

# IOWA TRANSPARENCY NEWSLETTER



## Transparency and Compensation for Iowa Employees

by Jennifer L. Crull

The digital age has brought about many wonderful additions to our lives. But one of the best additions is the ability to access information with ease. So when Public Interest Institute came out with the first article on the Iowa Pay Gap in May 1996, it was easy to understand that not everyone knew the disparity in private versus public sector wages. In 2012, we now have access to all the data on state wages for the last 20 years from the Iowa State Website.<sup>1</sup> With this ability and the data that has been brought to us by the Pay Gap, it is easy to understand the results that have been shared by the Aon Hewitt study that the Department of Administrative Services (DAS) commissioned concerning the compensation of the employees of the State of Iowa.

We have heard the arguments from both sides about government workers being paid too much to government workers being paid too little, so what should one believe? Thankfully, with the ease of the internet, we have the ability to lift the veil on the issue. The transparency issue has

allowed us access to everything. We can look at the data and research to understand where everyone is coming from. The state salary data is now published every year on-line. This allows everyone the ability to review wages for the state employees and review that Kirk Ferentz is the top state employee with a wage of \$3.7 million.<sup>2</sup> But this isn't the average state employee, and as taxpayers we need to know about the wages of the majority of state employees and how that affects the taxpayers of Iowa.

The *Des Moines Register* ran an article on October 30, 2012, about the release of the study from the DAS. In that article the State AFSCME President Danny Homan is quoted as saying, "more smoke and mirrors by the Branstad administration to try and make the dedicated state employees of Iowa look bad."<sup>3</sup> This article also quoted Iowa Senate President Jack Kibbie as saying, "the report [is] 'politically biased' and intended to mislead Iowa taxpayers."<sup>4</sup> Both of these statements are very wrong, when we take the time to examine the

report and the data provided to us.

Is this more smoke and mirrors? No, the Branstad administration should be commended for taking the time to review the pay of Iowa employees and have the knowledge they need heading into the negotiations with the union. Whether anyone wants to admit it or not, the money that is paid to all state employees is taxpayer money. As taxpayers, we want our money spent wisely. I think what is being called into question is the assumption that automatic wage increases are perfectly acceptable, when a vast number of people in Iowa haven't had pay raises in the last couple of years. It is time to get back to the roots of our country in which hard work pays off. This study allows the Branstad administration to have a good understanding of what the workers of the state make compared to private sector and other government jobs.

Table One is a listing of all state jobs that were found to be 20 percent higher than the market wage of the position. As you review this list, you can see that

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it is a mix of high school diploma jobs to medical degrees. The great thing about this study is that each job is compared to a like job, so the education requirement is the same. They are comparing apples to apples with each job. As you look at Table One you can quickly see that it isn't just a few jobs that are more than 20 percent higher than the market wage, it is 46 jobs that are listed.

An argument that we have heard repeatedly is that the state workers have more education than the private sector. But if I have a job that requires a high school diploma and I have a master's degree, that doesn't mean that I should earn the salary of a master's degree when I am doing the work that requires a high school diploma. Therefore education doesn't enter into the argument with this study. The Aon Hewitt study states that following from the survey on job descriptions and matches:

- Consider each benchmark job one at a time. Read the survey job descriptions and make matching decisions based on job content rather than on title.
- It is typical practice to consider a job a benchmark if 70 percent or more of the job content is similar to the survey job.
- Many survey jobs describe the general function of the job and then refer to level guides to determine the appropriate match for the position. Level 1 typically depicts the lowest level of experience, knowledge,

and/or responsibilities then gradually builds to the higher levels. Use years of experience, knowledge, and responsibilities as a guide in your verification process.<sup>5</sup>

This report concluded that "actual base pay is, on average, significantly higher than the external market consisting of both public and private employers (17.9 percent market)."<sup>6</sup> The report also shared that:

- The average incumbent base pay for 46 jobs (47 percent of those reviewed) is greater than 20 percent above market; the average incumbent base pay for one job is greater than 20 percent below market.<sup>7</sup>

So 46 jobs are more than 20 percent above the market and one job is more than 20 percent below the market. I am not sure what the union will use as its arguments for raises when it is evident that state workers are well paid compared to the private sector wage.

Unfortunately, as the union negotiates for raises it will be a hard sell for the average private sector worker in Iowa, who has to pay for healthcare and receive a wage that is 50 percent less than what the average state employee is making, especially when they are the ones paying the taxes to pay state government wages.<sup>8</sup> So the Governor's administration has a rough road ahead of them as they take on the project of getting state wages back in line with the wages of the private sector of the state.

