

construction industry. The agreement called for five new apprentices from MPS in five different trades for a period of five years. (2) The second concept required MPS to enter into a business relationship with a community development entity to develop/construct/renovate an

MPS facility. Such a collaboration was designed to provide greater training opportunities for underemployed workers. While the two initiatives failed to materialize, both provided opportunities for future collaboration.



An MPS student, hard at work, verifying project entries

Student Engagement -- Employment & Education

One thousand fifty-nine (1,059) MPS juniors and seniors completed enrollment into the NSI Student Education/Employment program during the four years of NSI activity.

Over the life of the Neighborhood Schools Initiative, 19 contracting employers participated. By year three of the student program (2004), other employer partners were involved to provide placement sites for students who could not be placed on site with a contractor.

Throughout the construction period, 132 different MPS students found work on NSI projects with average earnings exceeding \$7.50 per hour.



Middle School students participated in a construction career day at Bradley Tech

Types of Jobs

The Neighborhood Schools interns were afforded meaningful work in non-traditional positions for high school students. The following highlights the types of jobs developed and the titles students held:

- Art Installation Project Assistant
- Architectural Project Assistant
- Office Assistant
- Web Design Assistant
- Office Administrative Assistant
- Drafting Assistant
- Construction Project Assistant
- Marketing and Research Intern
- Architect/General Office Assistant
- Accounting Clerk
- Education Assistant
- Video Production Intern
- Computer Technician Intern
- Project Assistant

All professional and construction service providers were required to provide a minimum of 20 hours of classroom or field exposure for students impacted by Neighborhood School projects, mirroring the aforementioned employment initiative.

Hundreds of students, from elementary to high school, have been engaged through education activities during the course of NSI since late 2001. Several activities between 2002 and 2004 involved more than 500 students and their parents in day-long educational events.

The planning and achievement of community benefits through the Neighborhood Schools Plan in many ways resembled a great experiment. As Independent Monitors -- observers of the process -- we witnessed first hand the challenges, apprehension of contractors, and the concerns lifted up by many in the community.

It was only through the Administration and Board's determination to draw a line in the sand, did MPS complete the Neighborhood Schools Plan with such resounding success. As a result, the procedures used and processes for verification have moved many in local and state government to re-think their diversity programs.

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Report Focus

Section 15 of the August 14, 2000 Milwaukee Public Schools Board of School Director's Neighborhood Schools Plan Final Report begins:

"The Neighborhood Schools Plan makes a commitment to reflect the diversity of its community in the contracting, employment, and educational opportunities generated by the Plan... This statement outlines the Milwaukee Public Schools commitment to reflect the diversity of our community in the contracting, employment, and educational opportunities that the Neighborhood Schools Plan will generate. The statement covers the following:

- Voluntary Milwaukee Minority/ Women Apprenticeship Program
- Resident Preference Provisions
- Historically Underutilized Business and Community Development Entity (CDE) Participation
- Educational Partnerships"

Appendix G of the Plan provided additional information on each of the program components outlined in this statement.

2000 - 2006

Monitoring

The full Plan was a 335 page comprehensive document. It was forwarded by the MPS Board of School Directors to the Wisconsin Legislature, where it promptly gained the necessary approval.

To assist MPS with the oversight responsibility, the Board issued a request for proposal (RFP) to hire a program manager and an independent agency to monitor all provisions of the Neighborhood Schools Plan relative to contracting and employment, as well as various components of the educational opportunities provided for MPS students.

The Board established that the Historically Underutilized Business Program Office (now the Division of Diversity and Community Engagement or DDCE) would oversee the activities of the independent agency.

From October 2001 through June 2006 the Independent Monitor (IM) provided 43 monthly reports to the Board.

This is a summary of the last and final Independent Monitor report, submitted by:

Prism Technical Management,
Independent Monitor



Program Scope

The approved Neighborhood Schools Plan called for MPS to borrow \$98.4 million in bond proceeds as authorized by the Wisconsin State Legislature.

