



Arkansas Division of Higher Education

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Asa Hutchinson
Governor

Maria Markham, Ph.D.
Director

March 1, 2022

The Honorable David Wallace, Chair
The Honorable David Hillman, Chair
Arkansas Legislative Council – Personnel Subcommittee
State Capitol Building
Little Rock, AR 72201

Dear Senator Wallace and Representative Hillman:

The Arkansas Division of Higher Education (ADHE) hereby submits a request from the University of Arkansas for Medical Sciences for salaries above the midpoint and below the maximum of the classifications established by ACA 21-5-1410. The requested labor market rates affected classifications are explained below.

JUSTIFICATION:

The University of Arkansas for Medical Sciences (UAMS) respectfully requests an entry rate above the midpoint for the nine (9) classified positions detailed in this letter. UAMS is committed to recruiting, training, and retaining quality employees who assist in continuing to lead Arkansas to be the healthiest state in the region through its synergies of education, clinical care, research, and purposeful leadership.

| CLASS | | | PAY | CURRENTLY APPROVED | NEW REQUESTED |
|-------|-----------------------------------|-------|-------------------|-----------------------|------------------|
| CODE | TITLE | GRADE | RANGE | SALARY | SALARY |
| S089C | Food Preparation Technician | C102 | \$23,138-\$34,200 | \$ 29,120 | \$31,200 |
| S087C | Institutional Services Assistant | C103 | \$23,168-\$35,568 | \$ 29,368 | \$31,200 |
| B119C | Lab Assistant | C103 | \$23,168-\$35,568 | \$ 29,368 | \$31,200 |
| M085C | Caregiver | C104 | \$23,198-\$36,991 | \$ 30,094 | \$31,200 |
| S086C | Cook | C104 | \$23,198-\$36,991 | \$ 30,094 | \$31,200 |
| S084C | Institutional Services Supervisor | C104 | \$23,198-\$36,991 | \$ 30,094 | \$31,200 |
| M086C | Child Care Technician | C105 | \$23,227-\$38,471 | \$ 30,849 | \$31,200 |
| C088C | Mail Services Assistant | C105 | \$23,227-\$38,471 | \$ 30,849 | \$31,200 |
| V030C | Shipping and Receiving Clerk | C105 | \$23,227-\$38,471 | \$ 30,849 | \$31,200 |

UAMS has faced many challenges over the past year and a half, however, staffing continues to be a critical concern. The Society for Human Resources Management recently surveyed nearly 1,200 employers and 90 percent attested to struggling to fill open positions while 73 percent experienced a decrease in applications for hard-to-fill positions. UAMS is constantly reviewing data points to better understand how to reduce turnover and time to fill for all of our positions, however, we struggle to compete with other organizations that are offering higher compensation base rates. For example, Arkansas Children's Hospital announced in late September the adoption of \$15/hour as their minimum starting rate of pay. When reviewing the turnover for a sample of the requested positions, we are experiencing abnormal rates. For example, cooks are experiencing a 32.57% turnover rate while childcare technicians are at 54.02%. The cost of turnover can be 1 to 2 times the salary of an employee along with an impact on employee engagement, employee burnout, and service delivery. The time to fill for these positions range up to 60 days. The ideal time to fill is 30 days. Although we are an academic medical center, we compete for talent, for the requested positions, with non-clinical organizations in this area.

RECOMMENDATIONS:

The Arkansas Division of Higher Education has reviewed the submitted documentation by the University of Arkansas for Medical Sciences and recommends the institution's request for approval of the labor market rate for the above-mentioned classifications to be \$31,200. The total amount invested in the retention of these employees is \$649,959. If approved, this will affect a total of 250 employees in the specified classifications.

Your consideration of this request is appreciated.

Sincerely,

A handwritten signature in black ink, reading "Maria Markham". The signature is written in a cursive, flowing style.

