

ACA MEET & CONFER MEETING

June 30, 2016

Director Ryan greeted the group and addressed the agenda items.

CO II Clinton Roberts, ASPC-Lewis, CO II Hector Villa, ASPC-Lewis, and CO II Jennifer Ruedas, ASPC-Lewis represented ACA. Also present from ADC were Director Charles L. Ryan, Deputy Director Jeff Hood, Carson McWilliams, Division Director of Offender Operations, Jacob Gable, Bureau Administrator for Planning Budget and Research, Michael Kearns, Division Director Administrative Services and Brad Keogh, General Counsel. Tina Wilson and Natalie Poff were present to take minutes.

Item 1 – Deputy Director Hood referenced the policy on recording of conversations in Department Order (DO) 104 and confirmed with verbal acknowledgments from each person present that the meeting was not being recorded. Deputy Director Hood stated that he did not give his consent to record the conversation.

Item 2 – Director Ryan asked if there was a change in ACA's leadership. ACA confirmed President Anthony Spears will be stepping down due to military leave. Notification will be sent to the Director's office that CO II Clinton Roberts will serve as interim President of ACA until the next election.

SUBMITTED QUESTIONS AND ANSWERS

On behalf of ACA, the following questions were submitted in advance:

Question 1 – Body cameras: Could get RICO grant funding.

Answer 1 – Division Director Carson McWilliams stated the most significant costs associated with the use of "body cameras" is not in the devices themselves, but in the data organization, storage, management and retrieval. Data storage alone can quickly become prohibitively expensive – equipping CO's alone would generate up to 240,000 hours of recordings weekly, and video storage uses a great deal of memory. We have had some preliminary conversations about equipping selected units – TSU, for example- with this technology, but creating equipment standards, data indexing and storage protocols, and managing the redaction and production of stored documents in response to records requests and litigation requires significant staffing resources that we simply do not have available at this time. We will continue to monitor the evolution and deployment of this technology in law enforcement, and particularly in the corrections field, but have no intentions of pursuing implementation at this time. In regards to the current fixed cameras, footage is saved only when a specific incident occurs. Director Ryan shared how the footage, even without audio, is helpful in criminal cases.

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Question 2 – Raises: Last raise was June 1st of 2006.

Answer 2 – Bureau Administrator Jacob Gable stated that the employee salaries have been and will continue to be a critical priority of the Department. The #1 and #2 Department priorities of the last two budget requests have been a 5% salary increase for security and non-security staff. To date, these requests have not been included in the final budget. The budget choices faced by the Governor and Legislature are very difficult, and they have worked diligently to achieve a structurally balanced budget. We respect and understand the difficult decisions they face in the budget process. However, we appreciate the opportunity we have had to make the case for more competitive salaries for ADC employees, and we will continue to do so. We will once again include a request for increased salaries for ADC employees in the upcoming budget request that is due September 1.

In addition to requesting salary increases, in February 2014, ADC authorized stipends for correctional officers at hard-to-fill prison complexes (Eyman, Florence, Lewis, Safford, and Winslow). These stipends were added without receiving additional funds by the Legislature and should demonstrate how important the compensation issue is to ADC.

Note: The last salary increase was July 1, 2007. Pursuant to Laws 2007, Ch. 255 (HB 2781) a base salary increase of 3.0% and 0.25% performance pay was authorized. Eventually the performance pay was eliminated.

ACA posed additional questions based on recent media, bringing to our attention the declining retention rates due to non-competitive pay below the state average. Additionally, ACA discussed common concerns regarding employees who choose not to promote due to the inability to earn overtime and uniform allowance.

Deputy Director Hood confirmed that the Department is aware of the published media accounts and has pushed for 5% pay raises for the last two years. To put things into perspective, giving a 5% increase to the CO series alone would cost \$22 million dollars. Deputy Director Hood further advised that the Department does not have money allocated for raises, but we are working with the Governor's office to raise issues that will help us attract and retain staff. This will continue to be something the Department strives for.

ACA discussed the option of returning to twelve hour shifts.

Division Director Carson McWilliams explained that the twelve hour shift resulted in burnout; that not all staff preferred the longer shift; that overtime is a constant

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struggle. We will include this option for consideration of the Lean Team that will be looking into the staffing issues.

