

# Utah Department of Corrections

## Proposed Pay Plan for Selected Positions

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# Background and Objectives

- The lack of market competitiveness is having a significant impact on the Department of Correction's (UDC) ability to attract and retain the quantity and quality of Corrections and Adult Probation and Parole POST certified employees it needs to fulfill its mission.
- For the Corrections Officer job family, this challenge has been recognized by DHRM in its application of the targeting funding criteria and both the Governor's office and the Legislature in the provision of additional funding for Corrections Officers' salaries in recent years.
- However, the challenge remains and the purpose of this study has been to develop a salary structure for positions in the Correction Officer job family and Adult Probation and Parole that will aid in the attraction and retention of staff with the expectation of a resultant reduction in the number of vacancies.

# Why is a New Plan Needed?

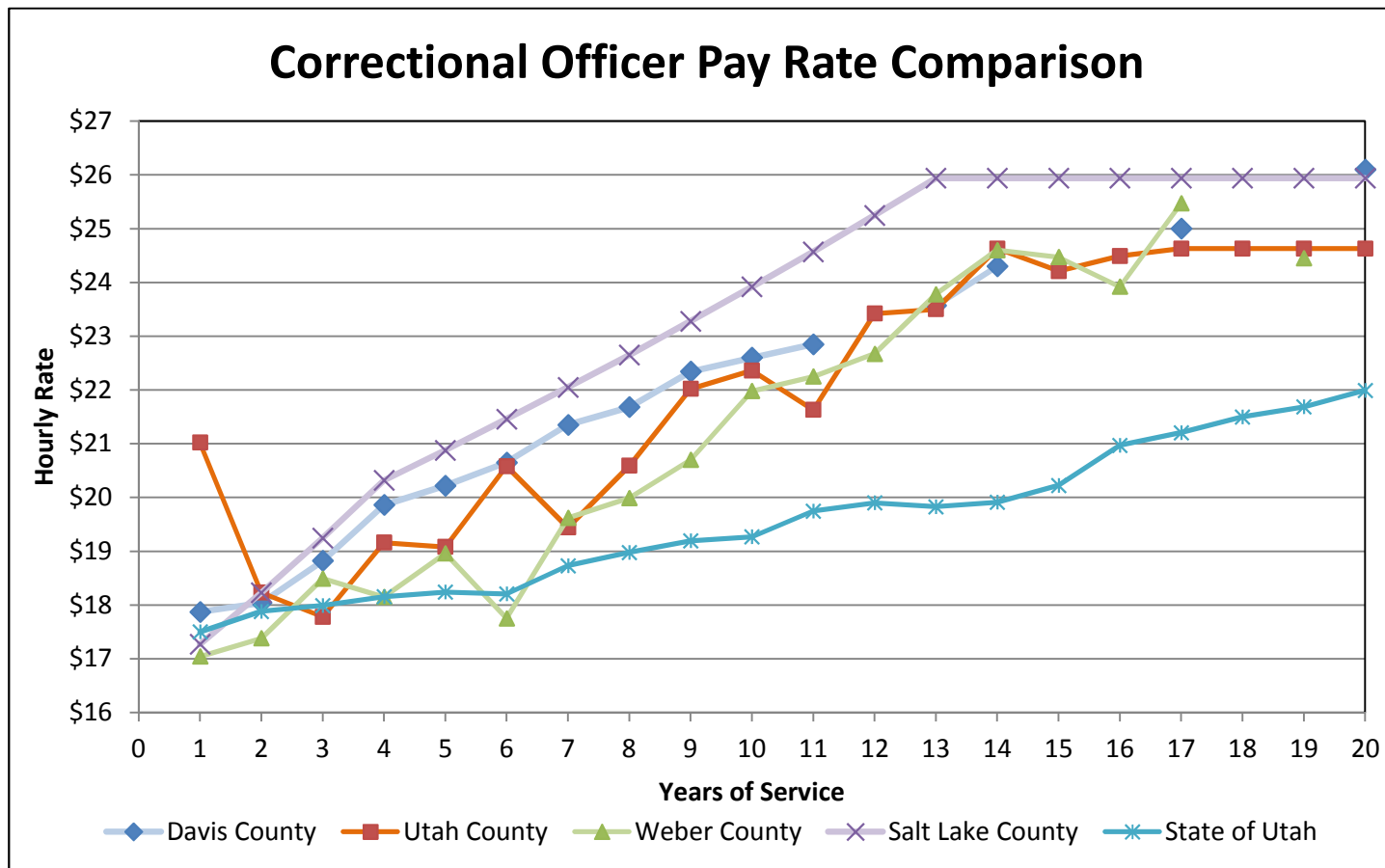
There are a number of reasons why a new plan is needed. These include:

- 1) The current salary ranges and actual rates of pay are not competitive relative to other comparable Correctional roles in Utah;
- 2) The current range minimum for the Corrections Officer is more than \$4.00/hour less than the actual entry pay rate of a Corrections Officer, meaning that almost half of the current range is not used;
- 3) The actual entry pay rate for a Corrections Officer is on average 6.5% less than comparable correctional roles in the large County jurisdictions and other law enforcement agencies;
- 4) The lack of pay progression means that the level of competitiveness increasingly lags against other jurisdictions when a comparison is done on a years of service basis;
- 5) The lack of competitiveness of the rates of pay is having a significant impact on attraction and retention levels.

The following pages illustrate the significance of the lag in pay rates of the State of Utah's Correctional Officer roles.

# Why is a New Plan Needed?

- State of Utah's pay rates for Correctional Officers are significantly less than their counterparts in other Utah counties.



