



APPROVED

November 7, 2023

COUNTY OF SONOMA

SUMMARY REPORT

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403
THE WITHIN INSTRUMENT IS A
CORRECT COPY OF THE ORIGINAL ON
FILE IN THIS OFFICE

ATTEST: November 7, 2023

M. CHRISTINA RIVERA, Clerk/Secretary

BY [Redacted]

Agenda Date: 11/7/2023

#28

To: Board of Supervisors
Department or Agency Name(s): Sheriff's Office
Staff Name and Phone Number: Tory Callaway, 565-2872
Vote Requirement: Informational Only
Supervisorial District(s): Countywide

	Aye	No
Gorin	X	
Rabbitt	X	
Gore	X	
Hopkins	X	
Coursey	ABSENT	ABSENT

Title:
Inmate Welfare Trust Fund Annual Report

Recommended Action:

Receive the Fiscal Year 22-23 Inmate Welfare Trust Fund Annual Report. The funds described in this Report support programs for the benefit, education, and welfare of incarcerated persons confined within the Sonoma County adult detention facilities.

Executive Summary:

California Penal Code Section 4025(e) requires an itemized annual report of expenses of the Inmate Welfare Trust Fund be submitted to the Board of Supervisors. Accordingly, the FY 22-23 Inmate Welfare Trust Fund Annual Report is attached for the Board's information and review.

Discussion:

California Penal Code Section 4025 authorizes the Sheriff to operate a jail store and to deposit any profit in an inmate welfare fund.

The Sheriff's Office Detention Division operates a store, known as Commissary, in the County adult detention facility. The Commissary is operated through the Jail Stores Trust Fund. Providing commissary service is not mandated. The Sheriff's Office provides, at no cost to incarcerated persons, three nutritionally balanced meals each day as well as clothing, medical, dental, and mental health services, incentives for positive behavior, and many essential hygiene items. The Commissary provides a supplemental opportunity for incarcerated individuals to purchase additional items that are not otherwise routinely available. All net revenues from the operation of the Commissary are deposited in the Inmate Welfare Trust Fund held in the County Treasury, per California Penal Code Section 4025(b). California Penal Code Section 4025(d) specifies that any money, refund, rebate, or commission received from a telephone company for services provided to incarcerated persons shall also be deposited in the Inmate Welfare Trust Fund.

California Penal Code Section 4025(e) requires that money deposited in the Inmate Welfare Trust Fund shall be expended by the Sheriff primarily for the benefit, education, and welfare of incarcerated persons confined within the jail. Expenditures may include the salary and benefits of personnel used in the programs to benefit incarcerated individuals, including, but not limited to, education, drug and alcohol treatment, welfare, library, accounting, and other programs deemed appropriate by the Sheriff.

Agenda Date: 11/7/2023

The Trust is administered through the Inmate Welfare Trust Committee which includes the Detention Administrative Services Officer II (Chair), Detention Special Services Captain, Detention Operations Captain, Detention Research and Planning Lieutenant, Detention Classification Lieutenant, Programs Sergeant, Programs Analyst, Sheriff's Accounting Manager, and two civilian representatives. The use of the Fund is guided by policy and procedures developed in accordance with relevant laws. Audits of the Fund are completed every two years by the County Auditor-Controller Treasurer-Tax Collector (ACTTC).

The Inmate Welfare Trust Committee recognizes the volatility of the Fund's revenue sources and takes seriously its responsibility to protect the Fund and use it only to benefit incarcerated persons. As detailed in the Annual Report ("Expenditures," pages 2 & 6), a range of educational, vocational, recreational, and support services and supplies are funded by the Inmate Welfare Trust Fund. Two Sheriff's Office staff positions (the Programs Correctional Deputy and Programs Administrative Aide) are also partially funded by the Trust. At the direction of the Programs Sergeant, they provide both mandated and non-mandated services, working with community partners and Detention Operations to facilitate the delivery of academic and other classes/services/activities referenced above.

History

Prior to the Public Safety Realignment initiative in 2011, Inmate Welfare Trust 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. On August 19, 2021, the California Public Utilities Commission (CPUC) adopted an interim phone call rate cap that eliminated phone commission revenue to the Inmate Welfare Trust, effective October 7, 2021. In response to revenue instability, the Inmate Welfare Trust Committee seeks to maintain a significant reserve in the event fund balance is needed to offset declining revenue.

FY 22-23 Financial Summary

The Inmate Welfare Trust received \$357,451 in revenue (including \$261,300 transferred from the Jail Stores Trust) and spent \$408,362 for a net cost of \$50,911. The ending fund balance was \$1,355,484.

