

REQUEST FOR PROPOSAL FOR A COMPREHENSIVE CLASSIFICATION AND COMPENSATION STUDY

The City of Friendswood is accepting proposals for professional services required to conduct a comprehensive classification compensation study which will include an option to provide an annual salary survey to ensure the pay plan remains competitive.

GOALS AND OBJECTIVES:

The goal of the City is to update the current classification and compensation system utilizing accepted practices in the management and design of compensation systems. The objectives of the City are: to attract and retain qualified workers who will be paid equitable salaries; to provide fair salaries for all workers of the City; and to provide the City with a salary structure that enables the City to maintain a competitive position with other cities and companies within the same geographic area.

PRESENT CONDITION OF COMPENSATION SYSTEM

The City's job analysis and classification have been conducted on an "as requested" basis since 1994. Since that time, inequities have likely developed between a number of the City's positions. Staff believes the criteria and weighting of various factors of the system must be updated or the current system replaced.

The senior staff believes inequities also exist in the compensation plan. Employees who have only been with the City a short time have salaries only marginally lower than employees who have been with the City three to four years and some positions may be overvalued or undervalued.

SCOPE OF COMPREHENSIVE COMPENSATION STUDY

The compensation study shall include an examination of the City's current compensation plan and related components. This study shall be made in accordance with generally accepted compensation methods and in accordance with applicable federal and state laws.

The City employs approximately 200 management, professional, technical, administrative, clerical, and general labor full time and regular part-time positions (excluding contract, seasonal and non-regular part-time employees) in 95 Job Classifications.

PREPARATION OF WORKING PAPERS AND REPORTS

It is intended for the Deputy Director of Administrative Services - Human Resources to be actively involved in the preparation of the project; however, it is expected the time available for such involvement will be limited. Therefore, as part of the proposal, the consultant shall be required to reach an agreement as to which portions of the study shall be the responsibility of the Human Resources staff. It shall be the Consultant's responsibility to complete all other supporting documentation and reports.

The preparation of the Comprehensive Compensation Plan shall use accepted compensation methodologies and shall be in the format approved by the Administrative Services - Human Resources staff.

STUDY REQUIREMENTS

The consultant will analyze the City of Friendswood compensation system and update or design a system to achieve the goal and objectives outlined. The following list outlines specific requirements.

1. Review the City's existing compensation classification system.
2. Gather necessary information through the use of questionnaires, job audits, personal interviews or other accepted method.
3. Work with the City's management staff to identify a market position for the City of Friendswood.
4. Develop a comprehensive labor market salary survey for the Houston Region that reflects both cities and private industry.
5. Analyze existing internal hierarchy based on job relationships, identify problem areas within the internal hierarchy system, and propose implementation methods to correct identified problems.
6. Review current classification grade methodology, and propose recommended strategies for the City of Friendswood.
7. Develop a pay plan identifying specific parameters (i.e., percent spreads between ranges and within ranges).
8. Review and assign all positions to an appropriate pay grade.
9. Recommend implementation strategies including calculating the cost of implementing the study.
10. Provide staff training to maintain and revise system as needed.

11. Provide system documentation and computer formats as approved by the Human Resources staff.
12. Prepare cost analysis for positions that fall below the proposed minimum salaries following reclassification.
13. Develop recommendations and an instrument for the ongoing internal administration and maintenance of the proposed classification/compensation plan.
14. Develop a comprehensive classification/compensation plan for City employees based upon an objective analysis and evaluation of job content. Such compensation plan must provide internal equity and yet be competitive in the marketplace in attracting and retaining qualified employees.

EXPECTED OUTPUTS

1. Established job families and criteria for entrance.
2. All original documentation of job analysis.
3. Recommendations concerning consolidation/expansion of job titles.
4. Access to manuals for conducting in-house job analyses/classification.
5. Pay scale chart and appropriate level of compensation for each job title.
6. Maintenance manual for adjustment of compensation levels including computerized calculations.
7. Progress reports and final reports.
8. Computerization of information, processes, and procedures where possible.
9. Listing of all research documentation used and information compiled when determining The City of Friendswood's market and its position in the market.
10. Copies of employee survey distributed and copy of findings and results of the survey.
11. Presenting the results of study to City Council at a meeting to be determined.

