

Local Purchasing Program

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**MILWAUKEE
PUBLIC SCHOOLS**

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Superintendent

Resolution 1819-011

- Explore the feasibility of instituting a local purchasing program modeled after the city's program

Overview

Purpose of Local Purchasing Programs

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

- Job creation
- Circulate money in the local economy
- Alleviate unemployment

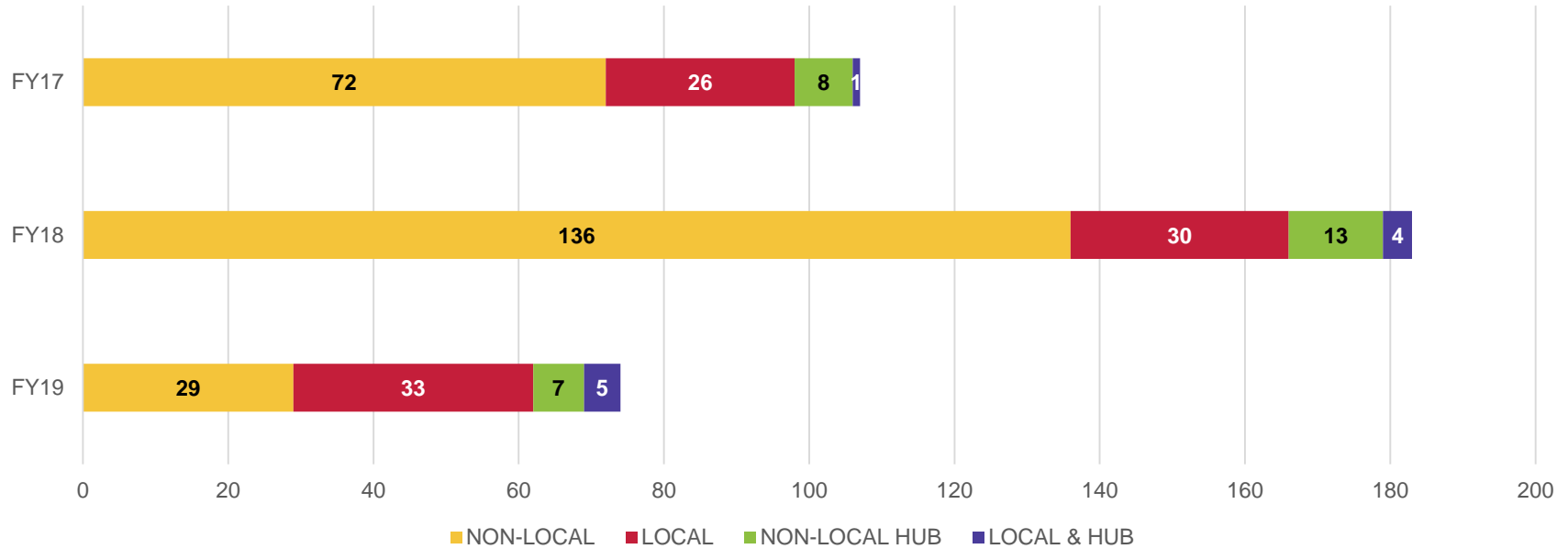
What if analysis MPS RFPs

Parameters

- 5% additional points incentive for local business enterprise
- 10% additional points incentive for local business enterprise and Historically Underutilized Business (HUB) enterprise

