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STAFFING REPORT OF THE NEBRASKA DEPARTMENT OF CORRECTIONAL SERVICES

June 28, 2021

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INTRODUCTION

Nebraska's correctional system is approaching a crossroads. In the coming year, the Legislature will decide whether to approve construction of a new prison, which would be the state's first in two decades. In the meantime, leaders from all three branches of state government have agreed to participate in a study by the Crime and Justice Institute to examine potential systemic reforms.

The state's ability to adequately staff its correctional facilities is an essential part of this conversation. As of the date of this report, Nebraska's two largest prisons have remained under staffing emergencies for more than a year. Additionally, staffing shortages raise the question of whether an emergency will be declared at the Lincoln Correctional Center (LCC) and Diagnostic and Evaluation Center (DEC), as well, particularly as those facilities undergo a significant expansion and merger.¹

The intent of this report is to provide lawmakers and other stakeholders with an update on staffing data from the Nebraska Department of Correctional Services (NDCS or "Department"), as well as individual facilities within the Department. While information of this nature is typically included in the OIG's annual report in September, our hope is the data and recommendations presented here will be of immediate use. This standalone report should also serve to highlight the urgency and importance of the Department's ongoing staffing situation.

EMERGENCIES AND CRITICAL STAFFING INCIDENTS

Staffing emergencies and minimum/critical staffing incidents are two ways of measuring acute worker shortages at individual NDCS facilities.

Emergencies

A "staffing emergency" is a designation required under the state's labor union contracts to allow for certain scheduling changes by the Department. Generally, this means switching protective custody operations from three 8-hour shifts to two 12-hour shifts each day, and adjusting how a facility functions to accommodate the new schedule. The Nebraska State Penitentiary (NSP) and the Tecumseh State Correctional Institution (TSCI) have been under staffing emergencies since October 2019 and December 2019, respectively.

Under these emergencies, protective custody staff work a minimum of four 12-hour shifts each week (including 8 hours of automatic overtime), as opposed to the standard five 8-hour shifts. Inmates at these facilities have access to the yard and other services for a narrower period of time, and spend more time locked in their cells or confined to their housing units. This increases the amount of time when facilities can operate with fewer staff on site.

¹ LCC and DEC are being combined into one facility as part of an ongoing construction project.

At the time of this change, NDCS Director Scott Frakes stated, “Broad use of 12-hour shifts is not a long term plan. But it will permit time to implement the new hiring and retention initiatives, onboard new groups of employees and stabilize the staffing situation.”² As data in the remainder of this report will show, the staffing situation at NDCS appears far from stable. In fact, there is mounting concern by staff who have spoken with the OIG that the state of emergency will soon spread to LCC/DEC.

Past reports by the OIG have found that safety is a significant concern that impacts the ability of NDCS staff to do their job. At the facilities facing the most significant staff shortages, staff have developed a continual sense of fatigue as their overtime hours impact their physical and mental well-being. Many do not see an end to this trend of working long hours in a stressful environment. This may result in conditions that lead to increased workplace stress and interferes with their personal lives.³ As staff are stretched thin and become fatigued this could potentially impact staff coverage, reaction time to incidents and interactions with the inmate population.

Minimum/critical staffing incidents

“Minimum” and “critical” staffing levels are designated by each NDCS facility for each shift to indicate when the number of workers on site at any given time has fallen well below the assigned number of staff. Reporting of critical and minimum staffing incidents is left to individual facilities and is an inexact but telling indicator of staffing at the facility level.

Beyond the impact on day-to-day operations in a facility, chronically low or critically low staffing also raises obvious safety concerns. The Department’s largest facilities continue to see seriously low staffing levels on a regular basis, despite the use of mandatory overtime, a special detail that transports staff from the Omaha Correctional Center (OCC) to TSCI and NSP, and scheduling changes enabled by staffing emergencies. Both of these facilities have dropped below minimum staffing levels almost every day so far in 2021, and routinely see staffing dip into critical territory, particularly on nights and weekends. At TSCI, there have been recent reports of repeated instances of modified operations which impact the ability of incarcerated individuals to access outside yards, programming, educational opportunities, law library and other activities, as well as limiting out of cell time for those who are in a restrictive housing setting. In addition, non-security staff have indicated that they conduct security staff duties due to a lack of security staff. During a recent visit to TSCI, the OIG observed the closure of the educational/mental health building and the primary outside yard and ballfield and heard from staff and incarcerated individuals about the impact of these closures on them.

² NDCS October 24, 2019 Press Release

³ 2016 Vera Institute of Justice NDCS Report -

<http://www.corrections.nebraska.gov/pdf/Vera%20Institute%20Final%20Report%20to%20NDCS%2011-01-16%20v2.pdf>
(pages 18-19)

VACANCIES

NDCS continues to experience record vacancies, which apparently reached a new high in late 2020 and early 2021 after taking a slight dip. According to the State of Nebraska Agency Vacancy Report, provided by the Department of Administrative Services, NDCS had 391 unfilled positions as of March 2021. Numbers directly from NDCS show 402 vacancies for that time. The charts on the next page (Figs. 1 & 2) reflect data from these two sources.

