

REFERENCE GUIDE

for

THE PERSONNEL SUBCOMMITTEE

of the

**90th General Assembly
Joint Budget Committee**



2015 - 2017

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.

Base Level and Unbudgeted Positions

Base Level positions are positions that were budgeted during the last annual budgeting process. 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.

Total Positions Over Base Level

This number represents the positions requested by an agency and/or approved by the Legislature over the base level (budgeted) number of positions in an agency's budget request.

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.

Additional Positions can only be requested and approved during the biennial budget process. They are generally requested based on increased work load or establishment of new programs.

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 C109, but they don't have a vacant position with that classification. They do, however, have a vacant Fiscal Support Analyst, Grade C115. 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 C110, be upgraded to a Grade C112. If recommended then all positions in state government with the Payroll Officer classification will be upgraded to the C112. 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.

Extraordinary Salary Increase

An Extraordinary Salary Increase (ESI) is a requested increase to the Line Item Maximum (LIM) of an unclassified title, above the COLA set by the Governor. Most commonly, unclassified titles will be Directors and Deputy Directors but are also found in higher education titles. This type of increase is usually requested due to market conditions, retention and recruiting, organizational structural change in the agency or increased job duties assigned to the classification.

The ESI requests are requested and reviewed during the Biennial Budget Process.

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.

The Act states that:

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

(b) No employee shall be paid at a rate of pay higher than the appropriate rate in the grade assigned to his class, and no employee shall be paid more than the maximum for his grade, provided that employees presently employed in a position who are being paid at a rate in excess of the maximum for their assigned grade may continue to receive their rate of pay.

(c) It is the specific intent of the General Assembly to authorize, in the enactment of this compensation plan, maximum 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 thereto unless the department head of the agency or the institution shall determine that the employee, by experience, ability, and work performance, has earned the increase in pay authorized for the appropriate rate.

(d) The required time in each pay level for an employee to be eligible for a salary increase is twelve (12) months."

(Sections (e)1 and (e)2 establish the grades and pay levels for each year of the biennium. Each of the Compensation Plans (also called Pay Plans) can be found in the inside covers of this book.)

"(f) It is the intent of the General Assembly that the compensation plan provided for in subsections (a) through (e) of this section shall be implemented and function in compliance with the Regular Salary Procedures and Restrictions Act, § 21-5-101 et seq., other provisions in the Uniform Classification and Compensation Act, § 21-5-201 et seq., and other fiscal control laws of this state, where applicable."

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 prepare appropriate recommendations to the Governor and the Legislature prior to and during the Legislative session.

In order to ensure and provide for the accuracy and efficiency of the Uniform Classification and Compensation Plan, and to provide for an efficient and equitable system of personnel management, the Office of Personnel Management, with the review of the Legislative Council, is directed to:

- study on a continuing basis and modify and revise when and where necessary the current classifications, the class specifications, and minimum requirements;
- create where necessary new classifications at an appropriate grade level which will accurately describe those positions for which no appropriate classification exists;
- determine those positions which are improperly classified and reclassify those positions to the appropriate classification subject to the provisions of this subchapter; and
- develop and implement the policies, rules, regulations, and procedures necessary for the establishment and maintenance of the Uniform Classification and Compensation Act.

