REQUEST FOR PROPOSALS (RFP):
Employee Classification Plan & Compensation Study

DATE OF ISSUE: 8/10/2021
INITIAL PROPOSAL DEADLINE: 9/14/2021

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About the Agency

East Tennessee Human Resource Agency, Inc. (ETHRA) has an overall mission to assist individuals and families through public support programs. The programs we operate provide direct services, education, and information to individuals to help them solve problems in areas such as development of workforce skills and job placement, assistance with home rental costs and utilities, public transportation, and a wide range of offerings aimed at supporting senior citizens (e.g., information and assistance services, home delivered meals, legal aid, assistance with Medicare, along with other long-term care needs).

ETHRA is a Knoxville based public not-for-profit 501c3 organization that has been serving Knox County and the surrounding sixteen counties since 1973. ETHRA is a member of NJPA. ETHRA is sales tax exempt and eligible for government and/or non-profit pricing. The administrative offices are located at 9111 Cross Park Drive, Suite D-100, Knoxville, Tennessee 37923. ETHRA is an equal opportunity employer.

As a careful steward of the funds awarded by state, local, and federal governments, ETHRA weaves its resources together to maximize the impact of each dollar invested in support of the many programs it operates. We leverage these resources to serve East Tennessee communities through our participation as a grant administrator, local resource network, and nonprofit partner in dozens of public benefit programs and projects.

For more information on our organization, please visit our website at www.ethra.org.

Overview of Current Environment

ETHRA employs approximately 450 staff members, located across 35 locations within 21 East Tennessee counties.

ETHRA's administrative departments include: Finance/Accounting, IT, IS, Executive Office, Legal Compliance and HR, which collectively encompass approximately 18 employees.

The remainder of ETHRA's employees work within individual programs (a.k.a. departments), such as Transportation, Housing, Aging, Workforce, etc. Each program has a director in charge of overseeing program operations and staff. All program and administrative directors report directly to the Executive Director, who reports to a Policy Council and Governing Board.

ETHRA currently bases employee compensation on a custom "Point Factor Classification" plan established by a prior consultant. The current factors, for general reference only, include: knowledge and skills, impact and accountability, working relationships, and working conditions.

ETHRA offers all full-time employees a comprehensive fringe benefits package, including paid holidays, paid annual leave, paid sick leave, 5% retirement contribution match, employer-paid group term life and AD&D insurance, access to Teledoc, multiple health care plan options, and access to employee-paid dental and vision insurance.

Request for Services

Through this Request for Proposal (RFP) opportunity, ETHRA wishes to select a qualified and experienced firm or consultant to evaluate the agency's current compensation plan structure and recommend updates to the job classification and total compensation system based on a market analysis and internal comparisons. The job classification and compensation study will provide options for upgrading or revising our current job classification and total compensation plan, including an implementation strategy, which will achieve the following objectives:

- Attract qualified personnel / Retain existing competent personnel
- Ensure fair and equitable compensation relationships with the organization (i.e., more difficult jobs are paid more)
- Ensure equal pay for equal work
- Ensure competitiveness with the external labor market, including fringe benefits
- Provide ways to control costs and keep compensation budget under check (as a nonprofit, this is important)
- Ensure compliance with laws and regulations
- Provide a means of motivation and encouragement to those who deliver outstanding job performance
- Ensure the plan is easy to maintain by agency staff after implementation.

The agency has current job descriptions for each position, and they will be provided to the contractor when the RFP is awarded, along with any other required information.

The awarded Contractor will work directly with an assigned committee to determine specific needs related to the agency in regards to compensation and finalize the methodology and instruments to be used.

Service Requirements / Scope of Work

The proposal must include at a minimum the following services:

a) Review current job descriptions and position evaluation system and recommend revisions (ensuring compliance with state and federal requirements).
b) Evaluate exempt and nonexempt status for each position and provide recommended changes along with written documentation and rationale used to make that determination.
c) Evaluate responsibilities, duties, qualifications, working conditions, physical requirements, and all other considerations for each position to determine its job value and make recommendations for revisions to ensure compliance with Americans with Disabilities Act and other state and federal requirements.
d) Develop principles of comparability to external labor markets including public, private and market/comparable cities and perform job evaluation and wage/labor market comparability study.
e) Provide options and recommendations for a classification and total compensation plan, including feasibility of implementation that takes into consideration budget constraints.
f) Propose a project timeline and an itemized fee schedule for this work, based on measurable contract milestones and written deliverables.

