



June 1, 2018

Honorable Becky L. Dugan  
Presiding Judge  
Riverside County Superior Court  
4050 Main Street  
Riverside, CA 92501

Re: Response to 2017-2018 Grand Jury Report: Riverside County Sheriff's  
Corrections Division Inmate Welfare Fund.

Dear Judge Dugan:

Pursuant to California Penal Code §§ 933 et seq., please find enclosed the response of the Riverside County Sheriff's Department to the above-entitled Grand Jury Report within the designated sixty (60) day time period.

The Riverside County Sheriff's Department is not in agreement with the Grand Jury's findings. However, some of the recommendations will be implemented in the future. We appreciate the Grand Jury's review of the Corrections Division Inmate Welfare Fund.

As always, please feel free to contact me should you have any questions regarding this or any other matter. I may be reached at (951) 955-0147.

Sincerely,

A handwritten signature in blue ink, appearing to be "Stan Sniff", written over a blue circular stamp.

STAN SNIFF, SHERIFF  
RIVERSIDE COUNTY

Cc: Riverside County Board of Supervisors (c/o Clerk of the Board)

Enclosure – Response to Specific Findings and Recommendations with attached Exhibits  
1 through 4.

# RIVERSIDE COUNTY SHERIFF'S DEPARTMENT

## Response to Specific Findings and Recommendations

### **FINDINGS:**

#### **Number 1:**

##### **THE INMATE WELFARE FUND (IWF) OPERATES AS A CLOSED SYSTEM**

The IWF operates as a closed system with little to no independent internal review and limited external review. The following policies listed below show the IWF is administered internally by the Inmate Welfare Fund Committee (IWFC) with an annual expense statement sent to the BOS.

IWF Policy 501.13 §2.0 states:

The Inmate Welfare Fund (IWF) shall be administered by a committee designated by the Sheriff. The IWF shall be governed by its own bylaws and procedures. The IWF determines how the fund monies are generated, through private contracts, and spent.

IWF Policy 501.13 §3.0 states:

The Inmate Welfare Fund committee will administer all revenue and expenditures from the IWF. Included are the commissary operations, telephone commissions, inmate welfare operations, and any other contracted services within this area.

The IWFC Bylaws and Policies state the IWFC consists of the following entities appointed by the Sheriff:

**A: Voting Members:**

- Corrections Division Chief Deputy (Support Services)
- Corrections Division Chief Deputy (Operations)
- Robert D. Presley Detention Center Commander
- Larry D. Smith Correctional Facility Commander
- Southwest Detention Center Commander (Facility now known as the Cois Byrd Detention Center)
- Indio Jail Commander (Facility now known as the John J. Benoit Detention Center)
- Blythe Jail Commander
- Coordinated Custody Management Commander
- Corrections Division Administrative Manager (SITE-B)

- Sheriff's Finance Director
- Citizen member appointed by the Sheriff (at Sheriff's discretion)

**Regular Attendees (Non-voting):**

- Corrections Division Administrative Manager (FINANCE)
- Corrections Division Accountant II

**B: Chairperson/Secretary [18]**

The chairperson will preside over the IWFC meetings and manage the functional operations of the IWF. The secretary will handle the day-to-day matters concerning the IWF and act as custodian of committee meeting minutes and other pertinent records. The secretary will be responsible for preparing and maintaining a written record of all IWFC meetings and telephone polls. A copy of the minutes will be distributed to the Sheriff and all IWFC members within seven days following the meeting or poll. The IWFC shall vote to approve or amend the minutes at their next scheduled meeting. The minutes shall reflect any recommended changes or vetoes to proposals made by the Sheriff. These records are kept for three years plus the current year.

**Response:**

**Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff's Department ("RCSD") disagrees with the characterization by the Grand Jury that "The IWF operates as a closed system with little to no independent internal review and limited external review" on the basis that it is inaccurate, incomplete and misleading.

The IWF operates as provided by law in accordance with California Penal Code § 4025. The Inmate Welfare Fund Committee ("IWF-C") is an advisory body established by the Sheriff. The purpose of the IWF-C is to assist the Sheriff with the day-to-day administration of the IWF and to develop and/or review and approve proposals for expenditure. The Sheriff is the trustee of the IWF and maintains executive overview of the IWF-C. The Sheriff has sole authority to accept, reject, or amend decisions made by the committee.

The RCSD operates according to a structured chain of command management system. Although the IWF Bylaws do not specifically state how information will be routed in all cases to the Sheriff, it is understood that the RCSD follows the chain of command. As such, it is understood that for the Sheriff to receive an expenditure request, it must be routed through the chain of command, which includes the Assistant Sheriff of Corrections and the Undersheriff, both of whom are not members of the IWF-C.

In addition to having a citizen member of the IWF-C to allow for external review, the IWF is audited annually by an outside auditing firm selected through the County Purchasing Department via the Request for Quote (RFQ) process. Per the IWF Bylaws, Section VI. B., a non-County entity or outside accounting firm shall conduct an annual audit of the IWF. The Corrections Administrative Manager (FINANCE) will initiate and coordinate with the Sheriff's Contracts Unit a request for quote for audit services in accordance with Riverside County Purchasing guidelines. These entities, with the approval and concurrence of the Corrections Division Chief Deputy for Support Services, will select the outside accounting firm to prepare said audit. To avoid exclusivity, the accounting firm will rotate every three years.

## **Number 2:**

### **15-DAY RULE IS NOT A POSITIVE INTERNAL CONTROL**

The IWF Committee Bylaws and Policies, Section V-IWF Expenditures, Subsection B, Specific Guidelines and Expenditures - Fifteen Day Rule, [18] states in part:

The release of IWF monies by the Corrections Division Administrative Manager (FINANCE)... will be delayed fifteen (15) days from the time the IWF-C voted to approve the expenditures... This delay allows the Sheriff reasonable time to review any IWF-C actions and to make any amendments or recommendations he/she may choose, or veto an action... The Sheriff may choose to approve IWF-C actions by simply not responding to the IWF Chairperson within the 15-day time frame. In this case, the IWF-C's recommendations... will stand as approved and the Corrections Administrative Manager (FINANCE) will be authorized to issue the money ... [sic]

## **Response:**

### **Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff's Department ("RCSD") disagrees with the conclusory characterization by the Grand Jury that "15-DAY RULE IS NOT A POSITIVE INTERNAL CONTROL," on the basis that it is inaccurate, vague and ambiguous.

Section V.B.1 of the IWF Bylaws covers the subjects of specific guidelines and expenditures. The IWF Bylaws established the 15-day rule as an internal control to ensure a reasonable amount of time for the Sheriff, trustee of the IWF, to review and approve substantial expenditures before funds are released. Substantial expenditures are any expenses not included in the annual operational budget. Subsection B further provides, "this delay allows the Sheriff reasonable time

to review any IWF-C actions and to make any amendments or recommendations he/she may choose or veto an action” including extending the period beyond 15-days.

Expenditures are classified under one of two categories, operational and substantial. Section III of the IWF Bylaws defines an operational expenditure as “Pre-approved amounts and categories for on-going and day-to-day operational expenditures.” An operational budget encompassing all on-going costs is approved annually and before each fiscal year. Section III of the IWF Bylaws define a substantial expenditure as “Expenses not included in the operational costs.”

The 15-day rule applies to any substantial expenditure regardless of cost; which means no monies above the operational costs can be spent without the Sheriff being afforded a reasonable amount of time to review and approve, modify, deny or extend the time for decision on a proposed expenditure. As a result, the 15-day rule operates as a beneficial internal control as it relates to consideration of matters involving “substantial expenditures.”

### **Number 3:**

#### **THE JAIL COMMANDER CAN OVERRIDE THE IWF-C DECISION**

The Inmate Welfare Fund Policy 501 .13, Section 6.1 - Facilities [8] states:

The jail Commander may approve Inmate Welfare Fund expenditures for inmate programs and maintenance of the facility.

This process bypasses the IWFC approval as required in the Bylaws. [18] Any funds not needed for the welfare of the inmates may be expended for the maintenance of the County jail facilities, within the guidelines set forth in the Bylaws.

### **Response:**

#### **Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff’s Department (“RCSD”) disagrees with the characterization by the Grand Jury that “THE JAIL COMMANDER CAN OVERRIDE THE IWF-C DECISION” on the basis that it is inaccurate, incomplete and misleading.

Section V.B.2 of the IWF Bylaws provides that a facility commander may expend funds for day-to-day operational expenditures, where such operational expenditure amounts and spending categories were previously reviewed as part of the IWF-C process and authorized by the Sheriff and not requiring any further approval.

Ongoing operational expenses are purchased and processed throughout the fiscal year. Section V.B.2 of the IWF Bylaws further states, “Facility commanders and the Corrections Division

Administrative Manager (SITE-B) may purchase the approved general materials, supplies, and equipment for each of their respective operations without further committee approval in accordance with the IWF Revenue/Expense Processing Procedures.”

Section 6.1 of Corrections Division Policy 501.13 states, “The jail commander may approve inmate welfare fund expenditures for inmate programs and maintenance of the facility.” In conjunction with the IWF Bylaws provisions cited above, this policy authorizes the facility commander to approve and process these on-going and day-to-day **pre-approved** operational costs throughout the fiscal year. As a result, it does not authorize a facility commander to circumvent the IWF-C approval and Sheriff authorization process because items not included in the pre-approved operational costs must be submitted to and approved by the IWF-C and the Sheriff.

