2013 COMPENSATION & BENEFITS STUDY

REQUEST FOR PROPOSALS (RFP)
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### I. TIMELINE FOR SELECTION PROCESS

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<tr>
<th>ACTIVITY</th>
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<tr>
<td>RFP Released</td>
<td>Wednesday, February 13, 2013</td>
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<tr>
<td>Information Session via webinar*</td>
<td>Wednesday, February 20, 2013 10:00 am – 11:00 am PST</td>
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<td>Deadline for submitting information requests</td>
<td>Thursday, February 21, 2013 5:00 pm PST</td>
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<tr>
<td>Informational FAQ Posted</td>
<td>Friday, February 22, 2013 5:00 pm PST</td>
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<td>Application Due</td>
<td>Thursday, February 28, 2013 5:00 pm PST</td>
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<tr>
<td>Contractor Selected</td>
<td>Monday, March 25, 2013</td>
</tr>
<tr>
<td><strong>Contract Start Date</strong></td>
<td>Monday, April 1, 2013</td>
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*Interested bidders are strongly encouraged to participate in the webinar to learn about the 2013 Compensation & Benefits Study, proposal requirements, and application process. Attendance at the Information Session is not required to be eligible to submit an application in response to the RFP.

If you wish to participate in the Information Session please send confirmation to mmartinez@first5la.org; upon notice of your confirmation you will receive instructions on how to access the webinar.

Individuals who cannot attend the Information Session but have questions, must submit their inquiries and requests for additional information regarding this RFP before 5 p.m., PST, on Thursday, February 21, 2013.

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1 Note: Dates are subject to change at First 5 LA’s sole discretion.

2 The contract and contract start date may be contingent upon First 5 LA’s Board of Commissioner approval at its monthly meeting.
All questions and requests for additional information regarding this RFP must be received in writing by First 5 LA via email before 5 p.m. PST on Thursday, February 21, 2013.

Responses to all questions submitted via webinar or electronically will be answered in a “FAQ” document that will be posted by 5:00 p.m. PST on, Friday, February 22, 2013 at http://www.first5la.org/Funding-Center under the link to this RFP.

First 5 LA reserves the sole right to determine the timing and content of the responses to all questions and requests for additional information.

Questions can be submitted to:

Maggie Martinez, Director of Human Resources
First 5 LA
750 N. Alameda Street
Los Angeles, CA 90012

Phone: 213. 482. 5902
E-mail: mmartinez@first5la.org
II. BACKGROUND

First 5 LA — “Champions for Our Children”

In 1998, California voters passed Proposition 10, which levied a 50-cent per pack tax on all tobacco products. The resulting tax revenues were earmarked for the creation of a comprehensive system of information and services to advance early childhood development and school readiness within each county in California. In Los Angeles County, the First 5 LA Commission was formed as a public entity to develop and oversee various early childhood initiatives and to manage the funding from Proposition 10. Since 1998, First 5 LA has invested more than $1 billion to support programs, initiatives, research, partnerships, public education and other endeavors in all four of its goal areas:

- Children are born healthy
- Children maintain a healthy weight
- Children are safe from abuse and neglect
- Children are ready for kindergarten

III. PROJECT OVERVIEW

First 5 LA seeks qualifications and proposals from specialty firms experienced in the design and analysis of a position classification and compensation and benefits system for public entities.

The model compensation system/strategy should address all compensation factors insuring First 5 LA’s ability to attract, retain, and motivate its employees, while meeting the organization’s responsibility to be accountable for and efficient in its expenditures of public funds. Some compensation factors that must be considered include internal equity balanced with external competitiveness, affordability, efficiency in administration, flexibility and how well the compensation policy meets the organization’s unique needs.

The end product of the study will include recommendations for the following: an extensive wage and benefits comparison, to include retirement benefits, with comparable entities including comparables on retirement benefit options, a recommended compensation plan and classification schedule, along with implementation guidelines.

First 5 LA currently employs approximately 121 full-time non-represented employees under approximately fifty-seven (57) job titles in 13 departments, classified into eight (8) compensation grades. Annual cost of living increases are tied to the operational budget, and if appropriated are awarded on or about July 1.

