

Ronald Reagan Presidential Library
Digital Library Collections

This is a PDF of a folder from our textual collections.

Collection: Baker, James A.: Files
Folder Title: White House Staff Memoranda –
Vice President
Box: 6

To see more digitized collections
visit: <https://reaganlibrary.gov/archives/digital-library>

To see all Ronald Reagan Presidential Library inventories visit:
<https://reaganlibrary.gov/document-collection>

Contact a reference archivist at: reagan.library@nara.gov

Citation Guidelines: <https://reaganlibrary.gov/citing>

National Archives Catalogue: <https://catalog.archives.gov/>

OFFICE OF THE VICE PRESIDENT
WASHINGTON

December 2, 1983

MEMORANDUM TO MARGARET TUTWILER

FROM: Jane Kenny JK

SUBJECT: Jonathan Sloat

As you know, during a recent meeting between Charles Wick and Jack Sloat it was mutually agreed upon that Jack would not continue to serve as General Counsel and Congressional Liaison for the United States Information Agency (USIA) after January 1, 1984. If he is not able to find another position by then, he can remain as a consultant.

At the request of the Vice President, I have discussed Jack's availability with the Presidential Personnel Office. According to Joe Salgado who handles USIA matters, the people at USIA feel he has done an excellent job and did well under difficult conditions.

One possibility that may have merit, but that I do not want to pursue without knowing Mr. Baker's views, is the Deputy General Counsel spot at the Department of Commerce. It is likely to be available soon and as far as I know is open.

I would appreciate it if you would get Mr. Baker's views on this and advise me of his thoughts. If he believes it is suitable, our office will pursue the matter with Presidential Personnel.

Thank you for your assistance in this matter.

JONATHAN W. SLOAT
3006 45th Street, N. W.
Washington, D.C. 20016
202-485-7976

PROFESSIONAL EXPERIENCE

Current: General Counsel & Congressional Liaison, U.S. Information Agency

Jan.-Nov.'81 Legislative Consultant, National Aeronautics & Space Administration

Nov 80 to Jan 81: Deputy Director, Congressional Advisory Committee, Presidential Transition;
responsible for developing Congressional input to 1981 legislative agenda for next Administration.

Aug-Nov 80: Assistant Director, Office of Policy Coordination, Reagan Bush Campaign;
prepared daily Issue Briefing Books for Presidential and Vice Presidential tours.

1979-1980: Assistant Finance Director, George Bush for President Committee. Assisted with multi-million dollar fundraising campaign; directly responsible for raising approximately \$1 million.

1978-1979: Private law practice: government relations, international trade, tax.

1966-1978: Vice President for Government Relations and Legal Counsel, Grocery Manufacturers of America, 1010 Wisconsin Ave., N.W., Washington D.C. 20007.
President: George W. Koch (tel: 202-337-9400).

Responsible for legal and public policy programs, projects and activities:

- o Developed and implemented system for tracking proposed legislation and regulations, assessing potential impact on grocery manufacturing industry, and determining action priorities.
- o Coordinated action programs by industry committees and task forces on legislative and regulatory proposals of concern to the industry.
- o Developed close contacts with Members of Congress, Congressional Committees, Department of Commerce, Department of Agriculture, Department of Energy, Food and Drug Administration, and Federal Trade Commission.
- o Supervised the U.S. trade exhibition (for Depts. of Agriculture and Commerce) at International Trade Fair, Bangkok, Thailand.

1965-1966: Chief Counsel, Special HEW Investigation Subcommittee of House Interstate and Foreign Commerce Committee. Chairman: Paul G. Rogers (202-331-4500).

Directed 15-member investigatory staff in conducting Congressional investigation of Department of HEW. The Subcommittee's report and recommendations became the basis for the departmental reorganization initiated by Secretary John Gardner.

1961-1965: Weaver & Glassie law firm. General practice of law with emphasis on antitrust, corporate and trade association matters.

1957-1961: Covington & Burling law firm. General practice of law with emphasis on administrative law, antitrust, corporate and tax matters.

1956-1957: Law Clerk, U.S. Court of Appeals, D.C. Circuit, Judge Wilbur K. Miller. Legal research for and assistance in preparation of judicial opinions in federal appellate cases.

POLITICAL EXPERIENCE

Treasurer, Nevius for Congress campaign, 1971
Republican area coordinator and Precinct Captain, D.C., 1968-80
Republican Finance Committee, D.C., 1974-1980
Republican Central Committee, D.C., 1979-80
President Ford campaign, Businessmen's Program, 1976
Advance work, President Ford campaign, 1976
Congressman Newton Steers Finance Committee, 1978, 1980
Senator Mac Mathias Finance Committee, 1980
National Steering Committee, George Bush for President Committee, 1979-80
National Finance Committee (D.C. Co-Chairman), George Bush for President Committee, 1979-80
Assistant Finance Director, George Bush for President Committee, 1979-80
(Including supervision of PAC program)
Delegate to Republican National Convention, 1980
(Treasurer of D.C. Delegation)
Vice Chairman of "Prelude to Victory" Dinner (\$1,000), D.C., 1980

EDUCATION

Yale University, B.A. in Economics, 1950
George Washington University Law School, LLB, 1956 (Law Review)

MILITARY SERVICE

U.S. Navy 1951-54. Operations Officer, destroyer duty.

FOREIGN TRAVEL

Extensive overseas experience. Have lived or traveled in over 40 countries.

REFERENCES

Cong. Tom Evans
Hon. James Baker
Hon. Dean Burch
Hon. John A. Nevius
Hon. Bryce Harlow

WASHINGTON, D.C.

Date 11-17-83

TO:

JA B III

FROM:

THE VICE PRESIDENT

Light Reading



Conservative Digest

OCTOBER 1983

\$1.95

WHITHER, CONSERVATIVES?

CONSERVATIVE LEADERS SURVEY

1.

☐☐

2.

☐☒

3.

☐☐

4.

☐☐

5.

☐

6.

Pleased with Reagan?

Should Bush be replaced?

Support new conservative party?

Should Reagan run again?

If not, who should run?

Rate Reagan, 1 to 10.

Name five most effective conservative leaders

350

CONSERVATIVE
LEADERS
RATE THE
REAGAN PRESIDENCY

272 DEC 83
VICE PRES
272 DEC 83

Whither, Conservatives?

A Survey of Conservative Leaders

This month we surveyed conservative leaders nationwide in an effort to find out how they felt about several key issues.

In order to determine the true feelings of conservative leaders, every effort was made not to send surveys to elected or appointed federal employees.

This report is based on the 350 responses to the survey received by *Conservative Digest*.

The conservative movement has become increasingly fragmented during

The results of the survey tend to indicate a significant amount of dissatisfaction with Ronald Reagan among conservative leaders, but not enough for most of them to look elsewhere for a presidential candidate.

the Reagan administration, specifically in response to the nagging question of the Reagan record: Are his failures to follow through on the conservative mandate completely attributable to his advisors and Congress or has he played a willing role? While we did not specifically ask this question, we did ask these leaders to rate the President on his efforts to fulfill his campaign promises.

We also pursued the issue of Ronald Reagan's reelection with these leaders to determine if there was enough underlying disenchantment to seek another leader. While the results tended to indicate a significant amount of dissatisfaction with the president personally, it was clearly not sufficient, in their eyes, to look elsewhere for a Presidential Candidate.

However, the survey did probe further into the moderate/liberal establishment surrounding the President, including his Vice President, George Bush, and the establishment people who seem to exercise a controlling interest in the Republican Party leadership. The results tended to show that conservative leaders were much more willing to seek replacements in these areas, even to the extent of considering a break with the Republican Party should the trend toward liberalization of the party continue.

We probed even further on the issue of a third party to see just how far these leaders were willing to go if they felt the liberal control of the Republican party was permanently entrenched. While the idea of a third party has never been popular among mainline conservatives, we found a significant increase in the numbers willing now to consider such, but only if Ronald Reagan were out of the picture. In other words, there seems to be a large feeling of distrust toward the Republican Party, and only Ronald Reagan seems to have the charisma to keep the coalition together.

A WIDE DIVERGENCE IN CONSERVATIVE PERCEPTIONS

It has been widely held that conservatives are a rather uniform lot of thinkers, but through this survey we discovered a much higher divergence in the answers than we expected. This divergence was especially high when respondents were asked to rate Reagan's performance on specific campaign promises from 0-10 with 10 as the top score. The answers covered the entire spectrum from 0-10 on most issues.

Before coming to a firm conclusion on the reasons underlying this divergence we decided to break the responses down by certain classes to determine if there was consistency within each class. This proved to be the case.

This is a prime example demonstrating the problem in averaging results. An averaging method may show all conservatives near the middle of an issue, whereas analysis by isolating like-minded groups may show that there are opposing factions that are poles apart on an issue, with very few in the middle. The analysis we present breaks

out the groups of respondents from the averages when there is a significant difference. It also groups related questions regardless of the question number in the original survey so as to facilitate analysis of the results.

SURVEY RESULTS AND ANALYSIS*

Question 1:
Will Reagan Seek Reelection?
95% Yes

Question 2:
Should He Seek Reelection?
88% Yes

Almost two-thirds are convinced the President has not carried out what they would consider a conservative agenda.

In a later question, 63% of respondents expressed dissatisfaction with the Reagan administration. Therefore, the slightly lower response in Question 2, as to whether Reagan should seek reelection, as compared to Question 1, is not a full reflection of that dissatisfaction. It is undoubtedly a playoff between dissatisfaction and failure to see any viable alternative. The 8% drop could well be a representative figure indicating the number of hard-core conservatives who don't want a continuation of the Reagan administration, no matter what the results.

**All percentages exclude those that did not answer the question*

Question 3:
Preferred Running Mate For
Ronald Reagan If He Seeks Re-
election In 84:
64% say No to George Bush.
Of those opposing Bush, 31%
would replace him with Jack
Kemp, and 19% would replace
him with Jesse Helms

Despite Bush's low profile during the Reagan presidency, distrust and dislike of the vice president remains fairly high among conservative leaders. There seems to be a direct relationship between this dissatisfaction and the general dissatisfaction conservatives feel about establishment control of the Republican Party as a whole.

Sixty-four percent
say George Bush
should be replaced.

Question 4:
Preferred Replacement To Ron-
ald Reagan As President If He
Doesn't Seek Reelection:
40% Kemp
14% Crane
14% Helms
10% Armstrong
9% Bush

Question 6:
Preferred Successor To Ronald
Reagan In 1988 (In order of
preference):
36% Kemp
16% Crane
12% Helms
11% Armstrong
5% Bush

While all the leaders mentioned by our respondents have excellent name recognition among the conservative movement, Rep. Jack Kemp (R-NY) garnered a large percentage of the votes in this survey.

Rep. Kemp has successfully built a conservative image by concentrating his most visible public positions on the tax-cut issue—a sure winner among conservatives, but also one with wide appeal to working people across the political spectrum.

While many other leaders have always been rated favorably by conservatives on their positions, this survey tends to indicate that conservative leaders have become increasingly aware of the second factor of selection, acceptability to the rest of the world.

Question 5:
Predicted Replacement To Ron-
ald Reagan If He Doesn't Seek
Reelection:
80% BUSH

Bush's high rating here, as opposed to his 36% desirability rating in question 3, is indicative of the power of incumbency even to Conservatives. This high rating is also thought to be a response to the fact that President Reagan has already given him his full endorsement as the preferred running mate. This gives incumbency an even stronger position, and adds to the futility conservatives feel in viewing any potential replacements for Bush.

Question 7:
Would Ronald Reagan Be More
Or Less Conservative In His Sec-
ond Term?
40% more,
18% less,
and 41% about the same.

The 41% who think Ronald Reagan will not change when combined with the 18% who think he will be less conservative nearly equals the 63% who expressed disappointment with the Reagan presidency.

Question 8:
The Probable Democratic Nom-
inee:
75% Mondale
19% Glenn

In this case, conservative opinions fairly closely reflect the image drawn from the national news media.

Question 9:
Are You Disappointed With The
Reagan Presidency:
63% Yes
37% No

Question 17:
Are You Personally Pleased With
The Reagan Presidency:
50% Yes,
50% No

These two questions are both a restatement of the same basic question concerning one's satisfaction or dissatisfaction with the Reagan administration. However, one question is phrased in the negative to check for feelings of disappointment, and the other is phrased in the positive to check for positive feelings.

One might initially think the results of both questions should be an exact reversal of the other, but this did not

Sixty-three percent are
disappointed with the
Reagan presidency.

prove to be the case. It is interesting to note that the negative response toward the President is higher when it is phrased in terms of disappointment. In other words, there is a significant majority which feels that President Reagan has let them down.

Yet, on the other hand, the negative response diminishes when people consider whether they are personally pleased with the President. While the negative respondents still have the majority, it is evident that some who felt disappointed are still pleased in many ways with Reagan.

When we broke the respondents down into groups, generally along pro-Reagan and anti-Reagan preferences, we found that the anti-Reagan conservatives never showed any ambiva-

lence. All of the conflicting responses came from conservatives who tended to look very optimistically at the Reagan administration.

