



## COUNTY OF SONOMA

575 ADMINISTRATION  
DRIVE, ROOM 102A  
SANTA ROSA, CA 95403

### SUMMARY REPORT

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**Agenda Date:** 11/16/2021

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**To:** Board of Supervisors

**Department or Agency Name(s):** Sheriff's Office

**Staff Name and Phone Number:** Andrew Ou, 565-2094

**Vote Requirement:** Majority

**Supervisorial District(s):** All

**Title:**

Inmate Welfare Trust Fund Annual Report

**Recommended Action:**

Receive the Fiscal Year 2020-2021 Inmate Welfare Trust Fund (IWTF) Annual Report. The funds described in this Report provide funding for programs primarily for the benefit, education, and welfare of the inmates confined within the Sonoma County adult detention facilities.

**Executive Summary:**

California Penal Code Section 4025(e) requires that this itemized annual report of expenses of the Inmate Welfare Trust Fund be submitted to the Board of Supervisors for review. Accordingly, the Fiscal Year 2020-2021 Inmate Welfare Trust Fund Annual Report is attached for the Board's information and review.

**Discussion:**

California Penal Code Section 4025(e) allows the Sheriff to authorize expenditures from the Inmate Welfare Trust Fund for items or programs primarily for the benefit, education, and welfare of inmates confined within the Sonoma County detention facilities. Any funds that are not needed for the benefit, welfare, education of inmates may be expended by the Sheriff for the maintenance of jail facilities, including but not limited to, the salary and benefits of personnel used in the programs to benefit the inmates. Inmate Welfare funds must be expended in accordance with the California Penal Code Section 4025(e).

The Sheriff is also authorized to operate a jail store, known as the Inmate Commissary, to sell goods to inmates. The Inmate Commissary is operated through the Jail Stores Trust Fund. All revenues from the operation of the Inmate Commissary are deposited in the County Treasury for the benefit of the Inmate Welfare Trust Fund. Expenditures from the Jail Stores Trust are primarily for the purchase of goods to sell to inmates through the Commissary. Per Sections 4.2B(a) and 4.15A, of the Inmate Welfare and Jail Stores Trust Policy, the profit generated from these sales is transferred to the Inmate Welfare Trust Fund.

The Inmate Welfare Trust Fund (IWTF) in recent years has been able to maintain a reserve to cover unexpected shortfalls in revenues and to fund unanticipated expenditures. Historically, there have been periods when the funds have failed to generate profit, and the fund balances were needed to offset operating shortages. The IWTF is managed by a Committee comprised of nine members: Detention Administrative Services Officer as the Committee Chair, Detention Operations Captain, Detention Special Services Captain, Inmate Programs Sergeant, Facility Manager/Lieutenant, Inmate Programs Lieutenant, Sheriff's Accounting Manager, Detention

Department Analyst, and a civilian representative. The Committee has deliberately avoided spending the accumulated fund balance over the past several years due to volatility in the revenue sources. Prior to the Public Safety Realignment initiative in 2011, revenue shortfalls required the County General Fund to subsidize jail programs in the County's adult detention facilities. Additionally, in 2013, the Federal Communications Commission (FCC) ordered a cap on phone rates in all prisons and jails, followed by a series of court challenges and legislative proposals that created uncertainty for the future of phone commission and commissary revenue. Most recently, on August 19, 2021, the California Public Utilities Commission (CPUC) adopted an interim phone call rate cap Statewide that will essentially eliminate future phone commission revenue, effective October 7, 2021. In response to the revenue instability, the IWTF Committee aims to maintain a significant reserve in the event that fund balance would be needed to offset declining revenue.

**FY 20-21 Financial Summary:**

The COVID19 pandemic has continued to affect the IWTF financially. The inmate average daily population declined during the pandemic and impacted phone revenue and commissary sales. At the same time, the inmate education programs expenses came in lower than budgeted because many services were canceled due to COVID safety restrictions. Overall, FY 20-21 experienced significant revenue declines compared to pre-pandemic years. These declines are projected to drop further based on the recent CPUC change.

**Revenues**

In FY 20-21, the Inmate Welfare Trust Fund's primary source of revenue (67%) came from commissary profit through the Jail Stores Trust. Another major source of revenue (23%) was the commission earned from the telephone vendor for inmate calls made from the Main Adult Detention Facility (MADF) and North County Detention Facility (NCDF). Miscellaneous sources contributed 10% of the revenue.

<b>FY 20-21 Inmate Welfare Trust Fund Revenues Budget vs. Actual</b>				
<b>Category</b>	<b>Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>%</b>
Commissary	\$540,000	\$415,352	(\$124,648)	-23%
Phone Commission	\$300,000	\$144,566	(\$155,434)	-52%
Other Revenues	\$83,413	\$65,135	(\$18,278)	-22%
<b>Total Revenues</b>	<b>\$923,413</b>	<b>\$625,053</b>	<b>(\$298,360)</b>	<b>-32%</b>

- In FY 20-21, the IWTF adopted budget's total revenue was \$923,413. The actual FY20-21 total revenue was \$625,053, yielding a negative variance of \$298,360 or 32%. The decline of inmate population due to COVID19 related actions also reduced the volume of commissary sales and phone calls. In addition, while in-person visiting was restricted based on pandemic restrictions, inmates were provided 10 minutes of free phone calls each day from February through June of 2021. The cost of these phone calls were deducted from telephone commission revenue.
- In comparison to FY 19-20 revenue, the FY 20-21 total revenue was down \$205,649 or 25%.

