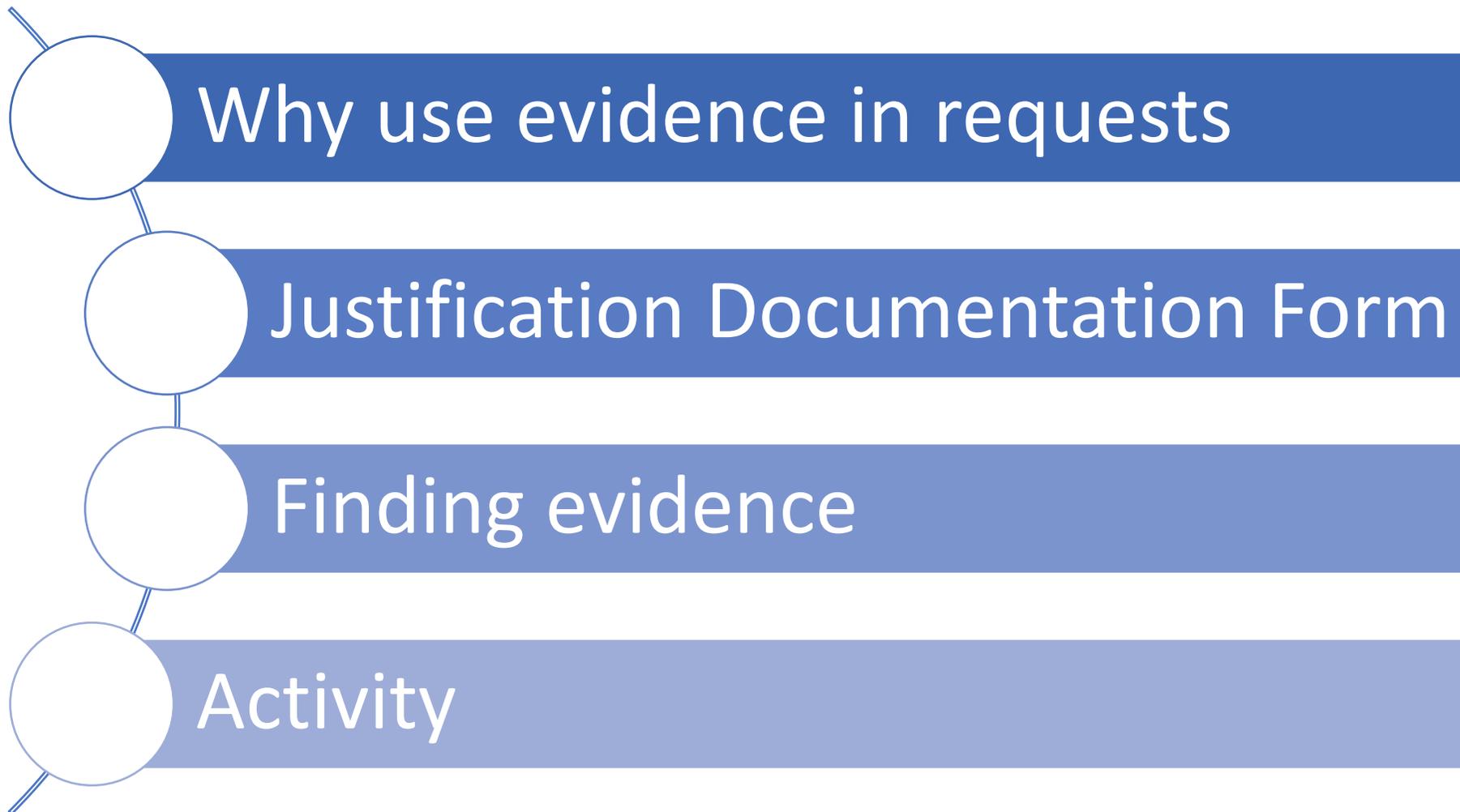




Budget Development Evidence Training

January 2024



UnLock Form

Status: Submitted To OSBM

Screen ID : WSII-Read Only
 IBIS ID : 10TSQ
 Reference Number : CI-10TSQ
 Budget Cycle : 2023-25
 Budget Session : Long
 Priority : 1
 Recurrence : Recurring
 Worksheet Type : Increase
 Request Type : Compensation and Benefits
 Department/Agency : Department of Labor
 BRU : Department of Labor
 Division/Institution : Occupational Safety and Health
 BudgetCode : 13800
 Title : NCDOL_OSH Compliance Salary Adjustments

State Funding Requests

“The Worksheet-II”

What needs or undesirable outcomes have been identified?