Question 10:

Has Ronald Reagan's Presidency Been Conservative, Moderate or Liberal:

**38% said generally conservative
52% said generally moderate
10% said generally liberal**

In general, it is important to note that 62% are convinced that the President has not carried out what they could consider a conservative agenda. This closely corresponds to the re-

Over two-thirds of the survey respondents said they would consider supporting a third-party movement if the liberal, "Big Business" wing of the GOP continues to control the party.

sponses to Question 9 where 63% expressed disappointment in the Reagan Administration.

Question 14 queries the respondents concerning their feelings about the growth or decline of the entire movement as a result of the Reagan Presidency. These responses also correlate with the lack of an aggressive conservative agenda by the administration:

Question 14:

Concerning The Growth Or Decline Of The Conservative Movement During The Reagan Presidency:

**45% said continuing to grow
30% said it had leveled off
26% said it was declining**

A total of 56% seem to sense that things are not going well in the movement as a result of the Reagan compromises and other attempts to achieve bipartisan consensus. However, a group breakdown indicates that the 45% who saw the movement through optimistic eyes almost uniformly saw the Reagan administration through rose colored glasses as well.

Question 11:

If Ronald Reagan Seeks Reelection In 1984, What Will Be Your Level of Work Commitment For His Race?

**20% more than 1980
48% same as 1980
32% less than 1980**

This question tends to illuminate the number of conservatives who still have strong feelings of loyalty and support for Reagan. The 20% must be viewed as a very positive and enthusiastic response given the lack of success conservative causes have generally had during the Reagan administration. A truly representative figure of positive support would probably be closely aligned with the 40% who, in question 7, felt that if Reagan were reelected, the administration would turn more conservative. Those that actually believe this would be expected to work hard for Reagan's reelection.

However, the next question, which was designed to see how much of the Reagan loyalty is transferred to party loyalty sheds added light on this issue:

Question 12:

Assuming Ronald Reagan Does Not Seek Reelection and GOP Nominates a Moderate/Liberal, How Would You React?

**5% said they would work hard for his election
31% said they would work, but not as hard as for Reagan in 1980
21% said they would sit out this election and not work for the party
42% said they would support a 3rd party nominee if available.**

These responses are very enlightening and tend to indicate that only 5% of the conservative respondents view Republican Party loyalty higher than their conservative principles. The 31% who indicated they would work, but with less enthusiasm tends to indicate the quantity of conservatives who have moderately strong, conservative tendency, but who don't see any al-

ternative to the Republican Party.

It is significant, however that a full 63% are indicating a willingness, in essence, to boycott the Republican Party if a moderate/liberal is nominated. The figure of 42% favoring a switch to a third party is the highest level of such interest in recent history, and should be a significant concern to the Republicans. It is highly improbable that the Republican party could win against the Democrats if 63% of the conservatives refused to participate.

There appears to be a growing frustration among conservatives, that is giving birth to the increase of interest in a third party. This view is reinforced by the responses to the more specific question which follows:

Sixty-three percent are indicating a willingness to boycott the Republican Party if a moderate/liberal is nominated.

Question 13:

**If The Moderate/Liberal Big Business Wing Of The GOP Continues To Control The Party, Would You Consider Supporting a New Conservative Party?
69% said yes**

We note that there is a decided increase in the acceptance of a third party concept when the worrisome assumption of establishment control over the GOP is inserted as a given premise. Many conservatives appear to suspect that both parties are controlled by similar interests, and are showing increasing pessimism with the potential for reform of either.

The five "most effective" conservative leaders:

**Jesse Helms
Jack Kemp
Phil Crane
Howard Phillips
Richard Viguerie**



As a group conservative leaders give Reagan a failing grade on his effort to implement campaign promises.

**Question 15:
List The Five Conservative Leaders You Believe To Be The Most Effective:**

**Jesse Helms
Jack Kemp
Phil Crane
Howard Phillips
Richard Viguerie**

The above listing as an average of all responses fails to tell the whole story behind the various selections. You will note in the analysis of the various respondents by group that certain groups tend to pick the ideological leaders and other groups tend toward the political leaders.

The wording of the question itself tended to explain why two non-elected conservatives suddenly appeared in high numbers, even exceeding many known political leaders. The request for "effective" conservative leaders would tend to draw to a respondent's mind those that are most active in the

Question 18: The Rating Of President Reagan's Efforts On The Following Campaign Promises: Rated 0 (low) to 10 (high)

Item Number	Average Rating
1. Rebuild America's Military Strength	7.6
2. Cut Taxes	6.4
3. Oppose SALT II	6.0
4. Oppose Detente	5.6
5. Support School Prayer Amendment	5.5
6. De-Control Natural Gas	5.4
7. Support Tuition Tax Credits	5.3
8. Reduce Government Involvement In Our Lives	5.2
9. Link Arms Talks to Soviet Behavior	5.0
10. Reduce Non-Defense Government Spending	5.0
11. Oppose Busing For Racial Integration	4.6
12. Reduce Welfare Fraud	4.5
13. Return Power To The State And Local Governments	3.9
14. Reform Davis-Bacon Act	3.9
15. Stop Transfer of Technology To The Soviets	3.9
16. Eliminate Or Reduce Minimum Wage For Youth	3.9
17. Support A Constitutional Amendment To Balance The Budget	3.8
18. Impose Tougher Sanctions Against Communist Misbehavior Than Jimmy Carter	3.8
19. Appoint Conservatives To Run The Government	3.6
20. Upgrade Relations With Taiwan	2.8
21. Balance Budget By 1983	2.7
22. Abolish Department of Energy	1.9
23. Abolish Department of Education	1.7
Average Rating	4.5

The average rating on all issues was 4.5 on a scale of 0-10. As a group conservative leaders give Reagan a failing grade on his effort to implement campaign promises.

in-fighting on the Washington scene. And, as a consequence, one would expect to see the well known conservative political leaders on this list. But non-elected leaders like Phillips and Viguerie are seen to be effective through their constant appearances in the media or in the mails as they work the grass roots of conservatism for support on specific issues.



The responses to question 18 are further analyzed below by grouping respondents into five groups: Group A—Republicans who indicated they would not support a third party; Group B—Republicans who indicated dissatisfaction with Reagan and support of the third-party concept; Group C—Republicans who indicated satisfaction with Reagan and at the same time support for the third-party concept; Group D—Conservative Democrats; and Group E—Independents.

**GROUP A:
Republicans Who Indicated They Would Not Support A Third Party**

Of interest here is the fact many respondents in this category belonged to organizations or had goals which

In the survey responses Reagan got the highest marks for rebuilding America's military strength, cutting taxes, opposing SALT II and opposing detente.

would directly benefit from unwavering support for the Republican party. Some were State GOP Senators, or aides to other Republican elected officials. Others were parts of powerful lobbying organizations like the National Association of Manufacturers and other special interest groups which have very

Reagan's lowest marks were for not abolishing the Education and Energy departments, not balancing the budget, not upgrading relations with Taiwan and not appointing conservatives to run the government.

close ties to the Republican Party.

Almost uniformly, they tended to see everything the party does as "conservative." With only one or two exceptions, these rated Ronald Reagan's administration as conservative. Their ratings of the President's efforts to fulfill his campaign promises fell within the highly positive 7-8 range as an average. This was considerably higher than the overall average of conservative leaders who rated the President lower across the board.

Most expressed that they were pleased with the President. The conservative leaders they listed as most effective tended to include far more of the big players in Republican politics: Senators Baker, Dole, Laxalt, and President Reagan. Conservative activists like Helms, Crane, Viguerie, Phillips and Paul Weyrich were mentioned far less often than other groups.

**GROUP B:
Republicans Who Indicated *Dis-satisfaction* With Reagan And Support Of Third Party Concept**

No respondents in this group indicated they felt the Reagan Administration was "generally conservative." Most labeled it as "moderate" and some selected the word "liberal." Most rated Reagan on the issues in the moderate to low range of 3-5 with some dipping to a hostile 0-1. All indicated

strong disappointment in Reagan's overall performance, and all were consistent in rejecting support of the Republican party in the event a moderate/liberal was selected in 1984 or 1988. Their selection of most effective conservative leaders almost always included conservative activists such as Helms, Crane, Viguerie, Phillips, and Weyrich.

**GROUP C:
Republicans Who Indicated *Sat-isfaction* With Reagan And Indicated Possible Support For A Third Party**

Of the three Republican groups designated, this was slightly larger than group A or B. While the other two groups indicated a high degree of consistency in their responses, this middle group was highly divergent. As opposed to both groups A and B, this group tended to represent people with little first hand experience in the Washington political scene.

This group C tends to be "gut feeling" conservatives affected by what they hear or read more than by what they know first hand. For example, they overwhelmingly thought that Reagan had fulfilled his promises to cut taxes although in reality the government's power to tax has been vastly expanded under his administration. Almost all those who gave high marks for Reagan's promise to balance the budget in 1983 came from this group. This group uniformly gave Reagan very high marks for opposing Salt II, while Reagan publicly declared his intention to abide by Salt II even though it was never ratified. Most thought that Reagan had fulfilled his promise to cut non-defense spending, although it has increased almost 30%.

This group also selected the widest range of leaders as their preferred conservatives. Many respondents would include Senators Dole and Baker in the same list with conservative activists like Paul Weyrich and Howard Phillips.

**GROUP D:
Conservative Democrats**

These tended to be more conservative than the Republicans. The Reagan administration was rated as moderate to liberal and on the campaign promises, a low 2 for effort. Strong displeasure was indicated and only new right leaders were mentioned as the preferred effective, conservative leaders.

Most conservative leaders, according to the survey, do not appear inclined to bolt the Republican Party as long as Ronald Reagan is in the picture.

**GROUP E:
Independents**

The independents were not unified. Some were very pragmatic while others extremely conservative. Of all the separate groups, the independents seemed to have the most divergence with the widest spread over the political spectrum.

Conclusion

The results of the survey tend to indicate a significant amount of dissatisfaction with Ronald Reagan among conservative leaders, but not enough for most of them to look elsewhere for a presidential candidate.

Conservative leaders, however, do appear much more willing to seek a replacement for Vice President George Bush. They also appear to harbor a deep distrust of the Republican Party establishment, so much that over two-thirds of them said they would consider supporting a third-party movement if the liberal, "Big Business" wing of the GOP continues to control the party.

But the inclination to bolt the party does not appear significantly strong as long as Ronald Reagan is in the picture. □

Date

11-14

TO:

Tim -

FROM:

THE VICE PRESIDENT

Let's talk
but I don't
really recall
him -
ag

MDT -

JAB has seen this
bt

Received up, NOV 14 1983

AGENCY FOR INTERNATIONAL DEVELOPMENT



The Administrator

R.F.

October 29, 1983



Jim Baker

You will remember our talk about David Jones. Since then he sent me the attached resume and letter. I thought you might want to look them over.

M. Peter McPherson

11/5 Send
to U.P.

"McPherson asked that I discuss
David Jones with you. Can we talk at your
convenience?"

JTB

RESUME

DAVID R. JONES

PERSONAL

Birth Date: January 1, 1938, Buffalo, New York
Married: Corinne Watt Jones, Pittsburgh, Pennsylvania
Children: Karen Lynn, Kimberly Ann, Kristin Lee
Residence: 520 West Hillwood Drive, Nashville, Tennessee 37205
Home Telephone: 615/356-2063 Office Telephone: 615/322-2728

EDUCATION

West Liberty State College, W. Va., B.A. degree 1960
L.M.U., Harrogate, Tenn., 1956-57; George Williams College, Chicago, Ill., 1955-56
Follansbee High School, Follansbee, W. Va., 1955

PROFESSIONAL HISTORY

National Commission on Student Financial Assistance, Chairman* 1981-83

Vanderbilt University: Consultant, Vice Chancellor for Development,
Executive Director of Development 1976-83

*Reagan
appointment*

Tennessee Republican Party, Executive Director 1975-76

U.S. Senator James L. Buckley, Administrative Assistant 1971-74

The Charles Edison Memorial Youth Fund, Executive Vice President 1968-70

Young Americans for Freedom, Inc., Executive Director 1963-68

Pinellas County, Florida, Teacher 1960-63

* appointed Chairman by President Reagan, November 1981

ORGANIZATIONS

United States Air Force Academy Foundation Board of Directors 1983-

Council for Advancement and Support of Education (CASE)
Educational Fund Raising Committee 1982-1984
CASE District III Workshop Faculty 1981
CASE Conference for Senior Development Professionals 1981
CASE District III Program Committee 1980
CASE Seminar for Development 1977

American Council of Young Political Leaders (ACYPL) Board of Trustees 1971-83
ACYPL, President Board of Trustees 1981-82
ACYPL, Vice President Board of Trustees 1979-80
ACYPL, Delegate to USSR 1976, Brussels, Helsinki and Stockholm 1979, Oxford 1981

The Charles Edison Memorial Youth Fund, President 1975-83
The Charles Edison Memorial Youth Fund, Board of Directors 1969-83

Georgetown University, Institute on Comparative Political and Economic Systems,
Board of Directors 1969-83

Children's Hospital, Nashville, Tennessee, Board of Directors 1976-78

Harding Academy, Nashville, Tennessee, Board of Directors 1976-78

Corporate Support of Private Universities, Development Committee 1979-82

Junior Chamber of Commerce, Washington, D.C., 1963-66, St. Petersburg,
Florida, 1961-63, Vice President 1962

POLITICAL ACTIVITIES

Executive Director, Tennessee Republican Party, 1975-76

Consultant, Winston for Governor, 1974

Young Republican National Federation Executive Committee, 1971-73

New York Campaign Committee to Re-elect the President, 1972

Young Republican National Federation National Vice Chairman, 1969-71

Campaign Manager, Buckley for United States Senate, 1970

Maryland Young Republicans, Board of Directors, 1969

Maryland Citizens for Nixon-Agnew, Director, 1968

American Conservative Union, Board of Directors, 1968-71

Reagan for President, 1967-68

MISCELLANEOUS

Americanism Award, Young Republican National Federation, 1975

Guest lecturer, Taft Institute, University of Tennessee, 1974

Twentieth Century Fund, Congressional Campaign Study Task Force, 1970

J.F.K. School of Government, Harvard Institute of Politics,
Guest Participant, 1968 and 1973

Florida American Legion Teaching Award, 1962

St. Petersburg, Women's Federation, Teacher of the Year Award, 1962

MEMBERSHIPS

Westminster Presbyterian Church, Nashville

Hillwood Country Club, Nashville

Westside Raquet Club, Nashville

University Club, Nashville

University Club, Washington, D.C.

