

**FISCAL RESEARCH DIVISION**

A Staff Agency of the North Carolina General Assembly

# Establishing the Department of Adult Correction

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February 9, 2023

Justice and Public Safety Team

# Outline: Establishing the Department of Adult Correction

## **1. Organizational Changes v1.0 Consolidation**

1. Executive Action
2. Legislative Remedy

## **2. Tragedy Within Our Correction Community**

1. Events
2. After Action Reviews

## **3. Organizational Changes v2.0 Separation**

1. S.L. 2021-180. Sec. 19C.9
2. Resources
3. Implementation
4. Organization



# I.I Organizational Changes v1.0

## Consolidation: Executive Action

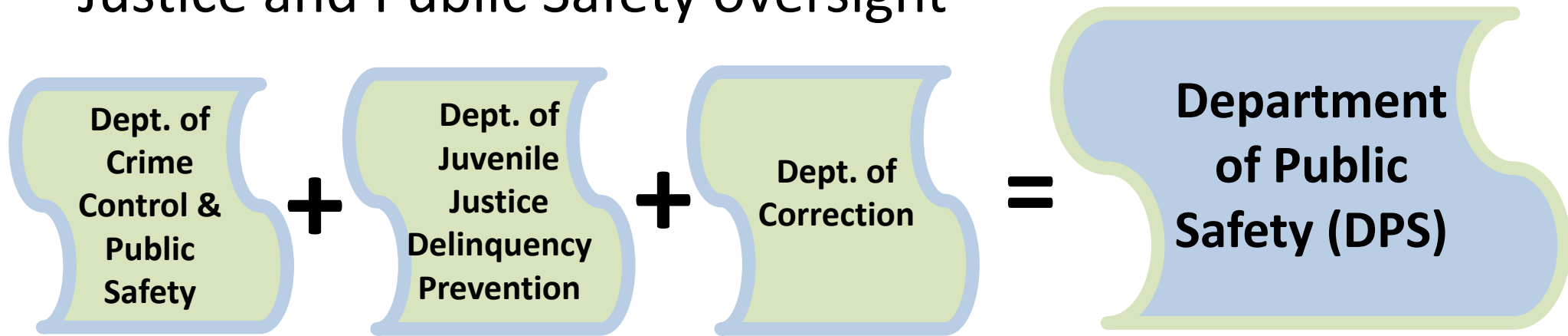
- Approaching the **2011-13 Biennium** the State faced a **\$4.4 Billion budget shortfall**
- Gov. Purdue signed **Executive Order No. 85**
  - ***Consolidation and Reorganization of Executive Branch Agencies to Improve the Efficiency of State Government***
  - 14 Cabinet agencies were impacted



# I.I Organizational Changes v1.0

## Consolidation: Executive Action

- Executive Order No. 85 impacted 3 Departments under Justice and Public Safety oversight



- The consolidation sought to create savings through efficiency
- Governor's Recommended Budget cut 77 FTE or (\$3.3 M)

# I.2 Organizational Changes: v1.0

## Consolidation: Legislative Remedy

***S.L. 2011-145 sought to improve coordination and create cost savings through economies of scale***

- Eliminated 80 administrative and 34 executive positions across the three departments **(\$8.1 M)**
- Operating efficiencies **(\$1.4 M)**

***Department of Correction (DOC) took the deepest cuts***

***60 administrative & 12 executive positions***

***Total Budgeted Savings: (\$4.4 M)***



## 2.1 Tragedy Within Our Correction Community: Events

In 2017 five Prison staff were killed by inmates

- **Bertie CI:** inmate killed a Correction Officer (CO) responding to a fire
- **Pasquotank CI:** four prisoners, attempting escape, killed four prison staff (2 CO & 2 support staff)

### *Two Post Incident Reviews*

#### **Executive**

*Prison Reform Advisory  
Board*

#### **Legislative**

*Senate Select Committee  
on Prison Safety*



# 2.2 Tragedy Within Our Correction Community: After Action Reviews

## Executive Recommendations

### Prison Reform Advisory Board

- Improve Hiring, Training and Retention
  - Pay
  - LE benefits
  - Training academy
- Improves Safety & Security
  - Contraband detection
  - Body scanners
- Evaluate Organizational Structure
- Capital Improvements

