

Houston Forensic Science Center, Inc.

MEETING OF BOARD OF DIRECTORS
MINUTES

August 14, 2015

The undersigned, being the duly appointed Secretary of the Houston Forensic Science Center, Inc., (the "Corporation"), hereby certifies that the following are true and correct minutes of the August 14, 2015 meeting of the Board of Directors (the "Board"), of the Corporation.

- A. In a manner permitted by the Corporation's Bylaws, the meeting was called by providing all Directors with notice of the date, time, place, and purposes of the meeting more than three days before the date of the meeting.
- B. In Accordance with Chapter 551, Texas Government Code, which Chapter is made applicable to the Corporation by Section 431.004, Texas Transportation Code, a notice of the meeting was duly filed on August 11, 2015, in the same manner and location as required by law of the City of Houston, Texas (the "City").
- C. The meeting was called to order by Nicole B. Cásarez, Chairwoman of the Board, at approximately 9:01 a.m. on Friday, August 14, 2015, in the Council Annex Chambers, 900 Bagby St. (Public Level), Houston, Texas 77002.
- D. Ms. Ashley Wieringa called the roll. The following Directors were present: Nicole B. Cásarez, Anthony Graves, David M. Feldman, Janet Blancett, Dr. Robert "Bob" H. McPherson, Judge Willie E. B. Blackmon, and Tom P. Allen (ex-officio).

The following Directors were absent: Dr. Enrique V. Barrera and Sandra Guerra Thompson.

Chairwoman Cásarez announced that a quorum of the Directors was present.

- E. Chairwoman Cásarez noted that a draft of the minutes of the Corporation's meeting on July 10, 2015 had been distributed to the Board. Chairwoman Cásarez requested a revision to sentence five in paragraph I. Judge Blackmon made a motion to approve the minutes of the July 10, 2015 meeting as revised, and the motion was seconded by Chairwoman Cásarez. The motion passed unanimously, and the minutes of the July 10, 2015 meeting were adopted.
- F. Chairwoman Cásarez asked if any members of the public wished to address the Board. Chairwoman Cásarez noted that no one asked to address the Board and the meeting continued.
- G. Dr. Daniel D. Garner, President and Chief Executive Officer (CEO), provided a President's report. Dr. Garner provided a personnel report. He noted that a revised Houston Forensic Science Center (HFSC) organizational chart would be distributed and would include the new Director of the Methods Development and Validation Division, Dr. Amy Castillo. Dr. Garner introduced Dr. Castillo and shared her credentials and experience. Dr. Garner reported that Mr. Domingo Villarreal had been hired as the Technical Training Director and shared his credentials and experience. Dr. Garner shared the abstracts that HFSC submitted for the American Academy of Forensic Sciences conference in February 2016. He noted that HFSC staff would be presenting

papers at a conference sponsored by the National Institute of Justice and the Forensic Technology Center of Excellence in San Antonio in August. He reported that Ms. Irma Rios, Director of the Forensic Analysis Division, would be presenting at the 2015 International Association of Chiefs of Police conference in October. Dr. Garner provided a technology update and discussed the UNT audit of HFSC DNA mixture interpretation practices conducted by Dr. Bruce Budowle. Dr. Garner provided a media update. He noted that HFSC and the Texas Department of Public Safety would be collaborating at an event on August 15th at the Houston Museum of Natural Science in honor of National Forensic Science Week. Dr. Garner reported that the Evidence Handbook and evidence collection videos are posted on the HFSC website. Dr. Garner provided a training report and noted that HFSC staff members attended the International Association for Identification meeting. Dr. Garner reported that the symposium, *When the Gavel Falls*, is scheduled for September 17th at the University of St. Thomas. He provided the contract with Crime Lab Design and reported on the progress of the needs assessment.

