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Sent: Tuesday, January 08, 2008 3:59 PM
To: Bdhenson47@aol.com
Cc: Bastani, Alexander - Local 12; Brandt, Barbara - OASAM; Nolan, Nancy - ESA
Subject: RE: (no subject)

Beth has signed this, but it is not going out until tomorrow. An almost identical letter will be sent to Obey.

January 8, 2008

The Honorable Tom Harkin
Chair, Senate Labor-HHS-Education Appropriations Subcommittee
131 Hart Senate Office Building
Washington, DC 20010

Dear Chairman Harkin:

On behalf of the American Federation of Government Employees, AFL-CIO, which represents 600,000 federal employees who serve the American people across the nation and around the world, I thank you for including a provision in your portion of the FY08 Omnibus Appropriations Bill that requires an independent review by the Government Accountability Office (GAO) of the Department of Labor's (DoL) "competitive sourcing" program. As you may have heard, the Omnibus Bill included three even stronger agency-wide privatization prohibitions for Bureau of Prisons, Forest Service, and Corps of Engineers, so we're pleased that you did not have to act unilaterally.

It is our understanding that GAO officials will discuss the particulars of their investigation with your staff towards the end of this month. Our members are eager to be of assistance to the GAO inquiry. I hope representatives from AFGE's DoL headquarters Local and our Council of Field Labor Locals will be afforded opportunities to present their views because I think they would be of considerable benefit to the inquiry. My own staff would also appreciate an opportunity to make a brief presentation to the GAO investigators, but could certainly do so in writing in order to afford representatives from the DoL workforce their own opportunities to be heard.

As we discussed earlier with your staff, AFGE's National Office would use the ten sourcing principles developed by the 2002 Commercial Activities Panel, which was staffed by GAO personnel and chaired by the Comptroller General, to determine whether DoL's "competitive sourcing program" is flawed. In particular, we would draw attention to these principles:

Principle 3: Recognize that inherently governmental and certain other functions should be performed by federal employees. We believe, based on DoL's own solicitations as well as DoL's own position descriptions of jobs reviewed for privatization, that the department has attempted to contract out work that is either inherently governmental or inappropriate for contractor performance.

Principle 4: Create incentives and processes to foster high-performing, efficient, and effective organizations throughout the federal government. We believe the record will show that DoL has failed to use alternatives to the often costly and controversial OMB Circular A-76 privatization process, even though virtually every single competition has been won by the formidable in-house workforce.

Principle 6: Avoid arbitrary full time equivalent (FTE) or other arbitrary numerical goals. We believe that a thorough investigation would determine that the Office of Management and Budget has largely dictated DoL's competitive sourcing agenda over the past several years. We would be particularly interested in whether DoL has prepared for OMB Circular A-76 privatization studies for as far out as 2015, as has been reported by other agencies, in order to have reviewed all so-called commercial functions by that time.

Principle 7: Establish a process that, for activities that may be performed by either the public or the private sector, would permit public and private sources to participate in competitions for work currently performed in-house, work currently contracted to the private sector, and new work, consistent with these guiding principles. There is no doubt that DoL has failed to allow its in-house workforce opportunities to compete for new work and outsourced work.

Principle 10: Provide for accountability in connection with all sourcing decisions. We believe that DoL has failed to establish a reliable and comprehensive system to track the costs and savings from its "competitive sourcing" program as well as from its service contracting generally. We also believe that an audit will show instances in which DoL hires contractors to perform services that are either similar to or were once performed by federal employees without any consideration of in-house performance.

Again, we are grateful for your leadership, Mr. Chairman, in the inclusion of this provision. And we would be very remiss if we failed to also thank you for the expertise and counsel of Mark Laisch and Michele Evermore.

Sincerely,

Beth Moten
Legislative and Political Director