## Legislative Recommendations

### Senate Select Committee on Prison Safety

- **Establish Adult Correction as standalone department.....**
- Improve Hiring, Training and Retention
  - Pay
  - LE death benefits
  - Bonuses and incentives
  - Mental health support
  - Objective promotion path
- Mental Health Services for Inmates



# 3.1 Organizational Changes v2.0

Separation: S.L. 2021-180 Sec. 19C.9

***2021 Appropriations Act established the Department of Adult Correction (DAC) as a single, unified cabinet level department***

Moved the following operations

- Prison Section
- Community Corrections Section
- Health Services Section
- Alcohol and Chemical Dependency Treatment Program
- Correction Enterprises Section
- Administrative functions

***Effective  
Jan 1, 2023***





## 3.2 Organizational Changes v2.0

### Separation: Resources

***General Assembly made important investments and passed key provisions:***

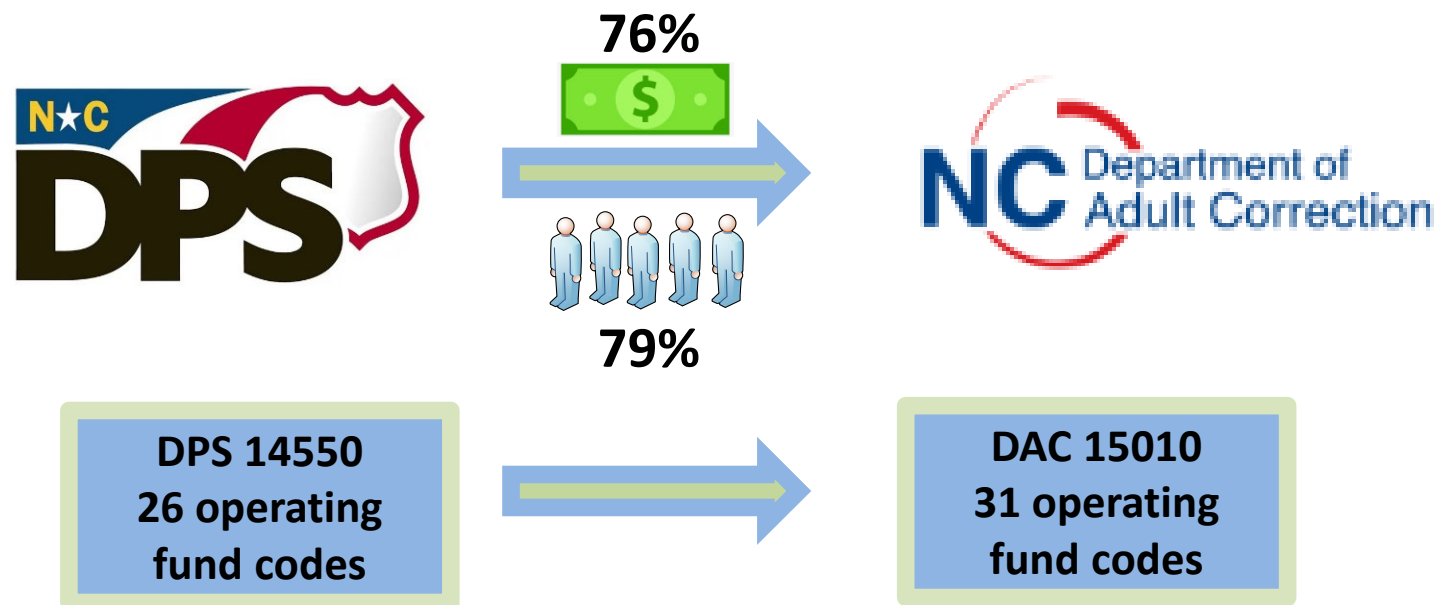
- ▣ **Additional positions:** \$2 M R and 16 FTE in FY 2022-23
- ▣ **Inmate medical deficits:** \$45 M NR in FY 2021-22 and \$50 M R in FY 2022-23
- ▣ **Prison pharmacy services:** \$3.4 M R in FY 2021-22 and FY 2022-23
- ▣ **Long-term care:** \$3.5 M R and \$ 1.3 M NR with 35 FTE in FY 2021-22 and \$7.2 M R and 77 FTE in FY 2022-23
- ▣ **Convert up to \$2 M** in vacant Correction Officer positions into needed administrative staff
- ▣ **Certify the DAC budget before the January 1, 2023, effective date**