- H. Dr. Peter Stout, Vice President and Chief Operations Officer (COO), provided a Vice President's report. He reviewed the operations report including an update on the five-year strategic plan. He reviewed the framework of the metrics including the complexity of the input, flow of the process, and the complexity of the output. Using controlled substances as an example, Dr. Stout reviewed the process and discussed the HFSC case reports. Dr. Stout reviewed metrics for other sections including biology, toxicology, firearms, and latent prints and he provided updates on CSU, digital forensics, and audio/video. Dr. Stout discussed Laboratory Information Management Systems (LIMS) including the need to improve LIMS, observe other LIMS deployments, and plan the development for network, software, and migration.
- I. Mr. David Leach, Chief Financial Officer (CFO) and Treasurer, provided a Treasurer's report. He reviewed the preliminary FY'15 cash carryover as of June 30, 2015. Mr. Feldman reported that Mr. Kelly Dowe, Chairwoman Cásarez, Mr. Feldman, and Mr. Allen would be meeting to discuss the budget process. Mr. Leach reviewed the comparative statement of activities and the comparative statement of net position through June 30, 2015. He reported that Blazek & Vetterling would be conducting the annual financial audit for HFSC. Mr. Leach provided a report on the active consulting contracts of \$50K or more including NMS Labs, Crime Lab Design, and a grant specialist.
- J. Mr. Leach presented the revised FY'16 budget. He reviewed the FY'16 budget summary, the comparative statement of activities, and the FY'16 capital budget including major capital and non-capital spending. Chairwoman Cásarez requested that a report on the status of the training revenue be provided regularly. Chairwoman Cásarez made a motion that the Board approve the HFSC FY'16 budget as presented. Dr. McPherson seconded the motion, and the motion passed unanimously.
- K. Mr. Leach presented the revised financial procedures. He presented the Requisition to Payment Process Flow, Requisitions Limits and Authorities for Recurring Operating Expenses Policy, and the Accounts Payable and Disbursement Policies and Procedures. Mr. Leach noted that all references to a limit of \$250K would be revised to \$200K in the presented policies.

Mr. Feldman made a motion that the Board approve the "Resolution Regarding Authority to Withdraw Funds of the Corporation" and the motion was seconded by Judge Blackmon. The motion passed unanimously. (The adopted resolution is No. 2015-001).

Mr. Leach presented the proposed resolution regarding the authority to reallocate certain budget items. Mr. Feldman made a motion that the Board approve the "Resolution Regarding Authority

to Reallocate Certain Budget Items” and the motion was seconded by Judge Blackmon. The motion passed unanimously. (The adopted resolution is No. 2015-002).

- L. Ms. Caresse Young, Director of Human Resources, presented the Financial Conflict of Interest Policy and Disclosure Statement. The Board discussed the policy and requested that the proposed changes be incorporated for review and discussion at the September Board meeting.
- M. Judge Blackmon left meeting at approximately 11:12 a.m.
- N. Ms. Young presented the Total Compensation Policy. The Board discussed the policy and proposed changes to paragraphs A, B, and D in the Responsibilities section of the policy. Mr. Feldman made a motion that the Board approve the Total Compensation Policy with the requested changes. Dr. McPherson seconded the motion, and the motion passed unanimously.
- O. Ms. Lori Wilson, Quality Director, provided a quality assurance report. She reviewed the Quality Update for July 2015. She reviewed the testimony monitoring section of the report including the Testimony Tracking and Evaluation Form. She reviewed the proficiency tests, incidents/corrective action/preventative action, and audits and inspections sections of the quality report. Ms. Wilson reviewed the HFSC Accreditation Project Plan and Timeline as of July 31, 2015. Chairwoman Cásarez requested that a status update regarding the posting of the standard operating procedures on the HFSC website be provided at future Board meetings.
- P. Chairwoman Cásarez noted that she did not have a report regarding the activities of the Technical Advisory Group (TAG).
- Q. Pursuant to Section 551.074(a)(1) of the Texas Government Code, the Board went into Executive Session at approximately 11:45 a.m. for discussion of the President and CEO’s compensation.
- R. The Executive Session concluded at approximately 12:11 p.m. The open meeting reconvened at 12:14 p.m.
- S. Mr. Feldman made a motion that the Board approve a 10% increase to the base salary for Dr. Garner and that the General Counsel for HFSC should prepare an appropriate employment contract amendment that includes the provision and update the employment contract as necessary. Dr. McPherson seconded the motion, and the motion passed unanimously.
- T. There being no other business, the meeting was ADJOURNED at 12:14 p.m.

