



Oregon

John A. Kitzhaber, MD, Governor

Department of Corrections

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To: Ways & Means Public Safety Subcommittee Members
Kevin Hayden, Legislative Administrator

From: Colette S. Peters, Director

Date: January 17, 2013

Subject: Department of Corrections Reporting as Required by HB3291

House Bill 3291 (2011) requires agencies to disclose the results of audits conducted by the Secretary of State under ORS 297.070. The Bill requires agencies to submit a written report about changes made in response to the audit for a period of three years to the Legislative Assembly and the subcommittee of the Joint Committee on Ways and Means. Below is a summary of a recent performance audit conducted by the Secretary of State. The full report can be viewed at:

http://www.sos.state.or.us/audits/pages/state_audits/full/2012/2012-22.pdf

07/24/2012 Department of Corrections: Managing Security Personnel Costs

Audit Purpose

The objective of the audit was to determine if the department could reduce personnel costs through better administrative practices.

Secretary of State Recommendation #1:

- Ensure that the calculation and management of the post factor employ sound practices and the best, most reliable data available, such as:
 - Using actual employee payroll hours;
 - Assessing staff availability by institution and classification; and
 - Monitoring the post factor of individual institutions as well as the overall department post factor.

Agency Response to Recommendation #1:

The department generally agrees. We are in the process of changing operational policies and practices with institution staff deployment offices, which will enable us to provide a more accurate reflection of individual staff assignments and overtime assignments. This will provide a more consistent application of DOC staff deployment practices and more accurately capture staff payroll hours, leave usage and reasons for overtime. This will also assist in placing staff in assignments based upon correct classification, as well as those staff having proper training credentials for certain post assignments.

The recommendation to monitor the post factor for individual institutions as well as the overall department would be beneficial in the assignment of overtime dollars. Breaking down leave by institution may assist those facilities who have a higher percentage of senior staff. The department would be best served by having a consistent relief factor for five-day and seven-day posts; staffing variances could be addressed with an overtime funding reallocation.

In regards to the methodology used in this report for calculating the relief factor for five-day and seven-day posts, the department would like to further explore how staff vacancies should be captured and calculated into the relief factor. While the use of actual payroll data captures the behavior of current employees, it overlooks the void created by holding positions vacant. A vacancy factor does reduce the availability of staff for post assignment. Vacant posts have to be covered by overtime or by assigning relief staff who would normally provide relief for staff on vacation, training or other types of leave. The position vacancy rate should be part of the relief factor. Taking "time needed to fill a vacancy" into account when developing the post relief factor is recommended in the National Institute of Corrections Net Annual Work Hours Model (Chapter 8, page 40).

The relief factor noted for staff training is also a concern. The department does not dispute the actual staff training of 25 hours for this period of review. However, we would like to recognize that due to severe budget reductions and constraints over the last two biennia, the department has consciously restricted training hours below the number of hours necessary to maintain a workforce that is well versed and prepared to respond to issues and challenges inherent in running correctional institutions. A long-term approach to staff training would include funding for 40 hours of annual in-service training for all veteran staff, a six-week training program for all new correctional officers, and hours for instructors. Finally, a comprehensive plan should include hours for specialty skills to provide for properly trained staff in the areas of Tactical Emergency Response Teams, Crisis Negotiators, Emergency Staff Services, and Honor Guard functions.

The relief factor calculation in this report included actual vacation hours rather than accrued vacation hours. DOC employees can bid all of the vacation hours to which they are entitled. If DOC management denies the requested vacation, the agency must pay the denied time out to employees. Therefore, DOC has a financial liability for all accrued vacation hours, whether taken as time off or paid out, which is why we respectfully disagree with the Secretary of State's statement that we inappropriately requested policy option packages for post relief factor.

Secretary of State Recommendation #2:

- Revise current data collection methods for identifying overtime causes to allow more meaningful analysis. Specific examples include obtaining more information on unplanned workload, such as hospital watches, and using broad categories such as changes in workload, planned absences, unplanned absences, and vacant position as contributing factors to the need for overtime.

Agency Response to Recommendation #2:

The department agrees. As noted in the above recommendation, the recent change in the staff deployment policy and operational practices will provide a more consistent application and accurate reflection of staffing needs for individual institutions. Having staff deployment coordinators assign the majority of relief staff to vacant positions, reducing the workload on shift supervisors, and reducing their need for discretionary assignments and movement of staff will assist the department in accurately capturing leave codes.

If you have any questions, or require further clarification about these audit activities, please feel free to contact me at 503-945-0927.

Sincerely,



Colette S. Peters
Director

cc: Mitch Morrow, Deputy Director
Shawn Haywood, Internal Audit Administrator