# 3.3 Organizational Changes v2.0

## Separation: Implementation

- Certified budget transferred **\$1.9 B** and **19,616 FTE** from DPS to DAC



Fund codes transferred in total with 2 exceptions

- Administration **58%**  **61%** 
- Victim Services **19%**  **40%** 

Source: DPS BD 307 OSBM



# 3.3 Organizational Changes v2.0

## Separation: Implementation

- Administrative and Executive Positions
  - Of the 16 FTE, 13 have been filled and 2 are in process
  - Converted 10 FTE from vacant correction officer position into administrative staff ~ \$736 k
- Long term care at Central Prison
  - \$1.1 M of \$1.3 M NR to acquire medical equipment, only 3 of the 77 FTE filled



# 3.3 Organizational Changes v2.0

## Separation: Implementation

- *Inmate Medical budget shortfalls have ranged from \$26.3 M to \$84.3 M over the last 7 years*

- *\$53.4 M R funds beginning in FY 2022-23*

- *\$50 M General Health*
- *\$3.4 M Pharmacy*

### Inmate Medical Expenditures Half-Way Through FY 2022-23

Inmate Medical	Budgeted	Expended	%
General Health	\$ 246.2	\$ 120	49%
Pharmacy	\$ 43.6	\$ 19	45%
Mental Health	\$ 14.2	\$ 5.7	40%
Dental Health	\$ 43.2	\$ 22	51%
<b>Total</b>	<b>\$ 347.2 M</b>	<b>\$ 166.7 M</b>	<b>48%</b>

Source: North Carolina Accounting System (NCAS)