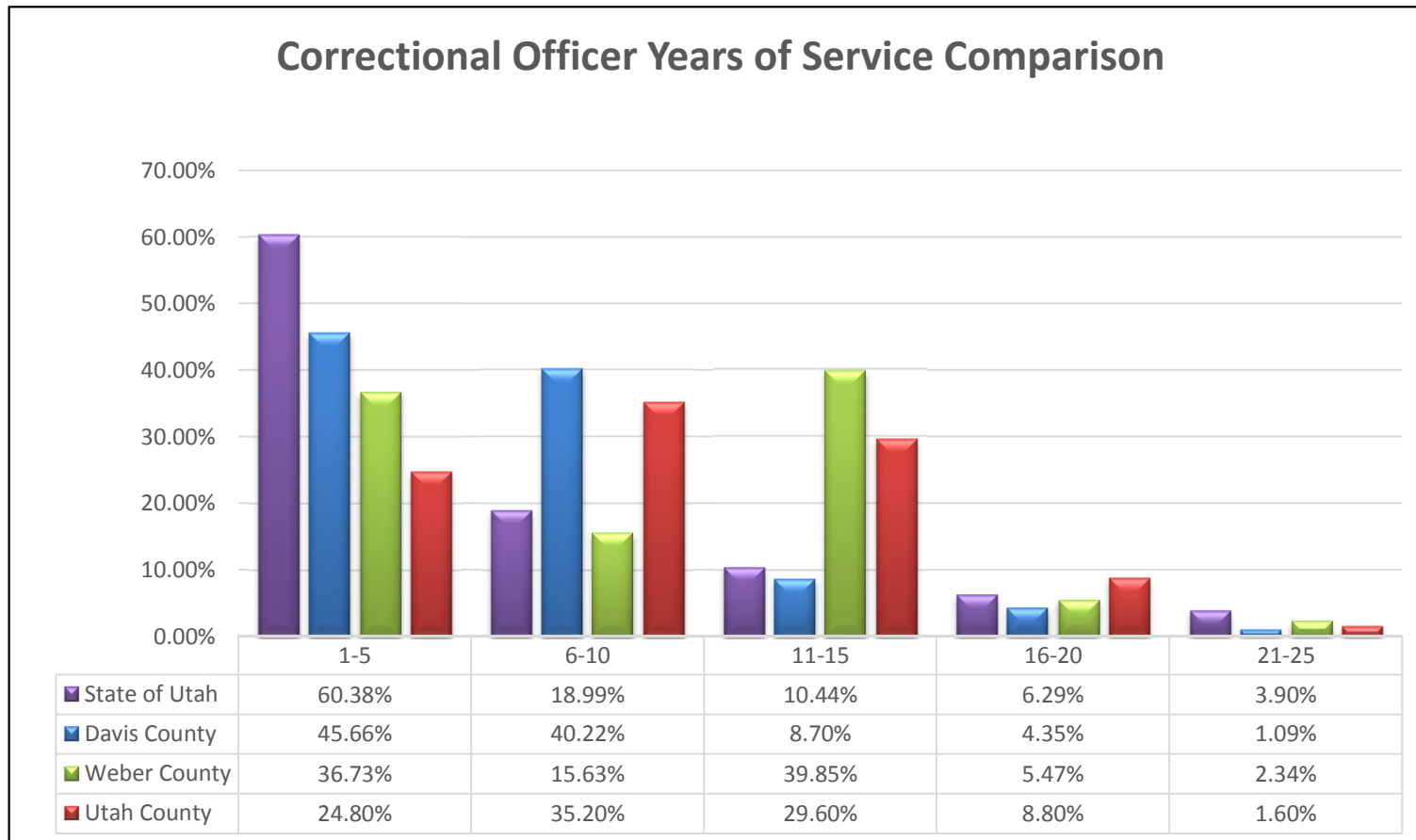
# Why is a New Plan Needed?

- While average pay has increased by an average of 5% over each of the past 3 years, the chart on page 5 reinforces the lack of competitiveness relative to years of service.

Average Pay Change Over Time	FY2014	FY2015	FY2016
CORRECTIONAL OFFICER, POST	1.5%	6.0%	6.1%
CORRECTIONAL SPECIALIST I, POST	4.9%	7.7%	6.0%
CORRECTIONAL SERGEANT, POST	3.7%	8.9%	5.8%
CORRECTIONAL LIEUTENANT, POST	4.0%	5.6%	6.8%
CORRECTIONAL CAPTAIN, POST	3.3%	4.1%	3.0%
CORRECTIONAL ADMINISTRATOR I	1.5%	4.1%	0.6%
CORRECTIONAL ADMINISTRATOR II	7.2%	8.1%	6.5%
CORRECTIONAL ADULT PROBATION/PAROLE OFFICER, POST	5.5%	8.0%	6.3%
CORRECTIONAL ADULT PROBATION/PAROLE SUPV/POST	5.1%	8.7%	5.0%
<b>AVERAGE</b>	<b>4.1%</b>	<b>6.8%</b>	<b>5.1%</b>

# Why is a New Plan Needed?

- More than 60% of the State's Correctional Officers have 5 years or less service, with 27% of these officers having only one year service. The State is not retaining officers.



# Why is a New Plan Needed?

- This lag in pay is not unique to Correctional Officers, but is consistent across all roles in the Corrections Officer job family hierarchy.
- On average, the State of Utah's core correctional roles are 20% behind their peers.

Roles	AVERAGE ACTUAL HOURLY RATES				County Average	State of Utah	2017
	Davis County	Utah County	Weber County	Salt Lake County			Market Position
CORRECTIONAL OFFICER, POST	\$22.15	\$22.27	\$21.74	\$21.93	\$22.83	\$19.50	-15%
CORRECTIONAL SERGEANT, POST	\$30.66	\$30.70	\$29.18	\$32.74	\$30.84	\$23.65	-23%
CORRECTIONAL LIEUTENANT, POST	\$33.87	\$37.57	\$32.98	\$39.04	\$37.27	\$26.95	-21%
CORRECTIONAL CAPTAIN, POST	\$44.93	\$50.59	\$32.98	\$47.86	\$44.41	\$30.72	-22%
CORRL ADULT PROBATION/PAROLE OFFICER, POST					\$23.63*	\$25.84	8.8%
AVERAGE (including AP&P Officer)							-14.4%
AVERAGE (excluding AP&P Officer)							-20.0%

