



A Biennial Report on

# Executive Compensation at State Agencies

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State Auditor

The State Auditor's Office conducted a comprehensive market analysis for 66 executive officer positions at 65 state agencies.<sup>1</sup> The analysis identified a significant number of executive officer positions with salary ranges that may limit market competitiveness.

In addition to assigned salary ranges, most executive officers are also assigned not-to-exceed rates (NTE rate), which may limit the amount a position is paid. While most NTE rates were recently increased, this analysis determined that a significant number of executive officers still had NTE rates that were not competitive with the market.

Offering market-competitive salaries to executive officers is important to the State for several reasons, including attracting top talent, reducing turnover, and appropriately reflecting the value and contributions of state agency leaders.

- [Background](#) | p. 2
- [Project Objectives](#) | p. 28

*This study was conducted in accordance with Section 3.08, Article IX, the General Appropriations Act (88th Legislature).*

## MARKET ANALYSIS

Thirty-one executive officers were in salary ranges that may limit their ability to receive market competitive salaries. Fifty-five executive officers have NTE rates below the market average.

[Chapter 1-A | p. 4](#)

## PAY COMPRESSION

Pay compression exists among executive officers and their staff at several state agencies analyzed. Eighteen employees at 11 agencies had annual base salaries that were higher than their executive officers' salaries.

[Chapter 1-B | p. 9](#)

## TOP 40 HIGHEST-PAID MANAGEMENT EMPLOYEES

Of the 66 executive officers included in this study, only 11 executive officers were among the top 40 highest-paid management employees.

[Chapter 1-C | p. 12](#)

## EXECUTIVE OFFICER SALARY GROUPS AND NTE RATES RECOMMENDATIONS

Thirty-one executive officer positions are recommended for salary group reassignments to better align with the market. Also, NTE rates should be reviewed.

[Chapter 2-A | p. 16](#)

## SALARY RANGE ADJUSTMENTS

The salary ranges for the Schedule of Exempt Positions have not increased since fiscal year 2016. Adding a higher-level salary range and expanding existing ranges by 3.0 percent will help improve market competitiveness.

[Chapter 2-B | p. 23](#)

<sup>1</sup> This report analyzed salary data as of June 30, 2024. State classified employees received pay increases and NTE rates for some executive officer positions increased on September 1, 2024. Because of this, the State Auditor's Office will publish supplemental information related to pay compression between executive officers and their employees prior to January 1, 2025.

## Background Information

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### A market analysis on executive officer pay is required under Section 3.08 of the General Appropriations Act.

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The General Appropriations Act (GAA), Article IX, Section 3.08 (88th Legislature), directs the State Auditor’s Office to conduct a study to:

- Review the compensation of executive officer positions, as provided in Articles I through VIII of the GAA, between each other at different state agencies,
- Review the compensation of executive officer positions to the compensation of classified positions with the agency, and
- Perform a market analysis of executive officers’ pay compared to the pay of similar leadership positions in the market.

#### Executive Officer

For the purposes of this report, “executive officer” refers to a state employee who serves as the administrative head for a state agency and holds a title such as executive director or commissioner.

This market comparison study is similar to the biennial review of the State’s Position Classification Plan.<sup>2</sup>

This study of executive compensation did not include a review of Judicial Compensation.<sup>3</sup> It also excluded positions at higher education institutions and legislative agencies; elected officials<sup>4</sup>; the Secretary of State; the Office of the State Prosecuting Attorney; the Teacher Retirement System, the Employees Retirement System, and the Permanent School Fund Corporation; Texas Treasury Safekeeping Trust Company; and self-directed, semi-independent agencies. Also, this study does not include the presiding officer or board members of the Board of Pardons and Paroles, the chairmen and commissioners of the Commission on Environmental Quality, the Public Utility

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<sup>2</sup> For more information, see *A Biennial Report on the State’s Position Classification Plan for the 2026-2027 Biennium* (State Auditor’s Office Report No. 25-701, October 2024).

<sup>3</sup> The 80th Legislature created the Judicial Compensation Commission to recommend appropriate salaries for justices and judges of the Supreme Court of Texas, the Court of Criminal Appeals, the courts of appeals, and the district courts. The Commission is tasked with submitting a report on judicial compensation to the Legislature by December 1 of each even-numbered year.

<sup>4</sup> Salaries for elected officials are determined as matters of public policy and are not tied directly to the market averages for similar professional positions.

Commission, the Water Development Board, and the Texas Workforce Commission. See [Appendix 1](#) for more details about the methodology for this study.

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**The executive officer salary structure includes nine salary groups with corresponding pay ranges and not-to-exceed (NTE) rates.**

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A limited number of positions at state agencies, including executive officer positions, are exempt from the State's Position Classification Plan. Most executive officer positions are assigned to salary groups and have NTE rates that are outlined in Article IX, Section 3.04, the General Appropriations Act (88th Legislature).

**Salary Groups and Salary Ranges.** The State currently categorizes executive officer positions into nine salary groups, each with a corresponding salary range that defines the minimum and maximum annual salaries for positions assigned to that group.

**Not-To-Exceed Rate.** In addition to a salary group assignment, most executive officers also are assigned a NTE rate. Unless specifically authorized by the General Appropriations Act<sup>5</sup>, executive officers may not receive a salary that exceeds the NTE rate, regardless of the salary range maximum.

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<sup>5</sup> Article IX, Section 3.04, Texas General Appropriations Act (88th Legislature).



## Chapter 1-A Market Analysis on Salary Ranges and Review of NTE Rates

A comprehensive market analysis was conducted for 66 executive officer positions at 65 state agencies<sup>6</sup> using relevant market data from both public and private sectors to reflect the nature and complexity of those positions (see text box).

The analysis identified a significant number of executive officer positions with salary ranges and NTE rates that may limit market competitiveness.

Being able to offer market-competitive salaries to executive officers is important for the State for several reasons, including:

- **Attracting Top Talent.** Competitive compensation attracts leaders with the expertise, experience, and vision needed to lead agencies effectively.
- **Reducing Turnover.** Leaders who are paid a competitive salary are more likely to remain committed to their roles. This can help minimize turnover, which can be costly and disruptive.
- **Valuing Leadership.** Appropriate pay reflects the value of leaders' work, which can involve managing substantial budgets, making critical policy decisions, and overseeing important work for the citizens of Texas.

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<sup>6</sup> The Department of Insurance has two Commissioners: the Commissioner of Insurance and the Commissioner of Workers' Compensation, which combined reflects the 66 executive officer positions reviewed.

### Market Analysis of Executive Officers' Pay

The State Auditor's Office market analysis of executive officer pay focused on:

- The executive officers' annual base salaries and the midpoints of assigned salary ranges.
- The agencies' annual appropriations, the number of authorized full-time equivalent (FTE) employees, and the agencies' missions.
- The specialized experience, education, or skills required for each position.

Additionally, because state agency executive officer positions have both a salary range and a Not-to-Exceed (NTE) rate, the study included a review of both the salary range and NTE rate.

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## Thirty-one executive officers were in salary ranges that may limit their ability to receive market competitive salaries.

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Based on the State Auditor’s Office analysis, the majority of the executive officer positions were assigned to salary groups with competitive salary ranges. However, 31 executive officer positions were assigned to salary groups with salary ranges that may limit the ability to offer market-competitive salaries (see text box for information about the analysis).

Of the 66 executive officer positions included in the analysis:

- 35 (53.0 percent) positions were placed in market competitive salary ranges.
- 31 (47.0 percent) positions were placed within a salary range that could limit the agency’s ability to offer a market competitive salary.

Although this report does not recommend specific salaries for individual executive officer positions, adjustments are needed to help ensure that the salary ranges for executive officer positions are competitive with the market. See [Chapter 2-A](#) for salary group recommendations.

### Comparison of Salary Range Midpoint with Market Average Pay

The midpoint of a salary group’s salary range is meant to correspond to the average pay in the job market. Salary ranges are typically developed around the midpoint to allow for pay variances based on employee experience, expertise, and performance.

In this report, the midpoints of state salary ranges for each position were compared with the average market salary. If the midpoint of the salary range was not competitive with the market average, a recommendation was made to adjust the salary group to have it be more in line with the market average. (See [Appendix 2](#) for current salary ranges.)

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## Fifty-five executive officer positions have fiscal year 2025 NTE rates that are below the market.

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Most executive officer positions have a NTE rate listed in the General Appropriations Act (GAA). Therefore, it is important to also consider the market competitiveness of NTE rates because, in most cases, an executive officer’s salary will be capped by the NTE rate, even if the salary range for the position is competitive with the market.

A total of 61 executive officer positions included in this study had their NTE rates increased for fiscal year 2024, for fiscal year 2025, or for both fiscal years.