# 3.4 Organizational Changes v2.0

## Separation: Organization

***As of January 1, 2023, DAC is a Department***



**Secretary**  
Todd Ishee

**Admin**  
Chief Dep Sec  
Holbrook

**Chief of Staff**  
Daniska

**Sr Policy**  
Markham

**Chief Counsel**  
Harrison

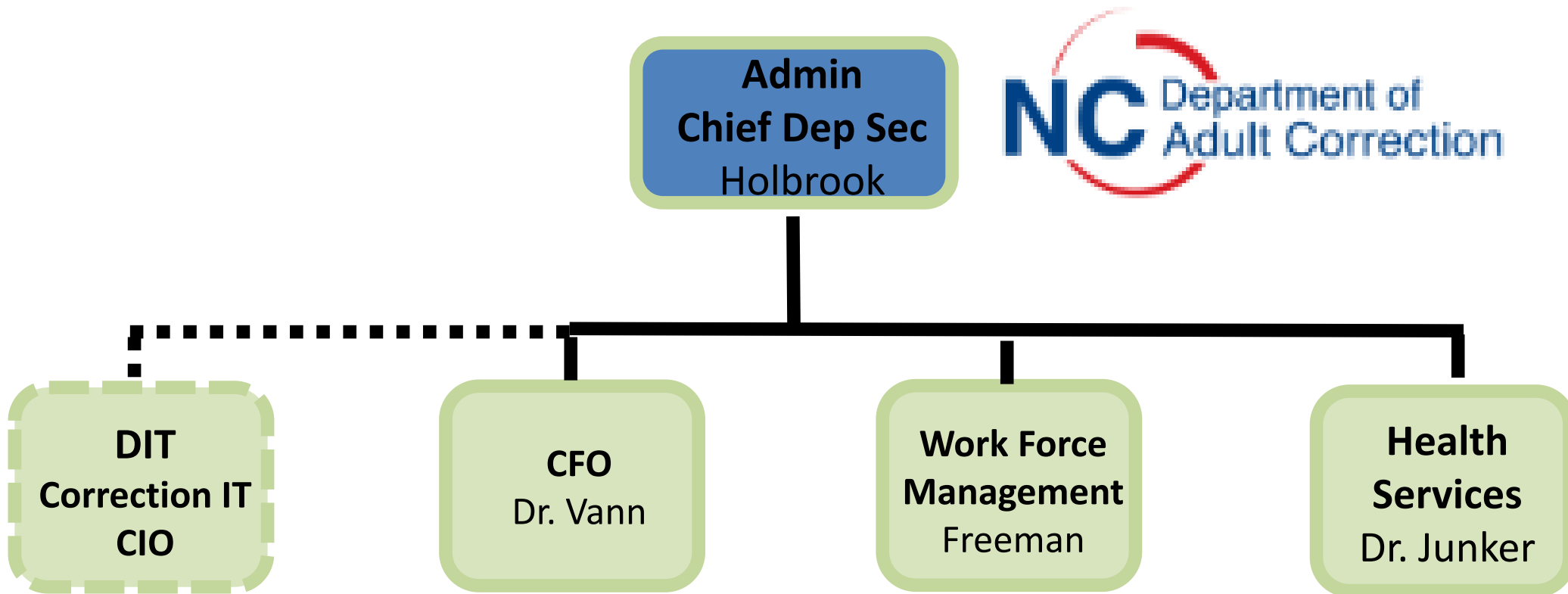