The Jail Stores Trust received \$423,494 in revenue and recorded \$422,789 in expenditures (including \$261,300 transferred to the Inmate Welfare Trust) for a net cost of \$(704). The ending fund balance was \$147,922.

For additional details on both Trusts see the attached FY 22-23 Annual Report.

Strategic Plan:

N/A

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

Agenda Date: 11/7/2023

Acceptance of the Inmate Welfare Trust Annual Report for the last 20 years, most recently on July 11, 2023.

FISCAL SUMMARY

Expenditures	FY23-24 Adopted	FY24-25 Projected	FY25-26 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			

Narrative Explanation of Fiscal Impacts:

Acceptance is requested for a prior year fiscal report which serves as a historical record for the Inmate Welfare Trust and Jail Stores Trust. This item has no fiscal impact and is informational only.

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

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

FY 22-23 Inmate Welfare Trust Annual Report

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

N/A



SONOMA COUNTY SHERIFF'S OFFICE

EDDIE ENGRAM
Sheriff-Coroner

JAMES NAUGLE
Assistant Sheriff
Law Enforcement Division

MICHAEL MERCHEN
Assistant Sheriff
Detention Division

HEIDI KEITH
Chief of Financial and
Administrative Services

FY 22-23 Inmate Welfare Trust Fund Annual Report

The Inmate Welfare Trust Fund Annual Report serves to meet the requirement outlined in the California Penal Code, Section 4025(e) which requires that an itemized report of trust fund expenditures be submitted annually to the Board of Supervisors.

The Sheriff's Office oversees the operation of two separate trust funds: the Inmate Welfare Trust Fund and the Jail Stores Trust Fund. The Inmate Welfare Trust holds funds used for the benefit, education, and welfare of incarcerated persons confined within the County jail and is managed by the Inmate Welfare Trust Committee. The Jail Stores Trust was established as the operating fund for the jail commissary, the profits/commission from which are deposited in the Inmate Welfare Trust Fund. This Annual Report describes internal and external factors that impacted the Trust budgets and commissary operations in FY 22-23 and provides detailed lists of revenue and expenditures in Exhibits A and B.

Below are key factors that affected both Trusts in FY 22-23:

- FY 21-22 was a transition year for both Trusts, including loss of phone revenue as a result of the CPUC interim rate cap, and moving from a traditional jail store commissary operated by Sheriff's Office staff to a vendor-operated off-site commissary management system. FY 22-23 was the first full year without phone revenue, and with the Jail Stores Trust receiving commission instead of profit for Jail Store commissary operations.
- Commissary management services have been outsourced since March 2022. While it's too soon to identify trends or draw conclusions based on just one full year of data, the following can be reported: In FY 20-21, \$415,352 in profit was transferred from the Jail Stores Trust to the Inmate Welfare Trust. In FY 21-22, the transition was made from profit to commission, and \$230,000 was transferred. In FY 22-23, the first full year of a commission-based system, \$261,300 was transferred to the Inmate Welfare Trust plus a \$30,000 supplemental transfer after year-end close. The amount of time Detention staff spent on commissary work has decreased as a result of the new system, as reflected in the Jail Store Trust expenses for labor (even though salary and benefit costs have increased each year). Expenses for staff time spent on commissary operations were \$215,597 in FY 20-21, \$239,415 in FY 21-22, and \$116,909 in FY 22-23.

Administration
2796 Ventura Avenue
Santa Rosa, CA 95403
707.565.2781

Law Enforcement Division
2796 Ventura Avenue
Santa Rosa, CA 95403
707.565.2511

Detention Division
2777 Ventura Avenue
Santa Rosa, CA 95403
707.565.1422

Coroner
3336 Chanate Road
Santa Rosa, CA 95404
707.565.5070

- The current phone services provider at the detention facility agreed to make enhanced services tablets available to enable delivery of movie, music, text message and video visiting services to incarcerated individuals while also offering a new revenue source for the Inmate Welfare Trust Fund. Due to supply chain issues causing a delay in receiving and implementing the tablets, the provider agreed to a \$1,500 monthly grant to the Inmate Welfare Trust until the tablet services were implemented. The grant revenue totaled \$18,000 for the year.

The North County Detention Facility closed in November 2020 in response to the lower jail population caused by the pandemic. In FY 22-23 the facility remained closed, and the horticulture program housed there was permanently closed. The closure eliminated all commissary activity from the facility as well as vending machine revenue and expenditures. In its final year, the horticulture program expenses were significantly reduced due to the closure of NCDF.

