



Lawrence F. Alwin, CPA
State Auditor

A Quarterly Report on Full-Time Equivalent State Employees for the Quarter Ending February 28, 2002

May 13, 2002

Members of the Legislative Audit Committee:

Texas had the equivalent of 277,339 state employees for the second quarter of fiscal year 2002. State employees consisted of 250,019 full-time employees and 78,777 part-time employees. A full-time equivalent (FTE) is equal to the total hours paid for all state employees divided by the work hours in the quarter. FTEs do not equal the actual number of state employees, as two or more part-time employees might equal one FTE.

The statewide management-to-staff ratio was 1 manager to 14.7 staff members. State agencies are required to develop procedures for achieving a ratio of 1 manager to 11 staff members.

Changes in State Employment

The number of FTEs decreased slightly (0.24 percent) from the first quarter of 2002 to this quarter. Compared to a year ago, FTEs have increased by almost two percent.

Distribution of State Employees

Slightly more than half of the State's FTEs worked in state agencies while the remainder worked for higher education institutions. Over half of higher education FTEs were paid with appropriated funds.

FTE Caps

Five agencies exceeded their quarterly FTE caps without approval from the Legislative Budget Board and the Office of the Governor.

Temporary or Contract Workers

Thirty-four agencies and 11 institutions of higher education reported using temporary or contract workers to perform work equal to 1,043 FTEs. These temporary and contract workers worked more than half of the workdays in the previous 12 months.

The attachment to this letter contains detailed FTE information for the quarter. If you have any questions contact Kelli Vito, State Classification Officer, at (512) 936-9500. FTE quarterly summary tables are immediately available online or you may request a printed copy by calling (512) 936-9880 and ordering SAO No. 02-346

Sincerely,

Lawrence F. Alwin, CPA
State Auditor

tgc/Attachment

FTE Analysis Online

FTE data analysis may be performed at any time by accessing the FTE system on our Web site at www.sao.state.tx.us.

- Select Resource
- Select Automated Applications for Risk Assessment, Planning, and Analysis
- Select Full-Time Equivalent (FTE) State Employee System

Changes in State Employment

Table 1 compares FTE levels for the second quarter of fiscal year 2002 to other time periods. The comparisons are divided by article of the General Appropriations Act.

Want More Information?
 FTE comparisons dating back to 1988 are available using the [online FTE System](http://www.sao.state.tx.us) at www.sao.state.tx.us under Reports - Comparisons or Trends.

