

REQUEST FOR PROPOSAL
FOR
WAGE COMPARABILITY STUDY

RFP No. TMC2018-004



Date of Issue: March 19, 2018

DUE DATE & TIME:
Tuesday – April 10, 2018
3:00p.m. (CST)

INQUIRIES AND PROPOSALS SHOULD BE DIRECTED TO:

Sandra E. Caudillo
Purchasing & Contracts Manager
P.O. Box 2579
5215 McPherson
Laredo, Texas 78044-2579
Telephone: (956) 722-5174 ext. 1156
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A. INTRODUCTION

Description of TMC

TMC is a multi-service not for profit corporation that receives federal funding from the Department of Health and Human Services, Administration for Children and Families, and state funding from the Texas Workforce Commission. TMC was incorporated in 1971 as a private, not for profit corporation to improve the conditions of low income families and migrant farm worker families by obtaining and providing families with primary health care, day care, early childhood intervention, adult education, and job training through coordination with state, federal and local agencies, and various organizations with the ultimate goal of assisting them to acquire skills, knowledge, and opportunities to become self-sufficient, productive citizens, with dignity and respect. TMC is governed by a Board of Directors with duties and responsibilities given to the Chief Executive Officer. On a bi-monthly basis, a Board of Directors meeting is held wherein the CEO reports to the board the activities of the corporation.

Mobile Migrant Seasonal Head Start Program: The Migrant Seasonal Head Start program is an interstate /intrastate program that provides comprehensive Head Start services to migrant children zero to five years of age. During the home-base phase (September to May), it operates three regional offices and 50 sites in Texas throughout the Hidalgo, Willacy, Cameron, Middle Rio Grande, South Texas, Rural Coastal Bend and Panhandle regions, and one regional offices in the states of Ohio and Indiana. During the summer, the in-stream phase of May to October, services are provided in the states of Ohio, Indiana, Oklahoma, Iowa, Nevada, New Mexico and the Panhandle regions of Texas. A core staff of approximately 10 is employed in Ohio and Indiana. Approximately 200 staff members relocate from the Texas program and are re-employed or transferred to work in these states. Staff members work 3 to 5 months during this phase. Staff is not required to relocate, but are given an opportunity to fill vacancies that may occur.

TMC Head Start and Early Head Start Program: TMCHS & EHS is a program for preschool children from low-income families. TMC operates 13 centers including San Isidro ISD Head Start in Starr County and 3 centers in Zapata County.

The Head Start program provides comprehensive education, health, nutrition and parent involvement services to low-income children and their families. The program promotes school readiness by enhancing the social and cognitive development of children and families. The children enrolled in Head Start participate in a variety of pre-school educational activities. The program provides children with numerous opportunities to experience success, and foster the role of parents as primary educators, nurturers, and advocates for their children. Head Start provides children with pre-school learning opportunities and places emphasis on social services, health/mental health, nutrition, and parental involvement services.

Early Head Start is a program for children age zero to three that promotes healthy prenatal outcomes, healthy family functioning, and strengthens the development of infants and toddlers. The children enrolled in the Early Head Start program are provided a nurturing, safe and

developmentally appropriate learning environment for infants and toddlers. The program provides multiple experiences to infants and toddlers that will enhance their growth, language, and social development. The program further promotes the parents as primary caregivers and educators of their children and encourages them to be strong advocates for their children. The Early Head Start program enrolls pregnant women and connects them to prenatal and postnatal care community resources.

Other Programs: TMC operates other programs such as the *Workforce Solutions – Golden Crescent* funded by the Local Workforce Board in Victoria, Texas. This program provides an opportunity for members of the community that are either unemployed, underemployed, or wanting to improve their job skills or receive training for a specific job, to come to the center. If the individual qualifies, he/she is enrolled into a program that meets their particular needs. An individual may also come to the center to receive information on the different employment opportunities that are available. The center also provides career counseling, language development, and support services for individuals who qualify for these services.

Background and Objectives

TMC is soliciting bids for a qualified firm/vendor to conduct a Multi-State Wage Comparability Study in accordance to the Office of Head Start Wage Comparability 101; A Guide for Conducting a Wage and Fringe Benefits Comparability Survey. See Exhibit B.

B. NOTICE TO RESPONDENTS

1. TMC is accepting competitive sealed bid proposals to contract with a qualified firm/vendor to conduct a Multi-State Wage Comparability Study in accordance with the terms, conditions and requirements set forth in this Request for Proposal, RFP No. TMC2018-004.
2. TMC will accept proposals until Tuesday – April 10, 2018 on or before 3:00p.m. (CST)
Proposals shall be mailed or delivered to:

TMC
ATTN: Sandra E. Caudillo, Purchasing & Contract Manager
P. O. Box 2579 – Laredo, Texas 78044-2579 or
5215 McPherson Rd. – Laredo, Texas 78041

Show the Request for Proposal number and submittal date on the sealed proposal envelope (box/container). RFP No. TMC2018-004 Wage Comparability Study.

Firms are directed not to contact any TMC personnel, other than the Contact Person indicated below, for any purpose related to this RFP. Unauthorized contact of any TMC personnel may be cause for rejection of a Contractor's proposal. All inquiries concerning this RFP should be directed to The Procurement Manager as noted above.

3. Any questions or concerns regarding this Request for Proposal shall be submitted in **writing** and directed to:

Sandra E. Caudillo, Purchasing & Contract Manager
Phone: (956) 722-5174 ext. 1156
FAX: (956) 722-0803
E-mail: sandra.caudillo@mail.tmccentral.org

4. Any questions or concerns regarding the Scope of Work and Specifications shall be submitted in **writing** and directed to:

Cris Cuevas, Interim MSHS Director
Phone: (956) 722-5174 ext. 1182
FAX: (956) 718-9726
E-mail: cris.cuevas@mail.tmccentral.org

Any written request for RFP package, information or questions may be submitted up to **Tuesday – March 27, 2018 at 5:00 p.m. (CST)**. Responses by TMC will be provided by no later than **Friday – March 30, 2018 at 5:00 p.m. (CST)**.

5. Who May Respond
Proposals responsive to the RFP will be accepted from all qualified Contractors who are able to meet the required RFP specifications and selection criteria.

6. Timetable

The following dates are set forth for information and planning purposes and may be changed by TMC upon notice to prospective proposers:

Issue Date..... Monday – March 19, 2018
Request Bid Packet Deadline..... Tuesday – March 27, 2018 at 5:00 p.m. (CST)
Response Due Date Friday – March 30, 2018 at 3:00 p.m. (CST)
Proposal Due Time..... Tuesday – April 10, 2018 at 3:00 p.m. (CST)
Contract Award..... Thursday – April 19, 2018
Contract Date..... Friday – April 20, 2018
Service Start Date..... Tuesday – May 1, 2018
Project completion timeframe..... Thursday – May 31, 2018

Postmark date will not constitute timely delivery. Responses received after the above time will not be considered. Proposers are solely responsible for ensuring timely receipt of their Proposals.

7. The successful respondent will be required to enter into a professional service agreement in the form attached hereto as **Exhibit A**. The Professional Service Agreement, The Terms and Conditions in this Request for Proposal, the Vendor’s Proposal, the Execution of Offer, Respondents Questionnaire and all addenda and amendments issued will be considered the Contract between TMC and the successful Respondent. **The Chief Executive Officer of TMC shall be the only person authorized to sign on any contract TMC enters into. Respondent is hereby notified that the signature of any other staff member entered on the signature line of the agreement form, or any other contract document, will not be recognized by TMC as valid.**
8. Responses to inquiries, which directly affect an interpretation or change to this RFP will be issued in writing by addendum (amendment) and e-mailed to all parties recorded by TMC as having received a copy of the RFP. All such addenda issued by TMC prior to the time that proposals are received shall be considered part of the RFP. Only those inquiries TMC replies to which are made by formal written addenda shall be binding. Oral and other interpretations or clarifications will be without legal effect.
9. Contract Award Process: After opening of proposals, an award may be made on the basis of the proposals initially submitted, without discussion, clarification or modification, or on the basis of negotiation with any of the Respondents or, at TMC's sole option and discretion, TMC may discuss or negotiate all elements of the proposal with selected

Respondents. For purposes of negotiation, a competitive range of acceptable or potentially acceptable proposals may be established comprising the highest rated proposal(s). After the submission of a proposal but before making an award, TMC may permit the Respondent to revise the proposal in order to obtain the best and final offer. TMC reserves the right to award a contract for all or any portion of the requirements proposed by reason of this request, award multiple contracts, and reject any and all proposals if deemed to be in the best interests of TMC, or re-solicit for proposals. If TMC awards a contract, it will award the contract to the Respondent whose proposal is the most advantageous to TMC, considering price and the evaluation factors set forth in this RFP.

10. Criteria for Selection: The Respondent selected for an award will be the Respondent whose proposal, as presented in the response to this RFP, is the most advantageous to TMC. TMC is not bound to accept the lowest priced proposal if that proposal is not in the best interest of TMC as determined by TMC.

Proposals will be evaluated by TMC personnel. The criteria for evaluation of proposals, and selection of the successful respondent for this award, will be based on the factors listed below:

Criteria Maximum Points

a. Approach	25 points
b. Fee	25 points
c. Experience conducting Compensation studies	20 points
d. Qualification of the contractors who will develop study	20 points
e. Respondent's responses to the Questionnaire, and RFP	10 points
Total Points	100

11. Submission of a proposal indicates Respondent's acceptance of the evaluation technique and Respondent's recognition that some subjective judgments must be made by TMC during the assigning of points.
12. Late proposals properly identified will be returned to Respondent unopened. Late proposals will not be considered under any circumstances.
13. Telephone proposals are **NOT** acceptable when in response to the Request for Proposal.
14. Facsimile ("FAX") proposals are **NOT** acceptable when in response to this Request for Proposal.

C. PROPOSAL REQUIREMENTS

1. General Instructions

- a. Respondents should carefully read the information contained herein and submit a complete response to all requirements and questions as directed.
- b. Proposals and any other information submitted by Respondents in response to this Request for Proposal shall become the property of TMC.
- c. TMC will not provide compensation to Respondents for any expenses incurred for proposal preparation or for any demonstrations that may be made, unless otherwise expressly stated.
- d. Proposals which are qualified with conditional clauses, or alterations, or items not called for in the RFP documents, or irregularities of any kind are subject to disqualification by TMC, at its option.
- e. TMC makes no guarantee that an award will be made as a result of this RFP, and reserves the right to accept or reject any or all proposals, waive any formalities or minor technical inconsistencies, or delete any item/requirements from this RFP or resulting contract when deemed to be in TMC's best interest.
- f. Failure to comply with the requirements contained in this Request for Proposal may result in the rejection of your proposal.