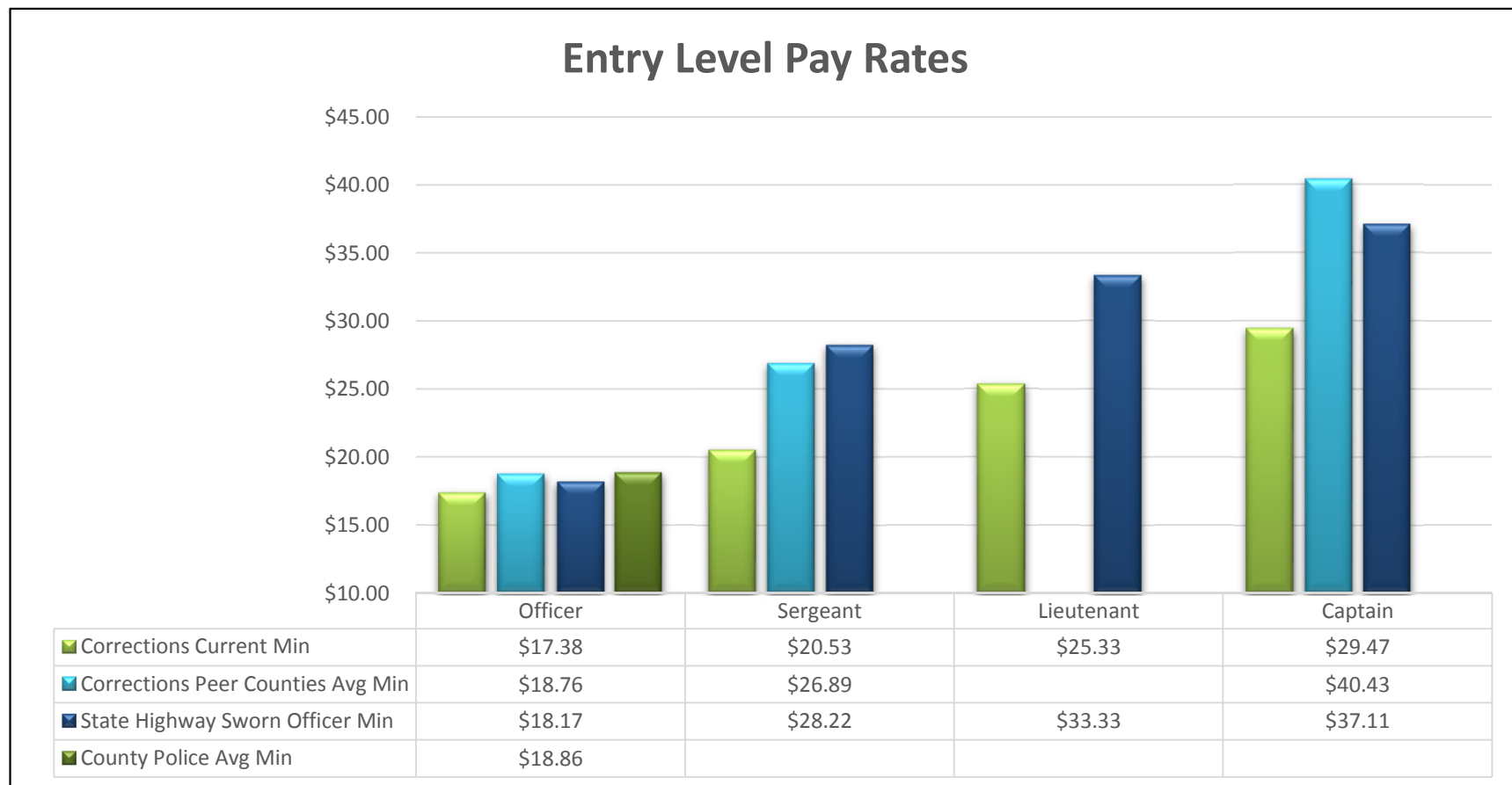
\*Compared to other States

Sources: 4 County Survey, April 2016 Updated and Targeted Funding Indicator Report



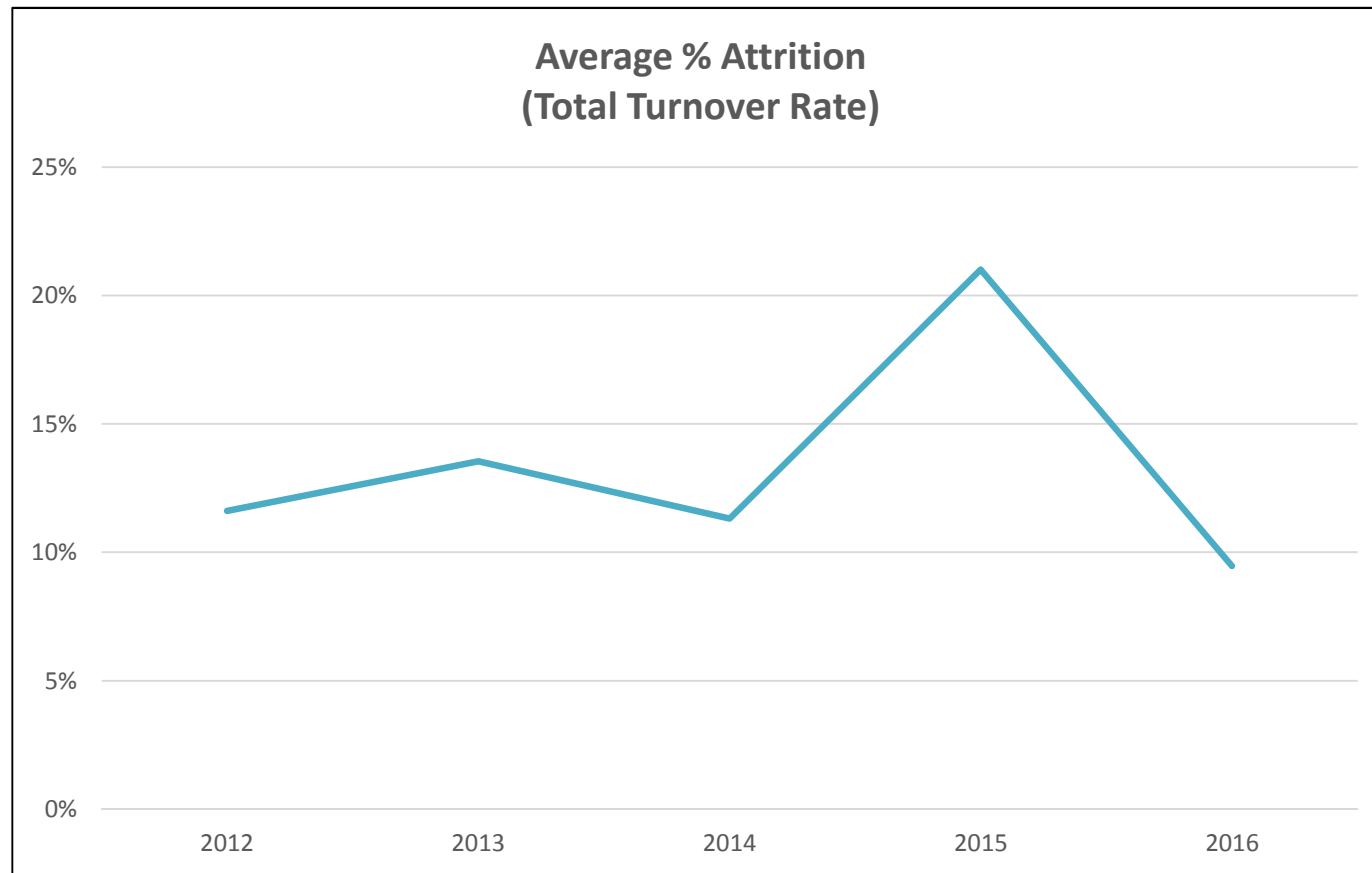
# Why is a New Plan Needed?

