

ORIGINAL

AGREEMENT FOR SERVICES #433-S1611

THIS AGREEMENT made and entered by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County") and Kaneko & Krammer Corp., a California corporation, doing business as Koff & Associates, Inc., duly qualified to conduct business in the State of California, whose principal place of business is 2835 Seventh Street, Berkeley, CA 94710, and whose local place of business is 2835 Seventh Street, Berkeley, CA 94710; (hereinafter referred to as "Contractor");

RECITALS

WHEREAS, County has determined that it is necessary to obtain a Contractor to provide a comprehensive classification and compensation study for the Human Resources Department; and

WHEREAS, Contractor has represented to County that it is specially trained, experienced, expert and competent to perform the special services required hereunder and County has determined to rely upon such representations; and

WHEREAS, it is the intent of the parties hereto that such services be in conformity with all applicable federal, state and local laws; and

WHEREAS, County has determined that the provision of these services provided by Contractor is in the public's best interest, and that these services are more economically and feasibly performed by outside independent Contractors as well as authorized by El Dorado County Charter, Section 210 (b) (6) and/or Government Code 31000;

NOW, THEREFORE, County and Contractor mutually agree as follows:

ARTICLE I

Scope of Services: Contractor agrees to furnish the personnel and equipment necessary to provide a comprehensive classification and compensation study for the Human Resources Department in accordance with Exhibit "A," marked "Scope of Services," incorporated herein and made by reference a part hereof.

ARTICLE II

Term: This Agreement shall become effective upon final execution by both parties hereto and shall expire one (1) year from the date thereof.

ARTICLE III

Compensation for Services: For services provided herein, including any deliverables that may be identified herein, County agrees to pay Contractor upon the satisfactory completion and County's acceptance of work, monthly in arrears and within forty-five (45) days following the County's receipt and approval of itemized invoice(s) identifying services rendered.

For the purposes of this Agreement, the billing rate shall be \$115.00 per hour.

The cost estimate for each task shall be in accordance with Exhibit "A" marked "Scope of Services" incorporated herein and made by reference a part hereof. Contract Administrator shall have authority to reallocate costs among the tasks listed in Exhibit "A" provided the total amount of the agreement as stated below is not exceeded. Such approval shall be in writing.

Contractor or County may propose additional tasks as deemed necessary to complete the assignment. Any additional work shall be approved by the contract administrator in writing prior to commencement of work provided the total amount of the agreement as stated below is not exceeded.

The total amount of this Agreement, inclusive of all costs and expenses, shall not exceed \$377,545.00.

Itemized invoices shall follow the format specified by County and shall reference this Agreement number on their faces and on any enclosures or backup documentation. Copies of documentation attached to invoices shall reflect Contractor's charges for the specific services billed on those invoices. Invoices shall be mailed to County at the following address:

County of El Dorado
Human Resources
330 Fair Lane
Placerville, California 95667

or to such other location as County directs.

In the event that Contractor fails to deliver the documents or other deliverables required by the individual Work Orders issued pursuant to this Agreement, County at its sole option may delay

the monthly payment for the period of time of the delay, cease all payments until such time as the deliverables are received, or proceed as set forth herein below in **ARTICLE XI, Default, Termination, and Cancellation.**

ARTICLE IV

Taxes: Contractor certifies that as of today's date, it is not in default on any unsecured property taxes or other taxes or fees owed by Contractor to County. Contractor agrees that it shall not default on any obligations to County during the term of this Agreement.

ARTICLE V

Changes to Agreement: This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

ARTICLE VI

Contractor to County: It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further agreed that in all matters pertaining to this Agreement, Contractor shall act as Contractor only to County and shall not act as Contractor to any other individual or entity affected by this Agreement nor provide information in any manner to any party outside of this Agreement that would conflict with Contractor's responsibilities to County during term hereof.

ARTICLE VII

Assignment and Delegation: Contractor is engaged by County for its unique qualifications and skills as well as those of its personnel. Contractor shall not subcontract, delegate or assign services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

ARTICLE VIII

Independent Contractor/Liability: Contractor is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by terms of this Agreement. Contractor exclusively assumes responsibility for acts of its employees, associates, and subContractors, if any are authorized herein, as they relate to services to be provided under this Agreement during the course and scope of their employment.

Contractor shall be responsible for performing the work under this Agreement in a safe, professional, skillful and workmanlike manner and shall be liable for its own negligence and negligent acts of its employees. County shall have no right of control over the manner in which work is to be done and shall, therefore, not be charged with responsibility of preventing risk to Contractor or its employees.