**Table 1. State of Iowa Base Pay Compared to Market Base Pay Details**

Job Title	Average Actual Base Pay	Median Market Base Salary	Variance to Market
ADMIN ASSISTANT 1	\$46,136	\$35,200	31%
ADMIN ASSISTANT 2	\$54,051	\$42,500	27%
ADMIN CONSULTANT VOC REHAB 2	\$134,292	\$86,400	55%
CHILD SUPPORT RECOVERY OFFICER	\$52,252	\$39,900	31%
CHILD SUPPORT RECOVERY SUPV	\$67,771	\$55,400	22%
CONSERVATION OFFICER	\$61,115	\$46,600	31%
CORRECTIONAL COUNSELOR	\$64,796	\$50,700	28%
CORRECTIONAL FOOD SERVICE COORD	\$54,142	\$36,600	48%
CORRECTIONAL OFFICER	\$50,410	\$34,600	46%
CORRECTIONAL SUPERVISOR 1	\$63,879	\$46,600	37%
CORRECTIONAL SUPERVISOR 2	\$69,413	\$50,700	37%
CUSTODIAL WORKER	\$31,411	\$23,600	33%
DRIVERS LICENSE CLERK-SENIOR	\$42,311	\$34,300	23%
EDUCATION PROGRAM CONSULTANT	\$76,872	\$56,600	36%
ENVIRONMENTAL ENGINEER	\$69,660	\$55,400	26%
ENVIRONMENTAL ENGINEER SENIOR	\$86,586	\$64,200	35%
ENVIRONMENTAL PROGRAM SUPV	\$85,614	\$70,300	22%
ENVIRONMENTAL SPECIALIST	\$60,024	\$46,400	29%
ENVIRONMENTAL SPECIALIST SENIOR	\$72,900	\$60,700	20%
FIRE INSPECTOR 2	\$63,993	\$52,100	23%
HEALTH FACILITIES SURVEYOR	\$71,929	\$56,100	28%
HUMAN RESOURCES ASSOCIATE	\$53,505	\$44,200	21%
INCOME MAINT SUPERVISOR	\$65,975	\$51,000	29%
INCOME MAINT WORKER 2	\$51,895	\$33,300	56%
INFO TECH SPECIALIST 2	\$58,715	\$47,900	23%
INFO TECH SPECIALIST 3	\$67,073	\$51,400	30%
LICENSED PRATICAL NURSE	\$53,341	\$39,200	36%
MOTOR VEHICLE OFFICER	\$50,830	\$38,600	32%
NATURAL RESOURCES BIOLOGIST	\$65,347	\$48,400	35%
NATURAL RESOURCES TECHNICIAN 2	\$52,529	\$40,700	29%
PHYSICIAN	\$205,708	\$162,600	27%
PSYCHIATRIC SECURITY SPECIALIST	\$48,537	\$28,100	73%
PUBLIC SERVICE EXECUTIVE 3	\$89,204	\$71,000	26%
REHABILITATION COUNSELOR	\$62,602	\$42,800	46%
REHABILITATION SUPERVISOR	\$80,587	\$59,800	35%
RESIDENT TREATMENT WORKER	\$41,085	\$25,400	62%
SECRETARY 1	\$39,238	\$31,000	27%
SECRETARY 2	\$45,667	\$37,900	20%
SOCIAL WORKER 2	\$54,555	\$44,300	23%
SPECIAL AGENT 2	\$72,163	\$55,800	29%
SPECIAL AGENT IN CHARGE	\$93,519	\$76,100	23%
TRAINING SPECIALIST 1	\$55,782	\$43,600	28%
TRAINING SPECIALIST 2	\$69,625	\$56,200	24%
TRANSPORTATION ENG SPECIALIST	\$90,523	\$61,600	47%
TROOPER 2/3	\$63,830	\$50,900	25%
WORKFORCE ADVISOR	\$52,107	\$34,700	50%

Source: Aon Hewitt, Total Compensation Market Review, State of Iowa, October 2012, pages 31-35, <<http://www.das.iowa.gov/Total%20Compensation%20Market%20Review-AH-FINAL-SECURED.pdf>> accessed on November 21, 2012.

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So if we visit the statement from the Union President Danny Homan, it is easy to see that the Branstad administration is doing nothing but finding out the facts concerning state wages and trying to offer the state employees wages that taxpayers can afford. Also, this report isn't intended to mislead Iowa taxpayers but to provide a study from an outside source to help inform taxpayers of the disparity in private versus public sector wages that we have known for a while. I believe that it is time that the state employees' wages and private sector wages are brought in line with each other.

(Endnotes)

<sup>1</sup> Iowa State Legislative Service Agency Publications, <<https://www.legis.iowa.gov/LSAReports/salaryBook.aspx>> accessed on November 12, 2012.

<sup>2</sup> Jason Clayton, "Iowa football coach Kirk Ferentz tops highest paid state employee list," *Des Moines Register*, November 1, 2012, <[http://blogs.desmoinesregister.com/dmr/index.php/2012/11/01/new-iowa-state-worker-3-billion-salary-database-released/article?nclick\\_check=1](http://blogs.desmoinesregister.com/dmr/index.php/2012/11/01/new-iowa-state-worker-3-billion-salary-database-released/article?nclick_check=1)> accessed on November 16, 2012.

<sup>3</sup> William Petroski, "Study: Base pay for Iowa state employees is 17.9% higher than market," *Des Moines Register*, October 30, 2012, <[http://blogs.desmoinesregister.com/dmr/index.php/2012/10/30/study-base-pay-for-iowa-state-employees-is-17-9-higher-than-market/article?nclick\\_check=1](http://blogs.desmoinesregister.com/dmr/index.php/2012/10/30/study-base-pay-for-iowa-state-employees-is-17-9-higher-than-market/article?nclick_check=1)> accessed on November 21, 2012.

<sup>4</sup> Ibid.

<sup>5</sup> Aon Hewitt, Total Compensation Market Review, State of Iowa, October 2012, p. 5, <<http://www.das.iowa.gov/Total%20Compensation%20Market%20Review-AH-FINAL-SECURED.pdf>> accessed on November 13, 2012.

<sup>6</sup> Ibid., p. 7.

<sup>7</sup> Ibid., p. 8.

<sup>8</sup> Amy K. Frantz, "Iowa's Privileged

Class: State Government Employees," Public Interest Institute, August 2012, p. 9, <<http://www.limitedgovernment.org/publications/pubs/studies/ps-12-8.pdf>> accessed on November 15, 2012.

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