- Entry level pay rates for State of Utah Corrections are below other comparable law enforcement officers, including state troopers and city police.



# Why is a New Plan Needed?

- While the level of retention improved in 2016\*, a further reduction in turnover, when seen in conjunction with the cost of POST training, can lead to potential savings for UDC.



# Why is a New Plan Needed?

- The cost of officer attrition is a key factor.
- It is estimated that the cost of attrition has been over \$17,000,000 over the past 5 years (\$49,000/graduating cadet).

Year	# of Officers Leaving <sup>1</sup>	Cost per Cadet (\$19,400)	Total Investment in Training <sup>2</sup> (Total Academy time)	Total Investment in Training (Total time to recruit)
2012	72	1,396,983	2,499,082	3,523,770
2013	65	1,261,165	2,256,115	3,181,181
2014	75	1,455,191	2,603,210	3,670,593
2015	101	1,959,657	3,505,657	4,943,066
2016	49*	950,725	1,700,764	2,398,121
	362	\$7,023,721	\$12,564,830	\$17,716,731

<sup>1</sup> Voluntary turnover figures

<sup>2</sup> Includes overtime cost to cover vacancy

\* 2016 YTD

# What Are the Goals of the New Plan Design?

- An effective pay plan has a pragmatic balance between internal equity and external competitiveness.
- In addition, it should encourage career development and progression and be easily understood and readily maintained.
- For law enforcement positions such as Corrections and Public Safety, it is important to have a pay plan that is competitive for both attraction and retention at the Officer level as that is the level at which the vast majority of incumbents will be employed at any one time and where an Officer may spend their entire career.
- The plan must be understood and accepted by those who have accountability for funding the plan. The design of the proposed new plan has been guided by the need for the following:
  - Competitiveness with the relevant market within Utah, particularly the large Counties and Wasatch front law enforcement jurisdictions
  - Easing of compaction with ranks;
  - Meaningful promotional increases between positions by not having significant overlaps between the top step for one position and the range for the next level position;
  - Accelerated “front end” step pay movement as an aid to retention in the first 5 years in a position;

# What Are the Goals of the New Plan Design?

- More competitive recruit rate to aid in attracting the quantity and quality of desired recruit and retaining recruits after they complete training;
  - Rebalancing between investment in retention vs. cost of replacement
  - Annual funding for the plan.
- Set out on the following page is the proposed pay structure for Corrections and Adult Probation and Parole.

# What is the Proposed New Plan?

## Proposed FY18 pay plan for Corrections and Adult Probation and Parole

Role	PROPOSED HOURLY RATE												CURRENT	
	Entry	1	2	3	4	5	6	7	8	9	10	Range Max	Avg Time in Position (Yrs)	Avg Hourly Rate
CORRECTIONAL OFFICER, POST	<b>\$18.80</b>	\$19.36	\$19.94	\$20.54	\$21.16	\$21.79	\$22.45	\$22.84	\$23.24	\$23.59	\$23.94	\$24.66	4.9	18.82
CORRECTIONAL SPECIALIST I, POST	\$21.15	\$21.78	\$22.44	\$23.11	\$23.80	\$24.52	\$25.25	\$25.70	\$26.15	\$26.54	\$26.94	\$27.74	5.6	23.21
CORRECTIONAL SERGEANT, POST	<b>\$23.50</b>	\$24.21	\$24.93	\$25.68	\$26.45	\$27.24	\$28.06	\$28.55				\$29.41	3.7	24.42
CORRECTIONAL LIEUTENANT, POST	\$29.25	\$30.13	\$31.03	\$31.96	\$32.92	\$33.91	\$34.93	\$35.54				\$36.60	4.4	27.89
CORRECTIONAL CAPTAIN, POST	<b>\$35.00</b>	\$36.05	\$37.13	\$38.25	\$39.39							\$44.63	7.5	31.73
CORRECTIONAL ADMINISTRATOR I	\$38.00	\$39.14	\$40.31	\$41.52	\$42.77							\$48.46	8.4	35.27
CORRECTIONAL ADMINISTRATOR II	\$41.00	\$42.23	\$43.50	\$44.80	\$46.15							\$52.28	3.2	37.97
CORRECTIONAL ADULT PROBATION/PAROLE OFFICER, POST	<b>\$22.00</b>	\$22.66	\$23.34	\$24.04	\$24.76	\$25.50	\$26.27	\$26.73	\$27.20	\$27.60	\$28.02	\$28.86	6.0	25.56
CORRECTIONAL ADULT PROBATION/PAROLE SUPV/POST	\$25.89	\$26.67	\$27.47	\$28.29	\$29.14							\$33.02	4.5	30.73
<b>Rate of increase</b>		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	1.75%	1.75%	1.50%	1.50%			
<b>Red = market anchors</b>														

# What is the Proposed New Plan?

- Set out below is a table showing the percentage spread in the proposed pay plan between starting rate and top step pay, and the percentage increase to the next role at the entry pay level.

