



# Analytics

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**RELEASE: CRI - Center for Economic Policy and Analysis**

**RE: Some state employees are more equal than others**

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The on-going analysis of the Transparent Delaware data on state payroll continues to raise puzzling results. For this round, CRI compared the total compensation of state employees in 2008 and 2010 and found that some state employees are treated far more generously than others with regard to supplemental pay.

For each individual employee, the state records the annual salary, overtime pay and “other” pay. Together, overtime pay and “other” pay are considered supplemental pay. “Other” pay is a catch all for a variety of reimbursements including shift differential, holiday pay, uniform allowances, and other such things.

In the private sector supplemental pay, excluding bonuses, averages 2.8% of wages plus benefits. Approximately 10% of private civilian workers receive supplemental pay. Supplemental pay to active Delaware state employees averages 6.5% of wages plus benefits and is received by 68% of all state workers. For 2010 supplemental pay added more than \$146 million to the approximately \$1.6 billion of state salaries...a boost of over 9%.

In a budget cutting effort, the state reduced employee salaries by 2.5% on July 1 of 2009. Strangely enough, however, total employee compensation was unchanged between 2008 and 2010, coming in at \$1.8 billion. How could this be?

Among the components of total compensation between 2008 and 2010, total salaries were flat. This could be accounted for by net new hires. Overtime pay went down, but “other” pay soared by 6%. The impression is that the curb on salaries as of July, 2009 was skirted by an increase in “other” pay.

This is what occurred, but only for a select group of state employees.

Over 40% of state employees received no “other” pay in either 2008 or 2010. Another 30% received “other” pay of \$2,000 or less. This latter group was concentrated among public school employees and involved primarily compensation for extra activities such as coaching a sports team or running a school club.

From this data it appears that “those that have, get.” The average total 2010 compensation for the over 40% of state employees who received no “other” pay was \$23,150. For the 30% that received \$2,000 of “other” pay or less the average total compensation was \$26,702. For the remaining more privileged group average total compensation hit \$46,140.



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**The top 10% of state employees (out of over 54,000) ranked by supplemental pay took home 52% of all the “other” pay given in 2010.**

**The top 100 “other” pay employees...0.2% of all state workers...captured over 4.0% of all 2010 “other” pay. Their average 2010 compensation was \$83,891 of which \$42,767 was “other” pay.**

**Even more interesting insights are gained when just the top 10 “other” pay state employees in 2010 are broken out.**

**Among the top 10 between 2008 and 2010 total salaries dropped 29%, overtime pay dropped 62%, and “other” pay rose a whopping 631%. The bottom line for these folks was that despite a decrease in salaries and overtime pay, total compensation rose 11%.**

**Typical of the top 10 is Ms. Sarah Farr of the Christiana school district. Ms. Farr’s salary dropped from \$115,937 in 2008 to \$81,517 in 2010. However, because her “other” pay rose from \$1,244 to \$97,145, Ms. Farr’s total compensation rose from \$117,180 in 2008 to \$178,662 in 2010.**

**The payroll data provided in Transparent Delaware provides no grounds for claiming abuse or malfeasance. It is clear that not all state employees are equal. When a salary freeze or cut is instituted, a select population of state employees has the flexibility to “dodge the bullet.” This certainly does not seem fair.**

**Despite the questions raised by such analysis, the fact remains that neither the Delaware Department of Finance, the state Office of Management and Budget, nor the Governor’s office systematically reviews the use and distribution of supplemental pay.**

**Dr. John E. Stapleford, Director  
Center for Economic Policy and Research**