

Local Purchasing Program

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**MILWAUKEE
PUBLIC SCHOOLS**

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Resolution 1819-011

- Explore the feasibility of instituting a local purchasing program modeled after the City's program
- Report back by March 2019
- This is an initial report, with a final report to be made no later than May 2019

Overview

Purpose of Local Purchasing Programs

Increase local business participation in the award of contracts to address the following:

- Creation of jobs
- Circulation of money in the local economy
- Alleviation of unemployment
- Elimination of possible disparities in participation

City of Milwaukee

Parameters

- Business must be located in City for (1) one year
- 5% bid incentive for Local Business Enterprise (LBE)
- 15% bid incentive for LBE and Small Business Enterprise (SBE)
- Incentive capped at \$25,000

City of Milwaukee

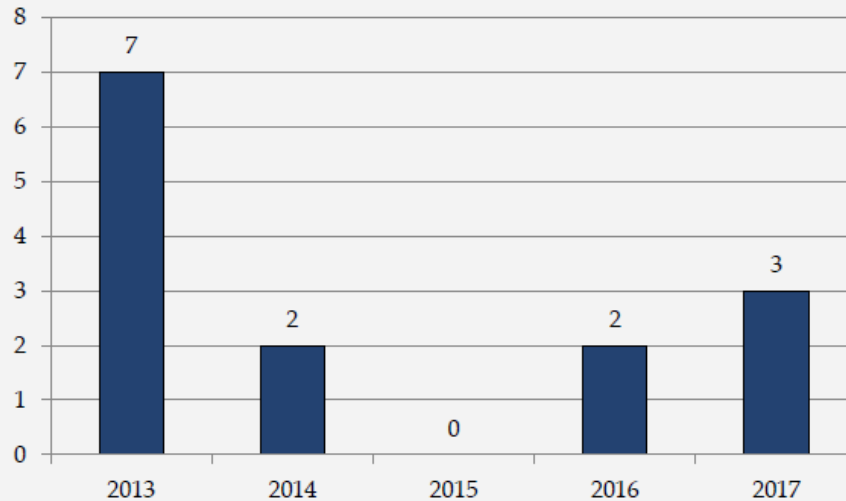
Current Condition

- Minimal participation of LBE/SBE bidders
- Cost of program low compared with total spend
- Fiscal impact has been \$229k since 2009

City of Milwaukee

Participation

Chart 1: Number of Contracts Awarded to LBE Bidders (2013-2017)



City of Madison, WI

Parameters

- Bids: commodities over \$5,000, local vendors are provided 1% bid preference incentive
- RFPs: over \$5,000, local firms awarded 5% of total available points in the evaluation criteria
- Physical Address

City of Madison, WI

Parameters continued...

- Must also meet one of the following conditions
 - 50% of employees must reside within local area
 - 15% of businesses sourcing must be local
 - Portion of ownership vested in residents of the local area

School District of Palm Beach County

Parameters

- Construction, professional and non-professional services, and general procurement
- Eligibility based on size standards and previous engagement awards
- Principal place of business (majority of sales derived there)

Limitations

- State law prohibits local requirements on public works
- Federally funded programs are also exempt
- Auditing of program
- Race, gender, and resident tracking
- Self-identification by vendors

Next Steps

- Examination of current spend (by zip code)
- Certification roles and responsibilities
- Parameters to maintain consistent quality
- Incentives to be dollar or points based
- Coordination/integration with existing HUB goals
- Potential policy development/updates

Thank you!

