TECC – A Brief History

In a 2012 study of 22 jurisdictions and 13 job titles, public administration researchers at PSU’s Center for Public Service identified the Total Employer Cost of Compensation (TECC) using over 50 different components. These included salary, employer-paid health insurance, pension payments, and payroll taxes—as well as overtime, specialty pay, supplemental insurance, retirement programs, and the value of paid time off.

The TECC study showed that salary was only half the compensation cost of an employee; the annual TECC cost for a $50,000 salary was approximately $100,000. The study also found wide variation, both within and between comparable jurisdictions and job titles.

In 2014, the Center received funding from PSU’s University Venture Development Fund (UVDF) to develop a software-enabled, subscription-based tool to help government officials, employees, and citizens better understand and manage their TECC costs.

Subscription Terms

Jurisdictions subscribe for 3 years to ensure continuity of data available for benchmarking.

TECC’s subscription fees are based on the size and type of jurisdiction (city, county, or special district).

<table>
<thead>
<tr>
<th>Jurisdiction Size</th>
<th>3 Year Fee</th>
<th>Payment Schedule</th>
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<tbody>
<tr>
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<td>Year 1</td>
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<tr>
<td>Smallest</td>
<td>$2,000</td>
<td>$1,000</td>
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<tr>
<td>Small</td>
<td>$4,000</td>
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<tr>
<td>Medium</td>
<td>$5,500</td>
<td>$2,750</td>
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<tr>
<td>Large</td>
<td>$7,000</td>
<td>$3,500</td>
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Note:

- **Smallest**: Counties and SD: pop. up to 10,000; Cities: up to 5,000
- **Small**: Counties and SD: 10,000 to 100,000; Cities: 5,000 to 20,000
- **Medium**: Counties and SD: 100,000 to 200,000; Cities: 20,000 to 50,000
- **Large**: Counties and SD: over 200,000; Cities: over 50,000

LGPI Members receive a 20% discount on all fees.

The terms of the licensing agreement allow for cancellation at any time with 30 days’ notice.

Questions?

Web – tecc.research.pdx.edu
Email – tecc@pdx.edu
Phone – 503-725-5116

Developed by PSU’s Center for Public Service (CPS) - in partnership with PSU’s University Venture Development Fund (UVDF) and the Local Government Personnel Institute (LGPI).
The TECC Value Proposition

It’s a familiar adage: You can’t manage what you don’t measure.

Total Employer Cost of Compensation (TECC) focuses on what public sector employees cost their employers, rather than the value to the employee.

Government employees are the public sector’s most important assets. In most cases, they’re also governments’ single largest expense. Yet too often, the answers to key questions aren’t well understood, such as:

In addition to an annual salary, what are other key components of employer paid compensation?

For a given job, how should the TECC be calculated?

How much does TECC vary between employees at different seniority levels?

How might one jurisdiction’s TECC costs compare to other jurisdictions’ TECC costs, for the same or similar positions?

How do TECC costs change over time, and by how much?

How might a deeper understanding of TECC costs facilitate better decision-making, and a more cost-effective allocation of limited public resources?

CPS’ TECC Calculation and Comparison Tool is designed to answer these, and many other related, questions.

How TECC Works

Subscribers can:

Upload key information – e.g. salary schedules, benefit costs, pension-related data, and paid time off – using a software-enabled interface that guides data collection

Receive TECC data:
Using a standard measurement methodology, cost components are organized into 6 categories:

• Salary
• Health Insurance
• Retirement
• Post Employment Health
• Other Insurance
• Paid Time Off

Evaluate job titles for apples-to-apples comparisons with other jurisdictions

The TECC website - beta tested by 15 local government jurisdictions in late 2014 – is now accessible at tecc.research.pdx.edu.

The more jurisdictions that submit data through the TECC tool, the greater the value for every participant. The goal is to have 100 participating jurisdictions by 2016, giving participants an exceptionally rich data set by which to inform their decision making.