

Attachment 3

REQUEST FOR PROPOSAL (RFP)
PUBLIC VS. PRIVATE COMPENSATION STUDY

CITY OF BEVERLY HILLS
455 N REXFORD DRIVE
BEVERLY HILLS, CA 90210

10/31/2013

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1. SUMMARY AND BACKGROUND

The City of Beverly Hills (City) is requesting proposals from qualified firms of consultants to prepare a comprehensive study that compares total compensation of the City to counterparts in the private sector.

The purpose of this Request for Proposal (RFP) is to solicit proposals from various candidate organizations, conduct a fair and extensive evaluation based on criteria listed herein, and select the candidate who best represents the direction the City wishes to go.

2. PROPOSAL GUIDELINES

This Request for Proposal represents the requirements for an open and competitive process. Proposals will be accepted until **5pm PST November 15, 2013**. Any proposals received after this date and time will be disregarded. All proposals must be signed by an official agent or representative of the company submitting the proposal.

If the organization submitting a proposal must outsource or contract any work to meet the requirements contained herein, this must be clearly stated in the proposal. Additionally, all costs included in proposals must be all-inclusive to include any outsourced or contracted work. Any proposals which call for outsourcing or contracting work must include a name and description of the organizations or individuals being contracted.

All costs must be itemized by project step to include an explanation of all fees and costs.

Contract terms and conditions will be negotiated upon selection of the winning bidder for this RFP. All contractual terms and conditions will be subject to review by the City's legal department and will include scope, budget, schedule, and other necessary items pertaining to the project.

3. PROJECT PURPOSE AND DESCRIPTION

Under the direction of the City Treasurer and the Citizens Budget Review Committee, the City would like to conduct a study that compares the total compensation (salary and benefits) of City employees to that of employees in the private sector with comparable positions. The Scope of Services for this study is outlined in the following four steps listed below.

4. PROJECT SCOPE

- 1. Identify private companies with which to compare.** Consultant will identify no less than ten private sector companies of comparable size and geographic location in conjunction with this study. Comparable size can be determined by such factors as total revenues, budget and/or number of employees. Consultant should endeavor to include local companies in the study. For example, two local companies associated with members of the Citizen's Budget

Review Committee that can be considered for inclusion are Brooks Brothers and Playboy Entertainment.

2. **Job specification analysis.** A detailed analysis of the job specifications for each comparable private sector position studied is also required. This is necessary to gauge how comparable a private sector position, such as an Accounting Manager for example, is to the same titled position within the City. This study should focus on analyzing 20 to 35 comparable positions within the private sector to City of Beverly Hills positions. Key examples are identified but not limited to the positions in the list below:

Examples of City of Beverly Hills Positions to Compare with Private Companies

Title	Department
Accounting Manager	ASD
Administrative Clerk I	ASD
Building Maintenance Attendant	PW
Chief Information Officer	IT
Civil Engineer	PW
Customer Service Manager	ASD
Customer Services Rep	Various
Director of Admin Services - CFO	ASD
Electrician	PW
Equipment Mechanic I	PW
Executive Assistant I	Various
Fleet Manager	PW
Graphic Artist	IT
Human Resources Associate I	ASD
IT Systems Architect	IT
Management Analyst	Various
Office Assistant I	Various
Office Manager	PM
Principal Accountant	ASD
Principal Auditor	PW
Principal Civil Engineer	PW
Project Manager	PW
Public Relations Manager	PM
Purchasing Specialist	ASD
Risk Manager	ASD
Secretary	Various
Systems Integrator	IT
Web Developer	IT

3. **Analysis of salary and benefits.** Consultant will be required to perform a detailed analysis of the pay and benefit packages of selected comparable positions at the private companies. Pay and benefits should be looked at closely to determine **the total compensation** of each comparable position and should include at a minimum the level of detail outlined below. This total compensation approach will allow for as close to an “apples to apples” comparison between public and private sector pay packages as possible.
- **Salary:** include any applicable base salary, overtime pay for any non-exempt or otherwise eligible positions, annual incentive pay and/or bonuses and long term incentives such as stock options and/or any other compensation based on a performance period greater than one year
 - **Retirement Benefits:** the value of pensions, social security, 401k's, matching contributions, retiree health care plans, and any other similar retiree benefits
 - **Health Benefits:** the value of medical health insurance, dental insurance and vision insurance and any other health related benefits including analysis of the relative service levels of these benefits (e.g. HMO vs. PPO)
 - **Miscellaneous Benefits:** the value of other benefits such as company car/car allowances, housing allowances, life insurance benefits, and any other cash benefits

In order to encourage participation and protect the privacy of the private companies that contribute to this study, the consultant will collect and analyze the pay and benefit information noted above and include it in anonymous summary form in their final report without including any detailed information that would allow for the identification of any individual's confidential information.

4. **Compare private company and City pay and benefit information.** The City will provide consultant with detailed salary and benefit information for the positions studied. Consultant will then compare that data to the private sector data compiled in the study. The contractor will then provide a detailed report of the private vs. public pay to the City.

5. REQUEST FOR PROPOSAL AND PROJECT TIMELINE

Request for Proposal Timeline:

All proposals in response to this RFP are due no later than **5pm PST November 15, 2013.**

Evaluation of proposals will be conducted from **November 18, 2013** until **December 2, 2013.** If additional information or discussions are needed with any bidders during this two week window, the bidder(s) will be notified.

The decision for the winning bidder will be made no later than **December 2, 2013.** Upon notification, the contract negotiation with the winning bidder will begin immediately. Contract negotiations will be completed by **December 13, 2013.**

Notifications to bidders who were not selected will be completed by **December 2, 2013**.

Project Timeline:

Project initiation phase must be completed by **January 15, 2014**.

Project planning phase must be completed by **February 1, 2014**. Project planning phase will determine the timeline/schedule for the remaining phases of the project.

6. BUDGET

All proposals must include proposed costs to complete the tasks as described in the project scope. All costs and fees must be clearly described in each proposal.

7. BIDDER QUALIFICATIONS

Bidders should provide the following items as part of their proposal for consideration:

- Description of experience in the field
- Anticipated resources you will assign to this project (e.g. biographies)
- Timeframe for completion of the project
- Project management methodology

8. PROPOSAL EVALUATION CRITERIA

The City will evaluate all proposals based on the following criteria. To ensure consideration for this Request for Proposal, your proposal should be complete and include all of the following criteria:

- Overall proposal suitability: proposed solution(s) must meet the scope and needs included herein and be presented in a clear and organized manner
- Organizational Experience: Bidders will be evaluated on their experience as it pertains to the scope of this project
- Value and cost: Bidders will be evaluated on the cost of their solution(s) based on the work to be performed in accordance with the scope of this project
- Technical expertise and experience: Bidders must provide descriptions and documentation of staff technical expertise and experience

Each bidder must submit a PDF copy and 5 copies of their proposal to the address below by **November 15, 2013** at 5pm PST:

Attn: John Shim
City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
jshim@beverlyhills.org