

REFERENCE GUIDE

for

THE PERSONNEL SUBCOMMITTEE

of the

92nd General Assembly
Joint Budget Committee



2019 - 2021

CONSTITUTIONAL AUTHORITY

Article 16, Section 4 of the Arkansas Constitution, gives the Legislature the authority to establish the maximum number of state employees and officials and to set their maximum annual salaries. It states:

“Salaries and fees of state officers.

The General Assembly shall fix the salaries and fees of all officers in the State, and no greater salary or fee than that fixed by law shall be paid to any officer, employee or other person, or at any rate other than par value; and the number and salaries of the clerks and employees of the different departments of the State shall be fixed by law.”

TERMS AND PROVISIONS

Biennial Budget Process for Personnel

The Biennial Budget Process is a series of request, review and recommendation phases. In the first phase the agencies make their request for the following biennium. In the second phase the Office of Personnel Management reviews the agencies' requests and presents them to the Executive Review Committee for recommendation. In the third phase Legislative Staff reviews the agencies' requests and the Executive Recommendation and presents to ALC/JBC Personnel Committee for recommendation. Once approved by ALC/JBC, the recommendations become the basis for the agencies' appropriation bills.

Unbudgeted Positions

An agency does not have to budget for all of their authorized positions when they set their annual budget. This is what creates a difference between authorized position total and budgeted position total.

Authorized positions that were not budgeted are called Unbudgeted Positions and must be requested by the agency to continue into the next biennium. These are generally referred to as “New or Continuation” positions during ALC/JBC, though they do not increase the agencies total number of authorized positions.

Total Positions over Authorized

This number represents the authorized positions requested by an agency and/or approved by the Legislature over the current authorized number of positions in an agency's current appropriation.

Pool and MFG Positions

Pool and MFG positions are those that are created in addition to the positions established in appropriation acts for state agencies and institutions. These positions can be added at any time during the fiscal year with approval from Personnel or PEER Subcommittees and Legislative Council. Additional positions may be established through the use of the OPM Central Growth Pool, Agency Specific Growth Pools, Miscellaneous Federal Grants, and Growth Pool or Provisional Positions for institutions of higher education.

These positions, like unbudgeted positions, must be requested by the agencies and approved by the Legislature during the biennial budget process to continue into the next biennium.

Additional Positions

Additional Positions are positions requested by an agency over and above the current authorized positions total. By approving these positions, the total number of authorized positions for an agency will increase and be accounted for in the appropriation act. They are generally requested based on increased work load or establishment of new programs.

An agency may also request positions during the interim through a Growth Pool or Swap Pool. The use of positions out of these “pools” may increase the number of authorized positions, keep them the same or reduce them depending on the type of pool accessed.

Classification

The term “classification” refers to a specific job title which is identified by a Class Code, Title and Pay Grade for an individual position. The pay grade is based on the nature and difficulty of the job duties and the education required.

Crossgrade/Downgrade

A term used when an agency would like to utilize a position in a different classification than the one that is authorized in their Act. This requires approval and oversight by the Office of Personnel Management and can be done any time during the fiscal year.

The pay grade of the used classification must be equal to, or less than, the grade of the authorized classification. The salary of the person hired into the crossgraded position is based on the classification being utilized by the agency via the crossgrade/downgrade.

Example: An agency needs to hire an Administrative Specialist II, Grade GS03, but they don't have a vacant position with that classification. They do, however, have a vacant Fiscal Support Analyst, Grade GS05. The agency requests to crossgrade/downgrade the Fiscal Support Analyst to an Administrative Specialist II. Once the downgrade is approved by OPM, the position will become an Administrative Specialist II in AASIS for the purposes of recruiting and hiring at that title and grade. The agency will advertise and hire a candidate with the skill set associated with the Administrative Specialist II classification.

Reclassification

A Reclassification (Reclass) is the changing of the authorized classification of a position. Generally this is done because of a drastic change in job responsibilities or a need for a totally different job classification. The new classification requested can be of a higher or lower grade than the current authorized classification. A reclassification does not affect the agency's overall total number of positions.