<b>FY 20-21 Jail Stores Trust Revenues Budget vs. Actual</b>				
<b>Category</b>	<b>Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>%</b>

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Total Revenues	\$1,598,308	\$1,186,225	(\$412,083)	-26%
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- In FY 20-21, Jail Stores Trust’s total budgeted revenue was \$1,598,308, and the total actual revenue was \$1,186,225 yielding a negative variance of \$412,083 or 26%. The revenue reduction was due to the sustained decline in inmate population and lower commissary sales.

**Expenses**

The Inmate Welfare Trust Fund has three major expense categories: salaries and benefits, inmate education programs, and services and supplies.

- FY 20-21 IWTF expenses were composed of Salaries & Benefits (57%), Inmate Education Programs (24%) and Services & Supplies (19%).
- The cost of salaries and benefits cover an Inmate Programs Deputy and an Inmate Programs Administrative Aide. These positions provide essential and ongoing administrative and operational support for the delivery of inmate programs including but not limited to: annual budget development, inmate conduct supervision, program provider contract management, facilitate provider facility access, coordination with the Detention Classification Unit to determine inmate program participation, and conduct records reconciliation.
- Inmate education programs provide education credit bearing courses, legal research and parenting/anger management classes. In addition, inmate education programs provide supplies including books, recreation, and art supplies.
- The Trust’s services and supplies expenditures include free phone debit cards for inmates, TV repairs/cable TV services, and inmate welfare bags.

<b>FY 20-21 Inmate Welfare Trust Fund Expenses Budget vs. Actual</b>				
<b>Category</b>	<b>Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>%</b>
Salaries & Benefits	\$353,431	\$338,137	(\$15,294)	-4%
Inmate Education	\$478,803	\$142,866	(\$335,937)	-70%
Services & Supplies	\$235,399	\$108,280	(\$127,119)	-54%
<b>Total Expenses</b>	<b>\$1,067,633</b>	<b>\$589,283</b>	<b>(\$478,350)</b>	<b>-45%</b>

- In FY 20-21, the IWTF total budgeted expenses were \$1,067,633. The actual total expenses were \$589,283, yielding a variance of \$478,350 or 45% less than budgeted. Many of the anticipated expenses for program services were reduced because of COVID19 and necessary safety restrictions.
- In comparison to last fiscal year’s total expenses, the FY 20-21 total expenses were reduced by \$92,724 or 14%.

<b>FY 20-21 Jail Stores Trust Expenses Budget vs. Actual</b>				
<b>Category</b>	<b>Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>%</b>
Total Expenses	\$1,578,960	\$1,214,867	(\$364,093)	-23%

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- In FY 20-21, Jail Stores Trust’s total budgeted expense was \$1,578,960, and the total actual expense was \$1,214,867 yielding a negative variance of \$364,093 or 23%. The expense reduction was due to a decline in inmate population and lower commissary cost of goods sold.
- of goods sold.

**Balances**

At the beginning of FY 20-21, the Inmate Welfare Trust Fund had a balance of \$1,636,181. During the fiscal year, it received \$625,053 in revenues and spent \$589,283 for a net balance increase of \$35,770. The FY 20-21 Inmate Welfare Trust Fund ending balance was \$1,671,951.

In FY 20-21, Jail Stores Trust Fund had a balance of \$123,508. During the fiscal year, the fund received \$1,186,225 in revenues and spent \$1,214,867 for a net balance decrease of \$28,642. The FY 20-21 Jail Stores Trust ending balance was \$94,866.

<b>Ending Balance</b>			
<b>Funds</b>	<b>Actual FY 19-20</b>	<b>Actual FY 20-21</b>	<b>Projected FY 21-22</b>
Inmate Welfare Trust F	\$1,636,181	\$1,671,951	\$1,386,163
Jail Stores Trust Fund	\$123,508	\$94,866	\$100,00
<b>Trust Fund Totals</b>	<b>\$1,759,689</b>	<b>\$1,766,818</b>	<b>\$1,486,163</b>

**Strategic Plan:**

N/A

**Prior Board Actions:**

Acceptance of the Inmate Welfare Trust Annual Report for the last 18 years; the Board accepted the most recent FY 19-20 annual report on November 10, 2020.

**FISCAL SUMMARY**

<b>Expenditures</b>	<b>FY 21-22 Adopted</b>	<b>FY22-23 Projected</b>	<b>FY 23-24 Projected</b>
Budgeted Expenses			
Additional Appropriation Requested			
<b>Total Expenditures</b>			
<b>Funding Sources</b>			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			

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Contingencies			
<b>Total Sources</b>			

**Narrative Explanation of Fiscal Impacts:**

This item is requesting acceptance of a prior year fiscal report and serves as a historical record for the Inmate Welfare Trust and Jail Stores Trust. The item has no fiscal impact.

<b>Staffing Impacts:</b>			
<b>Position Title (Payroll Classification)</b>	<b>Monthly Salary Range (A-I Step)</b>	<b>Additions (Number)</b>	<b>Deletions (Number)</b>

**Narrative Explanation of Staffing Impacts (If Required):**

None

**Attachments:**

FY 2020-2021 Inmate Welfare Trust Annual Report

**Related Items "On File" with the Clerk of the Board:**

None