2. Preparation and Submittal Instructions

- a. Firms are instructed to complete, sign and return the following documents as a part of their proposal submittal. Failure to return these documents may subject your proposal to disqualification.

Signed and Completed Execution of Offer

Responses to Questionnaire

Signed and Completed Pricing Schedule

- b. Responses to this RFP must include answers to questions in Section H. It is not necessary to repeat the question in your response; however, it is essential that you reference the question number with your response corresponding accordingly.
- c. Number of Copies: Submit a total of **SIX (6)** complete copies of the entire response. An original signature must appear on the Execution of Offer of at least one (1) copy

submitted.

- d. A proposal may be withdrawn and resubmitted any time prior to the time set for receipt of proposals. No proposal may be withdrawn after the submittal deadline without approval by TMC.
- e. Validity Period: Proposals are to be valid for TMC's acceptance for a minimum of 90 days from the submittal deadline date to allow time for evaluation, selection, and any unforeseen delays. Proposals, if accepted, shall remain valid for the life of the Contract.

3. Pricing Schedule

- a. Respondent must complete the Pricing Schedule. If more space is needed, respondents may attach additional pages.
- b. TMC will not recognize or accept any charges or fees that are not specifically stated in the Respondent's proposal.

D. STANDARD TERMS AND CONDITIONS

1. General: These General Terms and Conditions shall be made a part of and govern any Purchase Order and/or Contract, if any, resulting from this Request for Proposal.

2. Definitions: Whenever the following terms are used in these General Terms and Conditions or in the other Contract Documents, the intent and meaning shall be interpreted as follows:

Contract Documents shall mean the documents that form the Contract between TMC and the Contractor. The Contract Documents consist of the Agreement, Conditions of the Contract (this Section – Standard Terms and Conditions), Scope of Work and Specifications, Pricing Schedule, Execution of Offer, and all Addenda and Amendments issued prior to and after the execution of the Contract.

TMC shall mean Texas Migrant Council, Inc.

Respondent shall mean the individual, partnership, corporation, or other entity responding to this RFP.

Contractor shall mean the individual, partnership, corporation, or other entity awarded a Contract under this RFP, in accordance with the terms, conditions, and requirements herein.

3. Entire Agreement. The Contract Documents, for all intents and purposes, are intended as the complete and exclusive statement of the agreement between TMC and the Contractor and supersede all prior or contemporaneous agreements, negotiations or oral representations relating to the subject matter herein.

4. Time of Performance. Time is of the essence in the rendering of services hereunder. Contractor agrees to perform all obligations and render services set forth per this Contract in accordance with the schedules mutually agreed upon between TMC and Contractor during the term of this Contract.

5. Termination

a. Default: In the event that the Contractor fails to carry out or comply with any of the terms and conditions of the Contract with TMC, TMC may notify the Contractor of such failure or default in writing and demand that the failure or default be remedied within 15 days; and in the event that the Contractor fails to remedy such failure or default within the 15-day period, TMC shall have the right to cancel the Contract.

b. Lack of Funding: The Contract may be terminated, without penalty, by TMC due to lack of funding from its funding source(s). TMC shall give thirty (30) days' written notice to the Contractor. In no event shall termination by TMC as provided for in this paragraph give rise to any liability on the part of TMC including, but not limited to,

any claims of Contractor for compensation for anticipated profits, unabsorbed overhead, or interest on borrowing. TMC's sole obligation hereunder is to pay Contractor for products and/or services ordered prior to the date of termination.

6. Payment

- b. Payment to Contractor for services performed will be done upon completion of work and upon submittal of invoices.
- c. Any provision hereof to the contrary notwithstanding, TMC shall not be obligated to make any payment to Contractor hereunder if any one or more of the following conditions precedent exist:
 - 1) Contractor is in breach or default;
 - 2) Any part of such payment is attributable to services which are not performed in accordance with this Contract.

7. Independent Contractor. Contractor recognizes that it is engaged as an independent contractor and acknowledges that TMC will have no responsibility to provide transportation, insurance, workmen's compensation or other fringe benefits normally associated with employee status. Contractor, in accordance with its status as an independent contractor, covenants and agrees that it shall conduct itself consistent with such status, that it will neither hold itself out as nor claim to be an officer, partner, employee or agent of TMC by reason hereof, and that it will not by reason hereof make any claim, demand or application to or for any right or privilege applicable to an officer, partner, employee or agent of TMC.

The Contractor and employees of the Contractor assigned to perform work under a resulting contract award shall hold a valid license(s) properly registered and issued by the State of Texas, sufficient to lawfully permit the Contractor and employees of the Contractor to perform such duties as may be assigned under resulting awarded contract. The Contractor and employees of the Contractor agree to provide the Corporation with a copy of said license prior to the commencement of services under this contract.

The Contractor and employees of the Contractor engaged as an independent contractor must sign specific release forms in order for a background check to be conducted. The background check must be conducted prior to the commencement of services under an awarded contract.

8. Contract Amendments. The Contract may be amended within the contract period by mutual consent of the parties. No modifications or amendments to the Contract shall become valid unless in writing and signed by both parties.

9. Compliance with Law. Contractor is aware of, is fully informed about, and in full compliance with its obligations under existing applicable law and regulations, including:
 - a. Title VI of the Civil Rights Act of 1964, as amended (42 USC 2000(D))
 - b. Executive Order 11246 of September 14, 1965 (Equal Employment Opportunity), as amended by Executive Order 11375 of October 13, 1967
 - c. Non-segregated Facilities (41 CFR 60-1),
 - d. Fair Labor Standards Act of 1938, Sections 6, 7, and 12, as amended
 - e. Americans with Disabilities Act of 1990 (42 USC 12101 et seq.)
 - f. Contract Work Hours and Safety Standards Act, Sections 103 and 107 (40 USC 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5)
 - g. Health Insurance Portability and Accountability Act of 1996 (HIPPA).

TMC is a federally-funded, non-profit corporation. Individuals and corporations desiring to do business with TMC must certify that they have not been debarred from receiving federal funds. By submitting a response to this Request for Proposal, Respondent is certifying that it and its principals:

Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

Have not within a three-year period preceding this transaction been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or local), with commission of any of the offenses enumerated in this certification; and

Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

10. Access to Documents. To the extent applicable to this procurement, Contractor agrees to grant access to TMC, the Federal Grantor agency, the Comptroller General of the United States or any of their duly authorized representatives to any books, documents, papers and records of the Contractor, which are directly pertinent to this Contract, for the

purpose of making audit, examination, excerpts, and transcriptions.

11. Acceptance of Products and/or Services. All products furnished and/or services performed under this Contract shall be to the satisfaction of TMC and in accordance with the scope of work, specifications, terms, and conditions of the Contract. TMC reserves the right to inspect the products furnished or the services performed, and to determine the quality, acceptability, and fitness of such products or services.
12. Sales and Use Tax. TMC, as a grantee of the U.S. Federal government, qualifies for exemption from sales tax.
13. Insurance. Contractor shall maintain, during the term of this Agreement, any vehicle liability insurance required by law and covering all personnel in the vehicle while performing under this Agreement.
14. Indemnification
 - a. To the fullest extent permitted by applicable law, the Contractor agrees to indemnify, protect and hold harmless TMC, representatives of the TMC, and their respective officers, directors and employees from and against all claims, damages, losses, causes of action, suits or judgments arising out of, caused by, or resulting from the performance of services, or provision of goods, by contractor pursuant to this contract, which are caused in whole or in part by any negligent act or omission of the contractor.
 - b. Contractor shall protect and indemnify TMC from and against all claims, damages, judgments and loss arising from infringement or alleged infringement of any United States patent, or copyright, arising by or out of any of the services performed or goods provided hereunder.
15. Force Majeure. If either TMC or Contractor is delayed at any time in the performance of its obligations hereunder by economic industry-wide strikes, fire, unusual delay in deliveries, unavoidable casualties, or other causes reasonably beyond such Party's control and which could not have been reasonably anticipated by either TMC or Contractor, then the time for performance of such Party shall be extended by one (1) day for each day of such delay.
16. Non-Disclosure. Contractor and TMC acknowledge that they or their employees may, in the performance of the resultant Contract, come into the possession of proprietary or confidential information owned by or in the possession of the other. Neither party shall use any such information for its own benefit or make such information available to any person, firm, corporation, or other organization.
17. Patent and Copyright. Contractor shall pay for any royalties, license fees, copyrights or trade and service marks required to perform the services required by this Contract.

18. **Governing Law.** This contract and any resulting agreement or purchase order shall be construed and governed by the laws of the State of Texas. In the event legal action is commenced regarding this contract, Contractor agrees venue will lie in the Webb County.

E. SCOPE OF WORK AND SPECIFICATIONS

I. General Information

- a. TMC is seeking a consultant/firm to conduct a multi-state area survey, analysis and report on wages and benefits for distinct positions throughout the agency programs.
- b. Head Start Wage Survey Requirements

The federal Office of Head Start has outlined expectations for wage and benefit comparability surveys. It is strongly recommended that these resources and tools are reviewed and carefully considered by applicants and these may be found at: <http://eclkc.ohs.acf.hhs.gov/hslc/tta-system/operations/fiscal/wage-tools>.

- c. TMC employs approximately 1,764 full-time benefited employees and 20 regular part-time non-benefited employees. TMC's fiscal year begins February 1, 2018 and ends January 31, 2019. TMC is governed by a Board of Directors. The agency is managed by a Chief Executive Officer overseeing three federal grants. The Golden Crescent Workforce Program is managed by its own board. The number of employees in each of the grants is as follows:

See next page for Position table to TMC's Programs

Migrant and Seasonal Head Start Program		
Position	Full Time	Part Time
MSHS Director	1	
Program Area Lead Coordinators (Managers)	7	
Program Area Specialists	2	
Administrative Assistant	1	
MSHS Clerks	2	
IT Manager	1	
Database Technician	1	
Computer Programmer	1	
Workers Comp Tech	1	
Director of Accounting	1	
Budget Analyst	1	
Accounts Payable Manager	1	
Procurement Manager	1	
Procurement Clerks	3	
Computer Technician	1	
Payroll Clerk	1	
Payroll Filing Clerk	1	
Accounts Payable Staff	6	
Administrative Assistants/Secretaries/Clerks	1	
Regional Administrators	3	
Regional Program Area Coordinators	42	
Secretaries	5	
Custodians	4	
Human Resource Specialist	5	
Human Resource Clerks	5	
Compliance Monitors	2	
Center Managers	56	
Child Development Advocates	65	
Family Service Advocates	111	
Teachers	503	
Teacher Aides	97	
Cooks	60	
Cook Aides	64	
Bus Drivers	155	
Bus Aides	290	20
Special Needs Aides	11	

South Texas Regional Head Start/Early Head Start Program		
Position	Full Time	Part Time
Program Area Director	1	
Education Coordinator	1	
Education Specialist	1	
Disabilities/MH Specialist	1	
CACFP Manager	1	
Nutrition Services	1	
Health Services Aid	1	
Facilities/Trans Specialist	1	
Family Service Specialist	1	
Family Service Workers	12	
Food Techs	9	
Cooks	2	
Center Supervisors/Leads	12	
Teachers	65	
Teacher Asst./Aides	35	
Custodians	17	
Maintenance	3	
MIS Tech	1	
Program Aides	13	
Accounts Payable Clerk	1	
Human Resource Specialist	1	
Secretary/Clerk	2	

Golden Crescent Workforce Program		
Position	Full Time	Part Time
Regional Director	1	
Lead Career Consultant	5	
Career Consultants	20	
Site Coordinators	9	
Budget Specialist	1	
Clerks	5	
Quality Assurance	1	
Career Development Spec.	1	
CRT Specialist	1	
TANF Specialist	1	
Business Associate	1	
Child Care Eligibility Spec.	1	
Eligibility Specialist	1	
Development Specialist	1	
Development Supervisor	1	
Intake Specialist	1	
Office Assistant	1	
Tracker	1	

The indirect staff listed in the table below assist all of the grants that fund TMC. These salaries are charged through the approved indirect cost rate funding.

