



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

OFFICE OF PERSONNEL MANAGEMENT  
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December 12, 2017

Senator John Cooper, Co-Chairperson  
Representative Les Eaves, Co-Chairperson  
Uniform Personnel Classification and  
Compensation Plan Subcommittee  
Arkansas Legislative Council  
State Capitol Building, Room 315  
Little Rock, Arkansas 72201

Dear Co-Chairs;

The Office of Personnel Management (OPM) submits a request from Northwest Technical Institute (NTI) for your review.

Northwest Technical Institute is requesting a geographic compensation differential as pursuant to Ark. Code Ann. §21-5-221(i).

The classifications for which the differential is requested are listed below:

<b><u>CLASSIFICATION</u></b>	<b><u>CLASS CODE</u></b>	<b><u>GRADE</u></b>
Career & Technical Faculty	E027C	GS07
Specialized Technical Faculty	E018C	GS08
Ammonia & Industrial Trainer	E071C	GS10

**JUSTIFICATION**

NTI is requesting to compensate the classifications listed above at the Secondary Career Center and Adult Education program facilities, with a geographic compensation differential up to 10%. NTI is requesting this differential to address their difficulty in attracting and retaining qualified staff in these classifications. Recruitment is problematic due to current teacher salaries in the local school districts. As a result, NTI has experienced a 26.83% turnover rate for these classifications in the past fiscal year.

Additionally, over the past two years, NTI has also experienced an increase in student enrollment and teacher locations. During this time period, teaching locations have increased from 16 to 27, with a rise in student enrollment from 1,585 to 2,023 students.

Senator John Cooper, Co-Chairperson  
Representative Les Eaves, Co-Chairperson  
December 12, 2017  
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NTI contributes these significant increases to the demand and implementation of training programs in the fields of welding, computer engineering, CNA certification, diesel & truck technology, medical professions education, electronics technology, ammonia refrigeration & maintenance technology, and phlebotomy. NTI has also expanded its enrollment period to offer these programs during both the fall and spring semesters.

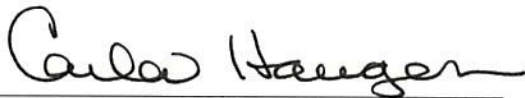
The Office of Personnel Management (OPM) has reviewed NTI's request and **recommends** approval of a geographic compensation differential for the classifications listed above for fiscal year 2018.

Your consideration of this request is appreciated.

Sincerely,



Kay Barnhill  
State Personnel Administrator



Chief Fiscal Officer of the State

DEC 01 2017

Date

KB/jd: 1-2



**NORTHWEST TECHNICAL INSTITUTE**

P.O. Box 2000 • 709 So. Old Missouri Rd.  
Springdale, AR 72765-2000  
(479) 751-8824  
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Mr. Herb Scott,  
Assistant Personnel Administrator  
Department of Finance and Administration  
Office of Personnel Management  
5907 West 7<sup>th</sup> St., Suite 201  
Post Office Box 3278  
Little Rock, AR 72203-3278

November 3, 2017

Re: Geographical Difference – Career & Technical Faculty, Class E027C, Grade GS07

Dear Mr. Scott,

I am writing in regards to a Geographical Difference in Northwest Technical Institutes ability to offer a competitive salary for new hire employees. As you well know, NTI has on occasion, experienced a bit of difficulty in hiring instructors. This difficulty in part lies with two external factors. The first factor is we are in direct competition with Springdale Public Schools, who offer the highest wage rate for teachers in the State. We lose every year full time and extra help instructors to Springdale Public Schools. We lose them because of wages.

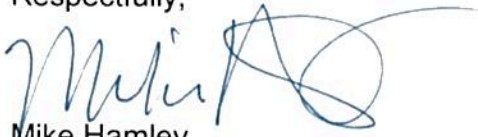
The second factor, is as our region continues to grow, we are finding it increasingly more difficult to hire qualified instructors. There is quite simply more opportunity for a career, for qualified instructors, in the private sector. Applicants for technical instructor positions decline our offers because in most cases they will be taking a significant pay cut.

These two external factors cannot be ignored. They must be dealt with, as they have a tremendous impact in our ability to deliver a quality career and technical education. One way to deal with these factors is to address the starting wage rate for instructors

The majority of our instructors are classified as Career & Technical Faculty, class E027C, grade GS07, located in Springdale, Arkansas. We are asking for a Geographical Difference to be added to the starting wage rate for this classification.

Please feel free to contact me if you should have any questions or require additional information.

Respectfully,

A handwritten signature in blue ink, appearing to read "Mike Hamley", with a large, stylized flourish extending from the end.

Mike Hamley  
Vice President of Finance and Operations  
Northwest Technical Institute

MH/dr

CC: Kathleen Wood  
Don Raines  
File

## Geographic Differential

### **1. Requested Percentage**

The requested percentage is up to 10% of the minimum pay rate for Extra Help and Full Time new hire employees in the following classifications:

Career & Technical Faculty – Class Code = E027C, Pay Grade = GS07

Specialized Technical Faculty – Class Code = E018C, Pay Grade = GS08

Ammonia & Industrial Trainer – Class Code = NEW, Pay Grade = GS10

### **2. Salary Data for Instructors Within the Springdale Public School**

Please see attached.

