



Ministry of Finance  
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## **REQUEST FOR PROPOSAL**

**Date of Issue: November 03, 2017**

**RFP No.: PCS-2018-003**

### **SOLICITATION INFORMATION AND SELECTION SCHEDULE**

Solicitation (RFP) Number: PCS-2018-003  
Solicitation Title: Human Resources Policies and Pay Scale Study  
Date of Issue: November 3, 2017

### **MANDATORY REQUIREMENTS AND DATES**

Expression of Interest Due: November 21, 2017 (Tuesday) 4:00 pm Palau Time  
Inquiries Due Date: November 15, 2017 (Wednesday) 4:00 pm Palau Time  
Proposal Due Date and Time: December 4, 2017 (Monday) 4:00 pm Palau Time  
RFP Opening Date: December 5, 2017 (Tuesday) 10:00 am Palau Time  
Anticipated Contract Award: January 4, 2018

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*Umerang A. Imetengel*  
*Director/Procurement Officer*

## **SECTION A – RFP INFORMATION**

### **I. RFP Purpose, Type, Process**

- a. Purpose. The Bureau of Public Service System of the Government of Palau is soliciting proposals from interested qualified individual, business agencies or institutions **to provide Human Resources Policies and Pay Scale study for the Office of the Public Auditor.** Interested vendors may obtain copies of specifications by contacting the Bureau of Public Service System.
- b. Type of RFP. This is a *competitive negotiated contract where evaluation is based on various criteria.*
- c. Funding. This project will be fully funded *by fderall funding.* Award of contract is subject to the availability of funds. Offers or proposals may also be rejected and no contract may be awarded by the Procurement Officer pursuant to the Republic of Palau Procurement law.
- d. Inspection. Offeror acknowledges that the submission of a proposal provides the Republic of Palau the right to inspect at reasonable time the part of the plant or place of business of a contractor or subcontractor which is related to the performance of any contract awarded by the government. Failure to allow inspection may result in the rejection of the proposal/offer.
- e. Business Laws and Taxes. A successful contractor must comply with local business laws and shall be subject to applicable Republic of Palau taxes and fees. In order to be awarded a contract, a vendor **MUST** provide proof of applicable ROP Business License (Professional License) as well as be in good standing with the Bureau of Revenue and Taxation.
- f. Potential finalist interviews/demonstrations: If necessary, the Procurement Officer will notify vendors for additional information and/or discussions. However, it is required that **proposals shall be inclusive of any and all information** needed for the ROP to make a determination on the best proposal.
- g. Award. It is anticipated that a vendor will be awarded within 30 days of the Bid opening unless otherwise approved by the Procurement Officer.

### **II. Preparation/Submission of Proposal**

- a. Intention to Bid. In order for your business to be considered for this RFP, you **MUST** submit a written Expression of Interest (EOI) to the Procurement Officer **by November 21, 2017** either by completing the attached form or write a letter or email to [bpss@palaugov.org](mailto:bpss@palaugov.org) or hand deliver the EOI to the BPSS Koror Office located at the Ministry of Finance in Koror.

- b. Vendors are invited to participate in the competitive selection process for the Services outlined in this RFP. Responding parties shall review their Proposal submissions to ensure the following requirements are met.
- c. Required Submittal Details and Quantities. *Proposals must be submitted in (1 original and 3 copies). Proposals must be enclosed in an envelope and addressed to the above address with the RFP No. indicated on the envelope.* In addition to the hard copies of the proposal, one complete and exact copy of the entire proposal on CD-ROM or Flash Drive in Microsoft Office or Microsoft Office compatible format or PDF format shall also be submitted. The electronic copy must be a mirror image of the hard copy. Proposals must be received by the Bureau of Public Service System Office in Koror or Capitol by 4:00pm (Palau Time) on December 4, 2017 which is the closing date of this RFP. Proposals received before the issuance date and after the closing date of this RFP will not be considered.
- d. Proposal Format. Please comply with the following format:
  - i. Section 1 – Provide the Company and Employee Information, References, List of current or past contracts. Copies of Business licenses should be provided in this section as well.
  - ii. Section 2 – Description of services and technical proposal, and any other documents required by the scope of work below.
  - iii. Section 3 – Cost of Proposal.
- e. Vendor Responsibilities. All Vendors shall:
  - i. examine the entire RFP,
  - ii. seek clarification of any item or requirement that may not be clear,
  - iii. check all responses for accuracy before submitting a Proposal and,
  - iv. submit the entire Proposal by the Proposal Due Date and Time.
- f. Cost of Proposal Preparation. The ROP does not reimburse the cost of developing, presenting or providing any response to this solicitation. Proposals submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner. The Vendor is responsible for all costs incurred in responding to this RFP. All materials and documents submitted in response to this RFP become the property of the ROP and will not be returned.

