

## INFORMATION REGARDING STAFF COMPENSATION

As required by Section 659.026 of Texas Government Code, certain executive and non-executive compensation information must be made available to the public on the agency's internet website. To comply with this requirement, the following compensation information on Health and Human Services Commission (HHSC) employees is reported.

As of August 31, 2015, HHSC employed 12,437.36 full-time equivalent employees. A full-time equivalent (FTE) is a unit equivalent to an employee working an eight-hour day. The total work hours used to calculate FTEs may come from full-time or part-time positions.

### **Appropriations**

As reported in Article II of the General Appropriations Act, the agency received the following legislative appropriations for each fiscal year of the current biennium:

<b>Method of Financing:</b>	<b>For the Years Ending</b>	
	<b>August 31, 2016</b>	<b>August 31, 2017</b>
General Revenue Fund	\$11,148,501,742	\$11,433,678,969
Federal Funds	\$16,315,503,063	\$16,520,237,924
Other Funds	\$588,176,023	\$584,123,180
<b>Total. Method of Financing</b>	<b>\$28,052,180,828</b>	<b>\$28,538,040,073</b>

### **Executive Salary Determination Methodology**

*For Non-Classified Executive Staff:*

The annual compensation for the agency's Executive Commissioner, Christopher Traylor, is legislatively set in Article II of the General Appropriations Act at \$260,000 and falls within Salary Group 8 (for positions exempt from the State's Classification Plan).

As reported in the State Auditor's Office (SAO) Report on Executive Compensation at State Agencies (August 2014, Report No. 14-705), the SAO provides the legislature with recommended salary ranges for executive officer positions, based on an analysis of:

- executive officer salaries and assigned salary groups;
- the amount of annual appropriations for the agency;
- the number of authorized full-time equivalent employees at the agency;
- market average compensation for similar executive positions;
- the agency's mission;
- salaries of classified employees; and
- specialized education required for the position.

To obtain the market average compensation for similar executive positions, the SAO reviewed data from public, nonprofit, and private sector salary sources, and sent salary surveys to populous states outside of Texas, quasi-governmental agencies, and major Texas cities and counties.

Through this methodology, the SAO reported the market average for the HHSC Executive Commissioner as \$276,183.

*For Classified Executive Staff:*

The annual compensation of executive staff in classified positions is determined by the Executive Commissioner and is based on a number of factors, including the complexity of the work performed, skill requirements, experience requirements, education required, budget and staff oversight and the internal relationship to comparable positions in the agency. In addition, the agency monitors and reviews these positions to ensure that proper reporting relationships are maintained.

The minimum and maximum salary ranges for these positions are specified in the State's Position Classification Plan in Article IX of the General Appropriations Act. As reported in the SAO Biennial Report on the State's Position Classification Plan for the 2016-2017 Biennium (September 2014, Report No. 15-701), the SAO conducts market analyses and recommends changes to the legislature when established salary ranges are identified as no longer equitable or competitive. To conduct this analysis and review, the SAO collected market data from multiple salary survey sources for positions representative of the work performed in state government.

**Note:** The agency's executive staff are not eligible for a salary supplement.

**Market Average for Executive Staff**

The following table provides the annual state and national wages for public and Chief Executives, based on the Bureau of Labor Statistics (BLS) data for Standard Occupational Code (SOC Code) 11-1011.00, Chief Executives:

Location	May 2014 Salary Data				
	10%	25%	Average Salary	75%	90%
United States	\$75,982	\$119,059	\$189,987	\$187,199+	\$187,199+
Texas	\$72,737	\$110,760	\$180,710	\$187,199+	\$187,199+

The following table provides market average data for state agency executive staff in Texas, based on February 2015 data provided by state agencies to the Texas Tribune:

Position	Lowest Salary	Highest Salary	Average Salary
Deputy Director	\$123,772	\$270,064	\$183,711
Director VI	\$127,504	\$193,800	\$166,062
Director V	\$111,793	\$180,285	\$144,038

**Non-Executive Staff Compensation**

The average base salary for non-executive staff on August 31, 2015 was \$37,861.

## Executive Salaries Compared to Appropriations

The following tables show the percentage changes in HHSC's legislative appropriations and the executive salaries during the five preceding fiscal years:

Method of Financing:	FY 2011	Percent Change	FY 2012	Percent Change	FY 2013	Percent Change	FY 2014	Percent Change	FY 2015	Percent Change
General Revenue Fund	\$7,146,113,320	22.51%	\$8,934,913,313	25.03%	\$8,935,864,745	0.01%	9,542,696,080	6.79%	10,303,269,601	7.97%
Federal Funds	\$14,059,011,193	5.62%	\$13,084,025,278	-6.93%	\$13,974,880,632	6.81%	15,208,193,939	8.83%	16,834,317,042	10.69%
Other Funds	\$310,616,758	-1.37%	\$351,486,610	13.16%	\$506,669,575	44.15%	593,732,377	17.18%	535,383,896	-9.83%
Total Method of Financing	\$21,515,741,271	10.57%	\$22,370,425,201	3.97%	\$23,417,414,952	4.68%	25,344,622,396	8.23%	27,672,970,539	9.19%

Positions	FY 2011	Percent Change	FY 2012	Percent Change	FY 2013	Percent Change	FY 2014	Percent Change	FY 2015	Percent Change
Executive Commissioner	\$210,000	0.00%	\$230,000	9.52%	\$225,000	-2.17%	\$260,000	15.56%	\$260,000	0.00%
Chief Deputy Executive Commissioner	NA	NA	\$215,000	NA	\$215,000	0.00%	\$235,000	9.30%	\$239,700	2.00%
Chief of Staff	\$150,000	-3.13%	\$150,000	0.00%	\$160,000	6.67%	\$161,600	1.00%	\$164,832	2.00%
Health Policy and Clinical Services Executive Deputy	\$167,732	0.00%	\$216,652	29.17%	\$216,652	0.00%	\$169,125	-21.94%	\$172,507	2.00%
Deputy Chief of Staff	NA	NA	NA	NA	\$157,500	NA	\$159,075	1.00%	\$118,008	-25.82%
Information Technology Executive Deputy	\$162,000	14.22%	\$162,000	0.00%	\$155,000	-4.32%	\$160,464	3.52%	\$163,673	2.00%
System Support Services Executive Deputy	\$163,059	0.00%	\$163,059	0.00%	\$163,059	0.00%	\$164,690	1.00%	\$167,984	2.00%
Financial Services Executive Deputy	\$140,000	0.00%	\$150,000	7.14%	\$160,008	6.67%	\$161,608	1.00%	\$164,840	2.00%
Social Services Executive Deputy	\$160,000	0.00%	\$160,000	0.00%	\$160,000	0.00%	\$161,600	1.00%	\$164,832	2.00%
Inspector General	\$165,000	7.63%	\$175,000	6.06%	\$183,750	5.00%	\$185,587	1.00%	\$220,000	18.54%
Chief Counsel	\$164,084	0.00%	\$164,084	0.00%	\$164,084	0.00%	\$197,500	20.37%	\$201,450	2.00%
Enterprise Contract and Purchasing Services Executive Deputy	NA	NA	NA	NA	\$150,000	NA	\$159,075	6.05%	\$180,000	13.15%
Special Advisor to the Executive Commissioner	NA	NA	NA	NA	\$150,000	NA	\$151,500	1.00%	\$154,530	2.00%