Indirect Program Staff		
Position	Full Time	Part Time
Chief Executive Officer	1	
Chief Financial Officer	1	
Human Resource Manager	1	
Human Resource Generalist	1	
Staff Accountant	1	
Accounts Payable Clerk	1	
Payroll Manager	1	
Payroll Benefits	1	
Payroll Computer Operator	1	
Purchasing Specialist	1	
Travel Procurement Clerk	1	
Risk Manager	1	
Lead Compliance Monitor	1	
Compliance Monitor	1	
Administrative Assistant	2	
Receptionist	1	

II. Scope of work

TMC is accepting proposals from qualified individuals or firms to conduct a comprehensive market study to include benchmarking the current compensation strategy (base salary, pay for additional duties, merit increases), salary band structure, position grading, and internal equity against markets of similar/competitive employers (non-profits, school districts, construction, state and county government, in the states of Texas, New Mexico, Oklahoma, Nevada, Iowa, Indiana, Ohio, and appropriate surrounding Areas. Based on this study, prepare recommendations for salary structure changes, compensation rules and policies, cost to address any market and internal equity issues.

External wage salary and surveys should be used to determine the compensation levels needed to attract and retain quality employees and to design a strategy for compensating their workforce.

It is expected that the study will indicate what actions should be taken, if any, to avoid loss of qualified staff and difficulties in recruiting new employees for Texas Migrant Council, Inc., while competitively compensating its current employees. In addition, it is expected that the study will recommend adjustments to TMC's pay plan rules, policies, and salary structure, to allow appropriate compensation, or address compression/equity issues; include a total compensation comparison; and include an executive compensation comparison.

The successful contractor will be required to meet with the Management Team at the initiation of each phase of the study and to make oral or written presentations to the Management Team and the Board of Directors at the conclusion of the project. TMC expects ongoing and open communications between designated program representatives(s) and the contractor over the wage study. All products and recommendations must comply with applicable Federal and State (all 7 operating states) laws and enhance TMC's ability to obtain

and retain qualified personnel. Conduct a thorough wage & benefits comparability survey that contains relevant wage and benefits data from TMC's service areas, neighboring areas and/or other areas with similar labor market characteristics.

TMC will provide the following information to the successful contractor:

- Copies of all existing job descriptions
- Copies of all wage and salary schedules
- Copies of all employee benefit schedules
- Copy of Personnel and Policy Manual
- Copy of Organizational Chart
- Specifications for Job Evaluation/Compensation
- Establish a contact person for regular communication throughout the project completion
- Access to Human Resource Manager, MSHS Director, Lead Compliance Monitor, Chief Executive Officer to discuss procedures, policies, problems and concerns

The following are specifications for the system and the consulting services related to the job evaluation and compensation system:

- The contractor will review the current job descriptions and compensation system and determine the need for a new compensation system, which would assure internal equity and external competitiveness.
- Data Gathering: This will include selection of other agencies and employers in the TMC's service areas who have similar job classifications. Also, collection of job descriptions, and salary and pay schedules from the selected organizations.
- Conduct a comprehensive survey of external regional labor market impacting the TMC Service areas job market for all positions in Appendix A. This shall include public sector and private sector jobs with the same essential duties and functions. This will include a review and market analysis of salary and benefits.
- Make recommendations for changes to current classification system or adoption of a newly designed compensation system, which assures internal equity and external competitiveness. The method in which to perform this analysis is to be determined by the contractor.
- Include appropriate comparisons (e.g., public school teachers with Bachelor's degrees are not used to establish comparability Head Start teachers with CDA's).
- Include an adequate number of cases to establish comparability for most grades, steps, or classes within TMC's wage scale.
- Compare benefits including paid leave time, incentive pay, bonuses, paid education, or other as applicable.
- The data will be based on wages and benefits established for the fiscal year 2018-2019. The contractor will provide TMC staff with 3 copies of the final compensation study and proposed salary structure.

- Design an implementation strategy for any updated compensation systems with the lowest financial impact and greatest gain to positions that fall outside of a designated range. The implementation plan should contain the total cost for immediate implementation as well as a plan to phase in over two (2) years beginning February 1, 2019. The contractor will provide TMC staff and board with 3 copies of the implementation strategy.
- Contractor is expected to complete project by no later than Thursday – May 31, 2018.

III. Requested Information of Bidder:

- Approach- Describe the approach to the tasks outlined in Section II, methodology, etc.
- Schedule- Confirm or comment on the attached project schedule.
- Qualifications- Describe background and qualifications of firm. Bidder should provide specific information concerning the firm's experience in the services specified in this RFP. In-depth knowledge of wage trends, challenges, and best practices related to employee compensation. Include the number of employees involved in providing services; number of years providing services.

Previous, successful completion and implementation of a Wage & Benefits Comparability Survey
- References- Provide a minimum of three (3) reference contacts for similar services rendered. Each reference shall include a current point of contact and a phone number.
- Written Narrative- Provide a written narrative statement to include as a minimum: 1) experience in providing the services described herein; 2) a description that the bidder understands TMC's requirements and how the work will be performed; 3) a detailed proposal that meets the RFP requirement.
- Work Samples- Describe an example of similar projects of similar size, content and complexity, including examples of survey collection instruments and reporting formats.
- Staff- Identify who will work on the project, including their background and resume.
- Additional- Include any other relevant information about the firm and its services.

IV. Fees

Include a proposed fee for the scope of work as outlined in this RFP.

V. Proposals Must Contain:

Scope of Services

Approach to providing services

Time frames and deliverables

Fixed fee price

Qualifications and experience of the firm

Qualifications of the consultants who will actually be providing the services

References

F. EXECUTION OF OFFER

THIS SHEET MUST BE COMPLETED, SIGNED, AND RETURNED WITH RESPONDENT'S PROPOSAL. FAILURE TO SIGN AND RETURN THIS SHEET WILL RESULT IN THE REJECTION OF YOUR PROPOSAL.

1. By signature hereon, Respondent offers and agrees to furnish the products and/or services at the prices quoted and comply with all terms, conditions, and requirements as set forth per the RFP documents contained herein.
2. By signature hereon, Respondent affirms that he has not given, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a TMC employee in connection with the submitted proposal.
3. By signature hereon, the Respondent hereby certifies that neither the Respondent nor the firm, corporation, partnership or institution represented by the Respondent, or anyone acting for such firm, corporation, or institution has violated the antitrust laws of the State of Texas, codified in Section 15.01, et. Seq., Texas Business and Commerce Code, or the Federal antitrust laws, nor communicated directly or indirectly the proposal made to any competitor or any other person engaged in such line of business.
4. By signature hereon, Respondent certifies that all statements and information prepared and submitted in response to this solicitation are current, complete and accurate.
5. By signature hereon, Respondent certifies that the individual signing this document and the documents made part of the RFP is authorized to sign such documents on behalf of the company and to bind the company under any contract which may result from the submission of this proposal.
6. By signature hereon, Respondent certifies that no relationship, whether by relative, business associate, capital funding agreement or by any other such kinship exist between Respondent and an employee of TMC.
7. By signature hereon, Respondent affirms that he has not received compensation for participation in the preparation of the specifications for this RFP.
8. Respondent represents and warrants that all articles and services quoted in response to this RFP meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law (Public Law 91-596) and its regulations in effect or proposed as of the date of this solicitation.
9. By signature hereon, Respondent signifies his compliance with all federal laws and regulations pertaining to Equal Employment Opportunities and Affirmative Action.

10. The respondent certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

Complete the following:

EIN/TIN No: _____

If Sole Owner, SS No: _____

If a Corporation, State of Incorporation: _____

Charter No: _____

Submitted by: _____
(Company Name)

(Authorized Signature)

(Printed Name/Title)

(Date)

(Street Address)

(City, State, Zip Code)

(Phone and Fax Number)

(E-mail Address)

G. PRICING SCHEDULE
RFP No. TMC2018-004

Having carefully examined all the specifications and requirements of this RFP and any attachments thereto, the undersigned proposes to furnish a Wage Comparability Study as required at the below quoted terms:

Pricing Schedule (Vendor may use this format or attach a schedule on own form)



Proposed Fee/Cost	\$ _____
Travel Reimbursement Fee/Cost (if applicable)	\$ _____
Total	\$ _____

Other Pricing Information:

Comments:

Addenda Checklist

Receipt is hereby acknowledged of the following addenda to this RFP.

No. 1 _____ No. 2 _____ No. 3 _____ No. 4 _____

Submitted by: _____
(Authorized Signature)

H. RESPONDENT QUESTIONNAIRE

Respondents are requested to submit a complete response to each of the below listed items. Responses requiring additional space should be brief and submitted as an attachment to your proposal package. Please reference each response by its item number indicated below.

1. Legal name of the company: _____

Number of years in Business: _____

Type of Operation: Individual: _____ Partnership: _____ Corporation: _____

Number of Employees: _____

Provide the history of your firm, particularly your employee benefits division

2. Is your company currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity? If yes, specify date(s), details, circumstances, and prospects for resolution?
3. Provide a customer reference list of no less than **three (3)** organizations with which your company currently has contracts with and has previously provided goods and/or services of equal type and scope, as requested herein, within the past five (5) years. The reference list must include company name, contact person, and telephone number, project description and length of business relationship.
4. Provide roles and qualifications for each of the proposed team members who would be working directly with TMC on administrative issues, questions, or problem solving, including their specific experiences with similar projects, and number of years with your company.
5. What is your process for ensuring customer satisfaction?
6. Does any relationship exist whether by relative, business associate, capital funding agreement or any other such kinship exist between you company and any TMC employee or Board of Director? If yes, please explain.
7. Describe any other facets of your organization and your firm's experience that are relevant to this proposal that have not been previously described and that you feel warrant consideration.