Maryland Farms Raquet Club, Nashville

George Peabody College for Teachers

VANDERBILT UNIVERSITY



NASHVILLE, TENNESSEE 37203

TELEPHONE (615) 322-7311

Department of Educational Leadership • Direct phone 322-8000

October 13, 1983

CONFIDENTIAL

Mr. M. Peter McPherson
Administrator
Agency for International Development
320 21st Street, North West
Room 5942
Washington, D.C. 20523

Dear Peter:

Next month, I will complete my term as chairman of the National Commission on Student Financial Assistance and, even though I am on the faculty at Vanderbilt University, I would like to begin exploring opportunities for the future.

Prior to my being appointed by President Reagan to the chairmanship of the Commission, I planned and directed Vanderbilt University's 150 million dollar campaign. As you know, I left the political world in 1976 to become the Executive Director of Development at Vanderbilt University. I completed my administrative term at Vanderbilt as the Vice Chancellor for Development having successfully completed the fund raising drive and installing a new development program.

In addition to my activities at Vanderbilt, I have been active in the Council for Advancement and Support of Education (CASE) having participated in a number of seminars and workshops----and currently chair the CASE Subcommittee on Evaluation and Accreditation.

I continue to serve on the Board of Trustees of the American Council of Young Political Leaders (ACYPL) and, as you know, served as the Board's president, and as a delegate in 1976 to the USSR, in 1979 to Brussels and Helsinki, and in 1981 to Oxford.

I have just been reelected as the president of the Board of Directors of The Charles Edison Memorial Youth Fund. The Fund maintains the Institute at Georgetown University and several other college programs.

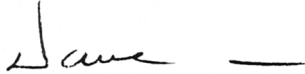
Mr. M. Peter McPherson

October 13, 1983
page two

From these and other activities one may suspect that I will continue my work in the education profession. However, I seek your advice and counsel as I explore the future. Fortunately, I have the luxury of being able to take my time in reaching a decision.

I look forward to our getting together soon.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dave", followed by a horizontal line.

David R. Jones

In brief

Jones named Development vice-president

David R. Jones was named vice-president for Development by the Executive Committee of the Board of Trust on March 2. The promotion is immediately effective.

Vice-President Jones has been executive director of Development at Vanderbilt since June 1, 1976.

Under his direction, the Centennial Campaign was brought to a successful completion last June for a total of \$181,400,000 against the original goal of \$150 million.

In February he was appointed by President Reagan to chair the National Commission on Student Assistance.

Vice-President Jones founded the Institute on Comparative Political and Economic Systems at Georgetown University in 1969. The Institute is held each summer and attracts 100 students from all

over the United States.

He is currently president of the Board of Trustees of the American Council of Young Political Leaders. Since 1975 he has been president of both the Charles Edison Memorial Youth Fund and the Barry M. Goldwater Scholarship Award Committee.

Vanderbilt panel appoints Jones vice president for development

David R. Jones has been named vice president for development by the executive committee of the Vanderbilt board of trust.

Jones has been executive director of development at Vanderbilt since June 1, 1976. His new appointment is effective immediately.

Under his direction, the Centennial Campaign ended last June with gifts totaling \$181.4 million. The original goal for the campaign was \$150 million.

In December he was appointed by President Reagan to chair the National Commission on Student Financial Assistance, which was created by Congress to make poli-

cy recommendations on student aid programs.

Jones founded the Institute on Comparative Political and Economic Systems at Georgetown University in 1969. The institute, which is held annually, attracts 100 students from throughout the United States.

He currently is president of the board of trustees of the American Council of Young Political Leaders. Since 1975 he has been president of both the Charles Edison Memorial Youth Fund and the

Barry M. Goldwater Scholarship Awards Committee.

Long active in politics, Jones was executive director of the Tennessee Republican Party in 1975-76. Prior to that he was administrative assistant to New York Sen. James L. Buckley and executive director of Young Americans for Freedom.

He is president of Dave Jones and Associates, and has served on the board of directors for Harding Academy and for Vanderbilt Children's Hospital.

Jones named head of national commission

David R. Jones, executive director of Development, has been appointed by President Ronald Reagan to chair the National Commission on Student Financial Assistance.

The commission was created by an act of Congress in October, 1980 specifically to determine future policy on the proper role of the federal government in providing financial assistance to students.

The commission will review or complete nearly two dozen studies—four of them in 1982—before reporting to Congress in the summer of 1983.

Commenting on the appointment, Chancellor Alexander Heard said: "The Commission on Student Financial Assistance of which David Jones has been appointed Chairman will address issues of vital importance to American youth and to all higher education. Mr. Jones is to be complimented on being asked to undertake this important and difficult assignment."

"There are more than three million students on the Guaranteed Student Loan (GSL) program alone," according to Jones. "The volume of Pell Grants has also increased, making the student financial assistance programs very significant in providing opportunities for post secondary study."

While he sees no decrease in Pell awards during this year or in 1983, Jones said Congress apparently has realized the programs have grown rapidly in the last 30 years without sufficient evaluation. He said that there is a need for review and coordination of "where we are now" with regard to the federal government's involvement.

"As part of its overall charges, the commission is asked to look at ways to reduce waste, fraud, abuse and delinquency in student assistance programs," Jones added, commenting on recent media attention given to delinquent student loan payments.

The commission will address and submit four specific studies this calendar year:

- ◆ A review of insurance premiums for the GSL program to determine if those premium rates exceed the rate necessary to protect the reserves of the insurer.

- ◆ A study of improved methods for determining the quarterly rates for special allowances to students. The Wharton School will conduct this study for the commission.

- ◆ A study to determine whether eligibility for student financial assistance should require the student to successfully complete a specified portion of the workload during the academic period of the award.

- ◆ The study of a proposal to amend the GSL program by recapturing interest subsidies from borrowers and an analysis of the long-term effects of such a policy.

Jones sees the commission's role as one of sorting out and coordinating data on student financial assistance, and developing new information.

In keeping with President Reagan's policy of cutting waste, Jones already sees ways to cut the commission's budget by utilizing available research instead of duplicating all the studies and "reinventing the wheel."

Jones seems challenged and excited about his task. Sitting in his office, the phone rings and before he answers it, he says, "There's only one call worth receiving—that's the one that says 'White House calling.'"

Brownlee O. Currey Publisher ☐ **Irby C. Simpkins Jr.** President

Bracey Campbell Managing Editor

Jack Gunter Assistant to the Publisher ☐ **Gregory L. Burns** Treasurer ☐ **Fred Russell** Vice President

David Jones' appointment ideal

President Reagan could have made no more appropriate choice than David R. Jones to head the National Commission on Student Financial Assistance. Mr. Jones, executive director of development at Vanderbilt University since 1976, has a firm background in governmental affairs in general and in issues important to youth and to higher education in particular.

In his role as chairman of the commission, Mr. Jones will spearhead the examination of all aspects of financial aid programs, including eligibility, interest rates and default rates, grades and progression of recipients. The commission will complete its recommendations in the summer of 1983 to Congress about policies on the federal government's role in providing financial assistance to students in post-secondary education.

Mr. Jones began his chairmanship by trimming the commission's budget by \$1 million, noting that the group will draw upon available resources rather than have the staff conduct all the research. Mr. Jones said he may call upon large foundations to help pay for the study, and that method of financing is in line with President Reagan's urging of the private sector to join in the sharing of services normally provided by the government, and is also in line with the president's drive to reduce federal spending.

Because of the dramatic growth in the programs and because of the increasing amounts of

money needed to subsidize them each year, Mr. Jones believes the time is right for a serious reassessment of the status of student financial aid. He is right on target, with particular attention paid to the growth of the Guaranteed Student Loan and the Pell grant programs, as well as the National Direct Student Loan program.

Long active in the Republican Party, Mr. Jones will be able to draw upon his experience and skill acquired in years of service as executive director of the Tennessee Republican Party, as well as the work he has done for several presidential candidates. He formerly was administrative assistant to Sen. James L. Buckley and the executive director of Young Americans for Freedom, Inc.

"An important and difficult assignment" was the description of Mr. Jones' chairmanship role by Vanderbilt Chancellor Alexander Heard. It certainly will be that, and we believe that Mr. Jones is undertaking that assignment with zeal and enthusiasm that will result in some recommendations that will be looked upon by Congress with favor.



OFFICE OF THE VICE PRESIDENT
WASHINGTON

November 14, 1983

R.F.



MEMORANDUM FOR JAMES BAKER, III

FROM: J. STEVEN RHODES

SUBJECT: TED ADAMS

The Vice President and I met with Ted Adams who provided us with a program aimed at reducing hostilities towards this Administration from the black community. This is a follow-up from the meeting called by Reps. Livingston, Bethune and Edwards.

As you may recall, when you attended the afternoon session there were some frustrations vented at that time. Ted believes that this proposal can provide significant help in reducing the level of frustration presently felt in the black community.

cc: Jim Cicconi

PROPOSAL TO VICE PRESIDENT GEORGE BUSH
ON INCREASING THE REPUBLICAN PARTY'S
PERCENTAGE OF THE BLACK VOTE:
WHAT TO DO AND HOW TO DO IT

TABLE OF CONTENTS

PROPOSAL

INITIATIVES AND INSTRUCTIONS

OMBUDSMAN TASKS

PROPOSAL

PROPOSAL TO VICE PRESIDENT GEORGE BUSH ON INCREASING THE REPUBLICAN PARTY'S PERCENTAGE OF THE BLACK VOTE: WHAT TO DO AND HOW TO DO IT

PROBLEM BEING ADDRESSED:

The Republican Party generally receives less than 20% of the Black vote and there is no effective plan of action on the part of the Republican Party to reverse this condition.

PROPOSAL GOALS:

- (1) Improve the Republican Party's image, policies and practices to the end that an increase in the percentage of Black votes is experienced, and
- (2) Respond to Vice President Bush's concerns voiced in a recent meeting with Ted Adams wherein he said:

"... Ted, tell me what to do and I'll do it.

I want a long-term approach ..."

INSTITUTIONAL VEHICLE:

CENTER FOR STRATEGIC POLITICAL RESEARCH AND ACTION (CSPRA)

Purpose

The Center for Strategic Political Research and Action (CSPRA) will be established to produce specific "cookbook" type instructions to Republican candidates, elected officials, Republican Party operatives and political appointees. These instructions will be aimed at obtaining direct voter response results and shall be the product of a strategic planning process. In addition, the CSPRA will provide new policy initiatives which would enhance the Republican Party image.

Structure (Refer to Figure 1)

The Center will be a not-for-profit organization and shall consist of a Board of Directors, Board of Advisors, and full-time staff Executive Director.

The work of the Center will be focused in three major areas:

- (1) Political Research and Analysis
- (2) Development of Plans of Action and Policy Initiatives
- (3) Financial Development, i.e., fund raising

Operational Strategy (Refer to Figure 2)

The CSPRA will develop the new policy initiatives and the "cookbook" instructions through a strategic planning process that uses the following resources:

- (1) Professional political consultants who will provide political research data and analysis.
- (2) Representatives from selected existing Black Republican organizations who will serve as directors and advisors.
- (3) The Black Business Community which will accept the responsibility for financial support.
- (4) Republican National Committee (RNC) financing will be optional, as the proposal and CSPRA will be able to operate without it.