**Number 4:**

**CURRENT CIVILIAN MEMBER OF THE IWFC COMMITTEE LACKS INDEPENDENCE**

There was information obtained during a meeting with Sheriff personnel, in addition to a memorandum [15] provided by the Sheriff, which revealed that the civilian member is a voting member nominated by IWF-C members and the person selected is appointed by the Sheriff. The current civilian member is a retired Assistant Sheriff from the RCSD, who was appointed several years ago.

Currently, no formal training or training manual exists in order to train a civilian who is not a former Sheriff employee. Therefore, there is no true, impartial or neutral citizen representative sitting on this committee. A single "civilian" cannot truly represent the more than three million citizens of the County. True public transparency requires more than one civilian member.

**Response:**

**Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff’s Department (“RCSD”) disagrees with the characterization by the Grand Jury that “no formal training or training manual exists in order to train a civilian who is not a former Sheriff employee,” on the basis that it is inaccurate, incomplete and misleading.

Upon appointment to the IWF-C, new members are provided with a binder containing a variety of guiding documents such as the IWF Bylaws and policies, sample IWF meeting minutes, brochures relevant to the various inmate programming opportunities and services which are offered, relevant California Penal Code sections, applicable laws such as the Religious Land Use and Institutionalized Persons Act (RLUIPA), and Title 15 Minimum Standards for Local Detention Facilities, Division 1, Chapter 1, Subchapter 4. A review of these documents, which serve as guidance for the conduct of the IWF-C, reveals that they are written in plain English, free of jargon,

and easy to understand. For example, the duties and responsibilities of the IWF-C are specifically outlined in the IWF Bylaws in Section IV.F:

#### F. Duties and Responsibilities

At the direction of the Sheriff, the IWF-C will have the following duties and responsibilities:

1. The IWF-C will administer all revenue to and expenditures from the IWF. Included are commissary operations, telephone commissions, inmate welfare operations and any contractual agreements for services within these areas.
2. The committee will establish guidelines for these administrative responsibilities. These guidelines shall include pre-approved amounts and spending categories for day-to-day operational expenditures from the IWF, authorized by the Sheriff and not requiring further approval. Annually at the end of each fiscal year, the board will review and establish the approved operational spending amounts and categories for the following fiscal year.
3. In addition, the committee will also develop and/or review and approve all proposed substantial expenditures from the IWF. They will oversee the preparation of an annual report of IWF expenditures for the County's Board of Supervisors.
4. All proposals for substantial IWF expenditures and any contracted services must be approved by the IWF-C by a majority vote at any IWF-C meeting or as a result of a telephone or e-mail poll of the committee's members.
5. All IWF purchases and any contracted services shall follow purchasing guidelines. This is to ensure that purchases or contracts are the best deal or acted upon in good faith on behalf of the inmate beneficiaries. By using the established standards provided by the Purchasing Department, a paper trail for auditing purposes is created.

Upon appointment to the committee by the Sheriff, all members (citizen or not) are expected to read and become familiar with these guiding documents and adhere to them. Newly appointed members are mentored by existing members and are expected to provide input based on their reading and comprehension of the guiding documents. Newly appointed members routinely seek guidance by asking questions of the experienced committee members. This method of training is congruent with the normal practices of training for any person in a new assignment, whether in the public or private sector.

Respondent RCSD disagrees with the characterization by the Grand Jury that "... there is no true, impartial or neutral citizen representative sitting on this committee," on the basis that it is inaccurate, incomplete and misleading.

Although the voting citizen member of the IWF-C is a retired Assistant Sheriff from RCSD, the implication that such member lacks impartiality is without merit. The current citizen member is a former Sheriff's employee and current resident of Riverside County who provides a valuable historical perspective. Such citizen member's wealth of experience and institutional knowledge from time spent within RCSD serves to increase accountability and bolster the decision-making process regarding IWF expenditures.

Respondent RCSD disagrees with the characterization by the Grand Jury that "A single "civilian" cannot truly represent the more than three million citizens of the County. True public transparency requires more than one civilian member," on the basis that it is inaccurate and misleading.

The IWF operates as provided by law in accordance with California Penal Code § 4025. The IWF-C is an advisory body established by the Sheriff. The purpose of the IWF-C is to assist the Sheriff with the day-to-day administration of the IWF and to develop and/or review and approve proposals for expenditure. The Sheriff is the trustee of the IWF and maintains executive overview of the IWF-C. The Sheriff has sole authority to accept, reject, or amend decisions made by the committee. Moreover, the Sheriff is an elected official who serves all of the residents of Riverside County.<sup>1</sup>

## **Number 5:**

### **FEES CHARGED TO FAMILY AND FRIENDS**

There are fees charged to the family and friends of County inmates per the Professional Service Agreement for Jail Commissary Services between the County of Riverside and Contractor, dated October 25, 2016, [12] for deposit of funds to trust accounts. No fees for this process will be borne by the County.

The County has agreed that the Contractor may charge these fees for deposit services. The Deposit Services Fee Structure is as follows:

#### **Cash Fee Structure**

<u>Gross Amount Deposited</u>	<u>Cash at Lobby Kiosk</u>
\$0.01-\$20.00	\$1 .00
\$20.01-\$40.00	\$2.00
\$40.01-\$200.00	\$3.00

<sup>1</sup> According to the most recent report issued by the U. S. Census Bureau on March 22, 2018, the population of Riverside County stands at 2,423,266 as of July 1, 2017.



**Credit Card Fee Structure**

<u>Gross Amount Deposited</u>	<u>Web</u>	<u>Phone</u>
\$0.01-\$19.99	\$2.95	\$3.95
\$20.00-\$99.99	\$5.95	\$6.95
\$100.00-\$199.99	\$7.95	\$8.95

Orange, San Bernardino, and San Diego County Inmate Welfare Fund contracts do not charge deposit fees.

**Response:**

**Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff’s Department (“RCSD”) disagrees with the characterization by the Grand Jury that “Orange, San Bernardino, and San Diego County Inmate Welfare Fund contracts do not charge deposit fees” on the basis that it is an inaccurate and misleading portrayal of how inmate deposits are treated by these three counties in comparison to the RCSD IWF.

A fee structure for deposits to inmate trust accounts can be found directly in the San Bernardino and San Diego County IWF commissary contracts. A cursory investigation into the matter revealed that it is inaccurate and misleading to say these three counties do not charge deposit fees and/ or provide the same level of convenient access to making deposits to inmate trust accounts similar to that offered by RCSD. Both San Bernardino and San Diego County Sheriff’s Departments do in fact charge deposit fees. While the Orange County Sheriff’s Department does not charge deposit fees, they also do not provide for convenient deposit service similar to the surrounding counties. Each of the counties referenced by the Grand Jury will be discussed in detail below.

**Orange County Sheriff’s Department**

The Orange County Sheriff’s Department (“OCSD”) does not charge deposit fees. However, this is because the OCSD does not provide for a convenient option to the friends and family members of their inmates to make deposits. OCSD has limited itself to two cashiering offices on a county-wide basis where such deposits can be made. They are located at OCSD’s Inmate Reception Center in the City of Santa Ana and at the Theo Lacy Facility in the City of Orange. In order for members of the public to deposit fees to an inmate’s trust account, they must route all deposits through one of these two offices in the form of cash or money order. OCSD does not provide for on-site kiosk, website, or toll-free phone number deposits to these accounts.

San Bernardino County Sheriff's Department

The San Bernardino County Sheriff's Department ("SBSO") provides for convenient deposits to inmate trust accounts similar to those offered by RCSD. SBSO negotiated for the use of lobby kiosks, telephone, and web deposits to their inmate trust accounts through their commissary vendor, Aramark Correctional Services LLC. This contract amendment was signed and became effective on January 06, 2016.<sup>2</sup> Specifically, refer to Section F.2 on Page 27 for the language which permits the commissary contractor to charge these fees and Attachment A on Page 37 for the schedule of fees. A summary of the fee structure charged to the friends and family members of SBSO inmates who make deposits to their trust accounts as per this contract is outlined below:

**Commissary Deposit Fees**

<u>Deposit Amount</u>	<u>Kiosk</u>	<u>Web</u>	<u>Phone</u>
\$0-\$20.00	\$2.95	\$2.95	\$2.95
\$20.01-\$100.00	\$3.95	\$3.95	\$3.95
\$100.01-\$200.00	\$4.95	\$4.95	\$4.95

*\*In addition to the above outlined fee structure, for each deposit made using a credit or debit card, a 3.5% service fee will be added to the total amount of the transaction*

It is worth mentioning the fees charged to the friends and family members of SBSO inmates who make deposits to their trust accounts are higher than those which were negotiated by RCSD to be charged to family and friends of the inmates housed within RCSD jail facilities.

San Diego County Sheriff's Department

The San Diego County Sheriff's Department ("SDSO") provides for convenient deposits to inmate trust accounts similar to those offered by RCSD. SDSO negotiated for the use of lobby kiosk systems through a contract amendment with their inmate telephone services provider, Securus Technologies. These kiosks are provided through a Securus subsidiary company named TouchPay Holdings LLC. This contract amendment was signed and became effective on January 08, 2016.<sup>3</sup> Specifically, refer to Section 2. Trust/Commissary on pages 4-5 of Exhibit B to the contract amendment. A summary of the fee structure charged to the friends and family members of SDSO inmates who make deposits to their trust accounts as per this contract amendment is outlined below:

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<sup>2</sup> See attached Exhibit 1.

<sup>3</sup> See attached Exhibit 2.