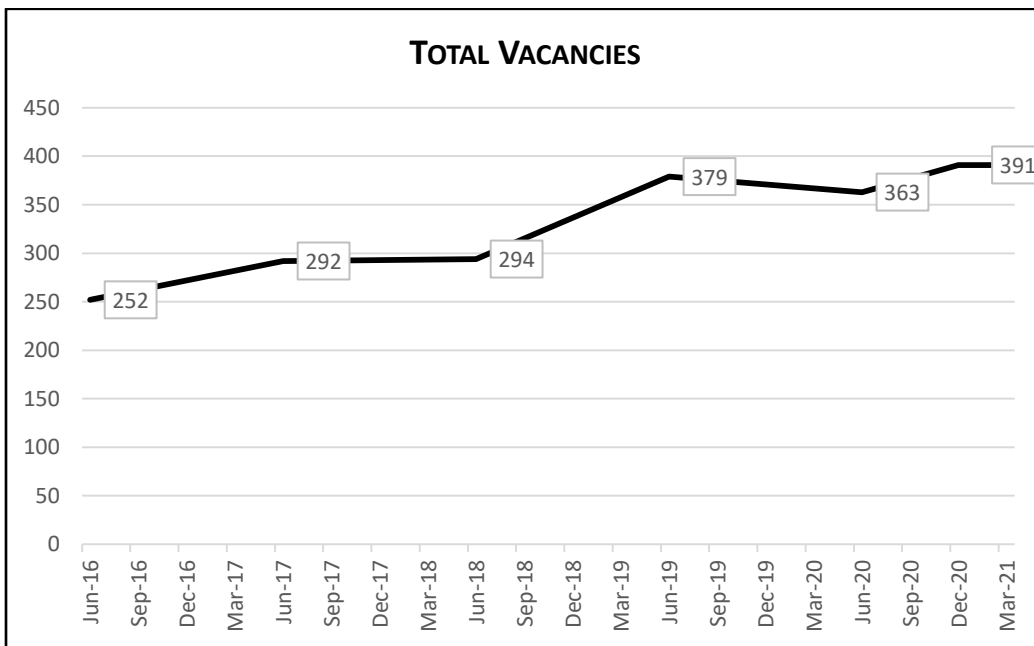


FIGURE 1: SOURCE DAS

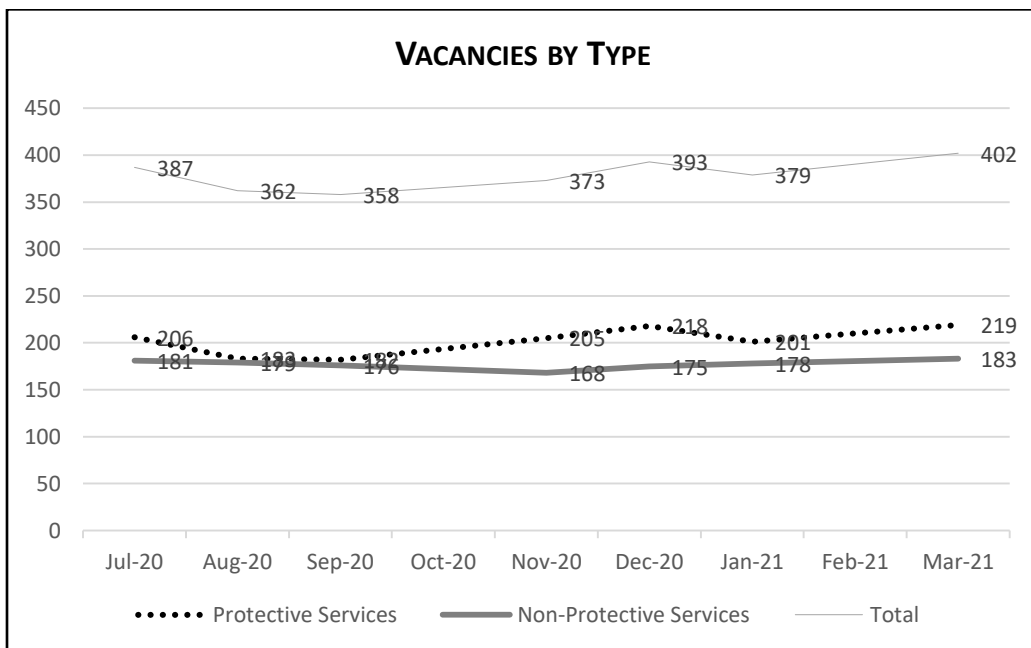


FIGURE 2: SOURCE NDCS

The chart below (Figure 3) is another way of showing changes in vacant protective services positions and other positions using that same data.

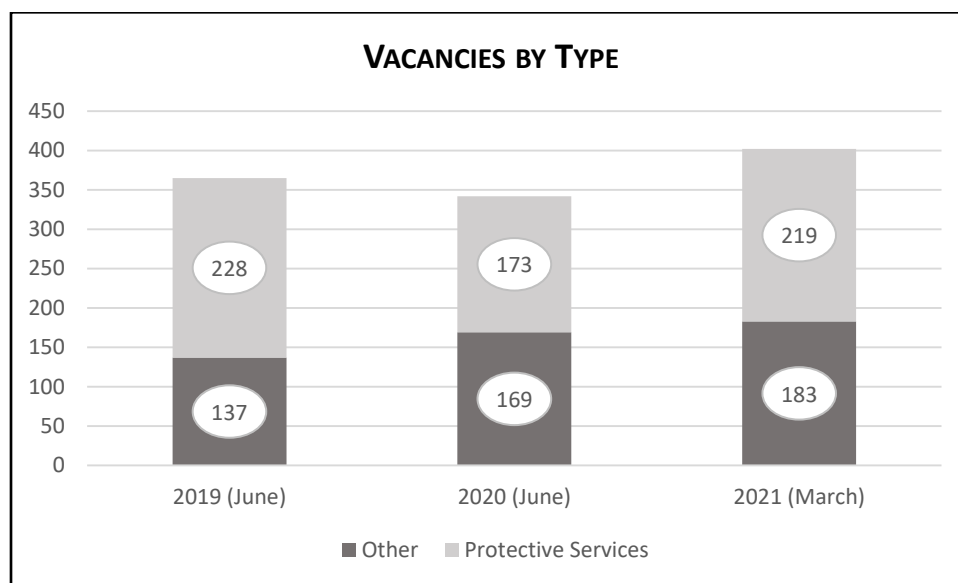


FIGURE 3: SOURCE NDCS

Internal NDCS facility reports demonstrate some concerning staff trends at specific facilities. The number of vacancies at LCC/DEC increased by 20 from January 2021 to April 2021. TSCI reported 107 vacancies in April 2021 but they only had one new hire during that same month along with nine resignations. In March 2021 they had four new hires and 13 resignations. It is important to note that in the eleven months prior to April 2021 they only averaged three new hires each month. In addition, TSCI vacancies increased by 20 from January 2021 to April 2021. This does not include any vacancies for the OCC detail that travels to TSCI each day. NSP also has recently experienced an increase in staff vacancies and in April 2021 they only had four new hires. In the eleven months prior to April 2021 they averaged over 10 new hires each month.

NDCS has made attempts over the past few years to address salaries for the protective services positions. These have included bonuses for specific positions and locations, basically eliminating the entry level position of correctional officers and hiring entry level security staff as corporals, increasing starting pay so that corporals and caseworkers are hired at \$20 an hour, increasing sergeant pay and lately providing for a step pay plan. However, vacancies continue to exist. While the starting pay has increased for those entry level positions, it is still difficult to compete with local county jails. The starting pay for corrections officers in the three largest counties are the following:

- Douglas County starts at \$22.33 an hour;
- Lancaster County starts at \$21.43 an hour; and,

- Sarpy County starts at \$22.06 an hour.

As the job market has become more competitive there are other positions available that may not carry the risk and difficulties as someone who works at a correctional facilities. A quick review of various advertised positions found that Target now hires at \$15 an hour, Costco at \$16 an hour, plant maintenance at \$20 an hour, delivery drivers at \$20, and a customer service agent for local government at \$18.75 an hour.

STAFF OVERTIME

In past annual reports, the overtime data that has been reported has covered protective services employees (correctional officers, corporals, sergeants and caseworkers). Previous reports found that the average amount of overtime throughout NDCS steadily grew for these employees although there was a decrease during part of 2020.⁴ However, the charts below indicate an increase in late 2020 but a decrease in early 2021, although the trend line continues to demonstrate a gradual increase. The first chart has overtime data for protective services staff through February 2021 (Figure 4). The second chart has overtime data for all NDCS positions through February 2021 (Figure 5).

