



Request for Proposal

Comprehensive Classification and Compensation Study

Issued by:
City of McPherson
400 E. Kansas Ave
McPherson, KS 67460

Contact: Britta Erkelenz
Email: brittae@mcpcity.com
Phone: 620-245-2535

Release Date: January 29, 2025
Proposals must be received no later than: February 28, 2025

I. Introduction

Notice is hereby given that the City of McPherson, Kansas (the “City”), is soliciting proposals from qualified consulting firms to conduct a comprehensive Classification and Compensation Study. The results of the study will serve as the basis for updating the City’s existing classification and compensation system introduced following the last study in 2019. The City seeks to ensure equity, competitiveness, and alignment with current organizational needs and labor market trends. The City will accept proposals until February 28, 2025. Previous experience with public sector agencies is required.

II. Background

The City of McPherson is a Kansas public entity established in 1885 and operates under a pure commission form of government and currently employs approximately 122 full-time and 71 part-time/seasonal/temporary employees. The population of the City of McPherson is listed as 13,906 residents. The last comprehensive study was completed in 2019, identifying opportunities for improving internal equity, addressing compression, and maintaining competitive pay structures. The Organizational Chart attached in Appendix A shows the current organizational structures of the City of McPherson.

The City currently budgets for 130 full-time employees in approximately seventy-seven positions and a combination of 113 part-time, seasonal, or temporary employees in approximately thirteen positions. All employees are subject to the City Commission approved pay plan.

The City’s goal is to attract and retain highly qualified employees by maintaining a fair and equitable classification system that reflects both internal equity and external market competitiveness. The issues this compensation study will need to solve includes but is not limited to:

- Establish a credible Classification and Compensation Plan to ensure accurate job classification and equitable pay based on duties, complexity, and skills.
- Address compression by maintaining fair pay differentials across responsibility levels.
- Provide competitive salaries, benefits, and incentives aligned with regional labor markets and organizational needs.
- Offer clear promotional pathways and recognizable compensation growth.
- Enhance employee retention through equitable and competitive compensation practices.

III. Scope of Work

The Consultant will:

1. Review and Analyze Existing Data
 - a. Review current job classification, pay structures, and related policies.
 - b. Assess changes in the City’s organizational structure and staffing since the last study.
2. Conduct a Market Analysis
 - a. Identify appropriate benchmark organizations for comparison.
 - b. Analyze salary data, benefits, and pay practices from selected benchmark organizations.
 - c. Provide a comparison to local private sector influences where applicable.
3. Job Classification Review

- a. Audit and evaluate job descriptions to ensure they reflect current duties, responsibilities, and qualifications.
- b. Ensure compliance with applicable laws and regulations, including the Equal Employment Opportunity, the Americans with Disabilities Act, and the Fair Labor Standards Act.
- c. Propose updated classification structures as necessary.

4. Benefits Analysis:

- a. Review current employee benefits packages, including health insurance, retirement plans, paid time off, and other perks.
- b. Benchmark benefits against selected public and private organizations within the region and similar-sized municipalities.
- c. Identify gaps or areas for enhancement to improve competitiveness and employee satisfaction.
- d. Provide recommendations to align benefits with organizational goals and budget constraints.

5. Compensation System Design

- a. Develop recommendations for revised pay structures.
- b. Address issues of compression, pay equity, and cost-of-living adjustments.
- c. Ensure long-term sustainability and scalability of the compensation system.

6. Stakeholder Engagement and Communication Plan

- a. Conduct interviews and focus groups with key stakeholders, including City leadership and employees.
- b. Develop a communication plan to regularly update stakeholders on progress and findings.
- c. Incorporate feedback into the study findings and recommendations.

7. Interim Progress Reporting

- a. Provide regular progress updates (at least bi-weekly) detailing milestones achieved and outlining next steps. Preliminary findings or recommendations must be submitted by early June to support the City's budget planning process.