The community benefit goals established by the Board of School Directors in partnership with community-based agencies and other stakeholders were as follows:

Expenditures

Minority Businesses	30%
Women Businesses	5%

Workforce Inclusion

Underemployed Residents	25%
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Student Employment

Service Provider Internships

Student Education

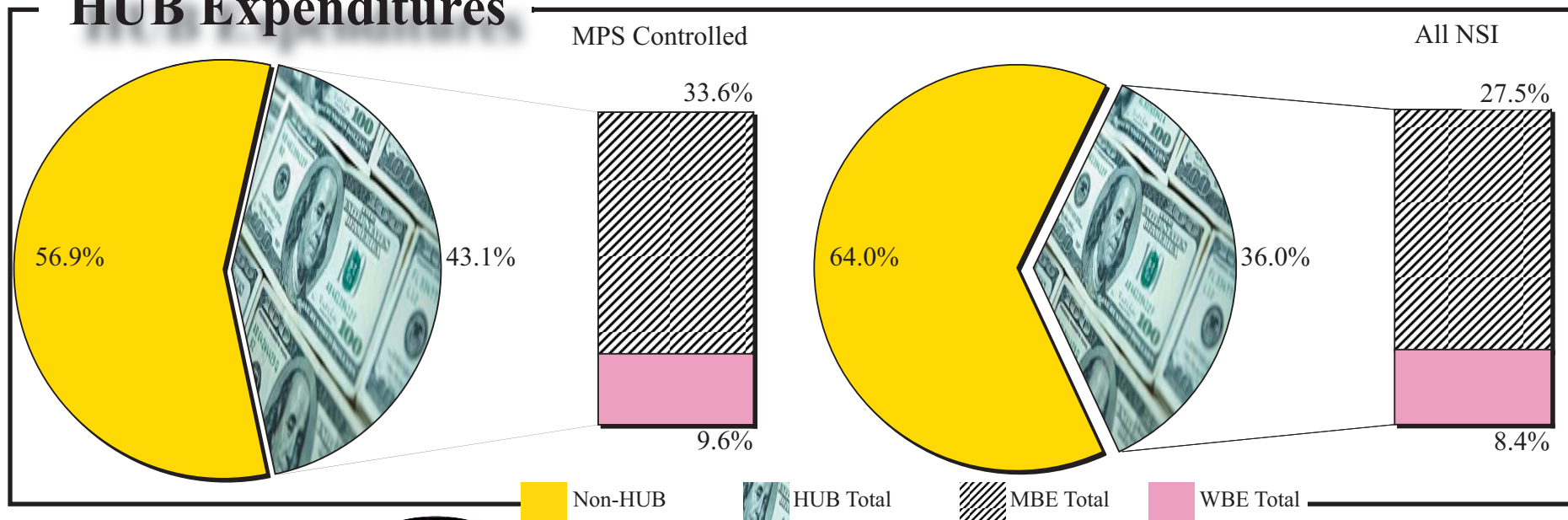
Service Provider Interaction

Other

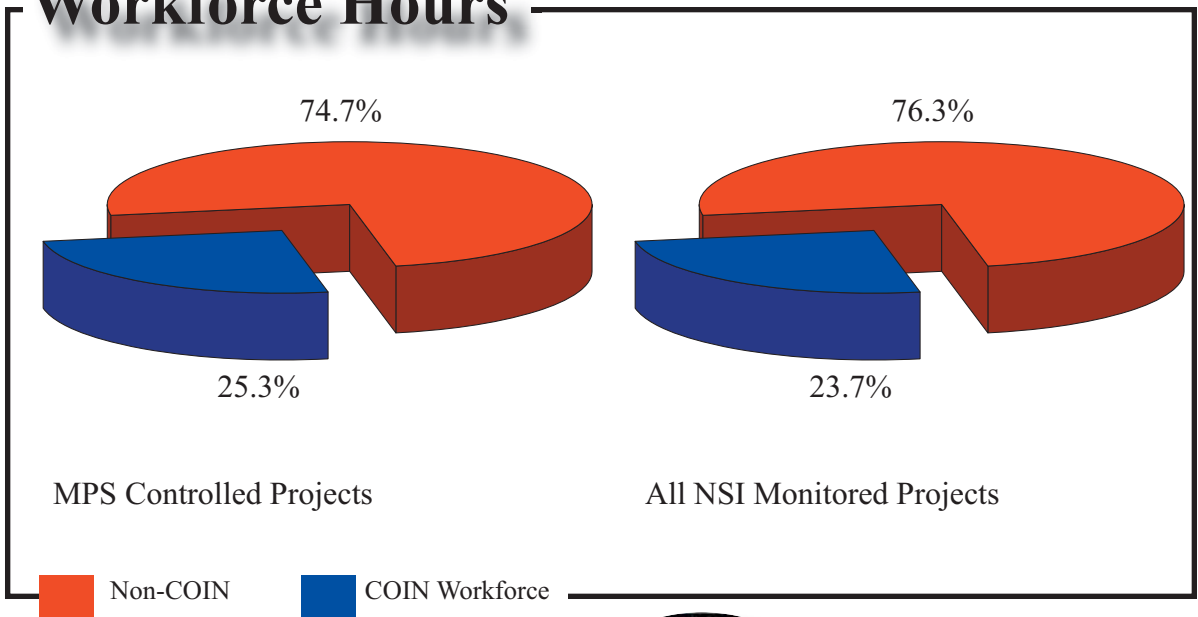
CDE Participation
Voluntary Apprenticeship Program