**Operations**  
Chief Dep Sec  
Harris

*Source: DAC Organizational Chart as of January 18, 2023*



# 3.4 Organizational Changes v2.0

## Separation: Organization

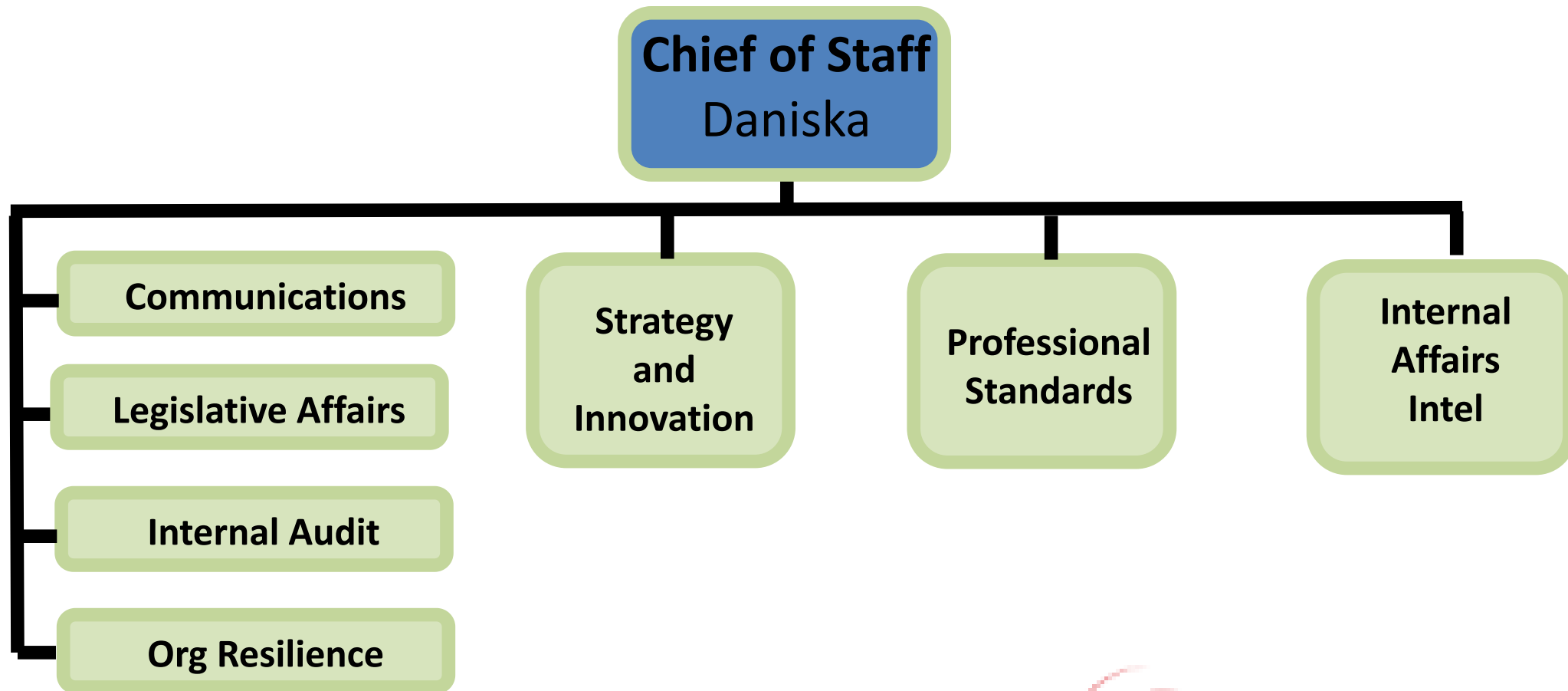


*Source: DAC Organizational Chart as of January 18, 2023*



