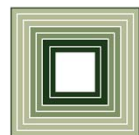


Joint Appropriations Committees on
Justice and Public Safety

Department of Public Safety
Prisons



March 6, 2019



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Today's Presentation

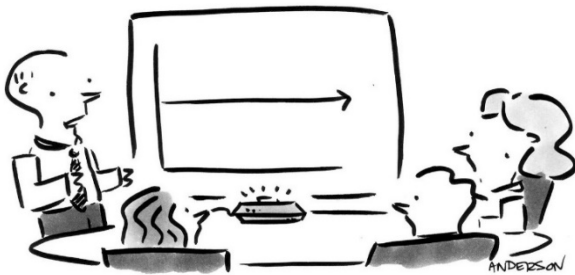
I. Adult Correction Overview

II. Prison Population Drivers

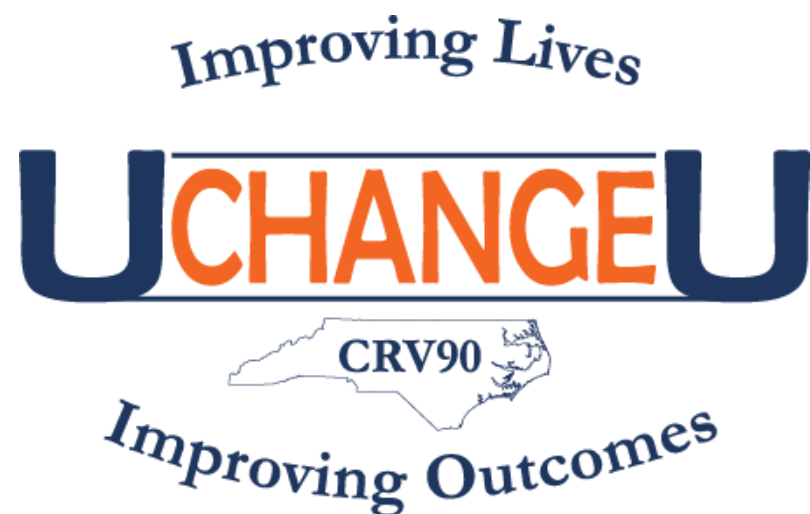
III. Custody and Security Issues

IV. Prison Security & Remissioning

V. Recent Budget Issues and Actions



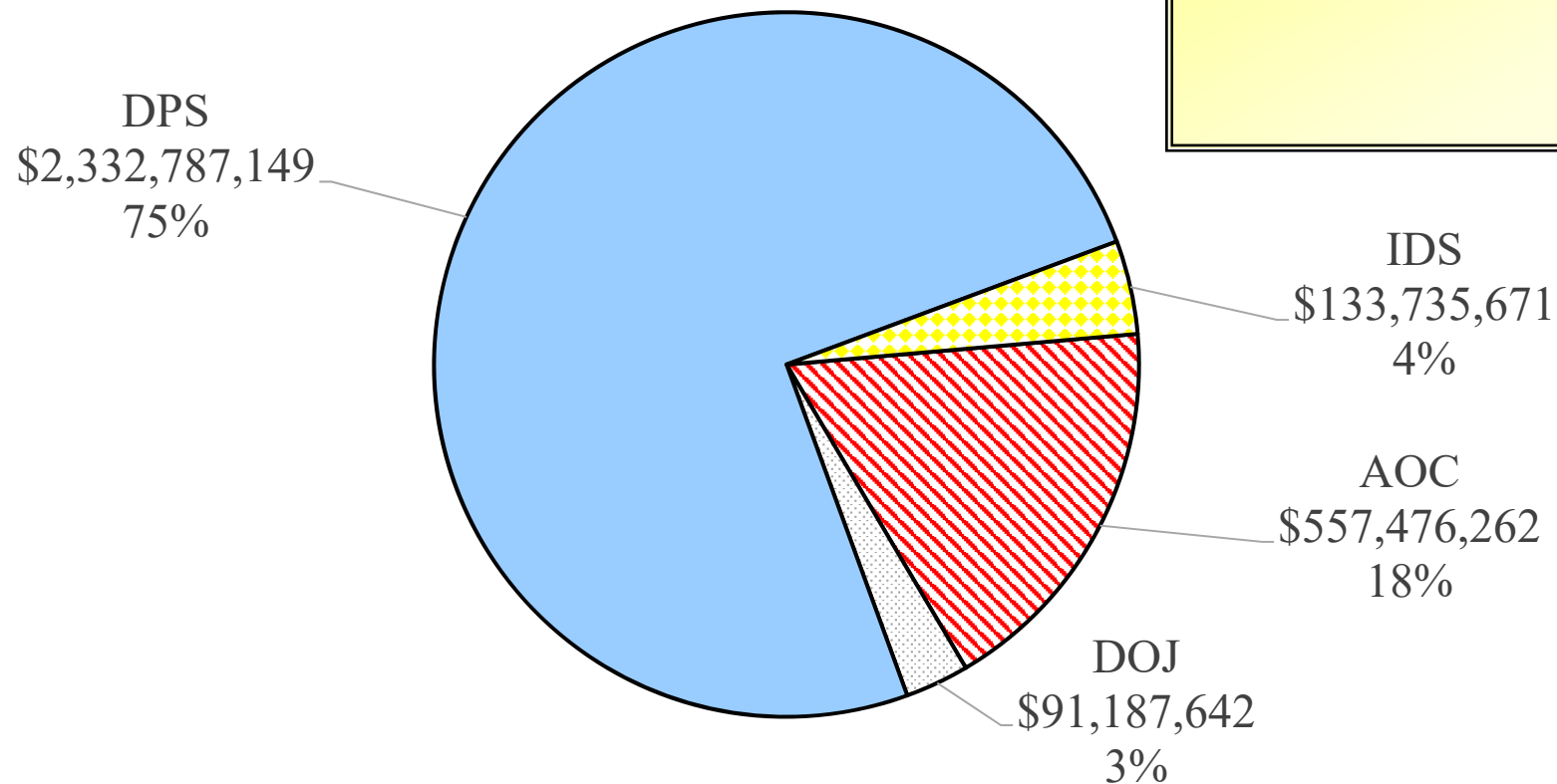
"After closer investigation, it's become clear that we need to enter more than one value."



I. Adult Correction Overview



FY 2019-20 JPS General Fund Base Budget

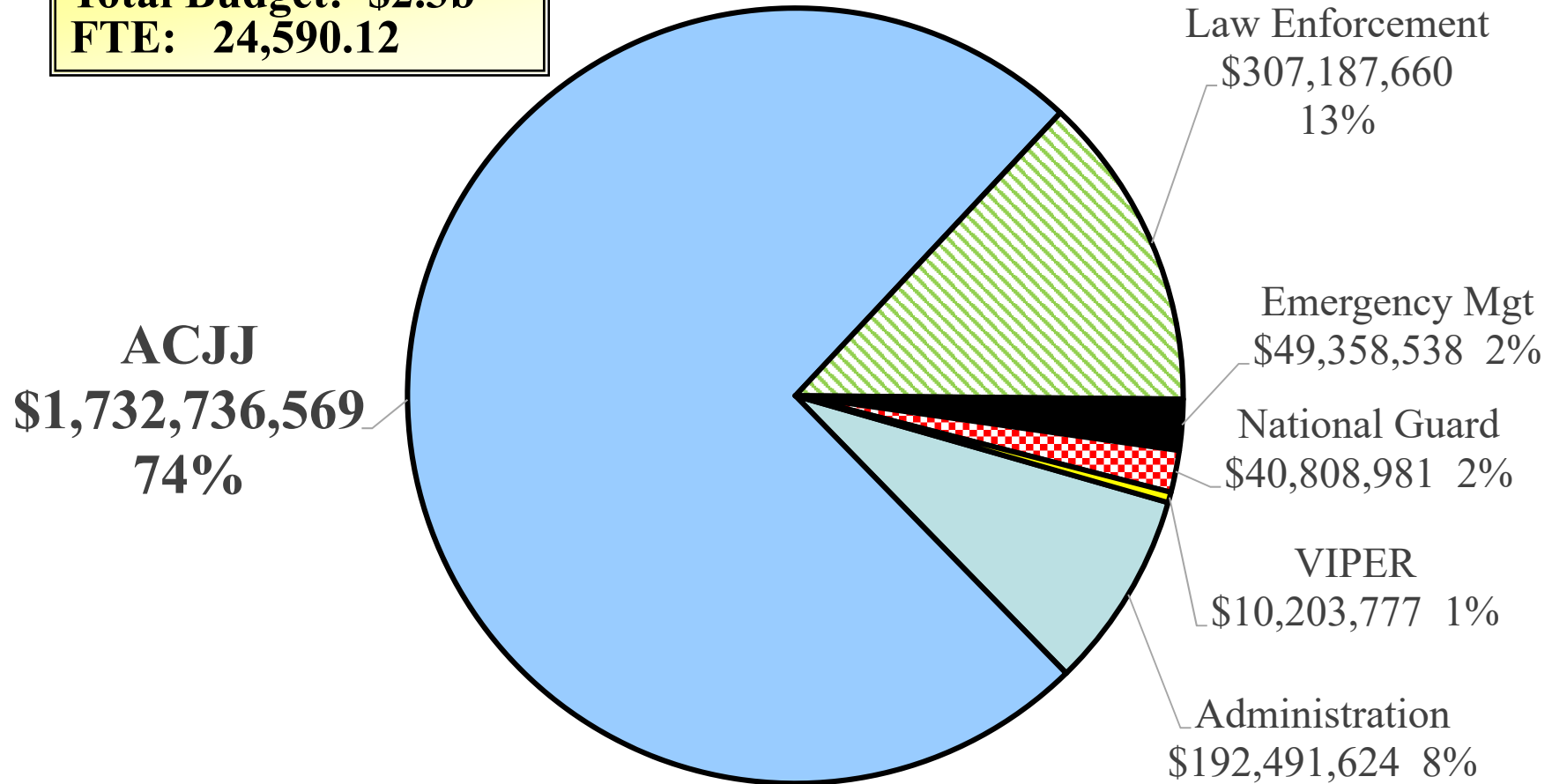


Appropriation: \$2.8 billion
Receipts: \$310 million
Total GF Budget: \$3.1 billion

