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June, 2023

Joint Committee on Finance

Paper #217

Compensation for Correctional Security Positions (Budget Management and Compensation Reserves)

[LFB 2023-25 Budget Summary: Page 84, #1]

CURRENT LAW

Funding is allocated to compensation reserves for cost increases related to state and University of Wisconsin (UW) System employee salaries and fringe benefits, including proposed pay increases which would be finalized in the forthcoming compensation plan.

Correctional security positions, employed by the Department of Corrections and the Department of Health Services (DHS), are assigned to one of two pay ranges. Correctional officers, youth counselors, and psychiatric care technicians are assigned to pay range 05-31; and correctional sergeants, youth counselors-advanced, and psychiatric care technicians-advanced are assigned to pay range 05-32. As of January 1, 2023, minimum base pay is \$20.29 per hour for pay range 05-31.

DISCUSSION POINTS

1. This paper addresses amounts budgeted under compensation reserves for correctional security position compensation. Separate budget papers have been prepared for the following provisions also budgeted under compensation reserves: (a) prior period and inflationary increases for state employee fringe benefits; (b) general wage adjustments; (c) pay progression systems; and (d) market wage adjustments, including adjustments for IT positions and classified attorneys. In addition, a budget paper has been prepared relating to the continuation of pilot add-ons (excluding add-ons for correctional security positions) in the Departments of Administration (DOA), Corrections, Health Services, Military Affairs, Safety and Professional Services, and Veterans Affairs.

2. Under Assembly Bill 43/Senate Bill 70, funding is provided in the 2023-25 general fund

condition statement for compensation reserves totaling \$365,260,700 GPR in 2023-24 (\$667,480,900 all funds) and \$581,614,700 GPR in 2024-25 (\$1,001,825,800 all funds) for cost increases related to state and UW System employee salaries and fringe benefits.

3. Amounts in compensation reserves include funding of \$166,679,100 GPR in 2023-24 and \$160,953,500 GPR in 2024-25 for correctional security compensation. Funding provided to compensation reserves is based on the following: (a) the current \$4 per hour pilot add-on for correctional security positions and supervisors would be converted to a base pay increase; (b) continuation of the \$5 per hour high-vacancy add-on and "agents as officers" add-on (providing add-on pay to probation and parole agents working correctional security position shifts); (c) an enhanced correctional security pay progression system, supervisor parity for the increases, and minimum pay of \$33 per hour for correctional officers, youth counselors, and psychiatric care technicians; (d) the maximum-security add-on of \$2 per hour for correctional security positions and supervisors would be increased to \$4 per hour and expanded to certain correctional security positions and supervisors at Department of Health Services facilities with maximum-security units; and (e) a medium-security add-on of \$1 per hour would be established for correctional security positions and supervisors at Corrections and DHS.

4. Under the bill, funding in compensation reserves was calculated as the sum of estimated cost increases for fringe benefits and estimated costs of proposed pay provisions, less a reduction of 5% of the total estimated costs. The Administration indicates the reason for the reduction is that, while estimated costs in compensation reserves for proposed pay increases are generally calculated based on filled positions only, agencies must demonstrate need for funding when requesting pay plan supplements. To the extent that agencies have vacant positions, available funding associated with the vacant positions must be utilized before a supplement would be provided from compensation reserves. The 5% reduction was applied to reflect a higher than usual level of position vacancies that may continue for some time.

5. On April 27, 2023, the Administration submitted errata materials identifying that additional funding of \$1,052,100 GPR in 2023-24 and \$1,013,100 GPR in 2024-25 would be needed for the proposed changes to the maximum-security add-on for correctional security positions and supervisors.

6. Funding that would be provided to compensation reserves under AB 43/SB 70 for GPR-funded correctional security positions and supervisors (including the April 27 correction), less a reduction of 5% of total costs, is summarized in Table 1.

TABLE 1**Compensation Reserves GPR for Correctional Security Positions and Supervisors, AB 43/SB 70 as Modified by Errata**

	<u>2023-24</u>	<u>2024-25</u>
Base Pay		
Convert \$4 per Hour Add-on to Base Pay for		
Correctional Security Positions, Supervisors	\$47,617,600	\$45,853,700
Pay Progression Increases and \$33 Minimum	80,182,500	77,653,700
Supervisor Parity for Pay Progression Increases	<u>4,937,300</u>	<u>4,754,500</u>
Subtotal	\$132,737,400	\$128,261,900
Continuing Add-ons		
\$5 High-Vacancy Add-on at Corrections Facilities	\$15,523,700	\$14,948,700
Agents as Officers Add-on	<u>117,000</u>	<u>112,700</u>
Subtotal	\$15,640,700	\$15,061,400
Add-on Pay Increases		
Maximum-Security Add-on, \$4 per Hour (Corrected)	\$14,862,700	\$14,312,200
Medium-Security Add-on of \$1 per Hour	<u>4,490,400</u>	<u>4,331,100</u>
Subtotal	\$19,353,100	\$18,643,300
Total Base Pay and Add-ons	\$167,731,200	\$161,966,600
5% Reduction	- \$8,386,600	- \$8,098,300
Net Total	\$159,344,600	\$153,868,300

