9/1

THE PRESIDENT HAS SEEN

Mark
This entire memo
HRC gave me that
was discussed - BC

August 14, 1993

Hillary —

Attached is the following information on the 25% White House staff reduction:

1. Staff Definitions;

2. Summary of personnel who count under the 25% cap;

3. Public #'s breakdown;

4. Memo to David Watkins from Jennifer O'Connor on whether we can get around the 25% cut;

5. 2/9/93 Press Release on White House Reorganization;

6. Graphics (1 pg.) displayed at press conference and released to the public;

7. Compilation of quotes by the President and staff during the campaign and the transition on cutting White House staff (unless otherwise noted, all quotes are the President's);

8. Transcript of the President, Mack McClarty and Mark Gearan's remarks when announcing the cuts on February 9, 1993;

9. Internal figures outlining the reduction;

10. Summary of Requests for Additional Staff.

Let me know if you need anything else.

Kim

McLarty
copied

FW

① Personnel (Definitions of Most types of staff.)

MEMORANDUM

TO: DAVID WATKINS

FROM: JENNIFER O'CONNOR

DATE: JANUARY 30, 1993

RE: TYPES OF OTHER GOVERNMENT EMPLOYEES (OGEs)

There are 7 types of staff who are not regular full time or hourly staff of the EOP. The GAO agrees with all definitions except number 3. These OGEs are:

1. **Reimbursable detailees**

   Staff temporarily assigned to perform a White House function, a job different from their normal duties at their home agencies, who will return to their normal duties at the end of their details. Because they are performing a White House function, the White House reimburses their agencies.

   Example: The Chair of the CEA asks the Secretary of Treasury to send an urban economics expert to assist with a CEA project.

2. **Non-reimbursable detailees**

   Staff temporarily assigned to do a function of their own agencies (e.g. a Dept. of Justice staffer doing DOJ work), but a job different from their normal duties at their home agencies, who will return to their normal duties at the end of their details. Because they are performing the work of their home agencies, and not White House functions, they are not reimbursable.

   Example: The Secretary of State decides to send a Central Europe expert to the NSC to help the NSC deal with the crisis in Bosnia.

3. **Assignees**

   This is the type of staff the GAO believes is illegitimate but also agrees is not illegal.

   Assignees are staff assigned to perform the normal duties of their own permanent jobs in their own agencies but who are performing those jobs, permanently or temporarily, in the EOP because the location is appropriate.

   Example: Because Barbara Bush was focused on literacy, a Dept. of Education staffer who would have been coordinating literacy efforts at the DOE, came and worked that same job here.

4. **White House Fellows**

   There are very few of these. They are non-federal government employees who are given temporary placements throughout the federal government through the President's Commission on White House Fellows.

5. **Presidential Management Interns**

   The Office of Personnel Management (OPM) manages this program in which graduate school graduates are given rotating positions in different federal agencies.

6. **Agency Representatives**

   These are staff who as part of their regular duties of their permanent jobs, are assigned to represent their agency as a member of a Task Force, Board, Council or Committee.

   Example: Council on Competitiveness staff were agency staffers representing their agency by working on that council. (This is what Ira Magaziner's staff will be.)

7. **Historically Provided Services**

   These staff performs jobs which have historically been provided by their agencies for the EOP.

   Example: National Park Service employees maintaining the grounds; Military Office staff; Post Office staff, etc.

②

Summary of personnel who count under the 25% cap

Counted in Bush baseline	Not counted in Bush baseline
Exec. Off. of Pres. FTEs (both full & part-time)	Agency Representatives (to a working group, council, etc.)
Detailees (both reimbursable & non-reimbursable)	Historically Provided Services (military office, personnel who maintain the grounds, etc.)
Assignees	"SBAs" -- services by agreement -- these are individuals with whom we contract, but who do not become federal government employees
Presidential Management Interns	Volunteers -- paid (by another organization) or unpaid
White House Fellows	Student interns -- unpaid
	IPAs -- Intergovernmental Personnel Act personnel -- through arrangements with state or local governments or governmental orgs. or universities or OPM-approved non-profits (tend to be research/public advisory types of groups), EOP agencies can accept professors & employees of state or local governments or non-profits for periods of up to two years -- either for free or in return for a lump sum payment from the EOP.
	Senate employees -- on the VP's staff
	Executive Potential Program or Women's Executive Program -- these OPM programs rotate career staff for 60 days into different agencies to enhance their careers & experiences; the program participants solicit their own rotations.

Kim- "Counted in Bush Baseline" is who counts. We did tell the press. "Not counted..." is who doesn't count. We did not tell the press or anyone else about these.

-Jen

(This page is internal, conf'd.)

TREASURY, POSTAL SERVICE & GENERAL GOVERNMENT APPROPRIATIONS ($ Thousands)
EXECUTIVE OFFICE OF THE PRESIDENT

	1993 Appropriated $	FTEs *	Other Government Employees **	Total Actually On-Board ***	1994 Request $	FTEs *	Other Government Employees	Total Actually On-Board
White House Office	35,385	408	57	470	38,914	401	29	430
Executive Residence/ White House	7,598	97	0	95	7,925	89	0	89
Res. of the Vice Pres.	324	1	0	1	324	1	0	1
Special Assistance to the Pres. (Office of the Vice President)	3,150	26	24	48	3,270	21	11	32
Office of Administration	24,438	234	0	236	24,850	189	0	189
Council of Economic Adv.	3,428	41	6	42	3,420	35	0	35
POLICY OFFICES								
Council on Enviro. Quality	2,560	40	1	31	0	0	0	0
Office of Policy Development	3,772	51	9	49	5,122	40	10	50
National Security Council	6,118	60	124	179	6,648	60	87	147
National Space Council	1,591	7	39	44	0	0	0	0
Critical Materials Council	235	3	0	2	0	0	0	0
Nat'l Drug Control Policy	17,348	112	31	146	5,800	25	0	25
Science & Tech Policy	6,225	43	17	51	5,170	40	6	46
POLICY OFFICE SUBTOTAL	37,849	316	221	502	22,740	165	103	268
SUBTOTAL	112,172	1,123	308	$\boxed{1,394}$	101,443	901	143	$\boxed{1,044}$
Compensation/President	250		0	0	250		0	0
Office Mgmt & Budget	52,981	540	10	549	53,481	526	10 ****	536
Office of Fed Proc. Policy	3,058	33	6	37	3,058	30	6 ****	36
US Trade Rep.	19,992	162	35	214	20,616	156	35 ****	191
Unanticipated Needs	1,000	0	0	0	1,000	0	0	0
TOTAL	189,453	1,858	359	2,194	179,848	1,613	194	1,807

* This column represents authorized FTEs. The White House 25% cut was based on staff on-board, which was lower than authorized levels.

** "Other Government Employees" includes: Reimbursable detailees, Non-reimbursable Detailees, Assignees, White House Fellows, Presidential Management Interns, Board Members, Consultants & Experts. These figures represent "OGEs" on November 7, 1992.

*** E.O.P. regular employees and OGEs on November 7, 1993.

**** Estimates based on FY'93.

***** Shaded rows represent Executive Office of the President agencies that are in other House Appropriations Subcommittees.

Kim - this is what we released to Congress + the press. -Jen

3

Cvri- 4
Recent memo
on whether
we can
get around
25% cut

July 8, 1993

MEMORANDUM TO DAVID WATKINS

FROM: JENNIFER O'CONNOR

SUBJECT: BACKGROUND ON FTES

At Paul Toback's request I have outlined below the issues regarding FTE limits.

Background

On February 9, 1993, the President announced that he would cut the Executive Office of the President by 25%. This cut is separate from his February 10, 1993 Executive Order mandating that federal agencies cut a total of 100,000 jobs. The 25% cut was over the entire EOP, minus OMB & USTR -- but it was not evenly distributed, so some agencies were cut by larger percentages than others. We announced the agency by agency cuts but not the staff levels of the departments within the White House itself (e.g. Office of the Chief of Staff, Office of the First Lady, etc.)

The 25% cut referred to overall totals of FTEs plus OGEs. These totals were essentially the "body count" of staff who worked in EOP agencies. FTEs are full time equivalent staff on EOP agency payrolls. OGEs are the myriad detailees from other agencies, White House Fellows, Presidential Management Interns, assignees from other agencies, etc. who are not on the EOP payrolls but do work here.

