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THE PEW CENTER ON THE STATES

10 Ten Steps Corrections Directors Can Take to Strengthen Performance

EXECUTIVE SUMMARY

As part of its assessment of overall state government performance, the Pew Center on the States conducted hundreds of hours of interviews with a wide cross section of officials from 45 state corrections departments in an effort to spotlight the most effective management practices.

Across the country, innovative policy makers and corrections managers are joining forces to improve correctional systems' performance, transparency and accountability. We offer the following management practices as a menu of the strategies currently under way that can be employed to strengthen prison operations and, ultimately, to cut crime and tame spiraling prison costs.

Get the Agency Mission Right

1. **Reevaluate agency mission to include focus on reducing recidivism.** Leading states have completely reevaluated the missions of their corrections departments to include recidivism reduction alongside other crucial objectives such as keeping dangerous offenders off the streets and maintaining safe and secure institutions.

Better Information Leads to Better Outcomes

2. **Develop performance measures that matter.** A number of states have begun implementing the uniform performance measures developed by the Association of State Correctional Administrators, which has standardized the definitions of key performance measures. More innovative states are now using outcome measures that judge the effect of policies on inmates in order to inform funding decisions.

3. **Make better use of technology systems.** Cutting-edge states are using modern Web-based applications that feature readily accessible key "dashboard" indicators to track

In this brief:

performance and adjust management practices. As a lower-cost stopgap measure, other states have boosted information access by grafting a Web-based interface onto their mainframe servers.

Corrections Infrastructure Matters

4. **Build smarter.** Some states are targeting new construction for certain populations that need more intensive services, whether by building a new stand-alone facility or an addition to an existing institution. Adding to existing facilities can often be more cost-effective than building expensive new facilities—and can help achieve other goals as well.

Re-think the Money Equation

5. **Seek alternative forms of funding.** Some states are forgoing new prison construction by allocating resources to substance abuse programs, mental health treatment and community-based services that ultimately pay for themselves in cost-avoidance. Creative collaborations with other state agencies and other jurisdictions also are streamlining services and saving scarce dollars.

6. **Develop partners to cut down on medical costs.** State corrections systems are using a variety of new partnerships—including contracting with public university hospitals and other entities—to provide cost-effective services, quality control oversight and group purchasing arrangements.

Focus People on Performance

7. **Hold facility managers accountable.** The leading correctional systems are reviewing detailed data at the facility level to monitor trends and hold key managers accountable for progress toward targeted goals. Some states are going so far as to provide financial incentives for facility performance, based in some cases on facility-level inmate recidivism rates.

8. **Pay for security staff on the front end.** Leading states are addressing correctional officers' compensation inequities and developing career path strategies that can save money in the long run.

9. **Find nonfinancial ways to improve employee morale.** Cash-strapped states are carefully examining and following up on employee morale and quality of life issues to boost performance and reduce turnover. Some states have addressed matters ranging from the immediate work environment to housing and child care.

10. **Develop new leaders.** Even in states with interagency leadership academies, it's important that corrections agencies develop their own programs to tackle the unique challenges of managing and motivating employees in the high-stress prison environment. ■

ACKNOWLEDGEMENTS

This issue brief was reported and written by Michael Blanding, who served as a consulting editor to the Government Performance Project focusing on the functioning of state departments of corrections as part of the Project's *Grading the States 2008* report card on state management. Jake Horowitz, senior associate with the Public Safety Performance Project, was an integral member of the issue brief review team. The project's creative direction and communications efforts were guided by Pew Center on the States' (PCS) Carla Uriona and Janet Lane, and Jessica Riordan of Pew's Communications office. We would like to thank 202design for their design and production assistance, and PCS associate Melissa Maynard for her copy editing skills.

FOREWORD

These are challenging times for state departments of corrections. Truth-in-sentencing initiatives, tougher laws for violent offenders and increased rates of incarceration for drug crimes and female lawbreakers have sent prison populations soaring. The number of prisoners nationwide has nearly tripled over the past two decades—from 585,000 to nearly 1.6 million—and many states are still facing projections of double-digit percentage growth rates well into the future. (See Figure 1 on page 7.) North Carolina is planning for an additional 1,000 prisoners a year. Pennsylvania is projecting 1,500, Arizona is expecting 2,000 and Florida is looking at an eye-popping 3,000 extra prisoners or more annually. Overall, corrections costs have grown even faster, spiking 315 percent in nominal dollars since 1987. (See Figure 2 on page 12.)

Many states have been hard-pressed to keep up with those increases. Legislatures have been right to complain that budgets for corrections have been soaring; at the same time, corrections agency directors often have even less money per prisoner to manage their growing populations. With state budgets stretched especially thin in today's volatile economic climate, the prospect of spending millions for new prisons—or, as some see it, money for programs to educate and rehabilitate "bad guys"—can be a tough sell. As a result, many systems are pushed to the bursting point, with institutions at 125 or 150 percent of capacity—Alabama is the highest at 200 percent—and less money than ever for corrections officers, who arguably have one of the toughest jobs in the country.

Fortunately, the stories from the cellblock aren't all gloom and doom. In fact, precisely because of these challenges, corrections directors have a rare opportunity to bring about substantial change. Prison budgets have reached a point where they can't be ignored. Many governors—and an increasing number of state legislators—are beginning to take a leadership role in addressing the problem. The tired old debate about coddling prisoners with programs versus locking them up and throwing away the key is finally taking a backseat. In its place are discussions of more pragmatic approaches for dealing with the problem underlying behind both overcrowding and soaring budgets: the increase in the number of prisoners.