ARTICLE IX

Fiscal Considerations: The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, El Dorado County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products or equipment subject herein. Such notice shall become effective upon the adoption of a final budget which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

ARTICLE X

Audit by California State Auditor: Contractor acknowledges that if total compensation under this agreement is greater than \$10,000.00, this Agreement is subject to examination and audit by the California State Auditor for a period of three (3) years, or for any longer period required by law, after final payment under this Agreement, pursuant to California Government Code §8546.7. In order to facilitate these potential examinations and audits, Contractor shall maintain, for a period of at least three (3) years, or for any longer period required by law, after final payment under the contract, all books, records and documentation necessary to demonstrate performance under the Agreement.

ARTICLE XI

Default, Termination, and Cancellation:

- A. **Default:** Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (time to cure), then such party shall be in default. The time to cure may be extended at the discretion of the party giving notice. Any extension of time to cure must be in writing, prepared by the party in default for signature by the party giving notice and must specify the reason(s) for the extension and the date on which the extension of time to cure expires.

Notice given under this section shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of

this Agreement within the applicable period of time. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

- B. Bankruptcy: This Agreement, at the option of the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. Ceasing Performance: County may terminate this Agreement in the event Contractor ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. Termination or Cancellation without Cause: County may terminate this Agreement in whole or in part upon seven (7) calendar days written notice by County without cause. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates as set forth in the Notice of Termination provided to Contractor, and for such other services, which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the notice directs otherwise.

ARTICLE XII

Notice to Parties: All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be addressed as follows:

COUNTY OF EL DORADO
Human Resources
330 Fair Lane
Placerville, CA 95667
ATTN: Erin Hane, Manager

or to such other location as the County directs.

with a carbon copy to

COUNTY OF EL DORADO
Chief Administrative Office
Procurement and Contracts Division
360 Fair Lane
Placerville, CA 95667
ATTN: Purchasing Agent

Notices to Contractor shall be addressed as follows:

KANEKO & KRAMMER CORP.
dba KOFF & ASSOCIATES, INC.
2835 Seventh Street
Berkeley, CA 94710
ATTN: Katie Kaneko, President

or to such other location as the Contractor directs.

ARTICLE XIII

Change of Address: In the event of a change in address for Contractor's principal place of business, Contractor's Agent for Service of Process, or Notices to Contractor, Contractor shall notify County in writing pursuant to the provisions contained in this Agreement under the Article titled "Notice to Parties". Said notice shall become part of this Agreement upon acknowledgment in writing by the County Contract Administrator, and no further amendment of the Agreement shall be necessary provided that such change of address does not conflict with any other provisions of this Agreement.

ARTICLE XIV

Indemnity: The Contractor shall defend, indemnify, and hold the County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorney's fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with the Contractor's services, operations, or performance hereunder, regardless of the existence or degree of fault or negligence on the part of the County, the Contractor, subContractor(s) and employee(s) of any of these, except for the sole, or active negligence of the County, its officers and employees, or as expressly prescribed by statute. This duty of Contractor to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

ARTICLE XV

Insurance: Contractor shall provide proof of a policy of insurance satisfactory to the County of El Dorado Risk Manager and documentation evidencing that Contractor maintains insurance that meets the following requirements:

- A. Full Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor as required by law in the State of California.
- B. Commercial General Liability Insurance of not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage and a \$2,000,000.00 aggregate limit.

- C. Automobile Liability Insurance of not less than \$1,000,000.00 is required in the event motor vehicles are used by the Contractor in the performance of the Agreement.
- D. In the event Contractor is a licensed professional or professional consultant, and is performing professional services under this Agreement, professional liability is required with a limit of liability of not less than \$1,000,000.00 per occurrence.
- E. Contractor shall furnish a certificate of insurance satisfactory to the County of El Dorado Risk Manager as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to Risk Management, or be provided through partial or total self-insurance likewise acceptable to Risk Management.
- G. Contractor agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of Risk Management and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.
- H. The certificate of insurance must include the following provisions stating that:
 - 1. The insurer will not cancel the insured's coverage without prior written notice to County, and;
 - 2. The County of El Dorado, its officers, officials, employees and volunteers are included as additional insured on an additional insured endorsement, but only insofar as the operations under this Agreement are concerned. This provision shall apply to the general liability policy.
- I. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be in excess of the Contractor's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.
- N. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with Risk Management, as essential for protection of the County.

