

# **CITY OF CARTHAGE, MISSOURI COMPREHENSIVE COMPENSATION AND CLASSIFICATION STUDY**

## **I. INTRODUCTION**

The City of Carthage, Missouri invites proposals from qualified consulting firms to complete a Classification and Compensation Study. The City of Carthage has not conducted an in-depth, agency wide review of classification and compensation structure since 2015. This project is a comprehensive study of positions, classifications, and compensation.

## **II. PURPOSE**

The City of Carthage, Missouri is requesting sealed proposals for a Comprehensive Compensation and Classification Study and Analysis. The City is soliciting proposals from interested, qualified, and experienced consulting firms to review and upgrade the City's Compensation and Classification System, including job descriptions, and market analysis for full-time and part-time employees. The goal is to develop a plan and implementation costs for inclusion in the fiscal 2021 budget. The City has approximately 110 full-time and 30 part-time job classifications and a salary schedule that is generally organized with seventeen (17) salary steps assigned to each of twelve (12) salary grades, with a 2% variance between the steps and 10% between grades.

All proposals must be received by the City Clerk's Office, no later than 2:30 p.m. on November 08, 2019. Proposals received after said time will not be considered. To guard against premature opening, each proposal shall be submitted to the City Clerk's Office in a sealed envelope plainly marked with the proposal title, bidder name, and time and date of the proposal opening.

Five (5) completed sets of the proposals are to be mailed to:

City Clerk  
City of Carthage, Mo.  
326 Grant St.  
Carthage, Mo. 64836

## **III. CITY PROFILE/BACKGROUND**

The City of Carthage is a constitutionally chartered home rule city duly created and existing under the laws of the State of Missouri and action taken in 1993 by the City. The City is the County seat of Jasper County, Missouri and is approximately 9.5 square miles in area. The present estimated population is approximately 14,500. The City is governed by a Mayor/Council form of government with a City Administrator, and is composed of ten Council members who are elected from five (5) wards to serve staggered two-year terms. The Mayor is elected at large for a term of four (4) years and is president of the Council and presides over all meetings, but votes only in the case of a tie. There are five (5) standing Council oversight committees to oversee the operations of the various functions of the City. The City's fiscal year begins July 1, and ends on June 30. The day to day operations of the City are the responsibility of seven (7) department heads and the City Administrator. The City provides full municipal services to its citizens. These services include: Administration, Police, Taxi, Street and Storm Water, Engineering, Fire, Civil Defense, Parks and

Recreation, Golf Course, Swimming Pools, Memorial Hall, Public Health, Recycling Compost Center, Capital Improvement Projects, and Civic Enhancements. The City provides utility services of water, electric, internet and wastewater through a separate division operated by a Council appointed Board which will not be a part of this study.

In 1997, the City commissioned an Employee Compensation Study that established salary levels and internal equity. Over a number of years, the City had undergone modest change in terms of operating structure, job responsibilities, and personnel. The Council authorized an evaluation of the 1997 study in 2007/2008, including the update of City job descriptions. In 2015/16 the Council employed a consulting firm to review the City's classification and compensation programs, benefits package, job descriptions, policies, salary ranges and employee compensation and benefits offering. Recommendations were made and changes implemented based on this information. Based on changes in the employment force, the Council of the City of Carthage is again desirous of reviewing the City's compensation scale and classifications to ensure fairness and equity in the light of employee retention and recruiting. Wages in the last few years have been adjusted annually based on a STEP calculation if funds were available. Additionally, employees are eligible for an annual COLA increases based on a number of criteria, if funds were available. There is concern that over the past several years, the pay scale and benefits may not have kept pace with the market or other societal changes, and/or benchmark cities, and may again require adjustments. The City is open to other structures of a pay and benefits plan than is currently administered, depending on its impact on the City.

#### **IV. CURRENT COMPENSATION SYSTEM**

The City will provide copies of all existing job descriptions and current pay ranges for the positions and any other data that the successful consultant may require to complete the study.

The City of Carthage's current classification system includes a structure which consist of 12 pay grades. Each pay grade represents a pay span of approximately 37% from the minimum rate to the maximum rate. The percent difference between each pay grade and the preceding pay grade is approximately 10%. Each pay grade has 17 steps or increments. Each step is approximately two percent above the previous step.