**Cash Fee Structure**

<u>Gross Amount Deposited</u>	<u>Cash at Lobby Kiosk</u>
\$0- \$25.00	\$2.95
\$25.01-\$50.00	\$3.95
\$50.01-\$100.00	\$4.45
\$100.01 \$200.00	\$5.45

**Credit Card Fee Structure**

<u>Gross Amount Deposited</u>	<u>Kiosk</u>	<u>Web</u>	<u>Phone</u>
\$0-\$20.00	\$2.95	\$3.95	\$3.95
\$20.01-\$50.00	\$3.95	\$3.95	\$3.95
\$50.01-\$100.00	\$4.45	\$4.45	\$4.45
\$100.01-\$200.00	\$5.45	\$5.45	\$5.45

*\*In addition to the above outlined fee structure, for each credit/debit card transaction, the customer/depositor will be charged the base fee as listed above plus 3.5% of the face amount of each transaction.*

It should be noted that the fees charged to the friends and family members of SDSO inmates who make deposits to their trust accounts are higher than those which were negotiated by RCSD to be charged to family and friends of the inmates housed within RCSD jail facilities.

RCSD's Deposit Services Fee structure features charges by the commissary contractor as a means of providing the convenience of deposits at an on-site kiosk, via website, or by toll-free phone number. These fees are similar to convenience fees charged at Automated Teller Machines (ATM), which are routinely accepted amongst the general public. The RCSD took measures during contract negotiations with the commissary services provider to keep these fees reasonable and stagnant for the duration of the contract. In addition, the RCSD also maintains a cost-free option to the public by accepting U.S. Postal money orders for depositing funds into inmate trust accounts without a fee. This option is provided by RCSD in recognition that some friends and family members of inmates may not wish to pay a convenience fee.

## **Number 6:**

### **RETURN OF MONIES TO INMATES**

There is an inefficient method used to return funds to inmates who are no longer in custody. Currently, the IWF contract [12] states:

If an inmate has been released, the CONTRACTOR will keep commissary items and advise the COUNTY of the inmate's invoice status. The COUNTY will make adjustments and attempt to notify the inmate by mail regarding the commissary balance. The COUNTY will hold the inmate's money for ninety days (90), if unclaimed by the inmate within that time; the money will be deposited to the County General Fund. [sic]

Based on the current wording in the contract, there is no proactive and timely process in place for returning monies back to the inmate at the time of his/her release. There is no written notification process in documents researched to notify an inmate on the process of how to obtain any monies retained on his/her account. By the current policy's own wording, the Sheriff waits until the released inmate contacts the Sheriff to obtain his/her monies. Currently, money is held for up to 90 days waiting for a released inmate to inquire about his/her money.

The Grand Jury researched several county detention centers to ascertain how they return monies to released inmates. The following procedure from Placer County seems to be a comprehensive and efficient method used to return such monies:

If an inmate is released during normal business hours, the inmate will receive a check or debit card for the funds from their commissary account. If the inmate is released after business hours, the inmate may return to the jail to request their check in person during normal business hours. If the inmate would like their check mailed, he/she must contact the jail accounting office during normal business hours and provide a current mailing address.

## **Response:**

### **Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff's Department ("RCSD") disagrees with the characterization by the Grand Jury that "There is an inefficient method used to return funds to inmates who are no longer in custody," on the basis that it is inaccurate, incomplete and misleading.

When an inmate is booked into one of the five Riverside County jails, an Inmate Trust Account is created for that inmate. That account includes a tracking mechanism for commissary spending.

Upon release from one of the Riverside County jails, the balance of the inmate's trust account will be released to him/her in accordance with Corrections Division Policy 506.11.

If the inmate placed a commissary order prior to his/her release, there is a likelihood the funds to cover the cost of the commissary order were removed from the inmate's trust account prior to the inmate being released from custody. In this case, the inmate would be owed a refund for the commissary order. This is when the process outlined by the IWF commissary contract takes place, but that is only part of the process.

At the end of each month, the commissary contractor provides Corrections Accounting staff a list of inmates who are owed a commissary refund. The accounting staff follows established policies and procedures to notify an inmate via written letter. The letter is sent to the last known address of the inmate and notifies him/her of the refund amount, along with instructions for claiming a refund. In the event where the commissary refund amount was not issued back to the inmate as a result of an undeliverable address, it then becomes unclaimed money. The County of Riverside adheres to the requirements of California Government Code § 50055 in processing the unclaimed money. In addition, the unclaimed inmate money claim procedure is publicly listed on the Riverside Sheriff website: [www.riversidesheriff.org/corrections/money.asp](http://www.riversidesheriff.org/corrections/money.asp).

Moreover, as an additional protective measure, RCSD accounting staff periodically check the Jail Information Management System to see if inmates owed refunds come back into RCSD custody on a later date. If the inmate is back in custody, any refund balance due is placed in the inmate's trust account.

Respondent RCSD disagrees with the characterization by the Grand Jury that the "procedure from Placer County seems to be a comprehensive and efficient method used to return such monies" on the basis that it is inaccurate and misleading.

In Placer County, an inmate orders commissary items electronically that results in money being transferred out of the inmate account into a pending payment account. When an inmate is released, the inmate's commissary account is checked to see if the inmate placed an order that has not yet been received. In such event, money is credited back to the inmate account and the commissary order is adjusted automatically, a debit card or check is then issued to inmate for the full amount to the inmate.

Placer County houses a much smaller number of inmates (approximately 1000 inmates) than RCSD does. As a result, they are able to schedule delivery of commissary order items for the same day once every week. If a release is done prior to commissary delivery, assigned staff are able to credit back an inmate's commissary order prior to issuing a debit card with the balance of the inmate's trust fund balance and in most cases that cancels the order. All undeliverable orders are returned to the commissary vendor.

However, there are infrequent instances where they have an undeliverable commissary order due to the release of the inmate. Once ordered items are returned to the commissary vendor and the unspent money is credited back to the inmate, the funds are then left in the inmate's account for

future use or they become treated as unclaimed money, similar to the process followed by RCSD. Placer County sends out a letter to the inmate prior to the unclaimed money being forfeited.

### **Number 7:**

#### **SUBSIDIZED VENDING MACHINE SNACKS FOR STAFF**

The Contractor is providing the vending machine snacks for staff at a reduced price at all of the detention facilities. As referenced within the vendor's commissary pricing menus submitted in the contract of 2016[12], a Snicker's bar for an inmate is \$1.58 (Exhibit A), while that same candy bar is sold to staff for \$.85 cents (Exhibit B). The negotiated contract mentioned provides employee vending machine pricing. There are 50 listed snack and drink items which are provided by the Contractor under the IWF contract.

### **Response:**

#### **Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff's Department ("RCSD") disagrees with the characterization by the Grand Jury that there are "SUBSIDIZED VENDING MACHINE SNACKS FOR STAFF" on the basis that it is inaccurate, incomplete and misleading.

The same contractor who provides commissary services for inmates also provides vending services for RCSD staff. However, although the vending prices of the items sold vary from the commissary pricing, these vending services are not subsidized. The vending service for RCSD staff is provided separately from the inmate commissary system, furnished at no extra cost to the county, and no part of the commissions revenue collected as part of commissary services for the IWF is used to cover any portion of the vending service.<sup>4</sup>

Vending services and commissary are two very different services and it is akin to making an apple to oranges comparison. Labor costs associated with the standard stocking of a self-serve vending machine with personnel already on site conducting commissary delivery equates to a low overhead. The costs to process inmate-specific special orders and to deliver them far outweighs the standard stocking of a self-serve vending machine. Costs to operate the commissary system are not impacted by the vending services and vice versa. Infrastructure to set up the commissary ordering system is extensive, consisting of equipment, kiosks, web operation, hard wiring the jails, and technical support are just a portion of the costs associated with establishing and maintaining an efficient commissary system.

In addition to the costs for processing and filling individual orders, there are also the costs associated with operating delivery vehicles, fuel, insurance, and labor to deliver the product

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<sup>4</sup> See attached Exhibit 3.

personally to each inmate. There is no comparison between costs involved in the standard stocking of a self-serve vending machine to those costs associated with the processing and delivery of individualized commissary orders. As a result, the cost of a \$1.58 Snicker's bar is reasonable under the circumstances.

**Number 8:**

**WEIGHTING OF BID SELECTION FOR COMMISSARY CONTRACTOR**

The Sheriff Department's contract with the Contractor requires the County to assume no cost or risk. County Procurement awards contracts based on competitive pricing by soliciting written bids from available vendors. The purpose of competitive bidding is based on the lowest possible price, for the benefit of the County Inmates.

The County Request for Proposal (RFP) [10] requires a commission or service fee to be paid to the RCSD. A first-year payment of \$1.5 million and following years (year two up to five years) commission payments equal to 45.3% of the vendor's gross revenues, prorated based on inmate head count, is a fundamental part of the business requirements in order for the Contractor to be approved and granted the contract.

The RCSD deposits the commission from the Contractor to the IWF account. The monies are primarily used for the benefit of the inmates but can also be used for other expenses as defined in California Penal Code Section 4025(e).

The net effect of the commission the Contractor is required to pay is an increase in the cost of goods sold to inmates in the jail commissary, in contrast to the price for the same goods sold to the general public.

As a result, the Contractor sells goods and services to County inmates at an inflated price (profits plus commission), and as an exclusive agent of the Sheriff's Department, passes the contractually required commission to the inmate in the form of higher prices.