Source: Recommended Base Budget (Worksheet I) 02/16/19

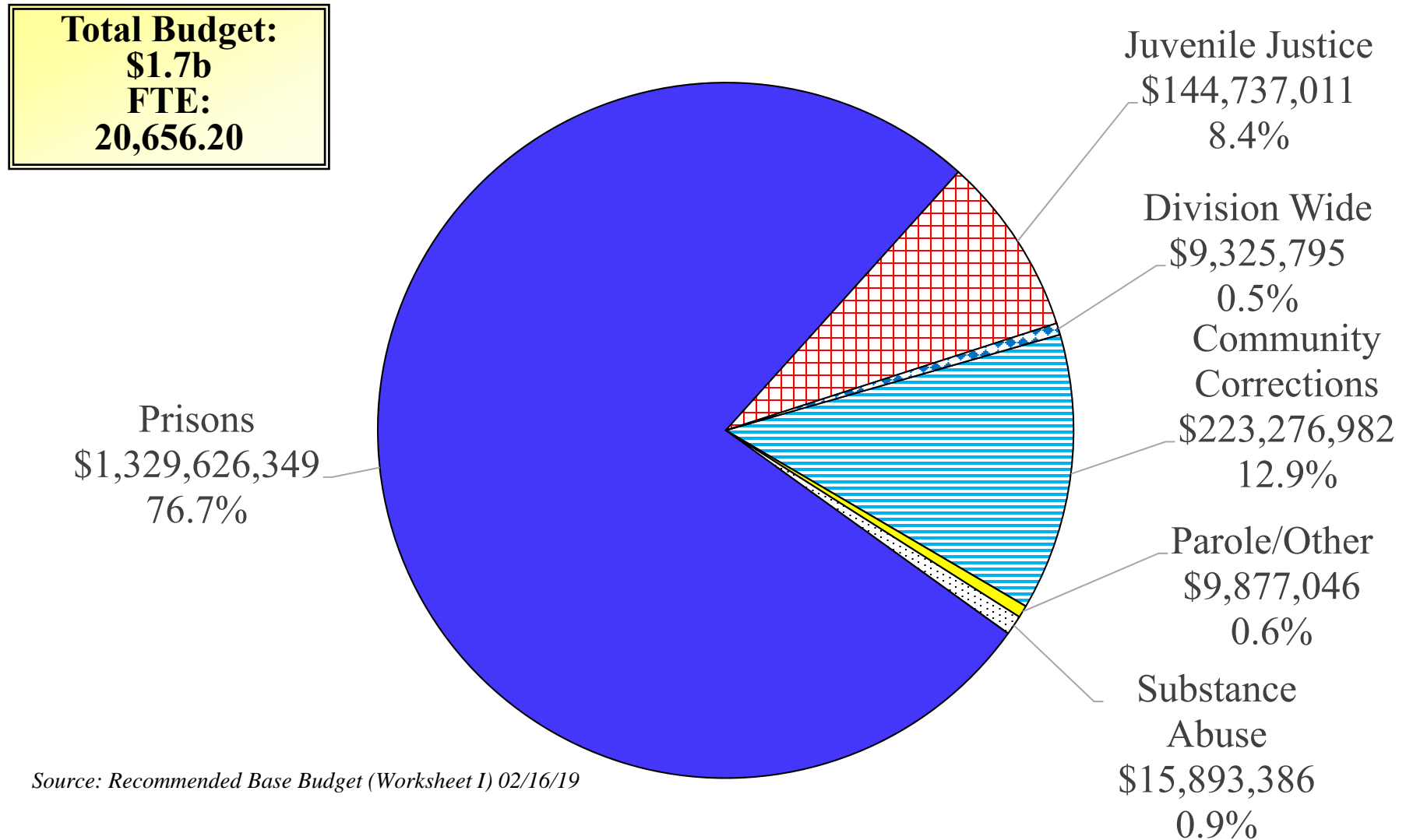
FY 2019-20 DPS Base Budget

Total Budget: \$2.3b
FTE: 24,590.12



Source: Recommended Base Budget (Worksheet I) 02/16/19

FY 2019-20 DACJJ Base Budget

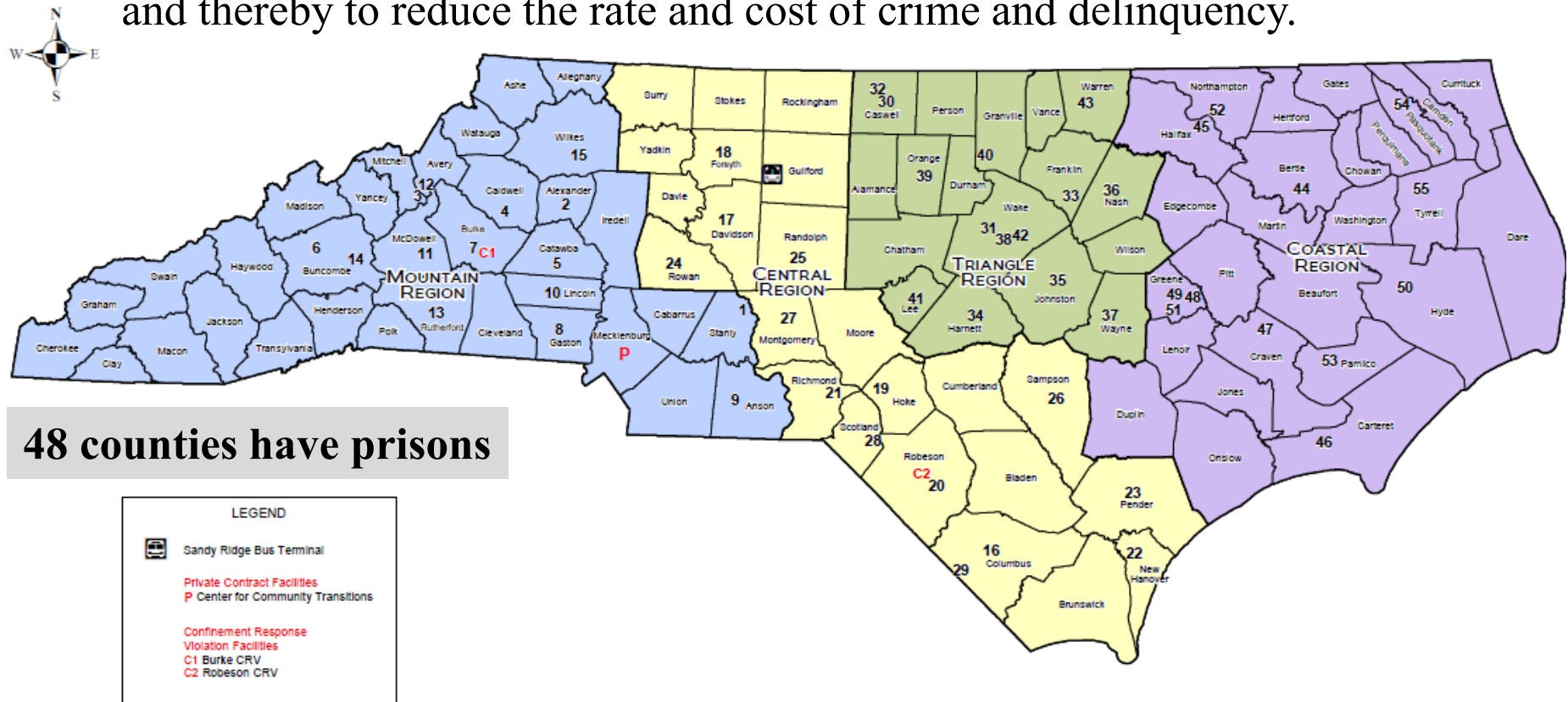


Source: Recommended Base Budget (Worksheet I) 02/16/19

Adult Correction—Prisons

G.S. 143B-701. Division of Adult Correction – duties.

It shall be the duty of the Department to provide the necessary custody, supervision, and treatment to control and rehabilitate criminal offenders and thereby to reduce the rate and cost of crime and delinquency.



Prisons Section

- **Budget:** \$1.3 billion
- **Prisons:** 55
- **Beds:** 38,225
- **Employees:** 16,074 employees
- **Facilities:** 14.9 million square feet
- **Trips:** 16.9m hours in 2,314 vehicles drove 21,345,619 miles

25th largest “city” in NC

Source: Prisons Administration

FY 2019-20 Prisons Budget

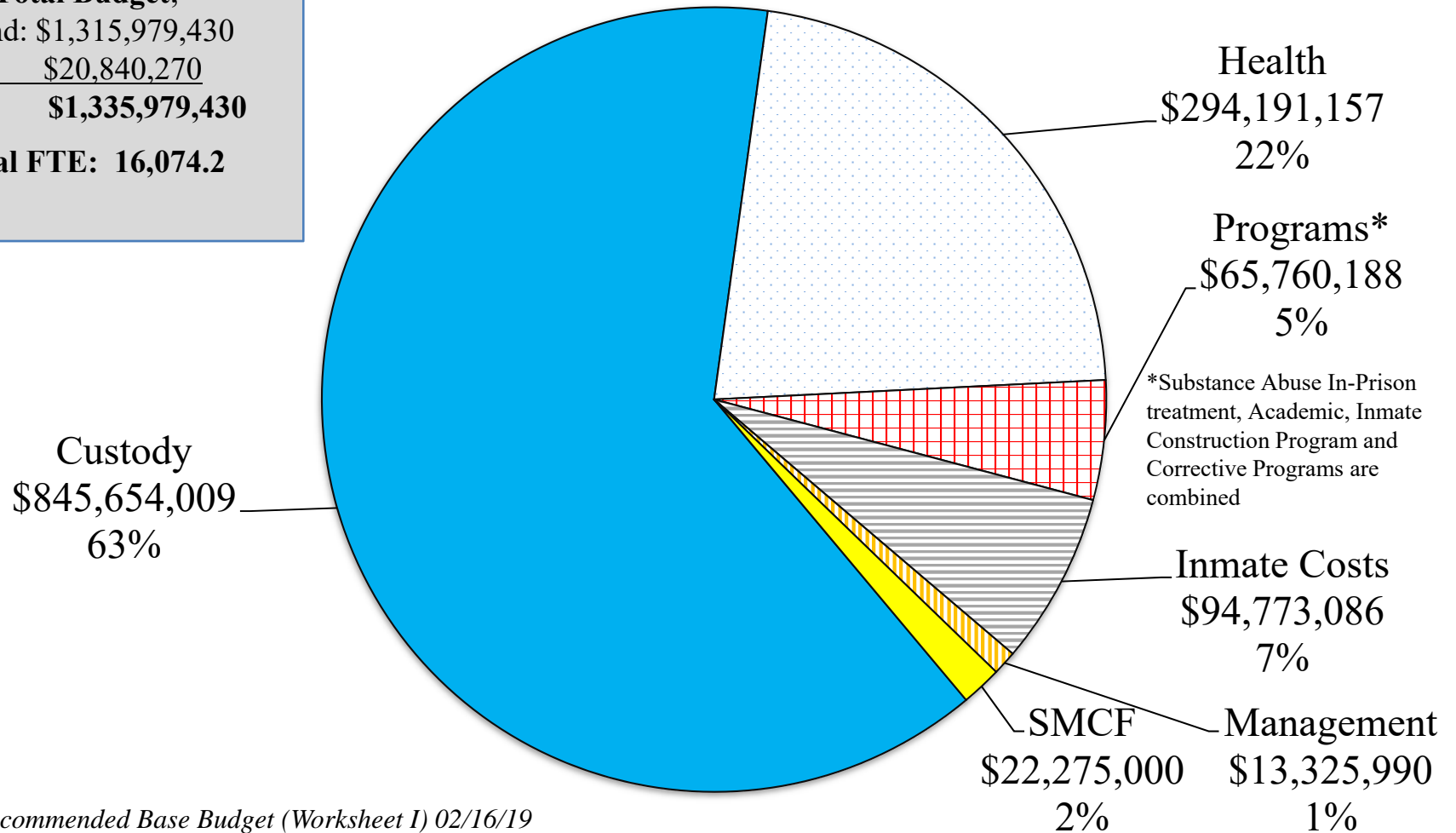
Total Budget;

Gen. Fund: \$1,315,979,430

Receipts: \$20,840,270

Total: \$1,335,979,430

Total FTE: 16,074.2



Source: Recommended Base Budget (Worksheet I) 02/16/19



FY 2019-20 Prison FTE Positions

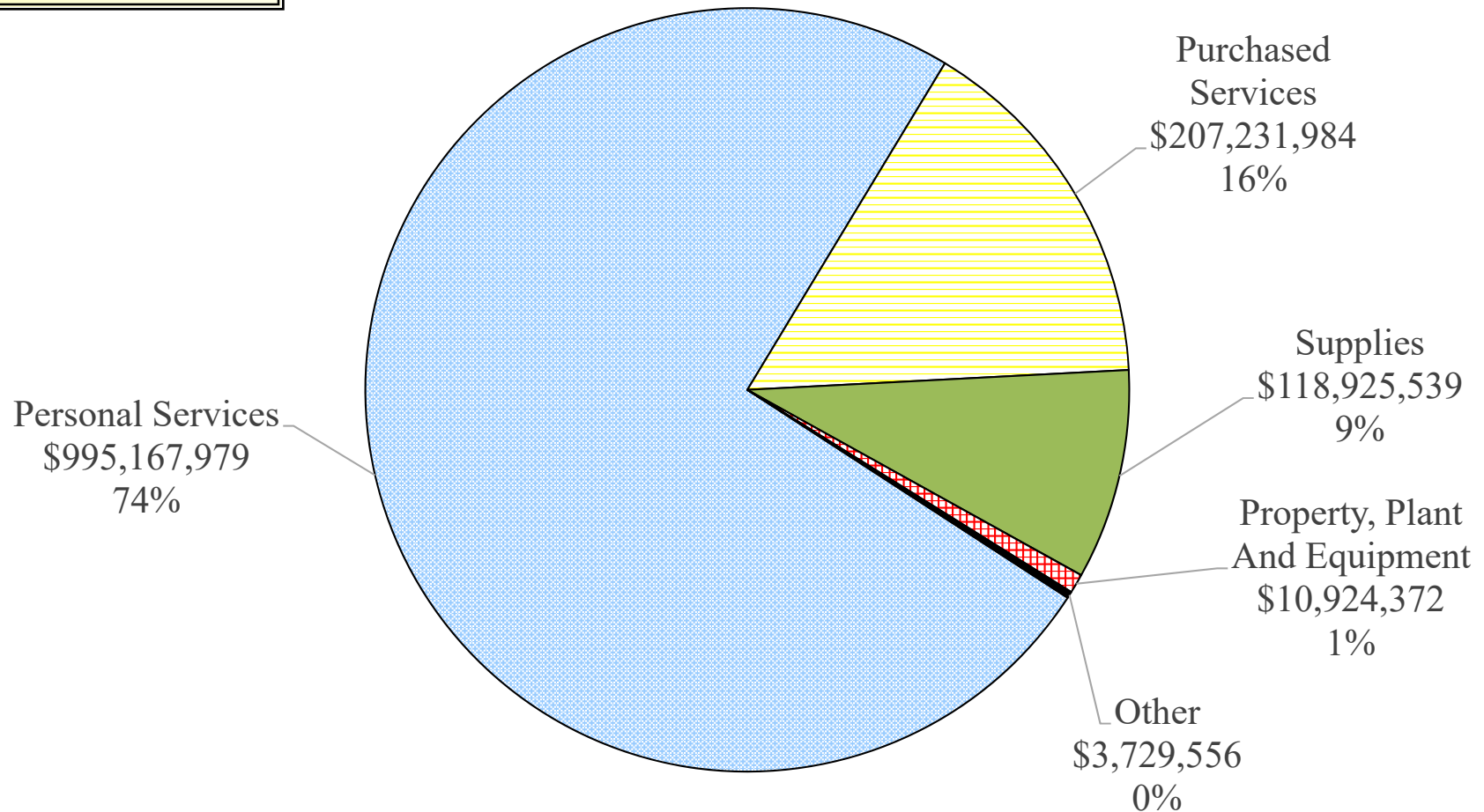
Area	#
Custody and Security	12,565.48
Inmate Costs: Food Services and Cleaning	471.00
Inmate Programs	1,053.47
Inmate Construction Program	4.0
Inmate Education	58.00
Corrective Programs	888.81
Work Release	17.66
In-Prison Substance Abuse Treatment*	85.00
Inmate Health	2,016.5
General Health	1,179.00
Mental Health	442.00
Dental Health	108.00
Pharmacy Services	80.50
Management	174.75
Total	16,074.20

