



**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: August 20, 2024
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 2023-24

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

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 2023-24 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:

The 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 (FY) 2023-24 with a balance of \$3,038,564.50 and closed with a balance of \$2,706,583.67. This net decline to the fund balance was the result of revenues received totaling less than expenditures by \$331,980.83, primarily due to an overall increase in expenditures. Inmate Welfare Fund revenue for Fiscal Year 2023-24 was \$1,820,252.47. During the same time frame, a total of \$2,152,233.30 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 \$331,980.83 was drawn from the fund balance.

Background:

Sources of Inmate Welfare Fund revenues:

Funds for the Inmate Welfare Fund come from four primary sources: 1) telephone and tablet funds from a contracted telephone provider, 2) inmate commissary sales commissions from a contracted provider, 3) commission from Jail Advertising Network (bail bondsman signs), and 4) printshop revenues (services within County departments, government agencies, and non-profit organizations).

Explanation of Fund variance in FY 2023-24:

In recent years, the Inmate Welfare Fund has experienced revenue decline in pay phone fees due to legislative changes and the implementation of a price cap on inmate communication rates. In October 2021, the CA 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. Because of the applied price cap, in FY 2022-23 the domestic phone call revenues were reduced by 56% and international calling revenues were reduced by 72% compared to the previous fiscal year.

Additionally, a declining daily inmate population has resulted in lower revenue due to fewer commissary purchases and phone calls overall. However, at the end of FY 2022-23, the Sheriff's Office moved to a tablet system, where incarcerated individuals could purchase books and entertainment shows through tablets, and this revenue source has helped offset some of the losses from pay phone fees.

The Sheriff's Office printshop was re-opened in November of 2022, after being closed for five years due to the Printshop Supervisor position being vacant. Although the printshop costs currently outpace associated revenues, it provides a valuable vocational training for inmates, in addition to helping the Sheriff's Office with printed documents for internal use. Inmate training in the printshop started recently, and there have been three inmates who have completed this training (this number is limited due to safety reasons requiring that the Printshop Supervisor only supervise one inmate at a time). Those inmates trained in the printshop have not returned in custody, providing a 100% success rate. The Sheriff's Office is exploring other options to expand the variety of products made by the printshop, including expanding services to include engraving cups, stamping t-shirts, and designing award plaques. While implementing these new expanded services could increase printshop revenue, it would not increase the number of inmates trained through the printshop.

Regarding expenditures, the opening of the Northern Branch Jail (NBJ) has significantly increased the amount and variety of programming offered to incarcerated individuals. The implementation of new programs such as Behavioral Health Units (BHUs), Solar Installation Vocational Training, and tattoo removal necessitated an increase in educational materials, equipment, and accessories compared to the previous years. Concurrently, there has been an increase in expenditures associated with salaries and benefits of previously vacant positions that were filled in FY 2023-24.

Some of the staff positions funded through the Inmate Welfare Fund include: an Outreach Coordinator (Custody Chaplain) who provides spiritual and emotional support to incarcerated individuals and plays a major role in crisis interventions which often results in de-escalating the conflicts among inmates. Additionally, there is a Department Business Specialist who covers a wide range of tasks such as assisting with Inmate Services' daily operations, overseeing the Inmate Telephone and Tablet program, the Commissary, and the Legal Research Service Program.

Statutory requirements for Inmate Welfare Fund revenue usage:

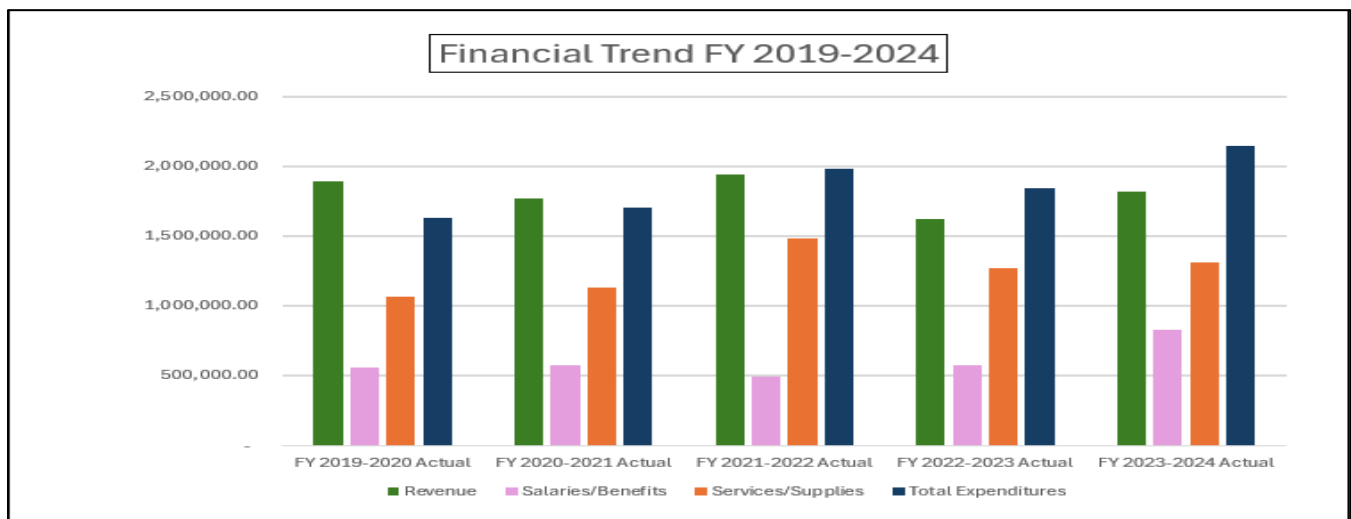
California Penal Code section 4025 (d) states: "There shall be deposited in the incarcerated peoples' welfare fund any money, refund, rebate, or commission received from a telephone company or pay telephone provider when the money, refund, rebate, or commission is attributable to the use of pay telephones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

Section 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 2023-24.

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 \$2,706,583.67 as of June 30, 2024, 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 three fiscal years, expenditures have outpaced incoming fund 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 incoming fund 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 and cancelled an existing consultant contract as of June 30, 2024, which will save approximately \$107,000 annually, beginning in FY 2024-25.

Sheriff’s staff will continue to monitor the Fund performance and make any additional necessary adjustments if needed to mitigate deficits in future years. Based on the current trend, the Fund should be able to sustain operations at current expenditure levels for several years; however, given the ongoing legislative changes and reduction in pay phone revenues, either the addition of new funding sources, or

decreases in expenditures and program reductions are likely necessary to ensure the Fund continues to remain 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, 2024

Authored by:

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