MGT



Department of Personnel & Administration

Fiscal Year 2026-27 Quadrennial Total Compensation Report

Performance Audit

September 2026

2651P

Legislative Audit Committee

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REPORT NUMBER 2651P

September 15, 2026

Members of the Legislative Audit Committee,

This report contains the results of a performance audit of the Department of Personnel & Administration's Quadrennial Compensation Study Report. The audit was conducted pursuant to Section 24-50-104(4)(b)(I), C.R.S., which requires the State Auditor to contract with "a private firm to conduct a performance audit of the procedures and application of data, including any survey conducted by the state personnel director" every four years.

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Report Highlights

Fiscal Year 2026-27 Quadrennial Total Compensation Report

Department of Personnel & Administration

Performance Audit • September 2026 • 2651P

Key Concern

The Department of Personnel & Administration's (Department) processes and data for the Quadrennial Total Compensation Report (QCR) were reasonable, consistent with statute and sound professional practice, used a fair sample of employers and jobs, and produced results that were reasonably supported. However, the Department lacked sufficient documentation related to handling material data limitations and lacked requirements for the documents its compensation consultant should provide for the Department's contract oversight.

Key Findings

- The Department did not maintain complete documentation of key aspects of the QCR process. We found instances when the survey data used to match with the benchmark jobs (state classified jobs the Department used in the QCR study) were limited. This included 23 of the 250 benchmark jobs that had fewer than three matches, contrary to industry best practice for comparing each job to the market, and 25 benchmark jobs that had matching data from only the public sector or only the private sector, but not both. The Department did not document its assessment of these instances, including how it expected the limitations to affect the analysis. Further, the Department did not create a crosswalk between the QCR and the source data, which would serve as a control to help ensure that the information in the QCR was fully supported.

- The Department did not require its contracted consultant to provide detailed documentation so the Department could efficiently oversee the work for completeness, accuracy, and compliance with the contract. For example, the Department did not require the consultant to provide detailed schedules for some of the data analyses; include complete source information, formulas, or control totals in their files; or provide a complete final calculation package. Also, the Department did not have a consolidated record of the consultant's methodology, assumptions, data, or actuarial and valuation analyses.

Background

- Statute establishes the State's policy of providing state employees with innovative total compensation that meets or exceeds compensation provided by other employers, in order to maintain a qualified workforce.
- Every four years, the Department uses a compensation consulting firm with actuarial expertise to compare the State's total and component compensation with similar workforce structures in both the public and private sectors.
- The Fiscal Year 2026-27 QCR recommended a 3.1 percent cost-of-living adjustment to classified employee salaries and an increase in the salary structure of 2 percent.

Audit Recommendations Made	Agency Responses		
	Agree	Partially Agree	Disagree
9	9	0	0

Chapter 1: Overview of the Department of Personnel & Administration's Quadrennial Total Compensation Study and Report

Section 24-50-104(1)(a), C.R.S., establishes the State's policy to provide innovative total compensation that meets or exceeds compensation provided by public or private sector employers, or a combination of both, in order to recruit, motivate, and retain a qualified and competent workforce. Statute identifies total compensation as including salary, step pay[1], incentives, premium pay practices, group benefit plans, retirement benefits, and leave.

The State Personnel Director, who also serves as the Executive Director of the Department of Personnel & Administration (Department), is responsible for studying state employee compensation and recommending adjustments needed to carry out this statute.

Each year, the Department is responsible for submitting a compensation report to the Governor and the Joint Budget Committee containing recommendations and estimated costs for state employee compensation for the next fiscal year. To develop the recommendations and estimated costs, the Department annually works with a contracted third-party compensation consulting firm that has actuarial expertise to review state salaries, state contributions to group benefit plans, and step pay, compared to the market, for a set of core job classifications.

On a quadrennial basis (i.e., every 4 years), the Department performs a total compensation study that includes not only salaries, contributions to group benefit plans, and step pay, but also retirement benefits and leave. [Section 24-50-104(1)(a)(II), C.R.S.] Statute requires that the quadrennial studies review the results of surveys by public or private organizations, which provide information on the compensation offered by public and private sector employers, use the surveys to compare total and component costs and values of the State's total compensation against similar workforce structures, and identify any adjustments to state employee salaries, state contributions for group benefit plans, or step pay, needed to implement the State's compensation policy. [Section 24-50-104(4)(a), C.R.S.]

[1] Step Pay establishes a minimum salary level based on time in a job series. The program is discussed later in this overview.

Based on the study, the Department prepares and publishes a Quadrennial Total Compensation Report that:

- Takes into account the agreements between the State and COWINS, the union organization certified to represent covered state employees, which requires, among other things, keeping the state employee workforce competitive with market compensation. [Section 24-50-104(1)(a)(II.5), C.R.S.]
- Recommends adjustments necessary to maintain the salary structure, state contributions for group benefit plans, and step pay for the upcoming fiscal year to achieve the State's total compensation policy.
- Estimates the costs associated with such adjustments that account for fiscal constraints and the State's ability to recruit and retain state employees.
- Provides an analysis of salary ranges for all employees in the state personnel system and how employees' salaries are distributed within these ranges.

Exhibit 1 below illustrates how the annual compensation process and the additional procedures performed every fourth year as part of the quadrennial study fit together.

Exhibit 1–Department of Personnel & Administration's Annual and Quadrennial Compensation Processes

Step 1	Step 2	Step 3	Step 4	Step 5
Department works with contracted consultant to review market data; confers with stakeholders	Every fourth year, Department works with contracted consultant for the quadrennial study	Consultant develops analyses, Department develops recommendations and estimated costs	Department submits report to the Governor and Joint Budget Committee by October 1	Department implements the approved annual compensation plan on July 1

Source: Created by MGT from data obtained throughout the audit

Fiscal Year 2026-27 Quadrennial Total Compensation Report

The Department submitted its Fiscal Year 2026-27 Quadrennial Total Compensation Report (QCR) to the Governor and the Joint Budget Committee on October 1, 2025, to inform the State's budget and compensation decisions for Fiscal Year 2026–27. The report included conclusions and recommendations concerning the State's overall total compensation position and individual compensation components, including salary, benefits, retirement, paid leave, premium pay, step pay, and estimated costs. Exhibit 2 summarizes the market positions reported by the

Department in the QCR. These amounts represent the conclusions of the QCR and are not the audit's conclusions regarding the reliability or reasonableness of the underlying analyses.

Exhibit 2–Department of Personnel & Administration
Conclusions in the Fiscal Year 2026-27 Quadrennial Total Compensation Report

Compensation Component	Reported Market Position
Base Salary	About 9.5% below market
Target Total Cash*	About 12.1% below market
Benefits	About 9.1% above market
Total Compensation Package**	About 8.7% below market

Source: Fiscal Year 2026-27 Quadrennial Total Compensation Report

* Target Total Cash: Base salary plus the target value of any cash incentives or other variable cash compensation.

