



November 19, 2022

Adela Cortez
Human Resources Director
City of San Luis, AZ
1090 E. Union Street
San Luis, AZ 85349

Dear Adela:

Following is the proposal to perform a compensation study for the City of San Luis, AZ, herein referred to as City of San Luis. We are excited about the potential opportunity to work with the City of San Luis to complete this compensation review.

Overview

The purpose of this proposal is to plan and conduct a market review to establish and confirm current market values for all of the positions at the City of San Luis. The proposal includes the project deliverables, survey sources, investment, and project resources.

The information contained herein is of a confidential nature and is intended for the exclusive use of the City of San Luis, AZ. Reproduction, publication, or dissemination or portions hereof may not be made without the prior written approval of Total Reward Solutions, LLC, herein referred to as TRS.

Compensation Project Deliverables

- Develop compensation philosophy and market data scopes by employee group.
- Review job documentation and pull matches from two databases and send them to the City for review and approval.
- The City would match their jobs to the Arizona League of Cities survey and obtain two other local salary resolutions and match their jobs to those as well. The combination of these would be considered another source of data beyond TRS databases. Both databases and the combination of the surveys from Arizona would be weighted evenly thus resulting in 3 sources all weighted evenly.
- Market benchmarking data would be aggregated for up to 110 jobs from all three sources and would be provided at the 25th, 50th, and 75th percentiles of base pay and total cash compensation as well as market pay mix and bonus dollars at the 50th percentile.
- Develop a base pay structure based on market benchmarking.
- Slotting of all positions into the new pay structure.
- An incumbent analysis of approximately 255 employees to include percent of base pay relative to new midpoint, any employees under range minimum, any employees

over range maximum, and the cost impact to increase employees to the minimum of their pay range.

- Executive slide presentation and a written report to include findings and recommendations for this compensation project, and
- Completion of the project by a date agreed to by both parties. We believe this project can be completed in approximately 4 to 5 months. The project could be started in early January 2023 and completed by May 28, 2023.

Survey Sources

A total of two survey sources will be utilized by TRS to complete the market review. TRS survey sources include:

Economic Research Institute (ERI) is a database that contains a compilation of more than 13,000 jobs. The data is available by SIC code, revenue size, experience required for job, and location.

CompAnalyst is a database that contains a compilation of more than 15,000 jobs. The data is available by industry, employee size, revenue, and location.

Additionally, the other surveys described in the deliverables from the City of San Luis would be utilized.

Investment & Billing

The total investment for this project is \$55,750.00. The project will be billed monthly based upon the total months agreed upon to complete the project. Invoices are due upon receipt and a late fee is added after 15 days. Should the number of positions increase for this market review, the project fee will be revised.

Additional Expenses

All conference calls needed to complete this project have been included in the proposal. No on-site meeting hours have been included in this proposal. Should the scope of this project change at any time during the project, a revised proposal or addendum will be made to the original proposal. Travel, lodging, and IRS approved mileage rates will be billed for travel outside the Indianapolis market.

Project Resources

Cassandra Faurote, Shellye Kaplin, and/or Amanda Gleason will be assigned to this project. Bios for all individuals can be found at the end of this proposal.

Indemnification and Hold Harmless

To the extent permitted by law, the City of San Luis, AZ agrees to defend, indemnify and hold harmless Total Reward Solutions and its officers, directors, agents and employees from and against any and all claims, suits, liens, judgments, damages, losses and expenses including reasonable legal fees and costs arising in whole or in part and in any manner from acts, omissions, breach or default of Total Reward Solutions, in connection with performance of any work completed for them.

Cancellation Policy

Should the City of San Luis cancel this project prior to a minimum of 50% completion of this project, an amount equal to 50% of the total project cost will be due immediately upon invoicing. Additionally, any hours of work completed beyond 50% will be calculated, invoiced, and due immediately after receipt of invoice.

We appreciate the opportunity to submit this proposal. I will contact you within the next few days to review the proposal. Upon approval and agreement on the scope, and investment of the project, I ask that you sign below and return a copy via electronic means to my office.