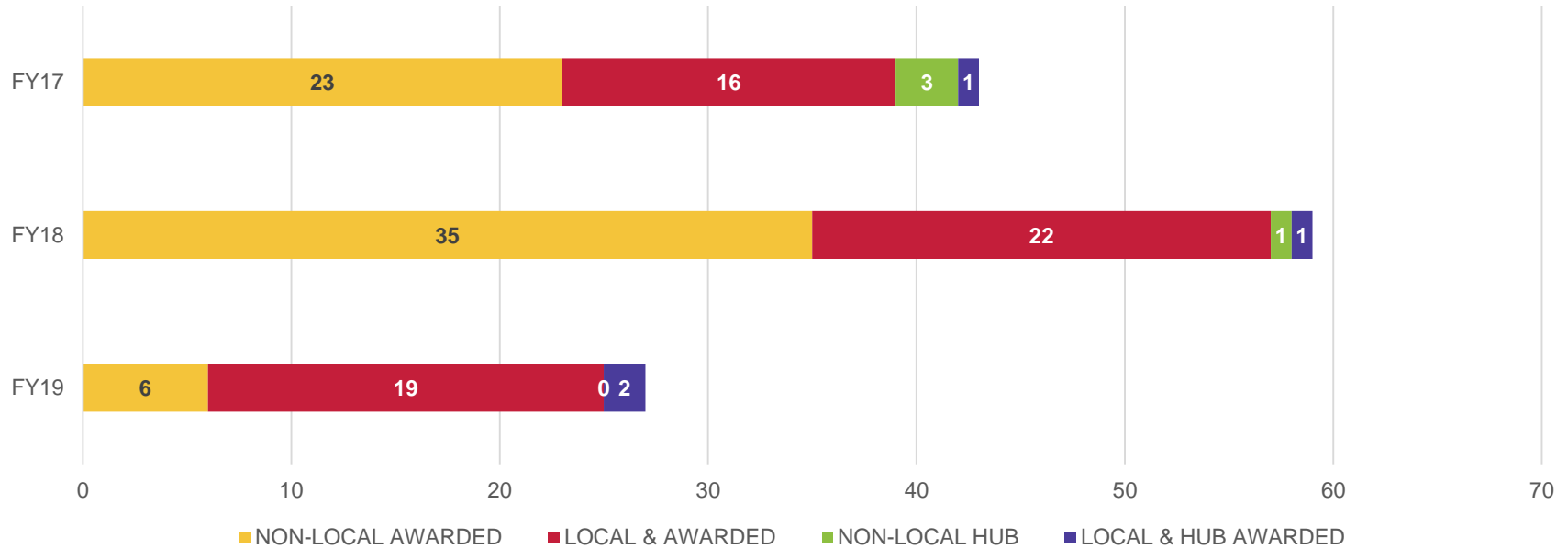
Fiscal Year Comparison of Respondents

Respondents to Requests for Proposals



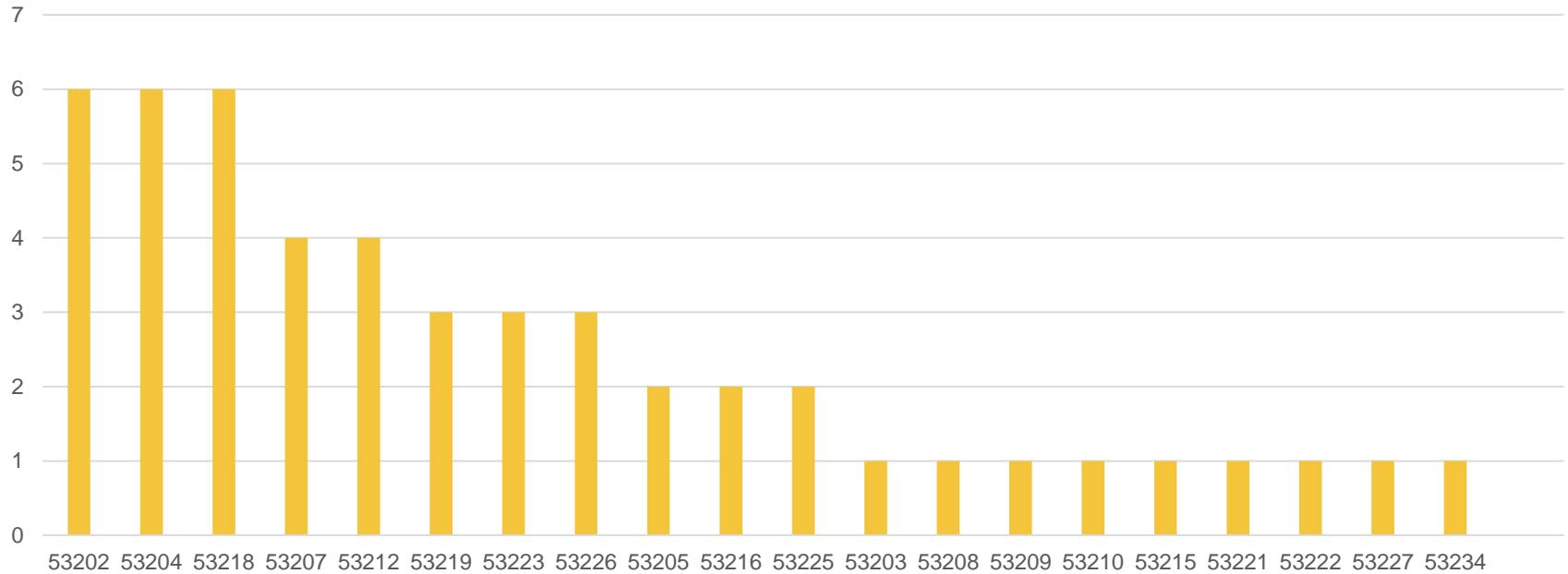
Fiscal Year Comparison for Contract Awards