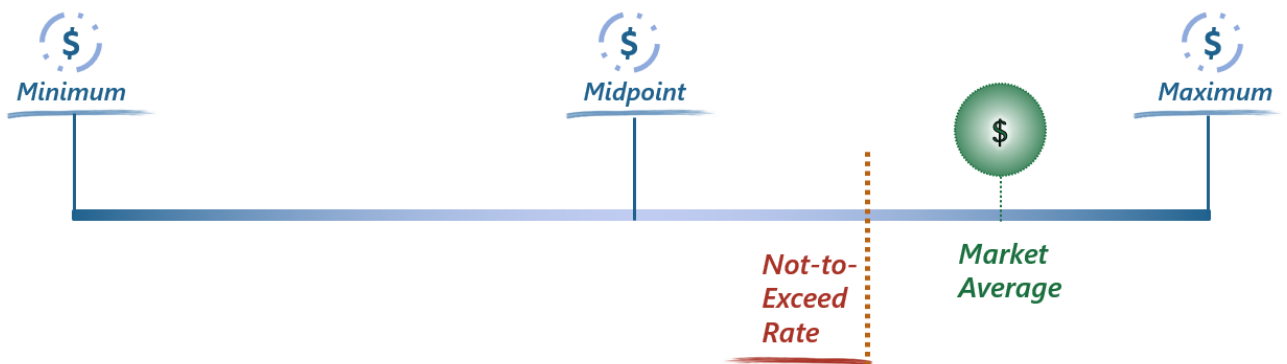
However, even with those increases, a comparison of fiscal year 2025 NTE rates with the market average compensation for similar executive positions determined that a significant number were still below market. Specifically:

- 55 executive officer positions had NTE rates that were **below** the market average. The percent difference ranged from 0.2 percent to 16.6 percent.
- 11 executive officer positions had NTE rates that were **above** the market average.

Figure 1 illustrates when an executive officer position’s NTE rate within the salary range is below the market average.

Figure 1

*Example of NTE Rate That Is Below the Market Average*



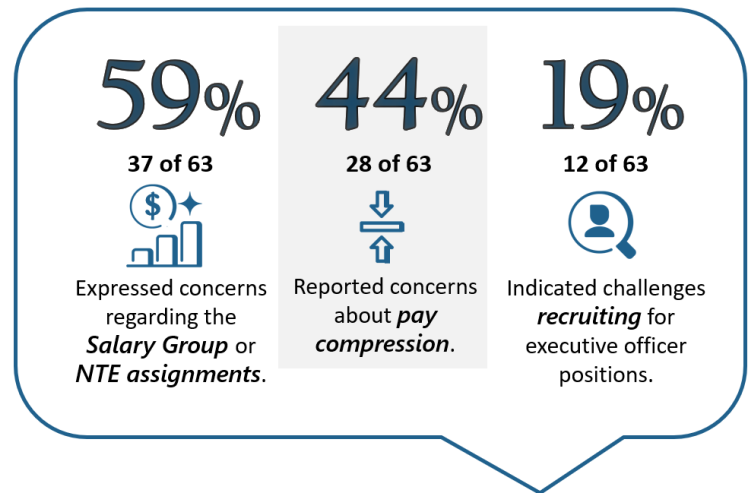
See [Appendix 3](#) on additional information on the NTE rates.

More than half of the Human Resources Directors surveyed expressed concerns regarding the market competitiveness of assigned salary groups and/or NTE rates of their Executive Officer positions.

In April 2024, the State Auditor’s Office surveyed human resources directors at 65 state agencies<sup>7</sup> to obtain feedback on various factors related to executive compensation. In the 63 responses, some human resources directors stated concerns and described challenges regarding compensation for their executive officer positions. Those comments are summarized below.

Salary/NTE Rate/Recruiting

- Salary is not comparable with similar positions within the market, as well as similar positions within the State.
- The NTE rate limits the ability to offer a market competitive salary, which has impacted the ability to recruit, and retain, quality executive officers.
- Applicants have higher salaries than what an agency can offer for the position.
- The salary, as well as the NTE rate, of the executive officer has not kept pace with the growth of the agency and its increased responsibilities.



Pay Compression

- While division directors may oversee large programs, they do not compare with the responsibilities of an executive officer, who has the final responsibility for an entire agency. Yet many division directors get paid more than the executive officer.

<sup>7</sup> Sixty-five agencies were sent the survey; the Department of Insurance has two Commissioners: the Commissioner of Insurance and the Commissioner of Workers’ Compensation, which combined reflects the 66 executive officer positions reviewed.

- Other positions within the agency are making more, or close to, the salary of the executive officer.
- The fixed salary for the executive director position has led to salary compression with other leadership roles within the agency, making it increasingly challenging to offer competitive pay for high-demand professional staff.



## Chapter 1-B

# Pay Compression

The State Auditor’s Office conducted an analysis to determine if pay compression exists by comparing annual base salaries<sup>8</sup> of executive officers with those of other employees within their agencies (see text box for definition of pay compression). While it may be justifiable for some employees to earn more than their direct supervisors, standard compensation practices recommend there should be at least a 15 percent difference. This differential is important for maintaining internal pay equity by acknowledging the skills, experience, and broad responsibilities of executives managing an agency.

However, as discussed below, pay compression exists among executive officers and their staff at several state agencies. Additionally, several human resources directors surveyed for this report expressed concerns about this issue (see [Chapter 1-A](#) for additional survey information).

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**A total of 106 employees had a base salary that either exceeded their executive officer’s salary or were within 10 percent of the executive officer’s salary.**

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Of the 65 agencies reviewed, this analysis identified:

- **Higher.** A total of 18 employees at 11 agencies earning annual base salaries that were higher than their executive officers’ annual base salaries. The differences ranged from \$357,023 (or 126.5 percent) more than the executive officer to \$1,197 (or 0.7 percent) more than the executive officer.
- **Within 5.0 percent less.** A total of 17 employees at 9 agencies earning annual base salaries that were within 5.0 percent less than their executive officers’ annual base salaries. Of those, 82.4 percent were in a deputy director or director position.

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<sup>8</sup> This report analyzed salary data as of June 30, 2024. State classified employees received pay increases on September 1, 2024. Because of these increases, the State Auditor’s Office will publish supplemental information related to pay compression between executive officers and their employees prior to January 1, 2025.



### Pay Compression Defined

Pay compression occurs when an employee’s salary comes close to or exceeds that of his or her supervisor, including an executive officer. This can lead to internal inequity if the pay difference does not adequately reflect the difference in the scope and complexity of the job.

- **Within 5.01 to 10.0 percent less.** A total of 71 employees at 19 agencies<sup>9</sup> earning salaries that were between 5.01 percent to 10.0 percent less than the executive officer’s annual base salary. Of those 91.5 percent were in a physician, psychiatrist, deputy director, or director position.

This analysis is based on employee salaries as of June 30, 2024. It should be noted that, as of September 1, 2024, the salaries for classified employees will have increased by 5.0 percent. NTE rates for some executive officer positions will have also increased on that same date; however, this does not necessarily mean that executive officers in those positions will have their salaries increased to the new NTE rates.

Figure 2 provides additional details on the employees who had higher annual base salaries than their executive officers and Figure 3 lists the number of employees whose annual base salaries were within 10.0 percent of their executive officers’ salaries.

Figure 2

*Number of Employees with Salaries Higher Than the Executive Officers at Their Respective Agencies as of June 30, 2024*

Agency	Number of Employees	Job Classification Series/Title(s)
Cancer Prevention and Research Institute of Texas	1	Chief Scientific Officer
Department of Housing and Community Affairs	2	Director
Facilities Commission	1	Deputy Director
Juvenile Justice Department	1	Physician
Pension Review Board	1	Actuary
Securities Board	2	Director
State Office of Risk Management	4	Deputy Director
Texas Education Agency	2	Deputy Director
Texas Lottery Commission	1	General Counsel
Texas Medical Board	2	Deputy Director, General Counsel
Texas State Board of Dental Examiners	1	Dentist
<b>Total</b>	<b>18</b>	

Sources: The Office of the Comptroller of Public Accounts’ Uniform Statewide Payroll/Personnel System, Human Resource Information System, and Standardized Payroll/Personnel Reporting System.

<sup>9</sup> The Department of Insurance has two Commissioners: the Commissioner of Insurance and the Commissioner of Workers’ Compensation.

Figure 3

***Number of Employees with Salaries That Were Within 10.0 Percent Less Than Their Executive Officers' Salaries as of June 30, 2024***

<b>Agency</b>	<b>Within 5.0% Less</b>	<b>5.01% – 10.0% Less</b>
Alcoholic Beverage Commission	1	1
Animal Health Commission		1
Board of Pharmacy		1
Cancer Prevention and Research Institute of Texas		1
Commission on Environmental Quality		1
Commission on Law Enforcement		1
Department of Housing and Community Affairs	4	
Department of Insurance <sup>a</sup>		1
Department of Insurance, Workers' Compensation <sup>a</sup>	4	2
Department of Licensing and Regulation		1
Department of Motor Vehicles		2
Department of Transportation		2
Facilities Commission		1
Health and Human Services Commission		39
Historical Commission		1
Juvenile Justice Department		1
Preservation Board	1	
Public Utility Commission of Texas		3
Racing Commission		1
Texas Board of Nursing		3
Texas Education Agency	3	7
Texas Ethics Commission	1	1
Texas Lottery Commission	1	
Texas Medical Board	1	
Texas Workforce Commission	1	
<b>Totals</b>	<b>17</b>	<b>71</b>

<sup>a</sup> The Department of Insurance has two Commissioners: the Commissioner of Insurance and the Commissioner of Workers' Compensation.

Sources: The Office of the Comptroller's of Public Accounts' Uniform Statewide Payroll/Personnel System, Human Resource Information System, and Standardized Payroll/Personnel Reporting System.

