



**City Council Workshop Meeting
Hybrid
New Carrollton Municipal Center
6016 Princess Garden Parkway
New Carrollton, MD 20784
Monday February 2, 2026, 7:00 PM**

Workshop Items for Discussion

- 1. Call to Order**
- 2. Residents' Concerns** **3 min each**

**Interviews for RFP-NC-2026-3 Audit, Comprehensive Organizational Assessment, &
Compensation Study for New Carrollton, MD**

- 3. Interview- Gallagher Benefit Services Virtual-7:00 PM** **20 min**
- 4. Interview- Capital T Solutions - In Person-7:30 PM** **20 min**
- 5. Interview- PRM Consulting Group- In Person- 8:00 PM** **20 min**
- 6. Residents' Concerns** **3 min each**
- 7. Motion to Adjourn**

Closed Session (if needed)

The Council may vote to enter into a closed session in accordance with the Maryland Open Meetings Act, General Provisions Article § 3-305(b), to discuss any matter permitted to be discussed in closed sessions under the Act, including, but not limited to, such as personnel issues, legal advice, pending litigation, or the acquisition of real property. If a closed session is held, the Council will announce the specific statutory authority and topics prior to the session as required.

PLEASE NOTE: This meeting of the City of New Carrollton Council will be a hybrid meeting. This means that you can attend in person, or virtually by using the below information.

Google Meet Link

Monday, February 2 · 7:00 – 10:00pm

Time zone: America/New_York

Google Meet joining info

Video call link: <https://meet.google.com/xyo-dojq-orz>

Or dial: (US) +1 815-524-8528 PIN: 461 911 905#

More phone numbers: <https://tel.meet/xyo-dojq-orz?pin=2176409652374>

If you would like to submit comments in writing please email Kaitlyn Schisler, at clerk@newcarrolltonmd.gov by 3:00 pm the day of the meeting. Comments are also welcome after any meeting.

City of New Carrollton, MD

REQUEST FOR PROPOSAL

RFP-NC-2026-3

Audit, Comprehensive Organizational Assessment, &
Compensation Study

January 23, 2026

Mr. Erik Smetana, MBA, SPHR, SHRM-SCP, SWP
Managing Director & Practice Leader | Public Sector & Higher Education
314.494.4849 | Erik_HenrySmetana@ajg.com

Gallagher Benefit Services, Inc. | ajg.com
1220 L Street NW, Suite 1200
Washington, DC 20005



Gallagher

Insurance | Risk Management | Consulting

Cover Letter

January 23, 2026

City of New Carrollton
6016 Princess Garden Parkway
New Carrollton, MD 20784

We appreciate the opportunity to present this proposal regarding the services Gallagher's Human Resources & Compensation Consulting practice can offer the City of New Carrollton (the City). Gallagher is highly capable and qualified to work with the City based on our extensive experience with public sector organizations across the country. We would consider it a privilege to serve the City in this capacity.

It is our understanding that the City is seeking a qualified consulting firm to audit the wages and salaries of City employees, review and provide recommendations on the City's organizational structure, and provide guidance on compensation processes and the wage and salary structure.

We believe we will provide the City with the most diversely experienced project team of any consulting practice in the country, which enhances the solutions and recommendations we will provide on this engagement. The questions and perspective provided by our team ensure we anticipate any issues the City may face throughout this project, as well as the ongoing management of the updated classification and compensation system.

We have prepared the following proposal in response to your request. We appreciate having the opportunity to submit this proposal and look forward to assisting the City in this engagement.

Sincerely,



Erik Smetana, MBA, SPHR, SHRM-SCP, SWP
Managing Director & Practice Leader
314.494.4849 | Erik_HenrySmetana@ajg.com

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A. Prime Contractor

Firm name, primary contact with address, phone number, cell phone number and email address. Provide a company profile and years of business experience.

Firm Name & Primary Contact:

Gallagher Benefit Services, Inc.

Erik Smetana, MBA, SPHR, SHRM-SCP, SWP | Managing Director & Practice Leader

8 Cadillac Drive, Creekside Crossing, Brentwood, TN 37027

314.494.4849 | Erik_HenrySmetana@ajg.com

Value Proposition: The ability to deliver comprehensively structured human capital solutions to clients is Gallagher’s signature in the marketplace. At Gallagher, we want to know what makes your organization unique. We listen intently to learn about your culture and priorities and delve deeply into all the details that matter when balancing human capital needs with your bottom line. This single-minded focus on excellence — characterized by innovation and creativity — is the driving force behind every Gallagher engagement.

Company History: Arthur J. Gallagher & Co. opened its doors for business in 1927 and is still “growing strong” because of a practiced ability to help clients think ahead. Founded by its namesake who was previously the leading producer for Chicago’s largest insurance brokerage, Gallagher is now one of the world’s largest human capital, insurance brokerage and risk management services firms. We have operations in 33 countries and extend our client-service capabilities to more than 90 countries through a global network of correspondent brokers and consultants. Since 1961, we have been helping clients overcome business barriers and create new opportunities to cost-effectively attract, retain, and productively engage the best performers in their field. Gallagher started trading on the NYSE under the symbol AJG in 1984.



Company Culture & Philosophy: The ideals, principles and values embodied by the founder whose name still appears on our door are part of our corporate DNA. Gallagher’s approach to business, cultivated through three generations of family leadership, has always centered on creating relationship value as true partners to our clients. Gallagher’s interactions with you will be straightforward and candid. By earning the trust of our clients, we have sustained a reputation for ethics and a commitment to transparency that continues to contribute to our growth.

The high standards of conduct we have set for our external professional relationships are the same rules we follow internally. The Gallagher Way, a one-page document that outlines our 25 shared values, was written in 1984 but is just as culturally relevant today. It speaks to the value of relationships and several tenets set guidelines for ethical behavior. Gallagher combines innovative solutions, thoughtful advice and honest business practices to minimize risk and help fuel your success.

Talent Practice: Gallagher’s Talent practice empowers clients to **attract talent, manage staff, develop leaders, and reward success**—leveraging the power of Gallagher and wisdom of experience to produce an engaged and productive workforce. Tapping into expertise that spans the spectrum of human resources at every level, we can assemble flexible compensation and consulting solutions that improve efficiency and build bottom lines.

Our practice is a combination of some of the most respected names in human resources and compensation consulting. As we have grown in our services and reach, we have grown in our ability to serve our clients – this includes the acquisition and integration of talented firms, consultants, and advisors from Koff & Associates (2021) and Buck (2023). Bringing together experts from compensation, performance, compliance, data and analytics, survey, and leadership fields, Gallagher empowers clients with tools for the entire lifecycle of employment management.

With an experienced team of consultants located in offices across the United States and Canada, our services include:



HR & Organizational Effectiveness

Think of us as your strategic partner and an extension of your HR and organizational change team.

Compensation & Rewards

We strengthen the employer-employee relationship by designing equitable, competitive, and sustainable compensation and rewards programs.

Multinational Benefits & Mobility

As Global Connectors, we provide solutions for you to manage your multinational workforce in a compliant, coordinated, strategic, administratively efficient, and cost-effective way.

Communications

A global leader in employee communication, we set the industry standard for excellence and innovation

People Development & Insights

We help you understand your customers and your workforce to unlock value and performance.

Public Sector & Higher Education Consulting Practice: Gallagher’s public sector & higher education consulting practice **has completed more than 1,500 classification and compensation related studies for public entities, higher education, and similarly situated clients nationally.** We have extensive experience in developing and communicating compensation philosophy, designing and implementing market-aligned pay structures and career frameworks and developing job evaluation methods to maintain internal equity. We conduct benchmark analyses, including conducting custom tailored salary surveys (if needed), and recommend appropriate administrative and procedural guidelines to maintain the compensation system. We ensure that our clients comply with applicable laws and regulations, such as the Fair Labor Standards Act (FLSA), the Americans with Disabilities Act (ADA), and Equal Employment Opportunity (EEO) standards and have pay systems that are appropriate for their organization and market strategy.

We have served our clients for more than 40 years across an array of strategic and value-adding HR services with **classification, compensation, and pay equity as our core specialties.**

We have a strategic alliance with the Public Sector Human Resources Association (PSHRA), the National Public Employers Labor Relations Association (NPELRA), and the Colleges and Universities Professional Association for Human Resources (CUPA - HR) and have conducted a series of training seminars/workshops on compensation, classification, job evaluation, strategic HR, and employee benefits management throughout the nation in conjunction with these organizations. Gallagher Benefit Services also focuses on the higher education market. Our consultants have demonstrated leadership in the compensation and strategic HR fields by completing training and certifications from WorldatWork, ERI, HRCI, Human Capital Institute, SHRM, and others in addition to serving as instructors and presenters for ICMA, CUPA-HR, NAPO, WorldatWork, NACO, NPELRA, PSHRA and other regional and national associations. Our thought leadership has been published and/or highlighted in *University Business*, *PSHRA News*, *American City and County*, *TalentCulture*, *Public Management*, *TLNT*, *Corporate Report Ventures*, *ERE*, *Corporate Board Member*, *Benefits Planner*, *WorldatWork*, and others.

As your Trusted Advisor we have additional information for your consideration based on your current focus.

You can expect a trusted advisor in Gallagher, not just a vendor focusing on only one aspect of your HR offerings. While there are numerous vendors that can provide HR consulting, our subject matter expertise is brought to life in the way we partner with our public sector entities and is what truly sets Gallagher apart. Our consulting style is proactive and collaborative. We strive to provide you with relevant information and partner with you to support informed decisions and anticipate the future. As experts in providing a broad spectrum of human resource and talent management capabilities our experience has shown us that many public sector entities conducting a compensation project may also need support in these key areas:

HR & Organizational Effectiveness

Think of our team both as a strategy partner, and as an **extension of your HR team** – providing expertise and additional capacity aligned with your specific HR needs, including strategic advisory, one-off projects, and fractional on-going HR solutions.

Here are some of the ways we can provide support:

- HR Policy Development
- Compliance
 - I-9 Reviews & Revisions, ACA Reporting & Compliance, Local, State & Federal Laws, Fair Labor Standards Act (FLSA) Compliance
- Career Transition Services
- Recruiting Services
- Payroll & HRIS Technology Services
 - Managed Payroll Solutions, Interim Emergency Support, State Tax Registrations, Year-End Support
- HR Technology Selection and Implementation
- Organizational Change Management
- HR Support
 - People Operations (Policies, Handbooks, JDs, Leave, Workplace Investigations)

Communication

You may encounter some cases that require communication such as sharing outcomes and findings of your needs assessment. Our award-winning Communications Practice is a global leader in employee communications.

We **will increase your business performance** by amplifying the entire employee experience through world leading employee communications.

Let us help you with:

- Benefits (Total Wellbeing) Communications
- **Compensation Communication**
- **Reward Communication**
- Retirement Communication
- **Internal Communication (IC)**
- Audit and Insight – Communication Effectiveness
- Organizational Change Communication
- Digital (Communication) Experience
- **Employee Value Proposition (EVP) Development and Communication**
- Personalized Portals
- Non-personalized portals
- Decision-support tools

We welcome the opportunity to further explore how we can partner with you in these critical areas.

B. Project Manager

Identify the Project Manager. Include experience with proposals. Include the same contact information for the Project Manager as is required of the Prime Contractor.

Our team of specialists and experts brings a proven track record of designing and executing comprehensive compensation strategies, performing complex classification analyses, evaluating pay equity to ensure fair, competitive structures, and delivering high-value strategic HR advisory services. Many of our professionals have served as practitioners within the very sectors we support, granting us unique insight into real-world operational challenges. We combine rigorous data analytics, industry best practices, and innovative thinking to craft customized, forward-looking solutions aligned with each organization's strategic HR goals. By drawing from hands-on experience and leveraging an in-depth understanding of market trends, we help our clients both meet current standards and proactively prepare for an ever-evolving talent landscape.

Gallagher fosters a commitment of excellence, professionalism, integrity, collaboration, and urgency to each of our clients. With each unique client, Gallagher combines these principles to deliver client services customized, specifically to meet your needs. Your Gallagher consulting team has years of experience consulting to public sector clients, including those with unionized and represented employees with a significantly diverse employee workforce with organizations nationwide, including a long history of serving Maryland cities, counties, and public bodies - we have worked with more than 1,000 public sector and higher education clients over the past decade. Each member of Gallagher's public sector compensation consulting practice has achieved one or more of the following certifications and/or degrees:

- Certified Compensation Professional from WorldatWork
- Compensation Analyst Credential from Economic Research Institute
- IPMA-SCP from the Public Sector Human Resources Association
- PHR and/or SPHR from the Human Resources Certification Institute
- SHRM-CP and/or SCP from the Society for Human Resource Management
- SWP and HCS from the Human Capital Institute
- Master's degree or above, in Human Resources, Business Administration, and/or Organizational Psychology

PROJECT MANAGER

ERIK SMETANA, MBA, MFA, SHRM-SCP, SPHR, SWP, HCS, Managing Director & Practice Leader - 25+ years of experience

8 Cadillac Drive, Creekside Crossing, Brentwood, TN 37027
314.494.4849 | Erik_HenrySmetana@ajg.com

Erik manages operations and leads Gallagher's public sector & higher education Human Resources & Compensation Consulting practice. Erik's 25-plus-year work history has led him to serve in various diverse roles across human resource management, particularly in compensation and benefits, talent management and organizational development, people analytics, and employee relations and policy development. Erik has extensive experience in private and public sectors, working with an eclectic mix of dynamic organizations, including Fortune 500 companies across multiple industries, international not-for-profit organizations, membership associations, media outlets (e.g., NPR and NBC affiliates), institutions of higher education and research, and others. Before joining Gallagher, he served as the enterprise-wide Deputy CHRO and business unit CHRO with the University of Missouri System and with Vanderbilt University as the Executive Director of People & Engagement, leading, designing, and implementing compensation, employee learning, talent acquisition, and people-focused programs and initiatives.

As a consultant, Erik has been **engaged in more than 250 client projects with organizations ranging from cities and counties to state agencies to tribal nations and more including school districts, colleges and universities, special districts and authorities**, and other sector aligned entities in the provision of *compensation, classification, pay equity, organizational assessment, leadership coaching, performance management, and other strategic HR advisory services*.

PROJECT LEADERSHIP & LEADERSHIP SUPPORT

ZAK SHTULBERG, Senior Consultant & Project Operations Lead - 15+ years of experience

Since starting as an HR consulting intern at Buck (now Gallagher) in 2012, Zak has been mission-driven and passionate about collaboration with clients and partners on transformative people, compensation, and other HR initiatives that improve the lives of employees and their communities. Projects have spanned a broad spectrum, including compensation strategy design, change management and communications, workforce planning, project management, analytics and technology enablement, and organization design, among many others. With both internal and external partners, he is recognized for blending strategic and technical advice with innovative analytics and technology and has grown as a trusted partner and subject matter expert in HR and compensation. Prior to starting his career, he earned a Bachelor of Science in Industrial and Labor Relations from Cornell University.

TRACY MORRIS, MBA, SHRM-CP, Senior Consultant & Systems Optimization Lead - 15+ years of experience

Tracy has more than a decade of experience working in the strategic HR space with significant public sector HR and compensation consulting. Tracy holds a bachelor's degree in applied economics and a Master of Business Administration, both from Texas Tech University, and she is a SHRM Certified Professional (SHRM-CP). She serves clients as a project manager, thought leader, and advisor – additionally, she supports and manages our process improvement and optimization efforts to ensure each of our clients has an experience that meets their needs and exceeds their expectations.

CHRISTINE NICHOLS, Operations Support Specialist - 30+ years' experience

Christine joined Gallagher in 2023, bringing more than 30 years' experience in Operations Support to the practice. Prior to joining Gallagher, she worked in the private sector for a Global staffing company. In her role as Operations Support for the practice, Christine ensures that all administrative processes across the team run efficiently and effectively, providing seamless client experience from proposal to project closure. She plays an integral part in the contract review process, follows up on client invoices & vendor payments, pulls data from a variety of internal & external systems and coordinates communications with other Gallagher departments. Christine is responsible for managing all RFPs, web inquiries & client referrals to the practice. She also handles all the scheduling of internal & external meetings for the practice, as well as review & audit of practice expenses.

CATHERINE THORP, Senior Consultant & Project Manager - 25+ years of experience

Ms. Thorp holds a Bachelor of Business Administration degree in Management from the University of Mary Hardin-Baylor. Before joining Gallagher, Catherine worked as a Senior Compensation Manager at Dun & Bradstreet and in roles ranging from analyst to senior manager at McLane Company, Inc. Catherine has applied her compensation knowledge in market analysis, salary structure design, pay equity, career competencies, strategic planning, system integration, and process optimization. Catherine will complete her CCP in 2023.

JAIME PARKER, Senior Consultant & Project Manager - 15+ years of experience

Jaime has 15 years of experience in Higher Education with 7.5 of those years in compensation and organizational effectiveness. Prior to joining Gallagher, she worked at Kansas State University in Human Capital Services, and in the Office of Institutional Effectiveness. Before her career in Higher Education, Jaime worked in the Banking Industry as a Banking Center Manager and Customer Service Manager. Jaime is a graduate of Kansas State University with a bachelor's degree in accounting.

PROJECT STAFF SUPPORT

CHARMAIN KOHLER, Consultant II & Client Liaison - 10+ years of experience

Charmain has over 25 years of human resources experience in a variety of roles and industries. She has a bachelor's degree in business administration with a concentration in Management from Saginaw Valley State University. Prior to joining Gallagher, she was the Senior Compensation Analyst at Numotion and at Saginaw Chippewa Indian Tribe of Michigan. Her professional experience also includes 10 years as a Human Resources Consultant in higher education.

