

**PROPOSAL TO
CITY OF LAWRENCE, KANSAS
PERFORMANCE MEASUREMENT
AND
BALANCED SCORECARD DEVELOPMENT**

FEBRUARY 24, 2006

TABLE OF CONTENTS

Introduction.....	1
Qualifications and Experience of the Firm	1
Completed Projects and References	2
Qualifications of Project Team.....	3
Proposed Scope of Work.....	5
Fee for Services.....	7
Project Timeframe.....	7
Attachment A – ICMA Center for Performance Measurement Jurisdictions.....	8
Attachment B – Project Team Bios.....	9



MANAGEMENT PARTNERS

INCORPORATED

February 24, 2006

Ms. Debbie Van Saun
Assistant City Manager
City of Lawrence
City Hall
6 East Sixth Street
Lawrence, Kansas 66044

Dear Ms. Van Saun:

Thank you for your interest in having Management Partners provide a proposal to develop a comprehensive system of performance measures and a "balanced scorecard" component for reporting. Based on the information gleaned in your discussions with Julia Novak, we have based the proposal on approximately 50 programs – and have specifically excluded the Lawrence Library and Douglas County Health Department.

Management Partners is uniquely qualified to provide this type of consulting services, and we look forward to the possibility of working with the City of Lawrence in this capacity. If you have any additional questions, please feel free to contact me.

Sincerely,

Gerald E. Newfarmer
President and CEO

INTRODUCTION

Management Partners is pleased to submit this proposal for consulting services to develop a comprehensive system of performance measurement and a balanced scorecard for the City of Lawrence. Management Partners has assisted a wide variety of jurisdictions both large and small with the development of performance measurement systems. As part of this assistance, we help link strategic planning, the management system, and performance measures so the result is an outcome-based reporting system. In some jurisdictions, a balanced scorecard is the result. In other jurisdictions, reporting systems have varied based on the city's needs and desires.

Management Partners' approach to this project is to work closely with the City staff to train managers in the development and use of performance measures. Working as a team, we can identify outcomes (and a corresponding family of measures) that are meaningful to the public, City Commission, City Manager, and City staff. As a result, when our work is completed, staff members will have the capacity to identify measures for new programs, or suggest changes to measures if program goals change. We are proud of our team's experience and our ability to help clients develop a system that serves their needs well into the future.

QUALIFICATIONS AND EXPERIENCE OF THE FIRM

Management Partners is a professional management consulting firm dedicated to helping local governments increase their effectiveness. The firm is staffed by professionals who are experienced public service managers as well as qualified management consultants. Our roots are in local government, and we are experienced in serving local governments of all sizes and in all regions of America.

Our passion is quality management and quality performance, in the setting of democratic local self-government. As a firm, we are committed to producing first-rate analysis to identify improvements that can be implemented. Our consultants come with years of experience working in all aspects of local government management.

Management Partners played a leading role in local government performance measurement, starting with the development of the International City/County Management Association's (ICMA) Center for Performance Measurement. The Center for Performance Measurement is a collaborative effort by cities and counties to develop comparative performance measures through the collection and sharing of performance results for a basic set of government services. Through our prior consulting work with the ICMA Center, we trained local government staff in over 120 jurisdictions throughout the United States and Canada. Attachment A provides a listing of jurisdictions we served in that capacity.

In addition, we have provided direct assistance to many individual jurisdictions in the development and implementation of customized performance measurement systems. We have worked with jurisdictions large and small around the country, including Washington, DC; Rockville, Maryland; Overland Park and Olathe, Kansas; Lake County, Illinois; Florence and Louisville, Kentucky; Arlington County, Virginia; Oakland, San Mateo, San Ramon, Walnut Creek and Alameda, California; Rye, New York; Springdale,

Ohio; Troy, Michigan; Lexington, Massachusetts; and Kent, Washington. More than anything, we enjoy helping managers to use performance measurement intelligently, including its use as an integrated part of their management system.

COMPLETED PROJECTS AND REFERENCES

Management Partners has worked with the following organizations creating and implementing organizational outcome-based performance measurement systems. We are proud of our track record with satisfied clients and we welcome you to contact any of them. We have included a selected list of our most relevant and/or recent clients. We also invite you to visit our web site (www.managementpartners.com) for additional information about our clients, staff, and services.

