



AMERICAN COUNCIL OF ENGINEERING COMPANIES
of Colorado

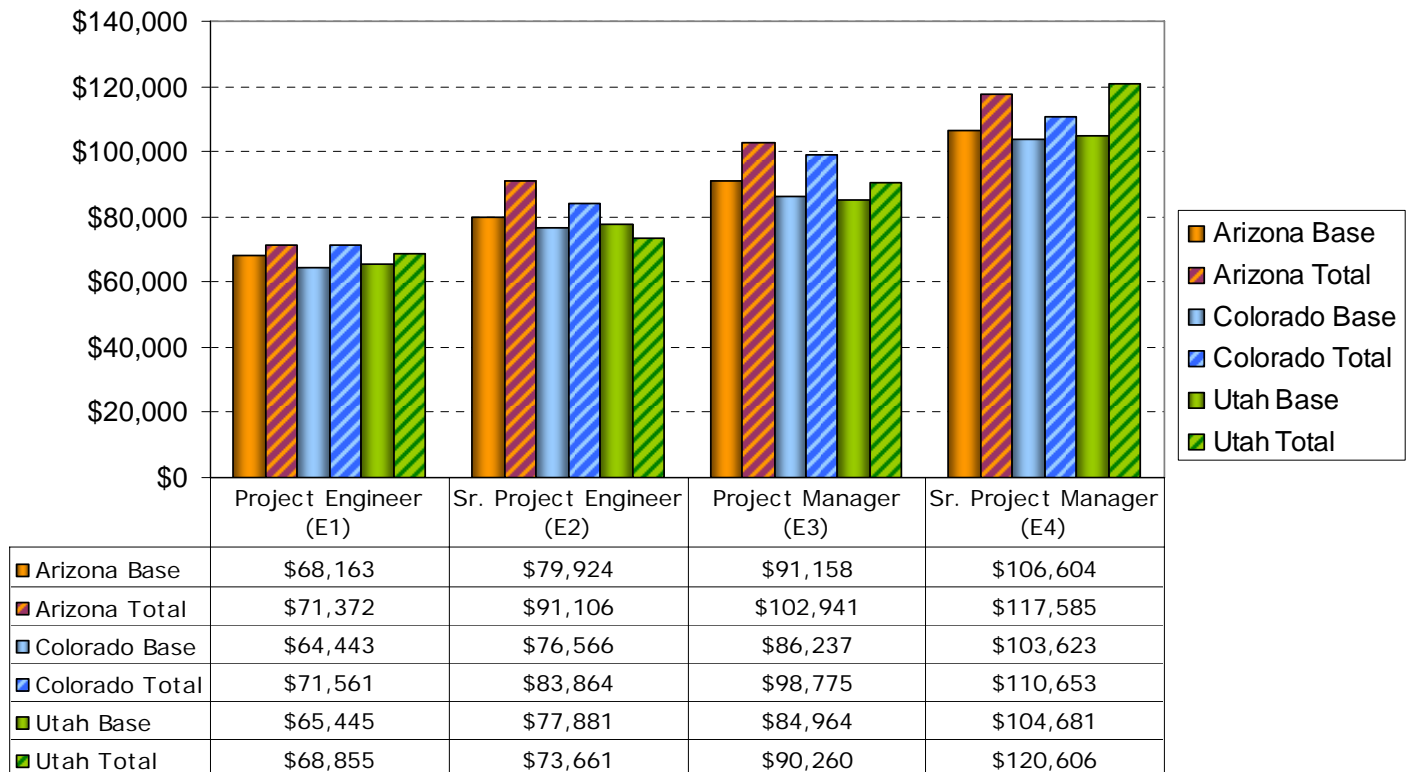
2009 ACEC-Colorado Salary Survey Highlights

Base Salaries Rise Slightly +2.6 Percent, Total Compensation Increases +5.1%

Results of the 2009 ACEC-Colorado salary survey indicate continued, small increases to base salaries. The average salary grew by a modest +2.6 percent from last year. Over a rolling three-years, the average base salary increased +3.0 percent. Bonuses paid in 2009, typically awarded for achievements the previous year, average 10.1% of base salaries, an increase over the 8.3% average bonus reported in 2008. Total compensation (average base salary + bonus) increased +5.1 percent over 2008 compensation rates.

U.S. West Region Professional Engineering Salaries (Arizona, Colorado and Utah)

Prevailing base salaries and total compensation reported for professional engineers by state are provided below. Colorado's professional engineering salaries average 96% of Arizona's base and total compensation. While almost equaling Utah's base compensation, averaging 99%, Colorado's professional engineers' total compensation, (base + bonus) exceed Utah's total compensation, averaging 105 percent.



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Was 2009 Really That Bad?

Actual Changes in Base Salaries

Average actual salary increases reported for 2009 range from 1.5% for hourly, non-exempt employees to 2% for senior-level employees and executives. Thirty five percent of firms report freezing employees' base salaries in 2009; twenty-eight percent report imposing salary reductions.

