



Department of Public Safety and Correctional Services

Office of the Secretary

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DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES DEPARTMENT OVERVIEW FY 2021 OPERATING BUDGET

Senate Budget and Taxation Public Safety, Transportation & Environment Chairman Cory V. McCray January 30, 2019

Retirement Eligible CO Bonus Program:

Issue: DPSCS should provide the budget committees an estimate for total expected payouts through this bonus program and how that cost compares to potential overtime savings.

Response: In December 2019, the Department announced the implementation of the Retention and Longevity Pay Incentive (RLPI) program, where correctional officers with at least 20 years of service can receive payments of up to \$37,500 for a commitment to serve an additional four years in a correctional officer capacity. As its name indicates, the goal of the program is to strengthen retention while the Department continues to hire new correctional officers in order to fill its vacant positions. While the Department has already seen a decrease in the gap between correctional officers separating from State services and new hires, the Department believes the RLPI will further assist in continuing to close the gap. Although the program was not specifically designed to serve as an overtime savings program, preliminary data shows that the RLPI is mitigating the amount of overtime the agency would have incurred if those correctional officers eligible to participate in the program had opted for retirement instead.

The following chart serves as a model to illustrate the potential overtime avoidance if 1,157 correctional officers retire over the next two years. The Department estimates that, if this were to occur, overtime would increase over current levels by 4.8 million hours over five years at an estimated cost of \$185.4 million. Combining the estimated cost to implement the RLPI for the first 2-years against potential increases in overtime hours stemming from vacancies, results in potential future avoided costs to the Department totaling as much as \$142 million over the next five years.

Estimated Financial Impact Model for Retention & Longevity Pay Initiative
vs
Future Overtime Avoidance
 (Table in Thousands)

	2020	2021	2022	2023	2024	2025	Total
Eligible Correctional Officers							
Year 1 - 791	\$ 5.9	\$ -	\$ 5.9	\$ -	\$ 17.8	\$ -	\$ 29.6
Year 2 - 366	\$ -	\$ 2.7	\$ -	\$ 2.7	\$ -	\$ 8.2	\$ 13.6
Total	\$ 5.9	\$ 2.7	\$ 5.9	\$ 2.7	\$ 17.8	\$ 8.2	\$ 43.2
Additional OT Hours Avoided							
Year 1 Group - 791	(411)	(822)	(822)	(822)	(411)	-	(3,288)
Year 2 Group - 366	-	(190)	(381)	(381)	(381)	(190)	(1,523)
Total	(411)	(1,012)	(1,203)	(1,203)	(792)	(190)	(4,811)
New OT Costs Avoided							
Year 1 Group - 791	\$ (15.8)	\$ (31.7)	\$ (31.7)	\$ (31.7)	\$ (15.8)	\$ -	\$ (126.7)
Year 2 Group - 366	\$ -	\$ (7.3)	\$ (14.7)	\$ (14.7)	\$ (14.7)	\$ (7.3)	\$ (58.7)
Total	\$ (15.8)	\$ (39.0)	\$ (46.4)	\$ (46.4)	\$ (30.5)	\$ (7.3)	\$ (185.4)
Net Avoided Cost to State	\$ (9.90)	\$ (36.30)	\$ (40.50)	\$ (43.70)	\$ (12.70)	\$ 0.90	\$ (142.20)

** Model is meant to serve as an example of the potential impact to overtime based on a significant increase in correctional officer vacancies due to retirement.*

Correctional Officer Hiring:

Issue: In the interest of lowering overtime costs and improving the working conditions for all individuals in DPSCS employment or custody, the department should identify realistic hiring goals for COs and overall positions in fiscal 2020, 2021, and 2022.

Response: The Department's top priority is to recruit and fill every vacancy. Over the past nine months, the Department has made significant, sustainable strides in its efforts to hire across all positions, including correctional officers. In calendar year 2019, the Department hired over 600 new employees – 267 of which were correctional officers. This means that the Department hired more correctional offices in 2019 than in 2017 and 2018 combined. In calendar year 2020 to-date, the Department has hired 51 new correctional officers and is on track to significantly surpass 2019 figures. The Department attributes this success to a number of factors, including the recent increase in correctional officer salaries, improvements to the recruitment and hiring processes, and the implementation of a Retention and Longevity Pay Initiative (RLPI).

Since December 2018, the Administration has increased correctional officer salaries by nearly ten percent with an additional two percent increase expected in the next fiscal year. The starting salary of a correctional officer II is now \$44,691. In addition, the Department offers \$5,000 hiring bonus so in a matter of months, new hires are quickly able to earn nearly \$50,000. The salary increase coupled with the hiring bonus makes the Department competitive with local jurisdictions and surrounding states.

In terms of recruitment and hiring, the Department's Human Resources Services Division has worked tirelessly to increase the efficiency of the recruitment process and streamline the hiring process. The Department has doubled the efficiency of its recruitment process, measured by the percentage of applicants hired in one year. For the first time since 2016, the Department experienced an increase in correctional officer job applications, despite a competitive job market with low unemployment rates. The Department also condensed its hiring process, without lowering the bar, by moving to one-day hiring events where an applicant can complete the first three steps of the hiring process and receive a same-day conditional offer of employment. This new process was implemented in September of 2019 and has already yielded 420 conditional offers. The Department has ten regional events scheduled for calendar year 2020, paired with a strategic marketing and advertisement campaign to raise awareness and participation. Through this process, the Department was able to reduce application processing time by 50%, from ten months down to five months.

Attrition is a challenge for all public safety agencies nationwide, as the national workforce within public safety careers undergoes significant demographic shifts toward retirement eligibility. Despite this national trend, the Department has narrowed the gap between hiring and separations in 2019 to pre-2015 levels. Employee separations are trending downward, and have been since 2017. In fact, 2019 marked the lowest number of overall employee departures from the Department in five years, an almost 10% reduction from calendar year 2018 departures, and a 23% reduction in overall separations from its peak in 2015.

Another cornerstone of the Department's vacancy reduction strategy is the deliberate targeting of separation drivers, which includes employee retention. To that end, the Department engages with its current employees to promote career growth, career-track changes, and geographic flexibility. In calendar year 2019, the Department effectuated 632 internal promotions, over 40% of which were promotions in the correctional officer series. Through this promotional process, the Department has decreased its acting capacity usage by nearly 40%, reducing the Department-wide acting rate down to two percent. The Department also established a RLPI program where correctional officers with at least 20 years of service can receive payments of up to \$37,500 for a commitment to serve an additional four years in a correctional officer capacity. In approximately one month, 622 correctional officers have applied to participate in the RLPI program and 597 have been accepted so far.

The Department remains committed to filling its vacancies and believes the aforementioned efforts and results exemplify sustainable strides to meet this goal.