On November 7, 1993, the EOP (minus OMB & USTR, which we excluded from the cut) had 1,394 "bodies" -- a total of 1,123 FTEs and 308 OGEs. The President announced that by October 1, 1993 we would cut 350 bodies -- 25% -- leaving a total of 1,044 bodies: 901 FTEs and 143 OGEs.

In the White House specifically, this meant cutting from 408 FTEs to 401 FTEs and cutting from 57 OGEs to 29 OGEs. In ONDCP it meant cutting from 112 FTEs to 31 FTEs and cutting from 31 OGEs to zero OGEs.

OGEs

There are no formal limits on numbers of OGEs -- although agencies are required by law to keep track of detailees and reimburse their parent agencies for them when appropriate. Even when we reimburse agencies for detailees, these personnel are not considered FTEs because they are not paid from our payroll accounts. There are political issues in that Congress has in the past requested agency reports and GAO audits to determine how many OGEs worked at the White House. These requests for reports and audits stemmed from mostly partisan congressional interest in quantifying the cost of running the White House. However, there are no numerical limits other than those we have imposed on ourselves through the 25% cut announcement.

FTEs

Numbers of "authorized FTEs" for each agency are not written into law anywhere. However, there are three "formal" mechanisms that govern the number of FTEs an agency may have.

1. Congressional Approval of FTE levels

Congressional approval has two aspects.

The first is the committee report. House committee reports always state (and Senate committee reports sometimes do as well) that $X,XXX,XXX was appropriated to cover XXX FTEs. While reports are not law, they provide a measuring stick for next year's appropriations process. If the White House exceeds the FTE level printed in the committee report, it will face tough questioning and potentially a public bashing at the hands of the Republicans during next year's appropriations process. However, we are not compelled to ask permission to exceed what is printed in the report and it would not be public until the submission of the FY 1995 budget -- next March.

The second type of congressional approval of FTEs occurs if we need to do a "reprogramming." The trigger for reprogramming is an increase in dollars spent for personnel compensation, not an increase in FTE positions. We submit and Congress passes budgets arrayed into "object classes," including "full time equivalents." For FY 1994, for example, we requested $17,982,000 to fund 401 full time equivalent positions. (401 is the number the White House announced it would reach by October 1 to meet the 25% cut goals).

If we want to spend more than the congressionally approved amount on salaries for FTEs (by taking funds from another object class, such as equipment), we may do so without asking anyone's permission as long as we do not increase salary expenditures to more than 10% of the amount approved by Congress or $500,000, whichever is larger. So, in this example, we could spend an additional $1,798,200 without being "subject to reprogramming."

If we wanted to increase spending on FTEs by more than 10%, we would have to ask for the approval of the House & Senate Treasury Postal General Government subcommittees (Cong. Hoyer & Sen. DeConcini), usually by a letter to them from David Watkins. (The Chairmen insist on such requests being in the form of a letter.)

Note however that we would still be subject to congressional ire for exceeding the FTEs in the committee report as noted above.

A reprogramming request would likely become public as soon as we made it, which we would have to do prior to the end of the first quarter in which we plan to overspend the personnel budget. (i.e., if we want to carry a 1994 personnel budget that requires reprogramming, we would need to make the request next December.)

FYI -- we are anticipating an FTE payroll in the White House for next year of $19,588,153. This is clearly higher than the $17,982,000 which we requested from Congress although it does not exceed the 10% window we are granted before we would be subject to reprogramming. We are now very close to the 10% mark and cannot add any new salaries for next year without requesting reprogramming.

2. Presidential Executive Order 12839

President Clinton, on February 10, 1993, signed Executive Order 12839. It ordered all federal agencies with more than 100 employees to cut a total of 100,000 federal jobs by the end of 1995. It requires the reduction of 1% in 1993, 1.5% in FY 1994 and the rest by the end of FY 1995. This order includes the White House.

Executive Orders are not laws. They are binding on executive branch agencies, but this one does not have a penalty attached to it. However, it will obviously be more difficult for the OMB Director to force other federal agencies to comply with this Executive Order if the White House does not comply.

At the beginning of FY 1993, the Bush White House had 408 congressionally authorized FTEs. We announced to the world on February 10, 1993 that we would be at 401 September 30, 1993. In FY 1994, we would have to cut to 397 in order to continue to comply with the Executive Order. Whether we comply or not will be public when we submit the FY 1995 budget next March.

3. OMB Control

OMB issues tables to each agency in October, stating its FTE ceiling. OMB's tables are based directly on what Congress appropriates. So if Congress increases or decreases an agency budget, OMB produces an FTE level that matches the appropriated funds. If we want to exceed the limit, even by less than 10% (not a reprogram), we must ask Director Panetta to allow us to, in the form of a letter to him. This is not made public and is not a big deal.

Summary

The issues regarding FTEs & OGEs are more political than they are legal. We have four main options: 1) stick to 25% cut (both FTE & OGE), 2) increase OGE levels, 3) ask for more FTEs now as part of the FY 1994 budget process, or 4) exceed FY 1994 limits.

1) Stick to 25% cut limits

This option is to stick to the plan. We have most agencies on target to meet their goals, although as you know, many would like relief from the cap. For example, Lee Brown, has asked for a significant increase in his staff, above our 25% cut levels. (His office was cut from 146 to 25.)

Result: We keep the President's promise but suffer with current or smaller staff levels.

2) Stick to requested FTE levels but release the limits on OGEs.

We will be asked in October whether we met the 25% cut goals. If we allow agencies as many detailees as they wish, the only fallout will be that we will break the 25% cut promise. However, no formal action must be taken to increase OGE levels. Lee Brown, for instance, could fill many of his needs with detailees from drug enforcement agencies. If we decide on this course of action, it becomes public when it leaks or when we announce on or around October 1 that we are not going to meet the cut goals.

Alternatively, we could set new detailee goals so that we are able to announce a 20% cut. This action would provide some relief to agencies who are requesting more staff, but would still allow us to point to staff cuts.

Result: We break the 25% cut but do not need Congressional approval.

3) Ask for more FY 1994 funding & FTEs now -- prior to passage of the budget.

If we decide we need more FTEs for next year, we can ask the Senate to increase our (or ONDCP's or any other EOP agency's) personnel budget for next year. We could do this before the Senate Appropriations Committee marks up its bill (around July 22) or we could try to do a last minute change during the conference on the Treasury Postal bill. We would most likely be forced to find offsets from elsewhere in the budget -- from GSA or the Treasury Department to offset any increases we would want in the White House or in ONDCP. DeConcini may not force us to find offsets for an increase in ONDCP's budget, because he believes in it. But we are likely to have to find offsets for any other increase in an EOP budget.

This action would be public between now and mid August and we would face fallout because we would be forgoing our 25% cut pledge.

Result: If we have to ask DeConcini or Byrd for an increase, we will have negative press stories during the reconciliation discussions about our breaking the 25% cut promise. If DeConcini or Byrd just give us increases because they want to (unlikely unless the increases are to ONDCP) then we will not face as much criticism but we will still have broken the 25% pledge.

4) Spend more next year, without prior authority

If we don't ask for more FTEs and funding now, we can still spend more next year in any EOP agency that has budgetary ability to spend extra funds on personnel. We can spend up to 10% more on personnel in any agency without having to take any action other than asking Director Panetta to approve the increase. We can increase personnel budgets even more than that if we are willing to request a reprogramming and deal with the political fallout from such a request.

Result: We break the 25% cut pledge and, depending on the level of increase (10% of the personnel budget or more) we may need congressional approval for a reprogramming. This action becomes public whenever we exceed the 401 or ask for a reprogramming -- most likely next December.

Note that option 4) is not valid for ONDCP. The House has approved $5.8 million in spending for ONDCP, which will not allow it to hire many more than 25 people. However, Senator DeConcini is planning to try to add more FTEs and funding to ONDCP already. If we want to increase FTE in ONDCP, therefore, it makes sense to ask for it in the budget process.

(5)

The White House

Office of the Press Secretary

For Immediate Release February 9, 1993

White House Reorganization:
THE FACTS

° During the campaign and in Putting People First, President Clinton promised to cut the White House staff by 25%. This reorganization fulfills President Clinton's commitment, trimming 350 positions from the Bush staff as of November 3, 1992.

° Starting January 20, the Clinton White House took office with a smaller staff. The salaries of senior staff were set at 6-10% less than the salaries of Bush senior staff.

° The cuts are real. Reductions are based on a total staff count of the White House and Executive Office of the President, including employees borrowed from other agencies of government (detailees). OMB and USTR, as full cabinet level agencies, will be directed to make staff and budget reductions along with the rest of the cabinet.

