Privatization Lunch & Learn Speakers Confirmed

Date: Tuesday, March 13, 2012 Time: 11:30 a.m. – 1:30 p.m.

Location: Falls Church Community Center, Art Room

See RSVP information below.

Speakers

The Honorable Jim Scott, Delegate – Virginia's 53rd District; Dr. Toni Jones, Falls Church Schools Superintendent Eva Griffeth, Advisor to Federal Acquisition Executives Wyatt Shields, Falls Church City Manager (invited)

Concession Meeting

Save the Date: Tuesday, March 27, 2012, 7-9p.m.

LWVFC Prepares for Privatization Consensus

From trash and recycling pick-up to water system ownership to ABC stores to toll road construction and management to services in war zones to Medicare and Social Security, privatization of government goods and services is a hot discussion topic in city halls, in state legislatures and in the halls of Congress. This is an important topic that directly affects all our lives in Falls Church as well as nationally.

At the June 2010 national convention, the LWVUS determined to undertake a study of privatization of government goods and services. In late 2011, the study was presented to state and local leagues to determine consensus. Local league's consensus reports and comments are due to LWVUS by May 1, 2012.

LWVFC has scheduled our consensus meeting for Tuesday, March 27, 2012. On March 13, 2012 we will host a "Lunch & Learn" on Privatization featuring speakers who are well-versed in both local and federal privatization efforts.

The study material provided by the LWVUS is voluminous and can be overwhelming when taken all at one time. Therefore, throughout the next few weeks, the LWVFC will suggest reports and case studies in small "batches" for you to read and consider in preparation for our Consensus meeting on March 27.

SCOPE of the Study: The purpose of this study is to identify those parameters and policy issues to be considered in connection with proposals to transfer federal, state or local government services, assets and/or functions to the private sector. It will review the stated goals and the community impact of such transfers, and identify strategies to ensure transparency, accountability, and preservation of the common good.

This Week Read: Privatization Best Practices

To read the entire document go to http://www.lwv.org/content/strategies-best-practice/

EXECUTIVE SUMMARY by Cathy Lazarus and Ted Volskay

A decision to privatize a government service requires thorough analysis of the advantages and disadvantages of privatization to determine whether the public is better served by government or the private sector. The process of privatizing a service has three phases:

- Determining if it is appropriate to privatize a service,
- Determining the level of service desired from a contractor and conducting an open,
 competitive contractor selection process, and
- Negotiating the contract with the selected contractor and monitoring performance over the term of the service agreement.

In all phases, best practices call for transparency, open communication with stakeholders, impartial and unbiased analyses, and the development quantifiable expectations and measures for service delivery.

The decision-making process should ask: What are the problems with the existing service? What will be gained by turning to the private sector? Are there alternatives to privatization?

Privatization can be successful for services with competitive markets, with clear service delivery goals and performance criteria, and where the services involve transactions that are not irrevocable. It requires decision-makers open to the idea of privatization, a government with established privatization policies, a transparent public review process, comprehensive service transition plans, active contract management and a "recovery" plan to take over service if the contractor fails to perform.

When services such as utilities, transportation systems or parks are privatized it should be clear who owns and maintains the public facilities, infrastructure and assets. If "human services" such as child protective services or welfare services are privatized, sensitive client information must be protected and cost savings should not be achieved in ways that are detrimental to vulnerable clients. There must be contractual procedures to assure that the financial statements of the contractor are audited and reviewed on a regular basis and become part of the public record. In all cases, the public must have a way to lodge complaints about the service to the government agency overseeing the private contractor.

The Best Practices paper (http://www.lwv.org/files/BP PrivStudy BestPractices.pdf) identifies these and other broad questions and strategies to ensure principles of good governance are followed and to enable stakeholders to participate in a meaningful way.

This week also read:

- Privatization: The Public Policy Debate by Nora Leech http://www.lwv.org/content/privatization-public-policy-debate
- Public Library Privatization A Case Study By Muriel Strand
 http://www.lwv.org/content/public-library-privatization-case-study
- Deregulation of Railroads By Ted Volskay
 http://www.lwv.org/content/deregulation-railroads

Link to all LWVUS Privatization Consensus Resources:

http://www.lwv.org/member-resources/privatization

Watch for the next **LWVFC** *E-Bulletin* for additional suggested readings leading up to the Consensus meeting on March 27.