** Total Compensation Package: Target total cash plus the employer-paid value of benefits, retirement, paid leave, and other noncash compensation included in the study.

Based on the study results and other considerations, including fiscal constraints and adjustments negotiated with COWINS, the Department recommended compensation adjustments for Fiscal Year 2026-27 and estimated their implementation costs. Exhibit 3 summarizes the recommendations and estimated costs presented in the QCR. These were the Department's recommendations and cost estimates, not the audit's conclusions or the final adjustments subsequently approved through the budget and legislative processes.

Exhibit 3–Department of Personnel & Administration
Recommended Adjustments in the Fiscal Year 2026-27 Quadrennial Report

Component	Estimated Cost
Provide a 3.1 percent cost-of-living adjustment to classified employees	$86,371,005
Increase the classified salary structure by 2 percent	$0*
Provide step-pay increases under the proposed Fiscal Year 2026-27 Step Pay Plan	$9,086,218 **
Move eligible State Patrol Troopers to the new pay-range minimums	$343,960 ***
Total Estimated Cost	**$95,801,183**

Source: Fiscal Year 2026-27 Quadrennial Total Compensation Report

* The Department estimated that the 2 percent salary-structure adjustment would have no additional cost if the 3.1 percent cost-of-living adjustment was implemented because the cost-of-living adjustment would move affected employees above the revised range minimums. Without the cost-of-living adjustment, the Department estimated that the salary-structure adjustment would cost $4,628,549.

** The step-pay estimate assumes implementation of both the 3.1 percent cost-of-living adjustment and the 2 percent salary-structure adjustment.

*** The State Patrol Trooper estimate assumes implementation of the 3.1 percent cost-of-living adjustment.

The State implemented the Step Pay Program on July 1, 2024, to establish minimum salary levels for eligible classified employees based on their time in a job series. Under the Fiscal Year 2026-27 Step Pay Plan, eligible employees with at least 3, 5, 8, 10, 15, 20, or 25 years in their job series would be moved, as necessary, to progressively higher minimum salary levels. The Department estimated that implementing the proposed step-pay increases would cost approximately $9.1 million, assuming implementation of the recommended 3.1 percent cost-of-living adjustment and 2 percent salary-structure adjustment.

Total Compensation Study Process

The study began with the Department selecting a group of state job classifications for comparison with similar jobs outside the state personnel system. These classifications are referred to as “benchmark jobs”. The Department selected a combination of benchmark jobs intended to provide broad coverage of the State’s workforce, including jobs that represent all

occupational groups and levels, are highly populated, are found in most other organizations, and/or that have recruitment or retention issues.

The Department's compensation consultant was responsible for identifying appropriate compensation surveys to use for the study and compiling the survey data. Compensation surveys are conducted by professional compensation firms and provide information that employers can use to compare compensation practices and levels with other employers in the labor market. Once the Department had selected benchmark jobs, the consultant reviewed them along with data in the compensation surveys to identify proposed matches.

The Department reviewed the consultant's proposed matches by comparing job duties and responsibilities, required education and experience, role scope and level, supervisory status, and position complexity and generally required a proposed survey job to match at least 80 percent of the benchmark job's duties, responsibilities, and other characteristics before accepting the match for the study. The Department and its consultant generally sought approximately three survey matches for each benchmark job to provide multiple points of comparison.

When standard market matches were not available for unique or specialized benchmark jobs, the Department and the consultant searched additional surveys or job titles or performed a separate analysis. If the Department and the consultant ultimately found fewer than three reasonable matches, the available matches were used after an assessment of how the limited matches might affect the comparison.

Certain state job classifications cannot be readily evaluated through the standard benchmark job process because they are unique or highly specialized. For example, some healthcare jobs and Parks and Wildlife positions do not commonly exist outside the State system and are therefore difficult to match. In addition, statute establishes specific requirements for analyzing the compensation for State Troopers that do not apply to any other job classification. These types of jobs require supplemental research or a separate analysis.

It is common for compensation professionals to make adjustments to survey data before using it for a market analysis because published survey information is collected at different times and may cover different employer groups or geographic areas. Typically, a survey will ask employers to report actual compensation data as of a specific date—e.g., January 1, April 1—of a specific calendar year. This way, the surveyor can be assured that all employers are reporting comparable data. The survey results will be issued at a later date—typically in the summer of

each year—and analyzed even later. Because of this, survey data may not reflect compensation levels as of the analysis date. However, compensation studies are typically used to estimate likely market compensation levels at a future date. For the QCR, the consultant used a 3.5 percent annual aging assumption to adjust the survey data to estimate future competitive compensation levels. The annual aging assumption is applied proportionately for the period between the effective date of the survey data and the common date used for the analysis; for example, data that are six months old would be increased by one-half of the annual aging rate. To age survey data properly, information on the pace at which market pay rates are changing is needed.

Survey data may also be adjusted to make data from different geographic markets and from private versus public employers comparable for analysis, as well as to limit the effect of unusually high or low values in the data. For example, the Department seeks to give public- and private-sector market data equal weight in the benchmark job analysis. Therefore, when a benchmark job had an unequal number of public- and private-sector matches in the survey data, the consultant adjusted the weight assigned to each match to create a composite match in which each sector collectively represented 50 percent of the resulting market value. The consultant applied these adjustments to the survey information available for each benchmark job before calculating the State's market position.

For the QCR, the Department and its consultant used 20 compensation and benefits surveys representing public- and private-sector employers and national, regional, and Colorado labor markets. The surveys varied by publication date, geographic coverage, industry, and compensation component. Within those surveys, the consultant used data for an individual benchmark job when the survey contained a sufficiently comparable job and relevant market information. Because individual benchmark jobs were not represented in every survey, the consultant combined the available survey matches after applying the aging, geographic, public- and private-sector weighting, and outlier adjustments. The Department reviewed the resulting market analysis and requested revised matches or other adjustments when needed. A complete list of the surveys used, organized by publisher and publication year, is provided in Appendix A.

After completing its market and total compensation analyses, the consultant developed findings and technical recommendations for aligning the State's compensation with the market. The Department used the consultant's findings and recommendations to develop the recommendations presented in the QCR, considering fiscal constraints, recruitment and

retention needs, and adjustments negotiated with COWINS. The Department also estimated the cost of implementing the recommended compensation changes. The Department's estimated costs are based on a July 31 state payroll system extract of active employees, which includes some uncommon data elements, such as jobs that are vacant, new FTEs, and jobs in which the employee was on long-term leave at the time of the extract. The Department must assess these elements and determine how to resolve them before the extract is used to generate cost estimates.

