

Department of Finance and Administration

Office of Personnel Management

Policy Title: **Classification and Compensation Overview**

Policy Number: **1**

Authority: **Ark. Code Ann. §§ 21-5-201 through 207**

Revised: **July 1, 2017**

All positions of state agencies, boards, and commissions are governed by the Uniform Classification and Compensation Act (Class/Comp Act). The Class/Comp Act is administered by the Office of Personnel Management (OPM).

The following definitions will apply to the terms whenever and wherever used in OPM policy:

1. **Agency director:** The executive head of all agencies, authorities, departments, boards, commissions, bureaus, councils, or other agencies of the state.
2. **Class or classification:** A group of positions sufficiently similar as to duties performed, scope of discretion and responsibility, minimum requirements of training and experience or skill, and other characteristics that the same title, the same test of fitness, and the same scale of compensation have been or may be applied to each position in the group.
3. **Class specification:** A written document which identifies a group of positions that have the same type of work and responsibility and states the general components by providing a class title, class code, distinguishing features and examples of work, knowledge, skills, and abilities, and the necessary minimum education and experience requirements to perform the assigned duties.
4. **Crossgrade:** A temporary reclassification of a position during the fiscal year. OPM may authorize a temporary change in the classification of a position from the classification authorized in an agency appropriation act between legislative sessions to assure correct classification.
5. **Demotion:** The change in duty assignment of an employee from a position in one classification to a position in another classification of a lower pay grade within the same pay table.
6. **Employee:** A person employed in a legislatively authorized position either on a full or part-time basis by a state agency. A class title and pay grade must be established in an agency's appropriation act.
7. **Entry pay level:** The minimum entrance salary rate for a grade established on a pay table.
8. **Extra help employee:** A person employed in an extra help position. Extra help employees of state agencies may not exceed 1,500 hours worked in a fiscal year unless otherwise specified in an agency's appropriation act.

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9. **Grade:** An authorized pay range established in the Class/Comp Act.
10. **Job description:** A written document which identifies the duties and responsibilities of a specific position. A job description is not a class specification, but rather describes the tasks involved in a single position.
11. **Job sharing:** A form of employment, approved by OPM, in which the hours of work of two (2) or more persons are arranged in which the work hours of two (2) people are arranged to cover a single, regular, full-time position.
12. **Maximum pay level:** The highest authorized salary rate for a grade established on a pay table.
13. **Midpoint pay level:** The rate of pay midway between the entry pay level and the maximum pay level established for each pay table.
14. **Office of Personnel Management (OPM):** The Office of Personnel Management of the Division of Management Services of the Department of Finance and Administration acting under the authority granted in this policy and subject to the direction of the Director of the Department of Finance and Administration.
15. **Position:** Employment that is legislatively authorized in a state agency, occupied or vacant requiring the services of one (1) full-time equivalent employee.
16. **Promotion:** The change in duty assignment of an employee from a position in one classification to a position in another classification of a higher salary grade within the same pay table.
17. **Reclassification of a position:** A change in the assignment of a position from one classification title to another, or when an employee is assigned to a title that more accurately reflects his/her job functions and responsibilities.
18. **Reduction in force:** A procedure that eliminates positions due to agency's organizational structure change, budgetary reductions, loss of functional responsibility by the agency, loss of federal funding, grants, or other special funds.
19. **Special entry rates:** Rates of pay approved above the entry level of a pay grade.
20. **State agency:** All agencies, authorities, departments, boards, commissions, bureaus, councils, or other agencies of the state supported by appropriation of

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state or federal funds. Generally, state agency does not include the employees of the constitutional offices, General Assembly, Bureau of Legislative Research, Legislative Audit, Supreme Court, Court of Appeals, circuit courts, prosecuting attorneys, Administrative Office of the Courts, Arkansas Department of Transportation, federal military technicians, military training support personnel, federally funded personnel of the Arkansas National Guard, and other military personnel who are paid directly by the federal government, the Arkansas Game and Fish Commission, and state-supported institutions of higher education.

