



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Sheriff's Office



DATE: April 14, 2016
BOARD MEETING DATE: April 26, 2016
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors
FROM: Sheriff Greg Munks
SUBJECT: Annual Report on the Inmate Welfare Trust Fund

RECOMMENDATION:

Accept the report on the Inmate Welfare Trust Fund for the period July 1, 2014 through June 30, 2015

BACKGROUND:

The Inmate Welfare Trust Fund has been set up under California Penal Code §4025, which provides that the Sheriff may operate a commissary in the jail, and that profits shall be deposited into an Inmate Welfare Fund. Section 4025 also provides that refund, rebate, or commission received from a telephone company for inmates' use of telephones shall be deposited into the Inmate Welfare Fund. The fund may only be used primarily for the benefit, education, and welfare of the inmates, and maintenance of Sheriff's correctional facilities. This includes the cost of operating programs to benefit the inmates, including, but not limited to education, drug and alcohol treatment, welfare, library, accounting, and other programs deemed appropriate by the Sheriff. Section 4025 further specifies that an itemized report of disbursements must be submitted annually to the Board of Supervisors. Also included in this report is a summary of income.

DISCUSSION:

The Inmate Welfare Trust Fund generates revenues from two main sources. These are Inmate Commissary Sales and Inmate Telephone Commission from Securus Technologies, Inc., the current Inmate Telephone Service provider.

Total gross revenue in FY2014-15 was \$2,152,699. This includes commissary sales, prepaid calling cards and revenues from telephone commissions and other sources.

The total disbursements were \$2,111,935, which includes cost of goods sold of \$707,773, operating and other expenses of \$408,158, and other disbursements of \$996,003. At year end, the operation provided excess revenue over expenditure by \$40,765. This year end operating surplus was added to the beginning fund balance ending with a closing fund

balance of \$690,545 as of June 30, 2015.

In 2014, the Federal Communications Commission (FCC) had capped interstate inmate calling rates. Later the FCC also capped the local and in-state long-distance rates and also cut its existing cap on interstate long-distance rates by 50%. A combination of these capped rates will make it impossible for the Inmate Telephone Service provider to pay any commission to the Correctional Facilities that rely on these commissions to provide educational and recreational programs to the inmates.

Securus Technologies, Inc., our current Inmate Telephone Service provider and other Inmate Telephone Service providers around the country had appealed the ruling. We have just been informed that a stay has been issued. Once the final ruling has been made, we can gauge the impact that it will have on the Inmate Telephone Service and the commission that we may receive that goes towards inmate programs.

The Inmate Welfare Trust Fund Committee reviews the projected fund balance and revenue stream for the following year. The program providers will be contacted and informed of the anticipated level of awards for FY2016/17.

The Inmate Welfare Trust Fund is used to pay for a variety of in-custody support and reentry preparation services for inmates and the operation of the inmate library system. The fund also pays for the purchase of items that are used for and by the inmates for recreation and self-development, such as televisions and stand-alone computers. These items are placed in the day rooms and housing units throughout the Sheriff's correctional facilities.

Vision Alignment:

Acceptance of this report contributes to the Shared Vision 2025 - outcome of a Healthy Community, safe neighborhood, by enhancing the Sheriff's ability to continue providing recreational, educational and behavioral modification services to the inmates in the County correctional facilities. This will contribute to safe neighborhoods.

Performance Measures

The Inmate Welfare Trust Fund pays for various inmate services that are provided by external service providers. Some of the services that the inmates receive are listed below including the number of inmates that benefited.

Performance Measure(s):

Provider	FY 2014-15 Actual	FY 2015-16 Projected
Number of new admissions in Choices Program	363	360
Number of Mental Health intake assessments	2,967	2,999
Number of inmates assessed for GED Program	187	148
Number of inmates participating in religious services (coordinated by Service League)*	6,698	6,224

Number of inmates participating in Project Read literacy services*	188	195
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** One or more services may have been received by inmates during FY2014-15*

FISCAL IMPACT:

A committee consisting of the Assistant Sheriff, the Captain of the Corrections Division and a community representative oversees the Inmate Welfare Trust Fund operation. The committee approves yearly fund requests from the service providers and the facilities. The committee also makes recommendations for award of contracts, most of which (because of the dollar amount) come before the Board of Supervisors for approval. The personnel budget for the inmate commissary positions is contained within the Sheriff's Office annual budget, and is fully offset by commissary fund transfers.

The fund has been audited by Macias, Gini & O'Connell LLP, Certified Public Accountants.

There is no net county cost to the County's General Fund for the operation of the Inmate Welfare Fund Trust.