* Substance Abuse Treatment Services is separate from prison

Source: NCIBIS, Worksheet I, 02/16/19

FY 2019-20 Prisons Budget

Total Budget:
\$1.33 b



II. Prison Population Drivers

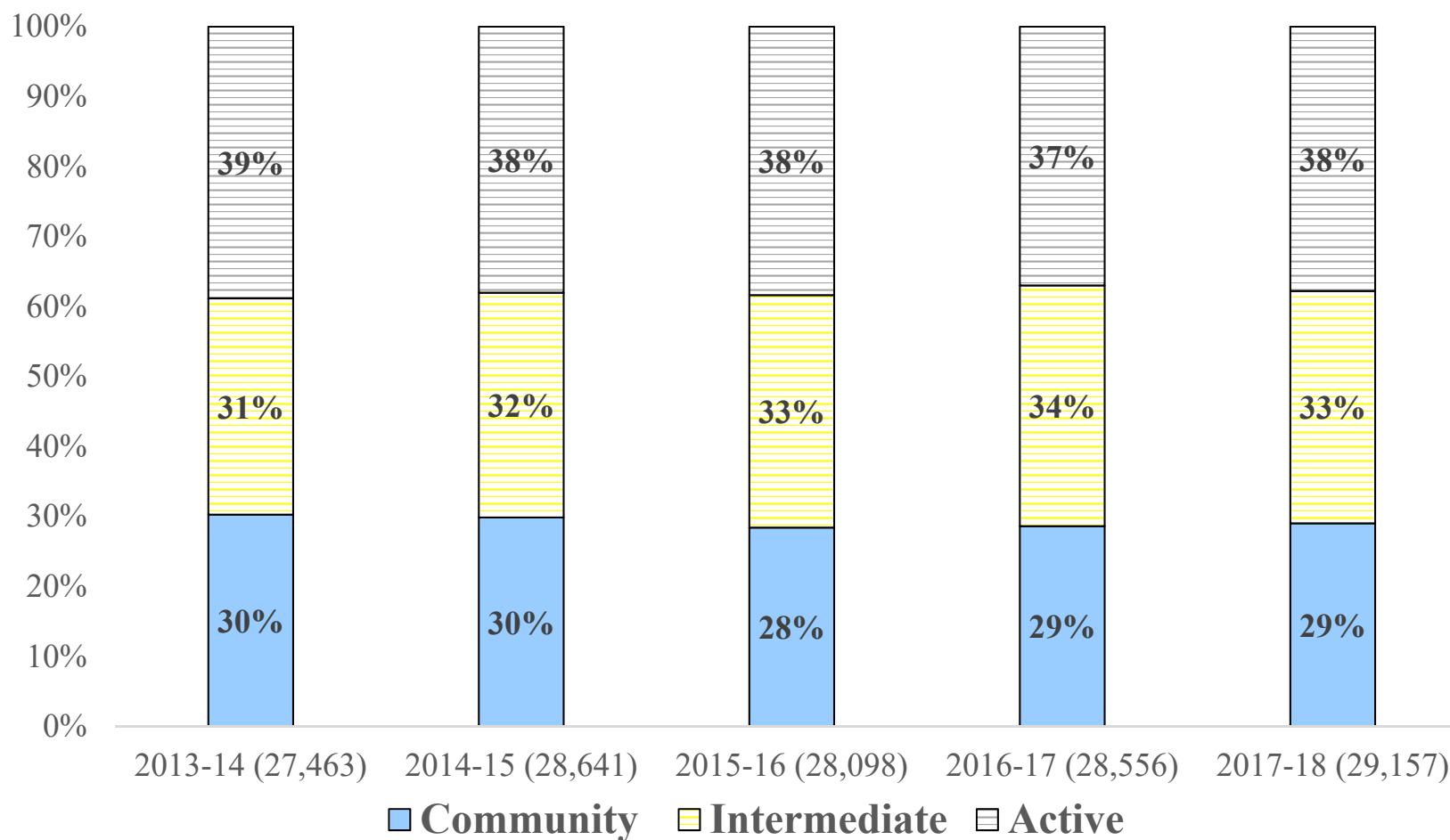
*** Effective for Offenses Committed on or after 10/1/13 ***

FELONY PUNISHMENT CHART PRIOR RECORD LEVEL						
OFFENSE CLASS	I 0-1 Pt	II 2-5 Pts	III 6-9 Pts	IV 10-13 Pts	V 14-17 Pts	VI 18+ Pts
	Death or Life Without Parole Defendant Under 18 at Time of Offense: Life With or Without Parole					
A	A	A	A	A	A	A
B1	240 - 300	276 - 345	317 - 397	365 - 456	Life Without Parole	Life Without Parole
B2	192 - 240	221 - 276	254 - 317	292 - 365	336 - 420	386 - 483
C	144 - 192	166 - 221	190 - 254	219 - 292	252 - 336	290 - 386
D	A	A	A	A	A	A
E	157 - 196	180 - 225	207 - 258	238 - 297	273 - 342	314 - 393
F	125 - 157	144 - 180	165 - 207	190 - 238	219 - 273	251 - 314
G	94 - 125	108 - 144	124 - 165	143 - 190	164 - 219	189 - 251
H	A	A	A	A	A	A
I	73 - 92	83 - 104	96 - 120	110 - 138	127 - 159	146 - 182
J	58 - 73	67 - 83	77 - 96	88 - 110	101 - 127	117 - 146
K	44 - 58	50 - 67	58 - 77	66 - 88	76 - 101	87 - 117
L	A	A	A	A	A	A
M	64 - 80	73 - 92	84 - 105	97 - 121	111 - 139	128 - 160
N	51 - 64	59 - 73	67 - 84	78 - 97	89 - 111	103 - 128
O	38 - 51	44 - 59	51 - 67	58 - 78	67 - 89	77 - 103
P	I/A	I/A	A	A	A	A
Q	25 - 31	29 - 36	33 - 41	38 - 48	44 - 55	50 - 63
R	20 - 25	23 - 29	26 - 33	30 - 38	35 - 44	40 - 50
S	15 - 20	17 - 23	20 - 26	23 - 30	26 - 35	30 - 40
T	I/A	I/A	I/A	A	A	A
U	16 - 20	19 - 23	21 - 27	25 - 31	28 - 36	33 - 41
V	13 - 16	15 - 19	17 - 21	20 - 25	23 - 28	26 - 33
W	10 - 13	11 - 15	13 - 17	15 - 20	17 - 23	20 - 26
X	I/A	I/A	I/A	I/A	A	A
Y	13 - 16	14 - 18	17 - 21	19 - 24	22 - 27	25 - 31
Z	10 - 13	12 - 14	13 - 17	15 - 19	17 - 22	20 - 25
AA	8 - 10	9 - 12	10 - 13	11 - 15	13 - 17	15 - 20
AB	C/I/A	I/A	I/A	I/A	I/A	A
AC	6 - 8	8 - 10	10 - 12	11 - 14	15 - 19	20 - 25
AD	5 - 6	6 - 8	8 - 10	9 - 11	12 - 15	16 - 20
AE	4 - 5	4 - 6	6 - 8	7 - 9	9 - 12	12 - 16
AF	C	C/I	I	I/A	I/A	I/A
AG	6 - 8	6 - 8	6 - 8	8 - 10	9 - 11	10 - 12
AH	4 - 6	4 - 6	5 - 6	6 - 8	7 - 9	8 - 10
AI	3 - 4	3 - 4	4 - 5	4 - 6	5 - 7	6 - 8

A - Active Punishment I - Intermediate Punishment C - Community Punishment
Numbers shown are in months and represent the range of minimum sentences
Revised: 09-09-13

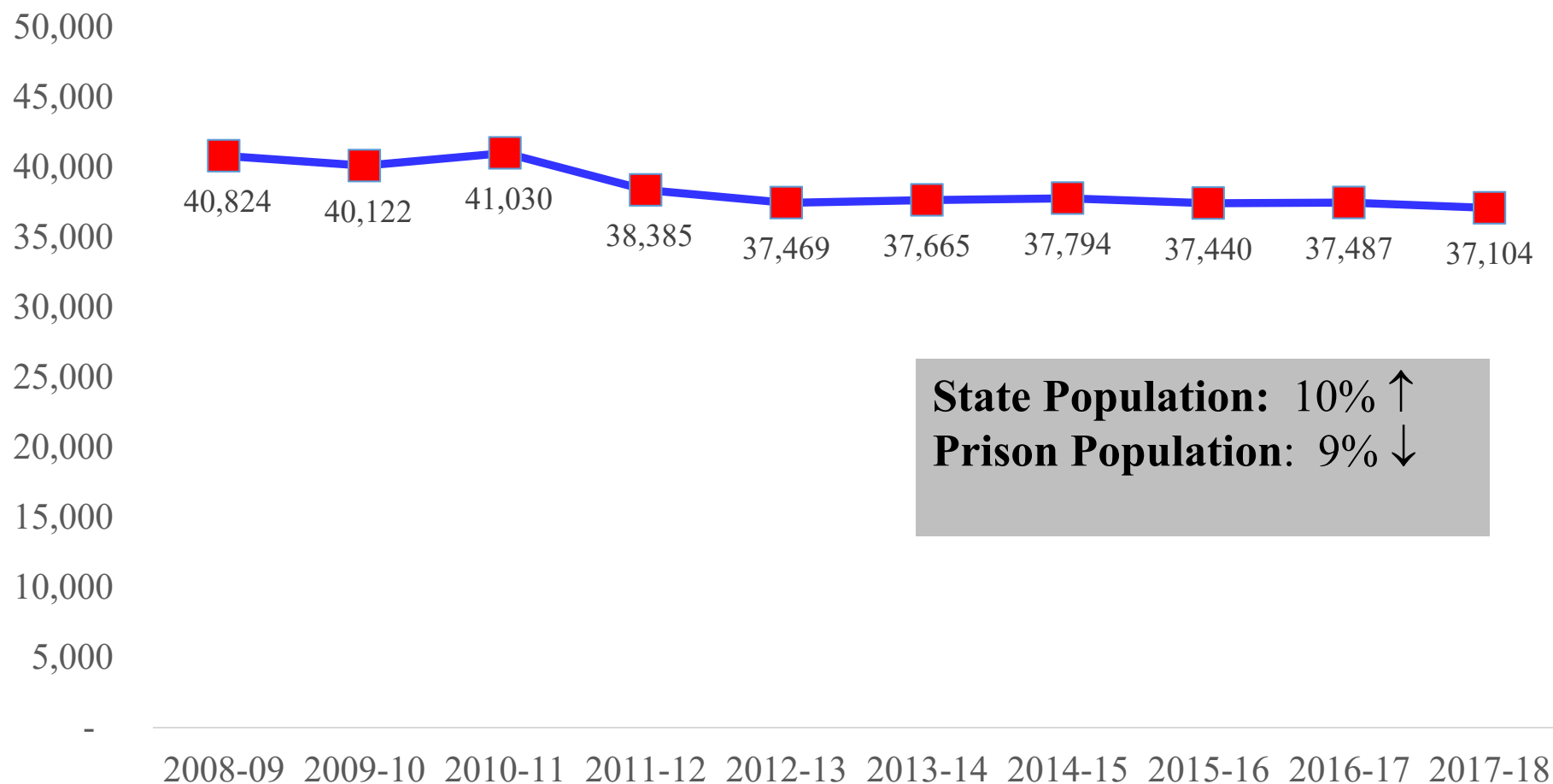


FY 2013-14--FY 2017-18 Sentence Type



Source: SPAC, Annual Structured Sentencing Statistical Report for Felonies and Misdemeanors