# Chapter I-C

## Top 40 Highest-paid Management Employees

To understand how executive officer pay is aligned between each other and employees in other executive management positions, the State Auditor’s Office reviewed the top 40 highest-paid management positions across the 65 state agencies included in the scope of this study. (See text box for definitions of types of positions.)

**Types of Positions**

A **classified position** is included in the State’s Position Classification Plan in Article IX of the General Appropriations Act.

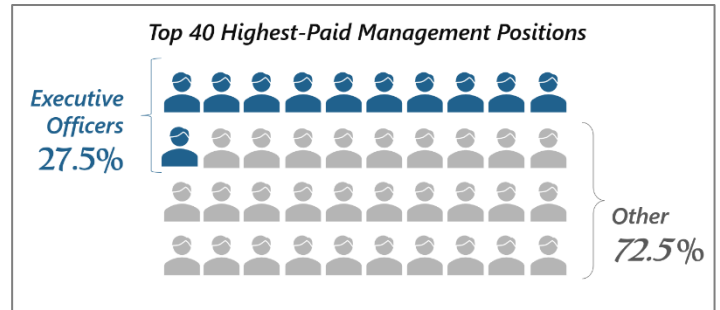
An **exempt position** included in this study is listed in the General Appropriations Act under a state agency’s schedule of exempt positions.

An **unclassified position** is neither classified nor exempt.

*Salary disparities may exist between some executive officers and other management positions.*

The two highest-paid executive officers in the scope of this study were the executive officers at the Department of Public Safety and the Department of Transportation. Figure 5 starting on the next page lists the 40 highest-paid employees in management positions at state agencies as of June 30, 2024. Of those 40 employees:

Figure 4



- Eleven (27.5 percent) were executive officers (see Figure 4).
- Twenty-nine (72.5 percent) were in other management positions. Of those 29 positions:
  - Twenty-six were in classified positions assigned to salary groups B34, B35, and B36 in Salary Schedule B. The majority were deputy directors. Because the salaries were as of June 30, 2024, they do not include the additional 5.0 percent increase received on September 1, 2024. (See [Chapter 2-B](#) for the salary ranges for these salary groups.)

- Two were in unclassified deputy commissioner positions.
- One was in a chief scientific officer position that is exempt from the State’s Position Classification Plan.

Figure 5 lists the job titles, annual base salaries, employee types, and salary groups for the highest paid management positions at state agencies.

Figure 5

***Top Forty Highest-Paid Management Positions at State Agencies as of June 30, 2024<sup>a</sup>***

Rank	Agency	Job Title	Annual Base Salary <sup>b</sup>	Employee Type	Salary Group	Executive Officer of Agency?
1	Cancer Prevention and Research Institute of Texas	Chief Scientific Officer	\$639,300	Exempt	9	No
2	Department of Public Safety	Director	\$345,250	Exempt	9	Yes
3	Department of Transportation	Executive Director	\$344,000	Exempt	9	Yes
4	Higher Education Coordinating Board	Commissioner of Higher Education	\$325,000	Exempt	9	Yes
5 (tie)	Department of Transportation	Deputy Director IV	\$319,724	Classified	B36	No
5 (tie)	Department of Transportation	Deputy Director IV	\$319,724	Classified	B36	No
7	Health and Human Services Commission	Executive Commissioner	\$317,754	Exempt	9	Yes
8	Department of Transportation	Deputy Director IV	\$307,912	Classified	B36	No
9	Department of Public Safety	Deputy Director IV	\$300,000	Classified	B36	No
10	Higher Education Coordinating Board	Deputy Commissioner	\$290,750	Unclassified	None	No
11	Higher Education Coordinating Board	Deputy Commissioner	\$288,750	Unclassified	None	No
12	Department of Criminal Justice	Executive Director	\$287,657	Exempt	9	Yes
13	Department of State Health Services	Commissioner	\$284,637	Exempt	8	Yes
14	Cancer Prevention and Research Institute of Texas	Chief Executive Officer	\$282,277	Exempt	9	Yes
15	Department of Transportation	Deputy Director IV	\$280,463	Classified	B36	No
16	Department of Information Resources	Executive Director	\$276,000	Exempt	9	Yes

Rank	Agency	Job Title	Annual Base Salary <sup>b</sup>	Employee Type	Salary Group	Executive Officer of Agency?
17	Department of Transportation	Deputy Director IV	\$274,176	Classified	B36	No
18 (tie)	Department of Public Safety	Deputy Director III	\$269,646	Classified	B35	No
18 (tie)	Department of Public Safety	Deputy Director III	\$269,646	Classified	B35	No
18 (tie)	Department of Public Safety	Deputy Director III	\$269,646	Classified	B35	No
21 (tie)	Department of Transportation	Deputy Director IV	\$269,049	Classified	B36	No
21 (tie)	Department of Transportation	Deputy Director IV	\$269,049	Classified	B36	No
23 (tie)	Health and Human Services Commission	Deputy Director II	\$264,235	Classified	B34	No
23 (tie)	Health and Human Services Commission	Deputy Director II	\$264,235	Classified	B34	No
23 (tie)	Health and Human Services Commission	Deputy Director II	\$264,235	Classified	B34	No
23 (tie)	Department of Transportation	Deputy Director III	\$264,235	Classified	B35	No
23 (tie)	Department of Transportation	Deputy Director III	\$264,235	Classified	B35	No
23 (tie)	Department of Transportation	Deputy Director III	\$264,235	Classified	B35	No
29	Department of Family and Protective Services	Commissioner	\$259,999	Exempt	8	<b>Yes</b>
30 (tie)	Health and Human Services Commission	Deputy Director II	\$259,088	Classified	B34	No
30 (tie)	Health and Human Services Commission	Deputy Director II	\$259,088	Classified	B34	No
30 (tie)	Health and Human Services Commission	Deputy Director II	\$259,088	Classified	B34	No
33	Cancer Prevention and Research Institute of Texas	Deputy Director III	\$258,945	Classified	B35	No
34	Department of Transportation	Deputy Director III	\$250,000	Classified	B35	No

Rank	Agency	Job Title	Annual Base Salary <sup>b</sup>	Employee Type	Salary Group	Executive Officer of Agency?
35	Texas Lottery Commission	General Counsel V	\$249,822	Classified	B34	No
36	Health and Human Services Commission	Deputy Director II	\$248,325	Classified	B34	No
37	Texas Education Agency	Deputy Director II	\$246,750	Classified	B34	No
38 (tie)	Commission on Environmental Quality	Executive Director	\$245,579	Exempt	8	Yes
38 (tie)	Public Utility Commission of Texas	Executive Director	\$245,579	Exempt	7	Yes
40	Health and Human Services Commission	Deputy Director II	\$243,500	Classified	B34	No

<sup>a</sup> This analysis is based on the annual base salary as of June 30, 2024, for the listed job titles and excluded: judicial compensation, higher education institutions and legislative agencies; elected officials, the Secretary of State, the Office of the State Prosecuting Attorney; the Teacher Retirement System, the Employees Retirement System, and the Permanent School Fund Corporation; Texas Treasury Safekeeping Trust Company; and self-directed, semi-independent agencies. This analysis also does not include the presiding officer or board members of the Board of Pardons and Paroles, the chairmen and commissioners of the Commission on Environmental Quality, the Public Utility Commission, the Water Development Board, and the Texas Workforce Commission.

<sup>b</sup> This analysis was based on the annualized monthly salary as of June 30, 2024. Those designated as classified positions were eligible for a 5.0 percent pay increase on September 1, 2024.

Sources: The Office of the Comptroller of Public Accounts' Uniform Statewide Payroll/Personnel System, Human Resource Information System, and Standardized Payroll/Personnel Reporting System.

## Chapter 2-A

# Executive Officer Salary Groups and NTE Rates Recommendations

As discussed in [Chapter 1-A](#), a study was conducted in accordance with the General Appropriations Act (GAA). This chapter offers recommendations on salary range assignments for certain executive officers and not-to-exceed (NTE) rates. (See [Chapter 2-B](#) for recommended salary range adjustments to the Schedule of Exempt Positions.) Combined, these make up the salary structure of executive officer positions.

**This market analysis considered the following factors:**

- Executive officer salaries and their assigned salary groups.
- The agency's annual appropriations and the number of authorized full-time equivalent (FTE) employees.
- The agency's mission.
- Salaries of other state employees.
- Specialized education required for the position.

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**Thirty-one executive officer positions are recommended for salary group reassignments to better align with the market.**

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Agencies were categorized into one of three executive officer compensation tiers. These tiers categorize agencies according to recommended salary groups. Moving positions that are misaligned with the market averages for similar positions to a salary group with a higher corresponding salary range would help provide those agencies with greater flexibility to offer a more competitive salary.

Recommended adjustments are detailed in Figure 6, Figure 7, and Figure 8 on the following pages.



A circular graphic with a light blue background and a dark blue border. The word "Tier" is written in a dark blue serif font, and a large, bold, dark blue number "1" is positioned to its right, partially overlapping the circle's edge.

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## Eight of the 24 executive officers positions in Tier I are recommended for salary group reassignments.

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Tier I includes 24 state agencies, many of which are responsible for some of the most complex missions, have the largest authorized FTE counts, and manage extensive budgets. The Health and Human Services Commission had an annual average of 34,198.6 FTEs and the Department of Criminal Justice had 29,749.9 FTEs as of August 31, 2023.<sup>10</sup>

Figure 6 on the next page lists the current and recommended salary groups for Tier I positions (sorted from highest salary to lowest salary). Only 11 of the Tier I positions were listed in the top 40 highest paid management positions (see [Chapter 1-C](#)).