Due to salaries that fall substantially short of the market rate for similar positions, NCDOL's Occupational Safety and Health (OSH) Division's safety and health compliance section continues to experience both high position vacancy rates and high turnover rates. As of 12/31/22, the OSH Division has a 27% vacancy rate for compliance officers (33 vacancies out of 121 compliance positions and this calculation includes compliance officers, supervisors, and bureau chiefs). Additionally, only fifty (50) compliance officers are currently released to conduct independent compliance inspections. These fifty (50) employees are responsible for covering over 340,000 employers across the State. Safety and health compliance salaries fall below the market rate of similar positions in the private sector as well as the average salaries of federal OSHA employees. NCDOL has made many efforts to recruit the most highly qualified workforce possible, by offering sign-on bonuses and trainee positions, but these efforts have not yielded qualified applicant pools. NCDOL has also incentivized current staff with retention bonuses and pay increases for earning additional professional certifications and credentials. Offering these modest pay increases for these additional professional certifications has not reduced the persistently high vacancy and turnover rates as these certifications are also prized and compensated by private sector employers. Therefore, NCDOL is seeking recurring state funds to raise the salaries of the safety and health compliance staff by 15% to a level more consistent with the market rate. NCDOL is also requesting additional recurring state appropriation to offset the 23G federal grant share of the 15% funding increase that is currently being utilized to finance eight 100% federally funded FTEs. If this request is funded any excess federal funding will be rebudgeted into operations and realigned when necessary to address future State Legislative Increase (LI) costs. The OSH Division has been funding recurring operational costs with one-time lapsing funds made available by an abnormally high vacancy rate.

Give a brief description of the item or initiative:

The NC Department of Labor (NCDOL) is requesting recurring state funding for salary adjustments to address high turnover and high vacancies in Occupational Safety and Health (OSH) Division's safety and health compliance positions. The OSH Division is continuing to experience significant difficulty attracting and retaining trained, experienced safety and health professionals. Combining the number of experienced staff who leave for higher salaries outside state government with the number of staff predicted to retire in the near future, the OSH Division has inadequate staffing necessary to maintain historical workplace safety and health inspections. Fewer inspections will result in fewer identified hazards being discovered and abated. The effect of the OSH Division's employee turnover has reduced the total number of inspections conducted by compliance officers in recent years. New, fully qualified compliance officers are not able begin independent inspections for a significant period of time. Compliance officers are not able to contribute in a significant way to the total inspection numbers until they are fully trained and "released." For comparison, in FY 2014, the OSH Division had 74 released compliance officers and conducted 3,229 inspections. In FY 2022, the OSH Division only had 50 released compliance officers and only conducted 1,953 inspections. The turnover rate has significantly impacted the OSH Division's ability to conduct programmed (planned / targeted) inspections. As a result, the OSH Division is now spending more time reacting to injuries, accidents, and fatalities through unprogrammed inspections rather than taking a proactive approach by conducting targeted inspection activities. Employers and employees expect OSH Division staff who inspect their workplace to be experts in safety and health. Due to low salaries of OSH Division staff compared to the job market, the OSH Division is unable to recruit experienced and qualified professional safety and health staff. The OSH Division often must advertise the same vacant position many times in order to hire from a shrinking qualified candidate pool. Many positions are posted multiple times with no qualified applicants. New hires are often marginally qualified and often have little experience which leads to a longer training period for these new employees, which further reduces the number of annual compliance inspections completed by the OSH Division. Classroom and field training times do vary by employee based on experience gained before joining the OSH Division but are usually between twelve (12) and twenty-four (24) months before they are "released" to perform inspections independently. While new staff are in training, the bulk of the inspection and consultation work falls on the remaining staff who are also required to help the new hires gain field experience. Due to the high turnover rate, senior compliance positions and supervisory positions must sometimes be filled with less experienced staff.