The data was printed from the Springdale Public School web site. [Springdaleschools.org](http://Springdaleschools.org)

### **3. How many employees will be affected by the compensation differential/cost/funding source?**

The Geographical Differential will only be applied to new hire employees within the following classifications : Career & Technical Faculty, Specialized Technical Faculty, and Ammonia & Industrial Trainer. We are not requesting the geographical difference for any current employees. New hires will be evaluated based upon their education and experience. Not all new hires will qualify for the geographical differential. Depending on the position, the funding source will either be State Adult Education Grants, Federal Adult Education Grants, General Revenue, or Local Cash Funds.

### **4. Student Enrollment Growth in this Area for NWTI**

Since 2016 Northwest Technical Institute has added the following programs and students:

Secondary Career Center

Gravette High School – Welding – 25 Students

Farmington High School- Computer Engineering – 10 Students

Rogers High School – Certified Nursing Assistant – 18 Students

Don Tyson School of Innovation – Diesel & Truck Technology – 19 Students  
Farmington/Don Tyson School of Innovation – Medical Professions Education – 35 Students

#### Adult Education

In 2015 our Adult Education program was in 16 locations and served 1585 students.

In 2017 our Adult Education programs have expanded to 27 locations serving 2023 students. The number of students will increase, as the 2017 school year is not completed.

We have expanded our diploma programs by increasing our enrollment in some programs, which have only a fall semester start date. Those programs are:

Surgical Technology – 5 Students,  
Practical Nursing – 5 Students.

For the 2017-2018 school year, NTI is allowing the following programs to have 2 start dates. One start date in the fall semester and 1 start date for the spring semester. Those programs are:

Automotive Service Technology – Up to 20 Additional Students for the Spring Semester,  
Electronics Technology – Up to 20 additional Students for the Spring Semester.

In 2018 Northwest Technical Institute will add Phlebotomy as a diploma program.

Phlebotomy – 20 Students

Northwest Technical Institute has entered into a Partnership with Tyson Foods to increase our Ammonia Refrigeration diploma program and our Business & Industry Ammonia Refrigeration program. The partnership is being finalized, with the additional students starting in the 2018-2019 school year. We anticipate the following additional students:

Diploma - Ammonia Refrigeration & Maintenance Technology - 10 Students  
Business & Industry – Ammonia Refrigeration & Maintenance Technology – 20 Students  
Every 2 Weeks

## 5. Turnover Data

Number of Instructors Terminated 2017 = 26

Number of Instructors 11/2/2017 = 87

$$\begin{aligned}\text{Turnover Rate} &= 100 \times (\text{Terms}/\text{Instructors}) \\ &= 100 \times (26/87) \\ &= 100 \times .30 \\ &= 30\%\end{aligned}$$



Springdale Public Schools  
 Certified Salary Schedule  
 Adopted June 13, 2017

Experience	BSE	BSE + 15	MED	MED + 15	MED + 30	EDS
0	47,266	48,528	49,790	51,053	52,315	53,578
1	47,950	49,213	50,475	51,737	53,000	54,262
2	48,635	49,897	51,160	52,422	53,684	54,947
3	49,396	50,659	51,921	53,184	54,446	55,708
4	50,081	51,343	52,606	53,868	55,131	56,393
5	50,765	52,028	53,290	54,553	55,815	57,078
6	51,450	52,712	53,975	55,237	56,500	57,762
7	52,135	53,397	54,659	55,922	57,184	58,447
8	52,819	54,082	55,344	56,606	57,869	59,131
9	53,504	54,766	56,029	57,291	58,553	59,816
10	54,188	55,451	56,919	58,181	59,443	60,706
11	54,873	56,135	57,603	58,866	60,128	61,390
12	55,557	56,820	58,288	59,550	60,813	62,075
13	56,242	57,504	58,972	60,235	61,497	62,760
14	56,927	58,189	59,657	60,919	62,182	63,444
15	57,611	58,874	60,341	61,604	62,866	64,129
16	58,296	59,558	61,026	62,288	63,551	64,813
17	58,980	60,243	61,710	62,973	64,235	65,498
18	59,665	60,927	62,395	63,657	64,920	66,182
19	60,349	61,612	63,080	64,342	65,604	66,867
20	61,034	62,296	63,764	65,027	66,289	67,551
21	61,718	62,981	64,449	65,711	66,974	68,236
22	62,403	63,665	65,133	66,396	67,658	68,921
23	63,088	64,350	65,818	67,080	68,343	69,605
24	63,772	65,035	66,502	67,765	69,027	70,290
25	64,457	65,719	67,187	68,449	69,712	70,974
26	65,141	66,404	67,872	69,134	70,396	71,659
27	65,826	67,088	68,556	69,819	71,081	72,343
28	66,510	67,773	69,241	70,503	71,766	73,028
29		68,457	69,925	71,188	72,450	73,713
30		69,142	70,610	71,872	73,135	74,397
31			71,294	72,557	73,819	75,082
32			71,979	73,241	74,504	75,766