

**The Texas Historical Commission
Report on Staff Compensation
Published in Compliance with
House Bill 12, 83rd Texas Legislature,
Regular Session
As of September 1, 2017**

Staff Compensation – House Bill (HB) 12

Government Code, Section 659.026, requires state agencies to make certain information regarding state compensation, including state compensation for the agency’s executive staff, available to the public by posting the information on the agency’s internet website.

659.026(b) requires the following seven (7) categories of information to be made available on the Internet:

- (1) **The number of full-time equivalent employees employed by the agency:**

FY 2018 Number of THC employees
--

224.2

Source: General Appropriations Act for the 2018-2019 Biennium

- (2) **The amount of legislative appropriations to the agency for each fiscal year of the current state fiscal biennium:**

FY 18 Legislative Appropriations	FY 19 Legislative Appropriations
---	---

\$34,249,768*

\$33,701,979*

Source: General Appropriations Act for the 2018-2018 Biennium. (Conference Committee)

- (3) **The agency’s methodology, including any employment market analysis, for determining the compensation of executive staff employed by the agency, along with the name and position of the person who selected the methodology:**

EXECUTIVE SALARY DETERMINATION METHODOLOGY

For Non-Classified Executive Staff:

The annual compensation for the agency’s executive director is legislatively established in Article 1 of the General Appropriations Act at \$150,652 for FY 2018 and \$145,954 for FY 2019, which falls within Salary Group 4 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 (Report No. 16-706), the SAO provides the legislature with recommended salary ranges for executive officer positions, based on an analysis of:

- the size of agency’s annual appropriations;
- the agency’s number of authorized full-time equivalent (FTE) employees using data as of February 29, 2016, including the Governor’s and the Legislative Budget Board’s approved changes;
- the market average compensation for similar executive positions;
- the executive officer position’s annual base salary compared to the annual base salaries of classified positions within the agency; and
- specialized education required for each position.

To determine the market average compensation for similar executive positions, the SAO considered the average market compensation for similar executive and professional positions; compensation for classified employees; the size and complexity of agencies; and specialized experience, education, or skills required for each position. The SAO also compared executive officer positions from different agencies and took into account the size of the agency's annual appropriations and the number of an agency's authorized FTE employees.

In developing recommendations, the SAO also reviewed compensation rates for similar work performed in the public and private sectors and compared those rates to the midpoint of existing salary ranges to determine market competitiveness of the salary range for positions reviewed. Market salary data for each survey was aged to January 1, 2017.

In addition to reviewing compensation data compiled by external parties, the SAO conducted surveys of state agency executive officers and human resource directors and selected public sector entities in March 2016. Through this methodology, the SAO reported the market average for the THC Executive Director at \$167,391.

For Classified Executive Staff:

The Agency uses the State of Texas Position Classification Plan (Plan) as its compensation methodology. Utilizing this Plan, compensation of executive staff in classified positions is determined by the Executive Director 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 for the 2018-2019 Biennium (Report No. 17-701), 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 using multiple salary survey sources for positions that were representative of the work performed in state government.

(4) Whether executive staff are eligible for a salary supplement:

A state employee employed by a state agency whose exempt position is funded by the General Appropriations Act may not receive a salary supplement from any source unless a specific grant of authority to do so is provided by the General Appropriations Act or other law.

Source: Government Code §659.020. Salary Supplementation

(5) The market average for commission of similar executive staff in the private and public sector:

Reference the State Classification Team's "A Biennial Report on the State's Positions Classification Plan" and "A Report on Executive Compensation at State Agencies."

(6) The average compensation paid to employees employed by the agency who are not executive staff:

\$4,326.54/mo.

Source: USPS (as of August 31, 2017; the average salary based on compensation for positions filled by FTE's, excluding executive staff.)

(7) The percentage increase in compensation of executive staff for each fiscal year of the five preceding fiscal years and the percentage increase in legislative appropriations to the agency each fiscal year of the five preceding fiscal years:

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Executive Staff	0%	1%	2%	13.34%	0%
Legislative Appropriation	(-59%)	65%	(-29%)	81.92%	(-3%)

Source: General Appropriations Act for the 2018-2019 Biennium.