° Reductions will be implemented by October 1, 1993, not through protracted phase-in.

° Cuts will include senior level appointive positions and administrative positions alike.

° The newly reorganized White House will be better suited to promote the agenda for change mandated by voters on Election Day. Through greater emphasis on policy councils and the Cabinet, the President will reach beyond the White House for policy development and ideas.

° Through Vice President Gore's leadership, environmental policy will be coordinated by the Office of Environmental Policy. The Council on Environmental Quality will be abolished as an unnecessary layer of bureaucracy between the President and agencies implementing environmental policy.

° The President will reemphasize drug control strategy by elevating the Drug Czar to cabinet rank and restructuring the office to better focus its efforts on policy development and coordination. Under President Bush, the drug office became a political dumping ground: the agency had a higher proportion of political appointees than any other agency of government [Orlando Sentinel 6/28/92]. President Clinton plans to fight drugs with law enforcement and treatment, not Washington bureaucrats and political appointees.

° Science, Space and Technology policy development will be consolidated to one office, under the direction of the Assistant to the President for Science and Technology. The Director will serve on the National Economic Council to ensure that technology issues are incorporated in our economic revitalization plan.

° Cutbacks are difficult under any circumstance, but the President will proceed responsibly sensitively, and with appropriate regard for each individual employee. Some of this reduction has been and will continue to be accomplished by hiring fewer new people. The President has directed the Office of Personnel Management to assist affected employees with finding new jobs and smoothing their transition.

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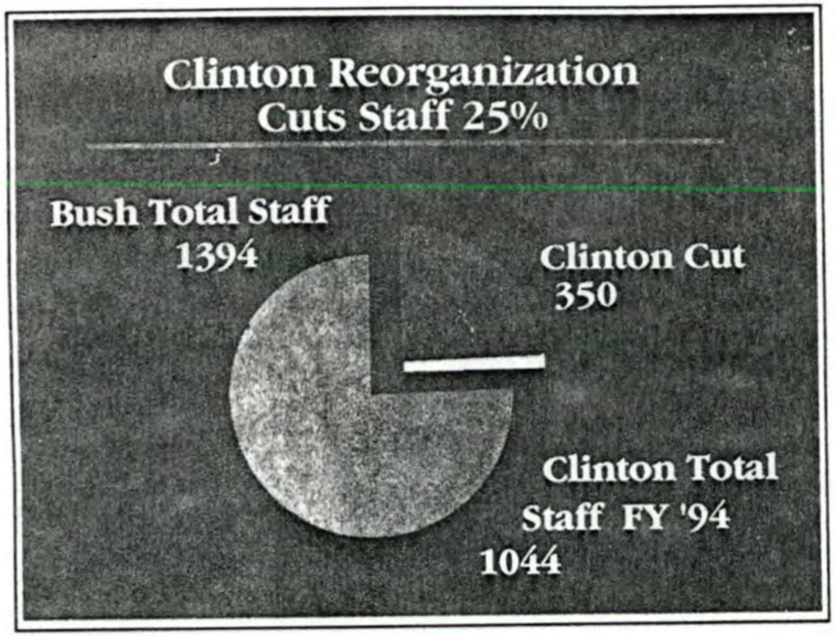

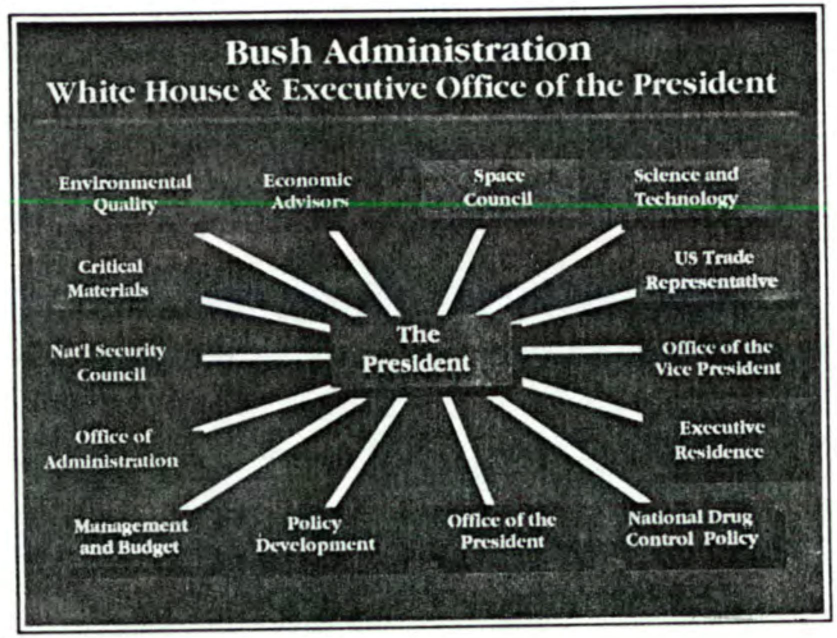

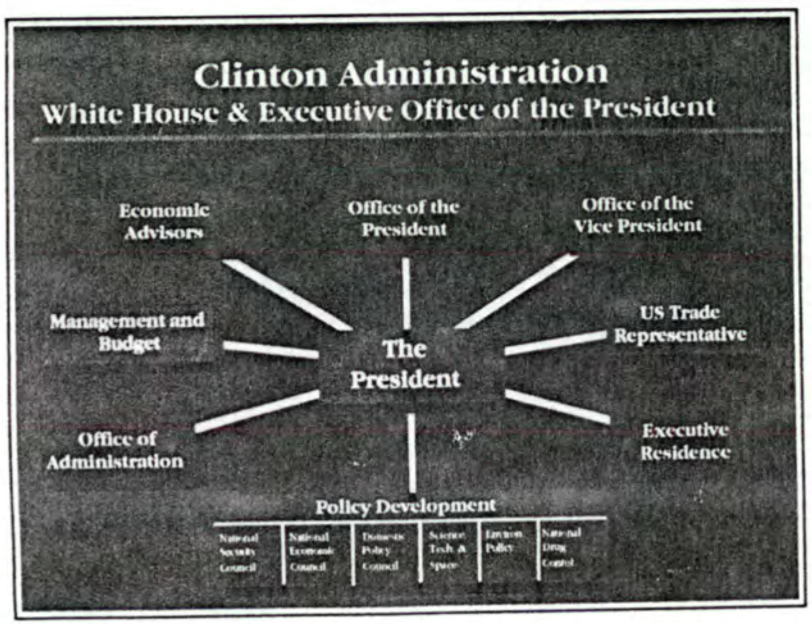

Total Staff Reduced 25%

	Bush Admin.	Clinton Admin.
Office of the President	161	119
Executive Residence	95	89
Office of the Vice President	49	35
National Security Council	179	147
Policy Development	58	--
National Economic Council	--	28
Domestic Policy	--	21
Office of National Drug Control Policy	146	25
CEQ / Environmental Policy	31	10
Science, Tech. & Space Policy	95	46
Council of Economic Advisors	42	35
National Critical Materials Council	2	0
Office of Administration	236	189
	1394	1044

Notes: Excludes OMB and USTR.
Bush Admin. figures on Election Day, 1992.

file
WH Cuts
7

M E M O R A N D U M

February 4, 1993

TO: Ricki Seidman

FROM: Ann Walker

RE: Clinton Campaign and Transition Quotations on Cutting White House Staff by 25 Percent

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The following are statements made during the campaign and transition and relate to White House staff cuts:

- "You know, without a Congress, I can keep my word to present a budget to cut the White House staff by 25 percent after the previous administrations ran against government and expanded it." (Albany Civic Center, Albany, GA: 11/23/92)

- "... a specific plan to revolutionize government that includes cutting 100,000 federal workers, cutting the White House staff by 25 percent, and cutting all administrative costs by federal agencies by 3 percent." (George Stephanopoulos: 11/17/92)

- "I want to reduce the White House staff and ask the Congress to reduce their staff." (Detroit Town Hall Meeting: 9/22/92)

- "Some time ago, I called for a 25 percent cut in aggregate Congressional and White House staffs, an end to perks, privileges, and pay raises...." (Economic Club of Detroit: 8/21/92)

- "Mr. Bush rails against helping people in need [while] he increased the White House staff 56 percent. He helped himself in need." (*Get-Out-The-Vote*, Cobo Hall, Detroit, MI: 10/29/92)