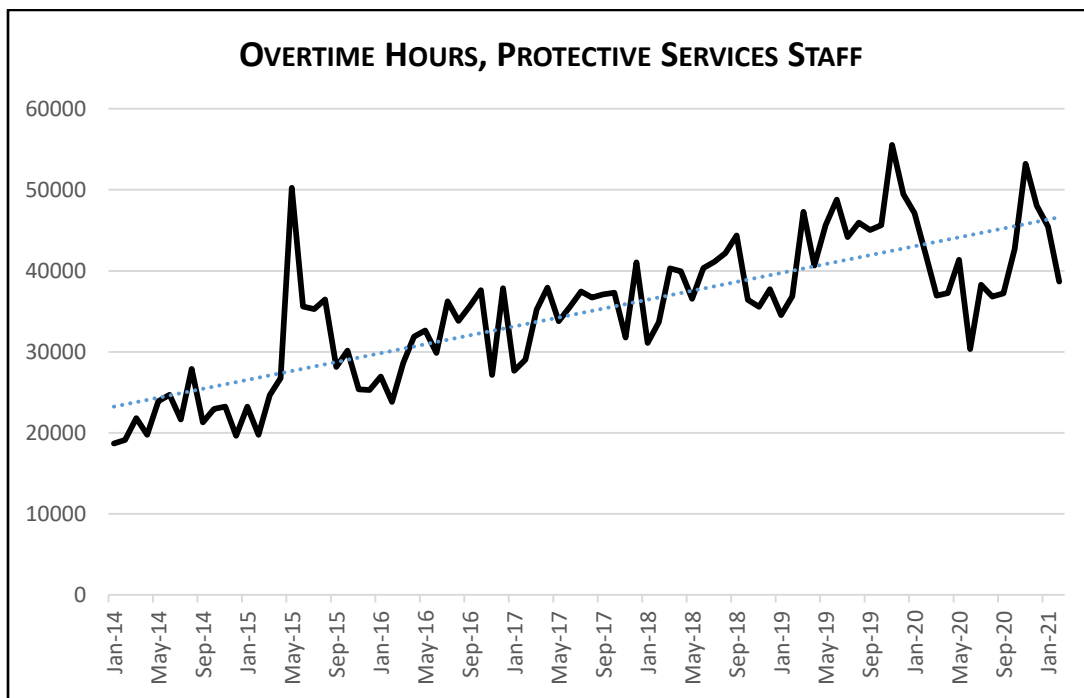


FIGURE 4: SOURCE NDCS

⁴ NDCS shared last year that there were fewer roster vacancies throughout the system during the pandemic which was due a noticeable decrease in unscheduled leave and vacation leave. The 2020 OIG Annual Report speculated that this may have been a temporary decrease.

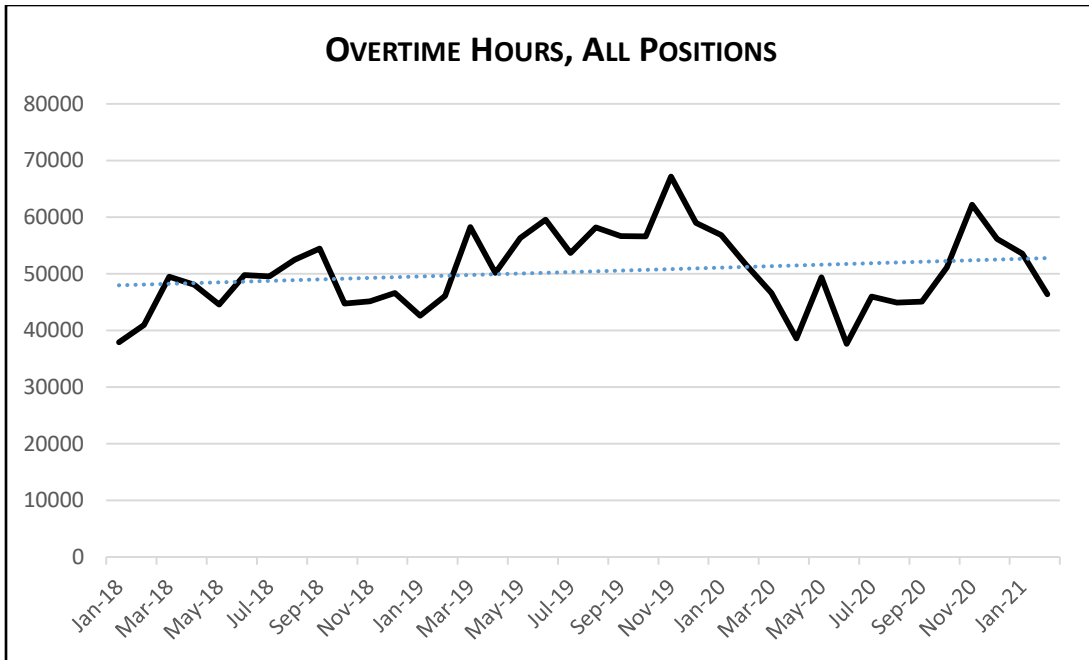


FIGURE 5: SOURCE NDCS

The third chart shows the decrease during part of 2020 but then overtime hours for the last three months of 2020 very closely mirror the overtime hours during the last three months of 2019, which were higher than previous years (Figure 6).

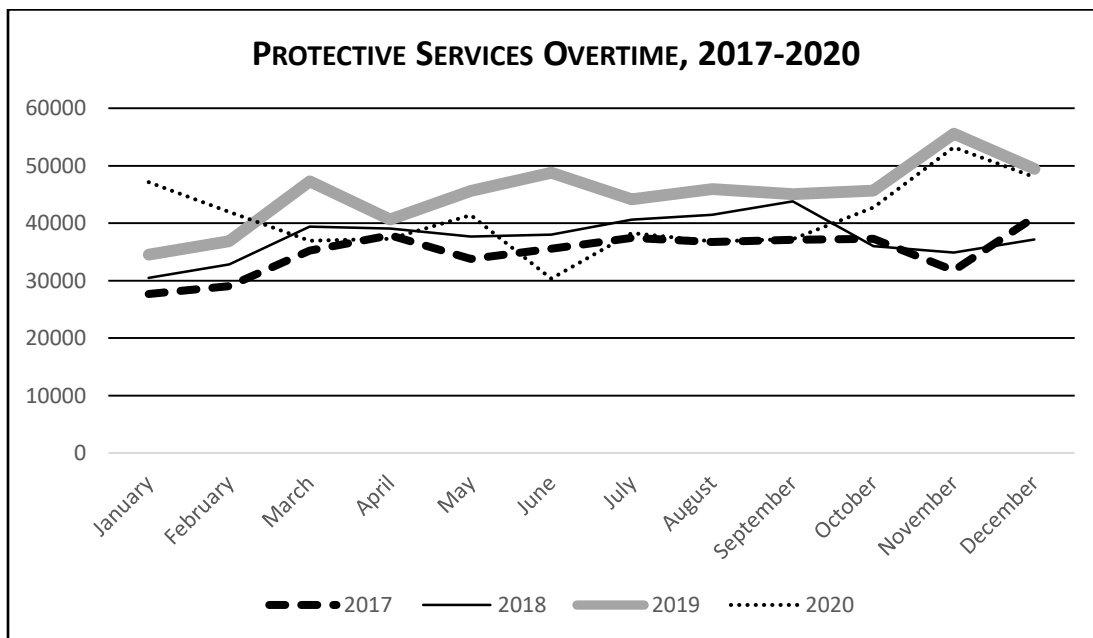


FIGURE 6: SOURCE NDCS

TURNOVER

Turnover of protective services employees significantly increased from 2010 to 2017 but has been slowly decreasing since then. Below are four charts on turnover. The first (Figure 7) compares the turnover of protective services employees each of the past two years at the ten NDCS facilities. One thing that is not captured in the first chart is the turnover rate of the special detail groups that operate out of Omaha but go to TSCI and NSP. The second chart (Figure 8) reports this same data but goes back to 2015.

The third chart (Figure 9) reflects monthly information shared with the OIG regarding the turnover of protective services employees.⁵ Since January 2020 there has been an ebb and flow that actually leads to a fairly flat trend line through April 2021. The chart also shows the number of staff who leave employment without providing two weeks' notice. The trend line for this data is also fairly level. System data did show a measureable decrease in positions that turned over in 2020 which was a positive gain for the system. Data later this year will likely indicate whether this was an anomaly or a new positive trend for NDCS and this will be monitored by the OIG.

The fourth chart (Figure 10) indicates the total turnover of positions for protective services employees since 2010, including an early projection for 2021. These numbers are heading in a more positive direction when compared to a few years ago. However, it should be noted that as positions go unfilled those positions are then not turned over as often so that may impact the data on total turnover as well. In the OIG Annual Reports total turnover has been reported based on data released by the Nebraska Department of Administrative Services. At the time of this report that data had not been reported.

⁵ The 2021 OIG Annual Report will include similar data for non-protective services employees.