The products of CSPRA will be funneled through the Vice President, who would be the main communicator and proponent of the instructions and the policy initiatives. These products will be proposed by him to the Republican Congressional candidates and members of Congress, Republican state and local candidates and officials, Federal and state agency appointed officials, the Republican National Committee and Presidential candidates in both primary and general elections, and other major national Republican figures.

The above recipients of these products will then apply these instructions to the U.S. Black voter population. The political research data and analysis will measure results, analyze data and feed back into the planning process of CSPRA.

The Black Business Community is capable of providing the funding necessary to support CSPRA, provided the Republican Administration assures fair treatment in the application of existing laws and regulations. Therefore, a Black Business Ombudsman on the staff of the Administration must be established to act under the authority of the Administration on behalf of the Black Business Community with the Federal agencies.

IMMEDIATE ACTIONS:

To initiate the implementation, the following actions are necessary:

- (1) Vice President Bush agrees to be the central communicator of the work of CSPRA.
- (2) Vice President Bush agrees to establish or cause to be established a Black Business Ombudsman in the Administration.
- (3) Ted Adams organizes and establishes CSPRA.

CENTER FOR STRATEGIC POLITICAL RESEARCH AND ACTION

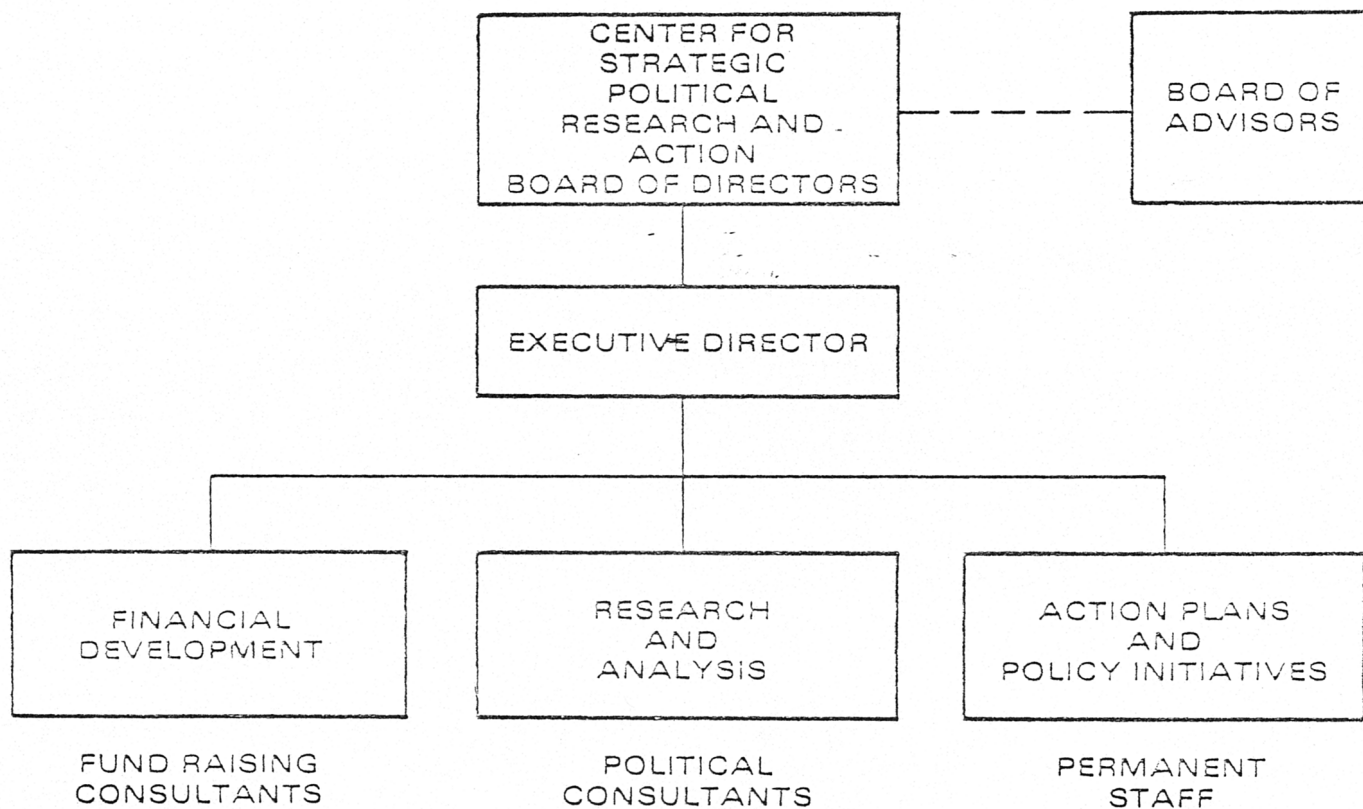


Figure 1

PROPOSAL FLOW PLAN

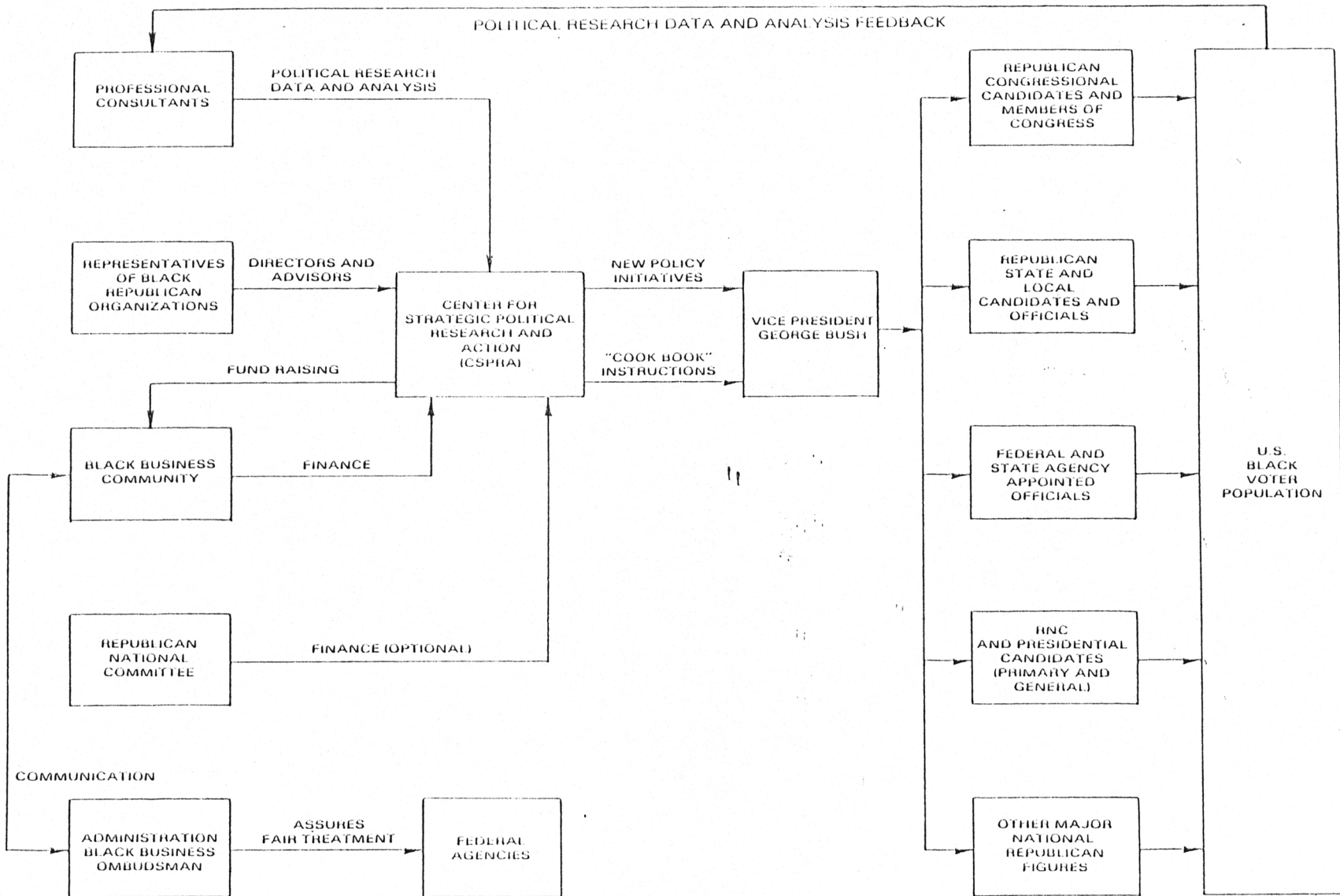


Figure 2

INITIATIVES AND INSTRUCTIONS

INITIATIVES AND INSTRUCTIONS

PROBLEMS/PERCEPTIONS	SUGGESTED ACTIONS	TIME FRAME			
		Immediate	0 - 6 Months	0 - 12 Months	12 Months and Longer
<u>A. BLACK CAPITALISM</u>					
1. Current Administration policies undercut the efforts toward "Black Capitalism" that were started by President Nixon, thereby fostering the possibility of a nation-wide vengeance vote against Republican candidates.	Revive concept of Black capitalism that grew out of the 1968 riots and that eventually led to PL 95-507. Use the massive federal procurement means of targeting procurement dollars to Black entrepreneurs in predominantly Black communities. budget, particularly the defense budget, as a means of targeting procurement dollars to Black entrepreneurs in predominantly Black communities. Have the attorney general require all departments to comply with the subcontracting provisions of PL 95-507, and punish and replace those officials failing to do so. Have the attorney general support the efforts of the Secretary of Transportation to assure that minority business participation in the Surface Transportation Act of 1982 is fact and not fiction.	X			
2. Blacks see through the smoke screens and mirrors that the Administration has used to profess its support for Black business. Black business people are sophisticated enough to recognize that the Administration, especially the Small Business Administration, has in fact hurt, rather than helped.	Replace SBA administrators/policy-makers with those more knowledgeable about and supportive of the contributions of small and minority-owned and minority-owned businesses. This would give significant boost to U.S. economic growth. This would also send a positive signals that the Administration is serious regarding its commitments to small and minority businesses.	X			

PROBLEMS/PERCEPTIONS

SUGGESTED ACTIONS

A. BLACK CAPITALISM (CONTINUED)

3. Despite the rhetoric in presidential speeches and official statements, the Republican party, for all practical purposes, has stopped helping Blacks, minorities, and other small businesses for that matter. A case in point is the failure of the department and agencies of the executive branch to meet procurement goals, the failure of the SBA to make funds available to minorities and Vietnam Veterans that Congress has appropriated.

Require the heads of departments and agencies of the executive branch to be thoroughly familiar with the President's commitment to minority business development as contained in his December 17, 1982 statement, his July 14, 1983 executive order, and his August 5, 1983 official memorandum. Institute a followup system to assure that the President's goals and objectives are achieved within the prescribed time periods. Redirect or replace those individuals at all levels who are unable or unwilling to work toward achieving the President's goals. Involve the Office of Management and Budget (OMB) in this effort so that federal acquisition regulations (FAR) cover adequately the procurement policies that are required, and that differences in interpretation by the departments and agencies are resolved promptly before damage is done to the minority business development programs.

X

B. BLACK VOTE

1. It has taken too long for the Administration and the Republican National Committee (RNC) to recognize the need to be concerned about Black votes. It may even be too late to express this concern, due to the fact that Black Americans are not as easy to fool as they once were.

The RNC should cease discounting the Black vote (i.e., rather, think positive); the experiences of Congressman Edwards (Okla.), Bethune (Ark.) and Livingston (La.) should be utilized as "lessons learned" in strategizing campaigns for candidates with Black constituencies. The three Congressmen with positive experiences re their Black vote should be used as resource people in conjunction with impending primaries as well as Election '84.