7. In addition to funding in compensation reserves, AB 43/SB 70 would have provided \$47,439,700 GPR annually for an overtime supplement for Corrections (\$47,896,400 GPR annually as modified by a calculation correction and by an additional item in the April 27 errata materials). Of the corrected overtime supplement amount, \$22.8 million GPR was attributable to the Administration's estimates of overtime cost increases relating to the following correctional security compensation proposals shown in Table 1, as well as proposed general wage adjustments: (a) \$33 minimum base pay for correctional officers; (b) the \$4 add-on for security staff at maximum-security facilities; and (c) the proposed \$1 add-on for security staff at medium-security facilities. However, the overtime calculations did not include the cost of minimum base pay increases for correctional sergeants, youth counselors, and youth counselors-advanced, pay progression increases for positions paid above the minimum rate, or parity pay for supervisor positions. In addition, costs related to the \$5 high-vacancy add-on were not included. On June 8, 2023, the Committee adopted Motion #90, which provided \$15,000,000 GPR annually for the overtime supplement, excluding any assumption of pay increases.

Including all of the proposed correctional security pay increases and continuing pay shown in Table 1 (such as pay increases for youth counselors/advanced and correctional sergeants), the estimated cost increase in overtime for Corrections for the pay provisions is \$53,086,200 GPR in

2023-24 and \$51,120,000 GPR in 2024-25. The estimated cost increase for Health Services overtime for the pay provisions is \$6,482,500 GPR in 2023-24 and \$6,242,400 GPR in 2024-25. Table 2 provides the cost of the pay provisions, including reestimated overtime associated with the pay increases and a 5% reduction.

TABLE 2

**GPR Correctional Security Compensation Proposal Costs,
Including Reestimated Overtime**

	<u>2023-24</u>	<u>2024-25</u>
Base Pay and Add-ons	\$167,731,200	\$161,966,600
Overtime Cost, Corrections	53,086,200	51,120,000
Overtime Cost, Health Services	<u>6,482,500</u>	<u>6,242,400</u>
Total	\$227,299,900	\$219,329,000
5% Reduction	- \$11,365,000	- \$10,966,500
Net Total	\$215,934,900	\$208,362,500

Background

8. Correctional officers are employed by the Department of Corrections and Department of Health Services and are responsible for providing security for inmates, residents, staff, and the public within an adult correctional institution or in support of treatment for patients, residents, staff, and the public within a secure treatment facility. Similar to correctional officers, youth counselors are responsible for performing a combination of security and rehabilitation work in a juvenile correctional facility. Correctional sergeants are also employed by the Department of Corrections and Department of Health Services and function as leadworkers to correctional officers within adult correctional institutions, community corrections, and secure treatment facilities of mental health institutes. Similar to correctional sergeants, youth counselors-advanced are responsible for performing leadwork or advanced level security and rehabilitation work in a juvenile institution or a field unit of the corrective sanctions program. Psychiatric care technicians and psychiatric care technicians-advanced are employed by the Department of Health Services and are responsible for interacting with mentally ill inmates/patients to promote the development and improvement of daily living and social skills and to facilitate behavior change. Table 3 summarizes the number of authorized full-time equivalent (FTE) positions in 2022-23 for each classification type by agency and fund source.

TABLE 3

Authorized Full-Time Equivalent Correctional Security Positions by Agency and Fund Source, 2022-23

<u>Agency and Position Classification</u>	<u>Full-Time Equivalent Positions</u>		
	<u>GPR</u>	<u>PR</u>	<u>Total</u>
Corrections			
Correctional Officer	3,049.25	0.00	3,049.25
Correctional Sergeant	1,588.75	14.00	1,602.75
Youth Counselor	1.00	98.00	99.00
Youth Counselor-Advanced	<u>0.00</u>	<u>35.80</u>	<u>35.80</u>
Subtotal Corrections	4,639.00	147.80	4,786.80
Health Services			
Correctional Officer	92.88	7.12	100.00
Correctional Sergeant	30.00	0.00	30.00
Psychiatric Care Technician	119.79	20.33	140.12
Psychiatric Care Technician-Advanced	<u>627.98</u>	<u>261.42</u>	<u>889.40</u>
Subtotal Health Services	870.65	288.87	1,159.52
Total, Corrections and Health Services	5,509.65	436.67	5,946.32

9. While the use of overtime is necessary in the operation and management of twenty-four hour, seven-day-a-week correctional institutions and mental health treatment facilities, high overtime costs have been an ongoing issue for the Department of Corrections and, to a lesser extent, the Department of Health Services.

