

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, 2019, DSHS employed 3,095.4 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, 2020	August 31, 2021
General Revenue Fund	\$283,676,390	\$272,051,084
General Revenue Fund - Dedicated	\$161,719,551	\$159,989,523
Federal Funds	\$293,176,496	\$293,176,497
Other Funds	\$104,668,752	\$105,948,765
Total. Method of Financing	\$843,241,189	\$831,165,869

Executive Salary Determination Methodology

For Non-Classified Executive Staff:

The annual compensation for the agency's Commissioner, John Hellerstedt, M.D., is legislatively set in Article II of the General Appropriations Act at \$248,412 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 2018, Report No. 18-705), 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 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 at \$255,686.

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 2020-2021 Biennium (October 2018, Report No. 19-702), 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 2018 Salary Data					Average Salary
	10%	25%	Median 50%	75%	90%	
United States	\$68,360	\$115,960	\$189,600	\$208,000+	\$208,000+	\$200,140
Texas	\$108,040	\$167,070	\$208,000+	\$208,000+	\$208,000+	\$239,680

The following table provides market average data for state agency executive staff in Texas extrapolated from the SAO's Electronic Classification Analysis (E-CLASS) System for fiscal year 2019¹:

Position	Minimum Salary	Median Salary	Maximum Salary	Average Salary
Deputy Director II	\$148,800	\$215,800	\$251,652	\$212,294
Director VI	\$114,000	\$157,886	\$189,069	\$152,229
Director IV	\$94,700	\$128,053	\$156,256	\$130,447
Director III	\$83,991	\$117,397	\$142,052	\$116,292
Physician III	\$169,448	\$211,204	\$251,652	\$205,238
Physician II	\$146,374	\$180,868	\$207,977	\$181,847

Non-Executive Staff Compensation

The average base salary for non-executive staff based on full-time FTEs in Salary Group B27 and below as of August 31, 2019 was \$49,900.26.

¹ The information includes data for classified, regular, full-time employees within the Deputy Director, Director, and Physician state classification series.

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 2015	Percent Change	FY 2016	Percent Change	FY 2017	Percent Change	FY 2018	Percent Change	FY2019	Percent Change
General Revenue Fund	\$1,291,749,040	0.28%	\$1,351,219,530	4.60%	\$1,350,265,594	-0.07%	\$240,300,195	-82.20%	\$238,999,596	-0.54%
General Revenue Fund - Dedicated	\$469,717,268	-3.45%	\$445,394,861	-5.18%	\$444,558,145	-0.19%	\$165,144,577	-62.85%	\$162,691,239	-1.49%
Federal Funds	\$1,240,672,352	1.03%	\$1,178,057,106	-5.05%	\$1,137,488,790	-3.44%	\$264,890,106	-76.71%	\$264,897,402	0.00%
Other Funds	\$265,466,986	-3.01%	\$278,023,816	4.73%	\$266,918,635	-3.99%	\$109,398,435	-59.01%	\$104,983,000	-4.04%
Total Method of Financing	\$3,267,605,646	-0.26%	\$3,252,695,313	-0.46%	\$3,199,231,164	-1.64%	\$779,733,313	-75.63%	\$771,571,237	-1.05%

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

Positions	FY 2015	Percent Change	FY 2016	Percent Change	FY 2017	Percent Change	FY 2018	Percent Change	FY 2019	Percent Change
DSHS Commissioner	\$210,000	0.00%	\$242,353	15.41%	\$242,353	0.00%	\$242,353	0.00%	\$242,353	0.00%
Senior Advisor (Director VI)	\$138,613	2.00%	\$142,079	2.50%	\$142,079	0.00%	\$142,079	0.00%	\$152,024	7.00%
Deputy Commissioner (Deputy Director II)	\$183,750	100.00%	\$175,000	-4.76%	\$175,000	0.00%	\$175,000	0.00%	\$182,000	4.00%
Assistant Deputy Commissioner (Director VI)	\$136,154	2.00%	\$139,558	2.50%	\$139,558	0.00%	\$144,000	3.18%	\$144,000	0.00%
State Epidemiologist (Director IV)	\$106,110	2.00%	\$108,763	2.50%	\$108,763	0.00%	\$108,763	0.00%	\$108,763	0.00%
Internal Audit Executive (Director III)	\$114,599	2.00%	\$114,599	0.00%	\$114,599	0.00%	\$0	-100.00%	\$0	0.00%
Medical Director (Physician III)	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$181,000	100.00%	\$181,000	0.00%
Associate Commissioner of Program Operations (Director IV)	\$122,027	2.00%	\$125,078	2.50%	\$125,000	-0.06%	\$128,125	2.50%	\$128,125	0.00%
Chief Financial Officer (Director IV)	\$141,277	2.00%	\$140,000	-0.90%	\$140,000	0.00%	\$140,000	0.00%	\$140,000	0.00%
Associate Commissioner of Consumer Protection (Director IV)	\$124,730	2.00%	\$127,848	2.50%	\$125,000	-2.23%	\$128,125	2.50%	\$128,125	0.00%
Assistant Commissioner of Mental Health and Substance Abuse Services (Director IV)	\$123,420	2.00%	\$126,505	2.50%	\$0	-100.00%	\$0	0.00%	\$0	0.00%
Associate Commissioner of Community Health Improvement (Director IV)	\$124,170	2.00%	\$127,274	2.50%	\$164,000	28.86%	\$175,480	7.00%	\$175,480	0.00%

Associate Commissioner of Laboratory and Infectious Disease (Director IV)	\$123,213	4.81%	\$126,293	2.50%	\$126,293	0.00%	\$126,293	0.00%	\$125,500	-0.63%
Associate Commissioner of Regional and Local Health Operations (Director IV)	\$125,684	2.00%	\$128,826	2.50%	\$128,826	0.00%	\$128,826	0.00%	\$128,826	0.00%