Role	Entry to Range Max % Spread	% Increase from Entry Rate to Next Role Entry Rate
CORRECTIONAL OFFICER, POST	31%	13%
CORRECTIONAL SPECIALIST I, POST	31%	11%
CORRECTIONAL SERGEANT, POST	25%	24%
CORRECTIONAL LIEUTENANT, POST	25%	20%
CORRECTIONAL CAPTAIN, POST	28%	9%
CORRECTIONAL ADMINISTRATOR I	28%	8%
CORRECTIONAL ADMINISTRATOR II	28%	
CORRECTIONAL ADULT PROBATION/PAROLE OFFICER, POST	31%	18%
CORRECTIONAL ADULT PROBATION/PAROLE SUPV/POST	28%	

# What is the Proposed New Plan?

- Set out on the following page is a table showing the a comparison between the current pay structure and the proposed pay structure, both in hourly rates and percentage differences.
- The chart on page 18 shows the information in a graph format.

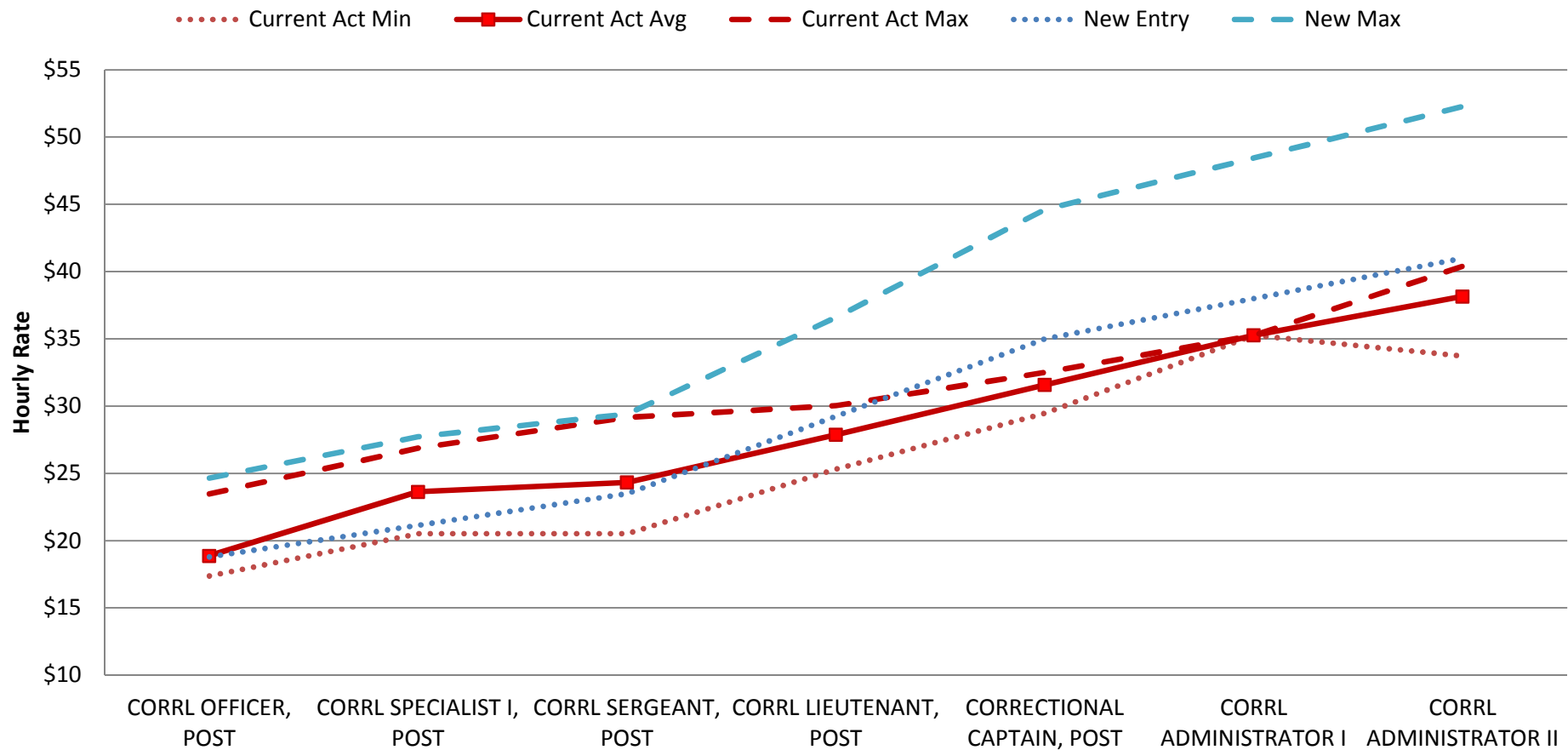


# What is the Proposed New Plan?

Role	Current Range Min	Current Range Max	Proposed Range Min	Proposed Range Max	% Change Min	% Change Max
CORRECTIONAL OFFICER, POST	12.93	22.85	18.80	24.66	45%	8%
CORRECTIONAL SPECIALIST I, POST	15.64	25.47	21.15	27.74	35%	9%
CORRECTIONAL SERGEANT, POST	16.07	25.47	23.50	29.41	46%	15%
CORRECTIONAL LIEUTENANT, POST	17.89	28.39	29.25	36.60	63%	29%
CORRECTIONAL CAPTAIN, POST	19.95	31.65	35.00	44.63	75%	41%
CORRECTIONAL ADMINISTRATOR I	21.06	35.27	38.00	48.46	80%	37%
CORRECTIONAL ADMINISTRATOR II	24.79	39.32	41.00	52.28	65%	33%
CORRECTIONAL ADULT PROBATION/PAROLE OFFICER, POST	16.95	28.39	22.00	28.86	30%	2%
CORRECTIONAL ADULT PROBATION/PAROLE SUPV/POST	19.95	31.65	25.89	33.02	30%	4%

