



ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

DPAP/CPIC

THE UNDER SECRETARY OF DEFENSE  
3010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3010

SEP 07 2007

MEMORANDUM FOR DIRECTORS, DEFENSE AGENCIES  
DEPUTY ASSISTANT SECRETARY OF THE ARMY  
(POLICY AND PROCUREMENT), ASA(ALT)  
DEPUTY ASSISTANT SECRETARY OF THE NAVY  
(ACQUISITION & LOGISTICS MANAGEMENT),  
ASN(RDA)  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING), SAF/AQC  
EXECUTIVE DIRECTOR, ACQUISITION, TECHNOLOGY  
AND SUPPLY DIRECTORATE (DLA)  
DIRECTOR, ADMINISTRATION AND MANAGEMENT  
DIRECTOR, ARMY CONTRACTING AGENCY

SUBJECT: Federal Prison Industries, Inc.

This reiterates the Department's policy, issued on August 15, 2003, regarding Federal Prison Industries, Inc. (FPI), also referred to as UNICOR. Section 2410n of Title 10, United States Code (U.S.C.), governs procurements involving the FPI, and is implemented in Subpart 8.6 of the Federal Acquisition Regulation (FAR). FAR 8.602 requires activities to conduct market research and make comparability determinations. Such determinations are made at the discretion of the contracting officer and are not subject to review by FPI.

Furthermore, FAR 8.605 identifies other exceptions under which purchasing from FPI is not mandatory and a waiver is not required. If the contracting officer determines that a FPI product is not comparable, the DoD Component must use competitive procedures and solicit an offer from FPI. If the FPI product is comparable, the mandatory source provisions of 18 U.S.C. Section 4124 apply, unless a waiver is obtained in accordance with FAR 8.604.

My staff point of contact for FPI policy is Ms. Susan Pollack, (703) 697-8336 or [susan.pollack@osd.mil](mailto:susan.pollack@osd.mil).

Shay D. Assad  
Director, Defense Procurement  
and Acquisition Policy