Submitted by: _____
(Authorized signature)

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

This certification is required by the Federal Regulations Implementing Executive Order 12549, Debarment and Suspension, 45 CFR Part 93, Government-wide Debarment and Suspension, for the Department of Agriculture (7 CFR Part 3017), Department of Labor (29 CFR Part 98), Department of Education (34 CFR Parts 85, 668, 682), Department of Health and Human Services (45 CFR Part 76).

The undersigned certifies, to the best of his or her knowledge and belief, that both it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency;
2. Have not within a three-year period preceding this contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or Local) transaction or contract under a public transaction, violation of federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicated for or otherwise criminally or civilly charged by a government entity with commission of any of the offense enumerated in Paragraph (2) of this certification; and,
4. Have not within a three-year period preceding this contract had one or more public transactions terminated for cause or default.

Where the prospective recipient of federal assistance funds is unable to certify to any of the statements in this certification, such prospective recipient shall attach an explanation to this certification form.

Name of Organization/Firm: _____

Signature of Authorized Representative: _____

CERTIFICATION REGARDING LOBBYING

This certification is required by the Federal Regulations Implementing Section 1352 of the Program Fraud and Civil Remedies Act, Title 31 U.S. Code for the Department of Agriculture (7 CFR Part 3018), Department of Labor (29 CFR Part 93), Department of Education (34 CFR Part 82), Department of Health and Human Services (45 CFR Part 93).

The undersigned certifies to the best of his/her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned to any person for influencing or attempting to influence an officer or employee of Congress, or an employee or a Member of Congress in connection with the awarding of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a federal contract, grant, loan, or cooperative agreement.
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, and or cooperative agreement, the undersigned shall complete and submit Standard Form – LLL, “Disclosure Form to Report Lobbying”, in accordance with the instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

Name of Organization

Signature of Authorized Representative

Date

Print Name and Title of Authorized Representative

DISCLOSURE OF INTERESTS

It is the fiscal policy of the TMC that all persons or firms seeking to do business with the TMC to provide the following information. **Every question must be answered.**

If the question is not applicable, answer with "NA".

COMPANY NAME: _____

FEDERAL ID#: _____

P.O. BOX: _____

STREET: _____

CITY: _____ STATE: _____ ZIP: _____

Firm is: (1.) Corporation (2.) Partnership (3.) Sole Owner (4.) Association (5.) Other

DISCLOSURE QUESTIONS

If additional space is necessary, please use the reverse side of this page or attach separate sheet.

1. State the name of each "non-managerial employee" of having an "ownership interest" constituting 10% or more of the ownership in the above name "firm"

Name	Job Title
------	-----------

2. State the names of each "managerial employee" of the Board having an "ownership interest" constituting 10% or more of the ownership in the above name "firm"

Name	Job Title
------	-----------

3. State the names of each "member" of the board or Board Staff having an "ownership interest" constituting 10% or more the ownership in the above name "firm"

Name	Job Title
------	-----------

4. State the name of each employee or officer of a "consultant" for the Board who worked on any matter related to the subject of this contract and has an "ownership interest" constituting 10% or more of the ownership in the above name "firm"

Name	Job Title
------	-----------

5. Other

Name	Job Title
------	-----------

CERTIFICATION REGARDING CONFLICT OF INTEREST

The undersigned bidder certifies that:

- (1) No officer, employee or paid representative or consultant of the proposer is a member of TMC's Board of Directors.
- (2) No officer, employee, paid representative or consultant of the proposer is a spouse to a member of the TMC's Board of Directors.
- (3) No officer, board member, the executive director, or employee of the TMC owns or controls more than 10 percent in the proposer/bidder's company.
- (4) No spouse of an officer, board member, the executive director, or employee of the TMC is an officer, manager, or paid representative or consultant of the proposer/bidder.
- (5) No member of the Board of Directors, the executive director or employee of the TMC receives compensation from the proposer/bidder for lobbying activities as defined in federal laws or Chapter 305 of the Texas Government Code.
- (6) Proposer/bidder has disclosed within the proposal any interest, fact or circumstances which does or may present a potential conflict of interest.
- (7) Should proposer/bidder fail to abide by the foregoing regarding conflict of interest, proposer/bidder shall not be entitled to recovery of any costs or expenses incurred in relation to any contract with TMC and shall immediately refund the TMC any fees or expenses that may have been paid under a contract and shall further be liable for any costs incurred or damages sustained by the TMC relating to that contract.

Name of Organization

Signature of Authorized Representative

Typed/Printed Name of Authorized Representative

Date

EXHIBIT A

AGREEMENT FOR SERVICES

This Agreement is made and entered into as of _____ by and between Texas Migrant Council, Inc. DBA TMC "TEACHING AND MENTORING COMMUNITIES" ("TMC"), and _____ ("Contractor"), whose address is at _____, and whose taxpayer identification number is _____.

TMC and Contractor agree as follows:

1. **Scope of Services**

Contractor is to provide services as follows:

Conduct a multi-state wage comparability study in respect of a variety of center level, administrative level, and transportation job categories and a sample of fringe benefits offered for these positions. Scope of work as per RFP No. TMC2018-004.

2. **Term**

The term of this Agreement shall be from _____ or the date executed by TMC, whichever is later and will expire on _____ unless sooner termination in accordance with the terms stated elsewhere in this Agreement.

TMC shall reserve the right to renew this contract for one (1) additional one-year period (if applicable). TMC shall notify Contractor by certified letter of its intent to renew the contract for each of the additional term.

3. **Contractor's Duties and Representations**

- a. The Contractor warrants, represents, and agrees that all services to be performed by the Contractor under this Agreement shall be of the standard and quality which prevail among similar businesses engaged in providing similar services.
- b. The Contractor warrants, represents, and agrees that all persons connected with the Contractor directly in charge of services are duly registered and/or licensed under the laws, rules and regulations of any authority having jurisdiction, if so required by such laws, rules and regulations.
- c. Contractor warrants, represents, and agrees that it has secured all necessary approvals to execute and deliver this Agreement and perform all its obligations at his/her own expense.

4. **Payment Terms**

Total amount of this contract shall not exceed _____ Dollars (\$) _____) per entire term of contract. TMC shall pay Contractor in current funds for the performance of services.

- a. Contractor shall submit monthly invoices to TMC covering the services performed. Invoices at a minimum, shall include: (a) name, address, and telephone number of Contractor and similar information in the event payment is to be made to a different address, (b) TMC Contract or Purchase Order Number, (c) identification of service(s) provided, (d) dates services were delivered (e) quantity or quantities, applicable unit prices, extended prices of services provided, the total invoice amount, and (f) any additional payment information which is required by the contract. Invoices not received in accordance with the terms and conditions set forth herein will not be paid until such an invoice complies with all terms and conditions of this Contract. TMC will pay Contractor within 30 days of receipt of invoice, provided Contractor is not in breach or in default under this Agreement.
- b. TMC shall not be obligated to make any payment to Contractor if services are not performed in accordance with this Agreement.
- c. TMC shall have the right to verify the details set forth in Contractor's billings and statements, either before or after payment.

5. **Non-Disclosure**

Contractor acknowledges that he may, in the performance of this Contract, come into the possession of proprietary or confidential information owned by TMC. Contractor shall not use any such information for its own benefit or make such information available to any person, firm, corporation, or other organization, except as may be required by any applicable state or Federal law(s).

6. **Default and Termination**

In the event of substantial failure by a party to perform in accordance with the terms hereof, the other party may terminate this Agreement upon fifteen (15) days' written notice of termination stating the nature of the failure (the termination shall not be effective if the failure is fully cured prior to the end of the fifteen-day period), provided that said failure is through no fault of the terminating party.

7. **Indemnification**

The Contractor agrees to indemnify and hold harmless TMC and its officers, board of directors, and employees from and against all claims of any nature, kind, arising out of, or resulting from the performance of services which are caused by any negligent act or omission of the Contractor.

8. **Independent Contractor**

Contractor recognizes that it is engaged as an independent contractor and acknowledges that TMC will have no responsibility to provide transportation, insurance, or other fringe benefits normally associated with employee status. Contractor, in accordance with its status as an independent contractor, agrees that it shall conduct itself consistent with such status, that it will neither hold itself out as nor claim to be an officer, partner, employee or agent of TMC, and that it will not by reason make any claim, demand or application to or for any right or privilege applicable to an officer, partner, employee or agent of TMC, including, but not limited to, unemployment, insurance benefits, worker's compensation, social security coverage or retirement benefits.

The Contractor and employees of the Contractor assigned to perform work under this contract award shall hold a valid license(s) properly registered and issued by the State of Texas, sufficient to lawfully permit the Contractor and employees of the Contractor to perform such duties as may be assigned under this agreement. The Contractor and employees of the Contractor agree to provide the Corporation with a copy of said license prior to the commencement of services under this contract.

The Contractor and employees of the Contractor engaged as an independent contractor must sign specific release forms in order for a background check to be conducted. The background check must be conducted prior to the commencement of services under this contract.

9. **Force Majeure**

If either TMC or Contractor is delayed at any time in the performance of its obligations hereunder by any causes reasonably beyond its control, and which could not have been reasonably anticipated by either TMC or Contractor, then the time for performance of such party shall be extended for one day for each day of delay. A delay or failure of performance by either party under this paragraph shall not constitute default hereunder, or give rise to any claim for damages. Notwithstanding the foregoing, TMC shall have the right to contract with another party to acquire similar services if Contractor is unable to perform due to a force majeure event.

10. **Insurance**

Contractor, consistent with its status as an independent contractor, shall carry at least the following insurance:

- a. Professional Liability Insurance.
- b. Comprehensive Automobile Liability insurance.

11. **Compliance with Law**

Contractor is aware of, is fully informed about, and in full compliance with its obligations under existing applicable law and regulations, including:

- a. Title VI of the Civil Rights Act of 1964, as amended (42 USC 2000(D))
- b. Executive Order 11246 of September 14, 1965 (Equal Employment Opportunity), as amended by Executive Order 11375 of October 13, 1967
- c. Age Discrimination Act of 1975 (42 USC 6101 et seq.)
- d. Americans with Disabilities Act of 1990 (42 USC 12101 et seq.)
- e. Health Insurance Portability and Accountability Act of 1996 (HIPAA)

12. **Acceptance**

All services performed under this Contract shall be to the satisfaction of TMC and in accordance with the scope of work, specifications, terms, and conditions of the Contract. TMC reserves the right to determine the quality and acceptability of the services.