Step 1: The initial step of the assigned range is intended as the normal hiring rate upon completion of the probationary period. Step 2 through 17: These steps are awarded on the employee's anniversary date contingent on a satisfactory performance review. Normally a step increase is one step provided the employee's performance evaluation is satisfactory. Additionally, the City provides (if appropriated) an annual cost of living adjustment to the entire classification plan based upon inflation and available funds. The entire pay schedule is adjusted accordingly. Again, the City is open to other approaches that meet the needs of recruiting and retaining employees.

#### **V. SCOPE OF SERVICES (COMPENSATION/CLASSIFICATION)**

The scope of work, at the minimum, will include the following:

- Conduct a review and update of the City's Compensation (including benefits) and Classification System of appropriate and comparable employers within the relevant "benchmark" data.
- Identify inconsistencies and deficiencies within the current compensation and classification

system, provide written recommendations for their resolution, and develop a plan for the implementation of the recommendations to include the cost of implementation and the effect on employees. It is the intention of the City to use the results of this "Study" to determine future pay increases based upon the determined market values for job categories for the fiscal 2021 budget.

- Identify survey labor market and benchmark cities/classes. Consultant shall establish appropriate “benchmarking” standards and conduct salary surveys as required to analyze and if necessary, recommend changes to existing salary range structures, including the establishment and/or modification of salary range tables and benefits. The survey will include a review of those Missouri cities, within a population range of 13,000 above to 5,000 below the population of Carthage, where approximately half are above and half below Carthage’s population. The benchmark cities should compare the salaries and benefit packages offered by those cities with compensation package offered by Carthage. The survey cities should not exceed 30 in number, offer the same types of services provided by Carthage, have proportionally the same approximate annual general fund budget, tax base, assessed valuation, and sales tax revenues, be primarily rural (non-metro), have an equivalent number of employees, and be outside the St. Louis and Kansas City areas.
- Recommend and set forth a transition plan for implementation of the compensation and classification plan to its effective date.
- Review the existing appraisal systems and provide recommendations to improve the process.
- Consultant shall review and analyze internal position structures, made up of incumbent classifications and re-classifications and verify the accuracy of existing job descriptions to the duties, tasks, responsibilities and qualification requirements for each position, including the development of appropriate internal relationship guidelines. Consultant will insure all descriptions include contents to meet current legal requirements or recommendations. In the event that job descriptions do not exist for certain job positions, the consultant shall supply a recommended description based upon the vendor review of job responsibilities. Study will also note if the Carthage position titles are outdated or deviate from the norm.
- Provide a plan for maintenance and updating of the compensation plan.
- Provide reports, both formal and informal, to the City as requested. A formal presentation will be made to the City Council at the completion of the study.
- Vendor will consult with the City’s Budget Ways & Means Committee and with the City Council. Base proposal shall include a minimum of 5 trips to Carthage. Typically, such meetings will be at 5:30 p.m. or 6:30 p.m. respectively. Base proposal shall include all related costs for such trips including lodging, mileage and etc.
- Any other additional information the consultant may propose as relevant to the proposal including a separate comparison of Jasper County and the City of Joplin positions and wage packages.

## **VI. DESCRIPTION OF APPROACH/METHODS USED TO PERFORM PROJECT**

Proposer shall provide a detailed description of the services and methods by which the work set forth in the RFP will be performed. Proposer shall use the original baseline Report on Employee Compensation report performed in 1997, 2007/2008, and 2015/16. The description shall include, at

a minimum, the following items:

- Proposer's understanding of the services to be provided.
- Methodology to be used in benchmarking and determining salary ranges.
- A schedule for the completion of key components of the project and the project as a whole based on a start date of January 15, 2020.
- Any other analysis deemed appropriate.

## **VII. DELIVERABLES**

The final product will be a report, which will contain detailed and concise recommendations with respect to an appropriate compensation scale for the positions outlined. Recommendations will be clearly supported based on data gathered and analysis completed. General commentary or recommendation with respect to future adjustments related to merit and cost of living should be included. Presentation of the report to City Council will be required. Proposals should provide the project budget including disbursements and the timeline for completion. Proposals should include the qualifications of the personnel expected to complete the study, a summary of work recently performed, and related references.

