

ANALYSIS

Item 26: Department of Corrections Overtime Usage

Analyst: John Terpening

Request: Acknowledge receipt of a report on efforts to reduce the use of overtime in prisons operated by the Department of Corrections.

Analysis: The Department of Corrections (DOC) has submitted its third report on the agency's efforts to reduce the use of overtime in prison operations and health services pursuant to a budget note approved in HB 5004 (2021):

***Overtime Usage:** Over the last several biennia, the Department of Corrections has incurred a consistent deficit in its overtime budget of about \$20 million per biennium. Package 805 provides \$21.6 million and 107 positions intended to alleviate the need for overtime usage. To evaluate the effect of this increased staffing on overtime expense, the Department is directed to report its overtime expenditures in the prisons and in Health Services at each meeting of the Interim Joint Committee on Ways and Means and Emergency Board, and once to the Public Safety Subcommittee of the Joint Committee on Ways and means during the 2022 legislative session.*

In this third report, covering data through the first four months of the biennium, the Department reports that across Operations and Health Services the cumulative overtime usage between voluntary and mandatory is 164,199 hours equating to \$8.8 million in costs. For the most recent month of October, total overtime hours are down 4%, including a 19% drop of mandatory hours compared to September. This reduction is largely due to an agreement between DOC and its labor unions to allow managers and non-security represented staff to volunteer to cover certain posts to avoid having security staff mandated for overtime hours. However, this is a temporary solution until Corrections Officers can be hired and trained and is not meant to be a sustainable option long-term.

At the time of this report, DOC has 210 security vacancies in its Operations Division and about 65 vacancies in Health Services. This vacancy total includes the 107 permanent, ongoing positions that were provided in HB 5004; the agency continues to recruit for these positions. As is the case with many employers at present, DOC is experiencing numerous difficulties related to the COVID-19 pandemic in recruiting and retaining employees, particularly those in health care. Additional staffing challenges are due to a large percentage of its workforce being retirement-eligible and to the number of employees on extended leaves for military service, job rotations, or other reasons. These extended leave vacancies are referred to as ghost vacancies and there are currently 194 in security staff and 32 in health services. The overtime hours and costs reflected above include both standard vacancies and ghost vacancies.

Recruitment strategies used by the agency include conducting job fairs during which interviews and background checks are conducted, which reduces the length of time for hiring and onboarding; working with the Military Department to ensure that people leaving military service are aware of job opportunities with DOC; and engaging staff who plan to retire in mentoring others. The National Testing Network is also set to occur each month at two Correctional Institutions, which will provide more opportunities for candidates to move through the recruitment process. Additionally, DOC recruiters

have extended job advertisements in surrounding states, through professional organizations, and via billboards and radio.

For health services, DOC is competing against other state agencies, medical offices, and hospitals during a nationwide nursing shortage. DOC reports that there are currently over 1,000 Registered Nurse (RN) vacancies among hospitals within a 20-mile radius of Coffee Creek Corrections Facility in Woodburn. To help address this challenge, DOC, the Department of Administrative Services, and labor unions are negotiating a truncated salary step for RN's, so that all new candidates begin at step 4 or higher as well as higher shift and weekend differential pay to align with the Oregon State Hospital (OSH). Until DOC's negotiations are finalized, an RN at DOC earns \$13 less per hour in weekday differential for direct care, and \$31 less per hour in weekend differential for direct care compared to their counterparts at OSH.

In addition to the above, DOC has attempted to alleviate the overtime usage in health service by modifying operations in short-staffed facilities, allowing non-licensed staff to issue medications in medication lines after completing proper training, and using Certified Medication Aides in place of RN's where appropriate. Finally, DOC continues to use contracted agency nurses where needed and recently increased contracted rates in order to draw more resources.

The Department is scheduled to return to the 2022 legislative session with another update on its overtime usage and recruitment efforts. However, with such a short time between reports, progress will likely be very limited. As such, the Legislative Fiscal Office recommends delaying the next report to allow for more time to pass, with the anticipation that DOC's mitigation and recruitment efforts will start yielding desired results over the next few months.