In addition, in accordance with statute [Section 24-50-104(4)(a), C.R.S.], the Department held a virtual session to confer with management and state employee representatives to establish confidence in the surveys selected for the study.

Audit Purpose, Scope, and Methodology

We conducted this performance audit pursuant to Section 24-50-104(4)(b)(I), C.R.S., which requires the State Auditor to contract with "a private firm to conduct a performance audit of the procedures and application of data, including any survey conducted by the state personnel director" every four years. Audit work was performed from April through September, 2026. We appreciate the assistance provided during the audit by the management and staff of the Department of Personnel & Administration.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions within the scope of our audit objectives.

The audit's overall objectives were to evaluate the Fiscal Year 2026-27 Quadrennial Total Compensation Report with respect to:

1. Whether the study employed procedures and applied data in a reasonable manner that is consistent with sound professional practice and requirements in statute and rules, as required by Section 24-50-104, C.R.S., including collecting and aging survey data.
2. Whether there were gaps in data, or better data available, that could have resulted in a higher quality report.

3. Whether the surveys used included “a fair sample of public and private sector employers and jobs, including areas outside the Denver metropolitan area,” as required by Section 24-50-104(4)(a), C.R.S.
4. Whether the Department met and conferred with management and state employee representatives to “establish confidence in the selection of surveys”, as required by Section 24-50-104(4)(a), C.R.S.
5. Whether the Department’s contractor used procedures and data that were sufficient, reliable, and valid to compare the overall and component costs and values of the State’s total compensation, including retirement benefits and step pay, with similar workforce structures, including private companies and other states.
6. Whether the conclusions and recommendations of the study were reasonable and supported by the data as a whole.

To accomplish the audit objectives, we performed the following audit work:

- Reviewed the Department’s Fiscal Year 2026-27 Quadrennial Total Compensation Report (QCR), including its methodology, reported results, conclusions, recommendations, and estimated costs.
- Reviewed relevant Colorado statutes, State Personnel Board Rules and Director’s Administrative Procedures, and Department policies and procedures governing the quadrennial compensation process.
- Reviewed professional practices and guidance relevant to compensation studies, including guidance issued by WorldatWork and the Society for Human Resource Management, and practices identified in prior compensation study audits and evaluations. WorldatWork is a global nonprofit professional association focused on total rewards, including compensation, employee benefits, and related workforce reward practices. The Society for Human Resource Management is a professional association for human resources management that develops professional standards and provides research, guidance, education, and certifications related to human resources and workforce practices.
- Reviewed the Office of the State Auditor’s 2017 and 2021 audits and evaluations of the Department’s compensation study processes to identify prior concerns and the steps taken by the Department to address those concerns and recommendations, and professional-practice criteria relevant to the current audit.

- Reviewed the Department's contract with its compensation consultant, including the statement of work, required deliverables, data access provisions, and the Department's responsibilities for overseeing, reviewing, and approving the consultant's work.
- Reviewed documentation supporting the QCR, including benchmark-job selection and matching files; compensation survey information; market-analysis workbooks; base-salary and total-cash-compensation analyses; public- and private-sector comparisons; geographic adjustments; data-aging calculations; benefits, retirement, paid leave, premium pay, and total remuneration analyses; State Patrol Trooper analyses; cost estimate workbooks; project schedules; meeting records; and approval documentation.
- Analyzed the benchmark job populations used during the study and attempted to reconcile differences among the jobs initially selected for review, the jobs included in the consultant's final market analysis workbook, and the jobs reported in the QCR.
- Evaluated whether the benchmark jobs and survey information represented a fair sample of public- and private-sector employers and jobs, including employers and labor markets outside the Denver metropolitan area.
- Evaluated the consultant's procedures for collecting, matching, adjusting, aging, combining, and analyzing compensation data, including the number and type of survey sources used, the treatment of outliers, and the availability of public- and private-sector data.
- Traced significant QCR results, conclusions, recommendations, and cost estimates to the Department's and consultant's underlying data, analyses, reports, and other supporting documentation to determine whether they were reasonable and supported by the evidence as a whole.
- Reviewed the Department's processes and internal controls for overseeing the consultant; reviewing and approving benchmark jobs, market matches, analytical files, and report results; documenting methodological decisions and limitations; and maintaining sufficient supporting documentation.
- Reviewed documentation of the Department's meeting to confer with management and state employee representatives to establish confidence in the surveys selected for the study, including the presentation, questions and responses, communications, meeting records, and documentation showing how feedback from management and state employee representatives was considered.
- Interviewed Department management and staff responsible for developing and overseeing the QCR to understand their processes for selecting benchmark jobs and

survey sources; reviewing job matches and market data; overseeing the consultant; evaluating salary, benefits, retirement, and other compensation components; developing cost estimates and recommendations; conducting the meet-and-confer process; and reviewing and approving the final report.

- Interviewed representatives of the Department's contracted compensation consultant to understand the consultant's methodology, data sources, job-matching procedures, geographic and aging adjustments, public- and private-sector analyses, benefits and retirement valuations, quality control procedures, calculation of total compensation results, and preparation of supporting work products.
- Performed additional analytical procedures and reviewed supplementary documentation when discrepancies, data gaps, calculation differences, or other anomalies were identified.

A draft of this report was reviewed by the Department. Obtaining the views of responsible officials is an important part of the Office of the State Auditor's (OSA) commitment to ensuring that the report is accurate, complete, and objective. MGT, in consultation with the OSA, was solely responsible for determining whether and how to revise the report, if appropriate, based on the Department's comments. The written responses to the recommendations and the related implementation dates were the sole responsibility of the Department.

Fiscal Year 2026-27 Quadrennial Total Compensation Report Process

One of the first steps in the QCR process is for the Department to identify state job classifications for comparison with similar jobs outside the state personnel system. These classifications are referred to as “benchmark jobs”. For the FY 2026-27 QCR, the Department selected 250 of the State’s 755 job classifications, or 33.1 percent, as benchmark jobs. The benchmark jobs represented all seven occupational categories: Administrative Support & Related; Enforcement & Protective Services; Health Care Services; Information Technology; Labor, Trades & Crafts; Physical Science & Engineering; and Professional Services.

The Department’s third-party compensation consulting firm (consultant) then compiled and analyzed market information related to base salary, total cash compensation, benefits, retirement, paid leave, incentive and premium pay, step pay, State Trooper compensation, and other components of total compensation.

The Department retained responsibility for establishing the QCR process’ scope and key methodology decisions, reviewing the consultant’s analyses and other work products, developing the QCR’s conclusions and recommendations, estimating the costs of proposed compensation adjustments, and submitting the final report to the Governor and the Joint Budget Committee. Under Sections 24-50-104(4)(b)(I) and (4)(c), C.R.S., the QCR is required to identify adjustments necessary to maintain the State’s salary structure, State contributions for group benefit plans, and step pay and to include recommendations and estimated costs that reflect the survey results, fiscal constraints, and the State’s ability to recruit and retain employees.