10. Under the 2007-09 biennial budget, statutory language was created requiring the Department of Corrections to report to the Joint Committee on Finance every two years on the amount and costs of overtime at each of its adult correctional institutions. Under 2021 Act 153, the reporting requirement was changed from biennial to annual. In reviewing the most recent report submitted on December 27, 2022, the Department paid \$80,156,639 (for salaries, not including fringe benefit costs) for 2,260,438 hours of overtime at adult institutions in fiscal year 2021-22. The most common reasons for overtime in 2021-22 were position vacancies and sick leave. [Note that "sick leave" excludes leave related to COVID-19, which made up the third highest use of overtime hours.]

Position vacancies resulted in the largest use of overtime in 2021-22, accounting for 1,307,617 overtime hours (at a cost of \$46,077,800). This is 58% of all overtime hours in the report. The fiscal year 2021-22 report also reflects a 40% increase in the use of overtime to cover security position vacancies when compared to fiscal year 2020-21 (934,774 overtime hours).

As of May 1, 2023, 1,597.0 of 4,786.8 correctional officer, correctional sergeant, and youth counselor/advanced positions were vacant. This amounts to an approximate 33% vacancy rate across all institutions. In comparison, the vacancy rate for correctional security positions at Health Services facilities was 13% across all facilities. However, specific institutions have significantly higher (and

lower) rates than the all-institutions average. For example, as of May, 2023, Waupun Correctional Institution (maximum-security) had a 51.7% vacancy rate and Kettle Moraine Correctional Institution (medium-security) had a 50.5% vacancy rate for officers and sergeants. In contrast, during the same period, Jackson Correctional Institution (medium-security) had a 15.2% vacancy rate. Table 4 provides vacancy rates for each facility to which Corrections security positions are assigned, including the Wisconsin Resource Center (a DHS facility for which Corrections provides security services).

TABLE 4
Corrections Vacancy Rates by Facility for Correctional Officer/Sergeant and Youth Counselor/Advanced Positions, May, 2023

<u>Facility by Security Level</u>	<u>Vacancy Rate</u>
Maximum	
Waupun Correctional Institution*	51.7%
Columbia Correctional Institution*	45.3
Dodge Correctional Institution*	41.7
Green Bay Correctional Institution	38.4
Taycheedah Correctional Institution*	37.4
Wisconsin Secure Program Facility	35.9
Lincoln Hills/Copper Lake Schools	20.2
Wisconsin Resource Center (DHS Facility)	15.7
Medium	
Kettle Moraine Correctional Institution*	50.5%
Stanley Correctional Institution*	50.2
Racine Correctional Institution*	43.0
Redgranite Correctional Institution*	40.0
Fox Lake Correctional Institution	36.7
Oshkosh Correctional Institution	34.1
Racine Youthful Offender Corr. Facility	31.7
New Lisbon Correctional Institution	30.1
Milwaukee Secure Program Facility	22.1
Jackson Correctional Institution	15.2
Minimum	
Prairie du Chien Correctional Institution	18.9%
Women's Correctional System	18.8
Oakhill Correctional Institution	18.1
Chippewa Valley Corr. Treatment Facility	14.6
Correctional Center System	8.7
Sturtevant Transitional Facility	4.2
All Locations	33.4%

*High-vacancy add-on of \$5.00 currently in effect.

11. High vacancy rates create safety concerns for both staff and inmates, as well as potential liability concerns for the state. Facility age, geographic location, forced overtime (a cyclical problem at institutions with high vacancy rates), institution security level, and institution-specific add-on pay incentives are all possible contributing factors to the differing vacancy rates at facilities.

2021-23 Compensation

12. To address the vacancy issues over the past several years, particularly in security positions, the Department of Administration's Division of Personnel Management (DPM), implemented several pay provisions that largely targeted correctional security positions.

High-Vacancy Add-on. The 2021-23 compensation plan incorporates a provision of 2021 Act 58 (the biennial budget act) to provide a \$5 per hour add-on for all hours worked by correctional officers and correctional sergeants at any adult correctional institution that meets the following criteria: (a) the combined share of vacant correctional officer and correctional sergeant positions at the institution is more than 40%; and (b) where the \$5 add-on is implemented, the add-on would continue to be paid until the vacancy rate for such positions has been 40% or less for six consecutive months. For the purposes of administering the add-on, the determination of the vacancy rate and duration of the add-on are determined by DPM. As specified in Act 58 and under the 2021-23 compensation plan, 50% of the cost of this provision may be supplemented from compensation reserves, subject to availability of funds for this purpose. The remaining 50% would be funded from existing resources within the Department of Corrections budget.