- "And for all Mr. Bush's talk about downsizing the government, the fastest-growing part of the executive branch? The White House staff, up by 56 percent. Indeed, between 1990 and 1991, the budget increased by 23 percent, 10 times the rate of revenue growth." (University of Connecticut, West Hartford, CT: 9/25/92)

- "Staff reductions. I will reduce the White House staff by 25 percent and challenge Congress to do the same." (*Putting People First*: 6/21/92)

"Breakdown of Savings
"(in billions of dollars)

	1993	1994	1995	1996
o "Cut White House staff by 25 percent	0.01	0.01	0.01	0.01"

(*Putting People First*: 6/21/92)

- o "... And get this -- the fastest-growing bureaucracy in the federal government was the White House staff." (*The Great Debate*, Michigan State University, East Lansing, MI: 9/22/92)

- o "And how can he explain that for all of his attack on government spending, the fastest growing part of the executive branch was the White House staff." (*A Debate About American Jobs*, Louisville, KY: 9/29/92)

- o "The White House staff -- he talks about cutting spending -- has increased by 56 percent. He's made it a virtual empire." (Louisville, KY: 10/28/92)

- o "I have already said that I'll present to the United States Congress a plan to cut the White House staff by 25 percent, that the Republicans have ballooned. Even as they were campaigning against big government, they were pumping it up." (Macon City Hall, Macon, GA: 11/23/92)

- o "And let me say this: unlike the present administration, I want to set an example. I have called for cutting the White House staff by 25 percent.

  "Now, let's look at what they did. Between 1990 and 1991 the White House staff's budget increased in one year by 23 percent. Ten times the rate at which revenues are going up. While the President is telling elderly people to do without medical care, telling the veterans to do without health care, they increased the size of the White House staff by 23 percent in one year, ten times as much as revenues went up, even more than health care went up." (Macon-Gibb Senior Center, Macon, GA: 9/1/92)

- o "And let me say one final thing, I want to set a good example. I've called for cutting the White House staff by 25 percent and my opponent who talks about how frugal he is, you need to know this. Between 1990 and 1991, when they were cutting everything else, like education, they increased the budget of the White House staff, now get this, by 23 percent in one year, ten times the amount of revenue growth. But they want you to believe that they are really tightening the belt up there." (*Education Address*, Rockville, MD: 9/2/92)

- "I'm going to cut the White House staff by 25 percent, ask the Congress to pass a bill cutting Congressional staffs by 25 percent." ("Putting People First," Address to the Conference of Mayors, Houston, TX: 6/22/92)

- "He talks about how he wants to cut spending -- he wants to cut the White House staff. Guess what? He's increased the White House staff more than any President in recent memory. The White House staff is the third biggest item -- fastest growing item in the executive branch since Bush has been President. He's been putting on his cronies there so fast he can hardly get the money to pay for them." (Milwaukee, WI: 10/20/92)

- "I want to set an example, I'll cut the White House staff by 25 percent, and send a budget to cut Congressional staffs by the same." (National Association of Manufacturers, Washington, DC: 6/24/92)

- "... But the Congress took a cut last year, and the White House staff exploded in the last four years. So I'm going to get out there and set an example. I'm going to cut 25 percent from the White House staff and continue to work with Congress. I hope we can keep on the downward trend there so that in the end we'll wind up with more or less the same pace. But they did take a cut last year, while the White House continued to expand the White House staff." (Congressional Leaders Press Conference, Old State House, Little Rock, AR: 11/16/92)

- "Here we've got a $400 billion deficit and this administration found the money to increase the White House staff by 56 percent." (Pittsburgh, PA: 10/30/92)

- "A Clinton/Gore Administration will ... reduce the White House staff by 25 percent and challenge Congress to do the same." (*Decreasing Government Regulation*: 9/30/92)

- "My program would eliminate by attrition 100,000 federal jobs; reduce the White House staff by 25 percent. By the way, under Mr. Bush, the fastest growing part of the executive branch has been the White House staff. He rails against government, and increases his own." (*Strengthening America's Small Businesses*, Clinton, MD: 9/30/92)

- "George Bush likes to attack big government, but he's increased the White House staff by over 50 percent.... I will cut the White House staff by 25 percent, challenge Congress to do the same, and limit the influence of special interest political action committees, and lobbyists on the political process." (Tampa Bay, FL: 10/27/92)

- "Mr. Bush loves to attack big government, but he hasn't done much but increase it. He increased the White House staff by 56 percent, making it a virtual empire, even as he was railing against the Congress." ("People First Economics," University of Toledo Student Union Auditorium, Toledo, OH: 10/29/92)

- "[Bill Clinton and Al Gore] will cut $144 billion in unnecessary government spending -- including 100,000 federal bureaucrats, administrative waste and White House staff." (Talking Points: *George Bush and his Trillion Dollar Plan*: 9/3/92)

8a

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release February 9, 1993

STATEMENT BY THE PRESIDENT

The Briefing Room

11:34 A.M. EST

THE PRESIDENT: Good morning. Next week I will outline our new economic plan to create jobs, to raise incomes, to reduce the deficit, and to lay the foundation for long-term economic growth for this country. Twelve years of denial and delay have left a legacy that will take years to overcome. Economic renewal will require tough choices from every American. But we have to ask the most of those who got the most and gave the least during the last decade -- those at the top of the ladder and those who have the levers of government.

We in government cannot ask the American people to change if we will not do the same. Most families in this country have had to adjust their priorities and tighten their belts in the last decade. Just about every American business from the smallest hardware store to the largest conglomerate has had to change to meet increased competition. And so, too, the government must do more and make do with less.

During the recent campaign I pledged to reduce the White House staff by 25 percent below the size left by my predecessor. Today I am announcing a reorganization of the White House that keeps that commitment to the American people. Our White House will be leaner but more effective, and designed to work both hard and smart for the changes we seek in America.

These cuts come as part of a quite significant reorganization of the Office of the President. The reorganization will reduce the size of the President's Office, including the White House and the Executive Office of the President by some 350 people from its staffing at the end of the Bush administration, not counting, of course, OMB and the Trade Representative's Office, nor part of the Cabinet.

This reduction will be implemented in the next fiscal year -- that is the one that begins with the new budget -- not at some distant date in the future. And these cuts will come at all levels of our operations. I should point out that this is one of the few times in this century that any President has actually shrunk the size of the White House staff.

In addition, we'll be cutting back on some of the perks that can too often delude public servants into thinking that the people work for them instead of the other way around. And the salaries of many top White House staff have been reduced also.

I take these steps not simply to save the taxpayers' money, but also because I believe this smaller White House will actually work better and serve the American people better. We have begun a process of revitalization and reorganization that must consume our entire government and not simply its most visible symbol here on Pennsylvania Avenue.

MORE

Over the past decade the best American businesses have had to reorder themselves and revitalize themselves. They've had to reduce layers of bureaucracy, give people on the front lines the freedom to innovate, and do more with less to better serve their customers. Well, the taxpayers of this country are our customers, and we intend to follow those methods of modernization to increase our services to them and to do it at an affordable cost so that this money can be put to more productive purposes.

Millions of dollars will be saved by this reorganization. But we will do more. In the other Cabinet departments, throughout the government, and not just in this year but in the years ahead. Too often in recent years our government has been on automatic pilot -- people do things today just because that's the way they were done yesterday. It has grown to satisfy not only the needs of the people but its own needs. America has changed, but Washington hasn't. Now, as have so many businesses before, our government must reform itself to regain the people's trust and to be able to take the lead in the challenging decisions which lie ahead of us.

Now Mr. McLarty, my Chief of Staff, will explain the details of the reorganization.

Q Mr. President, are you sending a special emissary to Bosnia?

THE PRESIDENT: I'm only discussing this right now.

END 11:39 A.M. EST

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THE WHITE [illegible]

Office of the Pres[illegible]

Nancy Ward
White House Press Office
Room 173 OEOB

For Immediate Release February 9, 1993

PRESS BRIEFING
BY
CHIEF OF STAFF THOMAS MCLARTY

The Briefing Room

11:40 A.M. EST

MR. MCLARTY: Thank you, Mr. President. (Laughter.) Good morning.

As many of you know, the majority of my experience before joining the President's team was in the private sector. I had the privilege to be involved with both our family business and a Fortune 500 company. Experiences from those endeavors taught me the strength of any organization is really the dedication and the competence and the creativity of its people. Success comes from having a thoughtful plan and from your people, and success comes from an unwavering attention to the needs of your customer -- in this case, the American people.

