

**NORTH CAROLINA
DEPARTMENT OF CORRECTION**



ANNUAL REPORT

Fiscal Year 2001-2002

THE MISSION OF THE NORTH CAROLINA
DEPARTMENT OF CORRECTION IS TO PROMOTE
PUBLIC SAFETY BY THE ADMINISTRATION OF A FAIR
AND HUMANE SYSTEM WHICH PROVIDES
REASONABLE OPPORTUNITIES FOR ADJUDICATED
OFFENDERS TO DEVELOP
PROGRESSIVELY RESPONSIBLE BEHAVIOR.

Fiscal Year 2001-2002

DEPARTMENT OF CORRECTION ANNUAL REPORT

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About the DEPARTMENT OF CORRECTION

The Department of Correction is charged with the supervision and rehabilitation of convicted adult offenders. Its primary goals are to provide an appropriate level of supervision to ensure public safety, to put inmates to work and to give offenders the tools they need to become productive, law-abiding citizens.

The Department of Correction is comprised of four major divisions interacting directly with offenders and the public, as well as a large number of administrative support sections that operate directly under the auspices of the management of the Department of Correction. The major divisions are the Division of Prisons, the Division of Community Corrections, Correction Enterprises and the Division of Alcoholism and Chemical Dependency Programs.

The Division of Prisons has responsibility for incarcerating more than 33,000 inmates in 74 prison facilities across the state. The division has complete responsibility for housing, food, medical services and rehabilitative programs for this large population, as well as administering the state's death penalty.

The Division of Community



Corrections supervises offenders in the community, either probationers whose active sentences have been suspended, or parolees and post-release offenders who have served a prison sentence and are being reintegrated into the community. The division supervises approximately 115,000 probationers and more than 3,000 parolees and post-release offenders. More than 2,000 field officers provide control, supervision and treatment management to offenders.

Correction Enterprises produces goods and services, including office furniture, road signs, paint and laundry for state agencies and nonprofit organizations. It provides meaningful training and work experiences to inmates while offering quality goods and services



to tax-supported entities at a saving to the taxpayers. Correction Enterprises receives no support from state budget allocations and, like a business, is totally supported through the goods and services it produces and sells.



The Division of Alcoholism and Chemical Dependency Programs provides treatment services to inmates, DWI offenders, probationers and parolees. The majority of the division's program offerings are 35-day residential programs based on the 12-Step Recovery model.

In addition to the four major divisions, the department has auxiliary support sections that serve all divisions of the department. These sections operate under the department's central administration.

DEPARTMENT OF CORRECTION OFFICIALS

Theodis Beck, Secretary
Dan Stieneke, Chief Deputy Secretary
Fred Aikens, Deputy Secretary
Tracy Little, Deputy Secretary
Lattie Baker, Assistant Secretary
Lavee Hamer, Assistant Secretary/General Counsel
Lynn Phillips, Assistant Secretary
Boyd Bennett, Director, Division of Prisons
Robert Lee Guy, Director, Division of Community Corrections
Karen Brown, Director, Correction Enterprises



Theodis Beck, Secretary

DEPUTY SECRETARIES



Dan Stieneke



Fred Aikens



Tracy Little

ASSISTANT SECRETARIES



Lattie Baker



Lavee Hamer



Lynn Phillips

DIVISION DIRECTORS



Boyd Bennett



Karen Brown



Robert Lee Guy

A History of the **Department of Correction**



Milestones in Department of Correction History

1868

In 1868, North Carolina adopted a new state constitution that provided for the construction of a penitentiary. Inmates began building Central Prison in 1870 and moved into the completed castle-like structure in December 1884.

1901

In 1901, the Good Roads Policy initiated the use of inmate labor to build the state's roads. Horse-drawn prison cages that moved from one work site to the next housed the inmates.

1910

In 1910, the incentive wage system began, with inmates earning up to 15 cents a day, paid upon release.

1925

In 1925, the General Assembly enacted a law changing the state's prison from a corporation to a department of state government.

1930

About 1930, prison industries, today known as Correction Enterprises, began. At a plant near Central Prison, inmates made concrete pipe for the State

Highway Commission. The plant operated until federal highway funding restrictions ended the use of inmate labor for such operations in 1936. Over the years, other



Central Prison, the state's first prison.

prison industries developed to meet prison needs, like farming and tailoring operations to provide food and clothing.

1931

In 1931, the Conner Bill enabled the state to take control of all prisons and inmates. The condition of prison facilities and the need for inmate labor led the General Assembly to consolidate the State Highway Commission and the State Prison Department. In the two years before consolidation, the State Highway Commission had spent \$850,000 for permanent im-

provements in the road camps it had taken over from the counties. This renovation and construction program continued after consolidation of the two agencies.

1930s

Many road camps were added in the 1930s, with a standard design and capacity for 100 inmates. Camps were located throughout the state, primarily for road building and repair. Many of these camps are still in operation today, although a number of them were closed in the 1990s to improve efficiency.

1935

In 1935, women inmates from Central Prison moved to a south Raleigh road camp, the site of today's North Carolina Correctional Institution for Women.

1957

In 1957, the General Assembly separated the state prison department from the State Highway and Public Works Commission. North Carolina also became the first state to initiate a work release program that allowed inmates to work in private employment during the day and return to confinement at night.

1958 In 1958, the Department replaced striped prison clothing with gray uniforms for close custody, brown for medium and green for minimum.

1965 In 1965, the Department began to integrate its prisons. In addition, mental health services were established in prisons, paving the way for the first mental health wards at Central Prison in 1973 and later the first sex offender treatment program at Harnett Correctional Institution in 1991.

1970 In 1970, job titles for custody staff changed from guard or matron to correctional officer.

1974 In 1974, the Department of Social Rehabilitation and Control became the Department of Correction with two major subdivisions, the Division of Prisons and the Division of Adult Probation and Parole. In addition, the state Criminal Justice Academy was founded and began certification training for corrections staff.

1987 In 1987, the Department began a substance abuse treatment program that established the first Drug/Alcohol Recovery Treatment program at Wayne Correctional Center.

1989 The state's first boot camp program for male youth, opened in Richmond County in October 1989.



In 1958, striped prison uniforms became a thing of the past.

1990s Between 1986 and 1992, annual prison admissions nearly doubled from 17,500 to 30,800. In the 1980s, a series of lawsuits filed by inmates attacked conditions in 64 of the state's smaller prisons. In response, the General Assembly capped the prison population, reformed state sentencing laws, provided for increased community supervision and launched a major prison construction program which increased the prison capacity by 56 percent. From 1993 to 1999, 24 small prison facilities were closed to streamline operations and improve efficiency.