### III. Inquiries

- a. All Inquiries and Clarification shall be received by BPSS email no later than 4 pm (Palau Time) November 15, 2017.
- b. Answers/Responses to Inquiries shall be available online at <http://palaugov.pw/executive-branch/ministries/finance/bpss/rfp-bids/> - COB on November 17, 2017.

**IV. RFP Timeline:**

Bidding Period	November 3, 2017 – December 4, 2017
Inquiries/Clarification Due	November 15, 2017 4 pm Palau Time
Answers Responses will be Posted	November 17, 2017
Intention to Bid Due (Expression of Interest)	November 21, 2017 4 pm Palau Time
RFP Closing Date	December 4, 2017
RFP Opening Date	December 5, 2017
Anticipated Contract Award	January 4, 2018

**V. Scope of Work:**

a. INTRODUCTION

i. Background

The Office of Public Auditor (OPA) of the Republic of Palau is created pursuant to Article XII, Section 2 of the Republic of Palau Constitution. The Public Auditing Act of 1985, enacted on August 21, 1985 under RPPL No. 6-2, implements Article XII by establishing the Office of the Public Auditor as an independent agency of the National Government. By way of audits, the OPA seeks to achieve independent and nonpartisan assessments that promote accountability, efficiency and effective use of public resources throughout the government of the Republic of Palau. By independently reviewing and reporting on programs, activities and organizations, and by conducting independent audits of financial statements, auditors provide the public, elected officials, and management with fair, objective, and reliable assessments of local government performance. The OPA serves the public interest and the various stakeholders by providing reliable and credible information, unbiased analyses, and objective recommendations on how best to use government resources to serve the people of Palau and to support good governance.

OPA conducts performance audits focusing on economy, efficiency, accountability, and transparency in all instrumentalities of the government of Palau, with emphasis on the importance of internal controls, or checks and balances, such as monitoring, separation of duties, establishing a control environment, and ensuring accurate and timely recording of transactions and reporting, as well as uncovering fraud, waste, and abuse in our government.

40 PNCA § 223 requires the annual financial audit (Single Audit) of all Government of Palau departments, agencies, and instrumentalities to be issued no later than June 30. The financial audits provide reasonable assurance that government-wide financial statements fairly present its financial position, the results of operations, and cash flows in conformity with generally accepted accounting principles. 40 PNCA § 252 grants the OPA the authority to select and engage independent auditors to conduct the annual Single Audit of the Republic of Palau National Government. The OPA procures all financial audits through a Request for Proposal (RFP), contracts with independent CPA firms, and oversees the work.

The Public Auditing Act specifically exempts the Office of the Public Auditor from the National Public Service System Act. Thus, the OPA is not subject to the position classification and related compensation structure or the rules and regulations imposed by the National Public Service System Act on public employment.

OPA currently employs 9 professionals: the Public Auditor, 1 Audit Manager, 3 Senior Auditors, 3 Junior Auditors and 2 Administrative support staff.

ii. Existing Human Resources Policies and Procedures and Pay Structure

Presently, the OPA is voluntarily using selected provisions of the National Public Service System Act (NPSSA), including the pay structure, to guide its HR policies and procedures. Hence, there are no formal position classifications, titles and descriptions for auditors, investigators, support staff and other professionals. This is especially problematic for auditor's who move up the ranks and, accordingly, should be promoted, position classification and pay, to the appropriate class and pay level based on experience and qualifications. The lack of formal position classification, description and pay level makes it difficult to promote employees in a transparent and unambiguous fashion. All staff promotions and pay increments are initiated and approved by the Public Auditor, subject to availability of funds (budget). All personnel matters including recruitment, hiring, pay level and benefits are approved by the Public Auditor.