The executive officer positions for Tier I agencies have the following current or recommended exempt salary groups of:

- Salary Group 7 (\$162,000 to \$261,068);
- Salary Group 8 (\$186,300 to \$299,813);
- Salary Group 9 (\$214,200 to \$345,250); and
- Salary Group 10 (\$242,800 to \$390,908) (*recommended new group*).

In three cases, a recommendation is being made to move the positions to the recommended new salary group 10. See [Appendix 2](#) for detailed information about the recommended salary groups for each executive officer position and additional information for the proposed salary group 10.

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<sup>10</sup> See A [Summary Report on Full-time Equivalent State Employees for Fiscal Year 2023](#), (SAO Report 24-703, February 2024).

Figure 6

**Tier I – Current and Recommended Executive Officer Compensation**

Agency	Executive Officer Salary as of June 30, 2024	Current Salary Group	Proposed Salary Group
Department of Public Safety <sup>a</sup>	\$ 345,250	9	10
Department of Transportation <sup>a</sup>	\$ 344,000	9	10
Higher Education Coordinating Board	\$ 325,000	9	
Health and Human Services Commission <sup>a</sup>	\$ 317,754	9	10
Department of Criminal Justice	\$ 287,657	9	
Department of State Health Services	\$ 284,637	8	9
Cancer Prevention and Research Institute of Texas	\$ 282,277	9	
Department of Information Resources	\$ 276,000	9	
Department of Family and Protective Services	\$ 259,999	8	9
Commission on Environmental Quality	\$ 245,579	8	
Public Utility Commission of Texas	\$ 245,579	7	
Military Department	\$ 240,000	7	8
Parks and Wildlife Department	\$ 236,953	8	
Office of Court Administration, Texas Judicial Council	\$ 230,535	7	
Juvenile Justice Department	\$ 227,263	8	
Department of Insurance	\$ 225,732	7	8
Texas Lottery Commission	\$ 225,584	7	
Texas Department of Motor Vehicles	\$ 222,500	7	
Texas Workforce Commission	\$ 220,544	7	8
Texas Education Agency	\$ 220,375	9	
Public Finance Authority	\$ 215,000	7	
Water Development Board <sup>b</sup>	\$ 209,433	7	
Alcoholic Beverage Commission	\$ 200,000	7	
Facilities Commission	\$199,204	7	

<sup>a</sup> Salary Group 10 is a proposed salary group for the 2026-2027 biennium.

<sup>b</sup> The salary reflects the NTE rate. The agency had an interim executive officer as of June 30, 2024.

Sources: The Office of the Comptroller of Public Accounts’ Uniform Statewide Payroll/Personnel System, Human Resource Information System, and Standardized Payroll/Personnel Reporting System.



Seventeen of the 28 executive officers positions in Tier II are recommended for salary group reassignments.

Tier II includes 28 executive officer positions. The executive officer positions for Tier II agencies have the following current or recommended exempt salary groups of:

- Salary Group 4 (\$106,500 to \$171,688);
- Salary Group 5 (\$122,500 to \$197,415);
- Salary Group 6 (\$140,900 to \$227,038); and
- Salary Group 7 (\$162,000 to \$261,068).

Most of these positions are at mid-sized state agencies, defined for the purposes of this report as having between 100 and 799 authorized FTE employees.

Figure 7 lists the current and recommended salary groups for Tier II positions (sorted from highest salary to lowest salary). See [Appendix 2](#) for detailed information about the recommended salary groups for each executive officer position.

Figure 7

*Tier II – Current and Recommended Executive Officer Compensation*

Agency	Executive Officer Salary as of June 30, 2024	Current Salary Group	Proposed Salary Group
Department of Housing and Community Affairs	\$ 204,325	6	7
Preservation Board	\$ 195,792	6	
Department of Licensing and Regulation	\$ 190,000	6	
School for the Deaf	\$ 185,000	5	6
Office of Capital and Forensic Writs	\$ 185,000	5	
State Office of Administrative Hearings	\$ 184,805	5	6
Animal Health Commission	\$ 180,000	6	
Securities Board	\$ 177,836	5	6
School for the Blind and Visually Impaired	\$ 177,824	5	6

Agency	Executive Officer Salary as of June 30, 2024	Current Salary Group	Proposed Salary Group
Department of Insurance, Workers' Compensation	\$ 175,720	6	
Texas Medical Board	\$ 174,776	5	6
Office of State-Federal Relations	\$ 171,688	4	5
Commission on State Emergency Communications	\$ 171,688	4	5
Texas Board of Nursing	\$ 171,547	5	
Historical Commission	\$ 168,270	5	6
Office of Public Utility Counsel <sup>a</sup>	\$ 165,000	4	5
Commission on Law Enforcement	\$ 163,428	4	5
Veterans Commission	\$ 160,611	5	
Office of Injured Employee Counsel	\$ 158,194	5	
Library and Archives Commission	\$ 155,523	5	
Soil and Water Conservation Board	\$ 155,273	4	5
Office of Public Insurance Counsel	\$ 155,119	4	5
State Office of Risk Management	\$ 155,068	4	5
Bond Review Board	\$ 152,306	4	5
Board of Pharmacy	\$ 148,923	4	5
Texas Ethics Commission	\$ 145,850	4	5
Commission on Fire Protection	\$ 140,000	5	
State Commission on Judicial Conduct	\$ 136,642	4	

<sup>a</sup> The salary reflects the NTE rate. The agency had an interim executive officer as of June 30, 2024.

Sources: The Office of the Comptroller of Public Accounts' Uniform Statewide Payroll/Personnel System, Human Resource Information System, and Standardized Payroll/Personnel Reporting System.

### Tier 3

Six of the 14 executive officers positions in Tier III are recommended for salary group reassignments.

Tier III includes 14 executive officer positions at agencies with fewer than 100 authorized FTE employees. The executive officer positions for Tier III agencies have the following current or recommended exempt salary groups of:

- Salary Group 2 (\$80,500 to \$129,765);
- Salary Group 3 (\$92,600 to \$149,240); and
- Salary Group 4 (\$106,500 to \$171,688).

Figure 8 lists the current and recommended salary groups for Tier III positions (sorted from highest salary to lowest salary). See [Appendix 2](#) for detailed information about the recommended salary groups for each executive officer position.

Figure 8

***Tier III – Current and Recommended Executive Officer Compensation***

Agency	Executive Officer Salary as of June 30, 2024	Current Salary Group	Proposed Salary Group
Pension Review Board	\$ 149,240	3	4
Racing Commission	\$ 139,851	3	4
Commission on the Arts	\$ 134,775	3	4
Texas State Board of Dental Examiners	\$ 134,651	3	4
Commission on Jail Standards	\$ 127,119	3	
Board of Plumbing Examiners	\$ 124,982	3	
Board of Veterinary Medical Examiners <sup>b</sup>	\$ 113,412	2	3
Board of Professional Geoscientists	\$ 112,906	2	
Executive Council of Physical and Occupational Therapy Examiners	\$ 112,779	2	
State Law Library	\$ 111,180	2	3
Texas Emergency Services Retirement System	\$ 110,000	3	
Funeral Service Commission <sup>a</sup>	\$ 107,948	2	
Board of Chiropractic Examiners	\$ 104,775	2	
Optometry Board	\$ 91,324	2	

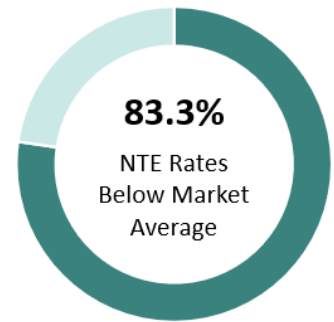
<sup>a</sup> The salary reflects the NTE rate. The agency had an interim executive officer as of June 30, 2024.

<sup>b</sup> The Board of Veterinary Medical Examiners is currently administratively attached to the Department of Licensing and Regulation through September 2027.

Sources: The Office of the Comptroller of Public Accounts’ Uniform Statewide Payroll/Personnel System, Human Resource Information System, and Standardized Payroll/Personnel Reporting System.

## NTE rates should be reviewed to determine if adjustments should be made to better align with the market.

As discussed in [Chapter 1-A](#), the NTE rates increased for most of the executive officer positions included in this study for fiscal year 2024 and/or fiscal year 2025 (see text box for information about NTE rates). However, the State Auditor’s Office analysis of the agencies’ NTE rates determined that 55 executive officer positions, or 83.3 percent, still had NTE rates that were below the market average for similar positions. This was an improvement compared to the analysis in fiscal year 2022, which determined that 89.4 percent of the executive officer positions had NTE rates that were below the market average.



It is important that NTE rates be set appropriately. If they are too low, NTE rates can become an unintentional salary cap for the entire agency if the agency’s executive officer or the agency’s governing board chooses to not pay certain employees at or more than the executive officer’s annual base salary. For example, many agencies have a need for specialized employees in legal, finance, medical, and other professional career fields. If the executive officer’s salary is too low, agencies may struggle to recruit and retain staff for these positions because of market competition unless the agencies are willing to set the salaries for employees in those positions close to or higher than the executive officer’s salary. Doing so, however, risks creating pay compression (see [Chapter 1-B](#)).

