EXHIBIT E



OFFICE OF PERSONNEL MANAGEMENT Administrator's Office

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January 16, 2018

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 Military Department (AMD) to establish on-call duty compensation differentials in accordance with Ark. Code Ann. §21-5-221.

The Arkansas Military Department has requested the establishment of on-call duty differentials up to 10% for the following classifications:

Class Code	Classification	Grade	Salary Range
T036C	Military Facilities Supervisor	GS06	\$36,155 - \$52,424
S022C	Skilled Trades Supervisor	GS05	\$32,405 - \$46,987
S031C	Skilled Tradesman	GS04	\$29,046 - \$42,116

AMD has requested the establishment of a 10% on-call duty compensation differential for the classifications listed above to ensure employee availability at certain military facilities open 24-hours per day. These employees are required to be prepared to respond to emergencies throughout the base that might arise outside of normal business hours. AMD requires these positions to, or be prepared to provide services on nights, weekends, holidays, or other situations when the agency does not have regularly scheduled staff coverage. In Fiscal Year 2018, there are an estimated 50 employees at the agency that could be eligible to receive a differential; however, there are currently only eight employees that serve in regularly scheduled rotating call status. The agency does not anticipate that additional employees will be eligible for the on-call duty differential. AMD reported a total of 25 hours for the month of November 2017 that on-call employees reported to facilities within the scheduled time period. OPM estimates that the cost of this differential will be \$16,869.68 for the eight employees should they receive the on-call duty differential for 48 hours per week.

Senator John Cooper, Co-Chairperson Representative Les Eaves, Co-Chairperson January 16, 2018 Page 2 of 2

The Office of Personnel Management has reviewed AMD's request and recommends approval of an on-call duty compensation differential for Fiscal Year 2018.

Your consideration of this request is appreciated.

Sincerely,

Kay Bunkill
Kay Barnhill

State Personnel Administrator

Chief Fiscal Officer of the State

JAN 03 2018

Date

KB/sp:1-2



Directorate of State Resources Bldg. 4201, Camp Robinson North Little Rock, Arkansas 72199-9600

ASA HUTCHINSON Governor Abbi Bruno Human Resources Administrator

November 28, 2017

Kay Barnhill, State Personnel Administrator Office of Personnel Management Department of Finance and Administration P. O. Box 3278 Little Rock, AR 72203

Dear Ms. Barnhill,

The Arkansas State Military Department (AMD) is requesting 10% on call differential pay for the following classifications:

T036C Military Facilities Supervisor GS06 S022C Skilled Trades Supervisor GS05 S031C Skilled Tradesman, licensed Journeyman Electrician GS04 S031C Skilled Tradesman, licensed Journeyman Plumber GS04 S031C Skilled Tradesman, licensed HVAC Mechanic GS04

AMD requests approval to incorporate a 10% on-call duty compensation differential. The differential will be utilized in accordance with § 21-5-221. Military facilities are open 24 hours per day, seven days per week. The differential is needed in order to ensure employee availability in the event their services are needed. The above trades must always be prepared to respond to emergencies throughout the base. AMD requires these positions to provide services on nights, weekends, holidays, or other situations when the agency does not have regularly scheduled staff coverage. In fiscal year 2018, it is currently estimated that up to 50 employees at the agency may qualify to receive the differential and the differential is limited to the licensed trades only. While up to 50 employees may qualify to receive a differential, currently there are only eight employees truly serving in a regularly scheduled rotating on call status. The projected total cost of the eight employees, should they each receive the on call differential for 48 hours per week, is approximately \$39,873.80. It is not anticipated that additional employees will be eligible for on-call duty differential.

The On call duty or stand by duty plan is as follows:

On call duty or stand by duty may be authorized for an employee whose job requires him or her to provide services nights, weekends, or holidays or other situations when the agency does not have regularly scheduled staff coverage.



Directorate of State Resources Bldg. 4201, Camp Robinson North Little Rock, Arkansas 72199-9600

ASA HUTCHINSON Governor Abbi Bruno Human Resources Administrator

On call duty or stand by duty differential is to be used for officially scheduled duty outside regular work hours during which an employee is required to be accessible by telephone, pager, or other means and must return to the designated work site upon notification of need within a specified response time.

An employee who is required to be available for duty on nights, weekends, holidays will be eligible to receive call duty or stand by duty pay equivalent of an hourly rate not to exceed 10% of his/her base hourly pay rate for each call duty or stand by duty hour for not more than 48 hours during any seven-day work period.

Compensation shall not be paid to any employee required to be on call duty or stand by duty who fails to respond after the second notification that his or her services are needed.

- If the equipment or paging device malfunctions the penalty shall not apply.
- An employee on call duty or stand by duty who is called into work shall be compensated for the actual hours worked at the appropriate rate of pay with a minimum of two (2) hours for each call back.
- The employee shall not be paid call duty or stand by duty for hours actually worked during a call back.
- If granting additional compensation would have the effect of exceeding the maximum or the
 career pay level for the grade assigned to the employee's classification, the additional
 compensation shall not be considered as exceeding the maximum allowable rate for that grade.

Attached is a summary of the cost associated with implementing and maintaining call duty or stand by duty differential. The cost will be covered in the agency's existing appropriation and the on call duty or stand by duty differential will not be implemented using funds specifically set aside for other programs within the agency.

Your approval of the State Military Department call duty or stand by duty plan would be greatly appreciated.

Thank you for your consideration.

Sincerely,

Abbi Bruno

HR Administrator