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For immediate release

September 14, 2011

**Florida Library Association opposes outsourcing
of Osceola Library System**

In response to proposed outsourcing of library services by Osceola County, FLA President Gloria Colvin has sent the following letter to the Florida library community:

September 14, 2011

To the Florida Library Community,

I want to alert you and other library supporters about a recent step toward outsourcing management of public library service for a Florida county.

On Monday, September 12, the Osceola County Board of County Commissioners authorized the county administrator to enter into negotiations with Library Systems and Services LLC (LSSI), a for-profit library management company based in Maryland. This issue was not specifically on the meeting agenda and the action was not reported in the press.

The Florida Library Association opposes outsourcing of the management of library services to private companies. Here are some of the reasons and some questions that outsourcing raises:

Loss of Local Community Control – When government outsources the management of library service, it loses the ability to direct the library organization and staff providing service in its name. Library services are different from those like landscaping, security, custodial and fleet maintenance because library staff members are agents of the county interacting daily with public in the name of the county. In that role, they provide services, programs, and resources that are responsive to the needs of the community.

Will a private company be receptive to community feedback about the library? Will selection of materials be done at the local level or by company staff at another location? Will there be a provision in the contract for local input in order to meet local needs? Will policy remain under local control? What is the role of the board of trustees?

How Can LSSI Save Money for the County? – LSSI has provided the county with an estimate of savings. LSSI has acknowledged that they reduce costs in part by laying off all current employees, then rehiring *some*, but with reduced salaries and benefits. What services and service levels will be reduced to achieve LSSI’s budget projections? When will the public know what services and levels of service LSSI is proposing to provide? Will there be a full accounting of how these savings will be realized and time for discussion before there is a vote on a contract?

How Will the County Obtain Assurance About the Amount and Quality of Service Provided? – How will the county know, with reasonable confidence, what services will be provided and at what level of quality? Who will develop an enforceable service plan? Who will the county employ, with the expertise and ability to administer and monitor the contract, and ensure that LSSI lives up to the plan and contract requirements?

Necessary Transparency – By the County and By LSSI – Will the community have the opportunity to review the negotiated contract and service plan with sufficient notice so that these can be discussed with the Commission? There was no public notice about the decision to move forward with negotiation. There has been no public notice that this action is being taken. When will the commission fully inform residents about terms of a proposed contract and provide the time and opportunity for full discussion?

What about LSSI’s transparency should a contract be approved? Will the public have access to LSSI’s records to ensure that its business practices are ethical and sound while doing business in the name of Osceola County? Fargo, North Dakota terminated its contract with LSSI when the company did not pay bills in a timely manner.

What Is LSSI’s Profit Margin? – One report suggests LSSI’s profits are around 15% and that any unexpended funds become profit. The public should have a right to know how much a private company is being paid to provide a service. It is particularly hard to understand how LSSI can generate savings for the county while earning sufficient profit for itself as well as for the private equity firm that loaned its operating capital and provide adequate library services. Outsourcing management of libraries to a private company creates a tension between the desire of the company to make a profit and the services the library provides.

This is Not a Competitive Bid Process – These negotiations are not part of a competitive bid process. LSSI is the only bidder and there are not other competitors in the market. This means that the county is not benefiting from competitive bidding. LSSI clearly wants to get a customer in Florida and may be willing to take a loss for a while to do so. What sort of assurance does the county have that LSSI isn’t low-balling them now to get the contract that they will then seek to increase later? In at least one community (Fargo, ND), LSSI fees were substantially increased after the initial contract.

The Florida Library Association believes it is not in the best interest of the residents of Florida for publicly supported libraries to be managed by for-profit organizations. Therefore the Association opposes any efforts to provide library service by contracting with such organizations.

Sincerely,

A handwritten signature in black ink that reads "Gloria P. Colvin". The signature is written in a cursive style with a prominent initial "G".

Gloria P. Colvin
President, Florida Library