### **I. SUBMISSION REQUIREMENTS**

Respondents to this RFP shall submit completed proposals in a sealed envelope, clearly marked with "Proposal for Classification and Compensation Study" and the name of the responder. five (5) copies of the proposal must be submitted by 2:30 p.m. on November 08, 2019, to the following address:

City Clerk  
City of Carthage  
326 Grant St.  
Carthage, Missouri 64836

At the minimum, the form and content of the Proposal is to be as follows:

A cover letter and introduction, not to exceed two pages, which includes the following:

- Company name, address, and telephone number of the firm submitting the Proposal.
- Name, title, address, and telephone number of the person, or persons to contact who are authorized to represent the firm and to whom correspondence should be directed.
- Introduction or Executive Summary
- Required Respondent Information
- The legal name of the Proposer, address, telephone number, e-mail address, and FAX number.
- The address and telephone number of the office where the work is to be undertaken and the name of the person to whom correspondence and inquiries should be directed.
- Number of years in business as the currently named firm.
- The Proposer's overall history, staff size, services offered, and experience. Indicate

your firm's performance record in classification and compensation.

- The proposer will provide a brief description of the experiences and qualifications of the proposed staff member(s) who will be performing the search services, a brief description of the organization, a list of cities for which the consultant has conducted comprehensive classification and compensation studies (within the recent past 5 years), and a list of references.
- Name and functions of personnel in your firm contemplated for this project.
- Identify outside associates and consultants proposed for this project.
- The availability of your firm to begin work should this project be awarded to you.
- The proposer will provide a time line of when various tasks will be completed.
- The proposer shall also include a sample report completed from a similar study for the Committee's review.

#### RESPONDENT INFORMATION

Provide references that will verify that your firm has successfully performed similar work for a municipal organization which is equivalent in scope and complexity to the City's proposal. References will include the name and/or type of project, the name, address and phone number of the organization studied, the Chief Executive Officer at the time the study was conducted, the Project Manager for the organization and the Project Manager for the Consultant, the number of employees affected by the study, the date the study was initiated, the scheduled completion date and the actual completion date.

#### TENTATIVE TIMETABLE

Release of Specifications	October 14, 2019
Initial response date	November 08, 2019
Short list	November 14, 2019
Personal interviews	November 21, 2019
Reference checks and review	November 28, 2019
Recommendation to Committee	December 09, 2019
Contract negotiations	December 16, 2019
Contract award	January 14, 2020
Effective Date	January 15 2020

#### BUDGET/FEES/COST

This section should contain a complete breakdown of all costs relating to the content of the proposal, including the maximized total cost, as well as an itemized breakdown of the compensation required to accomplish the full performance of all tasks outlined in the proposal. The City reserves the right to pick and choose items to ensure project comes within budgetary guidelines.

### **VIII. SELECTION PROCESS**

A Review Committee consisting of five (5) members will review the submissions, prepare a short list, conduct the interviews, and negotiate a contract. The Review Committee will then forward its recommendation to the full City Council for final action. The Review Committee will consist of the Chairman and Vice-Chairman of the Budget Ways & Means Committee of the City Council, the Mayor, City Administrator, and City Clerk. The purpose of an interview would be for the firm to give a verbal presentation of the firm's qualifications and capabilities. The Review Committee will select a firm for recommendation to the City Council to negotiate a contract. If negotiations cannot be agreed upon, the Committee will negotiate with another firm. The final contract will be presented to the City Council for approval.

## **IX. REVIEW & AWARD**

Each of the proposals received will be evaluated and determined if it meets the stated requirements. Failure to meet these requirements will be a cause for eliminating the agency from further consideration.

The City reserves the right to reject any and all proposals, to waive technicalities, informalities and irregularities, or to accept or reject all or part of proposals with or without cause, to be the sole judge of the suitability of the proposals offered, and to accept the proposal, if any, which will be in the best interest of the City.

Proposals will be evaluated generally on the following criteria, which is neither weighted nor prioritized:

- Demonstrated understanding of the service requested.
- Demonstrated ability to meet project scheduled deadlines (history).
- Prior experience in performing similar work.
- Qualifications of the firm and assigned individuals.
- Methodology and scope of the proposed study.
- Fees charged and cost effectiveness of the proposed service.
- Reference checks.
- Firm's current work load and ability to handle additional work.
- Dedicated project manager (contact) with City.