



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

**OFFICE OF PERSONNEL MANAGEMENT  
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February 17, 2016

Senator Uvalde Lindsey, Co-Chairperson  
Representative Lanny Fite, 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 Department of Veterans Affairs (ADVA) for your review.

ADVA is requesting twelve (12) positions from the OPM Central Growth Pool established by Arkansas Code §21-5-225(b), which states:

- (1) The office shall establish and maintain a central growth pool of two hundred (200) career service positions at grade C130 and one hundred (100) professional and executive positions at grade N922 to be used to establish additional positions in state agencies of the proper classification and grade when the state agency does not have sufficient positions available with the appropriate classification and grade to meet an agency's mandated responsibilities.*
- (2) Central growth pool positions are to be used by the state agencies if the personnel services needs exceed the number of positions in a classification authorized by the General Assembly and were not anticipated at the time of the passage of the agency's operating appropriation act.*
- (3) No position established under this section may exceed a salary rate in excess of the highest rate established by grade in the requesting agency's appropriation act.*
- (4) The agency shall provide justification to the office for the need to allocate positions from the central growth pool.*
- (5) Titles shall not be assigned to the agency from the central growth pool until specific positions are requested by the agency, recommended by the office, and reviewed by the Personnel Committee.*
- (6) If the new classifications are necessary for any of these additional positions, the office may assign the appropriate title and grade after review by the Personnel Committee.*

*(7) If an agency requests any central growth pool position to be continued during the subsequent fiscal year, the position must be requested as a new position in the agency's subsequent fiscal year budget request.*

<u>POSITIONS</u>	<u>CLASSIFICATIONS REQUESTED</u>	<u>CLASS CODE</u>	<u>GRADE</u>
1	Food and Beverage Director	S003C	C122
1	Food Preparation Manager	S044C	C114
2	Food Preparation Supervisor	S056C	C111
8	Food Preparation Specialist	S085C	C104

**JUSTIFICATION:**

In an effort to improve the quality of food services provided to the Fayetteville Veterans Home residents, ADVA has opted to bring in their own food service workers, rather than continuing to contract out this service. There have been constant issues such as insufficient staffing levels, high staff turnover, inadequate meal preparation, and food being served in an untimely manner. This causes food service complaints from residents for which the agency is ultimately accountable. Funds currently going to contractors can be better utilized to prepare quality meals and boost the overall quality of life for residents. The agency has stated that there will not be an increase in food service costs as a result of these anticipated changes.

ADVA has stated that the overall number of authorized positions will ultimately be made neutral or below the current appropriation by the imposition of a reduction in force within the next twelve (12) months. ADVA will not fill any vacancies in positions in the interim which will be subject to the future reduction in force.

The Office of Personnel Management (OPM) has reviewed this request and **recommends** approval of twelve (12) positions from the OPM Growth Pool. Your approval of this request is greatly appreciated.

Sincerely,

  
Kay Barnhill  
State Personnel Administrator



Chief Fiscal Officer of the State

FEB 09 2016

Date



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**Asa Hutchinson**  
Governor

**Matt Snead**  
Director

January 25, 2016

Ms. Kay Barnhill Terry  
State Personnel Administrator  
Department of Finance and Administration  
1509 W. 7th Street  
Little Rock, AR 72201

**RE: Arkansas State Veterans Home at Fayetteville – Food Service / Request for Growth Pool Positions**

Dear Ms. Terry,

We respectfully request twelve (12) growth pool positions in order to bring food service at the Arkansas State Veterans Home at Fayetteville in-house, effective July 1, 2016. This service is currently contracted to Healthcare Services Group through June 30, 2016.

This growth position pool request will be offset by an anticipated Reduction in Force of sixteen (16) agency positions at the Home within the next twelve (12) months. We are currently preparing bids to subcontract housekeeping and maintenance services to an outside contractor and eliminate security officer positions. We are not aware of other nursing homes that have security officers on-site 24 x 7 x 365 and there is no legal requirement for us to do so. We are evaluating the Home's security plan and will make adjustments as needed, without the need for agency personnel to perform this function.

Since January, 2014, we have focused significant attention on food service at the Home, attempting to improve the quality of meals provided to our residents through consistent, timely feedback to the food service contractor. In spite of our efforts, including replacement of the previous contractor with another reputable food service contractor brought in six (6) months ago, meal quality and service delivery have not improved.

With both food service contractors, there have been continual issues with meals not served in a timely manner or at the proper temperature; inadequate food service staffing levels and high

contractor staff turnover; improper consistency of pureed foods; coffee and juice not being dispensed in a timely manner with breakfast; resident special meal requests not being met; food overcooked or undercooked; issues with meal presentation being unappetizing; uninspired menu plans and institutionalized service delivery.

Food service issues result in findings against the agency – not against the food service contractor – from the DHS Office of Long-Term Care.

Food is a key ingredient in overall resident well-being and satisfaction. Poor meal intake puts our residents at risk of malnutrition, weight loss and functional decline. Quality of life for a person living in a nursing home is significantly impacted by the quality of food provided.

A 2009 study published by the Oxford University Press, Journal of Gerontology, titled, “Resident Complaints about the Nursing Home Food Service: Relationship to Cognitive Status,” showed that “the majority of nursing home residents are able to reliably answer questions about their satisfaction with the food service, regardless of cognitive status, *and the presence of complaints is related to poor meal intake and depressive symptoms.*”  
<http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2670252/>

Our residents and their families continue to complain about the food service. The primary business driver for contractors is profit. Two reputable food service contractors have demonstrated that they are unwilling to invest the additional resources required to deliver high quality meals to our residents. This in spite of a premium price paid for the service.

ADVA’s primary driver in bringing this service in-house is consistently excellent meals for our residents. We have no profit motive, therefore, the mutual goals of cost effectiveness and service excellence are achievable. Funds that are currently going to the contractor’s bottom line can be better utilized to increase meal quality and overall resident quality of life. We project that food service costs will not increase as a result of bringing this service in-house.

In FY15, the agency spent \$26.32 per day per resident (79 residents), or \$758,852 on contract food service. During FY16, the agency will spend \$23.48 per day per resident (84 residents), or \$720,000 on contract food service.

For food service utilizing state employees, the agency projects it will spend \$714,000 per year to serve 84 residents (\$23.29 per day per resident). This includes \$261,000 per year (\$8.50 per day per resident) for raw food through a state purchasing contract; and \$453,000 for food service labor (12 employees).

Requested positions for each job title:

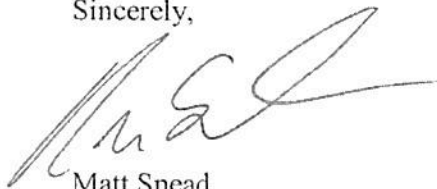
Grade	Class Code	Job Title	# Positions
C122	S003C	Food and Beverage Director (Executive Chef / Certified Dietary Manager)	1
C114	S044C	Food Preparation Manager	1
C111	S056C	Food Preparation Supervisor	2
C104	S085C	Food Preparation Specialist	<u>8</u>
			<b>12</b>

The current Administrator, Kriss Schaffer, has more than 30 years' experience as a nursing home administrator managing the food service function as an internal one. In his experience, control of food service quality and cost is improved with this approach.

This request will have a net neutral impact on the agency's budget, will not require general revenue funding and, when combined with proposed housekeeping, maintenance and security changes at the home, will result in a headcount reduction of four (4) FTEs at the Home within the next twelve (12) months.

Your favorable consideration of this request is appreciated.

Sincerely,



Matt Snead  
Director