13. **Miscellaneous**

- a. Performance by TMC under this Agreement is dependent upon the appropriation and allotment and/or allocation of funds from its funding sources. If funds are not appropriated, then TMC shall issue a written notice to Contractor and TMC may terminate this Agreement without further duty or obligation.
- b. This Agreement supersedes all prior agreements, written or oral, between Contractor and TMC and shall constitute the entire Agreement and understanding between the parties with respect to the subject matter hereof. This Agreement and each of its provisions shall be binding upon the parties and may not be waived, modified, amended or altered except in writing and signed by TMC and Contractor.
- c. This Agreement and all of the rights and obligations of the parties and all of the

terms and conditions shall be construed, interpreted and applied in accordance with and governed by the laws of the State of Texas. In the event legal action is commenced regarding this contract, Contractor agrees venue will lie in the Webb County.

- d. The contact person for this agreement is Mr. Federico Cardenas, Chief Financial Officer, he may be contacted at (956) 722-5174, Ext. 1127.

14. **Authority to Bind.**

This Contract is not binding upon TMC unless and until it has been executed by the following person:

If executed on behalf of the Agency, the Chief Executive Officer:

IN WITNESS WHEREOF, TMC "TEACHING AND MENTORING COMMUNITIES" and Contractor have executed and delivered this Agreement as of the date first above written.

Sample

CONTRACTOR

TMC

"TEACHING & MENTORING COMMUNITIES"

By: _____

By: _____

Name: _____

Name: _____

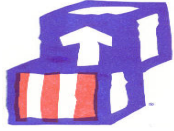
Title: _____

Title: _____

Date: _____

Date: _____

END OF RFP DOCUMENT



Office of Head Start

Wage Comparability 101:

A Guide for Conducting a Wage and Fringe Benefits Comparability Survey



[Enter Here](#)

Wage Comparability 101

A Guide for Conducting a Wage and Fringe Benefits Comparability Survey

Welcome to Wage Comparability 101, a guide for conducting a wage and fringe benefits comparability survey. A wage and fringe benefits comparability survey is an analysis of an employee compensation system in comparison to similar organizations that offer similar services and demographics. In order to establish and maintain high quality program operations and services, Head Start and Early Head Start programs must attract and retain qualified personnel. An important component of any program's ability to maintain a skilled and motivated work force is employee compensation.

The Wage and Fringe Benefits Comparability Tool, as seen at www.headstartwagecomp.net, has been designed to help Head Start and Early Head Start programs understand employee compensation as it relates to the process for conducting a wage and benefits comparability survey. This guide provides resources to assist local programs on how to conduct a wage survey and use the information from the survey to evaluate and improve their compensation programs.

The Wage and Fringe Benefits Comparability Tool has been designed to provide an on-line, user-friendly program for agencies to compare their wages and benefits for given positions to other agencies within their similar and relevant labor market. Once an agency submits its own wage and fringe benefits comparability data and invites a group of comparable organizations to participate, they will be able to compare their specific wage rates and benefits information with other agencies within their specific area and around the country.

[Understanding the Regulations Related to Employee Compensation](#)

[What to Consider Before Conducting a Wage and Fringe Benefits Comparability Survey](#)

[Guidelines for Conducting a Wage and Fringe Benefits Comparability Survey](#)

[Guidelines for Using Wage and Benefits Comparability Data](#)

[Considerations for Applying Survey Data](#)

[Tools](#)

Understanding the Regulations Related to Employee Compensation

Although there are no specific requirements for Head Start wage and salary plans, regulatory language exists regarding employee compensation for Head Start and Early Head Start programs. This section explains the Federal requirements related to employee compensation.

Head Start Act - Improving Head Start for School Readiness

The Head Start Act Section 653 requires that Head Start programs not pay "less than the minimum wage rate prescribed in section 6(a)(1) of the Fair Labor Standards Act of 1938" and encourages "Head Start agencies to provide compensation according to salary scales that are based on training and experience."

Sec.640.Allotment of Funds; Limitations on Assistance [U.S.C. 9835] requires that funds be reserved to carry out quality improvement activities under paragraph (4)(C) and this paragraph shall be used to improve the compensation

(including benefits) of educational personnel, family service workers, and child counselors, as described in sections 644(a) and 653, in the manner determined by the Head Start agencies (including Early Head Start agencies) involved to:

- (i) ensure that compensation is adequate to attract and retain qualified staff for the programs involved in order to enhance program quality;
- (ii) improve staff qualifications and assist with the implementation of career development programs for staff that support ongoing improvement of their skills and expertise; and
- (iii) provide education and professional development to enable teachers to be fully competent to meet the professional standards established under section 648A(a)(1), including—

- (I) providing assistance to complete postsecondary course work;

- (II) improving the qualifications and skills of educational personnel to become certified and licensed as bilingual education teachers, or as teachers of English as a second language; and

- (III) improving the qualifications and skills of educational personnel to teach and provide services to children with disabilities.

Sec. 644. Administrative Requirements and Standards [42 U.S.C. 9839] mandates that each Head Start agency shall adopt for itself and other agencies using funds or exercising authority for which it is responsible, rules designed to (A) establish specific standards governing salaries, salary increases, travel and per diem allowances, and other employee benefits.

Sec. 653. [42 U.S.C. 9848] (a) Comparability of Wages- The Secretary shall take such action as may be necessary to assure that persons employed in carrying out programs financed under this subchapter shall not receive compensation at a rate which is (1) in excess of the average rate of compensation paid in the area where the program is carried out to a substantial number of persons providing substantially comparable services, or in excess of the average rate of compensation paid to a substantial number of the persons providing substantially comparable services in the area of the person's immediately preceding employment, whichever is higher; or (2) less than the minimum wage rate prescribed in section 6(a)(1) of the Fair Labor Standards Act of 1938. The Secretary shall encourage Head Start agencies to provide compensation according to salary scales that are based on training and experience.

(b) Limitation-

(1) IN GENERAL- Notwithstanding any other provision of law, no Federal funds may be used to pay any part of the compensation of an individual employed by a Head Start agency, if such compensation, including non-Federal funds, exceeds

(2) Compensation – In this subsection, the term ‘compensation’ - -

(A) includes salary, bonuses, periodic payments, severance pay, the value of any vacation time, the value of a compensatory or paid leave benefit not excluded by subparagraph (B), and the fair market value of any employee perquisite or benefit not excluded by subparagraph (B); and

(B) excludes any Head Start agency expenditure for a health, medical, life insurance, disability, retirement, or any other employee welfare or pension benefit

Head Start Program Performance Standards

The *Head Start Program Performance Standards* do not specify *who* must conduct a wage comparability survey, however, 45 CFR 1301.31(a)(1) indicates that written policies of Head Start grantee and delegate agencies must include descriptions of each staff position, addressing, as appropriate, roles and responsibilities, relevant qualifications, salary range, and employee benefits.

Title 2 CFR

The 2 CFR Part 230 Revised, Attachment B, 8(C)2 apply a standard of —reasonableness to compensation as follows:

When the organization is predominantly engaged in federally-sponsored activities and in cases where the kind of employees required for the Federal activities are not found in the organization’s other activities, *compensation for employees on federally-sponsored work will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor markets in which the organization competes for the kind of employees involved* [italics added].

This regulation is consistent with the purpose of wage comparability which is to link pay levels to those defined by the relevant labor market. The relevant labor market is typically that in which the employer must compete for employees with a particular skill set.

Fair Labor Standards Act (FLSA)

According to the program instruction issued in 2001, ACYF-PI-HS-01-01, Head Start and Early Head Start programs are covered by provisions of the FLSA. The FLSA is a federal law governing minimum wage, overtime pay, equal pay for men and women in the same type of job, child labor, and record keeping requirements. For more information on this program instruction, [select here](#).

[top](#)

What to Consider Before Conducting a Wage & Fringe Benefits Comparability Survey

From a financial perspective, an analysis of the employee compensation system should be based on a thorough understanding of applicable regulations and exploration of the personnel policies and procedures, processes and expenditures supporting an agency's compensation plan.

The following list of questions and answers can help your program decide whether to conduct its own study, hire a consultant to perform the work, join a coalition of organizations to conduct a survey, or draw from existing information from one or more sources:

1. *Are positions reported in other studies adequately similar to yours to use as comparisons?*

Choose benchmark positions, at least one from each grade in your position classification system, whenever possible, rather than trying to collect information on each and every position in the program. Head Start has some positions which have few comparable jobs in the broader community.

2. *Can you identify benchmark positions in your organization with adequate parallels in an outside survey?*

Be sure to choose benchmark positions which have parallels in the area. For example, if Disabilities Aide and Secretary are in the same grade, choose Secretary as the benchmark job. There are many secretaries about whom we can gather comparability information, but few Disabilities Aides in other programs.

3. *Do you know who responded to the survey?*

It is useful to obtain information about the organizations who have responded, so you can create a profile for comparability. Do you know the respondents to an external survey? In your own or a collaborative survey, a form asking organizations for information like budget, number of clients, type of agency (government, private non-profit, for-profit, faith-based, etc.), and number of staff will help you describe the group against which you compared your wages.

4. *Are job duties, levels of responsibility and qualifications clear from the survey?*

If you conduct your own survey, you can provide information about the jobs in your program for which you are requesting comparability data. A two to three sentence description of the position will help the organizations surveyed understand the job better than by just providing a job title. For example, "teacher" in a child care center may have dramatically different requirements and qualifications than "teacher" in a public school pre-K program.

5. *Is there a knowledgeable person whom you can contact with questions?*

If you use a survey conducted by another organization, is there someone who can serve as a resource to answer questions about the findings and methodology? If you conduct your own survey, be sure to ask for a contact person and phone number and/or email address from organizations who submit information to you, so that you can ask questions, if necessary, to ensure that data are accurate and complete.

6. *How much information is gathered?*

The least sophisticated wage comparability survey will gather only information about the job and the wage paid by other organizations. However, it is suggested that you go further and request information about each individual employed in each position surveyed. Information such as, level of education, number of years of experience, will help you determine how similar the comparability group is to your staff and will provide invaluable information about the wage necessary to attract the best qualified staff. Including information about fringe benefits in the survey will provide you with information about total compensation so that you can make informed decisions.