In reorganizing the White House staff, we have sought to bring some of these truisms and lessons from the private sector into government. My task today is to explain with you and to you what we're doing, how we are doing it, and why we believe this will better serve the American people.

We undertake this reorganization with several goals in mind: First, we are committed to creating a more effective, leaner White House. Secondly, we are committed to keeping the President's pledge to cut the size of the White House staff. These cuts must be real and they must be credible.

Thirdly, this new structure needs to reflect the new priorities of our government. And finally, we are committed to building a White House operation that stays in touch with the American people. I believe we are headed in the right direction and on our way to success.

We began to implement President Clinton's pledge on the first day we arrived. From the very first day, we made certain that the direct office of the President's staff was measurably smaller than it had been. And we accomplished this by simply hiring fewer people. Today, President Clinton is keeping his campaign promise to reduce the White House staff by 25 percent. This represents a total of 350 fewer staff by October 1, the beginning of the fiscal year for 1994. And this compares with the White House's 1,394 people on Election Day.

These reductions will come throughout the White House at all levels. In particular, President Clinton will employ a significantly smaller senior staff than did his predecessor, approximately a 10-percent reduction in senior staff.

In making these calculations, we tried to avoid any budgetary gimmickry. Our definition of total employees includes full and part-time staff, employees borrowed from other federal agencies, detailees, White House fellows, and presidential management interns. These figures do not include personnel from the Office of Management

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and Budget and the U.S. Trade Representative's office, two major Cabinet level agencies that will be directed, along with the rest of the Cabinet, to reduce their spending and streamline their operations.

This staff reduction is part of a larger reorganization of the functions and the institutions of the White House and the executive office of the President. The structural changes serve not only to reduce staffing, but to improve the functions of several offices through consolidation and through stewardship.

Our next chart indicates how we have restructured the White House to better implement the President's agenda. Most significantly, the President will be served by a reorganized cluster of policy development offices. These include the National Security Council; the Domestic Policy Council; the Science, Technology and Space Council; the Office of Environmental Policy; and the Drug Policy Advisor.

As announced yesterday, the White House environmental functions will be reorganized and will be led by Vice President Gore. The existing Council on Environmental Quality will be replaced by the White House Office of Environmental Policy.

In addition, the role of the office of the National Drug Control Policy will be significantly restructured. This office will be reduced in size, but it will be elevated in stature by giving it Cabinet rank. President Clinton believes that resources to fight the drug problem should go to education, to treatment and to enforcement at the state and local level.

The White House's science and technology function is another major area that will be reorganized. Both the National Space Council and the Critical Materials Council will be merged into the Office of Science Technology and Space Policy, headed by the President's senior science advisor. This distinguished individual will sit on the National Economic Council as well as serving as an Assistant to the President.

The last chart indicates staff reductions in individual categories. As you can see, we will eliminate some functions and shrink others. In sum, we believe this reorganization is real and it is credible and we believe it will improve the way the White House works.

Let me take a moment to discuss the way we very much we very much want to implement these changes because that has been of understandable interest and concern to many of you. Staff reductions, cutbacks are a difficult process under any circumstance. And we need to proceed very responsibly and with sensitivity and with appropriate regard for each individual.

Some of this reduction has been and will continue to be accomplished by simply hiring fewer new people. Some, over the balance of this year, will be done by attrition. We're exploring early retirement and voluntary severance options where possible. There will be some involuntary terminations, and our staff is working very closely, as we should be, with the Office of Personnel Management to develop an out-placement program to help any individuals directly affected by the reduction, locate opportunities in the public or the private sector.

Questions of implementation are never easy, but they do not change the fact that we are committed to having a better organized, leaner White House staff.

Finally, we've taken several steps to hopefully ensure that we in the White House do not lose touch with reality, with each other, and with the American people. Salaries of our senior staff will be six to 10 percent lower than comparable salaries from prior administrations.

Portal-to-portal car service will be limited to only those personnel for whom there is national security justification. The executive mess and the staff mess, which had previously been reserved for only top staff, will be open so that all of the White House staff who work so hard for the President can purchase their meals there. And to our staff, I would like to point out that the mess will now be open until 8:30 p.m. to accommodate some rather long hours that I expect we'll continue to keep.

Q How about the press? (Laughter.)

MR. MCLARTY: Don't believe we've made a decision yet on that, Helen, but we'll take it under advisement and consideration.

Q We're starving to death around here, too.

MS. MCLARTY: That concludes my formal comments. I'll be glad to take some questions. Helen, you've already asked one, but you're due a follow-up.

Q Well, this is not apropos of what you've just done. But there's $11 billion that's been found in HUD for rehab and low-cost housing. Do you have any decision on what's going to happen with that money and how you're going to go ahead and use it to help the poor and the homeless?

MR. MCLARTY: Secretary Cisneros has that under review. I don't believe any final decisions have been made. He is carefully reviewing that situation as we move forward.

Q To what extent is this a shell game and more symbol than substance, in that 70 of the 350 are detailees and the net savings is really only five percent of the overall White House budget?

MR. MCLARTY: Well, Andrea, I think it is both real and symbolic. The real keys here to this program are, first, reorganization -- to organize the White House in the most effective manner possible, particularly at the policy development level to help coordinate and implement policy. But I would say very directly that the staff reductions are real. We took great pains to have an apples-to-apples comparison. And there will be 350 less people by October 1 than there are today in the White House, and that is a 25 percent reduction. Moreover, and as importantly, as we submit our budget to Congress going forward in October, we believe we can achieve at least $10 million in savings in the overall White House budget.

So those reductions are real. They are setting an example. They are sending a clear message. And they are in keeping with the people of this country's desires.

Q And to what extent are you using Democratic National Committee consultants or paid people to help with special planning and --

MR. MCLARTY No, I think this is a very straightforward calculation. I think every administration has had some link with their respective party. But this is not a shell game where we're moving people here and counting people here. That's why we included detailees. It's a very straightforward calculation and a real one, just like you would do in a business sense. We wanted a head count and a total person count, and not some mathematical calculation. It's a real reduction.

Q Mr. McLarty, I don't understand the thing on the White House Mess. Currently, people who answer telephones and things can go down to the White House Mess and get carry-out, right? Are you saying that they'll be able to eat there now, or have sit-down privileges?

MR. MCLARTY: No, it'll be a broadened physical area, Terry, on the White House Mess where there's not two or three separate dining rooms. All the dining rooms will be open, much more in a cafeteria style. More accessibility to the White House.

Q And anyone on the White House staff can eat there?

MR. MCLARTY: And we'll take press under advisement.

Q You said the salary levels were going to be six to 10 percent lower?

MR. MCLARTY: That's correct.

Q Can you give us the top salary now?

MR. MCLARTY: No, the salary levels will be less. As we fulfill our full staffing, we'll consider releasing full data. We're not ready to do that at this time.

Q Well, what as the salary level for an assistant to the President in the previous administration?

MR. MCLARTY: Well, I think I've already suggested the salary schedules are six to 10 percent lower really across the board, both at the level you speak of an assistant to the President.

Q Including the President?

MR. MCLARTY: No, not including the President. I think that's set by statute.

Q On the Bush number as of election day, 1394, could you tell us whether that's larger, smaller, about average for the size of the White House staff during the previous four years, or do you know that?

MR. MCLARTY: Well, it was difficult, Brit, to get all of the numbers in a precise way, and we were comparing to prior administrations. Based on the data that I reviewed, it was somewhat larger than previous administrations.

Q Do you have a sense of how much larger?

MR. MCLARTY: No, I really do not.

Q It was fairly clear that they were taking on people like gangbusters here during -- particularly under the Skinner administration. I just wonder whether that's a really swollen number.

MR. MCLARTY: Well, we thought the election day was the way to characterize it. I think this is the first time, at least that I can recall, that a White House has reduced the size of its staff. And I think this is a meaningful reduction.

Q If memory serves, Jimmy Carter did much the same thing and had the whole thing policed by an official who became known as Cousin Chief. (Laughter.) What are you going to do about the really expensive part of presidential overhead -- travel and other support activities?

MR. MCLARTY: Well, you make a good point. Although, again, I think in any business, any organization, any governmental activity, you really have to start in a very real way, but in a symbolic way. These are meaningful reductions and will produce real savings. The larger dollars, as you properly suggest, are in the total executive office budget. And as we develop that budget, although we've done a lot of work on it to date, we expect to be able to achieve at least $10 million in savings as we submit that budget to Congress. Those are real dollars.