X

PROBLEMS/PERCEPTIONS	SUGGESTED ACTIONS	TIME FRAME			
		Immediate	0 - 6 Months	0 - 12 Months	12 Months and Longer
B. <u>BLACK VOTE (CONTINUED)</u>					
2. Blacks did not vote to their full potential in 1980, but 1984 will be different. If voter registration drives are as successful as they appear to be, and if Blacks turn out in 1984 throughout the nation as they did in recent municipal elections, the Republican White House and Senate majority are in jeopardy.	Using the RNC's network of nationwide Republican organizations develop a Black voter outreach program on the Edwards, Bethune, Livingston model. Concentrate efforts on those districts and states that can have the most impact on the Republican party's ability to retain the White House, and its majority in the Senate, and increase the number of seats in the House and by doing so pick-up additional state houses.	X			
3. Republic officials have the misconception that the Democratic party can take the Black vote for granted. Nothing is farther from the truth. Republicans must understand that Black Americans are not unlike other Americans, in that they want respect, recognition, control of their own destiny and their share of the economic pie.	Deliver a clear and strong message from the White House level via the RNC network at the regional and local level that Black American's hopes and aspirations are no different than other Americans. Recognize that the problems facing Black Americans are economic rather than civil rights oriented. Assure that federal agencies are targeting federal procurement programs to Black areas of greatest need via a network of Black entrepreneurs with proven track records. Redirect or replace those appointed officials in DOC, MBDA and SBA who are unwilling or unable to work diligently to better the economic status of Black Americans, as they carry out Administration policies and philosophy.			X	

PROBLEMS/PERCEPTIONS	SUGGESTED ACTIONS	TIME FRAME			
		Immediate	0 - 6 Months	0 - 12 Months	12 Months and Longer
<u>C. PUBLIC RELATIONS/INFORMATION</u>					
1. The Republican Party is viewed by many, including Black Americans, as having two major thrusts: (1) the reimpowerment of White Protestant males (2) other institutional developments predicated on the thesis of the Founding Fathers. Unfortunately, the Founding Fathers in 1776 did not foresee the achievement of women in equal partnership with men nor the large increase in minority members in our population. The 3 million people living in 1776 is a far cry from the 225 million today. This is a different America than was initially envisaged. In short, the Republican Party in many ways is thought of as a party, espousing the values of the "Founding Fathers", which is out of step with today's times.	To counter the negative "vibes" currently running through Black communities in America, there is need for a well-orchestrated, high visibility campaign demonstrating Presidential commitment for social, economic and political advancements. A White House Conference on Black problems is clearly in order. Participation should include representatives from such organizations as the Urban Institute, the Joint Center for Political Studies, and more, regarding an agenda. One or more Executive Orders should be dispatched at the end of the Conference.	X			
2. A large gap exists between the RNC and local level Republican organizations. No serious effort has been made to bridge this gap. It is not enough to rely on some "trickle down" theory. Republicans at the local level must be convinced that their concerns are being heard and dealt with at the top.	RNC organize "task forces" on a regional or "key" state basis. Designate task force members - meet at regional/local level - develop individual agenda/plan. Follow-through and more follow-through is needed.	X			
3. Blacks are insulted by the lack of visits to Black communities by senior White House officials, including the President and Vice President as a means of showing genuine concern rather than to serve the purpose of the Administration, such as Mr. Reynolds visit to Mississippi with the Rev. Jesse Jackson.	Initiate low-key, but dynamic, program of visits by Administration officials to Black churches, schools, colleges, city halls of major metropolitan areas, and other communities as required. Plan these visits in conjunction with the regional/local Republican organizations, avoid the "shotgun" approach and tailor the visits to meet needs of the respective communities.				X

TIME FRAME
 0 - 6 0 - 12 12 Months
 Months Months and Longer

SUGGESTED ACTIONS

C. PUBLIC RELATIONS/INFORMATION (CONTINUED)

4. The President is rarely, if ever photographed, having Black persons in attendance at policy making meetings, whether in the press or on TV. Blacks, rarely if ever, travel with the President or Vice President.

Appoint a Black media specialist to the White House Office of Communications with authority and budget to assure that Blacks are routinely included in White House photo sessions, press and television releases, and other media events, showing them making a meaningful contribution to government policies and programs. Show Black officials, government and private, participating in high level strategy meetings at Camp David, and the Reagan west coast White House. Require communications office to assure that visits of Administration officials to "key" regions - states and municipalities - receive positive coverage in the major media, but also in the media that is of the most interest to Black citizens in the respective communities.

X

5. Republicans must understand that the Black community must and will set its own agenda. Warm-over rhetoric and empty promises will not work in attracting Blacks to Republican candidates.

The RNC should begin a long-term pro-active strategy to attract/recruit Blacks who are accepted leaders in the Black Community. Electing Black Republicans to office requires a definitive policy and accompanying strategy.

X

PROBLEMS/PERCEPTIONS	SUGGESTED ACTIONS	TIME FRAME			
		Immediate	0 - 6 Months	0 - 12 Months	12 Months and Longer
<u>C. PUBLIC RELATIONS/INFORMATION (CONTINUED)</u>					
6. It appears that the President has ignored Black appointees within his Administration. He has never fully utilized Black staffers such as, Melvin L. Bradley, Special Assistant to the President. Mr. Bradley as special assistant has no authority to deal directly with federal agencies that are insensitive to Black problems. He is not included in meetings with the President and does not have the accessibility to the President which should, in fact, go hand in hand with his position.	New emphasis on attracting Blacks to the Republican Party will likely, of necessity, increase Mr. Mel Bradley's access to the President/Vice President. In addition to immediately sending appropriate signals regarding acceptance of Blacks at highly visible, policy-making levels, Black appointments should be made to the following White House/executive branch positions: (a) Political Office; (b) Office of the Press Secretary (c) Office of Intergovernmental Affairs. (d) Office of Management and Budget (e) Office, Secretary of Defense	X			
7. Blacks perceive outreach programs emanating from Washington to be a sham because of the individuals who have been selected to carry them out.	The RNC must modify its policy of selecting only Blacks who perceive themselves as a special, elitist corps, to appoint others willing to act as true public servants. Additionally, party policy must also be developed, and articulated, so that public service policies are viewed as sincere as well as meaningful.			X	

PROBLEMS/PERCEPTIONS

SUGGESTED ACTIONS

TIME FRAME
 Immediate 0 - 6 Months 0 - 12 Months 12 Months and Longer

D. EMPLOYMENT/TRAINING/EDUCATION

1. Continued high unemployment is a key deficiency in the Administration's economic programs. It strikes hardest at the Black workers in the automobile and smokestack industries. Black males that constitute large percentages in these industries are faced with special problems of antiquated/eroding skills. Additionally, the unequal struggle of Blacks in America has no greater inequity than that marked by Black youth unemployment. Yet, the Administration does not take the initiative to introduce new programs. On the contrary, it is dismantling the CETC program, and reluctantly went along with the Job Training Partnership Act, which gives assistance to White citizens as well as Black.

The Administration should appoint a Blue-Ribbon Committee of top industrialists to promote employment opportunities. Moreover, because small businesses have effected greater expansion in employment opportunities and technology in the U.S. than big businesses, the former should be involved as well. Special attention is needed for those Blacks dispatched from "Sunset, Smokestack Industries" being introduced to new opportunities, and exposed to suitable training. Existing organizations that have paid particular attention to studying the problems of youth unemployment should be consulted. OIC (Opportunities Industrialization Center) is one such noted authority on the subject problems.

X

2. Blacks do not understand how the President can be for tuition credit for private schools and against public education, knowing full well that Blacks cannot afford private schools, and the establishment of a lot of the private schools is related to the court's rulings that schools should be integrated.

Initiate information programs with purpose of demonstrating that Republicans are not against public education, but are for quality education. Follow-up with administrative and legislative actions supportive of improved public education.

X

PROBLEMS/PERCEPTIONS	SUGGESTED ACTIONS	Immediate	0 - 6 Months	0 - 12 Months	TIME FRAME 12 Months and Longer
D. <u>EMPLOYMENT/TRAINING/EDUCATION (CONTINUED)</u>					
3. Republicans appear to believe that Blacks are taking jobs away from Whites, and nothing is done to dispel this myth. Every statistic indicates otherwise. Black unemployment is twice that of Whites. The economic recovery that is underway is bypassing those basic industries that have been a traditional source of Black employment.	A new industrial policy must include federal leadership in jobs creation that the private sector alone cannot orchestrate as a means of overcoming unemployment that is affecting every U.S. community. There are essential public/private works projects, (relatively geared to labor intensive (including water systems, sanitation projects, railroads, etc.), that are simultaneously needed to support infrastructural renewal that would hence benefit overall economic growth, and thus prove to be other than just "make-work projects."			X	
E. <u>ATTITUDES/PHILOSOPHY</u>					
1. Congressional leaders and White House officials have been receiving bad advice for too long a time from some staunch conservatives who are insensitive to the concerns of Black Americans, and may even fear Black citizens, that want to share in the American dream.	Include in a dynamic information and education program a specific agenda to counter the myths and misconceptions with respect to Black Americans. Blacks want to be employed, not unemployed. Blacks want to be able to move above the poverty line, not stay trapped below it. Blacks want a good education for their children and a decent place to live. Simply stated, their hopes and aspirations are no different than other Americans. Use the RNC organizational network that extends from the Washington level to the local jurisdictions to educate and inform that improving the economic status of Black Americans is in the best interest of all constituencies.			X	

PROBLEMS/PERCEPTIONS	SUGGESTED ACTIONS	TIME FRAME			
		Immediate	0 - 6 Months	0 - 12 Months	12 Months and Longer
E. <u>ATTITUDES/PHILOSOPHY (CONTINUED)</u>					
2. Republicans are against affirmative action, and ignore the fact that most voting age Blacks attained their current status as a result of some type of affirmative action program within their schools, colleges, and workplaces.	Recognize that Black Americans are supportive of affirmative action programs and in public pronouncements and speeches acknowledge that affirmative action has not cured all evils, but that it has had a positive effect in certain areas and under certain circumstances. Through an outreach program on the Edwards, Bethune, Livingston model, identify and address the concerns of Blacks and others at the local level. Establish a followup program within the Attorney General's office to assure that the applicable laws are applied uniformly and appropriately to redress obvious wrongs.		X		
3. Blacks cannot understand why the President is supporting the International Monetary Fund, and spending millions in Central America and the Middle East, while at the same time is against social programs.	Steps must be taken to utilize the Black press, TV and radio, as well as political science departments at historically Black colleges, as vehicles for enlightening Black America re a <u>balanced domestic and international policy</u> , including support to the IMF, to Social Security, to Aid to Dependent Children, etc. -- except perhaps in a different ratio or "mix" than Democrats.				X

PROBLEMS/PERCEPTIONS	SUGGESTED ACTIONS	TIME FRAME			
		Immediate	0 - 6 Months	0 - 12 Months	12 Months and Longer
E. <u>ATTITUDES/PHILOSOPHY (CONTINUED)</u>					
4. Republicans, in general, display a lack of respect for Blacks and their overall attitude is one of disregard. On the other hand, White Republicans at the local level are developing a disrespect for the RNC because of its insensitivity to Black problems at the local level.	The RNC must be involved to influence White Republican office-holders/candidates that the problems of Blacks (perceived or otherwise, such as illegitimacy, etc., etc.) are national problems not just Black problems. Sensitivity seminars may be mandatory to influence attitudes and increase sensitivities re <u>all</u> Americans.			X	
5. Blacks perceive Republicans as being less than human when dealing with Blacks, the disadvantaged, the elderly and the handicapped. They perceive the Republicans to be very sensitive to the concerns of the rich and privileged.	Prove by specific actions that the Republican Party recognizes the needs and concerns of Black Americans, the elderly and the handicapped. Target federal procurement dollars by means of prime contracts and subcontracts under PL 95-507 with Black-owned business to those Black communities that are hardest hit by poverty and unemployment. Substitute paychecks for unemployment or welfare checks. Work toward reform of the social security system so that older workers are not penalized for working, and that the government is in the forefront in the campaign to control soaring medical costs. Use federal owned farm surpluses of all commodities, not just cheese and dried milk, to stretch the food budgets of the poor, underprivileged and needy. Use Black churches and other reputable community organizations to control distribution and equitable sharing.				X

PROBLEMS/PERCEPTIONS

SUGGESTED ACTIONS

TIME FRAME
Immediate 0 - 6 Months 0 - 12 Months 12 Months and Longer

E. ATTITUDES/PHILOSOPHY (CONTINUED)

6. Blacks understand being conservative to mean that Blacks are to be kept in their place at the bottom of the ladder. The Republican leadership is doing nothing to change their perception and continues to foster programs that help the rich get richer such as favorable tax treatment, Payment In Kind (PIK) program for farmers, some of the main beneficiaries who have turned out to be the large agrobusinesses.

The Administration/RNC must find ways to articulate Republican doctrine - particularly re such perceived conservative attitudes as fiscal affairs. By utilizing spokespersons who are credible to the Black Community (e.g., media persons, teachers, etc.) the Administration will in turn be pleasantly surprised by the numbers of Blacks who also have conservative views.

X

7. Earlier steps to re-dress age-old discrimination problems in the Armed Services by affirmative action in promotion have recently been eroded. Moreover, where the U. S. Army has clearly been in the "lead," other services have seriously lagged. For example, there are currently twenty-six (26) flag officers in the Army, but only one in the Marines. The Navy and the Air Force don't reflect significant advantage over the Marines. Furthermore, the Army now has less representation of Black Officers in its ranks of captain-to-colonel than in recent times. Hence, earlier gains will soon be lost.

Require the Secretary of Defense to report on the demographics of the armed forces to assure that representation among all ethnic groups and all levels in the force structure is fair and equitable. Initiate a follow-up program to assure that gains of the past are not eroded, and attitudes are not allowed to revert to the days of blatant discrimination and unfair treatment of Black Americans, a group that has been totally supportive of the U. S. government in all of its military undertakings, and carried the brunt of the combat action in Vietnam.

X

TIME FRAME
 0 - 6 0 - 12 12 Months
 Months Months and Longer

PROBLEMS/PERCEPTIONS

SUGGESTED ACTIONS

E. ATTITUDES/PHILOSOPHY (CONTINUED)

8. Administration "courting" of South Africa is clearly viewed by many - particularly Black Americans - as favoring the Apartheid regime of Johannesburg over Black Africa.