### Executive Officer Pay and NTE Rates

As of June 30, 2024, 46 executive officers were making the same base salary as their fiscal year 2024 NTE rate. (This excludes three agencies that had interim executive officers.)

Although agencies may have received higher NTE rates for their executive officer position, this does not guarantee that an executive officer will receive a salary at that rate.

See [Appendix 3](#) for additional information on the NTE rates for fiscal years 2023, 2024, and 2025.

# Chapter 2-B

## Salary Range Adjustments

Salary ranges serve as the foundation for administering base pay; therefore, it is important to review and adjust them as needed so they remain competitive in attracting and retaining top talent. (See text box for definition of a salary range adjustment.)

### Salary Range Adjustment

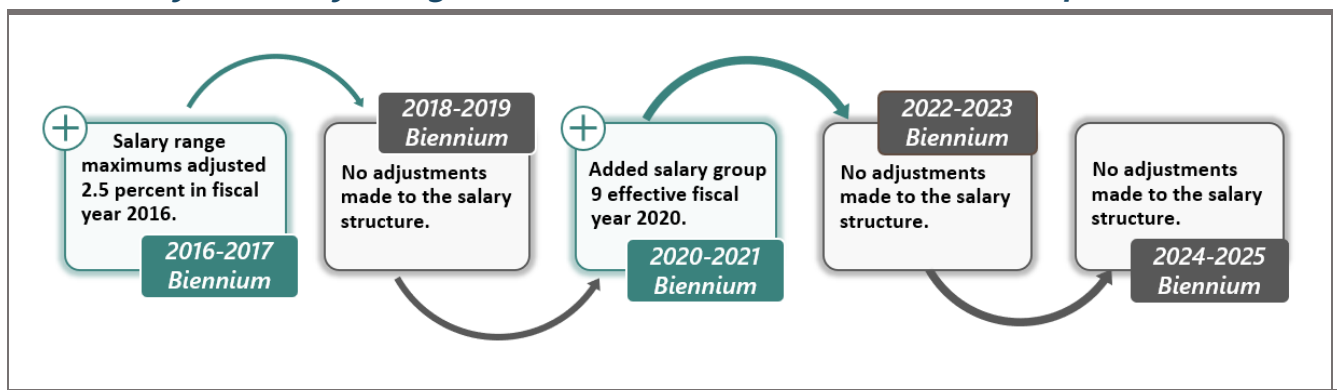
For the purposes of this report, a salary range adjustment is defined as a change in the minimum and/or maximum of a salary range.

The salary ranges for the Schedule of Exempt Positions have not been increased since fiscal year 2016.

The State currently offers nine salary groups for executive officers, each with corresponding salary ranges. However, based on the market analysis and review of pay compression at some state agencies, adjustments to the salary ranges may be necessary to provide more flexibility to agencies to offer competitive compensation to executive officers. Except for the addition of Salary Group 9 in fiscal year 2020, the salary ranges in the Schedule of Exempt Positions have remained unchanged since fiscal year 2016 (see Figure 9).<sup>11</sup>

Figure 9

### History of Salary Range Movement of the Schedule of Exempt Positions



Sources: The General Appropriations Acts (84th through 88th Legislatures).

<sup>11</sup> In fiscal year 2016, the Legislature provided an increase of 2.5 percent for certain employees who contributed to retirement at the Employees Retirement System; therefore, the maximums of the salary ranges were adjusted.

The gap between the salary ranges used by deputy director and director positions and those used by executive officers have narrowed.

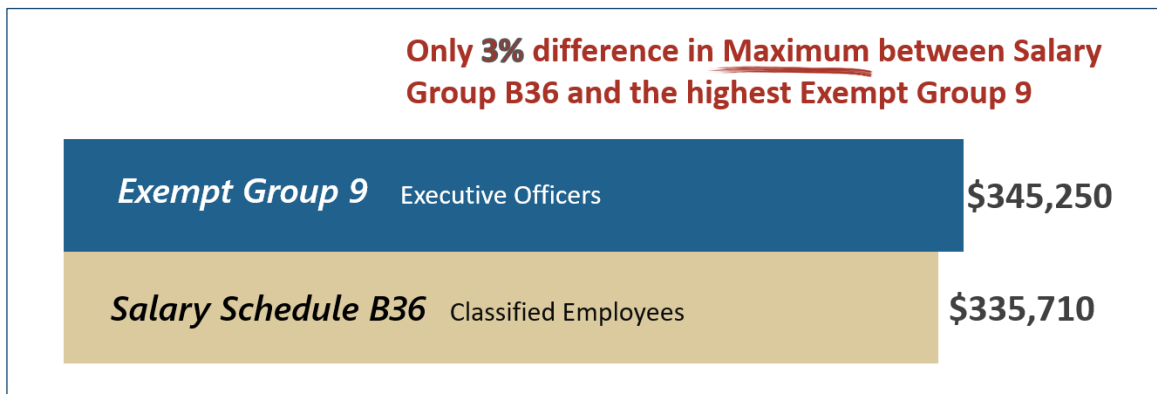
Like the Schedule of Exempt Positions, the maximum of the salary ranges for classified employees in Salary Schedule B were increased in fiscal year 2016 (see text box for information about Salary Schedule B). However, unlike the Schedule of Exempt Positions, Salary Schedule B also received an increase to the minimum and maximum of the salary ranges effective for fiscal year 2024 and for fiscal year 2025.

Because the salary ranges for Salary Schedule B have been adjusted over the past two fiscal years, the gap between the salary ranges in the Schedule of Exempt Positions and Salary Schedule B have narrowed. Without a sufficient differential between the salaries of executive officers and classified, senior-level professional employees, the State may find it difficult to motivate, reward, and recruit qualified executive officers.

As shown in Figure 10 there is approximately a 3 percent difference between the maximum salary of \$335,710 for Salary Group B36 in fiscal year 2025 and the maximum salary of \$345,250 for Salary Group 9 in the Schedule of Exempt Positions.

Figure 10

**Comparison of Executive Pay and Salary Schedule B**



**Salary Schedule B**

The State has three salary schedules for its classified employees. Salary Schedule B includes mainly professional and managerial positions. During the second quarter of fiscal year 2024, approximately 58 percent of classified employees were in Salary Schedule B.

Source: The State Auditor’s Office’s Electronic Classification Analysis System.



Figure 11 compares the salary ranges for top salary groups in Salary Schedule B and the salary ranges of the Schedule of Exempt Positions. As of the third quarter of fiscal year 2024, there were approximately 3,350 classified employees utilizing the Director and Deputy Director job classification series in Salary Groups B26 to B36. Those employees receive salaries within ranges that overlap with those of current executive officers.

Figure 11

***Comparison of Selected Salary Ranges for Salary Schedule B and Salary Ranges in the Schedule of Exempt Positions for Fiscal Year 2025***

Selected Classified Salary Schedule B Annual Salary Ranges				Exempt Annual Salary Ranges			
Salary Group <sup>a</sup>	\$ Minimum	\$ Midpoint	\$ Maximum	Salary Group	\$ Minimum	\$ Midpoint	\$ Maximum
B26	\$76,530	\$102,980	\$129,430	1	\$70,000	\$91,375	\$112,750
B27	\$84,182	\$113,278	\$142,374	2	\$80,500	\$105,133	\$129,765
B28	\$92,600	\$124,606	\$156,612	3	\$92,600	\$120,920	\$149,240
B29	\$101,860	\$137,066	\$172,272	4	\$106,500	\$139,094	\$171,688
B30	\$112,047	\$150,773	\$189,499	5	\$122,500	\$159,958	\$197,415
B31	\$123,252	\$165,851	\$208,449	6	\$140,900	\$183,969	\$227,038
B32	\$135,577	\$182,436	\$229,295	7	\$162,000	\$211,534	\$261,068
B33	\$149,134	\$200,679	\$252,224	8	\$186,300	\$243,057	\$299,813
B34	\$164,048	\$220,747	\$277,446	9	\$214,200	\$279,725	\$345,250
B35	\$180,453	\$242,822	\$305,191				
B36	\$198,499	\$267,105	\$335,710				

<sup>a</sup> Salary Schedule B begins with salary group B10 and ends with salary group B36.

Sources: General Appropriations Act (88th Legislature), Section 2.01, page IX-20, and Section 3.04, page IX-22; and the State Auditor’s Office’s calculation of midpoint amounts and recommendation.

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## Adding a higher-level salary range (Salary Group 10) and expanding existing ranges by 3.0 percent will help align the executive officer salary structure with current market standards.

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As reported in [Chapter 1-A](#), the salary range midpoints for some executive officer positions were below the market average of similar professional positions. However, if the recommendations to the Executive Officer salary group assignments in [Chapter 2-A](#) are implemented, the salary range midpoints would improve and place the overall midpoint averages at levels more competitive with the market.

To further improve the market competitiveness of the salary structure of executive officers, the following changes are recommended to the Schedule of Exempt Positions:

- **Adjust the range minimums and maximums by 3.0 percent.** There is no cost associated with this change and it is closely aligned with current market standards.<sup>12</sup>
- **Add a higher-level Salary Group 10**, which will provide a more market-competitive salary range for certain executive officer positions. This will help to alleviate the narrow gap that exists between Salary Group B36 in Salary Schedule B and Salary Group 9.
- **Delete salary group 1**, as it is no longer being used and does not provide a competitive salary range for executive officers in the current market.