ARTICLE XVI

Interest of Public Official: No official or employee of County who exercises any functions or responsibilities in review or approval of services to be provided by Contractor under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of County have any interest, direct or indirect, in this Agreement or the proceeds thereof.

ARTICLE XVII

Interest of Contractor: Contractor covenants that Contractor presently has no personal interest or financial interest, and shall not acquire same in any manner or degree in either: 1) any other contract connected with or directly affected by the services to be performed by this Agreement; or, 2) any other entities connected with or directly affected by the services to be performed by this Agreement. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by Contractor.

ARTICLE XVIII

Conflict of Interest: The parties to this Agreement have read and are aware of the provisions of Government Code Section 1090 et seq. and Section 87100 relating to conflict of interest of public officers and employees. Contractor attests that it has no current business or financial relationship with any County employee(s) that would constitute a conflict of interest with provision of services under this contract and will not enter into any such business or financial relationship with any such employee(s) during the term of this Agreement. County represents that it is unaware of any financial or economic interest of any public officer or employee of Contractor relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement either party may immediately terminate this

Agreement by giving written notice as detailed in the Article in the Agreement titled, "Default, Termination and Cancellation".

ARTICLE XIX

Nondiscrimination:

- A. County may require Contractor's services on projects involving funding from various state and/or federal agencies, and as a consequence, Contractor shall comply with all applicable nondiscrimination statutes and regulations during the performance of this Agreement including but not limited to the following: Contractor and its employees and representatives shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age, or sex; Contractor shall, unless exempt, comply with the applicable provisions of the Fair Employment and Housing Act (Government Code, Sections 12900 et seq.) and applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Sections 7285.0 et seq.); the applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations incorporated into this Agreement by reference and made a part hereof as if set forth in full; and Title VI of the Civil Rights Act of 1964, as amended. Contractor and its employees and representatives shall give written notice of their obligations under this clause as required by law.
- B. Where applicable, Contractor shall include these nondiscrimination and compliance provisions in any of its agreements that affect or are related to the services performed herein.
- C. Contractor's signature shall provide any certifications necessary under the federal laws, the laws of the State of California, including but not limited to Government Code Section 12990 and Title 2, California Code of Regulations, Section 8103.

ARTICLE XX

California Residency (Form 590): If Contractor is a California resident, Contractors must file a State of California Form 590, certifying its California residency or, in the case of a corporation, certifying that it has a permanent place of business in California. The Contractor will be required to submit a Form 590 prior to execution of an Agreement or County shall withhold seven (7) percent of each payment made to the Contractor during term of the Agreement. This requirement applies to any agreement/contract exceeding \$1,500.00.

ARTICLE XXI

Nonresident Withholding: If Contractor is not a California resident, Contractor shall provide documentation that the State of California has granted a withholding exemption or authorized reduced withholding prior to execution of this Agreement or County shall withhold seven (7%) percent of each payment made to the Contractor during term of the Agreement as required by law.

This requirement applies to any agreement/contract exceeding \$1,500.00. Contractor shall indemnify and hold the County harmless for any action taken by the California Franchise Tax Board.

ARTICLE XXII

Taxpayer Identification Number (Form W-9): All independent Contractors or corporations providing services to the County must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

ARTICLE XXIII

County Business License: It is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County business license unless exempt under County Code Section 5.08.070.

ARTICLE XXIV

Licenses: Contractor hereby represents and warrants that Contractor and any of its subcontractors employed under this Agreement has all the applicable licenses, permits, and certifications that are legally required for Contractor and its subcontractors to practice its profession or provide the services or work contemplated under this Agreement in the State of California. Contractor and its subcontractors shall obtain or maintain said applicable licenses, permits, or certificates in good standing throughout the term of this Agreement.

ARTICLE XXV

Administrator: The County Officer or employee with responsibility for administering this Agreement is Pamela Knorr, Human Resources Director, or successor.

ARTICLE XXVI

Authorized Signatures: The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

ARTICLE XXVII

Partial Invalidity: If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

ARTICLE XXVIII

Venue: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.


ARTICLE XXIX

No Third Party Beneficiaries: Nothing in this Agreement is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this agreement.

ARTICLE XXX

Entire Agreement: This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

Requesting Contract Administrator Concurrence:

By: 
Pamela Knorr
Director
Human Resources

Dated: 5/13/16

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates indicated below.