Anticipated outcome/impact after implementation of changes:

Higher salaries will generate larger applicant pools of qualified candidates, ultimately resulting in fewer vacancies. Higher retention of employees will create a more stable environment and will increase morale among existing safety and health compliance staff. Even in a fully staffed environment, the compliance officer position is a challenging job. In the current environment, the demands on existing safety and health compliance staff are even greater due to the numerous compliance vacancies. The ability to fill these vacancies would allow for a more evenly distributed workload and relieve some of the additional duties that are currently placed on other released compliance officers. The ability to conduct more compliance inspections is also vital to the OSH Division's ability to meet federally mandated measures and goals. As part of the annual state-plan agreement with Federal OSHA, NCDOL must meet anticipated inspection goals, as well as other measures that are directly correlated with inspection numbers. Failure to meet these goals could result in a federal audit finding during the Federal Annual Monitoring and Evaluation (FAME) review process. A federal audit finding that shows a consistent decline in inspections invites greater scrutiny by U.S. Department of Labor's Occupational Safety and Health Administration and could ultimately place NCDOL's state-plan at risk.



What Requests?

**State Funding
Requests**

**State Grant
Applications**

**Federal Grant
Applications**

Partnerships

**Charitable Grants &
Donations**



Why Use Evidence in Funding Requests?

Steward taxpayer dollars

Compete for resources

Understand, illustrate, and prioritize requests

Apply for external resources

Justify program adjustments

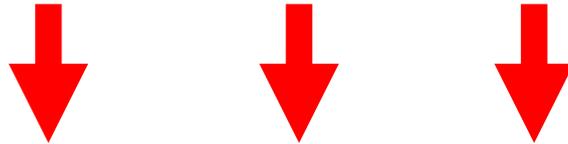
LEGISLATIVE
BUILDING





Best Practices for Building an Evidence Based Request

Agency Strategic Plan



Budget Request



Evidence

Justification Documentation Form



New for the Worksheet-II in 2024: Justification Documentation Form

- Questions answered in Word and attached to Worksheet-II (WS-II)
 - Required for WS-II Increases
 - **Not required for WS-II-EZs or WS-II Decreases**
- This form streamlines the sharing of information within agencies and reduces budget staff's burden.
- Template available on [Change Budget Job Aids](#) on OSBM's website



Justification Documentation Form

1. Request
Summary

2. Statement
of Need

3. Expected
Benefits:
Outputs

4. Expected
Benefits:
Outcomes

5. Current
Evaluation
Methods

6. Supporting
Evidence for
Request

7. Future
Evaluation
Methods

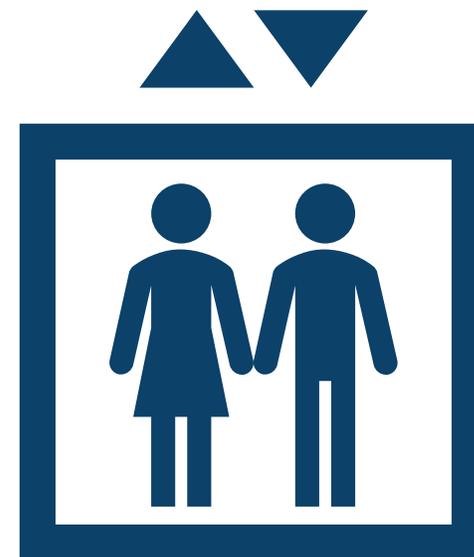
8. Cost
Estimate



1. Request Summary

Summarize your request in three to five sentences, including information on the specific activities, functions, services, and positions (if any) that will be provided if this request is funded.

- Elevator speech for your request





2. Statement of Need

What problem does this request seek to solve, or what opportunity does it seek to address?

- Describe: Critical needs, undesirable outcomes, or worthy opportunities
- Explain: Why this is a problem/opportunity? What happens if unaddressed?
- Document: Outcomes or impacts on workload or service delivery
- Align: With agency strategic plan, mission, and goals



3. Expected Outputs

What output(s) does the agency expect the request to deliver for the public, the quality of government services, and/or government efficiency?

