

Subject	Salary and Benefits Study
<b>Summary</b>	Pursuant to APC approval in November 2007, staff issued a Request for Qualifications (RFQ) for a human resources consultant to conduct a formal salary and benefits study. The intent of the study is to examine Authority compensation levels, gather comparable data and provide recommendations for consideration in the 2008-09 Salary and Benefits resolution later this year. The first step in this process is for the consultant, Koff & Associates, to provide an overview of the study methodology, objectives, and work with the APC on developing a list of comparable agencies for the study.
<b>Recommendations</b>	It is recommended that the APC, staff, and the consultant discuss the study methodology, objectives and establish direction on the list of comparable agencies to be used in the study.
<b>Financial Implications</b>	There are no financial implications to consider at this time.
<b>Options</b>	The Authority could elect to not move forward with a salary and benefits study.
<b>Attachments (See APC Packet dated 2/7/08)</b>	A. List of potential comparable agencies.
<b>Changes from Committee</b>	<i>APC recommended 13 comparative agencies (see list of agencies below).</i>

**Background**

Each year the Authority examines the level of employee salary and benefits in comparison to other public agencies. This process helps assure that compensation terms for Authority staff remain within market both geographically and within similar position classifications at other public agencies. This process is a precursor to the budget process. Last year an informal compensation study was performed by Authority staff and the APC expressed a preference for a more formalized study prepared by an outside firm. Staff developed a Request for Qualifications and received interest from three firms.

Of the responding firms, Koff & Associates was selected as the finalist based on criteria of qualifications, experience in similar engagements, and pricing terms. Koff & Associates is a public sector human resources consulting firm founded in 1984. They have extensive experience working with organizations on compensation and classification studies which represents approximately 70% of their business. The Koff & Associates pricing terms of \$8,900 were the most favorable of all firms evaluated.

The approach recommended by staff is that the APC, staff, and the consultant have a common understanding of the study methodology, objectives, and the comparable agencies at the onset of the study. The selection of comparable agencies is a critical step in this process. According the Koff & Associates statement of qualifications, the proposed methodology is as follows:

“Our recommended methodology is that we involve your Board, as well as employees and management, in the decision-making process of agreeing as to which agencies are included PRIOR to beginning the study. Our experience has shown that this is the most successful approach.”

As a starting point of the discussion of comparable agencies, Koff & Associates has prepared the attached matrix of public agencies. Koff & Associates has recommended that up to twelve (12) agencies be used in the comparison. In collaboration with the APC and staff, the consultant will discuss the list with the objective of gaining consensus on the agencies to be used for the study.

Factors for consideration in selecting comparable agencies include:

- Similar organizational type and scope of services provided.
- Position classifications of similar duties, responsibilities and span of control.
- A labor market which competes for the same pool of qualified employees.

The next step in the process will be to return with study results and recommendations for further discussion with the APC in March. After receiving direction from the APC, staff will prepare a draft Salary & Benefits Resolution for the 2008-09 budget for consideration at the April APC meeting.

*Comparative Agencies to be Surveyed:*

1. *Alameda County Congestion Management Authority*
2. *Alameda County Transportation Improvement Agency*
3. *California Department of Transportation (Caltrans)*
4. *City of Antioch*
5. *City of Concord*
6. *Contra Costa County Public Works Department*
7. *Metropolitan Transportation Commission*
8. *Riverside County Transportation Commission or San Bernardino Associated Governments (depending on cooperation of agency)*
9. *San Mateo County Transportation Authority*
10. *Santa Clara County Valley Transportation Authority*

*And, depending on cooperation of agency, two to three of the following:*

11. *City of Fresno*
12. *City of Los Angeles*
13. *City of Sacramento*
14. *City of San Diego*