City of Olathe, Kansas

J. Michael Wilkes, City Manager
Michael Ashcraft, Organizational Effectiveness Consultant
100 East Santa Fe Drive
Olathe, KS 66051-0768
913-971-8611

Overland Park, Kansas

John Nachbar, City Manager
City of Overland Park
8500 Santa Fe Drive
Overland Park, KS 66212
913-895-6000

Lake County, Illinois

Gary Gordon
Director, Office of Management and Budget
Lake County
18 North County Street
Waukegan, IL 60085-4355
847-377-2233

Rockville, Maryland

Mark Pentz, City Manager
City of Chandler (formerly City Manager of Rockville)
PO Box 1832
Chandler, AZ 85244-1832
480-782-2210

QUALIFICATIONS OF PROJECT TEAM

Julia Novak, the Project Director, will be responsible for all aspects of the project and the work of the project team, and will be the primary contact person for the City. Amy Paul, will be the project manager and she will be supported by Dean Watkins, Michelle Ferguson and Jon Ingram.

The qualifications of each person to be assigned to the project are summarized below. More detailed professional biographies are included as Attachment B. This project will be a top priority for Management Partners, and our team members will be readily available to contribute to the success of the project.

Julia Novak, Regional Vice President, directs the work of the eastern office. Julia joined the firm in 2003 after spending 16 years in service to local governments. Since joining Management Partners she has directed organizational reviews and studies for virtually all areas of municipal operations, including planning and development review, finance, human resources, health and human services, public works, facilities, fleet, public safety and parks and recreation. Julia has been directly involved in developing business plans, strategic plans and developing and reviewing performance measures/indicators. Julia was extensively involved in the development of the performance management system in Louisville, Kentucky, as well as the Performance Measures and Balanced Scorecard development in Olathe, Kansas. During her local government career, Julia worked in Fort Collins, Colorado; Lexington, Massachusetts; Rockville, Maryland; and was City Manager of Rye, New York.

Amy Cohen Paul, Corporate Vice President, has managed each of Management Partners' performance measurement and benchmarking projects. Amy has helped many jurisdictions with performance measurement, including Walnut Creek, San Mateo and Orange County, California; Louisville and Florence, Kentucky; Olathe and Overland Park, Kansas; Rye, New York; College Park and Rockville, Maryland; Lexington, Massachusetts; Troy, Michigan; King County and Kent, Washington; Arlington County and Arlington Public Schools, Virginia; and the District of Columbia.

Amy has experience with projects of greater scope, including assisting the public works and water services departments in Kansas City, Missouri with strategic planning, performance measurement and process benchmarking. She also directs a benchmarking project with Southwest Ohio Fire Chiefs that compares outcome and efficiency indicators among 16 jurisdictions. In addition to her other work, Amy was part of the management team for ICMA's Center for Performance Measurement. She has designed and delivered training on benchmarking and performance measurement for a variety of clients, including the ICMA University. She also developed a CD-ROM on performance measurement and is the author of several articles on the topic.

Dean Watkins, Senior Management Advisor, joined Management Partners in 2003 after more than 30 years experience in municipal management. He has budget development experience, including building revenue forecasting models. In addition to having general public management experience, he has worked in police operations, community development and has development finance experience. Dean has assisted with the

development of performance measures in a variety of departments in Louisville, Kentucky as well as for the King County (Washington) Sheriff's Office. In addition, Dean has worked on a number of public safety organization reviews, including extensive work in King County, Washington; Polk County, Florida; Manchester, Connecticut; Brockton, Massachusetts; and Kenton County, Kentucky; as well as general organization reviews in Topeka, Kansas and Louisville, Kentucky.

Michelle Ferguson, Senior Management Advisor, joined Management Partners in the summer of 2005, after ten years of working in local government management. Since joining Management Partners Michelle has helped staff in the King County Sheriff's Office (Washington) and Lake County (Illinois) develop performance measures. Michelle has worked on process improvement projects in Montgomery County, Maryland; Kansas City, Missouri; and Polk County, Florida; Michelle has skills in performance measurement, project management, process improvement strategies, consent building, and public process. She has special expertise in capital budgeting and financing, project implementation, and process re-engineering. Michelle served as Assistant County Manager in Arlington County, Virginia, where she also held the post of Director of Engineering and Capital Projects. Earlier, she served as Assistant City Manager of Overland Park, Kansas.

