SUMMARY STATEMENT

ITEM NO.: DRPA-13-134

SUBJECT: Professional Consultant for Compensation Reviews
(As Amended)

COMMITTEE: Labor

COMMITTEE MEETING DATE: November 13, 2013

BOARD ACTION DATE: November 20, 2013

PROPOSAL: That the Board authorizes staff to appoint a professional compensation consulting firm to conduct individual and/or group salary audits/reviews which will be done on a case-by-case basis as requested by DRPA and may at times include union and non-union positions within the Authority.

PURPOSE: In order to maintain consistency and equity in the current salary structure, assessments of certain positions within the DRPA and PATCO, on a case-by-case or group-by-group basis is sometimes necessary. At the direction of the Labor Committee, staff was directed to issue a Request for Proposal (RFP) for qualified professional compensation consulting firms. Consultants were asked to provide hourly rates for the services to be performed. More specifically, the consultant will be expected to perform the following tasks:

- On a case-by-case basis or on a group-by-group basis, as requested by the DRPA, determine the relative worth of jobs by using job sampling, job grading, factor comparison, or other methods determined by the consultant.

- Compare compensation levels of those positions within the Authority to similar positions within the local private sector, local public sector, and other comparable transportation agencies.

- Evaluate job worth and match with labor market worth, establishing the appropriate pay level for each job.

- Provide written reports to DRPA detailing the findings of the audits and recommendations regarding salary reviews and job classification.
BACKGROUND: On August 7, 2013, the DRPA issued an RFP for qualified compensation consulting firms to conduct the aforementioned salary reviews for a term of three years. Responses were due on August 28, 2013 by 2:00 pm. The RFP was publicly advertised on DRPA’s website.

We received proposals from the following four (4) firms: (1) The Segal Company-New York, NY; (2) The Hay Group-Philadelphia, PA; (3) Grant Thorton, LLP-Philadelphia, PA and (4) Career Concepts-Blue Bell, PA.

A staff committee was convened for the purposes of reviewing and analyzing the proposals. The committee consisted of the following individuals: Kelly L. Forbes, Director, Human Resource Services, Sandi Thompson, HRIS Administrator, Human Resource Services, John Lotierzo, Director, Finance, PATCO and Patrick McBride, Director, Transit Services, PATCO. All committee members were interviewed by the Inspector General for potential conflicts and cleared to proceed.

Based upon the assessments of the committee, Career Concepts, Inc. is the recommended vendor.

Career Concepts estimates that it will take between one and five hours per salary audit. Career Concepts will provide a senior compensation consultant, a Project Manager and a Compensation Consultant. The hourly bill rate for all three years is $200 for the senior compensation consultant and the project manager and $150 for the compensation consultant. The studies being provided shall utilize two databases, where available, and be internally peer reviewed prior to presentation to the Authority.

Career Concepts is a certified Women’s Business Enterprise based in Blue Bell, PA, with offices in Marlton, NJ, Wilmington, DE and Philadelphia, PA.

Based on the above analysis, it is the recommendation of staff that Career Concepts, Inc. be appointed the compensation consultant for the DRPA.
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<th>SUMMARY:</th>
<th>Amount:</th>
<th>n-t-e $140,000 for three years</th>
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<tbody>
<tr>
<td>Source of Funds:</td>
<td>Revenue and General Funds</td>
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<td>Capital Project #:</td>
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<td>Operating Budget:</td>
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<td>Master Plan Status:</td>
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<td>Other Fund Sources:</td>
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<td>Duration of Contract:</td>
<td>Three Years</td>
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<td>Other Parties Involved:</td>
<td>Career Concepts, Inc.</td>
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RESOLUTION

RESOLVED: That the Board of Commissioners authorizes staff to appoint Career Concepts, Inc. to serve as the compensation consultant and to conduct individual and/or group salary audits/reviews which will be done on a case-by-case basis as requested by DRPA and may at times include union and non-union positions within the Authority; and be it further

RESOLVED: That the Board of Commissioners authorizes staff to enter into a contract with Career Concepts, Inc. for an amount not to exceed $140,000 for a period of three years; and be it further

RESOLVED: That the Chairman, Vice Chairman and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chairman, Vice Chairman and Chief Executive Officer and if thereafter either the Chairman, Vice Chairman is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chairman and Vice Chairman are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

SUMMARY:
- Amount: n-t-e $140,000 for three years
- Source of Funds: Revenue and General Funds
- Capital Project #: N/A
- Operating Budget: N/A
- Master Plan Status: N/A
- Other Fund Sources: N/A
- Duration of Contract: Three Years