Recommendation: The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means acknowledge receipt of the report with instructions that the Department of Corrections delay submittal of its next report on overtime usage until the next regularly scheduled meeting of the Emergency Board anticipated to be in May 2022.

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Department of Corrections
McDonald

Request: Report on overtime usage in Operations and Health Services Divisions, by the Department of Corrections, per a budget note in House Bill 5004 (2021).

Recommendation: Acknowledge receipt of the report.

Discussion: House Bill 5004 (2021) provided the Department of Corrections (DOC) \$21.6 million General Fund and approved 107 new positions intended to alleviate overtime usage within the Operations Division and Health Services Division. The budget report contained a budget note requiring DOC to report to the Legislature throughout the biennium on overtime expenditures, specifically those for the prisons (Operations Division) and Health Services, in hopes of seeing a decline in overtime usage as the 107 positions are filled. The Department's provided report includes charts illustrating each division's overtime hours and cost categorized by voluntary, mandatory, and total overtime.

DOC last reported on overtime usage to the November 2021 meeting of the Interim Joint Ways and Means Committee with data available for July and August 2021. This report contains monthly data through October 2021. The data is not cumulative; it represents actuals for the month reported. The Department's total overtime hours increased from 35,275 in July, to 42,914 in October. This increase of roughly 22% equates to an overtime cost increase of around \$0.7 million. Operations experienced a 21% decline in mandatory overtime from September to October, mainly due to a letter of agreement with labor partners (AFSCME and AOCE) allowing managers and other security personnel to volunteer for security post overtime, alleviating some mandatory staff overtime.

Primary drivers of overtime include sick leave coverage and unfilled positions. Health Services continues to carry 98 vacancies, unchanged since the last report, and Operations vacancies have increased by 10% to a total of 404 positions. Of the 107 new positions intended to alleviate overtime, all have open recruitments and 22 have been successfully filled. The report outlines the Department's recruitment efforts and discusses steps taken to address overtime usage, as the issues are directly related. These efforts include:

- Adjusting the electronic background check process to make it easier for candidates;
- Engaging with labor partners to allow management and security plus to cover overtime;
- Using a variety of media options to expand visibility to potential applicants;
- Working with DAS to offer Registered Nurses (RN) applicants pay aligning with the Oregon State Hospital;
- Adjusting duties from RN staff to managers and Certified Medication Aides where appropriate;
- Increasing the use of contracted nurses to cover RN shifts where needed; and
- Health Services modified operations at severely short-staffed facilities to reduce overtime, but this also has an impact on care availability.

DOC will provide an updated report to the Public Safety Subcommittee of the Joint Committee on Ways and Means during the 2022 Legislative Session, as directed by the budget note contained in House Bill 5004 (2021).



Oregon

Kate Brown, Governor

Oregon Department of Corrections

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December 13, 2021

The Honorable Elizabeth Steiner-Hayward, Co-Chair
The Honorable Dan Rayfield, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

The Oregon Department of Corrections (DOC) respectfully asks you to accept this letter as a report to the Oregon Legislature as required by a Budget Note contained in House Bill 5004 (2021).

Background

The Legislative Fiscal Office (LFO) Budget Report associated with House Bill 5004 passed during the 2021 Legislative Session included the following Budget Note:

Overtime Usage: Over the last several biennia, the Department of Corrections has incurred a consistent deficit in its overtime budget of about \$20 million per biennium. Package 805 provides \$21.6 million and 107 positions intended to alleviate the need for overtime usage. To evaluate the effect of this increased staffing on overtime expense, the department is directed to report its overtime expenditures in the prisons and in Health Services at each meeting of the Interim Joint Committee on Ways and Means and Emergency Board, and once to the Public Safety Subcommittee of the Joint Committee on Ways and means during the 2022 legislative session.

