



STATE OF ARKANSAS
**Department of Finance
 and Administration**

**OFFICE OF PERSONNEL MANAGEMENT
 Administrator's Office**
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May 14, 2014

Senator Uvalde Lindsey, Co-Chairperson
 Representative Andrea Lea, 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 submits a request from the Arkansas Agriculture Department for your review.

The Arkansas Agriculture Department has requested a position from the position pool established by ACA 21-5-225 (a) (1). The following two positions being surrendered along with the classification requested is listed below:

<u>POSITIONS SURRENDERED</u>	<u>TITLE</u>	<u>CLASS CODE</u>	<u>GRADE</u>
22087926	Administrative Specialist I	C087C	C106
22138848	Administrative Specialist II	C073C	C109

CLASSIFICATION REQUESTED

Grants Manager	G109C	C121
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JUSTIFICATION

Due to the complex nature of monitoring federal grant funds, including reporting and budgeting requirements, the need for oversight of all facets of managing the department's federal grants has become imperative, especially at the Arkansas Forestry Commission. This position, if approved, would enable the agency to obtain a qualified grants manager and provide the oversight needed to address the issues noted in the USFS review, as well as provide additional internal control over the entire federal grants management process.

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The Office of Personnel Management has reviewed this request and **recommends** the approval of one pool position classified as Grants Manager, G109C, grade C121 for the remainder of this fiscal year and for fiscal year 2015.

Your approval of this request is greatly appreciated.

Sincerely,



Kay B. Terry
State Personnel Administrator



Chief Fiscal Officer of the State

MAY - 6 2014

Date

KBT/AS

ARKANSAS AGRICULTURE DEPARTMENT

MIKE BEEBE
GOVERNOR

BUTCH CALHOUN
SECRETARY OF
AGRICULTURE



#1 NATURAL RESOURCES DRIVE
LITTLE ROCK, AR 72205

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April 23, 2014

Ms. Kay Terry
Administrator of the Office of Personnel
Arkansas Department of Finance and Administration
1509 W. 7th Street
Little Rock, AR 72201

Dear Kay:

As part of the plan to improve the fiscal accountability of the Arkansas Agriculture Department, the agency proposes to give up two existing positions in exchange for a C121 Grant Manager position. The two positions to be released are:

22087926 (C106)
22138848 (C109)

It is my understanding the Governor's Office has approved this plan. As always, I appreciate your help, and please let me know if you need any additional information.

Sincerely,

A handwritten signature in cursive script that reads "Butch Calhoun".

Butch Calhoun
Secretary of Agriculture
State of Arkansas

Grants Coordinator Position Request

The Arkansas Agriculture Department receives funding from various federal sources. This funding is integral in achieving the department's mission objectives. In fiscal year 2013, the department collected approximately \$30 million in revenues, of which approximately 30% is from federal sources. Of the four agencies comprising the Agriculture Department, the Arkansas Forestry Commission receives the most funding from federal sources. The Arkansas Forestry Commission received approximately \$7.2 million in federal funding in fiscal year 2013. Currently, the Arkansas Forestry Commission employs seven program managers who manage roughly 20 federal programs.

A grants coordinator would provide the department with the needed oversight to ensure that all programs are compliant with federal and state guidelines. Federal programs should be managed in accordance with federal grantor requirements and state policy and procedures to ensure that program objectives and reporting requirements are met and program costs can be substantiated.

Due to the complex nature of monitoring federal grant funds, including reporting and budgeting requirements, the need for oversight of all facets of managing the department's federal grants has become imperative, especially at the Arkansas Forestry Commission. The U.S. Forest Service (USFS) conducted a review of the Arkansas Forestry Commission for the year ending September 30, 2012. The results of this review illustrated the need for a grants coordinator position. The USFS review team noted the following in its final report:

- A lack of comprehensive knowledge of all responsibilities and requirements related to the federal programs (i.e. program mission, allowable costs, fiscal reporting, documentation requirements etc...)
- A lack of understanding of managing funds on a grant-by-grant basis
- AFC records retention method was "highly disbursed" among many individuals and not fully understood by all staff, causing a "cumbersome audit trail"

A grants coordinator would provide the oversight needed to address the issues noted in the USFS review, as well as provide additional internal control over the entire federal grants management process.