

Request for Proposals
Pay Plan Review



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Background

Planning and Development Services of Kenton County (PDS) is a multi-functional, multi-jurisdictional public agency serving Kenton County, Kentucky, and its 19 incorporated cities. Its statutory responsibility is to provide professional staff support to the Kenton County Planning Commission, but it also delivers services that are critical to the growth and development of those 20 local governments. These include planning and zoning, infrastructure engineering, GIS, building codes administration, and codes enforcement.

(Kenton County is one of eight counties that make up the Cincinnati metropolitan area. Its primary county seat is Covington which lays directly across the Ohio River from downtown Cincinnati.)

A seven-member management board and a 20-member council of elected officials oversee the agency. An executive director leads the agency's five departments and 47 employees. The agency's most recent comprehensive classification and compensation study performed was in 2005.

PDS' employment goal is to do what's necessary to attract, motivate, and retain quality employees who will deliver services and programs to the citizens of Kenton County in an efficient and cost-effective manner. In support of this goal, its employment objective is to maintain a classification and pay structure that is fair, equitable, systematic, and that provides compensation at least comparable with other public sector entities in the Cincinnati metro area.

Current Classification and Compensation Plan

PDS' Pay Plan classifies and compensates positions through a pay grade system implemented in 2005. Jobs are classified and rated based on requirements for experience and education. Internal equity and external market considerations are also considered. See Exhibit A – PDS Pay Plan.

The Pay Plan encourages longevity of good employees with step increases at six months, and three, five, ten, 15, and 20 years of service. Completing these time durations do not in and of themselves provide the increases shown on the Pay Plan. Performance over that period of time determine when and if the employee is moved to the next step. In no case can an employee earn more than what is shown for his/her actual tenure.

PDS' Human Resources Department evaluates and recommends adjustments to job grades on a case-by-case basis. These reviews are undertaken usually by recruitment and/or retention difficulties or employees working beyond the scope of their current classifications.

PDS modifies its Pay Plan every fiscal year. Prior to 2015, it adjusted the grid by the percentage produced by the Kentucky consumer price index (CPI). As budgets permitted, lump sum merit-based payments supplemented these increases for employees whose annual reviews warranted them. After 2015, the grid was adjusted in the same manner, but employees had to earn those increases through their annual performance.

Current Performance Evaluation System

Prior to 2015, PDS' annual performance review process was guided by a form developed in house. (See

Exhibit B – PDS Performance Review.) This process was very typical in form and scope. Criteria used included the organization’s five core values along with 12 performance metrics that ranged from attendance and punctuality to reasoning/judgement to leadership. Supervisors rated their employees on each criterion and assigned points as recommended by the form. The points were totaled at the end of the process and the resulting numbers were used as part of the performance reward process. This process was backward-looking, focusing almost entirely on what the employee had accomplished during the preceding year.

Based on employee feedback and investigation of options available, management scrapped this performance review process following 2015 and initiated a quarterly goal-oriented review. The agency’s five core values continue to provide a yardstick by which performance is rated. Goals developed by the supervisor and employee—some for the coming quarter and some for multiple quarters or the fiscal year—provide the yardstick for the balance of the review. (See Exhibit C – PDS Quarterly Goal Record.)

Now in its fifth year of administration, this goal-oriented review process provides a much more positive from supervisors and employees. Supervisors are programmed into a role of looking ahead, identifying improvements that will help the team. Employees are programmed into a role of seeking self-improvement. As administered, this process requires quarterly discussions on accomplishments and more frequent “check ins” during which the two touch base on how things are going. Response to the new system has been near unanimous and positive.

SCOPE OF REQUESTED SERVICES

A. Classification and Compensation Review

PDS seeks a review of its Pay Plan, both the Classification and Compensation System and the Performance Evaluation Program. This review shall pursue the following.

