



PAT MCCRORY
GOVERNOR

NORTH CAROLINA
STATE BUREAU OF INVESTIGATION

3320 Garner Road
P.O. BOX 29500
Raleigh, NC 27626-0600
(919) 662-4500
FAX: (919) 662-4523



BOB SCHURMEIER
DIRECTOR

MEMORANDUM

TO: Joint Legislative Oversight Committee on Justice and Public Safety
Fiscal Research Division

FROM: Robert L. Schurmeier Jr., SBI Director

RE: Salary and Pay Adjustment Plan

Date: September 1, 2016

Pursuant to Session Law 2016-94, 36.13. "By September 1, 2016, the Director of the State Bureau of Investigation shall report to the Joint Legislative Oversight Committee on Justice and Public Safety and the Fiscal Research Division regarding their plan to adjust the salaries of Alcohol Law Enforcement agents and State Bureau of Investigation officers, respectively."

Attached please find the State Bureau of Investigation's recommended plan to continue the process of addressing pay issues for sworn agents of the SBI and ALE. This process took weeks of work and involved key staff from the SBI and ALE. The salary tables included in this report factored in the raises that were afforded through the recent Salary Adjustment Fund (SAF). Combined together the SAF money and the \$500,000 represent approximately one-fourth of the total funds we believe are needed to make us competitive in our tightening law enforcement employment market.

We would welcome feedback and would be pleased to present our results to the Joint Legislative Oversight Committee on Justice and Public Safety.

North Carolina State Bureau of Investigation

Plan to Adjust Salaries of ALE/SBI Agents.

September 1, 2016

Overview:

Through the years the SBI has strived to be fair and equitable to its employees with regard to pay and compensation. However, because of pay compression and a lack of uniform progression through the respective pay ranges veteran and supervisory agents were oftentimes paid less than junior and subordinate agents. Compression and the coincidental timing of some advancements caused junior supervisory agents to leapfrog over the more experienced ones. These unresolved problems were compounded over time and resulted in inequitable salary differentials of as much as \$22,000. Our plan as detailed below seeks to address the agents who have been leapfrogged, and begins to address the compression that is endemic to our pay scales. In addition, our plan begins the process of appropriately moving experienced agents along their ranges at least to bring them closer to their midpoints.

Adjustments:

Salary Adjustment Fund (SAF) – In FY 15/16, the General Assembly appropriated \$25 million dollars to the Office of State Budget and Management to be designated for use in the Salary Adjustment Fund. The Office of State Human Resources then provided guidelines for agencies to make requests for those adjustments. SBI senior leadership requested \$3.2 million to address and correct the current salary inequities for all sworn ranks in both the SBI and ALE. Recently, the SBI was approved by OSHR to use \$600,000 of the State's \$25 million in the SAF to adjust a targeted number of non-supervisory agents. The \$600,000 has helped begin correcting the below market salaries of field agents, which has been the root of serious morale issues for the SBI over the last decade. Unfortunately, these funds did not implement salary adjustments for supervisory positions, which caused further salary compression.

Salary Adjustment Fund	
\$600,000	Allocated
-\$191,000	Retirement and Benefits (Est.)
\$409,000	Total Salary Adjustment (Est.)

Legislative Appropriations - We intend to use the \$500,000 allocated to first, address the compression and leapfrogging that took place up the chain of supervision and second, to bring agents marginally closer to the midpoints of their respective ranges. We would use a portion of this money to bring Supervisory Special Agents in Charge and Assistant Special Agents in Charge closer to their midpoints and away from veteran subordinate agents. Some of the money would also be spent addressing inequitable anomalies at subordinate ranks. The table below illustrates the “real” dollars to be allocated throughout the SBI and ALE sworn ranks.

Legislative Appropriations (\$500,000)	
\$500,000	Allocated
-\$109,283	Retirement and Benefits (Est.)
\$390,717	Total Salary Adjustment (Est.)

Results:

SBI and ALE leadership studied individual and collective pay circumstances and then modeled a spreadsheet that charted each affected agent's pay before and after the recommended adjustments. The work of the leadership was complicated by the fact that the SBI and ALE operate under two different compensation systems. Most agents, if approved, will receive nominal adjustments but a few may receive adjustments of greater than 10%.

The table below shows the average salary per position before and after the recommended adjustments. As indicated by the table the money was distributed in a way to equitably align comparable agents between the SBI and ALE. Further, funds were used to create separation at all levels in an effort to reduce compression and circumvent leapfrogging.

Position	Before Adjustment	After
SBI Agent I	\$42,259	\$43,363
SBI Agent II	\$46,194	\$49,921
SBI Agent III	\$51,904	\$56,089
ALE Agent (Banded)	\$46,785	\$50,502
SBI Criminal Specialist	\$56,426	\$61,138
SBI Assistant Special Agent in Charge	\$61,895	\$65,021
ALE Assistant Special Agent in Charge	\$62,032	\$64,481
SBI Special Agent in Charge	\$77,319	\$81,150
ALE Special Agent in Charge	\$77,696	\$80,092