Inmate Welfare Trust Fund FY 22-23 Financial Summary

Revenue: As in prior years, revenue generated in this fund came from: interest generated from the fund balance, the annual receipt of commissary proceeds from the Jail Stores Trust Fund, jail sign board revenue, and bail bond service fee commission (AllPaid). Revenue included the phone provider's grant which was received for the entire year. As described below, revenue generated in the Inmate Welfare Trust is used primarily for programs for incarcerated persons.

The incarcerated person population remained lower in FY 22-23 than pre-pandemic levels. In FY 22-23 the average daily population (ADP) was 725 compared to 1,073 in FY 18-19. Expenditures also remained lower than in typical pre-pandemic years. The Sheriff's Office continued to face challenges in providing programs at pre-pandemic levels, primarily due to critical staffing shortages that continue to impact programming opportunities. Sufficient staff was required to ensure the safety and security of both staff and incarcerated persons during all programs.

Expenditures: Funds are used for the benefit, education, and welfare of incarcerated persons confined within the County jail, and fall within the following three primary categories:

- Programs for Incarcerated Persons: a range of educational, vocational, literacy, legal, recreational and support services and supplies (books, religious accessories, school and art supplies, basketballs, etc.).
- Salary & Benefits for two Sheriff's Office staff: the Programs Correctional Deputy and Programs Admin Aide, who at the direction of the Programs Sergeant, work with community partners and detention staff to facilitate the delivery of academic and other classes/services/activities in the housing modules and classrooms.

- Other Services & Supplies: TVs, cable, newspaper subscriptions, incentives for positive behavior, biannual Trust audits, copier and office supplies for Program staff and the charter high school, and welfare bags for indigent persons.

The Inmate Welfare Trust generated \$357,451 in revenue (including \$261,300 transferred from the Jail Stores Trust) and spent \$408,362 with a net cost of \$50,911. The ending fund balance was \$1,355,484.

For comparison, in FY 21-22, the Trust generated \$291,313 in revenue and spent \$548,251. The net cost was \$256,938. In FY 20-21, revenue was \$616,434 and expenses were \$589,283. The net cost was (\$27,152).

INMATE WELFARE TRUST	FY 20-21	FY 21-22	FY 22-23
Revenue	\$ 616,434	\$ 291,313	\$ 357,451
Expenditures	\$ 589,283	\$ 548,251	\$ 408,362
Net Cost	\$ (27,152)	\$ 256,938	\$ 50,911

Exhibit A provides a detailed summary of the Inmate Welfare Trust revenues and expenditures for FY 22-23. Please note that this expenditure list does not represent all Programs services provided to incarcerated persons – it only represents those funded by the Inmate Welfare Trust.

Jail Stores Trust Fund FY 22-23 Financial Summary

Revenue: Jail Stores Trust revenue has historically come from Commissary sales, vending sales, and prior year revenue. Vending sales were eliminated with closure of the NCDF in November 2020. Since March 2022 the Commissary is operated by a 3rd party vendor. Revenue is now generated on a commission basis from the 3rd party vendor instead of profit under the prior operating model.

Expenditures: Jail Stores Trust expenditures are described below:

- Purchase of items for resale in Commissary: The shift to a third-party vendor for Commissary management in March 2022 significantly changed the way the jail store operates and budgets. Where past expenditures were primarily directed toward the purchase of products for resale, the introduction of the new management system made those purchases unnecessary. Most purchases are now outsourced, and no longer move through the Jail Stores Trust budget.
- Payroll for Sheriff’s Office staff for hours worked in Commissary: With the transition to the new commissary system, staff are no longer responsible for ordering and stocking merchandise or the processing and packaging of commissary orders. However, staff still have the responsibility of delivering commissary orders on a biweekly basis, processing any reconciling issues with missing or damaged products, and facilitating credits as needed.

- **Miscellaneous Expenses:** These may include administrative overhead, equipment maintenance, biannual audits, County ISD charges for one computer, the lease of a copier, and store office supplies.
- **Operating transfer of commission to the Inmate Welfare Trust:** An operational transfer to the Inmate Welfare Trust occurs at year-end. A supplemental operating transfer may take place when generated balance meets the threshold in accordance with the trust policy.

The Jail Stores Trust generated \$423,494 in revenue (including \$261,300 transferred to the Inmate Welfare Trust) and spent \$422,789 with a net cost of (\$704). The ending fund balance was \$147,922, sufficient to initiate an additional transfer after year-end close.

