



Baker Tilly US, LLP

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March 8, 2021

Ms. Sharon Payne
City Clerk/Treasurer
City of Stacy
30955 Forest Blvd.
Stacy, MN 55079

RE: Classification System Maintenance Engagement Letter

Dear Ms. Payne:

This letter documents the City of Stacy ("Client") engagement of Baker Tilly US, LLP ("Baker Tilly") to conduct needed maintenance and/or incidental services in support of your compensation and classification system (the S.A.F.E. classification system) installed as part of a classification study. This letter defines our and your respective obligations for the Project.

Scope, Objectives and Approach

The scope of work is to include only occasional maintenance and incidental services needed from time to time, subject to the further description and fees for service attached as Exhibit A and Exhibit B, respectively. Approved individual work orders must be in writing authorized by the Client or its representative and may be forwarded by email or other electronic correspondence.

Project Timing and Budget

This agreement will commence upon your execution of this engagement letter and will remain in effect until the earlier of two (2) years from the date of this agreement or until aggregated fees charged under it total twenty thousand dollars (\$20,000) unless extended by mutual written agreement.

Baker Tilly will lead the engagement, and staff will be involved as required and charged at the rates included in Exhibit B. If appropriate, alternative work scope and fee structures may apply if mutually agreed to in writing by both parties. Any project-related expenses such as, but not limited to, printing and travel expenses for on-site visits will be charged in addition. The Client will make payments upon receipt of an invoice submitted by Baker Tilly. Payment to Baker Tilly is due upon receipt. All invoices will be forwarded to the Client for processing unless otherwise directed. For reporting purposes, Baker Tilly's tax identification number is 39-0859910.

Client's Obligations

You agree to provide necessary information and to respond to drafts of documents and reports as needed in a timely manner. Failure to do so on your part will protract timelines and be subject to additional charges.

If this letter is consistent with your understanding, please sign below and return one copy to us for our files. We look forward to working with you.

Sincerely,

Ann Antonsen

Ann Antonsen, Director

Client Signature:

Name: _____

Title: _____

Date: _____

Exhibit A

Scope of Services

Baker Tilly agrees to furnish and perform the following compensation and classification services. Article I and II include the development of new position descriptions.

Article I. Analysis of Recommended S.A.F.E. scoring for new positions

- A. Distribute and analyze a standard Position Analysis Questionnaire with data approved by the client for the desired new position.
- B. Using S.A.F.E. database previously developed for client, recommend an appropriate grade for the new position in the existing pay structure.
- C. Assess the new position for its status relative to exemption from Federal Wage and Hour requirements.

Article II. Analysis of Recommended S.A.F.E. scoring for existing positions experiencing changes to S.A.F.E. factors

- A. Distribute and analyze a standard Position Analysis Questionnaire with data approved by the client for the affected existing position.
- B. Using S.A.F.E. database previously developed for client, recommend an appropriate grade for the affected position in the existing pay structure.
- C. Assess the affected position for its status relative to exemption from Federal Wage and Hour requirements.

Article III. Analysis of Recommended S.A.F.E. scoring for new or existing positions not needing a job description developed or updated

- A. Distribute and analyze a standard Position Analysis Questionnaire and/or utilize new or updated documents with data approved by the client for the new or affected existing position.
- B. Using S.A.F.E. database previously developed for client, recommend an appropriate grade for the subject position in the existing pay structure.

Article IV. Additional related work

- A. Additional work to be defined and which is related to or incidental to maintenance and evaluation of pay or classification issues arising from the implementation and maintenance of the S.A.F.E. Compensation and Classification system.
- B. Preparation of materials, recommendations or related materials relevant to the classification and compensation system.
- C. Preparation of State of Minnesota pay equity report
- D. Presentation of information to administration, elected officials, staff or other designated parties.
- E. Other related work.

Exhibit B

Fees

Baker Tilly's fees for the services as set forth in Exhibit A, shall be billed at Baker Tilly's standard billing rates, as follows:

- A. For services provided as set forth in Articles I through II, fees shall be billed at the rate shown below:

For 5 or less positions per assignment	\$600 per position
For 6 – 10 positions per assignment	\$550 per position
For 11 positions or more not to exceed 20 positions per assignment	\$500 per position

- B. For services provided under Article III or Article IV or resulting from Client time delays, services will be billed at Baker Tilly's standard hourly rates based upon the actual time and expenses incurred, however, Client will be billed for a minimum of one hour for any given work order.
- C. Baker Tilly shall bill the Client regularly throughout the engagement, but in no instance will billing be done more frequently than once monthly.
- D. If applicable, any unbilled work performed prior to the date of this agreement without benefit of a formal written agreement shall be billed according to terms outlined by a separate document attached to this agreement and which unless otherwise stated, shall be at the normal and standard prices in place at the time the work was performed.

Standard Hourly Rates by Job Classification*

1/1/2020

Title	Hourly Rate*
Principal, Partner, Firm Director	\$320
Senior Manager, Director	\$270
Manager	\$225
Senior Staff	\$195
Staff	\$165
Support	\$80

- * *Hourly rates are subject to change periodically due to changing requirements and economic conditions.*

The above fees include all personnel costs incurred by Baker Tilly, but do not include expenses incurred, such as but not limited to travel or mileage, which will be billed as a separate line item in addition to the fees above. No such expenses will be incurred without the prior authorization of the Client.