9. Much of Black America is still reeling from the negative signals sent by the Carter Administration, per the alleged Brzezinski Report, regarding destroying possible linkages between Black Americans and black Africa. The systematic elimination of blacks in key senior foreign service positions (Ambassadors, AID Directors, etc.) -- particularly in Africa (but elsewhere as well) -- has given final proof to the authenticity of the Carter Administration's policy regarding the Brzezinski Report.

The Administration should increase its aid and trade with Black Africa, as a clear sign of economic support; and adopt the "Sullivan Principles" as Administration policy regarding U.S. private sector behavior in South Africa.

The President should not only insist on correcting the disparities regarding Black Americans serving in Africa, but could go a step further by promoting economic ties between the U.S. and Africa through assisting Black American businesses to establish a beachhead in Africa.

X

X

TIME FRAME
 0 - 6 0 - 12 12 Months
 Months Months and Longer

SUGGESTED ACTIONS

E. ATTITUDES/PHILOSOPHY (CONTINUED)

10. The signal sent to the world through the lack of Black senior officials serving in prestigious posts e.g., Canada, Sweden, Etc.) is clearly a negative one.

The President must begin proof of his willingness to court/attract Blacks to the Republican Party by at least rewarding competent Blacks who have been longstanding Republicans. Moreover, appointments of Black Democrats as well will likely be seen as a positive step where White Democrats, such as Jeanne Kirkpatrick, are not the only Democrats who can serve in a Republican administration.

X

Date 9-24

TO:

TIM

FROM:

THE VICE PRESIDENT

1. Under Tom's
formula will the
Pres. do an
event for him?

Help!

as



GEORGE BUSH
September 26, 1983



Dear Tom:

Your letter of September 7 was here when I returned from a long overseas trip.

The event for Senator Percy was scheduled last spring and it is a fundraiser. The point I would like to make about this event is, just like the President's visit to Illinois, this was scheduled before anyone had announced their candidacy to oppose Senator Percy.

My view as former Chairman of the Republican National Committee was to stay out of primary battles and I believe I have been very good about adhering to this policy. However, in this case, the fundraiser resulted from a very early commitment.

Let me state here that I am indeed remaining neutral in this race. I am not in a position to commit to doing the fundraising event that you ask, but I have asked that my staff look into this matter further.

Sincerely,

GEORGE BUSH

WASHINGTON

Honorable Tom Corcoran
United States House of Representatives
Washington, DC 20515



RECEIVED SEP 12 1983

CORCORAN FOR SENATE COMMITTEE

P. O. BOX 2667 • AURORA, ILLINOIS 60507

September 7, 1983

The Honorable George Bush
The Vice President
Washington, D.C. 20510

Dear Mr. Vice President:

It has recently come to my attention that you accepted an invitation to appear at a fundraising reception for our mutual friend Senator Charles Percy on October 3, 1983, in Washington, D.C. As you know, early this summer I formally announced my candidacy for the United States Senate seat he currently holds.

When I announced my candidacy, I sent a letter to the President asking his neutrality in this Republican primary contest. He sent the enclosed reply affirming his neutral position. Further, in a telephone conversation with Jim Baker, I was assured that the Administration intends to abide by that neutrality. Specifically, it was decided that if an Administration official-- the President, Vice President, Member of the Cabinet or other high-level official -- were to accept an invitation for one candidate, the other would then be offered an appearance for fundraising or other purposes. Because the event for Chuck, priced at \$500 per person, is clearly a fundraiser, I would like to invite you to a fundraising dinner for me to occur after the first of the year in Illinois. I would of course defer to your busy schedule for the details and arrangements.

I look forward to your favorable reply, Mr. Vice President.
With best wishes, I am

Sincerely,

Tom Corcoran
Representative in Congress

Enclosure

cc: Mr. James Baker

OMBUDSMAN TASKS

ADMINISTRATION OMBUDSMAN TASKS

CURRENT AND TYPICAL PROCUREMENT DIFFICULTIES

Contrary to widespread belief, that portion of the federal bureaucracy which is involved in the administration of various procurement assistance programs and the procurement of needed goods and services does not always act in the best interests of the government. The disregard of official procurement policy contained in the acquisition regulations and stated presidential objectives impacts adversely on two major groups, black businesses which are trying to enter the economic mainstream, and the U.S. taxpayers, who are not getting the advantage of lower prices.

A wide range of examples could be provided, but in the interest of brevity and for the purpose of demonstrating the problems being encountered, this addendum to the proposal relates the experiences of just two Black-owned and managed businesses in two different fields of endeavor.

The first two examples pertain to Univox California, Inc., a high technology manufacturing firm located in the Watts section of Los Angeles. Among other products it manufactures reverse osmosis water purification units (ROWPU) for the U.S. Army. Both examples presented pertain to ROWPU's, the 600 GPH unit that is in production and the 3,000 GPH unit for which the Army is in the process of procuring design services.

The next series of examples relate the experiences of Unified Industries Incorporated (UII), a professional services engineering company located in Northern Virginia. Of the three examples cited, two are U.S. Navy programs, and one is U.S. Army. The Navy programs involve training, a field in which UII has demonstrated a unique capability. The Army program involves the maintenance and storage of inactive Army vessels, another field that UII has demonstrated a capability in that it is already performing a similar service for the U.S. Navy at two locations.

These "typical" procurement difficulties are the type that require intervention by someone in authority to assure that fairness is practiced, that the bureaucracy follows policy and is in step with the objectives of the Reagan Administration, and the interests of the U.S. taxpayers are being served.

These cases, and others that can be readily indentified without much difficulty, are ideal candidates for inclusion in th ombudsman's portfolio. Details with respect to these illustrative examples are contained herein.

ADMINISTRATION OMBUDSMAN TASKS

Current And Typical Procurement Difficulties

UNIVOX CALIFORNIA, INC. (UNIVOX)

Example No. 1

Government Contract No. DAAK 7080-C-0026
Reverse Osmosis Water Purification Unit (ROWPU)
600 Gallon Per Hour (GPH)

Example No. 2

Solicitation No. DAAK70-82R-1233
Reverse Osmosis Water Purification Unit
(ROWPU) 3000 Gallon Per Hour (GPH)

UNIFIED INDUSTRIES, INC. (UII)

Example No. 3

Contract No. N00024-82-4029
U.S. Navy Onboard Maintenance Training (OMT)
Program

Example No. 4

Solocitation No. DAA J09-83-A149
U.S. Army Charleston Storage Activity

Example No. 5

Solicitation No. N61339-82-0098
U.S. Naval Equipment Training Center (NTEC)

Example No. 1

PROCUREMENT OF 152 EACH 600 GALLON PER HOUR REVERSE OSMOSIS WATER PURIFICATION UNIT (ROWPU)

BACKGROUND

Univox-California is a Planned Emergency Producer for the 600 gallon per hour (GPH) Reverse Osmosis Water Purification Unit (ROWPU), and requested that the Army negotiate the planned procurement of 152 units on a sole-source basis. The Army's response advised that the procurement would be made on a 100 percent small business set-aside. The Army's position is not consistent with the DoD policy on maintaining the mobilization base in proper state of readiness.

In 1979, Univox-California was selected to produce the 600 gallon per hour (GPH) Reverse Osmosis Water Purification Unit (ROWPU) under a pilot program established by Section 8(a)(1)B of the Small Business Act. Under the initial contract and several add-ons, Univox has produced 455 units for the Armed Forces. Univox has received several letters commending the company for the quality of its product and for consistently being ahead of schedule. Univox is one of two companies in the mobilization base as Planned Emergency Producer for the 600 GPH ROWPU.

On April 7, 1983, Univox forwarded a letter to the U.S. Army Mobility Equipment Research and Development Command (MERADCOM), Fort Belvoir, expressing interest in the 1983 procurement of the units, and on April 28, 1983, MERADCOM responded that the procurement would be made on a 100 percent small business set-aside.

DISCUSSION

DOD policy requires procuring activities to consider the needs of the mobilization base in making procurement decisions, and where appropriate to negotiate contracts with those firms on the Register of Planned Emergency Producers. The intent of the policy is to keep the mobilization base in a proper state of readiness. While contracting with other than mobilization base producers is permissible, we find no reasonable basis for doing so in this instance.

Univox is producing quality products ahead of schedule and at a cost negotiated between the company and the U.S. Army.

There are two companies on the Register to produce the 600 GPH ROWPU --Univox and VSE Corporation, Alexandria, Virginia 22303. VSE has advised the Army that it does not wish to participate in the 1983 procurement of the 600 GPH ROWPU. The need to maintain the mobilization base is evident by the Armed Services identified need for 778 additional units.

In December 1983, Univox will complete its current contract for the 600 GPH ROWPU, and the production line will be shutdown and trained personnel.

released. Since there are no other firms producing the 600 GPH ROWPU a new contractor may be selected, and would incur start-up time and cost at the same time Univox would be closing an experienced and highly successful production facility. This action would be highly disruptive to the mobilization base, violate DoD policy, halt the progress of a successful minority firm, and would release more than 100 employees in an area of high unemployment.

Negotiating the contract with Univox would be consistent with DoD policy on maintaining the mobilization base and President Reagan's statement of December 17, 1982, and subsequent pronouncements regarding support for minority businesses.

RECOMMENDATION:

1. That the Army negotiate with Univox on a sole-source basis procurement of the 600 gallon per hour Reverse Osmosis Water Purification Unit.
2. That the Army recognize Univox' Emergency Planned Producer status in all subsequent 600 GPH ROWPU's.

Example No. 2

3,000 GALLON PER HOUR (GPH) REVERSE OSMOSIS WATER PURIFICATION UNIT (ROWPU)

Background

As the next generation to the 600 GPH ROWPU the U.S. Army last January issued an RFP for the design of a 3,000 GPH unit. Univox was one of eight companies that responded. Shortly thereafter, the Army (MERADCOM, Fort Belvoir, VA) sent Univox a letter dropping Univox from further consideration because, according to the Army, the Univox proposal was "technically deficient," citing over 20 points of technical deficiencies.

Univox filed a formal protest and the Government Accounting Office (GAO) in an 11 page opinion determined "no rational basis has been established for rejection of the proposal..." It was further ascertained that rather than the Univox proposal being technically deficient the Army evaluation failed to conform to sound technical practice. The Army was directed by the GAO to reinstate the Univox proposal prior to making an award.

Discussion

It is widely held by persons familiar with this procurement that:

- o The Army had "pre-selected" two other firms to perform this contract.
- o The likelihood of a fair evaluation of a reinstated Univox proposal is, under the circumstances, highly remote.

Recommendation

- (1) That MERADCOM review all proposals with a new panel of evaluators.
- (2) That MERADCOM insures a fair and objective review of the proposals.

Example No. 3

ONBOARD MAINTENANCE TRAINING PROGRAM (OMT)

Background

UII has been performing the OMT program for NAVSEA for a number of years, first as an SBA 8(a) program participant, and since September 30, 1983 under an interim six month "bridge" contract, while the Navy decides on the procurement approach it will use for FY 84 and beyond.

NAVSEA has advised Senator Paul Tribble that it is in the process of initiating follow-on procurement of OMT by means of a small business set-aside, with a portion reserved for the SBA 8(a) program. If this action proceeds, UII will be denied the opportunity to participate.

Discussion

There is more to this problem than just the routine handling of a contractor operated training program. The Navy's position is not consistent with the President's August 5, 1983 memorandum that was distributed to all heads of departments and agencies of the executive branch, and which specifically called attention to the need to provide continued support to the firms that were recently graduated from the Small Business Administration's (SBA) 8(a) program. It is inconsistent with SBA's commitment with the Minority Business Development Agency (MBDA), to provide continued support to the 8 (a) "graduates" as they strive to enter the economic mainstream. It demonstrates again that the Navy is not concerned with the taxpayer's interest inasmuch as the Navy plans to involve three contractors which will require three separate organizations with resultant higher costs for performing the work, as well as the increased costs of contract administration.

UII owes much of its success to its participation in the 8(a) program. It does not believe that SBA helped UII in its development to the point where it is able to compete for contracts just to be denied that opportunity. UII is not asking for any special treatment. Its only aim is to have an opportunity to compete on a program it has performed successfully on.

Senator John Warner and Senator Paul Tribble have been strong supporters of the UII position and have expressed their concern to the Navy on a number of occasions over the past few months. Copies of letters they have sent are attached. Also attached are copy of the reply to the Senator Tribble dated September 28, 1982, which stated the Navy's proposed course of action, and the President's August 5, 1983 Memorandum on minority business development, which is pertinent to this case.

Recommendations:

In the interest of efficiency, cost effectiveness and fairness it is recommended that:

o Any further steps in the OMT procurement process be held up so that the Navy does not wed itself to an irrevocable and unwise decision.

o The Navy be required to make the OMT follow-on an unrestricted solicitation to enhance the competitive aspects, with resultant dollar savings and improved program management.

o SBA publish a policy directive that will permit 8(a) graduates to compete for follow-on work on existing 8(a) contracts, and which will also allow the procuring activities to count these amounts toward the procurement objectives established by President Reagan.