NC Prison Population



Source: Division of Adult Correction and OSBM

FY 2017-18 NC Prison Population

Admissions: 25,209

Direct: 52%

Probation Revocations: 48%

Exits: 25,584

Current: 36,352

Felony Class	A-D	E-G	H-I
Convictions	7%	28%	64%
Current Population*	57%	25%	14%
Average Length of Stay	8 years	20 months	10 months
% Receiving an Active Prison Sentence	100%	48%	27%

***Remaining 4%:** Pre Fair, CRV, Non-Class (DWI), Safekeepers, and Other

Source: SPAC and DPS

Prison Population Drivers

Stacking effect: Most serious offenders take up prison beds for a long time

A-D Violent felons:

- 57% of population
- Average time served 8 years in FY 2017-18

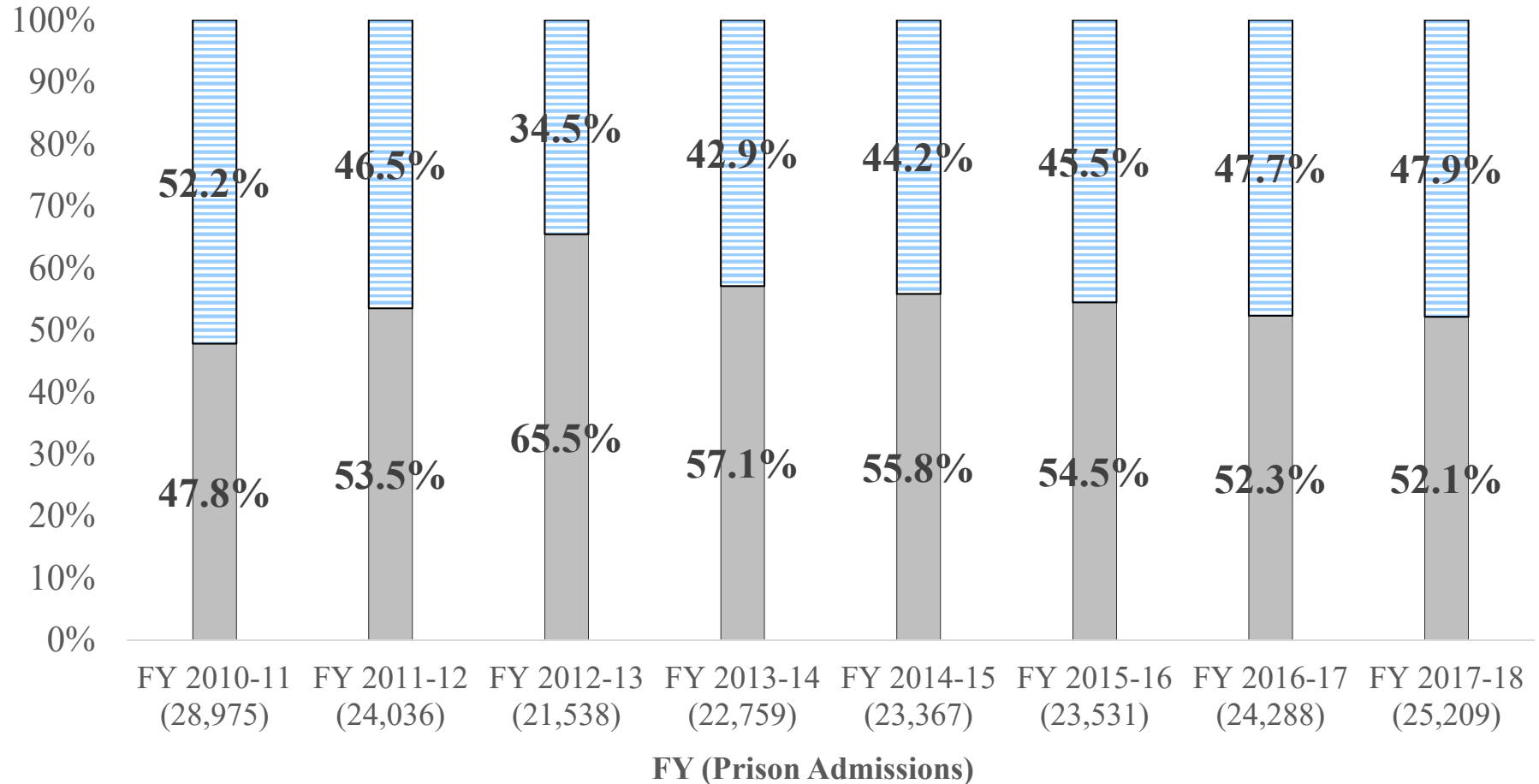
Population:

- Class C: 18.5% of population
- 7 Crimes Account for 48% of population
- Habitual Felons account for 14% of population

Time served all felons:

- Average Time Served: 20 months in mid 90's
- Average Time Served: 30 months in FY 2017-18

Sources of Prison Admissions

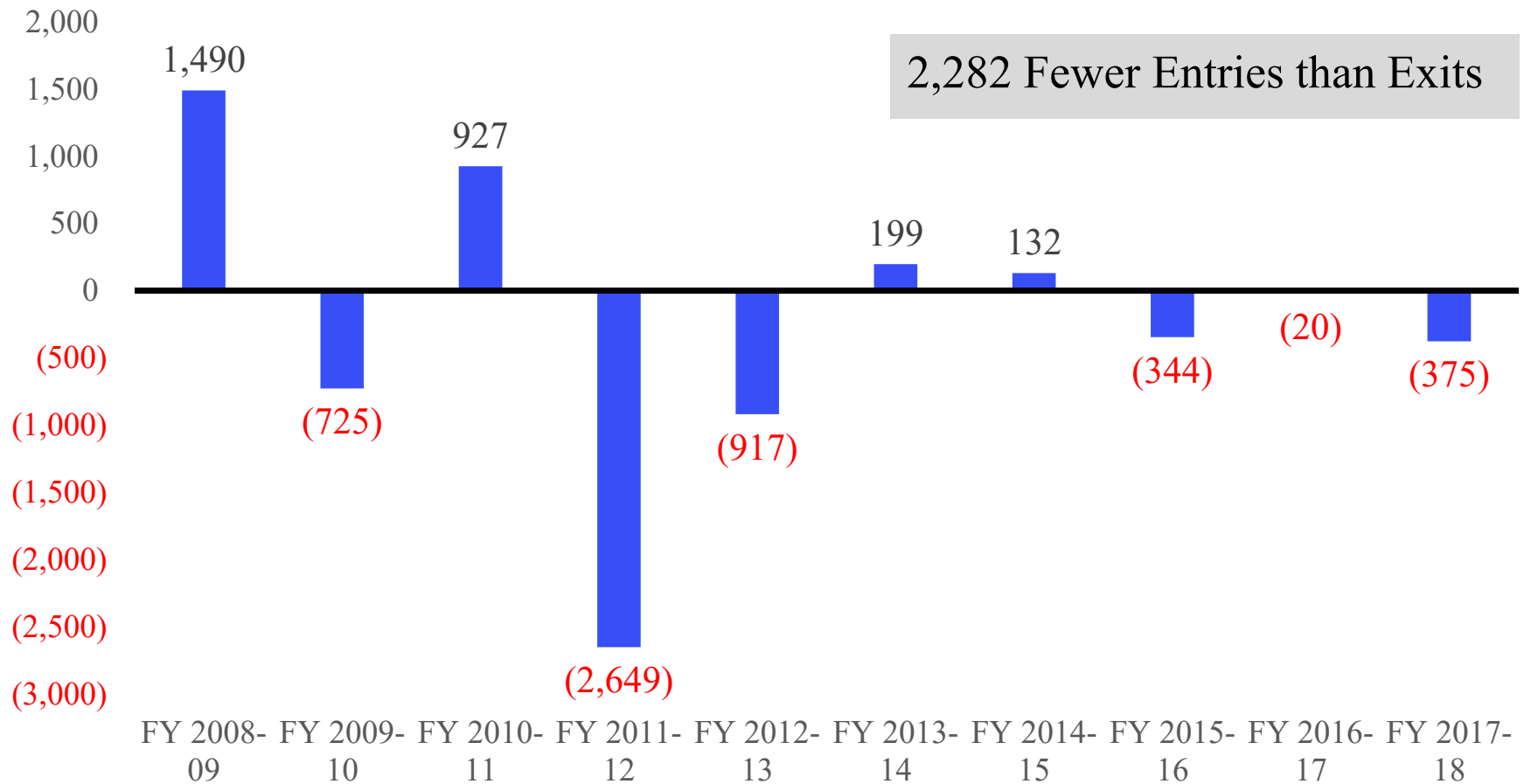


Source: DPS, Automated System Query

■ Direct Admission

▨ Probation Revocation

Difference Between Prison Entries and Exits



Source: DPS, Automated System Query

Prison Closures Since 2009

Prison closures or consolidations= 4,620 beds

Average facility size=442 beds

Capacity added at 1,000-bed prisons=2,772 beds

Total Change in Capacity=(1,848)

Statewide Misdemeanant Confinement Program (SMCP)

S.L. 2011-192 (H.B. 642) Justice Reinvestment Act (JRA)

- Created SMCP and pays counties to house misdemeanants (91-180 days)
- Administered by the NC Sheriffs' Association (NCSA)
- **Voluntary participation:** Sending and Receiving counties
- **Court costs effective:** August 1, 2011
- **Misdemeanants effective:** January 1, 2012

S.L. 2014-100, Section 16C.1 (Appropriations Act of 2014)

- Expanded the program to include **ALL** misdemeanants—October 1, 2014
- Expanded the program to include DWI offenders—January 1, 2015

S.L. 2015-241, Section 18A.11 (Appropriations Act of 2015)

- Transferred SMCP to General Fund support (\$22.3 million)

SMCP: Spending History

Program	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Average Population	7,566	9,387	12,824	14,017	15,355
Housing (\$40/day)	\$9,616,598	\$11,478,304	\$16,225,400	\$17,718,252	\$19,122,685
Medical (Actual)	\$269,879	\$384,593	\$720,783	\$742,785	\$1,420,702
Transportation (\$.55/mile)	\$149,355	\$199,984	\$290,524	\$299,356	\$303,213
TOTAL	\$10,035,832	\$12,062,881	\$17,236,707	\$18,760,393	\$20,846,600

*Counties began receiving SMCP inmates January 1, 2012

Source: Division of Adult Correction, AOC, and NC Sheriffs' Association SMCP monthly and annual reports