A review of the Purchasing Department's Jail Commissary Services Evaluation Scoring Sheet (Exhibit C) with the selection criteria, reflects a weight of forty percent toward the vendor's ability to satisfy business requirements, which includes the commission, while cost to the inmates was weighted at twenty percent. Under this weighting criteria, the Contractor was awarded the contract because a greater emphasis was placed on the amount of money paid to the County rather than on the lowest price of goods provided to the inmate.

A majority of goods charged at the commissary, based on the pricing matrix, have a markup value ranging between 40 and 70 percent over and above standard commercial pricing.

**Response:**

**Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff's Department ("RCSD") disagrees with the characterization by the Grand Jury that "A review of the Purchasing Department's Jail Commissary Services Evaluation Scoring Sheet (Exhibit C) with the selection criteria, reflects a weight of forty percent toward the vendor's ability to satisfy business requirements, which includes the commission, while cost to the inmates was weighted at twenty percent. Under this weighting criteria, the Contractor was awarded the contract because a greater emphasis was placed on the amount of money paid to the County rather than on the lowest price of goods provided to the inmate," on the basis that it is an inaccurate, incomplete and misleading portrayal of the bid selection criteria and which fails to mention the equal weight of twenty percent afforded to the criteria which references cost to the county.

For clarification purposes, the weighting criteria utilized during the bid selection process is developed by the County Purchasing Department, not RCSD. In evaluating the Purchasing Department's Jail Commissary Services Evaluation Scoring Sheet (Exhibit C), equal weight is given to the criteria OVERALL COST TO THE COUNTY and OVERALL COST TO INMATES at twenty percent each.

The initial criteria referenced that was assigned a weight of forty percent is "Criteria #1- Overall responsiveness and general understanding of the RFP requirements. This section includes Vendor's ability to satisfy business requirements." This criterion covers the bidder's capability to fulfill virtually every performance aspect of the RFP, including one aspect for commission. As such, it was appropriate for the Purchasing Department to assign the heaviest weight to the most comprehensive criteria contained in the Purchasing Department's Jail Commissary Services Evaluation Scoring Sheet.

Respondent RCSD disagrees with the characterization by the Grand Jury that "A majority of goods charged at the commissary, based on the pricing matrix, have a markup value ranging between 40 and 70 percent over and above standard commercial pricing," on the basis that it is inaccurate, vague and ambiguous.

The respondent is unfamiliar with the criteria utilized by the Grand Jury to define the vague and ambiguous term "standard commercial pricing." Per the Professional Service Agreement for Jail Commissary Services between the County of Riverside and Keefe Group LLC (Section 3.4, pages 4 – 5), the cost of the goods sold to inmates in the jail commissary and proposed price increases for these goods are governed by the Consumer Price Index (CPI) – All Consumers, All items – Greater Los Angeles, Riverside, and Orange County areas. The apparent assumption by the Grand



Jury that the price of goods sold in the commissary is based upon the contractor's commission requirements is therefore erroneous.

Commissary items purchased by the inmates are hand delivered to them by the vendor. This is a unique purchasing experience not commonly enjoyed by those who shop at national retail stores. The closest comparable buying experience would be through a mail order retailer, such as Amazon. For the purposes of comparison, an inmate can order a 1.86 oz. Snicker's bar from the jail commissary for \$1.58. If a member of the general public was to order the same candy bar for delivery to their home from Amazon, the cost would be \$4.01.<sup>5</sup>

Riverside County inmates who choose to participate in a business relationship with the commissary vendor do so willingly. Any funds routed to the IWF through these commissary sales are returned to the inmates in the form of programs, training, services, and equipment which benefit them. To undervalue these benefits which are provided to the inmates by the IWF and compare the cost of goods available to the general public is an ill-considered comparison. Major national retailers that provide similar items enjoy superior volume buying power which exceeds that of a jail commissary contractor.

### **Number 9:**

#### **INDIGENT KITS PAID FOR BY THE VENDOR**

The commissary Contractor is required by the County, as an inducement to be the sole contractor, to supply 35,000 Indigent Kits to the inmate population free of charge. Per SHARC-96115-003-11/23, Section 11-Indigent Kits of the agreement, page 24[12] states:

CONTRACTOR, at its sole cost and expense, will provide a minimum of 35,000 indigent inmate kits to the COUNTY annually. For additional indigent kits beyond this amount, the CONTRACTOR will provide indigent kits to those inmates who qualify for the program at no profit to the CONTRACTOR. [sic]

The Counties of Orange, San Bernardino, and San Diego [6] all have stipulations in their contracts and policies that their indigent kits expense will be borne from their General Fund and not through the IWF. Their policies reflect that cleanliness and hygiene are basic functions (like feeding) that must be provided by the County and not through the IWF. The RCSD Contractor supplies the inmate kits at their cost, which is then passed on to the inmate in the form of higher prices for any and all goods and services to recoup their costs.

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<sup>5</sup> See attached Exhibit 4.

**Response:**

**Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff's Department ("RCSD") disagrees with the characterization by the Grand Jury that "The Counties of Orange, San Bernardino, and San Diego [6] all have stipulations in their contracts and policies that their indigent kits expense will be borne from their General Fund and not through the IWF. Their policies reflect that cleanliness and hygiene are basic functions (like feeding) that must be provided by the County and not through the IWF," on the basis that it is inaccurate, incomplete and misleading.

Title 15, California Code of Regulations, § 1265, states in pertinent part: "There shall be written policies and procedures developed by the facility administrator for the issue of personal hygiene items... Each inmate to be held over 24 hours who is unable to supply himself/herself with the following personal care items, because of either indigency or the absence of an inmate canteen..."

The statement "supplied because of indigency or the absence of an inmate canteen," refers to RCSD's commissary which serves as an inmate canteen for the purposes of the Title 15 regulation. California Penal Code § 4025(e) states in pertinent part: "the inmate welfare fund shall be expended by the sheriff primarily for the benefit, education and welfare of the inmate confined in the jail ...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." As a benefit and for the welfare of the inmates, the Sheriff utilizes IWF funds to pay for these personal care items as allowed by law.

Respondent RCSD disagrees with the characterization by the Grand Jury that "The RCSD Contractor supplies the inmate kits at their cost, which is then passed on to the inmate in the form of higher prices for any and all goods and services to recoup their costs," on the basis that it is an inaccurate, incomplete and misleading portrayal of how indigent kits are provided to inmates by RCSD.

Per SHARC-96115-003-11/23, section 11(A), "CONTRACTOR, at its sole cost and expense, will provide a minimum of 35,000 indigent inmate kits to the COUNTY annually. For additional indigent kits beyond this amount, the CONTRACTOR will provide indigent kits to those inmates who qualify for the program at *no profit* to the CONTRACTOR."

In 2017, the vendor provided 53,383 indigent kits to RCSD inmates, of which 35,000 were provided at no cost to the RCSD, which resulted in a significant cost savings to the county. Per section 11(B), The "COUNTY will provide only the reimbursement of the cost of the additional kits..." The additional amount of 18,383 indigent kits provided by the vendor were paid for by the IWF at the actual cost rate of \$2.30 per kit.

As trustee of the IWF, the Sheriff has a fiduciary responsibility toward the inmates wherein the Sheriff is entrusted with funds kept for their benefit. The RCSD followed the County's Purchasing Department guidelines to ensure a transparent and equal opportunity for all vendors to submit a

competitive response to the Request for Proposal (RFP) for commissary services. The vendor that was awarded the contract was selected because they agreed to pay the highest commissions and do so while simultaneously offering the lowest possible prices to the inmates.

It is presumptive for the Grand Jury to draw the conclusion that the vendor is passing on the cost of the indigent kits to the inmate through higher prices on goods and services provided by the commissary versus absorbing the costs through reduced profits. An alternative conclusion can be drawn where there is an expectation in the private sector that to remain competitive as a retail business these types of expenses would simply be considered part of the cost of doing business.

### **Number 10:**

#### **INADEQUATE AUDITS**

Audits are conducted on the IWF with the purpose of increasing transparency. IWF Bylaw Section B-Audits [18] states:

The Corrections Division Administrative Manager (FINANCE) will monitor and perform a monthly audit of all IWF expenditures and prepare pertinent management reports for the IWF. A non-County entity or outside accounting firm shall conduct an annual audit of the IWF [sic].

The Corrections Administrative Manager (FINANCE) will initiate and coordinate with the Sheriffs Contracts Unit a request for quote for audit services in accordance with Riverside County Purchasing guidelines. These entities with the approval and concurrence of the Corrections Chief Deputy for Support Services will select the outside accounting firm to prepare said audit. To avoid exclusivity, the accounting firm will rotate every three years.

Part C - Annual Report [18] states:

The Corrections Administrative Manager (FINANCE) will be responsible for the preparation of an annual report of all revenue, expenditures, current balance, and transactions of the IWF. An itemized report of expenditures will be included in the public information plan for each facility. Pursuant to 4025(e) of the Penal Code, the itemized expenditure report and a copy of the annual IWF audit will be submitted annually to the County Board of Supervisors.

All audits are only distributed within the IWFC and thereby lack independent scrutiny or oversight during the year. The monthly audits are neither reviewed nor monitored by the Assistant Sheriff of Corrections or the Undersheriff or any other neutral party.

The independent audits conducted annually focus strictly on accounting of numbers and as such, do not address internal controls.

