

**Department of Transformation and Shared Services**

Governor Sarah Huckabee Sanders

Secretary Leslie Fiskien

Director Kay Barnhill

January 17, 2024

The Honorable Breanne Davis, Co-Chairperson
 The Honorable Mark Berry, Co-Chairperson
 Uniform Personnel Classification and
 Compensation Plan Subcommittee
 Arkansas Legislative Council
 State Capitol Building, Room 315
 Little Rock, Arkansas 72201

Dear Senator Davis and Representative Berry:

The Office of Personnel Management (OPM) submits a request from the Department of Finance and Administration (DFA) for your review.

DFA is requesting three (3) positions from the OPM surrender pool established by Arkansas Code Annotated § 21-5-225(a)(1) along with the establishment of one (1) new classification. The classification requested and positions being surrendered are listed below:

CLASSIFICATIONS REQUESTED

<u>CLASS CODE</u>	<u>TITLE</u>	<u>GRADE</u>	<u># REQUESTED</u>	<u>SALARY RANGE</u>
NEW	DFA Regulatory Enforcement Agent III	GS10	3	\$56,039 - \$81,256

POSITIONS SURRENDERED

<u>POSITION NUMBER</u>	<u>TITLE</u>	<u>CLASS CODE</u>	<u>GRADE</u>	<u>SALARY RANGE</u>	<u>LAST DATE VACATED</u>
22112211	DFA Regulatory Enforcement Agent	X131C	GS07	\$40,340 - \$58,493	08/05/2023
22112212	DFA Regulatory Enforcement Agent	X131C	GS07	\$40,340 - \$58,493	05/19/2023
22112213	DFA Regulatory Enforcement Agent	X131C	GS07	\$40,340 - \$58,493	08/18/2023

Office of Personnel Management

501 Woodlane Street, Suite 205 * Little Rock, AR 72201 * 501.682.1753

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DFA is also requesting the establishment of a salary administration grid and movement in accordance with Arkansas Code Annotated § 21-5-222. The requested grid details, along with the classification information is listed below:

<u>CLASS CODE</u>	<u>TITLE</u>	<u>GRADE</u>	<u>SALARY RANGE</u>	<u>REQUESTED RATE</u>
X131C	DFA Regulatory Enforcement Agent	GS07	\$40,340 - \$58,493	\$58,493

Upon implementation of the requested grid, all incumbents below the requested rate of \$53,000 will be moved to this amount. In addition to this increase, each incumbent will also receive a one-time salary increase of 0.80% for each year of employment with the state as a law enforcement officer. The salary of \$53,000 will be the entry salary for new hires within the X131C, DFA Regulatory Enforcement Agent, GS07, classification.

JUSTIFICATION

DFA is requesting the above positions and salary administration grid in order to resolve recruiting and retention issues. The requested positions are located within the Regulatory Division of DFA which includes Alcoholic Beverage Control (ABC) and Arkansas Tobacco Control (ATC). These entities are responsible for a wide range of law enforcement duties aimed at ensuring compliance with alcohol, medical marijuana and tobacco related regulations. These duties include underage drinking operations, compliance checks, investigating violations, complaints and allegations, and managing alcohol at public events. The DFA Regulatory Division has been experiencing issues with recruitment and retention and the addition of the requested positions will assist the DFA in their plan to resolve this issue by establishing a career path for enforcement agents. The requested positions will be responsible for supervising and training law enforcement officers while overseeing alcohol and tobacco permits and marijuana facilities including dispensaries, processors and cultivation facilities. Approval of this request will result in an anticipated cost of approximately \$71,476 including matching and these positions will be funded through Special Revenue and General Revenue.

The establishment of the salary administration grid along with the movement of current incumbents is necessary to recruit new employees as well as retain those currently employed. Over the past year, the turnover rate for the DFA Regulatory Enforcement Agent, X131C, grade GS07, classification has been 15.38% within DFA. There are 22 current incumbents within this classification with an average annual salary of \$49,631 and 9.56 average years of service. The anticipated cost of the implementation of the salary administration grid is approximately \$116,933.

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This amount accounts for salary increases of current incumbents to the requested rate along with one-time payments per years of service as law enforcement officers.