CAREER SERVICE PAY PLAN

PAY GRADE	ENTRY	BASE	MIDPOINT	MAXIMUM	CAREER
C101	\$15,080	\$15,683	\$18,663	\$21,643	\$23,374
C102	\$15,512	\$16,467	\$19,761	\$23,054	\$24,899
C103	\$16,288	\$17,291	\$20,922	\$24,553	\$26,517
C104	\$17,102	\$18,155	\$22,149	\$26,144	\$28,235
C105	\$17,957	\$19,063	\$23,448	\$27,832	\$30,059
C106	\$18,855	\$20,016	\$24,820	\$29,624	\$31,994
C107	\$19,798	\$21,017	\$26,271	\$31,525	\$34,048
C108	\$20,788	\$22,068	\$27,805	\$33,543	\$36,227
C109	\$21,827	\$23,171	\$29,427	\$35,684	\$38,538
C110	\$22,919	\$24,330	\$31,142	\$37,954	\$40,991
C111	\$24,065	\$25,546	\$32,955	\$40,363	\$43,592
C112	\$25,268	\$26,824	\$34,871	\$42,918	\$46,351
C113	\$26,531	\$28,165	\$36,614	\$45,064	\$48,669
C114	\$27,858	\$29,573	\$38,445	\$47,317	\$51,102
C115	\$29,251	\$31,052	\$40,367	\$49,683	\$53,657
C116	\$30,713	\$32,604	\$42,386	\$52,167	\$56,340
C117	\$32,249	\$34,234	\$44,505	\$54,775	\$59,157
C118	\$33,861	\$35,946	\$46,730	\$57,514	\$62,115
C119	\$35,554	\$37,743	\$49,067	\$60,390	\$65,221
C120	\$37,332	\$39,631	\$51,124	\$62,616	\$67,626
C121	\$39,199	\$41,612	\$53,264	\$64,915	\$70,108
C122	\$41,159	\$43,693	\$55,490	\$67,287	\$72,670
C123	\$43,217	\$45,877	\$57,806	\$69,734	\$75,312
C124	\$45,377	\$48,171	\$60,214	\$72,257	\$78,038
C125	\$47,646	\$50,580	\$62,719	\$74,858	\$80,847
C126	\$50,029	\$53,109	\$65,324	\$77,539	\$83,742
C127	\$52,530	\$55,764	\$68,032	\$80,301	\$86,725
C128	\$55,156	\$58,553	\$70,849	\$83,145	\$89,796
C129	\$57,914	\$61,480	\$73,776	\$86,072	\$92,958
C130	\$60,810	\$64,554	\$76,819	\$89,085	\$96,212

Professional and Executive Pay Plan

PAY GRADE	BASE	MIDPOINT	MAXIMUM
N901	\$65,000	\$73,125	\$81,250
N902	\$67,600	\$76,050	\$84,500
N903	\$70,304	\$79,092	\$87,880
N904	\$73,116	\$82,256	\$91,395
N905	\$76,041	\$85,546	\$95,051
N906	\$79,082	\$88,968	\$98,853
N907	\$82,246	\$92,526	\$102,807
N908	\$85,536	\$96,228	\$106,919
N909	\$88,957	\$100,077	\$111,196
N910	\$92,515	\$104,080	\$115,644
N911	\$96,216	\$108,243	\$120,270
N912	\$100,065	\$112,573	\$125,081
N913	\$104,067	\$117,075	\$130,084
N914	\$108,230	\$121,759	\$135,287
N915	\$112,559	\$126,629	\$140,699
N916	\$117,061	\$131,694	\$146,327
N917	\$122,914	\$138,279	\$153,643
N918	\$130,289	\$146,575	\$162,862
N919	\$139,410	\$156,836	\$174,262
N920	\$150,562	\$169,383	\$188,203
N921	\$164,113	\$184,627	\$205,141
N922	\$180,524	\$203,090	\$225,655

SPECIAL RULES FOR THE JOINT BUDGET COMMITTEE REGULAR AND FISCAL SESSIONS

Adopted January 13, 2015

1. **PRESIDING OFFICER.** The Senate Chairman and House Chairman of the Joint Budget Committee shall rotate the chairmanship from day to day, unless otherwise agreed to by them.
2. **QUORUM.** The presence of *twenty-nine (29)* members of the Joint Budget Committee shall be necessary to constitute a quorum to transact business.
3. **VOTE.** The affirmative vote of a majority of the membership of the Joint Budget Committee (*29*) shall be necessary to adopt any matter, unless otherwise provided herein.
4. **LEGISLATIVE COUNCIL\JOINT BUDGET COMMITTEE OR JOINT BUDGET COMMITTEE RECOMMENDATIONS.** Appropriation bills shall be drafted in accordance with the recommendations of the Legislative Council\Joint Budget Committee, or Joint Budget Committee, or both, and shall be introduced in the General Assembly by the Joint Budget Committee, without alteration or change thereof.

In the event the Legislative Council\Joint Budget Committee or the Joint Budget Committee meeting in Pre-Regular Session or Pre-Fiscal Session budget hearings has failed to make a recommendation on any appropriation, the bill to be introduced shall be as developed by the Joint Budget Committee.

If the Committee recommends "Do Pass, as Amended", the Committee shall attach the amendment proposed by the Committee to the bill.

