



## Executive Compensation Report

Report on Staff Compensation (HB 12) As of September 1, 2014

The following information is presented pursuant to House Bill 12, 83rd Legislature, Regular Session, which amends *Government Code Section 659.026 (b)*.

Under this requirement, 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 the Texas Veterans Commission (TVC) is reported.

### FULL-TIME EQUIVALENT EMPLOYEES

TVC is authorized 382.5 full-time equivalent employees for each year of the current biennium.

NOTE: TVC agency employees are not eligible for salary supplement.

### APPROPRIATIONS

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

<b>Fiscal Year</b>	<b>2014</b>	<b>2015</b>
Total, all funds	\$27,001,967	\$25,814,419

### EXECUTIVE SALARY DETERMINATION METHODOLOGY

#### ***For Non-Classified Executive Staff:***

The annual compensation for the ***agency's executive director*** is legislatively established in Article I of the General Appropriations Act at **\$116,150 for FY 2014** and **\$118,473 for FY 2015**, 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. 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 determine 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. This analysis also considered the nature and complexity of the agency, such as the number of authorized full-time equivalent employees, budget size, scope of responsibilities and job requirements of the executive officer position, such as a requirement for a specialized or advance degree. Through this methodology, the SAO reported the market average for the TVC Executive Director as \$141,832.

***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 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 (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.

**MARKET AVERAGE COMPENSATION FOR SIMILAR EXECUTIVE STAFF**

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

**Non-Executive Staff Compensation**

The average monthly base pay compensation paid to non-executive staff as of February 2013, was \$ 3,246.75

**EXECUTIVE SALARIES COMPARED TO APPROPRIATIONS**

The following tables show the percentage change in TVC's compensation of executive staff for each fiscal year of the five preceding fiscal years and the percentage change in legislative appropriations to the agency each fiscal year of the five preceding fiscal years.

**Percent Change in Compensation of Executive Staff**

Fiscal Year Percent Change

FY 2015 2%

FY 2014 1%

FY 2013 0%

FY 2012 0%

FY 2011 0%

Percent Change in Legislative Appropriations per GAA

Fiscal Year	Percent Change
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FY 2015	-4.40%
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FY 2014	12.93%
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FY 2013	- 23.59%
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FY 2012 -	83.81%
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FY 2011 -	-0.46%
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Note: The Executive Director position has been a Group 4 Salary Level for the past five fiscal years (FY 2015 – FY 2011) as follows: \$118,473; \$116,150.; \$115,000.; \$115,000.; \$115,000.