EXHIBIT J



OFFICE OF PERSONNEL MANAGEMENT Classification & Compensation

1509 West Seventh Street, Suite 205 Post Office Box 3278 Little Rock, Arkansas 72203-3278 Phone: (501) 682-1753 http://www.arkansas.gov/dfa

December 14, 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 Department of Finance and Administration for your review.

As many of you know, long term Deputy Director, Tim Leathers, is retiring from his position of DFA Deputy Director and Revenue Commissioner at the end of this month. I have taken this time to analyze the organization of DFA and I am requesting some personnel changes that I think will assure a smooth transition for this Department.

The position of Deputy Director of DFA has served as both the Commissioner of Revenue as well as the Deputy Director of Management Services, and all the other divisions within this Department. I am proposing that the Department now have three Deputy Directors with the following titles:

- Deputy Director and Revenue Commissioner This position will direct all
 operations in the Revenue Division. This includes directing statewide tax
 administration and audit divisions, state Revenue offices, motor vehicle and driver
 services offices as well as the legal services for the Department.
 - Currently Walter Anger, is serving in this capacity as the DFA Revenue Assistant Commissioner of Operations and Administration, which is a N912 Position. Mr. Anger's salary is \$114,835. I am requesting that we adjust Mr. Anger's salary to \$125,081 which is the maximum of a grade N912.
- Deputy Director and Chief of Staff This position will direct the day to day
 operations of the Department of Finance and Administration by coordinating
 activities for all DFA Divisions which now includes ABC Enforcement and
 Administration, Racing Commission, Child Support Enforcement, the Division of
 Building Authority, the Governor's Council on Developmental Disabilities, and the
 Arkansas Lottery Commission. as well as the Office of Budget, Office of Personnel
 Management, Office of State Procurement, Employee Benefits Division, and DFA
 Administrative Services.

Senator Uvalde Lindsey, Co-Chairperson Representative Lanny Fite, Co-Chairperson December 14, 2016 Page 2

Carla Haugen will assume these responsibilities. I will use the current Deputy Director position, which has a line item maximum of \$139,918; however, I am requesting the compensation for this position also be set at the maximum of grade N912 which is \$125,081.

 Deputy Director and Comptroller for the state of Arkansas - This position will be responsible for the myriad of financial responsibilities currently directed by the Department of Finance and Administration. This position will also direct the Office of Accounting, Office of Internal Audit, Economic Analysis and Tax Research, and Intergovernmental Services.

Mr. Paul Louthian will assume these responsibilities. I am requesting to adjust Mr. Louthian's salary from \$114,961 to the maximum of his assigned grade of N912 for his current position of DFA Accounting Administrator. This would increase Mr. Louthian's salary to \$125,081.

Your consideration of this request is greatly appreciated. These changes will allow for DFA to continue to function in the efficient manner for which it is currently is known for and allows us to continue to streamline operations.

Chief Fiscal Officer of the State

Date

LWW/kbt:1-2