SHILOH VENABLE, Consultant II & Client Liaison - 15+ years of experience

Shiloh Venable is a consultant in Gallagher's Human Resources & Compensation Consulting practice, specializing in the Public Sector and Higher Education service line. She brings more than 15 years of experience in human resources, learning and development, and program management across corporate, nonprofit, and higher education environments. Prior to joining Gallagher, Shiloh served as a learning & development manager at NXP Semiconductors, where she led global leadership development initiatives. She also held roles in nonprofit program management and student affairs at several universities, where she managed complex projects that supported staff and student growth. Shiloh holds a bachelor's degree in human resource development and a master's degree in education administration, both from Texas A&M University. In 2025, she received her Compensation Analyst Credential (CAC) from the Economic Research Institute (ERI). She is also a certified Professional in Human Resources (PHR).

AMBER SHANG, MA in I/O Psychology, Senior Associate Consultant - 5+ years of experience

Amber holds a BS with honors in Psychology from the University of Washington and an MA in Industrial & Organizational Psychology from New York University. Before joining Gallagher, Amber has applied her knowledge of people analytics in roles ranging from Talent Acquisition at VNS Health to Compensation Analysis at Willis Towers Watson, and Selection & Assessment at DCI Consulting Group. At WTW and DCI, she helped clients from various sectors to tackle challenges and identify strategic solutions. She holds a Certified Analyst Credential (CAC) from the Economic Research Institute (ERI).

MARY GAUTHE, MBA, SHRM-CP, Senior Associate Consultant - 5+ years of experience

Mary has five years of experience from Louisiana State University, where she served as a Compensation Consultant within the University's Central HR unit. She holds a bachelor's degree in management with a concentration in Human Resources from Nicholls State University and a master's degree in leadership and human resource development from Louisiana State University. For the past two years, Mary has served as an Associate Consultant within the PSHE team.

CARISSA MARTO, MA in I/O Psychology, Associate Consultant - 5+ years of experience

Carissa has a bachelor's degree in psychology from Anderson University (SC) and a master's degree in industrial & organizational psychology from Middle Tennessee State University. Prior to joining Gallagher, she held project-based roles working in performance and promotional assessments related to test design.

C. Subcontractors

A list of all firms who may be used as subcontractors for this project. Include information relating to the experience of each firm identified and their role in the project. Subcontractors shall have a minimum of five (5) years performing the services requested.

Gallagher does not, and will not, use any subcontractors to deliver services to the City. All the consulting analyses and assistance we provide are furnished by staff employed by Gallagher.

D. Project Understanding

A detailed description of the firm’s understanding of the project and scope of the work to be performed.

Our practice takes a thoughtful and collaborative approach to all our client engagements, where we work to ensure our efforts are ones which demonstrate how the Public Sector & Higher Education practice **C.A.R.E.S.** - collaborate/consult, advise/assess, recommend/resource, engage/endorse, and strategize/serve - about our clients and their needs. To that end, our project approach starts with our process and client communications.



Our extensive experience has resulted in a comprehensive understanding of the scope of work described by the City. Additionally, we understand the importance of this study as one of many strategies to address current human resources issues and appreciate the delicate nature of public sector spending. Below are some key considerations we have in this type of project, followed by our approach to the areas identified by the City, our detailed work plan, and the estimated project timeline.

Key Considerations:

Leadership Support: Effective compensation reform requires consistent, visible leadership commitment at multiple organizational levels. We establish a leadership accountability structure that includes executive sponsors, department champions, and implementation teams with clearly defined roles. Leaders must actively communicate the program's importance, address concerns directly, and visibly support the process through each phase. We provide leaders with focused messaging tools and data points to effectively advocate for changes. Without this multi-level support structure, even technically sound compensation systems often encounter significant resistance during implementation.

Internal Fairness and Equity: Our approach balances external market competitiveness with internal equity through comprehensive job analysis techniques. We conduct detailed comparisons across job families, reporting relationships, and responsibility levels to ensure logical compensation relationships. This includes specialized analysis of career progression paths and appropriate differentials between supervisory and non-supervisory roles. We implement specific methodologies to address compression issues, particularly between long-service employees and new hires with market-driven starting salaries. Our process identifies and remedies historical inequities while establishing defensible rationales for pay differences based on skills, responsibilities, and performance factors.

Appropriate Timelines: We develop realistic project schedules based on organizational complexity and resources. This includes adequate time for comprehensive job documentation, employee input, leadership review cycles, and implementation planning. A typical comprehensive compensation project requires 6+ months for proper execution, including 2-3 months for thorough job analysis, 1-2 months for market research, and 2-3 months for implementation planning, noting that this work may happen concurrently across the life of the engagement. Accelerated timelines often compromise data quality and stakeholder buy-in, leading to implementation challenges and future rework. We establish appropriate checkpoints and quality controls to ensure thoroughness while maintaining momentum.

Data-Driven with Human Oversight: Our methodology combines rigorous data collection with expert interpretation. We utilize multiple validated market sources appropriate for your sector, geographic region, and organizational characteristics. All job matches undergo multi-level validation checks to ensure accurate comparisons. This empirical foundation is then contextualized through structured consultant review panels that consider institutional history, strategic priorities, and unique operational factors as shared and iterated by

our clients. We document both the data-driven recommendations and any exceptions to provide a clear, defensible audit trail. This balanced approach ensures decisions are not rigidly algorithmic while maintaining system integrity.

Clear and Consistent Communication: We develop compensation structures and classification frameworks with inherent clarity, using straightforward job leveling frameworks, transparent progression criteria, and consistent application of compensable factors. Communication materials are tailored to different stakeholder needs—executive summaries for leadership, detailed implementation guides for HR professionals, and practical explanation tools for managers and employees. We create accessible resources explaining compensation philosophy, range structure, placement methodology, and future growth opportunities. Systems are designed with straightforward administration requirements that do not require specialized expertise for day-to-day management.

Compression Planning and Analysis: Our implementation approach includes detailed financial modeling that identifies potential compression scenarios before placement decisions are finalized. We analyze the distribution of current salaries against proposed ranges to identify employee clusters and gaps requiring special attention. Implementation options are developed with multi-year cost projections, including various phasing alternatives to balance budget constraints with equity requirements. Special focus is given to departments with significant longevity differences and areas with recent hiring at market rates. This proactive approach prevents creating new inequities while addressing existing compression issues within available resources.

Our Approach:

Comprehensive Job Documentation Review

Our methodical approach to position documentation begins with a thorough review of the City's existing job descriptions to ensure both internal consistency and regulatory compliance. This analysis includes:

- **Documentation Structure Assessment**
Systematic evaluation of job descriptions through our 15-point documentation checklist, assessing critical elements including essential functions, ADA compliance language, FLSA classification support, and competency requirements.
- **Functional Accuracy Verification**
Application of our validation process to ensure documentation reflects actual work performed. For positions where current documentation (job descriptions or other supporting materials) lacks sufficient clarity or detail, we may implement our Job Analysis Questionnaire (JAQ) methodology. This targeted approach uses our structured JAQ format to capture essential job elements more accurately than traditional methods. The JAQ process is selectively applied only where existing documentation fails to clearly define:
 - Work complexity and decision-making authority
 - Technical skill requirements and application
 - Supervisory/management responsibilities
 - Problem-solving requirements and organizational impact
 - Minimum qualification requirements
- **Regulatory Compliance Review**
Application of our compliance checklist to ensure job documentation satisfies requirements across multiple regulatory frameworks, including ADA, EEOC, FLSA, and other applicable laws. This process identifies specific compliance gaps and develops appropriate language solutions.

Internal Equity Assessment

Our internal equity methodology uses analytical techniques to ensure position valuation reflects organizational priorities:

- **Job Evaluation System Review**
Assessment of the City's current job evaluation methodology to determine effectiveness and alignment with organizational values. Based on this assessment, we will either:
 - Refine the existing methodology to improve consistency and validity
 - Implement our factor-based evaluation system, customized to the City's specific requirements
- **Position Value Analysis**
Application of the selected job evaluation methodology across all positions, using a standardized approach to ensure consistent application of factors:
 - Multiple-reviewer approach to minimize subjective bias

- Consistency checking across organizational units
- Identification and resolution of internal equity issues
- Development of clear rationales for evaluation decisions
- Equity Validation Process
Implementation of our three-level validation approach to ensure evaluation outcomes reflect genuine job value rather than historical patterns:
 - Horizontal equity checks across functional areas
 - Vertical equity review within career paths
 - Cross-organizational comparison against similar position families

Market Comparison Analysis

Our market analysis methodology combines multiple data sources to create a comprehensive competitive assessment:

- Benchmark Position Selection
Identification of benchmark positions (typically 60-65% of job classifications), mapping, and communication of process to ensure:
 - Representation across all major job families and levels
 - Focus on positions with reliable and abundant market data
 - Inclusion of mission-critical and hard-to-fill positions
 - Coverage of positions with known compensation challenges
 - Consistency and understanding of roles relative to Gallagher's benchmark mapping process
- Comprehensive Market Data Collection
Multi-source data approach combining:
 - Published survey data from industry-specific and general compensation surveys
 - Custom survey data collected from selected competitor organizations
 - Current labor market information on compensation trends
- Total Rewards Analysis
Complete competitive assessment including:
 - Base compensation positioning relative to defined market
 - Variable pay practices and prevalence
 - Benefits package evaluation and competitiveness leveraging Gallagher's industry-leading National Benchmark Survey data
 - Work arrangement flexibility and other non-monetary elements
 - Employer/employee cost-sharing analysis for benefits programs

Compensation Structure Development

Our compensation structure development process transforms market and internal data into an integrated framework that supports organizational objectives:

- Structure Design
Development of grade and range structures through data analysis:
 - Analysis of market data to establish market-responsive relationships
 - Integration of internal equity requirements into structure design
 - Modeling of various structure options (typically 2-3 alternatives)
 - Review of position distribution across proposed structures
- Position Placement
Allocation of positions to appropriate grades based on:
 - Internal equity values established through job evaluation
 - Market position requirements for critical job families
 - Organizational design considerations and reporting relationships
 - Career progression pathway requirements
- Implementation Analysis
Financial analysis to evaluate implementation approaches:
 - Individual employee placement modeling based on defined criteria

- Development of up to three implementation scenarios
- Compression/inversion identification and remediation planning

System Sustainability Plan

Our approach ensures the City can maintain and evolve the compensation system independently:

- Comprehensive Documentation & System Integration
Development of system documentation and transfer of data in formats compatible with the City's HRIS system, enabling smooth integration with existing technology.
- Administrative Knowledge Transfer
Implementation of our training approach:
 - Thorough training for HR staff on system maintenance
 - Development of administrative tools and decision support materials
 - Creation of position evaluation guides and procedures
 - Establishment of ongoing monitoring and adjustment processes
- Long-term Maintenance Planning
Development of a sustainable maintenance approach:
 - Annual review methodology and timeline
 - Market monitoring recommendations and data sources
 - Position evaluation guidelines for new or changed positions
 - Budget planning guidance for annual structure adjustments

Our final deliverable will include a comprehensive report detailing methodologies, findings, and recommendations, along with all necessary implementation tools and documentation. This deliverable will provide the City with both immediate implementation guidance and long-term direction for compensation management.

Work Plan: The work plan proposed is designed to provide the flexibility necessary to attract, retain, and motivate employees to provide quality services and ensure the system is not an administrative and/or costly burden to the City now or in the future. Gallagher has integrated the Scope of Services into our phased approach and deliverables to address the City's requests. All phases will require that designated the City - team members and Gallagher have ongoing status meetings to explain the process, review the project's progress, review draft materials, address questions, and discuss next steps.



The phased work plan is as follows:

PHASE 1: STRATEGIC ALIGNMENT, PROJECT INITIATION, & STUDY ADMINISTRATION

Our engagement begins with a comprehensive strategic alignment phase designed to establish clear governance structures and critical success parameters:

- **Executive Strategy Session / Preliminary Meeting** (Week 1)
 - Facilitate session with executive leadership
 - Confirmation of organizational priorities and talent philosophy
 - Alignment of compensation strategy with business objectives
 - Risk assessment and mitigation planning
 - Finalization of project scope parameters

- **Project Governance Implementation** (Week 1-2)
 - Establishment of steering committee and working team
 - Definition of roles, responsibilities, and decision-making authority
 - Configuration of project management platform with milestone tracking
 - Development of risk management and escalation protocols

- **Current State Diagnostic** (Weeks 2-3)
 - Comprehensive documentation collection and review
 - In-depth assessment of existing compensation philosophy
 - Evaluation of current classification architecture
 - Gap analysis against industry best practices
 - Identification of critical improvement opportunities
 - Diagnostic findings presentation to project team

- **Stakeholder Engagement Planning** (Week 3)
 - Development of multi-level communication strategy
 - Creation of employee communication materials
 - Configuration of feedback collection mechanisms
 - Establishment of change management protocols
 - Finalization of communication timeline

- **Employee Orientation Sessions** (Week 4)
 - Delivery of employee information sessions
 - Distribution of project overview materials
 - Q&A facilitation with consistent messaging
 - Expectation setting for participation requirements
 - Initial feedback collection

Virtual Meetings are included. On-site visits are available at an additional cost to the City.

PHASE 2: CLASSIFICATION & CAREER FRAMEWORK REVIEW + DESIGN

Conduct of meetings with HR/leadership/project team at critical intervals to discuss deliverables. Some components of Phase 2 will overlap with Phase 1.

Our methodology leverages leading practice and analytical frameworks refined through implementations across hundreds of client engagements:

- **Position Analysis & Documentation Preparation** (Weeks 3-5)
 - Configuration of Job Analysis Questionnaires (JAQs)
 - Development of manager review protocols

PHASE 2: CLASSIFICATION & CAREER FRAMEWORK REVIEW + DESIGN

- Creation of job analysis interview guides, as appropriate to ensure clarity of information
- Establishment of documentation standards
- Training of internal reviewers on validation methodology
- **Data Collection Execution** (Weeks 5-8)
 - Collection of job description and position information details from client
 - Review and analysis of role details and duties performed
 - Distribution of JAQs to selected employees (1-week completion window), as necessary to supplement job description review
 - Technical support for JAQ completion process
 - Manager review and validation (1-week review period)
 - Follow-up for incomplete submissions
 - Data quality review and normalization
 - Structured manager validation interviews (selected positions)
 - Documentation of organizational relationships
- **FLSA Classification Review** (Weeks 8-9)
 - Application of our 7-point compliance methodology (see appendix for methodology details)
 - Job-by-job exemption status determination
 - Documentation of exemption rationale
 - Identification of compliance risk areas
 - Development of remediation recommendations
- **Classification Architecture Development** (Weeks 9-12)
 - Multi-dimensional job evaluation using the approach of best alignment for the organization, from among the five leading approaches (ranking, classification/grading, point factor, factor analysis, and/or market-alignment)
 - Job family identification and definition
 - Development of career progression pathways
 - Cross-functional alignment analysis
 - Draft classification structure development
 - Internal consistency review and refinement
 - Preliminary presentation to project team for feedback
 - Classification structure refinement based on feedback
 - Final classification structure development

PHASE 3: ORGANIZATIONAL ASSESSMENT

- **Organizational Assessment** (Weeks 6-15)
 - Conduct a thorough analysis of current HR practices, policies, and procedures.
 - Ensure all HR practices comply with applicable laws.
 - Facilitate strategic planning sessions with key stakeholders to identify HR priorities and objectives.
 - Recommend new policies and procedures as needed to align with HR industry best practices.
 - Review existing human capital management processes and recommend improvements as needed.
 - Develop a detailed HR strategic plan, including goals, action steps, timelines, and performance metrics.
 - Provide guidance and support in the development of strategic initiatives.
 - Assess HR technology needs and provide recommendations.

PHASE 4: COMPENSATION, BENCHMARKING & MARKET ANALYSIS

Our data-driven approach combines deep market knowledge with sophisticated analytical techniques:

- **Market Analysis Strategy Development** (Weeks 7-8)

Gallagher will map organizational roles to standard market benchmarks, based on work performed and not simply internal titling, to ensure consistency and accuracy of market data. This process includes discussion and integration of details regarding hard-to-fill, high turnover, and unique scenarios within the client organization to ensure informed decisions regarding the benchmarking process.

 - Strategic identification of appropriate labor markets and peer organizations
 - Development of data collection strategy
 - Determination of aging factors and effective dates
 - Selection of published survey sources
 - Identification of custom survey participants

- **Custom Market Intelligence Gathering** (Weeks 9-14)
 - Development of custom survey instrument
 - Participant recruitment and confirmation
 - Survey distribution to identified participants
 - Technical support for participants
 - Data collection monitoring
 - Follow-up for non-respondents
 - Data validation and quality review
 - Compilation of custom survey results
 - Supplemental data-mining to ensure sufficient data resources for analysis

- **Published Survey Data Collection** (Weeks 9-14, concurrent with custom survey)
 - Extraction of relevant data from published sources
 - Normalization of data across sources
 - Application of geographic differentials
 - Implementation of aging factors
 - Compilation of comprehensive market dataset
 - Quality assurance review

- **Advanced Data Analytics** (Weeks 14-16)
 - Integration of custom and published data sources
 - Statistical validation of integrated dataset
 - Outlier identification and handling
 - Application of regression analysis for market line determination
 - Competitive positioning analysis
 - Internal equity assessment
 - Pay compression diagnosis

- **Compensation Structure Engineering** (Weeks 16-18)
 - Development of pay structure alternatives (typically 2-3 options)
 - Range modeling with various spread and overlap scenarios
 - Alignment of structure with classification architecture
 - Testing of structure against current positions
 - Financial impact modeling of alternatives
 - Structure refinement based on testing results
 - Finalization of recommended structure

PHASE 5: IMPLEMENTATION STRATEGY, FINAL REPORTS, & SUSTAINABILITY PLANNING

Our approach ensures successful implementation and long-term program sustainability:

- **Financial Impact Analysis** (Weeks 17-19)
 - Individual employee placement modeling
 - Aggregate financial impact calculation
 - Development of implementation scenarios (typically 3)
- **Implementation Strategy Development** (Weeks 19-21)
 - Creation of phased implementation timeline
 - Development of exception handling protocols
 - Red-circle/green-circle treatment policies
 - Communication planning for rollout
- **Policy and Procedure Development** (Weeks 20-22)
 - Comprehensive compensation policy documentation
 - Administrative procedure development
 - Authority matrix creation
 - Process flow documentation
 - Recommendation for governance structure
 - Ongoing maintenance protocols
- **Toolkit Creation and Knowledge Transfer** (Weeks 21-23)
 - Development of position evaluation tools
 - Creation of manager decision-support resources
 - Design of employee education materials
 - Development of training curriculum
 - Delivery of administrator training (2 sessions)
- **Executive Presentation and Finalization** (Weeks 23-24)
 - Preparation of executive presentation materials
 - Delivery of executive briefing session
 - Facilitation of decision-making on implementation approach
 - Finalization of deliverables based on executive input
 - Delivery of all project materials and tools
 - Project close-out and transition to ongoing support

PHASE 6: POST-PROJECT SUPPORT & OPTIONAL ONGOING SERVICES

- **Implementation Support** (Up to 10 hours of direct support for the 6 months following project closure)
 - Technical assistance during the initial rollout
 - Advisory support for complex situations
 - Resolution of emergent issues
 - Refinement of tools based on initial usage
 - Documentation of lessons learned
 - Development of long-term sustainability recommendations
- **Ongoing Support Services (Optional)**
 - The consultant will offer ongoing support services throughout the year, including job evaluation, market pricing, job description development, trend data analysis, and related activities on an ad-hoc basis. The typical turnaround time for ad-hoc requests is two to four business days, depending on the nature and volume of the requests. These services are often provided after completing larger projects to aid in implementing and maintaining the outcomes and deliverables of the initial engagement.

