



STATE OF WASHINGTON  
OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

January 5, 2010

Ms. Terry Teale, Executive Director  
Council of Presidents  
410 11th Avenue SE, Suite #101  
Olympia, WA 98501

*TERRY TEALE*  
Dear Ms. Teale:

As you know, the Office of Financial Management (OFM) granted an exemption on January 9, 1997, to higher education institutions related to the purchase of Correctional Industries furniture through contract with the Department of General Administration. I am writing to inform you that we have rescinded this exemption.

Under current law (RCW 43.19.534), state agencies, the Legislature, and departments are required to purchase all of their goods and services that are produced or provided, in whole or in part, from Class II inmate work state contract programs operated by the Department of Corrections. This statute authorizes OFM to grant an exemption to this requirement based on our review of a cost benefit analysis submitted for the appropriate fiscal year(s).

However, in 2004, RCW 28B.10.029 was modified to include a purchasing target for higher education. This target requires higher education to purchase two percent of their annual total goods and services that are produced or provided in whole or in part from Class II inmate work programs. There is no provision for OFM to exempt higher education from this two percent target.

Thank you for your interest in this matter. If you have any questions, contact Tom Saelid at 902-0562.

Sincerely,

Handwritten signature of Victor A. Moore in black ink.

Victor A. Moore  
Director

cc: Tim Yowell, Senate Ways and Means Committee  
Steve Masse, House Capital Budget Committee  
Chuck Greenough, State Board of Community and Technical Colleges  
Lyle Morse, Correctional Industries, Department of Corrections  
Christine Warnock, General Administration  
Tom Saelid, Office of Financial Management

