



Department of Transformation and Shared Services

Governor Sarah Huckabee Sanders

Secretary Leslie Fiskens

Director Kay Barnhill

January 23, 2024

The Honorable Breanne Davis, Co-Chairperson
The Honorable Mark Berry, 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 Arkansas Department of Transformation and Shared Services (TSS) submits for your review the proposed policies and procedures regarding the statewide performance pay system for the current fiscal year, FY24.

Your review of this item is great appreciated.

Respectfully submitted,

A handwritten signature in black ink that reads 'Kay Barnhill'.

Kay Barnhill
State Personnel Director

LF/cmb



Department of Transformation and Shared Services Office of Personnel Management

Policy Title: MyARPerformance – State Employee Performance Evaluation and Compensation

Policy Number: 29

Authority: Ark. Code Ann. § 21-5-1001 and § 21-5-1101

Effective Date: FY2024

Arkansas state employees who work for the executive branch are required to be formally evaluated once each year. The purpose of the formal performance evaluation process is to allow managers to establish job performance expectations and communicate those to the employee, ensure employees are held accountable, recognize outstanding performance, notify employees of areas that need improvement, and reinforce ethical behavior. The evaluating manager is to provide accurate and actionable feedback that helps an employee develop his or her behavior. Evaluating managers should meet with their employees throughout the year to address any performance concerns or provide encouragement for good performance.

The Office of Personnel Management (OPM) has developed the performance evaluation system and is responsible for managing the system and implementing performance compensation for eligible employees. The performance system, called MyARPerformance is an electronic system accessed through the Empowering Arkansas State Employees (EASE) application.

There are (7) performance standards categories:

- Customer Service (Internal and External)
- Communication
- Accountability
- Professionalism
- Initiative
- Job Knowledge, Skills, and Work Product
- Supervisory/Leadership

The performance standards categories include the typical functions that are expected within that standard. Each department will determine the standards that are job-related for each position and will select the standards that each employee is evaluated and rated against. The employee's manager may choose to establish additional standards and job expectations that are not described within the OPM-established standards. The same standards should be selected for employees within the same classification who perform the same or similar job functions.

During the rating phase of the process, evaluating managers will score an employee's job performance based on one of the below ratings:

1. Exceeds Expectations
2. Meets Expectations
3. Needs Improvement
4. Unsatisfactory

OPM has created a rating definitions matrix as a guidance tool to assist evaluating managers in determining what performance levels are expected within each rating group. The evaluating manager must include sufficient documentation to support an employee's overall rating.



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Performance evaluations are confidential documents. Evaluating managers and other department leadership must not share or discuss evaluations with anyone who does not require access or have a legitimate business need. Any employee found to have violated confidentiality may be subject to disciplinary action as determined by his or her department.

Performance Review Committee—Each department must establish an internal review committee that reviews all performance evaluations within that department. The purpose of the review committee is to ensure accurate and consistent performance evaluation results and supporting documentation.

Distribution—The MyARPerformance system does not require departments to follow a bell curve. Department Secretaries are expected to review overall employee performance results prior to final submission to OPM. OPM will closely review each department's final evaluations. OPM may contact a department if an evaluation is determined to not include sufficient justification or documentation to support the overall rating.

Eligibility for performance compensation—An employee must be employed by the executive branch since July 1, 2023, and must have remained with their department beginning January 2, 2024, through June 30, 2024, to be eligible for performance compensation as determined by their overall rating. Employees who transfer, promote, or demote between departments after January 2, 2024, are ineligible to receive performance compensation. The evaluating department will be responsible for marking these employees as ineligible for performance compensation in AASIS. Departments must still evaluate these employees.

A department is prohibited from establishing mandated scores based on an employee's non-disciplinary probation status. These employees should be evaluated based on their job performance, scored accordingly, and may be eligible for performance compensation based on their overall rating and satisfying the July 1, 2023, and January 2, 2024, service requirements.

Disciplinary Actions—An employee who received a disciplinary probation, suspension, or involuntary demotion during the performance evaluation cycle is ineligible to receive performance compensation regardless of the employee's overall rating.

Performance Compensation—The performance compensation percentage is determined by the Governor. Performance compensation is added to an eligible employee's base salary around the beginning of the next fiscal year. Eligible employees who are compensated near, equal to, or above their maximum pay level may receive their performance compensation as an increase to their base salary, with the resulting salary exceeding the maximum pay level, only after prior approval by Legislative Council.

Failure to Complete a PE—An evaluating manager who fails to complete an employee's performance evaluation by the designated deadline is ineligible for performance compensation and may be subject to disciplinary action as determined by his or her department.

Inactive Status—An employee on extended leave without pay, including military leave, will be evaluated and scored during the same rating period as other employees. An employee who is eligible for performance



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compensation will receive their increase effective when the employee returns to active pay status. The performance compensation will not be applied retroactively.

Appeal Process—There is no statewide appeal process. A department that chooses to allow performance evaluation appeals must submit their appeal process and policy to OPM for review and approval.