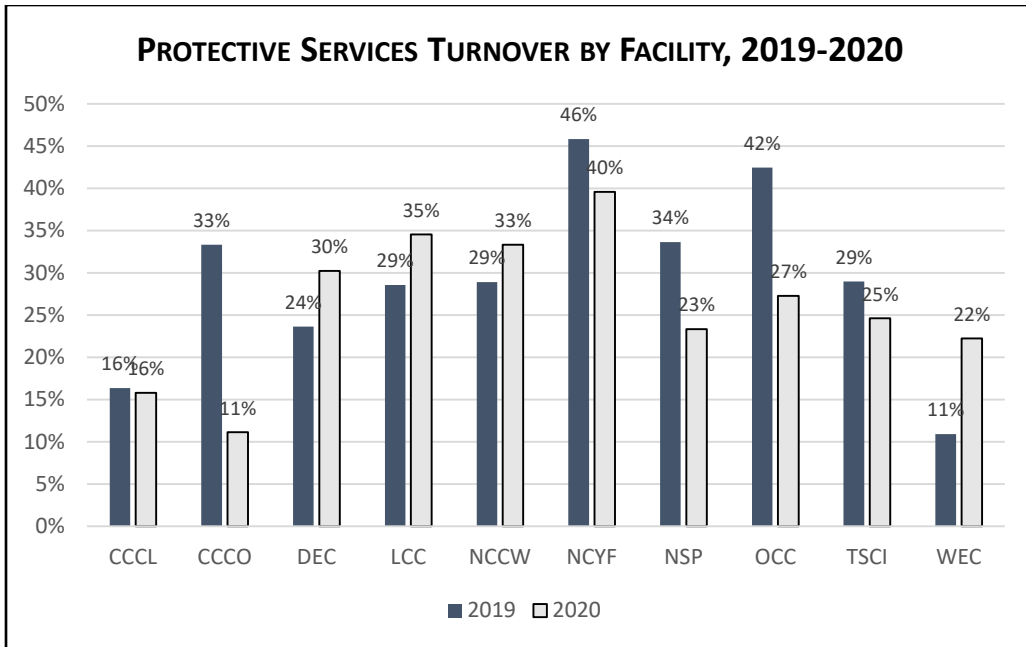


FIGURE 7: SOURCE NDCS

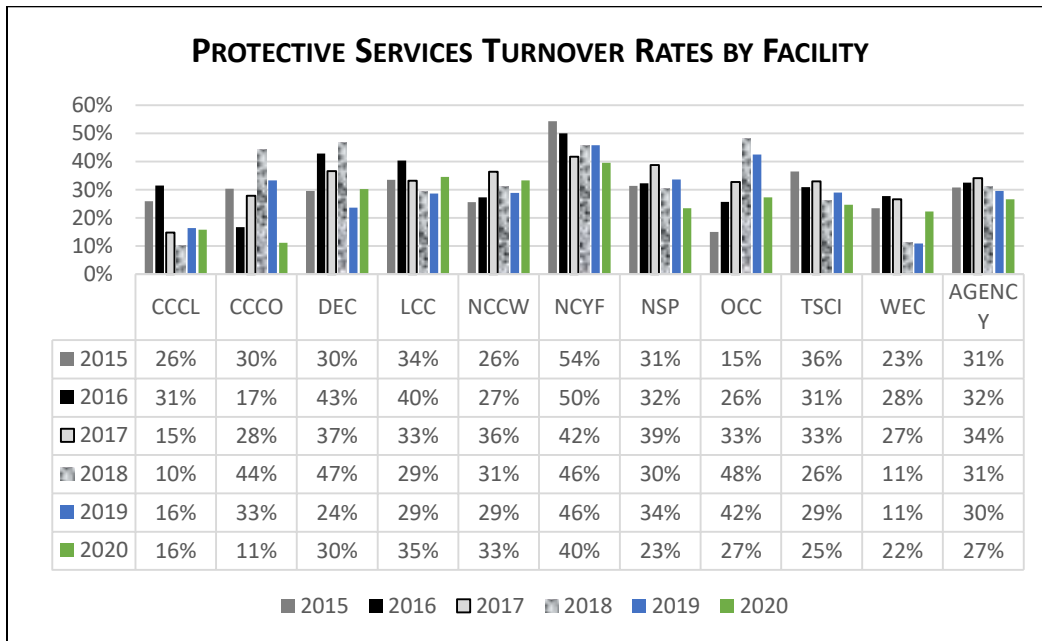


FIGURE 8: SOURCE NDCS

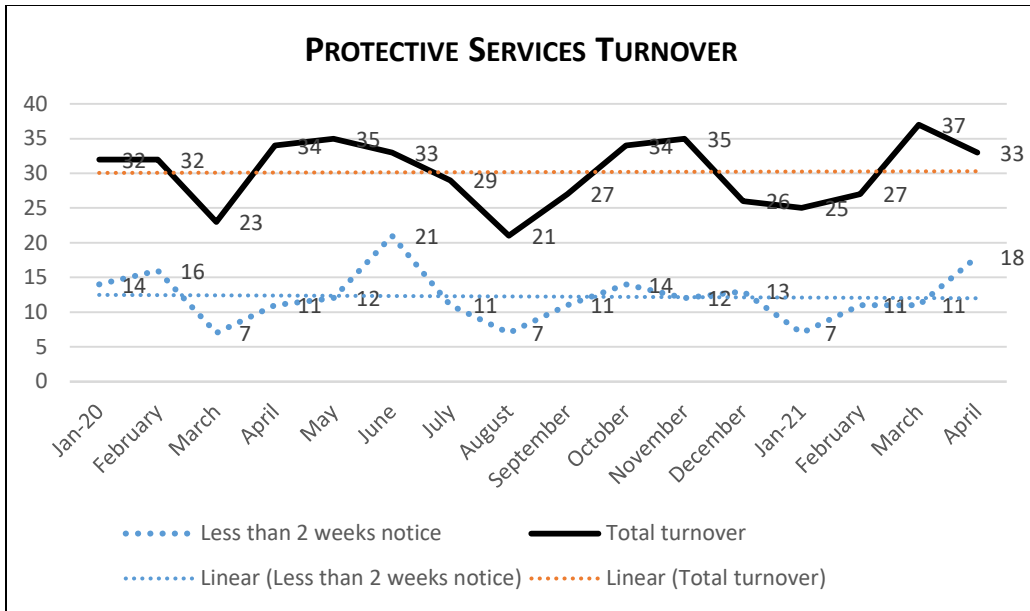


FIGURE 9: SOURCE NDCS

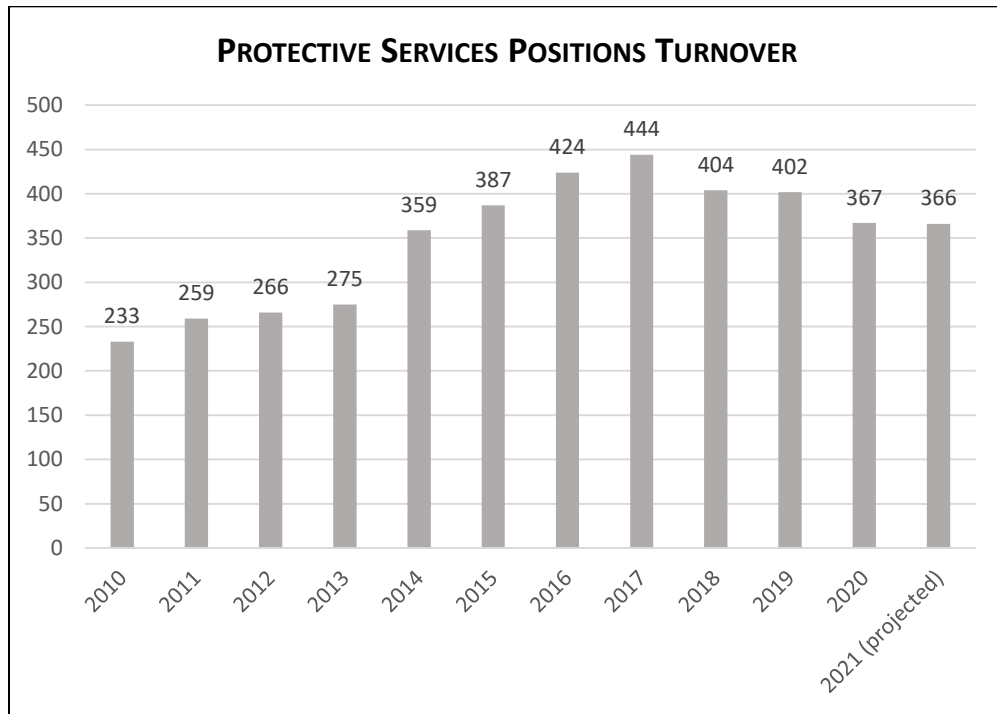


FIGURE 10: SOURCE NDCS

HEALTH SERVICES STAFFING

NDCS publishes quarterly data reports which contain a variety of statistical information.⁶ Included in these reports are behavioral health staff vacancies. The OIG utilized the data from the second quarterly data reports from 2018, 2019 and 2020 and the first quarterly report for 2021 to note any changes in those vacancies. The charts below (Figs. 11 and 12) show the vacancies by position for each year and the total vacancies for each year.

Vacancies in these areas impact the delivery of clinical programs and mental health services/treatment. This data indicates a significant increase in such vacancies since June 2019, specifically in the positions of chemical dependency counselors, mental health practitioners