Contracts Awarded Via Request For Proposal

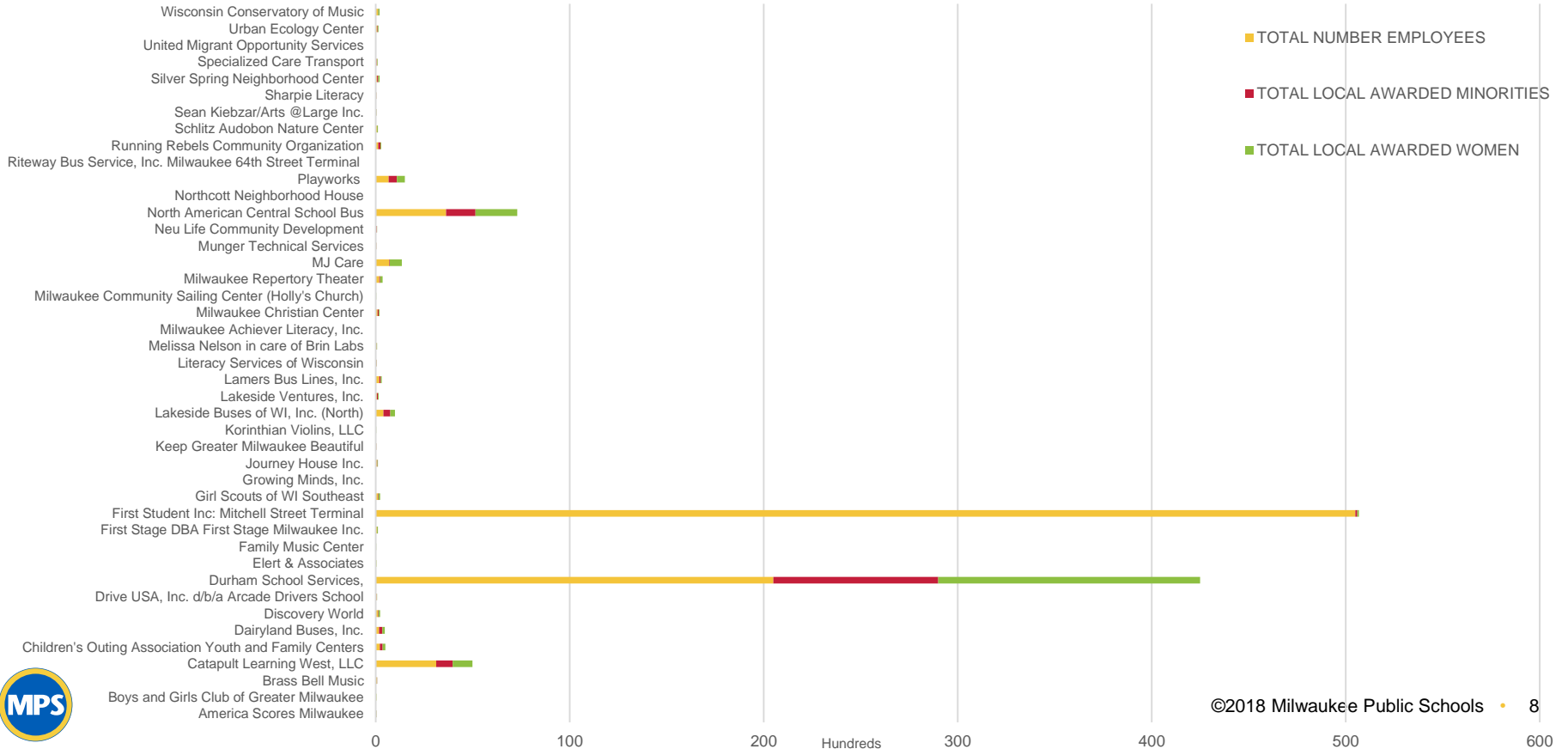


Disaggregation of Local Contract Award via RFP

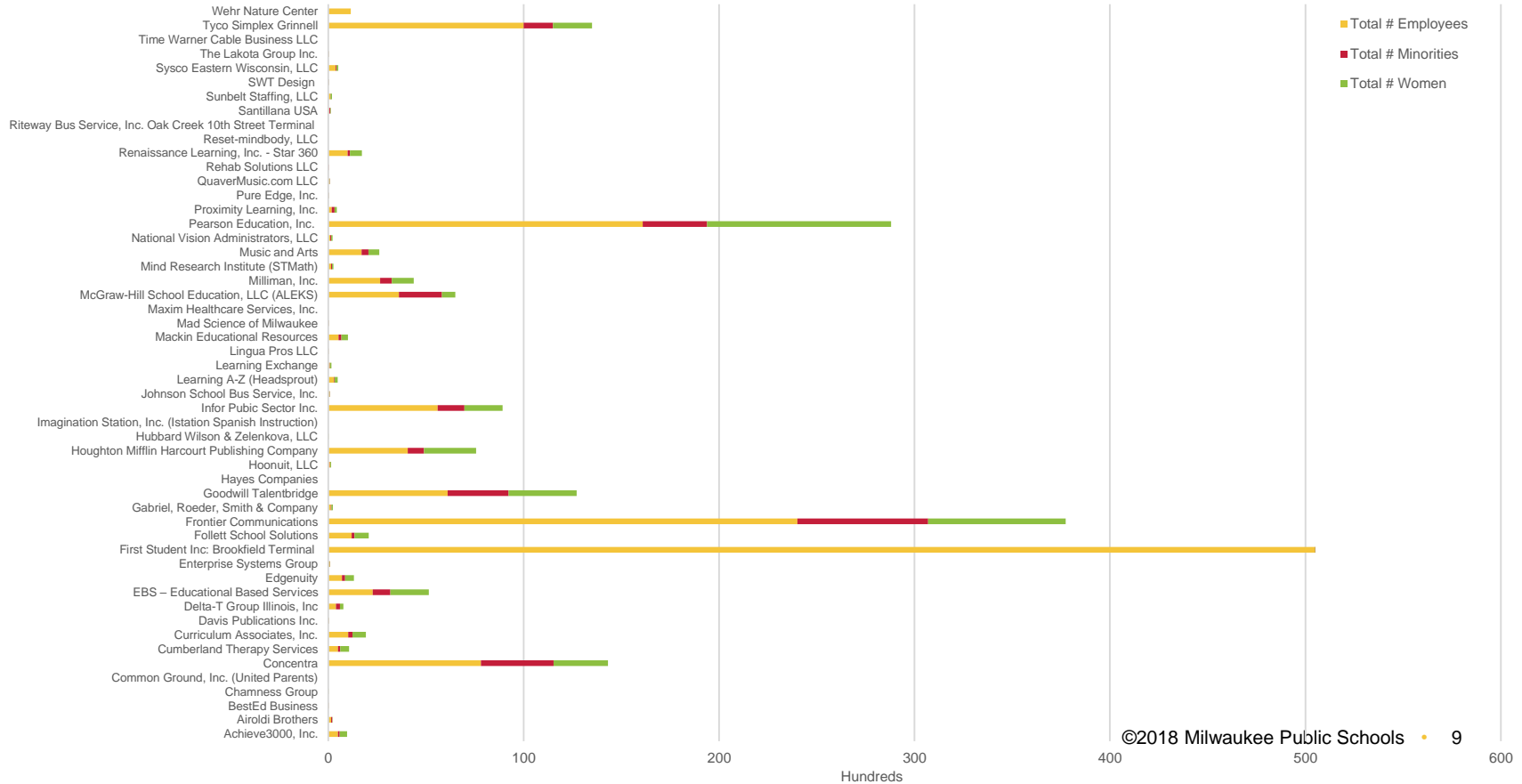
Disaggregation of Local Contract Award by Zip Code



Local Awarded Company Demographics



Non-Local Awarded Company Demographics



RFP Incentive Outcome

- Local business enterprises would have resulted in 23 firms receiving 5% additional points, but no award outcome change
- Local and HUB enterprise would have resulted in five firms receiving 10% additional points, and one (1) award outcome change based on points