Internal Controls provide guidance for establishing and maintaining an effective system of operations and accounting principles in accordance with the County's policies. Internal controls refer to the methods and procedures used to provide reasonable assurance regarding the achievement of objectives in the following categories: [4]

1. Safeguarding assets
2. Ensuring accuracy, reliability and timeliness of financial records
3. Promoting adherence to policies, procedures, regulations and laws
4. Promoting effectiveness and efficiency of operations

The Grand Jury has found no independent and comprehensive audit that focused on internal control, or reviews of the daily business operation of the fund. Considering the breadth and magnitude of the IWF, these internal controls are vital to effective management of the fund. As currently contracted and performed, the audits are inadequate to properly ascertain that the fund is being used appropriately.

Annual Reports sent to the BOS do not include information regarding the total revenues, the profit margin, what the reserve accounts are used for, and whether the expenditures for each area are appropriate. The only categories listed are expenditures. There is no comprehensive narrative explaining any of the expenditures or any other aspects of the fund, so the report is of limited value in its scope and does a disservice to the BOS who should have a comprehensive explanation of what is happening with the IWF.

### **Response:**

#### **Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff's Department ("RCSD") disagrees with the characterization by the Grand Jury that "audits are only distributed within the IWF-C and thereby lack independent scrutiny or oversight during the year. The monthly audits are neither reviewed nor monitored by the Assistant Sheriff of Corrections or the Undersheriff or any other neutral party," on the basis that it is inaccurate and misleading.

Respondent RCSD further disagrees with the characterization by the Grand Jury that “The independent audits conducted annually focus strictly on accounting of numbers and as such, do not address internal controls,” on the basis that it is inaccurate, incomplete and misleading.

The IWF operates as provided by law in accordance with California Penal Code § 4025. The Inmate Welfare Fund Committee (“IWF-C”) is an advisory body established by the Sheriff. The purpose of the IWF-C is to assist the Sheriff with the day-to-day administration of the IWF and to develop and/or review and approve proposals for expenditure. The Sheriff is the trustee of the IWF and maintains executive overview of the IWF-C. The Sheriff has sole authority to accept, reject, or amend decisions made by the committee.

The RCSD operates according to a structured chain of command management system. Although the IWF Bylaws do not specifically state how information will be routed in all cases to the Sheriff, there is a general understanding within the RCSD, to always follow the chain of command. As such, it is understood that for the Sheriff to receive monthly audits, it must be routed through the chain of command, which includes the Assistant Sheriff of Corrections and the Undersheriff, both of whom are not members of the IWF-C.

Section VI.B of the IWF Bylaws covers the subject of audits conducted on a monthly and an annual basis for the IWF. In planning and performing the audit of the financial statements, the independent outside auditing firm conducts a comprehensive assessment of the IWF internal controls as an integral part of the audit in accordance with accepted Government Auditing Standards issued by the Comptroller General of the United States to determine the appropriate audit procedures. This assessment defines the depth of the audit sample selection, as well as the depth of management/supervisor interviews for the purpose of expressing their opinion on the financial statements.

Under the Other Independent Auditor’s Report section of the annual audit reports prepared in recent years for the IWF trust fund<sup>6</sup>, the independent outside auditing firm defines the existence of a “deficiency in internal control” when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis.

The auditing firm in the same audit report section defines a “material weakness” as a deficiency or a combination of deficiencies in internal control such that is reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. The audit report section continues on to define a significant deficiency as a deficiency, or a combination of deficiencies, in the internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

After reviewing the IWF existing internal control structure, the auditing firm acknowledged in their annual reports (as part of the Other Independent Auditor’s Report section mentioned above),

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<sup>6</sup> Audit reports prepared by Vicenti, Lloyd & Stutzman, CPAs for fiscal year 2014-2015 (pages 11-12) and by CliftonLarsonAllen LLP for fiscal years 2015-2016 and 2016-2017 (pages 12-13).

that they did not identify deficiencies in the internal control that they consider to be material weaknesses.

In order to strengthen the IWF internal control elements of segregation of responsibility, safeguarding of assets, and ensuring accuracy for the day-to-day operations, an ordering mechanism is in place which requires management approval for all orders. The forms and procedures in place are comprehensive to ensure internal control, accuracy, and efficiency.

Respondent RCSD further disagrees with the characterization by the Grand Jury that it “found no independent and comprehensive audit that focused on internal control, or reviews of the daily business operation of the fund. Considering the breadth and magnitude of the IWF, these internal controls are vital to effective management of the fund. As currently contracted and performed, the audits are inadequate to properly ascertain that the fund is being used appropriately;” on the basis that it is inaccurate and misleading.

RCSD’s Corrections Division is responsible for providing documentation requested by the auditor for the annual IWF audit. The audit begins with the audit engagement letter addressed to the Corrections Division Chief Deputy for Support Services. The engagement letter confirms understanding of the terms and objectives of the audit for the specified fiscal year. The auditing firm conducts their audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) to ensure financial statements are following accounting principles generally accepted in the United States of America (U.S. GAAP).

Upon receipt of the signed engagement letter, the following items are requested by the auditing firm to commence their audit review:

- Year-End trial balances
- Reconciliation performed for IWF accounts (internal statement)
- General Ledger transactions for IWF Fund 65755 for specified fiscal year
- List of subsequent expenditures (start of the new fiscal year through present)
- List of subsequent revenues (start of the new fiscal year through present)
- List of post-closing accrual entries (entries charged in the new fiscal year not recorded in the fiscal year they belong to)
- Cash in County report for specified fiscal year
- Bank reconciliations along with bank statements (if any bank accounts are open)
- Bank statements of any bank accounts that were closed during the specified fiscal year
- Accounts Receivable and Accounts Payable aging reports
- Copies of IWF meeting minutes
- List of IWF Committee members
- Agreements, leases, contracts, amendments entered into for specified fiscal year
- Agreements, leases, contracts, amendments entered into for new fiscal year that may require disclosure

After receiving and reviewing the above listed items the auditor will determine the size of the auditing sample. A list of the requested samples will be sent to RCSD's Corrections Division to provide the auditor with supporting documentation such as invoices, approval documentation, purchase orders/requisitions. The samples include both expenditure and revenue transactions.

The auditor is on-site (downtown Riverside), usually for one to two days during the auditing period, to review the financial transaction details and sample documents. During this time, RCSD accounting staff are readily available to answer any questions that may arise and provide any additional documentation if necessary. At the end of the on-site visit, the auditor will ask to interview an RCSD accounting staff member involved in the IWF processing as well as the Corrections Administrative Manager. The auditor also conducts an over the phone interview with the Inmate Services Manager. These interviews in nature are geared toward internal control assessments.

The auditor will then provide a set of analytical questions to be answered; these questions are the result of the auditor's comparison of prior year and current year activities.

After completion of the audit, the auditing firm will provide a Management Representation Letter to RCSD's Corrections Division Chief Deputy for Support Services. This letter summarizes all audit findings and provides related notes to the financial statements.

Respondent RCSD further disagrees with the characterization by the Grand Jury that "Annual Reports sent to the BOS do not include information regarding the total revenues, the profit margin, what the reserve accounts are used for, and whether the expenditures for each area are appropriate. The only categories listed are expenditures. There is no comprehensive narrative explaining any of the expenditures or any other aspects of the fund, so the report is of limited value in its scope and does a disservice to the BOS who should have a comprehensive explanation of what is happening with the IWF."

The itemized report of expenditures, submitted annually to the Board of Supervisors, is in compliance with the requirements of California law. Specifically, California Penal Code § 4025(e) states in pertinent part "An itemized report of these expenditures shall be submitted annually to the board of supervisors."

The additional topics referenced by the Grand Jury for "total revenues, the profit margin, what the reserve accounts are used for, and whether the expenditures for each area are appropriate," are not included as part of the annualized report because the law does not require their inclusion. Moreover, it should be noted that the Board of Supervisors has open access to the IWF balance information in its entirety, including revenue sources, by virtue of the County's overall financial record-keeping that is maintained by the Auditor-Controller's office.

## **Number 11:**

### **IMPACT ON CITIZENS AND BUSINESSES**

A review of the Minutes of the Board of Supervisors' Meeting dated October 6, 2016[20] in which the BOS was asked to approve the IWF contract agreement, the Section described as Impact on Citizens and Businesses from Procurement, indicated no impact on citizens or businesses.

However, there is an impact on family and friends who place money in the accounts for the inmates and are charged fees for doing so. The family and friends of inmates and the inmates themselves, with few exceptions, are all citizens of the County and are impacted by the contractor agreement. There is an impact on the inmates who must pay the higher prices for the items they purchase. There is an impact on business (Contractor), where the County requires the Contractor to meet the 45.3% of gross sales commission or \$1,500,000, whichever is greater.

### **Response:**

#### **Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff's Department ("RCSD") disagrees with the characterization by the Grand Jury that "... there is an impact on family and friends who place money in the accounts for the inmates and are charged fees for doing so," on the basis that it is inaccurate, incomplete and misleading.

RCSD's Deposit Services Fee structure features charges by the commissary contractor as a means of providing the convenience of deposits at an on-site kiosk, via website, or by toll-free phone number. These fees are similar to convenience fees charged at Automated Teller Machines (ATM), which are routinely accepted amongst the general public. The RCSD took measures during contract negotiations with the commissary services provider to keep these fees reasonable and stagnant for the duration of the contract. In addition, the RCSD also maintains a cost-free option to the public by accepting U.S. Postal money orders for depositing funds into inmate trust accounts without a fee. This option is provided by RCSD in recognition that some friends and family members of inmates may not wish to pay a convenience fee.