7. *How are wages reported?*

The survey should provide wage information based on hourly wage, not monthly, annual or some other aggregated compensation. Why do this? Because some organizations consider full-time to be 40 hours a week, others 35 hours a week. Some year-round staff work 2,080 hours a year; others work 1,920 or 1,760 hours a year. If you receive annual salary information from two organizations for the same position and one organization is based on 40 hour weeks, 52 weeks a year (2,080 hours/year) and the other is calculated on 35 hours a week for 48 weeks a year (1,680 hours/year), and both report salaries of \$30,000 a year, we have a big difference in hourly wage (\$14.42/hour in the first instance, and \$17.86 in the second - a 24% difference). When you ask for hourly wage data, you are able to compare “apples and apples.”

8. *How many organizations are represented in the survey?*

Your local survey should gather information from at least five other organizations. If you are able to obtain data from more agencies that are comparable to yours, do so. The more information you have from comparable organizations, the better comparability data you will generate. Studies conducted at the state level are likely to have a broader base of data. If the labor market in your area is significantly different from that of the broader state market, you can correct for the differences using the “correction factor method” described later in this guide.

9. *Do you have sufficient statistical sophistication to perform accurate and thorough analyses?*

Data should be compiled and analyzed using a spreadsheet, statistical package or other software which enables you to perform basic statistical analyses. You should generate frequencies and averages for most data elements. For wage, education and experience data, it will be useful to report high, low, and median data as well as averages. Measures which reflect the variability or dispersion of reported wages are also useful. The range and the standard deviation are the most common dispersion statistics, which tell you how spread out the data values are.

10. *Is there someone who understands these statistics (either in-house or a consultant) to help you synthesize the information and compile a wage comparability report?*

You are encouraged to work with a consultant who understands wage studies, so that you can further understand and use your data wisely and appropriately.

There is no specific requirement that a Head Start program conduct its own wage comparability survey. It is required that Head Start programs not pay wages in excess of those paid to individuals in comparable positions in the communities they serve. If a program can acquire relevant comparability data from another source such as, county government, United Way, or state employment services, that information can be used. In most circumstances, these sources are used to supplement, not supplant, locally conducted studies. It is helpful to examine compensation as a total package and it is good business practice to take a look at fringe benefits as a part of total compensation.

Keep in mind, that the regulation indicates that data should reflect the “area.” While there is no official definition of this term, it has been the opinion of some Federal officials that “area” refers not just as the program’s service area, but also the broader area from which the labor force is drawn. For some large, urban programs, that may simply mean a city, but for more geographically dispersed programs, that is often a multi-county, state or multi-state area.

For some positions, there may be adequate comparability data in your service area; for others, programs may need to cast a broader net to obtain enough relevant information to make determinations of comparability. For key positions, the relevant labor market may be different and often broader than for line and support staff positions.

Be cautious of wage studies that provide only national wage data. It is nearly impossible to effectively apply national data to your area or to tailor information that has been collected that broadly to describe wage patterns in a program’s service, catchment or recruitment area.

Another consideration when determining “area” or relevant labor market is to think beyond geographic region. For example, rural counties in northern Illinois have little in common with the Chicago labor market. Better comparisons might well come from comparable organizations in Milwaukee, Detroit, or Cleveland.

To avoid inappropriately inflating or deflating wage rates from these other comparable areas, differences in cost of living among the areas can be handled by using the correction factor method described later in this guide.

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Guidelines for Conducting a Wage & Fringe Benefits Comparability Survey

Wage and fringe benefits comparability surveys are required to ensure that salaries do not exceed comparability, but more importantly to enable Head Start programs and their grantee and delegate agencies to design compensation policies and practices that are fair, equitable, and enable them to attract and retain qualified personnel.

Employee compensation should be guided by three factors: *comparability, equity, and affordability*. Head Start and Early Head Start agencies are responsible to ensure that, inasmuch as possible, their employees are compensated at levels *comparable* to others in the communities they serve who bring similar qualifications to similar positions.

In addition, local programs should design compensation strategies which are internally *equitable*. In other words, program employees with similar levels of responsibility, education and experience are paid similarly. Each grantee and delegate agency must develop compensation systems which are within the means of the agency; that is, wage, salary and benefits plans must be *affordable*.

Every agency should be able to design a wage and salary administration plan that is equitable and affordable; whether or not wages, salaries and benefits are comparable to those offered in the broader community is a function of funding level, priorities, and other resources.

The following information and methodology will guide Head Start and Early Head Start programs in conducting a wage and fringe benefits comparability survey. The steps provided below provides guidance on how to use the information gathered from the survey designed to improve the equity and comparability of wages and benefits.

Step 1. Develop Up-to-Date Job Descriptions

The basic element of any human resources system is the job description. Prior to conducting a wage comparability survey, it is critical to have up-to-date job descriptions. Data will be collected on specific jobs, so being clear about the key functions of jobs in your organization is a prerequisite to designing an effective wage comparability survey.

Once you are comfortable with the clarity and thoroughness of your organization's job descriptions, you can distill job descriptions for benchmark jobs (see explanation in Step 3 below) into mini-job descriptions for the purpose of conducting a wage comparability survey. Through the Head Start Wage and Fringe Benefits Comparability Project, a group of jobs common to Head Start and other human services organizations was identified. Mini-job descriptions were crafted for each of those positions. You may use these job summaries or modify them to better reflect the jobs in your organization. See the resources section at the end of this guide for sample mini-job descriptions.

Step 2. Ensure That the Position Classification System Is Accurate and Up-to-Date

The position, such as, director, teacher, secretary, or bus driver is the basis of an employee classification system. Programs should have a system or schedule of employee job classifications which group together jobs with similar levels of responsibility and qualifications.

For example, one classification or grade might include cook, custodian, and bus monitor while another higher grade includes literacy specialist, executive assistant, and accountant. Although the positions differ greatly from each other within the grade in terms of job duties, it has been determined that they have similar levels of responsibility and like qualifications. For example, a literacy specialist, executive assistant and accountant all have bachelor's degrees in job-relevant fields and at least five years of experience, on the other hand, no formal education is required for the cook, custodian or bus monitor.

In addition, entry level positions may also require no previous experience. Positions are generally classified into classes, levels or grades. Each grade includes the list of positions which are grouped together in that classification.

These position classifications show the relative worth of one job to another and form the foundation for internal equity in the compensation plan. In other words, employees in the same grade with the same qualifications would expect to be paid at the same or nearly identical level. Exceptions should reflect differential pay based on performance (e.g., merit pay), not on favoritism, accidents of history, or other subjective factors.

Step 3. Select Benchmark Positions

Benchmarking is a process to establish a standard or point of reference for use in evaluating the hourly wages of the organization. Once the position classification system is reviewed and/or revised, one or more benchmark positions should be selected from within each grade. Wage data are then solicited only for those benchmark positions.

Each benchmark should be a common position which tends to have similar duties and responsibilities associated with it regardless of the employer. In the previous example, we encouraged you to select Secretary as a benchmark from a grade which includes Secretary and Disabilities Aide, since Secretary is the more common position. Refer to the Resources section for sample descriptions of positions and guidance on positions that are common in the Head Start and human services milieu.

Why select benchmarks at all? Why not just collect data on all positions in your program or agency? In an ideal world, an employer-developed survey would describe and collect compensation survey data on every job in the target organization. Programs can, in fact, collect data on all 43 jobs listed in the *Descriptions of Positions* identified through this project.

There are at least two considerations that render this global strategy infeasible. First, most organizations have a subset of job classifications that are relatively unique or perhaps rapidly evolving. For these jobs, finding external organizations with similarly structured jobs, or at least finding a sufficient number of them to provide stable wage rate estimates, is quite unlikely. In these instances, the relevant data are often just not there to be collected. The more common impediments to the global approach are however the logistical obstacles.

Respondents to compensation survey solicitations generally have limited time to allocate to the completion of the many data requests they receive. Surveys with very lengthy lists of job titles are more likely to be ignored than those requesting information on a limited number of job classifications.

The benchmark jobs approach is the more common strategy for gathering wage and benefits survey data. Benchmark jobs have content that is relatively stable and similar across employers. They are also fairly common across employers, especially among those in a particular industry, such as, early childhood education or human services.

The disadvantage of the benchmark approach is that only a subset of jobs is directly indexed to the external market. Your organization must then extrapolate survey data to the remaining jobs in your organizational structure. Choosing one or two benchmark jobs from each grade enables an organization to generalize to other jobs in that grade, with the certainty that all jobs within a grade are more similar to each other than they are to other jobs in other grades.

Your Head Start program may want to review the list of 43 jobs included in the *Descriptions of Positions* and choose benchmark jobs from among those listed. You can then request that your comparable organizations provide data for only those specific benchmarks, rather than all 43 jobs, or even all jobs in your agency.

Comparisons are made of the benchmark jobs' hourly wages with your organization's current hourly wages for the grade in which each benchmark job is classified. Using the benchmark wages and average years of experience as a guide, the entry level hourly wage for each grade in a target salary schedule can be established.

In addition, be sure to provide appropriate increases between grades that reflect determinations of the levels of responsibility and requisite qualifications for positions in each grade. Finally, the size and complexity of the organization should be considered in reviewing benchmarks.

Step 4. Identify and Invite the Participation of Comparable Organizations

Once all of your internal activities have been completed, it is time to *identify the comparable organizations* (“*comparables*”) from which you want to collect comparability data. Among the most critical and challenging wage and benefits comparability decisions is the selection of external organizations from which compensation data are solicited. When employers seek to link their pay structures to the “market”, the relevant labor market includes those organizations with which they compete for employees. These relevant labor markets can be defined by employers who compete for employees to do the same jobs, who compete for employees within the same geographic area, and/or organizations that offer a similar product or service.

The greater and more sophisticated the set of competencies required for a job, the broader the geographic boundaries defining the relevant job market. The reality is, given the mix of jobs in most organizations; almost all employers compete for labor in multiple markets. Rarely will a single wage survey comprehensively address “market” pay for the full spectrum of job classifications in an organization.

Multiple surveys with a unique mix of survey respondents for different job classifications could produce the best comparability information. For example, for positions like cook or custodian, it may be advisable to survey other area employers who offer entry level positions, such as fast food, retail, hotels and motels. For management positions and others requiring specialized knowledge and skills, casting a broader net geographically (e.g., other areas of the state or region with demographics similar to your area's) may provide more comparable data.

For most organizations, choosing comparable organizations from among others in the human services sector in their broad geographic area will provide adequate comparability measures. However, it may be prudent to choose additional comparables to gather information on the highest level jobs or positions where the agency has experienced considerable turnover (that may be related to substandard wages in your geographic area).