Layoffs / Workforce Reductions / Turnover

One in five participants report layoffs or workforce reductions within the last year, including a loss of approximately 100 professional engineering positions in Colorado. (Salaries are reported for approximately 900 professional engineers and engineering executives in this year's survey.) Those firms reducing their workforce, eliminated on average 12 percent. Most firms (79%) offered severance pay based on eliminated employees' length of service; one-third offered two weeks pay regardless of eliminated employees' service.

Limited employment opportunities may be contributing to firms reporting lower employee turnover when voluntary and involuntary separations are considered. Turnover rates in 2009 averaged 15% in comparison with 21% the previous year. Firms with 11-49 employees were more likely to report higher turnover, 19 percent.

Health Care

While the cost of health insurance continues to rise, on average 11% versus 13% in 2008, the number of firms reporting an increase in premium costs of 10% or more declined from 2008.

Retirement / Savings Plans

Firms report funding an average of 4.4 percent of payroll for the retirement / savings plan, compared to 5.6 percent in 2008. While most firms (68%) indicate no change to their plan contribution levels, those making changes are equally split in either reducing contributions or eliminated their matching contribution.

Actions to Contain/Reduce Expenses

Firms looking for ways to further ride out the economic downturn may consider some of the following actions reported by participants:

- **Reduced / Eliminated Assets and Services:** Sold company vehicles, deferred equipment and computer replacement, outsourced human resources and payroll functions, renegotiated contracts, i.e., cell phone plan
- **Changes to Work Schedules / Salary Administration:** Eliminated overtime – hourly employees limited to 40 hours per week, no overtime pay for professional staff, offered unpaid time off on a voluntary basis, reduced hours for some staff in lieu of layoffs, moved salaried employees to hourly positions
- **Office Space Changes:** Reduced rented space, renegotiated lease agreement, asked for rent reduction

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Actions to Contain/Reduce Expenses

- **Closer Control on Expenses:** Eliminated cell phone reimbursement, require reimbursement for use of company vehicles, imposed tighter financial controls, reduced business insurance expenses, eliminated non-billable travel, use teleconferencing instead of travel
- **Employee Benefit Changes:** Eliminated employee social events, wellness program, cell phone reimbursement, require reimbursement for use of company vehicles, imposed tighter financial controls, reduced business insurance expenses, increased employees' share of insurance premiums

Looking Forward... Any Optimism for 2010?

Salary Increase Projections

For 2010, employers are slightly more optimistic, projecting base salary increases from +3.0 to +3.4 percent. Only 14 percent of firms anticipate no salary increases in 2010. Projected pay increases are double 2010's forecasted inflation rate, 1.6% for the Denver-Boulder area. However, just over half, 52% have or are considering reducing or eliminating bonuses for 2009.

Employment Changes

While almost half anticipate no staffing changes, 41 percent of firms expect a nominal increase to staff, 8% anticipate a significant increase, adding more than 5 percent to their staff. Only one firm indicated plans for a reduction in staff size.

New engineering graduates with a Bachelor's degree can expect an average starting salary of \$51,254, those with advanced degrees can expect \$56,896 on average. Most firms (80%) post new job opportunities on their own website, half also report using the ACEC job board, and 24 percent use social networking (i.e., Facebook, LinkedIn, etc.) as part of their recruiting practices.

What does this year's ACEC-Colorado Salary Survey Report Include?

The ACEC-Colorado salary survey report includes detailed salary information on 58 positions for entry-level engineers, engineering professionals, planners, drafters and designers, surveyors, technicians, lab and environmental staff and professional/administrative positions. Salaries are reported by region, employment size and firm revenue levels. Summary survey results for the same positions are also provided from firms participating in the ACEC-Arizona and ACEC-Utah surveys, and from a private survey of New Mexico and Nevada firms.

In addition, current practices and projected plans in select areas are included to help employers with compensation, benefits and staffing decisions. Focus this year is on how firms are planning for and meeting economic challenges.

Order your copy of the full report today. An order form is provided on the next page.



**2009 Compensation Survey
& Focus Area:
Meeting Economic Challenges**

SURVEY REPORT ORDER FORM

Results of the 2009 Colorado Salary Survey are now available. To order the survey results, please mark your membership and participant status below (X) and provide forwarding instructions. Orders will be filled by ACEC-CO.

ACEC-CO Members - Participants

Participant price **(\$100.00)**

ACEC-CO Members: Non-Participants

Non-Participant price **(\$300.00)**

2008 Benefits and Business Practices Report (extract from 2008's survey) **(\$100.00)**

Non-Member Participants

Participant price **(\$350.00)**

Non-Member Purchase Price

2009 Salary Survey Report **(\$500.00)**

2008 Benefits and Business Practices Report (extract from 2008's survey) **(\$200.00)**

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