RECOMMENDATION

The Office of Personnel Management has reviewed the request and **recommends** the approval of three (3) surrender pool positions, the establishment of a salary administration grid for the classification of DFA Regulatory Enforcement Agent, X131C, GS07, as well as the movement of current incumbents. The total cost for the request is \$188,409 from both special and general revenue.

Your consideration of this request is greatly appreciated.



STATE PERSONNEL DIRECTOR

1/5/24
DATE

KB/ca:1-3

Positions Requested							
Business Area	# of Positions	Class Code	Title	Grade	Salary Range	*Estimated Cost	Funding Source(s) %
9906	1	NEW	DFA Regulatory Enforcement Agent III	GS10	\$56,039 - \$81,256	\$ 96,107.20	100% Special Revenue
9906	1	NEW	DFA Regulatory Enforcement Agent III	GS10	\$56,039 - \$81,256	\$ 96,107.20	50% Special Revenue & 50% General Revenue
9906	1	NEW	DFA Regulatory Enforcement Agent III	GS10	\$56,039 - \$81,256	\$ 96,107.20	50% Special Revenue & 50% General Revenue
Total Estimated Cost of the New Positions including 40% match						\$	288,321.60
Total Cost to General Revenue						\$	96,107.20

Positions Surrendered								
Business Area	Position Number	Class Code	Title	Grade	Date Vacated	Position Budgeted Y/N	**Estimated Savings	Funding Source(s) %
9906	2211-2211	X131C	DFA Regulatory Enforcement Agent	GS07	8/5/2023	Y	\$ 75,968.84	100% General Revenue
9906	2211-2212	X131C	DFA Regulatory Enforcement Agent	GS07	5/19/2023	Y	\$ 73,403.37	100% General Revenue
9906	2211-2213	X131C	DFA Regulatory Enforcement Agent	GS07	8/18/2023	Y	\$ 67,473.08	100% Cash
Total Estimated Savings							\$	216,845.30
Estimated Savings to General Revenue							\$	149,372.22

Total Estimated Cost to the Agency	\$	71,476.30
Total Estimated Cost to General Revenue	\$	(53,265.02)
Total Authorized Position Adjustment		0

* The Estimated Cost calculation is based upon the Midpoint of the salary range, plus 40% matching.

** The Estimated Savings calculation is based upon the exit salary plus 40% match, only if a position has been vacant less than 1 year from the date of the request. Otherwise, savings is solely based on \$6,600 provided to EBD for all budgeted positions.



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

OFFICE OF THE SECRETARY

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December 22, 2023

Re: Pool Position Request

Leslie Fiskien, Secretary
Arkansas Department of Transformation and Shared
Services
501 Woodlane
Little Rock, AR 72201

Dear Secretary Fiskien:

The Department of Finance and Administration – Regulatory Division respectfully requests to surrender three (3) vacant positions in exchange for three (3) new positions and one new title. Additionally, the division requests a Labor Market Rate for the DFA Regulatory Enforcement Officer, grade GS07, of \$53,000, as well as approval of a Labor Market Movement of current DFA Regulatory Enforcement Agents up to this newly approved rate.

The DFA Regulatory Division will implement a salary administration grid for sworn law-enforcement officers serving as DFA Regulatory Enforcement Officers, grade GS07. The grid will implement a threshold salary. All officers who fall below the threshold will be moved to the threshold amount. Upon implementation, each officer will receive a one-time 0.80% per year increase based upon each year the officer has been employed as a law enforcement officer with the state. Total implementation cost for the salary administration grid will be \$117,015.01. Please see the below table referencing how the salary administration grid would be implemented for DFA Regulatory Enforcement Officers, grade GS07.

Class Code	Title	Grade	Threshold	Lowest Increase	Highest Increase	Average Increase
X131C	DFA Regulatory Enforcement Agent	GS07	\$53,000	\$849.85	\$8,424.03	\$5,318.86

The DFA Regulatory Division works diligently to successfully enforce statutory responsibilities. Alcoholic Beverage Control (ABC) and Arkansas Tobacco Control (ATC) law enforcement work within a range of complex tasks to ensure compliance with alcohol, medical marijuana, and tobacco-related regulations. These complex tasks include underage drinking operations, compliance checks, investigating violations, complaints, and allegations, managing alcohol at public events, compliance training, and community outreach and education. In addition, the DFA Regulatory Division works complex investigations involving illegal tobacco smuggling which funds all types of other criminal activity. These tasks require a combination of legal knowledge, investigative skills, communication abilities, and the ability to navigate complex regulatory frameworks.