IV. SCOPE OF WORK

The consultant shall conduct a comprehensive compensation and benefits study as well as a position classification study, and shall develop recommendations and propose options for a compensation and classification system of positions included in the current organizational
structure, as well as recommendations and options for employee benefits to ensure First 5 LA’s competitiveness with relevant organizations in the marketplace.

The compensation and benefits study shall include:

A) A review of the organization’s current compensation and benefits plan to include:

1) A review of job functions for all positions to ensure market data for each job is comparable with position responsibility and scope of work.

   a. The study must ensure that all jobs are in compliance with federal and state laws, particularly the Fair Labor Standards Act (FLSA) and the Americans with Disabilities Act (ADA).

2) A comprehensive study, evaluation and analysis of the organization’s existing job classifications (executive/managerial, exempt and non-exempt) to ensure that all positions are graded appropriately with respect to internal equity.

   a. The job evaluation procedures used must be readily acceptable, verifiable and satisfy comparable worth issues.

3) A review of the organization’s existing salary classification and pay ranges, as well as a review of the organization’s current practices for such personnel actions as hiring, promotions, demotions, reclassifications and transfers.

4) A review of the organization’s current array of benefit offerings, including retirement benefits.

Recommendations resulting from the study shall include best practices and options as well as a detailed cost analysis for any recommendations, including:

A) Evaluation of the organization’s current benefit offerings and recommendations regarding option for potential modifications, to include retirement benefit options.

B) Placement of all executive/managerial, exempt, and non-exempt classifications in the appropriate grade/pay range based upon the aforementioned job analysis study in conjunction with the aforementioned salary survey, thus ensuring all positions are classified correctly with respect to both internal and external equity and with respect to both the public and private markets locally and regionally.

C) Design of a new classification structure with revised minimum and maximum pay ranges, to include a detailed cost analysis of implementation.

D) Design of a methodology to maintain fairness and competitiveness relative to the organization’s classification and compensation system following implementation.
E) Resolution of differences between internal worth for positions and market data for
the same job for the purpose of comparing internal salaries and position worth to
similar external organizations.

Available Funding
Funds for this solicitation are available from the FY 2012-2013 Operating Budget.

V. SELECTION PROCESS AND REVIEW CRITERIA

The evaluation and ranking of proposals shall be accomplished utilizing the criteria
described in this section. Only information and data included in the consultant’s proposal
shall be considered in the evaluation and ranking process. (See Attachment B: Review Tools)

Review Process

Level 1 Review:
First 5 LA staff will review each application to ensure that basic requirements are met.
Basic requirements include: timely receipt of application, format as required, inclusion of
all appropriate attachments, etc. Proposals with omissions of any required documentation
are subject to disqualification.

Level 2 Review:
Proposals will be reviewed by external reviewers using the evaluation criteria below for
those applicants that have met the Level 1 review criteria.

Level 3 Review:
Applicants will be selected for interviews based on the Level 2 review. Interviews will be
held at First 5 LA or via telephone. An interview is not a guarantee of funding approval.

First 5 LA reserves the right to reject any or all proposals and to waive any irregularity,
variance or informality whether technical or substantial in nature, in keeping with the best
interest of First 5 LA.

Evaluation Criteria
All proposals shall be evaluated with respect to the completeness of data provided, support
for all claims made, and the overall approach taken. The following criteria shall be utilized
in the technical evaluation of the consultant's proposal:

a) Experience with similar projects involving local governments/government agencies
   and/or non-profit agencies. (15 points possible)

b) Demonstrated knowledge of compensation systems and related human resources
   practices including federal and state employment laws. (15 points possible)
c) Experience designing and implementing pay plans and overall compensation systems, gathering data, performing job analysis and evaluation, and conducting and analyzing salary survey data. (15 points possible)

d) Ability to manage and coordinate the project, including the ability to train the staff in administering the program. (15 points possible)

e) Qualifications of key personnel. (15 points possible)

f) Thoroughness of material submitted, including the proposed work plan and type of service provided. (15 points possible)

g) Proposed fees for the project; fees must be detailed by specific services and deliverables. (15 points possible)

h) References should be from agencies that are similar to First 5 LA for projects of a similar nature. A minimum of three (3) recommendation letters or statements must be submitted. (15 points possible)

i) Projected time frame, from beginning to a prompt project completion date. (15 points possible)

TOTAL Points Possible 135

Ranking Process
Proposals will be reviewed and given a numerical ranking in the external review process. The highest scoring applicants will be invited to an interview. Based on the results of the interview, a final applicant will be awarded a contract with First 5 LA pending successful contract negotiations.