By investing in forward-looking programming, training and motivating effective staff, and seeking out community and private partners for help, many states are starting to make a determined effort at cutting recidivism. The overall size of the prison population is more under the control of the legislature, judges and parole boards—those who make sentencing and release laws and decisions—than those who manage prisons. But by reducing the chances that a prisoner will commit another crime after release, corrections agencies are not only improving public safety, they are also helping drive down their prison populations and, with them, the bill that taxpayers must pay for prison construction and operation.

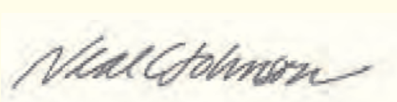
In the past eight months, as part of its assessment of overall state government performance, the Pew Center on the States conducted hundreds of hours of interviews with a wide cross section of officials from 45 state corrections departments in an effort to spotlight the most effective management practices. What we found is that success is not simply a product of money or other resources. Rather, it depends upon adoption of innovative solutions by corrections management, transparency and accountability to determine what works, and a willingness to transcend finger-pointing politics to invest in those policies and practices.

In all of these areas, corrections department directors are uniquely positioned to have a real impact through management of the people, money, information and infrastructure that comprise their agencies. They may also provide invaluable feedback to their governors and legislators to determine the states' broader law-and-order policies. Through our interviews and analysis of department documents, we identified 10 practical steps that creative corrections executives are taking to improve their effectiveness. If emulated by their colleagues, these practices could go a long way toward cutting crime and the spiraling cost of prisons.

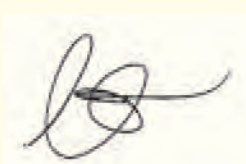
This report focuses on state departments of corrections, agencies that play an extremely important role in providing public safety. *Ten Steps Corrections Directors Can Take to Strengthen Performance* is the result of a collaboration between two initiatives of the Pew Center on the States. In 2008, as part of its 50-state report card on state government, *Grading the States*, the Government Performance Project partnered with the Public Safety Performance Project to conduct an in-depth examination of the management systems undergirding corrections departments. The result is a compelling picture of how leading states are redefining the missions of their correctional systems and using performance information to make smarter policy, budget, human resource and facilities decisions. This report also suggests ways that governors and legislatures can be better stewards of public safety, supporting their corrections executives with the tools they need to create safer institutions and communities.

To be clear: We did not "grade" state correctional systems. Rather, we used the information that we gathered to help inform our analysis of state management systems as a whole. In the analysis, we focused on the domains of information, infrastructure, people and money to shine a spotlight on emerging and promising practices in the states. We confined our review to prison operations because all corrections departments manage prisons but only some include probation and parole functions.

Pew's leadership in fostering meaningful change through data-driven research and partnership provides a road map for high performance in all 50 states. Visit www.pewcenteronthestates.org to learn more about your state's performance through the *Grading the States 2008* report, and the work of the Public Safety Performance Project.



Neal C. Johnson
Director
Government Performance Project



Adam Gelb
Director
Public Safety Performance Project

Get the Agency Mission Right

Defining a public organization's mission is one of the most important and challenging foundations to improving performance. Understandably, employees can lose focus when they are caught in a web of sometimes conflicting organizational purposes that have accumulated over years or even decades.

Nowhere is this more true than in the corrections policy field. A growing body of evidence and practice suggests that the states that are reexamining the balance between reducing recidivism, protecting the public, maintaining safe and secure institutions and other crucial objectives are getting it right.

Without a doubt, one of the most effective ways to improve public safety and reduce prison populations is to marshal resources toward a primary goal: Once offenders leave state institutions, they don't come back.

1 Reevaluate agency mission to include a focus on reducing recidivism.

"Re-entry" has fast become the hottest buzzword in prison management, with nearly every state corrections department now placing some focus on the concept. However, agencies vary widely in the comprehensiveness and effectiveness of implementation. The best states in this regard have completely reevaluated the missions of departments to include recidivism reduction alongside other crucial objectives such as protecting the public and maintaining safe and secure institutions.

Michigan, for example, rolled out its Michigan Prisoner Re-Entry Initiative (MPRI) as a pilot project in 2003 at eight sites; the initiative is now active at 18, and will be implemented departmentwide by 2010. "In terms of significant budget savings, we can fool around with a lot of little things, but the only big savings we have left is reducing the population appropriately and closing prisons," says Michigan Department of Corrections (MDOC) Director Patricia Caruso. To that end, the initiative has funded "re-entry centers" that collaborate with community organizations to help prisoners find job and program placement to better transition them to the outside world. It has also completely changed the way corrections officers are trained, with an increased focus on preparing prisoners for life beyond bars. The department continues to work hard at implementation with participating countries but, as a result of MPRI and other efforts, the prison population trend was a flat line last year.

Kansas, too, has led the way in this new trend with a recent shift in its strategic plan to emphasize proactively managing inmates to reduce the likelihood of recidivism upon release. Using a comprehensive risk-assessment instrument, inmates are given individualized case plans upon entering prison to ensure they get adequate and appropriate programming. Then, a year prior to release, the department begins working with case managers, parole officers and family members to ensure a smooth transition. Both Kansas and Michigan have received substantial assistance in their re-entry efforts from the JEHT Foundation and the National Institute of Corrections.

