

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 Joint Legislative Program
Evaluation Oversight Committee

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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



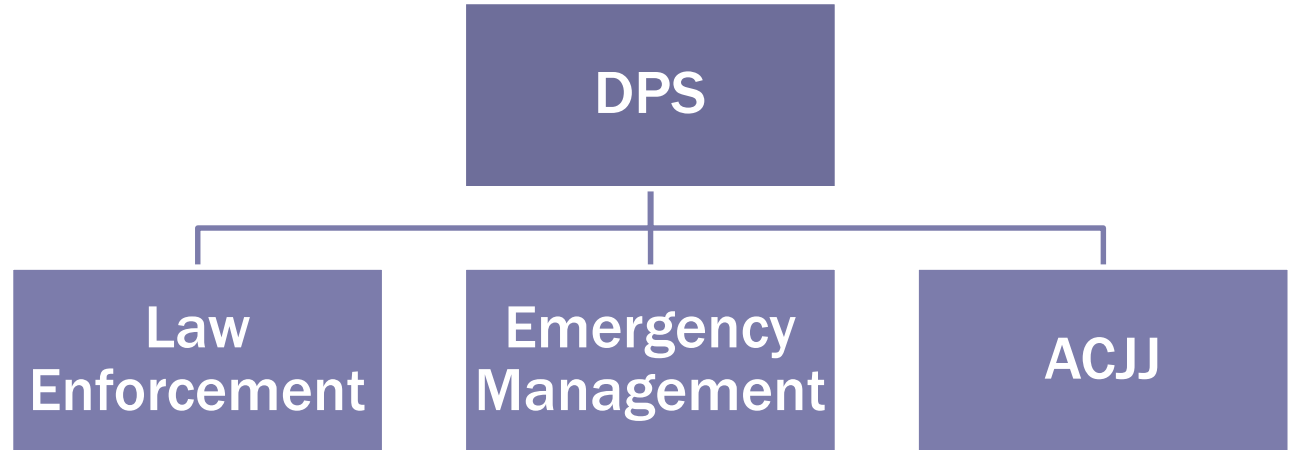
Eliminated 80 administrative positions and 34 senior management positions



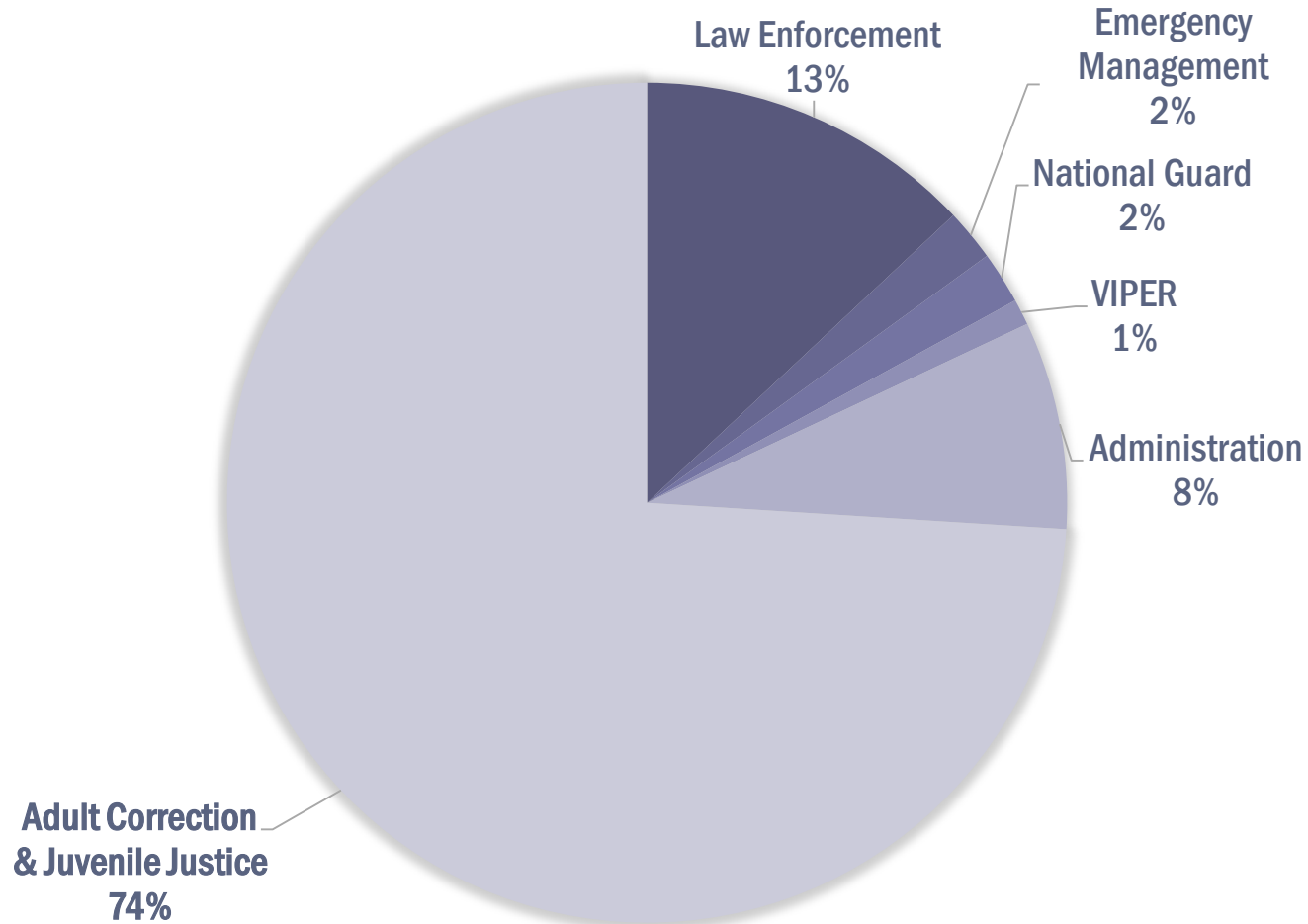
North Carolina is one of five states that co-locates all public safety functions in one department



