

# Compensation Working Group Draft Recommendations

October 28, 2016

## 1. FY 2018 State Employee Pay Raises

*The General Assembly should prioritize funding for the previously scheduled state employee pay raises in Fiscal Year 2018 as it considers budget amendments to the 2016-2018 biennial budget. The three percent salary increase for FY18 should be fully funded by the General Assembly.*

## 2. Total Compensation Study

*The Joint Legislative Audit and Review Commission should undertake a total compensation study to determine the total value of all forms of compensation provided to state employees including cash compensation, the value of healthcare, retirement, leave, and other flexible benefits. The study should also (i) compare the total compensation state agencies provide to what is provided by other large employers seeking to recruit and retain employees with the same skills and competencies; (ii) conduct research about how best to recruit, retain, motivate, and facilitate work / life balance for employees; and (iii) identify cost-effective approaches that could be used to ensure agencies are able to employ an effective workforce. JLARC should procure the services of consultants to conduct the study. JLARC should complete its work and submit the study to the Commission on Employee Retirement Security and Pension Reform no later than November 30, 2017.*

## 3. Occupationally Based Data Subscription

*The General Assembly should appropriate necessary funds for the Department of Human Resource Management to subscribe to Occupationally Based Data Services focused on total compensation and evaluation of peer employers. This tool will enable DHRM to analyze and compare State compensation data for its annual report to the General Assembly and for ongoing compensation studies. This tool has not been purchased since 2009 due to budget reductions. The cost estimate is \$20,000 for FY2017.*