Houston Forensic Science Center, Inc.

By: _____

Ashley Wieringa

Secretary

HOUSTON FORENSIC SCIENCE CENTER, INC.

FY 16 Budget Summary

('000's)

	FY15 Actual	FY16 Budget	Actual vs. Budget
Total Income	21,440	26,979	5,538
Expenses:			
Personnel	4,687	9,245	4,558
Supplies	890	958	68
Services	12,923	14,565	1,643
Non-Capital Expenditures	225	361	137
Capital Expenditures	1,067	1,205	137
Depreciation	226	333	107
Total Expense After Depreciation	20,018	26,668	6,650
Net Ordinary Income	1,422	311	(1,112)
Other Expense:			
City of Houston Direct Overhead	1,460	1,460	-
Grant and Training Expense	-	1,347	
Change in Net Position	(38)	(2,496)	
Add back non cash expenses (depreciation)		333	
Cash Rollover from FY'15 net of encumbrances		2,164	
Total Cash Remaining for FY16		1	

The remaining amount due of \$1.5M from Fund 2213 was received during August

All personnel costs and benefits are calculated based on employees as of July, 2015 plus with FY15 open budgeted positions

Fund 2213 (HPD) are shown in "Services" and account of \$11.2 of the total \$14.6M or 78%

Fund 2213 Budgeted amounts come directly from COH Finance

Significant FY16 initiatives include:

- *Complete and optimize move into 1301 Fannin

- *Complete the assimilation of HFSC employees and staffing needs

- *Focus on training, quality & accreditation

- *Beginning stages of upgrading to new LIMS system which is part of the 5 year strategic plan

- *Stabilizing the core businesses while growing new business opportunities

HOUSTON FORENSIC SCIENCE CENTER, INC.
COMPARATIVE STATEMENT OF ACTIVITIES - ACCRUAL BASIS
FY15 Actual Results vs. FY16 budget

('000's)

		<u>FY15 Actual</u>	<u>FY16 Budget</u>	<u>Actual vs. Budget</u>
Revenues:				
411000	City of Houston-Appropriations	\$ 19,731	\$ 24,140	\$ 4,410
	Fund 2213	12,270	11,321	(949)
	HFSC Operations	7,460	12,819	5,359
415000	City of Houston Direct OH-Appro	1,460	1,460	-
416000	City of Houston - Safe funds	15	-	(15)
420000	Donations	1	-	(1)
425000	In-Kind Donations	209	-	(209)
426000	Training Services	5	107	102
440000	Grants	10	1,261	1,251
450002	Interest Income	10	10	0
Total Income		<u>21,440</u>	<u>26,979</u>	<u>5,538</u>
Expenses:				
Personnel:				
500010	Salary Base - Civilian	3,813	7,441	3,628
501070	Pension - Civilian	251	490	239
502010	FICA - Civilian	281	548	267
503010	Health Insurance - Active Civil	300	585	285
503015	Basic Life Ins - Active Civil	77	151	74
504010	Pension - GASB 27 Accrual	(50)	-	50
504031	Unemployment Taxes - Admin	15	30	14
		<u>4,687</u>	<u>9,245</u>	<u>4,558</u>
Supplies:				
511010	Chemical Gases & Special Fluids	9	9	-
511020	Construction Materials	-	1	1
511030	Mechanical Hardware & Parts	-	1	1
511035	Meters, Hydro & Plumb	-	1	1
511045	Computer Supplies	39	39	-
511050	Paper & Printing Supplies	4	4	-
511055	Publications & Printed Material	15	15	-
511060	Postage	1	3	1
511070	Miscellaneous Office Supplies	111	111	-
511080	General Laboratory Supply	684	741	57
511095	Small Technical & Scientific Eq	2	4	2
511110	Fuel	0	1	1
511115	Vehicle Repair & Maint Supplies	-	1	1
511120	Clothing	1	1	-
511125	Food/Event Supplies	15	17	2
511130	Weapons Munitions & Supplies	5	7	2
511145	Small Tools & Minor Equipment	4	4	-
		<u>890</u>	<u>958</u>	<u>68</u>