-- COUNTY OF EL DORADO --

By:  Dated: 5/20/16
Purchasing Agent
Chief Administrative Office
"County"

-- CONTRACTOR --

KANEKO & KRAMMER CORP.
dba KOFF & ASSOCIATES, INC.
A CALIFORNIA CORPORATION

By:  Dated: 5/11/16
Katie Kaneko
President
"Contractor"

By:  Dated: 5/11/16
Corporate Secretary

EXHIBIT A – SCOPE OF SERVICES

PHASE I: CLASSIFICATION STUDY

Task A. Initial documentation review/meetings with study project team and management staff

This phase includes identifying the County's Study Project Team, Contract Administrator/designee, and reporting relationships. Our team will conduct an orientation and briefing session with the Study Project Team to explain process and methodology; create the specific work plan and work schedule; identify subsequent tasks to be accomplished; reaffirm the primary objectives and specific end products; determine deadline dates for satisfactory completion of the overall assignment; determine who will be responsible for coordinating/scheduling communications with employees, management, and the Board; and develop a timetable for conducting the same.

In order to gain a general understanding of County operations, we will gather written documentation, identify current incumbents, and assemble current class descriptions, organizational charts, salary schedules, budgets, memoranda of understanding, personnel policies, previous classification and compensation studies, and any other relevant documentation.

County terminology and methods of current classification and compensation procedures, as well as the written position description questionnaire (PDQ) for the classification study that will be used in the job analysis phase will be reviewed and approved by the County Contract Administrator or designee. The Position Description Questionnaire (PDQ) will be discussed with the Study Project Team and customized as needed to meet the study objectives prior to distributing copies to employees.

We will discuss methodology and agree to a class description as well as compensation format and identify/confirm appropriate comparator agencies, benchmark classifications, and benefits to be surveyed for compensation survey purposes. We will respond to questions.

Task B. Orientation meetings with employees

We will facilitate a minimum of 6 orientation meetings with employees and distribute the PDQ to start the classification portion of the study. On-site meetings will be held in a variety of County facilities including those located in Placerville, Shingle Springs and South Lake Tahoe. These meetings form the beginning of the educational process that continues throughout the study. We will discuss the importance of the employees' involvement in the study and their participation in PDQ completion and job analysis interviews.

At the meetings, project processes will be explained, expectations will be clarified, and elements that are not a part of the study will also be covered. Questions will be answered and a detailed explanation and examples for completing the PDQ will be given.

PDQs shall be handed out with the incumbent's current class description attached to the questionnaire so employees can use this as a tool for completing the questionnaire.

Task C. Position description questionnaire completion and review

Our typical approach is giving employees in the same classification the option of collaborating on completing a PDQ together, if the employees so choose. At the same time, we invite employees to complete an individual PDQ if they prefer and if they want to be interviewed separately.

Upon receipt of the PDQs in our office, they will be reviewed and analyzed in detail along with other documentation.

Task D. Employee/Supervisor/Management Interviews

Interviews will be scheduled with employees. Per the RFP, we will interview thirty percent (30%) of the County's employees. Because this is a critical step in the information-gathering and educational process, we recommend scheduling interviews with at least a representative sample of employees in each classification. Typically, we employ the following approach and interview:

- All employees in single-position classifications;
- An adequate sampling of employees in multiple-position classifications; and
- Any employee who requests an interview.

We will offer employees the option to be interviewed in a focus group session with incumbents in the same classification or to request an individual interview if they prefer. We recommend individual interviews only if the employee wants to discuss certain issues (e.g., out of class responsibilities, etc.) in privacy with the consultant.

Interviews will then be held with supervisory and management staff (division managers, department heads, etc.), who will clarify their own responsibilities and/or confirm the information we have received in the interviews with their staff (we allow more time for these interviews).

The purpose of the interviews is to clarify and supplement the questionnaire data and to respond to potential perception differences regarding roles, tasks, scope, and supervisory responsibilities. The appropriateness of the following will be assessed:

- Work being completed and relationships of positions to each other within a division/department as well as across the organization.
- Classification structure and reporting structure.

Task E. Classification concept and preliminary allocation development

Prior to developing detailed class descriptions, our job evaluation will result in a classification concept and employee allocation document that will be submitted to the County Contract Administrator or designee for review and approval. We will compare changes in business need and operations, as well as any re-organizations, with the established classification system and job families as well as review internal relationships between classifications.