As importantly, the President, as he noted today, will come forward this week with initiatives to the other Cabinet officers to streamline their operations. And I think that goes directly to your point.

Q Is that $10 million on top of the $10 million that will be achieved by this savings, or is that included?

MR. MCLARTY: That includes these savings.

Q Does that mean that your budget submission for the next fiscal year will be $26 million rather than the $36 million --

MR. MCLARTY: No. There's a number of ways, and that was one of the real challenges of this assignment, of how are you going to define things. And I believe, David, that's the total office, if I'm not mistaken.

MR. WATKINS: The executive office of the President, including the office of the President, is approximately $200 million in the budget.

MR. MCLARTY: The executive office is about $30 million.

Q We can't hear that answer back here -- or the question.

MR. MCLARTY: Okay. We were defining -- there were some numbers that have been not bandied around, but really suggest various components of the government. And this is one of the real challenges in trying to develop a credible plan and an apples-to-apples comparison. The full executive office is about $200 million, excluding OMB and USTR. The White House office is about $36 million defined in one way.

Q So you're saying the $10 million comes off of the $200 million? Is that what you're saying?

MR. MCLARTY: Correct. And it will include this in that $200 million.

Q Let me ask about another baseline. Had you added OMB and FTR, you would have had to cut, by my calculation, another 177 jobs to get to 25 percent. So isn't that the reason you excluded those two?

MR. MCLARTY: No. No, it's really not. And, again, I think we could --

Q -- all start to compare them.

MR. MCLARTY: Well, I think we could talk about definitions. We really tried to define the White House and the executive office of the President in a proper way, including detailees. OMB and USTR are major Cabinet level positions. They do have a lot of people. We could have effectuated probably larger numbers. Whether it would have hit the 25 percent, I really don't know. But this seemed to be the right way to calculate the White House staff as we view it and work toward the goal of 25 percent reduction, which we believe we've achieved.

Q Well, the Pentagon, for example, contributes 986 people to only the WHCA function, the White House Communication function, at a cost of $100 million a year in the last fiscal budget. These are tremendous numbers. Are you not looking at any of the -- you say you did detailees but the contributory functions from what I can tell are not included in here.

MR. MCLARTY: Well Ann, I think in fairness, we've been here 20 days now and developed, we think, a very thoughtful, a cogent plan for the White House staff. The keys to it are not just the staffing reductions. The real essence is a White House reorganization to better serve the people of this country. And to make the policy councils really at the heart of policy development and coordination. Now, I think to go to the point of your question, the President will be, as we discussed earlier, discussing directly with each of the Cabinet heads a reduction and a streamlining in their organizations and many of the elements that you just cited are in the Cabinet level operations. So I think they are going addressed.

Q This does not include the WHCA function?

MR. MCLARTY: No, this includes the White House. This does not include the WHCA function.

Q Can you give us an apples to apples comparison. How much do you make and how much did your predecessor make?

MR. MCLARTY: I make six to ten percent less than my predecessor. Probably than most of the past several ones.

Q The last predecessor?

MR. MCLARTY: The last predecessor for certain.

Q Where does the First Lady's staff and her budget fit into all of this?

MR. MCLARTY: It's in these numbers because it's part of the White House, and they had reductions in similar proportion as you see here for the other offices.

Q Are you saying that Mrs. Clinton's staff budget is approximately 25 percent less than Mrs. Bush's was?

MR. MCLARTY: Don't know about Mrs. Bush's because I didn't study the data on the comparison of that particular element. It is less than the numbers in the past. Whether it measured 25 percent less than Mrs. Bush's, I didn't make that study. It is included in these numbers, and it is less than in prior administrations.

Q Is there a danger in the signal you are sending in the country to eliminate jobs rather than creating them, as the President has certainly -- (laughter.) You're saying from the White House, well, let's get rid of these heads because they're all costing us money. What's that going to do to the jobless figure?

MR. MCLARTY: No. Well, again, I think I've tried to emphasize that the real essence here is not just a more efficient operation, but it's also the reorganization that it's entailed. And I think we certainly want to approach this in a very thoughtful and responsible manner. But I think the message was very clear that the people of this country wanted change, they wanted better government for less. And we think that's in keeping with those wishes.

Q And they want jobs.

MR. MCLARTY: No question about it. The agenda of this President clearly is to create jobs, to address the health care crisis, to move forward with a thoughtful long-term deficit reduction, and to have meaningful campaign reform.

Q You talk about some of these cuts being symbolic in nature.

MR. MCLARTY: I think I said they were real and symbolic.

Q Okay. Are you concerned at all that cutting 121 positions from drug abuse fighting will send the wrong signal to the country?

MR. MCLARTY: I think really just the opposite, Mike. I think the real essence -- and we've talked to a number of law enforcement officials as well as the leaders on the Hill in the drug control area -- they see this elevating that very critical area to Cabinet rank to really get a focus on policy development. And the number of people involved in this very important area is about the same as the number involved in domestic policy and the National Economic Council. So I think it's a sharpening of the focus and, just the opposite, I think it will lead to a much better policy, a much better policy implementation and having the dollar spent the right way.

Q Are they going to have the same budget to fight drugs? Because that's a massive problem. It seems that 25 people -- are they going to be able to conduct that policy? What is the role?

MR. MCLARTY: I think any of the real fight in addressing the drug problem is not just in the White House. I think one of -- the real essence here is not to pull everything in the White House, but to get those functions out in the Cabinet levels where you have, really, the resources to do what precisely you're suggesting we do. And the drug problem is addressed, and hopefully addressed in a meaningful and positive way by many of the Cabinet agencies.

What this policy or this group needs to do is coordinate those activities on an interagency function. So the general reaction has been very positive, just like it was on the environmental policy.

Q Why doesn't the President couple this with a challenge to Congress to also reduce congressional staff, as he did during the campaign?

MR. MCLARTY: I think he's had good discussions with Congress. He's suggested that we're all looking at change and ways we can better conduct our business. That's the reason I said it was both real and symbolic. And I think this sends a strong message to not only the other Cabinet agencies, but also to Congress.

MS. MYERS: Last question.

Q Does the President still believe that Congress should cut its own congressional staff by a similar amount? Does the President think that would be a good idea for Congress?

MR. MCLARTY: I think the President has already suggested how he intends to run this White House, and I think he will further suggest later this week how he intends the Cabinet officers to run their agencies. And I think many of the congressmen I've talked to, and congresswomen feel the same way.

Q I want to make sure what this affects and doesn't affect. We've already established that the cuts don't affect WHCA -- coming from the Pentagon. Does it also not affect the other agencies that we find here -- the National Park Service, Secret Service -- those are not affected? Staff in the Residence itself --are those affected?

MR. MCLARTY: No, I think the Executive Residence is here. We really tried in a very careful and deliberate manner to define the White House organization which, in terms that I think are generally accepted and understood -- that's the White House and the Executive Office of the President. That's really the core of this White House. And that's what we analyzed on a total person count basis, including detailees, to make this first step in our first 20 days. There will be other initiatives and evaluation. We've already talked about some of them today in the other Cabinet agencies, most of which -- the specific areas that you speak of, that's where they reside.

Q Just one other point if I could, Mr. McLarty. What part of this will Mr. Clinton himself actually feel?

MR. MCLARTY: Oh, I think the White House is just like anyone that works in an administrative setting. I think this is the White House, and that's what we're talking about. So I think he wants to lead by example, and that's precisely what we hope we've done.

Now, let me say this. We've taken a number of questions. Mark Gearan, who most of you know, is the Deputy Chief of Staff, has really been the point person on this project. David Watkins is Assistant to the President for Administration and Management, and really has the detail numbers that many of you have asked about. We've had several questions here this morning. And I think, Mark, you and David can provide the further details. And it looks like to me that there's some desire for that. That's right. Thank you very much.

Q -- there's a report that you're going to be spending that immediately on upgrading the White House.

MR. MCLARTY: No. I don't think the two are tied together at all. I think the report you're referring to is -- it's our feeling, particularly coming from the private sector, that there are some initiatives that can be undertaken in terms of technology that can improve the efficiency of the White House and make us a better organization. But the savings are in no way linked to that.

Q What about the supplemental? Isn't it true that you're going to be spending more money in the near-term before these --

MR. MCLARTY: Well, the supplemental, Andrea -- and I'll take this one and I think, Mark, you and David can provide additional data and information from there -- but that's an appropriate questior and one I think we need to address.