Milwaukee Public Schools 2000 - 2006 Neighborhood Schools Initiative PARTICIPATION PROGRAM PERFORMANCE

HUB Expenditures



Workforce Hours



HUB EXPENDITURES

MPS uses the term "Historically Underutilized Business," or HUB, to define the full classification of firms it considers "underrepresented" in its contracting base. For the purposes of the Neighborhood Schools Initiative (NSI), HUB expenditures was defined as MBE (Minority Business Enterprise) or WBE (Women Business Enterprise participation).

In order to avoid speculation or estimates, reported HUB participation is based on very conservative financial calculations, as explained below.

(1) Payments to HUB vendors are counted for participation purposes only for work performed by the MBE or WBE vendor. (i.e. Participation credit for expenditures with an MBE General Contractor -- which subcontracts for specific trade work is credited with HUB participation only for work the firm self-performs or subcontracts with another



MBE or WBE vendor).

(2) Only verified payments have been included for participation credit. Verification consists of written confirmation from HUB vendors or copies of cancelled checks indicating that HUB vendors received payments.

PROJECT CONTROL

The Division of Facilities and Maintenance Services (DFMS) and the Division of Diversity and Community Engagement (DDCE - formerly the HUB Program Office), controlled \$68.23M in MPS/NSI project expenditures, (including program management and monitoring services) on 38 different MPS construction sites; partner organizations from the community pooled their own funds and contributions, with \$28.92M invested by MPS on 11 other projects, eight of which, were eventually fully developed.

HUB Expenditures

MPS Controlled Projects

Total Spend	\$ 68,278,248	100.0%
MBE	\$ 22,931,529	33.6%
WBE	\$ 6,520,673	9.6%

Partner Controlled Projects

Total Spend	\$ 28,921,111	100.0%
MBE	\$ 4,844,286	16.8%
WBE	\$ 1,850,027	6.4%

Subtotal

Total Spend	\$ 97,199,358	100.0%
MBE	\$ 27,775,815	28.6%
WBE	\$ 8,370,771	8.6%

Including non-required "Pay As You Go Funds"

Total Spend*	\$ 101,950,831	100.0%
MBE	\$ 28,074,446	27.5%
WBE	\$ 8,591,568	8.4%

** In total, 117 different HUB service providers participated on NSI projects.*

WORKFORCE

The Neighborhood Schools Initiative began its workforce effort using the City of Milwaukee's Residents Preference Program guidelines. Following advice from the City Attorney, a workforce plan specific to NSI was developed. The plan was entitled COIN -- Communities in Need.

MPS created a national map for workers to qualify for its worker preference program. Concisely stated, a worker became eligible for the COIN preference if the individual's permanent abode was located in a US census tract where 14.3% of its residents had combined family incomes below the US poverty threshold and the individual's family qualified for the Free or Reduced Lunch Program. The reduced lunch income limits are approximately 190% of the poverty line. (i.e. as of June 2006 a family of four would qualify with an annual family income at or below \$37,000).

COIN participation is measured against the total on-site workforce hours.

*"One of every four hours worked on MPS NSI COIN projects was performed by individuals once eligible to receive free or reduced lunch."
- Independent Monitor*

Workforce Results

MPS - RPP Projects

Total Hours	161,128 hrs.	100.0%
RPP Workers	38,473 hrs.	23.9%

MPS - COIN Projects

Total Hours	422,715 hrs.	100.0%
COIN Workers	109,041 hrs.	25.8%

Subtotal (MPS RPP and COIN)

Total Hours	578,803 hrs.	100.0%
Combined	146,263 hrs.	25.3%

Partner Projects

Total Hours	54,730 hrs.	100.0%
RPP/COIN	9,687 hrs.	17.7%

Workforce for all Projects

Total Hours	633,533 hrs.	100.0%
RPP/COIN	149,915 hrs.	23.7%

Opportunities for Future Collaboration

Through the Neighborhood Schools Plan, MPS established and achieved many groundbreaking concepts, providing new community benefits during the life of the Initiative; however, two intended collaborations failed to materialize:

- An Apprenticeship Program
- CDE Project Development

The two initiatives failed to gain traction during the hurried and congested Neighborhood Schools construction period, as the models for both cutting edge ideas began as indistinct concepts and involved third parties not normally engaged by the school system: (1) The Voluntary Apprenticeship Program was an agreement between the local building trades and MPS to increase the number of MPS students serving in state sanctioned apprenticeship positions in the