8. Final Report and Presentation

- a. Deliver a comprehensive report detailing findings, methodologies, and recommendations.
- b. Provide an implementation plan, including estimated costs and timelines.
- c. Present findings to City leadership and stakeholders.

9. Post-Implementation Support

- a. Provide support for a specified period following the study's completion to assist with implementation and address any emerging issues.

IV. Deliverables

- a. Updated classification and compensation plan.
- b. Recommendations for implementation and maintaining the proposed system.
- c. Tools for ongoing internal equity and market competitiveness monitoring.
- d. Training for HR staff to manage the system.
- e. A post-implementation support plan.
- f. Communication materials for stakeholder updates.

V. Proposal Submission Requirements

Proposals must include the following:

1. **Organization Overview**
Provide a brief history of your organization, including years in business, staff size, areas of expertise, and client types. Highlight your experience with on-site consulting services.
2. **Key Personnel**
List the individuals who would work with the City on an ongoing basis, including their professional qualifications and relevant experience.
3. **Approach to Services**
Describe your methodology for delivering the services outlined in this RFP. Include a detailed cost proposal with a “not to exceed” amount.
4. **Relevant Experience**
Share examples of work products related to the scope of services, demonstrating your expertise and capabilities.
5. **Communication**
Detail your employee communication capabilities and provide sample materials to illustrate how you engage effectively.
6. **Reference and Client Lists**
Provide contact information for three governmental and three client references comparable to the City in terms of employee population and job scope. Additionally, include a comprehensive list of clients by name, city, and state.
7. **Confidentiality and Conflict of Interest Disclosure**
Include a statement confidentiality of City data and a disclosure of any conflicts of interest with City staff or officials.

VI. Evaluation Criteria

The City will consider several factors when evaluating proposals to ensure the selected firm meets the needs of the project and serves the City’s best interests. Proposals will be reviewed based on qualifications, approach, cost, and the scope of services offered.

To qualify for consideration, responders must demonstrate appropriate technical skills, sufficient financial and human resources, and a proven record of success with projects of similar scope and complexity.

VII. Submission and Evaluation Process

Proposals must be submitted in writing in a sealed envelope clearly labeled “Proposal for Classification and Compensation Study” and delivered to:

Britta Erkelenz
City of McPherson
400 E. Kansas Ave.
McPherson, KS 67460

Submission Deadline: February 28, 2025, by 12:00 PM CST. Late submissions will not be accepted.

The bid opening will take place at 1:00 PM on February 28, 2025, in the City Commission Room at the Municipal Center, 400 E. Kansas Ave., McPherson, KS 67460.

For questions you may contact Britta Erkelenz by email at brittae@mcpcity.com or phone at 620-245-2535. The deadline to submit questions is February 12, 2025.

VIII. Reservation of Rights

The City reserves the right to accept or reject any or all proposals, waive any irregularities or minor defects, and negotiate with the proposer whose solution is deemed to align most closely with the City's objectives. Selection will not be based solely on cost but consider a combination of pricing, qualifications, and scope of services offered.

Final approval of all plans, contracts, and purchases rests with the City Commission.

IX. Timeline

The City anticipates selecting a consultant by March 11, 2025. Upon selection, the consultant must schedule a kickoff meeting within five (5) business days during which a mutually agreed upon timeline will be established that includes target dates for the following:

1. Status update intervals and overall completion date
2. Initial data review
3. Market analysis and job classification review
4. Submission of preliminary findings by early June to align with the City's budget planning process
5. Draft report submission
6. Final report presentation
7. Implementation
8. Post-implementation support

X. Additional Requirements

1. Insurance and Indemnification
2. Consultants must provide proof of professional liability insurance and include an indemnification clause protecting the City against liabilities arising from the study.
3. Addenda Acknowledgement
4. Proposers must acknowledge receipt of all addenda issued during the RFP process.
5. Penalty for Late Delivery
6. The City reserves the right to impose penalties for delays in delivering the final report as agreed upon in the contract.

The City of McPherson looks forward to your proposal and appreciates your interest in supporting the development of our workforce through this critical initiative.