Deliverables

To meet the needs of the agency the company should provide the following deliverables:

Job Classification and Compensation Plan

- Detail the appropriate number of pay ranges and the weight given to internal equity and external market comparisons.
- Recommend pay grade adjustments and/or reassignment of positions to appropriate pay grades as needed based on market analysis.
- Test and verify ranking structure of positions.
- Integrate job evaluation rankings and market comparisons into the recommended pay levels.
- Integrate employees' perceived value and monetary value of employee benefits into overall design of compensation plan.
- Develop specific solution to address existing issue with compensation ranges; i.e., many employees face a lack of upward mobility because they are already at the maximum of their range, which in turn has led to managers requesting wage increases based only on minor changes to job duties.

Presentation of Findings and Communications Plan

- Present findings and recommendations to project committee, board members, and other staff as designated.
- Detail a launch plan to include, at a minimum, an employee kick-off meeting, communications with managers, supervisors and employees during the study, and during implementation.
- Submit a final report with an executive summary of project results and the approved recommendations by the project committee. This report will be used by the Executive Director to make recommendations to ETHRA's Policy Council.

Implementation and Sustainability

- Recommend the best approach to coordinate the recommended pay plan with the current pay plan, including an implementation timeline that considers the ETHRA's budget constraints.
- Recommend policies, guidelines and procedures for administration, including how the plan can be adjusted for cost of living and how employees advance through salary ranges.
- Provide training and tools, resources and documentation for agency staff to maintain the system as independently as possible post-implementation.
- Determine the validity for requests for reclassification and/or compensation changes outside of the routine review process.

Specifications

Respondents are requested to present the following information in their proposals:

1. Provide name and contact information.
2. Location of the office(s) from which the work is to be done and number of professional staff employed at that office.
3. Detail the scope of services your company would offer and how your firm would accomplish the work described.
4. Provide a brief overview of your firm and how it differs from your competitors.
5. Provide the name and contact information of the primary contact, as well as other key staff members (including any subject matter experts) who will be assigned to our account. Describe their relevant work experience, credentials, and the role they will play on our account.
6. Outline your ability to provide expertise and experience in the areas of compensation plan analysis and design, especially for local government entities and non-profits.
7. Description of the approach and plan for performing services outlined in the Scope of Work (see above), including:
    a. Statement of Methods and Procedures – a detailed description of the plan for accomplishing the work including: approach, methodology and procedures used to gather the data analysis findings and develop recommendations. If the consultant has a pre-designed system, provide a description of the job analysis or compensation methodology.
    b. Content of Work Product – describe how the work product will be presented upon completion, including samples, such as copies of previously completed similar studies. Also include information that the agency will be expected to provide to enable the work to commence.
    c. Work Schedule – provide a timeline indicating the status/completion dates and indicate key tasks/milestones for implementation of the proposed plan.
8. Provide at least three references of equivalent clients (similar employee size, industry (government/non-profit), and complexity). Include the contact name, address, phone number, email, and the number of years you have provided consulting services to this client.
9. Please indicate any other services, capabilities, designations or experience that differentiates your organization from competition.
10. Fee Schedule – provide a detailed fee schedule outlining the services as presented in your proposal. If proposal includes any expenses to be billed separately from professional fees, provide a detailed estimate of such expenses.
11. Proposed process and fee structure for a Total Compensation Comparison to include a review of key benefit comparisons with recommended target market.
12. A sample contract requested to be used, if selected by the agency. ETHRA reserves the right to require its own contract or contract terms including, without limitation, terms generally used by ETHRA, or otherwise protective of ETHRA or that which is deemed helpful.

Proposal Content

The bidder is responsible for providing all information requested in this RFP and failure to do so may result in disqualification of the proposal. During the evaluation process, ETHRA may request firms to answer further questions about their proposal. The agency has the right to select any proposal it may choose or none at all in its sole discretion based on any requirements it chooses.

Submission Requirements

A. Potential respondents must register by sending an email to Nick Pappada to receive updated information and answers to questions that will be sent to all registered respondents.

B. All questions about this proposal should be directed to Nick Pappada, ETHRA – IT Director, npappada@ethra.org.

C. ETHRA's Proposal Response page must be signed and submitted along with your responses to the specific information requested herein. Additional documentation may be attached to this form. Respondents are permitted to develop a separate cost summary page, with their own budgetary line items, in lieu of using the cost categories designated on the form.

D. Initial Proposals must be submitted by 4:00 pm on September 14, 2021, to ETHRA's administrative offices at 9111 Cross Park Drive, Suite D-100, Knoxville, TN 37923.