PROPOSAL REQUIREMENTS

1. A detailed description of the plan to achieve the necessary requirements and a plan for accomplishing this work.
2. A detailed description of job analysis and compensation methodology to be used if the consultant has a pre-designed system.
3. A proposed fee schedule and break-down of costs for Compensation study.
4. Proposed time line to include start and completion dates for the study and identify specific milestones.
5. Experience of the firm in conducting similar reference studies for Governmental entities and other comparable studies.
6. Professional resumes of all personnel to be involved in the study and a clear indication of the responsibilities of each. It is understood by the City that the individuals specified in the consultant's proposal are the individuals who will do the work associated with the compensation study, as described in the proposal.
7. Any additional information which the consultant deems appropriate.

OTHER REQUIREMENTS

The City shall provide the space and facilities necessary for the consultant to conduct the study. In addition, all information, data, reports, and records necessary for carrying out the work shall be furnished to the consultant without charge and the City shall cooperate with the consultant in every reasonable way to ensure completion of the study.

The City has limited funding allocated for the completion of this project. The consultant may choose to submit its proposal for completion of the studying phases. The associated costs should be identified for each phase.

INSTRUCTIONS FOR SUBMITTING PROPOSALS

Firms interested in responding to this proposal may schedule an interview (not to exceed one hour in length) with the Human Resources staff, for the purpose of receiving additional information concerning the current compensation system. Firms requesting such an interview should come prepared with specific questions. Request for an interview should be made to William Bender, Deputy Director Administrative Services – Human Resources, at 281-996-3200 at least one day in advance.

Final proposal shall be addressed to: City of Friendswood
Deloris McKenzie-City Secretary
910 S. Friendswood Dr.
Friendswood, TX, 77546

The proposal must be received no later than _____. Each proposal should be sealed and clearly marked “**Proposal for Compensation Study.**” Two copies of the proposal should be provided and one (1) electronic copy in MSWord or .PDF format.

SUGGESTIONS FOR PREPARING PROPOSALS

Interested firms are encouraged to use their own preferred style and format in preparing a proposal; however, it is suggested that the proposal include at least the following:

1. A full description of the firm’s plan approach and compensation methodology and procedures which will be used.
2. Response to the conditions and requirements outlined in the RFP. Any reservations or exceptions to the RFP should be fully explained, as the City intends to incorporate the RFP and proposal into the final contract by reference.
3. Listing of present and former governmental clients for whom the local office of the firm has performed compensation management services similar to those outlined in the RFP within the past three years, including the names, addresses and phone numbers of the persons who may be contacted as referenced. Indicate which are currently clients of the firm.

SELECTION PROCESS

Those proposals meeting the criteria established in the RFP will be forwarded to Administrative Services – Human Resources Division for review. Based on this review, interviews may be scheduled with the firms considered to be the best qualified, although interviews will not necessarily be scheduled prior to the final selection. Final selection of a consulting firm for this engagement will be recommended to the City Council.

ACCEPTANCE/REJECTION OF PROPOSALS

The City reserves the right to accept the proposal considered to be the most advantageous to the City and to reject any and all proposals.

COSTS TO PROPOSE

The City will not be liable for any costs incurred by the Consultant in preparation of a proposal submitted in response to this RFP, in conduct of a presentation, or any other activities related to responding to this RFP.

REVISIONS TO THE RFP

In the event it becomes necessary to revise any part of this RFP, addenda will be mailed to those who either received the RFP or who responded with a Letter of Intent to Propose.

The City also reserves the right to cancel or to reissue the RFP in whole or in part, prior to execution of a contract.