



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2016-0566

TO: Mayor and City Council Members
FROM: Pamela Gordon, Director Human Resources
DATE: January 9, 2016
SUBJECT: Total Compensation Study Consultant Services

REQUEST:

City Council is requested to approve a project budget to McGrath Human Resources Group to conduct a total compensation study for the City in the amount not-to-exceed \$70,000.00 and authorize the Mayor to execute a contract on behalf of the City.

REASON FOR PURCHASE:

The City issued Requests for Proposals utilizing the MITN system. Nine (9) proposal responses were received. A committee consisting of staff from Fiscal, Human Resources, MIS, Parks and Forestry, and Planning and Economic Development evaluated the proposals. From the proposal review process, the evaluation committee shortlisted to four (4) firms and conducted interviews. During the interviews, each firm described further in depth their review process and factors they utilize when conducting studies. The purpose of the interviews was to get a feel for the team that would be responsible for conducting the study and interacting with employees and management staff, and an understanding of their approach in conducting a total compensation study, which included understanding what benefits and factors they analyze.

Based on the interviews, the committee unanimously agreed that McGrath Human Resources Group has the best approach to this project that best fits with the culture and needs of the City and also provides the best value to the City. The City subsequently conducted negotiations with McGrath Human Resources Group to further refine costs and the scope of work to meet the City's expectations for deliverables on the project.

A project budget is being requested to allow for flexibility of additional funds to be added through contract addendums in case the consultant is required to be onsite for additional meetings at the request of the City, or other unknown items that may occur during the course of the study.

PROCESS:

Vendor Name and Address:

McGrath Human Resources Group
P.O. Box 190
Wonder Lake, IL 60097

Reason for Selection:

Best Value

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

Funding was included in the FY 2016 Adopted Budget, and will be “carried over” to the FY 2017 Budget as part of the FY 2017 1st Quarter Budget Amendment.

Fund Name	Department Account No	Account No. Description	2016 Budget Amount	Cost	Remaining Budget
General Fund	Human Resources	233.801000	\$100,000	\$70,000	\$30,000

RECOMMENDATION:

It is recommended that City Council approve a project budget to McGrath Human Resources Group to conduct a total compensation study for the City in the amount not-to-exceed \$70,000.00 and authorize the Mayor to execute a contract on behalf of the City.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		