



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Sheriff-Coroner
Department No.: 032
For Agenda Of: November 7, 2023
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Bill Brown, Sheriff-Coroner, (805) 681-4290
Directors(s)
Contact Info: Selim Celmeta, Lieutenant, (805) 681-4047
SUBJECT: Inmate Welfare Fund Annual Statement: Fiscal Year 2022-2023

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: No

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Receive and file the Annual Statement for the Inmate Welfare Fund for Fiscal Year 2022-2023; and
- b) Find that the proposed actions do not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to 14 CCR 15378(b)(5), in that they are government administrative activities that will not result in direct or indirect changes to the environment.

Summary Text:

California Penal Code §4025 requires that the Board receive and file information pertaining to the Inmate Welfare Fund annually. The purpose of this fund is primarily for the educational/vocational benefit of inmates, and to provide other services for inmates in the custody of the Santa Barbara County Sheriff's Office.

The Inmate Welfare Fund began Fiscal Year 2022-2023 with a balance of \$3,262,693.80 and closed with a balance of \$3,038,564.50. This net decline to the fund balance was the result of revenues received totaling less than expenditures by \$224,129.30. Inmate Welfare fund revenue for FY22/23 was \$1,624,854.60. During the same time frame, a total of \$1,848,983.90 in general and administrative expenditures were used for the benefit, education, recreation, and/or welfare of the inmates pursuant to Penal Code §4025. The shortfall of \$224,129.30 was drawn from the fund balance.

In recent years, the Inmate Welfare fund has experienced significant revenue decline as a result of regulatory changes associated with pay phone fees. Concurrently, we experienced an increase in salaries and benefits caused by the opening and operations of the Northern Branch Jail (NBJ) facility and the filling of previously vacant full-time equivalent (FTE) staff positions. The opening of the NBJ increased the amount and variety of programming offered; as such, the need for education materials, equipment and accessories associated with these inmate services has increased compared to the previous years.

Background:

Revenue for the Inmate Welfare Fund comes from three primary sources: 1) telephone commission payments from a pay telephone provider for inmate telephone calls, 2) inmate commissary sales commissions, and 3) commission from Jail Advertising Network (bail bondsman signs).

Although many different factors, including fluctuating daily inmate populations, can impact Inmate Welfare fund, the most significant and ongoing decline in revenue is attributed to legislative changes and the implementation of a price cap on inmate communication rates. The Federal Communications Commission (FCC) authorized the California Public Utilities Commission (PUC) to regulate the rates charged by telecommunications companies for inmate phone calls at the State level. On August 8, 2020, the FCC proposed to implement a price cap for all out-of-state and international phone calls made by incarcerated individuals. On August 19, 2021, the PUC decreased domestic calling rates from \$0.16 to \$0.07 cents per minute, and international calling rates from \$0.75 to 0.21 cents per minute.

Furthermore, any funds collected as result of paid inmate phone calls, must be deposited in the Inmate Welfare Fund and must be expended by the Sheriff primarily for the benefit, education and welfare of the inmates confined within the jail.

California Penal Code §4025 (d) states: “There shall be deposited in the incarcerated peoples’ welfare fund any money, refund, rebate, or commission received from a telephone company or pay telephone provider when the money, refund, rebate, or commission is attributable to the use of pay telephones which are primarily used by incarcerated people while incarcerated.”

California Penal Code §4025 (e) continues, “The money and property deposited in the inmate welfare fund shall be expended by the sheriff primarily for the benefit, education, and welfare of the inmates confined within the jail. Any funds that are not needed for the welfare of the inmates may be expended for the maintenance of county jail facilities. Maintenance of county jail facilities may include, but is not limited to, the salary and benefits of personnel used in the 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. Inmate welfare funds shall not be used to pay required county expenses of confining inmates in a local detention system, such as meals, clothing, housing, or medical services or expenses, except that inmate welfare funds may be used to augment those required county expenses as determined by the sheriff to be in the best interests of inmates. An itemized report of these expenditures shall be submitted annually to the board of supervisors.” Attachment A fulfills this statutory reporting requirement for Fiscal Year 2022-23.

Fiscal and Facilities Impacts:

Budgeted: N/A **Narrative:**

There are no fiscal or facility impacts associated with the acceptance and filing of this report. The Inmate Welfare Fund balance of \$3,038,564.50 as of June 30, 2023, is sufficient to sustain operating costs in the upcoming fiscal years. However, given the current and potential future legislative constraints on the

fund's ability to generate revenue through charges for services, the Sheriff's Office is continually evaluating the ability to reduce expenditures without substantially compromising services provided to the inmates in our care and custody. For the past two fiscal years, expenditures have outpaced revenues. To reverse this trend, the Sheriff's Custody Branch team is actively working to reduce future expenditures and bring them into alignment with anticipated revenues within the Inmate Welfare Fund. One example of this budget alignment effort is the close evaluation and reconsideration of all contracts that are paid for with the Inmate Welfare Fund. To date, the Sheriff's Office has identified an existing consultant contract that can be discontinued after June 30, 2024, which will save approximately \$107,000 beginning in FY 24/25.

Sheriff's staff will continue to monitor the Fund performance and make additional necessary adjustments to mitigate revenue deficits in future years. Given ongoing legislative changes and reduction in revenues, either the addition of new revenue sources, or expenditure and program reductions will likely be necessary to ensure the Inmate Welfare Fund remains solvent in the long-term.

Special Instructions:

Clerk of the Board: Please send an official Minute Order to the Sheriff's Office. Attention: CFO Hope Vasquez, and Lieutenant Selim Celmeta.

Attachments:

Attachment A: Inmate Welfare Fund Annual Statement Fiscal Year Ending June 30, 2023

Authored by:

Selim Celmeta, Lieutenant, Custody Support Division, Resources Unit
Santa Barbara County Sheriff's Office