1994 The General Assembly enacted structured sentencing laws governing all offenses committed on or after Oct. 1, 1994. More serious, violent repeat offenders are incarcerated, while less serious nonviolent offenders are sentenced to intermediate or community-based sanctions. Imprisoned offenders serve at least 100 percent of the minimum active sen-

tences imposed.

1996 The state lifted the prison cap in 1996. The Department added new dormitory space at many existing prisons and built new close-security prisons to accommodate the more violent, long-term inmates entering the prison system under the new sentencing laws.

1997 In 1997, six new prisons opened, including the Dan River Prison Work Farm. Dan River Prison Work Farm's housing unit was the first major inmate construction project since inmate labor was used to build Central Prison in the 1890s.

1998 In 1998, the Division of Adult Probation and Parole changed its name to the Division of Community Corrections to reflect its community-oriented approach to supervising offenders. The General Assembly also eliminated lethal gas as a method of execution.

2000 On Oct. 1, a two-year experiment with privately-run prisons ended as the state assumed control of Pamlico Correctional Institution and Mountain View Correctional Institution, previously operated by Corrections Corporation of America.

2002 The IMPACT boot camps in Morganton and Hoffman graduated their final classes and closed by August 15, as directed by the state legislature.

AWARDS & HONORS

DIVISION OF PRISONS

2002 Correctional Officers of the Year



Front row, left to right

Garrett Robinson - IMPACT West
Sgt. Michael Cooper - Morrison Correctional Institution
Debra Walser - Southern Correctional Institution
Angela Powell - Caledonia Correctional Institution
Essex Hester - Polk Youth Institution
Sgt. David Schram - IMPACT East

Back row, left to right

Elmer Macopsen - Marion Correctional Institution
Sgt. Timothy Kerley - Catawba Correctional Center
Sgt. Roger Weber - Hoke Correctional Institution
Michael Harbin - Pender Correctional Institution
David Cassady - Caswell Correctional Center
Christine Hinnant - Wayne Correctional Center

Prison Volunteer Recognition



Thelma Bostic
Cleveland Cook
Elizabeth Hill
Danny Hinnant
Albert Hoffner

Rev. Joseph Lenna
Irvin McSwain
Shelby Moeller
Marsha Moeller
Curtis Morgan

Elaine Price
Gregory Price
Rev. John Reid
Robert Ripley
Joseph Rooney

Dorothy Shephard
Lorraine White
Rev. James Woods
Barry Zimmerman



Volunteer of the Year
Max Lancaster
Odom CI

AWARDS & HONORS

DIVISION OF COMMUNITY CORRECTIONS

2002 Probation, Parole and Community Supervision Officers of the Year



James Yount
Surveillance Officer
Gates County
Division 1



Kelly Cartrette
Probation/Parole Officer
Columbus County
Division 2



Robin Gray
Surveillance Officer
Stokes County
Division 3



Wayne Knight
Probation/Parole Officer
Buncombe County
Division 4

Division of **PRISONS**

Boyd Bennett, Director



The Division of Prisons is responsible for incarcerating more than 33,000 inmates in 74 prison facilities. The division has total responsibility for housing, meals, medical services, rehabilitative programs and the administration of the death penalty.

Population Management

The average inmate population increased to 32,328 inmates during FY 2001-02. In order to effectively manage the growing population, the division converted Bladen and Morrison youth facilities to adult facilities, increased the age limit in youth facilities to age 25 and moved close custody inmates into two medium-custody facilities, Mountain View and Pamlico.

The division also began building three 1,000-bed close-custody prisons in Scotland, Anson and Alexander counties. These prisons will serve as the prototype for the estimated seven to 10 prisons that will be necessary to accommodate a prison population projected to exceed 41,000 in the next ten years.

Efficiency Efforts

During FY 2001-02, the division focused on efficiency efforts, reducing operating costs by \$10.2 million. Alamance and Scotland Correctional Centers were closed as directed by the legislature. Management reduced overtime pay by \$6 million and reduced food costs to 67 cents per meal—\$2.01 per day per inmate—for a savings of \$652,000.

In addition, the regionalization of medical services helped hold medical costs to a 2.5 percent increase -- considerably less than the medical cost inflation factor.

Other efficiency efforts with indirect cost savings include enhancing programs in the inmate database to give managers and staff increased information needed to manage the inmate population. Enhanced services include an automated time and leave system and a jail backlog system. Also, the division implemented automated food service software, enhanced the cashless canteen system and began tracking utility bills.

The division began working to standardize prison staffing and establish uniform posting standards for medical and custody positions. This effort is designed to determine standards for staffing similar prisons and will identify facilities that are either overstaffed or understaffed based on an established standard.

The division is encouraging facilities to switch to 12-hour shifts where possible. At the end of the fiscal year, 32 prison facilities had

adopted a 12-hour shift schedule. Research indicates that staffs at facilities using the 12-hour shift are using less annual leave and sick leave, resulting in a reduction in overtime and indicating higher job satisfaction at these facilities.

Inmates Working

This year, the division implemented a joint effort with the Department of Transportation to maximize the number of hours worked and the number of inmates participating in the highway labor program and litter clean-up initiatives. Twelve-man medium-custody road squads requiring three armed correctional officers were converted to eight-man road squads, requiring only two officers. This reduction resulted in the creation of 32 new minimum-custody litter crews supervised by correctional officers and devoted to DOT for roadside litter initiatives. These crews will clean more than 6,000 miles along the state's roads this year.

Transition Services

The Chaplaincy Services Section expanded the Transition Aftercare Network (TAN) to include more

than 300 volunteers representing 52 counties. TAN trains faith-based organizations to provide the support and resources that the offender needs once he returns to the community. JobStart, a team effort between facilities, Education Services and Program Services, was implemented at five facilities, with plans to expand the program statewide.

Education Services provides academic and vocational opportunities throughout the system in order to enhance the skills and knowledge of inmates needed for effective functioning as jobholders and citizens upon release.

Each day, more than 4,000 inmates attend full time academic or vocational schools with over 3,000 inmates obtaining their General Education Development (GED) diplomas during the year. Western Youth Institution and Foothills Correctional Institution achieved ac-

creditation by the Correctional Education Association, an international certification that demonstrates the existence of first-rate educational services.

