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POLICY AND ADMINISTRATIVE PROCEDURE Manual of Policies and Procedures					

Title RETENTION-BASED COMPENSATION
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Legal References (includes but is not limited to) IC 4-15-2.2 31 IAC 5	Related Policies/Procedures (includes but is not limited to) 04-03-102 04-03-103	Replaces: 04-03-113 (Eff. 8/4/2024 /ED # 24-23)
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I. PURPOSE:

The purpose of this Policy and administrative procedure is to establish guidelines for the compensation of designated positions within the Indiana Department of Correction, which are aimed at bolstering employee recruitment and retention, ensuring maintenance of critical staffing levels, and enabling administration of programming to fulfill the Department’s Mission and Vision.

The retention-based compensation initiatives described in this Policy have been authorized by and remain subject to the ultimate authority of the Indiana State Personnel Department in accordance with all applicable state laws, rules, and policies.

II. POLICY STATEMENT:

The Indiana Department of Correction recognizes that impediments exist to recruiting and retaining a high-quality workforce in the field of corrections. National studies have shown that many state departments of correction, including Indiana’s, have been impacted by unprecedented staffing shortages, which have increased overtime costs, inhibited innovation in the delivery of services, and challenged the integrity of core correctional operations.

In order for the Department to maintain a workforce comprised of quality correctional professionals, it has developed retention-based compensation initiatives in partnership with the Indiana State Personnel Department that are founded on extensive employee feedback and workforce analytics. These initiatives aim to inform prospective employees about compensation expectations, enhance the recruitment and integration of new staff into the Department, and strengthen custody staffing resources in the most challenging correctional environments.

Following the adoption of this Policy, the Department will continue to evaluate its staffing plans, organizational structure, and the benefits provided to all staff, and it desires to grow these initiatives as appropriate in the future.

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The Department also reserves the right to withdraw or change the benefits and programs described in this Policy at any time, subject to approval by the Indiana State Personnel Department. Employees are responsible for staying informed on this and all other Department policies.

III. DEFINITIONS:

- A. ANNIVERSARY DATE: The date on which an employee began working as a Correctional Officer with the State of Indiana, and the annual recurrence of that date.
- B. CORRECTIONAL FACILITY: A jail, prison, or other detention facility used to house people who have been arrested, detained, held or convicted by a criminal justice agency or court.
- C. CORRECTIONAL OFFICER: An employee in the Job Classification of Correctional Officer (Job Code – 005LA2).
- D. DEPARTMENT: The Indiana Department of Correction.
- E. GENERAL SALARY ADJUSTMENT: A broad, organization-wide increase in employee pay that is typically applied uniformly or semi-uniformly across a group of employees (i.e. pay for performance adjustments, cost-of-living adjustments, etc)

IV. CORRECTIONAL OFFICER RETENTION STEP PLAN:

- A. Correctional Officer Retention Step Plan

The Department adopts the following Correctional Officer Retention Step Plan (“CO Step Plan”) to compensate newly hired Correctional Officers:

Annual Rate

\$42,900.00

\$44,616.00

\$46,400.64

\$48,256.67

- B. Correctional Officer New Hires – Three or Less Years of Custody Officer Experience

An employee hired as a Correctional Officer with three (3) or less years of documented experience performing duties as a custody officer in a federal, state, or local government Correctional Facility will be paid in accordance with the CO Step Plan, as follows:

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1. An employee with less than one (1) full year of custody officer experience will be paid at the Annual Rate for Step 1 of the CO Step Plan.
2. An employee with more than one (1) year and less than (2) years of custody officer experience will be paid at the Annual Rate for Step 2 of the CO Step Plan.
3. An employee with more than two (2) years and less than three (3) years of custody officer experience will be paid the Annual Rate for Step 3 of the CO Step Plan.
4. An employee with more than three (3) years but less than four (4) years of custody officer experience will be paid at the Annual Rate for Step 4 of the CO Step Plan.

Correctional Officers hired on the CO Step Plan will move to the next step in the plan in the pay period following their Anniversary Date, marking an additional year of custody officer experience. At each step, the employee will receive the annual rate indicated in the CO Step Plan for that step until completion of their third full year of employment. This annual rate increase is in lieu of any general salary adjustment provided for State of Indiana employees generally.

Upon reaching the Annual Rate provided in Step 4 of the CO Step Plan, the employee's participation in the CO Step Plan will be concluded and the employee will be entitled to receive any general salary adjustment provided for State of Indiana employees generally.

An employee may participate in the CO Step Plan only during their employment as a Correctional Officer with the Department.

C. Correctional Officer New Hires – Four or More Years of Custody Officer Experience.

An employee hired as Correctional Officer with four (4) or more years of documented experience performing duties as a custody officer in a federal, state, or local government Correctional Facility will have their compensation set upon hire based on the compensation of similarly situated Correctional Officers employed at the same facility.

Other factors that may impact the compensation of a Correctional Officer who is hired under this section include: additional education, special training, internal equity, difficulties with recruitment and retention, anomalies in the labor market, and the fiscal condition and policies of the State.