This document will list broad class concepts and highlight where significant changes may be recommended, such as creating class series in the same functional area and/or separating or combining classifications assigned to different functional areas. We will review and analyze potential career ladders

and promotional opportunities. We will also review and update established titling guidelines for the studied classifications for appropriate and consistent titling.

A detailed, incumbent-specific allocation list for each position included in the study will be prepared, specifying current and proposed classification title and the impact of our recommendations (reclassification – upgrade or downgrade, title change, or no change).

Our job analysis method is the whole position analysis approach. Objective factors in the whole position classification methodology include:

1. Education, Training, and Certifications/Licenses
2. Experience
3. Problem Solving/Ingenuity
4. Attention/Stress (Concentration/Time Pressure & Interruptions)
5. Independence of Action/Responsibility
6. Contacts with Others/Internal/External
7. Supervision Received and/or Given to Others
8. Consequences of Action/Decisions Made on the Job
9. Working Conditions
10. Physical/Mental Demands

Our analysis will include written documentation of our assessment methodology and assessment for each position analyzed.

After we have completed this process, we will meet with the Study Project Team, Human Resources, and management staff to review the proposed recommendations to the classification structure based on industry best practices and roles and responsibilities. We will make any necessary/appropriate changes based on the County's input.

Task F. Draft class description development and update

After preliminary approval of the class concepts and allocation lists, new and/or updated class descriptions will be developed for each proposed classification, following the format approved by the County Contract Administrator or designee.

From the review of the PDQs and employee interviews, we will update duties, responsibilities, and minimum qualifications of each class specification, as necessary. If duties, responsibilities, and minimum qualifications have changed significantly we will develop new class specifications.

We will review, analyze, and update, as appropriate, knowledge, skills, abilities, education and experience, relevance and hierarchical consistency, position definitions, purpose, distinguishing characteristics, supervision received and exercised, position functions and special requirements including licensing and certification requirements of each classification.

We will also review and update the physical demands based on the essential job functions of each classification in accordance with the Americans with Disabilities Act (ADA).

Finally, we will review each classification's essential job functions and determine exempt vs. non-exempt status in accordance with "white collar" exemptions under the Fair Labor Standards Act (FLSA).

Task G. Draft class description review and informal appeal process

A draft copy of the revised/new class description with allocation recommendation will be submitted to the Study Project Team and subsequently to each manager, supervisor, and employee representation, to give each stakeholder group an opportunity to provide comments and concerns regarding any modifications to the classification structure and specifications.

Each employee whose position was studied will receive a memorandum from us outlining what has been accomplished, how to best review the draft classification specification that will be attached, and how to provide feedback to us. Supervisors and managers receive a copy of their employees' draft class descriptions and will be asked to review their employees' comments and feedback to verify and concur with the information provided.

Employees shall submit their written concerns (via their supervisor/manager) to our office. While employees may not always agree with our recommendations, they have a "second chance" to ensure that they have been heard and to continue the educational process regarding why specific recommendations were made.

Employee comments will be reviewed with Project Study Team prior to making any changes to the proposed class plan.

Allocation and/or class description changes will be made as required and the class specifications will be finalized and submitted for approval by the contract administrator or designee. We will provide written responses to all employees who submitted their comments during the review process.

Task H. Finalize classification plan and draft interim report/final report

A Draft Interim Report of the Classification Study will be completed and submitted to the County Contract Administrator or designee for review and comment. The report will include:

- Classification recommendations for each studied position, including documentation regarding study goals and objectives, classification methodology, approach, and process, as well as, all findings, analysis, and resulting recommendations;
- The recommended allocation list, classification title changes, job family and career ladder/ career growth issues, reporting relationships, and other factors will all be included; and
- Classification concepts and guidelines, occupational groups of classifications, as well as, distinguishing characteristics and other pertinent information for implementation and continued maintenance of the recommendations will be detailed.

Once we have received the County's comments regarding the Draft Interim Report and have made any necessary changes, a Final Classification Report will be developed.

PHASE II: COMPENSATION STUDY

Task A. Identify/confirm comparator agencies, benchmark classifications, and benefits to be collected

During the initial meeting with the Study Project Team, we will discuss the compensation study factors that need to be agreed upon. We will identify/confirm appropriate comparator agencies that will be included in the external market survey (as well as those that will be surveyed for organizational review purposes), which will be the foundation of ensuring that the County's salaries for the studied classifications are competitively aligned with the external labor market, and that the County's organizational structure and operations follow industry best practices.

