

Request for Proposal Compensation Study and Analysis

Introduction

National Association of State Procurement Officials, inc (“NASPO”) is requesting proposals for consulting services to conduct a Compensation Study as described herein.

Background Information

NASPO is a 501(c)(3) nonprofit headquartered in Lexington, KY with 22 staff located in Kentucky at headquarters and 29 remote staff to a total of 51 staff. The organization is the membership organization for the Chief Procurement Officers in each of the 50 states and the District of Columbia and their staff. NASPO provides professional development opportunities, conferences, and a cooperative purchasing organization (ValuePoint).

Prior to 2018, the parent organization (NASPO) had no employees and was managed by a third-party association management firm and a subsidiary, NASPO Cooperative Purchasing Organization (“ValuePoint”), had approximately 10-12 staff with back-office functions performed by the same management firm. Starting in 2018, NASPO began to insource staff and functions and in 2019 dissolved ValuePoint back into NASPO with the staff transitioning to the parent organization.

Goals and Objectives

The purpose of the Compensation Study is to establish, formalize, and adopt best practices in NASPO’s compensation and organizational structure.

NASPO’s objectives are to:

1. Attract and retain qualified employees;
2. Ensure positions performing similar work with essentially the same level of complexity, responsibility, and knowledge, skills, and abilities are compensated in a similar range.
3. Provide salaries commensurate with assigned duties;
4. Clearly outline promotional opportunities and provide recognizable compensation growth;
5. Provide justifiable pay differential between individual classes; and
6. Maintain a competitive position in salary and in fringe benefits with other comparable nonprofit entities and private employers within the same area and scope.
7. Ensure NASPO is compliant with IRS regulations regarding executive compensation.

All work will be done with regular involvement of the Director of Human Resources and the Chief Financial Officer. Department Heads and other key personnel will be involved as necessary. Regular presentations and meetings with these individuals or groups, incorporating their input into the process, are expected. Presentation to the Board of Directors upon completion of the project is also expected.

The study shall evaluate the present salary structure as compared to the specific job market for comparable positions in the related sectors. The consultant shall perform or provide the following:

A. Scope of Services

1. Provide for a comprehensive evaluation of every job within the organization to determine relative worth within the organization for internal equity and for the establishment of pay ranges and step progressions within the ranges.
2. Provide options and recommendations for a classification and total compensation plan.
3. Establish appropriate benchmarking standards and conduct salary surveys as needed for similar positions with comparable nonprofits as required.
4. Identify potential pay compression issues and provide potential solutions.
5. Analyze and recommend changes to the present compensation structure to meet market analysis. This recommendation may include recommendations for individual positions as well.

B. Information Meetings

1. Consultant to schedule an initial meeting with Director of Human Resources and Chief Financial Officer to discuss the process and tasks to be performed in the study to include reasonable dedication of key personnel.
2. Consultant to meet with department heads to explain study and process to be used.
3. Consultant to provide frequent updates to the Chief Financial Officer

C. Compensation Study

1. Consultant to review current compensation plan and understand current challenges in recruiting and retaining employees.
2. Consultant to recommend and identify a consistent and competitive market position that NASPO can strive to maintain.
3. Consultant to recommend comparable labor markets, including both private and public sector employers for compensation survey.
4. Consultant to develop and conduct a comprehensive compensation and benefits survey,
5. Consultant to recommend appropriate salary range for each position based on the organizational structure, the compensation survey results, and the internal relationships and equality. Prepare a new salary structure based on the results of the survey and best practices.
6. Consultant to develop guidelines to assist NASPO staff with determining the starting pay for new employees based on knowledge and experience above the minimum requirements of the position, how difficult the position is to fill, and market competitiveness.
7. Consultant to recommend implementation strategies including calculating the cost of implementing the plan.

8. Consultant to identify any extreme current individual or group compensation inequities and to provide a recommended corrective action plan and process to remedy these situations.
9. Consultant to make recommendations and to provide implementation strategies related to other key compensation practices, based on market demands, including pay for performance, skill pay, special assignment pay, certification pay, bilingual pay, promotional pay, and acting assignment pay.
10. Consultant to provide recommendations for the ongoing internal administration and maintenance of the proposed compensation plan. Maintenance should include annual activities such as market survey
11. Consultant to conduct a compression analysis to include any recommendations for implementation.
12. Consultant to conduct a comprehensive training program for Human Resources staff to ensure that the staff can explain and administer the new system in the future. The training program should be clearly spelled out in the proposal.

NASPO Resources

NASPO will provide copies of all pay ranges, job classifications, and any other available in-house information requested by the selected consultant that may be required to complete the study. The consultant shall provide NASPO with a request for any necessary resources needed.