Similarly, **Georgia** has developed a forward-looking 20-year "Transformational Campaign" that includes a strong emphasis on re-entry. For nonviolent offenders, the Georgia Department of Corrections incorporates the use of minimum security detention centers, diversion centers (in which inmates work in the community and report back at night), and transition centers. All of these options are less expensive than traditional prisons and have additional programming to prepare offenders to rejoin the community. Eventually, Commissioner Jim Donald hopes to house 50 percent of offenders in these kinds of lower-cost arrangements. "We need to differentiate between those offenders we are 'afraid of' and those we are just 'mad at,'" he says. For that second group, he continues, "We need to see what we can do to manage that population without putting them in prison beds."

Better Information Leads to Better Outcomes

In both the public and private sectors, advances in information technology are shaping the organizations of the future.

In the corrections field, the Government Performance Project team found that the best efforts in improving performance depend on transparent results that show progress toward specific goals, such as cutting recidivism rates, decreasing prisoner assaults on corrections officers and reducing staff turnover. Accurate performance measures—and the technology to assemble comprehensive databases and analyze them—are critical to help managers better allocate funds and staff, and secure funding increases to expand programs that reduce recidivism or increase agency efficiency.

2 Develop performance measures that matter.

Meaningful performance measures, including authentic outcome data, are helping state corrections managers and policy makers make better decisions.

A number of states have begun implementing the uniform performance measures developed by the Association of State Corrections Administrators (ASCA), which has standardized the definitions of key measures. Begun with just six states (**Washington, Ohio, Iowa, Louisiana, South Carolina** and **Pennsylvania**), this effort now includes reporting from 36 jurisdictions on a variety of output and outcome measures. Uniform measures help the field define its standards of performance, compare among jurisdictions and track progress. Measures gauge institutional and public safety, through variables such as assaults on staff and recidivism; substance abuse; mental health and academic assistance, through variables such as needs assessment, programming, and participation and completion rates; and contextual information, including offender profiles.

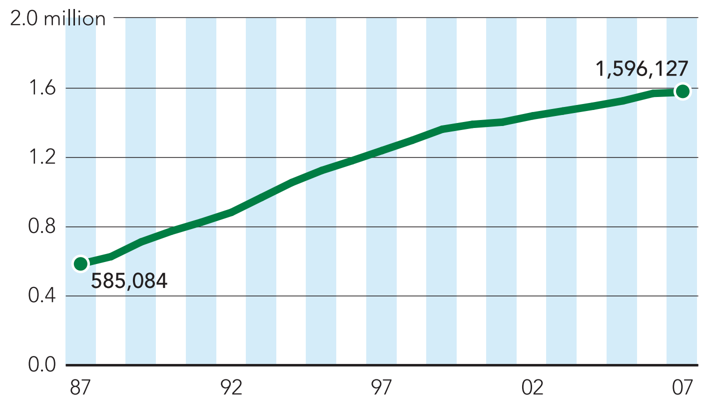
More innovative states have begun to use outcome measures that judge the effect of policies on inmates in order to inform funding decisions. **Nebraska's** corrections agency, for example, is a leader in measuring not only overall recidivism but also recidivism of inmates who have completed different types of risk-reduction programs. More importantly, the state has used the measure to influence budget decisions. In one instance, the state scrapped plans to build a stand-alone substance abuse treatment center when evaluations showed the money would be more effectively spent on hiring 40 new substance abuse counselors and integrating them into separate wings at existing facilities.

Other states—including **Washington, Nebraska, Ohio, Alaska, Wyoming** and **Iowa**—are producing their own corrections-specific measurement systems. One of the most sophisticated is Oregon Accountability Model, a system currently being developed by **Oregon**. The strategic plan has a multi-step process for evaluating and improving every aspect of the department through performance measures, including some mandated by the legislature and others developed by the department. The department's measures are among the most sophisticated of any state at tracking the factors that are most likely to lead an offender to recidivate. For example, rather than just tracking the recidivism rate, the agency tracks the percentage of offenders employed 180 days after release. Rather than just tracking the percentage of inmates completing programs, it tracks the percentage who enter and complete the programs recommended for them in an intake assessment. While the agency is still establishing baselines for many of these measures, it hopes to reap future benefits in reducing recidivism. "We took a look at the body of research out there and are saying what are the major contributing factors to an offender's criminality and focusing all of our efforts on that," says Assistant Director of General Services John Koreski.

FIGURE 1

PRISON COUNT PUSHES UP

Between 1987 and 2007, the national prison population has nearly tripled.



SOURCES: Bureau of Justice Statistics; Pew Public Safety Performance Project

3 Develop modern information technology systems.

You can't track performance without having technology to support it. While corrections departments are not the only areas of state government with outdated information technology, the absence of easily accessible data to identify trends and adjust management is particularly risky in an environment where managers make daily decisions concerning a potentially dangerous population. Yet many states are stuck in the 1980s or even 1970s, with mainframe legacy systems employing DOS or "green screen" interfaces. Often this means that wardens and other managers must submit time-consuming requests to their research departments for data reports.

