

Options for Reorganizing the Division of Adult Correction and Juvenile Justice and Step Pay Plans Offer Remedy to ACJJ Staffing Challenges

**A presentation to the Senate Select
Committee on Prison Safety**

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Emily McCarthy, PhD, Senior Evaluator



Project Scope

For each option outlined in the study's directive, PED examined:

- organizational structure
- associated budget
- costs
- legislative requirements
- implementation timelines
- operational considerations

How to Use the Report

Comparative data and option-specific data

Option-specific summary documents

Foundation to select option and build-out

Agenda

- **Background**
- Options
- Compensation

Brief History of ACJJ



S.L. 2011-145 consolidated multiple state entities into DPS



Intended to increase collaboration and create economies of scale



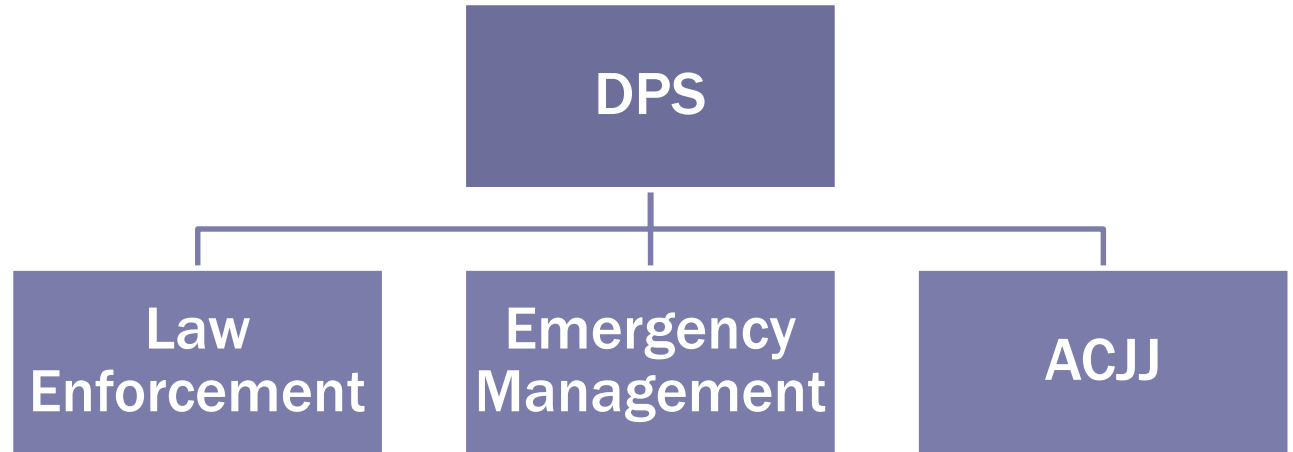
Eliminated 80 administrative positions and 34 senior management positions