Figure 12 on the next page presents the current Salary Schedule for the 2024-2025 biennium and the proposed Salary Schedule for the 2026-2027 biennium for the Schedule of Exempt Positions.

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<sup>12</sup> According to salary budget surveys conducted by leading compensation and benefits organizations (WorldatWork, Mercer, The Conference Board, and Economic Research Institute), the average adjustment in salary structures for 2024 was projected to be approximately 3.0 percent.

Figure 12

### Recommended Changes to the Salary Ranges for the Schedule of Exempt Positions

Current 2024–2025 Biennium				Recommended for the 2026–2027 Biennium			
Salary Group	\$ Minimum	\$ Midpoint	\$ Maximum	Salary Group	\$ Minimum	\$ Midpoint	\$ Maximum
1	\$70,000	\$91,375	\$112,750	<del>1</del>	<i>[Proposed to be deleted]</i>		
2	\$80,500	\$105,133	\$129,765	2	\$82,915	\$108,287	\$133,658
3	\$92,600	\$120,920	\$149,240	3	\$95,378	\$124,548	\$153,717
4	\$106,500	\$139,094	\$171,688	4	\$109,695	\$143,267	\$176,839
5	\$122,500	\$159,958	\$197,415	5	\$126,175	\$164,756	\$203,337
6	\$140,900	\$183,969	\$227,038	6	\$145,127	\$189,488	\$233,849
7	\$162,000	\$211,534	\$261,068	7	\$166,860	\$217,880	\$268,900
8	\$186,300	\$243,057	\$299,813	8	\$191,889	\$250,348	\$308,807
9	\$214,200	\$279,725	\$345,250	9	\$220,626	\$288,117	\$355,608
				<b>10</b>	<b>\$242,800</b>	<b>\$316,854</b>	<b>\$390,908</b>

Sources: General Appropriations Act (88th Legislature), Section 3.04, page IX-22, and the State Auditor’s Office’s calculation of midpoint amounts and recommendation.



## Appendix I

# Objectives, Scope, and Methodology

## Objectives

The objectives of this project were to:

- Compare exempt positions to market average compensation for similar executive positions,
- Compare exempt position salaries to classified position salaries, and
- Prepare an analysis of exempt position compensation that considers agency size and complexity, agency appropriations, and full-time equivalent (FTE) employee levels.

## Scope

The scope of this report included 66 executive officer positions at 65 state agencies<sup>13</sup> that were exempt from the State's Position Classification Plan during the 2024-2025 biennium.

<sup>13</sup> The Department of Insurance has two Commissioners: the Commissioner of Insurance and the Commissioner of Workers' Compensation, which combined reflects the 66 executive officer positions reviewed.

**The following members of the State Auditor's staff performed the study:**



- Stacey R. McClure, MBA, CCP, SHRM-CP (Project Manager)
- Judy Crum, CCP (Assistant Project Manager)
- Juan R. Sanchez, MPA, CGAP
- Taylor Sams, MBA, CIA, CGAP, PHR
- Zoe Skinner, SHRM-CP
- Lara Foronda Tai, CCP, PHR, SHRM-CP
- Robert G. Kiker, CFE, CGAP (Quality Control Reviewer)
- Sharon Schneider, CCP, PHR, SHRM-CP (Classification Manager)

This study was conducted in accordance with Section 3.08, Classification Study on Scheduled Exempt Positions, page IX-22, the General Appropriations Act (88th Legislature). The annual base salaries of executive officers and classified employees included in this report was as of June 30, 2024.

This study excluded positions at higher education institutions and legislative agencies. Other executive officer positions not included in this study included elected officials, the Secretary of State, the Office of the State Prosecuting Attorney, and the courts. The Employees Retirement System, the Teacher Retirement System, the Permanent School Fund Corporation, Texas Treasury Safekeeping Trust Company, and self-directed, semi-independent agencies also were excluded from this study. This study does not include the presiding officer or board members of the Board of Pardons and Paroles; the chairmen and commissioners of the Commission on Environmental Quality, the Public Utility Commission, the Water Development Board, and the Texas Workforce Commission. Salaries for elected officials are determined as matters of public policy and are not tied directly to the market averages for similar professional positions.

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## Methodology

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For this study, the State Auditor's Office analyzed executive officer pay at state agencies and other public and private sector entities, considering factors such as:

- The amount of the agency's annual appropriations for fiscal year 2025 and the complexity of the agency's operations.
- The agency's number of authorized FTE employees' caps for fiscal year 2025, including changes approved by the Governor and the Legislative Budget Board.
- The market average compensation for similar executive and professional positions.
- The executive officer position's annual base salary compared to the annual base salaries of classified positions within the agency and compared to executive officer positions from different agencies.
- Specialized experience, education, or skills required for each position.

Fieldwork was conducted from March 2024 through September 2024.

This project was not an audit; therefore, the information in this report was not subjected to all the tests and confirmations that would be performed in an audit. However, the information in this report was subject to certain quality control procedures to ensure accuracy.

In developing recommendations, the State Auditor’s Office also reviewed compensation rates for similar work performed in the public and private sectors and compared those rates to the midpoints of existing salary ranges to determine the market competitiveness of the salary ranges for the positions reviewed. Market salary data for each survey was aged to January 1, 2025.

In addition to reviewing compensation data compiled by external parties, the State Auditor’s Office conducted surveys of human resources directors at the state agencies included in the scope of this study and at selected public sector entities in April 2024.

In developing the recommended salary groups and ranges, the State Auditor’s Office reviewed:

- *The Book of the States*, the Council of State Governments, January 2023.
- *Executive Compensation 2023: U.S. Executive Survey*, Compdata Surveys & Consulting, Salary.com, July 2023.
- *Superintendent Salary Reports*, Texas Education Agency, December 2023.
- *WorldatWork Salary Budget Survey 2023-2024*, 50th Annual Executive Report & Analysis, August 2023.
- *2022 American Association of State Highway and Transportation Officials (AASHTO) Salary Survey*, American Association of State Highway and Transportation Officials, July 2022.
- *2023 Nonprofits Salary Survey – United States National*, 2023 Economic Research Institute, March 2023.
- *2023 National Compensation Association of State Governments (NCASG) Salary Survey*, July 2023.
- *2023 Nonprofit Organizations Salary and Benefits Report*, The NonProfit Times, Bluewater Nonprofit Solutions, 2022.
- *2023 Executive Compensation Survey*, Willis Tower Watson Data Services, April 2023.

- *2023 Texas Society for Healthcare Human Resources Administration and Education Wage and Benefit Survey*, Werling Associates, Inc., February 2023.
- Occupational Employment Statistics, Bureau of Labor Statistics, U.S. Department of Labor, May 2023.
- Mercer Quick Pulse Survey, 2024.
- The Conference Board, U.S. Salary Increase Budgets 2023-2024.
- Economic Research Institute, National Compensation Forecast, July 2024.
- Additional salary information that the state agencies provided.

Salaries for full-time, classified state employees and exempt executive officers as of June 30, 2024, were extracted from the following Office of Comptroller of Public Accounts' systems:

- Uniform Statewide Payroll/Personnel System.
- Human Resource Information System.
- Standardized Payroll/Personnel Reporting System.

## Appendix 2

# Market Analysis and Salary Group Recommendations for Executive Officer Positions

To determine the market average for 66 executive officer positions at 65 state agencies, the State Auditor’s Office blended market data from public, nonprofit, and private sector salary survey sources. To supplement that data, the State Auditor’s Office sent surveys to agencies in Texas quasi-governmental agencies, major Texas cities and counties, and the 10 most populous states outside Texas.

This analysis considered the nature and complexity of each agency, including factors such as the number of authorized full-time equivalent employees, the amount of the agency’s annual appropriations, and the agency’s scope of responsibilities. The analysis also considered requirements for executive officer positions, such as specialized or advanced degrees. The analysis did not consider the job performance or the experience level of the individuals currently holding the jobs.

As discussed in [Chapter 1-A](#), 31 executive officer positions are currently assigned to a salary group with a pay range that may limit the agency’s ability to offer a market-competitive salary.

Figure 13 beginning on the next page lists the executive officers by General Appropriations Act article and provides the following information:

- Salaries as of June 30, 2024, or the not-to-exceed amount authorized in the General Appropriations Act for positions that had an interim executive officer or a vacant position as of that date.
- The not-to-exceed salary rates for fiscal year 2025 in the General Appropriations Act (88th Legislature).
- The market average salaries for the positions.
- Current and proposed salary group placements.



The recommended salary group changes have no minimal cost to implement. All executive officers’ current pay rates are within their proposed salary groups, and no one is below the proposed salary group minimum pay.