VI. REQUIRED DOCUMENTS

Applicants must submit the following:

- Online application

- Proposal Narrative which includes a description of the firm’s relevant experience in conducting compensation and benefit studies for comparable organizations and qualifications of proposed key personnel.

- A detailed scope of work describing the process and methodology to be used in carrying out the compensation and benefit survey. A timeline with anticipated delivery dates for deliverables should accompany the narrative, along with information as to how the firm will work to achieve cost effectiveness for First 5 LA. (See Attachment C: Scope of Work)
• A fee/budget proposal for the proposed services. (See Attachment D: Budget Form). Fee proposals should outline fees for each discrete element of the compensation & benefit study and categories of direct expenses that are not included within the fee proposal and an estimated budget for these expenses.

• Resumes of proposed project personnel.

• Letters of recommendation from at least (3) three references from current and/or former clients.

• **Agency Involvement in Litigation and/or Contract Compliance Difficulties:** Please read the information on the required Agency Involvement in Litigation and/or Contract Compliance Difficulties form thoroughly and include one (1) original SIGNED form with BLUE INK by the application deadline. If you checked YES to any of the questions on this form, please explain whether this will impact the project on this solicitation. Omission of the form will constitute an incomplete proposal and may be grounds for disqualification. (See Attachment E)

• **Signature Authorization Form (1 original SIGNED with BLUE INK):** This form is required in order to verify signature authority to enter into contractual agreement with First 5 LA. If not outlined in the Bylaws, a Board Resolution or Partnership Agreement must be submitted, as applicable, that indicates signature authority. Applicants must submit one original form signed in blue ink. Omission of the form will constitute an incomplete proposal and may be grounds for disqualification. (See Attachment F)

• **Business License, if applicable (if not applicable, please explain on letterhead and submit).**

• **IRS W-9 Form** (See Attachment G)

Failure to submit all required attachments and original documents will constitute an incomplete proposal and may be grounds for disqualification. In order to respond to this RFP, please complete and submit your application and all required documents below to First 5 LA no later than 5:00 p.m. PST, Thursday, February 28, 2013. Applications received after this deadline will not be considered. It is the responsibility of the applicant to ensure, prior to submission, that their proposal reflects the requirements of this solicitation.

In addition to the electronic documents, applicants must also submit the following original signed documents: First 5 LA’s Signature Authorization Form and Agency Involvement in Litigation and/or Contract Compliance Difficulties Form.
Please mail originals to:

Maggie Martinez, Director of Human Resources  
First 5 LA  
750 N Alameda Street  
Los Angeles, CA 90012  

Attention: Compensation & Benefits Study RFP

Appendices:

A) Sample Contract  
B) Review Tools  
C) Scope of Work  
D) Budget Form  
E) Agency Involvement in Litigation and/or Contract Compliance Difficulties  
F) Signature Authorization Form  
G) IRS W-9 Form
VII. CONTRACTUAL CONSIDERATIONS

Specific contractual considerations, including but not limited to the following, apply to RFP submission process and project implementation and to any contracts that result from the submission and implementation of the project/proposal. The contractor will need to comply will all of the provisions in the attached sample contract (See Sample Contract – Attachment A).

A. Conflict of Interest

The selected Contractor will be required to comply with the COMMISSION’s Conflict of Interest provisions, as outlined in the contract, and as applicable under California Law. Contractor acknowledges that he/she/it is acting as public official pursuant to the Contract and shall therefore avoid undertaking any activity or accepting any payment, employment or gift from any third party that could create a legal conflict of interest or the appearance of any such conflict. A conflict of interest exists when one has the opportunity to advance or protect one’s own interest or private interest of others, with whom one has a relationship, in a way that is detrimental to the interest, or potentially harmful for the integrity or fundamental mission of the COMMISSION. Contractor shall maintain the confidentiality of any confidential information obtained from the COMMISSION during the Contract and shall not use such information for personal or commercial gain outside the Contract. By agreeing to the Contract and accepting financial compensation for services rendered hereunder, Contractor agrees that he/she/it will not subsequently solicit or accept employment or compensation under any program, grant or service that results from or arises out of the funded project and related initiative(s). During the term of the Contract and for one year thereafter, Contractor will not knowingly solicit or accept employment and/or compensation from any COMMISSION collaborator or Contractor without the prior written consent of the COMMISSION.