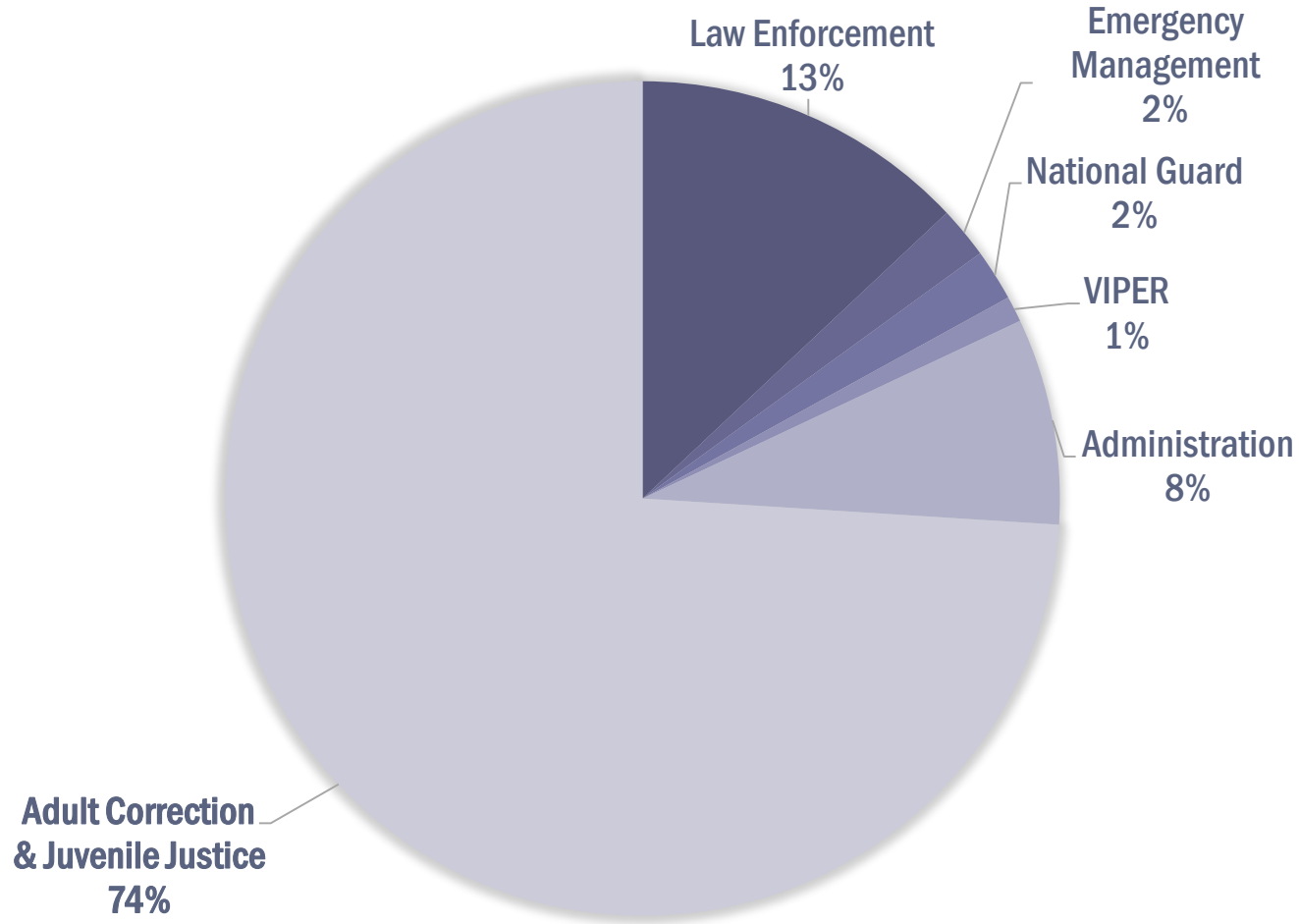
North Carolina is one of five states that co-locates all public safety functions in one department



