



DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
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IN REPLY  
REFER TO

CAI

July 29, 1999

Dr. Robert E. D. Woolsey  
Director, Operations Research Program  
Division of Economics and Business  
Colorado School of Mines  
Golden, Colorado 80401

Dear Dr. Woolsey:

I enjoyed our recent conversation and wanted to follow-up with some additional comments. We are very excited about the success of Major Randy Zimmerman and Major Jeffrey Huisingsh's project to develop a method of reducing conference, training, and other travel costs. They have put together a winner for the Defense Logistics Agency and the entire government.

Major Zimmerman and Major Huisingsh's *Offsite* software package makes quick work of determining the optimum location to host conference events for government travel planners. *Offsite* takes into account General Services Agency contracted airfares, per diem rates, meals, incidental expenses, vehicle rental costs, conference attendee starting locations, conference length, and other data, and easily computes which of 274 cities in the continental United States with government-contracted air fares would be the least costly to host a conference.

During the final stages of development, *Offsite* was tested using data from an actual, already-completed Defense Logistics Agency two-day training event that had been held at the Naval Postgraduate School at Monterey, California. If *Offsite* had been available, the test revealed that travel costs could have been reduced by 39 percent by conducted the training in another city identified by the software. Cost avoidance savings of 20-40 percent are common for travel planners using *Offsite*.

Because of Major Zimmerman and Major Huisingsh's outstanding and innovative work, the Defense Logistics Agency chartered the Federal Travel Optimization Reinvention Laboratory. The purpose of the lab is to promote the continued use and development of the *Offsite* travel optimization software. Each year the federal government spends approximately \$7 billion on travel. According to Mr. Dennis Fischer, Chief Financial Officer at GSA, a five percent saving in the federal training and meeting travel budget could result in as much as \$100 million a year in savings. Through the work of the Federal Travel Reinvention Lab, more than 15 different federal agencies are now using *Offsite*.

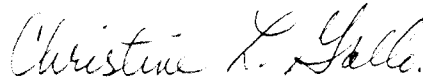


Some of these include the Defense Logistics Agency, Internal Revenue Service, Department of Energy, Treasury Department, National Security Agency, Federal Aviation Administration, General Services Administration, Veterans Administration, and others. Using *Offsite* in the Defense Logistics Agency alone has resulted in cost avoidance savings of well above \$1 Million. The wider use of *Offsite* across other federal agencies makes current government savings substantially higher and broader use is expected.

I hope the Colorado School of Mines will recognize the remarkable accomplishment of two outstanding alumni in their work of reinventing government using solid operations research tools in a very practical way. Major Randy Zimmerman is a operations research analyst at the DLA Office of Operations Research and Resource Analysis in Richmond, Virginia. Major Jeffrey Huisingh is now an instructor at the United States Air Force Academy in Colorado Springs, Colorado.

I hope this information is useful to you. If I can be of further service, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Christine L. Gallo".

CHRISTINE L. GALLO  
Executive Director  
Plans and Operations