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Department of Transformation and Shared Services

Governor Asa Hutchinson

Secretary Amy Fecher

Director Kay Barnhill

March 17, 2020

Senator David Wallace, Co-Chairperson  
Representative Jim Wooten, 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 salary administration grid for licensed practical nurses and licensed practical nurse supervisors in accordance with Ark. Code Ann. §21-5-222. OPM has received numerous inquiries from departments employing LPN's and LPN Supervisors regarding turnover and the need to attract and retain these employees in critical direct care positions.

Currently, the State of Arkansas employs 10 LPN Supervisors and 263 LPNs. The statewide turnover rate for these two classifications since the beginning of FY19 is 37.27%. This considerably exceeds the current statewide turnover rate of 11.15%. The proposed statewide nursing salary grid will be available for use by all departments.

OPM reviewed labor market data for Arkansas regarding these classifications. This data, including data from local healthcare providers, yielded an average salary of \$47,700 for LPN's in long-term direct care settings.

New and incumbent employees in these classifications will have a one-time salary adjustment based on their years of nursing experience. For incumbents, this adjustment will occur after approval of the grid; for new employees, any adjustment will occur at the time of hire. Incumbents who are already at the grid rate will receive a 1% increase. The estimated statewide cost for the implementation of the salary administration grid requested above is \$622,500. The LPN Supervisor grid begins at three years, since the classification requires a minimum of three years of experience:

Office of Personnel Management

1509 West 7th Street, Suite 201 \* Little Rock, AR 72201 \* 501.682.1823

<b>LPN (L069C)</b>			<b>LPN Supervisor (L062C)</b>	
<b>Yrs. Experience</b>	<b>Grid Rate</b>		<b>Yrs. Experience</b>	<b>Grid Rate</b>
0	\$36,155		3	\$40,340
1	\$36,697		4	\$41,165
2	\$37,247		5	\$41,990
3	\$37,805		6	\$42,815
4	\$38,372		7	\$43,640
5	\$38,947		8	\$44,465
6	\$39,531		9	\$45,290
7	\$40,123		10	\$46,115
8	\$40,724		11	\$46,940
9	\$41,334		12	\$47,765
10	\$41,954		13	\$48,590
11	\$42,583		14	\$49,415
12	\$43,221		15	\$50,240
13	\$43,869		16	\$51,065
14	\$44,527		17	\$51,890
15	\$45,194		18	\$52,715
16	\$45,871		19	\$53,540
17	\$46,559		20	\$54,365
18	\$47,257		21	\$55,190
19	\$47,965		22	\$56,015
20	\$48,684		23	\$56,840
21	\$49,414		24	\$57,665
22	\$50,155		25	\$58,493
23	\$50,907			
24	\$51,670			
25	\$52,425			

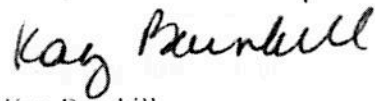
Differential pay up to 10% is also requested for geographic locations that have experienced difficulty in recruiting applicants, additional certifications that exceed the minimum requirements and also, for difficult to fill positions. The total differential pay cannot exceed 25%. All salary adjustments and the awarding of differential pay will be reported to the Legislative Council.

This grid includes no annual increase or salary changes as a retention bonus; annual increases, if any, will occur through the performance pay system applicable to all employees. No single employee will receive more than a \$5,000 increase in a fiscal year; incumbents with grid rate increases over \$5,000 can receive increases up to \$5,000 each fiscal year until reaching the approved grid rate. Grid rates will only be implemented contingent on each departments determination of need.

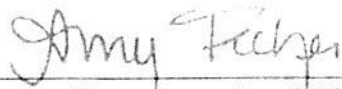
Senator David Wallace, Co-Chairperson  
Representative Jim Wooten, Co-Chairperson  
March 17, 2020  
Page 3

Your approval of this request is greatly appreciated.