21. State Personnel Administrator: The State Personnel Administrator of the Office of Personnel Management.

22. Transfer: A change in the duty assignment of an employee from one position to another position in the same classification or between pay tables.

Position classification is creating and classifying positions with a title, classification code (job code), and grade level. During each legislative session, the General Assembly will approve the classification titles with assigned grades. Each state agency has a specified number of positions that are authorized in its appropriation act. Salaries for positions covered in an agency's appropriation act must be made in accordance with the Class/Comp Act. For more information about established titles and grades, see the Position Classification (Titles and Grades) policy.

Each position title in the classification system will be described by a class specification which includes a summary of the overall job functions, a listing of typical job functions, a list of knowledge, skills and abilities, and minimum qualifications. The class specification will also contain information on licensures or certifications required to hold the position.

All state agencies are held to the Class/Comp Act unless other provisions in special language found in their appropriation act specifically allows for salary increases, grade assignments, class title assignments, salary increase eligibility, and other provisions different from the Class/Comp Act.

The following agencies are not under the governance of the Class/Comp Act:

1. Constitutional Officers and their employees;
2. The General Assembly and its employees, including employees of the Bureau of Legislative Research and the Division of Legislative Audit;
3. Members and employees of the Supreme Court, the Court of Appeals, circuit courts, prosecuting attorneys, and the Administrative Office of the Courts ;
4. The Arkansas State Highway and Transportation Department;

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5. Federal military technicians, military training support personnel, federally funded personnel of the Arkansas National Guard, and other military personnel who are paid directly by the federal government;
6. The Arkansas State Game and Fish Commission; and
7. State-supported institutions of higher education.

Duties of Legislative Council

1. Review the establishment and implementation of new classification titles proposed between legislative sessions due to program changes;
2. Review the staffing levels of all agencies and submit to the General Assembly for revisions, modifications, or additions;
3. Conduct salary surveys of the private and public sector for comparable jobs to establish equitable and competitive rates for employees; and
4. Review the job evaluation system used to set salary grade levels and recommend and recommend changes to OPM.

Duties of OPM

OPM is responsible for administering and maintaining the statewide classification and compensation plan including:

1. Developing written class specifications based on the duties and responsibilities assigned to the positions and the requirements necessary to satisfactorily perform the duties;
2. Assuring all positions assigned to agencies adhere to the laws governing the statewide classification and compensation system;
3. Offering assistance to all other state agencies, departments, boards, commission or institutions that are not covered by the statewide classification and compensation system which may want to voluntarily establish its positions into classifications in a like manner as the statewide system;
4. When determined necessary, authorizing the reclassification of positions having substantial changes in the duties and responsibilities assigned to the position;
5. Reviewing and monitoring the effectiveness of the statewide classification and compensation plan and submitting recommendations for revisions, modifications, or additions to the Governor and the Joint Budget Committee of the Legislative Council in advance of the general and fiscal sessions;
6. Developing and implementing uniform personnel policies and procedures;
7. Establishing a procedure for reviewing an applicant's qualifications that do not meet or exceed the position's required minimum qualifications, but that may substitute for the required qualifications;
8. Monitoring agency's personnel transactions;

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9. Establishing new classifications at an appropriate grade level to meet new or changed conditions;
10. Reviewing the class specification in order to ensure the accuracy or the description of the assigned duties and minimum requirements necessary to perform these duties to maintain a valid relationship between the requirements and the duties and responsibilities of the job;
11. Administering and maintaining the performance evaluation system;
12. Providing assistance to agencies in identifying, developing, and maintaining training and resource programs;
13. Developing and implementing rules to ensure a uniform personnel administration system;
14. Reviewing and approving both the classification and number of positions for each agency on a biennial basis and providing a recommendation to Legislative Council; and
15. Reviewing and recommending changes to agency's personnel policies, including disciplinary policies.