Overall, we found that the procedures and data used for the QCR process generally addressed the major components necessary to compare the State’s overall and component total compensation with the market, and the QCR’s major market position conclusions were generally consistent with the consultant’s underlying analyses. However, as discussed in the remainder of the report, we identified opportunities to improve documentation and oversight controls for identifying and assessing material data limitations and judgment-based decisions, and for monitoring the consultant contract.

Finding 1: Compensation Study Procedures and Documentation

A technically and professionally sound compensation study depends on a series of connected process decisions that determine the quality and usefulness of the final report. These decisions include which state jobs are selected as benchmarks, which public- and private-sector employers and survey sources are used for comparison, how comparable jobs are matched, how data gaps and other limitations are evaluated, how fiscal and recruitment considerations are incorporated, and how estimated costs are calculated. Because each decision can affect the study's results, maintaining clear procedures and documentation helps show that the study was performed consistently, that significant judgment-based decisions were reasonable, and that the final conclusions and recommendations are supported by the underlying analyses. Documentation also enhances transparency for decision-makers and stakeholders who rely on the QCR to understand the State's compensation position and the basis for the recommended adjustments.

What audit work was performed and what was the purpose?

We reviewed the Fiscal Year 2026-27 QCR and supporting documentation maintained by the Department, including the consultant's analyses of state employee salaries, benefits, and total compensation. The consultant's work was mainly documented in Excel workbooks which included an "MP Export Final[2]" tab, a workbook for the comparison of benchmark jobs, a workbook for the analysis of state employee benefits to the market, and workbooks containing the data pulled from compensation surveys.

We also reviewed all the documentation the Department indicated it had regarding the QCR process for the period from October 2024 through September 2025, the duration of the compensation study. This included notes from the Department's internal team meetings and meetings with its consultant, and email communications within the Department and with the consultant.

The Department did not have any written policies or procedures for the QCR process in effect during the course of the QCR process, so we reviewed the Department's draft Standard Operating Procedures, which had not been finalized or adopted at the time our audit work concluded. Our review of the draft procedures was conducted to determine what aspects of the QCR process the Department planned to include relative to the issues we found.

[2] The MP Export Final tab is the consultant's detailed market-analysis export. It contains the source records used for the compensation analysis, including survey source codes, job codes, data cuts, market pay elements, aging factors, weighting fields, match comments, and inclusion/exclusion fields.

We also interviewed Department staff and management to gain an understanding of the QCR process. In addition, we traced significant conclusions, recommendations, and data from the QCR to the underlying documents.

The purpose of the audit work was to evaluate whether the Department used reasonable procedures and sufficient, reliable, and valid data for the QCR process, including using a fair sample of employers and jobs; meeting with employers and state employee representatives to promote confidence in the selection of surveys; and producing conclusions, recommendations, and estimated costs that were reasonably supported.

How were the results of the audit work measured and what problems did the audit work identify?

Sections 24-50-104(1)(a)(II) and (4)(a), C.R.S., lay out requirements for the Department's compensation studies and the QCR, including that:

- The State Personnel Director establish technically and professionally sound survey methodologies as part of its compensation studies.
- The QCR be based on an analysis of surveys by public or private organizations, including a fair sample of public and private sector employers and jobs, and including areas outside the Denver metropolitan area.

Sound professional practices for compensation studies include using reliable and current employer-reported market data, selecting relevant comparison groups, evaluating comparable job content, and documenting the analysis and benchmarks used to assess market competitiveness, as supported by WorldatWork — a global nonprofit professional association focused on total rewards, including compensation, employee benefits, and related workforce reward practices - and the Society for Human Resource Management (SHRM) — a professional association for human resources management that develops professional standards and provides research, guidance, education, and certifications related to human resources and workforce practices.

Overall, we found that the Department's processes for the quadrennial study were generally reasonable and consistent with applicable statutory requirements and sound professional practices, as the QCR process used reasonable procedures and sufficient, reliable, and valid data; used a fair sample of employers and jobs; included meeting with employers and state

employee representatives in accordance with statute; and produced conclusions, recommendations, and estimated costs that were reasonably supported.

However, we identified areas where the Department could improve its documentation of some of the procedures used in the QCR process, including its decision-making, as described below.

Tracking of Data Limitations

It is not uncommon for a complex compensation study to encounter limitations in the data available for analysis. For the QCR, the Department and its consultant encountered limitations that required the Department to analyze and decide how to resolve the limitation to complete the QCR. However, the Department did not maintain a limitation log showing each material data limitation identified during the QCR process, the decisions made about how to address the limitation, or their anticipated effect on the QCR's results. Examples of such limitations are as follows.

- **Benchmark jobs reconciliation:** The Department initially identified 270 job classifications for benchmarking for the QCR. However, the final QCR listed 250 benchmark jobs, while the consultant's final market-analysis workbook contained 257 benchmark jobs. The final market-analysis workbook is the consultant's primary file documenting the market comparison for the State's benchmark jobs. It contains the survey records and job matches used in the analysis, including survey sources, market pay data, aging and weighting factors, and match comments. The workbook summarizes these data at the benchmark-job level and serves as key support for the QCR's conclusions about how State base salary and total cash compensation compare with the external market.

  We could not determine what accounted for the differences in the number of benchmark jobs among the initial selection, the final market-analysis workbook, and the final QCR, because the Department did not maintain documentation of the original 270 benchmark jobs and why, ultimately, only 250 benchmark jobs were used for the QCR. Further, the Department could not explain why the difference occurred, such as:

  - whether benchmark jobs were omitted due to insufficient match data, a change in benchmark methodology, consolidation into another classification, or another reason; and
  - whether the exclusions affected the occupational-group or overall market results.

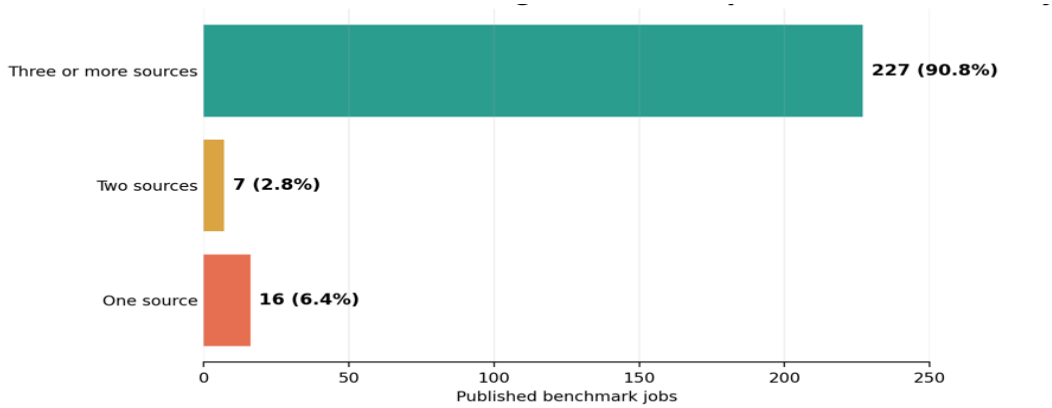
A limitation log that tracks changes in the number of benchmark jobs initially selected through to the number finally used would improve transparency, support independent review and reperformance, and help the Department demonstrate that exclusions and data gaps were evaluated consistently before final conclusions and recommendations were issued.

