

**REQUEST FOR ACTION  
BY  
BOARD OF COMMISSIONERS**

**Approval of Engagement of Compensation Consulting Firm**

**1. Summary of Request**

This Request for Action (“RFA”) is for approval to engage a consulting firm qualified to provide services related to the study of RIHousing’s comprehensive classification and compensation plan. Specifically, this RFA seeks approval to engage the firm of MGT of America Consulting, LLC (“MGT”) to assist with RIHousing’s goal of offering market-competitive compensation to our employees.

**2. Discussion**

To attract and retain a high performing workforce, RIHousing offers its employees a market competitive job classification and compensation program. To keep pace with the changing employment market, RIHousing retains consultant services to provide a comparative study of its positions and classifications. A compensation study was last completed in 2016. RIHousing generally looks to finance industry companies, government agencies and other state housing finance agencies for a relevant market for comparison.

The consultant services will include the following deliverables:

- Review and analysis of RIHousing’s current compensation structure; recommendation for compensation method with rationale; and determination of equitable and appropriate levels of pay.
- Performance of a market salary survey of local, statewide, and national companies and agencies with comparable positions to determine reasonably competitive salary levels for all positions.
- Review of RIHousing’s job descriptions for opportunities to combine similar positions into the same classification.
- Recommendations for incorporating required soft skills into job descriptions.
- Ongoing meetings and final presentation to Senior Management team, Directors, Human Resources, and other stakeholders to review the study, process, and outcomes.
- Recommendation of changes to the compensation plan, including pay grades, pay levels, placement scales, pay bands/ranges, appropriate titles, and career ladders.

In March 2021, RIHousing issued a Request for Proposals (“RFP”) from qualified firms to provide the comprehensive classification and compensation study services described above. Notice of the RFP was posted on RIHousing’s website and the website maintained by the State of Rhode Island Department of Administration’s Division of Purchases. Additionally, the Human Resources Department reached out to several firms with expertise in providing these services.

Three firms submitted proposals in response to the RFP. An internal selection committee reviewed the submissions and evaluated them in accordance with criteria outlined in the RFP. The selection committee scored the responses based upon the firm's professional capacity, fee structure, experience, continuity and expertise of account team, experience with firms of similar size with similar benefits and goals, recommendations by references, capacity to offer services directly rather than through subcontractors, firm minority status and affirmative action program or activities.

Based upon the selection committee's evaluation of all proposals, MGT was determined to be best qualified to provide comprehensive compensation study consulting services to RIHousing with a score of 93.5 out of a possible 100.

MGT was established in 1974 as a full-service management consulting firm, providing high quality management consulting services to public sector clients nationwide. MGT staff includes nearly 220 professionals and administrative staff to support their clients' success. Their corporate office is in Tampa, FL with additional offices around the country. The MGT Human Capital team has an impressive track record of providing customized solutions, objective research, creative recommendations, and quality products that respond to each client's unique needs and time requirements. In addition to the requested services, MGT will provide RIHousing with on-going training and advisory services for one year following the completion of the engagement.

### **3. Recommendation**

The attached resolution for engagement of MGT, a compensation study services firm, is recommended for approval by the Board of Commissioners.

### **4. Attachments**

- A. Compensation Study Firms – Scoring Matrix
- B. Resolution

**Attachment B**

**Resolution of the  
Board of Commissioners of  
Rhode Island Housing and Mortgage Finance Corporation**

- Whereas,** Rhode Island Housing and Mortgage Finance Corporation’s (“RIHousing’s”) enabling act provides it with all the power to make and execute contracts necessary to exercise the powers and functions provided to it under that act (R.I. Gen. Laws §42-55-5(6)); and
- Whereas,** RIHousing seeks to offer an excellent market competitive compensation program to its employees with the assistance of experienced compensation consulting services; and
- Whereas,** in March 2021, RIHousing issued a Request for Proposals (“RFP”) from qualified firms to perform brokerage and consulting services with respect to RIHousing’s employee benefit programs including health and welfare and retirement plans; and
- Whereas,** an internal selection committee reviewed all proposals and evaluated them in accordance with criteria outlined in the RFP; and
- Whereas,** based upon the scoring evaluations, staff recommends the engagement of the employee benefits brokerage and consulting firm of MGT of America Consulting, LLC to provide all services as detailed in the RFP.

**NOW THEREFORE, IT IS HEREBY:**

- Resolved,** that RIHousing be, and it is hereby authorized, to engage the compensation services and consulting firm of MGT of America Consulting, LLC; and
- Resolved,** that the Executive Director, Deputy Executive Director, Chief Finance Officer, Chief Operating Officer, and Director of Human Resources, each acting singly, be and hereby are authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolutions, including specifically, the authority to negotiate fees and such other terms of the engagements as he or she may determine are in the best interests of RIHousing, to execute any and all agreements, and to take such further actions as he or she deems necessary and in the best interests of RIHousing.