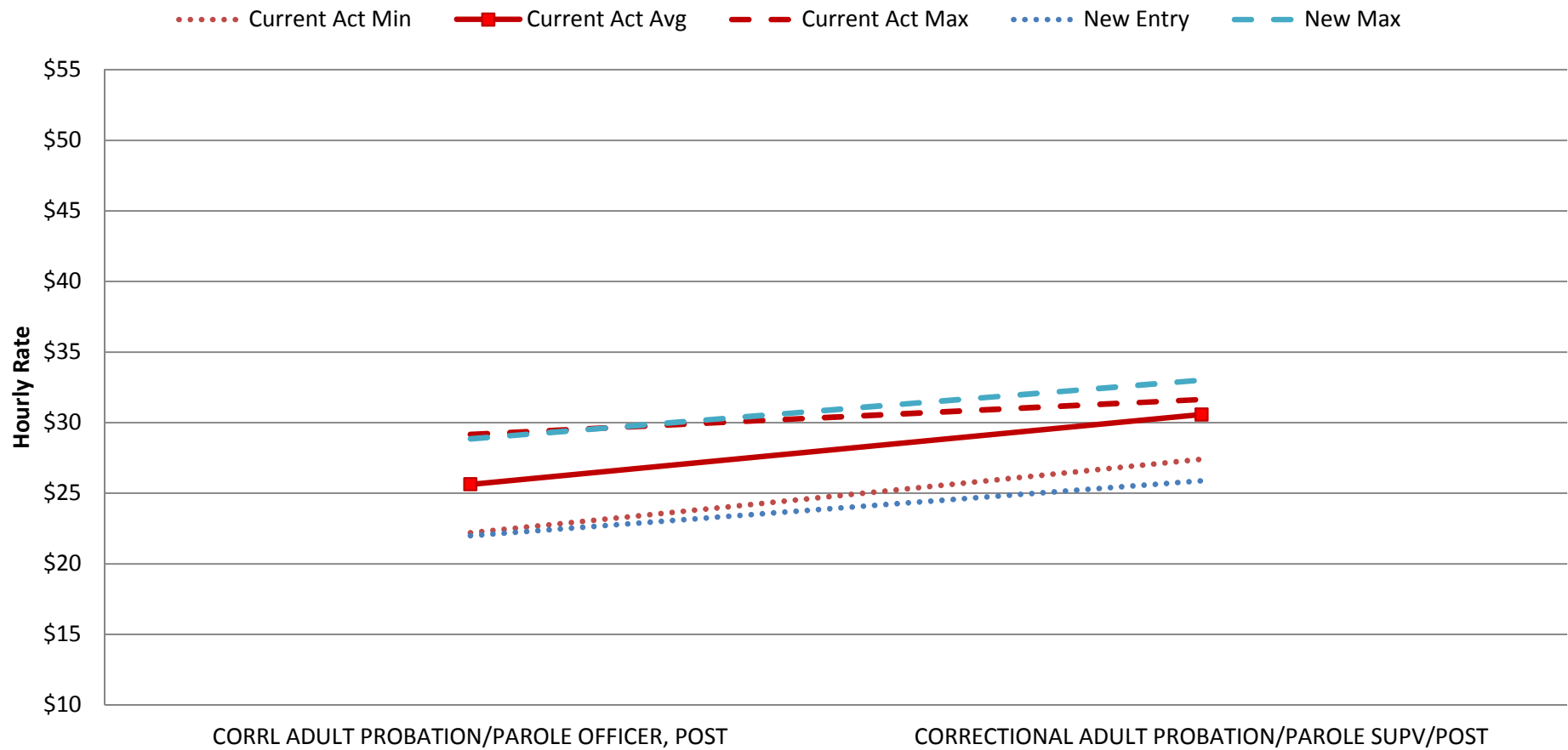
# What is the Proposed New Plan?

## Changes in Hourly Rate as a Result of the New Step Plan



# What is the Proposed New Plan?

## Changes in Hourly Rate as a Result of the New Step Plan



# What is the Estimated Fiscal Impact?

- Kenning Consulting acknowledges that while an effective pay plan has a pragmatic balance between internal equity and external competitiveness, affordability is also a factor that must be considered.
- Set out on the following page is table showing 4 funding scenarios with a description of each scenario, the benefits/issues with each scenario and the cost of each scenario based on the employee data provided by DHRM for this project. The cost estimate is for salaries on an annualized basis.
- This investment should be seen from the following perspectives:
  - The amount required to close the gap from an uncompetitive market position;
  - The likely increase in retention and consequent reduction in training costs invested on those who leave; and, in each scenario,
  - The majority of the cost is at the Correctional Officer rank.
- The table on page 21 shows the cost breakdown by position for each scenario.