SMCP: Administrative Cost History

Administrative Costs FY 2011-12-2017-18

NC Sheriffs' Association

- FY 2011-12 & FY 2012-13: 10% of revenue
- FY 2013-14-current: up to \$1 m

\$9,406,660

DAC

- 1% of revenue

\$1,399,601

Transfers

-Nonrecurring

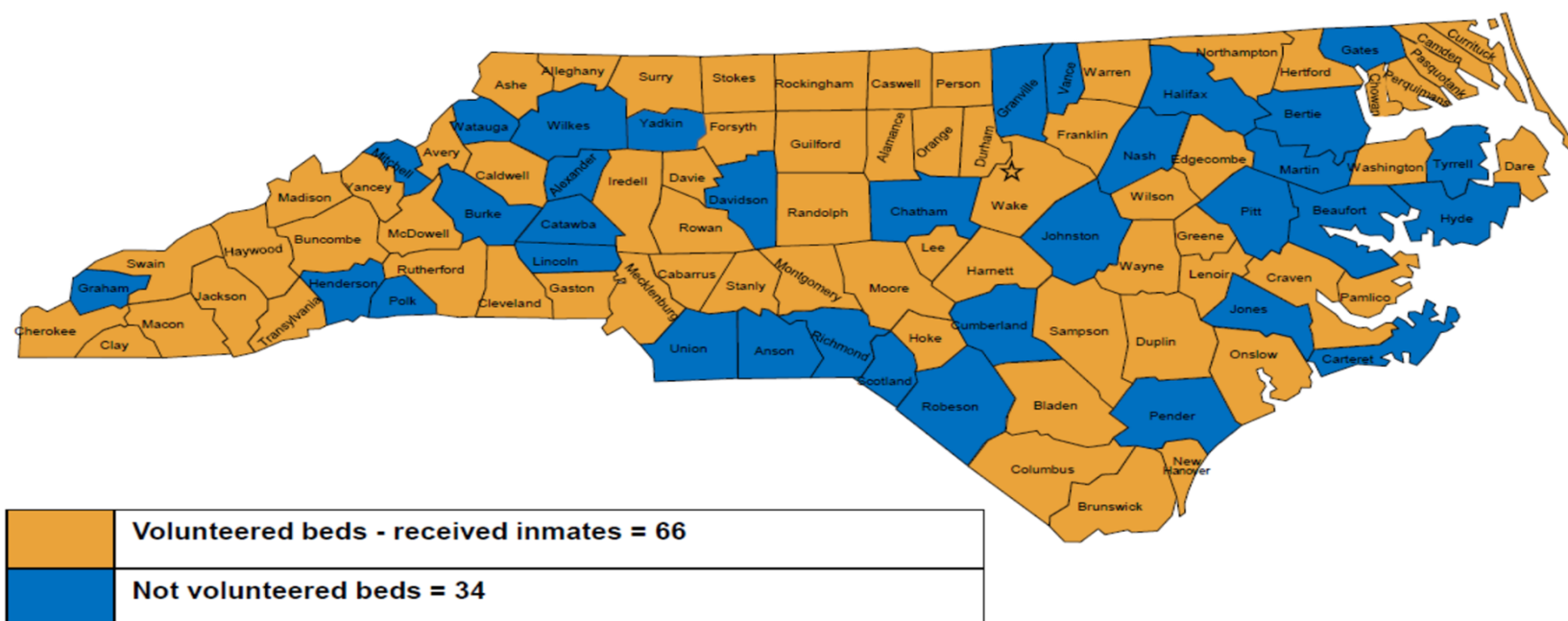
\$49,950,000

-Recurring

\$1,000,000

SMCP: Sending and Receiving Counties

Counties that have Volunteered Beds to the Statewide Misdemeanant Confinement Program (SMCP)



Last Updated: 6/30/2018

Source: NC Sheriffs' Association FY 2017-18 SMCP Annual Report

Safekeepers

County inmates who are security risks may be housed in prison

-G.S. 162-39

Major Reasons to transfer a prisoner to the Safekeeper program:

- Escape risk
- Protection from other inmates
- Female or 18 years or younger and jail cannot house them
- Violently aggressive behavior
- Medical or mental health treatment

FY 2017-18 Entries: 1,222

January 31, 2019 population: 179

Counties pay \$40 plus cost of “extraordinary medical care incurred”

S.L 2015-241, Section 16C.12, Counties delinquent over 120 days have their SMCP funds withheld: \$143,029 from 6 counties; as of January 31, 2017: \$542,140



III. Custody and Security Issues



Custody and Security

FTE: 12,565.48

FY 2019-20 Requirements: \$845,654,009

89% of Budget is Personal Services

55 Prisons in 4 Regions

Custody Staff: 11,418.48 FTE (91%)

Administrative Services: 657.3 FTE (5%)

Facilities Maintenance: 504.7 FTE (4%)



Note: Beacon reports slightly higher than FY 2019-20 Base Budget FTE
Source: NCIBIS, Worksheet I, 02/16/19, Beacon BO 149 Report (02/1919) & DPS Beacon

Prison Bed Costs

Average=\$99.23 per day/\$36,219 annually

Custody Type	Number of beds (2019)	Percentage by type	FY 2017-18 Per Bed Daily Cost	FY 2017-18 Per Bed Annual Cost
Close	8,760	23%	\$116.75	\$42,614
Medium	17,360	45%	\$102.46	\$37,398
Minimum	12,105	32%	\$86.92	\$31,726

Source: DOP and DAC, Controller's Office

Prison Food Service and Cleaning

FY 2019-20 Requirements: \$77,708,317

FY 2019-20 Receipts: \$9,926,726

FTE: 471

Personal Services: 35.6% **Supplies:** 61.3%

Meals Served: 39,473,934 **Coffee Served Since Jan 2012 :** 0

Menus: Rotate on a five-week cycle with menu change twice a year

Total Cost: \$2.55

BREAKFAST	LUNCH	SUPPER
ORANGE JUICE	FLAVORED DRINK	SWEETENED TEA
1% MILK	TUNA SALAD SANDWICH	WHITE BREAD
RICE KRISPIES	ALT: EGG SALAD SANDWICH	TURKEY POT PIE
WHITE TOAST	GREEN BEANS & CORN	ALT: NORTHERN BEANS
OVEN COOKED BOLOGNA	BOSTON BAKED BEANS	SQUASH AND ONIONS
SCRAMBLED EGGS	LEMON COOKIES	BLACKEYED PEAS
ALT: AMERICAN CHEESE	SALT	SEASONAL FRUIT
SALT	PEPPER	SALT
PEPPER		PEPPER

Source: Recommended Base Budget (Worksheet I) 02/16/19

Prison Food Service and Cleaning

Food software: new menus, recipes, forecasting to reduce waste

Correction Enterprises: 87% of the food

Diet Types: 26 different diets

- 87% Regular
- 10% Therapeutic
- 3% Religious

Card swipe system: Implemented October 2013; helps manage food costs and reduced specialty diet orders 30%



Prison Inmate Clothing and Bedding

Budget: \$17,064,769

FY 2019-20 Base Budget is \$1.4 million below FY 2017-18 Actual

Bedding and Textiles	\$2.1 m
Laundry Services and Supplies	\$6.1 m
Clothing and Uniforms	\$8.5 m

Clothing Issued: 5,413,267

Sheets Issued: 220,872

Cost per inmate: \$500.09 (Laundry & Clothing)

