

MEMORANDUM OF AGREEMENT

This agreement is made and entered into this ____ day of _____ 2007, by and between the City of Rapid City, South Dakota, party of the first part, hereinafter called the COOPERATOR and Condrey and Associates, Inc., party of the second part, hereinafter called the CONSULTANT. All obligations under this agreement will be performed by Condrey and Associates, Inc.

WITNESSETH, inasmuch as the COOPERATOR is desirous of setting up a cooperative service with Condrey and Associates and inasmuch as the CONSULTANT is willing to undertake and conduct such a cooperative service, the purpose of this agreement is to establish the terms and conditions under which such a cooperative service will be accomplished pursuant to the conditions herein set forth.

The CONSULTANT is an independent contractor. Furthermore, the parties hereto agree that any information gathered from the COOPERATOR of its employees, and the documents prepared therefrom, shall be the property of the COOPERATOR. They shall remain confidential and shall not be used by CONSULTANT other than in its duties and responsibilities hereunder.

NOW, THEREFORE, in consideration of the following mutual promises, covenants, and conditions, it is agreed as follows:

Section I

Condrey and Associates will:

a. Carry on the cooperative service onsite and in the offices of Condrey and Associates substantially as set forth in the attached outline marked "Appendix A" and made a part of this agreement.

b. Preserve all of its records bearing upon the amounts payable under this agreement, and further agrees that any specifically authorized representative of the COOPERATOR shall, until the expiration of one year after final payment under this agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of Condrey and Associates involving transactions related to this agreement.

Section II

COOPERATOR will pay Condrey and Associates a **fixed fee** of \$20,000 upon receipt of invoices. This amount will be paid in two installments within twenty (20) days of receipt of billing. The invoices should be directed to: Ms. Cathy Druckrey, Human Resources Manager, City of Rapid City, 300 Sixth Street, Rapid City, SD 57701. The billings shall occur on December 15, 2007, and March 1, 2008. The fixed fee of \$20,000 is exclusive of travel expenses. The City of Rapid City will be billed actual travel expenses.

Section III

The term of this agreement shall be from December 1, 2007 through March 31, 2008. However, it may be terminated by either party by written notice of such intent submitted 30 days in advance. In the event of such termination, the COOPERATOR will pay Condrey and Associates a prorated portion of the upcoming installment consistent with the revised termination date. Condrey and Associates will continue to work on the project until the revised termination date and will provide to the COOPERATOR interim findings and summary notes that reflect the status of the project at the time of revised termination.

Section IV

This agreement may be modified at any time by mutual consent of the parties hereto. Any modification hereto shall be in writing and signed by both parties.

Section V

Neither party to this agreement will discriminate against any person, employee or applicant for employment because of race, creed, color, religion, sex, national origin, ancestry, age, veteran status, or disability.

IN WITNESS WHEREOF, this agreement is entered into on the date first above written.

FOR CONDREY AND ASSOCIATES:

FOR THE CITY OF RAPID CITY:

Stephen E. Condrey
President

Date: _____

Date: _____

Jan H. Hansford
Vice President/Treasurer

Date: _____

Corporate Seal

APPENDIX A

Contract for Technical Assistance to the City of Rapid City, South Dakota Proposal for Reviewing and Updating the City's Position Classification System and Compensation Plan

The City of Rapid City has determined the need for a review and updating of the job classification system and pay plan for all jobs covered under the city's personnel plan.

Objectives

Condrey and Associates proposes the following schedule of activities to accomplish three objectives:

1. Review and upgrade the current classification system and pay plan for all employees of the city;
2. Collect wage survey data and produce a recommended pay plan based on job analysis, job evaluation and wage survey data; and
3. Train designated personnel in each step of classification and pay plan development to insure the implementation and maintenance of the system.

Phase I – Developing a Work Plan and Schedule of Activities

- 1.1 Condrey and Associates will conduct an orientation describing in detail the activities that will be required to accomplish the project activities.
- 1.2 During this phase all the documents detailing the current personnel policies and procedures, job classification and pay plan will be made available to Condrey and Associates staff for review and analysis.

Phase II – Job Analysis Survey

- 2.1 Condrey and Associates staff will interview city department heads concerning employee duties and responsibilities.
- 2.2 Condrey and Associates staff will make recommendations for revision of the position classification system based on 2.1 above.

Phase III – Job Evaluation

- 3.1 Condrey and Associates staff will furnish a job evaluation format of established procedures for ranking jobs and measuring differences in job content.

- 3.2 Condrey and Associates staff and appropriate city officials will select a format best suited for measuring different levels of knowledge, skills, and abilities required to perform the jobs to be evaluated.

Phase IV – Marketplace Compensation Survey

- 4.1 In a joint effort with appropriate city officials, Condrey and Associates will collect survey data covering public and private organizations. This includes a maximum of 45 benchmarks and 25 potential responding organizations.
- 4.2 Condrey and Associates will analyze and format the survey data for use in establishing competitive pay levels.
- 4.3 After this phase is completed, Condrey and Associates staff will review all data generated to this point with appropriate officials to determine what additional information needs to be considered before moving to the next phase.

Phase V – Developing a Pay Plan

Condrey and Associates staff will:

- 5.1 Establish recommended pay grades based on the job evaluation results (Phase III) and the wage survey (Phase IV);
- 5.2 Establish pay steps or ranges in each grade and present the complete recommended pay plan to appropriate officials for review. At this point the plan will reflect the data from Phases III and IV as well as cost-of-living data, and the jurisdiction's financial condition and compensation policy.

Phase VI – Implementing and Administering the Program

Condrey and Associates staff will:

- 6.1 Train appropriate officials in the administration of the program with an emphasis on procedures for keeping the program up-to-date; and
- 6.2 Be available to provide a reasonable level of ongoing technical assistance necessary to maintain the program.

Cost and Duration

The cost to Condrey and Associates to provide the services specified in this proposal will be a **fixed fee** of \$20,000 (exclusive of actual travel costs). Considering the scope of the project, we anticipate a four (4) month work plan beginning December 1, 2007, with final reports submitted on or before March 31, 2008.

City of Rapid City
Schedule of Activities

<u>DATE</u>	<u>ACTIVITY</u>
December 2007	<ul style="list-style-type: none">o Distribute position questionnaireso Conduct project orientation for human resources staff and department headso Conduct salary survey
January 2008	<ul style="list-style-type: none">o Completed position questionnaires returned to Condrey and Associateso Conduct employee interviews
February 2008	<ul style="list-style-type: none">o Develop preliminary cost estimateo Present preliminary classification and pay report
March 2007	<ul style="list-style-type: none">o Publish final report
April 2008 – March 2009	<ul style="list-style-type: none">o Provide follow-up technical assistance in pay plan implementation

Project Director: Dr. Steve Condrey, President
Condrey and Associates, Inc.
PO Box 7907
Athens, GA 30604-7907
(706) 380-7107 (Phone)
(586) 816-4067 (FAX)
steve@condrey-consulting.com
www.condrey-consulting.com