A frequent characteristic of locally conducted Head Start wage comparability surveys is that they gather data solely from other Head Start programs within their state or area. This practice is not particularly desirable, for several reasons as follows:

1. Head Start tends to be a low payer, not reflective of the broader labor market.
2. Comparable organizations should be those with whom the Head Start program directly competes for talent, unless a Head Start program recruits staff primarily from and loses staff primarily to other Head Start programs.
3. There are different auspices, sizes, and services provided across Head Start and Early Head Start programs. For example, a Head Start program in the next county may be much less comparable to your program than the senior center down the street.

In order to obtain a sample of early education and human services programs to provide a broad spectrum of comparability data, your program should identify outside agencies that have positions comparable to the benchmarks you have chosen and provide similar services. You can choose a mix of other programs serving children, families, seniors and other community residents, such as data from:

- child care centers and pre-K programs
- health, rehabilitation and mental health centers with jobs and credentials comparable to Head Start staff in the health and nutrition areas
- Social workers, outreach workers, and case managers find parallels in social services agencies, rehabilitation and family and children's centers
- Agencies on aging, senior citizen programs and family service programs have staff similar to those in family services and parent involvement.

Organizations which Head Start programs may want to contact to provide comparability data include:

- public schools, specifically pre-k programs
- child care centers
- hospitals
- social services agencies
- nursing and assisted living facilities
- government agencies
- health departments

- private children's organizations (e.g., Big Brothers/Big Sisters, Boys and Girls Clubs)
- housing authorities
- mental health agencies and centers
- educational, social services and other human service programs offered by the faith-based agencies
- organizations engaged in human services and related activities

There are no clear rules for how many employers to include in a wage and fringe benefits comparability survey. However, if comparables are chosen carefully, five other organizations should represent a reasonable sample. One rule is clear: Identify more comparables than you need for your study. Experience has shown that not every organization you invite will participate.

Aggregating wage data across fewer than five organizations often raises questions about the stability of the resulting market wage estimate. But simply aggregating across a large number of organizations with widely varying compensation does not ensure a useful estimate. Likewise, there is no invariant minimum number of employees in a job classification required to meaningfully estimate a market wage for that position. Nevertheless, a good rule of thumb is that you need information on at least five employees in a job to establish comparability.

What can be said is that in defining the market wage for any job, relatively less survey data are necessary when surveyed jobs are carefully defined, with a consistent definition of compensation, the more similar the results will be to the intended employer.

Once a group of comparable organizations has been identified, the next step is to ***invite comparables to participate*** in your wage and fringe benefits comparability survey. Experience has provided several successful strategies in making these invitations:

1. *Invite comparables with whom your organization has an existing relationship.* We are asking colleagues to do us a fairly time-consuming favor. This is not the best time to cultivate a new relationship.
2. *Choose organizations of similar size and quality.* It is equally inappropriate for a medium sized Head Start program to compare itself with a large local state university as with the custodial mom-and-pop day care center across the street.
3. *Have someone in your organization who is acquainted with a key member of the comparable organization contact that person in person to request that agency's participation.* A personal contact followed up in writing advises the comparable agency that a formal request is coming,

4. *CEO to CEO is the best level of contact.* If the top administrator in your organization is willing to contact his/her colleagues in comparable organizations and obtain a commitment of their participation, that organization is likely to take the invitation seriously and provide the requested information.
5. *Follow-up with a written invitation and explanation of the project.* Sample letters are included in the Resources section at the end of this guide. They include the information you need to give to comparables and may be adopted for your use or adapted to better reflect your personal style of communication. Be sure to read the sample letters carefully and fill in all the blanks with your own information.
6. *Provide a realistic estimate of the time that the comparable's participation will take.* We estimate that the *entire process* will take six to eight weeks from the date of invitation to completion: two weeks to get comparables contacted and committed; four weeks for them to complete their data entry; and two additional weeks to round up those who do not meet the deadline. It is suggested that comparable organizations be given a deadline for submission of their materials one month from the initial invitation.

In terms of *data entry time* for each comparable, using www.headstartwagecomp.net, we estimate that it will take about ten minutes to enter basic organizational data and 1-2 minutes per employee whose data are entered. Completion of fringe benefits information is likely to take 3-5 minutes for each of the four positions.

7. *Identify someone in your organization or your consultant whom the comparables can contact for assistance.* Other organizations are more likely to fulfill their commitment to participate in the survey, if they have someone to contact if they encounter difficulties.
8. *Follow-up personally.* During the data entry phase, contact the key individuals in the comparable organizations personally to offer assistance, keep the project and its deadlines in the forefront of their thinking, and offer your thanks for their participation.

Step 5. Conduct the Survey

The system developed through the Head Start Wage and Fringe Benefits Comparability Project includes *two survey approaches: on-line and stand-alone paper-and-pencil surveys*.

The on-line approach enables programs and their comparable agencies to participate in wage and fringe benefits comparability surveys via the Internet. Organizations can contact colleen.mendel@wku.edu to conduct a survey at a nominal fee using the methodology, protocols and software developed under the SBIR project. This approach will enable your organization to obtain a complete and fully compliant wage and fringe benefits comparability survey.

The stand-alone approach provides programs with the capacity to perform their own more limited studies independently for their local program or agency utilizing the Wage and Fringe Benefits Comparability Toolbox, which is free of charge at <http://eclkc.ohs.acf.hhs.gov/hslc>.

The *Head Start Wage and Fringe Benefits Comparability Survey* package includes all of the information, forms, and sample letters to enable programs to request data from agencies with comparable positions, share their own wage and benefits information as part of a broader community survey, and generate reports to use in evaluating their compensation packages. Refer to the section on Resources for sample forms and other information that is used when conducting a survey.

To complete a survey on-line or download materials and forms, go to www.headstartwagecomp.net. Paper-and-pencil forms and instructions can also be downloaded from the Wage and Fringe Benefits Comparability Survey section.

Survey data should be gathered at both the organizational and employee level. The forms which accompany this package in both the on-line version and the paper-and-pencil version provide for the collection of all of these data. Refer to the Tools section for instructions for completing the wage and fringe benefits comparability survey.

Organizational Information

State and Counties Served	List of the state and counties served by the comparable organization
Program Type	Head Start/Early Head Start, Community Action Agency, Health Care Provider, Institute of Higher Education, Other, School District, Social Services Organization
Program Category	For-Profit Organization, Government Entity, School District, Indian Tribe, Individual,

	Institute of Higher Education, Not for Profit Organization, Other, Special District
Type of Program	Urban, Rural, Urban/Rural Combination
Sources of Funding	Federal, State, City/County, Private, Other
Size of Program	Number of children/clients served
Budget Information	Annual program/agency budget
Number of Employees	Number of individuals employed by the organization

Employee Level Data

position
 number of supervisees (if applicable)
 level of education
 number of years of experience
 credential, certification or licensure
 number of hours worked per year
 hourly wage or annual salary

Fringe Benefits Data

position (director, teacher, administrative assistant, and custodian)
 hourly wage
 number of hours worked per year
 percentage based fringe benefits (FICA/Medicaid, workers' compensation, disability and unemployment insurance, retirement/pension)
 flat rate benefits (health, dental and life insurance)
 miscellaneous benefits
 leave (annual leave, sick leave, other leave, paid holidays)

The organizational level data make it possible to create a profile for organizations participating in the survey and to compare that composite profile against the characteristics of the target agency.

Employee level data provide a set of descriptors for each benchmark position that can be used to most accurately determine comparability of wages. To engage in accurate comparisons, it is important to look beyond the wage paid to other factors such as supervisory responsibilities, education, experience, and so on.

Include fringe benefits data in order to obtain a picture of the complete compensation package for selected classes of employees. You can use this information to generalize that to other positions in the same classes as those represented by the selected positions.

One of the most important aspects of wage comparability is using data on hourly wages. It is imperative to ask for all dollar amounts based on hourly wage to ensure that accurate comparisons are made or compute hourly wage by obtaining annual salary and number of hours worked per year by employee. For example, some agencies consider full-time to be 40 hours a week, while others consider it 35 or 37.5 hours a week. Some employers treat 260 days as a full year; others consider it 240 days and so on. Some organizations, like public schools and Head Start programs operating part year programs, offer employees the option of spreading their nine month salaries across a twelve month period.

Gathering data on annual salary or even monthly or weekly compensation does not allow for accurate comparisons. For accurate comparisons, it is important to use the lowest common denominator, hourly wages.

It is also useful to know the annual salary for a given position. In some instances, to be competitive, it is necessary to look beyond hourly wage to annual income. For example, even a generous hourly wage paid to work only a few hours a year may be inadequate to attract and retain staff. It is therefore important to examine both annual salary and hourly wage, but it is essential to use hourly wage for comparison purposes.

To calculate the total annual compensation received by employees, a wage comparability survey should request the number of hours worked per year by each employee surveyed. With the hourly wage and the number of hours worked per year, it is easy to calculate the annual salary (i.e., hourly wage x hours worked per year = annual salary/wages).

The on-line survey allows respondents to enter either the hourly wage or the annual salary, plus the number of hours worked per year, and thereby generates both hourly wage and annual salary for each position. Local surveys may use the same approach. However, to perform accurate comparisons, it is critical to calculate average hourly wage for each position.

Step 6. Analyze Comparative Wage and Benefits Data

Once the data are collected, analyses must be performed and conclusions drawn. The on-line survey will conduct all of the relevant analyses listed below. Head Start programs that choose the paper-and-pencil strategy will need to enter data into a spreadsheet or statistical package or use other software to perform the analyses. The following analyses should be conducted on the various data sets:

Organizational Information

- Note the state and counties served by target and comparable organizations
- List the types and categories of organizations responding to the survey and those same characteristics for the target organization
- Note the demographics of respondents and target organization
- Calculate the mean percentage of funding received from each source as compared to the target organization
- Calculate the mean and median program size, budget, and number of employees for each comparable organization and compare that information to the target organization

Employee Level Data

- *Wage report:* Report the number of cases for each position; calculate the mean, median, standard deviation, minimum, and maximum wage for each position and the mean number of hours worked
- *Qualifications and responsibilities profile:* Determine the mean number of supervisees for each position, as well as the average number of years of experience and average level of education for incumbents in the position; reporting whether a position is New or Replacement allows for the calculation of turnover rates in each position by taking the percentage of individuals who filled a vacancy (replacement) in that position and ignoring employees with less than one year of experience who filled newly created positions (New)
- *Certification, licensure and credentials profile:* Calculate the number of individuals by position with various certificates, licenses and credentials; determine the differential in wages for credentialed staff and those with no certifications by calculating the mean hourly wage for individuals with no certificate, license or credential versus the mean wage for job incumbents with each type of credential

Fringe Benefits Data

- Calculate the average percentage or dollar amount for each benefit for each position
- Aggregate paid leave benefits (if desired) for each position
- Aggregate other fringe benefits for each position

- Determine total of basic benefits as a percentage of salary and a dollar amount (basic benefits include FICA/Medicare, Worker's Compensation, Disability Insurance, Unemployment Insurance, Retirement/Pension, and Health, Dental and Life Insurance)
- Determine total of paid leave benefits as a percentage of salary and a dollar amount
- Aggregate all benefits and calculate the percentage of salary represented by total benefits and their total dollar amount

The on-line approach enables programs and their comparable agencies to participate in wage and fringe benefits comparability surveys via the Internet. Organizations can contact colleen.mendel@wku.edu to conduct a survey at a nominal fee using the methodology, protocols and software developed under the SBIR project. This approach will enable your organization to obtain a complete and fully compliant wage and fringe benefits comparability survey.

