

7. Amendment of Contract with ESS Northeast, LLC (\$12,500,000)

Action Item - 7

Title: Amendment of Contract with ESS Northeast, LLC (\$12,500,000)

Board of Education Meeting Date: 4/24/2025

Action Under Consideration

The Administration recommends that the Board of Education authorize The School District of Philadelphia, through the Superintendent or their designee, to execute and perform an amendment of a contract, subject to funding, as follows:

With:

Source 4 Solutions LLC d/b/a ESS Northeast LLC

Purpose:

To increase the authorized compensation to provide substitute staffing services

Originally Authorized Start date: 7/1/2022

Originally Authorized End date: 6/30/2026

Amended Authorized End Date: N/A

Currently Authorized Compensation: \$107,000,000

Additional Compensation by Contractor:

\$12,500,000

Total new Compensation: 119,500,000

Location:

All Administrative Offices, All Schools

Description:

Why is this contract needed?

The Office of Talent is asking for approval of this amendment to continue the crucial work of providing substitute services to all schools in the event of vacancies and long-term leaves where quick backfilling is necessary. Substitute provider, Source 4 Solutions LLC d/b/a ESS Northeast LLC, has been filling absences and vacancies at a higher rate than was initially anticipated, and, therefore, the District needs to increase the authorized compensation amount.

How will the success of this contract be measured?

Success of this contract will be measured on a combination of quantitative factors (fill rate, number in available substitute pool) and qualitative feedback from schools and administrative staff (principal survey, Talent feedback).

If this is the continuation of a contract, how has success been measured in the past, and what specific information do we have to show that it was successful?

This contract has supported immediate staffing needs in our schools. In addition to fill rates, and substitute pool size, ESS has demonstrated success by being able to assign a building substitute to combat daily teacher absences at almost every single school in the District. Additionally, the ESS Zone Manager approach has allowed school leaders to have one point of contact for all substitute-related questions and concerns and has given ESS the opportunity to build relationships with school staff and better understand the needs of the schools and their communities

When applicable, is this an evidence-based strategy? If so, what evidence exists to support this approach?

Securing great talent quickly to move the essential work of The District forward supports all goals in that it allows for the District to improve safety and well-being, partner with families and community, accelerate academic achievement, recruit and retain diverse and highly effective educators, and deliver efficient, high-quality, cost-effective operations.

School Year	Daily Teacher Sub Fills/ Requests (Nov)	Daily Teacher Sub Fill Rate	Daily Nurse Sub Fills/ Requests (Nov)	Daily Nurse Sub Fill Rate	Daily Support Staff Sub Fills/ Requests (Nov)	Daily Support Staff Sub Fill Rate
22-23	505/924	54.7%	3/21	14.3%	53/456	11.6%
23-24	567/920	61.6%	22/25	88%	128/594	21.5%
24-25	689/1021	67.5%	32/33	97%	207/845	24.5%

How will the success of this contract be measured?

Success of this contract will be measured on a combination of quantitative factors (fill rate, number in available substitute pool) and qualitative feedback from schools and administrative staff (principal survey, Talent feedback). When applicable, was a larger community of District community members and/or stakeholders involved in this selection process? If so, what groups and how? Consistent with the District's competitive procurement process, the selection process resulting in this contractor

included a committee of District staff with relevant programmatic, IT, and fiscal expertise who reviewed and evaluated contractors' RFQ responses.

Related resolution(s)/action item(s)

Feb 29, 2024, A-8

May 19, 2016; A-35

February 15, 2018; A-4

February 15, 2018; A-5

February 25, 2021 A-6

December 9, 2021; A-10

Funding Source(s)

FY 25 Operating

FY 26 Operating

Office Originating Request:

Talent

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