During 2001-02, the division assumed oversight of Offender Family Services (OFS), which provides resources, information, referrals, aftercare planning and psychosocial support to offenders who have been released. OFS receives 200-250 phone calls a month from families, interested parties and ex-offenders and responds to hundreds of information requests via e-mail. OFS also oversees the Home Leave Program Policy and program audits that are done at all prison facilities. In addition, the office published the Handbook for Family and Friends of Inmates, now available on the OFS website.

Special Security Initiatives

The Division of Prisons made significant efforts to reduce the flow of drugs into prison facilities. Five regional drug interdiction teams trained to conduct searches of visitors and staff during random and unannounced interdictions. Six drug canines and six bloodhound handlers provide an increased level of expertise.

A noticeable increase in gang related incidents, especially in the youth population, prompted the division to conduct the first conference to discuss security concerns. Security Threat Group (STG) intelligence officers at each facility continue to receive updated information on trends and other information related to STGs. A security alert screen on OPUS tracks and identifies high risk and potentially violent inmates.



IMPACT

A residential program that promotes physical exercise, hard work and continuing education for young offenders. Its mission is to provide work, drug treatment and education that instills self-confidence, discipline and a strong work ethic.

This year was the final year for the IMPACT program, which started in 1989 when the state's first boot-camp style corrections program opened in Richmond County.

In the FY 2001-02 budget, state legislators reduced IMPACT's operating budget by 25 percent. The 2002-03 budget ordered IMPACT to close and by Aug. 15, 2002, IMPACT had graduated its last trainees and ceased opera-

tions.

In 14 years, 10,841 trainees began the programs at IMPACT East in Hoffman and IMPACT West in Morganton. More than 10,000 of those trainees graduated and almost 2,000 earned General Education Diplomas (GED). Eighty percent of IMPACT trainees who took the GED test passed.

Community work projects were

a cornerstone of the IMPACT philosophy, designed to develop a strong work ethic in

the trainees. The community work projects completed for local, state and federal agencies with IMPACT labor saved an estimated \$18 million for North

Carolina communities and schools.



Intensive Motivational Program of Alternative Correctional Treatment

Division of ALCOHOLISM AND CHEMICAL DEPENDENCY PROGRAMS

Lattie Baker, Assistant Secretary

The Division of Alcoholism and Chemical Dependency Programs provides treatment services to prison inmates, DWI offenders, parolees and probationers. The division's mission is to help offenders overcome addiction to drugs and/or alcohol.

Despite budget cuts during FY 2001-02, the Division of Alcoholism and Chemical Dependency Programs (DACDP) continued to provide a range of treatment and recovery services to prison inmates, DWI offenders, parolees and a select number of probationers. More than 17,000 offenders were engaged in DACDP programs statewide.

DACDP programs are based on the Minnesota Model of chemical dependency and treatment. The treatment provides offenders with an initial opportunity to engage in treatment and early recovery.

Participants are involved in extensive follow-up, including Alcoholics Anonymous, Narcotics Anonymous, community resources and personal sponsorship. Treatment programs make extensive use of inmates working in the role of ancillary staff, peer counselors, role models or group leaders.

Substance Abuse Programs

DART (Drug Alcohol Recovery Treatment) -- an intensive five to 12-week residential program

SARGE (State Alliance for Recovery and General Education of Chemically Dependent Youthful Offenders) -- a long-term, individualized program for youth offenders

DART-Cherry - a treatment program for DWI offenders

Private Residential Treatment Centers -- a program for offenders who require long-term intervention, pre-release or community transition program involvement

During the fiscal year, DACDP admitted more than 13,000 offenders. DACDP's average daily enrollment was 1,406, including 844 in DART, 116 in SARGE, 270 in DART-Cherry and 176 in private treatment centers. The division operated 24 residential programs and contracted with two private facilities, Evergreen Rehabilitation Center in St. Paul's and Mary Frances Center in Tarboro, to provide additional residential treatment.

Up to 85% of criminal offenders are in need of some level of substance abuse treatment.
- Center on Addiction and Substance Abuse

36% of probationers and parolees need substance abuse treatment.
- Bureau of Justice Statistics

Daily Treatment Costs		
	DART In-Prison Program	\$17.38
	DART Cherry - DWI Treatment	\$36.52
	Private Treatment Centers	\$69.52

Division of COMMUNITY CORRECTIONS

Robert Lee Guy, Director



The Division of Community Corrections supervises offenders in the community, either probationers whose active sentences have been suspended or offenders who have served a prison sentence and are being reintegrated into the community. The division supervises more than 115,000 probationers and more than 3,000 parolees and post-release offenders. Two thousand field officers provide control, supervision and treatment management.

Supervising an ever-changing population in need of more specialized and concentrated supervision, the Division of Community Corrections (DCC) strives to protect public safety. That mission is the cornerstone of a case management strategy that focuses on holding the offender accountable, ensuring compliance with the court's judgment and directing specialized treatment and educational programs.

There are many tools and programs designed to address the non-compliant offender. The officer can utilize curfews, electronic monitoring and drug screening for the young offender in need of structure and guidance. The Criminal Justice Partnership Programs and community treatment agencies are well equipped to serve the unemployed offender and substance abuser. Non-compliant or volatile offenders can be held to a higher level of accountability with sanctions like electronic house arrest, intensive probation or a residential program.

Intermediate Sanctions

Electronic House Arrest

During FY2001-02, DCC enhanced the electronic house arrest (EHA) sanction by combining officer contact with radio and computer technology to monitor the offender. The new communication technologies assist with the control elements of supervision so intermediate officers can focus on the offender's treatment.

EHA is DCC's most restrictive community sanction. While on EHA, offenders are allowed to leave home only for treatment, employment or education. During the fiscal year, DCC monitored 3,140 probationers and 95 parolees on EHA, for a combined total of 3,235 DCC cases. DCC monitors all EHA cases at the Electronic Monitoring Center, a centralized monitoring center in Raleigh that also monitored 1,195 cases for the Division of Juvenile Justice, local sheriffs departments and pretrial programs.

Intensive Supervision

Intensive supervision entails multiple contacts with an offender by an intensive probation officer and a surveillance officer to monitor compliance, enhance control and address treatment needs.

The courts sentenced 17,026 offenders to this sanction during the year, maintaining its distinction as the sanction of choice.

