

Performance-Based Contracting

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**MILWAUKEE
PUBLIC SCHOOLS**

Presenters: *Adria Maddaleni, Director, Department of Procurement & Risk Management*
Matt Chason, Manager, Office of Accountability & Efficiency

Dr. Keith P. Posley, Ed.D.
Superintendent

Performance-based Contracting

- This is a results-oriented contracting method that focuses on the outputs, quality, or outcomes of the contract
- It can tie a portion of the contractor's payment or contract extension/renewal to the achievement of specific and measurable performance standards/goals
- The purpose of performance-based contracting is to ensure quality performance is achieved and the desired results of the contract are realized

Performance-monitoring Activities Currently in Place

Professional Services Contracts

- Formal procurements (Requests For Proposals or RFPs) related to professional services with terms exceeding one year include performance metrics
- Performance metrics are developed by the contract's sponsor in collaboration with the Department of Procurement & Risk Management
- Contractor must receive a score of 90 or higher to be eligible for renewal or extension

Performance-monitoring Activities Currently in Place

Contracted Schools

- Embedded in each school's contract are specific performance requirements
- The Charter School Contract Review Team analyzes the school's data and performance as it relates to the requirements established in the contract

Performance Evaluation Plan (PEP)

- The district has implemented a Performance Evaluation Plan (PEP) for contracts with the goal of achieving better results through clear alignment of expectations and outcomes, along with progress monitoring
- The evaluation process is geared towards professional services contracts that are intended to move the needle when it comes to student outcomes
- Currently, the process is being piloted with a few of the district's professional services contracts

Process for Evaluating Contracts under the PEP

- The contract's sponsor determines desired outcomes to be achieved through the contract's implementation
- MPS and the contractor work together to establish expectations of the services to be received
- MPS and the contractor establish a timeline for data needs, meetings, and reporting
- Throughout the contract term, data is collected, status meetings occur, and data results are analyzed against the outcomes established for the contract

Opportunities for the PEP

- PEP is aligned with Administrative Policy 3.09
- The plan is suited for a specific subset of district contracts
 - High-dollar contracts
 - Service-based
 - Easily align to assessment tools already in place
- Implementation of the plan requires significant effort on the part of MPS staff (Department of Research Assessment and Data, Department of Procurement & Risk Management, and contract's sponsors)
- Expansion opportunities
 - Establish threshold for contract eligibility
 - Phase in approach or rotation

Thank you!