We will also identify those classifications that will be surveyed in the market (i.e., benchmark classifications), with the intention of internally aligning the remaining classifications with those that were surveyed. Finally, we will determine the list of benefits that the County wants included in the total compensation data gathering process.

1. Determination/Confirmation of Comparator Agencies

The selection of comparator agencies is considered a critical step in the study process. We will receive approval before proceeding with the total compensation survey.

The factors that we typically review when selecting and recommending appropriate comparator agencies include:

- **Organizational type and structure** – While various organizations may provide overlapping services and employ some staff having similar duties and responsibilities, the role of each organization is somewhat unique, particularly in regard to its relationship to the citizens it serves and level of service expectation. During this iterative process, the County's previous comparators and the advantages/disadvantages of including them/others will be discussed.
- **Similarity of population served, County demographics, County staff, and operational and capital improvement budgets** – These elements provide guidelines in relation to resources required (staff and funding) and available for the provision of services.
- **Scope of services provided** – While having an organization that provides all of the services at the same level of citizen expectation is ideal for comparators, as long as the *majority* of services are provided in a similar manner, sufficient data should be available for analysis.
- **Labor market** – The reality of today's labor market is that many agencies are in competition for the same pool of qualified employees. No longer do individuals necessarily live in the community they serve. Therefore, the geographic labor market area (where the County may be recruiting from or losing employees to) will be taken into consideration when selecting potential comparator organizations.
- **Cost of living** – The price of housing and other cost-of-living related issues are some of the biggest factors in determining labor markets. We will review overall cost of living of various geographic areas, median house prices, and median household incomes to determine the appropriateness of various potential comparator agencies.

2. Determination of Benchmark Classifications

“Benchmark classes” are normally chosen to reflect a broad spectrum of class levels. In addition, those that are selected normally include classes that are most likely to be found in other similar agencies, and therefore provide a sufficient valid sample for analysis. Internal relationships will be determined between the benchmarked and non-benchmarked classifications and internal equity alignments will be made for salary recommendation purposes.

Because we find that the labor market typically yields reliable data, we recommend using about 60%-65% of all classifications as benchmarks but are flexible to use a different model. Establishing occupational groups of classifications during the classification phase of the study will facilitate selecting appropriate benchmarks to be surveyed.

3. Determination of Salary and Benefits Data to Be Collected

In addition to base salaries, benefit data elements for a total compensation study normally include at least the following, which are generally available to all staff in a specific job classification. Shown below are descriptions of those benefits that we normally collect (which can be modified to include any other information the County desires):

- **Monthly Salary** – The top of the normal, published salary range. All figures are presented on a monthly basis. We normalize the salary data to reflect working hours and/or “spiking” of retirement or other benefits.
- **Employee Retirement** – This includes two figures: the amount of the employee’s State or other public or private retirement contribution that is contributed by the County and the amount of the County’s Social Security contribution. With healthcare costs rising and retiree healthcare and liabilities increasing for many public agencies, we will collect retiree health information and retirement formulas as well. This information will not be rolled into our total compensation analysis but will be reported separately by describing what the policies/liabilities are.
- **Insurance** – This typically includes Health, Dental, Vision, Life, Long-Term Disability, Short-Term Disability, Employee Assistance Program (EAP), and other insurance coverage.
- **Leave** – Other than sick leave, which is usage-based, leave is the amount of days off for which the organization is obligated. All days will be translated into direct salary costs.
 - **Vacation** – The number of vacation days available to all employees after five (5) years of employment.
 - **Holidays** – The number of holidays (including floating) available to the employee on an annual basis.
 - **Administrative/Personal Leave** – Administrative leave is normally the number of days available to management staff to compensate for the lack of payment for overtime. Personal leave may be available to other groups of employees to augment vacation or other time off.

- **Deferred Compensation** – This is any deferred compensation provided to all members of a classification, either as an employer matching contribution or as a straight dollar or percentage contribution.
- **Other** – This category includes any other benefits that are available to all employees within a classification and not already specifically detailed. We will gather up to five (5) additional benefit components that the County may be interested in, such as educational/certification/license incentives, shift differentials, on-call pay, certain public safety “premium” compensation, differentials, etc.