Table 1

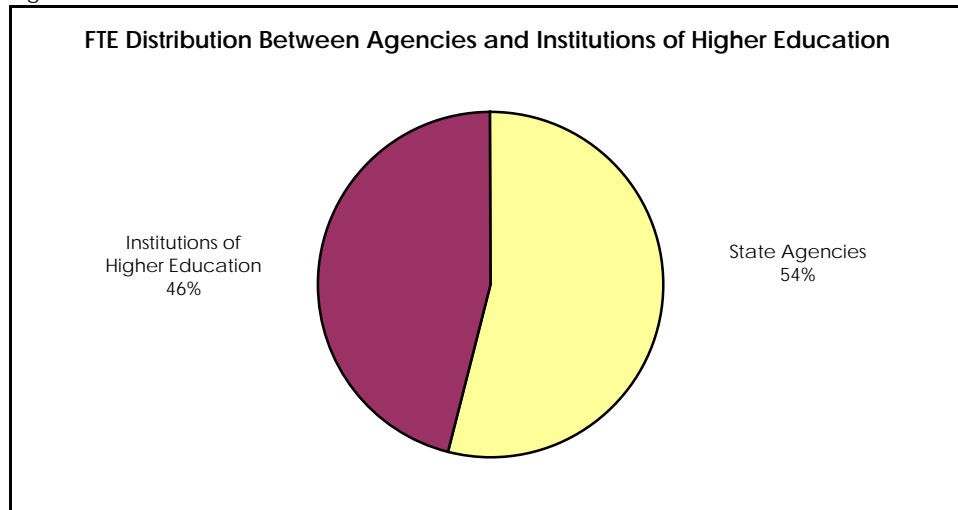
FTE Trends									
FTE Distribution	This Quarter	Last Quarter		1 Year Ago		5 Years Ago		10 Years Ago	
	2nd Quarter 2002	Number of FTEs in 1st Quarter 2001	Percent Change	Number of FTEs in 2nd Quarter 2001	Percent Change	Number of FTEs in 2nd Quarter 1997	Percent Change	Number of FTEs in 2nd Quarter 1992	Percent Change
General Government	9,123	9,021	1.12%	8,846	3.12%	8,750	4.26%	8,069	13.06%
Health and Human Services	50,052	49,609	0.89%	49,298	1.53%	57,495	-12.95%	56,928	-12.08%
Public Education	2,206	2,217	-0.52%	2,109	4.62%	2,026	8.90%	2,300	-4.07%
Higher Education¹	128,349	130,116	-1.36%	124,334	3.23%	114,525	12.07%	101,196	26.83%
Higher Education Paid With Appropriated Funds Only	77,210	77,369	-0.21%	75,002	2.94%	65,346	18.16%	70,192	10.00%
Judiciary	1,603	1,591	0.75%	1,579	1.54%	1,488	7.69%	1,367	17.29%
Public Safety and Criminal Justice	52,585	52,142	0.85%	52,927	-0.64%	50,343	4.45%	31,341	67.78%
Natural Resources	8,310	8,253	0.69%	8,010	3.75%	8,101	2.58%	6,598	25.94%
Business and Economic Development	19,396	19,306	0.47%	19,171	1.18%	20,934	-7.35%	20,296	-4.43%
Regulatory	3,565	3,572	-0.21%	3,492	2.09%	3,425	4.07%	3,714	-4.02%
Legislature	2,150	2,165	-0.73%	2,487	-13.56%	2,414	-10.96%	2,037	5.55%
Total Number of FTEs Statewide	277,339	277,992	-0.24%	272,253	1.87%	269,500	2.91%	233,846	18.60%

¹ Higher Education totals include higher education FTEs paid with appropriated funds.

Distribution of State Employees State Agencies

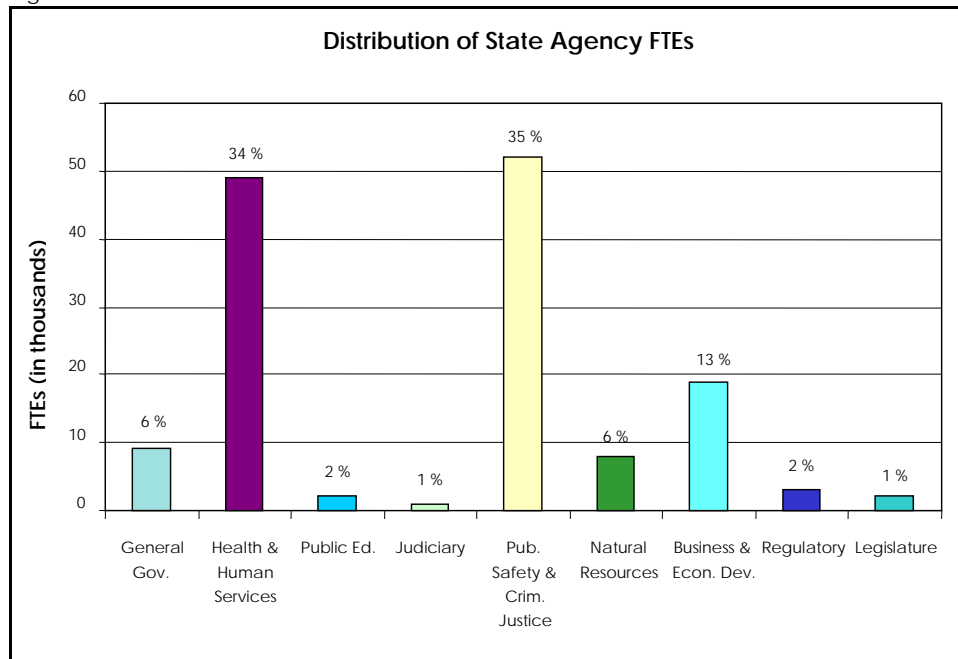
Slightly more than half (54 percent) of all state employees worked for state agencies in the second quarter of fiscal year 2002. The remainder (46 percent) worked for higher education institutions. Figures 1 through 4 show the distribution of FTEs between various groups in state government.

