



County of San Mateo

Inter-Departmental Correspondence

Department: SHERIFF

File #: 16-159

Board Meeting Date: 5/16/2017

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Carlos G. Bolanos, Sheriff
Subject: Annual Report on the Inmate Welfare Trust Fund

RECOMMENDATION:

Accept the report on the Inmate Welfare Trust Fund for the period July 1, 2015 through June 30, 2016.

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 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 Commissions from Securus Technologies, Inc., the current Inmate Telephone Service provider.

Total gross revenue in FY2015-16 was \$2,140,934. This includes commissary sales, including prepaid calling cards and revenues from telephone commissions and other sources.

The total disbursements were \$2,141,301 which includes the cost of goods sold of \$735,129, operating and other expenses of \$439,701, and other disbursements of \$966,471. At year end, the operation resulted in excess expenditure over revenue by \$367. This year end operating deficit was subtracted from the beginning fund balance ending with a closing fund balance of \$690,178 as of June 30, 2016.

The Federal Communications Commission (FCC) rulings that capped certain inmate telephone calling rates impacted the level of commission that the Inmate Telephone Provider could pay the Inmate Welfare Trust Fund. The commission was renegotiated and reduced by \$25,000. Subsequent FCC rulings continued to impact the level of commission substantially and this will be reflected in FY 2016-17.

The current Inmate Telephone Service contract expires in May 2017, and the County has an option to renew the agreement for an additional one year period. A Request for Proposal will be issued in April, and Inmate Telephone Commissions will no longer be collected from the provider of this service.

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.

The Inmate Welfare Trust Fund Committee reviews the projected fund balance and revenue stream for the following year. Program providers will be contacted and informed of the anticipated level of awards for FY 2017-18.

PERFORMANCE MEASURES:

| Measure | FY 2015-16 Actual | FY 2016-17 Projected |
|--|------------------------------|---------------------------------|
| Number of new admissions in Choices Program | 423 | 425 |
| Number of Mental Health intake assessments | 2,498 | 2,500 |
| Number of inmates assessed for GED Program | 165 | 160 |
| Number of inmates participating in religious services (coordinated by the Service League)* | 6,240 | 6,200 |
| Number of inmates participating in Project Read literacy services* | 782 | 780 |

* One or more services may have been received by inmates during FY 2015-16.

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 and resulted in no findings.

There is no Net County Cost to the County's General Fund for the operation of the Inmate Welfare Fund Trust.