Sincerely,



Kay Barnhill  
State Personnel Administrator



Secretary, Transformation & Shared Services

2/17/20

Date

KB/emb:1-3



**Office of Human Resources**

618 Main Street · LITTLE ROCK, AR 72201  
501-320-6250 · Fax: 501-371-1210



January 8, 2020

Ms. Kay Barnhill, Administrator  
Arkansas Department of Finance and Administration  
Office of Personnel Management  
1509 West 7<sup>th</sup> Street  
Little Rock, AR 72203

Re: LPN & LPN Supervisor Labor Market Rate Request

Dear Ms. Barnhill:

The Arkansas Department of Human Services (DHS) request a salary administration grid for both Licensed Practical Nurses (L069C) and Licensed Practical Nurse Supervisor (L062C) positions.

DHS has and is continuing to experience hardships in obtaining qualified LPN's and LPN Supervisors to provide quality care to our clients at our facilities. From a fiscal perspective DHS is having to use much more expensive options to cover LPN openings with Registered Nurses and overtime. The average LPN salary for AR Government is \$39,598. DHS's annual average is \$39,692. LPN Supervisor is \$45,797 for AR Government and \$46,102 for DHS.

Information received from OPM says the statewide turnover for FY19 for LPN's was 24.19%. For July 2019 – November 2019, statewide turnover was 11.25%. DHS turnover data (including terminations, promotion/demotion/transfer) shows the LPN turnover for FY19 is 33%. LPN Supervisor turnover for DHS is at 38% while statewide is 21.43% for the same time period. For July 2019 – November 2019 statewide is 9.09% and DHS is 19.77%.

	Turnover				Average Annual Salary	
	FY '19		7/19 – 11/19		DHS	State
	*DHS	State	*DHS	State		
LPN	33%	24.19%	10.53%	11.25%	\$39,692	\$39,598
LPN Supervisor	38%	21.43%	13.23%	9.09%	\$46,102	\$45,797
*Includes termination, promotion/demotion/transfer						

Below is data received from surrounding areas that employee LPN's:  
Saline Memorial pays \$20 minimum to start and up to \$24 with experience. Green House Nursing Home in Little Rock pays \$22 minimum to start and up to \$26 based on employment history / salary and experience. Arkansas Children's Hospital and Baptist Health pay for

experience. Arkansas Children's / Little Rock pay \$16.28-24.42 and Baptist Health / Little Rock pays \$14-\$25.20 max.

The current pay for LPN's – GS06

DHS: minimum \$17.38 – midpoint \$21.29 – max \$25.20

The current pay for LPN Supervisor's – GS07

DHS: minimum \$19.39 – midpoint \$23.75 – max \$28.12

DHS is proposing that LPN and LPN Supervisor be brought in at 15% above entry beginning the pay period after approval and at each increment their salary will increase by 3.75%. Table below:

Class Code	Title	Grade	Entry	6 Month	1 Year	2 Year	3 Year
L069C	Licensed Practical Nurses	GS06	\$19.98	20.72	21.49	22.29	23.12
L062C	Licensed Practical Nurse Supervisor	GS07	\$22.30	23.13	23.98	24.87	25.80

After six months of service in the above classifications with performance that meets expectations, no disciplinary actions received during the time period, incumbents would be eligible to move with an increase of 3.75%. After one year of service with performance that meets expectations, incumbents would become eligible to move to the step indicated above on the table, which is an additional 3.75%. Year two and three would follow.

For incumbents, they would enter the grid at the entry rate based on their current length of service. Any person currently surpassing the entry rate would receive 3.75%.

There are currently 205 employees who would receive increases. The annual cost for the increase would be \$1,404,439.

DHS is eligible to use the OPM 10% differential on LPN's (L069C), but only for those that perform supervisory duties (to be comparable to the salary of an LPN Supervisor). Due to high turnover of both our LPN and LPN Supervisors, we feel the request for the salary for an administration grid will more equitably compensate these positions, attract qualified candidates, and retain individuals in these positions.

If any additional information is needed for this request, please do not hesitate to contact me at (501) 320-6250. Your review and favorable consideration of this request is greatly appreciated.

Sincerely,



Cindy Gillespie  
DHS Secretary

Cc: Damian Hicks, Chief of Human Resources