Administrative Savings and Management Efficiencies
($8,918,000)

1. What is the Reduction for Administrative Savings and Management Efficiencies?

This initiative reflects the savings generated from FDA productivity gains. The productivity gains include savings that have accrued from past and ongoing modernization activities such as lower operating costs due to the FDA centralized White Oak Campus, implementing more efficient business processes, efficiencies generated by IT Improvements, and reassigning administrative tasks from program to administrative personnel. The initiative also reallocates base funding for FY 2009 from the construction grant authorized by Section 734 of FY 2008 Consolidated Appropriation Act.

The following table identifies FY 2009 reductions in administrative savings and management efficiencies.

Table of Administrative Savings and Management Efficiencies

Program	Center	Field	Section 734 Construction Grant	Total Reduction
Human Drugs	($1,765,000)	($525,000)	0	($2,290,000)
Biologics	($948,000)	($172,000)	0	($1,120,000)
Animal Drugs and Feeds	($110,000)	($11,000)	0	($121,000)
Devices and Radiological Health	($681,000)	($359,000)	0	($1,040,000)
NCTR	($311,000)	0	0	($311,000)
Headquarters and Office of the Commissioner	($312,000)	0	0	($312,000)
Section 734 Construction Grant	0	0	($3,724,000)	($3,724,000)
Total	($4,127,000)	($1,067,000)	($3,724,000)	($8,918,000)

2. Why is the reduction necessary?

The management and administrative changes that FDA began several years ago have improved FDA's ability to work more efficiently and effectively. The benefits from these reforms will produce savings, and FDA can redirect these savings to high priority initiatives to support the FY 2009 budget request.

The FY 2009 budget proposes priority initiatives that support FDA's Food Protection Plan, advance the Administration's Import Safety Action Plan, and strengthen medical product safety

and development. The savings generated from administrative and management efficiencies allow FDA to fund the full cost of the FY 2009 priority initiatives.

3. How will FDA achieved these savings?

FDA projects that savings associated with administrative and management efficiencies will occur in the following areas across FDA programs. The specific savings will vary from program to program, depending on the specific areas of improvement for each program.

A. Efficiencies within the **Center for Drug Evaluation and Research** will result from reduced operating costs associated with having staff located at a unified location in the newly consolidated FDA headquarters at the White Oak campus.

B. Efficiencies within the **Center for Biologics Evaluation and Research** will result from implementing new business processes that streamline current practices and implementing new information technology (IT) standard operating procedures to eliminate redundancy in IT equipment and systems.

C. Efficiencies within the **Center for Veterinary Medicine** will result from implementing new business processes, and improvements initiated by Business Review, Bioinformatics, and Science Board review boards.

D. Efficiencies within the **Center for Devices and Radiological Health** will result from converting two large paper-based systems to electronic systems and the associated reductions in processing and data entry of paper documents.

E. Efficiencies within the **Office of Regulatory Affairs** will result from redirecting program staff that handle both program and administrative duties to focus primarily on program duties and using new support staff to handle administrative duties.

F. Efficiencies within the **National Center for Toxicological Research** will result from a consolidated information technology infrastructure that allows for more efficient use of existing servers and reduces the number of drives added to each server due to a more consolidated storage platform.

G. Efficiencies within **Headquarters and the Office of the Commissioner** will result from modernized business processes and financial management systems, and a more streamlined delivery of OC organizational, information, and administrative services.