DOC understands that overtime and primarily mandatory overtime has a significant impact on staff wellness. In 2016 the department set an agency goal to reduce mandatory overtime by 50 percent and were trending in the right direction until 2019. The pandemic, wildfires, and a national staffing crisis have had a significant impact on DOC's recruitment and retention efforts.

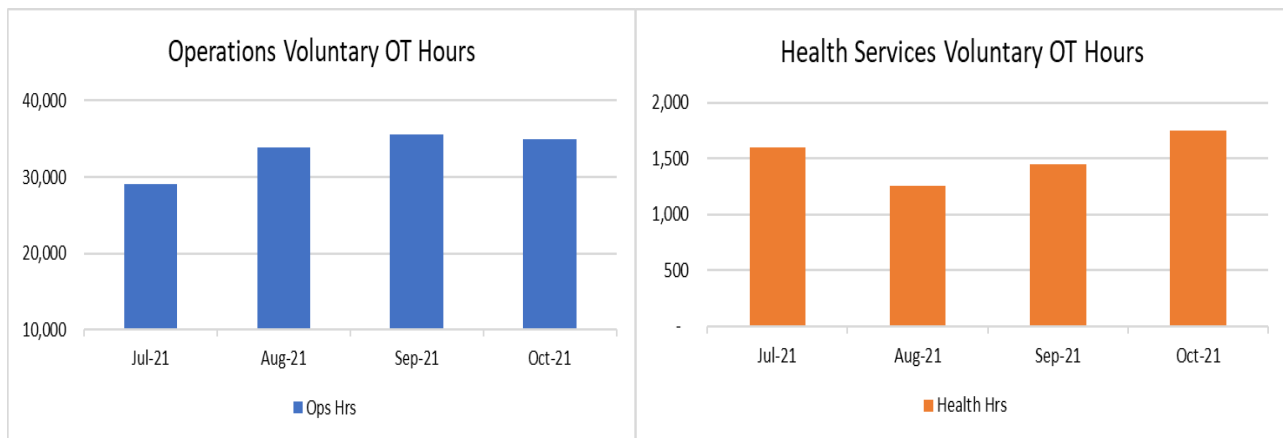
The department's primary overtime drivers are sick leave coverage and unfilled positions. Unfilled positions can be from vacancy or ghost vacancy. A position is vacant when it was previously filled by a staff who either left service with the department, promoted, demoted or the position was granted by the Legislature and never filled. A ghost vacancy is created when a person is granted long term leave, for reasons such as active military duty or other long-term absence, or temporarily vacates their permanent position for a job rotation or work-out-of-class opportunity within DOC or another state agency.