Jonathan Ingram, Management Analyst, joined Management Partners in July 2005. Jon has been part of the project team developing a system of performance measures in Lake County, Illinois. Jon earned his MPA from Northern Illinois University where he studied urban management and fiscal administration. Jon's analytical abilities and attention to detail are important assets for the project teams he supports. Prior to beginning work at Management Partners, Jon was employed with the City of Highland Park, Illinois. Jon's work in the Highland Park City Manager's Office included legislative impact analysis, process improvement, contract oversight, budget management and administrative policy development. Since joining Management Partners, Jon has supported projects in Kenton County, Kentucky; Polk County, Florida, and the Maryland-National Capital Park and Planning Commission, as well as Lake County, Illinois.

PROPOSED SCOPE OF WORK

Management Partners is excited about the possibility of working with the City of Lawrence to develop a management system that incorporates a comprehensive system of performance measures and a balanced scorecard style presentation.

Activity 1: Commence Project

When the project commences, Management Partners will begin a careful learning phase. Two members of the project team will spend two days on site with the City's management team to develop an understanding of the specific elements the City wishes to see in the final product.

Activity 2: Adapt the Scorecard Methodology to the City of Lawrence

Management Partners will develop a scorecard that integrates the City's strategic planning objectives and Council goals around the four basic elements of Norton and Kaplan's Balanced Scorecard: the customer focus, the operational focus, the financial focus and the employee focus. Once management is comfortable with both the strategic elements and look of the scorecard, we will return to Lawrence to make a presentation to the Lawrence City Commission, if desired, to get their input on the final scorecard. If necessary, the scorecard will be refined again based on the Commission's input and then finalized for acceptance by the City.

Activity 3: Conduct Training and Provide Consultation on Performance Measures

An important part of the success of a comprehensive performance measurement effort such as this includes ensuring that the City staff understands and is committed to implementing such a system of accountability. We propose training 80-100 staff members, including management staff and program managers, as well as other key staff who will be integral to reporting information in the scorecard. The training will focus on both performance measurement and the implementation of the Lawrence Scorecard developed in Activity 2. Four half-day sessions will be held with approximately 25 employees per group. Our training is interactive and highly engaging. Following each training session, Management Partners' staff will meet with managers from each department to clarify programs, examine existing measures and collaborate about new performance measures and scorecard elements.

Activity 4: Develop Performance Measures

This activity is designed to take place about four weeks after the initial training and consultation session. Following the training, Management Partners staff will identify a "family" of measures (with an emphasis on effectiveness and efficiency measures) that can be used to determine the extent to which each program's goals (and strategic planning goals, as appropriate) are being achieved. Management Partners' consultants will return the "family of measures" to program managers by email and then schedule on-site meetings. We will meet with each department director and program manager to review the suggested measures and collaborate about the final "family of measures." We will also identify the appropriate measures to be included in the Scorecard. We will also provide the City Manager with our specific recommendations for final measures.

Activity 5: Integrate Performance Measures and Scorecard

Management Partners' staff will integrate the final measures with the Scorecard developed in Activity 2, and review the integrated report with management before finalizing our project deliverables.

Activity 6: Prepare and Present Final Deliverables

Fully implementing this systematic approach to organizational accountability will include providing each department with forms for tracking and reporting measures to the City Manager on a regular basis. This will include an agenda for regular one-on-one meetings between the City Manager and department heads to ensure that appropriate attention is paid to operational data throughout the year. Management Partners will prepare a final set of recommended measures for each program or service and provide the measures to the government together with our comments and suggestions for data collection, implementation and follow-up.

We will also work with the management team to assure that the performance measurement system is integrated with the City's business/work planning process and its budgeting process. This will include reviewing the timing of those processes and developing a recommended reporting system for assuring that key information from the performance measurement system is available at the appropriate time with the other management processes.

Performance Measures will be provided in Excel format. Management Partners will develop the final deliverables and provide both a single hard copy and electronic files for ease of updating in the future. We will return to Lawrence and present the final product to the City Manager and the City Commission, as appropriate.