5. **MEETINGS.** The Joint Budget Committee shall meet from time to time upon call of either one or both of the Co-Chairmen, or at such time as determined by the Committee in its previous meeting, or upon written request of a majority of the members of the Committee filed with either or both of the Co-Chairmen. Meetings of the Joint Budget Committee shall be held in Committee Room A, Fifth Floor, Big Mac Building, unless otherwise determined.
6. **AGENDA.** An agenda for each meeting of the Joint Budget Committee shall be prepared by the staff of the Bureau of Legislative Research, with the approval of the Co-Chairmen of the Committee, reflecting all items of business scheduled for consideration at such meeting, and copies thereof shall be furnished each member of the Committee. No item of business may be considered at any meeting of the Joint Budget Committee which is not noted on the Agenda prepared in the aforementioned manner, except upon suspension of the Rules. Copies of the Agenda for each meeting of the Joint Budget Committee shall be made available to members of the General Assembly who are not members of the Committee, upon request therefor.
7. **SUSPENSION OF THE RULES -- RECONSIDERATION.** A vote of two-thirds (*2/3*), which equals *38* votes, of the membership of the Joint Budget Committee shall be required to suspend the Rules or to reconsider any action previously taken by the Committee. Provided, however, that the number of votes required to amend any rule shall be a majority of the membership of the Joint Budget Committee.
8. **AGENCY REQUESTS FOR SPECIAL HEARINGS.** Whenever a state agency or any other person shall request an opportunity to appear before the Joint Budget Committee to present any budget item, such request shall be in writing setting forth therein the proposition for the request, including supporting data. A state agency within the Executive Department shall, prior to submitting such letter, notify the Governor of their desire to appear before the Committee, outlining the business to be presented to the Committee, and shall attach to their request a letter

from the Governor indicating the Governor's view in regard to such request. Copies of all letters requesting special appearances shall be placed on the Agenda, under the heading of communications, for the next following Committee meeting in the manner set forth under the heading "Agenda" under these Rules.

9. **REQUESTS FROM THE GOVERNOR.** Whenever the Governor wishes to request a special appearance before the Joint Budget Committee, or desires to present a budget request, or a change in action on a budget request, for consideration by the Committee, the Governor shall address a letter to the Committee setting forth the details thereof. Letters from the Governor shall be placed under the heading "Letters from the Governor" in the manner and procedure set forth under "Agenda" in these Rules.
10. **REVENUE STABILIZATION LAW.** It shall be the duty of the Joint Budget Committee to prepare a proposed Revenue Stabilization Law, or amendments to the existing Revenue Stabilization Law, to provide funding for the budget enacted by the General Assembly. The draft of the proposed Revenue Stabilization Law shall be submitted to the Committee, and placed on the Agenda at least one (1) day prior to the meeting at which the same is to be considered.
11. **SINGLE SUBJECT MOTIONS.** No motion shall be considered by the Joint Budget Committee that recommends changes in more than one (1) budget or appropriation bill. Provided that this Rule shall not apply to motions dealing with pay plan or fringe benefits or similar matters which may be common to more than one (1) appropriation bill. This Rule shall not apply to the bill proposing the Revenue Stabilization Law, or provisions to be contained therein.
12. **ROLL CALL VOTE.** Any three members of the Joint Budget Committee may require an oral roll call on any issue before the committee and have the ayes and nays entered into the record.
13. **ALTERNATES.** In order to sit and vote on a meeting to meeting basis, an alternate Joint Budget member must be contacted or authorized by the member for which he or she will serve. The alternate shall then notify the Joint Budget Committee staff, prior to the beginning of the meeting that he or she will be attending that meeting for the member who has authorized his or her attendance. The committee staff shall then strike that member's name from the roster for that meeting and shall substitute the alternate's name for the duration of the meeting.
14. **"MEMBER'S DAY".** During a Regular Session, all members of the General Assembly may request that their bill (referred to as member bills) be considered by the Joint Budget Committee during its weekly meeting referred to as "member's day". During a Regular Session each Thursday is designated as "member's day", and the Joint Budget Committee will consider member bills first on the Joint Budget agenda. Each member wishing to have a bill considered on "member's day" must notify the staff at least one day before the meeting. An affirmative vote of two-thirds of the membership of the Joint Budget Committee is required to consider a member bill if the bill does not appear on a printed Joint Budget Committee agenda. Copies of each member bill to be considered that day, will be made available to the committee members for their review and consideration.

24 HOUR RULE. During a Regular Session, there shall be at least one intervening business day between the day a bill is introduced and the day it may be considered by the Joint Budget Committee.