- **Jobs with fewer than three matches.** Our review identified 23 of the 250 benchmark jobs (9.2 percent) that had fewer than the three matches that DPA set as a goal. Industry best practices recommend using at least three data sources to create an average that provides a reliable measure of the market position for each benchmark job, although there may be instances when referencing fewer data sources is necessary or appropriate. Having only about 9 percent of benchmark jobs with fewer than three matches is an improvement from the 2021 audit, when 40 percent of the benchmark jobs had only one match.

  A benchmark job may have too few suitable matches for a number of reasons, such as the job having duties that are highly specialized or unique to Colorado state government, the benchmark job combining responsibilities that are typically assigned to multiple positions in the external market, or a potentially comparable survey job having too few participating employers or observations to provide reliable market data. The Department told us that when fewer than three suitable matches were found in the survey, it worked with its consultant to assess the validity, applicability, and comparability of the available data and determine whether the data remain reasonable for inclusion in the market analysis or the benchmark job should be excluded from the analysis.

  We found that some information about benchmark exclusions and low-match jobs was dispersed among meeting notes, emails, and workbook notations, but the Department did not maintain a comprehensive document of the benchmark jobs with fewer than three matches, its assessment of the usability of the data that were available, and the decision as to whether it would use the limited data or remove the benchmark job from the comparison.

Exhibit 4—Market-source Coverage for Benchmark Jobs



Source: Created by MGT from data obtained from DPA

- **Data for cost estimates:** The Department prepared estimated costs for the compensation recommendations using a July 31 payroll-system extract of active employees. The data extract included uncommon situations such as vacant jobs, new FTEs, and employees on long-term leave. We found that evaluations of these situations and decisions on how to resolve them were documented in various locations such as meeting notes, emails, and notations in the analysis files. However, the Department did not prepare a consolidated document with each specific data issue in the payroll information and how it addressed each issue when preparing the cost estimates or recommendations.

- **Public and private sector split.** When a benchmark job had an unequal number of public- and private-sector matches, the consultant adjusted the weight assigned to each match so that each sector collectively represented 50 percent of the resulting market value. However, we found that for 25 of the 250 benchmark jobs (10.0 percent), the survey data included only one sector - either public or private – but not both. As a result, the consultant could not create a 50/50 public/private composite for those matches.

  The Department and its consultant reviewed the validity and applicability of the available data for these 25 benchmark jobs, but the Department did not maintain a limitation log listing each of the jobs, documenting the assessment and conclusion that the available data were appropriate, whether other data sources or matches were considered, or whether reliance on only one sector affected the applicable benchmark result, occupational-group result, or overall market conclusion. Sound compensation practices include documenting the benchmarks used to assess market competitiveness, which

provides clear evidence that the Department evaluated and accepted the limitation before using the results in the QCR.

- **Documenting that the QCR was based on the analyses.** Section 24-50-104, C.R.S., requires the QCR to include recommendations that consider the results of the compensation survey, fiscal constraints, and the ability to recruit and retain qualified employees, and estimated costs associated with adjustments necessary to maintain the salary structure, state contributions for group benefit plans, and step pay. Sound compensation practices include documenting the analysis and benchmarks used to assess market competitiveness.

  We found that the Department did not maintain a crosswalk linking significant analytical results, conclusions, or recommendations related to total compensation, base salary, total cash compensation, and benefits in the QCR to the source data. A crosswalk would demonstrate that the Department had ensured that the information in the QCR was fully supported and would promote transparency. We found the QCR's report conclusions and recommendations were generally reasonable and supported by the data as a whole and we were able to reperform the calculations for the major cost estimate components, including the 3.1 percent cost of living adjustment, Step Pay, and 2 percent Structure Adjustment without COLA. However, the QCR is a 60-page document that contains the study methodology, data sources, valuation of the State's compensation in total and by component (e.g., salaries, benefits, etc.), comparisons to the market, conclusions, and recommendations; due to its breadth and complexity, the lack of a crosswalk limits the ability to provide assurance that the entire QCR is fully supported.

Why did these problems occur?

The issues occurred because, during the Fiscal Year 2026-27 QCR process, the Department was developing Standard Operating Procedures for the study, but the procedures had not been finalized or approved. At the same time, the Department's team was undergoing staffing transitions: the compensation manager and benefits manager had left the Department; some existing written guidance for the QCR process was outdated; and significant historical knowledge of the process was concentrated in one long-tenured employee. Consequently, staff developed and refined some procedures during the QCR process, but did not consistently document the procedures used.

Further, the draft Standard Operating Procedures do not require a comprehensive limitation and disposition log that notes not only the limitations, but how each was resolved and whether it affected the results of the analyses for issues such as:

- Changes in the benchmark-job population from the initial selection to the final analysis. The draft procedures do not specify how staff should document the reason for excluding a benchmark job, the alternatives considered, the approval of the decision, or the effect of the exclusion on results.

- Jobs with fewer than three matches and jobs supported by only one sector. Limited market data for specialized jobs and the absence of suitable public- or private-sector matches are circumstances that DPA may not be able to prevent, but how the limitation is dealt with should be documented. The draft procedures do not establish what steps staff should take when the three-match or 50/50 public-private goals cannot be met, including documenting those steps, such as whether additional sources were considered, why the available data remained appropriate, who approved the exception, or whether the limited data affected the job-level or aggregate results. DPA's evaluation of these jobs depended primarily on case-by-case professional judgment without a consistent record of the analysis and disposition.

- Payroll and position data with unusual circumstances, such as vacancies, newly established FTEs, and employees on long-term leave. The draft procedures do not require staff to document how each circumstance was treated, the rationale for the treatment, and evidence of review and approval.

Further, the draft procedures do not require staff to prepare a final source-to-report crosswalk linking each major result, conclusion, and recommendation about base salary, total cash compensation, benefits, and total compensation in the QCR to the relevant source analysis, population, assumptions, calculation, and management approval.

Why do these problems matter?

