

MOTION BY SUPERVISOR HILDA L. SOLIS

November 2, 2021

Fiscal Responsibility: Comprehensive Review and Audit of the Inmate Welfare Fund and Understanding the Needs of People Who are Incarcerated in the Los Angeles County Jails

For decades, the LA County Sheriff’s Department has, by marking up costs of phone calls and commissary items, placed a significant fiscal burden on families of incarcerated people attempting to support their loved ones’ ability to communicate and supplement meals they receive in the jails. Annually, the Inmate Welfare Fund (IWF), where these profits are collected and contained, accrues about \$15 million dollars, of which 49% is used for jail maintenance and 51% for programming (percentages of disbursement set by the Sheriff) for people who are incarcerated.

In May of 2021, the Board of Supervisors (Board) committed to exploring how to achieve the goal of removing these financial burdens on families (i.e., by providing free phone calls and eliminating profits and mark-ups on commissary items in the Los Angeles County jails and juvenile camps and halls), by directing the Auditor-Controller

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(A-C) to conduct a financial and compliance audit of the Sheriff's IWF.¹

The A-C issued its report back to the Board on October 6, 2021, which covered an evaluation on two past A-C audits on the IWF. Both audits included a total of 12 recommendations and in their evaluation and review, they indicated that the Sheriff's Department had "fully implemented four recommendations, partially implemented three recommendations, and has not implemented five recommendations."² The A-C's report back also indicated that a private accounting firm is auditing the Sheriff's usage of IWF revenues and whether these complied with California Penal Code 4025, which will be completed in November 2021.³

Additionally, the A-C's audit found that the programs funded by the IWF do not have key performance indicators or ways to assess outcome, meaning there are no data-based measures to show how these IWF-funded programs are benefiting those they are supposed to help, whether these programs are wanted or needed by the incarcerated community, and other quantifications.

Many of the responses the Sheriff's Department gave to A-C as to why it couldn't implement the recommendations related to developing an ongoing-self-monitoring process in reviewing IWF funding allocations, delays in formalizing and finalizing standards and procedures related to IWF processes and controls and creating a multi-year spending plan was due to "staff shortages and other priorities."⁴

Most concerning, however, is the lack of comprehensive oversight on the use of

¹ <http://file.lacounty.gov/SDSInter/bos/supdocs/158401.pdf>

² http://file.lacounty.gov/SDSInter/auditor/audit_reports/1113792_2021-10-06Sheriff_sDepartment-InmateWelfareFundFinancialandComplianceReview_May18_2021_BoardAgendaItem13_.pdf

³ Ibid.

⁴ Ibid.

the funds, the amount of oversight the Inmate Welfare Commission (IWC) has, and how the IWF funds are approved. The Department maintains that it “do[es] not believe extending IWC authority to include oversight over IWF jail maintenance is appropriate,”⁵ and that the IWC “reviews all jail maintenance expenditures retroactively during their monthly meetings...”⁶

While the IWC provides some level of oversight, in practice, it is largely toothless. Though California Penal Code Section 4025 does not require the IWC to oversee jail maintenance expenditures, doing so would increase transparency on how the IWF, which totaled \$11.8 million dollars in fiscal year 2018-19, is used.

The principal argument offered in opposition to shifting the fiscal burden away from families is that the profits from phone calls and commissary items are needed for programs that benefit people who are incarcerated. However, the recent audits conducted by the A-C, as well as the recent report back indicate the need for a comprehensive, deep dive into the type of programs and services that are being funded by the IWF and provided to people who are incarcerated.

As the other County Departments, including ISD, CEO, and the Sheriff’s Department, continue to work on their report back to the Board on next steps on the options they presented to the Board regarding the feasibility of moving to a free phone call system and eliminating profits; it is equally important for the Board to also ensure that the IWF funds are supporting the programs that the incarcerated community needs and wants; these same programs have successful and useful outcomes; and the funds

⁵ http://file.lacounty.gov/SDSInter/auditor/audit_reports/1113792_2021-10-06Sheriff_sDepartment-InmateWelfareFundFinancialandComplianceReview_May18_2021_BoardAgendaItem13_.pdf

⁶ Ibid.

are not being used when appropriate sources should be accessed.

However, to do so, additional information is needed to determine the best course of action with IWF-funded programs when the County moves forward to make phone calls free and commissary items “at cost” in the jails. This will not only fairly shift the fiscal burden away and halt the profiting off of families by stopping the revenue flow that supports the IWF, but also ensure fiscal responsibility over programs funded by the IWF.

I, THEREFORE, MOVE that the Board of Supervisors:

1. Direct the A-C to perform a programmatic audit of the IWF and report back to the Board of Supervisors in writing in 120 days. The audit should include:
 - a. An accounting of all programs funded by the IWF over the last three completed fiscal years.
 - b. An analysis of current programs funded by the IWF to determine if the programs are effective in achieving their goals of servicing the incarcerated population. The analysis should include:
 - i. The stated purpose of each funded program and any short-term and long-term performance goals.
 - ii. How data is collected and utilized for each program.
 - iii. Available information about funded program development, such as any needs assessments that were conducted and whether programs are evidence-based.

- c. An evaluation of the Sheriff's Department's and the IWC's process for identifying, proposing, and approving new programs that are funded by the IWF. This should include evaluating the process for determining whether existing programs should be continued or if additional programs need to be provided or offered.
2. Direct County Counsel to provide legal support to the A-C in completing Directive #1.

I, FURTHER, MOVE THAT THE BOARD OF SUPERVISORS:

3. Direct the Sybil Brand Commission, in collaboration with the Sheriff Civilian Oversight Commission, to conduct a survey of individuals who are incarcerated in the LA County jails on the type of programming and services they want and need while incarcerated and in preparation for release and reentry.

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