



REQUEST FOR PROPOSALS

Classification & Compensation Study

RFP #22-09

Proposals due by October 7, 2022, at 4:00 p.m.

RFP Issued by:

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Date Issued: September 7, 2022

|| CLASSIFICATION & COMPENSATION STUDY

1. Purpose of Request

The City of Fort Dodge is seeking proposals from qualified consultants to conduct a classification and compensation study for all non-bargaining regular full-time and part-time positions (non-seasonal) as well as AFSCME union-covered classifications.

The City of Fort Dodge Classification and Compensation Plan was initially developed by Yarger & Associates, Inc. and implemented on July 1, 1977. The compensation plan was designed as a step plan, where employees move through the established pay grade for that classification based on time in step (A-E). Non-bargaining positions were evaluated again in 1985 with changes implemented for certain positions in 1987. On July 1, 2000, an additional step (F) was added to the non-union compensation schedule which provided a 5% increase to employees who had served at least 5 years at the prior step.

Over the past 35 years, the City of Fort Dodge has experienced many changes, including a change in 2005 from a strong mayor form of government to one with a Council-appointed City Manager, under a Home Rule Charter. A part-time 7-member Council and mayor set policy for the City while the city manager and department heads provide day-to-day administration of City functions. Other changes include the addition of new classifications, updates to classification descriptions, departmental restructuring, reduced staffing through attrition and Lean improvement efforts, as well as technological developments and the implementation of new software. Although the City has not conducted a formal classification and compensation study for many years, pay has been evaluated with each new and revised classification description. We have an aging workforce and over the next five years, about 20% of our workforce will be eligible for retirement. At this time, the City sees a need to have the non-union and AFSCME position classifications and compensation schedules reviewed by an outside professional consultant. A sound compensation plan is critical to our efforts to attract qualified replacements and retain employees.

Fort Dodge is located in the Des Moines River Valley of north central Iowa, just 92 miles northwest of Des Moines and sixty-five miles southwest of Mason City. Positioned in the center of Webster County, Fort Dodge serves as the County Seat and its most populous city. It encompasses 16 square miles along the banks of the Des Moines River and is bordered by unincorporated Webster County. Fort Dodge is accessible via US Highway 20 Business and US Route 169. The City has 149.6 miles of streets and 319.1 lane miles. City government serves a population of approximately 25,000 residents.

The City currently has 214 regular benefit eligible full-time and part-time employees. Of them, 86 are non-unionized employees. Regular non-union positions are currently designated into 84 different job classifications. We anticipate an additional 6 non-union positions to meet needs of our new broadband utility department, so that brings our total non-union position count to 90. There are 45 AFSCME union employees working in 13 different job classifications. Therefore, with both non-union and AFSCME union classifications being evaluated, this compensation and classification study will analyze 103 classifications. All work provided by the consulting firm under contract to the City shall belong exclusively to the City.

2. Instructions for Submission of Proposals

Proposals are sought from firms with expertise in city, county, state, or other public and private sector wage and compensation studies. All proposal submissions should include the following:

- a. Provide a list of at least three recent client references, preferably municipalities, who have implemented and are currently utilizing the compensation system being proposed or a similar system designed, developed, and implemented by your organization. Include the name, email, and phone number of the primary contact person at each municipality, a description of the services performed, the implementation date, and the names of the personnel from your office who worked on the project at each municipality.
- b. A title page with the project name, Classification and Compensation Study RFP #22-09, name of firm, address, name of primary contact person, phone number, email, and date submitted. Section 4 of the RFP lists additional information requested.
- c. A detailed description of the services and methods by which the work will be performed including methodology to be used in benchmarking and determining salary ranges. Include information regarding the job evaluation system being proposed as well as any associated documents, policies, and procedures.
- d. Identify your approach to employee engagement with the development of the position classification and compensation schedules.
- e. Identify a reasonable timeline for the completion of each component in the process as well as the implementation guidelines, with a proposed start date of November 1, 2022.
- f. A proposed fee structure including the maximum total cost as well as an itemized breakdown of the cost to perform the tasks outlined in the proposal. Please break out the cost of analyzing the 13 AFSCME union-covered classifications, separate from the 90 non-union positions.
- g. Questions about the submission process should be directed to the Human Resources Director prior to October 4, 2022, to ensure time for a response prior to the established deadline.
- h. All proposals must be submitted electronically by the established deadline of Friday, October 7, 2022, at 4:00 p.m. Email the proposal in a pdf format directly to Jamie Anderson, Human Resources Director, at janderson@fordodgeiowa.org with "RFP #22-09" in the email subject line. Late proposals will not be considered.
- i. Minor, non-material revisions to original proposals, if requested by the City, may be negotiated following the proposal deadline and prior to being submitted to the Council for approval.