Modifications to Pay Progression. Under the 2019-21 compensation plan, a pay progression system for security positions was implemented, providing increased pay rates for correctional officers/sergeants, youth counselors/advanced, and psychiatric care technicians/advanced after attaining a specified number of years of continuous service. The 2021-23 plan modified this pay progression, specifying that the changes would be effective January 2, 2022, and would be funded by Corrections and Health Services within existing agency budgets. The plan increased minimum pay rates for correctional officers/sergeants, youth counselors/advanced, and psychiatric care technicians/advanced by \$0.47 per hour, after applying the January, 2022, general wage adjustment of 2%. In addition, the plan added a 20-year progression point to the pay structure (previously the pay progression last provided an increase at 15 years).

Add-on for Maximum Security Institutions. Effective January 2, 2022, the 2021-23 plan created a \$2 add-on for hours worked by correctional officers/sergeants and youth counselors/advanced at the following maximum-security adult institutions and juvenile facilities: Columbia Correctional Institution, Dodge Correctional Institution, Green Bay Correctional Institution, Taycheedah Correctional Institution, Waupun Correctional Institution, Wisconsin Secure Program Facility, and Lincoln Hills/Copper Lake Schools.

Security Staff and Supervisors Add-on. Subsequent to adoption of the 2021-23 compensation plan, DPM implemented an add-on for all hours in pay status, applicable to correctional security positions as well as supervisors classified as corrections program supervisor, institution unit supervisor (at Mendota, Winnebago, Sand Ridge, and Wisconsin Resource Center), psychiatric care supervisor, supervising officer-DHS, supervising officer 1, supervising officer 2, supervising youth

counselor 1, or supervising youth counselor 2. The add-on was first created as a \$3 per hour add-on beginning March 13, 2022, and was increased to \$4 per hour effective August 14, 2022.

13. In addition, Corrections continues to administratively implement various recruitment and retention strategies (such as using commercials and social media advertising, and pilot testing 12-hour security shifts at certain institutions), and as noted by Secretary Carr during the March 28, 2023, Joint Finance Committee agency briefing, recently hired a marketing firm to assist with these efforts. The Department also conducts climate and engagement surveys to gain a better understanding of employee morale, satisfaction, and engagement within the Department. In 2022, there were 4,365 survey respondents, including 1,618 security staff respondents. On average, the security personnel "disagreed" with the statement that "my job allows me adequate flexibility to meet personal and family needs." In addition, overtime/work-life balance was most often identified as the reason for staff departures during exit interviews conducted by the Department.

14. Due to a number of variable factors that impact recruitment and retention such as labor market competition and unemployment rates, it is unknown if previous pay incentives have directly affected vacancy rates. While vacancy rates have increased in recent years, it is possible that vacancy rates would be even greater without the base pay increases and supplemental add-on pay that has been provided.

Pay Comparisons and Recruitment Issues

15. The Division of Personnel Management conducted research on pay of correctional employees. This research included comparisons of pay with that of correctional positions in other states. For example, starting pay for correctional officers in surrounding states (Illinois, Iowa, Michigan, and Minnesota) ranges from \$20.79 per hour to \$24.19 per hour. It should be noted, however, that other states and municipalities throughout the U.S. are also experiencing correctional security staff shortages. As such, the correctional officer pay rates in effect in other jurisdictions may not reflect pay rates that are sufficiently competitive to fill position vacancies.

While a comparison to correctional position pay in other states may be informative, comparisons to pay and work conditions of competing local employers is likely more relevant for state employee recruitment and retention purposes. However, it is difficult to determine precisely which employers and professions are in direct competition for individuals who might work as correctional officers/sergeants, youth counselors/advanced, and psychiatric care technicians/advanced, and compensation rates may be treated as proprietary information by some employers. For example, comparisons have been made to retail distribution centers at which starting pay may be higher, with more favorable working conditions and hours. Other examples may include construction or manufacturing work. Based on this type of comparative approach, if competing employers offer a higher rate of pay as well as a more favorable work environment, hours, or other employment conditions, to effectively attract applicants, the state would need to offer even greater pay or other benefits to compensate for the challenging work environment of correctional institutions and conditions that routinely result in the performance of mandatory overtime.

16. Vacancy rates and associated overtime expenses can additionally be attributed to overall economic conditions. As unemployment rates decrease, competition for a limited supply of workers

between employers increases. Over the past several years, the unemployment rate has decreased in Wisconsin from around 5.1% in 2019-20 to 3.1% in 2021-22. As of April, 2023, the unemployment rate in Wisconsin is 2.4%. Correctional position vacancy rates and overtime attributable to position vacancies are generally observed to have an inverse relationship to unemployment rates.

17. For some correctional institutions, recruitment challenges include the location of the facility relative to the residences of potential new hires. Several prisons are located in areas that necessitate outreach beyond the local residential population due to size. Therefore, when recruiting individuals to fill positions, employment conditions must attract individuals who are willing to relocate or commute. For some individuals, a permanent move or lengthy commute may constitute a significant adjustment.