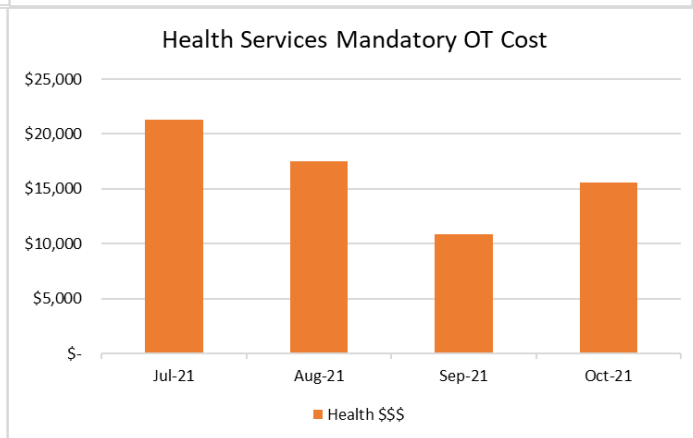
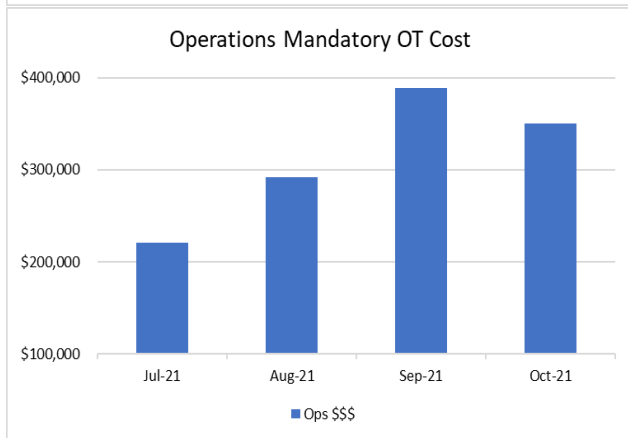
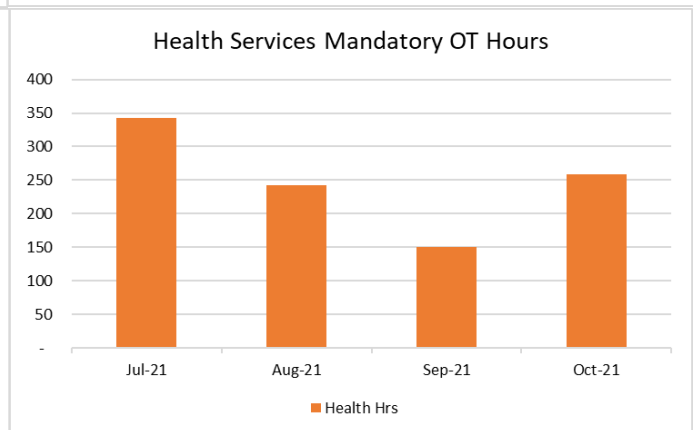
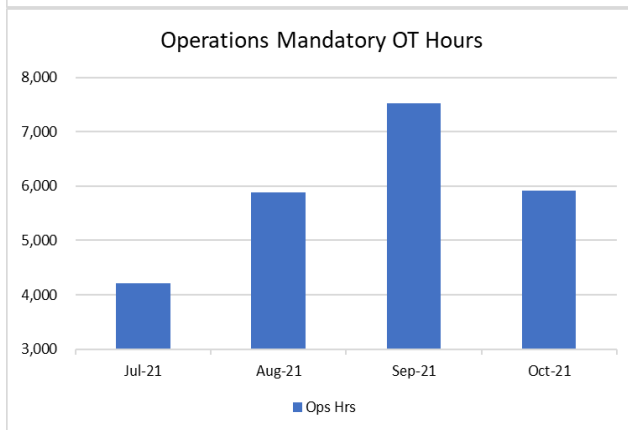
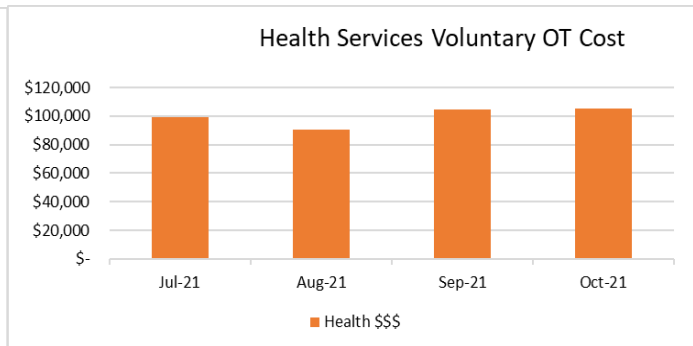
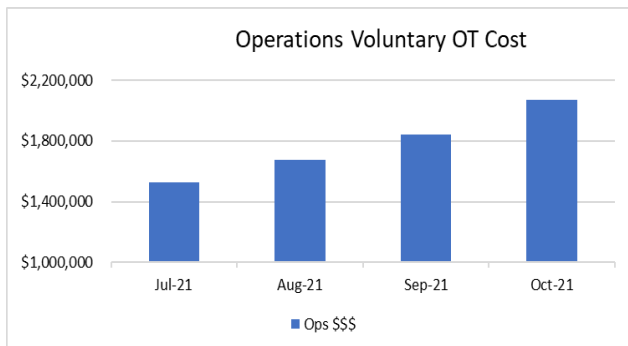
With respect to mandatory and voluntary overtime, staff can sign up to work voluntary overtime on that shift. The Officer in Charge uses the list to fill as many necessary posts as possible. Some posts can be temporarily pulled or shut down for a shift. If vacant, these posts either need to be filled for part of a shift or may be allowed to remain vacant for a shift. Once the voluntary overtime list is exhausted and posts are pulled or shutdown, mandatory overtime is used to fill necessary posts. Staff, based on the labor agreement, may be required to remain on shift for a partial or whole shift, up to 16 continuous hours, to ensure the safety and security of the institution.