Clothing change: 2x week & 7 different uniforms

Bedding: weekly

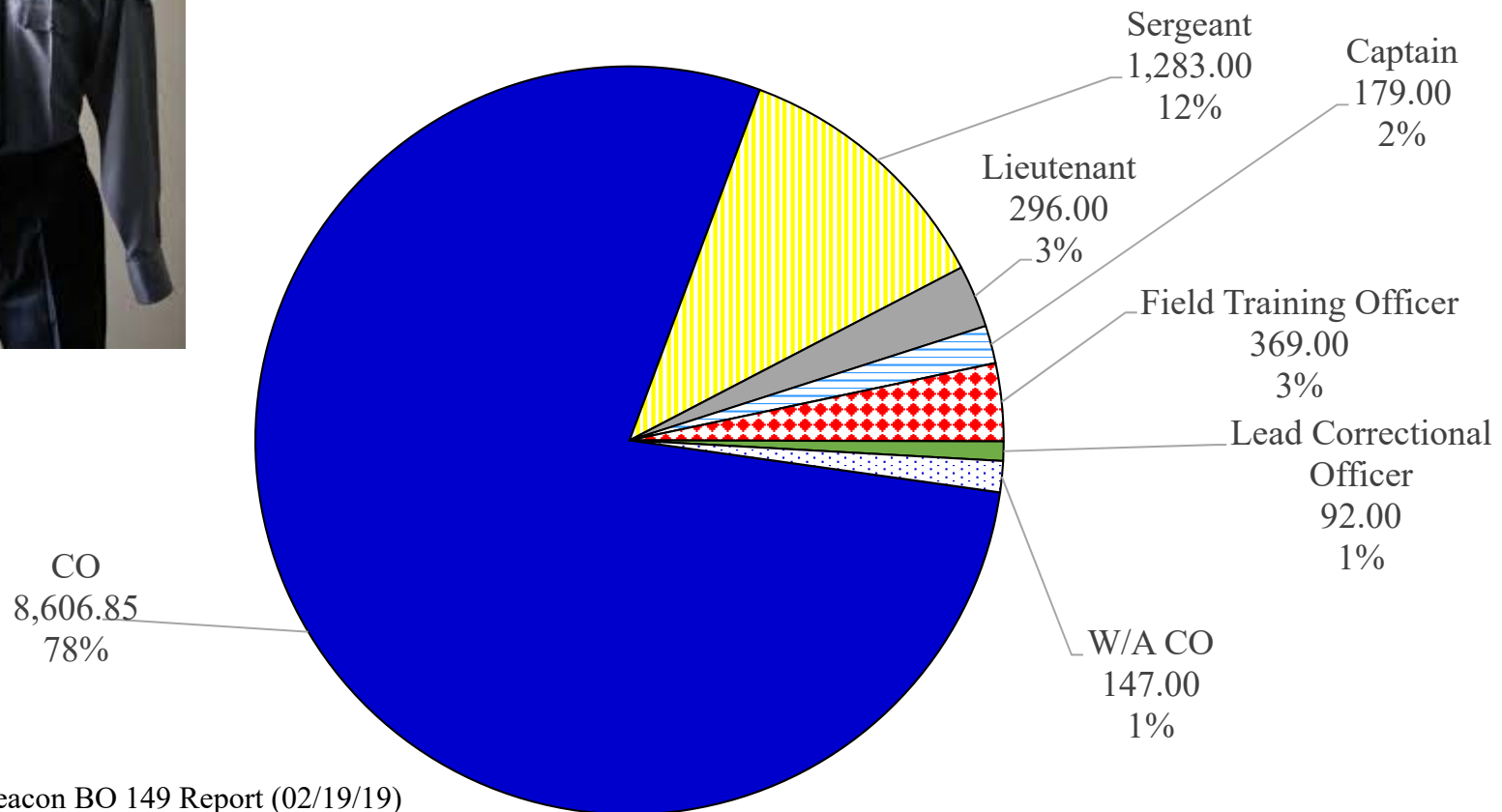
Towels: 2x week



Correctional Officers



FTE: 10,973

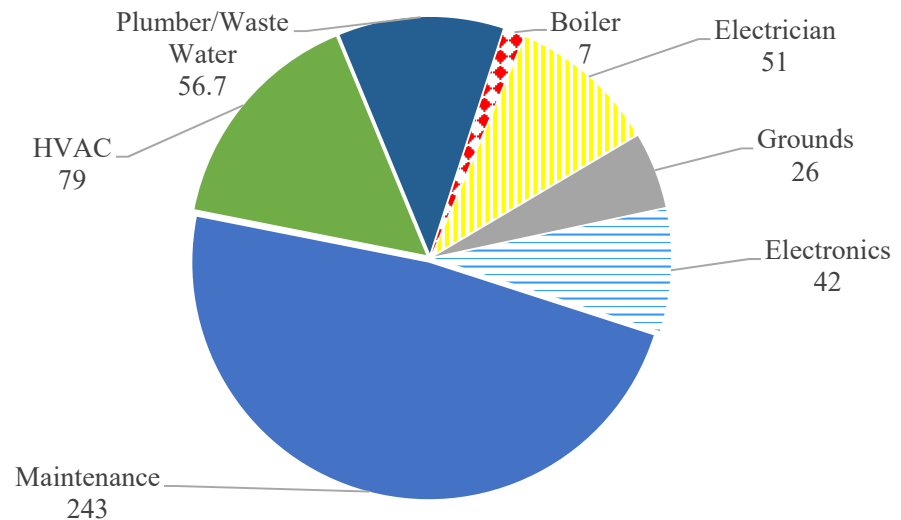


Facilities Maintenance

Corrective and Preventive: 55 facilities ranging in age from 7 to 135

FTE: 504.7

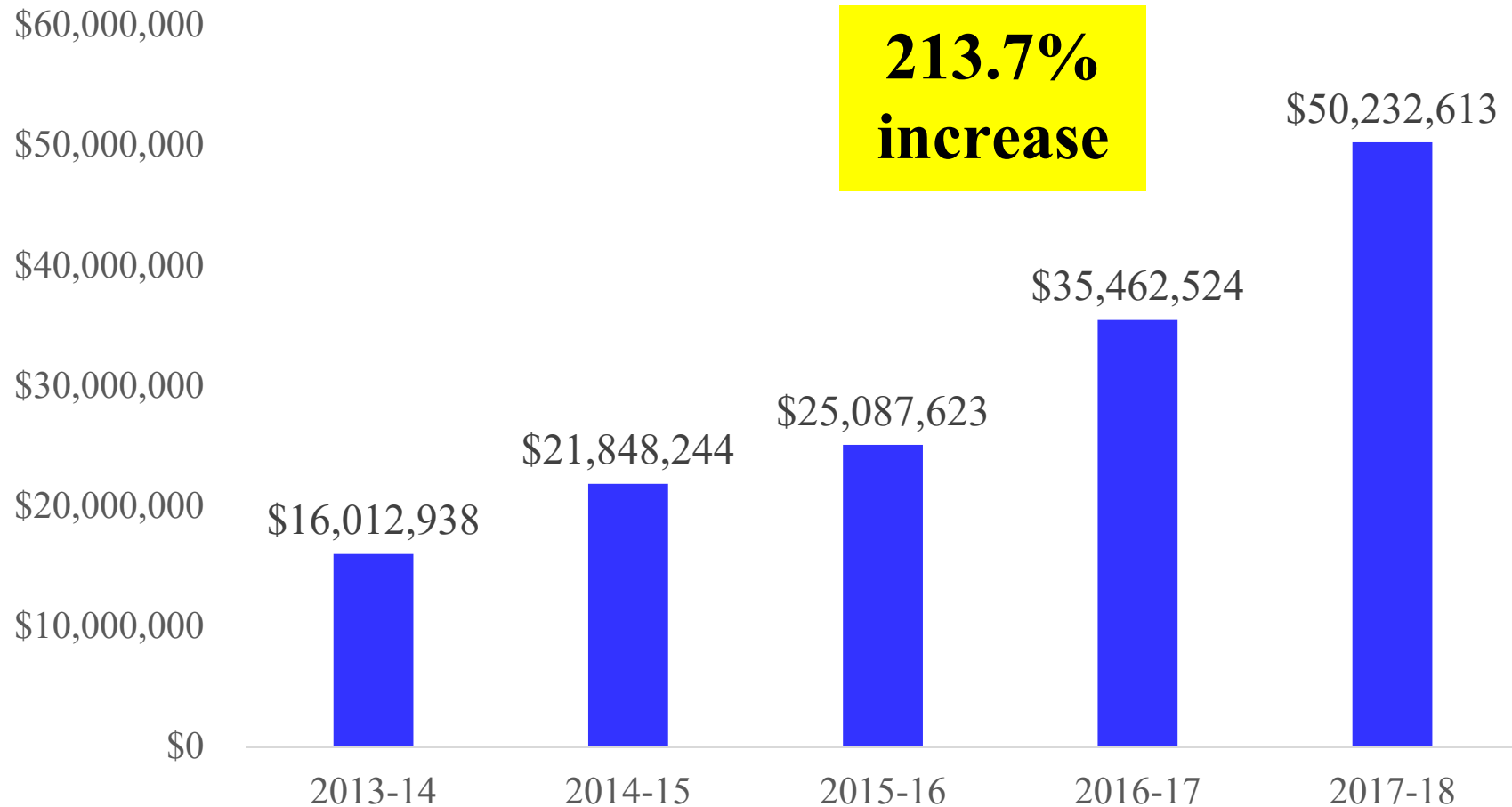
- **Facility Staff & Regional Staff Maintenance Yards:**
 - 3 regions support 55 prisons
 - Support Electronic Intrusion System (EIS), Telephone, Electronic, Camera, and Fire Alarm Maintenance at *ALL 55 prisons, 12 juvenile facilities, 2 DACDP facilities, and 3 CRVs*
- Provide construction crews which cover small to medium projects and work with Inmate Construction Program in 3 regions



Correctional Officer: Shift and Pay

- **Total Number of Correctional Officers:** 10,973 (12,565 Custody staff)
- COs work 12-hours shifts; 171 hours in 28-days
- **Special Pay**
 - **Overtime:** FY 2017-18 Actual=**\$50.2 million**
 - **Holiday Pay :** FY 2017-18 Actual =**\$7.6 million**
 - 75% over regular hourly wage
 - **Shift Premium :** FY 2017-18 Actual=**\$23.4 million**
 - Additional 10% on evening and night shifts and additional 10% on weekend evening and night shifts

Custody Overtime Spending



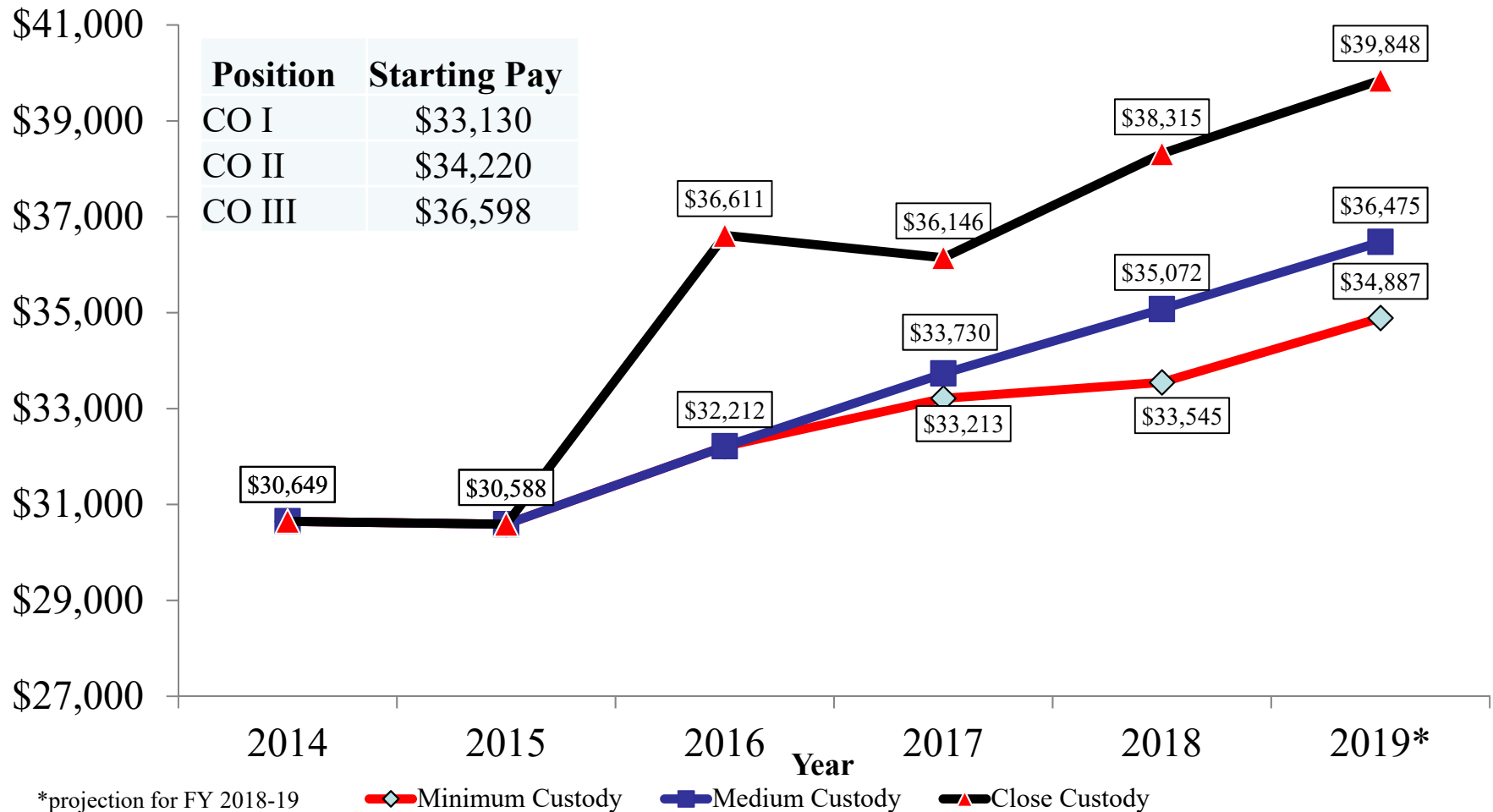
Source: DPS, BD 701 June report

Correctional Officer Issues

- **Vacancies:** 1,674 Vacant Custody Positions
- **Number of CO applications processed:** 13,160
- **COs hires:** 1,812 **CO separations:** 1,742
- **Training:** COs—180 hours of Basic Training (increased from 160)
 - Week One: on site at facility Week Two: Basic Training

Site	Type	Site	Type
Central Region Training Center (Apex)	Commuter	NC Justice Academy (Salemberg)	Overnight
Eastern Region Training Center (Greenville)	Commuter	B.H. Corpening Forestry Training Center (Crossnore)	Overnight
College of the Albemarle (Edenton)	Commuter	Ralph Winkworth Forestry Center (Kinston)	Overnight
Southern Coastal Training Center (McCain)	Commuter	NC National Guard Fort Fisher Training Center (Kure Beach)	Overnight
Western Foothills Training Center (Valdese)	Commuter	Buncombe Temporary Training Academy (Black Mountain)	Overnight
Samarcand Training Academy (Jackson Springs)	Overnight		