All qualified proposals will be evaluated and an award will be made to the firm whose proposal is deemed to be in the best interest of the City of Fort Dodge, all factors considered. The City will select no more than 3 semi-finalists to participate in an interview (virtual or in-person) and make a brief 20-minute presentation to the selection committee. Then a recommendation will be made to the City Council for the selection of a vendor and approval of the contract.

The City reserves the right to reject any or all proposals if determined in its best interest. This request for information does not, under any circumstance, commit the City of Fort Dodge to pay any costs incurred by any proposer in the submission of qualifications. The proposer is responsible for all costs associated with responding to this request.

3. Scope of Services

The study is expected to review the City of Fort Dodge classification and compensation plan for non-union and AFSCME union-covered positions to ensure an equitable system is in place to compensate employees properly for the services being provided, compared to the labor market, and to create consistent titling with recognizable differences between position classifications.

The classification system recommended through this study must be designed to facilitate human resource management goals including recruitment, selection, retention, and salary administration in an organized and consistent manner.

- a. Project Kickoff:
 - i. Review background information including the City's compensation plan and past compensation practices.
 - ii. Meet with the project team (human resources and key leadership staff) to validate the scope of services, methodology, timetable, and other deliverables.
 - iii. Conduct orientation and briefing sessions for City leadership staff to present the project objectives and address concerns.
 - iv. Assist City staff with the development of communications to keep employees apprised throughout the project.
- b. Classification Study:
 - i. Review the current classification plan. Recommend classification plan options to the City that can be maintained on a long-term basis.
 - ii. The City will provide the consultant with updated position descriptions. If a description is in the process of being updated, that draft will be provided. After review, the consultant will provide a thorough evaluation of each position to determine a job value. Objective classification ranking of each position and the provision of internal pay equity will be utilized.
 - iii. Recommend a policy and procedure for processing future requests for classification additions, deletions, and changes that will provide a consistent format and guidelines to be utilized by human resources staff as changes in positions occur or new positions are created.
 - iv. Present initial recommendations to the project team.
 - v. Create and support an appeals procedure to allow employees the opportunity to appeal their classification assignment.
 - vi. Finalize classification plan with the project team.
 - vii. Prepare implementation and maintenance policies and procedures to standardize processes and references for future training purposes.
- c. Compensation Study:
 - i. Meet with the project team to discuss and agree on the process to gather survey data.
 - ii. Gather survey data.
 - iii. Perform survey data analysis and develop externally competitive salary recommendations for each class of work.

- iv. Complete internal salary relationship analysis, including the development of appropriate internal relationship guidelines.
 - v. Prepare a recommended salary range assignment for each job classification and each position that reflects the results of the market survey and the analysis of the internal relationships using a consistent approach.
 - vi. Identify potential pay compression issues and provide alternative solutions.
 - vii. Develop recommended strategies for setting competitive hiring rates for new and promoted employees, including recommendations and options for how employees move through the compensation ranges.
 - viii. Present initial recommendations to the project team.
 - ix. Present results of survey and conclusions to supervisors, department directors, and employees.
 - x. Prepare implementation and maintenance policies and procedures to standardize processes and reference for future training purposes.
- d. Implementation:
- i. Present implementation options to the project team and assist in the development of budgetary impact data and implementation strategy. The consultant will need to identify the costs of implementing any recommended plan so the City can evaluate the expense and choose options for migration to the new ranges.
 - ii. Through meetings with the project team, develop a final recommendation for implementation.
 - iii. Prepare and present a final report that will include the study methodology, major findings, and major recommendations/implementation strategies.
- e. Period of Performance:
- i. It is the City's intent to complete this project no later than 120 days from the contract award.
 - ii. Propose solid contract terms including an itemized fee schedule for work included in the scope of work and a payment plan based on measurable contract milestones.
 - iii. The consultant will conduct the Classification and Compensation Study in compliance with all applicable Federal and State employment and equal pay statutes.