Director Ryan confirmed that the refinance of MTC-Kingman prison will save the Department approximately \$77 million over the course of 9 years; \$8.7 million in savings per year. This is a result of lowering the current interest rate from 8.2% to 2.1%, with GEO assuming the contract. The State will take ownership on November 1, 2016. Director Ryan confirmed the following allocation of funding:

- \$2.7 million CPI Health Services Contract
- \$1.6 million Maricopa Release Center (excluding programs)
- \$2.5 million GEO Management Contract

In addition, \$1.9 million has yet to be earmarked, but could fund part of a pay package.

The Lean bulletin boards in the Director's conference room display the Lean Teams' accomplishments, including the RUSH recruitment reductions. At the time that the RUSH recruitment efforts were evaluated using Lean, the Division was authorized for 6,640 CO positions and had 640 vacancies. Using Lean, the RUSH recruitment time was reduced by more than 50% and decreased the CO position vacancies to 480. Recently we have lost ground because of staff turnover, and as of this week our CO vacancies are at 602. We are now able to efficiently recruit, but we are unable to retain our staff due to competition in the market.

Director Ryan has had two conversations regarding the pay packages with staff from Governor Ducey's office. In support of the pay package, Director Ryan has also spoken with the Correctional Directors Association in regards to a nationwide survey regarding CO vacancies, salaries, and turnover; with specific focus placed on the Western Region and the State of Arizona. Currently, only New Mexico has a lower starting pay than Arizona in the western states.

Director Ryan advised that ADC will again pursue a pay package for the budget request to be submitted in September; with a decision expected in January. Director Ryan had the opportunity to present our case to the Governor's office, and we have been heard. Inmate population growth is expected to slow due to the opening of the Maricopa Reentry Center (MRC). The MRC facility will use up to 100 beds for residential substance abuse, intermediate sanctions, and/or short term housing for homeless offenders. The Pima county reentry program has been successful for the past three years at the Pima Reentry Center.

ACA asked about the steps schedule and commented that the pay increases seem to be every ten years. ACA also suggested the possibility of obtaining AZPOST certification

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while simultaneously working for the Department of Corrections. In addition, ACA mentioned there is an issue with newer staff who work at prisons with a 5% geographical stipend, who can then earn a 15% stipend when they transfer. As a result, a CO with less years of employment may have a higher salary than their more tenured counterparts, due to the geographical stipend.

Bureau Administrator Jacob Gable advised that the Department was looking at the possibility of increasing the steps in the CO pay plan as part of a pay increase proposal; however, if the steps are raised for CO's, we would have to increase the pay for all other correctional series staff which could be very expensive. Deputy Director Hood confirmed that we are aware of the issues mentioned and that we will continue to push for a pay package. We will look for participation and assistance from the employee organization members, as it will take all of us to do this. Director Ryan added that our hope is that we can do this together.

Question 3 – Is there any way of changing the retirement back to 20? Possibly similar to PROP 124 a hybrid pension/401k.

Answer 3 – Division Director Michael Kearns advised changing the retirement (CORP) back to 20 years, or to change the style of contributing and payouts, requires a change in current law. That can only be done by the Legislature passing and the Governor signing a bill, or a voter direct referred ballot initiative. In addition, the Legislature may pass a bill requiring voter approval of a change in law. Division Director Michael Kearns further stated that 401k's can be cheaper, but would need to be priced out and is an extremely complicated matter.

Question 4 - Changing the post collapse chart? I spoke with Warden Moody about this but this issue is beyond his realm of authority. Psychology is a science, to justify a change. Is there a number per yard to where the yards can keep the staff extra? I believe even if the number is high, the fact of having this option will encourage staff to not call in. Would also be a great e-briefing topic.

Answer 4: Division Director Carson McWilliams stated we are always looking for ways to be more efficient on how to staff prisons. With the high CO vacancy rate we have been experiencing the last several months, it is becoming increasingly difficult not to cross level. We will begin soliciting information from the field to see if there is a more creative way to collapse posts and cross level staff. Division Director Carson McWilliams advised that a different approach is used at each institution, but that the last change in priority posting was three and a half years ago. We will be using a Lean Team process to look at all staffing considerations at all institutions. Our goal is to staff prisons as safely as possible.