and psychologists. While NDCS has much more discretion on the pay for psychologists, the pay for the chemical dependency counselors and mental health practitioners is not as flexible. The OIG has reported for the past few years about the need to make the salaries for these positions more competitive.

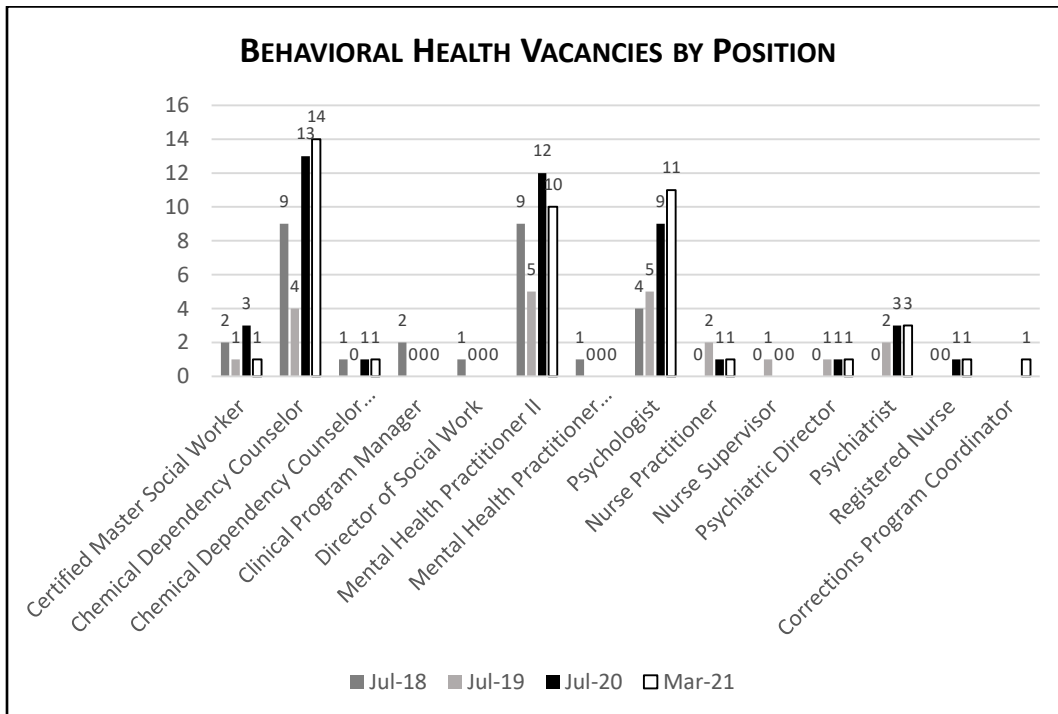


FIGURE 11: SOURCE NDCS

⁶ These reports are available at <https://www.corrections.nebraska.gov/public-information/statistics-reports/ndcs-reports>.

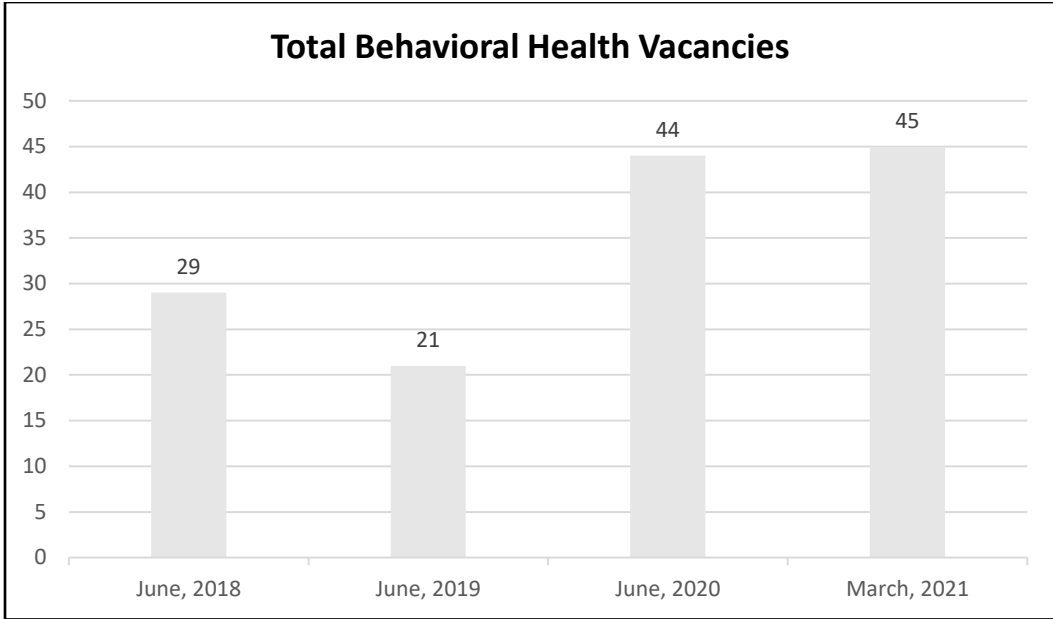


FIGURE 12: SOURCE NDCS

The next two charts (Figs. 13 and 14) reflect nursing positions – Registered Nurses (RN) and Licensed Practical Nurses (LPN) – within NDCS. Many of these positions are currently filled with temporary contract staff hired through a third-party staffing agency. The first chart (Figure 13) breaks the data down by facility (or overlapping facilities) and the second chart (Figure 14) has the total data for the system for those positions.

