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OFPP, Office of Management and Budget

Comments on proposed Circular A-76

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I have worked as a Federal employee for over 26 years along with both other Federal employees and with contract employees. My observation is that the contract employees become second class citizens in the work place. Although contract employees work along side Federal employees, contract employees have lower pay rates, fewer benefits and less job security than Federal employees. The contractor who hires these employees makes substantial profits at the expense of these employees.

One of the major problems with the system is the refusal of the various government agencies to make public the actual cost of these contracts. Since this is public money, the public has a right to know exactly how much is being spent and what part of that money goes to the workers and what part goes to the contractor. We have tried for years to have our agency release the figures on the cost of contract employees. Agency officials refuse to release any information on the cost of contract employees. We wonder how they can allege that contract employees are economical when they can produce no documentation to support their claim. Part of the policy for the proposed A-76 revision states:  
" g. Require full accountability of agency officials designated to implement and comply with this Circular through annual performance evaluations."

One cannot have accountability and keep records secret at the same time. There needs to be full disclosure with respect to government contracts and public funds. There is a bill (S1152, HR721) pending in congress which will require such disclosure. The disclosure requirements included in this bill should be included as an integral part of any new and revised A-76 process.

In the agency where I work, they recently hired a contract engineer to perform some routine work on a relay data base. The engineer was a former Federal employee who was hired for this work through a government contractor. The engineer was paid \$25.00 per hour with no benefits. The contractor was paid \$75.00 for every hour the engineer worked. The typical high profit margin for contractors is why we see the intense lobbying on the part of government contractors to continue the system and keep the real dollar cost hidden from public view.

Somewhere in the process there needs to be an accounting for the cost of the higher turnover rate associated with underpaid contract employees.

In summary, any revision of the A-76 process must include provisions for full and open disclosure of all costs. Only then can a responsible cost analysis be done.

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