For comparison, in FY 21-22, the Trust generated \$960,493 in revenue and spent \$904,255. The net cost was (\$56,238). In FY 20-21, revenue was \$1,192,109 and expenses were \$1,214,868. The net cost was \$22,759.

Jail Stores Trust	FY 20-21	FY 21-22	FY 22-23
Revenue	\$ 1,192,109	\$ 960,493	\$ 423,494
Expenditures	\$ 1,214,868	\$ 904,255	\$ 422,789
Net Cost	\$ 22,759	\$ (56,238)	\$ (704)

Exhibit B provides a detailed summary of Jail Stores Trust FY 22-23 revenue and expenditures.

EXHIBIT A
Inmate Welfare Trust Fund Annual Report
 Fiscal Year July 1, 2022 – June 30, 2023

Beginning Fund Balance		\$1,406,395
REVENUE		
	Interest on Pooled Cash	27,817
	Unrealized Gain / (loss)	5,901
	Telephone Revenue	18,000
	Civil Process Services (jail sign board advertising)	43,050
	Charges for Services (kiosk commission)	338
	Prior Year Revenue Miscellaneous	1,044
	Refund (from General Fund per prior year audit)	0
	Transfer In from Jail Stores Trust	261,300
Total Revenue		\$357,450

EXHIBIT A (continued)
Inmate Welfare Trust Fund Annual Report
 Fiscal Year July 1, 2022 – June 30, 2023

EXPENDITURES	
Services and Supplies	
Maintenance – Equipment	566
Accounting/Auditing Services (Auditor biannual audit)	0
Client Accounting Svcs. (Auditor phone commission reconciliation)	0
Other Professional Services (cable TV at Main Adult Detention Facility)	5,481
Rents and Leases – Equip. (copier for programs and charter high school)	5,519
Training/Conference Expenses (CA Jail Programs Assoc conf.)	867
Memberships/Certifications	275
Other Supplies (inmate incentives)	18,027
Office Supplies (for programs office/assets)	355.43
Books/Media/Subscriptions (Press Democrat/penal code books)	15,062
Minor Equipment/Small Tools (TVs)	1,611
Computer Equipment/Accessories (iPads for distance learning)	0
Special Department Expense (vocational nursery/horticulture program)	21,600
Support and Care of Persons (indigent commissary, welfare bags)	13,809
Total Services and Supplies	\$83,171
County Services Charges	
Programs Correctional Deputy	151,059
Programs Administrative Aide	86,180
Total County Services Charges	\$237,240
Inmate Education	
CA Parenting Institute (anger mgmt, parenting)	0
Friends Outside (inmate and family support)	26,247
Goodwill (job skills training)	0
Sonoma County Library (literacy, library services)	31,066
Legal Research Associates (law library services)	22,894
Religious supplies	0
Activities (holiday cards, art, composition, paper, basketballs)	405.24
Books (change, religious, book club, library, legal)	3,103
Other (handballs, dominoes, TVs, Dice, etc.)	4,236
Total Inmate Education	\$ 87,951
Total Expenditures	\$ 408,362
Beginning Fund Balance	\$ 1,406,395
Ending Fund Balance	\$ 1,355,484
Change in Fund Balance	\$ (50,911)

EXHIBIT B
Jail Stores Trust Fund Annual Report
 Fiscal Year July 1, 2022 – June 30, 2023

Beginning Fund Balance	\$147,217
REVENUE	
Unrealized Gain / (loss)	1,742
Commissary Commission (full year)	445,728
Commissary Sales (transfer of indigent credits)	2,801
Prior Year Revenue -- (overestimation of commission)	(26,778)
Total Revenue	\$423,494
EXPENDITURES	
Commissary Merchandise	
Communication	0
Food and Beverages	15,924
Clothing/Personal Supplies	974
Office Supplies	582
Mail and Postage Supplies	0
Total Merchandise Expenditures	\$17,480
Operating Expenditures	
Maintenance - Equipment	0
Administrative Overhead	23,684
County Audit Services	0
Commissary Staff Payroll	116,909
Rents and Leases – Equipment	455
ISD Baseline Services	2,961
Printing and Binding Supplies	0
Total Operating Expenditures	\$144,009
Operational Transfer	
Transfer to Inmate Welfare Trust	\$261,300
Total Expenditures & Operating Transfers	\$422,789
Beginning Fund Balance	\$147,217
Ending Fund Balance	\$147,922
Change in Fund Balance	\$704