The problems we found pose a risk that the Quadrennial Total Compensation Report will contain errors, including calculation errors and unsupported conclusions. Strong documentation of the processes and decisions that occur during the study provides assurance that the Department is using appropriate data and procedures to accurately evaluate the State's total compensation

position, draw supported conclusions, recommend changes needed to achieve the State's compensation policy, and develop sound cost estimates. Without such documentation, the Department is hampered in its ability to efficiently and effectively demonstrate the validity of the process and results and to answer questions from stakeholders, including members of the General Assembly and COWINS representatives.

Further, when the Department does not maintain complete conclusion and recommendation support documentation, it is more difficult for decision makers to verify the data and understand how results connect to regulatory provisions, such as statute and the COWINS agreement, processes, decisions, and considerations such as fiscal constraints and recruitment and retention goals and challenges. It is also more difficult for Department staff to replicate processes for consistency in future studies. This reduces transparency and increases the risk that analyses may be inconsistent from one compensation report to the next.

The QCR process includes a broad market analysis of total compensation, public- and private-sector comparisons, geographic adjustments, benefits and retirement valuation, step-pay costing, and evaluation of benchmark jobs across occupational groups. The Department's recommendations depend on contractor analyses, market data, benefits and retirement information, cost estimates, fiscal constraints, COWINS provisions, recruitment and retention considerations, and management judgment. To support reliable decision-making, the Department needs controls to document how these multiple inputs were considered together and how they provide a reasonable basis for each major conclusion and recommendation. The accuracy of the QCR is paramount because it provides recommendations to the Governor and General Assembly on salary structure, group benefit contributions, step pay, and other compensation elements for classified State employees and State budget requests.

Recommendation No. 1:

The Department of Personnel & Administration should strengthen its administration and oversight procedures for the Quadrennial Total Compensation Report process by finalizing, approving, and implementing written policies and procedures that specify the documentation staff must prepare and retain showing the procedures and decisions applicable to the QCR. This should include:

A. A final reconciliation showing each job initially selected for benchmarking, whether it was included in the consultant's analysis and published report, and the reason for any exclusion, consolidation, or other change from the initial group of jobs selected.

B. A limitation log that identifies each material data issue or limitation encountered during the study; the evaluation of how to resolve the limitation and the decision made; and the effect, if any, on the QCR's conclusions, recommendations, or estimated costs.

C. Using the limitation log to track benchmark jobs that have fewer than the target number of market matches or that lack either public- or private-sector data; how the limitations were resolved; whether additional suitable sources or matches were considered; and in cases where limited data are used, how it was determined that the data were valid, applicable, and sufficiently representative; and whether the limitation affected the analysis.

D. A final calculation package that documents how vacancies, newly established FTEs, employees on long-term leave, and other unusual payroll or position circumstances were treated in preparing the cost estimates.

E. A final source-to-report crosswalk that links each major conclusion and recommendation in the QCR to the applicable source data and analysis.

Department of Personnel & Administration Response:

A. Agree
Implementation Date: October 2028

The Department will implement all parts of Recommendation No. 1 in time for the next QCR process, which will begin in October 2028.

The Department will create a spreadsheet to document the jobs initially selected for benchmarking, whether it was included in the consultant's analysis and published report, reason for exclusion, consolidation, or other change from the initial groups of jobs selected.

The Department will finalize a Standard Operating Procedure (SOP) that will include this process.

Finally, the Department will ensure that any responsibilities to meet this requirement on the vendor side is included in the contractual language.

B. Agree
Implementation Date: October 2028

The Department will create a limitation log that identifies each material data issue or limitation encountered during the study, the evaluation of how to resolve the limitation and decision made, and the effect, if any, on the study's conclusions, recommendations, or estimated costs.

The Department will finalize a Standard Operating Procedure (SOP) that will include this process, and provide consistent guidelines on what represents a material data issue or limitation (e.g. less than three market matches), evaluation criteria, and a decision framework.

Finally, the Department will ensure that any responsibilities to meet this requirement on the vendor side, including identifying material data issues or limitations, is included in the contractual language.

C. Agree
Implementation Date: October 2028

The Department will create a limitation log that identifies each material data issue or limitation encountered during the study including benchmark jobs that have fewer than the target number of market matches or that lack either public- or private-sector data, how the limitation was resolved including whether additional suitable sources or matches were considered, and in cases were limited data was used how it was determined that the data used was valid, applicable, and sufficiently represented, and whether the limitation affected the analysis.

The Department will finalize a Standard Operating Procedure (SOP) that will include this process, options for identifying other suitable sources or matches, and guidelines for determining if the data used was valid, applicable, and sufficiently represented.

Finally, the Department will ensure that responsibilities to meet this requirement from the vendor, such as identifying the number of market matches including whether or not those matches are public or private-sector, is included in the contractual language.

D. Agree
Implementation Date: October 2028

The Department will create a final calculation package that documents to the best of our ability detailing how vacancies, newly established FTEs, employees on long-term leave, and other unusual payroll or position circumstances were treated and their effect on the cost estimates. While the Department agrees with the intent of the recommendation, data and systems limitations impact the full implementation of this recommendation, specifically:

1) In the current payroll system, true vacancies are not distinguishable from positions that are vacant but the department does not intend to fill them. The Department can document how they are handled, but cannot capture the effect on the cost estimates due to position management limitations and the inability to analyze only or most true vacancies. In addition, there is always some degree of vacancies expected at any given agency, so excluding vacancies from the report costing is intended to be a representation of a point in time, based on filled positions, assuming full fill is not achievable.
2) Newly established FTEs, prior to the agency filling the position are only based on appropriated funding for the FTE, but the actual implemented position details such as the FTE value, classification, salary, etc. are at the discretion of the agency. The position details are not documented or tracked anywhere that is available to the Department, until the position is filled.
3) In the current payroll system, employees on long term leave are not indicated as such in any standardized way to be able to properly identify the population on leave, to be able to perform an analysis. The Department can document how they are handled, but cannot capture the effect on the cost estimates due to the inability to isolate the population. The new payroll system will have an indicator for this purpose and should offer improvements moving forward.

4) In the current payroll system, unusual payroll or position circumstances are difficult to pinpoint, and the lack of data entry validation built into the current system lends itself to this issue. The new payroll system will have validations in place that will improve this.

The Department will finalize a Standard Operating Procedure (SOP) that will include information on the final calculation package. The SOP will be adopted before work begins on the QCR.

E. Agree
Implementation Date: October 2028

The Department will create a final source-to-report crosswalk that links each major conclusion and recommendation in the QCR to the applicable source data and analysis.

The Department will finalize a Standard Operating Procedure (SOP) that will include this process.

Finally, the Department will ensure that any responsibilities to meet this requirement on the vendor side is included in the contractual language.