States on the cutting edge of technology have replaced their old systems with modern Web-based applications with a "dashboard" application that allows managers to pull up information instantly. States that have been unable to secure necessary funding for such upgrades have compromised with a Web-based interface grafted onto their mainframe servers, which nonetheless increases the accessibility of information. As the emphasis on re-entry and community corrections expands, some states that are upgrading technology are integrating their offender management systems for institutions with their systems for probation and parole. This creates a seamless network that follows offenders from intake through post-release supervision.

Improving technology doesn't necessarily mean spending big bucks on proprietary software. Several years ago, a coalition of Western states led by **Utah, New Mexico** and **Alaska** began developing an open source management system that would be free to any state that wanted to use it—as long as that state allows any other state to take advantage of any upgrades it made to the software. Now, a second phase of the software is being developed by the corrections agency in **Idaho**. By creating new modules to coordinate offender tracking in institutions as well as probation and parole, Idaho is producing one of the most state-of-the-art systems in the industry.

In addition to upgrading the backbone offender management database, several states have pioneered truly innovative technologies that are making their agencies more efficient. **Indiana** has developed so-called "smart phones:" small, handheld devices that shift supervisors can carry to quickly input information about incidents. The devices are directly tied to the incident reporting systems which allows officials miles away to get a real-time view of what is going on in institutions and displays "hot spots" of violence or gang activity. Other states are pioneering a similar concept for probation officers, outfitting them with computers in their cars that allow them to input information on the go—rather than waiting until the end of the day when they are back in their offices. And **New Mexico**, among many other states, has conquered the vast distances of its state with regular use of videoconferencing technology. The technology is not only used for staff meetings but also for telemedicine and telepsychiatry for inmates and for parole hearings and communications with family, saving the department transportation costs and strengthening prisoners' community bonds in preparation for release.

Corrections Infrastructure Matters

Inevitably, prisons are expensive. For decades, the country has been on a prison-building boom, spending tens of billions of dollars for new institutions to house a rapidly growing population. But states have not always received the expected return from their investments.

Because of political or economic considerations, institutions sometimes are sited in rural areas where it's hard to find adequate staff or contractors for services, and transportation costs can skyrocket. In the heart of cities or thriving population centers, prisons can have difficulty competing with the private sector for employees.

In the corrections field, the Government Performance Project team uncovered especially promising new approaches to making decisions about new construction and facility expansion.

4 Build prisons smarter.

Changes in sentencing and release laws and a focus on community corrections and re-entry have slowed inmate population growth in some states. But the fact remains that many states still will have to build prisons in the upcoming years. While no one can undo past mistakes, corrections departments can ensure that future facilities help manage prison populations in the most effective way possible. One approach states are using is targeting new construction for certain populations that need more intensive services—whether as a new stand-alone facility or as additions to current institutions.

Adding to existing facilities can often be more cost-effective than building expensive new facilities—and can help achieve other goals as well. For years, **Alaska** has had on the drawing board a new "mega-prison" that would house 2,250 prisoners in a remote, rural area. Incoming Director Joe Schmidt, however, performed an evaluation upon entering office last year and concluded that it would be more cost-efficient to build a smaller 1,250-bed prison while expanding several regional prisons. By spreading out the construction, the new plan increased the agency's ability to hire adequate staff—and house prisoners close to their families and communities, aiding in their eventual transition back to society. Similar concerns drove the selection of a location for a new prison in **South Dakota**. There, prison officials pushed to site a prison in Rapid City because 30 percent of the state's inmates came from that area, and the majority of the state's jobs are there as well, thus increasing the future employment prospects for returning offenders. By working with the city's mayor, the agency was able to secure a free parcel of land in an agreement to co-locate a county facility and share costs for inmate transportation, food service and other joint services.

Re-think the Money Equation

Financial resources are a critical ingredient of any state policy, whether the area is environmental protection, education and health or corrections. State fiscal systems are especially important in navigating today's uncertain economic climate.

The Government Performance Project team found that leading state corrections systems are creatively leveraging alternative revenue streams—then using the results to make better-informed state investment decisions. State corrections leaders are also developing new relationships with other public agencies and the private sector to get the most bang for the buck.

5 Seek alternative forms of funding.

With the increase in prison populations and the emphasis on new programming to aid re-entry efforts, prison budgets continue to climb. At the same time, the national economic picture shows the country sliding into recession, squeezing the states' ability to fund corrections and other essential services. Some states, such as **Kansas** and **Texas**, have found money for substance abuse programs, mental health treatment and community-based sanctions—services that have ultimately paid for themselves by avoiding the need to build costly new prisons. Despite such savings, these programs cost money up front that not all governors or legislatures have been willing to provide.

In some cases, states have been successful in obtaining initial funding from alternative sources,

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How Governors and Legislators Can Help Strengthen Corrections Performance

Governors and legislators are key players in setting corrections policy, investing in the right strategies, and overseeing agency performance. From establishing the right sentencing and release laws to aligning fiscal incentives and demanding accountability for performance, these elected officials can help shape the right framework to foster a high-performing correctional system. Here's how.

- **Reevaluate Sentencing Laws.** Prison populations in the past two decades have spiked for several reasons, but more stringent state sentencing and release laws are chief of among them. Mandatory minimums, truth-in-sentencing requirements and tougher enforcement of parole and probation orders have made it more likely that felons will go to prison and stay there longer. Some states, such as Mississippi, Nevada and Maryland, have in the past year modified their laws to ensure that prison cells are available for violent offenders while higher-quality supervision and services are available to lower-risk offenders in the community.