Respondent RCSD disagrees with the characterization by the Grand Jury that "There is an impact on the inmates who must pay the higher prices for the items they purchase," on the basis that it is inaccurate and misleading.

Per the Professional Service Agreement for Jail Commissary Services between the County of Riverside and Keefe Group LLC (Section 3.4, pages 4 – 5), the cost of the goods sold to inmates in the jail commissary and proposed price increases for these goods are governed by the Consumer Price Index (CPI) – All Consumers, All items – Greater Los Angeles, Riverside, and Orange



County areas. The apparent assumption by the Grand Jury that the price of goods sold in the commissary is based upon the contractor's commission requirements is therefore erroneous.

Respondent RCSD disagrees with the characterization by the Grand Jury that "There is an impact on business (Contractor), where the County requires the Contractor to meet the 45.3% of gross sales commission or \$1,500,000, whichever is greater."

RCSD in good faith through the RFP process lobbied on behalf of Riverside County inmates by stipulating minimum monetary expectations from the commissary vendor to contribute a greater portion of their profits to the IWF that could be used for inmates' education, benefits and welfare. It should also be noted that the County of Riverside Clerk of the Board Form 11 official instructions (used in scheduling an agenda item for Board of Supervisors approval) on how to complete the Form 11 section entitled "Impact on Residents and Businesses" indicates "Explain briefly the expected impact on private residents or private businesses. Use general terms and very rough estimates. Rely on department expertise. Do not use intensive research or consultants." Please see: <http://form11.co.riverside.ca.us/>

In reviewing the terms and conditions of the commissary contract, it was RCSD's opinion that there was no impact on family and friends who placed money in the inmate accounts.

### **Number 12:**

#### **FAILURE TO ADHERE TO IWF AND COMMITTEE BYLAWS AND POLICIES**

The current established Bylaws dated September 2,2015, under Section IV - IWF Committee, Subsection F - Duties and Responsibilities [18], states in part:

In addition, the Committee... will oversee the preparation of an Annual Report of the IWF expenditures for the County's Board.

According to the Office of Clerk of the BOS, the last report submitted was for 2014-2015. The reports for 2015-2016 and 2016-2017 have not been received by the Clerk of the Board. The 2014-2015 reports includes expenditures, but there is no detailed information on operating budget, revenues, etc. This information is needed for the BOS to have a comprehensive understanding of the IWF.

### **Response:**

#### **Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff's Department ("RCSD") disagrees with the characterization by the Grand Jury that "FAILURE TO ADHERE TO IWF AND COMMITTEE BYLAWS AND POLICIES," on the basis that it is inaccurate and misleading.

The itemized expenditure report for FY 2014/2015 was filed with the Board of Supervisors on January 17, 2017, agenda item 3.33, and is in compliance with California Penal Code § 4025(e).

The itemized expenditure report for FY 2015/2016 was filed with the Board of Supervisors on August 29, 2017, agenda item 2.53, and is in compliance with California Penal Code § 4025(e).

The CPA Firm, CliftonLarsonAllen LLP, presented the final Inmate Welfare Fund audit report for FY 2016/2017 to the IWFC on March 7, 2018. The final report was then delivered to the RCSD on April 10, 2018. Upon receiving the final audit report, a Form 11 was prepared along with an itemized expenditure report and placed on the Board of Supervisors meeting agenda for the Board session on May 22, 2018, agenda item 2.8, and is in compliance with California Penal Code § 4025(e).

### **Number 13:**

#### **CONTRACTOR EMPLOYEE BACKGROUND CHECKS AND SECURITY**

The current contract between the vendor/contractor and the RCSD [10] stipulates the following requirements for each annotated section listed below:

Under Section 7 - Commissary Operations, Subsection G, it states in part:

CONTRACTOR shall provide qualified personnel agreed upon by both parties to efficiently distribute store items to the inmates within the confines of the various detentions facilities. These personnel, who will be employed by the CONTRACTOR, must pass a background check administered by the COUNTY. The security clearance acquired upon successful completion of the background check must be maintained in order for the personnel to access the facilities. The CONTRACTOR shall have a minimum of two (2) back-up support personnel who have already passed the COUNTY's background checks, in the event current staff members need to be easily and expeditiously replaced ...

Under Section 13, Delivery Requirements, and Subsections C, E, and G, states:

- C. Commissary items shall be delivered to inmates inside clear plastic bag provided by the Contractor. The clear plastic bags shall be approved by the County. The Contractor is obligated to provide the best quality and best priced products to inmates. [sic]
- E. CONTRACTOR's staff shall wear a uniform that identifies the company name and logo clearly visible on their shirts. Shorts may not be worn in the Facility. The

COUNTY/Sheriff shall provide identification cards. The COUNTY requires a security clearance of CONTRACTOR's employees who need access inside a jail facility. The security clearance will be completed by Sheriff's staff at no charge to the CONTRACTOR.

- G. Detention staff shall supervise delivery of orders; distribution shall be by the CONTRACTOR's staff. CONTRACTOR will provide carts and deliver orders to inmates. In the event that the CONTRACTOR distributes commissary items to the wrong inmate, the CONTRACTOR shall be responsible for the cost of items delivered in error.

There is no provision for detention staff to inspect IWF items delivered in clear plastic bags to ensure that they do not contain unauthorized items (contraband). This is a safety and security concern.

In addition, there is no stipulation or requirement for the Contractor or the RCSD to update background checks on the Contractor's employees, annually or after an adverse security encounter. There is no language in the policy to stipulate that if a Contractor's employee has negative contact with law enforcement then that encounter is flagged.

**Response:**

**Respondent disagrees wholly with the finding**

Respondent Riverside County Sheriff's Department ("RCSD") disagrees with the characterization by the Grand Jury that "There is no provision for detention staff to inspect IWF items delivered in clear plastic bags to ensure that they do not contain unauthorized items (contraband)," on the basis that it is an inaccurate, incomplete and misleading portrayal of the security measures utilized by RCSD when conducting inspections of vendor personnel, supplies, equipment and on-site facilities utilized by vendor personnel.

The current contract between the vendor and the County, SHARC-96115-003-11/23 states in section 21-Security:

All personnel, supplies, equipment and on-site facilities utilized by the CONTRACTOR in providing commissary services for any Riverside COUNTY Correctional Facilities shall be subject to search and/or inspection by the Sheriff's office without notice and at any time.

The current commissary contract does not explicitly reference the existing jail security procedures that are in place to address the detection and interception of contraband. However, existing RCSD Corrections Division Policy 507.01- Commissary Delivery clearly indicates:

*3.1 Custody Staff shall not only standby but will supervise while commissary personnel dispense commissary orders.*

These orders are delivered in clear plastic bags under the direct visual supervision of RCSD custody staff.

Additionally, per the California Code of Regulations, specifically 15 CCR § 3173.2 indicates in part:

*(a) Any person coming onto the property of an institution/facility shall be subject to inspection as necessary to ensure institution/facility security including prevention of the introduction of contraband.*

Notices which indicate persons and their belongings are subject to search are conspicuously posted at various points of entry into the jail facilities. These searches are routinely conducted within RCSD jail facilities and include the use of electronic scanning devices, walk-through metal detectors, the use of x-ray machines, and the manual search of items brought into the facility. Although the details in which safety and security are provided for are not specifically outlined in each vendor services contract, facility safety and security are of paramount importance to RCSD's operation of its jail facilities.

Respondent RCSD disagrees with the characterization by the Grand Jury that "... there is no stipulation or requirement for the Contractor or the RCSD to update background checks on the Contractor's employees, annually or after an adverse security encounter. There is no language in the policy to stipulate that if a Contractor's employee has negative contact with law enforcement then that encounter is flagged," on the basis that it is inaccurate, incomplete and misleading.

Contractor employees are required to submit to a background check and obtain a security clearance administered by the Sheriff's Personnel Bureau. Part of this clearance includes obtaining fingerprints from the contractor employee. Upon negative contact with law enforcement resulting in arrest, RCSD is notified of the contact by the California Department of Justice ("CADOJ") upon submission of the arrestee's fingerprints during booking and would take appropriate action to revoke/suspend the contractor employee's security clearance to prevent further access to any RCSD jail facility. As a result, once a contracted employee has obtained a security clearance, it is completely unnecessary to repeat a full background check process on an annual basis. In addition to being overly burdensome to the Sheriff's Personnel Bureau, the use of certain criminal information databases for the purposes of continued employment may violate the law.<sup>7</sup>

In an effort to maintain jail facility safety and security, contractor employees are provided jail security orientation training upon hire, and annually thereafter. Security orientation training provides information to such employees as to what is, and what is not, appropriate within the jail.

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<sup>7</sup> California Penal Code §11105; Central Valley v. Younger, 95 Cal. App. 3d 212 (1979).

## **Number 14:**

### **RESERVE FUNDS POLICY**

California Penal Code 4025(3) states:

Any funds that are not needed for the welfare of the inmates may be expended for the maintenance of the county jail facilities.

There is no written policy explicitly outlining this process. There is no stipulation as to what an acceptable capital improvement project might be, only that a certain amount was earmarked for it. There is no direction as to the use of any additional monies in the reserve account beyond a one-year of ongoing expenses, or any stipulation on the priorities of further spending.

