A Division of URS

The Honorable Michael Donley
Secretary of the Air Force
1670 Air Force Pentagon
Washington, DC 20330-1670

9 August 2010

Dear Mr. Donley,

By now you are aware of the letter from members of the Oklahoma Congressional Delegation (**Senator Tom Coburn, Senator James Inhofe,** and **Congressmen Frank Lucas**) concerning the conversion of URS/LSI Contract Simulator Instructors to Federal Civilian Employees at Vance AFB, Oklahoma, and our other pilot training bases around the United States. Not only do the numbers provided by the Air Force through the Freedom of Information Act show that it will not save the government the proposed **$480,419.79** over a five year period, but instead will result in an additional cost of over **$27,500,000** for the same period.

Considering this drastic increase in cost to the government and therefore U.S. taxpayers, we would like to make you aware of the many other **negative effects** of this conversion:

- Each current employee will take a **$7,000** to **$25,000** per year pay reduction
- This loss of salary therefore negatively affects current and future 401k benefits
- This salary reduction will significantly reduce the tax revenue in all communities affected
- Loss of employee earned benefits (i.e. leave, profit sharing, seniority, etc.)
- Approximately **10** to **15%** of current employees will lose their jobs due to various hiring practices and restrictions
- Several sites (i.e. **Columbus AFB**, Mississippi, and **Laughlin AFB**, Texas) are having serious difficulty in hiring enough qualified instructors due to hiring restrictions and the proposed cut in salary. Currently, these sites have not hired enough instructors to be fully manned when the conversion takes place, which could negatively affect training at these bases.
- Also, hiring of new instructors/employees results in increased costs to train these individuals

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In this period of economic uncertainty, in makes little sense to increase the government's expense and tax payer liability, while lowering personal incomes, lowering tax revenues for our communities, putting current employees out of work, and shouldering the cost of training replacement employees. Therefore, on behalf of all of the bases affected, we respectfully request that the U.S. Air Force cease the effort to in-source the Contract Simulator Instructors at this time. We request that the URS/LSI contract for the next fiscal year be honored and renewed, and that a fiscal re-analysis be accomplished over the next year to positively insure that a conversion to federal employees is cost effective and warranted.

Simulator Instructors have been a civilian contracted position for the last twenty years due to the simple fact that it was cheaper for the Department of Defense and the U.S. taxpayers. To our credit, the Air Force has been always extremely satisfied with our performance and productivity. We respectfully request that we continue to provide the Air Force pilot training programs with professional, cost effective, quality instruction, as we continue to do our part in training young aviators to support and defend this great nation.

Please know that we appreciate the government's incentive to save money by in-sourcing thousands of employees that are currently contract workers. In this case, however, it only affects approximately 350 employees, but clearly makes more sense not to in-source these positions, but to retain them as contractors.

*If the contract is to be renewed, it **must** be renewed prior to **31 August 2010**.

We look forward to your prompt response and reply.

Respectfully submitted,

Jack Beam, Site Manager
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Vance AFB, Oklahoma

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