

MINUTES
PERSONNEL COMMITTEE 5.23.2011

The meeting was called to order by the Chair, Commissioner Hammons, who noted the presence by conference call of members Commissioners Faris, Shipp, and Campbell, and of Commissioner Frazier. Also present were Director Passailaigue, Vice Presidents Barden and Middleton, and staff members Baldrige, Woosley, Vick, and Huey.

The Chair introduced the first matter, complying with OPM description of state policy to entitle a 10 per cent increase in salary to the ALC Chief Legal Counsel, Bishop Woosley, because of a promotion from Procurement Director resulting in a change in grade from an N908 to an N910 and under standard state policy triggering a 10 per cent upward change in pay. Commissioner Faris moved that the Committee accept the recommendation of OPM and implement the pay raise, and the motion was seconded by Commissioner Shipp. The Director stated that the Counsel's current salary, following the FY2010 COLA and merit increase, is \$107,100. Commissioner Hammons inquired as to whether adding 10 per cent, resulting in a salary of \$117,810, would take the salary above the maximum for N910 and was told that if it did, the additional would be paid in a lump sum at the end of each fiscal year. This concluded the Committee's review of the first matter with no objection. The Chair introduced the second matter, a salary increase for the Director of Advertising and Marketing, Joanna Bunten, to the listed base salary in her pay grade of N906, at \$79,082. By motion of Commissioner Faris, seconded by Commissioner Campbell, the Personnel Committee reviewed this change with no objection.

Commissioner Hammons then asked for a clarification of what was being asked for the Director of Product Development, Carolyn Cabell. Vice President Barden stated that both the Director of Advertising Marketing and the Director of Product Development had salaries that fell below other directors and that this needed to be equalized. He recommended that both positions be converted to statutory positions found in the original Arkansas Scholarship Lottery Act and not currently utilized, freeing up their current slots for Deputy Directors. He said that the two above mentioned positions should be at the level in the statute for Marketing Director, and thus Ms. Cabell's position was brought forth. Director Passailaigue said that they were attempting to create redundancies in the Lottery so that there would be a Director and a Deputy Director so that if there was an illness or separation of service, there would be another person prepared and the Lottery would not miss a beat and preclude a void in leadership. He said this was a goal for the entire organization.

Commissioner Campbell asked if this plan was used by other agencies, and Mr. Passailaigue said he was confident that it was. Mr. Barden said that he

would like to have a structure to have a Number One and Number Two person in both Advertising/Marketing and Product Development. Commissioner Faris asked if they intended the salary to be the same for these two current employees, and Mr. Barden said it was not, and for that reason he was recommending that they go ahead and take both these steps today. Commissioner Faris commended the idea as good food for thought but said that since the Committee had not had time to digest it, he suggested postponement until the next Committee meeting. Commissioner Hammons asked that the information be submitted in writing to the Committee prior to the next meeting. Commissioner Shipp asked that an updated organizational chart reflecting those changes be attached. Director Passailaigue summarized the reasons for the proposed changes describing the in-house work by Ms. Bunten and Ms. Cabell resulting in a savings of hundreds of thousands each year and broadening the reach of the \$4.5 Million ad budget. He said they would come back with more information to explain fully their organizational vision.

Commissioner Hammons asked whether there were any other points of discussion. He pointed to the responses from the Office of Personnel Management and said they had made one notation that he believes should be adhered to: they noted that the entry rate for those hired in the C classification positions should be Entry and not Base, unless OPM has approved the exception. Director Passailaigue interjected that the pay structure was developed based on being able to attract individuals with skills necessary to do the work required at the Lottery, and it was to hire at the base rather than the entry level. He said that the Commission had asked him to come before them prior to hiring above that level. Mr. Woosley explained that the process at the Lottery was not under OPM oversight and that the Lottery has adopted the OPM model, with the Commission taking the part of the OPM. Therefore, the Commission would make the decision whether new hires would come in at entry or base. The Director said that he would like to see the Lottery continue with the policy of using the base rather than the entry slot. Commissioner Hammons said that it would be good to continue to discuss that. Commissioner Faris brought up the "Exceptionally Well Qualified" provisions used by OPM and said that mechanism would work well for the Commission to give latitude when an exceptionally well-qualified candidate was brought forward.

Commissioner Hammons next brought up the election of officers. He said he would be willing to continue as Chair for another year. Discussion followed, including a decision to elect a Vice Chair as well, and a suggestion that there be a set meeting date and time. By nomination of Commissioner Faris, seconded by Commissioner Campbell, Commissioner Hammons was elected Chair and Commissioner Shipp was elected Vice Chair.

The meeting was adjourned.