- Output: a measure of units of a service delivered or product produced
 - Monitors coverage and efficiency

Examples

- Number of licenses issued
- Number of claims processed
- Average processing time
- Percentage of issues addressed during first call



4. Expected Outcomes

What outcome(s) does the agency expect the request to deliver for the public, the quality of government services, and/or government efficiency?

- **Outcome: a measure of results over time or after delivering a service or product**
 - **Signal of whether objectives are being met**

Examples

- Job placement rate
- Average wages
- Highway fatalities per year

Why does the agency believe the request will achieve the expected outcomes described above?

Finding Evidence to Support Budget Requests



New for the Worksheet-II in 2024: Justification Documentation Form

1. Request Summary

2. Statement of Need

3. Expected Outputs

4. Expected Outcomes

5. Current Evaluation Methods

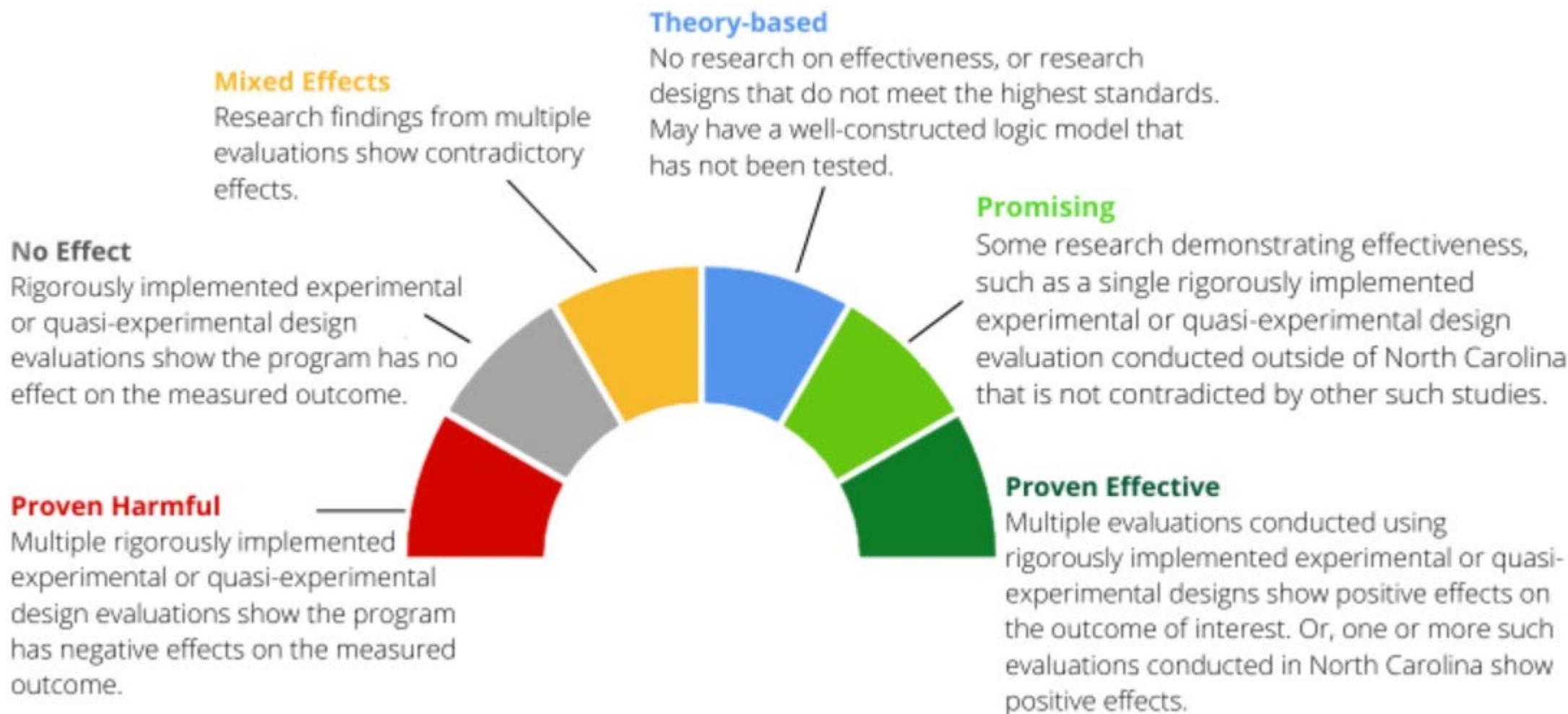
6. Supporting Evidence for Request

7. Future Evaluation Methods

8. Cost Estimate



OSBM Evidence Scale





6. Level of Supporting Evidence for Request

Based on the NC Evidence Scale, rate the level of existing evidence that supports why the request, if funded, will achieve the expected outcomes. If mixed effects, theory-based, or promising, then strongly consider including a request for funding to evaluate.

- Please describe why you selected the rating and how it supports your request.
- Attach or hyperlink to supporting documentation, including reports, studies, or other data analysis where applicable.



Types of Evidence

- Quantitative or qualitative information that show how likely a belief is to be true.
- Sources of Evidence
 - Research and clearinghouses
 - Program evaluations
 - Administrative data, program performance, & monitoring data
 - Trade associations, advocacy groups, & professional membership orgs
 - Surveys and focus groups
 - Other government entities