Sincerely,

Cassandra Fawrote

Cassandra Fawrote, CCP, SPHR, SHRM-SCP
CEO and Founder
Total Reward Solutions, LLC

Agreed to Proposal as Stated:

Signature and Printed Name

Date



Biographies

Total Reward Solutions was founded in 2005 and is an Indiana certified WBE consulting company that has a passion for designing effective and competitive compensation and total reward programs. They have consulted with companies in over 50+ industries.

Biography for Cassandra E. Faurote, CCP, SPHR, SHRM-SCP CEO and Founder

Cassandra Faurote is the CEO and Founder of Total Reward Solutions and has over 30 years' experience in human resources. Born in Dayton, Ohio, Cassandra has a bachelor's degree in business management from Indiana Wesleyan University and holds three certifications to include Certified Compensation Professional (CCP), Senior Professional in Human Resources (SPHR), and SHRM Senior Certified Professional (SHRM-SCP). Cassandra is the author of *Compensation Sense 101: Common Sense Answers to Your Questions about Employee Compensation and Total Rewards*.

Professional affiliations include being a member of the Society for Human Resources Management, World at Work, Indy SHRM, and NAWBO. She has authored articles in World at Work, Inside Indiana, Louisville Business Journal, HR Professionals Magazine, Kentucky SHRM and is frequently a speaker at conferences.

Biography for Shellye Kaplin Managing Director

Shellye Kaplin possesses over 25 years' hands-on experience both as a practitioner and consultant in Human Resources with specialization in compensation and benefits. Shellye was a consultant with two of the large human resources consulting firms in the United States as well as worked for a pharmaceutical company. She has extensive experience in developing, directing, and implementing compensation and benefit programs and strategies for numerous organizations in a variety of industries. Some industries include universities, hospitals, retail, financial services, pharmaceutical, and life sciences organizations. Shellye has a bachelor's degree in Liberal Arts from the University of Louisville.

