



# **NEWS**

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## **FLORIDA TAXWATCH TASK FORCE PROVIDES FLORIDA'S POLICYMAKERS WITH RECOMMENDATIONS FOR OUTSOURCING SUCCESS**

*Private and Public Sector Experts Explain How to Improve Outsourcing*

**TALLAHASSEE** — To ensure taxpayers get a billion dollars worth of services for a billion dollars of taxes, Florida government should heed the advice of the Florida TaxWatch Outsourcing Task Force. Their findings include requiring Florida government to ensure that contracts with private companies include measurable performance results that will determine how much those companies are ultimately paid for their services. The Task Force is advising Florida's policymakers that accountable and cost-effective procurement is a must with taxpayers' dollars.

"State governments are continually challenged to deliver services more effectively and efficiently," said Viann Hardy, Chair of the Florida TaxWatch Outsourcing Task Force and Vice-President for Corporate Business Development with MAXIMUS. "Florida government can benefit from the expertise and resources of the private sector to provide services effectively and efficiently for Floridians with the increased use of proper and successful outsourcing procurement and policy."

Recent outsourcing initiatives encouraged Florida TaxWatch to assemble a Task Force made up of public and private sector leaders with experience in effective outsourcing. The purpose of the Task Force was to develop best business practices for Florida's statutory and constitutional entities whose missions include oversight of government outsourcing. These include the Council on Efficient Government, the Government Efficiency Task Force, the Government Accountability Act of 2006 and the Taxation and Budget Reform Commission. The Task Force will also provide their findings to Governor Charlie Crist and members of the Florida Legislature.

Members of the Task Force collaborated with the TaxWatch staff to create the Florida TaxWatch report, *Accountable and Cost Effective Procurement is Critical to Successfully Outsource Public Services*, released today to Florida's policymakers. The Task Force developed these principles so that Florida can be successful with future outsourcing initiatives and save taxpayers money.

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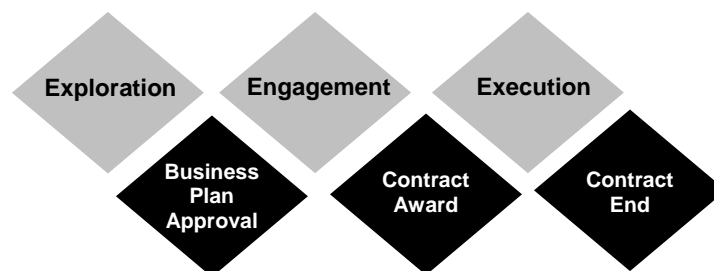
- **Select** the right programs and projects to outsource based on identified needs and achievable performance objectives.
- **Choose** private sector partners based on suitability, experience, qualifications and approach, as well as price and compliance.
- **Utilize** experienced and qualified managers, who are willing and able to work in a collaborative peer-to-peer relationship with contractors.
- **Share** the risks and rewards of achieving objectives that are based on measurable outcomes.

“By using the Task Force’s recommendations, Florida’s policymakers can ensure that outsourcing contracts are made with integrity and are accountable and cost-effective,” said Dominic M. Calabro, President of Florida TaxWatch. “This is the only true way Florida’s taxpayers can benefit from outsourcing initiatives.”

The terms outsourcing and privatization are often used interchangeably. The Task Force defines outsourcing as taking government services and paying an outside organization to perform some or all aspects of that service, while the state remains responsible for the condition of the service and maintains strategic management control. Privatization, in turn, means the transfer of state-owned resources, services and responsibilities, in whole or in part, to the private sector for control and ownership. The Task Force’s recommendations and best practices are focused solely on outsourcing.

The Task Force identified three characteristics of a successful outsourcing initiative. The first is an established governance structure that promotes collaborative partnerships among stakeholders, sharing the risks and rewards. The second is the development of a good business plan that explains the need to outsource, incorporates best business practices, and has a clearly defined scope of work. The final characteristic is a performance-based contract that includes measurable performance outcomes that are used for the basis of payment to the vendor.

To improve outsourcing of government services, the Task Force created the following model to help Florida’s policymakers. The model breaks outsourcing initiatives into three phases, with specific recommendations to achieve success.



**Exploration** is all of the activities performed from the initial outsourcing concept through the approval of a business case and proceeding with the outsourcing initiative.

**Engagement** is the vendor selection process, including the development of the solicitation, proposal evaluation, contract development, negotiation and award of the contract.

**Execution** begins when the contract begins and includes all of the activities through the acceptance of all of the contract deliverables.

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The Florida TaxWatch Outsourcing Task Force is committed to helping Florida's policymakers make smart decisions with taxpayers' dollars when it comes to outsourcing government services. The Task Force believes that if state government follows these recommendations, Florida can improve the delivery and value of the services that it provides Floridians.

**MEDIA AVAILABILITY: Dominic M. Calabro, Florida TaxWatch President, and Viann Handy, Florida TaxWatch Outsourcing Task Force Chair, will be available for interviews today and will be presenting the Task Force's report tomorrow, March 29, to the Florida Council on Efficient Government at 10:00 a.m. in the Cabinet Meeting Room, LL03 of the Florida Capitol. For interviews, please contact Tiffany Koenigkramer at (850) 222-5052.**

[Click here to view the report.](#)

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Florida TaxWatch is a statewide, non-profit, non-partisan research institute that over its 28 year history has become widely recognized as the watchdog of citizens' hard-earned tax dollars. Our mission is to provide the citizens of Florida and public officials with high quality, independent research and education on government revenues, expenditures, taxation, public policies and programs and to increase the productivity and accountability of Florida Government. On the web at [www.FloridaTaxWatch.org](http://www.FloridaTaxWatch.org).

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