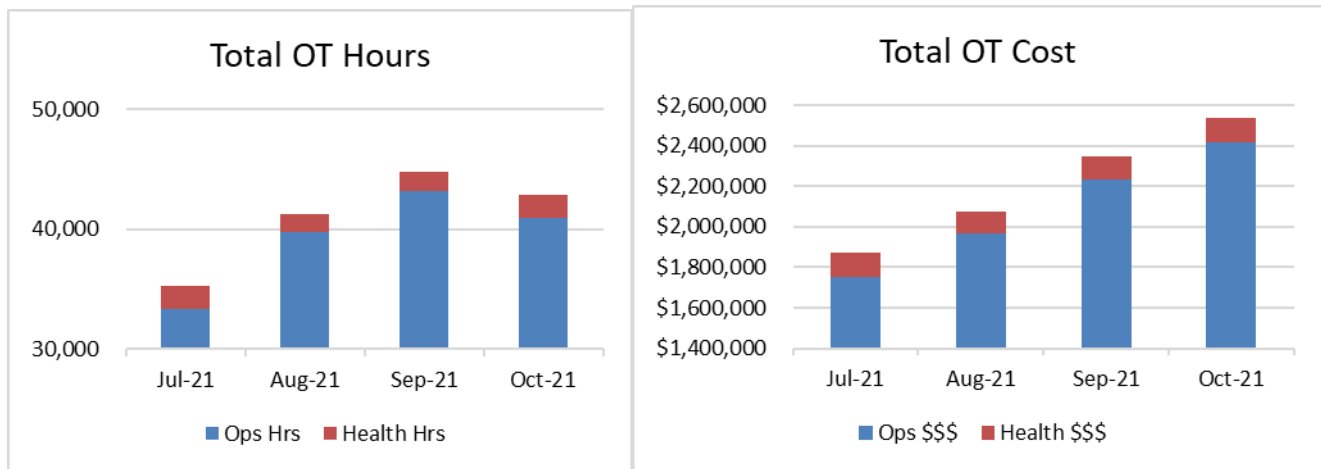
Overtime Reporting Data

Overall mandatory overtime hours for Operations and Health Services Divisions dropped by 19 percent from September to October 2021, while total overtime hours dropped by 4 percent. This is due in part to the letter of agreement with labor partners (AFSCME and AOCE) to allow managers and security plus staff to volunteer to cover certain security posts to avoid having security staff mandated. Overtime is cyclical in nature and though the reduction is welcomed, many factors are involved in these numbers.

The following graphs depict the costs associated with both types of overtime – mandatory and voluntary – as well as totals for the Operations and Health Services Divisions. The data is not cumulative; it is actual data for the month being reported.







As indicated below, Health Services vacancies have remained unchanged and Operations Division vacancies have increased by 10 percent. Security permanent vacancies decreased, while ghost vacancies increased. The current vacancy and ghost vacancy levels including positions granted by HB 5004 are as follows:

- Health Services
 - Provider vacancies – 20.7
 - Registered Nurse (RN) vacancies – 45
 - Ghost vacancies – 32
 - Total vacancies – 97.7

- Security
 - Security vacancies – 210
 - Ghost vacancies – 194
 - Total vacancies – 404

As mentioned above, HB 5004 provided DOC with 107 positions across the Operations and Health Services Divisions to assist in reducing overtime. The following outlines DOC’s efforts to recruit for these positions as well as other vacant positions.