Biography for Amanda Gleason Compensation Consultant

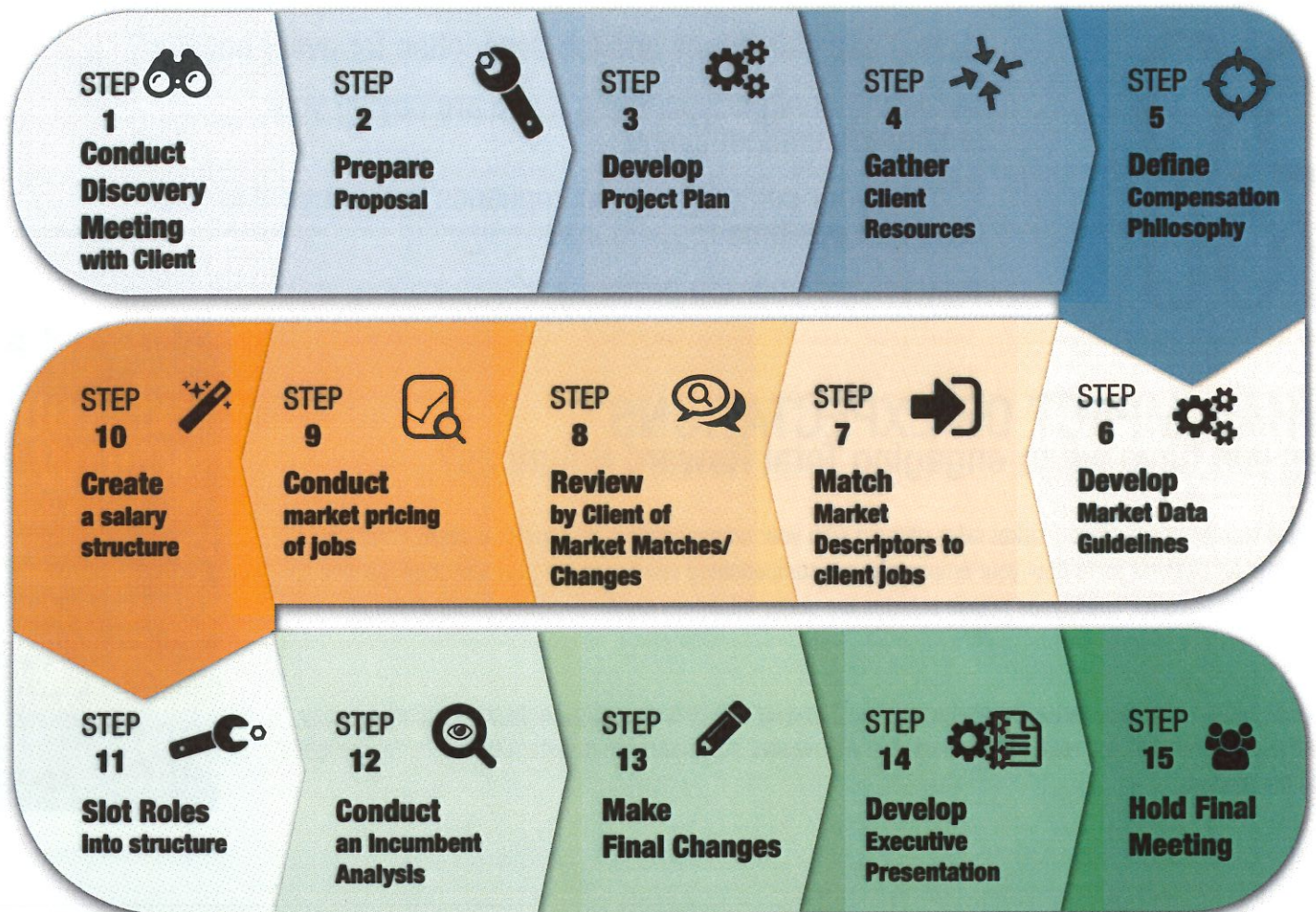
Amanda Gleason has over 18 years progressive Human Resources experience with significant experience in human resources compliance, benefit administration, employee lifecycle management, human resources functional audits and executing tactical plans for HR compliance. Her compensation experience includes leading organizations through researching, benchmarking, and building base pay programs to implement pay practices that attract and retain talent.

Amanda has a master's degree in Management/Human Resources, is certified as a SHRM-CP, and has a Certificate in Conducting Lawful Workplace Investigations (IAML).

317-589-8529

www.totalrsolutions.com

BASE PAY PROJECT DEVELOPMENT PROCESS



OPTIONAL PROGRAM DELIVERABLES

- » Job Families/Level/Descriptors
- » Geographic Differentials
- » Cursory or In-depth FLSA Review
- » Discrimination Analysis
- » Manager's Compensation Guide
- » Manager's Training
- » Development of Job Descriptions



Total Reward Solutions

Ph: 317.589.8529 | Em: info@totalrsolutions.com

DO YOU

- ...have a pay philosophy and job description for every position?
- ...lie awake at night wondering if you are paying your employees competitively?
- ...know if your company is in compliance with wage and hour laws and overtime regulations?
- ...truly reward your top performers?

WHAT IMPACT OR EXPECTATIONS can you have when engaging Total Reward Solutions?

You will receive competitive market rates aligned with your compensation philosophy, a customized pay structure, an analysis as to how your employees are compensated relative to the new structure, as well as recommendations for employees whose salaries are under minimum and/or over maximum of the new pay ranges.

You will additionally have better longevity and less turnover due to less employee dissatisfaction with pay relative to the market and relative to others. You will receive a compensation system that is fair and aligned with the market.

DID YOU KNOW

the turnover expense for just one employee will far exceed the cost of engagement with Total Reward Solutions?