# 3.4 Organizational Changes v2.0

## Separation: Organization

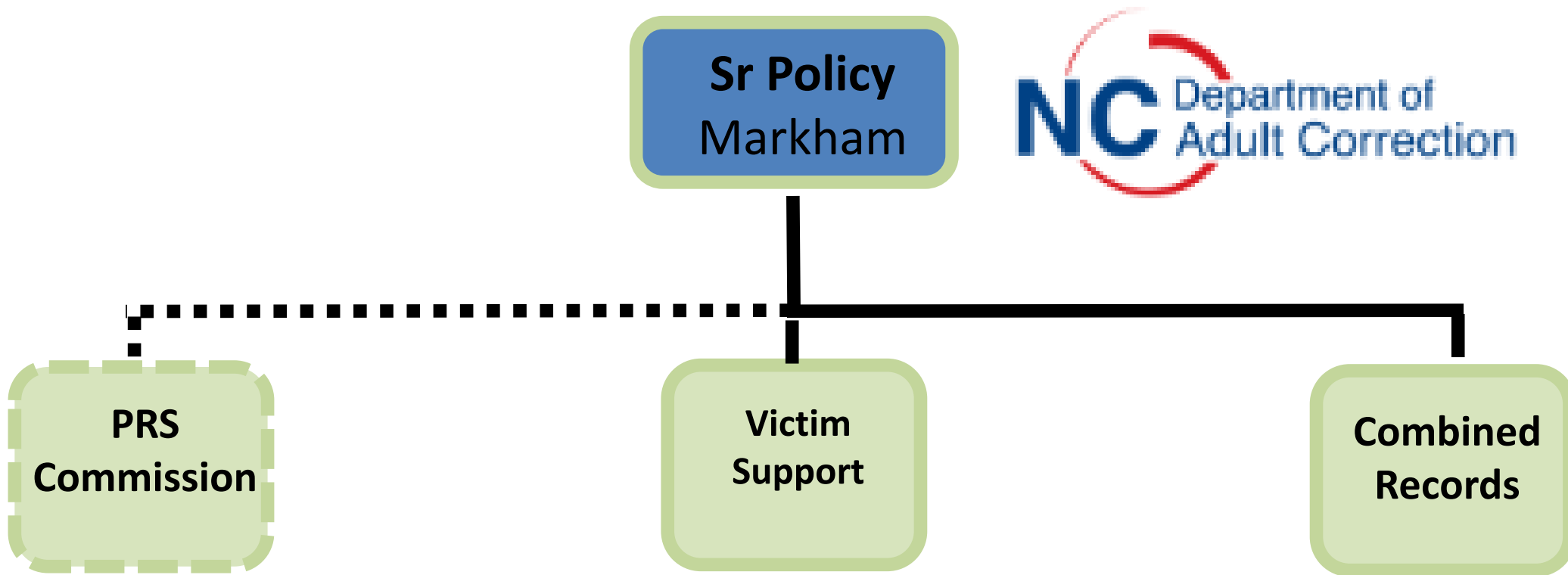


*Source: DAC Organizational Chart as of January 18, 2023*



# 3.4 Organizational Changes v2.0

## Separation: Organization



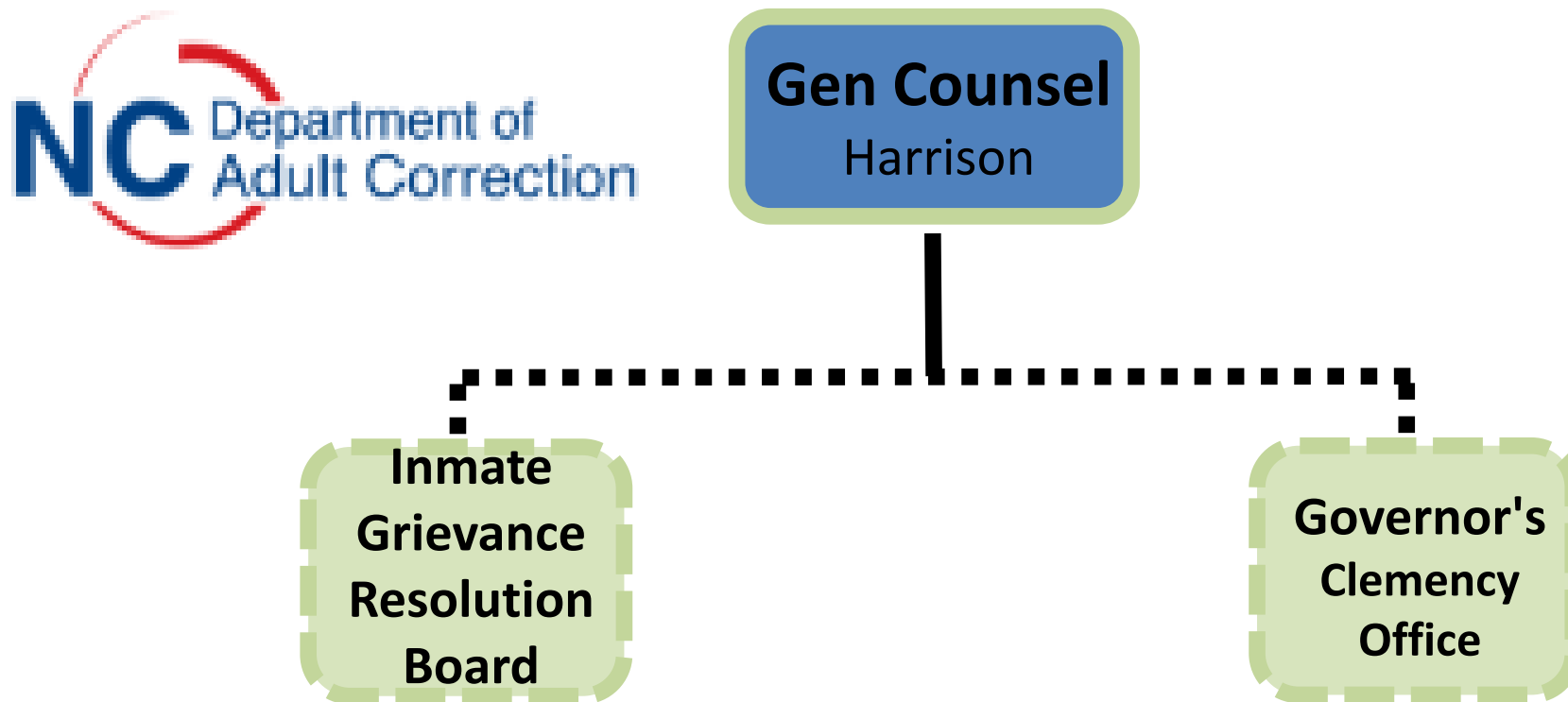
*Source: DAC Organizational Chart as of January 18, 2023*