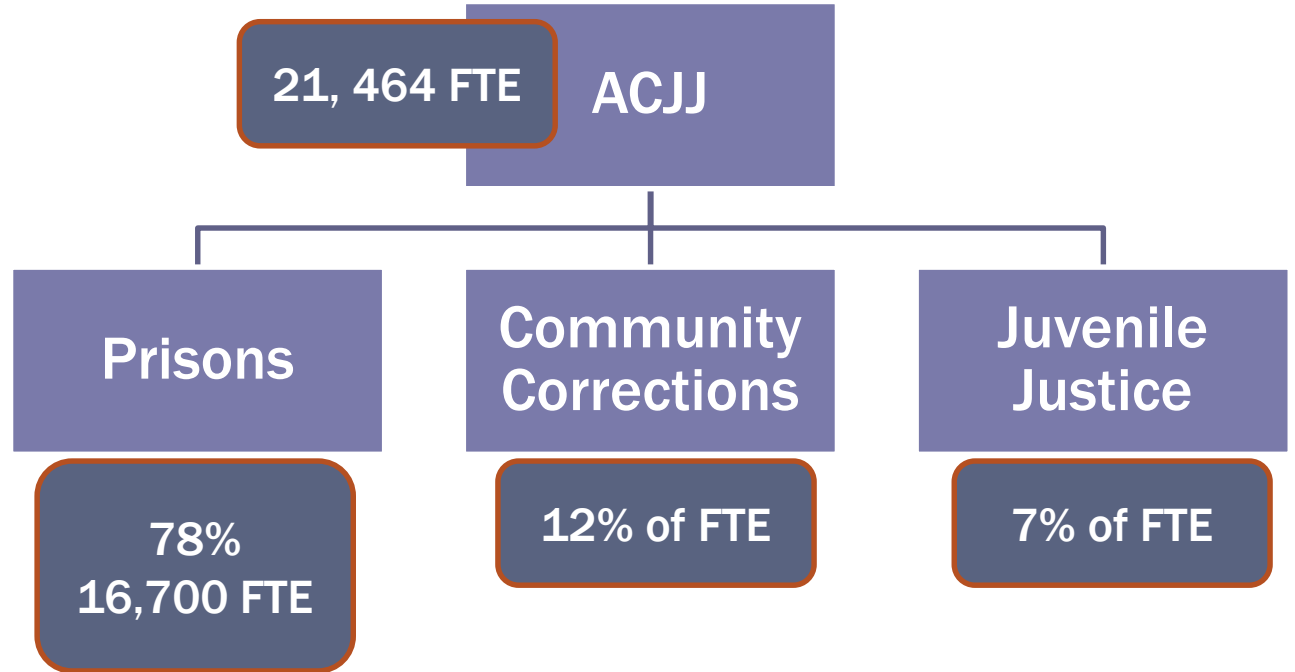
DPS Functions



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



ACJJ Functions



Agenda

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- **Compensation**

Option Details

1a Department of Correction

1b Department of Juvenile Justice

1c Department of Adult Correction and Juvenile Justice

2a Division of Correction

