

Tools to Fight Privatization

Questions for Decision Makers

- Why do you want to contract this work out?
- What effect will the contract have on the community and local businesses?
- What is the proposed length of the contract?
- How can you guarantee competition?
- Does the contractor have to post bid, performance and payment bonds?
- Can the contractor or jurisdiction renegotiate price and terms of the contract before it expires?
- Are there financial penalties against the company for unsatisfactory performance?
- Does the contract indemnify the jurisdiction against liability and property damage caused by the contractor?
- Has the company provided a list of current and past contracts to perform similar contracts with other jurisdictions?
- Is there a provision in the contract regarding resolution of disputes over the quality of service delivery?
- Are there provisions in the contract for intermediate remedies, short of termination, if you are dissatisfied with the contractor's performance?
- Does the plan comply with all federal, state and local laws governing bidding procedures and employment policies?
- If employees are to be replaced or displaced, will they be fired, transferred or reduced by attrition? How will this affect employee morale and performance?
- As part of your cost analysis, have you computed the impact on the public budget of reduced employee health coverage?
- Have you determined a means of administering the contract and monitoring performance and cost? What will be the cost of contract administration?
- What is your fall back position if this arrangement fails?
- If there were a way to achieve budgetary and service delivery goals without contracting out, would you pursue those remedies?