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D. Bonus Eligibility

1. Correctional Officers compensated on the CO Step Plan are eligible for any discretionary, lump-sum bonuses awarded through the Indiana State Personnel Department's Pay for Performance program according to the methodology generally applicable to other civil service employees.
2. In addition, Correctional Officers compensated on the CO Step Plan are eligible for any other bonus program offered by the Department in accordance with the

State Budget Agency's [Financial Management Circulars](#) and the Indiana State Personnel Department's [Standardized Policies](#).

3. Department employees meeting eligibility requirements shall receive a non-discretionary bonus for each shift in which they perform federal detention duties. Each Department employee who is regularly employed at a Correctional Facility housing federal detainees must first complete required training courses and become certified by Department federal partners before becoming eligible for the bonus and before performing federal detention duties:

a. Eligible Custody Job Codes

- 005LA2 Correctional Officer
- 005LB0 Correctional Sergeant
- 005LC0 Correctional Lieutenant
- 005LD0 Correctional Captain
- 005LE0 Correctional Major
- 00ELI6 Deputy Warden II
- 00EKI6 Deputy Warden I
- 00EXBW Warden II
- 00EXWD Warden I

b. Non-Custody Job Codes if assigned to federal detention duties.

c. ICE Bonus Criteria

- Eligible Custody Job Codes - \$50 shift bonus for performing federal detention duties.
- Eligible Non-Custody Job Codes - \$20 shift bonus for performing federal detention duties.

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4. At the discretion of the Commissioner, Department employees who are temporarily reassigned to a Correctional Facility that is greater than 50 miles away from their regular duty station may receive a stipend for each shift performed during the temporary reassignment. Eligible job codes include:
 - a. Eligible Custody Job Codes
 - 005LA2 Correctional Officer
 - 005LB0 Correctional Sergeant
 - 005LC0 Correctional Lieutenant
 - 005LD0 Correctional Captain
 - 005LE0 Correctional Major

 - 00ELI6 Deputy Warden II
 - 00EKI6 Deputy Warden I
 - 00EXBW Warden II
 - 00EXWD Warden I
 - b. Non-Custody Job Codes if reassigned by Commissioner to a temporary assignment at a facility greater than 50 miles away from their regular duty station.
 - c. DOC Stipend Criteria
 - Eligible Custody Job Codes - \$50 per shift stipend for duties performed in a temporary reassignment to a facility more than 50 miles from their regular facility assignment.

 - Eligible Non-Custody Job Codes - \$20 per shift stipend for duties performed in a temporary reassignment to a facility more than 50 miles from their regular facility assignment.
6. Department employees are eligible for either a bonus under paragraph IV.D.3. or a stipend under paragraph IV.D. 4., but not both, for the same shift or reassignment.

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V. CUSTODY DIFFERENTIAL PAY:

A. Differential Pay Schedule

To maintain the agency's critical staffing levels, decrease overtime costs, and incentivize employee retention, designated staff working at certain Department Correctional Facilities will receive differential pay in the form of a fixed hourly premium. This differential pay will be in addition to and separate from an employee's base rate of pay and will not be impacted by general salary adjustments or other State of Indiana compensation initiatives.

Each Department employee who is regularly employed:

- (1) in a Job Code listed in section V.A.1; and
- (2) at a Department Correctional Facility listed in section V.A.2.a and V.A.2.b;

shall receive the differential pay specified herein.

Eligible Job Codes:

- 005LA2 Correctional Officer
- 005LB0 Correctional Sergeant
- 005LC0 Correctional Lieutenant
- 005LD0 Correctional Captain
- 005LE0 Correctional Major
- 00ELI6 Deputy Warden II
- 00EKI6 Deputy Warden I
- 00EXBW Warden II
- 00EXWD Warden I

Eligible Facilities:

a. \$2.00 per hour differential:

- Indiana State Prison
- Miami Correctional
- Facility Pendleton
- Correctional Facility
- Wabash Valley
- Correctional Facility

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b. \$1.00 per hour differential:

- Branchville Correctional
- Facility Correctional
- Industrial Facility
- Indiana Women's Prison
- Madison Correctional Facility
- Pendleton Juvenile Correctional Facility
- Plainfield Correctional
- Facility Putnamville
- Correctional Facility
- Reception Diagnostic Center
- Rockville Correctional
- Facility Westville
- Correctional Facility

B. Facility or Job Transfer

An employee who receives differential pay according to the schedule set forth in section V.A shall not be entitled to retain differential pay status upon transfer to a new Department Correctional Facility or position, unless the transfer is to a facility and position that is eligible for differential pay status under section V.A. Differential pay eligibility shall be redetermined at the time of transfer.

Department employees temporarily assigned to any facility by the Commissioner will receive the shift differential for the facility for those shifts rather than the shift differential, if any, for work at their regularly assigned facility.

VI. APPLICABILITY:

This policy and administrative procedure is applicable to all employees of the Indiana Department of Correction.

(signature on file)
Lloyd Arnold,
Commissioner

10/01/2025
Date