  Changing sentencing laws does not necessarily mean cutting terms of incarceration; it can also mean reconsidering the types of commitment, especially for nonviolent offenders. Missouri, for example, has recorded a 3 percent drop in its prison population, in part by mandating presentencing reports that may suggest that judges consider nonprison sanctions in low-risk cases. At the same time, the state's corrections department implemented community supervision centers with drug treatment and education programs to help manage the diverted cases.

- **Coordinate Agencies on Reducing Recidivism.** Corrections doesn't exist in a vacuum. The best strategies for reducing recidivism—and helping to drive down victimization and prison costs—require a collaborative effort among multiple agencies. Leadership by a governor or legislature can make a tremendous difference in persuading agencies to work together, especially those with different philosophies and cultures, such as law enforcement and social service providers.

  Oregon has established a "re-entry council" with representatives from corrections as well as employment, housing, law enforcement and the legislature to review policies on returning prisoners and coordinate services to cut the state's 33 percent recidivism rate. Tennessee has established the Tennessee Re-Entry Collaborative (TREC), with representatives of a dozen state agencies and a similar number of nonprofits, coordinating services for released inmates.

- **Align Local Fiscal Incentives with State Policy.** Many states want to keep low-risk offenders out of expensive state-funded prison cells, but local courts often put these offenders in prison because they believe that probation and community corrections programs don't provide sufficient supervision and services. When courts do put offenders on probation, caseloads grow but resources to manage them usually don't keep pace. This further weakens the courts' confidence in community supervision and leads to even more imprisonment, both for new crimes and technical violations of probation.

Some states have found a way to get policy and fiscal incentives in sync through Community Corrections Acts and other state-local partnerships that award additional funding to counties to manage low-risk offenders in the community. A recent example is found in Kansas, where the state offered $4 million in grants to local community corrections programs that agreed to reduce their probation revocations by 20 percent.

- **Analyze Salary Structure for Corrections Officers.** There is no question that some corrections officers are paid well, often because of the influence of powerful unions or ample overtime. On the whole, however, officers are woefully underpaid relative to their counterparts in other state and county law enforcement agencies—a factor that helps account for the exceptionally high rates of vacancy and turnovers in the prison system.

  To maximize retention of corrections officers, and cut down on the expense and inefficiency of a revolving door of new recruits, some states have undertaken comprehensive analysis of their salary structure. Georgia, for example, recently brought in a private management consultant to evaluate salaries across state government to ensure that corrections officers' pay is in line with competing positions. The legislature also has given the department authority to offer retention bonuses for positions in regions experiencing particularly high rates of turnover because of competition from county corrections.

- **Weigh the Cost/Benefit of Prison Construction.** Policy makers increasingly are recognizing that they can't build their way to public safety. Before authorizing construction bonds for new prisons, they are taking a hard look at other options to hold offenders accountable and reduce crime. These include ensuring that prisons are holding offenders who pose a real threat to public safety; that the parole release valve isn't clogged by a lack of in-prison risk-reduction programs; and that lower-risk probation and parole violators face a graduated set of sanctions before being sent to prison cells.

  Recently in Texas, for example, legislators worked together with state auditors, corrections officials and the governor's office to increase funding for drug treatment and diversion programs by over $200 million while also increasing the parole grant rate. Together, the steps cut an anticipated shortfall of 14,000-17,000 prison beds over the next five years to a current projection of zero.

- **Demand Accountability For Performance.** Many states are developing sophisticated performance measurement systems to hold agencies accountable and track the results of programs. States serious about getting a handle on their prison populations must look beyond simply measuring the safety of institutions, or even monitoring recidivism rates, to pinpoint what really works.

  States such as Maryland, Oregon and Washington are pioneering performance measures that track specific positive outcomes such as inmates who earn education certificates, get jobs upon release, or overcome substance abuse. As part of their statewide performance management systems, these states also are evaluating the impact of specific programs on recidivism rates. ■

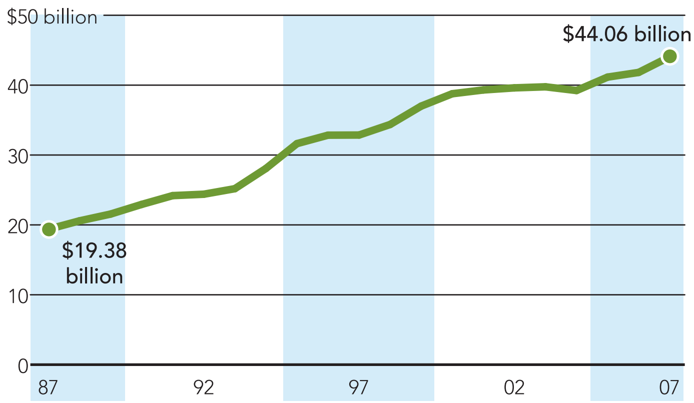
such as the federal government or grants from private foundations. The trick is being able to then show the effectiveness of programs in ways that lead to ongoing funding from the state. **Illinois**, like many states, has been hard hit by an increase in offenders incarcerated for methamphetamine-related crimes. The state used a federal grant to implement a methamphetamine treatment program that state officials cite as one of the main contributors to a drop in recidivism for the first time in a decade. Because of its success, the state began funding the program this year despite a difficult financial climate.