In a project such as this, it is important to understand what the actual deliverables are. In this case they are:

- Training manual
- Balanced Scorecard
- Comprehensive family of performance measures for City programs
- Report detailing the performance management system

Activity 7: Provide Implementation Assistance

Once the measures have been completed, City staff members will then need to collect available data. This will establish a baseline for the City of Lawrence and, when completed, will enable management to set targets for the future. In this way, the spirit of continuous improvement can be fostered. Management Partners will be available for telephone consultation with program managers during data collection.

FEE FOR SERVICES

It is estimated that 702 hours of management consulting assistance will be required to complete this project. This estimate is a minimum commitment of Management Partners' time to complete the work; usually, additional time is allocated as required to assure that the project is performed at the high quality level that is our trademark.

The estimate for each activity is as follows:

ACTIVITY	HOURS
1 – Commence Project	42
2 – Develop the Scorecard	112
3 – Conduct Performance Measurement Training	112
4 – Develop Performance Measures	286
5 – Integrate Performance Measures and Scorecard	68
6 – Prepare and Present Final Deliverables	42
7 – Provide Implementation Assistance	40
TOTAL	702

The total fee to complete the proposed scope of work described above is \$125,750, including expenses.

PROJECT TIMEFRAME

Management Partners will coordinate with the City to schedule the project kick-off based on a mutually agreeable timetable. We expect the effort to take approximately 18 weeks to complete.

ATTACHMENT A

ICMA Center For Performance Measurement Jurisdictions

Alameda Co., CA	Flagstaff, AZ	Pomona, CA
Ann Arbor, MI	Flower Mound, TX	Redmond, WA
Anoka, MN	Gresham, Oregon	Prescott, AZ
Antioch, CA	Geneva, NY	Ramsey, MN
Baldwin Park, CA	Grand Prairie, TX	Richfield, MN
Batavia, NY	Horry Co., SC	Redwood City, CA
Baytown, TX	Hennepin Cty., MN	Reno, NV
Bellevue, WA	Hoover, AL	Roseville, MN
Bend, OR	Inver Grove Hgts, MN	Robbinsdale, MN
Berkeley, CA	Howard Co., MD	Rochester, NY
Bexar Co., TX	Hunstville, TX	Sahuarita, AZ
Blacksburg, VA	Johnson Co, KS	Sacramento, CA
Bloomington, MN	Irving, TX	Safford, AZ
Bridgeport, CT	Jacksonville, FL	San Bernadino, CA
Brookings, SD	Kitsap Co., WA	Salinas, CA
Broomfield, CO	Kennebunk, ME	Salt Lake City, NV
Bryan, TX	Kent Co., MI	San Luis Obispo, CA
Burien, WA	Lake Forest, CA	San Francisco, CA
Buffalo, MN	Knox Co., TN	San Jose, CA
Burnsville, MN	La Mesa, CA	Santa Clara, CA
Cananadaigua, NY	Little Rock, AZ	San Mateo Co., CA
Carlsbad, CA	Laredo, TX	Santa Barbara Co., CA
Carson City, NV	Las Cruces, NM	Sarasota Co., FL
Champaign, IL	Lubbock, TX	Santa Monica, CA
Chilliwack-Mission, BC	Lodi, CA	Santa Rosa, CA
Chula Vista, CA	Longmont, CO	Show Low, AZ
Colorado Springs, CO	Maple Ridge, BC	Savage, MN
Coon Rapids, MN	Lynnwood, WA	Schenectady Co., NY
Coppell, TX	Mankato, MN	St. Louis Park
Corning, NY	Miami-Dade, FL	Sierra Vista, AZ
Corpus Christi, TX	Marion Co., OR	Sioux City, IA
Cottage Grove, MN	Merced, CA	Tempe, AZ
Crystal, MN	Modesto, CA	Sterling Heights, MI
Cuyahoga Co, OH	Millbrae, CA	Takoma Park, MD
Davenport, IA	Minnetonka, MN	Vacaville, CA
Davidson Co., NC	New Hope, MN	Thunder Bay, ON
Davis, CA	Montgomery Co., OH	Tioga Co., NY
Dayton, OH	Mounds View, MN	Washington Co., MN
Denton, TX	Ocala, FL	Vancouver, WA
Des Moines-	Northfield, MN	Waseca Co, MN
Urbandale, IA	N. Hempstead, NY	Westerville, OH
Dunkirk, NY	Ormond Beach, FL	Watertown, NY
Eagan, MN	Odessa, TX	West Hartford, CT
Elgin, IL	Ogdensburg, NY	Worcester, MA
Elmira, NY	Pearland, TX	Westminster, CO
El Paso, TX	Palm Coast, FL	West St. Paul, MN
Eugene, OR	Palm Springs, CA	Woodbury, MN
Fairfax Co., VA	Portsmouth, VA	Wyoming, MI
Fullerton, CA	Pleasanton, CA	