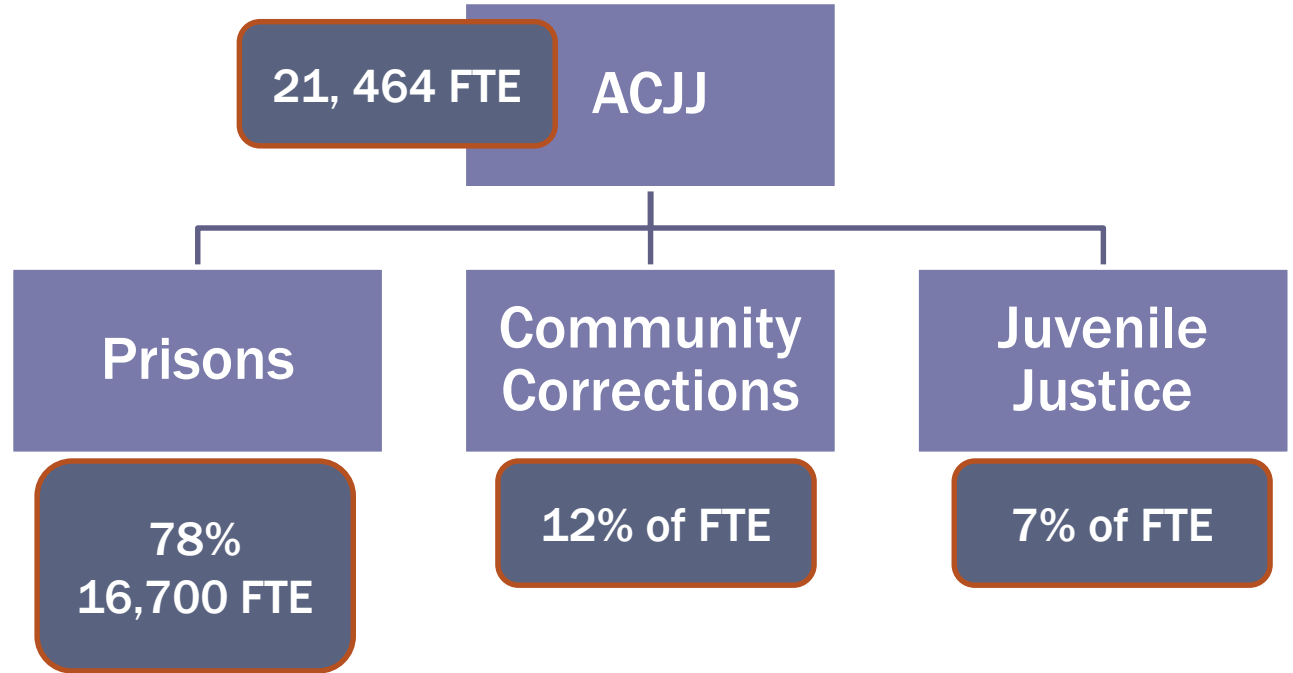
DPS Functions



**ACJJ Represents
\$1.7 billion
(74%) of DPS
\$2.3 Billion
Budget**



ACJJ Functions



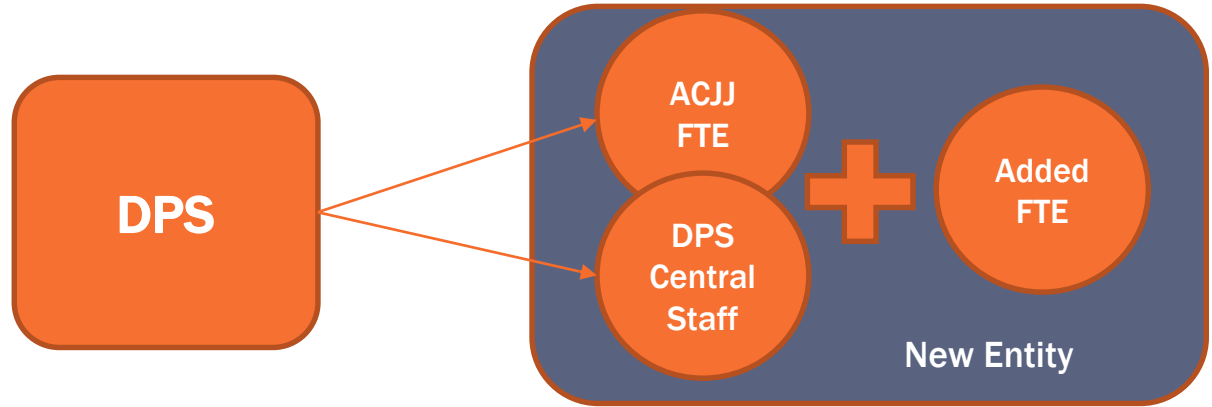
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Option Details

1a	Department of Correction	
1b	Department of Juvenile Justice	
1c	Department of Adult Correction and Juvenile Justice	
2a	Division of Correction	
2b	Division of Juvenile Justice	
2c	Division of Adult Correction and Juvenile Justice	