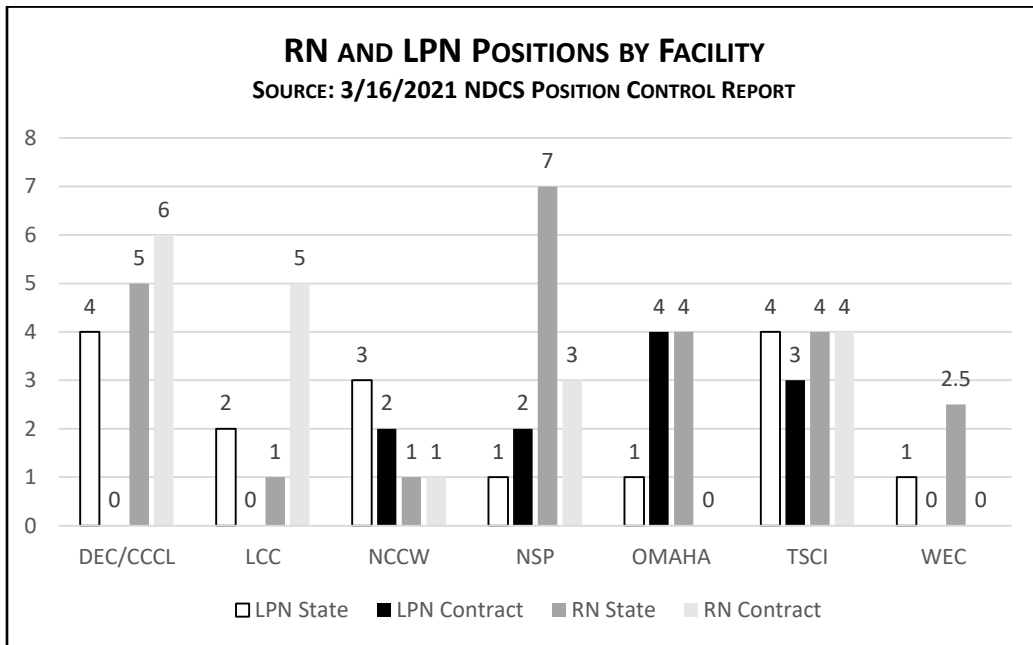


FIGURE 13: SOURCE NDCS

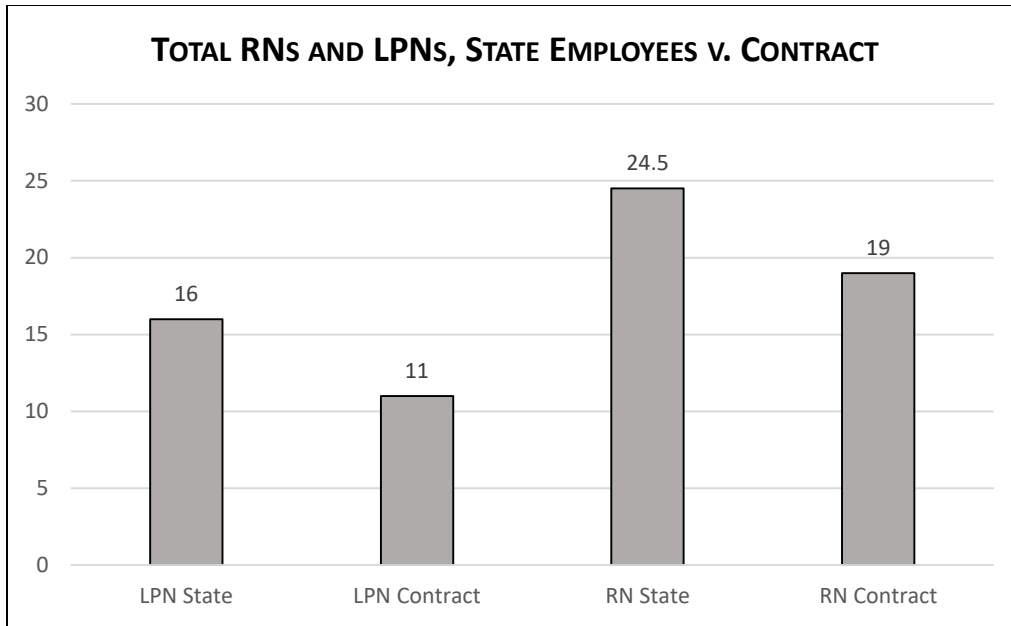


FIGURE 14: SOURCE NDCS

RECRUITMENT AND RETENTION EFFORTS

Since 2016, the Department has attempted a variety of initiatives to impact recruitment and retention of staff, including bonuses, longevity raises, and special details. These have been documented in past OIG reports, particularly the 2019 annual report.⁷

In October 2019, NDCS announced \$10,000 bonuses for corporals hired at TSCI, NSP and LCC.⁸ In addition, all staff who were still employed at NSP at the end of 2019 received a \$500 retention bonus. The \$10,000 bonus has remained in place and was expanded to include DEC.

The OIG requested data earlier this year regarding the number of new staff who were hired and received the \$10,000 bonus. Through February 22, 2021, 226 staff had been hired who were eligible for the bonus, and 165 (73%) of those staff were still employed with NDCS. It will require further study to determine how these hiring and retention rates differ from what would likely have taken place without the bonuses. The 2019 annual report did report that when NDCS implemented a \$2500 hiring bonus for the next 100 employees hired less than two years later only 32 of the 96 (33%) were still employed by NDCS.⁹

WAGE COMPRESSION

The 2019 OIG Annual Report¹⁰ addressed the issue of wage compression, stating:

⁷ The 2019 OIG Annual Report can be found at [https://nebraskalegislature.gov/FloorDocs/106/PDF/Agencies/Inspector General of the Nebraska Correctional System/600_20190916-012617.pdf](https://nebraskalegislature.gov/FloorDocs/106/PDF/Agencies/Inspector%20General%20of%20the%20Nebraska%20Correctional%20System/600_20190916-012617.pdf).

⁸ https://journalstar.com/news/state-and-regional/govt-and-politics/nebraska-to-offer-10-000-bonuses-to-help-fill-prison-jobs-moves-to-temporary-12/article_704d2d2e-5394-588a-8e29-b1713d47732e.html

⁹ 2019 OIG Annual Report (page 36)

¹⁰ This issue was also examined in greater detail in the 2020 OIG Annual Report, and the OIG testified or presented information about this issue to legislative committees the past two years.

Wage compression is emerging as an area of concern as a result of the State of Nebraska providing additional pay and incentives to the unionized, non-salary staff. When this takes place, salaries for those staff start to catch up to supervisory salaries and when the non-salaried staff work overtime their pay increases. Meanwhile, the salaried staff may work more than 40 hours but are typically not compensated for that effort. In addition, NDCS needs to review the salary structure of wardens, deputy wardens, other administrative positions and more to determine how those rates of pay compare with competitors. It is key that NDCS not only promote the best and the brightest but that they also are in a position to recruit the best and the brightest from outside the system.¹¹

In the most recent budget request, NDCS requested some funding to begin to address this issue. However, an examination of that proposal indicated the funds requested by NDCS would not have a significant effect.¹²

After the budget request was announced by NDCS, the OIG recommended that the Department share details of the proposal and its impact on salaries with potentially impacted staff, but as of the writing of this report, the OIG is unaware of any such outreach by the Department to their impacted staff.