ATTACHMENT B – PROJECT TEAM BIOS

JULIA D. NOVAK

Julia Novak is Regional Vice President for Management Partners and directs the work of the eastern office. Julia joined Management Partners in 2003 after spending sixteen years in service to local governments. During her local government career, she worked in Fort Collins, Colorado; Lexington, Massachusetts; Rockville, Maryland; and was City Manager of Rye, New York.

Since joining Management Partners Julia has directed organizational reviews and studies for virtually all areas of municipal operations including finance, public works, human resources, planning and development review, health and human services, facilities, fleet, public safety and parks and recreation. Julia has also been involved in developing business plans, strategic plans and developing and reviewing performance indicators and balanced scorecard reporting systems. Among the many projects the firm has undertaken in the past several years, Julia has directed the work of Management Partners Staff in Louisville, Kentucky; Manchester, Connecticut; Topeka, Lenexa and Olathe, Kansas; Polk County and Cape Coral, Florida; King County, Washington; and Berks County/Reading, Pennsylvania.

In September 2000, Julia was the recipient of the Assistant's Excellence in Leadership Award given by the International City/County Management Association for the work she did "building community" and "increasing organizational capacity" during her four and a half years as Deputy City Manager of Rockville, Maryland. Julia was the guiding force behind Rockville's successful Community Visioning process called: *Imagine Rockville, Creating the Future*. She developed the community neighborhood resource program and civic education program called "Rockville University."

In April 2002 Julia was one of twenty "practitioners" who participated in the ICMA sponsored symposium on the Future of Local Government Administration. Her response to Dr. James Svara's paper on *"City Council, Roles, Performance, and the Form of Government"* is included in the ICMA published book The Future of Local Government Administration.

Julia received her Bachelors Degree in Government and Politics from George Mason University, and her Masters Degree in Public Administration from the University of Kansas.

AMY COHEN PAUL

Amy Cohen Paul is a Corporate Vice President with Management Partners with over 25 years of experience in local government management and administration. Her work has included research and training in performance measurement and benchmarking, process improvement, total quality management, strategic planning, and organizational development.

Amy has managed a variety of Management Partners' organization review projects as well as performance measurement and benchmarking projects. She has worked with large jurisdictions such as Arlington County, Arlington Public Schools and Loudoun County, Virginia; the District of Columbia; and Orange County, California as well as small jurisdictions like Florence, Kentucky; Rye, New York; Rockville, Maryland; Lexington, Massachusetts; Troy, Michigan; and Kent, Washington to identify meaningful results-oriented measurements and research industry best practices. She has also helped many jurisdictions with organization reviews and process improvement projects, including Kenton County, Kentucky; Des Moines, Iowa; Rockville, Maryland; and the Metropolitan Nashville Airport Authority.

Amy was part of the original management team of the International City/County Management Association's (ICMA) Comparative Performance Measurement Consortium, a group of 40 large cities and counties in the U.S. and Canada. She is a skilled facilitator and trainer. Amy has designed and presented performance measurement and benchmarking training sessions for over 75 individual jurisdictions nationwide as well as for the ICMA University. In addition, she helped design a CD-ROM training program to help local government staff develop outcome based indicators. Amy also designed and lead community workshops on performance measurement with the National Civic League.

Amy also directed a three-year Leadership Development Program for ICMA, funded by the W.K. Kellogg Foundation. She developed a multi-media training program and implementation materials for citizen boards, commission, and committees. In addition, she directed a two-year FutureVisions Program for ICMA, working with 67 communities across the country. This project developed management techniques for examining short- and long-term trends for use in strategic decision making.