### **Response:**

#### **Respondent disagrees wholly with the finding.**

Respondent Riverside County Sheriff's Department ("RCSD") disagrees with the characterization by the Grand Jury that "There is no written policy explicitly outlining this process. There is no stipulation as to what an acceptable capital improvement project might be, only that a certain amount was earmarked for it. There is no direction as to the use of any additional monies in the reserve account beyond a one-year of ongoing expenses, or any stipulation on the priorities of further spending," on the basis that it is inaccurate and misleading.

The Bylaws serve as the written guideline for acceptable expenditures which specifically details the definitions that direct the spending of the IWF, including Projects. A capital improvement project appears to fall under the definitions of Jail Maintenance, Projects, and Substantial expenditure as referenced in Section III of the IWF Bylaws:

Jail Maintenance: "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" (PC § 4025 (e)).

Project: A specific plan or design, in which a task or problem is engaged in by a group of students or personnel to supplement and apply instruction or service. A project may be a single event, endeavor, research or work related to an operational or substantial expenditure program, service, or pilot.

Substantial expenditure: Expenses not included in the operational costs.

After appropriating funds for the current year operational expenditures, single year operational budget reserve, and approved capital improvement project reserves, there are no additional available monies to prioritize for further spending.

## **RECOMMENDATIONS:**

### **Number 1:**

#### **THE INMATE WELFARE FUND (IWF) OPERATES AS A CLOSED SYSTEM**

The Assistant Sheriff, Corrections, or the Undersheriff (who are not members of the IWF-C), should independently review the IWF-C's actions and all reports as often as necessary. This ensures the IWF-C is operating efficiently, and the monies allocated, are properly dispersed. The Sheriff's Department should post the minutes of all of the IWF-C's meetings on the Sheriff's website to increase and promote full transparency to the public.

### **Response:**

**The recommendation will not be implemented because it is not warranted or is not reasonable.**

It should be clarified that the actions and recommendations made by the IWF-C are routed to the IWF trustee (the Sheriff) via chain of command from the Corrections Division Chief Deputies assigned to the committee. This chain of command includes the Assistant Sheriff who oversees the Corrections Division and the Undersheriff. This process already provides for the independent review as referenced in Recommendation 1.

The public posting and maintenance of meeting minutes via the Sheriff's website is not required by the California Penal Code § 4025. A mechanism already exists for members of the public to obtain IWF-C meeting minutes through the California Public Records Act (CPRA).

### **Number 2:**

#### **15-DAY RULE IS NOT A POSITIVE INTERNAL CONTROL**

The 15-day rule should be modified to include the requirement that all funds under this provision be reviewed and approved by the Assistant Sheriff of Corrections, or the Undersheriff, to ensure funds are appropriately authorized within 15 days of the request for disbursement, consistent with department objectives.

### **Response:**

**The recommendation will not be implemented because it is not warranted or is not reasonable.**

The RCSD operates by a structured chain of command system. Although the Bylaws do not specifically state how information will be routed to the Sheriff, there is a general understanding, within the Department, to always follow the chain of command. As such, it is understood that for the Sheriff to receive the expenditure request, it must be routed through the chain of command, which includes the Assistant Sheriff of Corrections and the Undersheriff.

The RCSD complies with and exceeds all mandates of California Penal Code § 4025. The fifteen-day rule was implemented to allow the Sheriff a reasonable amount of time to review any IWFC actions and make any amendments or recommendations he/she may choose, or to veto an action.

### **Number 3:**

#### **THE JAIL COMMANDER CAN OVERRIDE THE IWF-C DECISION**

Require the Jail Commander to obtain approval for a variance from the IWF-C for programs and maintenance of the facility to promote accountability in accordance with IWF-C approvals.

### **Response:**

**The recommendation will not be implemented because it is not warranted or is not reasonable.**

The current policy does not authorize Jail Commanders to circumvent the IWF-C approval and Sheriff authorization process. Section V.B.2 of the IWF Bylaws provides that a facility commander may expend funds for day-to-day operational expenditures, where such operational expenditure amounts and spending categories had previously been reviewed as part of the IWF-C process and authorized by the Sheriff and not requiring any further approval.

Section 6.1 of Corrections Division Policy 501.13 states, "The jail commander may approve inmate welfare fund expenditures for inmate programs and maintenance of the facility." In conjunction with the IWF Bylaws provisions cited above, this policy authorizes the facility commander to approve and process these on-going and day-to-day **pre-approved** operational costs throughout the fiscal year.

### **Number 4:**

#### **CURRENT CIVILIAN MEMBER OF THE IWFC COMMITTEE LACKS INDEPENDENCE**

Develop and implement a policy to have one civilian appointed from each County district, for a total of five, to sit on the IWFC to represent a broad cross-section of the County population, to fairly and adequately represent the inmate population.



This policy should include a process for public posting, application submission, review and selection of civilian volunteers for IWFC service. The terms of service should be staggered to ensure that no one sits for more than three years at a time to allow for continuity on the IWFC at all times. This process will be fair, provide adequate representation, foster public input, promote advocacy, and enhance transparency.

**Response:**

**The recommendation will not be implemented because it is not warranted or is not reasonable.**

The IWF operates as provided by law in compliance with California Penal Code § 4025. The IWF-C is an advisory body established by the Sheriff. The purpose of the IWF-C is to assist the Sheriff with the day-to-day administration of the IWF and to develop and/or review and approve proposals for expenditure. The Sheriff is the trustee of the IWF and maintains executive overview of the IWF-C. The Sheriff has sole authority to accept, reject, or amend decisions made by the committee.

The make-up of the IWF-C which includes current Executive Management, the Inmate Services Manager, all Facility Commanders, a Finance Manager, tenured accounting staff, and a civilian member who is a retired Department Executive fairly and adequately represents the inmate population, as it includes the commanders from each of the five jail facilities.

The concerns raised as to length of terms are met through natural attrition and movement within the Corrections Division. The Facility Commanders and Executive Management assigned to this committee often rotate and rarely exceed committee membership beyond three years.

**Number 5:**

**FEES CHARGED TO FAMILY AND FRIENDS**

All deposit/transaction fees charged for placing money on an inmate's account should be eliminated.

**Response:**

**The recommendation will not be implemented because it is not warranted or is not reasonable.**

The described fees serve as a convenience fee to the family and friends of the public who wish to utilize certain methods to deposit money to an inmate's trust fund account. By maintaining the cost-free option of accepting U.S. Postal Money Orders for this purpose, the RCSD provides for a reasonable alternative to paying the Deposit Services Fee.

RCSD's Deposit Services Fee structure features charges by the commissary contractor as a means of providing the convenience of deposits at an on-site kiosk, via website, or by toll-free phone number. These fees are similar to convenience fees charged at Automated Teller Machines (ATM), which are routinely accepted amongst the general public. The RCSD took measures during contract negotiations with the commissary services provider to keep these fees reasonable and stagnant for the duration of the contract. In addition, the RCSD also maintains a cost-free option to the public by accepting U.S. Postal money orders for depositing funds into inmate trust accounts without a fee. This option is provided by RCSD in recognition that some friends and family members of inmates may not wish to pay a convenience fee.

### **Number 6:**

#### **RETURN OF MONIES TO INMATES**

The RCSD and Contractor renegotiate or modify the contract to adopt a similar policy to expedite the process of returning monies to a released inmate in a more timely and efficient manner.

A written policy should be implemented and incorporated into the Inmate Orientation Manual, which explains the process to the inmate about how they may retrieve their monies when they are released. This information should also be available for the public, so family and friends will be aware of the process as well.

### **Response:**

**The recommendation will not be implemented because it is not warranted or is not reasonable.**

When an inmate is booked into one of the five Riverside County jails, an Inmate Trust Account is created for that inmate. That account includes a tracking mechanism for commissary spending. Upon release from one of the Riverside County jails the balance of the inmate's trust account will be released to him/her in accordance to Corrections Division Policy 506.11.

If the inmate placed a commissary order prior to his/her release, there is a likelihood the funds to cover the cost of the commissary order were removed from the inmate's trust account prior to the inmate being released from custody. In this case, the inmate would be owed a refund for the last commissary order. This is when the process outlined by the IWF commissary contract takes place, but that is only part of the process.

At the end of each month, the commissary contractor provides Corrections Accounting staff a list of inmates who are owed a commissary refund. The accounting staff follows established policies and procedures to notify an inmate via written letter. The letter is sent to the last known address of the inmate and notifies him/her of the refund amount, along with instructions for claiming a refund. In the event where the commissary refund amount was not issued back to the inmate as a result of an undeliverable address, it then becomes unclaimed money. The County of Riverside adheres to

the requirements of California Government Code § 50055 in processing the unclaimed money. In addition, the unclaimed inmate money claim procedure is publicly listed on the Riverside Sheriff website: [www.riversidesheriff.org/corrections/money.asp](http://www.riversidesheriff.org/corrections/money.asp).

Moreover, as an additional protective measure, RCSD accounting staff periodically check the Jail Information Management System to see if inmates owed refunds come back into RCSD custody on a later date. If the inmate is back in custody, any refund balance due is placed in the inmate's trust account.

**Number 7:**

**SUBSIDIZED VENDING MACHINE SNACKS FOR STAFF**

Any vending machine products intended for staff should be provided by an independent contractor. Contracted products provided to inmates and contracted products available to staff should be completely separate with distinct business contracts. This would eliminate the perception that the IWF is subsidizing the staff.

**Response:**

**The recommendation has not yet been implemented, but will be in the future.**

The RCSD followed Purchasing Department guidelines and the Contractor is an approved county vendor, but to eliminate confusion and the perception the IWF is subsidizing the staff, the RCSD will take the following approach: 1) negotiate an amendment of the current contract with the Contractor to clarify the separate nature on how commissary and vending machine products are being handled; or 2) develop separate contracts for commissary and vending machine products that will be established in the future once the current contract expires.