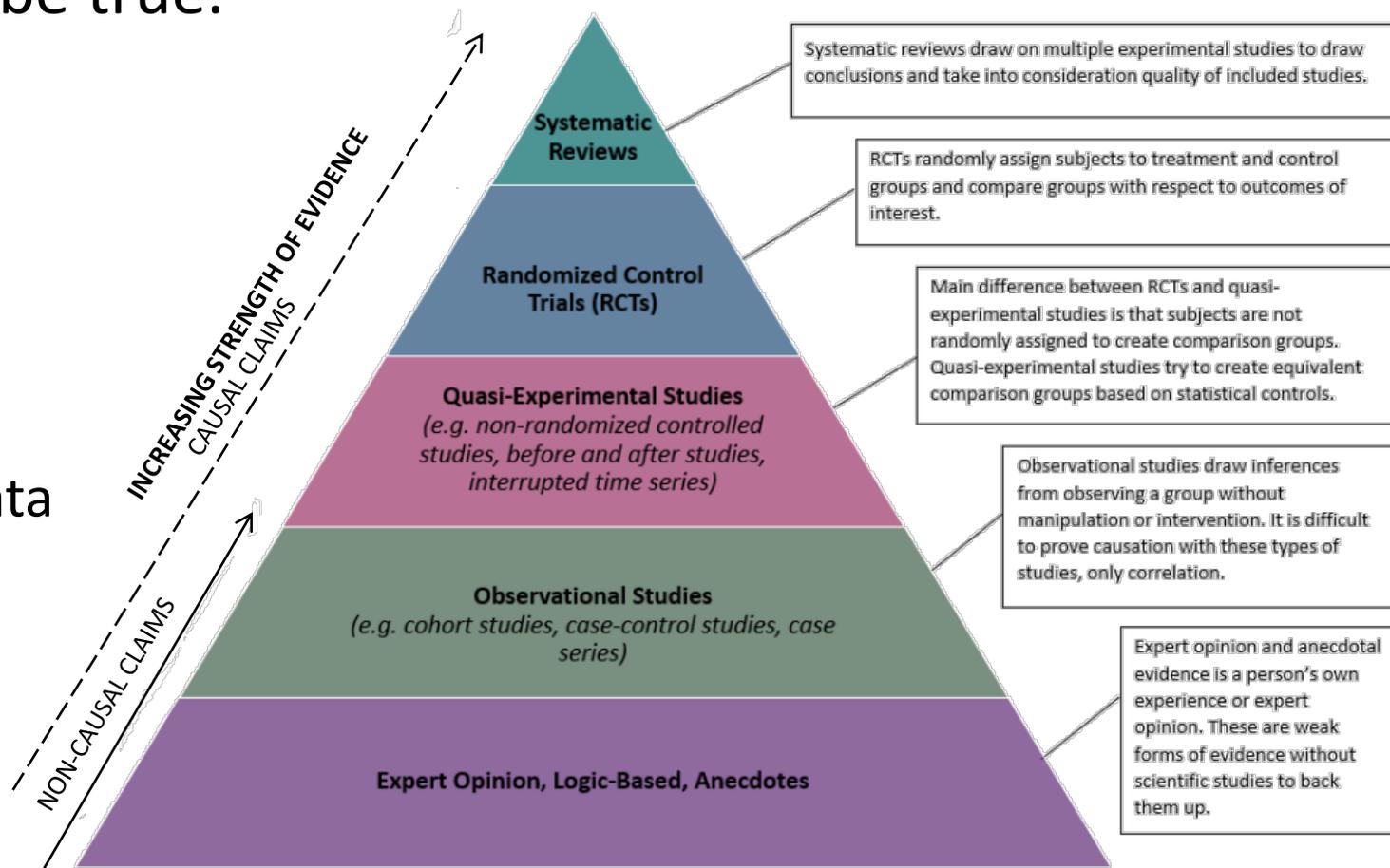


Figure 1: Evidence Hierarchy Pyramid



Common Evidence Needs

The type of question you have ...

- Why → What factors contribute to the issue or goal?
- Impact → What *existing* solutions are proven effective? (or test *new* ideas)
How well are our activities working?
- Efficiency → Which approach is most cost-effective?

...drives the type and sources of evidence you will use

- Existing literature Clearinghouses, Google Scholar, AI-assisted search
- Conduct impact evaluation OSP help finding [research partners](#)
- Collect and leverage data Own administrative data, performance measures
More [NC Open Data resources](#)
- Interviews, surveys
- Scan other states Traditional online search, AI-assisted search, [NCSL](#)



Things to Keep in Mind



Consider data validity and reliability



Stick to evidence that is relevant and generalizable



Consider the quality when choosing which evidence to include - ensure data is of sufficient quality to be reliable



Avoid only considering evidence that support your assumptions



Be transparent in discussing any limitations of evidence



5. Current Evaluation Methods

If the request is for an existing program or service, what methods do you currently use to evaluate effectiveness?

- Choose from the list of options or explain what you're doing using the "Other" choice.
- If you don't evaluate the program or service, please explain why.

What data gaps or resource needs exist that impact your ability to evaluate program or service performance for this request?

- If you identify gaps or resource needs, consider addressing them in this request!



7. Future Evaluation Methodology

If funded, what methods do you plan to use to evaluate effectiveness of this program or service?

- What metrics will you use to track your expected benefits?
- Do you have a system for tracking the data?
- Do you need funds for an evaluation or data collection?
- Are you still determining how to best evaluate effectiveness of the program or service? If so, someone from OSBM can reach out for consultation.
 - See also the Office of Strategic Partnerships website.