Day Reporting Centers

Day reporting centers (DRCs) funded by Criminal Justice Partnership grants focus on providing services for offenders. Offenders report frequently to the centers to receive substance abuse treatment, vocational training, GED education and cognitive behavioral intervention. Local government or nonprofits operate the DRCs, while DCC officers supervise the offenders and maintain offices within the centers. About 2,600 offenders were sentenced to DRCs during FY2001-02.

Division of Community Corrections

Programs and Special Initiatives

Offender Management Model

DCC and Treatment Alternative to Street Crime (TASC), a program of the Department of Health & Human Services, continue to collaborate in managing offenders. DCC's philosophy recognizes that an agency cannot be successful alone and that multiple aspects of the offender's life must be addressed to ensure success. TASC makes a clinical assessment of the offender's needs and provides assistance to match needs to appropriate treatment levels.

Probation officers serve as team leaders, directly supervising the offender and joining with team members to staff cases and update case plans. During the year, TASC expanded its services, implementing this model statewide.

Cognitive Behavioral Intervention

DCC expanded its efforts and participation in delivering cognitive based treatment to offenders this year. Nearly 150 DCC employees are now certified in cognitive behavioral intervention, serving as group facilitators delivering cognitive-based programs such as "Thinking for a Change" to intermediate level offenders across the state.

The focus of these interventions is to help offenders understand the impact of their criminal behavior, accept responsibility for their actions, and change their thought processes to those of a socially productive citizen, finding positive ways to address problems.

Drug Treatment Courts

The Drug Treatment Court (DTC) program targets chemically dependent, non-violent offenders who qualify for an intermediate sanction. DCC officers work as members of DTC core teams comprised of an intermediate officer, the presiding judge, a defense attorney, a prosecutor, a treatment specialist and the DTC case manager.

Offenders enrolled in a DTC program complete 12 months of substance abuse treatment, report to court biweekly for core team review of their progress, receive immediate response to their behavior and take frequent drug tests. This multidisciplinary approach provides increased supervision and accountability.

Sex Offender Control

DCC expanded its sex offender control pilot into eight additional areas during the fiscal year. The program combines the use of intensive supervision or electronic house arrest with specialized officers focusing on "containment" to supervise sex offenders in their communities. The containment approach has received national recognition and focuses on offender accountability, long-term treatment and the use of clinical polygraphs.

DCC is preparing to expand this initiative statewide and has applied for grant funding from the Center for Sex Offender Management.

Victim Services

During FY2001-02, DCC worked to address statutorily mandated victim notifications and other victim services.

Victim advocates attended training sessions to learn appropriate service delivery methods. The advocates, who are becoming accepted partners within the victim support community, have total caseloads of over 5,500 victims.

The advocates also provide assistance in field operations, supervise some interstate compact cases and assist in the offender admission process.

Domestic Violence

During FY2001-02, DCC's program staff initiated a collaborative effort with the NC Domestic Violence Commission. The goal of the effort is to review the division's Domestic Violence Offender Control initiative and improve the division's efforts in the supervision of domestic abuse offenders.

DCC also participates as a member of the commission's Abuser Treatment Committee, which is actively reviewing best practices in the abuser treatment area.

Division of Community Corrections

Programs and Special Initiatives

School Partnerships

During FY2001-02, DCC continued its relationship with schools in all districts during the year, with officers working with designated high schools and a caseload of school-age offenders.

The officers provide enhanced supervision by maintaining direct relationships with teachers, school resource officers, guidance counselors and administrators. Utilizing the team concept, the officers focus on keeping young offenders in a mainstream school environment.

In many locations, officers also deliver cognitive behavioral interventions to this offender population.

Automated Case Management

With funding from the Governor's Crime Commission, DCC has started managing case records electronically. The automated case management system stores all data pertinent to each offender's case.

The system allows officers to electronically record offender narratives, generate supervision reports on laptop computers in the field and transfer offender data to and from DOC servers. All data then is available for officer use, supervisory review, court review and for use by substitute officers.

Automated case management is currently underway in four counties: Brunswick, Forsyth, Henderson and New Hanover.

Prevention Project

Research indicates that children who have parents with criminal backgrounds are at greater risk of becoming juvenile delinquents and adult offenders. To combat this problem, DCC joined forces with the Office of Research and Planning and the Governor's Fatherhood Council to participate in a project to identify offenders under supervision who have children.

The long-range goal of this project is to develop supervision strategies to address offenders with children, improving their parenting skills to prevent their children from making choices that lead to criminal actions. The project hopes to bring absent fathers who are offenders back into parental responsibility.

Community Policing

DCC continued participation in various local community policing initiatives during the year.

The division's concept has matured from participation in various roadblock activities to a comprehensive strategy of information sharing, geographical supervision zoning, team supervision and community involvement.

Intermediate officers in most locations throughout the state now participate in most of these areas.

Transitional Services

In collaboration with the Division of Prisons and the JobStart Workforce Development Project of the Department of Commerce, DCC initiated a process to transition offenders upon release from incarceration. This initiative combines job readiness training, employment assistance, housing assistance, health services, substance abuse treatment, education assistance and cognitive behavioral interventions. The goal is to place the offenders in a position to remain successful upon their release from supervision. A pilot is underway in five locations.

Re-entry Project

DOC received a \$1.3 million grant aimed at developing a comprehensive strategy in the release of offenders from incarceration and their reintegration back into the community. The Going Home Initiative will partner prison staff, officers, treatment providers, the offender's family, victim advocates and the faith-based community to help transition the offender back into the community with monitoring, assistance and support.

A statewide planning team is developing the implementation strategies.

Division of Community Corrections Substance Abuse Screening Program

The substance abuse screening program provides drug-screening services to a host of criminal justice agencies including the Division of Prisons, the N.C. Department of Juvenile Justice and Delinquency Prevention, local social services departments, day reporting centers and drug treatment courts. The division operates screening labs in Asheville, Charlotte, Fayetteville, Greensboro, Greenville and Raleigh.

The program offers objective, accurate and reliable analyzer-based drug screens substantiated by well documented, proven records of precedence in federal and state courts. DCC officers also have access to on-site handheld screening devices, providing reliable and instant results. Such a quick result allows

officers to intervene quickly in the course of an offender's drug use.

DOC integrated databases in its drug screening labs with the Department of Correction's central offender data system (OPUS). The electronic storage of drug screen results builds a valid, permanent and easily accessible database that follows the offender throughout the criminal justice system.