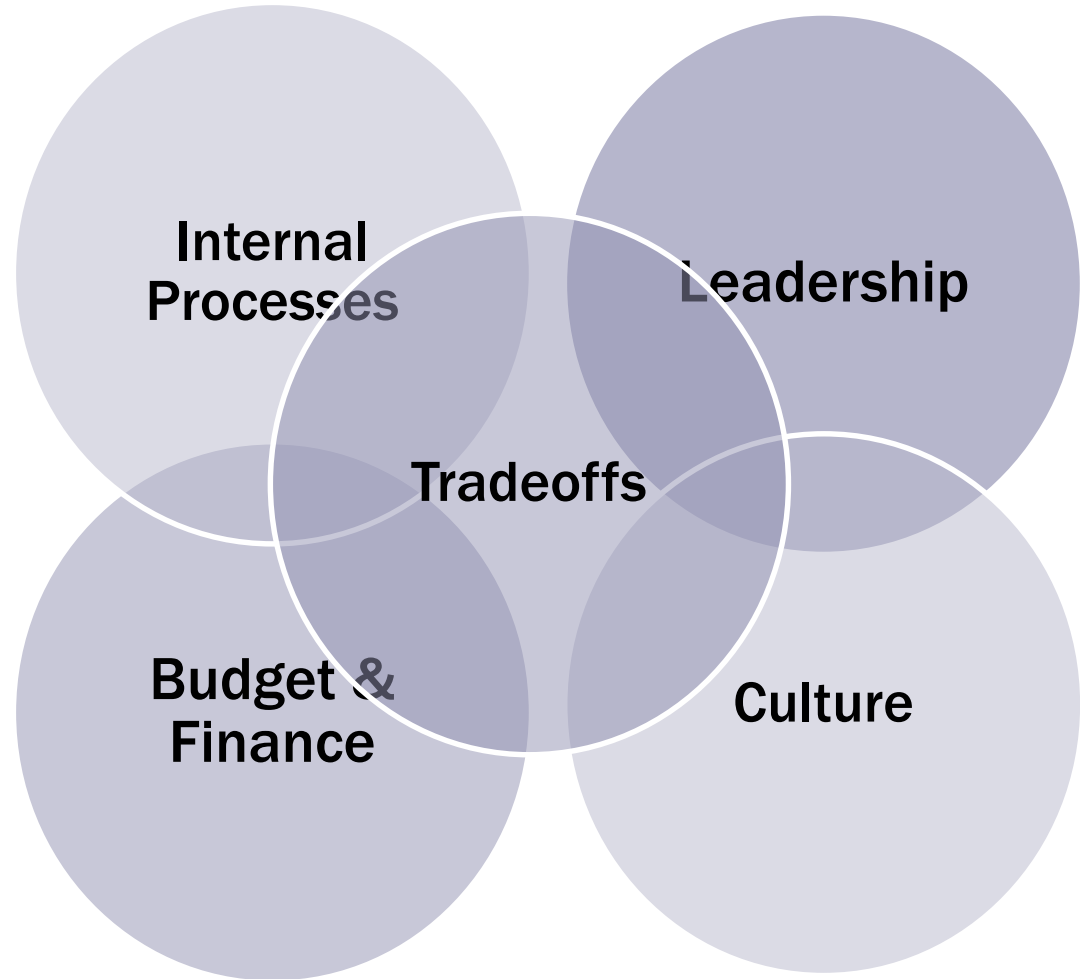
2b Division of Juvenile Justice

2c Division of Adult Correction and Juvenile Justice

Department Options - Costs

	1a: Adult Corrections	1b: Juvenile Justice	1c: Adult Correction & Juvenile Justice
Ad Ne	44	44	55
		<p>DPS</p> <p>ACJJ FTE</p> <p>DPS Central Staff</p> <p>+</p> <p>Added FTE</p>	
		New Co	New Entity
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