18. While some correctional employees volunteer to perform necessary overtime hours, other employees may be subject to mandatory performance of overtime. According to the Administration, many correctional employees who quit after working for a short time do so due to requirements to perform overtime on a regular basis. Although overtime may be viewed as a source of additional income for many employees, not all employees want to work long hours consistently. As noted previously, work-life balance is reportedly a reason often cited by individuals who choose to seek employment elsewhere.

Pay Proposal

19. Currently, while minimum base pay for correctional officers, youth counselors, and psychiatric care technicians is \$20.29 per hour, the effective rate of pay is higher when considering the supplemental add-ons being provided. The add-ons currently in effect apply as follows: (a) \$4 per hour for all security positions and supervisors; (b) \$5 per hour at high-vacancy (over 40%) adult institutions of Corrections as well as the juvenile schools; and (c) \$2 per hour for correctional officers/sergeants and youth counselors/advanced at Corrections maximum-security adult institutions and juvenile facilities.

20. Because all correctional security positions receive the \$4 per hour add-on, correctional officers, youth counselors, and psychiatric care technicians earn at least \$24.29 per hour at this time. In addition, an employee paid at the minimum would earn higher rates for worked hours in the following circumstances: (a) at a maximum-security facility that is not a high-vacancy institution or juvenile school, \$26.29 per hour; (b) at a high-vacancy institution that is not a maximum-security facility, a total of \$29.29 per hour; and (c) at a maximum-security facility that is a high-vacancy institution or juvenile school, \$31.29 per hour.

21. Under the compensation proposal, the current \$4 per hour add-on would be converted into a base pay increase for all correctional security positions and supervisors. In addition, modifications would be made to the current pay progression structure that applies to positions in pay ranges 05-31 (correctional officers, youth counselors, and psychiatric care technicians) and 05-32 (correctional sergeants, youth counselors-advanced, and psychiatric care technicians-advanced). All positions in pay range 05-31 would have minimum base pay of \$33 per hour, and minimum pay for positions in pay range 05-32 would also be increased to a higher rate of pay reflecting the level of the classification. Further, employees with one to 20 years of service would receive additional pay

increases according to their years of service, and a 25-year progression point would be created. Currently, the 20-year rate in the progression schedule for pay range 05-31 is \$25.59 per hour, and the maximum of the pay range is \$29.98. Thus, the proposal to increase minimum base pay to \$33 per hour would be accompanied by substantial pay increases for correctional security employees with additional years of experience. The proposal would also provide pay increases to supervisors of correctional security positions to prevent pay compression that would otherwise result from the modifications to the pay progression.

22. With regard to supplemental pay, the proposal would increase the maximum-security add-on from \$2 per hour to \$4 per hour and expand the add-on to apply to DHS facilities. Currently, because the maximum-security add-on only applies at Corrections facilities, those employees of Corrections who are assigned to provide security for the Wisconsin Resource Center (WRC) do not receive the add-on. Under the proposal, the Corrections employees at WRC would be paid the add-on, as would DHS correctional security employees. [Note that on June 8, 2023, the Committee approved the transfer of WRC security from Corrections to DHS. Under the proposal, security staff at WRC under the administration of DHS would receive the proposed maximum-security add-on.] In addition, a medium-security add-on of \$1 per hour would be created. As shown in Table 4, vacancy rates at Corrections medium-security facilities are comparable to those of maximum-security facilities.

23. The Administration has argued that, even at a rate of pay of \$31.29 per hour at maximum-security facilities with vacancy rates over 40%, it has been difficult to recruit candidates. In part, this is the reasoning provided for the proposed minimum pay of \$33 per hour for officers, youth counselors, and psychiatric care technicians. However, it should be noted that under the proposal, because the high-vacancy add-on would continue and the maximum-security add-on would be increased to \$4 per hour, an employee paid at the minimum rate at a maximum-security facility with a vacancy rate over 40% would earn \$42 per hour (including applicable add-ons).

24. Given that a growing number of correctional institutions are facing severe staff shortages, the Committee could provide funding for the proposed base pay and supplemental pay increases, less a 5% reduction as applied to other provisions in compensation reserves, totaling \$215,934,900 GPR in 2023-24 (\$170,939,000 GPR for base pay and \$44,995,900 GPR for add-on pay) and \$208,362,500 GPR in 2024-25 (\$165,026,600 GPR for base pay and \$43,336,000 GPR for add-on pay). [Alternatives A1a and B1a] Funding for the proposal would be 92% GPR, with an all funds estimate of \$204,579,200 in 2023-24 and \$197,503,200 in 2024-25, net of the 5% reduction.