Maria Markham
Director

Office of Human Resources

4301 West Markham # 564
Little Rock, AR 72205-7199
501-686-5650
www.uams.edu/ohr



UNIVERSITY OF ARKANSAS
FOR MEDICAL SCIENCES

To: Dr. Maria Markham
Director,
Arkansas Department of Higher Education

From: Shana Scales
Sr. Director, Total Rewards and Shared Services
UAMS

Subject: Labor Market Special Entry Rate Salary Administration

The University of Arkansas for Medical Sciences, UAMS, would like to formally request approval to increase Labor Market Special Entry rates for the nine positions outlined in the attached documents. The approval will allow us to recruit and retain staff within these position titles. The Society for Human Resource Management recently surveyed nearly 1,200 employers and 90 percent attested to struggling to fill open positions while 73 percent experienced a decrease in applications for hard to fill positions.

We are finding the results of that study to be very true. Given present day challenges it will be imperative for us to address the entry rate for these positions to retain and recruit talent in a workforce environment that has drastically changed. UAMS is constantly reviewing data points to better understand how to reduce turnover and time to fill for all of our positions, however, we struggle to compete with other organizations that are offering higher compensation base rates. For example, Arkansas Children's Hospital announced late September the adoption of \$15/hr. as their minimum starting rate of pay.

Our mission is to continue to lead Arkansas to be the healthiest state in the region through its synergies of education, clinical care, research and purposeful leadership. As outlined in our Vision 2029 strategic plan, ensuring our employees have the ability to afford a minimum standard of living is one of our most important commitments. Over the past year and half we have faced many challenges, however, the continuous success during this pandemic has been contributed by the dedication from our staff.

Sincerely,

A handwritten signature in black ink, appearing to read "Shana Scales", with a long horizontal flourish extending to the right.

Shana Scales
Sr. Director, Total Rewards and Shared Services
University of Arkansas for Medical Sciences
Attachments

Local Competitor: Arkansas Children's raised minimum pay to \$15 an hour on September 29, 2021.

<https://www.archildrens.org/news/releases/2021/ac-living-wage-15-dollars-an-hour>

[< News](#)

Arkansas Children's Raises Living Wage to \$15 an Hour

September 29, 2021

LITTLE ROCK, AR. (Sept. 29, 2021) – Arkansas Children's has raised its living wage to \$15 an hour leaders announced on Wednesday.

The decision invests in the Arkansas Children's team and applies to any employee across the system, including those contracted through food service and environmental services. More than 500 team members will see their paychecks impacted by the change.

"One way we continue investing in our people is by ensuring wages reflect the true costs of living so that our employees can earn what they need to support themselves and their families," Senior Vice President and Chief People Officer Crystal Kohanke, MS, PHR, SHRM-CP wrote in a memo to team members.

A living wage is different from the minimum wage. The minimum wage is the base wage set by local, state and federal government. The current minimum wage in Arkansas is \$11 per hour. A living wage represents the hourly amount a worker needs to afford basic living expenses and reflects the local living standards and needs for workers and their families.

The change to \$15 an hour was approved by Arkansas Children's board of directors, who have prioritized ensuring all employees earn a living wage. In 2019, Arkansas Children's raised its living wage from \$10.10 per hour to \$14 an hour.

"We believe a living wage is essential. At Arkansas Children's, we want every team member to feel fully supported and fully prepared to help care for sick and injured children," said Arkansas Children's President and CEO Marcy Doderer, FACHE. "This latest living wage enhancement is part of our ongoing commitment to the team."

| Position at UAMS | Percentage Turnover 2021 |
|-----------------------------------|--------------------------|
| Food Preparation Technician | 34.25% |
| Institutional Services Assistant | 21.74% |
| Laboratory Assistant | 29.41% |
| Caregiver | 51.47% |
| Cook | 32.57% |
| Institutional Services Supervisor | Data not available* |
| Child Care Technician | 54.02% |
| Mail Services Assistant | 0.00% |
| Shipping & Receiving Clerk | 15.38% |

The data for this position title has been absorbed within other titles.

I don't have any other local market data to submit. However, many organizations use the MIT calculator to determine living wage, see below for Pulaski County.

<https://livingwage.mit.edu/>

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