Project Timeline: The following is an estimate to complete each phase by month. We will discuss the details of each phase during Phase 1 and identify specific deadlines for the project at that time. We will conduct frequent conference calls with the City to ensure the schedule is monitored throughout the project. In today's world, speed is particularly important. However, given the significance of this project, it is just as important for the City officials, department heads, and employees to have sufficient time to review and approve the recommendations of Gallagher and to ensure proper communications occur. We have prepared a timeline to ensure the City has the work products in an expeditious manner. Our phases run concurrently; in that we do not wait until the full completion of a phase to begin another phase. We are prepared to commence the work within two weeks of receiving your authorization to proceed.

PHASE 1: STRATEGIC ALIGNMENT, PROJECT INITIATION, & STUDY ADMINISTRATION	
Milestone	Timeframe
Executive Strategy Session / Preliminary Meeting	Week 1
Project Governance Implementation	Week 1-2
Current State Diagnostic	Weeks 2-3
Stakeholder Engagement Planning	Week 3
Employee Orientation Sessions	Week 4
PHASE 2: CLASSIFICATION & CAREER FRAMEWORK REVIEW + DESIGN	
Milestone	Timeframe
Position Analysis & Documentation Preparation	Weeks 3-5
Data Collection Execution	Weeks 5-8
FLSA Classification Review	Weeks 8-9
Classification Architecture Development	Weeks 9-12
Position Documentation Development	Weeks 10-14 (overlapping with Architecture completion)
PHASE 3: ORGANIZATIONAL ASSESSMENT	
Milestone	Timeframe
Organizational Assessment	Weeks 6-15
PHASE 4: COMPENSATION, BENCHMARKING & MARKET ANALYSIS	
Milestone	Timeframe
Market Analysis Strategy Development	Weeks 7-8
Custom Market Intelligence Gathering	Weeks 9-14
Published Survey Data Collection	Weeks 9-14 (concurrent with custom survey)
Advanced Data Analytics	Weeks 14-16
Compensation Structure Engineering	Weeks 16-18
PHASE 5: IMPLEMENTATION STRATEGY, FINAL REPORTS, & SUSTAINABILITY PLANNING	
Milestone	Timeframe
Financial Impact Analysis	Weeks 17-19
Implementation Strategy Development	Weeks 19-21
Policy and Procedure Development	Weeks 20-22
Toolkit Creation and Knowledge Transfer	Weeks 21-23
Executive Presentation and Finalization	Weeks 23-24
PHASE 6: POST-PROJECT SUPPORT & OPTIONAL ONGOING SERVICES	
Milestone	Timeframe
Implementation Support	<i>Up to 10 hours of direct support for the 6 months following project closure</i>

E. Proposed Cost

Please provide a per-task and total price for the proposed work and include the cost for work during business hours. Business hours shall be Monday through Friday 8:00am-5:00pm.

We believe that our methodology and implementation success rate is attributable to the significantly greater level of contact we have with employees, employee representation, management, and the governing body. The time we commit to working with employees (orientations and briefings, meetings with employees via personal interviews, sharing of compensation survey data, etc.) results in significantly greater buy-in throughout the process.

It has been our experience that the time, money, and resources invested in stakeholder communication throughout the study are time, money, and resources saved during implementation. Our goal is to conduct each study the right way the first time.

To create efficiency and cost savings for our clients, as well as operating as green an organization as possible, we often conduct our studies virtually. Our cost proposal assumes that all meetings and presentations will be conducted virtually/remotely and no onsite travel to the City offices will occur. Should the City desire onsite meetings, our per diem cost for onsite meetings based on travel time and market rate travel cost are outlined below. Our fees to conduct the study outlined above (including out-of-pocket expenses) will be \$42,435. The table below outlines the price per phase.

Phase	Fees
PHASE 1: Strategic Alignment, Project Initiation, & Study Administration <i>Includes virtual meetings and ongoing project management meetings throughout.</i> <i>On-site meetings are available at an additional cost*</i>	\$4,610
PHASE 2: Classification & Career Framework Review + Design**	\$13,315
PHASE 3: Organizational Assessment	\$12,005
PHASE 4: Compensation, Benchmarking & Market Analysis	\$9,645
PHASE 5: Implementation Strategy, Final Reports, & Sustainability Planning <i>Includes virtual meeting; On-site meetings are available at an additional cost *</i>	\$2,860
PHASE 6: Post-Project Support & Optional Ongoing Services	\$0 ; annualized ongoing support services available
TOTAL COST (Including all tasks) will not exceed: \$42,435	

*On-site meetings are available at an additional cost.

**Should the City request Gallagher to update/write job descriptions, those services will be priced separately since we are unable to determine the number that will be required. Pricing would be \$550 per job description and is in addition to the "Total Cost" identified above. Based on volume, this rate may be discounted.

Our study costs are directly derived from estimating the number of hours needed to perform the work and the level of the consultant charged with performing the work. Gallagher typically bills monthly up to the maximum of each deliverable. Please note, as phases sometimes run concurrently, a phase may not be completed at the time it is billed. All expenses are included in this quote.

Should the City wish to have additional on-site presentation days or meetings, the estimated cost would be \$4,000 per day. Any change to the scope of the assignment (beyond what is described above) as well as other work requested beyond this assignment will be billed based on our hourly rates unless we mutually agree on a fixed fee for the additional work.

Optional Ongoing Services:

Service	Fees
Ongoing Ad-Hoc Review <i>Includes job evaluation, single role market pricing, and job description development, classification review, PDQ/JAQ review</i>	\$13,500* per annum** for up to 25 requests
Annual Trend Memo <i>Includes market and sector movement memorandum to inform annual budget planning, structure adjustments, and understanding of market trends</i>	\$3,500 per annum**
Market Benchmarking Tool (Gallagher CompSight) <i>Includes client access to cloud-based market benchmarking tool and the development/facilitation of an annual custom survey to provide real-time market data to the client organization in between large-scale studies</i>	\$45,000 per annum (includes tool and survey)***

*price may be modified (up or down) based on anticipated client volume

**annual cost discounted by \$1,000 and held flat (i.e., no rate increases) for multi-year (2 or more) service agreements

***annual cost discounted to \$34,500 per annum for multi-year (2 or more) service agreements

Hourly Rates:

Role	Rate
Associate Consultant	\$250
Consultant	\$375
Senior Consultant	\$455
Principal	\$495
Managing Director	\$550

F. Comparable Projects

A summary of at least two projects similar in size and scope undertaken by the Prime Contractor, with the name and contact information of the lead individual on each project.

We have completed nearly a thousand classification and compensation studies for municipalities in the last ten (10) years. The following case studies show our specific experience in conducting similar studies for other government organizations. The experience we have gained in conducting these studies will inform our analyses and recommendations to the City.

PRINCE WILLIAM COUNTY, VA | *1 County Complex Court, Suite 155, Woodbridge, VA 22192*

Stacey E. Allen, Assistant Director of Human Resources, 703.792.5172, SAllen@pwcgov.org

The County collaborated with Gallagher to conduct a comprehensive classification, compensation, and pay equity study. The classification study included Gallagher assisting the County in the administration of a Position Description Questionnaire (PDQ) to gather information about each employee's respective role. Gallagher also interviewed a sample of employees to gain clarity where needed. Once that information was received and reviewed, Gallagher consultants utilized the information to create a new classification structure and classification descriptions for the resulting classifications. Gallagher consultants closed this phase by assigning job evaluation ratings to all classifications.

For the comprehensive compensation study, Gallagher consultants worked with the County to determine what positions should be included in a custom survey that was sent to 25 comparator organizations. For positions that are not easily found in the public sector, Gallagher consultants utilized published survey sources to market price these positions. The analyzed information was then utilized to create a salary structure that was internally equitable and externally competitive.

Gallagher consultants also performed a pay equity study for the County to identify potential pay disparities on the basis of race, age or gender. Upon the completion of the analysis, Gallagher consultants reviewed the data with the County's project team and incorporated feedback into the draft and final reports. Recommendations with implementation options were provided to the project team. Final presentations were made to leadership team and to the County's Board.

CITY OF AUSTIN, TX | *301 West Second Street, Austin, TX 78701*

Bryan Dore, Compensation Manager, 512.974.3216, bryan.dore@austintexas.gov

Beginning in 2016, we initiated an ongoing working relationship with the City - including the conduct of multiple function-specific pay equity studies, comprehensive compensation studies including but not limited to executive positions, emergency management, and currently the execution of studies focused on non-sworn police positions and mobility services roles as well as studies focused on COVID-19 workforce impacts and council member and staff compensation and classification. Recent and ongoing studies focus on pay equity, compensation, and organizational/administrative review. In 2016, 2018, and 2019, the City hired Gallagher to conduct a comprehensive evaluation of pay equity in comparison to its prior studies to identify if there are any pay equity issues in the organization. We conducted detailed statistical analysis of the current pay levels and identified possible pay equity issues at both organizational and department levels. The objective of the analysis was to determine if there were indications of systematic pay disparities between employees of different races or genders, isolate specific areas as possible, and identify key contributing factors.

In 2017, we were hired to assist the City with a review and assessment of the compensation strategy and conduct a compensation study for the Human Resources and Legal departments. In 2019, Gallagher conducted another custom salary survey for the City. In 2020, we were engaged to conduct compensation studies for the Forensic positions and City-wide Executive positions. In 2021, we were engaged to conduct a classification and compensation study for transportation mobility services positions, a pay equity study, and a classification and compensation study for select non-sworn police positions. In recent years, our team has conducted a range of studies for the city, including pay equity studies, compensation studies, organizational review studies, a benchmarking study, and various ad-hoc studies.

G. References

Three references, with the company name, contact name, postal mailing address, phone number, and e-mail address of clients for which the company has provided similar services of a similar magnitude. Include references for any subcontractors.

These projects are relevant to demonstrating our ability to meet the needs of the City and show considerable experience in developing compensation systems for a variety of public sector organizations. Our references can attest to the timeliness, quality, and responsiveness of the services we provide, our understanding of job classification and pay equity, and our knowledge of legal issues, such as the ADA and FLSA, and our expertise in working with public organizations and sensitive personnel issues. The projects listed below were completed by members of your project team and within similar timeframes to what the City is requesting.

Contact names and phone numbers are listed for each project.

PRINCE WILLIAM COUNTY, VA

1 County Complex Court, Suite 155, Woodbridge, VA 22192

Stacey E. Allen, Assistant Director of Human Resources

703.792.5172, SAllen@pwcgov.org

CITY OF AUSTIN, TX

301 West Second Street, Austin, TX 78701

Bryan Dore, Compensation Manager

512.974.3216, bryan.dore@austintexas.gov

CITY OF RUSTON, LA

401 North Trenton Street, Ruston, LA 71270

Julie Keen, Finance Director

318.251.8651, JulieKeen@RustonLA.gov

CITY OF GILLETTE, WY

201 East 5th Street, Gillette, WY 82716-4303

Déca Wasson, Human Resources Director

307.686.5222, decaw@gillettewy.gov

Additional references and/or case studies are available upon request to support client decision-making.

Contractual Considerations

The Parties expressly agree that this Agreement allows for cooperative procurement. Any public body (health or educational) may utilize this Agreement if authorized by Gallagher in writing. Participation in this cooperative procurement is strictly voluntary. If authorized by Gallagher in writing, this Agreement may be extended to certain entities to purchase certain services provided by Gallagher at fees in accordance with this Agreement (each, a "Participating Entity"). Participating Entities will purchase services directly from Gallagher by and through this Agreement as if it were the named 'Client' hereunder. Gallagher shall look to the Participating Entity and the Participating Entity shall look to Gallagher in the event of invoicing, payments, and/or contractual disputes in accordance with the terms set forth herein. The named Client, nor any other Participating Entity, shall be held jointly and severally liable for any costs or damages in the event of a dispute between Gallagher and that Participating Entity. By entering into this Agreement, no Participating Entity is precluded from other agreements or competitive processes, as the case may arise.

Additionally, each Party or its Affiliates may execute a Statement of Work pursuant to this Agreement with the other Party or any of such other Party's Affiliates, and each such Statement of Work will form a separate contract between the signatory parties thereto. Where the parties to a Statement of Work are an Affiliate of Gallagher or Client, unless context dictates otherwise, references within any provisions of this Agreement to "Gallagher" or "Company" that are incorporated into such Statement of Work shall, for the purposes of that Statement of Work, be construed as a reference to Gallagher's or Client's respective Affiliate that is the signatory to such Statement of Work. "Affiliate" as it relates to a Party means any entity that Controls, is Controlled by, or is under common Control with such Party. "Control" means the ability, whether directly or indirectly, to direct the affairs of another by means of ownership, contract or otherwise.

Gallagher is pleased to submit this proposal to the City. While this proposal is not meant to constitute a formal offer, acceptance, or contract, notwithstanding anything to the contrary contained in the proposal, Gallagher is submitting this proposal with the understanding the parties would negotiate and sign a contract containing terms and conditions that are mutually acceptable to both parties.

Our legal team has provided the following exceptions to the terms and conditions outlined in this proposal. We are open to discussion on these.

- Gallagher is not a federal contractor or subcontractor. Therefore, Gallagher cannot agree to federal contracting provisions contained within the RFP.
- Section IV (B) (PDF Page 15) - Unless otherwise required by applicable law, Gallagher cannot agree to provide payroll records as part of any audit.
- Section V (H) (PDF Page 16); Section 10.5 (PDF Pages 19-20) - Below are Gallagher's insurance representations based on AJG Risk Management policies. These are not changed on a client by client basis:

Gallagher shall at all times during the term of this Agreement and for a period of two (2) years thereafter, obtain and maintain in force the following minimum insurance coverages and limits at its own expense:

- Commercial General Liability (CGL) insurance on an ISO form number CG 00 01 (or equivalent) covering claims for bodily injury, death, personal injury, or property damage occurring or arising out of the performance of this Agreement, including coverage for premises, products, and completed operations, on an occurrence basis, with limits no less than \$2,000,000 per occurrence and \$4,000,000 in the aggregate;
- Workers Compensation insurance with statutory limits, as required by the state in which the work takes place, and Employer's Liability insurance with limits no less than \$1,000,000 per accident for bodily injury or disease. Insurer will be licensed to do business in the state in which the work takes place;
- Automobile Liability insurance on an ISO form number CA 00 01 covering all hired and non-owned automobiles with limit of \$1,000,000 per accident for bodily injury and property damage;

- Umbrella Liability insurance providing excess coverage over all limits and coverages with a limits no less than \$10,000,000 per occurrence or in the aggregate;
- Errors & Omissions Liability insurance, including extended reporting conditions of two (2) years with limits of no less than \$5,000,000 per claim, or \$10,000,000 in the aggregate;
- Cyber Liability, Technology Errors & Omissions, and Network Security & Privacy Liability insurance, including extended reporting conditions of two (2) years with limits no less than \$2,000,000 per claim and in the aggregate, inclusive of defense cost; and
- Crime insurance covering third-party crime and employee dishonesty with limits of no less than \$1,000,000 per claim and in the aggregate.

All commercial insurance policies shall be written with insurers that have a minimum AM Best rating of no less than A-VI, and licensed to do business in the state of operation. Any cancelled or non-renewed policy will be replaced with no coverage gap, and a Certificate of Insurance evidencing the coverages set forth in this section shall be provided to Client upon request

- Section 10.6 (PDF Page 20) - Gallagher proposes the following change to this section: Indemnification. Each party agrees to defend, indemnify and hold the other party and its affiliates and their respective directors, officers, employees and agents harmless from any and all losses, liabilities, exposures, damages and all related costs and expenses, including reasonable legal fees, to the extent arising from or relating to any third party claims, demands, suits, allegations, or causes or threats of action based on the indemnifying party's: (i) breach of any representation, warranty or covenant made by such party hereunder, or (ii) grossly negligent acts or omissions or intentional misconduct; provided, however, that the indemnifying party's indemnification obligations hereunder shall be reduced to the extent that such losses and damages arise from the acts or omissions of the other party or its employees or agents.
- Section 10.6 (PDF Page 20) - A limitation of liability of fees paid needs to be added to the indemnification provision. We would request this limit be set at total project fees.