Federal and private dollars aren't the only places to look to leverage money for programs. Collaborations among different agencies within a state also can help provide efficiencies. In **Colorado**, for example, the corrections department agreed to a budget cut in order to give funds to social service agencies to aid in community corrections efforts. Under the governor's leadership, corrections gave up funds to the Department of Health and Human Services for substance abuse treatment, and to the Department of Public Safety to build more halfway houses. The result benefitted all of those agencies—and was a departure from the usual approach of competing over a limited piece of the pie. "We are not interested in building an empire," says corrections CFO Karl Spiecker. "If we can fund programs in other agencies that reduce our inmate population, that's just good policy." In another example, **Iowa's** department has partnered with county jails to fund an in-jail substance abuse treatment program. It addresses the big increase in inmates sentenced for methamphetamine offenses (many of whom are females with non-violent histories), relieves overcrowding in the prisons, provides a revenue stream for underutilized county jails, and costs the state half as much per inmate ($30 per day compared to $60).

FIGURE 2

TWENTY YEARS OF RISING COSTS

Between fiscal years 1987 and 2007, total inflation-adjusted state general fund expenditures on corrections more than doubled.



SOURCE: National Association of State Budget Officers, "State Expenditure Report" series; inflation-adjusted figures are based on a re-analysis of data in this series.

NOTE: These figures represent state general funds. They do not include federal or local government corrections expenditures and typically do not include funding from other state sources.

6 Develop partners to cut down on medical costs.

Medical care is a leading contributor to rising inmate costs, and some prison systems have been slapped with lawsuits and resulting consent decrees because of the poor care they provide prisoners. While all state agencies face budget increases due to the increase in health insurance premiums, corrections departments are particularly hard hit because they provide care to thousands of offenders. Many inmates did not have adequate medical care before prison, or have special needs such as mental illness. And with an increase in the length of sentences, the prison population has been aging, causing even greater increases in medical treatment costs.

Thankfully, corrections departments don't have to exist in a vacuum. Some states have been very successful at leveraging state-funded hospitals to help provide medical care. **Kentucky** and **Connecticut**, for example, have contracted out inmate medical services to their state universities, enabling them to get all of the benefits of a university hospital system while leveraging costs on medical procedures and taking advantage of purchasing power to cut the cost of drugs. **Rhode Island**, similarly, has been working on a mental health screening partnership with a local hospital.

Even in corrections agencies that contract out for medical services, states can play a role. In **Delaware**, for example, the department has been working to overcome poor medical care that led to a consent decree in 2006. One of the ways it has improved services is by partnering with the Delaware Medical Society to perform regular quality review of contractor services. "It's a significant benefit to the state," says Commissioner Carl Danberg. "They provide a high level of expertise, and it is not costing the state a penny."

In addition to working with other agencies within a state, some states are banding together to leverage the economies of scale that come with strength in numbers. **North Carolina** and **Minnesota**, for example, have banded together in a multi-state consortium to make bulk purchases of pharmaceuticals, negotiating lower costs for drugs and positively impacting the bottom line of each state.

Focus People on Performance

People form the living core of any organization, and nowhere is that more true than in state correctional systems. Given the challenges of an aging workforce, new expectations of younger workers and competition for top performers with the private and not-for-profit sectors, how a state deals with its employees is crucial to how well that state serves the public.

During this year's "Grading the States" analysis, the Government Performance Project team found a wealth of creative new approaches to helping public safety systems meet their goals. They ranged from performance incentives for facility managers to data-based reviews of compensation scales for corrections officers, as well as nonfinancial morale-boosters and comprehensive approaches to leadership development.

7 Hold facility managers accountable.

The 1990s-era turnaround in New York City's fight on crime arguably began with the implementation of the Compstat system, a process by which officials kept meticulous track of statistics, identified trends and held precinct captains responsible in departmentwide meetings, where they were publicly called to account for their progress. Some corrections officials have led the way in applying a similar approach to prison management. After all, the best system of performance measurement is useless without some mechanism to ensure that managers are held accountable for progress toward the set goals. While many agency officials will say they hold meetings with facility managers, there is a big difference between doing so on an ad-hoc basis and implementing a more formal, regularly scheduled process.

The best example is in **Maryland**, where the state recently has implemented a StateStat system that is directly inspired by Compstat. The crux of the system consists of small StateStat teams that have been systematically analyzing performance information from state agencies. Several times, the agency has had live audits in which officials from across the state identify trends and come up with strategies to improve performance.

Where no statewide system is in place, some corrections agencies are developing their own internal methods to keep managers accountable. After collating the data from its "smart phone" incident reporting system, **Indiana** conducts quarterly meetings at each facility to review incident trends face to face. In **South Dakota**, the department holds monthly "metrics meetings," in which data is compiled into a briefing report given by the director and key managers, and managers are held accountable for progress toward targeted goals. **Georgia** produces a monthly report that has comprehensive statistics for each facility on incidents as well as program completion rates, so top managers can hold wardens accountable by name for their progress.

Some states are going beyond holding facility managers accountable at meetings providing financial incentives based on the performance of their institutions and the recidivism rates for inmates who leave them. The practice is tricky: Because offenders often move through several institutions while in the prison system, it's not easy to tie recidivism rates to one institution—much less one manager. Even so, some corrections directors are working toward pay for performance systems that tie facility managers' performance back to their annual reviews. **Iowa** has instituted performance evaluations for wardens that include several factors that affect recidivism rates, including the percentage of medium- and high-risk offenders receiving evidence-based interventions, the percentage whose risk-assessment levels drop significantly and the percentage who return to prison within three years. "Our focus is not just on recidivism," says Human Resources Director Mary Murray, "but also on how we can help offenders while we have them."

