

**MANHATTAN/RILEY COUNTY LEAGUE OF WOMEN VOTERS  
 PRIVATIZATION OF PUBLIC SERVICES**

Factors and Criteria for Public Consideration—09/23/03

<b>Factor</b>	<b>Criterion</b>
1) What are the reasons for privatizing and for the choice of privatization mode (e.g., contracting, divestiture, etc)?	There shall be a clear analysis of advantages/disadvantages, cost/benefits that justify the need for privatization and the choice of privatization mode.
2) What documents and/or agreements does an outside provider provide to record the terms of service? What is their completeness?	Terms and conditions shall clearly cover the responsibilities and authority of all parties.
3) How closely are the performance requirements defined?	Agreements shall contain detailed performance requirements and evaluation criteria as well as non-performance penalties and conditions for cancellation.
4) What mechanisms are available to handle public complaints?	The public shall be assured that there are ways for maintaining accountability, and there should be an avenue to seek remedies and improvements where indicated.
5) How can/will the performance requirements be used to evaluate outcomes and maintain accountability?	There shall be a mechanism and a timetable for regular performance review on behalf of the public.
6) What guarantees, indemnities, and remedies are available for unsatisfactory performance?	Adequate compensation and/or remedies shall be made available as a result of due process.
7) What information is available to compare costs for private/public sector services?	Studies shall clearly demonstrate cost comparisons and likely savings to the public.
8) In comparing costs, what details are available on both direct and indirect costs as well as on long-term/short-term value?	Indirect public costs such as capital investment, depreciation, management, payroll, communications, etc, shall be included in the comparisons, and a long-term assessment of value is desirable.
9) What is the likelihood of long-term cost stability?	There shall be assurances and evidence that futures cost increases, if any, are fully justified and are not arbitrary.

10) What are the means of effective monitoring and evaluation of an outside provider's work?	Government shall provide and fund a means for evaluating and, as needed, correcting performance.
11) What measures are provided to ensure that there is adequate public control?	Oversight mechanisms shall be provided with sufficient sanctions as needed, including cancellation.
12) What provision is there for covering the public's cost of overseeing an outside provider's work?	Government shall demonstrate that needed oversight is funded and that the cost is included in cost comparisons.
13) If there is an apparent overall savings in public costs, what other factors might have higher priority?	Depending on the case, there shall be careful consideration of public policy (e.g., as in public safety services) that might deem privatization unwise despite the savings.
14) What measures are established to oversee, evaluate, and ensure the fairness and equity of fees and revenues that might be involved?	The public shall be assured that necessary costs are fairly and soundly based.
15) What evidence is there that a prospective outside provider has the degree of capitalization and experience necessary to perform the subject services?	Providers shall be expected to demonstrate a performance history and capabilities/qualifications to handle subject services.
16) What information is there on the extent of competitive providers? On the extent of meaningful competition?	There shall be evidence that real competition exists as a means of controlling costs.
17) What measures are provided to ensure public safety in task performance?	Possibilities for unsafe shall be anticipated, with protective measures to treat them responsibly.
18) What are the availability and adequacy of insurance and liability coverage?	Liability to the public (personal and property) and to employees shall be offset with necessary insurance.
19) What means are provided for responding to the interest of employees?	Care shall be taken to provide for transitional arrangements when public employees are displaced as well as for equitable wages to be paid by an outside provider.
20) What assurances are available that political considerations and conflicts of interest are not factors?	Personal political incentives and conflicts of interests in privatization shall not be tolerated. Public good comes before special treatment for private gain.