4. Information Requested from the Proposer

a. Profile of the Proposer

Responses to this proposal should include a summary of the firm's history and experience in conducting classification and compensation studies and formulating pay plans. Provide a list of three similar projects with like entities, from the public sector, that your firm has performed services for within the past 7 years including names, addresses, phone numbers, and emails of the clients that will be used as a reference.

Provide a description of your firm's organization and the qualifications of staff members specifically detailing the qualifications of the individuals who will perform the work, including experience in similar work, training, and relevant college, graduate or

professional courses. Identify the extent and nature of any anticipated outside support and/or subcontractors that will be assigned to work on this project.

Please include the following information to assist us in evaluating your proposal to serve our City:

- i. Describe any methodologies used or approaches taken to complete a compensation and classification study.
 - ii. Compose a schedule/timetable for the entire project and for each phase with a proposed beginning date of November 1, 2022.
 - iii. All consultants must be capable of performing the services specified in the RFP. Before the award of this contract, any consultant may be required to show that they have the necessary experience, ability, and financial resources to perform the work within the time stipulated in a manner that is acceptable to the City.
 - iv. Describe a proposed communication program designed to gain the cooperation of Department Heads and employees, which will enhance the credibility of the resulting pay plan design.
- b. Compensation

Provide the firm's all-inclusive maximum fee for work requested in the Scope of Services, Section 3. Submit an itemized breakdown of the cost to perform the tasks outlined in the proposal. The cost of analyzing the 13 AFSCME union-covered classifications should be separate from the 90 non-union positions.

This request for information does not, under any circumstance, commit the City to pay any costs incurred by any proposer in the submission of qualifications. The proposer is responsible for all costs associated with responding to this request.

5. Deliverables

The City will provide copies of all pay ranges, classification descriptions, and any other available in-house information that the successful consultant may require to complete the study. Note that the City's Human Resources Department has been reviewing and is in the process of updating job descriptions of all non-union and AFSCME-covered positions to assist with this project.

6. Evaluation of Proposals

Proposals will be evaluated by the Human Resources Director and other members assigned to the project committee. The award will be made to the firm, which in the opinion of the City is best qualified. Evaluation considerations will include the following:

- a. The firm's understanding of and familiarity with this type of project.
Experience understanding, creating, and implementing compensation and pay plan designs for City or County compensation environments.
- b. Recent experience and demonstrated ability with this type of project.
The experience of your firm in performing compensation studies of the type requested will be of importance, especially as it relates to City or County projects within the State of Iowa, including the proposed approach/methodology.
- c. Relevant skills and professional abilities of the assigned staff members proposed for the project.

- d. Quality of work based upon a review of a minimum of three references (and written examples provided, if appropriate).
- e. Clarity and quality of the proposal.
- f. Schedule of completion.

A timely report is requested for management to review and consider if any changes will be incorporated into the next fiscal year's budget.

7. High-Level Timeline/Schedule

It is the preliminary intention of the City of Fort Dodge that the work will be completed within approximately 4 months of signing an agreement with the proposer.

- a. Cost

Although it is significant, the cost may not be the dominant factor.

This request for information does not, under any circumstance, commit the City to pay any costs incurred by any proposer in the submission of qualifications. The proposer is responsible for all costs associated with responding to this request.
- b. After the proposals have been received, the committee will review the proposals. The committee may invite no more than the top 3 proposers to make a brief 20-minute presentation to the selection committee. The committee would then make a recommendation to the City Manager. Upon approval of the contract by the City Council, work shall commence on the project.
- c. If partial payment is required prior to the completion of this project, the proposer should list the method to be utilized in determining the amount of partial payment which will be due.
- d. The City of Fort Dodge reserves the right to reject any or all proposals submitted and request additional information from all proposers.

The schedule for submission and review of proposals is as follows:

Proposals due.	October 7, 2022, at 4:00 p.m.
Review of qualifications.	October 10 - 17, 2022
Management selects firm.	October 19, 2022
Recommendation of firm to City Council for approval.	October 24, 2022
Anticipated project start date.	November 1, 2022

The City of Fort Dodge does not discriminate on the basis of race, religion, sex, age, national origin, marital status, sexual orientation, disability, or any protected status.