Memorandum of Insurance

ARTHUR J. GALLAGHER & CO. MEMORANDUM OF INSURANCE						
This Memorandum of Insurance ("Memorandum") is produced as a matter of information only to authorized viewers for their internal use only and confers no rights upon any viewer of the Memorandum. This Memorandum does not amend, extend or alter the coverage described below. Copyright 2005, Arthur J. Gallagher Risk Management Services, LLC ("Gallagher"). Gallagher grants permission to you to view, copy, print and distribute the information found on the Memorandum website ("Site") provided that the above copyright notice appears on all copies, that use is internal to you or for personal noncommercial informational purposes only, and that no modification is made to any materials. Any modification, use, reproduction or distribution of this Memorandum, the Site or its contents must be first approved by Gallagher in writing. You will not suffer or permit any unauthorized use of any Gallagher trademark, service mark or logo. This Memorandum, the Site and its contents, including but not limited to text, graphics, images, software, copyrights, trademarks, service marks, logos, and brand names ("Content"), are protected under both United States and foreign laws, and Gallagher or its affiliated entities retain all right, title and interest in and to the Content, all copies thereof, and all copyrights and other proprietary rights therein. The information contained herein is as the date referred to above. Gallagher shall be under no obligation to update such information.						
DATE: 10/1/2025						
INSURED: Arthur J. Gallagher & Co. and its subsidiaries 2850 West Golf Road Rolling Meadows, IL 60008			Insurance Companies			
			A: ARCH INSURANCE COMPANY			
			B: THE CONTINENTAL INSURANCE COMPANY			
			C: XL INSURANCE AMERICA, INC			
			D: FEDERAL INSURANCE COMPANY			
			E: LEXINGTON INSURANCE COMPANY			
			F: XL SPECIALTY INS. COMPANY			
			G. UNDERWRITERS AT LLOYD'S LONDON			
			H. INDIAN HARBOR INSURANCE COMPANY			
The policies of insurance listed below have been issued to the "INSURED" named above for the policy period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this Memorandum may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims.						
CO. LTR.	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE	POLICY EXPIRATION	LIMITS (In USD unless otherwise indicated)	
A	Commercial General Liability Occurrence Per location Aggregate	41GPP4938418	10/01/25	10/01/26	General Aggregate	4,000,000
					Products - Comp/Op Agg	4,000,000
					Personal and ADV Injury	2,000,000
					Each Occurrence	2,000,000
					Damage to Rented Premises (Each occurrence)	1,000,000
A	Automobile Liability Any Auto	41CAB4939018-MA 41CAB4938318-A/O	10/01/25	10/01/26	Combined Single Limit	5,000,000
					Bodily Injury (per person)	
					Bodily Injury (per accident)	
B	Excess/Umbrella Liability Retention: \$10,000	CUE7034611269	10/01/25	10/01/26	Each Occurrence	25,000,000
					Aggregate	25,000,000
A	Workers Compensation and Employers Liability	44WCI0501918	10/01/25	10/01/26	Workers Comp Limits	Statutory
					EL Each Accident	1,000,000
					EL Disease - Each Employee	1,000,000
					EL Disease - Policy Limit	1,000,000
C	Property	US00112916PR25A	10/01/25	10/01/26	Blanket Bldg. & PP	10,000,000
D	Crime/Fidelity Bond (Employee Dishonesty)	J06039418	09/01/25	09/01/26	Single Loss Limit	15,000,000
E	Errors & Omissions (Primary Policy)	018415132	10/01/25	10/01/26	Per Claim and Aggregate	12,000,000
F	Errors & Omissions (Excess Policy)	ELU20648725	10/01/25	10/01/26	Per Claim and Aggregate	10,000,000
G	Errors & Omissions (Excess Policy)	FI0121925	10/01/25	10/01/26	Per Claim and Aggregate	15,000,000
H	Cyber Liability	MTP904630502	05/01/25	05/01/26	Limit of Liability	10,000,000

Description of Operations / Other Information: See ADDITIONAL INFORMATION on the following page.

This Memorandum of Insurance serves solely to list insurance policies, limits and dates of coverage. Any modifications hereto are not authorized by Gallagher or the Insurance Companies.

ARTHUR J. GALLAGHER & CO. MEMORANDUM OF INSURANCE
ADDITIONAL INFORMATION
GENERAL LIABILITY POLICY ADDITIONAL INSURED – MANAGERS OR LESSORS OF PREMISES * Endorsement Form # CG 20 11 04 13 modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART SCHEDULE 1. Designation of Premises (Part Leased to You): ANY PREMISES OR PART THEREOF LEASED TO YOU. 2. Name of Person or Organization (Additional Insured): ANY AND ALL PERSONS OR ORGANIZATIONS CONTRACTUALLY REQUIRING ADDITIONAL INSURED STATUS AS THE MANAGER OR LESSOR OF PREMISES TO YOU. 3. Additional Premium: INCLUDED (If no entry appears above, the information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.) WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions: This insurance does not apply to: 1. Any "occurrence" which takes place after you cease to be a tenant in that premises. 2. Structural alterations, new construction or demolition operations performed by or on behalf of the person or organization shown in the Schedule.
WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - WORKERS COMPENSATION, GENERAL LIABILITY AND AUTOMOBILE LIABILITY We waive any right of recovery we may have against the person or organization where required by written contract because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only where required by written contract as specified and approved per contract.
PROPERTY This policy insures against "All Risks" of physical loss or damage, except as excluded, to covered property while on Described Premises, provided such physical loss or damage occurs during the term of this policy. Coverage is subject to policy deductibles, terms, conditions and exclusions. Loss Payable clause included for whom Insured has agreed to per written contract.

IMPORTANT NOTICE

***All other Additional Insureds requests requires Legal approval and issuance of a Certificate of Insurance.**

***For special requests, such as a WET SIGNATURE, please contact the appropriate team: P&C – Doreen Morris or Renata Grzeskowiak; E&O – Frederick Arkin or Mari Maceri; Cyber – Jeremy Gillespie or Tina Stankowicz**

This Memorandum of Insurance serves solely to list insurance policies, limits and dates of coverage. Any modifications hereto are not authorized by Gallagher or the Insurance Companies.

* * * * *

Thank you for this opportunity to offer our services. Please feel free to contact us at any time if you have any questions or require additional information. We look forward to hearing from you soon.

Sincerely,



Erik Smetana, MBA, SPHR, SHRM-SCP, SWP
Managing Director & Practice Leader
314.494.4849 | Erik_HenrySmetana@ajg.com

Appendix 1: Publications & Conference Presentations

Over the past 36 months, your Gallagher Public Sector & Higher Education consultants have actively contributed to the discourse through a variety of publications and conference presentations. These efforts underscore our commitment to thought leadership and our dedication to advancing industry practices. This section highlights our key publications and presentations, showcasing our expertise and the value we bring to our clients and partners.

K-12 Emerging Trends & Risks for this School Year (Webinar)

Arthur J. Gallagher & Co. | July 23, 2025

Navigating What's Next: Revenue, Risk, and the Future of College Athletics (Webinar)

Arthur J. Gallagher & Co. | May 8, 2025

FMLA Bootcamp: Leave Management Trends, Paid Time Off & Sick Banks (Webinar)

myBenefits Channel | April 24, 2025

How Student-Athlete Pay Can Boost Students, Sports, and Institutional Success

Arthur J. Gallagher & Co. - News & Insights | February 26, 2025

Shaping the Journey to Fair Pay for Student Athletes

Arthur J. Gallagher & Co. - News & Insights · Jan 15, 2025

Competitive Compensation Structures for Higher Ed Institutions and Systems

CUPA-HR presentation | September 2024

Public Sector: Trends in Compensation & HR

Public Sector HR Association (PSHRA) - Virginia Chapter - State Conference | September 24, 2024

How a Compensation Philosophy Can Boost Employee Engagement in the Public Sector

Arthur J. Gallagher & Co. - News & Insights Jul 2, 2024

Driving Public Sector Excellence: The Power of Job Architecture and Career Frameworks

Arthur J. Gallagher & Co. - News & Insights | May 2, 2024

Promoting Excellence and Pay Equity: The Benefits of Merit Pay in Higher Education

Arthur J. Gallagher & Co. - News & Insights· | April 8, 2024

Recruitment and Retention Opportunities within the Public Sector & Public Safety

National Association of Police Organizations - Retirement & Benefits Symposium | January 29, 2024

How a Coaching Leadership Style Unleashes Human Potential at Work

TalentCulture | Jan 16, 2024

Does Your HR Strategy Leverage Organizational Competencies

TalentCulture | June 23, 2023

Workforce and Succession Planning Can Help Stem Higher Education Employee Turnover

Arthur J. Gallagher & Co. - News & Insights · May 15, 2023

Looking Beyond the "Great Resignation" and Planning for a Great Future

International Public Management Association for Human Resources (IPMA-HR) | September 27, 2022

Leverage Compensation Strategies to Attract and Retain Top Public Talent (Conference Presentation)

IPMA-HR Central Region Conference, ICMA

Leverage a Holistic People Strategy to Help Higher Education Employers Face the Future with Confidence

Arthur J. Gallagher & Co. - News & Insights | July 15, 2022

Prepare Now for FLSA Rule Changes Coming Soon

Arthur J. Gallagher & Co. - News & Insights | March 15, 2022

Appendix 2: FLSA Compliance Methodology

Our 7-Point FLSA Compliance Methodology provides a structured, defensible approach to determining the appropriate exemption status of each position within your organization. This systematic framework goes beyond basic salary thresholds to ensure proper classification according to the most current Department of Labor regulations and case law interpretations.

1. Salary Basis Assessment

- Evaluation of compensation structure against current FLSA minimum salary requirements
- Analysis of pay practices for compliance with salary basis test requirements
- Review of compensation delivery methods and frequency
- Assessment of permissible and impermissible deductions
- Identification of salary basis vulnerabilities and remediation recommendations

2. Primary Duty Analysis

- Quantitative time allocation analysis across job functions
- Relative importance assessment of exempt vs. non-exempt functions
- Freedom from direct supervision evaluation
- Comparative wage differential analysis between positions
- Documentation of primary duty determination rationale

3. Discretion & Independent Judgment Evaluation

- Assessment against standardized regulatory factors for independent judgment
- Analysis of authority to formulate, affect, interpret, or implement policies/practices
- Documentation of decision-making authority and constraints
- Evaluation of consequences of decisions and recommendations
- Comparison against DOL examples and precedents for similar positions as appropriate

4. Exemption-Specific Testing

- Targeted assessment against relevant exemption criteria:
 - Executive exemption: supervision, hiring/firing authority analysis
 - Administrative exemption: administrative vs. production work distinction
 - Professional exemption: specialized education/expertise requirements
 - Computer professional: systems analysis and programming function review
 - Outside sales: customer location and sales activity documentation
- Application of relevant regulatory interpretations and case law precedents

5. Industry-Specific Considerations

- Application of industry-specific exemptions and requirements
- Analysis of specialized rules for educational institutions, government entities, healthcare, etc.
- Review of collective bargaining implications, if applicable
- Assessment of state-specific requirements that exceed federal standards
- Documentation of industry-specific compliance rationale

6. Documentation Alignment

- Job description language assessment for exemption supportability
- Identification of documentation vulnerabilities
- Development of compliant descriptive language
- Creation of audit trail documenting exemption determination process
- Alignment of job documentation with actual duties performed

7. Risk Assessment & Mitigation Planning

- Comprehensive evaluation of misclassification risk by position
- Financial impact analysis of potential misclassification
- Prioritization of positions requiring classification changes
- Development of implementation timeline for required changes
- Creation of monitoring protocols for ongoing compliance

This methodology ensures that all exemption determinations are made systematically, consistently, and in accordance with current regulatory requirements. Our approach has been validated through successful implementation with hundreds of clients and has withstood scrutiny in DOL audits and legal challenges

Appendix 3: Job Description Review & Analysis Process

Systematic evaluation of job descriptions through our 15-point documentation checklist, assessing critical elements including essential functions, ADA compliance language, FLSA classification support, and competency requirements.

- 1. Strategic Role Alignment**
Validate that the role supports the institution's mission, strategic priorities, and organizational structure.
- 2. Position Title Benchmarking**
Assess title consistency with internal hierarchies and external market comparators.
- 3. Organizational Context**
Clearly define reporting lines, supervisory scope, and cross-functional interfaces.
- 4. Essential Duties and Responsibilities**
Articulate core functions using outcome-based language that reflects operational impact.
- 5. ADA-Compliant Language**
Ensure inclusion of physical and cognitive requirements with appropriate accommodation language.
- 6. FLSA Classification Justification**
Provide documented rationale for exempt/non-exempt status based on duties and salary thresholds.
- 7. Minimum Qualifications**
Specify baseline education, experience, and certifications required for role entry.
- 8. Preferred Qualifications**
Identify additional attributes that enhance performance or succession potential.
- 9. Competency Mapping**
Align behavioral and technical competencies with institutional competency models.
- 10. Work Environment and Conditions**
Describe physical demands, work setting, and any unique environmental factors.
- 11. Work Schedule Expectations**
Clarify standard hours, flexibility, travel, and remote/hybrid eligibility.
- 12. Performance Metrics and KPIs**
Define success measures and how performance will be evaluated.
- 13. Technology and Tools Utilized**
List key systems, platforms, and tools essential to the role.
- 14. Review Cadence and Governance**
Establish a schedule for periodic review and stakeholder accountability.
- 15. Documentation and Version Control**
Maintain audit-ready records with version history and approval tracking.

Appendix 4: Additional Services

We are confident we have provided our most cost-effective and best approach. We have included all products and services which are necessary to provide innovation as well as the functional capabilities proposed in our response. We take pride in our creativity and track record in developing innovative solutions to compensation and benefit issues. We spend considerable time and effort researching and exploring trends and technical issues to develop and test approaches not usually considered by other consulting firms that help inform innovative compensation program solutions.

While we will train the City in its use of the recommended compensation system to ensure the City is able to answer questions and maintain the system long-term. The following services are optional and may be provided in the future:

General Consulting and Strategic Advisory Services

Billed hourly, rate varies based on level of consulting required; dependent on scope of engagement may be billed on a fixed fee basis

Includes the provision of consulting and advisory services focused on areas of human resources, compensation and classification, and related areas. Typically conducted to help develop strategic and operational approaches, support leadership decision making, or to review and/or assess current approaches and processes (e.g., performance assessment, etc.) compensation decisions (e.g. review pay decision – not facilitate a review/study – for HR leader) as a neutral third-party.

Leadership Coaching

Billed hourly, rate varies based on level of consulting required; billed on a fixed fee basis for ongoing client engagements

Facilitated dialogues with leaders regarding leadership and management approach, strategic thinking and style, communications approach, and other related topics to further enhance the individual's leadership presence, ability, and perspectives.

Strategic Planning Facilitation

Billed hourly plus related expenses, rate varies based on level of consulting required

Facilitated leadership discussion to outline, identify, and develop strategic roadmaps affecting the direction and approach of an organization over a defined period (i.e. 3 to 5 years) to include operational and strategic imperatives, articulation and definition of employment value proposition, and understanding linkages to organizational outcomes/priorities.

Succession Planning

Billed on a fixed fee basis based on particulars of the study

A review of current leadership and organizational staff as well as identification of talent gaps/needs. Typically, it includes working sessions (N dependent on size of organization) to assess existing staffing mix, organizational fit and other success factors, as well as proficiency in current role and progress toward next level of role and advancement readiness. Deliverables include a memorandum summarizing our findings, conclusions, and recommendations.

Process Design & Re-Engineering

Billed on a fixed fee basis based on particulars of the study

Includes a review of selected processes and practices, assessment of components (value add vs. value waste vs. value neutral but necessary), mapping of revised processes and as appropriate development of updated standard operating procedures documentation (SOPs).

Organizational Effectiveness Assessment

Billed on a fixed fee basis based on particulars of the study

Includes a review and in-depth assessment of organizational practices, structures, and operational alignment, often across multiple working units, to determine opportunities for organizational design, operational and strategic priorities, modification of mission/vision and/or how the organization delivers on those items, and to identify opportunities that may increase effectiveness and efficiency. Deliverables include a memorandum summarizing our findings, conclusions, and recommendations.

Span of Control Assessment

Billed on a fixed fee basis based on particulars of the study

Includes a review and in-depth assessment of organizational spans and layers, often across multiple working units, to determine opportunities for organizational redesign, modification of degrees of separation to senior leadership, and to identify opportunities that may increase effectiveness and efficiency. Deliverables include a memorandum summarizing our findings, conclusions, and recommendations.

Reclassification Review

Billed per title

Includes a review of job information through analysis of existing or new job description or Position Description Questionnaire, follow-up with HR, supervisor, or employee as appropriate to ensure understanding, and then development of memo recommendation. Deliverables include a memorandum summarizing our findings, conclusions, and recommendations.

Job Description Development

Billed per title

Leveraging an updated Position Description Questionnaire, Gallagher confirms the need of creation of new classification, and confirmation with client, and writing of new classification.

Market pricing

Billed per title

Client provides job information in current or new job description, Position Description Questionnaire, and Gallagher collects market data from published survey (\$400) and develops market pricing worksheets and memo on the process. If the client needs market data from the local market (like custom survey), Gallagher will research or conduct individual survey, and collect market data from published survey sources to develop the market pricing worksheet and a detailed memo on the process.

Annual Adjustments and Trend Data

Billed per scope of request

Collection of market salary trend data from published survey sources or local market trend data with development of a memo on process and recommendations associated to any structural adjustments.

Executive Compensation Study (Public Sector, Higher Education, Non-Healthcare NPOs)

Billed on a fixed fee basis based on particulars of the study

Comprehensive review of executive compensation and perquisites to facilitate compensation committee decision-making and confirm reasonability of pay packages. This may include but is not limited to research and analysis of market data, industry data (IPEDs, 990, etc.), and others to review or recommend a going-forward approach for affected executives. This type of study is recommended as an annual study.