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511070	Miscellaneous Office Supplies	111	111	-
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511125	Food/Event Supplies	15	17	2
511130	Weapons Munitions & Supplies	5	7	2
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HOUSTON FORENSIC SCIENCE CENTER, INC.
COMPARATIVE STATEMENT OF ACTIVITIES - ACCRUAL BASIS
FY15 Actual Results vs. FY16 budget

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		<u>FY15 Actual</u>	<u>FY16 Budget</u>	<u>Actual vs. Budget</u>
Services:				
520100	Temporary Personnel Services	33	33	-
520105	Accounting & Auditing Svcs	33	35	2
520106	Architectural Svcs	-	150	150
520107	Computer Info/Contracting Svcs	4	12	8
520109	Medical Dental & Laboratory Ser	28	28	-
520110	Management Consulting Services	672	300	(372)
520112	Banking Services	0	1	1
520113	Photographic Services	6	7	1
520114	Misc Support Serv Recruit Relo	166	100	(66)
520115	Real Estate Rental	116	989	873
520118	Refuse Disposal	5	8	3
520119	Computer Equip/Software Maint.	205	215	10
520121	IT Application Services	41	72	31
520123	Vehicle & Motor Equip. Services	-	1	1
520124	Other Equipment Services	246	246	-
520143	Credit/Bank Card Svcs	2	5	3
520520	Printing & Reproduction Serv.	19	19	-
520605	Public Information Svcs	5	5	-
520705	Insurance (Non-Medical)	19	133	114
520760	Contributions	3	3	-
520765	Membership & Prof. Fees	12	39	27
520805	Education & Training	105	158	53
520815	Tuition Reimbursement	29	62	33
520905	Travel - Training Related	104	150	45
520910	Travel - Non-training Related	19	25	6
521405	Building Maintenance Services	5	5	-
521505	Utilities	1	1	-
521605	Data Services	10	18	8
521610	Voice Services, Equip & Labor	47	51	3
521630	EGIS Services	-	7	7
521705	Vehicle/Equipment Rental/Lease	32	40	8
521725	Other Rental Fees	4	7	3
521730	Parking Space Rental	64	129	65
521905	Legal Services	-	50	50
522205	Metro Commuter Passes	35	55	20
522305	Freight	4	4	-
522430	Misc. Other Services & Chrgs	70	75	5
522720	Insurance - General & Professional	4	-	-
522722	Intfd KRONOS Svc Chr	-	8	8
522845	Interfund Vehicle Services	-	-	-
532000	Sub-Contractor (COH)	10,775	11,321	546
532100	Civilian Payroll	5,065	4,476	(589)
532101	Civilian Salaries	3,369	3,020	(341)
532102	Civilian Benefits	1,696	1,449	(248)
532200	Classified Payroll	5,660	6,553	893
532201	Classified Salaries	3,960	4,293	333
532202	Classified Benefits	1,700	2,260	560
532300	Supplies	10	177	167
532400	Services	40	115	75
		12,923	14,565	1,643

HOUSTON FORENSIC SCIENCE CENTER, INC.
COMPARATIVE STATEMENT OF ACTIVITIES - ACCRUAL BASIS
FY15 Actual Results vs. FY16 budget
('000's)