# 3.4 Organizational Changes v2.0

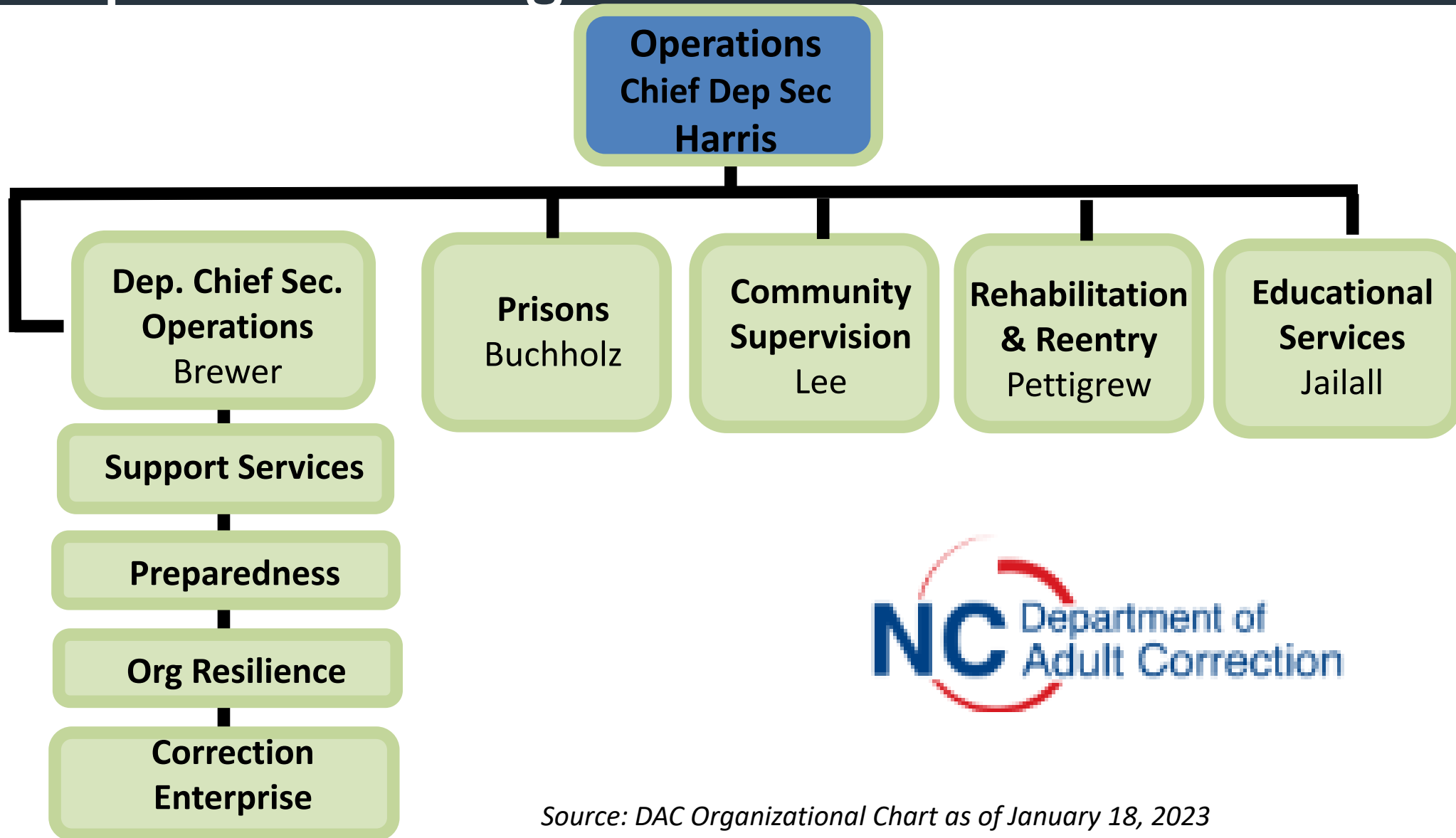
## Separation: Organization



*Source: DAC Organizational Chart as of January 18, 2023*

# 3.4 Organizational Changes v2.0

## Separation: Organization



# Questions?



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