Encl.

a/s

UNITED STATES SENATE

WASHINGTON, D.C. 20510

SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES
SUBCOMMITTEE ON OIL, COAL, AND MINERAL RESOURCES
RULES AND ADMINISTRATION COMMITTEE
JOINT COMMITTEE ON THE LIBRARY OF CONGRESS

July 25, 1983

Vice Admiral Earl B. Fowler
Commander
Naval Sea Systems Command
Department of the Navy
Washington, D.C. 20362

Dear Admiral Fowler:

I am writing concerning NAVSEA's onboard maintenance training (OMT) CONTRACT N00024-82-4024 which, I understand, is about to expire on September 30, 1983. I am informed that NAVSEA is in the process of initiating follow-on OMT procurement, and is considering making it a small business set-aside, with a portion reserved for the SBA's 8(a) program.

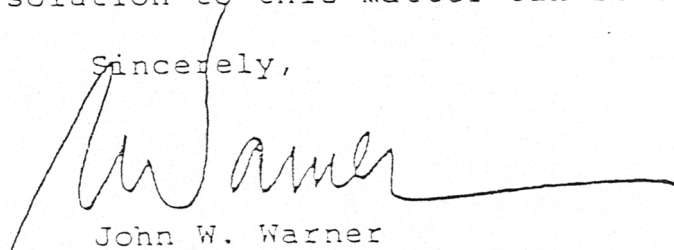
Unified Industries, Inc. (UII) is currently serving the Navy under this contract. They have recently grown to the point where they are no longer eligible for 8(a) work or to compete for normal small business set-asides.

If the Navy proceeds on its present course, it will eliminate from consideration a firm that has developed a real expertise, along with a strong staff of instructors and management personnel who work in this arena. It would seem that cost savings, as well as greater efficiencies, would accrue from a policy that would allow firms such as UII to compete for this contract.

I would urge you to review this matter in the context of your overall mission and, if circumstances permit, give consideration to opening competition on the contract to a broader scope of firms. I am confident that the potential benefits to all concerned would be worthwhile.

Thank you very much for your consideration. I am hopeful that a satisfactory solution to this matter can be reached.

Sincerely,



John W. Warner

United States Senate

WASHINGTON, D.C. 20510

July 29, 1983

Honorable James S. Goodrich
Under Secretary of the Navy
Room 4E714, The Pentagon
Washington, D.C. 20350

Dear Mr. Goodrich:

This is to supplement your meeting with the President and Executive Vice President of Unified Industries in your office on June 22, 1983. The purpose of the meeting was to discuss NAVSEA Contract N00024-82-4029, which UII has been performing successfully for a number of years. The expiration date of this contract is September 30, 1983.

UII's concern at the time of the meeting resulted from indications that the Navy was going to propose that this contract be designated a small business set aside, with one-third reserved for the 8(a) program. If this occurs, UII will not be able to participate because it has graduated from the 8(a) program and is unable to participate in any type of set aside program. UII has no problem with one-third of the contract being set aside for an 8(a) firm, but is concerned that it may not be able to compete for continued work on a contract that it has been performing successfully since 1980.

I am advised that UII successfully bid on a companion contract (N00024-82-C4545) based on the assumption that the company would be able to continue to perform the work provided for in N00024-82-4029 and thereby achieve cost savings to the contractor and to the Navy. I am further advised that the Navy is fully aware that UII's successful bid on Contract N00024-82-C4545 was premised on this fact. It would seem that fairness dictates that UII be allowed to bid on N00024-82-4029 and continue the work that this company has successfully undertaken. Since this contract represents 15-20% of UII's annual sales, it appears that an alternative solution should be considered which would be equitable to all concerned, i.e.:

1. Award the OMT contract on a sole source basis, a procurement method that appears to be justified in this case;
2. Add the OMT tasks to UII's existing shop qualification improvement program (SQIP) Contract N00024-82-C4545, a technique that has been used successfully on other occasions; or
3. Proceed with the OMT procurement on an unrestricted competitive basis, with the successful offeror required to include the services of an 8(a) firm for a portion of the work.

Honorable James S. Goodrich
July 29, 1983
Page 2

I would appreciate your reviewing the concerns expressed herein and advising me of an equitable solution to this problem.

Sincerely,

/s/

Paul Tribble

PT:mob



DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
WASHINGTON D C 20350

SEP 23 1983

The Honorable Paul Tribble
United States Senate
Washington, D.C. 20510

Dear Senator Tribble:

This is in response to your letters of June 10 and July 29, 1983, concerning Unified Industries, Inc. (UII) and their loss of access to existing business with the Navy due to the firm's recent graduation from the Section 8(a) Program. Further, UII has been determined to be other than a small business concern and is no longer eligible to participate in most small business set-aside actions.

Specifically, your inquiry focused on the procurement plan in FY 1984 of two programs of the Naval Sea Systems Command, (i) SQIP (Ship Qualification Improvement Program), and (ii) OMT (Onboard Maintenance and Training Program).

The acquisition office (Naval Sea Systems Command) has determined that the Ship Qualification Improvement Program requirement will be procured competitively as an unrestricted procurement. Acquisition of the Onboard Maintenance Training Program requirement will be procured from small business, with a portion of the requirement offered to the Small Business Administration for a small disadvantaged business under the Section 8(a) program, and the remainder of the requirement will be set aside for small business participation.

These procurement actions are consistent with statute and procurement regulations.

I trust this response is satisfactory to your interest. Your continued strong support of Navy programs is appreciated.

Sincerely,

Everett Pyatt

EVERETT PYATT

PRINCIPAL DEPUTY

ASSISTANT SECRETARY OF THE NAVY
(SHIPBUILDING AND LOGISTICS)

THE WHITE HOUSE

WASHINGTON

August 5, 1983

MEMORANDUM FOR:

THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH AND HUMAN SERVICES
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY OF TRANSPORTATION
THE SECRETARY OF EDUCATION
THE POSTMASTER GENERAL
THE DIRECTOR, ACTION AGENCY
THE ADMINISTRATOR, ENVIRONMENTAL PROTECTION AGENCY
THE PRESIDENT, EXPORT-IMPORT BANK
THE CHAIRMAN, FEDERAL COMMUNICATIONS COMMISSION
THE ADMINISTRATOR OF GENERAL SERVICES
THE CHAIRMAN, INTERSTATE COMMERCE COMMISSION
THE ADMINISTRATOR, NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION
THE DIRECTOR, NATIONAL SCIENCE FOUNDATION
THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
THE DIRECTOR, OFFICE OF FEDERAL PROCUREMENT POLICY
THE CHAIRMAN, SECURITIES AND EXCHANGE COMMISSION
THE ADMINISTRATOR, SMALL BUSINESS ADMINISTRATION
THE CHAIRMAN, BOARD OF DIRECTORS,
TENNESSEE VALLEY AUTHORITY
THE ADMINISTRATOR OF VETERANS' AFFAIRS

SUBJECT: Minority Business Procurement Goals

On December 17, 1982, I announced a series of initiatives to be undertaken by my Administration in support of minority business enterprises. Among these initiatives were specific minority business procurement goals. The Federal government must lead the way in providing contract opportunities for minority businesses.

In my December 17 Statement, I directed Federal contracting agencies to increase minority business procurement objectives for 1983 by at least ten percent over actual procurement in 1982. Since that Statement was issued, the Small Business Administration has negotiated an aggregate increase of ten percent in Section 8(a) contracts, prime contracts, and subcontracts. I urge you to take appropriate steps to ensure that these procurement

In order to meet these goals I also urge that you continue active consideration of minority firms for contract awards as they move from the 8(a) program into the economic mainstream. Many disadvantaged firms have benefitted greatly from the program and have developed expertise and capabilities which have proved beneficial to the government's procurement interest. Public Law 96-481, however, required the Section 8(a) program to establish fixed terms of program participation. A number of these firms have already exited or will soon be leaving the program. In order for these firms to continue their development, it is important that they continue to receive serious consideration for the award of government contracts.

Thank you for your cooperation in these important matters.

Ronald Reagan

Example No. 4

U.S. ARMY CHARLESTON STORAGE ACTIVITY

Background

This solicitation involves the maintenance-in-storage of inactive watercraft that are stored at Charleston, SC. UII is uniquely qualified for this procurement inasmuch as it is performing similar service for the U.S. Navy at Bremerton, WA and Philadelphia, PA.

UII submitted a technical and a cost proposal in response to this solicitation. The technical proposal met all requirements of the solicitation. The cost proposal was in a lower amount than the successful offeror, which is the incumbent. Because of these discrepancies, UII has undertaken formal protest action.

Discussion

UII is assisted in its protest by the law firm of Paul, Gordon and Friedland. It accompanied UII to a debriefing held at the Army's Charleston facility on September 15, 1983.

The results of this debriefing reinforced UII's position. The award to the incumbent was improper based on admissions of the contracting officer and documented by UII's attorneys. UII believes the contracting officer to be in error. He acknowledged that UII's technical proposal was acceptable to the Army. He also acknowledged that the incumbent's price was higher than UII's. Due to the obvious errors of judgment and apparent disregard of standard procurement practice, UII intends to pursue this protest, regardless of time and effort involved.

Recommendations

- o that the U.S. Army withdraw its offer to the incumbent and take steps to see that persons engaged in this procurement are required to follow approved procurement practices.

- o that the U.S. Army be required to negotiate with UII on this procurement.

Enclosure: Ltr Paul, Gordon and Friedland - September 20, 1983

PAUL, GORDON & FRIEDLAND

JACK PAUL
GERALD N. GORDON
DAVID H. FRIEDLAND

A LAW CORPORATION
CENTURY CITY
1901 AVENUE OF THE STARS, SUITE 740
LOS ANGELES, CALIFORNIA 90067

AREA CODE 213
277-1322
879-2522

September 20, 1983

DELIVERED
BY MESSENGER

General Counsel
United States General Accounting Office
441 "G" Street, NW
Washington, DC 20548

ATTENTION: Steven Szeremeta, Esq.
Room 7471

RE: Protest of Unified Industries, Incorporated under
Solicitation No. DAAJ09-83-A149 Issued by
United States Army Charleston Storage Activity,
Charleston, South Carolina, John C. Ramspott,
Contracting Officer
Comptroller General No. B-212936

Dear Mr. Szeremeta:

This office represents Unified Industries, Incorporated (hereinafter "Unified"), with respect to its protest under the above-referenced solicitation.

The purpose of this letter is to supplement Unified's earlier protest to you (September 1, 1983) with information gained during a debriefing held at the Army's Charleston facility on September 15, 1983.

The results of this debriefing only fortify Unified's position that the award of the subject solicitation to the incumbent contractor was totally improper.

To his credit, the Contracting Officer opened the debriefing with the candid admission that Unified had an "overall good proposal" and that "we [the Army] could have lived with Unified's proposal with no difficulty."

Just on the basis of this revelation, alone, the award to the incumbent contractor at a price in excess of Unified's proposed price, is patently irregular.

At the time of the debriefing, the Contracting Officer meticulously listed a number of areas of strengths and weaknesses of Unified's proposal which were contained on a typewritten document in his possession. Generally, these areas included technical, corporate

83 SEP 22 P2:16

General Counsel
United States General Accounting Office
ATTENTION: Steven Szeremeta, Esq.
September 20, 1983
Page Two

experience and cost aspects of Unified's proposal. Inasmuch as the Contracting Officer has all of the details of the items covered at the debriefing, both in the form of his original typewritten summary, as well as stenographic notes taken by his secretary, it would appear to be pointless for Unified to attempt, at this time, from the handwritten notes of its personnel, to attempt to set forth its disagreement with the Contracting Officer on a point-by-point basis. Rather, Unified believes that to the extent the Contracting Officer found Unified's proposal to be deficient, he was in error. Unified will respond to each of the points raised in the Administrative Report, which it is presumed, will reflect the areas of alleged deficiencies discussed at the debriefing.

Essentially, Unified's position with respect to this procurement remains unchanged from its initial protest. Unified believes that it was error for the Contracting Officer, after conceding that Unified's proposal was acceptable to the Army, to award a contract to the incumbent contractor at a price higher than that of Unified. Moreover, Unified believes, that its proposal, to the extent that any deficiencies were alleged, was improperly evaluated.

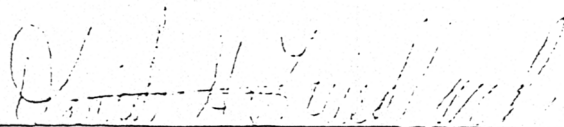
Unified requests that in addition to the usual Administrative Report from the Agency, your office also request a copy of the stenographic notes taken during the debriefing and that copies of both the Administrative Report, as well as those notes, be made available to the undersigned.

Unified will respond to the Administrative Report, as required by your regulations and, will, at that time, advise as to whether or not it desires a conference.

In the event your office desires any further information, at this time, please advise. Thank you for your courtesy and consideration.