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Additional Information:

- 1) An agency wide message regarding Lean was sent to all ADC employees by Director Ryan at 11:41 a.m. on Wednesday, June 29, 2016. Director Ryan read the first portion of the email, stressing the importance of staff input and buy-in. The entire email message reads as follows:

“We need your help. Are you interested in improving how ADC does business? Are you interested in continuous improvement? Help us as we roll out the new Arizona Management System (AMS) which is being implemented by Arizona state agencies. Join us and your fellow employees as we begin our discussion on the best ways to deliver better results utilizing **Lean** tools and principles.

What is Lean? Lean is all about continuous improvement, delivering better results faster. And for us, it also means accomplishing great results while never losing sight of our primary mission to operate safe, secure, and orderly prisons. Applying Lean principles identifies duplicative and unnecessary steps in processes and eliminates those steps to the point where the process is waste free and the quality of our work is second to none. Importantly, Lean is **not** a code word for reductions in our workforce.

Why Lean? You are the expert on your job. You have the knowledge to make it better. With so many priorities competing for your limited time and resources, we need efficient processes to get our work done. Lean tools and principles offer a way to do that – to focus and direct your knowledge to improve the job and the work environment. You deserve to come to work each day knowing your ideas are valued and motivated to find better ways to do your job – to increase your contribution to ADC and to the Arizona taxpayers. Let’s identify these opportunities together. Let’s continuously improve together.

Where are we now? A team of dedicated employees and supervisors has applied Lean principles to several projects over the past year, and has proudly reported significant reductions in the time it takes to hire a Correctional Officer and to complete the inmate intake process. Another project involving ADC and the Arizona Board of Executive Clemency is expected to achieve similarly impressive results. A Project Team consisting of members of our Executive Team, which includes the Office of Continuous Improvement, will now begin to plan our AMS framework and related performance measures. This team will reach out to employees at all levels for input and participation, and then will support and guide you as we journey forward together.

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Where are we going? We will keep you informed with regular updates. We will seek your feedback along the way. Within the next two months, you will receive more information and training to help you better understand the Lean principles and their application to your work. Soon you will be requested to participate in a change readiness assessment, which is similar to our current employee engagement survey, but which will specifically focus upon developing our communication and training efforts to reinforce your direct involvement in the coming months.

It is time to open a new chapter for management. The AMS directly supports our ADC core values of **Professionalism, Responsibility, Integrity, Courage,** and **Efficiency (PRICE)** by increasing the worth and value of each task that is part of your roles and responsibilities. Looking at our work in this way ensures that every action counts. Together, with teamwork and collaboration, we will apply the AMS to the important work that we do for the citizens of the State of Arizona every day. The result will be a stronger workforce and a better environment for you to work in!"

- 2) In addition to the Lean initiative, Director Ryan explained that a shared vision statement for the State of Arizona will be forthcoming, as it is under final review in Governor Ducey's office. Once finalized, the vision statement will be published and shared.

- 3) In regards to DO 503, Employee Grooming and Dress, Director Ryan explained the importance of staff appearance in relationship to projecting a professional image. Specifically, we will address concerns with relaxed policy enforcement consistently across the Division and concerns with facial hair; goatees and beards. The uniform policy is changing to not allow goatees or beards; it's a safety and OSHA issue for those who work in the CO series. Facial hair makes it difficult to pass a fit test and to properly wear a N95 mask. Within the next few months, the policy related to goatees and beards will be revised; no change in policy for mustaches and sideburns. When staff are crisp and look professional they are more respected by inmates and other staff. Division Director Carson McWilliams added that the Department has purchased forty-nine (49) mirrors that will be used by Shift Commanders to help address grooming and dress issues. Director Ryan stated that the sharpest looking officers are at COTA and those in the Honor and Color Guard.

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- 4) Deputy Director Hood reminded the Employee Organization of the requirements regarding annual reports as defined in policy, DO 501, and requested their compliance by July 8, 2016.
- 5) In closing, Deputy Director Hood confirmed that this was our first Meet and Confer meeting held with each of the Employee Organizations (EO) individually to improve the quality of the interactions. We will continue to publish the questions and answers for each EO and monitor how the meetings are going over the upcoming quarters. If need be, we may adjust the approach.

Close:

The Director thanked those who attended.

cc: Executive Staff
Wardens
Paul O'Connell
File