Task B. Data collection

Our firm does not collect market compensation data by merely sending out a written questionnaire. We find that such questionnaires are often delegated to the individual in the department with the least experience in the organization and given a low priority. We conduct all of the data collection and analysis ourselves to ensure validity of the data and quality control. This approach also ensures that we compare job description to job description and not just job titles, therefore ensuring true “matches” of at least 70%, which is the percentage we use to determine whether to include a comparator classification or not. As mentioned above, our job analysis method is the whole position analysis approach. Our analysis will include written documentation of our assessment methodology and assessment for each position surveyed.

We typically collect classification descriptions, organization charts, salary schedules, personnel policies, MOUs, and other information via website, by telephone, or by an onsite interview. With the prior knowledge from the data gathered directly from each comparator agency and our experience in the public sector human resources field, our professional staff makes preliminary “matches” and then schedules appointments by telephone, and sometimes in person, with knowledgeable individuals to answer specific questions. We find that the information collected using these methods has a very high validity rate and is generally substantiated by employees, management, as well as governing bodies.

Task C. Analysis and preliminary data review

Data will be entered into spreadsheet format designed for ease of interpretation and use. The information will be presented in a format that will identify the comparator positions used for each classification comparison. Information will be calculated based upon both average and median figures allowing the County to make informed compensation decisions. Other elements of the compensation survey report are agencies surveyed; comparable class titles; salary range maximum/control point; number of observations; and percent of the County’s salary range is above/below the market values.

In addition, we will include any type of statistical representation and analysis that the County Contract Administrator or designee directs such as 60th, 70th, or any other percentiles.

Benefits data will be displayed in an easy-to-read format. You will receive three sets of spreadsheets per classification, one with base pay, one with the benefits detail, and one with total compensation statistical data. In addition, we are often asked to collect “other” benefits (as listed in the benefits section above), which we typically report on a separate spreadsheet.

Task D. Draft compensation findings/additional analysis/study project team meetings

We distribute our draft findings to the Study Project Team. After their preliminary review, K&A will meet with the Study Project Team and other stakeholders (including management, employee representation, and Human Resources) to clarify data, to receive requests for reanalysis of certain comparators, and to answer questions and address concerns. This provides an opportunity for the Study Project Team and other stakeholders to review and question any of our recommended benchmark comparator matches. If questions arise, we conduct follow-up analysis to reconfirm our original analysis and/or make corrections as appropriate.

Task E. Internal relationship analysis and internal alignment

To determine internal equity for all studied positions, considerable attention will be given to this phase of the project. It is necessary to develop an internal position hierarchy. Again, we utilize the “whole position” analysis methodology as described above.

By reviewing those factors, we will make recommendations regarding vertical salary differentials between classes in a class series (if recommended), as well as across departments. This analysis will be integrated with the results of the compensation survey.

The ultimate goal of this critical step of the process is to address any potential internal equity issues and concerns with the current compensation system, including compaction issues between certain classifications. We will create a sound and logical compensation structure for the various levels within each class series, so that career ladders are not only reflected in the classification system but also in the compensation system, with pay differentials between levels that allow employees to progress on a clear path of career growth and development. Career ladders will be looked at vertically, as well as, horizontally to reflect the classification structure that was developed during the classification phase of the study.

Task F. Compensation structure and implementation plan development

Depending on data developed as a result of the internal analysis, we will review and make recommendations regarding internal alignment and the salary structure within which the classes are allocated (set of salary ranges, salary differentials, steps within ranges, and/or alternative compensation plans), based upon the County’s preferred compensation model. We will develop recommendations for pay grades and salary ranges for all classifications based on median and/or mean salaries from the comparable agencies.

We will conduct a competitive pay analysis using the market data gathered to assist in the determination of external pay equity and the recommendation of a new base compensation structure. We will conduct a comparative analysis to illustrate the relationships between current pay practices and the newly determined market conditions and develop solutions to address pay equity issues, analyze the financial impact of addressing pay equity issues, and create a market adjustment implementation strategy supporting the County’s goals, objectives, and budget considerations. We will develop recommendations covering special compensation issues such as salaries above the maximum; seniority; promotions; maintenance of the salary schedules; etc.

Finally, we will evaluate benefit offerings in the labor market and make recommendations for better alignment and/or different benefit offerings as indicated by the analysis and best practices.

Draft recommendations will be discussed with the Study Project Team and management prior to developing an Interim Report.