Department Options



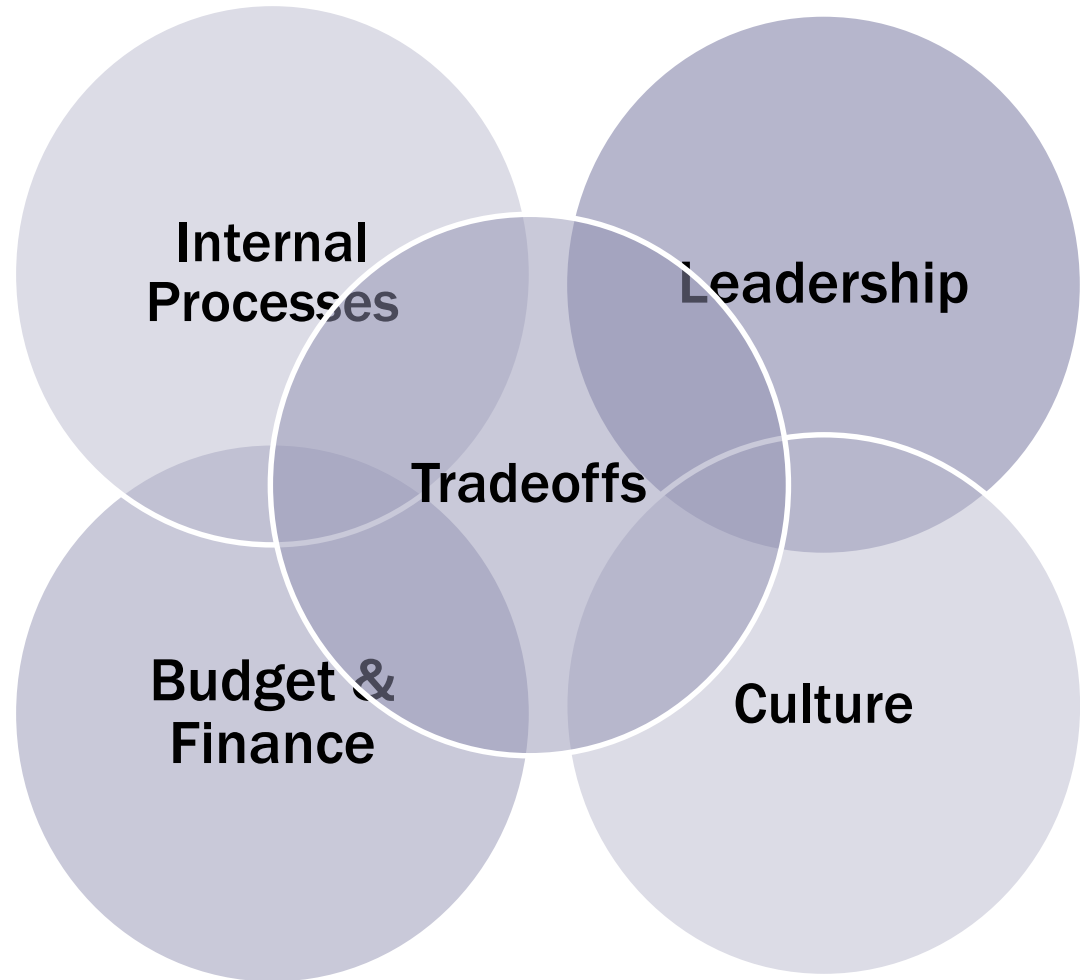
Department Options – Components in Budgetary Estimates

- **One-time costs**
- **Total Salary and Benefits**
 - **New FTE (additions)**
 - **Current FTE (transfers)**
- **Operating Costs**
 - **ACJJ + Central Admin and Service**

Department Options - New Costs

	1a: Adult Corrections	1b: Juvenile Justice	1c: Adult Correction & Juvenile Justice
Additional FTE Needed	44	41	46
New Costs			
Recurring Costs: New FTE Salary + Benefits	\$5.4 million	\$5.2 million	\$5.8 million
One-Time Costs	\$1.6 million	\$136,000	\$1.7 million
Total New Costs	\$7.0 million	\$5.3 million	\$7.5 million

