



UNDER SECRETARY OF DEFENSE

4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

PERSONNEL AND
READINESS

OCT 26 2011

Mr. John Gage
National President
American Federation of Government
Employees, AFL-CIO
80 F Street, NW
Washington, DC 20001

Dear Mr. Gage:

I appreciate your letter, dated August 19, 2011, regarding direct conversions of functions performed by (or designated for performance by) civilian Federal government employees to contractor performance. You raised two concerns: first, continuing direct conversions at Department of Defense (DoD) facilities contrary to statutory prohibitions; and second, the need for a Department-wide memorandum addressing direct conversions.

The concerns you expressed in your letter are shared by the Department and we are currently in the process of coordinating Department-wide guidance that would reiterate and reinforce the legal prohibitions with regard to direct conversion. This memorandum, similar to the Army's, would remind agency managers of the requirement to conduct a formal cost comparison prior to converting any function performed by (or designated for performance by) civilian employees to contractor performance.

With regard to the concern you raised about direct conversions occurring at DoD facilities, I appreciate your commitment to the federal workforce and ask that you document instances of potential improper direct conversions and raise those concerns through activity and Component leadership. You may also include, as a copy, my principal staff responsible for these matters on your communications with local leadership. My point of contact is Mr. Pat Tamburrino, Deputy Assistant Secretary of Defense, Civilian Personnel Policy, who can be reached at (703) 614-9487 or Pat.Tamburrino@osd.mil.

Your comments and concerns are greatly appreciated and we look forward to continuing to work with AFGE.

Sincerely,

A handwritten signature in dark ink that reads "Clifford L. Stanley". The signature is written in a cursive style with a large, sweeping flourish at the end.

Clifford L. Stanley