Task G. Preparation of draft final and final report and deliverables

A Draft Interim Report of the Compensation Study will be completed and submitted to the Study Project Team for review and comment. The report will provide detailed compensation findings, documentation, and recommendations. The report will include a set of all market data spreadsheets; a proposed Salary Range document; a policy and procedure to address employees whose base pay exceeds the maximum of their newly assigned pay range; a manual of instructions regarding the administration of the proposed compensation system; discussion of how the compensation program impacts employee recruitment and retention efforts; implementation issues and cost projections surrounding our recommendations; and a guide for rules, policies and procedures for the County in implementing, managing and maintaining the compensation system.

Once all of the County's questions/concerns are addressed and discussed, a Final Classification and Compensation Report will be created and submitted in bound and electronic formats. The Final Report will incorporate any appropriate revisions identified and submitted during the review of the draft report.

Task H. Participation in an employee review and feedback process

Should the County have a formal appeal process regarding the allocation of positions to classifications and of classifications to salary ranges, this proposal does not cover time regarding a formal appeal process. Should our on-site participation be desired, our stated composite hourly rate will be honored.

Task I. Final presentation

Our proposal includes multiple meetings and weekly oral and written status/progress updates to the Study Project Team. Regarding the involvement of the County Board of Supervisors, we recommend at least one initial meeting, one interim study session (to discuss the initial findings of the compensation study), and one final presentation of our Final Report. We are flexible regarding having more or less interaction with the Board, based on the County's preferences.

Timeline and Compensation Schedule

	Phase I: Classification Study	Estimated Completion	Estimated Hours	Estimated Cost
A.	Initial Document Review/Meetings with the Study Project Team	End of Week 1	12	\$1,380
B.	Orientation Meeting with Employees and Distribution of PDQ	End of Week 1	20	\$2,300
C.	Position Description Questionnaire Completion & Review <i>One (1) PDQ for each of the approximately 415 classifications plus 175 to 345 PDQs submitted by individual employees (i.e., approximately 590-760 PDQs).</i>	End of Week 6	160 - 200	\$18,400 - \$23,000
D.	Employee/Supervisor/Management Interviews <i>One (1) individual or group interview for each of the 415 classifications plus 175-345 individual PDQs submitted by individual employees .</i>	End of Week 8	360 - 445	\$41,400 - \$51,175
E.	Classification Concept/Preliminary Allocation Development	End of Week 10	100 - 120	\$11,500 - \$13,800
F.	Draft Class Description Development/Update <i>Some classifications may be consolidated and some unused classifications may be reactivated. Approximately 415 -500 class specifications need to be developed/updated).</i>	End of Week 18	1,040 – 1,250	\$119,600 - \$143,750
G.	Draft Class Description Review/Employee Review and Feedback Process	End of Week 22	80	\$9,200
H.	Finalize Classification Plan/Draft Interim Report/Final Report	End of Week 24	24	\$2,760
	Total Professional Hours		1,796 – 2,151	2,151
	Combined professional and clerical composite rate: \$115/Hour			\$206,540 - \$247,365

	Phase II: Compensation Study	Estimated Completion	Estimated Hours	Estimated Cost
A.	Identify/Confirm Comparator Agencies, Benchmark Classes, Benefits to be Collected <i>Costs will vary based on the number of comparators identified by the County.</i>	End of Week 7	4 - 12	\$460 - \$1,380
B.	Compensation Data Collection <i>225-265 benchmarks, up to 12 comparator agencies.</i>	End of Week 24	440 - 620	\$50,600 - \$71,300
C.	Analysis and Preliminary Data Review <i>225 -265 benchmarks, up to 12 comparator agencies.</i>	End of Week 26	220 - 310	\$25,300 - \$35,650
D.	Draft Compensation Findings/Additional Analysis/Conference Call	End of Week 30	80 - 100	\$9,200 - \$11,500
E.	Internal Relationship Analysis/Internal Alignment	End of Week 31	24	\$2,760
F.	Salary Structure Recommendation Development	End of Week 33	16	\$1,840
G.	Development of Draft Final and Final Report and Deliverables	End of Week 34	24	\$2,760
H.	Final Presentation to the County Board of Supervisors	As Needed	6	\$690
	Anticipated hours for additional unscheduled meetings and phone calls	As Scheduled	20	\$2,300
	Total Professional Hours		834 – 1,132	1,132
	Combined professional and clerical composite rate: \$115/Hour			\$95,910 - \$130,180
	TOTAL FOR PROJECT - PHASE I & PHASE II:		2,630 – 3,283	\$302,450 - \$377,545

* *Completion dates may be adjusted due to scheduling conflicts. Prior approval by Contract Administrator or designee required.*