

ADDENDUM NO. 1

DATE: July 20, 2021

FROM: Penny Owens, Purchasing Agent

SUBJECT: Addendum No. 1 – RFP Compensation Study

RFPs to be Opened: July 22, 2021 at 11:00:00 a.m. Eastern Time

This addendum is published to provide responses to questions submitted by potential proposers. This addendum becomes a part of the Contract Documents and modifies the original specifications as noted.

Question #1: The RFP on page 5 indicates there are approximately 50 uniformed job titles and 120-150 benchmark jobs descriptions that will be included in the Total Compensation review. How many total job titles are in use by the City? Does the total 170-200 represent the entire City or is it a subset of the total number of job titles in use?

Response: This study is a subset of the total job titles in use. Currently we have 321 job titles. We will include all uniformed titles for KPD and KFD (approximately 50) and will select up to 150 general government job titles.

Question #2: On page 6 the classification plan review references approximately 160-200 job titles. Are these the same job titles as those included in the Total Compensation review?

Response: This number includes uniformed and general government job titles.

Question #3: Are all uniform positions (50) included in classification plan review?

Response: Yes, all uniformed job titles will be included in this study – Police and Fire.

Question #4: Does the City anticipate the collection of Job Description Questionnaires for all job titles in the classification plan review or are most of the City's current job descriptions up-to-date and accurate?

Response: The consultants will need to work with two HR Analysts on updating job descriptions. Most are not up to date. The consultant will need to review all job descriptions and work with the HR Analysts to review job descriptions as needed.

Question #5: Does the City want the consultant to develop recommendations regarding pay policies?

Response: Based upon the current Administrative Rules regarding pay, the consultant will need to make recommendations for revising current rules and present the outcomes of the study to include recommendations for implementation over a period of 3 years.

Question #6: Is there any flexibility in the project timeline? Four months is very aggressive for completing a total compensation study and classification review.

Response: Unfortunately, we need to provide all compensation recommendations to the Mayor by March 1. Therefore, we will have limited flexibility on the timeline. The absolute deadline must be no later than February 1, 2022.

Question #7: Is there a budget for this study?

Response: The City of Knoxville does not disclose the budget during an active procurement.

Question #8: Compensation Philosophy/Benchmark Methodology. Do you have a stated compensation philosophy? How do you position yourself to the external market? How does this differ for each reward element (base pay, incentives, bonus, benefits, etc.)? Do you have a methodology you follow which states who you compare yourselves to?

Response: The Mayor's pay philosophy is to provide competitive pay and benefits to our local market. The City wants to meet the market for total benefits for most of our positions. We understand that it may take several years to meet this goal but it is a goal. The City of Knoxville does not use a specific methodology. We provide equity pay/bonus funds for general government.

Question #9: Incentive Programs. Can you provide a description of your incentive compensation programs? This would include anything outside of base pay.

Response: General government only - Bonus/Equity pay - for internal equity purposes, or for recognition of ongoing outstanding performance. Bonuses of up to five percent (5%) of an employee's annual base salary may be granted to employees as recognition of a significant job relevant achievement (e.g., obtaining a professional certification or degree), for completion of an extraordinary project, or for taking on new tasks or projects that are part of the employee's job description, but that the employee has not performed previously. Each department is allotted 0.5% of the department's base salary budget for the fiscal year for bonus or equity.

Question #10: Compensation Administration. Do you have compensation administration guidelines you are currently using – specifically regarding promotions, lateral moves, demotions, etc.? If so, can you please provide those?

Response: This information is based on Administrative rules and Civil Service procedures. Admin Rule 2, 3, 6, and 7 and Civil Service Rules 25.

https://knoxvilletn.gov/government/city_departments_offices/human_resources/administrative_rules

https://knoxvilletn.gov/government/city_departments_offices/civil_service_department/civil_service_merit_board_rules

Question #11: Job Catalog. Is there one job catalog for the entire organization? Is there a job catalog specification detailing the elements / components of the job catalog? Examples include grades, salary

range assignment and range, eligibility for compensation programs like bonuses, and compliance attributes?

Response: Class list by titles will be provided to the winning proposer.

Question #12: Base Pay Structures. How have you managed your three salary structures over time? While not adjusted in 2021, how often are they typically adjusted and by how much?

Response: Adjustments were in range with the annual salary adjustment of 2.5%.

Question #13: Number of Jobs/Job List. Can you provide the list of job titles that would be included in the study? This will help us determine the most relevant sources of market compensation information. Multiple career levels of one job (e.g. Accountant I, II and III) would be considered separate jobs. If you could also provide the number of incumbents in each job, that would help us refine our approach/scope.

Response: There are approximately 327 currently used job titles. The City of Knoxville will review all Uniformed positions and 120-150 general government job titles. The list of specific general government job titles is evolving. However, every department will have at least one job title in the compensation study. The number of incumbents will be provided to the selected consultant.

Question #14: Employees Excluded. Are there any jobs, groups of jobs, and/or incumbents excluded from this study? For example: executives, sales, non-exempt, etc.

Response: The study will not include positions within the Mayor's office. All other positions, regardless of Civil Service status or FLSA exemptions may be included in the study.

Question #15: Custom Survey. Will you provide the list of 100 comparable cities, counties and private industries in the Southeast that were used in the 2017-2018 survey? Is it expected that the 2021 study will use the same or similar 100 comparable entities?

Response: The list of previously included entities is not available. However, the study should include municipalities in the state, and like sized cities in the South. Include Greenville, SC, Columbia, SC, and Fayetteville, AR.

Question #16: Benefit Offerings. Are any of your benefit offerings different for certain employees or groups of employees? If there are differences, for which employee populations are they different and how are they different?

Response: Directors do not accrue sick or annual leave. Pension plans differ for uniformed employees.

Question #17: Job Content/Documentation. What is the status of existing job documentation? Does it exist for some jobs and not others? Does it exist for all but some is not up-to-date? Is it all outdated? Does it not exist at all? Where are job descriptions housed – technology, SharePoint, individual hard drives, etc.? In the absence of up-to-date job documentation, how will we gather the information required to make accurate comparisons to the market? Are interviews and/or distributing Position Information Questionnaires acceptable approaches? Is there a preferred approach?

Response: Job descriptions exist for most positions. However, many job descriptions are outdated and will require review. The City of Knoxville has two HR Analysts and one HR Specialist who will be able to assist the consultants in obtaining information needed to update job descriptions. All job descriptions are saved in an internal drive and will be available

Question #18: Compensation Survey Data. What survey data do you purchase, participate in, and/or use for market comparisons today? Will any of these sources be available to use in this study? If so, are they in an importable, excel format? If you use a compensation management tool to house this survey data, please provide the name of the vendor/software.

Response: We currently do not utilize purchased information. This is a new process. We will need assistance in this area.

Question #19: Union Population. Are there any union populations included or excluded from this study? If unions are included, how many are there?

Response: We do not operate in a union environment. This is not included.

Question #20: Budget. Is there an approved project budget for the study? If so, what is the budget?

Response: The City of Knoxville does not disclose the budget during an active procurement.

Question #21: Several of the submission forms require notarization. We plan to submit our proposal electronically – can we scan the notarized forms and include in our proposal PDF file?

Response: Yes, scanned versions of the notarized forms are acceptable.

END OF ADDENDUM NO. 1