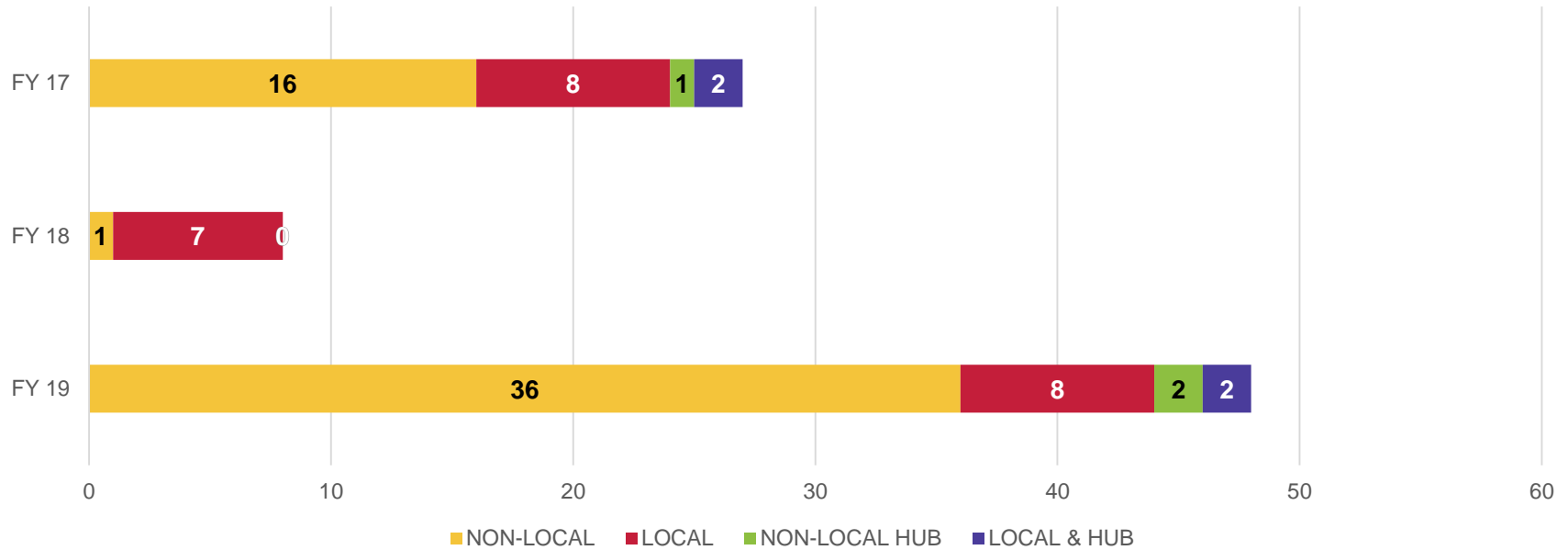
What if Analysis MPS Bids

Parameters

- 5% bid incentive for local business enterprise, incentive capped at \$25,000
- 10% bid incentive for local business enterprise and Historically Underutilized Business (HUB), incentive capped at \$30,000

