## tycorp1@aol.com 12/03/2002 02:17:15 PM

Record Type: Record

To: David C. Childs A-76comments/OMB/EOP@EOP

CC:

Subject: Revised Comments OMB Circular A-76

Please note the attached comments. Thank You.

Ken Tyler tycorp1@aol.com - OMB a-76.doc

December 3, 2002

Mr. Childs:

Revised submittal: Thank you for the opportunity to comment on the proposed revisions to OMB Circular A-76. TYCORPS International represents over 17 different providers of services to the healthcare community with an emphasis on facility management operations i.e. grounds, waste management, housekeeping services and laundry operations.

We support the efforts of your office to the revisions of OMB Circular A-76; however, remain concerned that the Department of Veterans Affairs (VA) continues to form a legal opinion that A-76 does not apply, specifically to any of their housekeeping or laundry activities. Further, they believe these activities are not considered commercial in nature because they are directly related to health care operations (FAIR Act). While NO other governmental Department has made such hypothetical legal decisions for the purpose of not complying with the policy of the President, we raise concern that this specific Department fails to realize the cost benefits to comply with A-76 and that their legal ruling is not an accurate interpretation or intent of OMB Circular A-76. For another example, the issues of Veterans Preferential hiring for housekeeping employees (estimated 7,000 FTE in VA) is another example of the VA hiding behind regulations in concept, when in fact the Department of Defense made decisions to study the potentials of outsourcing for the same groups of employees and has saved millions of dollars. While VA Headquarters does not schedule these activities for outsourcing, simple budget decisions at the local levels are forcing them to, activities that VA's Headquarters claim are not commercial in nature. Without doubt this represents inconsistency at its best.

We would suggest that the President require all agencies to implement the full intent of A-76. We further suggest that OMB manage this process so that all Departments comply with the President's policies, specifically, OMB Circular A-76.

Thank You

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