

**AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES
NATIONAL VETERANS AFFAIRS COUNCIL #53
Affiliated with the AFL - CIO
Mid-Term Bargaining Committee**

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December 17, 2002

Ronald E. Cowles, Associate Deputy
For Labor Management Relations (LMR)
Department of Veterans Affairs, Suite 215
810 Vermont Avenue, N.W.
Washington, DC 20420

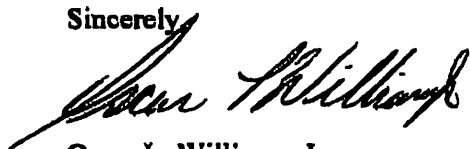
Subject: Demand to Bargain – VHA “Laundry review for Competitive Sourcing”

Dear Mr. Cowles:

In accordance with Article 44, Section 2 C, of the Master Agreement, the National VA Council is formally demanding to bargain over VHA Laundry review for Competitive Sourcing in the Department. Please provide the above named bargaining committee with any information and/or data concerning the cited subject above. The negotiations of this matter should normally begin no later than ten (10) workdays after the management chief negotiator in this matter receives our demand to bargain.

Please cease and desist any implementation until the bargaining obligation has been met. The named bargaining committee may request a briefing over the cited subject above, before sending any proposals. If you have any questions please contact me at (217) 554-4866.

Sincerely



Oscar L. Williams, Jr.
Chairperson, Mid-Term Bargaining Committee
National VA Council #53

cc: Alma L. Lee, President National VA Council #53
Bonnie M. Kerber, VHA HRM Consultant
Executive Committee, NVAC

**AFGE: The Future Is Ours
Creating A Shared Vision For The 21st Century**

**Department of
Veterans Affairs**

Memorandum

Date: December 6, 2002
From: Deputy Under Secretary for Health for Operations and Management (10N)
Subj: Laundry Competitive Sourcing
To: Network Directors (10N1-23)
Medical Facility Directors (00)

1. In concert with Presidential and OMB guidance on competitive sourcing, VHA will initiate a review of all VHA laundry production and associated costs. The goal is to develop action plans to competitively source laundry production activities by the end of calendar year 2003. Competitive sourcing is a tool to optimize the capacity to meet veterans' needs using a market-based approach.
2. Consistent with the application of VA Directive 7100, Competitive Sourcing, dated 8/5/02 VHA facilities currently managing laundry operations shall complete the competitive sourcing of this function as follows:
 - a. All Tier I operations (10 or less FTE assigned to Cost Center (CC) 8570) shall be reviewed for direct conversion to commercial procurement, with the review completed not later than March 31, 2003. This will facilitate submission of specific implementation plans and associated timelines designed to complete transfer, if appropriate, to commercial procurement no later than September 30, 2003.
 - b. All Tier II operations (11 or more FTE assigned to CC 8570) shall be reviewed for commercial sourcing, with completion of the Performance of Work Statement (PWS), Most Efficient Organization (MEO) and market survey no later than June 30, 2003. This will facilitate submission of specific implementation plans and associated timelines to complete the competitive sourcing process no later than December 29, 2003, unless otherwise approved by the Assistant Deputy Under Secretary for Health for Operations and Management (ADUSH). Exceptions to this timeframe must be submitted and approved by the ADUSH prior to August 29, 2003. Networks may consider Tier I laundries in conjunction with Tier II laundries and competitively source as a single operation.
3. To meet the aggressive timelines outlined above, a standard approach will be utilized for the completion of all Tier I and Tier II studies. This will include the use of centrally developed definitions, methodologies, data sources, and reporting templates. Additional guidance, appropriate templates, and technical procedures to be utilized will be transmitted under separate cover. Individual facility reports will be reviewed by the Network and transmitted electronically to Eric Jennings (10NA) and a copy to your Network HSS liaison.
4. To ensure that these reviews are completed accurately and within established timeframes, a centrally appointed workgroup, comprised of field and Central Office staff, will be established to review all documentation, worksheets, etc. during all phases of the competitive sourcing process. Additional information on this workgroup will be provided shortly. Each Network shall identify a competitive sourcing point of contact (POC). The POC's name, title, telephone number and outlook address will be provided to Eric Jennings (10NA), via Outlook, not later than Wednesday, December 11, 2002.

/s/
Laura J. Miller