Figure 13

### *Market Analysis and Proposed Salary Group Assignments for Executive Officer Positions*

Executive Officer Title	Salary as of June 30, 2024	Not-to-Exceed Rate for Fiscal Year 2025	Market Average	Salary Group	Proposed Salary Group
<b>Article I - General Government</b>					
<b>Bond Review Board</b>					
<i>Executive Director</i>	\$152,306	\$156,742	\$162,099	4 →	<b>5</b>
<b>Cancer Prevention and Research Institute of Texas</b>					
<i>Chief Executive Officer</i>	\$282,277	\$282,277	\$289,329	9	9
<b>Commission on State Emergency Communications</b>					
<i>Executive Director</i>	\$171,688	\$171,688	\$159,959	4 →	<b>5</b>
<b>Commission on the Arts</b>					
<i>Executive Director</i>	\$134,775	\$139,623	\$142,539	3 →	<b>4</b>
<b>Department of Information Resources</b>					
<i>Executive Director</i>	\$276,000	\$276,000	\$279,982	9	9
<b>Facilities Commission</b>					
<i>Executive Director</i>	\$199,204	\$208,161	\$213,574	7	7
<b>Historical Commission</b>					
<i>Executive Director</i>	\$168,270	\$175,513	\$196,591	5 →	<b>6</b>
<b>Library and Archives Commission</b>					
<i>Director - Librarian</i>	\$155,523	\$162,848	\$167,966	5	5
<b>Office of State-Federal Relations</b>					
<i>Executive Director</i>	\$171,688	\$149,240	\$155,951	4 →	<b>5</b>
<b>Pension Review Board</b>					
<i>Executive Director</i>	\$149,240	\$149,240	\$135,231	3 →	<b>4</b>

Executive Officer Title	Salary as of June 30, 2024	Not-to-Exceed Rate for Fiscal Year 2025	Market Average	Salary Group	Proposed Salary Group
<b>Preservation Board</b>					
<i>Executive Director</i>	\$195,792	\$205,772	\$207,367	6	6
<b>Public Finance Authority</b>					
<i>Executive Director</i>	\$215,000	\$230,000	\$208,938	7	7
<b>State Office of Risk Management</b>					
<i>Executive Director</i>	\$155,068	\$159,574	\$166,887	4 →	<b>5</b>
<b>Texas Emergency Services Retirement System</b>					
<i>Executive Director</i>	\$110,000	\$131,981	\$128,775	3	3
<b>Texas Ethics Commission</b>					
<i>Executive Director</i>	\$145,850	\$152,604	\$163,221	4 →	<b>5</b>
<b>Veterans Commission</b>					
<i>Executive Director</i>	\$160,611	\$170,098	\$179,057	5	5
<b>Article II – Health and Human Services</b>					
<b>Department of Family and Protective Services</b>					
<i>Commissioner</i>	\$259,999	\$268,192	\$285,752	8 →	<b>9</b>
<b>Department of State Health Services</b>					
<i>Commissioner</i>	\$284,637	\$271,083	\$286,540	8 →	<b>9</b>
<b>Health and Human Services Commission</b>					
<i>Executive Commissioner</i>	\$317,754	\$345,250	\$358,612	9 →	<b>10</b>
<b>Article III - Education</b>					
<b>Higher Education Coordinating Board</b>					
<i>Commissioner of Higher Education</i>	\$325,000	\$325,000	\$322,545	9	9
<b>School for the Blind and Visually Impaired</b>					
<i>Superintendent</i>	\$177,824	\$172,398	\$179,015	5 →	<b>6</b>
<b>School for the Deaf</b>					
<i>Superintendent</i>	\$185,000	\$185,000	\$185,324	5 →	<b>6</b>

Executive Officer Title	Salary as of June 30, 2024	Not-to-Exceed Rate for Fiscal Year 2025	Market Average	Salary Group	Proposed Salary Group
<b>Texas Education Agency</b>					
<i>Commissioner of Education</i>	\$220,375	\$325,000	\$279,038	9	9
<b>Article IV – The Judiciary</b>					
<b>Office of Capital and Forensic Writs</b>					
<i>Executive Director</i>	\$185,000	\$185,000	\$165,614	5	5
<b>Office of Court Administration, Texas Judicial Council</b>					
<i>Administrative Director</i>	\$230,535	\$211,500	\$216,248	7	7
<b>State Commission on Judicial Conduct</b>					
<i>Executive Director</i>	\$136,642	\$145,284	\$148,809	4	4
<b>State Law Library</b>					
<i>Director</i>	\$111,180	\$121,360	\$124,210	2 →	<b>3</b>
<b>Article V – Public Safety and Criminal Justice</b>					
<b>Alcoholic Beverage Commission</b>					
<i>Administrator</i>	\$200,000	\$203,743	\$212,509	7	7
<b>Commission on Fire Protection</b>					
<i>Executive Director</i>	\$140,000	\$140,000	\$167,847	5	5
<b>Commission on Jail Standards</b>					
<i>Executive Director</i>	\$127,119	\$127,619	\$143,323	3	3
<b>Commission on Law Enforcement</b>					
<i>Executive Director</i>	\$163,428	\$163,428	\$174,998	4 →	<b>5</b>
<b>Department of Criminal Justice</b>					
<i>Executive Director</i>	\$287,657	\$299,813	\$301,699	9	9
<b>Department of Public Safety</b>					
<i>Director</i>	\$345,250	\$299,813	\$347,856	9 →	<b>10</b>
<b>Juvenile Justice Department</b>					
<i>Executive Director</i>	\$227,263	\$237,802	\$247,248	8	8

Executive Officer Title	Salary as of June 30, 2024	Not-to-Exceed Rate for Fiscal Year 2025	Market Average	Salary Group	Proposed Salary Group
<b>Military Department</b>					
<i>Adjutant General</i>	\$240,000	\$210,007	\$243,012	7 →	<b>8</b>
<b>Article VI – Natural Resources</b>					
<b>Animal Health Commission</b>					
<i>Executive Director</i>	\$180,000	\$194,807	\$178,266	6	6
<b>Commission on Environmental Quality</b>					
<i>Executive Director</i>	\$245,579	\$257,858	\$256,066	8	8
<b>Parks and Wildlife Department</b>					
<i>Executive Director</i>	\$236,953	\$299,813	\$238,697	8	8
<b>Soil and Water Conservation Board</b>					
<i>Executive Director</i>	\$155,273	\$160,262	\$163,556	4 →	<b>5</b>
<b>Water Development Board <sup>a</sup></b>					
<i>Executive Administrator</i>	\$209,433	\$219,284	\$229,596	7	7
<b>Article VII – Business and Economic Development</b>					
<b>Department of Housing and Community Affairs</b>					
<i>Executive Director</i>	\$204,325	\$216,351	\$222,577	6 →	<b>7</b>
<b>Department of Motor Vehicles</b>					
<i>Executive Director</i>	\$222,500	\$230,000	\$242,178	7	7
<b>Department of Transportation</b>					
<i>Executive Director</i>	\$344,000	\$344,000	\$348,593	9 →	<b>10</b>
<b>Texas Lottery Commission</b>					
<i>Executive Director</i>	\$225,584	\$225,584	\$228,968	7	7
<b>Texas Workforce Commission</b>					
<i>Executive Director</i>	\$220,544	\$234,520	\$248,287	7 →	<b>8</b>

Executive Officer Title	Salary as of June 30, 2024	Not-to-Exceed Rate for Fiscal Year 2025	Market Average	Salary Group	Proposed Salary Group
<b>Article VIII - Regulatory</b>					
<b>Board of Chiropractic Examiners</b>					
<i>Executive Director</i>	\$104,775	\$108,720	\$115,365	2	2
<b>Board of Pharmacy</b>					
<i>Executive Director</i>	\$148,923	\$156,336	\$165,077	4 →	<b>5</b>
<b>Board of Plumbing Examiners</b>					
<i>Executive Director</i>	\$124,982	\$129,377	\$134,827	3	3
<b>Board of Professional Geoscientists</b>					
<i>Executive Director</i>	\$112,906	\$116,655	\$120,717	2	2
<b>Board of Veterinary Medical Examiners<sup>b</sup></b>					
<i>Executive Director</i>	\$113,412	\$120,740	\$128,024	2 →	<b>3</b>
<b>Department of Insurance</b>					
<i>Commissioner of Insurance</i>	\$225,732	\$234,324	\$237,812	7 →	<b>8</b>
<b>Department of Insurance, Workers' Compensation</b>					
<i>Commissioner of Workers' Compensation</i>	\$175,720	\$182,328	\$194,563	6	6
<b>Department of Licensing and Regulation</b>					
<i>Executive Director</i>	\$190,000	\$190,000	\$194,111	6	6
<b>Executive Council of Physical and Occupational Therapy Examiners</b>					
<i>Executive Director</i>	\$112,779	\$116,508	\$118,843	2	2
<b>Funeral Service Commission<sup>a</sup></b>					
<i>Executive Director</i>	\$107,948	\$107,948	\$112,892	2	2
<b>Office of Injured Employee Counsel</b>					
<i>Public Counsel</i>	\$158,194	\$165,339	\$173,896	5	5
<b>Office of Public Insurance Counsel</b>					
<i>Public Counsel</i>	\$155,119	\$160,262	\$162,891	4 →	<b>5</b>

Executive Officer Title	Salary as of June 30, 2024	Not-to-Exceed Rate for Fiscal Year 2025	Market Average	Salary Group	Proposed Salary Group
<b>Office of Public Utility Counsel <sup>a</sup></b>					
<i>Public Counsel</i>	\$165,000	\$165,000	\$159,308	4 →	<b>5</b>
<b>Optometry Board</b>					
<i>Executive Director</i>	\$91,324	\$107,237	\$108,797	2	2
<b>Public Utility Commission of Texas</b>					
<i>Executive Director</i>	\$245,579	\$203,520	\$212,157	7	7
<b>Racing Commission</b>					
<i>Executive Director</i>	\$139,851	\$142,335	\$147,005	3 →	<b>4</b>
<b>Securities Board</b>					
<i>Securities Commissioner</i>	\$177,836	\$177,836	\$180,852	5 →	<b>6</b>
<b>State Office of Administrative Hearings</b>					
<i>Chief Administrative Law Judge</i>	\$184,805	\$184,805	\$187,567	5 →	<b>6</b>
<b>Texas Board of Nursing</b>					
<i>Executive Director</i>	\$171,547	\$171,547	\$180,540	5	5
<b>Texas Medical Board</b>					
<i>Executive Director</i>	\$174,776	\$174,776	\$186,435	5 →	<b>6</b>
<b>Texas State Board of Dental Examiners</b>					
<i>Executive Director</i>	\$134,651	\$141,867	\$148,726	3 →	<b>4</b>

<sup>a</sup> The salary reflects the not-to-exceed rate. The agency had a vacant or interim executive officer as of June 30, 2024.

