

SECURITIES AND EXCHANGE COMMISSION
BOSTON REGIONAL OFFICE

22 hrs
copy

COST REDUCTION PROGRAM

CRP

A. Increased Productivity and Efficiency

Goals

1. To increase the number of completed broker-dealer inspections, by establishing increased number of assigned inspections from 32 to 35 per man. During fiscal 1965, four men assigned to this activity completed 129 inspections at an average cost of \$340. By completing a total of 140 in fiscal 1966, without any increase in manpower, the average cost per inspection would be reduced to \$313 and an annual saving of \$3443. For fiscal 1967, to increase the number of completed inspections from 140 to 145, further reducing the average cost per inspection to \$302 and an annual saving of \$1510.
2. To increase the number of completed investment company inspections to 32. During fiscal 1965, the five men assigned to this activity completed 30 inspections at an average cost of \$1134 each. By meeting the increased number, the average cost would be reduced to \$1064, and an annual saving of \$2128. For fiscal 1967, to increase the number of completed inspections from 32 to 35, reducing the average cost to \$972, and an annual saving of \$2916.
3. To increase the number of completed investment adviser inspections from 35 to 38. During fiscal 1965, the average cost of completed inspections was \$294. By completing 3 additional inspections, the average cost would be reduced to \$271 and an annual saving of \$813. For fiscal 1967, to increase the goal of completed inspections to 40, and reduce the average cost to \$255 and an annual saving of \$510.
4. To replace resigned and retired personnel with persons of lesser grade. It is expected that vacancies created by the retirement of an investigator GS-13 and the resignation of a clerk-steno GS-4 can be filled with a GS-11 and a GS-3, respectively. In fiscal 1966 this would save \$4212 in personal services and in fiscal 1967 \$5615.

CHAIRMAN'S OFFICE
RECEIVED

JUL 23 1965

SEC. & EXCH. COMM.

B. Elimination of Low Priority Activities - none.

C. Increased Management and Program Effectiveness

Goals

1. To reduce commercial travel costs by advance planning of travel in groups in a single vehicle wherever possible.
2. To reduce cost of Xerox rental by requiring advance permission of a superior to copy more than three sheets.
3. To rearrange office layout to bring files containing information used frequently by staff members and also available for public inspection to space contiguous to both activity areas. Proposed relocation of office in new federal building in fiscal 1966 will afford this opportunity, and will reduce considerably the "office travel time" of the two floor operation currently in effect.

SECURITIES AND EXCHANGE COMMISSION
SUMMARY REPORT
COST REDUCTION PROGRAM

DIVISION OR OFFICE

Boston Regional Office

DATE

July 22, 1965

GOALS AND PROGRAMS, PROJECTS, OR ACTIONS TO ACHIEVE THEM	ANNUAL SAVINGS GOALS				ESTIMATED ANNUAL SAVINGS FROM ACTIONS TO DATE IN REPORTING YEAR						OTHER BENEFITS 1/	PROPOSED USE OF DOLLAR SAVINGS 2/
	Man-Years		Dollars		Man-Years			Dollars				
	CY	NY	CY	NY	CY	NY	BNY	CY	NY	BNY		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>Increased Productivity & Efficiency</u>												
1. Increase number of completed broker-dealer inspections A) From 129 to 140 B) From 140 to 145			3443	1510								
2. Increase number of completed investment company inspections A) From 30 to 32 B) From 32 to 35			2128	2916								
3. Increase number of completed investment adviser inspections A) From 35 to 38 B) From 38 to 40			813	510								
4. Replacement of retired and resigned personnel with persons of lower grade			4212	5615								
<u>Increased Management Effectiveness</u>												
1. Reduce travel costs via commercial carrier			Impossible to calculate									
2. Reduce Xerox rental costs			"	"								
3. Rearrange office layout			"	"								

FORM SEC 525

Savings Key:

- A - Apply to production of more units of work.
- B - Apply to raise quality of service or performance.
- C - Use to finance some other approved program or activity.
- D - Return to Commission general fund to allocate to other programs or to place in reserve.

Abbreviations:

- CY—Current fiscal year
- NY—Next fiscal year
- BNY—Beyond next year

- 1/ Check and explain in narrative report.
- 2/ Use Savings Key and explain in narrative report.