

**The Coalition
for Government
Procurement**

June 28, 2011

Robert Grieser
Chief, Strategic Business Development & Marketing
Federal Prison Industries
400 1st St NW
Washington, DC 20534

Re: UNICOR Online Information

Dear Mr. Grieser,

On behalf of The Coalition for Government Procurement, I would like to address some of the information currently available on the UNICOR website.

The Coalition for Government Procurement (“the Coalition”) is a non-profit association of approximately 300 firms selling commercial services and products to the federal government. Our members comprise small, medium, and large businesses actively engaged in federal business. Member firms provide all types of services to the federal government through the MAS program including but not limited to information technology, organizational and management consulting, engineering, logistics, security and furniture management services. We are proud to have worked with government decision-makers over the past 30 years towards the mutual goal of common sense acquisition.

The Coalition is concerned that the UNICOR website and associated links provide confusing information to government purchasers regarding the ordering procedures governing products. The website consistently characterizes UNICOR as a mandatory source. For reasons describe below, UNICOR is more accurately described as a preferred, not a mandatory, source. The Coalition would like to work with you to clarify the information provided to federal agencies. Such clarification is needed to properly balance the duty of agencies to consider UNICOR as well as other supply sources to include commercial contractors, particularly small business concerns.

The UNICOR website repeatedly uses the term “Mandatory” when describing UNICOR products. In particular, the website refers to “the application of FPI’s mandatory source for items listed in the FPI Schedule Products” at www.unicor.gov/prodservices/prod_dir_schedule/alphalist.cfm?ltr=o. In turn, under the “Alpha Listing” of the “List of Products and Services,” an icon representing the letter “M” is used to describe over 100 FSCs of items. Among the many items that are identified as “M”, are the FSCs for “Office Furniture”, “Modular Computer Furniture” and “Mattresses.” The use of the “M” or “Mandatory” icon next to the product category is inconsistent with the current statutory and regulatory framework regarding acquisitions involving UNICOR.

Title 10 U.S.C. 2410n of the U.S. Code and Section 637 of Division H of the Consolidated Appropriations Act, 2005 (Pub. L. 108-447), establishes procedural requirements for products of Federal Prison Industries. These statutes are implemented in the Federal Acquisition Regulation (FAR) and the Defense Federal Acquisition Regulation Supplement (DFARS). The UNICOR purchasing procedures in FAR Subpart 8.6 in essence states that agencies are encouraged to purchase FPI supplies and services to the maximum extent practicable. The regulations listed under FAR Subpart 8.6 do not include any “Mandatory” language for purchasing off of FPI. It only establishes a preference for the use of FPI when an item is comparable to supplies available from the private sector.

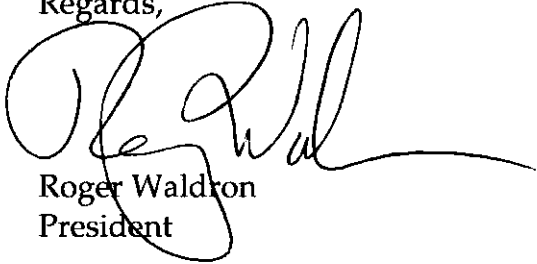
In addition, purchases made by Department of Defense (DoD) agencies are subject to additional considerations listed in the Defense Federal Acquisition Regulation Supplement (DFARS) 208.602-70. DoD may purchase a product listed in the latest edition of the Federal Prison Industries catalog for which Federal Prison Industries has a significant market share (greater than 5 percent) only if the DoD uses competitive procedures for the procurement of the product or makes an individual purchase under a multiple award contract in accordance with the competition requirements applicable to such contract. See generally DFARS 208.6.

The Coalition notes that the UNICOR website does include references to and the text of the governing statutes and regulations governing purchases. However the website’s structure/links place a lower priority on these pages and, as such, they are much less likely to be viewed. Therefore, to prevent any customer misunderstanding, UNICOR should provide an icon category, other than “M” or “mandatory”, that is

consistent with FAR Subpart 8.6 and clearly explain the conditions for conducting an FPI acquisition on the webpage where the FSCs are listed. This will assure that agencies can efficiently view accurate information on critical pages of the UNICOR website and understand what is required.

The Coalition looks forward to the resolution of this possible source of misinformation and hopes to work with UNICOR on the mutual goal of common sense acquisition. We appreciate your time and understanding. If you have any questions, please contact me at (202) 331-0975 or rwaldron@thecgp.org.

Regards,

A handwritten signature in black ink, appearing to read 'RWaldron', with a long horizontal flourish extending to the right. The signature is written over the printed name and title below it.

Roger Waldron
President