

I.2 STATEMENT OF WORK

The FTC contracted with Thomas Howell Ferguson (THF), a certified public accounting firm, and MGT of America, Inc., to conduct an external market salary analysis of all management position classifications at the FDOT, and to provide independent recommendations and assessments of appropriate pay ranges for all positions. The FTC is a Citizen's Oversight Board of the FDOT entrusted with maintaining and exceeding the public trust in the areas of Policy Guidance and Public Accountability. It is statutorily charged with evaluating the performance, operational productivity, and fiscal management of FDOT.

MGT was commissioned in September 2002 by the FTC to determine the extent, if any, of compensation disparity existing between FDOT senior management personnel and comparable jobs in other agencies or corporations. The FTC commissioned the study (completed in 2004), in part, because of anecdotal evidence suggesting that the FDOT was losing executive level personnel to the private sector at accelerated rates.

Similar to the 2004 study, the present study aimed to investigate salary disparities, if any, between FDOT management job classifications and comparable positions at other agencies, and to offer recommendations for pay ranges in relation to the current labor market, as the recruitment and retention of qualified staff is critical to the long-term efficiency and effectiveness of FDOT operations. The current study included the following key deliverables:

- **Salary Survey.** The survey included a review of similar classifications in the transportation industry labor market and other applicable governmental entities. Salary was broadly defined to include benefits, thereby providing a picture of total compensation.
- **Determination of Monetary Value of State Benefits.** A value was ascribed to Florida's benefits packages for an average FDOT Career Service employee as well as the average Select Exempt employee.
- **Professional Engineer (P.E.) Trainees.** Appropriate levels of pay to facilitate the retention of P.E.s was identified based upon market data within the transportation industry.
- **Equity Alignment.** Recommendations for a process to achieve equity and alignment of compensation within the transportation industry were developed.

To accomplish the study objectives and complete the above key deliverables, MGT and THF developed 10 primary work tasks to guide project activities, which are discussed in **Chapter 2.0** of this report. To effectively and thoroughly address all key issues identified in this engagement, THF and MGT provide the following report, which is comprised of the following chapters detailed in **Section 1.3**.