# What is the Estimated Fiscal Impact?

## ALTERNATIVE FUNDING SCENARIOS

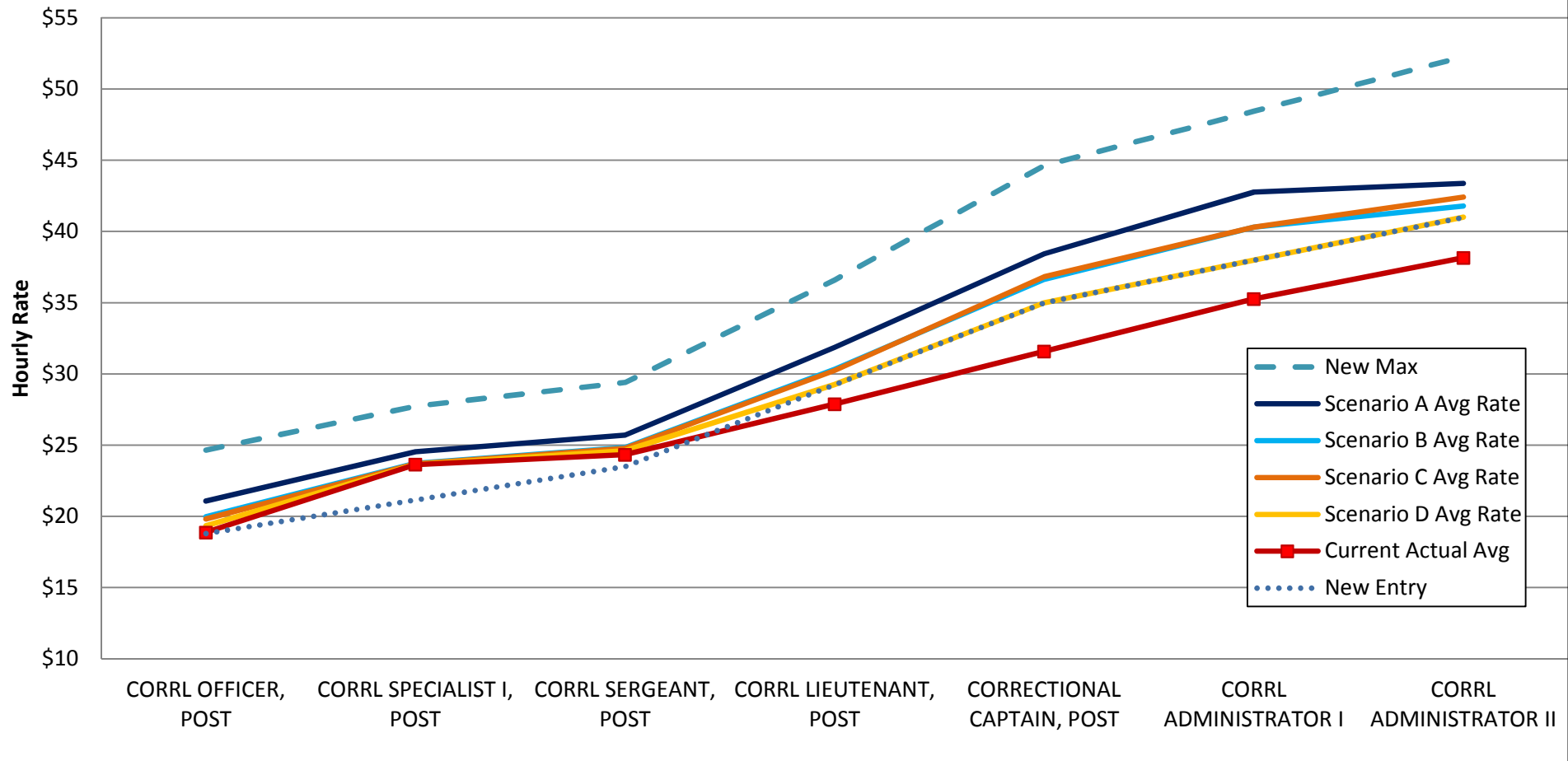
SCENARIO	VARIATION	BENEFITS/ISSUES	COST
A	Implement the proposed plan placing all officers in correct step based on years of service. (e.g. 10 years service = Step 10)	Addresses market relativity & pay compaction, enhances recruitment by fulfilling promise of pay progression	\$5,524,386
B	Place all officers at least to new Entry Rate + half the # of correct steps based on years of service (e.g.10 years service = Step 5)	Implements higher starting pay to attract new officers; retains relativities for longer servicing staff, does not fully address pay compaction.	\$2,472,612
C	Place all officers at least to new Entry Rate + 2 steps for those with at least 2 years' of service.	Implements higher starting pay to attract new officers; minimally addresses pay compaction.	\$2,297,356
D	Only bring those under to new Entry Rate.	Implements higher starting pay to attract new officers; does not provide pay based on years of service in rank, therefore does not address pay compaction.	\$1,300,960

# What is the Estimated Fiscal Impact?

Role	# of Employee	Average of Yrs in Job	Cost of A Full Implementation	Cost of B Half Implementation	Cost of C New Entry Rate + 2 Steps	Cost of D New Entry Rate Only
CORRL OFFICER, POST	712	4.9	\$3,262,486	\$1,347,940	\$1,174,787	\$595,109
CORRL SPECIALIST I, POST	29	5.5	\$54,467	\$4,918	\$3,384	\$1,290
CORRL SERGEANT, POST	236	3.6	\$678,040	\$245,499	\$223,520	\$140,361
CORRL LIEUTENANT, POST	58	4.5	\$481,258	\$295,974	\$285,601	\$165,318
CORRECTIONAL CAPTAIN, POST	42	7.5	\$598,861	\$442,146	\$457,870	\$298,376
CORRL ADMINISTRATOR I	1	8.4	\$15,600	\$10,483	\$10,483	\$5,678
CORRL ADMINISTRATOR II	16	3.2	\$174,024	\$120,827	\$141,627	\$94,827
CORRL ADULT PROBATION/PAROLE OFFICER, POST	252	6.0	\$259,652	\$4,826	\$83	\$ -
CORRECTIONAL ADULT PROBATION/PAROLE SUPV/POST	52	4.2	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>1398</b>	<b>4.9</b>	<b>\$5,524,386</b>	<b>\$2,472,612</b>	<b>\$2,297,356</b>	<b>\$ 1,300,960</b>