CO Average Salary Based on Custody Level



CO Pay Multi-Phase Implementation

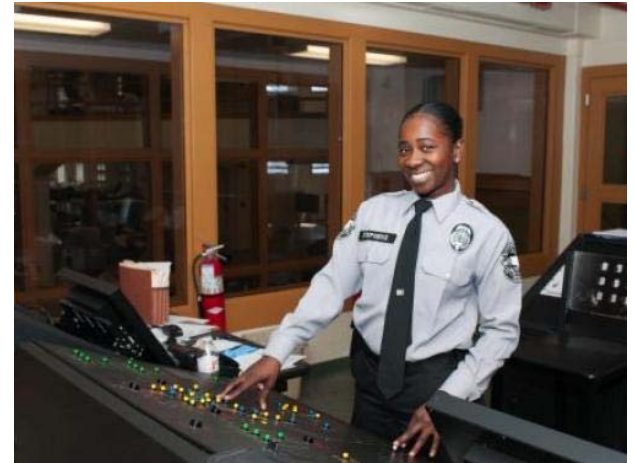
FY 2015-16: \$12,771,297

FY 2016-17: \$29,690,778

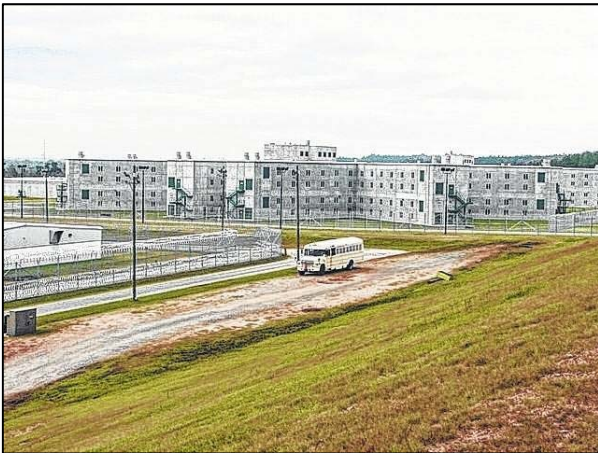
FY 2017-18 \$18,400,000

FY 2018-19: \$22,231,440

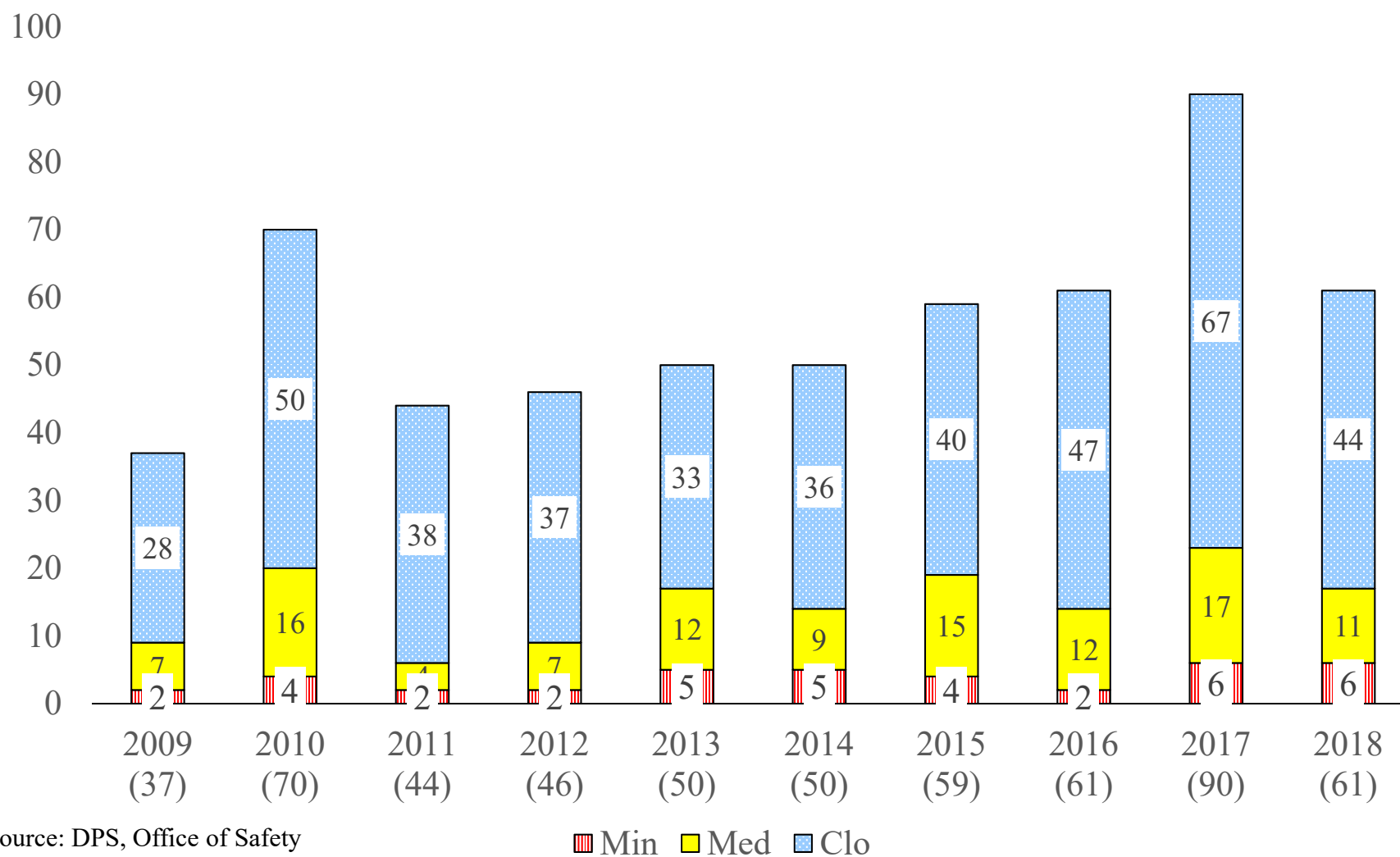
Position	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
CO I (minimum)	n/a	3.5%	0%	1%	4%
CO II (medium)	n/a	3.5%	3%	4%	4%
CO III (close)	n/a	8%	7.5%	6%	4%
Additional	\$1,000	\$750 bonus	0.5% bonus + merit bonus eligibility	\$1,000	n/a



IV. Prison Security and Remissioning



Serious Assaults on Custody Staff



Security Upgrades



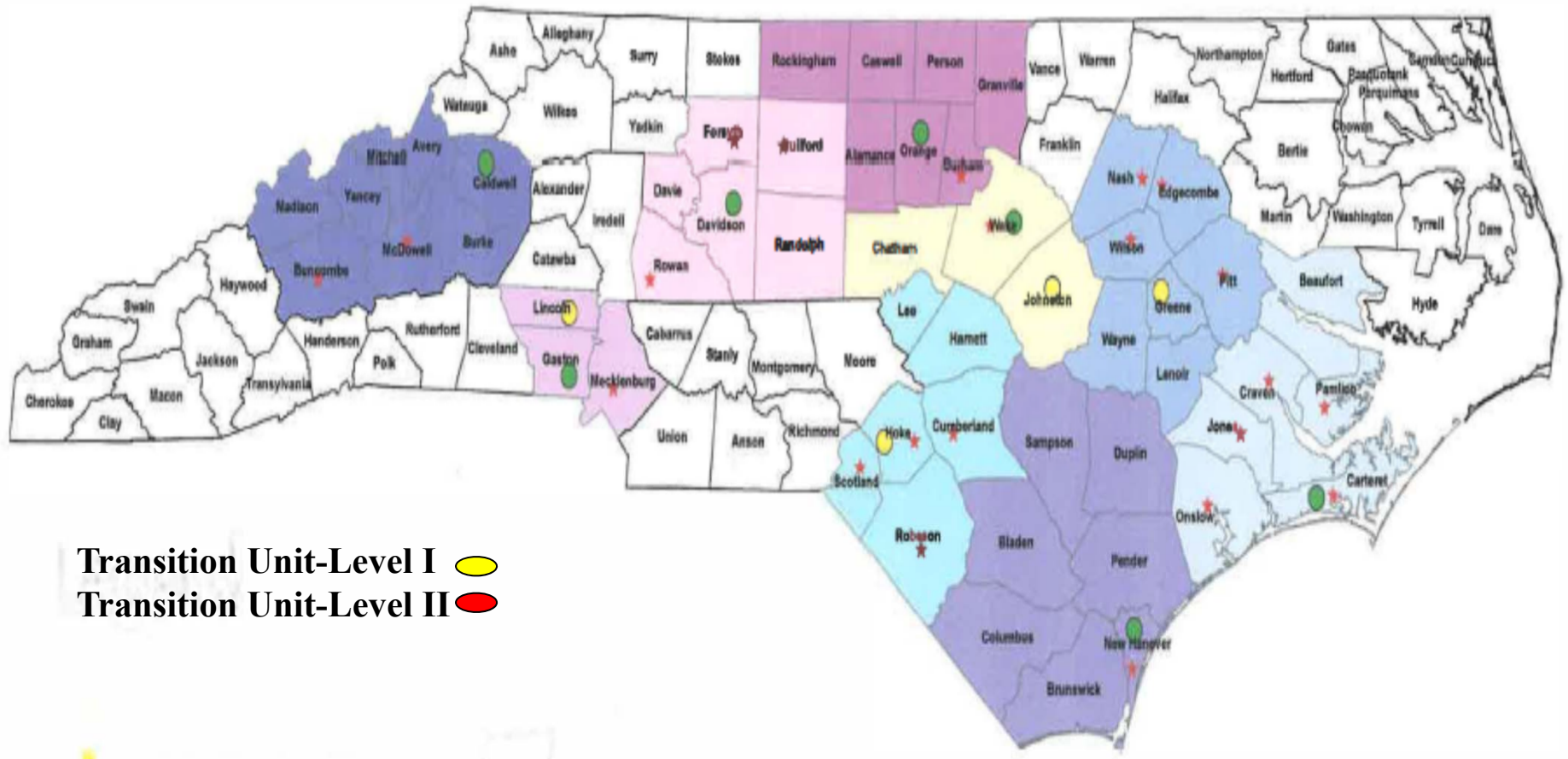
- Man-down technology & additional cameras
 - Man-down pilot sites at Franklin, Harnett, & Nash
 - Camera installation: 1,150 additional cameras since April 2017 & 300 since October 2018
- Standard safety package: radio, baton, & pepper spray)
- Stab-resistant vests
- Moveable guard towers at 9 medium & close custody facilities
- Tasers for 210 supervisory staff at 4 close custody facilities

Prison Remissioning

- Multiple-step process to focus mission of individual facilities
- Move from 7 processing centers to 4
- Conversions:
 - Change Eastern (Greene) and Southern (Montgomery) from female to Close male
 - Change Lanesboro from Close male to female facility and rename Anson CI
 - North Piedmont CCW—female CRV with 136 beds
- Reentry facilities— 5 Minimum I (lowest level) & 6 Minimum II/III



Minimum Custody Transition Units



Transition Unit-Level I ●
Transition Unit-Level II ●

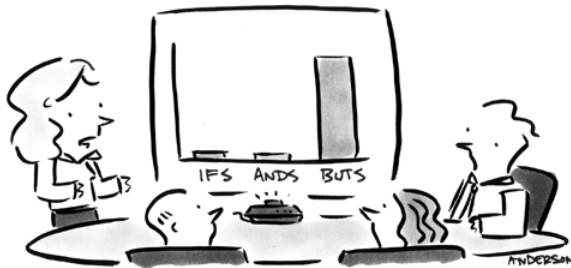




V. Recent Budget Issues & Actions

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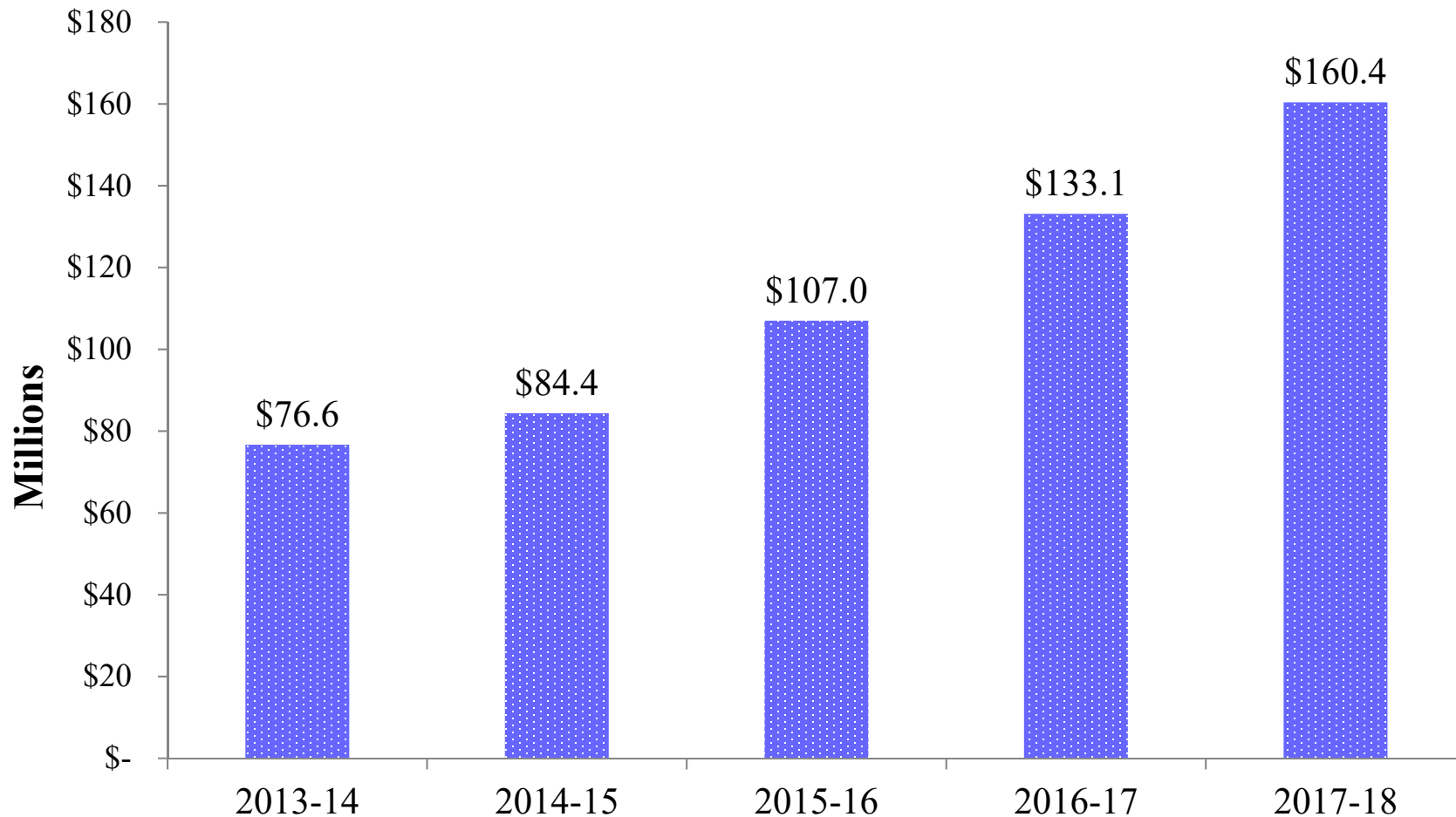
"It's a problem, but we're working on it."