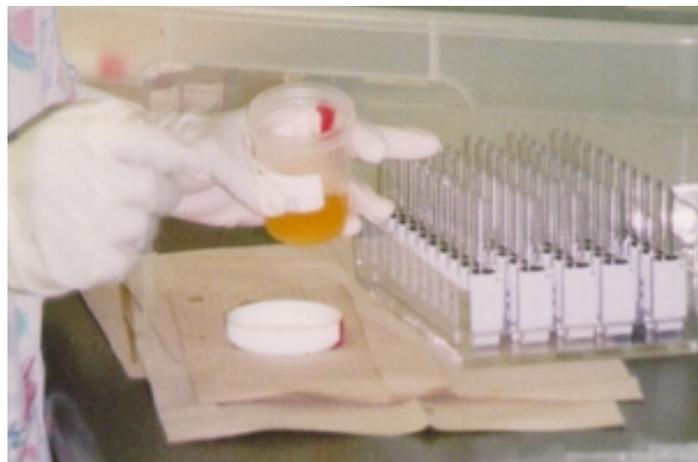
This system allows real-time alerts of all positives, rejections and adulterated specimens.

Immediate notification of positives to community corrections and prison officers helps to expedite offender confrontation



and referrals for assessment and treatment.

Prison and community corrections managers benefit from this interface through an enhanced ability to monitor officer compliance with court orders for drug screening and division policy for immediate response to positive drug screens.



**Drug
Screening
Cost**

\$4.10 per specimen



Not Just Making It Right. Making It Better.



Correction Enterprises provides meaningful training and work experiences to inmates, while offering quality goods and services to tax-supported entities at a savings to the taxpayers. Correction Enterprises supervises more than 2,000 inmates in a wide variety of industries.

Karen Brown, Director

Correction Enterprises has a dual mission of providing quality products and services to tax-supported entities at an affordable price and providing inmates rehabilitative opportunities through meaningful work experiences. Correction Enterprises industries are modeled after private-sector manufacturing, providing inmates with valuable experiences needed to successfully transition back into the community. Correction Enterprises is a self-sustaining organization, totally supported through the goods and services it produces and sells.

Correction Enterprises employs over 2,000 inmates who are paid up to \$3 per day for their work. Wages for all inmates employed by Correction Enterprises, as well inmates assigned to other jobs throughout the Department of Correction, are paid from Enterprises' funds. Inmate wages for this year totaled \$2,280,590.

In FY2001-02, Correction Enterprises' total sales amounted to \$69,946,000. Allocations from

gross revenues totaling \$10,075,000 were made to the North Carolina General Fund, the Victim's Compensation Fund, and to the Department of Correction.



Correction Enterprises employs about 300 inmates in three sewing plants in Marion, Whiteville and Burgaw. Sewing product sales totaled \$8.8 million this year.

This resulted in a net loss by Enterprises of \$2,876,000 for the fiscal year.

This year, the continuation of the state's budget crisis and decreased spending affected Correction Enterprises sales. The sales and marketing section turned its attention to providing new products to those agencies less affected by budget

cuts, such as the university system and public schools. New products have included classroom science tables, expansion of janitorial services to community colleges and expansion of janitorial product offerings.

Correction Enterprises continues to look for ways to improve efficiency and reduce costs. Metal products plants were consolidated this year, combining stainless steel and mild steel production. Additionally, Enterprises closed its last small sewing plant at Moore Correctional Center, consolidating with the new sewing facility located at Columbus Correctional Institution.

The Chase Laundry Facility at Cherry Hospital in Goldsboro was transferred to Correction Enterprises from the Department of Health and Human Services. Chase Laundry will eventually employ 55 inmates from the Greene and Neuse Correctional Institutions. Correction Enterprises now operates seven laundry facilities throughout the state, servicing

the Department of Correction, the Department of Health and Human Services, and several publicly-funded hospital facilities.

Correction Enterprises opened new license tag and duplicating facilities at the North Carolina Correctional Institution for Women. The combined facility employs over 100 female inmates, making North Carolina the first state to employ female inmates manufacturing license tags.

Over the last five years, Correction Enterprises has emphasized improved safety programs. During FY 2001-02, 75 percent of all operating plants received recognition from the Department of Labor for outstanding performance.

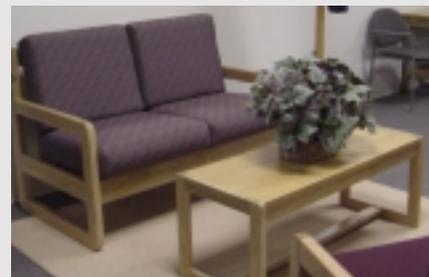
In addition to safety, Correction Enterprises continued to focus on improved customer service. Enterprises' Business Information Data System (BIDS) should greatly improve Enterprises service to its customers. When BIDS is completed in 2003, Enterprises will have an automated system for placing customer orders, tracking product inventory and scheduling distribution, and billing. BIDS will provide Enterprises customers with a more rapid response to orders and with the ability to check the status of orders over the Internet.

Correction Enterprises continues to look for new product expansion as well as ways to improve efficiency of operation. Consistent with its mission, Correction Enterprises will continue to provide meaningful work experiences for inmates and offer quality goods and services to its customers while at the same time providing a savings to the taxpayers of North Carolina.

Correction Enterprises Industries

What do inmates do?

-  produce paint and janitorial products
-  manufacture license tags
-  produce metal products such as furniture, shelving, gun racks and custody fixtures
-  manufacture eyeglasses
-  provide printing and duplicating services
-  provide low-cost services to state and local agencies and educational institutions
-  warehouse and distribute Enterprises products across the state
-  provide laundry services
-  process and can vegetables and fruit juices
-  process raw meat into a variety of food products
-  manufacture a wide variety of upholstered and wood furniture
-  manufacture uniforms, sheets, towels and other items
-  create highway and project signs



Department of Correction **ADMINISTRATION**

Several administrative support sections handle various administrative and management functions for the four major divisions within the Department of Correction.

Central Engineering

William N. Stovall, PE
Director

The Central Engineering Division began the construction management phase of three 1,000-cell, high security prisons using a prototype design that will serve as the basis for prison capacity expansion for the next decade. The construction contract for these three prisons, located in Alexander, Anson, and Scotland Counties, began on October 16, 2001. Average construction time per site is expected to be 18 months with a three-month stagger planned for the start and completion of each prison.

The General Assembly authorized the department to use a first-of-its-kind funding strategy that takes advantage of private development and construction financing to satisfy a build-to-suit, lease-back arrangement in order to fund the \$224 million required for construction of the three prisons.