	FY15 Actual	FY16 Budget	Actual vs. Budget
Non-Capital Expenditures			
551010 Furniture and Fixtures	104	216	113
551015 Computer Equipment	111	135	24
551025 Scientific/Medical Equipment	10	10	-
Total Non-Capital Expenditures	225	361	137
Capital Expenditures			
170140 Improvements	17	225	208
170230 Computer Hardware/SW	43	565	522
170240 Scientific/Foren Eqmt	514	415	(100)
170980 Const in Progress	493	-	(493)
Total Capital Expenditures	1,067	1,205	137
Total Expense Before Depreciation	19,791	26,335	6,544
561230 Depreciation	226	333	107
Total Expense After Depreciation	20,018	26,668	6,650
Net Ordinary Income	1,422	311	(1,112)
Other Expense:			
810000 City of Houston Direct Overhead	1,460	1,460	-
Grant and Training Expense	-	1,347	-
Change in Net Position	(38)	(2,496)	
Add back non cash expenses (depreciation)		333	
Cash Rollover from FY'15 not of encumbrances		2,164	
Total Cash Remaining for FY16		1	

Houston Forensic Science Center, Inc.
FY16 Capital Budget
Major Capital and Non-Capital Spending
Greater than \$25K

Description	FY 2016 Capital Cost
Firewall equipment	28
CSU Vehicle - Civilian	80
Initial LIMS Software with Azure Cloud	505
Travis Cabling plus Switches to enable LIMS	60
Agilent Technology Mass Spectrometers (Blood Analysis)	125
5 Digital Forensic Dell Laptops at \$7,599 each	38
1301 Fannin - move	243
Travis building Revamp	225

HOUSTON FORENSIC SCIENCE CENTER, INC.

Resolution No. 2015-001

**RESOLUTION REGARDING AUTHORITY
TO WITHDRAW FUNDS OF THE CORPORATION**

WHEREAS, the Board of Directors of Houston Forensic Science Center, Inc. ("Corporation") has concluded the Corporation's interests will be well served by revising procedures for disbursements from the Corporation's funds; **NOW, THEREFORE**;

BE IT RESOLVED BY THE DIRECTORS OF THE CORPORATION:

Section 1. That for the purposes of this Resolution the following terms have the meanings stated:

- (a) "Account Signer" means a person whose Signature authorizes a disbursement from the Corporation's funds in a manner consistent with (i) this Resolution; (ii) the Corporation's agreements with the bank into which the Corporation deposits its funds; and (iii) applicable law.
- (b) "CEO" means the Chief Executive Officer of the Corporation.
- (c) "CFO" means the Chief Financial Officer of the Corporation.
- (d) "Chair" means the Chair of the Corporation's Board of Directors.
- (e) "COO" means the Chief Operating Officer of the Corporation.
- (f) "Signature" includes "electronic signature" as defined by Section 322.002(8), Texas Business & Commerce Code.
- (g) "Vice Chair" means the Vice Chair of the Corporation's Board of Directors.

Section 2. That the following persons are Account Signers, but only for disbursements in the amounts listed below:

<u>Amount of Disbursement</u>	<u>Required Account Signer(s)</u>
Less than \$20,000.00.	Any one of the CEO, CFO, or COO.
\$20,000.00 or more but less than \$100,000.00.	Any two of the CEO, CFO, or COO.
\$100,000.00 or more but less than \$200,000.00.	The CEO and either the CFO or COO.
\$200,000.00 or more.	The CEO, either the CFO or COO, and either the Chair or Vice Chair.

Section 3. That to the extent any provisions of Resolution Nos. 2012-003, 2013-001, or 2013-002 are inconsistent with this Resolution, the said provisions of the previous Resolutions are repealed.

Section 4. That this Resolution shall take effect immediately upon its adoption by the Board of Directors.

ADOPTED this 14 day of August, 2015.

CERTIFICATE

The undersigned certifies that this Resolution 2015-001 was duly adopted by the Board of Directors of Houston Forensic Science Center, Inc., on the 14 day of August, 2015.

Executed this 31 day of August, 2015.

Ashley Wieringa
Ashley Wieringa, Secretary

HOUSTON FORENSIC SCIENCE CENTER, INC.