Department Options - Other Considerations



Independent Division Options

Mirrors SBI

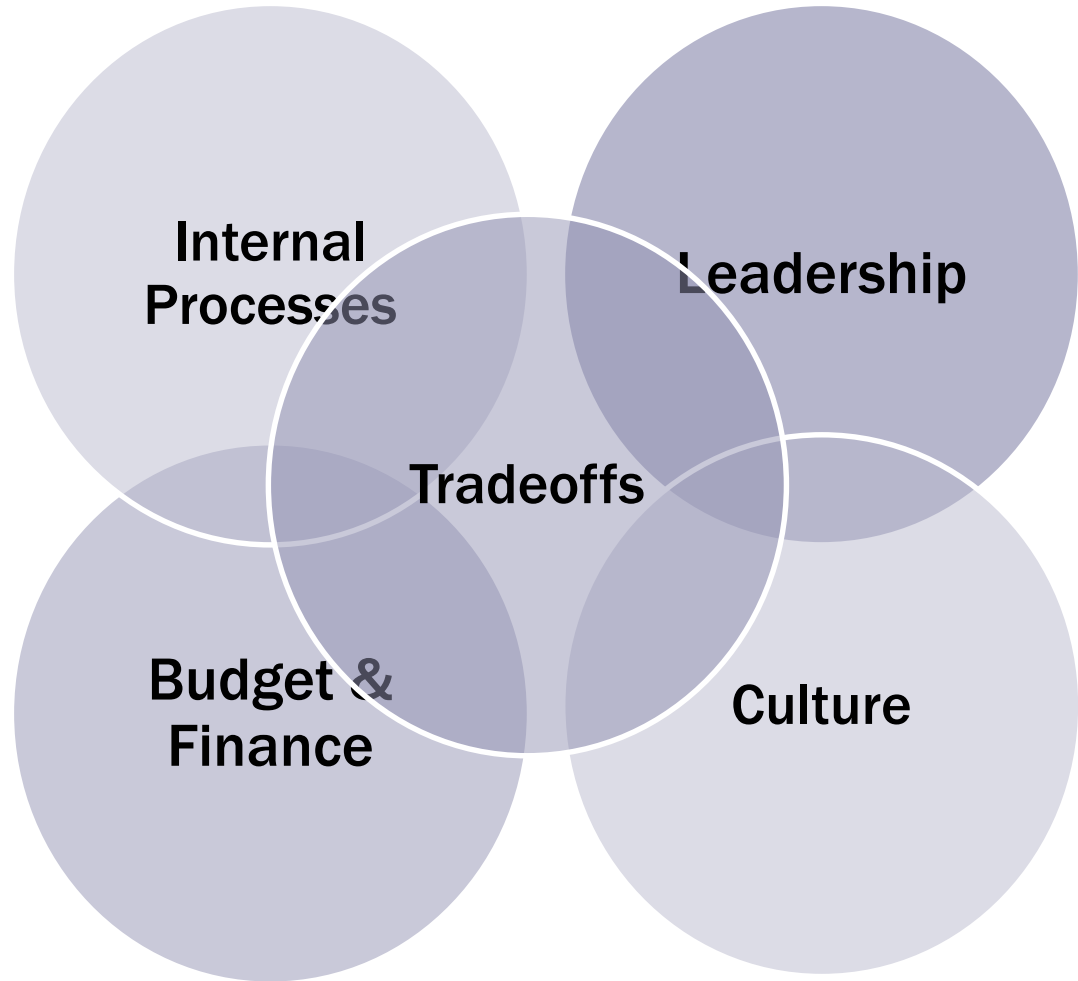
1. Leader appointed by and reports to Governor
2. Legislative staff
3. DPS central administration still supports



Independent Division Options - Costs

	2a: Adult Corrections	2b: Juvenile Justice	2c: Adult Correction & Juvenile Justice
Additional FTE Needed	8	7	8
New Costs			
Recurring Costs: New FTE Salary + Benefits	\$1.2 million	\$990,000	\$1.1 million
Total New Costs	\$1.2 million	\$990,000	\$1.1 million

Independent Division Options - Other Considerations



DPS Secretary Position on Department Options

- **Support 1a – Department of Correction**
 - **Caveat: Leave CC & Special Ops in DPS**
- **Support 1b – Department of Juvenile Justice**
- **Do not support Divisional Options (2a-2c)**

