

July 22, 2009

The Honorable Robert Casey
383 Russell Senate Office Building
Washington, DC 20510

Dear Senator Casey:

The undersigned unions strongly support your amendment to the FY10 National Defense Authorization Act (S. 1390) that would allow longstanding problems in the costly and controversial OMB Circular A-76 privatization process to be corrected and cancel any ongoing privatization studies that can't be justified or that are illegal.

The Senate Armed Services Committee's mark includes an indefinite suspension of the A-76 process until the Department of Defense (DoD) finally complies with a two year-old requirement to establish an inventory of service contractors, one which could last anywhere from six months to two years.

The Casey Amendment would ensure that the suspension lasts at least one year in order to allow for the correction of problems that have been identified by, among others, the Government Accountability Office (GAO) and the DoD Inspector General (IG), including

1. inadequate systems to track costs and savings;
2. flawed direction from OMB to exclude significant costs in order to maximize savings claims;
3. an error in the costing methodology that puts in-house workforces at a significant disadvantage;
4. instances of actual incurred costs exceeding guesstimated savings;
and
5. disproportionate adverse impact on African-American employees.

DoD is the only agency where A-76 studies started in the previous administration are continuing into the Obama Administration. The arguments for shutting down new A-76 studies are just as compelling for shutting down pending A-76 studies. In fact, given that the IG has reported that DoD's use of the A-76 process in the previous administration was driven by OMB's imposition of numerical quotas that required DoD to study for privatization certain numbers of federal employees within certain periods of time, often despite management's opposition, the need to shut down pending A-76 studies is even more compelling.

The Casey Amendment would establish criteria for DoD to use in order to determine whether the pending A-76 studies should continue. Because the personnel who would perform this analysis for DoD are the same personnel who supervise the department's A-76 process, GAO would determine whether DoD's decision to continue any pending A-76 studies are actually based on the criteria established by Congress.

Whether the pending A-76 studies are continued would ultimately be up to DoD. The only studies that the amendment would require be shut down are those A-76 studies that have lasted longer than the 30 months allowed by a longstanding but never enforced statutory limitation in the Defense Appropriations Bill.

Thanks very much for your strong leadership on this very important issue.

Sincerely,

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO
AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, AFL-CIO
AMERICAN FEDERATION OF TEACHERS, AFL-CIO
DEPARTMENT FOR PROFESSIONAL EMPLOYEES, AFL-CIO
COMMUNICATIONS WORKERS OF AMERICA, AFL-CIO
INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, AFL-CIO
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO
INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL ENGINEERS, AFL-CIO
METAL TRADES DEPARTMENT, AFL-CIO
NATIONAL AIR TRAFFIC CONTROLLERS ASSOCIATION, AFL-CIO
NATIONAL ASSOCIATION OF GOVERNMENT EMPLOYEES
NATIONAL FEDERATION OF FEDERAL EMPLOYEES, AFL-CIO
NATIONAL TREASURY EMPLOYEES UNION
PROFESSIONAL AVIATION SYSTEMS SPECIALISTS, AFL-CIO
UNITED AUTO WORKERS, AFL-CIO