Resolution No. 2015-002

RESOLUTION REGARDING AUTHORITY TO REALLOCATE CERTAIN BUDGET ITEMS

WHEREAS, the Board of Directors ("Board") of Houston Forensic Science Center, Inc. ("Corporation") has concluded that the Corporation's interests will be well served by authorizing the Corporation's Chief Financial Officer to reallocate certain funds within the Corporation's budget; **NOW, THEREFORE**;

BE IT RESOLVED BY THE DIRECTORS OF THE CORPORATION:

Section 1. That for the purposes of this Resolution the following terms have the meanings stated:

- (a) "Budget" means the Corporation's then-current annual budget adopted by an affirmative vote of no less than a majority of the Directors, as the said budget may be amended from time to time.
- (b) "Budget Category" refers to a category of expenditures approved by the Budget, *to wit* PERSONNEL, SUPPLIES, SERVICES, LEASING, NON-CAPITAL, CAPITAL, OVERHEAD, and GRANT/TRAINING.
- (c) "CEO" means the Chief Executive Officer of the Corporation.
- (d) "CFO" means the Chief Financial Officer of the Corporation.
- (e) "City Funds" means the funds the CFO reasonably expects the Corporation to receive from the City of Houston ("City") during the Corporation's then-current fiscal year.
- (f) "COO" means the Chief Operating Officer of the Corporation.
- (g) A "Line Item" is the authority to make a specific expenditure of funds approved by the Budget. Examples of Line Items include POSTAGE, FUEL, and TUITION REIMBURSEMENT. Each Line Item falls within a Budget Category.
- (h) To "Reallocate" is to transfer funds from one Line Item to

another Line Item.

Section 2. That, without the necessity of pre-approval by the Board, the CFO may Reallocate funds of the Corporation, *provided that*:

- (a) The CEO and the COO both have given prior written approval of the Reallocation;
- (b) The CFO does not Reallocate funds between the PERSONNEL Budget Category and another Budget Category;
- (c) The total amount of all Reallocations in a fiscal year do not exceed 5% of the City Funds for that fiscal year; and
- (d) At the meeting of the Board immediately following the Reallocation, the CFO reports to the Board the amount and reasons for the Reallocation, which the Board may amend or reverse.

Section 3. That, notwithstanding a Budget's characterization of certain City Funds known as "Fund 2213" as SERVICES, for the purposes of this Resolution the said City Funds shall be included in the PERSONNEL Budget Category.

Section 4. That this Resolution shall take effect immediately upon its adoption by the Board of Directors.

ADOPTED this 14 day of August, 2015.

CERTIFICATE

The undersigned certifies that this Resolution 2015-002 was duly adopted by the Board of Directors of Houston Forensic Science Center, Inc., on the 14 day of August, 2015.

Executed this 31 day of August, 2015.

Ashley Wieringa
Ashley Wieringa, Secretary



HOUSTON FORENSIC SCIENCE CENTER
ADMINISTRATIVE POLICY MANUAL

POLICY:	Total Compensation Policy	ISSUED BY:	Human Resources Division
APPROVED BY:	Caresse Young Director of Human Resources	APPROVAL DATE:	
	Tom Allen Acting General Counsel		
APPROVED BY:	Daniel Garner President and CEO	APPROVAL DATE:	
	Nicole Cásarez Board of Directors Chair		
EFFECTIVE DATE:		REVIEW DATE:	

*Note: Copies are uncontrolled when printed.
 Staff members using printed copies should verify with the Human Resources Division that they are using the correct version.*

Policy Statement

Houston Forensic Science Center (HFSC) strives to be a world-class forensic services corporation. The corporation recognizes the necessity of offering a competitive total compensation package to its employees to achieve this goal. HFSC demonstrates its commitment to recruiting and retaining talented employees through a market-based wage and salary structure and a competitive employee benefits program that, together, comprise total compensation. Accordingly, HFSC has developed and will continually enhance its market-based wage and salary structure, determining the current market value of a position based on the skills, knowledge, and job-related characteristics required of a fully competent incumbent. The wage and salary structure will be complemented with a robust, highly competitive benefits package in an effort to offer fair and equitable total compensation for the value of the work provided. The total compensation system will be objective and nondiscriminatory in theory, application, and practice.