Finding 2: Contract Management

The Department's Fiscal Year 2026-27 Quadrennial Total Compensation Report (QCR) included conclusions and recommendations related to the State's total compensation position, base salary, total cash compensation, benefits, retirement, paid leave, premium pay, step pay, and estimated costs. Most of the conclusions and recommendations are based on analyses conducted by the Department's consultant.

According to the contract, the consultant is responsible for providing actuarial consulting services and conducting market analyses on the State's compensation package, and providing the Department with a draft report and a final report that include, at a minimum:

- Description of methodologies used, including how geographical adjustments and aging of data will be completed.
- What salary surveys will be used to determine salaries and pay structures in the market, including a mix of public and private sources.
- State total compensation analysis relative to the market, including the dollar value of the total compensation received by state employees compared to the dollar cost to the State.
- Base average salary analysis based on a comparison of actual current employee salaries to the market.
- Benefits analysis (i.e., medical, dental, and life insurance, and short- and long-term disability) for state employees compared to the market.
- Retirement value analysis for state employees compared to the market.
- Leave and merit pay analysis based on comparisons to market practices.
- State Patrol Trooper compensation analysis in accordance with Section 24-50-104, C.R.S.

The Department's initial contract with its consultant had an expiration date of January 31, 2022, with five one-year extensions ending January 31, 2027.

Throughout the course of the QCR process, the Department held regular meetings with the consultant and conducted an iterative review of the consultant's analytical work. For example, the consultant provided an initial Excel workbook of its analysis of base salary, which the

Department reviewed and discussed with the consultant, leading to a revised version of the analysis. Ultimately, the consultant provided seven versions of the workbook to the Department. This iterative process occurs due to the complexity of the analyses, which includes collecting market data, analyzing the data for appropriate matches to state jobs, adjusting data, and dealing with data limitations, as discussed in Finding 1.

What audit work was performed and what was the purpose?

We reviewed supporting documentation provided to the Department by its consultant for the Fiscal Year 2026-27 QCR. This included the consultant's "MP Export Final[3]" Excel worksheet; workbooks for the comparison of benchmark jobs and for the analysis of state employee benefits relative to the market; and workbooks containing the data the consultant pulled from compensation surveys. We also reviewed DPA's contract for the QCR and notes from meetings with the consultant.

In addition, we interviewed Department staff and management to understand the QCR process, timeline, and interactions between the consultant and the Department.

The purpose of the work was to evaluate the Department's oversight of the contractor's work for the QCR.

What problems did the audit work identify and how were the results of the work measured?

Overall, we found the Department's consultant complied with statute and sound professional practice in conducting its work for the QCR, as follows:

- The consultant used reasonable procedures and data to complete a sufficient, reliable, and valid comparison of state compensation, with similar workforce structures, as required by Section 24-50-104(1)(a)(II), C.R.S., and sound professional practice, as supported by WorldatWork and SHRM. The consultant evaluated compensation components, including salary, total cash compensation, benefits, retirement, leave, premium pay, and step pay, and its work supported the overall report conclusions. The

[3] The MP Export Final tab is the consultant's detailed market-analysis export. It contains the source records used for the compensation analysis, including survey source codes, job codes, data cuts, market pay elements, aging factors, weighting fields, match comments, and inclusion/exclusion fields.

consultant also used current employer-reported market data that represented relevant comparison groups and comparable job content.

- The consultant included data for jobs in both the private and public sectors, and for employers outside the Denver area, including other states, in its comparison, as required by Section 24-50-104(4)(a), C.R.S.

However, we found that the Department could strengthen its monitoring of the consultant contract, which is a responsibility established in both statute and Fiscal Rules [Section 24-106-107(3), C.R.S., and Fiscal Rules 1 CCR 101-1, Section 10.2], to facilitate efficient oversight and better ensure that the objectives and obligations of the contract are met.

In particular, we found that the Department has not established documentation requirements that would provide the details it needs to conduct efficient reviews of the consultant's work to ensure it is complete, accurate, timely, and otherwise in adherence to contract requirements. Sound professional practice for compensation studies indicates that analyses and benchmarks used to assess market competitiveness should be fully documented. For the actuarial components of the consultant's work, sound professional practice, as reflected in Actuarial Standards of Practice (ASOPs) issued by the Actuarial Standards Board, contains documentation requirements that are pertinent to the consultant's work:

- ASOP No. 41, Actuarial Communications, indicates that an actuarial report may consist of one or several documents. When multiple documents comprise the report, the documents should be identified, and the methods, procedures, significant assumptions, and data used should be presented with sufficient clarity for another actuary qualified in the same practice area to objectively assess the reasonableness of the work.

- ASOP No. 23, Data Quality, provides that actuarial communications should identify material data sources, significant adjustments or assumptions, relevant data-quality concerns, and the extent of reliance on information supplied by others.

These standards permit information to be incorporated by reference and do not require duplication of existing documentation or disclosure of confidential or proprietary information beyond applicable contractual and licensing requirements.

We identified the three areas discussed below where the Department did not require its consultant to provide specific documentation to facilitate monitoring of the work.

Aging of survey data. The final market analysis workbook the consultant provided to the Department did not include key information about the aging process. For example, the workbook included the aging factors applied to survey data, which reflect assumptions about the rate at which market compensation would increase between the survey's effective date and July 1, 2026, but did not consistently document the complete basis for those assumptions. The final market-analysis workbook was also missing the source of the aging factors, the applicable base date of the data to be aged, the aging period, and the resulting calculation for each source record. This kind of information is typically presented in a record known as an aging schedule.

Because there was no aging schedule, in order to verify the consultant's calculations to age survey data, we reviewed multiple complex workbooks and traced selected survey-data aging inputs and calculations through the market-analysis files, confirming that the resulting analyses were consistent with the related conclusions in the final QCR. The Department stated that it reviewed the consultant's deliverables through multiple iterations and performed manual recalculations to assess whether the work appeared reasonable. Requiring the consultant to provide an aging schedule would enable the Department to verify the aging procedures more efficiently.

Gaps and errors in files. Some of the files the consultant provided to the Department throughout the QCR process contained data-integrity and formula errors. The Department brought the errors to the consultant's attention, and the consultant corrected them before the report was finalized. However, the Department does not have requirements for the layout and content of the consultant's analytical files, such as requiring that the files include formulas rather than just data, and include control totals, to facilitate review. The Department also does not require the consultant to provide a final "clean" file in which any errors or data gaps have been addressed.

Additionally, some of the consultant's files did not clearly identify all source data and assumptions. For example, although the consultant's final market-analysis workbook identified the surveys used, it did not consistently include information such as each survey's effective date, publication date, and data-pull date.

Establishing requirements for the consultant's files could make the Department's review and verification of calculations more efficient.