Figure 1



Of the 128,349 FTEs that worked for institutions of higher education, 36 percent worked for health related institutions.

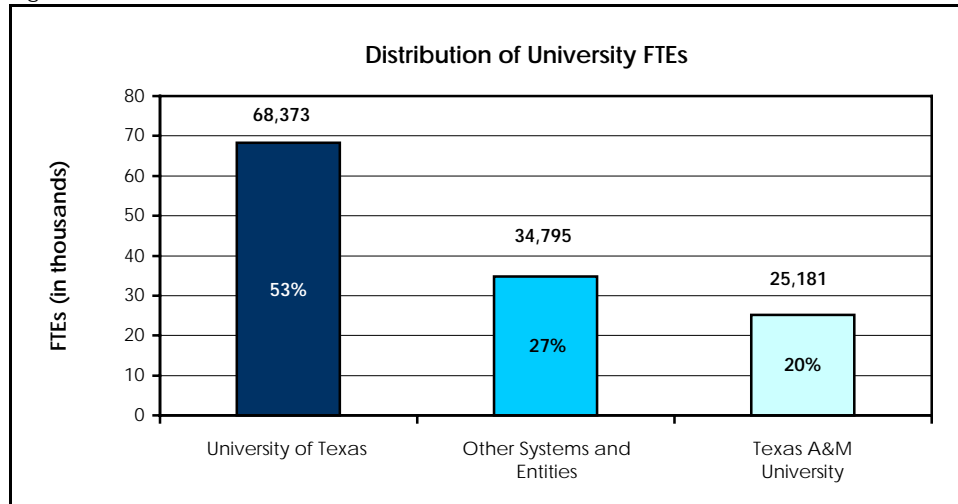
Figure 2



Sixty-nine percent of all state agency FTEs worked for health and human services agencies or for public safety and criminal justice agencies.

Want More Information?
 FTE distribution data can be found at Reports, Quarterly Report Tables, Tables I – IV – V, in the [online FTE System](http://www.sao.state.tx.us) at www.sao.state.tx.us.