Reclassifications are requested by an agency during the Biennial Budget Request and require approval from the Personnel Committee and JBC. The Executive Review Committee makes a recommendation based on their review of the agency request, job duties and utilization history of the classification. The request for reclassification is then presented to ALC/JBC Personnel Subcommittee along with the Executive Recommendation and the Legislative Staff Recommendation for approval.

Out of Family Reclassification

An Out of Family Reclassification is the same as reclassification request except it is made by the Office of Personnel Management and the Executive Review Committee for positions that are currently crossgraded. The approval of an Out of Family Reclassification permanently changes the authorization of the position to the crossgraded classification.

Out of Family Reclassifications are recommended during the Biennial Budget Request in the same manner for which reclassifications are approved. These are presented to the ALC/JBC with Executive and Legislative Staff recommendations.

Upgrade

An Upgrade is a request by an agency to raise the pay grade of an existing classification. Upgrades are generally requested if it is found that job duties or required skill sets have changed or that the current grade does not allow the agency to pay a salary that will meet market conditions. **If approved, an Upgrade will affect all positions (across all agencies) with that classification.**

Upgrades are requested during the Biennial Budget Request and follow the same process as reclassifications.

Example: An agency requests that an A100C Payroll Officer, Grade GS04, be upgraded to a Grade GS05 . If recommended then all positions in state government with the Payroll Officer classification will be upgraded to the GS05. Salaries will be adjusted if the incumbent employee does not make at least the minimum of the pay grade.

Title Change

A Title Change is simply changing the existing title of a classification to more accurately reflect the duties being performed. Like upgrades, title changes affect all positions (across all agencies) with the specified classification and are commonly requested for agency specific titles.

Title Changes are requested and reviewed during the Biennial Budget Request. They follow the same process as the reclassifications and upgrades, etc.

COMPENSATION PLAN (Arkansas Code § 21-5-209)

The Compensation Plan is set out by the Uniform Classification and Compensation Act, originally established by Act 199 of 1969. The Compensation Plan is established for state agencies and institutions that are covered by the provisions of the Uniform Classification and Compensation Act. The Compensation Plan sets salaries and provides for salary increases, where deserved, of all employees serving in positions covered by the Act.

21-5-209. Compensation Plan.

(a) There is established for state agencies covered by this subchapter a compensation plan for the setting of salaries and salary increases, when deserved, of all employees serving in positions covered by this subchapter.

(b)(1) No employee shall be paid at a rate of pay higher than the maximum pay level in the grade assigned to his or her class unless otherwise provided for in this subchapter.

(2) However, an employee presently employed in a position who is being paid at a rate in excess of the maximum for his or her assigned grade may continue to receive his or her rate of pay.

(c) It is the specific intent of the General Assembly to authorize, in the enactment of the compensation plans, rates of pay for each of the appropriate grades assigned to a class, but it is not the intent that any pay increases shall be automatic or that any employee shall have a claim or a right to pay increases unless the department head of the state agency determines that the employee, by experience, ability, and work performance, is eligible for the increase in pay authorized for the appropriate rate.

(d) Pay levels established in this subchapter are for compensation management purposes and are not to be construed as a contract, right, or other expectation of actual employee salary determination.

(e)(1) The following grades and pay levels shall be authorized for the General Salaries pay table effective July 1, 2017, and thereafter, for the state service for all positions of state agencies covered by this subchapter to which a classification title and General Salaries salary grade have been assigned in accordance with this subchapter and the appropriation act of the state agency:

| General Salaries | | | | | |
|-------------------------|----------------|----------------------|-----------------|----------------------|----------------|
| Pay Grade | Minimum | 15% Above Min | Midpoint | 30% Above Min | Maximum |
| GS01 | \$22,000 | \$25,300 | \$26,950 | \$28,600 | \$31,900 |
| GS02 | \$23,335 | \$26,835 | \$28,585 | \$30,335 | \$33,836 |
| GS03 | \$26,034 | \$29,939 | \$31,891 | \$33,844 | \$37,749 |
| GS04 | \$29,046 | \$33,402 | \$35,581 | \$37,759 | \$42,117 |
| GS05 | \$32,405 | \$37,265 | \$39,696 | \$42,126 | \$46,987 |
| GS06 | \$36,155 | \$41,578 | \$44,290 | \$47,001 | \$52,425 |
| GS07 | \$40,340 | \$46,391 | \$49,416 | \$52,442 | \$58,493 |
| GS08 | \$45,010 | \$51,761 | \$55,137 | \$58,513 | \$65,265 |
| GS09 | \$50,222 | \$57,755 | \$61,522 | \$65,288 | \$72,822 |
| GS10 | \$56,039 | \$64,444 | \$68,648 | \$72,850 | \$81,257 |
| GS11 | \$62,531 | \$71,910 | \$76,600 | \$81,290 | \$90,670 |
| GS12 | \$69,776 | \$80,242 | \$85,475 | \$90,708 | \$101,175 |
| GS13 | \$77,862 | \$89,541 | \$95,381 | \$101,220 | \$112,900 |
| GS14 | \$86,887 | \$99,920 | \$106,436 | \$112,953 | \$125,986 |
| GS15 | \$96,960 | \$111,504 | \$118,776 | \$126,048 | \$140,592 |

(2) The following grades and pay levels shall be authorized for the Information Technology Salaries pay table, effective July 1, 2017, and thereafter, for the state service for all positions of state agencies covered by this subchapter to which a classification title and Information Technology Salaries salary grade have been assigned in accordance with this subchapter and the appropriation act of the state agency:

| Information Technology | | | | | |
|-------------------------------|----------------|----------------------|-----------------|----------------------|----------------|
| Pay Grade | Minimum | 15% Above Min | Midpoint | 30% Above Min | Maximum |
| IT01 | \$33,403 | \$38,413 | \$40,918 | \$43,423 | \$48,434 |
| IT02 | \$37,266 | \$42,855 | \$45,650 | \$48,445 | \$54,035 |
| IT03 | \$41,578 | \$47,814 | \$50,933 | \$54,051 | \$60,288 |
| IT04 | \$46,391 | \$53,349 | \$56,829 | \$60,308 | \$67,267 |
| IT05 | \$51,762 | \$59,525 | \$63,407 | \$67,289 | \$75,054 |
| IT06 | \$57,755 | \$66,418 | \$70,750 | \$75,081 | \$83,745 |
| IT07 | \$64,445 | \$74,111 | \$78,944 | \$83,778 | \$93,445 |
| IT08 | \$71,704 | \$82,459 | \$87,836 | \$93,214 | \$103,970 |
| IT09 | \$80,242 | \$92,278 | \$98,296 | \$104,315 | \$116,351 |
| IT10 | \$89,541 | \$102,972 | \$109,688 | \$116,403 | \$129,835 |
| IT11 | \$99,920 | \$114,908 | \$122,402 | \$129,896 | \$144,884 |
| IT12 | \$111,504 | \$128,229 | \$136,592 | \$144,955 | \$161,681 |

(3) The following grades and pay levels shall be authorized for the Medical Professional Salaries pay table, effective July 1, 2017, and thereafter, for the state service for all positions of state agencies covered by this subchapter to which a classification title and Medical Professional Salaries salary grade have been assigned in accordance with this subchapter and the appropriation act of the state agency:

| Medical Professional | | | | | |
|-----------------------------|----------------|----------------------|-----------------|----------------------|----------------|
| Pay Grade | Minimum | 15% Above Min | Midpoint | 30% Above Min | Maximum |
| MP01 | \$63,830 | \$73,404 | \$75,944 | \$82,979 | \$88,058 |
| MP02 | \$71,403 | \$82,113 | \$85,683 | \$92,823 | \$99,964 |
| MP03 | \$79,879 | \$91,860 | \$96,653 | \$103,842 | \$113,428 |
| MP04 | \$89,368 | \$102,773 | \$109,029 | \$116,178 | \$128,690 |
| MP05 | \$99,991 | \$114,989 | \$122,989 | \$129,988 | \$145,987 |
| MP06 | \$111,884 | \$128,666 | \$138,736 | \$145,449 | \$165,588 |
| MP07 | \$125,200 | \$143,980 | \$156,500 | \$162,760 | \$187,800 |
| MP08 | \$140,109 | \$161,125 | \$176,537 | \$182,141 | \$212,966 |
| MP09 | \$156,804 | \$180,324 | \$199,141 | \$203,845 | \$241,478 |
| MP10 | \$175,620 | \$201,963 | \$223,037 | \$228,306 | \$270,455 |

(4) The following grades and pay levels shall be authorized for the Senior Executive Salaries pay table, effective July 1, 2017, and thereafter, for the state service for all positions of state agencies covered by this subchapter to which a classification title and Senior Executive Salaries salary grade have been assigned in accordance with this subchapter and the appropriation act of the state agency:

| Senior Executive | | | |
|-------------------------|----------------|-----------------|----------------|
| Pay Grade | Minimum | Midpoint | Maximum |
| SE01 | \$108,110 | \$127,655 | \$147,200 |
| SE02 | \$120,543 | \$138,822 | \$157,100 |
| SE03 | \$134,406 | \$150,703 | \$167,000 |
| SE04 | \$149,862 | \$165,681 | \$181,500 |
| SE05 | \$167,096 | \$184,398 | \$201,700 |

(f) It is the intent of the General Assembly that the compensation plans in this section shall be implemented and function in compliance with other provisions in this subchapter, the Regular Salary Procedures and Restrictions Act, § 21-5-101, and other fiscal control laws of this state, when applicable.

(g)(1) Except as provided in subdivision (g)(2) of this section, a payment of salaries shall not be made except in conformity with the maximum pay level assigned to these grades for each year as provided in the appropriation act of the state agency or in this subchapter.

(2)(A) With approval of the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee:

(i) The Governor may establish the salary of an agency director that is up to fifty percent (50%) above the maximum pay level for the grade assigned to the classification; and

(ii) Salaries established by this section may exceed the maximum pay level for the grade assigned to the classification by no more than twenty-five percent (25%) for no more than ten percent (10%) of the positions authorized in the state agency's appropriation act.

(B) It is both necessary and appropriate that the General Assembly maintain oversight by requiring prior approval of the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee, as provided by this subsection.

(C) The requirement of approval by the Legislative Council or the Joint Budget Committee is not a severable part of this section. If the requirement of approval is found unconstitutional by a court of competent jurisdiction, the entire section is void.

(h) The compensation plan and pay tables shall be reviewed by the Office of Personnel Management before each regular session of the General Assembly.

OFFICE OF PERSONNEL MANAGEMENT (OPM)

The Office of Personnel Management (OPM) of the Division of Management Services of the Department of Finance and Administration has the overall responsibility of administering the state's personnel system and establishing necessary policies, procedures and regulations to ensure system uniformity in accordance with state and federal law.

Acting under the authority granted in the Uniform Classification and Compensation Act, and subject to the direction of the Director of the Department of Finance and Administration, it is the duty of the Office of Personnel Management to perform the following administrative responsibilities with respect to the state Classification and Compensation: classifying positions, evaluating jobs, developing classification standards and specifications, assigning pay grades to classifications, collecting salary data, developing and administering pay plan policies and procedures, developing and administering performance evaluation procedures, and providing professional assistance and guidance related to personnel management. OPM analyzes all state agency and institution of higher education biennial personal services budget requests and prepares appropriate recommendations to the Governor and the Legislature prior to and during the Legislative session.