8 Pay for security staff on the front end.

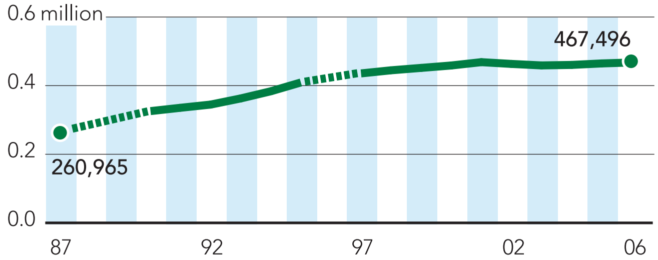
There is no question that corrections officers have very difficult jobs. In some states they are fairly well compensated for the daily risks they face at work. Still, in far too many cases, they are paid much less than other state and local law enforcement officers and private security guards. The low pay can lead to crippling rates of vacancy and turnover for corrections officers, impairing all agency functions.

For these reasons, **Michigan** has consistently paid corrections officers at a higher rate than many states, including some neighboring states, despite facing severe budget problems. In spite of increasing pressure from some legislators, the agency has held fast on salaries and defended the union that is responsible for negotiating the salaries and benefits of its officers.

Says MDOC Director Patricia Caruso, who is unapologetic about the pay scale for her officers: "I need to have corrections officers who look at this as a career, who have been here long enough to see pretty much anything that can happen and know how to respond to it. That saves lives. When you pay corrections officers as if they work at the local fast food joint you don't get that. You get a revolving door of inexperienced staff and a dangerous prison system where the prisoners are in control." And if she gets any pushback, she points to the example of a former private prison in the state that didn't compensate officers well. Turnover ranged as high as 75 percent, even in one of the poorest counties in the state.

FIGURE 3

FULL TIME EQUIVALENT STATE CORRECTIONS EMPLOYEES



SOURCES: State Government Employment and Payroll Data, U.S. Census Bureau. Dotted lines represent missing data.

In past years several other states, including **Delaware, Louisiana, North Dakota, Vermont, Virginia** and **West Virginia,** have pushed through raises for corrections officers to bring them more in line with the private sector and other law enforcement agencies. Delaware, for example, pushed through an 18 percent raise for corrections officers in 2006. Since then, the vacancy rate has fallen to its lowest level in five years.

In some states, corrections department directors have played a role in demonstrating to the legislature how shortchanging officers is "penny wise, and pound foolish." Their argument is that high vacancy rates can lead to increased spending on overtime, while high turnover can boost recruiting and training costs.

In West Virginia, for example, the agency produced a salary study that demonstrated the real costs of high turnover, which it estimated at $20,000 per new hire for recruiting and training. It used that study to secure a commitment from the legislature for a $5,000 raise over the next three years. (As it turns out, only $2,000 of it went through this year, and it did not cover the most recent, most underpaid hires, a situation that the department hopes to rectify in the future.)

9 Find nonfinancial ways to improve employee morale.

Despite the importance of salary to employees, money isn't everything. The flip side of the compensation debate is that corrections officials sometimes miss the other quality-of-life factors that can go a long way toward increasing employee happiness and decreasing turnover. States such as **Virginia, Pennsylvania, Connecticut** and **Arkansas** are formalizing this process with systematic culture assessments in institutions to identify the little things that can make a big difference in employee satisfaction. "We believe that money, while important, is not a satisfier," says Virginia Department of Corrections' (VDOC) Human Resources Director Paul Broughton.

"People connect with their jobs because they find them a rewarding place to work."

During the past several years, a team from VDOC's HR staff has gone to facilities to pick employees' brains about changes that could improve their workplace. In one facility, for example, the team received information that the radios were constantly on the blink, causing untold frustrations for staff. Replacing radios was relatively easy. Crucially, however, the team went back a year later for a follow-up visit, and found that staff were again unhappy—this time because the radios were working too well, and there was too much cross-chatter on the system. New protocols were developed to deal with the issue and morale improved.

As that example shows, follow-ups to an initial assessment are vital. Pennsylvania has changed its employee assessment program to include follow-ups, and the state also has guaranteed anonymity to staff to ensure that they speak up.

This focus on morale boosting is even more essential in states where tight budgets prohibit adequate raises. For example, in some states the employee benefit structure is so costly that the legislature may balk at raising salaries because of the long-term costs to the state. In others, competing industries may pay so much that it's impossible for corrections to keep pace. Such is the case in **Wyoming**, where entry-level jobs in the oil and gas industry pay workers $60,000, compared to $30,000 for a corrections officer at its main prison—which is located near the oil and gas fields. To tackle the issue head on, Wyoming's Department of Corrections has produced a "master plan" to address morale at that institution by offering real perks that are important to employees. These range from tuition benefits for higher education to prime parking spaces for employees of the month. In addition, the department has subsidized employee housing to tackle high housing costs—and has even entered the day care business, subsidizing local child care centers in exchange for lower fees for employees. Most importantly, it has formed a committee to monitor employee satisfaction. Recent results are encouraging. On a recent survey with a scale of 0 to 7, most employees rated their work experience between 5 and 6.