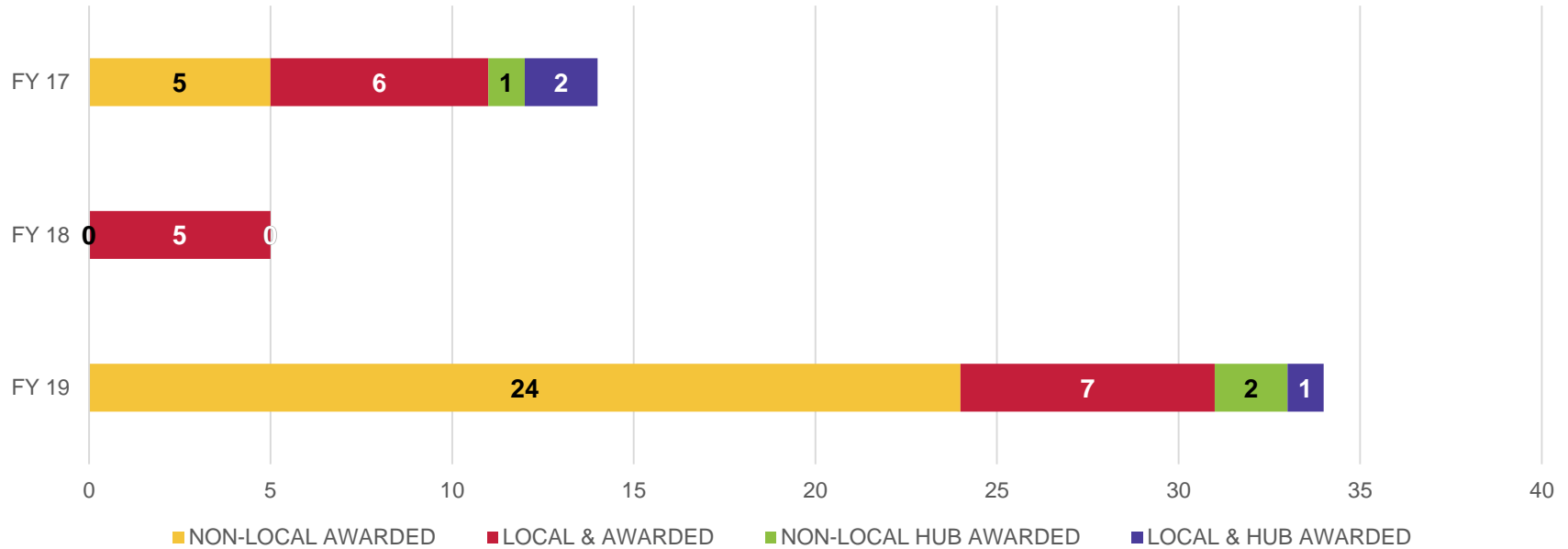
Fiscal Year Comparison of Respondents

Respondents to Requests for Bids



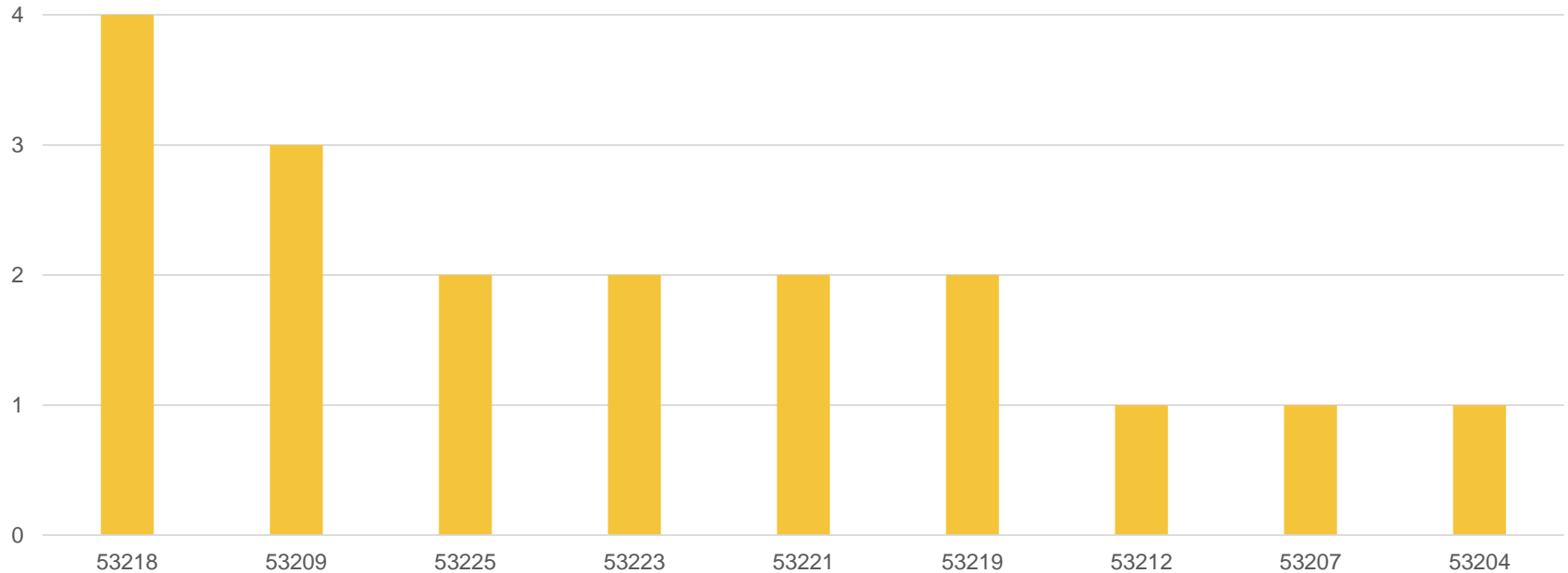
Fiscal Year Comparison for Contract Awards