1. Identify the overall strengths and weaknesses of the two components and provide broad recommendations if possible for how to maximize their strengths and minimize their weaknesses. This review and these recommendations shall speak to PDS’ goal of doing what’s necessary to attract, motivate, and retain quality employees.
2. Conduct a survey of salaries and wages across the eight-county Cincinnati metro area for public sector positions employed by PDS to include Hire-In and Top-Out rates for each; and, to provide a market rate continuum for each applying Hire-In and Top-Out rates.
3. Evaluate PDS’ current Job Grades, i.e., number of grades and the spread between them.
4. Evaluate PDS’ current Progression Guide for Good Employees, i.e., number of steps and the spread between Hire In and 20 Years.
5. Identify appropriate assignments of exempt and non-exempt status in accordance with the Fair Labor Standards Act.
6. Using information gathered from tasks one through five above, recommend changes to PDS’ Classification and Compensation System.

7. Develop a methodology PDS should use to implement recommended changes to its classification and compensation system, including the placement of all employees within the classification and compensation system, and the total cost of implementation.
8. Describe the process that should be used for employees who have inquiries about or appeals to these recommended changes.
9. Recommend pay administration practices to include consideration of pay for performance, incentives and rewards for individuals, and, skill-based pay or alternative reward strategies which may be suitable for specific job grades that support PDS' recruitment and retention efforts.
10. Pay administration policies shall include, but not be limited to, movement through ranges, adjustments within pay grades, additional duties adjustments (temporary or permanent), reclassifications, promotions, transfers, demotions, career ladders, etc.
11. Provide a manual of instructions and training materials; provide actual training to Human Resources staff to administer the proposed classification and compensation system; indicate technology required and the availability of software for that purpose.
12. Provide a process for follow-up services after implementation of the program; recommend annual adjustment to market for pay ranges.
13. Suggest methodology to maintain the integrity of the proposed compensation and classification system after the initial phase-in period has expired.

The consultant may propose additional or alternative tasks deemed necessary to complete the above.

B. Required Information

Consultants, and any sub-consultants or sub-contractors, shall present satisfactory evidence to PDS indicating their ability to meet the scope of work detailed above within a prompt time frame. Also, to ensure consistency, proposals shall conform to the following format.

1. Cover Letter
2. Table of Contents
3. Sections
 - a. Introduction
 - b. Qualifications
 - c. Other Information
 - d. Sample Documents
 - e. References
 - f. Methodology
 - g. Timetable
 - h. Proposed Contract
 - i. Costs for Services

Section a – Introduction

This section shall contain information about the consultant’s experience and background. Please include complete information regarding experience with this type of service, number of years, number of employees, etc.

Section b – Qualifications

This section shall contain qualifications of personnel. Please submit resumes of key personnel who will be assigned to this contract. These key personnel may not be changed without the PDS’ approval.

Section c – Other Information

This section shall address any other information necessary for a full understanding of services offered. Please identify the specific project manager and any other additional services offered.

Section d – Sample Documents

This section shall include samples of questionnaires/surveys, pay plans and/or other proposed process materials.

Section e – References

Please provide a minimum of five (5) public agency references including contact person, phone number, address, description of service performed, and date of service included.

Section f - Methodology

Please provide a task listing of how this classification and compensation study will be accomplished.

Section g – Timetable

This section shall outline the proposed timetable required for the study to be completed and implemented. In addition, provide the time required to begin the project once notification to proceed has been issued.

Section h – Proposed Contract

Please provide a proposed contract for evaluation purposes.

Section i – Costs for Services

This section shall outline the proposed costs separately for each element of the Classification and Compensation Study proposal as proposed by the consultant as well as the overall costs for the project from beginning to completion.

C. Submittal Timeline / Final Considerations

1. Five paper copies and one thumb drive with a digital copy of your proposal shall be submitted and received no later than **4:00 PM EST on December 18, 2019.**
2. Your submittal shall be sealed in one envelope marked with “PAY STUDY” on the front.

3. Inquiries concerning this RFP shall be directed to **Nicole Cullum, CB, Finance / Human Resources Administrator** at ncullum@pdskc.org. Inquiries shall be submitted in writing.
4. All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Bidder and will not be reimbursed by PDS of Kenton County. Your proposal shall follow the specified format. You are encouraged to use your firm's standard governmental engagement letter, omitting any part that is in conflict with this RFP.
5. Your proposal shall be addressed as follows:

**Dennis Andrew Gordon, FAICP, Executive Director
Planning and Development Services of Kenton County
1840 Simon Kenton Way, Suite 3400
Covington, KY 41011-2999**