



**NATIONAL INSTITUTE OF
GOVERNMENTAL PURCHASING, INC.**

151 Spring Street • Suite 300 Herndon, Virginia 20170
(703)736-8900 Fax (703) 736-9644 Web: <http://www.nigp.org>

March 5, 2009

Mr. Philip Elliott
Associated Press Writer


I write to you today in response to your March 4, 2009 article entitled **Obama seeks major change in federal contracting**. I am the Chief Executive Officer for the National Institute for Governmental Purchasing (NIGP). The Institute is a not-for-profit charitable association established in 1944 and is the largest organization dedicated solely to public procurement officials in the United States and Canada. Our members represent over 16,400 public procurement officials employed by more than 2,500 public entities.

Since his inauguration as our 44th President, Mr. Obama has spoken repeatedly on the value of transparency and credibility in public contracting. Yesterday's comments focused once again on this issue when the President targeted "no-bid contracts" and pledged to change the federal public procurement laws to ensure greater competition for government contracts.

The Institute fully agrees with the President's commitment to a new set of standards for awarding all public contracts; whether they occur at the federal, state or local level. As an education-focused Institute, NIGP has consistently taught and demonstrated the value of policies and practices which encourage maximum competition in bid solicitations for government business. The competitive bid process is, by nature, designed to discourage favoritism in the purchase of products or services on the basis of personal and brand preferences and has therefore, been the preferred and most effective means for obtaining products and services at the most favorable prices.

Although the President's memo instructed Peter Orszag, director of the White House Office of Management and Budget, to work with Cabinet and agency officials to draft new contracting rules by the end of September, those rules have long been in place at the state and local levels. Applying principles that NIGP has fostered throughout its sixty-five year existence will maximize transparency and accountability at the federal level. Accordingly, the Institute would be honored to assist Mr. Orszag in identifying and implementing these processes at the Federal level.

Respectfully,



Rick Grimm, CPPO, CPPB
NIGP Chief Executive
151 Spring Street
Herndon, VA 20170
(800) 367-6447 x235
rgrimm@nigp.org