Project costs are held to a minimum by using a single contractor's buying power to combine material orders for all three prisons in order to realize lower pricing. This project

delivery method will cut in half the time it would normally take to build these three prisons, enhancing public safety by expanding prison capacity to keep pace with inmate admissions.

The Inmate Construction Program (ICP), managed by Central Engineering, is constructing a \$21 million addition to the Warren Correctional Institution. This project will add 168 high-security cells, program sup-



Alexander Correctional Institution is a 1,000 cell, close custody prison under construction in Taylorsville. Inmate occupancy is projected for Spring 2004. Similar prisons are also under construction in Scotland and Anson counties.

port space, administrative space and a new maintenance building. This is a multi-year project that will finish in June 2004.

The ICP also completed a new chemical storage building for Correction Enterprises at Caledonia Farms. The ICP employs approximately 200 inmates with more than 100 inmates participating in a trades apprenticeship program that offers certification from the North Carolina Department of Labor.

The Central Engineering Division continued to build the master plan for Central Prison in Raleigh to meet the evolving maximum-security needs of the Division of Prisons. This master plan specifies four distinct construction phases, the first of which adds a new reception and diagnostic center and 192 cells for housing death row inmates. This phase was completed in May 2002.

Design services are underway for Phase II that will replace the antiquated hospital facility with a 120-bed acute care facility and will enhance the core infrastructure of Central Prison to support the master plan.

Design services have been initiated for the third phase that will build a 200-bed facility for mental health treatment. The fourth and final phase, a 200-cell special population unit for high control inmates, is still in the preliminary planning stages.

Health care facility improvements have been initiated at North Carolina Correctional Institution for Women in Raleigh. Central Engineering has commissioned design services to develop new facilities that will provide 150 beds for medical and mental health care services for the Division of Prison's female flagship facility.

Central Engineering continued its efforts to identify cost savings in physical plant operations by reviewing electric rates. This analysis to insure that the most advantageous electric rate is charged to our facilities has now yielded savings of approximately \$725,000 of which \$343,000 are recurring annual savings.

This program, begun in 1999, is the model for a more comprehensive energy savings initiative now being coordinated and implemented statewide by the State Energy Office.

Controller's Office

Paul Gross, Controller

The Controller's Office is responsible for the financial reporting and accounting structure for the

Department of Correction, and to ensure that the department is in compliance with generally accepted accounting principles, state statutes and other policies and procedures applicable to the department.

Due to the state budget crisis, the Department of Correction was forced to make significant budget cuts. Through the implementation of hiring freezes, travel restrictions and procurement restrictions, \$47.5 million the department reverted \$47.5 million of the \$925,331,327 certified budget for FY 2001-02.

Even during this time of spending cuts and vacant positions, the Controller's Office was able to develop and implement significant software programs that allowed the department to operate more efficiently.

The Medical Claims Management Section began to process and pay medical claims utilizing the new Medical Operations Management System (MOMS). The MOMS system was designed to mirror systems used by corporate insurance companies, allowing for the capture of medical data on individual inmates. In addition, the system drastically reduces the potential for duplicate and erroneous payments, which is a great advantage with the large number of claims processed each year.

General Accounting also implemented new programs for FY 2001-02. The department is now using the new State Surplus web-based application to surplus state property. The Department of Correction is only the second state agency to be given access to the application. The department uses it on a

limited basis, but if the pilot proves successful, plans are to expand the application to other DOC locations.

General Accounting is also working with MIS on the web-based (OPUS) utility program. This program allows DOC locations to review their utility usage and cost. Once Accounting has reviewed and processed the utility bill, DOC locations will be able to compare usage and cost by months and years, compare cost with other locations of the same size, and compare cost per inmate.

The CAFR/Fiscal Policy Section began completed Controller's Office new Web site in November 2002, giving users access to fiscal policies and procedures, frequently used forms, and other useful information for the field.

Purchasing & Services

Larry A. Rhodes, Director

During FY 2001-02, purchasing agents became experts in the use of the state's new online purchasing system, E-Procurement. This Internet-based software allows electronic creation and transmission of purchase orders in a paperless environment, thus saving on postage and printing costs. Purchasing also assisted in arranging the registration of hundreds of new vendors into the E-Procurement database during this time period. Certainly, there has been a degree of reluctance in this registration process, as vendors are required to pay a fee (currently 1.75 percent) on each sale to the department. Purchasing, however, responded to the challenges of the new procurement software.

The department's budget for purchases was quite stringent during the entire fiscal year. To help control costs, Purchasing conducted intensive negotiation with vendors whose contracts contained renewal clauses, which could have permitted a price increase equal to the Consumer Price Index change. Purchasing was successful in almost all cases in obtaining annual renewal with no increase, or in some cases with a decrease in price.

The Department of Correction led the way in the number of contracts awarded to Historically Underutilized Businesses (HUBs). The goal was raised to 10 percent in 2001, and this year the department exceeded that by awarding more than 26 percent of all contracts to HUBs.

Also during FY 2001-02, Purchasing and the Division of Prisons complied with a legislative mandate to control medical costs by comparing the cost of contracting prison health care to private entities. Purchasing conducted an extensive survey of other states that currently have such contracts, and then issued a Request for Information, with all major comprehensive health care organizations responding to the request. After evaluation of their responses and interviews with these firms, the department determined that contracting these services would considerably increase the cost of prison health care. As with so many other services functions, the comparison to private-sector health care proved that state employees are getting the job done at a most economic price.

Central Supply Warehouse

The Central Warehouse moved to 200 Leagon Drive in Raleigh this year. This move involved contacting over 200 vendors to give them the new delivery address, creating 5,500 labels for the new inventory racking system, and moving approximately 320 tractor-trailer loads of racks and product while still maintaining timely deliveries to the prison units. The warehouse staff worked tirelessly to complete



The move to the new 112,000 square foot Central Warehouse facility in Raleigh was completed in Nov. 2001.

the job without any disruption in services.

In June 2002, the Central Warehouse assumed responsibility for ordering and stocking ammunition, and targets from the Office of Staff Development and Training. This new task requires the inventory and tracking of about 2 million rounds of ammunition per year.

Transportation and Communications

The Transportation/Communications Shop will soon move to a new location on Poole Road in Raleigh since the old Polk Youth Institution property has been turned over to the North Carolina Museum of Art.

