



## ADDENDUM NUMBER ONE

**DATE:** November 4, 2016  
**TO:** ALL PROPOSERS OF RECORD  
**FROM:** LYN MAJESKI, ACCOUNTING DIVISION MANAGER  
**BID FOR:** COMPENSATION STUDY 2016

This addendum forms a part of and modifies the bid specifications for the above item currently due by November 22, 2016 at 3:00 P.M. (local time) at the City of Oak Ridge, Central Services Complex, 100 Woodbury Lane, Oak Ridge, Tennessee.

### **ITEM 1 – Questions received from Potential Bidders**

1. Is there a preferred completion date for the study?

Preference for completion of the project is late March to early April, 2017 with a not to be exceeded Completion Date of April 28, 2017.

2. Does the City want the hired consultant to look at internal equity within the City's classification plan? If so, do you want job descriptions reviewed and revised, if necessary?

Internal equity amongst all City positions is not a focus of this project, but a small number of positions (4-6) may be designated for job description review/revision. The City is currently satisfied with the overall descriptions and structure of our classification plan. The key areas of concern are linked to the compensation aspect of our overall personnel plan.

3. Does the City want the hired consultant to review the current performance evaluation system and revise if necessary?

No.

4. The request in the RFP to address internal equity can only be accomplished through the classification process; the compensation process, through the use of benchmark positions and comparable market organizations, establishes the value in your market of certain knowledge, skills, abilities, and experience, not the value of a particular position to your organization or the internal equity (equal pay for equal work) between all of your positions. Additionally, you mention an appeals process. The compensation study process, in my opinion, cannot be successfully completed if open to employee appeals, e.g. "Why wasn't my position chosen as a benchmark?" "Why was this organization surveyed and not that one?" "May I have a statistician review the calculations that resulted in my pay range?" "Why did all of our current pay grades remain the same?" All excellent questions, but the answers fall to policy decisions to be determined before the undertaking of the compensation study... hopefully through some employee input but also through open discussions (ideally orientation sessions with employee groups) prior to the beginning of a study.  
Is classification a part of the study as the RFP is currently written?

Classification for all positions is not part of the study as the RFP is currently written. There may be 4-6 positions that are singled out for review as noted above(question 2) due to issues arising from the pay plan associated with those positions.

Designating an appeals process incorrectly identified the intent of the City, which was ultimately to allow input from employees during the process as requested by the firm carrying out the compensation evaluation. A review of the cities classification plan is not the intent of this RFP, the focus is on modifying our pay for performance system to work more efficiently since merit pay has not been dispensed following the 2008 modification to the City's payment plan.

**\*\*\*\*\* Acknowledge receipt of this addendum with your Proposal \*\*\*\*\***