



MEMORANDUM:

July 10, 2008

TO: Kristen Tredway, Human Resources Director

FROM: Jill Pylant, Compensation Practice Manager

SUBJECT: Compensation Study

This memo is a follow-up to our recent telephone conversation concerning an update to the classification and compensation plan we developed for you in 2004. We understand that the City has serious financial constraints, thus propose that you perform some of the more labor intensive tasks in-house to save on our professional fees. You have indicated that you would like to conduct a salary survey (we strongly encourage you to duplicate the 2004 survey both in terms of the instrument and the participants), verify either that the market rates for the benchmark jobs are on market or determine how to put them on market, and re-evaluate a few jobs that have changed significantly since our previous study.

If you will conduct the salary survey in-house, our fees can be reduced by several thousand dollars.

Tasks involved include:

- Updating the survey instrument with changes in job descriptions, etc.,
- Contacting participants and requesting their participation,
- Sending out the survey (snail and/or email),
- Following up with participants who do not return the survey in a timely fashion,
- Forwarding survey responses to SMC for analysis, and
- Sending out the survey results to survey participants.

Travel expenses are another way to save on costs to the City. Airline tickets are now more expensive than I can remember. We are estimating that each trip we make to the City will cost approximately \$1,770.00. Normally a project such as this would involve two trips. We would begin the study by meeting with the Mayor and the management team (both collectively and individually) in order to understand all of the concerns/issues that need to be addressed in the study. We also would want to determine where the City is in terms of the recommendations made in the 2004 study and perhaps update those recommendations as well. The second trip would be at the conclusion of the study in order to present the findings and recommendations to the Mayor and Council. If either of these trips can be replaced by having the meetings with my participation by telephone, dollars can be saved.

We are estimating our effort to perform the analysis of the survey, re-evaluation of changed jobs, and preparation of findings and recommendations to be 147 hours. Our professional fees for this project (at a discounted rate since you are one of our more valued clients ☺) are \$7,858.00.

We hope the City will be able to perform this important project and look forward to working with you again.

SLAVIN MANAGEMENT CONSULTANTS

This Agreement, made and entered into on this _____ day of _____, 19__, by and between the City of Gahanna, Ohio (hereinafter referred to as "Client") and Slavin Management Consultants (hereinafter referred to as "Contractor"), is for the providing of consulting services as set out in the Contractor's proposal dated July 10, 2008.

The parties hereto agree to the following provisions:

- (a) For the work outlined in the above-referenced proposal, Client will pay Contractor \$7,858.00 for professional services and actual expenses estimated at \$1,770.00 as outlined in the above-referenced proposal.
- (b) Expenses will include such items as travel, administrative/word processing support, materials, supplies, long-distance telephone calls, report production and other directly related costs.
- (c) Contractor will submit three (3) equal monthly invoices of \$2,357.00, withholding 10% (\$786.00) of the total project fees which will be paid within thirty (30) days of satisfactory completion of the project.
- (d) Client's liability to Contractor for professional services under this agreement shall not exceed the agreed upon price unless an increase is so authorized.
- (e) Contractor's liability to Client for loss or damage resulting from errors, omissions, or negligent acts of the Contractor occurring during the rendering of these services shall not exceed the amount paid by Client for services rendered. Contractor's liability shall not be construed as liability for damage caused by or resulting from the negligence of the Client its agents, or employees.
- (f) Either party may terminate this agreement in whole or in part by the giving of ten (10) days written notice to the other party, provided that one of the following stipulations are satisfied:
 - 1) If termination is effected by Client, the Client will pay Contractor for all work performed through and including the date of termination;
 - OR
 - 2) If termination is effected by Contractor, the Contractor will complete work for all compensation received and issue a final invoice for services performed through and including the date of termination, which invoice shall be paid by Client within thirty (30) days.

Contractor's ability to carry out the work required is heavily dependent upon past experience in providing similar services to others, and we expect to continue to perform such work in the future. The confidential nature of any information received from you or developed during the work will be preserved in accordance with our professional standards.

Contractor assures employment of the best efforts to carry out the work required. The results obtained, recommendations and any written material provided will represent Contractor's best judgment based on the information available.

Contractor carries sufficient general liability, workers compensation, and professional liability insurance which are in effect and will remain in effect throughout the duration of this project.

SLAVIN MANAGEMENT CONSULTANTS by: _____
Robert E. Slavin
President
Date _____

Accepted for the City of Gahanna, Ohio by: _____

Date _____ Title _____