A new building is under construction and an address change will

be distributed when the move occurs. The new location provides increased space for vehicle repairs and security upgrades for buses. Because of budget limitations, fewer new vehicles have been purchased, resulting in more essential repairs on the older vehicles.

Radio Shop efficiency was increased during FY 2001-02 by generating weekly electronic reports of completed portable radio repairs by unit. This allowed consolidation of travel and keeps facility superintendents informed of repair status. In addition, a system of regional on-site repair services was instituted. Under this system, radio technicians are dispatched to a regional location. Nearby facilities bring vehicles to that location for radio repair, eliminating travel to the Radio Shop in Raleigh, saving staff time and reducing expenditures significantly.

Mail Services

Utilizing the state Mail Service Center, with its automated mail processing, has resulted in greater efficiencies in mail delivery. Letters are addressed using standardized formatting so that delivery addresses can be read electronically. This has been a great time saver, and has resulted in savings since the Department gets a discount on mail that can be sorted in this fashion.

EEO / Title VII Office
Cheryl Fellers, Director

The Equal Employment Opportunity/Title VII office (EEO) promotes and ensures equal employment opportunity for all applicants and employees of the Department of Correction and promotes diversity at all occupational levels of the Department's workforce.

EEO enforces the unlawful workplace harassment policy, investigates complaints of discrimination and unlawful workplace harassment on the basis of race, sex, creed, religion, national origin, age, color, or disability, hostile work environment or circumstances involving quid pro quo; and retaliation which occurs because of opposition to unlawful workplace harassment or discrimination.

This office makes determinations and recommendations to management based on the findings and conclusions of the investigation.

This year, EEO initiated a mediation program as an alternative to resolve disputes in the workplace. Mediation offers the disputants a process to discuss their differences in an informal setting with a neutral third party mediator to assist them in reaching a mutually acceptable resolution.

The benefits of mediation include improved working relationships, a more efficient process and less stress associated with a full investigation.

During FY 2001-02 EEO office investigated 337 complaints, and mediated four workplace disputes. This office also develops and moni-

tors compliance with the Equal Employment Opportunity Plan for the department, provides training and serves as a resource to staff and management on EEO issues.

The department has issued a zero tolerance for violations of the unlawful workplace harassment policy and for retaliation. EEO continually strives to insure that all employees are provided equal opportunity and an environment free from harassment.

Extradition Office
Sycret Evans, Director

The extradition office oversees the return of offenders from out-of-state to the department's custody. The implementation of the new Extradition Tracking System has allowed faster response to case inquiries by eliminating the need to pull files to determine the current status of a probationer, parolee or escapee.

Inmate Grievance Resolution Board
Finesse G. Couch, Director

Mediating inmate appeals and complaints with the Division of Prisons resulted in several changes including a revision of DOPs obscenity policy, a revision of the policy regarding the disposal of inmates' unclaimed personal property and the provision of over the counter medications to all inmates without charge.

Internally, the board wrote or revised all of its position descriptions and revised its mission statement and performance budgeting and planning.

The board began use of a new videoconferencing system and trained managers in the E-procurement approval process.

Internal Audit
Bill Tilley, Director

One of the major projects performed by the Office of Internal Audit for FY 2001-02 was a statewide functional audit of the food service and clotheshouse operations in the Division of Prisons.

The purpose of this audit was to provide the director of the Division of Prisons a statewide report on the effectiveness of the system of internal controls, accuracy of inventory records, and the compliance with established policy and procedures for these operations. The five Region Directors received individual reports of their regions.

Other major projects included performance and information system audits of the OPUS Medical Services System (MSS) and Work Release (WRS) Modules; the employee separation process; and a canteen profitability comparative review of the cash and cashless canteens at selected facilities of the Division of Prisons.

Finally, the office implemented formal follow-up audit procedures for audits performed for the Department of Correction.

These audits will be performed when areas have been identified with significant findings that represent the greatest risks and exposure if appropriate action is not taken during the course of the audit.

Office of Victim Services

*Chris Rinehart
Acting Director*

The Office of Victim Services (OVS) assists crime victims, their families and interested parties whose offenders are either sentenced in court to a prison term, placed on probation or released on parole or post-release supervision. Staff members' energies focused in three main areas this year:

OVS staff provided training sessions this year to more than 1,200 employees within the Department of Correction. A three-hour training course was provided to those at the level of officer in charge and above, to raise staff awareness about the department's victim services.

This year, OVS hired a bi-lingual staff person to serve as a liaison between the Hispanic community and the department. Her work has involved translating informational materials as well as attending Latino social and media events to help raise awareness among community members about victim services available from the department.

Publications

As the DOC Office of Victim Services increased its contacts with other criminal justice agencies, service providers and victims/survivors of crime during the year, it became apparent that there was a need for more extensive information about offender sentencing, the post-sentencing process and victim reactions to crime. In response to these needs, OVS has developed printed information tailored specifically to these topics.

Safety guides focus on tips that everyone can use in their daily lives and on measures victims can take when they believe they will be at risk when an offender is released from prison.

A third guide explains common reactions to crime so that victims/survivors can understand that their emotional reactions are not abnormal. This guide also gives some information about when experiences may suggest that the need to seek the assistance of a mental health professional.

In order to address specific needs of victims/survivors of certain violent crimes, OVS developed educational materials for victims and survivors of homicide, domestic violence and sexual assault.

Other general guides are available to assist people in navigating the prison or probation process. There is an overview of the Department of Correction, as well as guides to explain the fair sentencing process and parole, structured sentencing and post-release supervision. An Internet guide walks victims/survivors through accessing online information about offenders.

In cooperation with the North Carolina Coalition Against Sexual Assault, OVS published "What Happens After Sentencing? A Handbook for Survivors of Sexual Assault and Those Who Care About Them."

The 112-page handbook is the result of several months of research in response to the volume and pattern of questions received by OVS from sexual assault survivors whose offenders have been sentenced.

Research and Planning

Sandy Pearce, Director

The Office of Research and Planning facilitated the Division of Community Corrections Probation Revocation Task Force. The task force's mission was to evaluate current probation/parole/post-release supervision revocation policies, practices and outcomes, and determine if changes are needed to better utilize the full continuum of sanctions necessary to protect society while addressing the needs of offenders. The task force produced a set of recommendations that are used to develop new internal policies and procedures.

Research and Planning facilitated a strategic planning project with Management Information Services to develop a vision statement, strategic issues, strategies and tactics. The plan is a blueprint for technology leadership by MIS in the Department.