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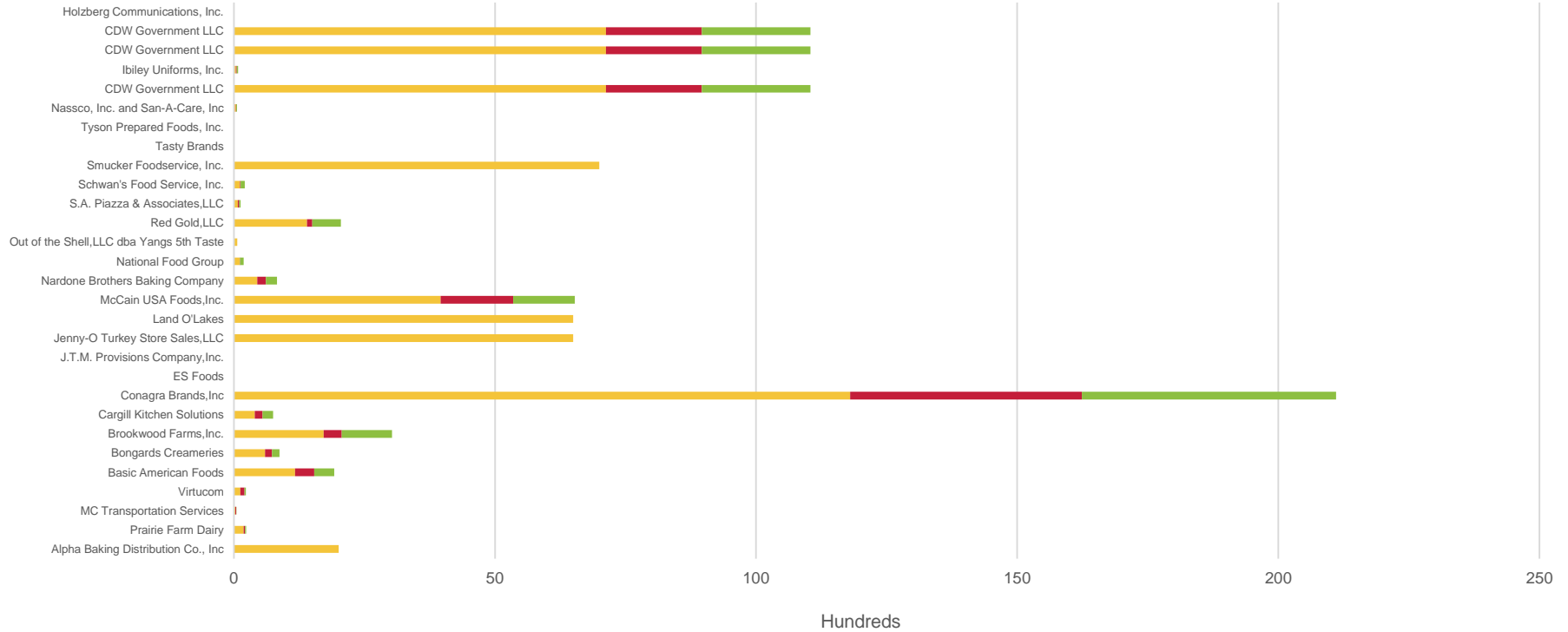