Applicability

The Total Compensation Policy is applicable to all employees of HFSC and to staff members who manage employees of HFSC. The policy is also applicable to compensated student interns, temporary employees, and any staff member who manages a compensated intern or temporary employee. Civilian

Policy Number: TBD
 Approval Date: TBD
 Replaces Policy No.: N/A
 Uncontrolled When Printed

Author: Caresse Young
 Revised Effective: N/A
 Next Review Due: TBD

and classified staff members are paid directly by the City of Houston and have City of Houston benefits; therefore, this Total Compensation Policy does not apply to their salary or benefits. However, if a civilian or classified staff member is a division director or is a supervisor or manager of an HFSC employee, intern, or temporary employee, the civilian or classified staff member is expected to be aware of and comply with the Total Compensation Policy for purposes of parts *C*, *E*, and *F* under Responsibilities (below).

Definitions

Board of Directors -- the HFSC Board of Directors.

CEO -- the president and chief executive officer (CEO) of HFSC or his/her designee.

CFO -- the chief financial officer (CFO) of HFSC or his/her designee.

Civilian -- a person providing services under the management responsibility of HFSC, but employed by the City of Houston in a job classification other than a sworn peace officer.

Classified -- a person providing services under the management responsibility of HFSC, but employed by the City of Houston in a sworn peace officer job classification.

Employee -- a person compensated directly by and on the payroll of HFSC.

Employer Match -- the HFSC contribution to the 401(a) component of the HFSC Retirement Savings Plan equal to a discretionary percentage of the employee's elected salary deferral to his/her 457(b) account. The discretionary percentage is recommended by the Human Resources (HR) director with the concurrence of the CEO and approved by the Board of Directors.

Hiring Manager -- a member of HFSC management with responsibilities for the hiring decision regarding an open position. Generally, a hiring manager is in the HFSC role of supervisor, manager, or above.

Human Resources/HR Director -- the Human Resources Division and the HR director of HFSC.

Retirement Savings Plan -- the Houston Forensic Science Center, Inc., 457 Deferred Compensation Plan, a plan established and maintained in accordance with the provisions of Internal Revenue Code 457(b), and the Houston Forensic Science Center, Inc., 401(a) Plan, a plan established and maintained in accordance with the provisions of Internal Revenue Code 401(a). The Retirement Savings Plan includes the 457(b) plan, the employee component of the plan, and the 401(a) plan, the employer component of the plan.

Staff Member -- a person who is a Civilian, Classified, or Employee.

Supplemental Contribution -- the HFSC contribution to the 401(a) component of the Retirement Savings Plan that is non-elective (i.e., not dependent on an employee salary deferral to his/her 457[b] account). The discretionary percentage is recommended by the HR director with the concurrence of the CEO and approved by the HFSC Board of Directors.

Wage and Salary -- the pay component of employee total compensation.

Responsibilities

- A. Board of Directors — As part of the annual budgeting process, the Board of Directors shall review and approve, as appropriate, funds to be allocated for total compensation. The Board of Directors shall set the pay range and specific components of the total compensation package for the CEO.
- B. CEO — The CEO is accountable for implementation of processes and procedures to ensure that HFSC is staffed with highly qualified, competent employees and that all programs related to total compensation are administered within appropriate guidelines and within the approved budget. In that capacity, the CEO is responsible for recommending the total compensation package to the Board of Directors for approval. The approval of individual total compensation for all positions with the exception of the CEO remains the responsibility of the CEO.
- C. Division Directors — Division directors are responsible for collaborating with Human Resources to provide divisional oversight in ensuring compliance with the administration of the Total Compensation Policy.
- D. Human Resources/HR Director (HR) — The Human Resources Division is responsible for developing, implementing, and ensuring corporate compliance with total compensation systems and programs. In collaboration with hiring managers, the HR director develops offers of employment as well as offers associated with internal transfers or promotions. Any offer exceeding the approved budget for the position or any offer associated with an unbudgeted position must be approved by the CEO. (See Recruitment and Employment Policy.) The HR director is accountable for ensuring fairness and equity of total compensation systems and programs throughout the corporation. Human Resources will respond to questions/concerns from staff members regarding total compensation components.
- E. Staff Members — Staff members are accountable for following the procedures within the Total Compensation Policy.
- F. Supervisors/Managers — Supervisors/managers are accountable for collaborating with Human Resources to ensure consistent compliance with the Total Compensation Policy within their area of responsibility. Supervisors/managers are also accountable for providing copies of the policy to employees in their area of responsibility.