25. State agencies are budgeted funding for all authorized position salaries and fringe benefits, including vacant positions, less an amount assumed for turnover. When positions remain vacant, an agency may utilize its budget for position salaries to pay overtime expenses so that necessary work may be performed. Likewise, the cost of any compensation increases would first be funded from agency budgets (specifically, appropriated allocations to permanent position salaries and fringe benefits) before being supplemented from compensation reserves, based on demonstrated need. Overtime and other expenses for compensation additionally incur costs for variable fringe benefits and, in the case of correctional security positions, protective service add-on.

As noted previously, the overall vacancy rate for correctional security positions at Corrections

is 33%. While funding in compensation reserves under AB 43/SB 70 applied an overall 5% reduction to the sum of total GPR funding estimated for compensation cost increases, associated with a higher than usual level of position vacancies overall, it could be argued that the current percentage of correctional position vacancies at Corrections may merit a larger percentage reduction in the amounts budgeted for correctional security compensation increases. Because many positions may be shorter-term, and therefore not vacant for a full year, a rate greater than 5% and less than 25% could be considered. However, if compensation initiatives are successful in recruiting and retaining employees for these positions, costs could increase and exceed the amounts budgeted. To reflect the current rate of vacancies and provide for potential reductions in vacancy rates as the compensation increases take effect, the Committee could provide funding for the proposed increases, and instead apply a 20% reduction in 2023-24 and a lesser reduction of 15% in 2024-25. Net funding for the proposal would be \$181,839,900 GPR in 2023-24 and \$186,429,600 GPR in 2024-25. [Alternatives A1b and B1b]

26. Alternatively, the Committee could consider modifying the pay progression proposal, such that minimum base pay for correctional officers, youth counselors, and psychiatric care technicians would be: \$32 per hour, \$31 per hour, \$30 per hour, or \$29 per hour. Net funding would reflect a 20% reduction in 2023-24 and 15% reduction in 2024-25 associated with high levels of correctional security position vacancies. [Alternatives A2, A3, A4, or A5] Under each of these alternatives, minimum base pay for positions in pay range 05-32 (correctional sergeants, youth counselors-advanced and psychiatric care technicians-advanced) would be increased, pay progression rates would be increased, and supervisor parity would be provided. In addition, any of these alternatives could be selected in combination with an alternative providing funding for supplemental add-on pay.

27. As noted previously, vacancy rates shown in Table 4 for Corrections medium-security facilities are comparable to those of maximum-security facilities. Therefore, the Committee could consider providing additional funding to compensation reserves for add-on pay for positions at medium-security facilities, for an add-on greater than the \$1 per hour proposed. The cost to provide for all of the continuing and proposed add-ons, with a \$2 per hour medium-security add-on (rather than \$1), net of 20% and 15% reductions, would be \$42,579,300 GPR in 2023-24 and \$43,576,900 GPR in 2024-25. [Alternative B2]

28. If the Committee takes no action regarding correctional security position pay, the ability to provide pay increases with existing resources would be limited and correctional institutions could continue to face severe recruitment and retention issues. [Alternatives A6 and B3]

29. Attachments 1 and 2 to this paper identify the cost components of each alternative: Attachment 1 addresses base pay alternatives, while Attachment 2 addresses add-on pay alternatives.

ALTERNATIVES

A. Base Pay

1. Provide funding to compensation reserves to provide minimum pay of \$33 per hour for pay range 05-31 for correctional security staff by selecting one of the following alternatives:

a. Provide net funding of \$170,939,000 GPR in 2023-24 and \$165,026,600 GPR in 2024-25, including a 5% reduction in each year, to convert \$4 add-on pay to base pay, provide minimum pay of \$33 per hour for pay range 05-31, increase pay progression rates, and provide supervisor parity.

ALT A1a	Change to Base
GPR	\$335,965,600

b. Provide net funding of \$143,948,600 GPR in 2023-24 (including a 20% reduction) and \$147,655,400 GPR in 2024-25 (including a 15% reduction), to convert \$4 add-on pay to base pay, provide minimum pay of \$33 per hour for pay range 05-31, increase pay progression rates, and provide supervisor parity.

ALT A1b	Change to Base
GPR	\$291,604,000

2. Provide net funding of \$131,528,900 GPR in 2023-24 (including a 20% reduction) and \$134,935,900 GPR in 2024-25 (including a 15% reduction), to convert \$4 add-on pay to base pay, provide minimum pay of \$32 per hour for pay range 05-31, increase pay progression rates, and provide supervisor parity.

ALT A2	Change to Base
GPR	\$266,464,800

3. Provide net funding of \$119,152,200 GPR in 2023-24 (including a 20% reduction) and \$122,216,100 GPR in 2024-25 (including a 15% reduction), to convert \$4 add-on pay to base pay, provide minimum pay of \$31 per hour for pay range 05-31, increase pay progression rates, and provide supervisor parity.

