



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

**OFFICE OF PERSONNEL MANAGEMENT**  
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November 14, 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 the Arkansas Insurance Department (AID) for your review.

The Arkansas Insurance Department requests the resurrection of one (1) classification. Their classification requested is listed below:

**REQUESTED CLASSIFICATION TITLE**

**REQUESTED PAY GRADE**

A117C, Accredited Financial Examiner

GS11

**JUSTIFICATION**

The Arkansas Insurance Department currently possesses zero positions authorized as A117C, Accredited Financial Examiner. The agency needs a classification responsible for conducting complex examination processes while ensuring compliance with regulations governing financial and securities institutions. This classification requires a bachelor's degree in accounting or a related field, four years of work experience, certified public accountant designation, as well as certification as an 'accredited financial examiner' by the Society of Financial Examiners. This classification is situated between two existing classifications within the agency, A118C, Financial Examiner Specialist, GS10 and A004C, Certified Financial Examiner, GS12. This classification was previously created at the beginning of Fiscal Year 2016, delimited at the conclusion of Fiscal Year 2017, and the agency needs to resurrect it.

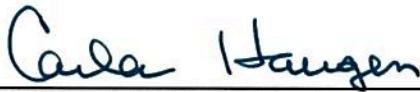
The Office of Personnel Management has reviewed this request and recommends the resurrection of their requested classification A117C, Accredited Financial Examiner. The agency assures our office that it possesses the necessary funding to support this request. Your approval of this request is greatly appreciated.

Senator John Cooper, Co-Chairperson  
Representative Les Eaves, Co-Chairperson  
November 14, 2017  
Page 2

Sincerely,



Kay Barnhill  
DFA State Personnel Administrator



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Chief Fiscal Officer of the State

NOV 03 2017

Date

KB/jlh: 1-2

# Arkansas Insurance Department



Asa Hutchinson  
Governor




Allen Kerr  
Commissioner

## MEMORANDUM

**Date:** November 3, 2017

**To:** Allen Kerr, Commissioner  
Russ Galbraith, Chief Deputy Commissioner   
Stephanie Lilly-Palmer, Director of Human Resources 

**From:** Mel Anderson   
Deputy Commissioner for Financial Regulation

**Re:** Request for Return of Accredited Financial Examiner Position (A117C) (GS11)  
(Previously C128)

In order to move forward with recruiting efforts as soon as possible, the Finance Division requests the Accredited Financial Examiner position be resurrected for use by the AID Finance Division Financial Examination /Analysis Unit for the following reasons. Despite receiving approval for exceptionally well qualified pay levels for individual applicants, and due to the unique experience and certification requirements of the position, the department has been unable to attract qualified candidates for the Certified Financial Examiner classification (GS12). Therefore, a lower classification position must be added that will provide AID with entry to mid level classifications which will allow the Finance Division to hire and develop Certified Financial Examiner candidates. Those hired in these positions will gain experience under the AID and ultimately be ready to become Certified Financial Examiners, (GS12).

National accreditation standards require the Department to maintain sufficient qualified staff and resources to conduct effective financial analysis and examinations of all domestic insurers. Requirements for accreditation are rigorous, and standards for re-accreditation are changing and more stringent each round. The Finance Division has undertaken measures to fill open positions, but resignations, retirements and other turnover activity have added to an already difficult challenge to fill critical open positions with qualified candidates.

- The resurrection of this position is critical to the financial examination area as the Accredited Financial Examiner position is necessary to provide for the development of staff to become ready to become Certified Financial Examiners to conduct financial examinations required by Arkansas Statute.
- Department financial examinations require application of rigorous national standards that necessitate the work of experienced financial examiners qualified to provide the professional skill and experience needed for complex and difficult examinations. The resurrection of the AFE position will provide the ability to train and develop necessary experience to accomplish these requirements.
- In order for the Department to maintain high quality financial solvency regulation, it must attract highly qualified and experienced financial examiners to perform the demanding duties and responsibilities of the Certified Financial Examiner position.