Employee Services Department

October 27, 2016

MEMORANDUM

TO: Gregory W. Pease, Chairman
Professional Services Evaluation Committee

THRU: Diane Moser, Chief of Talent Management
Employee Services Department

FROM: Tracey Bolton, Manager of Personnel Services
Employee Services Department

SUBJECT: P-06-14 Classification and Pay Study (Amendment No. 3)
Contract No. 9344-01

Contract No. 9344-01 between the City and Management Advisory Group International Inc. will expire on December 31, 2016. We wish to extend the contract for the 3rd of the three year renewals. There is no rate increase associated with this amendment. All work has been performed satisfactorily.

Accordingly, this is to request that Contract 9344-01, originally executed March 25, 2014, between the City of Jacksonville and Management Advisory Group, Inc. for Classification and Pay Study be amended to exercise the third renewal option extending the Period of Service to December 31, 2017. The maximum indebtedness will remain at $124,000.00. The scope of services is being amended to remove the remaining categories; the remaining balance will fund the 2017 quadrennial classification and pay study for appointed official and employee positions per ordinance 129.101(c)(6). All other terms and conditions of the contract shall remain the same. The revised Exhibit A and revised Exhibit B will be incorporated into the contract. The following items have been removed from the original exhibits: 5, 6, 7, 11, 13, 14, 15 and part of 17. The remaining $35,000.00 balance will be encumbered to complete the 2017 quadrennial classification and pay study.

214 North Hogan Street, 10th Floor Jacksonville, FL 32202 Phone: 904.255.8762 Fax: 904.255.8926 www.coj.net

Revised EXHIBIT "A'

Section 4
Description of Services and Deliverables

Review existing City of Jacksonville classification and pay plans for appropriateness, internal equity and external competitiveness. The following describes the various tasks that are expected to be completed to meet the requirements of this Request for Proposals:

1) Provide three projects that were of similar scope for comparable organizations with a preference for governmental entities. Include contact information: name, telephone number, address, description of services performed, and date of services performed. Provide sample documents that were used in the projects.
2) Meet with designated staff members to validate scope of services, methodology, timeliness, and other deliverables.
3) Work closely with the employees and management to explain methodology and soundness of system.
4) Conduct a comprehensive evaluation of benchmarked jobs which includes reviewing approximately ~~2500~~ 3290 position questionnaires completed for executive, managerial, supervisor and individual contributor positions for determining which the position is properly classified and for benchmarking of pay structure. Evaluate number of job classifications and make recommendations for additions, deletions, and/or consolidation of jobs. The evaluation should include clear definition of terms, differentiation from similar jobs, the development of career ladders, and to determine relative worth within the organization (internal equity) and for the establishment of pay ranges.
5) Interview approximately 200 employees for additional information and/or for clarification of their job duties.
6) ~~Analyze current job description format to ensure compliance with federal, state, and~~ local laws and make recommendations for improvements ~~if necessary. Develop a maintenance program for updating current job specifications as well as addressing the creation of new~~ job descriptions.
7) ~~Make recommendations for system/process improvements to the current job evaluation and job classification system. If recommendations are substantial, implement a valid job evaluation system and provide training to staff.~~
8) Assess the City's current compensation policies which includes making recommendations regarding language in the collective bargaining agreements (CBA) and ~~employment plans that pertain to pay including language for hiring, promotions, demotions, incentives, etc.~~
9) Complete a compensation market analysis study for the positions contained in the study and recommend base salary range adjustments to existing pay structures that are competitive with the external market and equitable with comparable internal jobs.
10) Make recommendations for employee salary adjustments. Also address movement within the range, compression, and equity issues.
11) Provide an implementation plan that includes options for a phased in approach extending over a two year budget cycle, including projected cost calculations.
12) ~~Review and make recommendations for change if necessary to the point factor job evaluation currently used by the City or provide a comparable point factor job evaluation system.~~
13) Provide documents involved in the study such as position questionnaires, recommended pay structures, base salary range adjustments, reports and other deliverables in electronic format compatible with the Microsoft Office Suite.
14) ~~Recommend a performance appraisal system and make recommendations for pay for performance which may include market reference raises.~~
15) ~~Make recommendations for implementing a bonus system.~~
16) ~~Make recommendations for succession planning which includes a career development component.~~