The scope of services will require a study of the OPA's current Human Resources (HR) Policies and Procedures and Pay Structure. The selected consultant or firm will provide expertise in the research, study, design and preparation of a HR Policies and Procedures and Pay Structure. Upon completion of the study, and approval and acceptance by the OPA, the consultant will assist the OPA in the development and implementation of the findings and recommendations of the study. The purpose of the study is to bring the current OPA HR Policies and Procedures and Pay Structure in line with and/or comparative to international, U.S. National, and/or Regional systems/averages respectively and should take into account relevant economic factors, budgetary constraints and appropriate labor market conditions. Accordingly, the study should focus on two areas of Human Resources: (1) HR Policies and Procedures and (2) Pay Structure

A. Human Resources Policies and Procedures

The OPA pursuant to the Public Auditing Act is an independent agency exempt from the National Public Service System Act (NPSSA). However, due to the OPA not having its own comprehensive HR Policies and Procedures, the OPA has adopted some of the NPSSA's policies and procedures regarding personnel matters to guide its operations. Further, the NPSSA does not have classifications for auditors and related compensation. The consultant is expected to research, review and study the Palau National Public Service System's (NPSSA) rules and regulations, Pacific Association of Supreme Audit Institution's (PASAI) Model Human Resources Management, regional audit organizations' and other similar audit organizations HR policies and procedures to determine the appropriate, effective and efficient system for the OPA. Upon completion of the research and study, the consultant shall work with the OPA to prepare a comprehensive HR policies and procedures and pay structure for the OPA.

The HR policies and procedures should include, but not limited, to the following personnel issues:

1. Employment
2. Code of Conduct
3. Recruitment
4. Use of Consultants and Outsourcing
5. Restructuring
6. Remuneration
7. Attendance and Working Hours
8. Allowances and Entitlements
9. Leave
10. Cessation of Employment
11. Training and Professional Development
12. Occupational Health and Safety
13. Harassment and Bullying
14. Grievances and Disciplinary
15. Performance Management
16. Dealing with Unacceptable Performance
17. Outside Employment/Political Activities
18. Confidentiality of Records
19. Other Matters
20. Education Leave

## B. Pay Structure

### STAGE 1: JOB ANALYSIS

The consultant will identify and determine in detail each position, position description, duties and requirements and the relative importance of each position to the overall mandate of the OPA. In compiling this analysis the following shall be conducted but not be limited to:

(1) Analyze OPA's existing position classifications with those of comparable national jurisdictions and in comparison to the classes of positions utilized within the:

- US Government Accountability Office (GAO)
- National State Auditor's Association (NSAA)
- US Department of the Interior, Office of Inspector General (US DOI-OIG)
- Regional Public Auditors Offices
- Republic of Palau Government Pay Structure

(2) Compile an accurate and relevant database to which the OPA can compare its existing position classification, compensation and benefit policies for all positions.

(3) Analyze job content measurements to ensure accurate and equitable comparisons of jobs and grades for all OPA positions.

(4) Review the effectiveness of the existing organization structure and recommend improvements as necessary to meeting the organization's objectives.

## STAGE 2: JOB EVALUATION

The consultant or firm will create a classification and grade assignment methodology, which may involve statistical measurements to determine the allocation of point values or rank to assess current and proposed OPA staff positions. The criteria must clearly describe the position, the various levels of difficulty in responsibility, and contain enough information to ensure the positions within the OPA are classified and within the correct series and levels within the industry.

## STAGE 3: COMPENSATION STRUCTURING

The consultant or firm shall include a methodology to determine job positions, grades, and compensation levels based on the criteria and guidelines established for OPA positions that arise from the completion of stages 1 “Job Analysis” and 2 “Job Evaluation”.

## STAGE 4: PAY INCENTIVES DEVELOPMENT

The consultant or firm shall include pay policy recommendations for exemplary performance, merit and/or special achievement bonuses, and pay incentives to address the issues of recruitment and retention of qualified personnel. The consultant or firm shall also include a job appraisal rating form and evaluation criteria for reviewing employee performance in accordance with pay incentives for performance and bonuses, in accordance with the new proposed pay plan.

The consultant or firm is encouraged to draw upon their expertise and knowledge of compensation and classification systems and methodologies to make other recommendations that are in line with industry practices, procedures, and prevailing market rates.

## STAGE 5: IMPLEMENTATION

After completion of stages one through four, the consultant or firm shall develop a comprehensive analysis of data and information collected during the fact-finding stage from which the consultant or firm shall develop appropriate timelines and target dates to be applied during the appropriate implementation stages.

