



Arkansas Division of Higher Education

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Johnny Key
Secretary

Maria Markham, Ph.D.
Director

May 4, 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:

Pursuant to Arkansas Code Annotated 21-5-1409 (c) (1) (B), I am requesting your review of a salary adjustment of more than two percent (2%) provided for all classified employees at Arkansas Northeastern College (ANC) for Fiscal Year 2022-23 due to a request of a four percent (4%) COLA for all classified, non-classified and faculty employees. A letter from ANC is attached to provide details and justification regarding this request.

Should you require additional information, please let me know and I will be happy to provide.

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in black ink that reads "Maria Markham". The signature is written in a cursive style.

Maria Markham, Ph. D.
Director

Arkansas Northeastern C O L L E G E

Office of the President

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April 26, 2022

P.O. Drawer 1109

Blytheville, AR 72316-1109

Arkansas Department of Education
Division of Higher Education
Attention: Dr. Maria Markham, Director
423 Main Street, Suite 400
Little Rock, Arkansas 72201

Dear Dr. Markham:

Per your memorandum of April 25, I hereby make a formal request to issue a 4% Cost of Living Adjustment (COLA), approved unanimously by the Arkansas Northeastern College Board of Trustees, to all ANC classified employees for the 2022-23 fiscal year, effective July 1. According to the Bureau of Labor Statistics' Consumer Price Index, the United States inflation rate as of March 31, 2022, is 8.54%. The US inflation rate has not been below 4% during the past 12 months. I am aware of no credible economic forecast predicting any abatement of inflation in the near-term foreseeable future. The need for a larger-than-normal (2%) COLA was reflected by Governor Hutchinson's decision to invoke a mid-year 2% COLA provision within the law for executive branch State employees that went into effect in February.

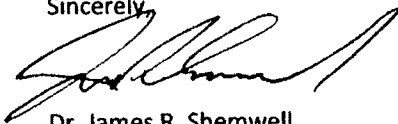
The Arkansas Northeastern College has sufficient resources to afford the 4% COLA. For FY2022-23, ANC is raising tuition \$2 and mandatory fees \$1 which is among the lowest tuition/mandatory fee increases for next year based upon my conversations with colleagues. Furthermore, ANC's tuition/mandatory fees will remain the least expensive/most affordable of all higher education institutions in Arkansas.

As further justification of this formal request, I would proffer that ANC has provided an excellent return on investment for Arkansas' taxpayers. Please consider the following:

- All five Economic Security Reports issued since their creation via Act 852 of 2015 demonstrate that ANC's associate degree graduates earn first year full-time wages in excess of every bachelor degree average of every State university in Arkansas, with the exception of the medical school at UAMS (ANC associate graduates even out-earned UAMS' bachelor grads per the latest 2021 Report).
- ANC's customized training division, The Solutions Group, with a successful 26-year track record, has been instrumental in Arkansas, Mississippi County in particular, landing two of the nation's economic development super-projects (Big River Steel & US Steel) during the past decade.
- Over the past 9 years, ANC's minority graduation rate has increased 260% such that it now exceeds the national average for community college minority graduates by 10%, and has equaled or exceeded ANC's non-minority graduation rate 4 of the past 5 years, thus eliminating the "achievement gap" dilemma experienced nationwide.

During this current period of extreme labor market pressures, a greater-than-normal COLA is critical to retain our talent in order to continue producing exemplary results. Consequently, we urge favorable consideration of this formal request.

Sincerely,



Dr. James R. Shemwell
President

Arkansas Northeastern College	
Cost Breakdown of 4% Increase	
Cost of 4%	
Costs of 4% Increase - Nonclassified	\$161,252
Costs of 4% Increase - Faculty	\$80,559
Costs of 4% Increase - Classified	\$21,554
Total	\$263,365