

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 Department of State Health Services (DSHS) employees is reported.

As of August 31, 2013, DSHS employed 11,950.2 full-time equivalent employees.

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:

Method of Financing:	For the Years Ending	
	August 31, 2014	August 31, 2015
General Revenue Fund	\$1,287,036,921	\$1,291,068,693
General Revenue Fund – Dedicated	\$329,098,884	\$332,326,268
Federal Funds	\$1,227,957,153	\$1,240,607,641
Other Funds	\$263,352,100	\$265,107,986
Total. Method of Financing	\$3,107,445,058	\$3,129,110,588

Executive Salary Determination Methodology

For Non-Classified Executive Staff:

The annual compensation for the agency's Commissioner, David Lakey, M.D., is legislatively set in Article II of the General Appropriations Act at \$210,000 and falls within Salary Group 7 (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 2012, Report No. 12-708), 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 blended market 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 DSHS Commissioner as \$257,786.

For Classified Executive Staff:

The annual compensation of executive staff in classified positions is determined by the 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 2014-2015 Biennium (September 2012, Report No. 13-701), 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 2012 Salary Data				
	10%	25%	Average Salary	75%	90%
United States	\$76,220	\$109,940	\$176,840	\$187,199+	\$187,199+
Texas	\$75,490	\$112,090	\$181,830	\$187,199+	\$187,199+

The following table provides market average data for state agency executive staff in Texas, based on February 2013 data provided by state agencies to the Texas Tribune:

Position	Lowest Salary	Highest Salary	Average Salary
Director V	\$110,400	\$179,051	\$139,756
Director IV	\$57,955	\$147,976	\$115,802
Director III	\$81,529	\$134,524	\$102,495

Non-Executive Staff Compensation

The average base salary for non-executive staff based on full-time FTEs in Salary Group B25 and below as of August 31, 2013 was \$34,343.

Executive Salaries Compared to Appropriations

The following table shows the percentage changes in DSHS's legislative appropriations during the five preceding fiscal years:

Method of Financing:	FY 2009	Percent Change	FY 2010	Percent Change	FY 2011	Percent Change	FY 2012	Percent Change	FY 2013	Percent Change
General Revenue Fund	\$967,367,478	0.17%	\$1,093,157,172	13.00%	\$1,112,150,346	1.74%	\$1,066,564,616	-4.10%	\$1,072,173,425	0.53%
General Revenue Fund - Dedicated	\$353,859,370	1.10%	\$407,034,578	15.03%	\$411,129,239	1.01%	\$371,985,401	-9.52%	\$370,751,431	-0.33%
Federal Funds	\$1,187,999,853	0.32%	\$1,248,712,555	5.11%	\$1,253,463,556	0.38%	\$1,238,906,419	-1.16%	\$1,249,106,301	0.82%
Other Funds	\$98,268,919	-41.60%	\$193,276,206	96.68%	\$134,978,662	-30.16%	\$219,337,488	62.50%	\$188,038,973	-14.27%
Total Method of Financing	\$2,607,495,620	-2.28%	\$2,942,180,511	12.84%	\$2,911,721,803	-1.04%	\$2,896,793,924	-0.51%	\$2,880,070,130	-0.58%

The following table shows the percentage changes in DSHS's executive salaries during the five preceding fiscal years:

Positions	FY 2009	Percent Change	FY 2010	Percent Change	FY 2011	Percent Change	FY 2012	Percent Change	FY 2013	Percent Change
DSHS Commissioner	\$183,750	0.00%	\$183,750	0.00%	\$183,750	0.00%	\$183,750	0.00%	\$210,000	14.29%
Associate Commissioner	\$150,643	2.00%	\$150,643	0.00%	\$150,643	0.00%	\$130,000	-13.70%	\$134,550	3.50%
Deputy Commissioner	\$119,646	2.00%	\$119,646	0.00%	\$119,646	0.00%	\$119,646	0.00%	\$119,646	0.00%
State Epidemiologist	\$157,526	2.00%	\$159,999	1.57%	\$159,999	0.00%	\$159,999	0.00%	\$103,000	-35.62%
Internal Audit Executive	\$102,521	2.00%	\$102,521	0.00%	\$102,521	0.00%	\$108,000	5.34%	\$108,000	0.00%
Chief Operating Officer	\$114,448	2.00%	\$114,448	0.00%	\$115,000	0.48%	\$115,000	0.00%	\$115,000	0.00%
Chief Financial Officer	\$129,020	2.00%	\$132,500	2.70%	\$132,498	0.00%	\$132,498	0.00%	\$137,135	3.50%
Assistant Commissioner of Regulatory Services	\$111,410	2.00%	\$116,978	5.00%	\$116,978	0.00%	\$116,978	0.00%	\$121,073	3.50%
Assistant Commissioner of Mental Health and Substance Abuse Services	\$119,340	2.00%	\$119,340	0.00%	\$119,340	0.00%	\$119,340	0.00%	\$123,517	3.50%
Assistant Commissioner of Family and Community Health Services	\$111,448	2.00%	\$117,020	5.00%	\$117,020	0.00%	\$117,020	0.00%	\$117,020	0.00%
Assistant Commissioner of Disease Control and Prevention Services	\$165,240	2.00%	\$165,240	0.00%	\$165,240	0.00%	\$116,400	-29.56%	\$116,400	0.00%
Assistant Commissioner of Regional and Local Health Services	\$167,000	7.03%	\$167,000	0.00%	\$167,000	0.00%	\$161,487	-3.30%	\$122,000	-24.45%