Research and Planning also developed a training curriculum based on the National Institute of Corrections' Effective Interventions for Offenders. Research and Planning staff delivered training to staff from Criminal Justice Partnership Programs across the state.

Decision-Support

The Office of Research and Planning was involved in a variety of population projection projects during the year. Research and Planning worked with the North Carolina Sentencing and Policy Advisory Commission to develop prison population projections that were presented to the General

Assembly. Research and Planning staff also developed probation population projections and presented them to the General Assembly. Office staff began a project to develop a simulation model to predict custody-specific bed needs in the Division of Prisons. All of these projects aid the department and the General Assembly in making critical resource decisions.

Research

Research and Planning assisted the Sentencing Commission in evaluating correctional programs in the Department of Correction and its finding was presented to the General Assembly.

The Human Subjects Review Committee continues to be responsible for reviewing all research proposals involving inmates or probationers to assure the protection of research participants in medical, sociological and psychological research projects. The committee is chaired by Dr. Stephan Kiefer of the Office of Research and Planning and comprised of department employees and a community representative.

Program Development

Research and Planning continues to provide leadership in developing and implementing new programs. Research and Planning coordinated training sessions on Cognitive Behavior Interventions and initiated two grant projects on transition/re-entry planning for offenders. Through a Governor's crime grant, the office initiated the Job Preparation for Offenders project,

to develop employment opportunities and better prepare offenders for work prior to leaving prison. Through the Going Home project, Research and Planning staff coordinated a team to develop a system for assisting offenders when they return to their communities.

Management Information Systems Bill Kurdys, Director

In spite of budget conditions, correction staff continue to come to Management Information Systems with excellent ideas for new automated processes, and MIS continues to deliver new products. These new products include an OPUS module on use of force for DOP, an automated case assignment module for Community Corrections and a common assessment tool for DACDP. One of the high-cost areas for the department is utility billing, and we have created a web-based tool that allows staff to view and analyze utility bills. We also installed the first product in a suite of tools for Correction Enterprises -- this component unifies customer information, and consolidates all customer addresses.

Network security continues to see improvements including additions to security infrastructure and improved anti-virus updates.

Finally, we continually practice our ability to recover when disasters happen. We successfully participated in two state-sponsored disaster recovery exercises that tested our ability to move OPUS to a new computer and quickly get

Combined Records Judy Sills, Director

back in operation.

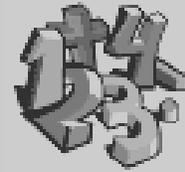
As OPUS improves the automation of records across the department, employees are increasing their reliance on computer records and becoming more comfortable giving up old paper files. They often look to Combined Records to deal with those historical paper files — trusting the records office to keep the important things and destroy the rest. Combined Records has also worked closely with MIS during the year. Many requests from the Division of Prisons result in an automated report developed by MIS, followed by analysis of the offenders' paper file, conducted

Safety Office Joe Simpson, Director

The Safety Office conducted 165 on-site inspections this year at prison units, Correction Enterprise plants, community corrections offices and administrative locations. The office also responded to four OSHA complaints and conducted 13 industrial hygiene surveys. Each quarter the office also calibrated 41 gas monitors at their field locations. Other major projects included safety training for Community Work Program officers and regional maintenance staff, assistance with the hepatitis B vaccination program for DOC employees, advising on several asbestos removal projects, and advising on various projects and situations at DOC facilities statewide.

Department of Correction

BY THE NUMBERS



The statistics presented here represent the status of the North Carolina Department of Correction as of June 30, 2001, the end of the fiscal year.

For more information or additional statistics, visit our Web site at www.doc.state.nc.us.

OFFENDER DEMOGRAPHICS

as of June 30, 2001



	PRISON	PROBATION	PAROLE
Total Population	33,021	114,313	3,826
GENDER			
Male	30,951	88,849	3,557
Female	2,070	25,464	269
RACE			
White	10,857	51,018	1,375
Black	20,404	54,041	2,011
Indian	639	1,999	60
Asian	99	299	7
Other	971	6,813	84
Unknown	51	143	4
AGE			
under 20	1,213	9,913	29
20-24	5,777	23,848	428
25-29	5,740	19,811	620
30-34	5,709	17,078	659
35-39	5,175	15,603	552
40-44	4,240	12,842	511
45-49	2,530	7,853	348
50 and over	2,637	7,365	394

COMMUNITY CORRECTIONS DAILY COST PER OFFENDER

Regular Probation/Parole	\$1.87
Intensive Probation	\$11.47
Electronic House Arrest	\$7.92
Community Service	\$.73

NORTH CAROLINA PRISONS DAILY COST PER INMATE

close custody	\$80.19
medium custody	\$65.17
minimum custody	\$50.04
average	\$62.43

DEPARTMENTAL BUDGET

FY 2001-2002

Budget	\$960,071,969
Appropriations	\$925,331,327
Actual Expenditures	\$914,843,399

INMATES IN JOB TRAINING OR EDUCATION

Academic Education	1,911
Vocational Education	1,878
TOTAL	3,789

EMPLOYEES

Positions Authorized	18,816
Total Employees	16,886

Male	64%
Female	35%
White	57%
Black	40%
Other	3%

WHAT INMATES EARN

Inmates earn three standard incentive wages for work assignments within the Department of Correction: 40 cents, 70 cents and \$1.00 per day.

Who makes 40 cents per day? Unskilled laborers such as janitors.

Who makes 70 cents per day? Semi-skilled laborers such as groundskeepers, maintenance helpers, recycling workers, all DOT road squads, all community work crews and inmates working on contracts with towns, cities and counties.

Who makes \$1.00 per day? Skilled laborers with prior experience such as cooks, barbers, canteen operators and peer counselors.

Correction Enterprises, a self-sufficient division of the Department of Correction, pays inmates by the hour at three standard rates: 13 cents per hour, 20 cents per hour and 26 cents per hour. The plant supervisor also can award incentives for quality and production, so long as the total incentive pay does not exceed \$3.00 per day. All Correction Enterprises janitors earn 70 cents per day.



PRISON WORK ASSIGNMENTS

<i>food services</i>	2,974
<i>unit services</i>	4,377
<i>work release</i>	1,248
<i>prison industry</i>	2,174
<i>prison maintenance</i>	1,359
<i>road squads</i>	2,160
<i>construction</i>	124
<i>state agencies</i>	414
<i>local agencies</i>	301
<i>community work crews</i>	1,328
<i>other jobs</i>	791
TOTAL	17,250