The stand-alone approach provides programs with the capacity to perform their own more limited studies independently for their local program or agency utilizing the Wage and Fringe Benefits Comparability Toolbox, which is free of charge at <http://eclkc.ohs.acf.hhs.gov/hslc>.

Step 7. Draft a Wage and Fringe Benefits Comparability Report

A Wage and Fringe Benefits Comparability Report is more than just a collection of tables and analyses. The report should draw inferences about the findings and apply the information to the local program. It should include the purpose and scope of the work, the methodology and findings, and the tables of data. Many Wage and Fringe Benefits Comparability Reports also include policy recommendations and implementation strategies.

Once a Head Start program has the statistical reports and profiles from the on-line survey or its own analyses, it is important to present the information in an easily understandable and integrated report. The report can be generated by a staff member or consultant.

Some reports go further to use the wage and fringe benefits comparability information to inform the development of a revised salary scale. Some also include a budget impact analysis which indicates the cost of implementing the salary schedule based on the comparability data, as well as the associated increases in fringe benefits. Head Start programs can develop these sections of the report themselves, utilize the Head Start Wage and Fringe Benefits Comparability Project consultants, or employ a local expert to guide the process and write the report.

Step 8. Develop a Wage, Salary and Benefits Administration Plan, Policies and Practices

The final step in this process is to use the data from the wage and fringe benefits comparability survey to improve and enhance an organization's wage and salary administration plan, benefits administration, compensation policies and practices. Information in the following chapter provides guidance to effectively use this comparability information to foster program improvements and enhancements.

Recall that a wage and fringe benefits comparability survey addresses only one of the important elements of an organization's compensation plan – comparability. Internal equity and affordability must also be considered and can be strengthened by carefully applying information from the comparability survey. Furthermore, compensation policies and practices can be reviewed in light of external comparability data.

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Guidelines for Using Wage & Benefits Comparability Data

The data reported in a thorough and methodical wage and fringe benefits comparability survey supply the basic information necessary to ensure that Head Start and Early Head Start programs meet the requirements of the Head Start Act. An organization can use these data as the basis for the development of its wage and salary administration plan and, by reviewing fringe benefits information as well, to design the organization's complete employee compensation plan.

Benchmark positions should be compared against agency positions. The salary schedule which is developed should reflect the relative worth of positions within the organization. The schedule should also offer wages as comparable to those paid to employees in similar positions in other organizations. These two elements - internal equity and external comparability - are crucial, if an organization is to attract and retain qualified employees, and distinguish between positions requiring different levels of factors such as, responsibility, risk, and autonomy, with varied qualifications.

Head Start programs may also have access to statewide wage comparability surveys or data from other areas which represent relevant labor markets. These data can be used if adequate measures are taken to tailor the data to the local labor market. Consider the following steps when analyzing your data:

Step 1

- A. Ensure that the data in fact represent a relevant labor market. If the relevant labor market is not the local community or if it is well beyond an organization's service area, then state or broad area data may provide the best source of comparability. This is especially important when organizations are looking at subsets of information, such as, teachers with and without state certification or directors with Master's degrees.

This information will be valuable to review broader studies rather focusing solely on information from a narrower locale, since the number of cases in categories will be larger than for individual locales and certainly more reliable than for smaller areas within a state.

Because of the relationship between median per capita income and hourly wages in an area, it may also be important to correct for differences in cost of living in different areas, the “correction factor method” discussed earlier in this guide. If the median per capita income for an organization’s service area differs significantly from the median per capita income for the labor market in the survey, a correction factor may be calculated. The correction based on differences in median per capita income is performed as follows.

- B. Compare median per capita income of your service area with the survey median per capita income. (County median per capita incomes figures are broadly available from state agencies and on the Internet.) If it represents a significant difference, proceed to calculate the correction factor.
- C. If your area median per capita income is significantly different from the survey figure, either above or below the survey average, compute your area’s percentage of that figure. To do this, divide the median per capita income of your area by the survey median per capita income. If your median per capita income is higher than the survey average, your result will be greater than one; if it is lower, your correction factor will be less than one.

Example: your area median per capita income: \$32,500
 survey median per capita income 28,641
 $32,500 / 28,641 = 1.13$
 Therefore, your correction factor is 1.13.

- D. Multiply the survey hourly wages by your correction factor to obtain an adjusted hourly wage for each position. If the survey contains a large number of positions, you need not multiply all hourly wages by your correction factor, but only those for the positions chosen as benchmark positions. These corrected figures will be your benchmark wages.

Example: average hourly wage for teacher \$15.91

To adjust this hourly wage for your program which has a median per capita income of \$32,500, multiply the hourly wage by your correction factor of 1.13.

$$\$15.91 \times 1.13 = \$17.98$$

Step 2

Apply information collected from the survey to your benchmark positions. Compare positions from the survey with those in your organization. Fill in between grades and levels within grades to complete your salary scheme for each grade and level.

Step 3

Conduct comparisons of benchmark wages with agency positions.

Step 4

Construct a salary schedule based on the benchmark data, grades and levels, agency ability to pay and step (i.e., annual and/or merit) increments or pay bands.

Using this simple process will enable you to identify benchmark position comparisons from other surveys or from your own survey of disparate labor markets which reflect the differences or similarities between agency wages for positions in a given classification and those paid by employers with similar positions. From these findings, a salary schedule which includes entry level wages for each classification and either step increases or broader pay bands will emerge.

The salary schedule provides the basis for assigning salaries and noting salary ranges on job descriptions. The salary schedule should be used to:

- place each employee at the compensation level appropriate to his/her position and qualifications
- assign salary levels for new hires
- guide salary decisions for employees who are promoted within the organization
- reflect a career and compensation progression showing employees how salaries will increase with professional and career development

Finally, this analysis and comparison will enable your program to respond appropriately to Federal cost-of-living increases by ensuring that those employees whose salary levels are below comparability are eligible for increases, while withholding increases from those whose salaries exceed comparability.

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Considerations for Applying Survey Data

A wage and fringe benefits comparability report enables the reader to examine wage and benefits comparability data for the relevant labor market. In addition, education, experience, and certification, credential, or licensure data which enable users to go beyond benchmark positions for specific wage data based upon these variables. It is important to consider the following key points in applying survey data to an organization.

1. **It is difficult to determine wage comparability with real accuracy on the basis of only two or three cases.** Therefore, for those positions of which there are only one or two per agency, wage comparability must be determined from a larger sample, ordinarily state or broad area data. Take care not to base comparability on a small number of cases and check the number of cases in each category when reviewing the output. It is suggested that wage comparability not be computed using positions with fewer than five cases.
2. For positions such as teacher, teacher assistant, bus driver, cook, secretary, and so on, **where there are a large number of cases, local data may be more than**

adequate to determine comparability. It is also wise to choose these more common positions for local benchmarks to ensure adequate numbers to clearly establish comparability. That is, for a grade which may include teacher assistants, family service assistants, and disabilities assistants, you are advised to choose teacher assistant rather than disabilities assistant or family service assistant as the benchmark, since fewer of the latter exist in either this survey or in communities in general.

If an organization has positions that are not addressed in the survey, it is still possible to obtain comparability data for those positions. The mini-job descriptions included in the Resources section at the end of this guide will aid in identifying other positions requiring similar skills, education, experience, certification, and/or responsibility. Additionally, positions classified in the same grade and level within your position classification system should command the same wages, even though there may not be data on all positions within the grade or level. That is the reason that benchmark positions are chosen for each classification or grade.

3. **Agencies can establish wage comparability for positions which do not have the same titles or are not included in the survey provided that levels of responsibility, qualifications, and so on are commensurate or if tasks are similar to other positions which are included.**

For example, there may be sufficient similarity between a Head Start parent involvement specialist and a nursing home resident activities director to apply comparability data between these two jobs, even though the job title *resident activities director* is not included in this study.

To avoid missing the opportunity to compare positions which are similar in duties but not in name, this project has provided mini-job descriptions to help respondents identify positions with similar responsibilities, but with different titles, and added other frequently used titles for jobs listed in the *Descriptions of Positions*.

4. **Without mobility, there is no comparability.** That is, if the credentials, experience, or other qualifications for one job would not allow its incumbents to move into another job with the same or similar title, comparability cannot be established between those jobs.

For example, even though a public school and a Head Start job carry the title *teacher*, if the requirements differ, (i.e., BA/BS, teaching certificate or a Child Development Associate (CDA) credential), the jobs are not comparable for pay purposes. For that reason, it is important for a wage comparability survey to include information about education and licensure, credential and certification.

5. **A wage comparability survey should be used as a guide, providing benchmarks in specified positions, not as a salary schedule.** Because data are submitted from a variety of sources, steps and levels are not necessarily consistent within the survey. For example, survey data could show that an assistant teacher with a CDA earns an average hourly wage of \$9.70, while a teacher assistant with a teaching certificate averages a lower \$8.74 an hour.

Although this may appear to be an error in the survey, it simply reflects the fact that the survey reports data compiled from several different organizations and is not designed to be adopted as a salary schedule.

In interpreting a wage and benefits comparability survey or using the data to support local compensation planning, it is important to recognize these issues and use caution so that decisions are not made on the basis of inadequate, unadjusted, or incongruous information or inappropriate comparisons.

By applying the steps listed above and considering these five key points, a valid assessment of comparability of wages and benefits can be made and a useful, accurate and equitable wage scale and benefits package can be designed.

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Tools

Select from the resources listed below which are part of the *Head Start Wage and Fringe Benefits Comparability Survey Toolbox* that includes all of the information, forms, and sample letters you will need to conduct a wage and fringe benefits survey.

- [Information needed to complete the online survey](#)
- [Instructions for completing the wage and fringe benefits comparability survey](#)
- [Sample job position descriptions](#)
- [Sample letters](#)
- [Sample wage comparability survey form](#)
- [Personnel Worksheet](#)
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- [Compensation Checklist: What to Consider for Conducting a Wage Comparability Survey](#)

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Source: Office of Head Start Wage and Fringe Benefits Comparability Survey Project, SBIR Project, 2008