MEMORANDUM OF AGREEMENT

This agreement is made and entered into this 22 day of 2003, by and between the City of Jonesboro, Arkansas, party of the first part, hereinafter called the COOPERATOR and Condrey and Associates, Inc., party of the second part, hereinafter called the CONSULTANT. All obligations under this agreement will be performed by Condrey and Associates, Inc.

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

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

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

Section I

Condrey and Associates will:

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

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

Section II

COOPERATOR will pay Condrey and Associates a **fixed fee** of \$37,500 upon receipt of invoices. This amount will be paid in two equal installments, within twenty (20) days of receipt of billing. The invoices should be directed to: Ms. Suzanne Hackney, Director of Human Resources, City of Jonesboro, 515 West Washington, Jonesboro, AR 72401. The billings shall occur on May 21, 2003, and August 1, 2003.

Section III

The term of this agreement shall be from May 21, 2003 through August 31, 2003. However, it may be terminated by either party by written notice of such intent submitted 90 days in advance. In the event of such termination, the COOPERATOR will pay Condrey and Associates a prorated portion of the upcoming installment consistent with the revised termination date. Condrey and Associates will continue to work on the project until the revised termination date and will provide to the COOPERATOR interim findings and summary notes that reflect the status of the project at the time of revised termination.

Section IV

This agreement may be modified at any time by mutual consent of the parties hereto.

Any modification hereto shall be in writing and signed by both parties.

Section V

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

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

FOR CONDREY AND ASSOCIATES:

Stephen E. Condrey

President

Date:_

Jan H. Hansford

Vice President/Treasurer

Date: ろガえ

Corporate Seal

APPENDIX A

Contract for Technical Assistance to the City of Jonesboro, Arkansas Proposal for Reviewing and Revising the City's Classification and Compensation System

The administration of the City of Jonesboro has determined the need for a review and updating of the job classification system and pay plan for all jobs covered under its personnel system.

Objectives

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

- 1. Review and revise the current personnel classification system and pay plan for all employees covered under this agreement;
- 2. Produce an updated description of each job (optional) and produce a classification system based on job content analysis;
- 3. Collect salary and benefits data and produce a recommended pay plan based on job analysis, job evaluation, and survey data; and
- 4. Train designated personnel in each step of classification and pay plan development to help insure the implementation and maintenance of the system.

Phase I -- Developing a Work Plan and Schedule of Activities

- 1.1 Condrey and Associates, in cooperation with appropriate officials, will generate a work plan of activities and target dates for completion.
- During this phase all the documents detailing the current personnel policies and procedures, job classification system and pay plan will be made available to Condrey and Associates for review and analysis.

Phase II -- Job Analysis Survey

2.1 Condrey and Associates will develop a detailed job survey form to be completed by position incumbents. This data will serve as the basis for generating updated job descriptions, job classifications, and job evaluations (ranking of jobs).

- 2.2 Condrey and Associates will determine the number of interviews and/or job audits that will need to be conducted to insure adequate data for generating a complete and valid description of each job and job classification. It is anticipated that 50% of full-time position incumbents will be interviewed concerning their job duties and responsibilities.
- After the job survey, job audits and interview data are analyzed, a properly formatted job description will be completed for each job. The written job description will draw on four sources of information: (1) current job descriptions, (2) information from the job survey, (3) supervisors' review and critique, and (4) interviews and job audits. (This item is optional at \$75 per job description.)

Phase III -- Job Evaluation

- 3.1 Condrey and Associates will furnish a job evaluation format of established procedures for ranking jobs and measuring differences in job content.
- 3.2 Condrey and Associates and appropriate officials will select a format best suited for measuring different levels of knowledge, skills, and abilities required to perform the jobs to be evaluated.

Phase IV -- Marketplace Compensation Survey

- 4.1 Condrey and Associates will conduct a salary and benefits survey of public and private organizations specifically for this project.
- 4.2 Condrey and Associates will collect, review, and format published salary data covering relevant public and private organizations.
- 4.3 Condrey and Associates will analyze and format the survey data for use in establishing competitive pay levels.
- 4.4 After the survey data is compiled, Condrey and Associates will review all data generated to this point with appropriate officials to determine what additional information needs to be considered before moving to the next phase.

Phase V -- Developing a Pay Plan

Condrey and Associates will:

5.1 Establish recommended pay grades based on the job evaluation results (Phase III) and the wage survey (Phase IV).

5.2 Establish pay steps or ranges in each grade and present the complete recommended pay plan to appropriate officials for review. At this point the plan will reflect the data from Phases III and IV as well as cost-of-living data and the jurisdiction's financial condition and compensation policy.

Phase VI -- Implementing and Administering the Program

Condrey and Associates will:

- 6.1 Recommend a series of career ladders and lattices as appropriate.
- 6.2 Determine the proper FLSA designation of each position.
- 6.3 Train appropriate officials in the administration of the program, with an emphasis on procedures for keeping the program up-to-date.
- 6.4 Recommend rules and procedures for implementing and administering the classification and compensation system.
- 6.5 Conduct a preliminary staffing analysis for the city.
- 6.6 Be available to provide a reasonable level of ongoing technical assistance necessary to maintain the program.

Cost and Duration

The cost to Condrey and Associates to provide the services specified in this proposal will be a **fixed fee** of \$37,500. Considering the scope of the project, we anticipate a four (4) month work plan beginning May 21, 2003, with final reports submitted on or before August 31, 2003. Follow-up technical assistance will be provided through August 31, 2004 at no additional cost to the jurisdiction (with the exception of travel-related costs). Formal involvement would terminate August 31, 2003.

City of Jonesboro Schedule of Activities

DATE	ACTIVITY
May 2003	 Distribute position questionnaires Conduct project orientation for human resources staff, department heads and employees
June-July 2003	 Completed position questionnaires returned to Condrey and Associates Conduct salary and benefits survey Conduct employee interviews Develop preliminary cost estimate Present preliminary classification and pay report
August 2003	o Publish final report
September 2003- August 2004	o Provide follow-up technical assistance in pay plan implementation
Project Director:	Dr. Steve Condrey, President Condrey and Associates, Inc. PO Box 7907 Athens, GA 30604-7907 (706) 548-8938 (Phone) (586) 816-4067 (FAX) steve@condrey-consulting.com www.condrey-consulting.com