



**U.S. Customs and
Border Protection**

FEB 19 2013

VIA ELECTRONIC MAIL

Mr. Chris Bauder
National President
National Border Patrol Council

SUBJECT: SEQUESTRATION

Dear Mr. Bauder:

On January 30, 2013, U.S. Customs and Border Protection (CBP) provided the National Border Patrol Council (NBPC) with an invitation to participate in discussions and information sharing concerning upcoming periods of fiscal uncertainty. To date CBP has not received a response to this invitation. While the invitation to discuss these matters remains open, the sequestration order is due to take effect March 1, 2013 and CBP must provide notice of its intent to implement the changes to the automatic budget reductions stemming from sequestration.

Based on current guidance the sequestration order will require CBP to make \$754 million in reductions in FY13. To meet this extreme requirement, CBP will enact reductions in travel, training expenses, facilities and supplies, delay or reduce scope of certain contracts, reduce overtime for officers and agents, and implement an agency-wide hiring freeze. In addition to these programmatic reductions, to meet the savings required by sequestration, CBP will also be required to implement an agency-wide furlough of up to fourteen (14) non-consecutive work days for each employee.

The programmatic impacts of the sequestration order and last-resort administrative furloughs are outlined in more detail below:

Impact to Personnel

Relocation and Travel Compensation

CBP will reduce relocation activity in half and reduce costs by eliminating approval of Guaranteed Homesale Allowances. Employees will have to incur the costs of voluntary relocations. This reduction will realize approximately \$5 million in savings.

Overtime

CBP will de-certify employees for administratively uncontrollable overtime (AUO) and shift to scheduling FEPA and FLSA hours for required overtime work. CBP will realize an approximately \$248 million reduction through reductions to overtime and de-certification of AUO.

Hiring Freeze and Training

In addition, CBP will also not hire backfills for vacancies in frontline positions beginning in April, resulting in a \$12 million savings.

CBP will preserve Uniformed Basic Training supporting all of March onboarding, plus canine, intermediate Force/Firearms, and special operations training throughout the fiscal year. Beyond this, everything else is cancelled in National Training Plan for the rest of the fiscal year. This reduction will realize a savings of \$25 million.

In addition, CBP has stopped awarding all incentive payments associated with retention, recruitment, and relocation as of December 2012.

Impact to Acquisitions

Reductions to Contract Support and Services

CBP has identified reductions to contracts, specifically maintenance and repair contracts and the Air and Marine DS2 Defense Support Services contract, to achieve the required reductions in this area. Pending Congressional approval, CBP may also seek to defer the Integrated Fixed Tower procurements to reduce required reductions in other areas. Specifically, the RVSS Legacy and Tactical Infrastructure maintenance reductions will realize respectively \$13 million and \$2 million in savings.

Other reductions in contract services will be to the Regulations & Ruling Economic Analysis contract, Global Enrollment support for Free and Secure Trade Nexus/Trusted Traveler Program, technical support for the Automated Targeting Systems, as well as construction contracts.

Reductions to Vehicle Use and Equipment

CBP will make reductions to vehicles and home-to-work use. Specifically, CBP will reduce home-to-work authorizations and assign two (2) agents to a vehicle. CBP will also make reductions in fleet fuel and maintenance costs, as well as longer life-cycles for vehicles. CBP will extend equipment life cycles for almost all equipment acquisitions and replacements to realize a \$4.5 million in savings.

CBP will also make reductions in Air and Marine Interdiction operations and maintenance to include P-3 fuel which will result in a reduction in P-3 flight hours by 1,900 hours and missions, as well as all other aircraft fuel which will also result in a lower number of flight hours for all

Mr. Chris Bauder

Page 3

other aircraft by 18,800 hours. CBP will also reduce the Automated Commercial Environment (ACE) program agile software development teams from eleven to nine, realizing a savings of \$12 million and will eliminate IT contract support staff to realize \$19 million.

CBP will also realize over \$50 million in reductions to relocations, travel, other equipment replacements, leased space, and supplies.

Furloughs

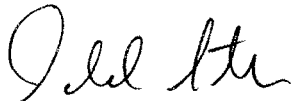
Although the above reductions are extensive and when implemented across CBP cumulatively amount to \$520 million in reductions, CBP will still have to implement administrative furloughs to realize the required reductions under the sequestration order.

Administrative furloughs will be mandatory for all CBP employees, to include management and all non-bargaining and bargaining unit employees. Under the current sequestration plan, the administrative furlough days will be up to fourteen (14) non-consecutive work days throughout FY 2013. Every effort will be made to spread the furlough days out among the remaining pay periods of FY 2013.

CBP will institute the administrative furloughs through existing statutory and contractual non-disciplinary adverse action procedures. In order to meet the reductions mandated by the sequestration order and keep the number of furlough days at the lowest possible frequency rate, CBP anticipates that furlough notices will be distributed in mid-March, 2013.

It is not the desire of CBP management for these actions to take place and management's primary objective has been to do everything possible to lessen the negative impact on CBP employees. However, no amount of planning can mitigate the negative effects of sequestration. NBPC is encouraged to engage CBP's representatives as soon as practicable to jointly identify ways to reduce any foreseeable impact on employees and operations. Any further correspondence related to this matter should be directed to Michael Celli at (202) 863-6313 or via e-mail at michael.v.celli@cbp.dhs.gov.

Sincerely,



Donald R. Stakes
Director, Labor-Management Relations