

MANAGEMENT & TRAINING CORPORATION®

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SCOTT MARQUARDT
PRESIDENT

December 19, 2002

Mr. David C. Childs
Office of Federal Procurement Policy
Office of Management and Budget
725 17th Street, N.W.
New Executive Office Building
Washington, DC 20503

Dear Mr. Childs:

Re: Proposed Revision to OMB Circular No. A-76,
“Performance of Commercial Activities.”

This letter is Management & Training Corporation’s (MTC’s) response to the Office of Management and Budget’s (OMB) request for comments to proposed revisions to OMB Circular No. A-76, “Performance of Commercial Activities.” MTC is a private operator in the correctional and treatment industry.

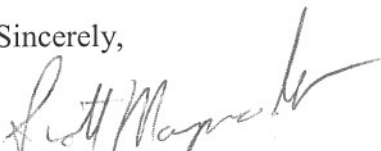
MTC has reviewed the proposed revisions to Circular No. A-76, and is asking for clarification of the definition for “inherently governmental” functions. The federal government has a long history of using private contractors for prison and detention services. MTC believes that the federal government plans to continue these successful public-private partnerships.

MTC assumes that OMB does not include operation of prisons and detention facilities in its definition of an “inherently governmental” function that cannot be competitively sourced. This assumption is based on OMB’s longstanding position that prisoner detention authority is distinct from arrest authority – which is viewed as an inherently governmental function.

MTC understands that the federal government is concerned about using private contractors to make arrests, act as enforcers of law within the general population, or otherwise exercise judicial powers. MTC believes that the revised definition of an “inherently governmental function” in Circular No. A-76 is meant to include these issues, but not to include the role private correctional companies have in operating prison and detention facilities under contract with federal agencies. MTC would appreciate any clarification that OMB could provide about the definition of “inherently governmental.”

If you have any questions concerning this issue, please feel free to contact me at 801-693-2800 or scott@mtctrains.com.

Sincerely,



Scott Marquardt