



Department of Transformation and Shared Services
Governor Sarah Huckabee Sanders
Secretary Leslie Fiskens

The Office of Personnel Management (OPM) provides this resource for quick and helpful answers to the most common questions regarding the new pay plan. Employees should reach out to their HR office with any additional questions.

FY26 Pay Plan FAQ's

1. Q: Why do we have a new pay plan?

A: Governor Sanders' goal is to bring state employee salaries closer to market value which will help enhance both retention and recruitment efforts. This exercise is about the position and the skills required to perform the job duties of the position, not about the person in the position. The plan introduces a job classification structure that creates a path for career progression as employees gain skills and expertise. This should lead to better compensation in the future. This means that as you continue to grow in your role, there will be defined opportunities for advancement.

2. Q: When will the new pay plan go into effect?

A: July 1, 2025

3. Q: Why did my job title change?

A: As part of the ARForward initiative, the McKinsey consulting team highlighted that the State of Arkansas had over 2,000 job titles, many of which were department-specific with inconsistent pay grades. Some titles were also very unique to the State of Arkansas, making it difficult to align them with market data or industry standards. During the design of the new pay plan, the goal was to streamline and standardize job titles across departments and ensure more consistent and flexible use of job classifications. As a result, your job title may have been updated to reflect a more standardized, statewide classification and consistent pay grades.

4. Q: Will my job duties change?

A: Your current job duties will not change because of the new pay plan implementation. Any changes to your job duties will be initiated by your department.

5. Q: Will my performance expectations change?

A: This pay plan is designed to better align state job pay ranges with market value. It is not designed to directly change performance expectations or how your performance is measured. Performance expectations will continue to be handled through the performance evaluation process.

6. Q: Will I continue to receive my differentials?

A: The Office of Personnel Management is reviewing all differentials and will request for some differentials to continue in the next fiscal year. Differentials that are not requested for continuation will be added to an employee's base salary to ensure the employee does not experience a decrease in take-home pay.

7. Q: Will my FLSA status (exempt/non-exempt) change?

A: FLSA status for each job title is currently under review. If there is a required change to your FLSA status, you will be notified prior to the change and trained accordingly.

8. Q: I feel my title is misclassified. Can I appeal to have my title changed?

A: There is no pay plan appeals process to request a title change.

9. Q: I feel my pay grade should be higher. Can I appeal to have my pay grade changed?

A: There is no pay plan appeals process to request a pay grade change.

10. Q: What was the methodology used for determining how much a job should pay?

A: Jobs were compared to similar roles within Arkansas and surrounding states using various trusted sources including Salary.com and the Occupational Information Network (O*NET). Additional salary data was also collected directly from surrounding state governments.

11. Q: What was the methodology used for determining who has a manager title?

A: In the past, the title "manager" was used for roles that managed either programs or people. Under the new pay plan, the definition of "manager" has been refined to specifically refer to positions that manage people, particularly those who supervise two or more supervisors.

12. Q: Will all employees receive a raise under the new pay plan?

A: If an employee's current salary is at or above the entry salary for their new pay grade, they will not receive a pay plan increase.

13. Q: Am I still eligible for a raise or promotion?

A: Yes, employees are eligible for raises through the performance evaluation process, as well as by being promoted to a higher graded position.

14. Q: I was a GS08 but now I'm a SGS06. Did I get demoted?

A: No, you were not demoted. The change in your pay grade reflects the change to a new pay structure, which expanded from four to six pay tables. The new tables are Executive, Information Systems and Technology, Law Enforcement, Medical Professionals, Specialized Services, and State General Services and don't directly correlate to the old tables. The new tables offer higher entry and maximum salary rates.

15. Q: I am in the same pay grade as my supervisor. Do I still report to them?

A: Yes, unless your department is making other organizational changes.

16. Q: I am in the same title and pay grade as my subordinate. Can my pay grade be raised?

A: No, all positions were thoroughly reviewed by OPM and your department's leadership.

17. Q: What are the prerequisites for someone to be an "expert"?

A: OPM will work with departments and agencies to define the specific criteria for their expert designations within a job series that include the required skills, knowledge, and competencies. The intent for the expert title is to create a career-path for technical expertise so employees are not required to be a supervisor or manager to receive a pay increase.

18. Q: If I'm "red-circled" (or making more than the maximum salary amount for my assigned grade), am I still eligible for a performance increase?

A: Yes, any performance increase will be added to the base salary.

19. Q: Why are newer employees receiving higher increases?

A: Newer employees are often further below the newly established entry rates for their positions. Therefore, they typically receive larger increases to reach the new entry rate. Employees who are already closer to, at, or above the new entry rate receive smaller increases.

20. Q: What's the difference between a crossgrade, a realignment, and a career-path adjustment?

A: The traditional crossgrade process will no longer exist with the new pay plan. The classification realignment adjustment will allow OPM to change a position's classification to a different job series or a different job family once per fiscal year. The position will remain at the realigned classification and can be reviewed at the next session. The career-path adjustment (up or down) occurs within a job series for positions designated as 'career path'. Ideally this will allow an employee who becomes eligible for the next level to advance upward with a salary increase.

21. Q: If my position has an assigned career-path progression, will I automatically be moved to the next highest level with a salary increase when I meet the criteria for that level?

A: There is no automatic career-path progression. Your department or agency will submit requests with supporting justification to OPM for review and approval.

22. Q: Are all agencies required to participate in the Arkansas State Employee Student Loan Program?

A: No, departments may choose to establish this program for their employees. If a department desires to participate, they are required to submit rules regarding eligibility and implementation for legislative approval.

23. Q: Does the new employee student loan program affect my eligibility for Public Service Loan Forgiveness?

A: No, these are two separate programs.