**Number 8:**

**WEIGHTING OF BID SELECTION FOR COMMISSARY CONTRACTOR**

The RCSD, through the Purchasing Department should renegotiate the contract at its next anniversary to primarily focus on the lowest cost and/or "best value" to the inmate.

**Response:**

**The recommendation will not be implemented because it is not warranted or is not reasonable.**

The County Purchasing Department negotiates County contracts on behalf of the Sheriff's Department with a focus toward achieving the best value for all involved parties, including inmates.

**Number 9:**

**INDIGENT KITS PAID FOR BY THE VENDOR**

The County provide indigent kits to the inmates paid from the General Fund at the current contract price of \$2.30 each.

**Response:**

**The recommendation will not be implemented because it is not warranted or is not reasonable.**

California Penal Code § 4025(e) states in pertinent part: "the inmate welfare fund shall be expended by the sheriff primarily for the benefit, education and welfare of the inmate confined in the jail ...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." As a benefit and for the welfare of the inmates, the Sheriff utilizes IWF funds to pay for these personal care items as allowed by law.

Pursuant to California Penal Code § 4025(e), the Sheriff is permitted to use IWF funds to pay for indigent kits. It is not a fiscally sound idea to put an undue burden on the taxpayers of Riverside County by placing additional demands on the General Fund to absorb the unnecessary expense of paying for indigent kits.

**Number 10:**

**INADEQUATE AUDITS**

- a) The independent audits should be conducted to include a comprehensive in-depth review of the IWF to include internal controls.
- b) The Riverside County Auditor-Controller's office can, and is willing to, conduct its own comprehensive annual audit of the IWF at no cost to the Sheriff's Department. This review shall be under the Risk Assessment criteria to assess the efficiency and appropriateness of the IWF, the risk of misuse or fraud, the lack of effective internal controls, and to make recommendations to correct deficiencies. This process would enhance transparency and should augment the independent audit requirement.

**Response:**

**The recommendation for “a” will not be implemented because it is not warranted or is not reasonable.**

The annual audit conducted by the independent audit firm already includes a comprehensive, in-depth review of the IWF’s internal controls. Please see the response to Finding Number 10 for further explanation if necessary.

**The recommendation for “b” requires further analysis.**

The RCSD welcomes and is willing to submit to an audit of the IWF by the Riverside County Auditor-Controller’s office (“RCACO”). However, such an effort will necessarily require the voluntary cooperation by the RCACO after an assessment of its current workload and determination that it may proceed with an audit of the IWF.

**Number 11:**

**IMPACT ON CITIZENS AND BUSINESSES**

All information submitted to the BOS regarding the IWF in the section Impact on Citizens and Businesses should be clearly and accurately annotated to reflect there is an impact due to the high fees charged to citizens as reflected in Finding 5, as well as impacting the contractor.

**Response:**

**The recommendation will not be implemented because it is not warranted or is not reasonable.**

The County of Riverside Clerk of the Board Form 11 official instructions (used in scheduling an agenda item for Board of Supervisors approval) on how to complete the Form 11 section entitled “Impact on Residents and Businesses” indicates “Explain briefly the expected impact on private residents or private businesses. Use general terms and very rough estimates. Rely on department expertise. Do not use intensive research or consultants.” Please see: <http://form11.co.riverside.ca.us/>

In reviewing the terms and conditions of the commissary contract, it was RCSD’s expert opinion that there was no impact on family and friends who placed money in the inmate accounts.

Therefore, the information submitted to the Board of Supervisors was accurately stated. There is no negative impact on the citizens because utilizing the phone, web, or kiosk are an optional convenience and a free option is available for their use. There is no negative impact on the inmates because the cost of the goods sold to them in the jail commissary and the proposed price increases

for these goods are set by the Consumer Price Index (CPI) – All Consumers, All items – Greater Los Angeles, Riverside, and Orange County areas. There is also no negative impact on the Contractor because the respondent negotiated in good faith through the RFP process.

**Number 12:**

**FAILURE TO ADHERE TO IWF AND COMMITTEE BYLAWS AND POLICIES**

The annual report submitted to the BOS should contain full details of the fund revenue, operating expenditures, operating budget, reserve account balance and how the reserve account is to be spent. In addition, all annual reports for 2015-2016 and 2016-2017 are to be provided to the BOS as required by the bylaws and, all subsequent future annual reports be submitted to the BOS in a timely manner.

**Response:**

**The recommendation will not be implemented because it is not warranted or is not reasonable.**

The RCSD, as mandated by California Penal Code § 4025 (e), will continue to provide the Board of Supervisors an itemized expenditure report on an annual basis. In addition, the Board of Supervisors has access to IWF balance information in its entirety (including revenue sources) by virtue of the County's financial record-keeping that is maintained by the Riverside County Auditor-Controller's office.

The itemized expenditure report for FY 2015/2016 was previously filed with the Board of Supervisors on August 29, 2017, agenda item 2.53, and is in compliance with California Penal Code § 4025(e).

The itemized expenditure report for FY 2016/2017 was filed with the Board of Supervisors on May 22, 2018, agenda item 2.8, and is in compliance with California Penal Code § 4025(e).

**Number 13:**

**CONTRACTOR EMPLOYEE BACKGROUND CHECKS AND SECURITY**

- a) The RCSD Corrections Staff should inspect all items in the clear plastic bags to ensure that there is no unauthorized contraband entering the facility.
- b) The RCSD should run annual background checks on vendor's personnel who have access to the detention facilities to ensure their clearance status has not changed.

- c) Law enforcement contact is flagged for review by the Sheriff to determine if the issue would result in security issues for the Contractor's employees and staff.

**Response:**

**The recommendation for “a” will not be implemented because it is not warranted or is not reasonable.**

RCSD custody staff already supervises and visually monitors the delivery of commissary packaged in clear bags to prevent the introduction of contraband. Additionally, all entrants into the jail facilities, including commissary contractors, are subject to search. These routine searches include the use of electronic scanning devices, walk-through metal detectors, the use of x-ray machines, and the manual search of items brought into the facility. Facility safety and security continue to be of paramount importance to RCSD's operation of its jail facilities.

**The recommendation for “b” will not be implemented because it is not warranted or is not reasonable.**

Contractor employees are required to submit to a background check and obtain a security clearance administered by the Sheriff's Personnel Bureau. Part of this clearance includes obtaining fingerprints from the contractor employee. Upon negative contact with law enforcement resulting in arrest, RCSD is notified of the contact by the California Department of Justice (“CADOJ”) upon submission of the arrestee's fingerprints during booking and would take appropriate action to revoke/suspend the contractor employee's security clearance to prevent further access to any RCSD jail facility. As a result, once a contracted employee has obtained a security clearance, it is completely unnecessary to repeat a full background check process on an annual basis. In addition to being overly burdensome to the Sheriff's Personnel Bureau, the use of certain criminal information databases for the purposes of continued employment may violate the law.<sup>8</sup>

**The recommendation for “c” will not be implemented because it is not warranted or is not reasonable.**

As described in the response to “b” above, upon negative contact with law enforcement resulting in arrest, RCSD is notified of the contact by the California Department of Justice (“CADOJ”) upon submission of the arrestee's fingerprints during booking. RCSD under its current practice would then take appropriate action to revoke/suspend the contractor employee's security clearance to prevent further access to any RCSD jail facility.

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<sup>8</sup> California Penal Code §11105; Central Valley v. Younger, 95 Cal. App. 3d 212 (1979).

**Number 14:**

**RESERVE FUNDS POLICY**

- a) The IWFC should write a well-defined description to determine how monies are, or are not, to be used for jail facilities. This information should be incorporated in the IWF Bylaws.
- b) Funds determined to be in excess of those needed for inmate welfare held in the reserve fund shall be clearly defined, prioritized, and designated for specific purposes, with appropriate monitoring.

**Response:**

**The recommendation for “a” will not be implemented because it is not warranted or is not reasonable.**

- a) The IWF Bylaws already include a clearly defined description how monies are, and are not, to be used for jail facilities. Items such as jail maintenance, inmate programs, projects, inmate support services, and so forth.

**The recommendation for “b” will not be implemented because it is not warranted or is not reasonable.**

- b) Appropriations for the funds in the reserve account have been well-defined and prioritized to be used for the benefit, education and welfare of inmates. The funds are clearly designated to include the current year operational expenditures, single year operational budget reserve, and approved capital improvement projects.

**Number 15:**

**IWF POLICY AND BYLAWS**

The RCSD IWF Policy 501.13 and IWF Bylaws should have consistent language; therefore, the RCSD should modify Policy 501.13 to reflect IWF Bylaws, Section IV, Subsection B, requirement of accounting firm rotation every three years.

**Response:**

**The recommendation has not yet been implemented, but will be in the future.**

Respondent Riverside County Sheriff’s Department (“RCSD”) agrees that the language with regard to the requirement of accounting firm rotation should be consistent in both the Corrections Division Policy 501.13 and IWF Bylaws. A revision to the Corrections Division Policy 501.13 was completed on May 15, 2018, which changed the stated requirement from five years to three



years. This revision will be submitted to the Corrections Standards Committee for final approval and implementation into the policy at the next quarterly committee meeting. The date for this meeting is yet to be determined but will occur before the end of August 2018.