



OFFICE OF THE
STATE AUDITOR

News Release
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Office of the State Auditor Releases Total Compensation Study
Study Covers Fiscal Year 2017

Salt Lake City, UTAH –

The Office of the State Auditor (Office) today released a Total Compensation Study for the State of Utah. The Office contracted with Gallagher Benefit Services, Inc. (GBS) to conduct a total compensation study for fiscal year 2017. The GBS study compares compensation for an array of positions within state government employment with similar positions in Utah's private sector market. This study excludes comparisons with other governmental entities within Utah.

The GBS study reports that, in general, state employees are competitively compensated compared with private sector employees, but identifies a significant misalignment between wages and benefits. In other words, state employees receive wages that are generally below market but receive benefits that are significantly above market.

For example, the average employee within the state's Tier 1 retirement program (Tier 1 employees), typically longer-tenure employees, received compensation that was 8.93% above Utah's private market median. The average employee within the state's Tier 2 retirement program (Tier 2 employees), typically short-term tenure employees, received compensation that was 6.34% above market.

The GBS study reported the possible misalignment of base salaries, which were, on average, 12.28% below the Utah private sector market. Total benefits compared in the study were also misaligned. For Tier 1 employees, analyzed employer benefit costs were 88.89% above the market median, while for Tier 2 employees, those benefit costs were 76.35% above the market. Benefits studied include Health Insurance, Retirement Benefits, Short-Term and Long Term Disability Insurance, and Life Insurance.

We encourage the Legislature to review this information and to consider taking steps to better align the mix of state employee compensation with that of Utah's private sector industries.

The study and a PDF of the summary data may be found on the Office's website, auditor.utah.gov. The study is available specifically at <https://reporting.auditor.utah.gov/servlet/servlet.FileDownload?file=0154100000207RkAAI>. The summary data is available specifically at <https://site.utah.gov/auditor/wp-content/uploads/sites/6/2018/01/Overall-Total-Comp-Summary-Data.pdf>.

About the Office of the State Auditor

The Office of the State Auditor provides Utah taxpayers and government officials with an independent assessment of financial operation, statutory compliance, and performance management for state and local government.

Specific activities of the Office include performing financial audits, conducting Federal funds compliance audits, providing local government oversight, conducting agency and program performance audits, performing fraud and compliance audits, and operating the State Auditor Hotline for citizens to report suspected financial issues or improprieties. These capabilities strengthen Utah State Government and help taxpayers have confidence in the integrity of Utah's government agencies.

The State Auditor is a Constitutional Officer of the State of Utah, elected directly by the state's citizens every four years. The role of the State Auditor is authorized in Article VII, Section 15 of the Utah Constitution. For more information, see auditor.utah.gov.

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