E. Electronically transmitted submissions (Email or Fax) **will not be accepted**.

F. Bids must be addressed and mailed or hand-delivered to:
ETHRA
Attention: Nick Pappada
9111 Cross Park Drive, Suite D-100 Knoxville, TN 37923

G. Envelopes containing the proposal should be clearly marked with
"Compensation Study & Analysis RFP Response – 9/14/2021"

H. ETHRA is not bound to accept the lowest bid. Other considerations will apply as detailed in the following section.

I. ETHRA reserves the right to reject any or all proposals or any portion thereof.

J. ETHRA reserves the right to waive minor informalities or technicalities when it is in ETHRA's best interest.

K. ETHRA reserves the right, at its sole and absolute discretion, to amend or modify any provision of this RFP, or to withdraw this RFP at any time prior to contract award. ETHRA shall not be bound by or liable under this RFP and/or any response thereto until a final written contract has been executed by ETHRA and the selected firm incorporating the terms and conditions of the award.

L. Respondents shall hold their price firm and subject to acceptance by ETHRA for a period of thirty (30) days from the date of proposal submission.

M. Respondents may be asked to provide proof of financial and business capability. Evidence could include a business history, evidence of financial soundness, and business references. ETHRA will make the final determination as to the respondent's ability.

N. Unsigned proposals will not be considered.

Review & Selection Criteria

ETHRA will use multiple criteria to select the most appropriate offer. Respondents are encouraged to be as aggressive and creative as possible in their proposals. The following list summarizes the major qualitative areas that will be evaluated:

- The respondent's general approach and plans to meet the requirements of this RFP.
- The respondent's detailed approach and plans to perform the services and achieve the deliverables required by this RFP.
- The respondent's documented experience in successfully completing contracts of a similar size and scope of those required by this RFP.
- The qualifications and experience of the respondent's management, supervisors, or other key personnel assigned to the contract, including level of experience, background, and references of the consulting team to be assigned to this project.
- The overall ability of the respondent to mobilize, undertake, and successfully provide the services requested by this RFP.
- The respondent's cost proposal.

Respondent Interviews
ETHRA will schedule interviews, if necessary, with selected respondents during the week indicated in the Key Dates table below. The presentations will be held via Zoom, or at 9111 Cross Park Drive, Suite D-100, Knoxville, TN, 37923.

Announcement
The final selection decision is expected to be announced by November 1, 2021. All respondents will receive written notice as to whether or not they have been selected for this opportunity.

Contract Terms & Eligibility

Non-disbarment
No conflict of interest
Conformance to RFP
Professional Liability Insurance

Key Dates

DATE	ACTIVITY
8/10/21	RFP posted
9/7/21	Deadline to submit questions
9/14/21	Deadline to submit proposals
9/15 – 10/1/21	Proposal Review Period
10/4/21	Respondents notified of short list and interviews scheduled
10/5 – 10/13/21	Respondent Interviews
10/25/21	Final Proposal Submission Due
11/1/21	Notice of Selection / Award

General Terms & Conditions

No Guarantee

The submission of a proposal does not, in any way, guarantee a selection. ETHRA is not responsible for any costs incurred related to the preparation of a proposal in response to this RFP. ETHRA reserves the right to withdraw a selection prior to execution of a contract with a respondent in ETHRA's sole and absolute discretion.

ETHRA makes no guarantee of future volumes and offers volume information for directional purposes only, to assist respondents with proposal preparation.

Agreement of Non-Disclosure

This document is considered to be proprietary and shall not be disclosed to any other party. It is designed, developed and submitted to potential partners of ETHRA solely for the benefit of ETHRA.

Proposal Response Cover Page – Employee Classification Plan & Compensation Study – 9/14/2021

Respondent Name: ___________________________ **Authorized Rep:** ___________________________

Address: ____

Phone: _____________________________ **Email:** ____

Note: if "Rate" is quoted on per hour basis, please include estimated total hours for the task. If any cost item below is not applicable to your proposal you may leave it blank. You may also add additional cost items on the blank lines.

Item	Description	Rate
1	Preliminary Analysis of Organization and Meetings with Pay Plan Committee	
2	Review Job Data and Identify Job Evaluation Method	
3	Conduct Internal Job Evaluations	
4	Design New Compensation Plan or Update Existing Plan based on Evaluation	
5	Conduct Salary Survey (or similar task) and develop Pay Schedule	
6	Prepare Position Factor Rating or similar written guide for future use	
7	Provide Management Training on Developing/Changing Job Descriptions	
8		
9		
10		
11		
12		
13		

Checklist of Required Information:

	Company & Staff Background / Experience	
	Proposed Approach / Solution	
	Rates/Cost	
	Timeframes	
	References & Signed Cover Sheet	

Signature: __________________________________ **Date:** ___________________

Position: __________________________________