The DFA Regulatory Division struggles to recruit top talent required to successfully operate a multifaceted law enforcement entity. The Division presents a restructuring plan that will assist in the

recruitment and retention of top talent. This plan includes surrendering 3 positions that are graded GS07 in exchange for 3 positions graded GS10.

A. POSITIONS TO SURRENDER

Class Code	Position Grade/Number	Position Title	Salary Range
X131C	GS07 (2211-2211)	DFA Regulatory Enforcement Agent	\$40,340-\$58,493
X131C	GS07 (2211-2212)	DFA Regulatory Enforcement Agent	\$40,340-\$58,493
X131C	GS07 (2211-2213)	DFA Regulatory Enforcement Agent	\$40,340-\$58,493

B. POSITIONS REQUESTED

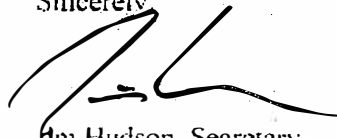
Class Code	Position Grade	Position Title	Salary Range
NEW	GS10	DFA Regulatory Enforcement Agent III	\$56,039-\$81,256
NEW	GS10	DFA Regulatory Enforcement Agent III	\$56,039-\$81,256
NEW	GS10	DFA Regulatory Enforcement Agent III	\$56,039-\$81,256

NEW TITLE: DFA Regulatory Agent III will be the most senior regulatory law enforcement officer. Each position will oversee approximately 10 law enforcement officers and be responsible for the management of approximately 3,000 alcohol permits and 2,500 tobacco permits as well as 8 large marijuana cultivation facilities, 38 marijuana dispensaries, and 7 marijuana processors. Additionally, this role will provide field training for new agents.

Approval of the surrender of these three (3) vacant positions in exchange for three (3) new positions and approval of the Labor Market Rate of \$53,000 for the DFA Regulatory Enforcement Agent, GS07, and movement of current incumbents up to this rate, and the salary administration grid will not increase positions or appropriation for the Department of Finance and Administration.

These positions are funded through medical marijuana funds, tobacco permit revenue, and general revenue.

Sincerely,



Jim Hudson, Secretary
Arkansas Department of Finance and Administration

cc: Alan McVey
Chief of Staff



Department of Transformation and Shared Services
Office of Personnel Management
Request for Pool Position

Business Area

9906

Department Name / Agency Name

Department of Finance and Administration

Date

12/22/2023

Position(s) to be Surrendered

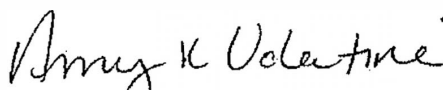
Position/Item Number	Classification Title	Pay Grade	Class Code
22112211	DFA Regulatory Enforcement Agent	GS07	X131C
22112212	DFA Regulatory Enforcement Agent	GS07	X131C
22112213	DFA Regulatory Enforcement Agent	GS07	C131C

Classification(s) Requested

Classification Title	Pay Grade	Class Code
DFA Regulatory Enforcement Agent III	GS10	NEW
DFA Regulatory Enforcement Agent III	GS10	NEW
DFA Regulatory Enforcement Agent III	GS10	NEW

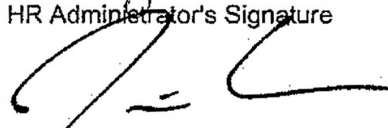
I hereby certify that:

- A. The position requested is critical to the operation of this Agency and a detailed justification for this request is attached. (Justification should be detailed and not less than one typed page in length.)
- B. Sufficient funds are available to fund this position at the requested grade.
- C. This is a full-time position that will not be used for any other purpose than that which is outlined in the attached narrative.
- D. The position to be surrendered is the highest grade position available and the loss of this position will not adversely affect the operation of this Agency.
- E. No current employee will be displaced by this action.


HR Administrator's Signature

12/22/2023

Date


Department Secretary's Signature

12/22/2023

Date