Final contractor deliverables. The Department did not establish requirements to ensure that the consultant provided sufficient final documentation supporting each significant analysis and

conclusion. The consultant provided multiple written reports, analytical workbooks, and follow-up explanations for the Department's review. However, these reports and workbooks did not provide a final calculation trail identifying the source data, methodologies, significant assumptions, and calculations used in its analyses of base salary, benefits, target total cash compensation, and total compensation. The Department also did not retain actuarial or valuation workpapers supporting the applicable benefits and total compensation conclusions.

As a result, the Department did not have a consolidated record identifying where the underlying methodology, assumptions, data, and calculations could be found among the workbooks and written reports, and how the consultant's significant conclusions were derived. Consistent with Actuarial Standards of Practice, the Department could require a final documentation package from the consultant that indexes where source data, methods, assumptions, and calculations that support the consultant's conclusions may be found in the workbooks and written reports.

Why did these problems occur?

The Department has not established sufficiently specific contract deliverable requirements and documented review procedures for the consultant's analytical files and supporting workpapers. Specifically, the Department has not:

- Required the consultant to provide an aging schedule that identifies each survey source, source year, publication date, effective date, data pull date, aging factor, aging factor source, base date, target date to which data will be aged, aging calculation, reviewer sign-off, and agreement to final control totals.

- Established requirements and procedures to ensure that the consultant provides sufficient final documentation supporting each significant analysis and conclusion, including the applicable source data, methodologies, significant assumptions, final calculation files, and relevant control totals, with an index identifying where the supporting information can be found.

Why do these problems matter?

The problems we identified can limit the Department's ability to thoroughly review the consultant's data and analyses efficiently. The consultant's work is complex by nature and involves identifying and collecting relevant, reliable, and current survey data from a variety of sources. Much of the data needs to be adjusted to ensure it represents a fair balance of public and private sector jobs, jobs in various geographic regions, current data, and sufficient data for

each comparison. The consultant's analyses cover multiple compensation components and involve complex calculations related to job matching, data aging, public/private weighting, and geographic differentials, which are contained in many large, complicated workbooks. Due to the complexity, the Department needs to ensure the consultant provides sufficient, detailed documentation that allows it to verify source data, calculations, limitations, and conclusions and thereby help prevent mistakes or gaps from going undetected before the QCR is finalized.

The QCR provides recommendations to the Governor and General Assembly on salary structure, group benefit contributions, step pay, and other compensation elements for classified State employees. Any inaccuracies could affect budget decisions related to state employee compensation and reduce the validity of the QCR.

Recommendation No. 2:

The Department of Personnel & Administration (Department) should strengthen its contract management for the Quadrennial Total Compensation Report (QCR) process by establishing written requirements for the consultant to:

A. Provide the Department with an aging schedule that identifies each survey source, source year, publication date, effective date, data pull date, aging factor, aging factor source, base date, target date to which data will be aged, aging calculation, and agreement to final control totals.

B. Adhere to minimum standards for the layout and content of the consultant's analytical files, including requiring that the files contain the formulas and calculation logic used, clearly identify source data and assumptions, include appropriate control totals and reconciliation procedures, and preserve a traceable calculation path from the underlying data to the results reported in the QCR.

C. Provide final, corrected analytical files in which identified formula errors, data-integrity issues, and data gaps have been resolved or clearly documented before the Department formally accepts the deliverables.

D. Provide sufficient final documentation supporting each significant analysis and conclusion, including the applicable source data, methodologies, significant assumptions, final calculations, and relevant control totals. When the supporting documentation consists of multiple files or communications, require an index or similar record of the final

documents supporting each significant conclusion and where the relevant information can be found.

Department of Personnel & Administration Response:

A. Agree
Implementation Date: March 2027

The Department will establish written requirements for the compensation consultant to provide the Department with an aging schedule that identifies each survey source, source year, publication date, effective date, data pull date, aging factor, aging factor source, base date, target date to which data will be aged, aging calculation, and agreement to final control totals.

The Department is in the initial stages of re-soliciting for a compensation consultant.

B. Agree
Implementation Date: March 2027

The Department will establish written requirements for minimum standards for the layout and content of the consultant's analytical files, including requiring that the files contain the formulas and calculation logic used, clearly identify source data and assumptions, include appropriate control totals and reconciliation procedures, and preserve a traceable calculation path from the underlying data to the results reported in the QCR.

The Department is in the initial stages of re-soliciting for a compensation consultant.

C. Agree
Implementation Date: March 2027

The Department will establish written requirements for the consultant to provide final, corrected analytical files in which identified formula errors, data-integrity issues, and data gaps have been resolved or clearly documented before the Department formally accepts the deliverables.

The Department is in the initial stages of re-soliciting for a compensation consultant.

D. Agree
Implementation Date: March 2027

The Department will establish written requirements for the consultant to provide sufficient final documentation supporting each significant analysis and conclusion, including the applicable source data, methodologies, significant assumptions, final calculations, and relevant control totals. When the supporting documentation consists of multiple files or communications, require an index or similar record of the final documents supporting each significant conclusion and where the relevant information can be found.

The Department is in the initial stages of re-soliciting for a compensation consultant.

Appendix A: Compensation and Benefits Survey Sources and Characteristics

The following lists the 20 compensation and benefits surveys used in the Fiscal Year 2026–27 Quadrennial Total Compensation Study, organized by each survey's publisher, along with the publication year, geographic coverage, and primary subject area.

- U.S. Bureau of Labor Statistics — 1 survey
  - Occupational Employment and Wage Statistics, 2023
- CompData — 8 surveys
  - Accounting – January – US, 2024
  - Benchmark Pro – National – January – US, 2024
  - Colleges & Universities – January – US, 2024
  - Health Care – National – January – US, 2024
  - Insurance – National – January – US, 2024
  - Legal – January – US, 2024
  - Manufacturing – National – January – US, 2024
  - Not-For-Profit – National – January – US, 2024
- Employers Council — 1 survey
  - Arizona, Colorado, Utah & Wyoming – US (STAT62), 2024
- Consultant Independent Health Network — 2 surveys
  - Health Network Module 5 – Healthcare Individual Contributors – US, 2024
  - Health Network Module 7 – Healthcare Middle Management – US, 2024
- Consultant Benchmark — 1 survey
  - Benchmark – United States, 2024
- National Compensation Association of State Governments — 1 survey
  - National Compensation Association of State Governments – US (STAT62), 2024
- Willis Towers Watson — 6 surveys
  - Health Care Middle Management, Professional and Support – US, 2024
  - General Industry Office and Business Support – Job-Level Report – US, 2024
  - General Industry Professional Administrative & Sales – Job-Level Report – US, 2024
  - General Industry Professional Technical & Operations – Job-Level Report – US, 2024

- General Industry Supervisory & Middle Management – Job-Level Report – US, 2024
- General Industry Technical Support & Production – Job-Level Report – US, 2024