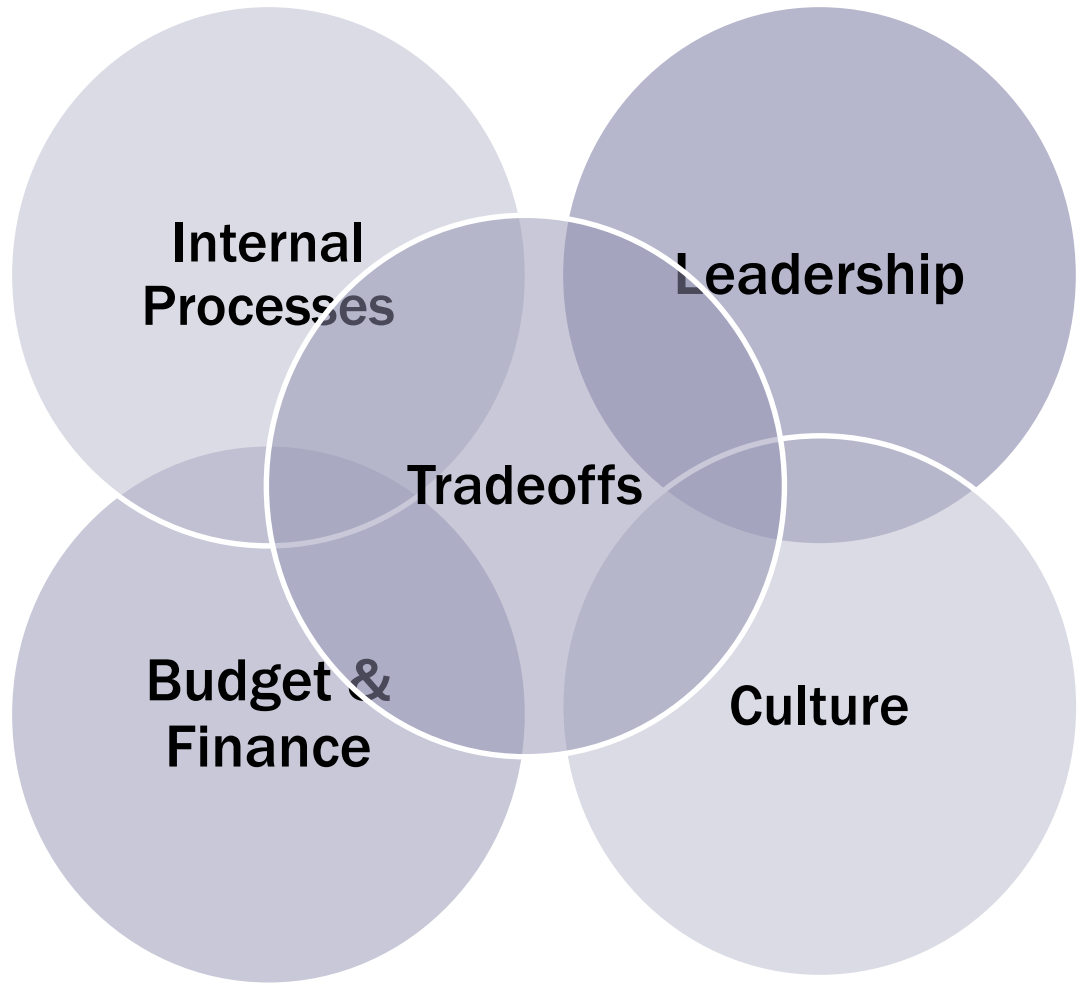
1. Leader appointed by and reports to Governor
2. Legislative staff
3. DPS central administration still supports



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**



Agenda

- **Background**
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**Study directive
asked PED to
examine employee
incentive programs**

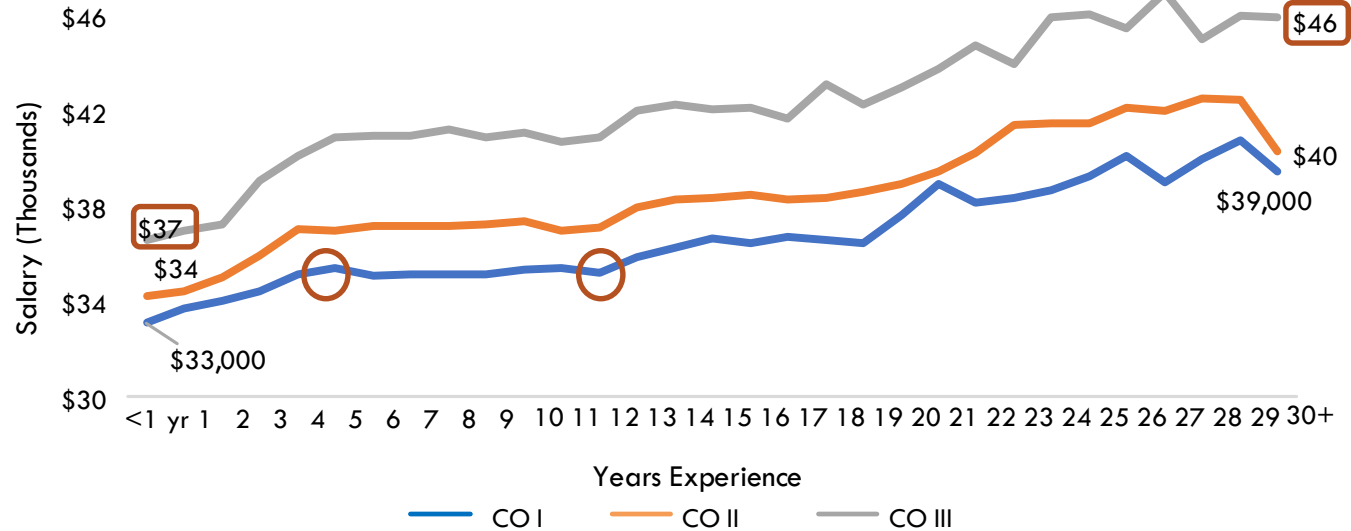


Identified Areas of Acute Concern

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**

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