- Operations update:
 - Correctional Officer Recruiting Challenges/Strategies:
 - Of the 107 positions provided, 87 were granted to the Operations Division. All positions have open recruitments, and 22 have been successfully filled.
 - To coordinate and strategize DOC’s work in recruitment, retention, and reducing overtime, the agency has commissioned a formal project with Deputy Director Heidi Steward as the project sponsor.

- The National Testing Network (NTN) is set to occur on the fourth Tuesday of every month at Two Rivers Correctional Institution (TRCI) and on the first Tuesday of every month at Eastern Oregon Correctional Institution (EOCI). This will give candidates timely access to this part of the recruitment process. Candidates will be provided a voucher from Recruitment to cover the cost of the test. Employees from several locations have been trained to proctor the test.
- DOC has adjusted the electronic background process to make it easier for the candidates to complete.
- Other strategies to manage staffing impacts:
 - DOC has engaged labor partners at Oregon State Penitentiary (OSP), Coffee Creek Correctional Facility (CCCF), TRCI, and EOICI to allow security plus and management staff to cover mandatory overtime. This is a temporary solution to help reduce mandatory overtime until Correctional Officers can be hired and trained.
- Health Services update:
 - RN Recruiting Challenges/Strategies:
 - The Health Services Division continues to recruit to fill vacancies in both new and previously established positions. Health Services is also using a variety of media options to expand visibility to potential applicants.
 - DAS, DOC, and DOC organized labor (AFSCME and AOCE) negotiated a truncation of RN salary steps so RN applicants would not be offered less than step 4 in the hiring process, as well as increased shift and weekend differential pay to align with the Oregon State Hospital. These steps are expected to improve some of the salary-related challenges connected to hiring new staff, although other challenges remain.
 - DOC is competing with other state agencies, numerous hospitals, medical offices, and others to recruit for new medical staff during a nationwide nursing shortage. Just between Kaiser Permanente, Legacy Health, Oregon Health Sciences University, and Providence Health, there are over 1,000 RN vacancies within a 20-mile radius of one DOC facility (CCCF). DOC is evaluating options to be better able to attract staff when other organizations are offering lucrative pay, sign-on bonuses, education reimbursement, flexible schedules, and more.
 - Other strategies to manage staffing impacts:
 - Health Services has modified operations at the severely short-staffed facilities including CCCF, OSP, TRCI, EOICI, and Warner Creek Correctional Facility

(WCCF), resulting in limited health care provided to the adults in custody (AICs). This will show as reductions in overtime. It also has an impact on patient care.

- Health Services has allowed RNs from better-staffed facilities to work voluntary overtime shifts at the institutions with severe staffing shortages.
- Health Services is using other staff in a limited capacity to supplement the strained teams. For example, non-licensed staff can issue medications to AICs on medication lines if they complete required training. Additionally, Certified Medication Aides are used where appropriate in place of RNs, Managers help with RN duties in accordance with their licensure, and other duties such as ordering and issuing medical supplies have been moved from RNs to other staff.
- Lastly, Health Services continues to use contracted agency nurses to cover RN shifts where needed. Those nurses are also hard to come by due to nursing shortages, so DOC recently negotiated increased contract rates for agency nurses' pay to attract them. With the use of agency nurses, DOC sees a reduction in what would otherwise result in overtime.

The agency is happy to answer any questions you may have and will return to the next meeting of the Interim Joint Committee on Ways and Means as required.

Sincerely,

A handwritten signature in cursive script, appearing to read "Colette S. Peters".

Colette S. Peters
Director

cc: George Naughton, Chief Financial Officer
Laurie Byerly, Legislative Fiscal Officer
April McDonald, CFO Policy and Budget Analyst
John Terpening, LFO Principal Legislative Analyst
Steve Robbins, DOC Chief Financial Officer
Rem Nivens, DOC Communications Administrator