In March 2021, the OIG conducted a survey of randomly selected staff impacted by wage compression and received considerable feedback and suggestions. Responses included the following:

- Approximately twenty-five years ago, security and unit staff had pay rates that were comparable for their similar degrees of responsibility. Over the years there has been increases in security staff pay that were greater than unit staff pay which has created a continued disparity;
- The greater wages paid to caseworkers has resulted in difficulties in hiring qualified case manager and unit manager positions;
- Security and classification staff should be treated as a team but the different classifications create tensions, especially with non-union vs. union and custody vs. unit staff;
- Unit Administrators and Majors have an equal amount of responsibility but not equal pay and this trickles down to those below that are in positions of similar levels of responsibility;
- Even with the proposal, one facility will have several sergeants that will still make more than any captain or lieutenant;
- An individual promoted within the unit staff area and took nearly a dollar an hour pay cut to supervise the position that he promoted from;

¹¹ 2019 OIG Annual Report (page 37)

¹² The OIG shared more information on this issue and that proposal with some members of the Legislature during the 2021 session, including a memorandum to the Appropriations Committee (see Attachment A) and separate information shared with senators who had requested additional information from the OIG (see Attachment B).

- One individual shared that they were considering applying with Probation because their Case Manager equivalent is making approximately \$28 per hour;
- Even with the increase from the proposal they would still be below the minimum pay level for their position;
- Individuals with experience in other systems have been hired as case workers at \$26 per hour which is around \$3 per hour more than the starting wage for a Unit Administrator;
- Wage compression is the largest problem impacting the morale of staff in their opinion;
- Appropriately addressing the wage compression issue would go a long way towards addressing staffing levels, but will also go even farther in the recruitment, development, and retention of a more professional workforce at all levels;
- The lines get too blurred in terms of unit staff and custody staff. Unit staff end up carrying out duties of security staff when needed in addition to their own duties. This blurred line is an issue that turns away new staff that get hired as a caseworker who are misled by the title of the position; and,
- Advancement within the pay scale must be formalized and made achievable and that staff need to have the ability to move beyond the minimum permanent pay level.

CONCLUSION AND RECOMMENDATIONS

Staffing levels and related issues within the Department of Correctional Services remain urgent matters in need of continued attention, particularly as the state pursues correctional system expansion.

In addition to what can be gleaned from the data included in this report, recent contacts from staff, incarcerated people and other interested individuals indicate the following:

- While there are some positive signs, the COVID-19 pandemic and other conflicting indicators are cause for continued concern.
- There is no indication the emergencies at NSP and TSCI will end in the near future despite the Legislature being told that they would not extend beyond 2020.
- Significant, ongoing staffing shortages at TSCI are impacting the day-to-day operation of the facility, which affects the quality of life for incarcerated people and staff.
- Staffing issues at LCC/DEC are cause of unease as those facilities undergo expansion and merger. It remains unclear whether staffing levels will be near appropriate levels when the expansion is completed in 2022.
- Wage compression makes it difficult to promote and retain experienced staff in key positions, which in turn undermines the Department's training and supervision of new hires and makes it more difficult to operate facilities safely and effectively.
- Health staffing vacancies, which are often overlooked by outside observers due to security and unit staffing issues, merit serious attention as well.
- Legislative Resolution 129, introduced by Senator Anna Wishart along with Senators Stinner and McDonnell, provides the Legislature with an opportunity to gather additional information and insights on staffing at NDCS.¹³

¹³ <https://nebraskalegislature.gov/FloorDocs/107/PDF/Intro/LR129.pdf>

The OIG would also make the following recommendations regarding potential action the Department may consider taking in the upcoming months:

- As the LCC/DEC project moves toward its completion date, NDCS should release a detailed plan for how it will ensure adequate staffing within this merged facility, while retaining necessary staff at other facilities.
- Department leaders should engage in significant, ongoing discussions with individuals impacted by wage compression to gain a better understanding of their concerns and demonstrate their commitment to addressing this issue.
- The Department should examine the efficacy of its current \$10,000 bonus program to determine whether that initiative should be retained, modified or replaced. This examination should also take into account the impact on hiring and retention of caseworkers and other comparable positions. The results of this examination should be shared with the Governor and the Legislature so they are able to determine whether or not to continue to fund future bonus efforts.
- NDCS should engage in significant, ongoing discussions with individuals who work in the behavioral health field to gain a better understanding of their concerns and demonstrate their commitment to addressing the vacancies in this area of NDCS. In addition, NDCS should develop an action plan for addressing these significant vacancies.
- NDCS should determine what action can be taken to decrease the reliance on contracted medical positions such as nurses.
- NDCS should examine statistics related to inmate conduct and rehabilitative outcomes at NSP and TSCI, and report to the Legislature on whether ongoing staffing emergencies at those facilities have impacted these performance measures.

ATTACHMENTS

DOUG KOEBERNICK
Inspector General

ZACH PLUHACEK
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ATTACHMENT A

STATE OF NEBRASKA
OFFICE OF INSPECTOR GENERAL OF CORRECTIONS
State Capitol, P.O. Box 94604
Lincoln, Nebraska 68509-4604
402-471-4215

Memorandum

To: Appropriations Committee
From: Doug Koebernick, Office of Inspector General
Re: Testimony Follow-up
Date: March 4, 2021





As part of your budget hearing for the Nebraska Department of Correctional Services, I submitted a letter of support that was specifically focused on the wage compression portion of their budget. During the hearing, Senator Wishart asked some questions of Director Frakes about the wage compression issue. I believe he indicated that his plan did not fully address the need that has been identified. My review of the plan indicates this as well.

I decided to provide you some additional information about this issue after visiting the Omaha Correctional Center yesterday. During the visit I had a really good discussion with individuals in some of the positions impacted by this ongoing issue. They asked me to consider reaching back out to the Appropriations Committee to share their support for an appropriation that is above what the Department has requested to address this issue. They asked this for a number of reasons. The first is that currently the Department is advertising for the positions of Case Manager and Caseworker. In those advertisements, it shows that the Caseworker position is hired at a higher rate of pay than the Case Manager even though the Case Manager supervises the Caseworker. This can be illustrated best in the screenshot below.

Corrections Unit Case Manager - Tecumseh State Correctional Institution

Tecumseh, NE
 PERM FULL TIME - \$19.91 Hourly
 Category: Social Services / Human Services
 Department: Department of Correctional Services





Are you looking for a position that is challenging, engaging and offers you the opportunity for growth? The Tecumseh State Correctional Institution is looking for a Corrections Unit Case Manager which offers that professional growth. For more information call 402-335-5998. For Americans with Disabilities Act (ADA) accommodations, please conta...





Posted 2 days ago | Closes in 1 month

Corrections Unit Caseworker - Lincoln Area

See job description, NE
 PERM FULL TIME - \$20.00 Hourly
 Category: Social Services / Human Services
 Department: Department of Correctional Services

Offering a competitive salary with advancement opportunities plus benefits to include medical/dental/vision insurance, free basic life insurance, retirement, 100% tuition assistance, paid vacation, holidays and sick leave. Information about the Department can be found at: www.corrections.nebraska.gov. For more information call 402-479-6171...





Posted 5 days ago | Closes in 3 weeks

In addition, as part of this organizational structure, the Caseworker reports to the Case Manager who reports to the Unit Manager who then reports to the Unit Administrator. The individuals I met with yesterday, and others at different facilities, have told me how it can be difficult to recruit people to these other positions because there are many individuals who make more than positions two or three steps above them. In some cases, people have taken pay reductions to promote. Currently, there are numerous Caseworkers who earn more than the hiring rate for the Unit Administrator (which is three positions above them). Often times, according to veteran staff, the best candidates don't even apply.

As stated previously, it appears as though the Department's plan does not fix the problem. We would know for sure if they would share its potential impact with the individuals in those positions but despite requests by people in those positions, this has not been done. They suspect that this is not being done because the staff impacted will become even more frustrated when they learn the details. The important thing to know about these salary adjustments is that they are outside of the union contract so they can be done much more easily - they would just need the appropriate level of funding.