ALT A3	Change to Base
GPR	\$241,368,300

4. Provide net funding of \$106,775,100 GPR in 2023-24 (including a 20% reduction) and \$109,496,300 GPR in 2024-25 (including a 15% reduction), to convert \$4 add-on pay to base pay, provide minimum pay of \$30 per hour for pay range 05-31, increase pay progression rates, and provide supervisor parity.

ALT A4	Change to Base
GPR	\$216,271,400

5. Provide net funding of \$94,398,300 GPR in 2023-24 (including a 20% reduction) and \$96,776,600 GPR in 2024-25 (including a 15% reduction), to convert \$4 add-on pay to base pay, provide minimum pay of \$29 per hour for pay range 05-31, increase pay progression rates, and provide supervisor parity.

ALT A5	Change to Base
GPR	\$191,174,900

6. Take no action.

B. Add-on Pay

1. Provide funding to compensation reserves to provide for an add-on of \$1 per hour at medium-security institutions, along with a \$5 high-vacancy add-on and agents as officers add-on, an increase of the maximum-security add-on from \$2 per hour to \$4 per hour and an expansion of the add-on to apply to DHS facilities by selecting one of the following alternatives:

a. Provide net funding of \$44,995,900 GPR in 2023-24 and \$43,336,000 GPR in 2024-25, including a 5% reduction in each year, to support the continuation of the \$5 high-vacancy add-on and agents as officers add-on, to increase the maximum-security add-on from \$2 per hour to \$4 per hour and expand the add-on to apply to DHS facilities, and create a \$1 medium-security add-on.

ALT B1a	Change to Base
GPR	\$88,331,900

b. Provide net funding of \$37,891,300 GPR in 2023-24 (including a 20% reduction) and \$38,774,300 GPR in 2024-25 (including a 15% reduction) to support the continuation of the \$5 high-vacancy add-on and agents as officers add-on, to increase the maximum-security add-on from \$2 per hour to \$4 per hour and expand the add-on to apply to DHS facilities, and create a \$1 medium-security add-on.

ALT B1b	Change to Base
GPR	\$76,665,600

2. Provide net funding of \$42,579,300 GPR in 2023-24 (including a 20% reduction) and \$43,576,900 GPR in 2024-25 (including a 15% reduction) to support the continuation of the \$5 high-vacancy add-on and agents as officers add-on, to increase the maximum-security add-on from \$2 per hour to \$4 per hour and expand the add-on to apply to DHS facilities, and create a \$2 medium-security add-on.

ALT B2	Change to Base
GPR	\$86,156,200

3. Take no action.

Prepared by: Rachel Janke and Shannon E. Huberty
Attachments

ATTACHMENT 1

Correctional Security Compensation Base Pay Alternatives, GPR Cost

<u>Base Pay</u>	<u>2023-24</u>	<u>2024-25</u>
Alternative A1a		
Convert \$4 per Hour Add-on to Base Pay	\$47,617,600	\$45,853,700
Pay Progression Increases, \$33 Minimum for Pay Range 05-31	80,182,500	77,653,700
Supervisor Parity for Pay Progression Increases	<u>4,937,300</u>	<u>4,754,500</u>
Subtotal	\$132,737,400	\$128,261,900
 Overtime Cost for Changes to Base Pay	 <u>47,198,400</u>	 <u>45,450,300</u>
Total	\$179,935,800	\$173,712,200
 5% Reduction	 -\$8,996,800	 -\$8,685,600
 Net Total	 \$170,939,000	 \$165,026,600
2023-25 Biennium		\$335,965,600
 Alternative A1b		
Convert \$4 per Hour Add-on to Base Pay	\$47,617,600	\$45,853,700
Pay Progression Increases, \$33 Minimum for Pay Range 05-31	80,182,500	77,653,700
Supervisor Parity for Pay Progression Increases	<u>4,937,300</u>	<u>4,754,500</u>
Subtotal	\$132,737,400	\$128,261,900
 Overtime Cost for Changes to Base Pay	 <u>47,198,400</u>	 <u>45,450,300</u>
Total	\$179,935,800	\$173,712,200
 20%, 15% Reduction	 -\$35,987,200	 -\$26,056,800
 Net Total	 \$143,948,600	 \$147,655,400
2023-25 Biennium		\$291,604,000
 Alternative A2		
Convert \$4 per Hour Add-on to Base Pay	\$47,617,600	\$45,853,700
Pay Progression Increases, \$32 Minimum for Pay Range 05-31	69,413,400	67,269,100
Supervisor Parity for Pay Progression Increases	<u>4,276,800</u>	<u>4,118,400</u>
Subtotal	\$121,307,800	\$117,241,200
 Overtime Cost for Changes to Base Pay	 <u>43,103,300</u>	 <u>41,506,900</u>
Total	\$164,411,100	\$158,748,100
 20%, 15% Reduction	 -\$32,882,200	 -\$23,812,200
 Net Total	 \$131,528,900	 \$134,935,900
2023-25 Biennium		\$266,464,800