Procedures

Wage and Salary Criteria

- A. Human Resources will price positions to market by using local, state, national, and industry-specific survey data and related information.
- B. The market data will be collected on a national, state, and/or local level as appropriate to recruitment and retention efforts for the position.
- C. The wage and salary system will be developed, implemented, and continually monitored for *external equity*, which is the relative marketplace worth of each job comparable to similar jobs in comparable industries, factored for general economic variances and adjusted to reflect the local economic marketplace.
- D. The wage and salary system will be developed, implemented, and continually monitored for *internal equity*, which is the relative worth of each job within HFSC when comparing the required level of job competencies, formal training and experience, responsibility, and accountability of one job to another and arranging all jobs in a formal job grading structure.
- E. Human Resources shall update wage and salary ranges and ensure that individual jobs are reviewed for market equity on at least a biannual basis, with recommendations for revisions submitted to the CEO or approval.
- F. The wage and salary system must be flexible enough to ensure that HFSC is able to recruit and retain a highly qualified workforce, while providing the structure necessary to manage the overall wage and salary program effectively.

Employee Benefits Criteria

- A. Human Resources will obtain professional support and consultation from one or more employee benefits brokers who will market the needs of HFSC to benefits providers who may offer programs and services for consideration by the corporation.
 - 1) The HR director in collaboration with the CFO will recommend qualified brokers for consideration. The CEO will approve the final selection(s).
 - 2) The selected broker(s) will represent HFSC in the marketplace and provide recommendations for employee benefits programs and services.
 - 3) The HR director is responsible for developing the distribution of employee benefits costs between the corporation and its employees and presenting a recommendation to the CEO for approval.
 - 4) The final decision of the employee benefits programs selected for presentation to employees and the distribution of the costs of those programs rests with the CEO with the exceptions below:
 - a. The current HFSC Retirement Savings Plan offers a supplemental contribution and an employer match to employees. Any change to the current value of the supplemental contribution and/or employer match must be approved by the Board of Directors.
 - b. A revision to the supplemental contribution and/or employer match may be made on an annual basis if approved by the Board of Directors.
 - c. As recommended by the HR director in collaboration with the CFO, and approved by the CEO, any revisions to the supplemental contribution and/or the employer match will be presented to the Board of Directors for approval.
 - 5) The broker or brokers selected shall maintain the level of expertise required to provide information and recommendations necessary to ensure that, as corporation and external market conditions change, employee benefit programs and services continue to provide value to HFSC.
 - 6) The broker or brokers selected shall maintain the level of expertise required to provide information and recommendations for compliance with applicable federal, state, and local laws and regulations.
- B. Human Resources is responsible for developing, implementing, and continually monitoring employee benefits in an effort to provide a competitive array of offerings to potential and current employees.

Compliance

- A. Adherence to the Total Compensation Policy is an ongoing requirement of a continued work relationship with HFSC.
- B. Any request for an exception to the Total Compensation Policy shall be submitted in writing to the HR director who will assess the request and, in collaboration with appropriate division leadership, route the request to the CEO. Final approval authority of an exception to any part of the Total Compensation Policy not under approval authority of the Board of Directors rests with the CEO.
- C. A verified violation of the Total Compensation Policy may result in progressive corrective action, based on policy appropriate to the staff member's classification as Civilian, Classified or Employee.