EXHIBIT "A'

17) Provide an action plan and a detailed timeline schedule for completion of project.
18) Present findings and recommendations to management, employees, and the City Council. May be required to make multiple presentations. September 30, 2017 ~~June 1, 2014~~

The minimum deliverables agreed to from the list above must be completed by ~~April 1, 2014~~ or sooner. This would include completion of review of employee position questionnaires, interviews, completion of market analysis and reports reflecting an estimate of implementation cost. December 31, 2017 ~~August 1, 2014~~

Finalized deliverables which includes all reports must be provided no later than ~~June 1, 2014~~.

End of Section 4 – remainder of page intentionally left blank.

REVISED EXHIBIT "B"

Form 1 – Price Sheet

NAME OF CONSULTANT: Management Advisory Group International, Inc.

Proposal Number: P-06-14

1) Meet with designated staff members to validate scope of services, methodology, timeliness, and other deliverables.

   Price $2,000

2) Work closely with the employees and management to explain methodology and soundness of system.

   Price $5,000

3) Conduct a comprehensive evaluation of benchmarked jobs which includes reviewing approximately 3390 position questionnaires completed for executive, managerial, supervisor and individual contributor positions for determining which the position is properly classified and for benchmarking of pay structure. Evaluate number of job classifications and make recommendations for additions, deletions, and/or consolidation of jobs. The evaluation should include clear definition of terms, differentiation from similar jobs, the development of career ladders, and to determine relative worth within the organization (internal equity) and for the establishment of pay ranges. Included is the 2017 quadrennial classification and pay study for appointed officials and employees.

   Price $75,000

4) Interview approximately 200 employees for additional information and/or for clarification of their job duties.

   Price $14,000

5) Complete a compensation market analysis study for the positions contained in the study and recommend base salary range adjustments to existing pay structures that are competitive with the external market and equitable with comparable internal jobs.

   Price $18,000

6) Make recommendations for employee salary adjustments. Also address movement within the range, compression, and equity issues.

   Price $3,000

7) Provide an implementation plan that includes options for a phased in approach extending over a two year budget cycle, including projected cost calculations.

Price $4,000

8) Provide documents involved in the study such as position questionnaires, recommended pay structures, base salary range adjustments, reports and other deliverables in electronic format compatible with the Microsoft Office Suite.

Price $2,000

9) Provide an action plan and a detailed timeline schedule for completion of project.

Price Included

10) Present findings and recommendations to management, employees, and the City Council. May be required to make multiple presentations.

Price $1,000

MANAGEMENT ADVISORY GROUP INTL., INC.

MANAGEMENT CONSULTING SERVICES

October 28, 2016

Diane F. Moser
Division Chief of Talent Management
Employee Services Department
City of Jacksonville
117 W. Duval Street, Suite #100
Jacksonville, FL 32202

Dear Diane:

Management Advisory Group International, Inc. (MAG) is pleased to present this request for extension regarding the *Compensation & Classification Study* to the City of Jacksonville. The project has been a cooperative effort between MAG staff, HR, Department Heads, and employees at all levels.

MAG was requested to conduct an independent study to determine if classification structure adjustments are needed to the City's overall classification plan. This overall study includes approximately 3,390 employees that are in the classified Civil Service system, and those who are in the appointed employee and appointed official job categories who are exempt from the Civil Service system.

Due to various delays beyond anyone's control, MAG is suggesting an extension of the contract. The hourly rates would remain the same during the extension period.

Management Advisory Group International, Inc. appreciates the opportunity to be of service to you and look forward to continuing with you on this important project.

Sincerely,

Donald C Long

Donald C. Long, Ph.D.
President
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