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The 2021-Budget: Funding for Inmate Meal Costs



LEGISLATIVE ANALYST'S OFFICE

Background

- ***State Provides Inmates Meals Based on Nutritional Needs.*** The California Department of Corrections and Rehabilitation (CDCR) is responsible for providing inmates in its prisons with meals that meet their nutritional needs. CDCR generally uses a standard menu for all inmates—although accommodations are made for inmate dietary needs and restrictions. Historically, CDCR generally relied on high-calorie, shelf-stable foods. However, in 2019-20, CDCR adopted a menu intended to improve inmate health through more nutritious meals with less sodium, fat, and processed sugar.
- ***Inmate Meals Budgeted on Per Inmate Basis.*** The annual state budget provides funding to CDCR for inmate meals based on a daily rate per inmate. In recent years, this rate has been \$3.18 per inmate per day. The 2019-20 budget included \$137 million from the General Fund for CDCR to provide meals to inmates.
- ***Actual Meal Costs Have Exceeded Budgeted Rate.*** In recent years, however, the actual cost of inmate meals has exceeded the budgeted rate for meals. For example, when the healthy menu was adopted in 2019-20, CDCR spent a total of \$163 million (\$3.78 per inmate per day) on inmate meals but only received \$137 million (\$3.18 per inmate per day) specifically for meals—resulting in a funding shortfall of about \$26 million. In 2020-21, CDCR negotiated with its food vendors to reduce the rate to \$3.74 per inmate per day, resulting in a smaller shortfall of about \$20 million.
- ***CDCR Redirected Savings From Unfilled Plant Operations Positions to Support Inmate Meal Costs.*** In order to address the funding shortfall in its inmate meal costs, the department has been redirecting salary and benefits savings from plant operations positions that remain vacant. (Plant operations positions—such as plumbers and electricians—are used to maintain prison infrastructure.) For example, the department plans to redirect about \$20 million in savings in the current year. CDCR typically has about \$35 million annually in vacancy savings from plant operations positions. According to CDCR, these savings are also used to cover funding shortfalls in other areas of its budget, such as emergency inmate transportation costs.



Governor's Proposal

- The Governor's budget proposes to increase the budgeted per inmate rate for meals from \$3.18 per day to \$3.40 per day and provide a \$7.5 million General Fund augmentation to support this increased rate for inmate meals in 2021-22. According to the administration, the requested increase in the budgeted rate for inmate meals reflects a potential decline in the level of vacancy savings that has been available in recent years to support a shortfall in inmate meal funding.
- According to CDCR, the anticipated decline in vacancy savings is due to two reasons. First, CDCR plans to close the Deuel Vocational Institute in Tracy in 2021-22 and another unspecified prison in 2022-23, which would eliminate vacancies at these prisons and could result in employees at these prisons filling vacancies at other prisons. Second, CDCR anticipates that it will be easier to fill plant operations positions in 2021-22 given the likely end of the coronavirus disease 2019 (COVID-19) pandemic and the expiration of the Personal Leave Program, which provided a temporary pay reduction for state employees in 2020-21 in exchange for additional time off.
- Under the Governor's proposal, CDCR would redirect \$11.6 million in vacancy savings from plant operations positions in the budget year to fully cover the actual cost of inmate meals—based on an actual cost of \$3.74 per inmate per day. As indicated earlier, a total of about \$20 million is being redirected in the current year.



Assessment

- ***Additional Information Needed on Vacancy Savings.*** At the time of this analysis, CDCR has not provided a complete accounting of the total vacancy savings expected in the budget year. As such, it is unclear (1) how much total savings the department expects in 2021-22 from vacant plant operations positions, (2) how it arrived at that estimate, and (3) how the total estimated savings would be used in the budget year. Without such information, it is difficult for the Legislature to evaluate the Governor's proposal to provide an increase in General Fund support for inmate meals, as well as provide oversight of the department's vacancy savings.
- ***Redirecting Vacancy Savings to Support Inmate Meals Reasonable in the Near Term...*** Given the historical difficulty of filling plant operations positions as well as the current General Fund condition, redirecting plant operations vacancy savings on a temporary basis to support inmate meal costs appears reasonable.
- ***...But Should Not Be Long-Term Strategy.*** Using plant operations funding to support inmate meals on an ongoing basis is inconsistent with the Legislature's original intent for the funds. This is particularly important given that the vacant positions were initially approved by the Legislature to help maintain CDCR's infrastructure, which is in a state of great disrepair. For example, a recent study of infrastructure needs in the state's 12 oldest prisons identified over \$11 billion in repair needs. Not filling these positions could further increase these needs and costs. We note that as these positions are filled over time, the state would need to backfill the level of vacancy savings supporting inmate meals with additional General Fund support.



Assessment

(Continued)

- ***Further Action Needed to Fill Vacancies and Address Plant Operations Workload.*** As of June 2019, CDCR reported taking several steps to fill plant operations vacancies such as increased recruitment efforts through advertisements on various websites, newspapers, and radio stations. However, additional actions could be necessary to either fill these positions or use alternative approaches to addressing the unmet workload. For example, CDCR could potentially consider increasing the pay rate at institution's with historically high vacancy rates; using the existing vacancy savings to hire contractors; or making greater use of inmates to perform plant operations functions, including by training inmates in the necessary skills.



Recommendations

- **Require CDCR to Report on Vacancy Savings.** We recommend the Legislature require CDCR to provide information by May 1, 2021 on (1) an estimate of the total amount of plant operations vacancy savings it expects in 2021-22, (2) how it arrived at that estimate, and (3) how it plans to use the total estimated savings in 2021-22. This information would allow the Legislature to more effectively assess the Governor’s proposal and facilitate greater transparency regarding CDCR’s vacancy savings.
- **Withhold Action on Governor’s Proposal Until Report on Vacancy Savings Provided.** Until the above information on the savings from vacant plant operations positions is provided, we recommend that the Legislature withhold action on the Governor’s proposed General Fund augmentation. It is possible that this report could show that no additional General Fund is needed to backfill vacancy savings in the budget year.
- **Require CDCR to Provide Detailed Plan to Address Plant Operations Workload.** Due to the implications unfilled plant operations positions have for CDCR’s infrastructure needs, the Legislature should direct CDCR to develop a detailed plan for how to address the unmet plant operations workload—either by filling the vacancies or identifying other approaches to addressing the workload associated with these positions. In developing this plan, the administration should consider the advantages and disadvantages of other approaches beyond recruitment efforts. At a minimum, the plan should identify the potential implications of increasing the pay rate at institutions with historically high vacancy rates, using the existing vacancy savings to hire contractors, and increasing the use of inmates to perform plant operations tasks.