<sup>b</sup> The Board of Veterinary Medical Examiners is currently administratively attached to the Department of Licensing and Regulation through September 2027.

Sources: The Office of the Comptroller of Public Accounts' Uniform Statewide Payroll/Personnel System, Human Resource Information System, and Standardized Payroll/Personnel Reporting System; and the General Appropriations Act (88th Legislature).

# Appendix 3

## NTE Rates for Fiscal Years 2023, 2024, and 2025

Figure 14 shows the executive officer pay (as of June 30, 2024) and the Not-to-Exceed (NTE) rates for fiscal years 2023, 2024, and 2025. The table is organized by General Appropriations Act article. Most of the executive officers were making the same salary as their fiscal year 2024 NTE rate.

[Chapter 1-A](#) provides more information about NTE rates.

Figure 14

### *Comparison of the Fiscal Years 2023, 2024, and 2025 Not-to-Exceed Rates*

Agency Name	Salary as of June 30, 2024	Fiscal Year 2023 NTE Rate	Current Biennium	
			Fiscal Year 2024 NTE Rate	Fiscal Year 2025 NTE Rate
<b>Article I - General Government</b>				
Bond Review Board	\$152,306	\$147,869	\$152,306	\$156,742
Cancer Prevention and Research Institute of Texas	\$282,277	\$281,875	\$282,277	\$282,277
Commission on State Emergency Communications	\$171,688	\$140,698	\$171,688	\$171,688
Commission on the Arts	\$134,775	\$129,927	\$134,775	\$139,623
Department of Information Resources	\$276,000	\$194,182	\$276,000	\$276,000
Facilities Commission	\$199,204	\$190,248	\$199,204	\$208,161
Historical Commission	\$168,270	\$161,027	\$168,270	\$175,513
Library and Archives Commission	\$155,523	\$148,197	\$155,523	\$162,848
Office of State-Federal Relations	\$171,688	\$149,240	\$149,240	\$149,240
Pension Review Board	\$149,240	\$126,730	\$149,240	\$149,240
Preservation Board	\$195,792	\$186,469	\$195,793	\$205,772

Agency Name	Salary as of June 30, 2024	Fiscal Year 2023 NTE Rate	Current Biennium	
			Fiscal Year 2024 NTE Rate	Fiscal Year 2025 NTE Rate
Public Finance Authority	\$215,000	\$200,000	\$215,000	\$230,000
State Office of Risk Management	\$155,068	\$150,563	\$155,068	\$159,574
Texas Emergency Services Retirement System	\$110,000	\$118,826	\$125,404	\$131,981
Texas Ethics Commission	\$145,850	\$139,097	\$145,850	\$152,604
Veterans Commission	\$160,611	\$151,123	\$160,611	\$170,098
<b>Article II – Health and Human Services</b>				
Department of Family and Protective Services	\$259,999	\$251,806	\$259,999	\$268,192
Department of State Health Services	\$284,637	\$271,083	\$271,083	\$271,083
Health and Human Services Commission	\$317,754	\$290,258	\$317,754	\$345,250
<b>Article III – Education</b>				
Higher Education Coordinating Board	\$325,000	\$299,813	\$325,000	\$325,000
School for the Blind and Visually Impaired	\$177,824	\$159,993	\$172,398	\$172,398
School for the Deaf	\$185,000	\$171,688	\$185,000	\$185,000
Texas Education Agency	\$220,375	\$248,094	\$325,000	\$325,000
<b>Article IV – The Judiciary</b>				
Office of Capital and Forensic Writs	\$185,000	\$148,510	\$185,000	\$185,000
Office of Court Administration, Texas Judicial Council	\$230,535	\$197,415	\$211,500	\$211,500
State Commission on Judicial Conduct	\$136,642	\$135,149	\$136,642	\$145,284
State Law Library	\$111,180	\$113,298	\$111,180	\$121,360



Agency Name	Salary as of June 30, 2024	Fiscal Year 2023 NTE Rate	Current Biennium	
			Fiscal Year 2024 NTE Rate	Fiscal Year 2025 NTE Rate
<b>Article V - Public Safety and Criminal Justice</b>				
Alcoholic Beverage Commission	\$200,000	\$200,000	\$203,743	\$203,743
Commission on Fire Protection	\$140,000	\$123,883	\$140,000	\$140,000
Commission on Jail Standards	\$127,119	\$121,024	\$127,619	\$127,619
Commission on Law Enforcement	\$163,428	\$136,649	\$163,428	\$163,428
Department of Criminal Justice	\$287,657	\$275,501	\$287,657	\$299,813
Department of Public Safety	\$345,250	\$299,813	\$299,813	\$299,813
Juvenile Justice Department	\$227,263	\$216,725	\$227,263	\$237,802
Military Department	\$240,000	\$191,357	\$200,682	\$210,007
<b>Article VI - Natural Resources</b>				
Animal Health Commission	\$180,000	\$155,814	\$187,811	\$194,807
Commission on Environmental Quality	\$245,579	\$223,277	\$245,579	\$257,858
Parks and Wildlife Department	\$236,953	\$215,412	\$299,813	\$299,813
Soil and Water Conservation Board	\$155,273	\$150,283	\$155,273	\$160,262
Water Development Board	Not Applicable <sup>a</sup>	\$200,035	\$209,433	\$219,284
<b>Article VII - Business and Economic Development</b>				
Department of Housing and Community Affairs	\$204,325	\$192,299	\$204,325	\$216,351
Department of Motor Vehicles	\$222,500	\$215,000	\$222,500	\$230,000
Department of Transportation	\$344,000	\$344,000	\$344,000	\$344,000
Texas Lottery Commission	\$225,584	\$213,344	\$225,584	\$225,584
Texas Workforce Commission	\$220,544	\$212,989	\$223,755	\$234,520
<b>Article VIII – Regulatory</b>				
Board of Chiropractic Examiners	\$104,775	\$100,830	\$104,775	\$108,720
Board of Pharmacy	\$148,923	\$141,510	\$148,923	\$156,336
Board of Plumbing Examiners	\$124,982	\$120,586	\$124,982	\$129,377

Agency Name	Salary as of June 30, 2024	Fiscal Year 2023 NTE Rate	Current Biennium	
			Fiscal Year 2024 NTE Rate	Fiscal Year 2025 NTE Rate
Board of Professional Geoscientists	\$112,906	\$109,157	\$112,906	\$116,655
Board of Veterinary Medical Examiners <sup>b</sup>	\$113,412	\$113,413	\$117,077	\$120,740
Department of Insurance	\$225,732	\$217,139	\$225,732	\$234,324
Department of Insurance, Workers' Compensation	\$175,720	\$169,111	\$175,720	\$182,328
Department of Licensing and Regulation	\$190,000	\$190,000	\$190,000	\$190,000
Executive Council of Physical and Occupational Therapy Examiners	\$112,779	\$109,049	\$112,779	\$116,508
Funeral Service Commission	Not Applicable <sup>a</sup>	\$105,132	\$107,948	\$107,948
Office of Injured Employee Counsel	\$158,194	\$151,048	\$158,194	\$165,339
Office of Public Insurance Counsel	\$155,119	\$149,976	\$155,119	\$160,262
Office of Public Utility Counsel	Not Applicable <sup>a</sup>	\$143,630	\$165,000	\$165,000
Optometry Board	\$91,324	\$100,732	\$103,984	\$107,237
Public Utility Commission of Texas	\$245,579	\$200,000	\$203,520	\$203,520
Racing Commission	\$139,851	\$137,367	\$139,851	\$142,335
Securities Board	\$177,836	\$172,087	\$177,836	\$177,836
State Office of Administrative Hearings	\$184,805	\$180,000	\$184,805	\$184,805
Texas Board of Nursing	\$171,547	\$169,537	\$171,547	\$171,547
Texas Medical Board	\$174,776	\$165,315	\$174,776	\$174,776
Texas State Board of Dental Examiners	\$134,651	\$127,435	\$134,651	\$141,867

<sup>a</sup> The agency had a vacant or interim executive officer as of June 30, 2024.

<sup>b</sup> The Board of Veterinary Medical Examiners is currently administratively attached to the Department of Licensing and Regulation through September 2027.

Sources: The Comptroller of Public Accounts' Uniform Statewide Payroll/Personnel System, Human Resource Information System, Standardized Payroll/Personnel Reporting System; and the General Appropriations Acts (87th and 88th Legislatures).



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