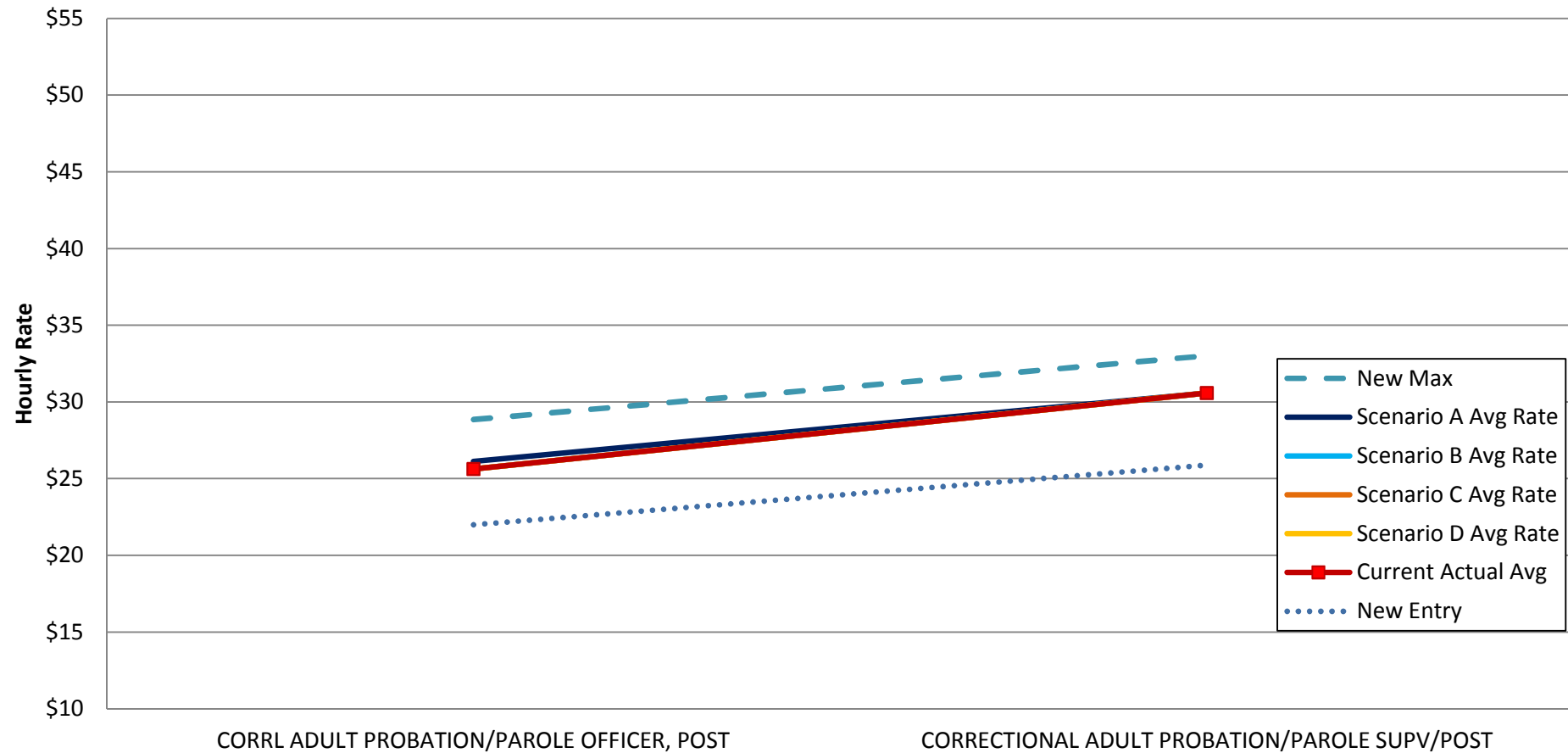
# Alternative Funding Scenarios

## Average Hourly Rate as a Result each Funding Scenario



# Alternative Funding Scenarios

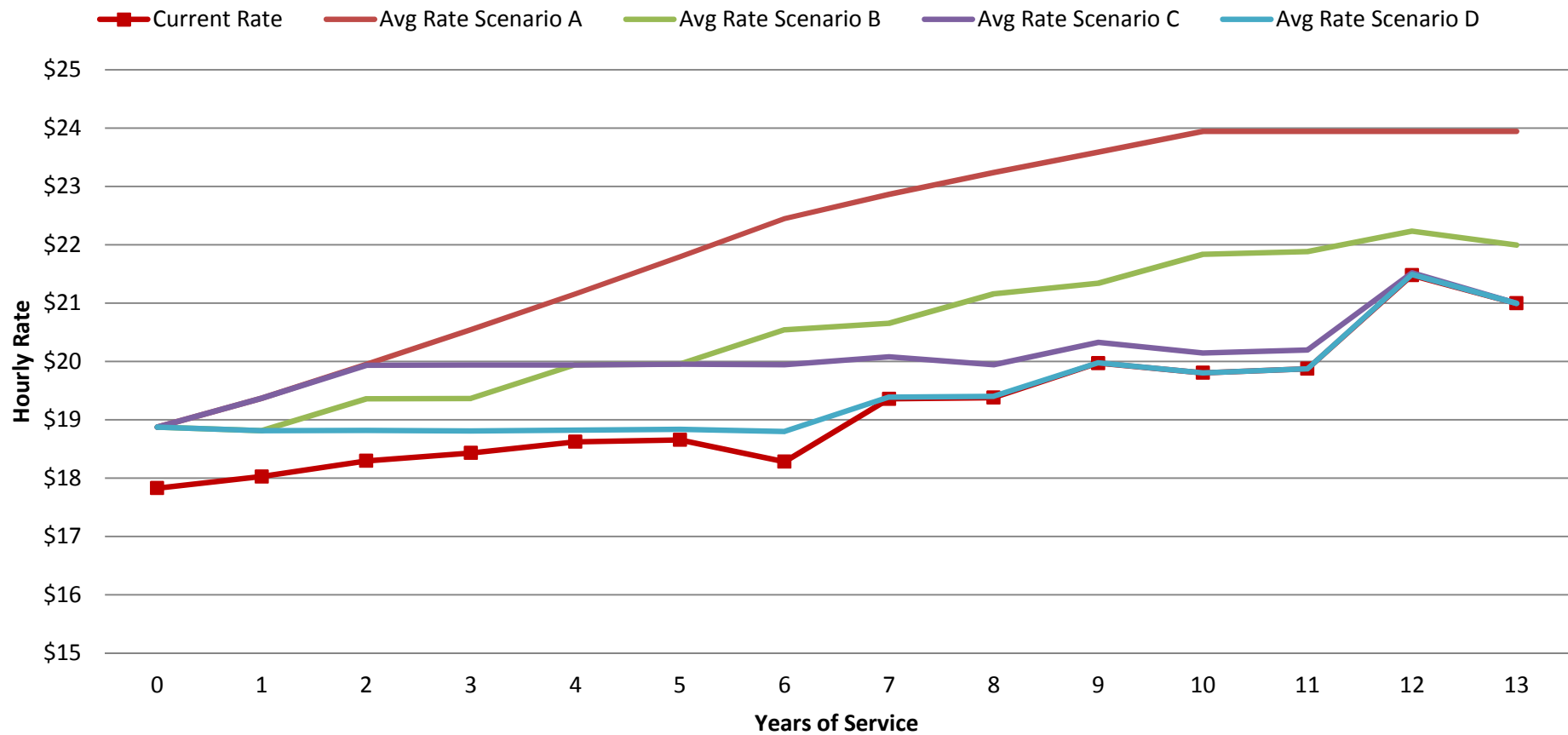
## Average Hourly Rate as a Result each Funding Scenario





# Alternative Funding Scenarios

## Correctional Officer Pay Rate Comparison



# What is the Estimated Fiscal Impact?

- This investment needs to be viewed not as cost but as having an impact on the following:
  - Reversing the widening gap between the impact on pay and levels of staffing;
  - Increasing the number of applicants for recruit school and improving the ROI on the investment in the training of recruits by reducing the rate of attrition;
  - Reducing the rate of turnover of officers;
  - Reducing the current vacancy rate;
  - Alter the balance between overtime hours worked at time and a half due to shortage of staffing as compared to hours worked at normal time rates due to increased staffing,
  - Alleviate internal pay compression and achieving internal pay equity; and
- In addition, a step plan has a built in element of self funding in that turnover, whether voluntary or involuntary, typically creates salary savings based on the fact that a replacement employee usually starts at the first step.

# Appendix

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