She is the editor of the book, Managing for Tomorrow: Global Change and Local Futures, and is the author of many articles in professional publications, including ICMA's The Municipal Year Book.

Amy holds a Bachelor's Degree in Public Communication and a Master's Degree in Public Administration from The American University.

DEAN WATKINS

Dean Watkins, Senior Management Advisor, has over thirty years of varied experience that includes public administration, police administration, community development and finance, as well as four years of local government consulting. He has extensive budget and finance experience including capital budgeting and project management.

Dean has managed community development fund portfolios of approximately \$20 million. He has guided the development of new housing for all market ranges and provided city support to several HOPE VI efforts to transform public housing. He has assisted, in partnership with commercial banks and other partners, moderate income families to become home owners and to rehabilitate homes that had been neglected. He has been instrumental in the revitalization efforts of inner-city neighborhoods. He has the rather unique experience of transforming a Brownfield site to market rate housing. In addition, Mr. Watkins has extensive knowledge of federal programs and requirements, having been the City of Cincinnati's Community Development Administrator for eight years.

Dean joined Management Partners in 2003 and has worked on organizational reviews in Louisville, Kentucky, Brockton, Massachusetts Manchester, Connecticut, King County, Washington and Topeka, Kansas, and has also been an integral part of the team of consultants developing a comprehensive system of performance measures for Louisville, Kentucky.

Dean has also served as the Chief Operating Officer and Executive Director of a community development financial institution and served on several boards and committees in the community.

Mr. Watkins has a Bachelor's Degree and a Master's Degree from the University of Cincinnati, and is also a certified Economic Development Finance Professional.

MICHELLE FERGUSON

Michelle Ferguson has ten years of experience working in local government management. Most recently, she served as the Assistant County Manager in Arlington, Virginia. She also took an assignment as the Director of Engineering & Capital Projects in Arlington. Prior to joining Arlington, Michelle served as the Assistant City Manager in Overland Park, Kansas.

During her tenure with Arlington County, Michelle was responsible for the daily management and implementation of the county's \$500 million capital program. She was tasked with re-engineering the program to ensure more efficient delivery of over 450 capital projects. Michelle also designed and led numerous public processes to develop community consensus around projects. In addition to her work with the capital program, Michelle had oversight responsibility for the county's performance measurement program.

While in the City of Overland Park, Michelle served as the project manager for the development of the city's \$150 million convention center and hotel project. Her responsibilities also included assisting with the development of a public-private financing structure and administering the contract over the private management firm hired to operate the city's convention center. Michelle also served as the city's liaison to several community business organizations and investigated all city harassment and discrimination claims.

Michelle graduated from Loyola University with a Bachelor's degree in political science, and she has a Master's degree in public administration from the University of Kansas. She is a member of the International City/County Management Association, the American Society of Public Administration, and the American Public Works Association. She also recently served as the president of the Metropolitan Association of Local Government Assistants in Washington, D.C.

JON INGRAM

Jon joined Management Partners as a Management Analyst in July 2005 to increase his exposure to municipal management and obtain a diverse range of major project experience. Prior to beginning work at Management Partners, Jon served as the Administrative Intern in the Highland Park, Illinois City Manager's Office, where he obtained a broad range of municipal management experience.

Some of Jon's responsibilities while at the City of Highland Park included contract/franchise agreement oversight, program administration, administrative policy development and implementation, and legislative impact analysis. Throughout his tenure in Highland Park, Jon worked with citizens, neighboring municipalities, Councils of Government, and Federal and State agencies to address the needs of Highland Park residents.

Since joining Management Partners, Jon has worked on projects for Kenton County and the City of Covington, Kentucky' the Southwest Ohio fire benchmarking project; Montgomery County Park and Planning District; and Polk County, Florida.

Jon graduated with honors from Aurora University in 2003 with a BA in Political Science and Minors in History and International Studies. He completed his graduate work at Northern Illinois University, earning a Masters of Public Administration in 2005.

Jon has served as a member of the International City/County Management Association (ICMA), the Illinois City/County Management Association (ILCMA), and the Illinois Association of Municipal Management Assistants (IAMMA). In 2004, Jon was awarded the IAMMA Outstanding Intern Award in recognition of his professional service.