FY 2017-19 Major Budget Items

Budget Item	Annualized Amount	FTE
Eliminate vacant positions	(\$3,395,943)	(69)
Female CRV Facility	\$1,221,100 252,754 NR	
Reentry Services	\$500,000	
Community College Recidivism Pilot Project	\$650,000	
Eliminate vacant nursing positions	(\$14,759,413)	(196)
Provide funding for contract nursing	\$14,759,413	
Prison Security Equipment	\$16,500,000 NR	
Inmate Litter Crews*	(\$9,550,679)	

*Transportation eliminated a \$9 million transfer in receipts to support inmate litter crews

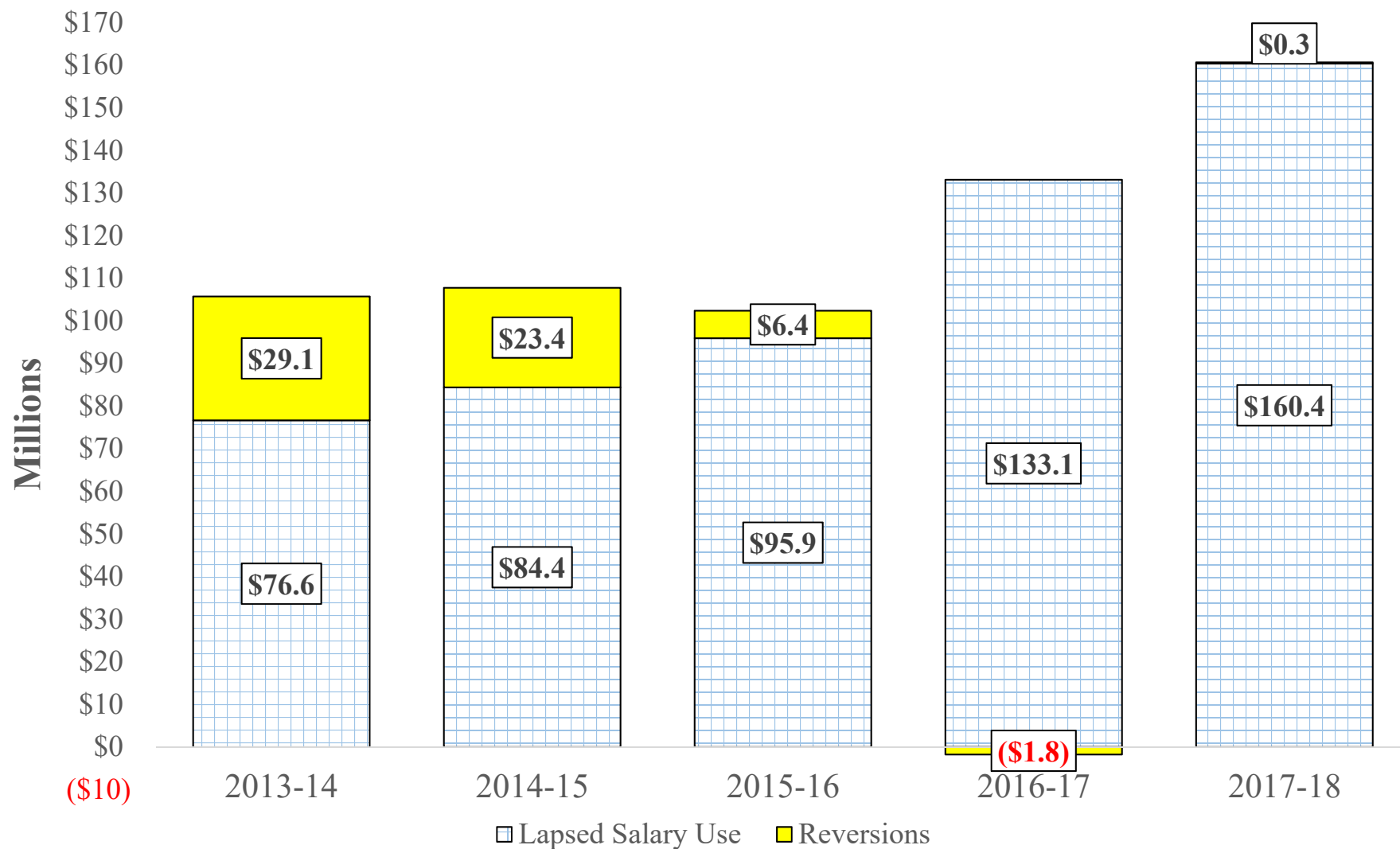
Adult Correction Lapsed Salary Usage



Note: FY 2013-14 includes \$3.3 million expended on other DPS agencies

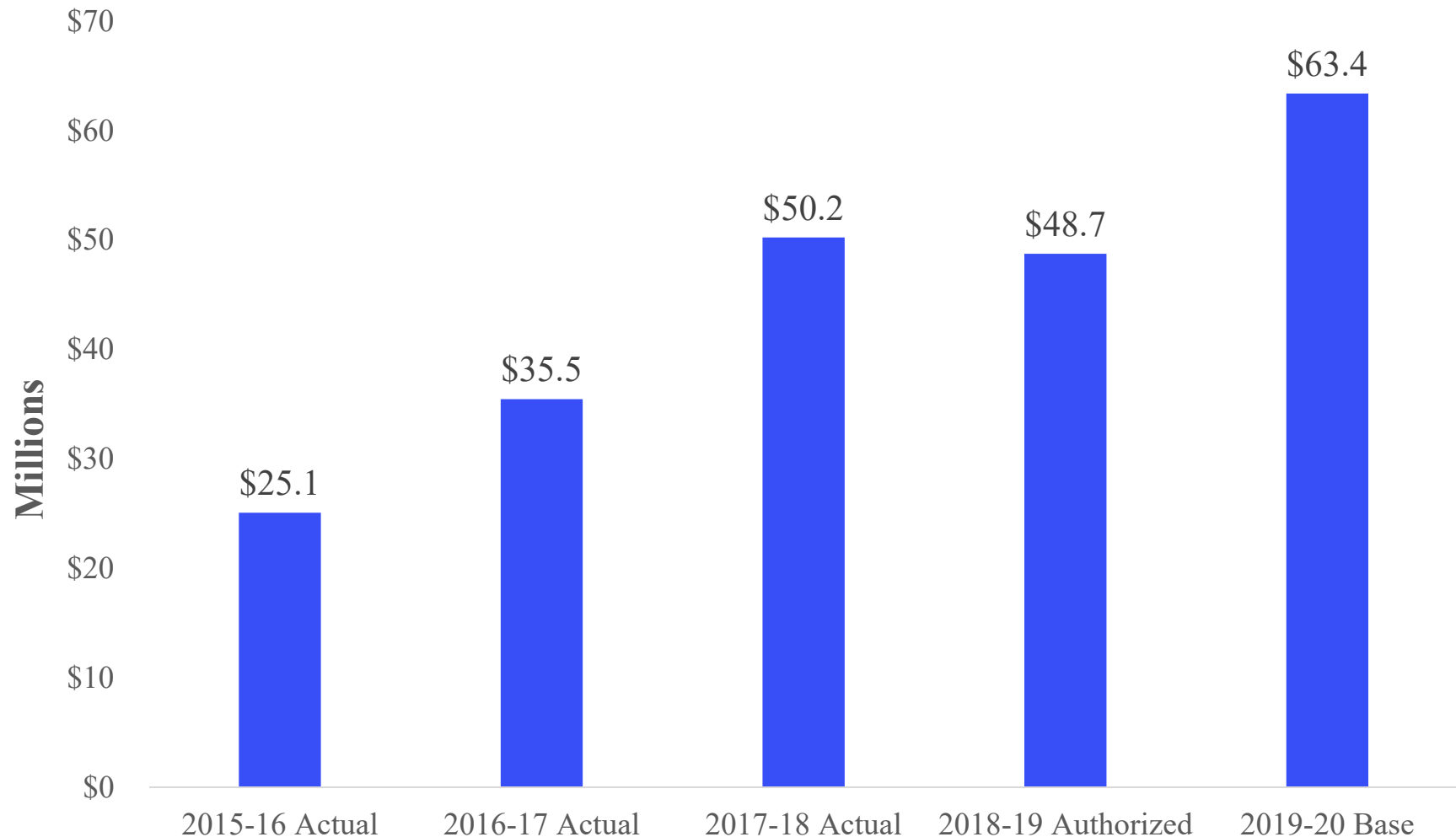
Source: DAC, annual reports

Lapsed Salary Use and Reversions



Source: DPS, Budget Office

Custody Overtime Budget History



Major Lapsed Salary Expenditures

Item	FY 2016-17	FY 2017-18	Total
Temporary Nurses	\$16,615,163	\$15,856,165	\$32,471,328
Overtime	\$25,862,924	\$39,363,567	\$65,226,491
Prescription Drugs and Pharmacy Supplies	\$24,426,631	\$22,404,455	\$46,831,086
Other Medical Providers	\$14,932,460	\$21,430,083	\$36,362,543
Hospital Services	\$22,203,221	\$23,306,451	\$45,509,672
Total	\$109,812,044	\$122,360,721	\$232,172,765

Source: DAC, annual lapsed salary reports

Budget Provisions to Address Lapsed Salaries

DAC Budget Review and Realignment (Section 35.23)

Directed DAC to realign the budget as part of certification:

Personnel costs	Overtime	Temporary nurses
Inmate medical	Prescription drugs	Pharmacy supplies

- **Result:** DAC moved \$107 million into these line items via a negative reserve
-

FY 2018-19 DPS Certified Budget

14550-Public Safety - General Fund REQUIREMENTS

Account Code	Account Title	2018-19 Original	2018-19 Change	2018-19 Revised
531643	NATIONAL GUARD PAYMENTS	\$180,000	\$0	\$180,000
531651	COMPENSATION TO BOARD MEM	\$465	\$0	\$465
531653	COMPEN TO NATIONAL GUARD	\$20,000	\$0	\$20,000
531661	TAX EMP REIMB/ALLOW-APPRO	\$25,002	\$0	\$25,002
531995	TURNOVER REALIGNMENT	\$0	(\$107,515,644)	(\$107,515,644)

DPS FY 2018-19 Certified Budget

Office of State Budget And Management
Certified Budget - Revised (BD307)
Detail by Fund
Biennium 2017-19

14550-Public Safety - General Fund

1310-Prison Custody and Security

Account Code	Account Title	2018-19 Original	2018-19 Change	2018-19 Revised
REQUIREMENTS				
531211	SPA-REG SALARIES-APPRO	\$451,634,572	\$0	\$451,634,572
531212	SPA-REG SALARIES-RECPT	\$64,022	\$0	\$64,022
531311	REG(N S) TEMP WAGES-APPR	\$71,382	\$0	\$71,382
531411	OT PAY - APPROPRIATED	\$9,552,596	\$39,363,567	\$48,916,163

Budget Provisions to Address Lapsed Salaries

Budget Accountability and Transparency Reform Initiative (Section 6.3)

- Directed DPS and State Budget to develop a budget realignment plan
- Goal: more closely align with actual requirements
- Permitted the elimination of vacant positions

Result: DPS eliminated 19 vacant positions and made actual requirements more closely align mainly through the use of lapsed salaries

“DPS generates significant lapsed salary because of high turnover, recruiting difficulties, and a high vacancy rate partially driven by an inability to eliminate positions that are needed to maintain minimum staffing safety standards at facilities.”

-OSBM, Report on the Budget Accountability and Transparency Reform Initiative

Results of Addressing Budget Provisions

Fiscal Year	2017-18 Actual	2018-19 Original	2018-19 Certified Change	2018-19 Authorized	2019-20 Increase	2019-20 Total
Overtime	\$50,232,613	\$9,552,596	\$39,363,567	\$48,744,941	\$14,636,433	\$63,381,374
Hospital Services	\$60,587,288	\$34,893,850	\$21,430,083	\$55,742,578	(\$9,930,083)	\$45,812,495
Other Medical Providers	\$58,742,749	\$35,016,471	\$23,306,451	\$58,322,922	(\$13,806,451)	\$44,516,471
Drugs and Pharmacy	\$53,551,132	\$28,555,791	\$23,415,543	\$52,214,632	(\$11,521,754)	\$40,692,878



**“I had a miraculous dream in which
our list of questions all had answers.”**