The personnel area in every administration, I think, during the transition period, particularly when you've had a change of administration, is always an area that requires additional staffing. That is not unique to our administration; it was the same in prior administrations. You have about 4,000 to 5,000 jobs to fill. You want to do that as promptly and orderly as you can. So it will require some additional people in personnel, as it has done for prior administrations.

But, Andrea, let me be very clear about this -- and Mr. Lindsey is right here and we've discussed it on several occasions -- that as we ready our budget for October 1, the Personnel Office will be under 40 people, will be consistent with these staff reductions in numbers once we move through this transition period. Whether it will require supplemental, we have not made that judgment yet.

Thank you very much.

Q -- Congress during the campaign to cut their budget by 25 percent. Will the President's budget in March reflect the 25 percent reduction in the departmental budget?

MS. MYERS: This will be on record, but not for camera, so can we cut the lights?

Q -- reflect a 25 percent decrease in the congressional budget?

MR. GEARAN: I think what we should limit this to is the reorganization here in the White House. We'll let the --

Q I understand, but except that he very specifically listed it during the campaign.

MR. GEARAN: I understand that. We'll leave that for George and Dee Dee to discuss our budget package.

Q -- 25 percent cut in OMB and USTR as well as the same percentage cut across the other Cabinet --

MR. GEARAN: No. No, what the President promised in the campaign and People First and in the speech to the mayors was a 25 percent cut in the White House staff. And that's what's realized here today.

Q And three percent across the board.

MR. GEARAN: You'll hear more about that later in the week.

Q Will he meet that target on his budget --

MR. GEARAN: You'll hear more about it later in the week. What is announced today is the reorganization and cut in the White House staff.

Q As Ann pointed out in her question earlier, there an awful lot of White House functions that are supported by other agencies -- WHCA, the airplane, things like that, particularly with the Pentagon. Past administrations have tried very hard to avoid disclosing the costs of those things. Can you all commit that when you prepare your budget for FY '94 that you will fully disclose to the taxpayers the full cost of those support functions?

Q Quiet! We're trying to hear up here. Thank you.

MR. GEARAN: Thank you. No, David, I can't commit -- a lot of the budgetary information is classified.

Q Why?

MR. GEARAN: We can get back to you. I mean, at this point in time we're not able to commit to that.

I think the point that Mack was making pretty clearly is some of the other functions that have been historically provided here in the White House that were mentioned in the question will fall within the Cabinet departments. That will be the directive from the President later in the week for further streamlining and cost savings.

Q What budgetary information is properly classified and what's the justification for classifying it?

MR. GEARAN: We'll have to get back to you on that. We're now getting through the budget process. What we can talk to today after 20 days in depth is the White House office -- White House support.

Q Can you fill us in on the portal-to-portal? Who's going to qualify? How many are being cut in that area?

MR. GEARAN: As Mack said, it's limited to those who required for national security reasons, which is the National Security Advisor and his deputy. Mack has been offered that service. He is not accepting it at this point. And his deputy is not taking it. (Laughter.)

Q Were you offered it?

MR. GEARAN: Was I offered it? No. No one ever offered me that. (Laughter.)

Q -- then who?

MR. GEARAN: Only two. The answer is two.

Q But that saves no money because the motor pool that runs the service is -- you can just call them up and ask them at various times. I mean, you're not reducing that pool, right?

MR. GEARAN: The motor pool remains for all the White House staff. But this is the door-to-door service for --

Q Is this going to allow you to save any money as such, other than gasoline?

Q I'm just saying it reduces the service, it doesn't reduce the cost. Am I correct in that?

MR. GEARAN: We will have obvious savings, I would suspect, through --

Q Why would it? There were 108 cars -- unless you're saying --

MR. GEARAN: There's a specific driver for all hours of the day. The relevant savings that would accrue. I don't know what that totals.

Q But it goes back into that pool, as I understand it.

MR. GEARAN: Again, these cuts are both real in terms of the -- and symbolic, and it's limited to just those for national security reasons.

Q What kind of a commitment is this? Is this for the entire administration, four years? Or what guarantee is there that staff and budget isn't going to increase a year out from now?

MR. GEARAN: Well, this is the commitment. Where we'll be is 1044.

Q Is that for the entire four years, this term in office, the White House staff won't go above those numbers?

MR. GEARAN: No, to the extent that there may be some other growth within certain areas. We're not committing to the National Security Council at a certain level within -- there may be ebb and flow within each.

Q So this is a one-year commitment?

MR. GEARAN: This will be where we're at -- cutting at 25 percent and where we'll be at October 1st.

Q -- Cabinet rank for the drug office? Is this going to require legislation, as the EPA does, or are you simply going to seat someone at the Cabinet table?

MR. GEARAN: Seating at the Cabinet table is up to the President.

Q What I'm trying to explain -- I'm trying to understand what you mean when you say that the drug office will be Cabinet rank. Do you mean that by statute or do you mean it by practice?

MR. GEARAN: The drug czar will be sitting at the Cabinet table.

Q But are you seeking legislation to turn this office into a Cabinet agency?

MR. GEARAN: No, no. Not at this point.

Q What's the staff ceiling for this year? As Mack said, there's going to be some additional temporary because of personnel. Is there an overall staff ceiling for the current fiscal year?

MR. GEARAN: David, do you know that? We'll have to get you that.

Q Let me ask you another one. Will it be less or more than 1,394?

MR. GEARAN: The staff ceiling? You mean the authorized --

Q The total number of people working over here this fiscal year, including the temporary bulge that Mack talked about -- will that bring your total employment to a number that's greater than 1,394 or less?

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MR. GEARAN: We're in the midst of trying to figure out how many this one-time temporary bulge is. I'm not trying to avoid your -- we don't have that computation. What we can tell you is --

Q What do you have as of today?

MR. GEARAN: In the personnel operation?

Q No, total. White House --

MR. GEARAN: The reality is, David, it's somewhere in between 1,394 -- we're not fully staffed up. When we walked in day one, the things that we were immediately able to effect with this first Office of the President line here, that's what we could immediately do. Some of these changes are statutory that will require over time -- how many are here.

Q I'm just trying to get a picture of what -- you're under 1,394 now.

MR. GEARAN: We're not at 1,044.

Q You're not at 1,044? You might go over 1,394 during the course of this year before you --

MR. GEARAN: I would not expect that we would ever exceed that total under any circumstances.

Q -- will also be reduced in size, or are you passing more personnel there? The office of the drug czar, are you going to reduce the personnel or are you going to pass some personnel to them?

MR. GEARAN: No, the detailees could be returned. It will be downsized to accommodate the 25 employees that will be there by October 1st.

Q Mark, that does seem to be a reasonable question. If you don't anticipate exceeding the size of the staff that you found, why will you need the supplemental appropriation to cover the extra staff?

MR. GEARAN: I'm not sure that we do. I mean, as Mack said, we're exploring how we can accomplish this.

Q What makes you think you would?

MR. GEARAN: Would what?

Q Need a supplemental. Why are you doing this?

Q Why might you need it?

MR. GEARAN: Why might we need it? First of all, we're not doing anything. We're still exploring and Director Panetta is looking at ways to do it. Because we have been told -- we have been speaking largely with Reagan personnel folks and others who have done personnel -- there is this flip on the screen for six months.

Q They didn't ask for a supplemental on it.

MR. GEARAN: I understand that. They didn't cut their --

Q Neither did Carter and neither did Bush. So I don't understand McLarty's reference to all previous administrations that needed to do this. No previous one I can find record of has needed a supplemental for White House staff costs.

MR. GEARAN: I think his point was that all previous administrations have observed this temporary bulge in personnel.

Q But, Mark, you're observing a temporary bulge while reducing salaries six to 10 percent. Won't that take care of any need for the supplemental?

MR. GEARAN: It very well may. We're exploring ways in which we can accomplish this.

Q I guess my point is, aren't you going to find it politically difficult to ask for additional money and perhaps exceed the Bush administration's staffing?

MR. GEARAN: No, no, no. Step back here. What we are saying is that our plan on October 1st is to have 25 percent fewer people here than were here on Election Day. How we go about that staffing up and the personnel issue is a question which remains.

Q Out of the 350 people -- 350 fewer jobs, how many people are actually going to lose their jobs either voluntarily or involuntarily?

MR. GEARAN: Susan, at this point we're not able to compute that because some of this, as I said, will require some statutory changes along the way.