Pay Equity Study

Billed on a fixed fee basis based on particulars of the study

Comprehensive review, but not limited to actions including, performing a series of statistical tests to determine if there are any pay differences between gender and protected groups that are statistically significant. We will determine whether these differences can be explained by a factor other than gender, race, or age. Statistical analyses will be performed in accordance with standard, professionally accepted methods and those methods that are recognized by the Equal Employment Opportunity Commission (EEOC). Deliverables typically include general pay breakdowns to assess the pay levels and representation for each breakout identified, perform statistical analysis to identify systemic issues, and provide detailed comparisons where necessary. This type of study is recommended as a triennial study.

Performance Management/Assessment Study

Billed on a fixed fee basis based on particulars of the study

Includes the review of existing programs and approaches, stakeholder feedback collection, development of tools and resources and recommendations, and as appropriate custom peer surveying to identify and leverage best practices across region, industry (e.g. higher education), peer cohorts, role type that are supportive of the strategic and operational imperatives of the client to support employee engagement, performance management, and culture. This type of study is recommended as necessary, based on the particulars and needs of the client.

Compensation and Classification Audit

Billed on a fixed fee basis based on particulars of the study

An external review of current market data collection, data sources, job matches, and salary structures. Audit delivery will validate existing processes or result in recommended alternative approaches leveraging the available data. This type of study is recommended as necessary, based on particulars and needs of the client, often coinciding with internal structure changes or revisions.

Change Management

Billed on a fixed fee basis based on particulars of the study

An assessment of current change management practices and communications approaches related to organizational change to identify opportunities for enhancement, additionally as appropriate to the organizational need, training related to managing and facilitating organizational change and the development of communications tools and resources to support change may be developed and delivered to better ensure success and revised internal practices.



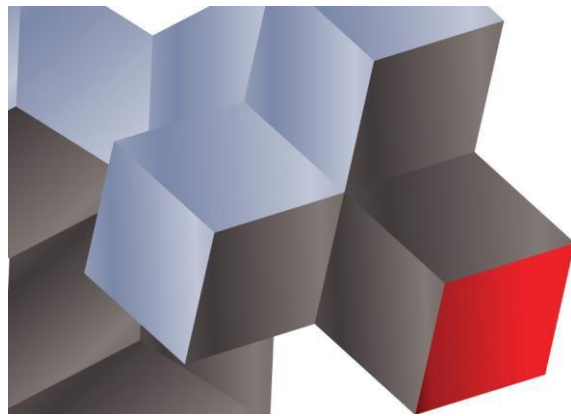
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The Gallagher Way. Since 1927.

Gallagher is pleased to submit this proposal to you. While this proposal is not meant to constitute a formal offer, acceptance, or contract, notwithstanding anything to the contrary contained in the proposal, Gallagher is submitting this proposal with the understanding the parties would negotiate and sign a contract containing terms and conditions that are mutually acceptable to both parties.

This material was created to provide accurate and reliable information on the subjects covered by should not be regarded as a complete analysis of these subjects. It is not to provide specific legal, tax or other professional advice. The services of an appropriate professional should be sought regarding your individual situation.

Consulting and insurance brokerage services to be provided by Gallagher Benefit Services, Inc. and/or its affiliate Gallagher Benefit Services (Canada) Group Inc. Gallagher Benefit Services, Inc., a non-investment firm and subsidiary of Arthur J. Gallagher & Co., is a licensed insurance agency that does business in California as "Gallagher Benefit Services of California Insurance Services" and in Massachusetts as "Gallagher Benefit Insurance Services.



CAPITAL T. SOLUTIONS LLC

The City of New Carrollton – Audit, Comprehensive Organizational Assessment, & Compensation Study

January 22, 2026
CAPITAL T. SOLUTIONS LLC
Hamilton Centre II, 3261 Old Washington Road Suite 2020 Waldorf, MD

Technical Response – The City of New Carrollton

EXECUTIVE SUMMARY

On December 22, 2025, The City of New Carrollton had a clear directive: The City of New Carrollton, Maryland, is seeking a qualified consulting firm to audit the wages and salaries of city employees, review and provide recommendations on the city's organizational structure, and provide guidance on compensation processes and the wage and salary structure.

The project includes three main tasks:

- A. Audit of Employees' Salaries and Annual Pay Increases
- B. Organizational Assessment
- C. Comprehensive Compensation Study

Capital T. Solutions (CTS) is pleased to present this proposal to provide comprehensive audit services for The City of New Carrollton. CTS understands the importance of effective financial management in supporting the impactful mission of The City of New Carrollton. Our audit will thoroughly assess the current financial processes, identifying areas for improvement and provide actionable recommendations based on our findings.

Our proposed solution for The City of New Carrollton is purpose-built for their evolution. It will examine The City of New Carrollton existing capabilities, audit the wages and salaries of city employees, review and provide recommendations on the city's organizational structure, and provide guidance on compensation processes and the wage and salary structure. CTS will introduce a structured methodology and accounting discipline that ensures every dollar is requested is transparent, defensible, outcome-aligned, duplication-free, and clearly communicated to the public.

Our solution ensures The City of New Carrollton will implement the following core components:

Audit of Employee's Salaries and Annual Pay Increase: Capital T. Solutions demonstrates a clear understanding of the City's need for transparency, accountability, and fiscal discipline in employee compensation. This component delivers a structured and data driven audit of employee salaries and annual pay increase to ensure consistency with approved policies, budget, and governing actions.

Organizational Assessment: Capital T. Solutions will conduct a comprehensive organizational assessment to evaluate whether current staffing, structure, and roles align with City's operational needs and strategic objectives.

Comprehensive Compensation Study: Capital T. Solutions will perform a comprehensive compensation study to establish a fair, competitive, and sustainable compensation framework that supports employee retention while maintaining fiscal responsibility.

This approach strengthens financial transparency and efficiency using existing systems, delivering immediate improvements and supporting long term fiscal resilience.

Capital T. Solutions LLC corporate office is located at 3261 Old Washington Rd, ste 2020 Waldorf, Maryland 20602. Our office hours are 9am-5pm Monday-Friday. The main phone number is 240-216-7775 and the primary email address is jthomas@capitalsolutions.com.

Technical Response – The City of New Carrollton

About Capital T. Solutions

Capital T Solutions LLC (CTS) is a certified Maryland Department of Transportation (MDOT), Prince George’s County Supply Schedule holder (4400008692) under NAICS 541611 and 541219 and certified Prince George’s County County-Based Small Minority Business Enterprise (CBSMBE). Our staff also are Certified Public Accounting (CPA) Certified Government Financial Manager (CGFM), and Certified Internal Controls Auditor (CICA).

Capital T. Solutions accounting team has extensive experience supporting federal, state, and local governments – as well as mission driven organizations in implementing sustainable financial systems, modernizing accounting operations, and strengthening compliance with Generally Accepted Accounting Principles (GAAP), Generally Accepted Auditing Standards (GAAS), Federal Acquisition Regulation (FAR), all while maintaining full compliance with State and Federal laws.

We specialize in Auditing, Accounting, Program/Project Management, Financial Management, and Risk management services designed to enhance financial stability and growth for our clients. With over two decades of experience, CTS delivers high-quality services to private, public, and nonprofit organizations. Committed to integrity and innovation, CTS leverages advanced financial technology to create a lasting impact, supporting clients in building a sustainable financial foundation.

Capital T. Solutions fosters sustainable financial practices that empower clients, including Prince George’s County Department of Permitting, Inspections and Enforcement (DPIE) and Employ Prince George’s to enhance operational efficiency and accountability. By partnering with CTS, The City of New Carrollton can expect a thorough, objective audit process that supports long-term financial health and ensures compliance with industry standards.

As a locally based and minority owned firm, we value relationships built on trust, communication, and partnership. This proximity and shared commitment to Prince George’s County allow us to provide, responsive support, maintain strong accountability, and contribute to the success of The City of New Carrollton mission to empower residents and strengthen the local workforce.

Unique Value to the City of New Carrollton

- ***Specialized Expertise:*** With certifications such as Certified Public Accountant (CPA), Certified Government Financial Manager (CGFM), and Certified Internal Controls Auditor (CICA), Capital T. Solutions adheres to the highest industry standards.
- ***Tailored Solutions for Financial Sustainability:*** Capital T. Solutions doesn’t just perform audits, we deliver tailored recommendations that empower organizations to strengthen their financial practices, reduce inefficiencies, and build a sustainable financial foundation. Our strategic approach aims to support our clients’ goal of operational efficiency, transparency, and compliance, reinforcing the trust of stakeholders and donors.

Technical Response – The City of New Carrollton

- **Advanced Technology for Better Decision-Making:** By leveraging innovative accounting technology, Capital T. Solutions provides clients with clear, accurate financial assessments that enable better decision-making. Our data-driven methodologies and advanced tools offer our clients a comprehensive view of its financial health, guiding informed strategic planning.
- **Commitment to Client Success:** Capital T. Solutions values long-term partnerships with our clients. We are dedicated to understanding our clients’ unique goals and challenges, working collaboratively to provide a seamless experience from the initial consultation to the final assessment, CTS is focused on delivering the highest level of client satisfaction and measurable results.

Staffing

Capital T. Solutions is honored to partner with The City of New Carrollton to provide a senior level, auditor and supporting staff to strengthen financial governance, enhance transparency, and elevate organizational transparency, and elevate organizational accountability. This will ensure consistent delivery quality, improved internal controls, and stronger compliance throughout each task of the project. Our leadership presence remains fully engaged, supporting the mission and long term financial stability of The City of New Carrollton.

The Senior Auditor will serve as the project manager, primary point of contact, and provide executive financial oversight grounded in extensive nonprofit experience. This role brings deep expertise in audit preparation, regulatory compliance, grant management, and financial restructuring. The Senior Auditor will work closely with The City of New Carrollton staff to lead hands on, day-to-day financial operations while simultaneously advancing strategic initiatives that mitigate risk, improve documentation, and align financial practices with federal, state, and local funding requirements. This structures ensures priorities remain aligned, internal controls are strengthened, and best practice governance standards are effectively transferred to The City of New Carrollton.

Staffing Matrix:

Labor Category	Filled By	Primary Responsibilities
Senior Auditor	Capital T. Solutions	Strategic oversight, client interface, governance guidance, risk management, knowledge transfer. Day-to-day management, adoption leadership, stakeholder engagement, continuity of delivery. Design, justification standards, redundancy analysis, governance framework. Curriculum development, training, governance playbook, adoption workshops.

Note: A detailed resume outlining the qualifications of our staff will is provided to The City of New Carrollton.

Technical Response – The City of New Carrollton

Approach & Methodology

Capital T. Solutions has developed this proposed scope of work to demonstrate our commitment and capability to deliver high-quality auditing services that precisely meet the needs of our clients. Our approach is built on a foundation of regulatory compliance, operational efficiency, and a focus on enhancing client satisfaction. This proposed scope of work is designed to be flexible, allowing for continuous improvement and adjustments based on feedback and the evolving needs of The City of New Carrollton.

Our methodology not only addresses the core audit requirements but also incorporates a comprehensive set of plans, policies, and procedures to support effective execution. CTS will conduct all audit activities in strict accordance with the specifications outlined by The City of New Carrollton. We are fully compliant with Generally Accepted Auditing Standards (GAAS) and all applicable state and federal regulations, ensuring a high standard of accuracy, accountability, and professionalism throughout the audit process.

As an independent audit service provider, CTS is dedicated to objectively assessing and enhancing financial processes for our clients. We will assign a highly skilled and experienced auditor or auditors to lead the audit engagement, ensuring the work is executed to the highest standards. Additionally, we will collaborate closely with The City of New Carrollton staff to facilitate a smooth audit process and deliver actionable insights based on our findings.

Upon selection for this project, CTS will promptly engage with The City of New Carrollton point of contact (POC) to gather all necessary information and resources to initiate the audit effectively. Our team is well-prepared to adapt to dynamic environments, confidently handling a variety of situations with precision and professionalism, even under pressure.

Outlined below is our proposed approach to this engagement, detailing the activities we will undertake to achieve the audit objectives:

Auditor Responsibilities

- a. The auditor will provide comprehensive auditing services to the client, addressing all reasonable requests related to the audit. This includes planning audit samples, conducting testing, and preparing detailed written reports.
- b. Our auditor is highly experienced and well-versed in Generally Accepted Auditing Standards (GAAS), with over twenty years of experience serving a diverse range of clients. This expertise ensures a thorough, accurate audit process.
- c. The auditor will follow established audit steps and procedures in line with U.S. Government Auditing Standards to perform the audit. Adherence to these standards guarantees that all audit activities are conducted at a professional level, upholding the highest quality.
- d. The auditor will collaborate closely with the client's employees and vendors, interpreting requirements, providing technical guidance, and facilitating effective communication to ensure a clear understanding of the audit needs. This cooperative approach ensures that CTS fully grasps and addresses the client's unique audit requirements.
- e. The auditor will review all contract documentation to verify that costs align with the financial requirements and expectations.
- f. Based on the findings, the auditor will make recommendations for process improvement and provide an objective opinion on the client's financial practices, supporting their efforts to optimize financial operations.
- g. A comprehensive final assessment will be delivered to the client in PDF format, summarizing the audit findings, conclusions, and recommendations.

Task I: Audit of Employee Salaries and Annual Pay Increases (60 Plus days)

Approach and Methodology

- Review current salary schedules, pay grades, step increases, and historical annual salary adjustments.
- Analyze payroll and personnel data to identify trends, anomalies, and potential pay inequities.
- Assess compliance with adopted compensation policies, collective bargaining agreements, and governing resolutions.
- Evaluate the short- and long-term budgetary impact of salary increases and compensation practices.

Technical Response – The City of New Carrollton

Deliverables

A. Review of Starting Salaries and Annual Increases (Since June 2020)

- Conduct a comprehensive review of all employee starting wages/salaries and annual pay increase from June 2020 to present.
- Include both current and former employees across all departments and positions.
- Perform analysis in accordance with the City of New Carrollton fiscal year (July 1- June 30)
- Utilize payroll records, human resources systems, approved pay scales, and personnel documentation to ensure accuracy and completeness.

B. Verification of COLA and Pay Scale Progression

- Review annual salary increases for each employee by fiscal year.
- Verify alignment with the City of New Carrollton approved Cost-of-Living-Adjustment (COLA).
- Confirm progression to the appropriate next step within the applicable pay grade
- Identify and document any increases that do not align with approved COLA or established pay scale policies.

C. Confidential Compensation Reporting

- Prepare a detailed compensation report with employee names masked to protect confidentiality
- Include the following data elements for each employee:

- Department
- Position
- Employee ID
- Hire/start date
- Starting grade and step
- Starting salary

- Provide year-over-year compensation data, including:

- June 2020 Salary / July 2020 Grade, Step, and Salary for FY2021
- June 2021 Salary / July 2021 Grade, Step, and Salary for FY2022
- June 2022 Salary / July 2022 Grade, Step, and Salary for FY2023
- June 2023 Salary / July 2023 Grade, Step, and Salary for FY2024
- June 2024 Salary / July 2024 Grade, Step, and Salary for FY2025
- June 2025 Salary / July 2025 Grade, Step, and Salary for FY2026

D. Review of Increase Exceeding One Step

- Identify salary increases resulting in advancement of more than one step within a single fiscal year.
- Review supporting documentation for justification and approval.
- Evaluate consistency with The City of New Carrollton compensation policies.

E. Authorization and Budget Review

- Review documentation authorizing salary and step increases.
- Examine the role of Human Resources and Finance in approving and implementing increases.
- Confirm that COLA and step increases were accurately incorporated into the annual budget process.

Technical Response – The City of New Carrollton

F. Findings and Recommendations

- Summarize key findings related to compensation practices and policy compliance.
- Identify inconsistencies, deviations, or documentation gaps.
- Provide recommendations to improve oversight, consistency, transparency, and fairness in employee compensation.

Value to the City of New Carrollton

This phase strengthens fiscal accountability, mitigates compliance and financial risk, and equips City leadership with defensible, data-driven insights to support informed and transparent compensation decisions.

Task II: Organizational Assessment (60 Plus days)

Approach and Methodology

- Review organizational charts, job descriptions, and departmental roles and responsibilities.
- Evaluate staffing levels in relation to workload demands, service delivery objectives, and comparable jurisdictions.
- Identify redundancies, staffing gaps, and operational inefficiencies across departments.
- Assess reporting relationships, management layers, and span of control to determine organizational effectiveness.

Deliverables

- Comprehensive review of existing job descriptions and pay grade structure to assess effectiveness, efficiency, and fiscal responsibility for a city the size of New Carrollton.
- Summary of findings from structured interviews with employees and management regarding workforce composition and role alignment.
- Verification of exempt and non-exempt status for all positions in compliance with Fair Labor Standards Act (FLSA) requirements.
- Updated job descriptions that accurately reflect:
 - Essential functions and core responsibilities
 - Minimum and preferred qualifications
 - Working conditions and physical requirements
- Compliance assessment confirming alignment with applicable federal, state, and county laws and regulations.
- Recommendations for job classification changes, including additions, deletions, and consolidations.
- Strategic guidance for maintaining, modifying, or modernizing the classification and pay grade system to support organizational effectiveness and long-term sustainability.

Value to the City of New Carrollton

This phase ensures City resources are deployed efficiently, supports improved service delivery, and provides leadership with actionable insights to inform strategic workforce and succession planning.

Task III: Comprehensive Compensation Study (60 Plus days)

Approach and Methodology

- Conduct market benchmarking using comparable jurisdictions and relevant labor markets.
- Analyze internal equity across positions, departments, and job classifications.
- Evaluate salary ranges, pay grades, and overall compensation practices for alignment and consistency.
- Assess long-term affordability and the budgetary impact of recommended compensation adjustments.