Other areas, which shall be included but not be limited to:

- Provide deliverable products such as master copies of all relevant data and final reports for reproduction and distribution to OPA staff and management, and applicable computer software, if any, no later than six months from issuance of the award.
- Perform all other work in conformance with scope of work and which are essential to the successful implementation of the HR Policies and Procedures and Pay Scale Structure.
- Conduct a final presentation to the Public Auditor and staff of the Human Resources Policies and Procedures and compensation structure for their review, approval and immediate implementation.

## III. SUBMISSION AND EVALUATION OF PROPOSALS

Proposals shall be prepared simply and economically, providing a straightforward and concise description of the individual or firm's ability to fulfill the requirements of the RFP. In order to ensure a uniform review process and maximum degree of comparability, proposals should be organized and submitted in the manner and format described below. Failure to follow these instructions or to include all the information requested may result in a lower evaluation score or the rejection of the proposal.

Proposals containing any conditions, omissions, unexplained erasures or alterations, items not called for in the proposal, or irregularities of any kind may be considered non-responsive or non-responsible and may be rejected.

#### A. Contents of Proposals

1. Business. Proposals must be in writing and include a title page indicating the name of the individual or firm, the location of the offeror's principal place of business and, if different, the place of performance of the proposed contract, a mailing address, telephone number(s), facsimile number, email address, date of the proposal, and the title and number of the RFP. A designated contact person, his or her title, address, telephone, facsimile number and email address should also be included.

a. For partnerships, the proposal should be submitted in the name of the partnership and signed by a general partner or other person(s) duly authorized to bind the partnership. The capacity of the person signing must be stated.

b. For joint venture proposals, each joint venturer must sign the proposal and each firm must have valid business licenses with the capacity of each person signing to be stated.

c. For sole proprietors, proposals must state the name and form under which the proprietor is doing business and must be signed by the proprietor.

d. For any other business form, a person duly authorized to bind the business should sign the proposal. The capacity and authority of the person signing must be stated.

e. Proposals, which entail subcontracting for these services, will not be entertained.

2. Business License. Interested individuals or firms must also provide a copy of a current business license to conduct business on Palau. A Palau business license is not required in order to submit a proposal, but is a pre-condition for award and entering into contract.

3. Professional Experience. The proposal should also include a written, verifiable discussion of the offeror's knowledge, understanding, and experience in conducting human resources policies and procedures, position classification, compensation, and benefits study of this nature. A narrative of the ability to handle the work specified in the Scope of Services should also be included. If the offeror does not possess experience similar to the services required, the proposal should provide any pertinent information or experience that may qualify the offeror for consideration.

4. Education and Technical Expertise. All individuals who will be involved in performing the Scope of Services must possess the necessary education and technical and professional expertise to conduct the requested study. Proposals should specifically identify such persons and include their resumes; the resume may include awards or recognition for services, special approaches, or concepts relevant to the required services.



5. Cost of Service. Please provide a cost proposal, detailed cost of services to perform the work.
6. Optional Cost of Training. The offeror has the option to offer professional training services as part of its proposal and at a separate fee.
7. Plan. A plan giving as much detail as is practical explaining how the required services will be performed, the approach, stages, timelines, and related strategies.
8. References. Include a list of three (3) references of clients or associates, past or present, who are able to speak about you or your firm's qualifications and abilities to perform the required Scope of Services. Also include a listing of other contracts under which services similar in scope, size, and discipline were performed or undertaken in the past five years, including those performed for government of Palau agencies. References listed should include a daytime contact number, email address, and fax number.

#### B. Submission of Proposal

In response to this RFP, both a sealed technical and a sealed price/fee proposal, containing the offerors' cost and pricing data, must be submitted concurrently. Each proposal must be in writing with 1 Original and 3 copies. The technical proposal must be submitted in a separate sealed envelope from the price/fee proposal. The front of each envelope should be clearly labelled with (1) the name, address, and contact information of the offeror; (2) the RFP title and number; (3) the date of submission, and (3) a proposal title to distinguish the technical proposal from the price/fee proposal.

Proposals must be mailed or hand-delivered, and received by the Bureau of Public Service System (BPSS) no later than 4:00 PM on Monday, December 4, 2017 to be considered. No Proposals submitted via fax or email will be accepted. Regardless of postmark, proposals sent by mail will not be accepted after the submission deadline. BPSS office hours are Monday to Friday, 8:00 AM to 5:00 PM, excluding holidays. Under no circumstances will late proposals be accepted.