Types of Evidence

- Quantitative or qualitative information that show how likely a belief is to be true.
- Sources of Evidence
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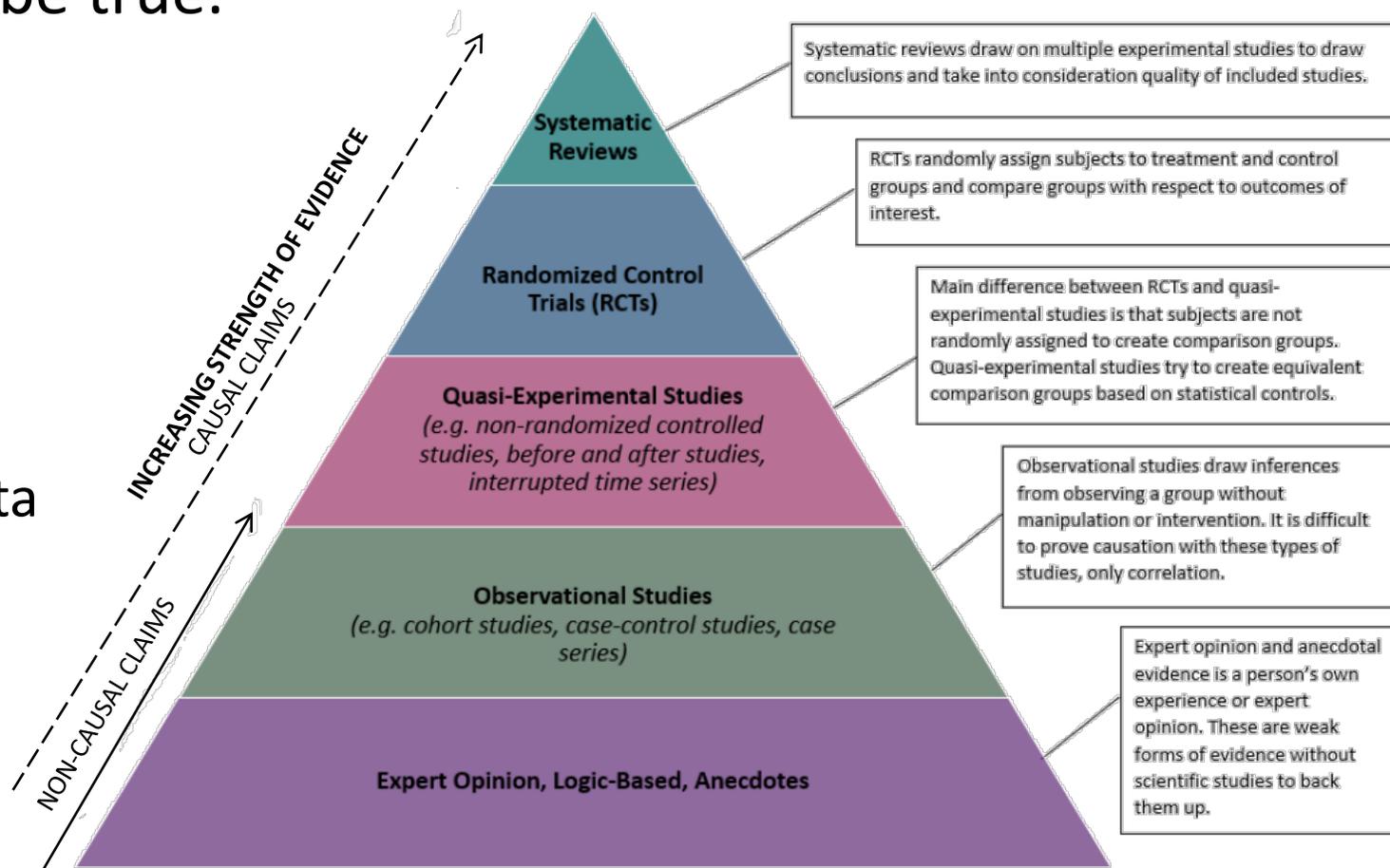


Figure 1: Evidence Hierarchy Pyramid



8. Cost Estimate Methodology

- **Provide any additional context about your cost estimate**
 - ✓ Note the key assumptions that drive the estimate.
 - ✓ Indicate how much of the total is allocated to evaluate a program or service.
 - ✓ If not included in the total, what is the amount needed to evaluate this program or service?
 - ✓ Indicate the source and the percentage of funding from each source for positions with multiple sources.



Helpful Hints for Cost Estimates

- ✓ For each new position's operating costs, OSBM will allow a standard amount of \$3,500 NR and \$3,000 R without additional backup information needed. If you wish to request a different amount, please include a separate justification.
- ✓ Reminder: Attach all backup calculations.





QUESTIONS?





OSBM Website: osbm.nc.gov/budget

- [Using Evidence to Drive Decisions](#)
- [Change Budget Job Aids](#)

NC State Government Open Data Resources

- [Log Into North Carolina \(LINC\)](#)
- [More](#)

Resources for Finding Evidence

- [Detailed Guide](#)



Activity: Thinking Through a Justification Documentation Form

Identify a new or existing program, service, or activity that you feel merits additional funding and could improve your agency's ability to fulfill its mission.

1. Request summary
2. Statement of need
3. Expected outputs
4. Expected outcomes
5. Current evaluation methods
6. Level of supporting evidence for request
7. Future evaluation methodology
8. Cost estimate methodology



Questions