Technical Response – The City of New Carrollton

Deliverables

A. Compensation and Classification Deliverables

- Evaluation of current job classifications with updates as needed to ensure clarity, consistency, and alignment with City operations.
- Internal equity analysis across departments and positions to assess fairness and appropriate role alignment.
- Market comparison of compensation and benefits for existing and proposed job classifications against comparable small municipalities and relevant labor markets.
- Identification of salary compression issues, pay disparities, and market gaps impacting recruitment, retention, and equity.
- Recommended competitive and fiscally responsible pay structure, including:
 - Revised pay grades
 - Updated salary ranges
 - Phased implementation approach aligned with budget capacity
- Analysis of the City’s benefits package relative to market norms and best practices.

B. Policy and Process Development Deliverables

- Compensation policy framework to support ongoing administration and maintenance of the wage and salary structure.
- Defined processes and governance guidelines for future compensation reviews and adjustments.
- Practical tools, templates, and methodologies to enable consistent, transparent, and defensible compensation decisions over time.

Value to the City of New Carrollton

this phase provides a defensible, data-driven foundation for compensation decisions that balance market competitiveness, internal equity, and long-term financial sustainability.

Project Timeline Overview:

Task	Months	Key Activities	Lead Role(s)	Supporting Role(s)
1. Audit of Employee’s Salaries and Annual Pay Increase	60 +Days	Conduct a comprehensive review of all employee starting wages/salaries and annual pay increase from June 2020 to present.	Senior Auditor (CPA), (CGFM), (CICA)	Junior Auditor
2. Organizational Assessment	60+Days	Comprehensive review of existing job descriptions and pay grade structure to assess effectiveness, efficiency, and fiscal responsibility for a city the size of New Carrollton.	Senior Auditor (CPA), (CGFM), (CICA)	Junior Auditor
3. Comprehensive Compensation Study	60+Days	Evaluation of current job classifications with updates as needed to ensure clarity, consistency, and alignment with City operations	Senior Auditor (CPA), (CGFM), (CICA)	Junior Auditor

Technical Response – The City of New Carrollton

Conclusion

By partnering with Capital T. Solutions LLC, The City of New Carrollton can trust that their financial needs are met with precision, insight, and a commitment to their mission. Our value-added approach goes beyond standard accounting practices to provide a supportive, strategic partnership that enhances financial health and strengthens the organization's ability to make a meaningful impact. Most importantly, Capital T. Solutions delivers its services with a reputation for integrity, innovation, and measurable financial impact—qualities that align directly with The City of New Carrollton commitment to transparency, fiscal discipline, and results-driven budgeting.

Technical Response – The City of New Carrollton

Past Performance

1. Prince George's County Department of Permitting, Inspection, and Enforcement (DPIE)

Client: Prince George's County

Project: External & Compliance Audit

Scope of Services:

- Provided auditing services in regards to any services requested by the Client within reason which included planning samples, testing and written reports.
- Collaborated with Prince George's County employees and vendors to interpret requirement, provide technical guidance, and persuade or influence representation from the County. Provided auditing review of permit fees associated with the small wireless facilities and determine if the findings were recoverable.
- Provided auditing review on all contract documentation to ensure that cost meets all permit fees.
- Provided recommendation on process improvement and opinion pertaining to the permit fees in line with the small wireless facilities.
- Provided a PDF & Word format document to DPIE of final audit assessment

Results:

Capital T. Solutions improved quality and consistency, increased efficiency and reduced redundancies in permitting fees for electrical towers. We also enhanced customer satisfaction through standardized guidance and updated permit fee guidance.

2. Employ Prince George's

Client: Employ Prince George's

Project: External & Compliance Audit

Scope of Services:

- Provided auditing services in regards to any services requested by the Client within reason which included planning samples, testing and written reports.
- Collaborated with Prince George's County employees and vendors to interpret requirement, provide technical guidance, and persuade or influence representation from the County. Provided auditing review of permit fees associated with the small wireless facilities and determine if the findings were recoverable.
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Technical Response – The City of New Carrollton

3. Washington, D.C. Department of General Services – Capital Construction Services Division

Client: District of Columbia Government

Project: External Audit and Financial Management

Scope of Services:

- Performed vendor fee audits and developed recommendations based on audit findings.
- Reviewed and processed capital project documentation including contracts, invoices, and CBE participation schedules.
- Supported Project Managers and contractors with data entry, reporting, and Prolog system access.
- Assisted with annual capital budget development and submission.
- Supported acquisition planning, business process improvement, and the contract award life cycle.
- Reviewed and analyzed monthly CBE data, pay applications, budget reallocations, and expenditure reclassifications.

Results:

Capital T. Solutions provided Accounting & Financial Management services that delivered actionable recommendation for process improvement and informed assessments to enhance daily operation and budgeting efficiency.

4. Coalition for Nonprofit Housing & Economic Development (CNHED)

Client: Coalition for Nonprofit Housing & Economic Development (CNHED)

Project: External Audit & Financial Management

Scope of Services:

- Provided Review on a weekly basis account receivable and account payable entries into QuickBooks to ensure accurate data entries.
- Review restricted and unrestricted donation into QuickBooks for accuracy.
- Assist in reconciliation between bank account and credit card statements.
- Review standard financial reports in QuickBooks for monthly reports in board meeting.
- Review budgetary data to ensure budget to actuals. Review monthly P&L for accurate recording.

Results:

Capital T. Solutions provided Accounting & Financial Management services that delivered actionable recommendation for process improvement and informed assessments to enhance daily operation and budgeting efficiency.

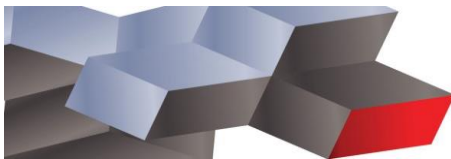
Technical Response – The City of New Carrollton

Pricing Proposal

Our proposed pricing model is based on Capital T. Solutions Prince George’s County Supply Schedule rates which includes direct labor, fringe benefits, overhead, general and administrative (G&A) expenses, and fees. These rates reflect the total cost of providing qualified personnel to The City of New Carrollton ensuring that all work can be delivered without the need for hidden charges or additional pass-through expenses.

The model is designed to be transparent, compliant, and defensible. Each labor category is aligned with clearly defined roles and responsibilities in our staffing plan, ensuring that The City of New Carrollton receives both value and accountability.

We are committed to working with The City of New Carrollton to align scope, staffing levels, and budget considerations in a way that balances fiscal responsibility with the delivery of high-quality, sustainable results.



Capital T. Solutions

Posting ID: N/A

Contract Title: Audit, Comprehensive Organizational Assessment, & Compensation Study

Cost Summary: The cost presented herein corresponds to the development of project phase.

Deliverable	CTS Employee	# of CTS Employee	Labor Rate	Labor Hours/Wk.	POP	Monthly Cost	Total Cost
External & Compliance Audit	Senior Auditor (CPA), (CGFM),(CICA)	1	\$155.59	400	60 + Days	\$31,118.00	\$62,236.00
External & Compliance Audit	Junior Auditor	1	\$82.88	200	60 + Days	\$8,288.00	\$16,576.00
External & Compliance Audit	Junior Auditor	1	\$82.88	200	60 + Days	\$8,288.00	\$16,576.00
External & Compliance Audit	Administrative	1	\$30.00	100	60 + Days	\$1,500.00	\$3,000.00

\$98,388.00
Total Cost

Technical Response – The City of New Carrollton

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	Total of All (3) External Audit, Comprehensive Organizational Assessment, & Compensation Study	1	Total	\$10,000	\$10,000
2	External Audit	1	EACH	\$3,500	\$3,500
3	Comprehensive Organizational Assessment	1	EACH	\$2,500	\$2,500
4	Compensation Study	1	EACH	\$4,000	\$4,000

DRUG FREE WORKPLACE CERTIFICATION

1. The City has published a statement to its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the City's workplace. The City has also communicated to its employees the actions that will be taken against employees for violation of this policy.
2. Further, the City also informs employees of the dangers of drug abuse in the workplace; the City's policy of maintaining a drug free workplace; drug counseling, rehabilitation and employee assistance programs and the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
3. The Contractor is required to give any employee engaged in the performance of this contract a copy of the statement that "the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the City's workplace".
4. It is further required of the Contractor that all employees working under this Contract, as a condition of employment under this Contract be advised, in writing, that they:
 - a. must abide by the terms of this statement; and
 - b. must notify their employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
5. The Contractor must notify the City in writing, within ten calendar days after receiving notice under subparagraph 4 (b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant.
6. Contractor must take one of the following actions, within 30 calendar days of receiving notice under subparagraph 4 (b), with respect to any employee who is convicted of a criminal drug statute:
 - a. Taking appropriate personnel action against such employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - b. Requiring such employees to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.

7. Contractor must make a good faith effort to continue to maintain a drug-free workplace through the implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Bidder: Capita T. Solutions

(Print Name of Firm)

Address: City/State/Zip:

3261 Old Washington Road, suite 2020, Waldorf, Maryland 20602

By:



Signature of Person Authorized to Sign Bid

Jerod Thomas

Print Name and Title of Person Authorized to Sign Bid



Proposal to Conduct an Audit, Comprehensive Organizational Assessment, & Compensation Study

Due Date: January 23, 2026

Prepared by: **PRM Consulting Group, Inc.**
1814 13th Street, NW
Washington, DC 20009
(202) 745-3700
www.prmconsulting.com

Contact: Joshua R. Hutton, Sr., CCP
(202) 793-4392
Joshua.Hutton@prmconsulting.com

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1. Cover Letter



January 23, 2026

Ms. Maisha M. Williams, City Manager
City of New Carrollton
6016 Princess Garden Parkway
New Carrollton, MD 20784
mmwilliams@newcarrolltonmd.gov

SUBJECT: RFP-NC-2026-3- Audit, Comprehensive Organizational Assessment, & Compensation Study

Dear Ms. Williams:

PRM Consulting Group, Inc. (PRM) is pleased to submit our proposal in response to the City of New Carrollton’s (the City) Request for Proposal (RFP) for an audit, comprehensive organizational assessment, and compensation study.

This document includes our technical and cost proposal. It identifies our understanding of the study objectives and scope, proposed study methodologies, planned staffing, timing, and cost. PRM possesses the combination of consulting experience and expertise in classification, compensation, survey design, predictive analytics, program design and performance evaluation to assist the City of New Carrollton in the successful conduct of this proposed engagement. We also have a deep understanding of regional government operations to support this important initiative.

In conclusion, the PRM team has the corporate capabilities, consulting experience, and staffing as well as technical resources to successfully execute this study. Our response is valid for **120** days, and I am authorized to bind PRM for contracts and my contact information is as follows:

Sincerely,

Jim Moss
Managing Director
(202) 745-3710
Jim.Moss@prmconsulting.com

PRM Knows Classification and Compensation
<p>About Us: PRM is a professional services firm with a strong mix of classification and compensation subject matter experts. EIN Number: 52-2156813 DUNS Number: 119743370 SIC Number: 8742 GSA/FSS Number: 47QRAA19D00CD</p>
<p>Experience: Completed numerous successful studies for Anne Arundel County, MD, Baltimore County, MD, Charles County, MD, Fairfax County, VA, and others.</p>
<p>Technical Approach: Broad compensation experience with a focus on the public and not-for-profit sectors:</p> <ul style="list-style-type: none"> • Classification methodologies • Market pricing • Compensation program design • Rewards and recognition • Pay equity.
<p>Firm Leadership: Jim Moss, nationally renowned compensation subject matter expert.</p>





2. Firm Background

2. Firm Background

- PRM is a 100% minority-owned management and human resources consulting firm incorporated in the District of Columbia and certified as a small business.

Name	PRM Consulting Group, Inc.
Address	1814 13 th Street, NW Washington, DC 20009
Managing Director	Mr. Jim Moss
Telephone	(202) 745-3700
FAX	(202) 745-3701
Date Organized	March 1999
State of Incorporation	Washington, DC
FEIN #	52-2156813
Minority Business Certifications	Prince Georges County, Maryland District of Columbia National Capital Minority Development Council Washington Airports Authority Washington Transit Authority

- PRM Principals lead major practice areas in the delivery of our consulting services.
 - PRM operates in Washington, DC, Atlanta, GA and Richmond, VA.
 - PRM has 40 full-time consulting employees and a stable of more than 75 strategic partners who possess unique technical expertise.
- Founded in 1999, with over 100 years of combined professional experience, PRM provides a fully integrated complement of business solutions tailored to meet our clients' human resource management needs and strategies.
 - With roots in classification and compensation, we have grown into a full-service professional services firm.

2. Firm Background

- We focus on the unique needs of each client and work collaboratively with them to maximize employee performance and improve organizational efficiency.
- Our professional services are designed to assist organizations in achieving their missions and strategic objectives by attracting, retaining, and engaging quality employee talent at all levels.
- PRM specializes in providing advice, program design, benchmarking, and comparative analysis assistance in the following areas:
 - Classification
 - Reward and recognition
 - Employee benefits and perquisites
 - Actuarial services
 - Performance management
 - Personnel policy
 - Environmental scans / employee perspective surveys
 - Compensation
 - Leadership development and training
 - Organization design/development
 - Recruitment and executive search
 - Change management/communication
 - Employee relations
 - Diversity, Equity, and Inclusion.
- PRM’s classification and compensation practice represents a key component of the array of consulting services we provide our clients.
 - We have extensive knowledge of classification and compensation practices across all government market sectors, including local, federal, state, and quasi-government organizations.
 - We are regularly engaged in client assignments that include benchmarking “best practices”, pay program design, job analysis, regulatory compliance, survey design, as well as implementation assistance.
 - We maintain a comprehensive library of proprietary and published survey databases on local, regional, and national compensation levels

2. Firm Background

and practices to assist clients in ensuring that their pay and benefits programs are externally competitive.

- In summary, we possess experienced staff with the prerequisite competencies to successfully partner with the City to complete this engagement.
- PRM has worked with a variety of public sector clients in the past, including:
 - Anne Arundel County, MD
 - Anne Arundel County Public Schools
 - Baltimore County, MD
 - Charles County, MD
 - City of Annapolis, MD
 - City of Alexandria, VA
 - City of Winchester, VA
 - District of Columbia Office of Personnel Management
 - District of Columbia Retirement Board
 - District of Columbia Water & Sewer Authority
 - Fairfax County Public Schools
 - Fairfax County, VA
 - Frederick County, VA
 - Montgomery County, MD
 - Montgomery Regional Solid Waste Authority
 - Prince Williams County, VA
 - Rivanna Authorities
 - United States Environmental Protection Agency
 - Washington Convention Center Authority
 - Washington Metropolitan Transit Authority (METRO)
 - Washington Suburban Sanitary Commission
 - Village of Friendship Heights, MD
 - Virginia Housing Development Authority

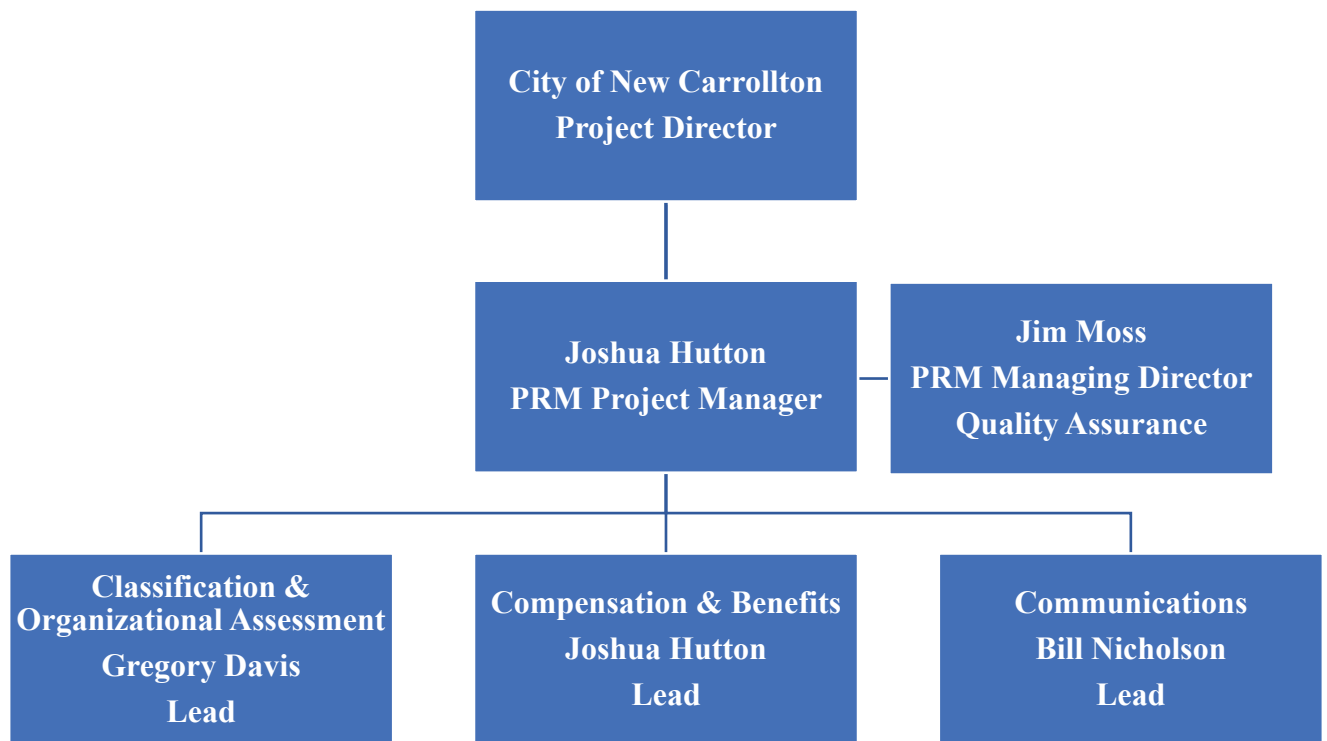


3. Project Team

3. Project Team

Project Team

- PRM has assembled a highly talented team of classification/organizational assessment and compensation experts to help ensure the successful completion of this assignment within the timeframe.
- Joshua Hutton is a Principal with PRM, and he is a subject matter expert in the local city and county government market in compensation and classification program design. He will serve as the Project Manager and report to the City’s designated Project Director for this assignment.
- The proposed organization of the Project Team is as follows:



3. Project Team

Key Personnel Biographies



Joshua R. Hutton, Sr., a Principal with PRM, will serve as the project manager on this assignment. He has over 17 years of experience working with a wide variety of organizations, including not-for-profits, quasi-government organizations, and city/county government. He specializes in the design and development of classification and compensation program design for city/county and state organizations, including variable pay plans and program administration.