<u>Base Pay</u>	<u>2023-24</u>	<u>2024-25</u>
Alternative A3		
Convert \$4 per Hour Add-on to Base Pay	\$47,617,600	\$45,853,700
Pay Progression Increases, \$31 Minimum for Pay Range 05-31	58,698,400	56,884,600
Supervisor Parity for Pay Progression Increases	<u>3,615,900</u>	<u>3,481,900</u>
Subtotal	\$109,931,900	\$106,220,200
Overtime Cost for Changes to Base Pay	<u>39,008,300</u>	<u>37,563,500</u>
Total	\$148,940,200	\$143,783,700
20%, 15% Reduction	-\$29,788,000	-\$21,567,600
Net Total 2023-25 Biennium	\$119,152,200	\$122,216,100 \$241,368,300
Alternative A4		
Convert \$4 per Hour Add-on to Base Pay	\$47,617,600	\$45,853,700
Pay Progression Increases, \$30 Minimum for Pay Range 05-31	47,983,300	46,500,000
Supervisor Parity for Pay Progression Increases	<u>2,954,900</u>	<u>2,845,500</u>
Subtotal	\$98,555,800	\$95,199,200
Overtime Cost for Changes to Base Pay	<u>34,913,100</u>	<u>33,620,000</u>
Total	\$133,468,900	\$128,819,200
20%, 15% Reduction	-\$26,693,800	-\$19,322,900
Net Total 2023-25 Biennium	\$106,775,100	\$109,496,300 \$216,271,400
Alternative A5		
Convert \$4 per Hour Add-on to Base Pay	\$47,617,600	\$45,853,700
Pay Progression Increases, \$29 Minimum for Pay Range 05-31	37,268,300	36,115,500
Supervisor Parity for Pay Progression Increases	<u>2,294,000</u>	<u>2,209,000</u>
Subtotal	\$87,179,900	\$84,178,200
Overtime Cost for Changes to Base Pay	<u>30,818,000</u>	<u>29,676,600</u>
Total	\$117,997,900	\$113,854,800
20%, 15% Reduction	-\$23,599,600	-\$17,078,200
Net Total 2023-25 Biennium	\$94,398,300	\$96,776,600 \$191,174,900

ATTACHMENT 2

Correctional Security Compensation Add-on Pay Alternatives, GPR Cost

<u>Add-on Pay</u>	<u>2023-24</u>	<u>2024-25</u>
Alternative B1a		
\$5 High-Vacancy Add-on at Corrections Facilities	\$15,523,700	\$14,948,700
Agents as Officers Add-on	117,000	112,700
Maximum-Security Add-on, \$4 per Hour	14,862,700	14,312,200
Medium-Security Add-on, \$1 per Hour	<u>4,490,400</u>	<u>4,331,100</u>
Subtotal	\$34,993,800	\$33,704,700
Overtime Cost for Add-on Pay	<u>12,370,300</u>	<u>11,912,100</u>
Total	\$47,364,100	\$45,616,800
5% Reduction	-\$2,368,200	-\$2,280,800
Net Total	\$44,995,900	\$43,336,000
2023-25 Biennium		\$88,331,900
Alternative B1b		
\$5 High-Vacancy Add-on at Corrections Facilities	\$15,523,700	\$14,948,700
Agents as Officers Add-on	117,000	112,700
Maximum-Security Add-on, \$4 per Hour	14,862,700	14,312,200
Medium-Security Add-on, \$1 per Hour	<u>4,490,400</u>	<u>4,331,100</u>
Subtotal	\$34,993,800	\$33,704,700
Overtime Cost for Add-on Pay	<u>12,370,300</u>	<u>11,912,100</u>
Total	\$47,364,100	\$45,616,800
20%, 15% Reduction	-\$9,472,800	-\$6,842,500
Net Total	\$37,891,300	\$38,774,300
2023-25 Biennium		\$76,665,600
Alternative B2		
\$5 High-Vacancy Add-on at Corrections Facilities	\$15,523,700	\$14,948,700
Agents as Officers Add-on	117,000	112,700
Maximum-Security Add-on, \$4 per Hour	14,862,700	14,312,200
Medium-Security Add-on, \$2 per Hour	<u>8,612,500</u>	<u>8,307,600</u>
Subtotal	\$39,115,900	\$37,681,200
Overtime Cost for Add-on Pay	<u>14,108,200</u>	<u>13,585,700</u>
Total	\$53,224,100	\$51,266,900
20%, 15% Reduction	-\$10,644,800	-\$7,690,000
Net Total	\$42,579,300	\$43,576,900
2023-25 Biennium		\$86,156,200