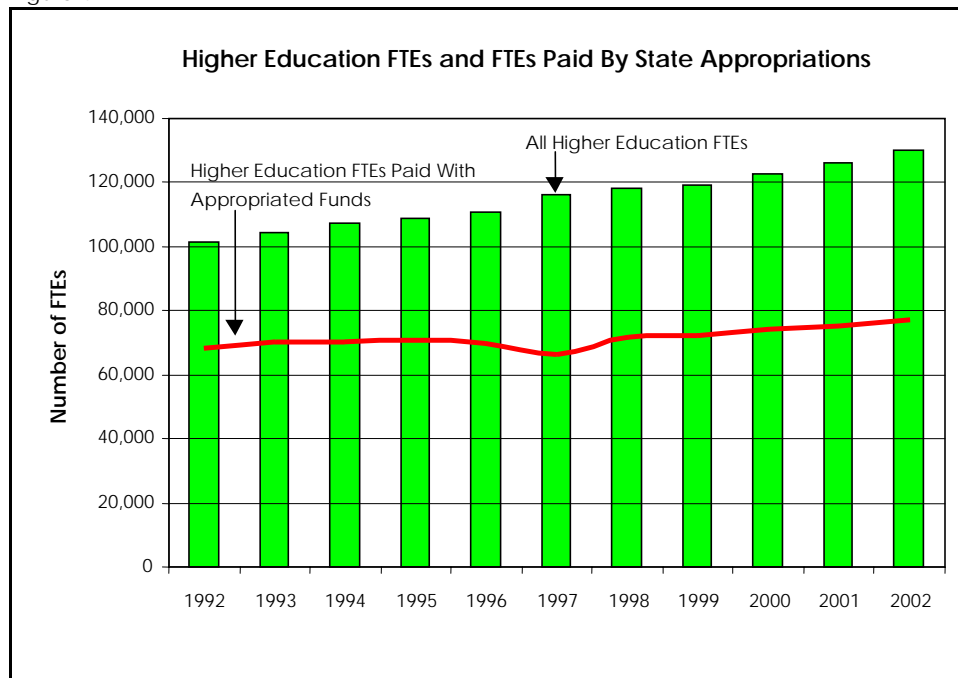
Figure 3



Two of the seven university systems had 73 percent of all higher education FTEs.

Want More Information?
 Higher Education FTE distribution can be found at Queries, Article III Predefined Groups, Other Predefined Groups in the [online FTE System](http://www.sao.state.tx.us) at www.sao.state.tx.us.

Figure 4



The number of FTEs working in higher education has increased 27 percent since the same quarter of 1992. The number paid with state appropriations has increased only 10 percent. In the second quarter of fiscal year 2002, 60 percent of all higher education FTEs were paid with appropriated funds.

FTE Caps

Five state agencies exceeded their quarterly FTE caps, which are set by the Legislature, without approval from the Legislative Budget Board and the Office of the Governor (see Table 2). Institutions of higher education are subject to annual caps, not quarterly; information on their compliance will be reported at the end of the fiscal year.

Want More Information?
 Agency explanations for exceeding the cap can be found at Reports, Quarterly Report Tables, Table II of the [online FTE System](http://www.sao.state.tx.us) at www.sao.state.tx.us.

Table 2

Agencies That Exceeded Their Legislatively Mandated FTE Caps					
Agency	Agency FTE Cap	FTEs Reported	FTEs Over Cap	Percentage Over Cap	Reason For Exceeding Cap
Adjutant General	459.00	495.65	36.65	7.98%	Legislative transfer of the Seaborne Challenge Youth Education Program increased FTEs.
Department of Housing and Community Affairs	323.00	330.42	7.42	2.30%	Number includes new Office of Rural and Community Affairs FTEs.
Texas Education Agency	858.50	859.50	1.00	0.12%	Senate Bill 429 requires the Texas Education Agency to send one FTE to the Texas Council for Workforce and Economic Competitiveness.
Texas Commission for the Blind	617.50	617.62	0.12	0.02%	Contract support for new financial and consumer service delivery system.
State Law Library	11.50	11.59	0.09	0.78%	Overlapping payments for exiting employee and new hire.

Temporary or Contract Workers

During the second quarter of fiscal year 2002, 34 agencies and 11 institutions of higher education reported using temporary or contract workers to perform work equal to 1,043.11 FTEs. These temporary and contract workers worked more than half the workdays in the previous 12 months. They count toward FTE caps. For reporting purposes, temporary or contract workers include those under contract to fill specific positions customarily filled by state employees. Outsourced functions and work performed by consultants are excluded from these requirements.

Want More Information?
 Contract FTE data is available at Reports, Quarterly Report Tables, Table VII of the [online FTE System](http://www.sao.state.tx.us) at www.sao.state.tx.us.