Prior to joining PRM, Mr. Hutton served as the Division Director of Compensation and Workforce Analysis for Fairfax County Government. He was also a board member of the Local Government Personnel Association (LGPA) and the chair of the compensation committee. He has also worked closely with the Virginia Department of Human Resource Management (DHRM) and the Virginia Community College System (VCCS) on compensation-related matters.

While at Fairfax County Government, Mr. Hutton oversaw all workforce planning and compensation-related initiatives pertaining to market-based compensation analysis studies. This includes the review, analysis, design, development, implementation, communication and administration of executive compensation, employee compensation, performance management, incentives, and total rewards. Mr. Hutton has in depth knowledge of Unions and collective bargaining agreements along with the constraints associated with salaries both between union and non-union employees. He has also advised clients on human resource information systems (HRIS) to assist with position/incumbent management, salary administration, and position documentation.

Some of the clients with whom Mr. Hutton has worked with include Anne Arundel County, MD, Baltimore County, MD, Charles County, MD, Council of the District of Columbia, City of Annapolis, MD, Fairfax County, VA, Virginia Housing Development Authority, and Village of Friendship Heights, MD.

Mr. Hutton is a graduate of the University of Maryland with a bachelors' degree in English and holds a Certified Compensation Professional (CCP) designation from World at Work. Mr. Hutton is a member of World at Work and the Society for Human Resource Management (SHRM).

3. Project Team



JIM MOSS, PRM's Managing Director, will provide quality assurance on this assignment to ensure the highest level of service delivery.

Prior to founding PRM, Mr. Moss was a Principal and Rewards Practice Leader in Towers Perrin's Washington Consulting Office. Before that, he was with RCA Corporation and Random House, Inc. for seven years, where he held a number of positions in personnel, among them Manager of Wage and Salary and Organizational Development.

Mr. Moss has more than 40 years of compensation and classification experience. He has assisted numerous organizations in the areas of job analysis, position evaluation/benchmarking, and salary structure development.

During his consulting career, Mr. Moss has advised hundreds of public sector organizations in the area of compensation and classification. Clients for whom he has advised include: the District of Columbia, State of Maryland's Office of Personnel Management; Federal Government's Office of Personnel Management; and Prince William County's Office of Human Resources.

During his consulting career, Mr. Moss has designed and conducted many compensation surveys. He has collaborated with clients to develop survey instruments, as well as performed data collection, data analysis, and tabulation. He also has developed industry surveys for various associations.

Mr. Moss holds a B.A. degree in philosophy from Morehouse College and pursued graduate studies at New York University. He received a Lifetime Achievement from World at Work and is a member of the Society of Human Resource Management, and the National Association of African Americans in Human Resources. And he is a founding member of the Black Human Resource Network.

Some clients for whom Mr. Moss has conducted similar compensation and classification assignments include AARP, Invest Atlanta, Baltimore County, City of Alexandria, National League of Cities, and Winchester County.

3. Project Team



GREGORY DAVIS is a Managing Principal with PRM and will lead all classification/organizational assessment initiatives and responsibilities for this engagement as he has for the City of Baltimore, City of Annapolis, Anne Arundel County, State of Maryland, METRO, U.S. Food and Drug Administration, and others.

Mr. Davis has over 20 years of executive and senior leadership experience in mission-driven, university, for-profit, and governmental organizations. Davis has extensive expertise in working with large and complex classification and position management studies with Montgomery County, MD, Anne Arundel County, MD, Baltimore County, MD, and the State of Maryland.

Prior to joining PRM, Mr. Davis held executive and senior leadership positions in U.S. and global organizations with a broad network of contacts. Employers include Dun & Bradstreet, Northrop Grumman, Eli Lilly, and the Washington DC Chamber of Commerce, where Mr. Davis served as the CEO. Mr. Davis holds a bachelor's degree from Howard University and completed graduate coursework at George Washington and Carnegie Mellon universities. Mr. Davis is a former member of several boards—District of Columbia Lottery, Beauvoir at The National Cathedral, Trustee for the Mountain Institute, and District of Columbia Private Industry Council.

He is a member of Leadership Washington and has been recognized for his contributions by the Washington Hospital Center, INC Magazine, Dun and Bradstreet, and Northrop Grumman corporations. He supervises a robust team of Classifiers for studies like those being sought by the City of Colonial Heights.

3. Project Team



BILL NICHOLSON, a PRM Principal and managing director of communication for PRM. In that role, he has primary account management responsibility for clients and serves as a writer, editor, production manager and project manager.

Bill co-founded the Atlanta office of PRM in 2008 and has more than 30 years of consulting experience. Prior to joining PRM he held consulting positions with Towers Perrin, Aon and Buck Consultants. Bill has developed strategic communication programs for a wide range of client needs, such as:

- Evaluating an enterprise level job evaluation system and implementing improvements and new technology for a more effective compensation system.
- Developing personalized total compensation communication to increase engagement with the critical business goals driving short- and long-term incentive plans.
- Increasing participation in high deductible, consumer driven healthcare plans to improve consumerism, boost contributions to tax-effective health accounts, improves outcomes and control future cost growth.

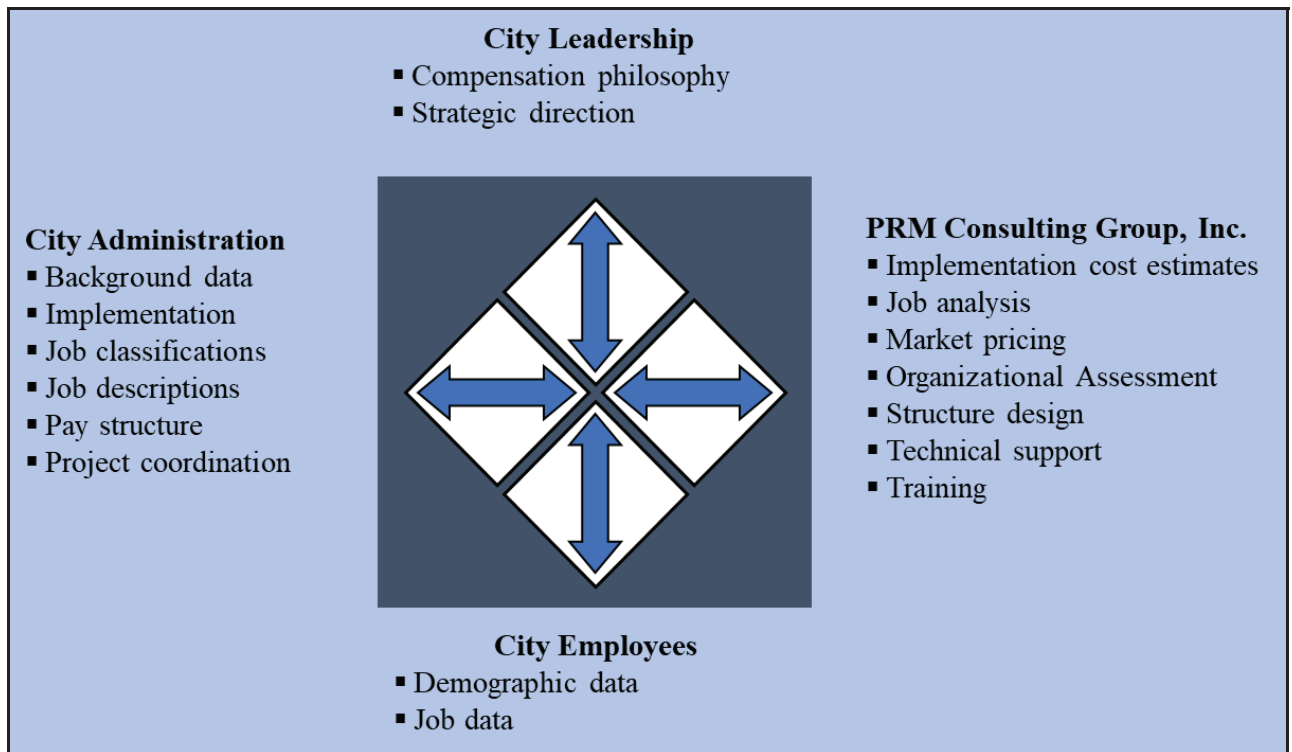
Bill's expertise includes focus group and survey research, print material, in-person and online training, electronic media and interactive digital media. He is a member of the International Association of Business Communicators (IABC), the Public Relations Society of America (PRSA), and the Atlanta chapter of the Society for Human Resources Management (SHRM). Four times, he has won IABC's international Gold Quill for benefit communication programs. He also was recognized with a Phoenix Award from PRSA Georgia for excellence in employee research. He has won five Atlanta IABC awards, including top-level Golden Flame awards for video production and internal communications.



4. Project Methodology and Approach

4. Project Methodology and Approach

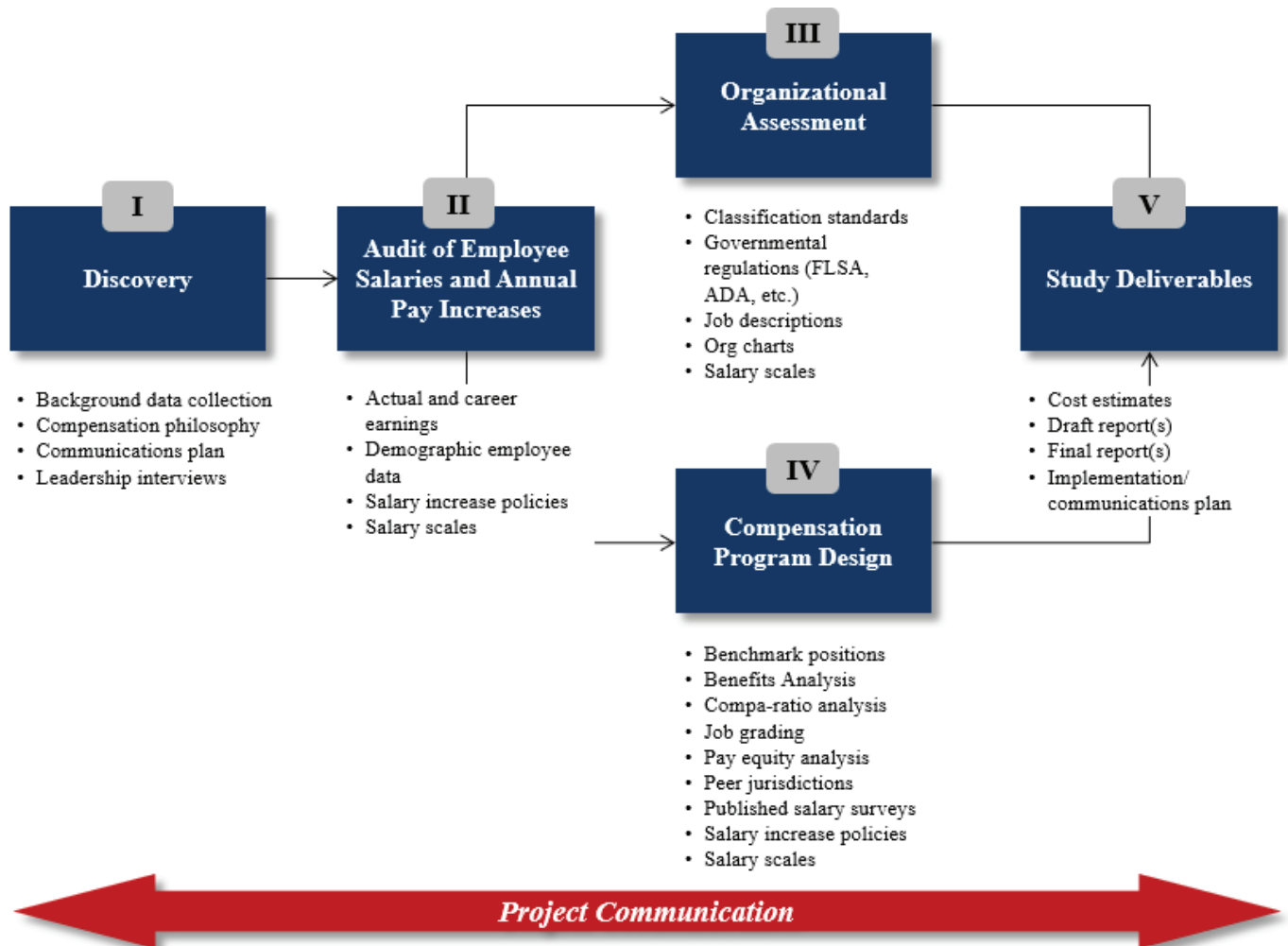
- The City is seeking proposals from qualified firms to conduct an external audit of the wages and salaries of City employees, undertake a comprehensive assessment of the City’s current organization configuration, and to perform a compensation study.
 - The purpose of this study is to ensure the City’s employee compensation is externally competitive within the D.C. metro area labor market.
 - It is to ensure the City’s organization framework is efficient and its HR practices reflect market best pay practices and support long-term recruitment and retention goals.
- To accomplish this, we envision a **collaborative effort** between the City and PRM during the conduct of this assignment:



4. Project Methodology and Approach

- PRM will coordinate with the City’s Administration to:
 - Request job descriptions, employee benefits information, and other required background materials, validate program design, and execute employee communication strategy; and
 - Coordinate the scheduling and facilitation of the City’s interviews/information sessions with department directors and City Council members, as desired.

- PRM will conduct a review of the City’s current employee salaries, organizational structure, and compensation plan in the context of five major work steps:



4. Project Methodology and Approach

Step I - Discovery

- PRM will hold a project initiation meeting with the City to finalize study objectives and scope, develop a project work plan, as well as to obtain the required background information.
 - Additionally, we will collaborate with the City to agree upon a communications plan for managing the project as well as to keep employees informed of the study's purpose and progress.
 - We plan to provide written progress updates to the City Administration on a monthly basis.
 - We plan to meet with each department to identify and determine services provided and the numbers and types of positions needed to accomplish each department's mission.
 - We understand the City currently has approximately 78 employees across three main departments: Administration, Police, and Public Works.
 - The City current salary structure consists of 30 pay grades each with 25 incremental steps.
- We will obtain and analyze the requested background materials to become familiar with the City's current employee pay, classification, benefits, policies, and practices as well as job and organizational structure.
 - Then, we will interview selected City department directors and council members, as desired, to obtain their perceptions of the current plan as well as to identify the various labor markets in which the City competes for employee talent and its desired compensation philosophy.
 - We have budgeted one week to conduct individual interviews with the selected City department directors and council members.

4. Project Methodology and Approach

Step II – Audit of Employee Salaries and Annual Pay Increases

- PRM will audit the City’s employee salaries by fiscal year to determine if any applicable recommendations are necessary.
 - The audit will be conducted starting from fiscal year 2020 to current.
 - We understand that the City’s fiscal year runs from July 1 to June 30.
 - We will review annual step increases and associated documentation for each employee taking into consideration COLA adjustments as applicable.
 - We will collaborate with the City to review and finalize any recommendations for any potential issues impacted employee salaries.
 - The analysis will be prepared in report exhibits in Excel and PDF format by fiscal year.

Step III – Organizational Assessment

- PRM will review the City’s organizational structure, reporting lines, and staffing levels across all departments.
 - We plan to identify inefficiencies, duplication of roles, and gaps in services delivery.
 - We will assess operational performance, accountability mechanisms, and resource allocation as applicable.
- PRM will review the City’s job content data contained in job descriptions, and organization charts.
 - We plan to rely on the City’s existing job descriptions to obtain the required job content data.

4. Project Methodology and Approach

- PRM will also review the City’s current job evaluation procedures and make recommendations for adjustments and improvements, where needed.
- We will also evaluate all of the City’s distinct position classifications across all job families and position levels for market pricing purposes.
- PRM will review and comment on the appropriateness of the City’s current job classification process and recommend changes to support its compensation plan objectives, as needed.
 - We will identify and define the appropriate job criteria for defining distinct work levels within each job family based on compensable factors.
 - We will assign covered positions to levels within each job family based on the established work levels.
 - As part of this study step, we will suggest the consolidation or expansion of job families, as needed, to support the maintenance of the updated compensation and classification plan.
 - This specific step in the study will assist the City with obtaining position clarity for their roles in addition to the development of current job descriptions reviewed in the job analysis section.
 - We will recommend a systematic approach for the City to follow in maintaining and updating the classification system for the future.
 - We will recommend changes to the City’s current job descriptions to ensure they reflect the work being performed as well as to ensure the content is in compliance with applicable laws and regulations such as Equal Employment Opportunities, American with Disabilities Act, and the Fair Labor Standards Act (FLSA).
 - We will also evaluate and recommend changes to selected City positions to ensure they are properly designated as exempt or non-exempt under the FLSA.

4. Project Methodology and Approach

- The FLSA review will be conducted in the context of the salary test based on the City’s starting salary for each position and the duties test for the applicable job category (e.g., administrative, computer).
- We will provide the updated position classification manual for the City’s use in the future.

Step IV – Compensation Program Design

- PRM will collaborate with the City to develop a protocol based on the established job families that outlines the geographic and labor markets to be used for market pricing covered City positions.
 - Specifically, we anticipate market pricing all of the City’s distinct job titles to ensure representation for all departments/job families.
 - We understand the City competes in the regional labor market to include the D.C. Metro area for talent.
 - For those surrounding regional jurisdictions, we will rely upon publicly available information to obtain compensation data.
 - We will collaborate with the City Administration to identify regional jurisdictions, for benchmarking purposes.
 - We will also market price the selected benchmark positions within local and/or regional employers using a variety of published survey sources available to the City and PRM.
 - The market compensation data collected will be used to develop competitive market summary statistics and pay levels for the City’s benchmark positions.
 - We will develop competitive market pay levels based on the City’s current salary grade assignments.
 - Then, we will compare the developed market levels to the City’s current midpoints to assess the external competitiveness of its current salary structures.

