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PRESS RELEASE May 2, 2005 FOREST SERVICE SURPRISE ANNOUNCEMENT OF COMPETITIVE SOURCING STUDY HAS UNION UP IN ARMS

The Forest Service announcement on April 26 that it plans to conduct a "feasibility study" on the Communication functions has the union representing agency employees up in arms. Approximately 700 positions will be studied, from which the agency expects to choose 100 positions to conduct competitive sourcing competitions. The agency plans to complete the feasibility study by the end of June, with competitive sourcing activities to begin by the end of 2005.

"This is a complete reversal by the agency on their stated plans for competitive sourcing for this fiscal year," stated Bill Dougan, President of the Forest Service Council, the federal union which represents Forest Service employees. "Prior to this announcement, there were no plans to conduct competitive sourcing activities this year. This is nothing more than a knee-jerk response to political pressure put on the agency from OMB to increase the agency's target for outsourcing of jobs. OMB has told the Department of Agriculture that they face getting a "red light" on their Presidents Management Agenda scorecard for competitive sourcing, so now there is a mad dash to find work they can outsource."

While OMB Deputy Director Clay Johnson has been widely quoted as stating that OMB has placed no quotas or targets for competitive sourcing on federal agencies, their actions speak a different story. "If there are no quotas, then how did the Forest Service determine that it needs to do competitive sourcing studies on 100 positions out of the 700 or more that comprise the Communications work functions before the feasibility study has even been started? It appears to us that the decisions have already been made, and now the agency is scrambling to do the analysis to justify their decision," stated Dougan. "How can the Forest Service be prepared to conduct a proper, thorough study in such a short timeframe? Within the next two months, is the agency prepared to assess all their current and future communications needs, conduct market research, assess current and future communications organizations, and conduct performance gap and cost-benefit analyses? We are obviously concerned that in their haste they will do an inadequate job of analysis – we saw this with the previous round of competitive sourcing studies done in the agency, and now once again they are prepared to make poor decisions with incomplete information in the name of meeting OMB quotas." In a Competitive Sourcing Review done by the Forest Service March 14-18 of this year, the agency concluded that they should "conduct a feasibility study prior to beginning any competitive sourcing competition to analyze potential savings and efficiencies versus the cost to conduct the study (cost-benefit analysis), and establish study timelines based on Forest Service needs, not external factors, such as external target dates, as much as possible." Dougan stated, "the ink is barely dry and the findings and recommendations of their own internal report on competitive sourcing are being ignored."

"Taxpayers will once again bear the costs of this ill-advised mandate to take work currently done by government employees and attempt to hand it to private contractors at inflated costs," Dougan stated. "It is ironic that this effort to outsource the agency's in-house Communications staffs coincides with allegations that taxpayer money is being used to contract with private public-relations firms to promote partisan political agendas. To date the agency has spent nearly \$100 million on competitive sourcing related activities, with no substantiated cost savings. How many more millions of dollars must be wasted on these efforts which claim cost efficiency and better delivery of goods and services as their basis? The public and the employees deserve better treatment."