#### C. Evaluation and Selection of Best-Qualified Proposals

After the receipt of all proposals, the Bureau of Public Service System will form an evaluation committee to determine the best-qualified offeror based on the criteria and point evaluation prescribed below. The primary document for evaluation will be the proposal(s) submitted.

The evaluation committee shall document their point evaluations and recommendations to the Director of the BPSS for consideration and final determination as to the best-qualified proposal. The Director of the BPSS shall make the final determination in this regard.

The evaluation factors and their score values are as follows:

##### Ability - 30 points Maximum

The ability to perform the required services as evidenced by technical training and education, general experience, character, integrity, specific experience in providing the required services, and the qualifications and abilities of personnel proposed to be assigned to perform the services;

##### Experience - 15 points Maximum

The record and quality of past performance of similar work, including clientele/references regarding the level of customer satisfaction with similar professional relationships.

Plan/Approach - 20 points Maximum

The services proposed and the technical details of the proposal to support the services. The plan and approach for performing the required services, including the technical aspects of the work to be performed, understanding the service and comparable industry the client operates in and taking into account the client's work environment, special concerns and other factors;

Time - 15 points Maximum

The capacity and ability of the Offeror to perform the requested services within the specified time of no later than 6 months from the issuance of award;

Cost - 20 points Maximum

Fee proposal. The cost/fee proposal for the services to be performed.

100 points (Total Maximum)

The evaluation committee may conduct discussions with any Offeror or its references to (1) determine in greater detail such Offerors' qualifications and (2) explore with the Offeror the scope and nature of the required services, its proposed method of performance, and the relative utility of alternative methods of approach.

Offeror may be requested to be interviewed by the Evaluation Committee, if deemed necessary.

Discussions shall not disclose any information derived from proposals submitted by other Offerors.

IV. SELECTION OF BEST-QUALIFIED OFFERORS

At the conclusion of the validation of qualifications, evaluation, and the discussions, the Evaluation Committee will submit its recommendation of qualified offeror(s) in the order of their respective qualification and evaluation ranking to the Director of Public Service System for final determination. The Director will discuss the Committees' findings and recommendations with the Public Auditor before making the final determination. Proposals shall be evaluated only on the basis of the evaluation factors and criteria stated in this RFP. The primary document for evaluation will be the proposal(s) submitted.

V. NEGOTIATION AND AWARD OF CONTRACT

Should the Director of BPSS and Public Auditor be unable to negotiate a contract with any of the offerors initially selected as qualified offerors, offers may be re-solicited or additional offerors may be selected, as set forth above, based on original acceptable submissions in the order of their respective qualification ranking. Negotiations may continue as set forth above until an agreement is reached and the contract is awarded.

Contract negotiations will be directed towards (1) making certain that the offeror has a clear understanding of the scope of work, specifically, the essential requirements involved in providing

Human Resources Policies and Procedures Manual, and Pay Scale Structure; (2) determining that the offeror's proposal makes available the necessary personnel and facilities to perform the services within the required time; and (3) agreeing to fair and reasonable compensation, taking into account the estimated value of the required services and products, and the scope, complexity, and nature of such services.

The Government of Palau may enter into separate contracts for Human Resources Policies and Procedures Manual, and Pay Scale Structure with different offerors and may make offers to more than one offeror in order to have a list of individuals or firms who may be readily available due to conflicts or time constraints by one or more individuals. All offerors will be notified in writing of their selection or non-selection.

## VI. QUESTIONS

Questions should be emailed or faxed to:

Umerang Imetengel  
Director/Procurement Officer  
Bureau of Public Service System  
Ministry of Finance  
Palau National Government  
Email: [bpss@palaugov.org](mailto:bpss@palaugov.org)

## VII. GENERAL TERMS AND CONDITIONS

This RFP is issued subject to all the provisions of the Palau Procurement Law PNCA 40 Chapter 6. Thus, this RFP requires all parties involved in the preparation, negotiation, performance, or administration of contracts to act in good faith.

Should the Director of the BPSS consider it necessary to revise any part of this RFP significantly or extend the submission deadline, written addenda will be provided to all who picked up the RFP package and/or submitted proposals prior to deadline. Correction or further interpretation/clarification, if required, may be made in the form of an amendment which will be provided to all prospective offerors. Amendments will be distributed within a reasonable time to allow prospective firms and/or individuals to amend their proposals. If the time and date set for receipt of proposals do not permit such preparation, the time shall be extended to the extent possible to support the additional amendment.