Disaggregation of Local Contract Award via Bid

Disaggregation of Local Contract Award by Zip Code



Non-Local Awarded Company Demographics



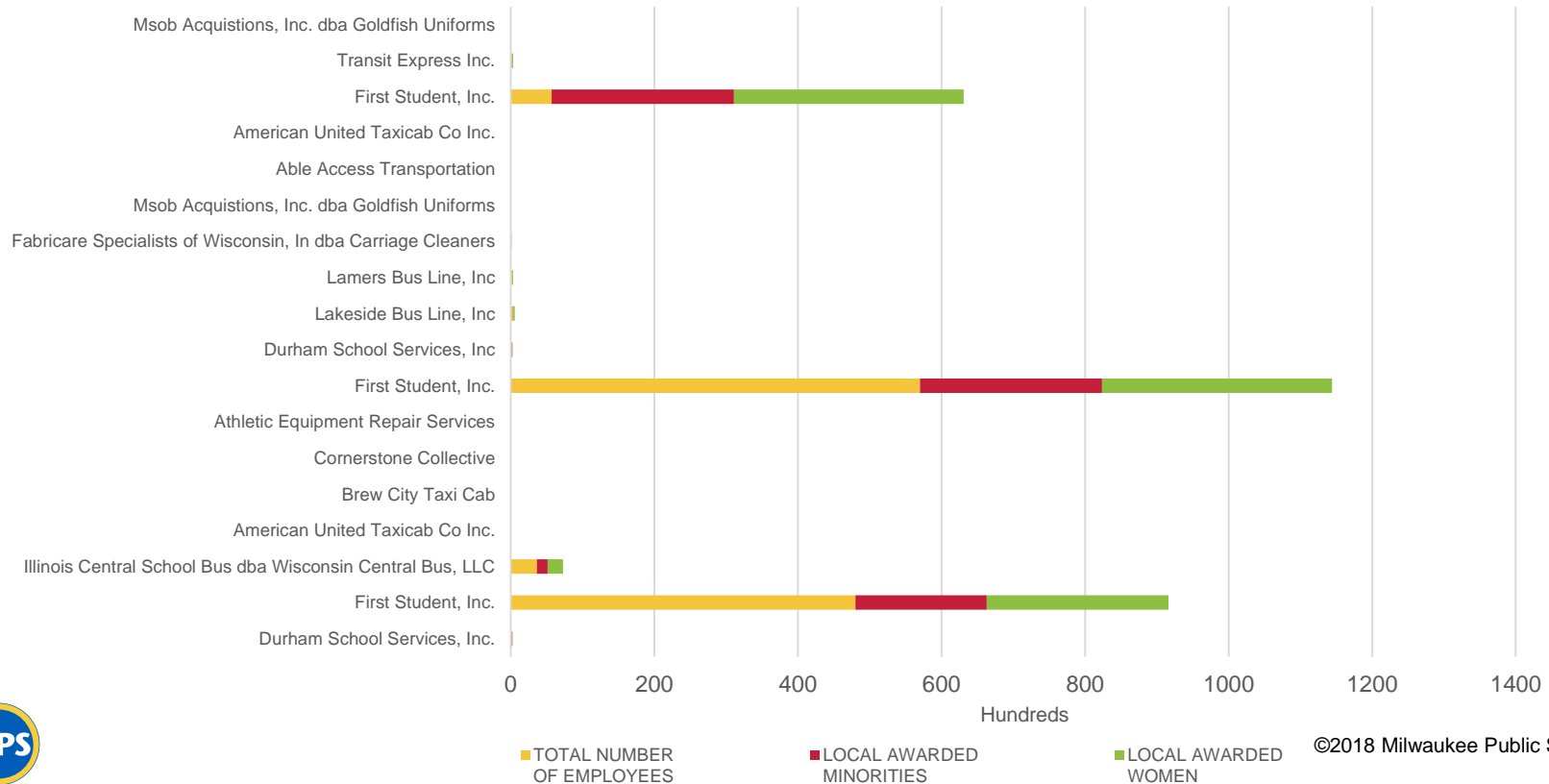
■ TOTAL NUMBER OF EMPLOYEES

■ NON-LOCAL AWARDED MINORITIES

■ NON-LOCAL AWARDED WOMEN



Local Awarded Company Demographics



Bid Incentive Outcome

- Local business enterprise resulted in one firm receiving 5%, no impact on award outcome
- Local and HUB enterprise resulted in one firm receiving 10%, no impact on award outcome

Limitations

- Like City of Madison and Milwaukee local purchasing program revealed little change in award outcome
- State law prohibits local requirements on public works
- Federally funded programs are also exempt
- Auditing of program
- Race, gender, and resident tracking
- Potential policy development/updates steps

Parameters to Maintain Consistent Quality

- Evaluation committee consistency
 - Educate district sponsors and evaluation committees on the purpose of the program
 - Reemphasize scope writing and specification drafting
- Incentive points to be allocated by Procurement
 - Evaluation committees not involved

Findings and Considerations

- Consistent participation of local bidders
- Capacity of respondents may be a limitation
- Fiscal impact would be minimal
- Approval of current 10-point allowance to percentage of total points
- Industry best practices

Thank you!

