

(ATTACHMENT 1) REPORT WITH POSSIBLE ACTION ON VENDOR COMPLIANCE TO CONTRACT REQUIREMENTS FOR HISTORICALLY UNDERUTILIZED BUSINESS (HUB), COMMUNITIES IN NEED (COIN), AND STUDENT ENGAGEMENT

Summary:

The following is a report by the Contract Compliance Services (CCS) Department in the Office of Accountability and Efficiency (OAE) on vendor compliance with Historically Underutilized Business (HUB), Communities In Need (COIN), and Student Engagement contract requirements.

The CCS department seeks to fulfill the district's commitment to diversity and economic responsibility by engaging these three groups in the contracting process. Its program efforts ensure access to public dollar contracting to HUB vendors, require prevailing wage paying jobs to unemployed and underemployed citizens through the COIN program, and provide MPS students with beneficial career education and employment opportunities.

Vendor Compliance Reports:

Attachments present vendor compliance to HUB, COIN, and Student Engagement contract requirements. Information reflects performance on Board awarded contracts for Department of Facilities and Maintenance Services (DFMS), Title I, Community Learning Centers (CLC), and professional service vendors with active invoicing during the report period.

Contract Compliance Service Targets:

- a. Monitor and report HUB performance relative to all Board contract award dollars. Strive for annual 25% aggregate participation on all contracts with HUB requirements.
- b. Attain 25% COIN participation on total contracted Facilities and Maintenance workforce hours on all contracts with a COIN requirement.
- c. Increase student employment participation on Facilities and Maintenance Services, goods, and professional services contracts.
- d. Assign a minimum of 10 hours of MPS student career awareness activity per 12 month contract period on MPS contracts whenever possible – to be determined by CCS in conjunction with the contracting department.

The OAE and the Administration continue to develop and streamline standard contract processes that incorporate HUB, COIN, and Student Engagement assignment and compliance reviews across all eligible contract areas.

CCS programs support the following outcomes:

- a. Public contracting dollars are being spent within the regional and national business community.
- b. Workforce creation through program initiatives such as the COIN and the Student Engagement Program.
- c. Unemployed and underemployed citizens receive prevailing wages in jobs created through MPS contract COIN requirements and an opportunity to pursue apprenticeships within building and trades.

Historically Underutilized Business:

HUBs are for-profit businesses that are 51% or more owned, controlled, and managed by certified minority, women, SBA-8A, disabled veterans, and other MPS-targeted business owners. MPS routinely identifies business opportunities to HUB firms in its competitive RFP/bid process.

Milwaukee Public Schools' Supplier Diversity program serves as an industry standard among school districts in the nation. CCS is consulted by other school districts in the country when they are considering program components and development.

MPS requests for proposals (RFPs) and bids, and DFMS bids with an estimated value in excess of \$50,000 are reviewed by CCS during their draft period for review and assessment of (1) eligible HUB vendors in the contract area, (2) COIN workforce opportunities (applied only to DFMS general construction contracts), and (3) potential for MPS student employment or career education activities.

CCS confers with the MPS end user to identify the type of good or service being procured during the assignment process to determine the greatest opportunity for participation.

The district has increased its use of bids as it strives to obtain better pricing. Since the last report, all formal RFPs and bids are processed through CCS. Bidder commitment to requirement compliance, at bid opening, is a condition of being considered responsive to the MPS RFP/bid.

MPS supports its program enforcement with the ability to impose financial and other policy-authorized sanctions for non-compliance with contractual requirements.

Communities In Need Initiative:

The COIN initiative is MPS' workforce preference program which targets the employment of district constituents on Facilities and Maintenance Services projects. The goal of the initiative is to provide individuals with industry related education, training, and resources to aid them into apprenticeship within the building and construction trades. COIN participants may be skilled or unskilled workers who live within the City of Milwaukee and meet federal poverty thresholds based on family size.

CCS maintains a database of certified COIN workers to meet contractor requirement needs. MPS contractors are given incentive to retain COIN individuals by receiving additional percentage points toward requirement completion once a worker has been on company projects consistently within a twelve month period.

Student Engagement:

Well-educated, college and/or career ready graduates are the ultimate goal of MPS. Contractor Student Engagement requirements support this responsibility and can be met by involving MPS students in one of two activities, career education and/or actual employment experience.

The career education activity requirement is assigned to most bids and RFPs with a minimum of 10 career education hours. The student employment requirements are assigned whenever the contract provides opportunity for a meaningful employment education experience. In order to ensure successful outcomes for the students and vendors, CCS sponsors job readiness training for students to prepare them for the work environment and provide a pool of employment ready students for vendors.

Contract Compliance Reporting System (CCRS):

The Contract Compliance Reporting System (CCRS) has moved forward to provide real-time

information regarding the performance of contract requirements. This system engages prime vendors and sub vendors in the compliance reporting process.

Monthly system notifications for contract audits increase accountability for vendor's contract compliance management. Key features include contract organization, certified vendor database, and records management in one location. IFAS payments are uploaded into CCRS vendor contract records monthly and system generated confirmation of payment to HUB vendors are sent via email from the system.

Community/Professional Affiliations and Outreach Activities:

Contract Compliance Services actively supports community based organizations by serving on committees aligned with district's Eight Big Ideas. Identified below represents activity for FY17-18.

- African American Chamber of Commerce (AACC)
- City of Milwaukee Small Business Week
- Fuel Milwaukee
- Hispanic Chamber of Commerce of Wisconsin (HCCW)
- Hispanic Professionals of Greater Milwaukee (HPGM)
- Hmong Wisconsin Chamber of Commerce (HWCC)
- Marquette University Future Milwaukee Leadership Program Scholarship Committee
- Milwaukee Achiever's Literacy Services
- Milwaukee Metropolitan Association of Commerce (MMAC)
- National Association of Minority Contractors (NAMC)
- National Gay and Lesbian Chamber of Commerce (NGLCC) Supplier Diversity Committee
- North Central Minority Supplier Development Council (NCMSDC)
- The Business Council- Business Connection Program Committee
- Wisconsin Regional Training Program (WRTP) Big Step
- Wisconsin Women Business Initiative Corporation (WWBIC)
- Young Non-Profit Professionals Network

CCS Staff Professional Development

Professional development is at the forefront for the department of Contract Compliance Services, including district and community-led opportunities. Staff development includes:

- American Contract Compliance Association National Training Institute-Contract Compliance Administrator Certification (1 staff member)
- American Contract Compliance Association National Training Institute-Master Compliance Administrator (1 staff member)
- American Contract Compliance Association-Executive Leadership Program (1 staff member)
- Building2Learn (2 staff)
- B2G Power User Level 3 Certificates (3 staff)
- Hispanic Professionals of Greater Milwaukee in partnership with SMU Cox School of Business- Rising Latinos Leadership Program
- MPS University School Business Administrator Licensure (1 staff member)

Conclusion:

MPS CCS programs provide benefits to MPS students and the local community. CCS provides targeted vendor participation opportunities through the HUB program, while the COIN initiative supports local constituencies with employment. Through its student job readiness training program and student engagement requirements, CCS positions students in the district for success outside of MPS. CCS continues to work the with Administration to explore opportunities for participation as the district centralizes it contracting process.