B. Compliance

Current/Former grantees and/or Contractors must be in good standing and in compliance with all aspects of their contract with the COMMISSION in order to be eligible to apply for the current Request for Qualifications (RFP). The COMMISSION may deem an applicant ineligible if it finds in its reasonable discretion, that applicant has done any of the following, including but not limited to: (1) violated any significant terms or conditions of Grant Agreement/Contract; (2) committed any act or omission which negatively reflects on Applicant’s quality, fitness or capacity to perform services listed in RFP with the COMMISSION or any other public entity, or engaged in a pattern or practice which negatively reflects on the same; (3) committed an act or offense which indicates a lack of business integrity or business dishonesty; or (4) made or submitted a false claim against the COMMISSION or any other public entity.

C. Contract Information

1. The COMMISSION reserves the right to reject all bids and re-advertise for bids. Failure to comply with bid specification shall be grounds for disqualification of bids. Each bidder or proposer shall be required to honor the price and specifications quoted
2013 Compensation & Benefit Study

The contractor shall not be authorized to deliver or commence performance of services as described in this RFP until final execution of the contract (contract must be signed by
both parties). Final execution of the contract is contingent on First 5 LA’s Board approval of the negotiated scope of work and budget. Any performance of services commenced prior to obtaining all written approvals by First 5 LA shall be considered voluntary.

8. Unless otherwise submitted during the application process, the selected Contractor will be required to submit the required documentation listed on the Contractor Checklist, which includes, but not limited to, the following documents before the Contract can be fully executed:

- Agency Involvement in Litigation and/or Contract Compliance Difficulties Form
- By-laws (if applicable)
- Articles of Incorporation (if applicable)
- Board of Directors or List of Partners (as applicable)
- Signature Authorization Form
- Annual Independent Audit for prior fiscal year or calendar year (if applicable)
- Appropriate business licenses (for vendors or private organizations)
- IRS Letter of Determination (if applicable)
- Completed IRS Form W-9
- Memorandums of Understanding (for any sub-contractors, collaborators, and/or partners listed under Contracted Services and Evaluation sections of Exhibit B – Budget Forms)
- Certificates of Insurance for all insurance requirements outlined in the contract.

9. Per the COMMISSION’s Policy and Guidelines for Hiring Consultants, the total composite rate, which includes labor and other costs, for a Consultant may not exceed $150 an hour, depending on the type of expertise. A blended rate is allowable. For example, for a contract totaling $150,000, a consultant may bill 500 hours for Consultant A at $200/hour, and 500 hours for Consultant B at $100/hour, with a total composite rate of $150/hour (1,000 total hours divided by $150,000 in billable hours = $150/hour).

10. The selected contractor/s will be required to adhere to all contractual obligations as outlined in this document, including the First 5 LA Contract (See Sample Contract). The selected applicant shall be expected to execute the contract without substantive alteration. If applicant cannot accept the terms of the contract without substantive alterations, the applicant should refrain from applying. It is imperative that all applicants review the contract language in detail and fully understand contractual obligations should they be selected.

VIII. APPEALS POLICY

First 5 LA reserves the right, without prejudice, to reject any or all submitted applications. An Appeal shall be permitted only on the grounds that the decision violated applicable law, First 5 LA policies and procedures, or the terms of the bid, RFP or RFP. Appeals challenging First 5 LA’s decision on the merits or qualifications of bidders or
proposers or the scoring of proposals shall not be permitted. An appeal of a First 5 LA decision shall be in writing and filed with the office of the CEO within ten (10) business days following the date the notification of decision is made by First 5 LA. For more information, please refer to the Appeals Policy located at http://www.first5la.org/About-Us/Policies.