Q Why so little budget reduction?

Q Let him finish, okay? Do you have some estimate, like 100 or 200 --

MR. GEARAN: We don't at this point, because how it's reorganized and who will stay, who can return to their agencies of the detailees that are listed is a remaining question.

Q Will all 1,394 of those people --

MR. GEARAN: I can go, right, David? He is much more interesting.

Q -- dollar reduction. Mr. McLarty said the $10 million is coming --

Q He's not as cute. (Laughter.)

MR. GEARAN: I'm sorry, it's bedlam down here. I can't --

Q If you're reducing the staff by 25 percent and you're reducing salaries on top of that six to 10 percent, how come you only end up with a five percent dollar reduction?

MR. GEARAN: The $10 million that Mack mentioned was from the putting People First document that the President put out as the objective to savings to be realized.

Q The $10 million is coming off the $200 million. I'm just wondering, your apples and apples comparison, why the savings -- so markedly on the dollar side. You're obviously emphasizing the people who are being cut by 25 percent. Why aren't you getting a corresponding dollar reduction?

MR. GEARAN: It could exceed that. At this point, what the OMB analysts are able to clearly demonstrate is the $10 million savings.

END 12:20 P.M. EST

9a

White House & OPD Projected to October 1, 1993 -- July 13, 1993

Office	FTEs	OGEs	Total
Immediate Office	12	0	12
Chief of Staff	12	2	14
NSC	3	0	3
Communications	52		52
NEC	5		5
OPD	21	2	23
Total	26	2	28
DPC	6		6
OPD	10	8	18
Total	16	8	24
Cabinet	4		4
Leg. Affairs	21		21
Staff. Sec.	3		3
Exec. Clerk	6		6
Corresp.	87	1	88
Records Mgt.	27		27
Total	123	1	124
Sched/Advance	21	1	22
Counsel	17	8	25
Mgt & Admin	11	2	13
Admin	6		6
Personnel	1		1
Phones	18		18
Travel	4		4
Security	2		2
Vis. Office	1	6	7
Photo Off.	0	7	7
Mil. Office	1		1
Total	44	15	59
Political	7		7
Intergovernmental	7		7
Public Liaison	16		16
National Service	4		4
First Lady	13		13
Pres. Personnel	33	2	35
AIDS Coordinator	1		1
OEP(OPD)	10	2	12
Total	442	41	483
Total White House Only	401	29	430
Total OPD	41	12	53

Kim-
This is an internal, ~~confidential~~ document.
This is where the White House + Office of Policy Development will be on Oct. 1.
-Jen

Note -- OPD is over by 3 because of Tarmey, Ricketson & Lawlor on health care working group

February 8, 1993 10:30 pm

Executive Office of the President Reorganization

White House Unit	Bush White House Staff	Clinton White House Staff
Imm. Office of the President	5	8
Chief of Staff	7	7
Scheduling/Advance	25	22
National Security Council	2	3
Domestic Policy Council	58	21
National Economic Council	0	28
Cabinet Secretary	5	3
Communications	52	52
Legislative Affairs	21	21
Staff Secretary	145	129
Counsel	32	28
Intergovernmental Affairs	11	7
Public Liaison	19	15
Political Affairs	8	8
First Lady	16	13
Personnel	36	35
Management/Operations	62	60
Enviro Pol. (CEQ in Bush Ad.)	31	12
National Service	15	8
Total	550	480

~~1026~~ ~~500~~

Note—Office of Policy Development is combined with White House.
This includes National Economic Council, Domestic Policy Council & Office of Enviro. Policy.

(~~Also - internal, confidential doc.~~)

Kim -
This is the original plan for the White House cuts. (The page titled White House + OPD projected to October 1, 1993 is what we now believe the White House will look like. Totals

10.

Summary of Requests for Additional Staff

Prob is poor work — quality work

Communications: 3

Request: 2 or 3 speechwriters

The speechwriting staff is overworked. Speeches are drafted late, meaning the President has to invest much more time than is necessary in them. There are not enough people to draft "Rose Garden Rubbish." Three speechwriters is the request. Two would be great as well.

Scheduling/Advance: 2

Request: 1 desk and 1 deputy to Marcia

During the Tokyo trip, Marcia thought Anne Walley would drop from exhaustion. The previous administration had four desks and we only have three. We need a fourth desk. In addition, Marcia needs a deputy to take some of her planning and decision-making work. She would like someone who knows the President and his preferences to act as a traffic cop on requests.

Council on Economic Advisors: 1

Request: 2 specialists

CEA is particularly strained by the decrease from a standard 41 person shop to a 35 person shop. Right now, they have a staff plan for 34 but are desperate for a health care specialist and a NAFTA specialist to get them through next year. Because they have an open slot, they only need to increase by one to get the two additional staff they need.

White House Counsel: 1

Request: 1 more Associate Counsel

Bernie needs a full time person to deal with investigations: FBI, GAO, Vince's death. He would like to be able to handle these investigations without having to use outside counsel. One full time associate will help.

Political Affairs: 1

Request: 1 special assistant

Right now 2 detailees (who are leaving in September) answer calls, managing incoming and outgoing faxes and help prepare 15 briefings weekly for administration principals. These two detailees are the only support staff for the three Special Assistants to the President. When they leave, there will be no support staff for them. Thus, the request for one special assistant to support the three Special Assistants to the President.

Office of Science & Technology Policy 3

Request: 3 space policy staff

OSTP is struggling to cover space issues in addition to OSTP's regular workload. In particular, the reorganization of NASA and the supercollider issue are looming as big draws on staff time. Yet no staff are allocated for this work.

Legislative Affairs: 3

Request: 1 Special Assistant to the President, 1 Administrative Assistant and 1 Executive Assistant

We are not adequately covering important meetings on the Hill or answering phone calls in a timely manner. In addition, because we do not have enough staff to adequately supervise department and agency staff on the Hill, they are often on their own. These three staff would enable Leg. Affairs to better do its core job.

Domestic Policy 5

Request: 2 clerical staff, 1 energy/environment/transportation specialist, 1 education/children specialist and 1 welfare reform/immigration specialist

Right now, Carol's senior staff do everything in the way of policy analysis, event planning, interest group meetings, speeches and travel. The three policy assistants would be junior staff to help with briefing material development and research correspondence. The two clericals would support the staff, particularly in event planning.

National Security Council 8

Request: 7 policy directors and 1 public affairs director

NSC has three public affairs staff ~~now and our 25% cut means~~ they ~~will have~~ to let one go. They say they cannot function with only two. The other 7 requests are for directors in different departments. In each case, the departments are understaffed and need the extra person to allow them to function adequately. The requests are for directors in the following departments: Africa, Asian Affairs, Democracy, Russia/Ukraine, Defense Policy, European and Interamerican. NSC will be happy with 8 detailees.

Cabinet Affairs 3

Request: 2 professional staff and 1 support staff

One more professional staff is needed just to do Cabinet Affairs' current job -- 21 cabinet agencies and FEMA. They can only respond to crises now and cannot work proactively with departments. A second professional is needed to pick up hundreds of small and independent agencies. Currently no one is a liaison to SBA, GSA, USIA, OPM and other agencies that want White House guidance. The support staffer would solely work on logistics and events.

Intergovernmental: 3

Request: a special assistant and two administrative assistants

Right now, the Deputy Assistants to the President share a special assistant. We need one more so that each deputy can have his own special. The two administrative assistants are needed to answer the current correspondence load, which is not adequately responded to at the moment.

Staff Secretary: 14

Request: 14 correspondence staffers

A decent operation would have 39 more. A bare minimum needed to adequately answer the mail is 14 more. 9 would join the mail analysis staff which sorts incoming mail. 1 would answer E-mail, which is backing up due to the lack of a dedicated staffer. One more would be a writer for special letters. Three would join the typing pool which is the temp pool for the White House. At the moment the typing unit is scheduled to be eliminated to meet the 25% cut levels. However, they support the war room, the communication department, the President, Legislative Affairs and other departments on an ad hoc basis.

First Lady 2

Request: 1 writer and 1 computer specialist

The writer is needed to answer the First Lady's mail. The Social Secretary has a temporary employee currently filling computer needs. Maggie believes this ought to be a permanent position in order to service the technical side of the social secretary's office.

Public Liaison: 1

Request: 1 Special Assistant to the President

Right now a consultant is filling the African-American outreach role. Alexis believes this needs to be a permanent spot in order to adequately respond to the African American community.

Total: 50