Command completed studies on its pastry shop and laundry and drycleaning facility. The purpose of these studies was to determine the most practicable method of obtaining the services for the Marine Corps Base, Quantico.

The studies showed that the equipment at the two facilities was not being fully utilized. Each facility operates on an 8-hour day, 5-day workweek, and the workload was far below the capacity of the machines. For example, the laundry and drycleaning equipment, valued at \$693,404, had a utilization rate of 70 percent during an 8-hour day. The bakery equipment used to produce bread was utilized only 22 percent of the 8-hour day. The studies concluded, however, that even with this underutilization of equipment, the existing facilities were the most cost effective means of obtaining the required services or that the services could not be provided adequately by commercial sources.

Our survey indicated that all relevant factors were not considered in these studies. For example, comparisons of bakery shop and commercial prices in the bakery study were not made on the basis of like quantities. The prices used to compare the cost of bread produced at the bakery versus commercial prices were based on bread sold at the commissaries versus a

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production run test at the bakery. Also, a questionable assumption of the study was that some of the bakery shop operations would continue in any event, and thus the study did not examine into all bakery products.

In the laundry and drycleaning study, commercial sources were contacted only in the Quantico, Virginia, area. The study did not consider the large commercial facilities available in the Washington, D.C., metropolitan area. The study concluded that the facilities in the Washington area, being 40 miles away, would be too far to respond to the needs of the Command. We noted, however, that the study pointed out that the Command's in-house laundry facility does work on a reimbursable basis for the Marine Barracks, Washington, D.C., Henderson Hall, Arlington, Virginia, and the Explosive Ordnance Disposal School, Indian Head, Maryland. All of these activities are located more than 40 miles from Quantico.

We believe the need for the Command's bakery and laundry and dry-cleaning facilities should be reevaluated. With respect to the bakery operation in particular, we noted that other military activities in the Washington area buy their bakery products from commercial sources. Also, we believe the Command's meat processing and issue section should be studied to determine whether it might be advantageous to the Command to obtain packaged meat products commercially.

We are enclosing a copy of a report that we believe may be useful in your further evaluation of these facilities. This is a report that we made in September 1970 to the Secretary of Defense on the operation of commercial-type food-processing activities at selected Department of Defense installations. As you will note, the report questioned the justification for continuing the operation of these activities under the criteria set forth in Bureau of the Budget (now Office of Management and Budget) Circular A-76. The report further concluded that savings could be achieved--at least in the case of meat-processing plants--if the in-house operations were discontinued.

In the Department of Defense reply (copy also enclosed) the Deputy Assistant Secretary of Defense (Installations and Logistics) brought out that the Department had made substantial progress in reducing the number of in-house food-processing activities. The Deputy Assistant Secretary stated further that continued emphasis would be placed on the elimination, or reduction to a minimum, of in-house commercial-type activities within the Department consistent with the intent of Office of Management and Budget circulars and Department of Defense implementing instructions.

Observations at the Marine  
Corps Air Station

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The Air Station maintains and operates two crash cranes valued at more than \$103,000. These cranes, which are standard Navy equipment for each airfield, are used primarily for removing aircraft wreckage from the

runways. The Air Station also has four CH-53D helicopters which, according to Air Station officials, can lift all aircraft assigned to the Air Station except two C-117 aircraft.

In response to our inquiry about the need for the crash cranes, Air Station officials pointed out that the CH-53D helicopters are not always physically located at Quantico and therefore would not always be available for use in clearing runway obstructions. They pointed out also that some aircraft landing at the Air Station could not be lifted by a CH-53D helicopter if they were to crash on a runway.

To provide more specific information regarding these matters, additional work would have to be done to determine (1) the availability of the CH-53D helicopters at any one point in time, (2) whether other means of clearing runway obstructions are available, (3) the extent to which the C-117 aircraft are utilized at the Air Station, and (4) the frequency of other heavy aircraft landing at the Air Station. It does appear, however, that at least one of the cranes may not be needed.

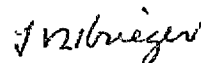
The Air Station maintains 13 T-28 fixed-wing aircraft which are used by Marine Corps pilots for proficiency flying purposes. In February 1972 the Naval Area Audit Service issued a report on the Air Station at Quantico which included a discussion of a possible reduction in the Air Station's proficiency flying time. The report concluded that approximately 100 of the 160 pilots using the T-28 aircraft for proficiency flying could be granted waivers from the proficiency flying program because of current congressional legislation. Air Station officials agreed and stated they would further examine the proficiency flying program.

Based upon the information contained in the Navy audit report, it seems reasonable to assume that if 13 aircraft are needed by 160 pilots for proficiency flying, then a reduced number of aircraft would be needed for 60 pilots.

On June 2, 1972, a closeout conference was held with Brigadier General C. D. Mize at which time we discussed the results of our work. General Mize indicated that our survey observations would be further examined. We shall appreciate being informed of any action taken or planned by you on these matters.

We wish to acknowledge the courtesies and cooperation extended to our representatives during our review. We shall be pleased to assist you in any way we can in your consideration of the above matters. Mr. James B. Deemer of our office will be available, at your convenience, to further discuss these matters with you and to provide you with more detailed information regarding them, if you so desire.

Sincerely yours,



H. L. Krieger  
Regional Manager

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