WAYS TO MEASURE YOUR RESULTS

- » Total Reward Solutions can perform a survey to measure employee's importance and satisfaction with various pay components and then perform that same measurement months after the program is in place to ensure employees feel compensation has improved.
- » Percent of offers accepted before and after project.
- » Look at any type of survey currently in place (such as Best Places to Work) to see if compensation scores improve after we have provided you a service.
- » Calculate the financial impact of employees underpaid vs. overpaid.
- » Determine competitive position in the market and alignment with philosophy before and after project.
- » ROI on project via improved turnover or cost per employee.



Total Reward Solutions

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Maria Munoz

From: Cassandra Faurote <cassandra@totalrsolutions.com>
Sent: Monday, September 26, 2022 1:20 PM
To: Maria Munoz
Subject: [EXTERNAL] Compensation Project Estimate

Maria

I wanted to start by providing an estimate and deliverables to see if we are in the ballpark before preparing a formal proposal. If we are not in the ballpark since we are out of state, I do not want to waste either of our time.

Part 1 - Classification Study Deliverables

- Orientation – up to 2 one-hour zoom or Team calls – staff could be divided in half.
- We would provide a job analysis questionnaire (JAQ) for the supervisor to complete. They can do this with the employee, if they desire. We would need one consolidated JAQ for the compensation study if there are multiple employees in a job and/or that job crosses across departments and is the same job. Collaboration would need to occur internally.
- Interview supervisors via Teams for up to 30 minutes each on the completed job analysis questionnaire.
- Provide a template for all job descriptions to be approved by the City.
- Create 110 new job descriptions based on the job analysis questionnaire and subsequent interview with the supervisor.
- Send completed job description to supervisor and allow for one round of changes.
- Final job description then to be sent to human resources.
- Completion of the project by a date agreed to by both parties. We believe this work will take 90 days and would best occur between January through March, 2023.

The investment for this part of the project is estimated at \$44,000. This project would require the use of some City administrative support to schedule the calls with supervisors.

Part 2 – Compensation Study Deliverables

- Development of compensation philosophy and market data scopes.
- Job documentation reviewed and survey match descriptors pulled from two databases and sent to the City for review and approval.
- The City would match their jobs to the Arizona League of Cities survey and obtain two other local salary resolutions and match their jobs to those as well. The combination of these would be considered another source of data beyond TRS databases. Both databases and the combination of the surveys from Arizona would be weighted evenly. Thus resulting in 3 sources all weighted evenly.
- Aggregated market benchmarking for up to 110 jobs from all three sources would be provided at the 25th, 50th, and 75th percentiles of base pay and total cash compensation as well as market pay mix. Bonus at the 50th percentile will also be provided.
- Create a pay structure based on the market benchmarking.
- An incumbent analysis of approximately 255 employees to include percent of base pay relative to new midpoint, any employees under range minimum, and any employees over range maximum.
- Executive slide presentation to include findings and recommendations for this base pay study.
- Completion of the project by a date agreed to by both parties. We believe this work would take 90 – 120 days and would best occur between April through July, 2023.

The investment for this part of the project is estimated at \$55,750.

Total investment for both projects is estimated at \$99,750. These estimates do not include travel expenses – flight, hotel, and meals. Additionally, meeting hours would be charged at \$200/hour. The City would approve all of these expenses prior to travel.

I hope this estimate is in line with your expectations and would be happy to pull together a full proposal if we are in the ballpark and it makes sense for the two of us to continue with this process. I know there is also a 3 hour time difference that would need to be taken into consideration for the interviews. Thank you for your time thus far and let me know if we are moving forward.

Cassandra Faurote, CCP, SPHR, SHRM-SCP
Founder & CEO
Total Reward Solutions
Your Trusted Partner for Compensation Solutions | Certified WBE

Author:

[Compensation Sense 101: Common Sense Answers to Your Questions About Employee Compensation and Total Rewards](#)

Office: 317.589.8529 | Mobile: 317.490.7531 | Email: cassandra@totalrsolutions.com

Website: <https://www.totalrsolutions.com/>

LinkedIn: <https://www.linkedin.com/company/total-reward-solutions/>

Twitter: https://twitter.com/T_R_Solutions



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