Thank you for considering this additional information. If you have any questions regarding this please let me know.

WAGE COMPRESSION

ATTACHMENT B

The Department has requested additional funds to address the issue of wage compression for supervisory positions. Their request would increase salaries for the following positions:

- Supervisory Sergeant (Security)
- Lieutenant (Security)
- Captain (Security)
- Major (Security)
- Case Manager (Unit Staff)
- Unit Manager (Unit Staff)
- Unit Administrator (Unit Staff)

The cost for their proposal in FY 22 (including 15.5% for benefits) would be \$306,211 for Unit Staff and \$418,565 for Security Staff. The cost for their proposal in FY 23 (including 15.5% for benefits) would be \$618,547 for Unit Staff and \$845,502 for Security Staff.

According to my calculations, the first year's funding would result in an average increase in pay for Security Staff of 6.79% (range of 2.5% to 13%, although the highest increases are for unfilled positions) and a 5% average increase for Unit Staff (with a range of 2.5% to 12.12%, although the highest increases are again for unfilled positions). These increases would take place on July 1, 2021. According to the union, the positions below them will generally receive increases of 3% to 6% on that same date, meaning there will be limited separation created between the union positions and the non-union supervisory positions that would be covered under the Department's wage compression proposal. The wage compression proposal would increase salaries for all of these positions by only 2% on July 1, 2022, meaning their salaries will compress again due to the positions they supervise obtaining a greater than 2% increase on that date.

Our office received salary information from the Lancaster County Jail for their nonunion positions. For example, lieutenants at the Lancaster County Jail start on Step 1 at \$34.168 per hour. Right now, NDCS only has one lieutenant making above \$27 an hour and they have been with NDCS for nearly thirty years. The lowest paid lieutenants in NDCS make \$23.54 per hour, over \$10 an hour less than the starting salary for a lieutenant at the Lancaster County Jail. Lancaster County has eight steps on their pay plan. If the highest paid lieutenant at NDCS was on Step 8 they would receive \$43.768 per hour which would equate to a salary increase of over \$34,000 per year. To move all of the NDCS lieutenants to just the Step 1 salary their salaries would appear to have to increase by about 40%.

NDCS has sergeant positions which are covered in the union contract. However, they also have a position called supervisory sergeant which is between a sergeant and a lieutenant. The highest paid supervisory sergeant within NDCS makes \$23.50 per hour. The starting salary for a sergeant at the Lancaster County Jail makes \$30.727 per hour, over \$7 per hour more. It is more difficult to determine the differences in the unit positions due to how Lancaster County manages their population, but the differences are likely similar based on discussions with the Lancaster County Jail Director.

Lancaster County does not have security positions above the lieutenant level, such as captains or majors, so there is not any salary information that can be found for those positions, at least in Lancaster County.

To make positive progress, it would likely be necessary to provide these positions with increases of at least 10% each of the next two years. It would be best to have the financial cost of this calculated by the fiscal office or NDCS in order to have the most accurate numbers. It may be necessary to put intent language into the NDCS budget that states that they are to utilize any excess funding to increase these positions by those amounts to begin to address the significant issue of wage compression.

In February, our office provided the letter below to the Appropriations Committee regarding this issue.

February 18, 2021

Dear Appropriations Committee:

Please accept this letter as my testimony on the Department of Correctional Services' budget request. I would specifically like to highlight a key area of the Department's request: funding to address the wage compression issue. In my 2019 Annual Report, I wrote the following:

“Wage compression is emerging as an area of concern as a result of the State of Nebraska providing additional pay and incentives to the unionized, non-salary staff. When this takes place, salaries for those staff start to catch up to supervisory salaries and when the non-salaried staff work overtime their pay increases. Meanwhile, the salaried staff may work more than 40 hours but are typically not compensated for that effort. In addition, NDCS needs to review the salary structure of wardens, deputy wardens, other administrative positions and more to determine how those rates of pay compare with competitors. It is key that NDCS not only promote the best and the brightest but that they also are in a position to recruit the best and the brightest from outside the system. It is encouraging that two wardens were recruited from outside the NDCS system in recent years, but the rates of pay for other positions should be reviewed so that they can recruit for those positions and also retain people in those positions, no matter if they were internal or external candidates.”

I made a recommendation in that report that the Department work to address this very important issue. I followed up to that in my 2020 Annual Report when I wrote:

“NDCS made significant progress on salaries of some staff but these recent contractual changes has made wage compression with the positions above the positions that received recent raises even more of an immediate concern and also highlighted the fact that many other positions are in need of pay raises in order to recruit and retain staff.”

I am pleased that the Department has finally taken some action to begin to address this issue as it impacts retention, morale and promotions. I was recently made aware of an example where an entry level position is making more than \$3 an hour more than the person who supervises that

person's supervisor. This is only one of many examples of wage compression that exist throughout the Department.

While I am supportive of this attempt by the Department, I would strongly encourage the Department to immediately share what the impact of this proposal would be for each individual in those positions. If they do this, the staff would be able to provide feedback to the Department and the Committee on whether or not it will have the impact needed to address this issue. If I understand their proposal, in the example I shared above the supervisor would receive an increase of about 60 cents per hour. If this is correct, that would not appear to address the problem.

If you would like to know anything further on this issue or other correctional issues please let me know. I am always willing to talk or meet with you upon your request.

OTHER RELEVANT INFORMATION

There are many examples of how the issue of wage compression is impacting employees of NDCS. Maybe one of the best examples is that there are currently 35 case workers who make more money than the advertised starting salary for a Unit Administrator. The Unit Administrator is three positions above the case worker. In addition, the case worker is eligible for overtime pay but the Unit Administrator is not.

Our office also sent out a survey to a group of staff impacted by the wage compression issue at multiple facilities. They provided incredibly helpful responses including the following:

- In the late 1990's the Department significantly increased the pay of the higher security staff (lieutenants, captains and majors) and assured the unit staff that they would receive similar increases. However, this never materialized and over time there became more of a disparity between unit staff and security staff.
- It is difficult to recruit quality candidates for positions such as unit managers due to the slight difference in pay, or possibly a reduction in pay due to promoting.
- The differences in pay between unit staff and security staff creates tensions within facilities, especially with non-union vs. union vs. custody vs. unit staff.
- The voices of these staff are not being heard.
- Unit Administrators should be at the same pay as a Major as they have an equal amount of responsibility.
- At one facility multiple union sergeants will make more than any lieutenant or captain at that facility.
- NDCS will continue to lose case managers, unit managers, unit administrators, lieutenants and captains unless the pay scale is increased so that the people that are supervised are not making more than their supervisors.
- An individual recently promoted from case worker to case manager and took an 80 cent per hour cut in pay for more responsibility.
- The Case Manager equivalent in Probation is making approximately \$28 per hour which is over \$8 more per hour than in NDCS.

- NDCS is now hiring case workers that have some experience elsewhere at \$26 per hour which is three dollars more per hour than the hiring rate for Unit Administrators who may have ten or more years of NDCS experience but are not rewarded like the person from outside the agency.
- The salary ranges look good on paper but it is difficult to get the mid-point and no one knows anyone at the maximum. Advancement within the pay scale must be formalized and made achievable, with metrics that are made available to the staff in order to openly communicate and show where the staffing and pay levels fall.
- Outside of staffing levels wage compression is the largest problem facing the morale of the NDCS staff. Adjusting the gap on wages in the correct manner will not only help with addressing staffing levels but will also impact recruitment, development and retention of a more professional staff at all levels.
- The new proposal will actually tighten the gap between lieutenants and those that supervise them creating a new wage compression issue.