Proposal Format and Requirements

The offeror shall submit electronically to ccolliver@naspo.org their written proposal that presents their qualifications and understanding of the work to be performed. Include all information requested, organized in tabbed sections clearly identified in a table of contents as described in the paragraphs that follow. Any other information thought to be relevant, but not applicable to the enumerated categories, may be provided as a separate appendix to the proposal. The following information/documents shall be included in the proposal package to be considered **responsive** to the Request for Proposals:

A. Agents and Address

Identify who will be the project manager and key staff assigned if awarded. Provide resumes summarizing the qualifications and experience of the individuals who will be conducting the study. Include specific information on the staff's experience with public sector compensation including public safety. Describe successful outcomes List the address, e-mail address, and telephone number of the office from which the services are to be provided. Promotional literature and other public relations documents should NOT be included.

B. Statement of Methods and Procedures

Provide a statement describing the scope of work as you understand it. Describe the approach, means, methods, and procedures to be used to gather the data, analyze findings, and develop recommendations as requested. Provide a sample of reports and/or other correspondence.

C. Management Synopsis

Provide a synopsis prepared for management review, covering the significant features of the proposal including overall costs and term of work.

D. Structure and Content of Work Product

Provide a detailed breakdown and description of the specific steps, services, and study products that will be provided. Describe how the final product will be structured and presented upon completion. Include any computer/software compatibility information. Firms may elect to include in the section any innovative methods or concepts that might be beneficial to NASPO as long as the minimum requirements set out in this RFP are met.

E. Work Schedule

Provide a timeline indicating tasks required and the start and completion dates for each. It is expected that the work will commence as soon as possible after the contract is awarded.

F. References

Include the name, address, telephone number, and e-mail address for contact persons at five (5) other public entities for which comparable services have recently been rendered.

G. Cost of Services

Provide a total cost estimate, including travel expenses, and “not to exceed” amount for the work described in scope of work; a rate schedule for computing any extra work not specified in the contracted scope of work.

H. Final Product

Provide a statement that the proposer agrees to:

- a. Deliver at least one (1) original, five (5) copies, and an electronic copy of the final report to the Director of Human Resources or Chief Financial Officer.
- b. Provide the final report, tables, schedules, job descriptions, charts, spreadsheets, salary surveys, and other materials necessary for the implementation and maintenance of the compensation/classification system in an electronic medium and
- c. Appear at a scheduled Board of Directors meeting to discuss the recommendations and final report.

I. Additional Services (Optional)

Provide any other related and recommended products or service not specified in the RFP which may be considered essential or benefitted by the firm. These services should be priced separately from “G” above and shown here.

J. Other

The complete (all pages) Request for Proposal documents with any addenda acknowledgements filled out, initialed, and signed as required. The person that signed the RFP shall have the authority to negotiate the full scope of services on behalf of the organization and shall be authorized to bind the contract to the terms and conditions of this RFP.

The classification and compensation system to be recommended as responses to this RFP must adhere to the following basic elements and characteristics: (a) the system must meet all legal requirements, (b) be totally nondiscriminatory and provide for compliance with all pertinent federal, state, and local requirements (e.g., ADA, FLSA, EEO, etc).

1. The system must be easy for management to administer, maintain, and defend.
2. The system must easily accommodate organizational changes and growth.
3. The system should be based on sound compensation principles in which internal and external equity are considered within the pay structure, as well as, the concepts of equal pay for equal work, equal pay for similar work, and equal pay for comparable work.
4. The system should provide for new positions to be incorporated into the compensation plan, as well as, regular adjustments to maintain the plan's competitiveness.
5. The system should be compatible with current NASPO payroll programs/software.
6. NASPO requests that all information submitted by the successful consulting firm be in Microsoft Word format on CD, flash drive, or electronically and in hard copy. NASPO further requests the complete use of the material developed for the ability to update or change it as needed. All work provided by the consultant under contract with the NASPO shall belong exclusively to NASPO.

Cost Proposal

This request for information does not, under any circumstance, commit NASPO to pay any costs incurred by any proposer in the submission of qualifications. The proposer is responsible for all costs associated with response to this request.

General Information

NASPO's website is www.naspo.org.

Questions

Questions pertaining to this document should be submitted via e-mail with "Questions about Salary Survey" in the subject line, at least two days prior to the due date to ccolliver@naspo.org

Criteria and Selection

After NASPO staff has reviewed the proposals, final selection will be determined. The successful contractor will be required to enter into an agreement for professional services with NASPO.

Proposals will be evaluated using the following criteria:

- Quality and thoughtfulness of the proposal. 20%
- Related experience of the firm and key staff with similar studies. 20%
- References, credentials and/or recommendations from past clients. 15%

- Costs associated with developing, preparing, and presenting the study.
25%
- Ability of the firm and the firm's subcontractors to provide the services requested as well as financial stability and availability.
20%

Submittals

All proposals must be delivered to NASPO no later than 3:00 p.m. local time on Thursday, October 7th, 2021. Proposals should be delivered electronically by email to ccolliver@naspo.org.

NASPO reserves the right to reject any or all proposals at any time with no penalty and to waive immaterial defects and minor irregularities in proposals.

The evaluation and selection of proposals will be done by NASPO personnel. Fee proposals, which are to be submitted with the qualification proposal will also be taken into consideration.

The duration of this consultant agreement has not been determined.

NASPO does not discriminate on the basis of race, creed, color, ethnicity, national origin, sex, age or marital status.