10 Develop new leaders.

State governments face a deluge of retirements by baby boomers over the next several years. In corrections, this is already happening. Upper managers who were hired during the prison building boom in the 1980s and 1990s are starting to retire, encouraged by a lower retirement age than officials in other state agencies. For that reason, every state corrections agency must make preparing the next generation of leaders a high priority. Even lower-level managers can benefit from an increased focus on leadership development. In exit surveys, employees often cite their relationship with their supervisor as the number one reason that they leave, suggesting that a good leader can mitigate problems an employee might have with compensation or work environment.

Although corrections departments often have rigorous training academies for officers and other employees, one area rarely emphasized is leadership development. One outgoing corrections director affectionately refers to his agency's leadership development program as "promote and pray." Another says, "We either sink or swim on our own. We either survive or we don't." Even in states with interagency leadership academies, it's important that agencies develop their own programs to tackle the unique challenges of managing and motivating employees in the high-stress prison environment.

Some states are developing excellent programs that address all levels of agency management. **Arkansas**, for example, recently implemented individualized development plans for each employee, a career blueprint that includes financial incentives for meeting requirements for promotions. The crux of the system is a four-level management training program with myriad elements to groom future leaders, including job shadowing, mentoring and educational incentives; manager candidates must also tackle a real, pressing issue in the department. Programs in other states such as **Oklahoma** and **Connecticut** include a 360-degree assessment of managers to determine gaps in their competencies, which are then addressed through formal classes and mentoring. In **Nebraska**, the leadership development program has a strong job shadowing component, where leadership candidates spend several hours a week working alongside superiors to learn the ins and outs of their jobs. **Oregon** offers job rotations to allow employees to work six months to a year in another department or even another state agency to gain additional experience.

While the best leadership development programs have at least some elements in-house, some agencies also have benefited from programs run by national corrections organizations, such as the National Institute of Corrections (NIC). **Delaware's** corrections department recently reached out to NIC for help designing a supervisor training program for 30 middle managers. The department also enrolled four senior managers in the program so that they could institutionalize it within the department.

While leadership development is part of the solution to succession planning, it's not the only element. Some states are doing even more to prepare employees for future leadership. In **Louisiana**, for example, some positions are double-booked for a period of time before the current manager retires, so that the incoming manager can learn on the job while the outgoing boss is still in place. In **Connecticut**, the corrections department has collaborated with other state agencies to develop a true knowledge management system. Departing officials are invited to record videotapes explaining their jobs and accumulated experience, which are then archived on the company intranet system to serve as a training tool and resource for future employees.

Better Management, Stronger Institutions, Safer Communities

In the end, there is no magic bullet for fixing the nation's burgeoning prison crisis, which has been decades in the making. Each state has unique challenges and must develop its own strategy to best address its prison system in accordance with its particular political and criminal justice landscape.

These 10 action steps, however, are not only rooted in sound management theory, they have been proven effective by states that have used them in a real-world corrections environment. By following the examples set by pioneering states and adapting these practices to their own circumstances, states can build upon the successes of others.

What are the potential results? Better-run and more cost-efficient institutions, a more satisfied workforce and safer communities.

How We Graded the States: Inside the Government Performance Project

The Government Performance Project's *Grading the States 2008* report, developed in partnership with *Governing* magazine, is a vital component of Pew's efforts to foster effective solutions to some of America's most pressing challenges—including corrections policy, which was a particular focus of the 2008 analysis. The report examines and measures four key areas—people, information, money and infrastructure—that are critical to ensuring that states deliver results. This year, the report's findings were drawn from extensive interviews and surveys of state-level managers and opinion leaders.

To evaluate state performance in information management, the Government Performance Project team examined how well state officials deploy technology and the information it produces. The team examined how information is used to measure the resource effectiveness and results produced by state programs, make budget and other management decisions, and communicate with one another as well as with the public.

To assess how well a state is managing its infrastructure, the Government Performance Project Team factored in the degree to which a state has transparent and effective capital planning and project monitoring processes, maintains its assets, and coordinates this work within the state and with other jurisdictions.

To gauge how well a state is functioning in the money category, the Government Performance Project team evaluated the degree to which a state takes a long-term perspective on fiscal matters, the timeliness and transparency of the budget process, the balance between revenues and expenditures, and the effectiveness of a state's contracting, purchasing, financial controls and reporting mechanisms.

To assess state performance in the category on people, the Government Performance Project team examined how well a state manages its employees. Among many other factors, the team reviewed how state human resource systems handle hiring, retaining, developing and rewarding high-performing employees.

THE PEW CENTER ON THE STATES

The Pew Charitable Trusts applies the power of knowledge to solve today's most challenging problems. Pew's Center on the States identifies and advances effective policy approaches to critical issues facing states. The Public Safety Performance Project and the Government Performance Projects are initiatives of the Center.

The Public Safety Performance Project helps states advance fiscally sound, data-driven policies and practices in sentencing and corrections that protect public safety, hold offenders accountable, and control corrections costs.

The Government Performance Project improves service to the public by strengthening government policy and performance. The Project evaluates how well states manage employees, budgets and finance, information and infrastructure. A focus on these critical areas helps ensure that states' policy decisions and practices actually deliver their intended outcomes.

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