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Study directive
asked PED to
examine employee
incentive programs

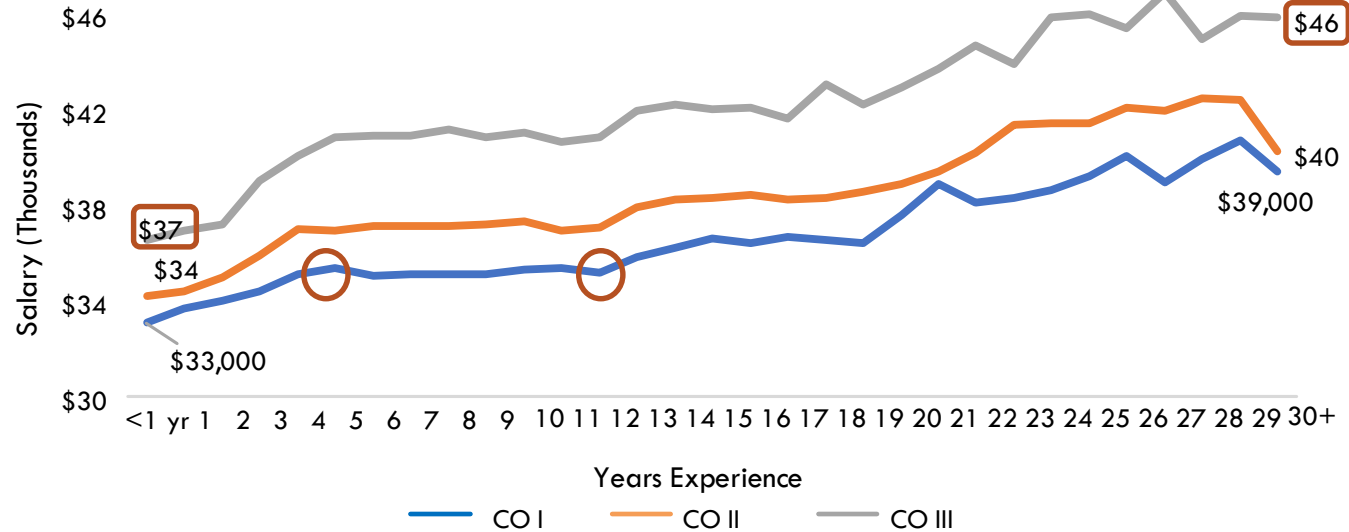


Identified Areas of Acute Concern

3 step pay plans for Correctional Officers

Broad compensation plan for all other staff

Correctional Officer Retention Issues



3 Step Pay Plans for Correctional Officers

Years in a Position	Plan 1 (Low Cost)	Plan 2 (Medium Cost)	Plan 3 (High Cost)
1-4	1.5%	1.5%	5%
5-8	2%	3.5%	2%
9-11	3%	4%	2%
12-14	2%	1.5%	1.8%*
15+	No automatic increase	No automatic increase	No automatic increase

3 Step Pay Plans for All Other ACJJ Employees

Plan	Retention	3 Year Total	Average Increase Annually
1- Low	Current	\$9.4 million	\$3.1 million
	Full	\$78.3 million	\$26.1 million
2- Med	Current	\$27.6 million	\$9.2 million
	Full	\$95.4 million	\$31.8 million
3-High	Current	\$45.1 million	\$15.0 million
	Full	\$126.3 million	\$42.1 million

All Other ACJJ Salary Increases

Increase	Year 1	Year 2	Year 3	3 Year Total
1%	\$6.4 million	\$6.5 million	\$6.5 million	\$19.4 million
2%	\$12.8 million	\$13.1 million	\$13.1 million	\$39.0 million
3%	\$19.2 million	\$19.8 million	\$19.8 million	\$58.9 million

**\$10 million - \$60 million annually to
increase all ACJJ salaries**

Contact Information

Emily McCartha, PhD

Senior Evaluator

919-301-1423

emily.mccartha@ncleg.gov

Adora Thayer

Program Evaluator II

Sean Hamel

Principal Program Evaluator

www.ncleg.gov/ped