4. Project Methodology and Approach

- We will assess the City’s fringe benefits and leave policies including, but not limited to:
 - Insurance (health, dental, life, vision, etc.) to include employee vs. employer contribution percentages to premiums, allowances, leave accruals;
 - Overtime for non-exempt employees only;
 - Traditional leave (sick and vacation) and paid holidays; and
 - Retirement systems to include employee and City contributions.
 - The City’s fringe benefits and leave policies will be assessed in the context of typical market practices for other regional and local employers.
- Based on the results of PRM’s market findings, we will recommend changes to the City’s overall salary structure to ensure it is aligned with its overall compensation philosophy/objectives.
- PRM will also review the design of the City’s current salary structure and recommend changes, if needed, to reflect market “best practices”.
- As part of reviewing the City’s salary structure design, PRM’s recommendations will cover such aspects as the range spreads and midpoint differentials.
- We will collaborate with the City to review and finalize any recommendations for any applicable salary structure changes.
- Additionally, we will review and recommend changes to the City’s current salary administration policies and procedures, including pay practices such as:
 - Career ladders;
 - Certification pay incentives;
 - Merit-based pay;
 - Promotion/demotion pay adjustments;
 - Reclassifications; and
 - Temporary assignment pay and other applicable salary increases.

4. Project Methodology and Approach

- We will estimate the costs required to adopt the recommended pay program changes including below minimum increases, COLA/merit adjustments, and any recommendations for internal pay equity adjustments, if warranted.

Step V - Study Deliverables

- The primary study deliverable includes a detailed written report outlining PRM’s study recommendations, including discussion of methods, techniques, and data used to evaluate the City’s employee salaries, organizational structure, and compensation plan.
 - The report will be presented to the City in draft form, and then it will be finalized to incorporate any agreed upon changes.
 - It will contain detailed market data for each impacted City positions, including survey sources and position matches, and it will also include the “roll up” summary statistics for each position.
 - It will also contain administrative guidelines for the City to follow in reviewing and updating the compensation plan on a regular basis.
 - It will also include a one (1) year implementation plan (including a top priority adjustment list) to roll out identified recommendations as agreed upon by the City.
- The deliverables will be provided to the City in PDF format.
- We will also provide the City with report exhibits in Excel format once the study has been completed.
- Another study deliverable includes a position grading manual for the City’s use in maintaining and updating the compensation plan for the future.
- We will conduct a meeting with the City administration, department heads, and council members after the study to discuss findings and recommendations.
- Additionally, we plan to present the final report to the Mayor, the City Manager, and City Council.

4. Project Methodology and Approach

- We plan to provide additional support services, including the creation and implementation of a comprehensive system to track and monitor comparative compensation for City positions relative to the regional labor market, for maintenance of the new plan once implemented and in the future.
- We will provide the City with an implementation plan for rolling out the recommended changes to the compensation plan for employees.
- PRM will also collaborate with the City to develop a training session for selected City staff that describes the recommended compensation plan changes and its ongoing maintenance/administration.



5. Project Workplan and Timeline

5. Project Workplan and Timeline

- We estimate it will take approximately four (4) months starting effective after the Notice to Proceed and signing of the contract to complete the study as outlined, and the suggested workplan for completing the study is as follows:

Work Steps	Elapsed Time (in weeks)
Step I - Discovery	
1. Hold a project initiation meeting with the City to finalize study objectives, scope, and employee communications plan; establish target completion dates as well as obtain the required background information.	Week 1
2. Meet with each department to identify and determine services provided and the numbers and types of positions needed to accomplish each department's mission.	Week 1
3. Review the requested background materials to become familiar with the City's current employee pay, classification system, and compensation structure and practices as well as job/org structure classification and compensation plan and practices.	Week 2
4. Collaborate with the City to articulate its compensation philosophy for the future, including validating organizations for the survey peer group.	Week 2
Step II – Audit of Employee Salaries and Annual Pay	
Increases	
5. Collect and analyze the City's current employee salaries by fiscal year.	Week 2
6. Review annual step increases and associated documentation for each employee taking into consideration COLA adjustments.	Weeks 3 - 4
7. Review and finalize any recommendations for any potential issues impacted employee salaries.	Weeks 3 - 4
Step III – Organizational Assessment	

5. Project Workplan and Timeline

Work Steps		Elapsed Time (in weeks)
8.	Review the City’s organizational structure, reporting lines, and staffing levels across all departments.	Weeks 5 – 6
9.	Identify inefficiencies, duplication of roles, and gaps in services delivery.	Weeks 5 – 6
10.	Assess operational performance, accountability mechanisms, and resource allocation as applicable.	Weeks 5 – 6
11.	Review the City’s job content data contained in job descriptions and organization charts.	Weeks 5 – 6
12.	Recommend changes to the City’s job descriptions to accurately reflect their assigned duties and responsibilities as well as to ensure compliance with statutory guidelines (EEO, ADA, etc.).	Week 7
13.	Review and comment on the appropriateness of the City’s current job classification process and recommend changes as needed.	Week 7
14.	Review and recommend changes to the City’s current job families (consolidation, expansion, etc.).	Week 7
15.	Identify the appropriate job criteria for defining distinct work levels within each job family based on compensable factors.	Week 8
16.	Review selected City job descriptions to ensure they are properly classified under FLSA.	Week 8
17.	Evaluate and recommend changes to exempt or non-exempt status of City positions to ensure compliance with the FLSA.	Week 8
Step IV – Compensation Program Design		
18.	Collect publicly available compensation and classification data from the surrounding regional jurisdictions and published salary survey sources.	Weeks 9 – 10
19.	Review peer group jurisdictions' organization configuration, staff size, and scope of services.	Weeks 11 – 12

5. Project Workplan and Timeline

Work Steps	Elapsed Time (in weeks)
20. Develop competitive market pay summary statistics and pay levels on the City’s benchmark positions.	Weeks 11 – 12
21. Assess fringe benefits and leave policies including, but not limited to, insurance (health, dental, life, vision, etc.) to include employee vs. employer contribution percentages to premiums, allowances, leave accruals, traditional leave (sick and vacation) and paid holidays.	Weeks 13 – 14
22. Review the design of the City’s current salary structure, compare the City’s current midpoints to the developed market pay levels for benchmark positions to provide recommendations.	Weeks 13 – 14
23. Review and recommend internal salary ranges to include percent spreads between and within ranges for each position based on the compensation philosophy.	Weeks 13 – 14
24. Compare the City’s current employee actual pay to the recommended midpoints/median for their position to estimate recommended implementation cost.	Weeks 13 – 14
25. Review and recommend any applicable organizational structure changes stemming from findings.	Weeks 13 – 14
26. Review and recommend changes to the City’s starting salaries, current pay practices, including pay for performance, skill pay, merit increases, and promotional adjustments.	Weeks 13 – 14
27. Provide the City with administrative guidelines to maintain/adjust the revised compensation plan.	Weeks 13 – 14
Step V – Study Deliverables	
28. Prepare and present a draft report containing PRM’s study methodologies, market findings, recommended compensation plan changes, implementation plan for a one (1) year approach to include methodologies for implementation of recommendations (including a top priority adjustment list).	Weeks 15 – 16

5. Project Workplan and Timeline

Work Steps		Elapsed Time (in weeks)
29.	Obtain the City’s feedback and incorporate agreed-upon changes, then submit a final report.	Weeks 15 – 16
30.	Conduct in-person meetings with City Administration, department heads, and council members to discuss findings and recommendations.	Weeks 15 – 16
31.	Present findings and recommendations to the Mayor, City Manager, and City Council.	Weeks 15 – 16



6. References

6. References

Client Information	Project Description
<p>Baltimore County, MD</p> <p>Renee Coleman Director of Human Resources (410) 887-3122 rcoleman@baltimorecountymd.gov</p> <p>Period of Performance: August 2022 – February 2024</p>	<p>PRM was retained through a competitive bid to assist the County’s Department of Human Resources with developing a compensation and classification system that had not been updated in over twenty years. The County’s overarching goal was to evaluate the current County’s job classification and compensation program for County Merit Employees, Non-Merit Employees, Appointed Positions, and Contractual Positions. The County wanted to analyze the County's existing County programs, conduct a comparative analysis with comparable programs from the public sector and comparable metrics. The desired result of this scope of work is to include expertly crafted Actionable Recommendations that the County can use to institute reform to the current job classification and compensation programs. A new job classification and compensation program would ensure that similar County positions (similar complexity, responsibilities, knowledge, skills, and abilities) that perform similar work are classified together. The County wanted assistance with designing a compensation pay structure that comports with the appropriate job classifications and ensures County employees’ salaries are commensurate with assigned duties and the relevant job markets. Additionally, the County wanted operational changes to ensure that the Department of Human Resources has adequate resources and staffing to properly administer the changes being proposed to the job classification and compensation program.</p>
<p>Charles County, MD</p> <p>Alexis Blackwell Director of Human Resources (301) 645-0578 Blackwea@CharlesCountyMD.gov</p>	<p>PRM was retained through a competitive bid to assist the County’s Department of Human Resources with developing a compensation and classification system that has not been updated in over several years along with evaluating all current benefits offered to employees.</p> <p>The County’s overarching goal was to evaluate the current County’s job classification and</p>

6. References

Client Information	Project Description
<p>Period of Performance: November 2024 – Present</p>	<p>compensation program for County Merit Employees, Non-Merit Employees, and Appointed Positions. The County wanted to analyze their existing programs, conduct a comparative analysis with comparable programs from the public sector and comparable metrics.</p> <p>The desired result of this scope of work is to include expertly crafted Actionable Recommendations that the County can use to institute reform to the current job classification, compensation, and benefits programs. A new job classification and compensation program would ensure that similar County positions (similar complexity, responsibilities, knowledge, skills, and abilities) that perform similar work are classified together.</p> <p>The County wanted assistance with designing a compensation pay structure that comports with the appropriate job classifications and ensures County employees’ salaries are commensurate with assigned duties and the relevant job markets.</p>
<p>Village of Friendship Heights, MD</p> <p>Julian Mansfield Village Manager (301) 656-2797 jmansfield@friendshipheightsmd.gov</p> <p>Period of Performance: February 2024 – February 2025</p>	<p>PRM was retained through a competitive bid to assist the Village with developing a compensation and classification system that had not been updated in over twenty years. The Village’s overarching goal was to evaluate the current job classification and compensation program for Village Employees and Executive Positions. The Village wanted to analyze the existing programs, conduct a comparative analysis with comparable programs from the public sector and comparable metrics. The desired result of this scope of work is to include expertly crafted Actionable Recommendations that the Village can use to institute reform to the current job classification and compensation programs. A new job classification and compensation program would ensure that similar Village positions (similar complexity, responsibilities, knowledge, skills, and abilities) that perform similar work are classified together. The Village wanted assistance with designing a compensation pay structure for</p>

6. References

Client Information	Project Description
	<p>employees that comports with the appropriate job classifications and ensures employees’ salaries are commensurate with assigned duties and the relevant job markets. Additionally, the Village wanted operational changes to ensure that the Village staff has adequate resources and staffing to properly administer the changes being proposed to the job classification and compensation program.</p>
<p>Virginia Housing Development Authority</p> <p>Lisa Watson Managing Director, Human Resources (804) 343-5521 lisa.watson@virginiahousing.com</p> <p>Period of Performance: January 2025 – Present</p>	<p>PRM was retained through a competitive bid to assist Virginia Housing’s Department of Human Resources with developing a compensation and classification system that has not been updated in over several years along with evaluating all current benefits offered to employees.</p> <p>Virginia Housing’s overarching goal was to evaluate the current job classification and compensation program for employees. Virginia Housing wanted to analyze their existing programs, conduct a comparative analysis with comparable programs from the public sector and comparable metrics.</p> <p>The desired result of this scope of work is to include expertly crafted Actionable Recommendations that Virginia Housing can use to institute reform to the current job classification, compensation, and benefits programs. A new job classification and compensation program would ensure that similar County positions (similar complexity, responsibilities, knowledge, skills, and abilities) that perform similar work are classified together.</p> <p>Virginia Housing wanted assistance with designing a compensation pay structure that would comply with the appropriate job classifications and ensures employees’ salaries are commensurate with assigned duties and the relevant job markets.</p>



7. Cost of Services

7. Cost of Services

- PRM’s staff charges are based on the hourly rates for assigned staff multiplied by the estimated hours to complete an assignment.
- The current hourly rates for our proposed consulting staff on this assignment are listed below. The Government Hourly Rate (discounted) reflects the same rates currently offered for other public agency clients.

PRM Position Level	Hourly Rate	Gov. Hourly Rate (Discounted)
a. Managing Director	\$450.00	\$398.99
b. Principal	\$350.00	\$299.24

- We will charge a **flat fee** of **\$57,454** to successfully complete this assignment as outlined below, and a breakout of the fees by the major work steps is as follows:

Phase	Total Cost
<ul style="list-style-type: none"> • Audit of Employee Salaries and Annual Pay Increases 	\$14,962
<ul style="list-style-type: none"> • Organizational Assessment 	\$19,151
<ul style="list-style-type: none"> • Compensation Program Design 	\$23,341
Total Costs	\$57,454

- The flat fee includes a 25% discount for services to be rendered for the project.
- The flat fee also includes the cost of conducting a tailored survey.

7. *Cost of Services*

- We agree not to exceed the flat fee unless there are significant changes in the study scope to which the City agrees to, prior to us performing any additional work.
- Administrative expenses for telephone, computer, photocopy, and related incidental costs are included in the flat fee. Out-of-pocket expenses for travel, if any, are additional and will be billed at cost.
- We will bill **25% (or \$14,363.50)** of the total fee after the project initiation meeting, and the remaining fee will be billed in monthly increments until study completion.
 - The monthly increments will be based upon work performed during that period, and invoices will include a narrative description of tasks and deliverables completed with the invoice.
 - We agree not to exceed the flat fee unless there are significant changes in the project scope.
- PRM’s anticipated staffing and hourly rates for the optional work tasks are the same as the hourly rates listed above.
 - We will prepare a task order or a fixed price proposal for the requested optional work once we understand the scope of the requested services.
 - Assuming the City retains PRM, our hourly rates for the optional work tasks will remain the same for a one-year period following the audit, comprehensive organizational assessment, and compensation study.



8. Insurance Requirements



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

01/20/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Mouton Insurance Brokerage, Inc. 7059 Blair Road Nw, Suite 202 Washington DC 20012	CONTACT NAME: Mouton Insurance Agency PHONE (A/C, No, Ext): 202 667-7446 FAX (A/C, No): (202)667-7509 E-MAIL ADDRESS: sgrasty@moutonbrokerage.com														
INSURED Prm Consulting Inc. 1814 13Th Street Nw Att: Jim Moss Washington DC 20009	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td>INSURER A: Hartford Insurance</td> <td style="text-align: center;">00000</td> </tr> <tr> <td>INSURER B: Beasley Insurance</td> <td style="text-align: center;">00000</td> </tr> <tr> <td>INSURER C: Travelers</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Hartford Insurance	00000	INSURER B: Beasley Insurance	00000	INSURER C: Travelers		INSURER D:		INSURER E:		INSURER F:	
INSURER(S) AFFORDING COVERAGE	NAIC #														
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INSURER B: Beasley Insurance	00000														
INSURER C: Travelers															
INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY			42SBAAK9PSB	04/19/2025	04/19/2026	EACH OCCURRENCE	\$ 1,000,000	
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000	
	GEN'L AGGREGATE LIMIT APPLIES PER:							MED EXP (Any one person)	\$ 5,000
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PERSONAL & ADV INJURY	\$ 1,000,000	
	OTHER:						GENERAL AGGREGATE	\$ 2,000,000	
							PRODUCTS - COMP/OP AGG	\$ 2,000,000	
								\$	
A	AUTOMOBILE LIABILITY			42SBAAK9PSB	04/19/2025	04/19/2026	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000	
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person)	\$	
	<input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident)	\$	
	<input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	\$	
							\$		
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			42SBAAK9PSB	04/19/2025	04/19/2026	EACH OCCURRENCE	\$ 5,000,000	
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE	\$ 5,000,000	
	DED <input type="checkbox"/> RETENTION \$ <input type="checkbox"/>							\$	
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			42WBCEH2248	04/01/2025	04/01/2026	PER STATUTE	OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N	N/A				E.L. EACH ACCIDENT	\$ 1,000,000	
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000	
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000	
B	Sexual Abuse & Molestation			SML-0000-00295836C	09/20/2025	09/20/2026	occurrence	1,000,000	
							aggregate	1,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

HR Consultants
 (C) Travelers - Professional Liability Policy # 107480253 7/28/2025 - 7/28/2026 Limit 4,000,000
 (C) Employee Agency Bond Policy #108240689 3/31/2025 - 3/31/2026 Limit 100,000

CERTIFICATE HOLDER

CANCELLATION

City Of New Carrollton 6016 Princess Garden Parkway Cheverly MD 20784	<p>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</p> <p>AUTHORIZED REPRESENTATIVE</p>
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NON-COLLUSIVE BIDDING CERTIFICATION

- (a) By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of knowledge and belief:
- (1) The prices in this bid have been arrived at independently without collusion, consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor;
 - (2) Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the bidder and will not knowingly be disclosed by the bidder prior to opening, directly or indirectly, to any other bidder or to any competitor; and
 - (3) No attempt has been made or will be made by the bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition.

Jim Moss

PRINT NAME



SIGNATURE

Managing Director

TITLE

PRM Consulting, Inc.

NAME OF CORPORATION

52-2156813

FEDERAL ID#

DATE: 10/24/2025