Very truly yours,

PAUL, GORDON & FRIEDLAND,
A Law Corporation

By: 
David H. Friedland

DHF:pwm

General Counsel
United States General Accounting Office
ATTENTION: Steven Szeremeta, Esq.
September 20, 1983
Page Three

cc: Mr. John C. Ramspott
Contracting Officer
DRCPO-AWC-S
Department of the Army
U.S. Army Charleston Storage Activity
P.O. Box 5815
North Charleston, South Carolina 29406

Mr. James B. Lee
Executive Vice-President
Contracts
Unified Industries, Incorporated
6551 Loisdale Court
Springfield, Virginia 22150-1854

Mr. John A. Grether
Engineer
Unified Industries, Incorporated
6296 Rivers Avenue, Suite 202
North Charleston, South Carolina 29405

Example No. 5

NAVAL TRAINING EQUIPMENT CENTER (NTEC), ORLANDO, FL

The Naval Training Equipment Center (NTEC), Orlando, Florida issued subject competitive solicitation on November 26, 1982. The applicable size standard selected by the NTEC Contracting Officer was 500 employees. On March 28, 1983 Unified Industries Incorporated (UII) was advised by NTEC that it was the winner of the competition.

One of the unsuccessful bidders filed a protest of the award, alleging that UII was not a legitimate small business, but a branch of, or related to a large business organization. No reference was made to the size standard that the NTEC contracting officer had elected to use for this procurement.

The contracting officer, could have denied the claim, but instead asked SBA to advise the Navy if UII fell within the small business standards, i.e., 500 employees, that were applied to this procurement. SBA did not respond to the Navy's question, but concluded that the standard applied by the contracting officer was incorrect.

SBA's decision was taken over the objections of the Navy, which insisted that UII had met the bidding criteria established by the NTEC contracting officer, and that the SBA, in fact, was violating its own regulations. See attached NTEC letter to SBA dated June 6, 1983. "Size appeal of Unified Industries Inc.; Petition for Reconsideration of the May 24, 1983, decision on Docket No. SAB-83-4-29-100."

Recommendations:

None at this time. UII, with the help of the Navy, attempted to have SBA rule impartially in this case. Recognizing that SBA was more interested in flaunting its authority than assisting a minority-owned business, and recognizing the expense involved in pursuing legal redress, UII elected to accept the SBA decision and looked to the future rather than dwell on the past.

Enclosure as stated



DEPARTMENT OF THE NAVY
NAVAL TRAINING EQUIPMENT CENTER
ORLANDO, FLORIDA 32813

IN REPLY REFER TO:

N-632:OTH
82-R-0098
6 June 1983

To: Small Business Administration, Size Appeals Board, 2100 K Street, N.W.
Washington, DC 20416

Subj: Size Appeal of Unified Industries, Incorporated; Petition for
Reconsideration of the May 24, 1983, Decision on Docket No.
SAB-83-4-29-100

1. The Naval Training Equipment Center (NAVTRAEQUIPCEN) respectfully requests the Chairperson and the Board to consider this letter when ruling on subject Petition.

2. It is contended that subject decision and that of the Regional Office contains material errors of fact in the following areas:

a. The size standard of 500 employees which appears in the solicitation is clear and unambiguous.

b. The size standard set forth in the solicitation has not been appealed.

c. A Contracting Officer's size determination is a final determination for this procurement under Defense Acquisition Regulation (DAR) 1-703(c) and SBA Regulation 13 CFR 121.3-6 unless appealed in a timely manner.

d. The reliance that all offerors placed on the Contracting Officer's good faith size standard determination is a fact which must be considered and addressed.

3. In regard to contention a., there is absolutely no doubt that the solicitation clearly set forth a size standard of 500 employees. The term "not exceed 500 persons" is set forth twice in Section L29. For the Regional Office and the Size Appeals Board (SAB) to categorize such a clear expression of the applicable size standard as "boiler plate" is contrary to the plain language of the solicitation. It is also clear that the Contracting Officer did not intend to establish a size standard in average annual receipts (aar), as there was absolutely no mention of aar in the solicitation. The great weight of the factual evidence in this case leads to the inescapable conclusion that the size standard determination set forth in the solicitation was not unclear, vague, or ambiguous.

Subj: Size Appeal of Unified Industries, Incorporated; Petition for
Reconsideration of the May 24, 1983, Decision on Docket No.
SAB-83-4-29-100

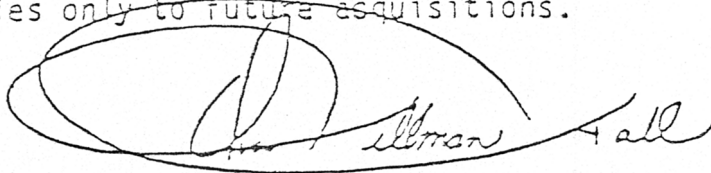
4. As stated in contention b., the size standard determination set forth in the solicitation has not been appealed. Factual proof of this is shown by the complete absence of any documentation from anyone, other than SBA, challenging the Contracting Officer's size standard determination. Even if the Mantek size status protest could be deemed a size standard appeal, it is clearly untimely pursuant to DAR 1-703(c) and SBA Regulation 13 CFR 121.3-6. The failure to acknowledge the complete absence of a timely appeal of the size standard set forth in the solicitation constitutes a material error of fact.

5. The thrust of contention c. is the finality of the size standard set forth in the solicitation. SBA Regulation 13 CFR 121.3-6 and DAR 1-703(c) provide that the Contracting Officer's size standard determination is final unless appealed within the time limit set forth. As explained in contention b., no timely appeal was taken; consequently, it must be found that the size determination set forth in the solicitation is final for this procurement. Such finality is consistent with the regulations and prior SBA holdings. Even the Comptroller General of the United States has issued decisions recognizing that a Contracting Officer's designation of the size standard applicable to a small business set-aside is final unless appealed to the SBA's Size Appeals Board and that DAR 1-703(c)(3) provides that a Size Appeals Board ruling which is received by the contracting agency after bid opening shall not apply to the current acquisition but only to future acquisitions. International Limousine Service, Inc., 8-207136, August 26, 1982, 82-2 CPD 180; Dyneteria, Inc., 8-210304, February 7, 1983, 83-1 CPD 132.

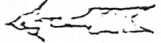
6. In regard to contention d., it must be pointed out that although the SBA has found that the Contracting Officer's size standard determination of 500 employees was erroneous, this should not be used to preclude from the competition those offerors who relied upon that determination when submitting proposals. The Contracting Officer's determination was made in good faith and was published in the solicitation. The fact that no one questioned the determination leads to the factual conclusion that no one was misled nor was the 500 employee standard unclear or incomplete. Such being the case, the size standard should remain unchanged for this procurement in order to preserve the competitive atmosphere under which this small business set-aside solicitation was issued.

Subj: Size Appeal of Unified Industries, Incorporated; Petition for
Reconsideration of the May 24, 1983, Decision on Docket No.
SAB-83-4-29-100

7. In conclusion, it is respectfully requested that the Chairperson and the Size Appeals Board reconsider subject decision so as to (i) give finality to the size standard set forth in the solicitation and (ii) re-affirm the long-standing principle that a Size Appeals Board ruling received after receipt of proposals applies only to future acquisitions.

A handwritten signature in cursive script, appearing to read "Ora Tillman Hall", is written over a large, loopy oval scribble.

ORA TILLMAN HALL
Contracting Officer

Copy to:
Power and Lewis, Attorneys at Law
Mantek Services, Inc.
Unified Industries 



✓

R.F.

THE VICE PRESIDENT

WASHINGTON

August 11, 1983

MEMORANDUM FROM THE VICE PRESIDENT

FOR : JAMES A. BAKER III

SUBJECT: KEY POINTS ON DISSOLUTION OF REGULATORY RELIEF TASK FORCE

1. New rulemaking has been cut by one fourth.
2. Almost all of the rules designated for review have been finished with savings of approximately \$150 billion over the next 10 years plus 300 million manhours of paperwork saved.
3. Emphasis now shifts to legislation.
4. OMB will continue its oversight mechanism.
5. This dissolution of the Task Force in no way signifies a lessening of Administration interest in overregulation. There will be, of course, a continuing, ongoing effort but I have never liked Task Forces to stay in business indefinitely.

GIB

GEORGE BUSH

THE VICE PRESIDENT
OFFICE OF THE PRESS SECRETARY

FOR RELEASE: 10:30 a.m., EDT
Thursday, August 11, 1983

CONTACT: Meredith Armstrong
202/456-6770

STATEMENT BY VICE PRESIDENT GEORGE BUSH
THURSDAY, AUGUST 11, 1983

The Presidential Task Force on Regulatory Relief is releasing today its report on the status of the Administration's ongoing regulatory relief efforts. This report covers three areas of Task Force responsibility -- monitoring the establishment (in OMB) of an Executive oversight mechanism for the coordination and review of new rules, the revision of existing regulations, and the development of legislative changes to regulatory statutes.

Administrative and legislative regulatory changes to date will save more than \$150 billion over the next decade for investment, research and development, increased productivity and new jobs. This figure is more than double the savings reported one year ago. Including the reductions of 300 million hours of annual government-required paperwork achieved over the last two years, these savings will continue to make an important contribution to the economic recovery now underway, without jeopardizing the environment, job or consumer safety, or other important regulatory goals.

Just as important as the cost savings generated from these reviews are Administration decisions to maintain or improve certain regulatory requirements. Under the President's mandate that benefits generated by regulation must outweigh their cost, the Task Force reaffirmed some important existing regulations, such as those guaranteeing equal opportunity for the handicapped under Section 504 of the Rehabilitation Act and limiting workplace noise under OSHA's hearing conservation program. Other regulations, such as EPA's gasoline lead phasedown rules, have been substantially tightened while being made significantly more cost-effective.

The attached summary report outlines these regulatory achievements in more detail in the three areas of Task Force responsibility.

First, the report describes the institutionalization -- for the first time -- of a credible, effective, and even-handed Executive oversight mechanism, centered in OMB, for the review and coordination of new regulations. This oversight function, which is analogous to the budget review process in operation for more than 60 years, had long been suggested by Republican and Democratic regulatory experts alike -- but it had never been completely developed. With the adoption and successful operation of Executive Order 12291, however, coordinated review of the regulatory process has now been fully implemented. The result, both in terms of improved rulemaking and reduction of uncontrolled growth of regulation, is described in detail in the accompanying report.

Second, the report summarizes the \$150 billion in savings and provides highlights of the underlying regulatory changes. The report notes that of the 119 regulatory reviews designated by the Task Force since April 1981,

the agencies have completed or are scheduled to finish all but a dozen or so of the remaining reviews by the end of the year. Approximately \$110 billion of the \$150 billion in savings is attributable to the completed regulatory reviews that were designated by the Task Force or initiated by the agencies; this figure should grow as the remaining reviews are completed. The other \$40 billion reflects the increased income that consumers will enjoy over the next ten years as a result of the lifting of interest rate ceilings during the term of the Administration, particularly as a result of the passage of the Garn-St Germain bill of 1982.

Finally, in addition to the Garn bill, bus deregulation and other reforms enacted by the Congress, the report describes legislative reform initiatives now pending or which will shortly be proposed, including natural gas deregulation, financial institution deregulation, procedural regulatory reform legislation, oil pipeline deregulation, and repeal of the Public Utility Holding Company Act. These and other legislative initiatives will become the prime focus of the regulatory reform effort.

With the OMB oversight process now firmly established and running smoothly, with most of the reviews of inherited regulations completed, and with most of the Administration's legislative initiatives now pending on the Hill, the Task Force has accomplished its basic mission. Accordingly, the President has turned over its remaining monitoring functions to the existing Cabinet Council structure. For the future, Executive Branch regulatory issues will go to the relevant Cabinet Councils, as indeed many individual issues have gone over the past two years. This will in no way reduce the importance of regulatory reform within the Reagan Administration. Under the Task Force's supervision, the Executive Branch has now done what it can internally to provide for systematic and ongoing review of existing and new rules. Congress must make changes underlying regulatory statutes.

I want to make two additional points in connection with legislation. First, I will continue to chair the task group on reform of the financial regulatory system, which was established with Secretary Regan as Vice Chairman last December and which we expect will make legislative recommendations this fall. The Task Group effort is intended to complement both the reform effort begun by the Garn-St Germain legislation of last year and the financial institution deregulation legislation just recently sent to Congress by the Administration.

Secondly, I want to suggest that Congress and the Executive Branch work to find a mechanism for periodic legislative review of statutes. The Executive Branch has just established a disciplined mechanism for the review of possible outdated regulations and it is now time for the two Branches to establish some sort of working arrangement, whether formal or informal, for the periodic review of the organic statutes.

Finally, I want to thank (1) the members of the Task Force for their patience with the infinite variety and complexity of problems that characterize the regulatory process, (2) the agencies for their effective response

to the President's program, and (3) Dave Stockman and Chris DeMuth (and his predecessor Jim Miller) and the OMB staff for a tough job well and gracefully begun. I say begun because the search for reason and balance in regulation will last as long as the Republic.

#####