Table 3

Employee FTEs and Contractor FTEs For the Second Quarter of Fiscal Year 2002			
Agencies	Employee FTEs	Contractor FTEs	Contractor FTEs as Percentage of Total FTEs
Texas Building and Procurement Commission	594.20	133.13	18.30%
Department of Human Services	14,885.75	82.00	0.55%
Department of Criminal Justice	39,218.32	58.23	0.15%
Department of Health	4,891.70	53.52	1.08%
Natural Resource Conservation Commission	3,032.69	52.02	1.69%
Department of Mental Health and Mental Retardation	19,398.14	48.37	0.25%
Parks and Wildlife Department	2,791.14	47.15	1.66%
Adjutant General	465.65	30.00	6.05%
Health and Human Services Commission	537.86	29.61	5.22%
Rehabilitation Commission	2,442.14	19.23	0.78%
Texas Education Agency	845.10	14.40	1.68%
Texas Workforce Commission	3,861.65	10.77	0.28%
Office of Court Administration	143.49	10.05	6.55%
State Lottery Commission	309.85	9.00	2.82%
Office of the Governor	194.44	8.17	4.03%
Department of Transportation	14,694.74	6.75	0.05%
Department of Protective and Regulatory Services	6,741.11	6.67	0.10%
Department of Information Resources	183.26	5.34	2.83%
Department of Housing and Community Affairs	326.42	4.00	1.21%
Employees Retirement System	291.40	3.76	1.27%
Commission for the Blind	614.34	3.28	0.53%
Secretary of State	236.53	2.57	1.07%
Savings and Loan Department	27.62	1.90	6.44%
State Securities Board	84.60	1.45	1.69%
Library and Archives Commission	206.73	1.08	0.52%
Office of the Attorney General	3,741.57	1.00	0.03%
Board of Law Examiners	22.26	1.00	4.30%
Youth Commission	4,974.92	0.71	0.01%
Canadian River Compact Commission	1.00	0.47	31.97%
Aircraft Pooling Board	34.52	0.41	1.17%
Department of Economic Development	134.55	0.26	0.19%
Department on Aging	32.50	0.23	0.70%
Red River Compact Commission	1.00	0.09	8.26%
Office of Administrative Hearings	112.40	0.01	0.01%
Agency Total	646.63		

ATTACHMENT

Table 3

Employee FTEs and Contractor FTEs For the Second Quarter of Fiscal Year 2002			
Institutions of Higher Education	Employee FTEs	Contractor FTEs	Contractor FTEs as Percentage of Total
The University of Texas Medical Branch at Galveston	12,420.11	189.81	1.51%
The University of Texas M.D. Anderson Cancer Center	11,446.38	132.46	1.14%
The University of Texas at Austin	14,512.11	43.35	0.30%
Texas Tech University	5,151.64	12.88	0.25%
The University of Texas at Dallas	1,877.22	5.08	0.27%
The University of Texas Southwestern Medical Center at Dallas	5,936.74	4.23	0.07%
Higher Education Coordinating Board	279.21	3.00	1.06%
The University of Texas System	484.61	3.00	0.62%
The University of Texas Health Science Center at San Antonio	3,930.49	1.55	0.04%
State Board for Educator Certification	47.00	0.62	1.30%
University of North Texas Health Science Center	1,093.54	0.50	0.05%
Institutions of Higher Education Total		396.48	

Management to Staff Ratios

The statewide management to staff ratio is 1 manager to 14.7 staff members. State agencies are required to develop procedures for achieving a ratio of 1 manager to 11 staff members.

Want More Information?
 Management ratios can be reviewed by four different data sorts (Article, Agency FTE, Ratio Results, and Totals by Group) at Reports, Quarterly Report Tables, Table VI using the [online FTE System](http://www.sao.state.tx.us) at www.sao.state.tx.us.

Objective, Scope, and Methodology

This report provides the Legislature and the public with information on the number of state employees and contract individuals who perform services for state government. It was prepared in accordance with Government Code, Chapter 2052, Subchapter B.

This report was prepared from unaudited information submitted to the State Auditor's Office by 212 agencies and institutions.