

OFFICE OF THE INSPECTOR GENERAL



BUREAU OF AUDITS AND INVESTIGATIONS

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**QUARTERLY REPORT
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STATE OF CALIFORNIA

INTRODUCTION

The Office of the Inspector General investigates and audits the California Department of Corrections and Rehabilitation to uncover criminal conduct, administrative wrongdoing, poor management practices, waste, fraud, and other abuses. This quarterly report summarizes the audit and investigation activities of the Office of the Inspector General for the period January 1, 2007, through March 31, 2007. The report satisfies the provisions of California Penal Code sections 6129(c)(2) and 6131(c), which require the Inspector General to publish a quarterly summary of investigations completed during the reporting period, including the conduct investigated and any discipline recommended and imposed. To provide a more complete overview of the Inspector General's activities and findings, this report also summarizes audit activities and warden candidate evaluations conducted by the office during the first quarter of 2007. All of the activities reported were carried out under California Penal Code section 6125 *et seq.*, which assigns the Office of the Inspector General responsibility for independent oversight of the California Department of Corrections and Rehabilitation.

EVALUATION OF WARDEN CANDIDATES

With the enactment of Senate Bill 737, which took effect on July 1, 2005, the Legislature assigned the Inspector General responsibility for evaluating the qualifications of every candidate nominated by the Governor for appointment as a state prison warden and to advise the Governor within 90 days whether the candidate is “exceptionally well qualified,” “well qualified,” “qualified,” or “not qualified” for the position. To make the evaluation, California Penal Code section 6126.6 requires the Inspector General to consider, among other factors, the candidate’s experience in effectively managing correctional facilities and inmate populations; knowledge of correctional best practices; and ability to deal with employees and the public, inmates, and other interested parties in a fair, effective, and professional manner. Under California Penal Code section 6126.6(e), all communications pertaining to the Inspector General’s evaluation of warden candidates are confidential and absolutely privileged from disclosure.

During the first quarter of 2007, the Office of the Inspector General initiated evaluations of the qualifications of seven candidates for warden, and all were pending completion of the process at the end of the quarter.

SUMMARY OF AUDIT DIVISION ACTIVITIES

The Office of the Inspector General completed two special reviews during the first quarter of 2007. The special reviews are summarized below.

Special Review into In-Prison Substance Abuse Programs Managed by the California Department of Corrections and Rehabilitation. In February 2007, the Office of the Inspector General issued a 55-page special review of the California Department of Corrections and Rehabilitation’s in-prison substance abuse programs, which are managed by the department’s Office of Substance Abuse Programs. The review determined that the department has spent more than \$1 billion since 1989 to provide substance abuse treatment to California inmates and parolees in an effort to reduce the state’s high recidivism rate. However, the programs have been ineffective at reducing recidivism, and in that regard, represent both a waste of money and a missed opportunity to change lives.

The Office of Substance Abuse Programs currently budgets \$143 million a year for substance abuse treatment services, including in-prison treatment for state prison inmates and community-based aftercare for inmates who have paroled. The in-prison treatment services account for about 25 percent of the \$143 million annual budget—\$36 million a year—and are provided through 38 programs at 22 correctional institutions statewide. The programs have the capacity to provide services to about 9,200 inmates and are operated by private providers under contracts managed by the Office of Substance Abuse Programs. An estimated 78,000 California inmates received in-prison treatment services from the programs’ inception in 1989 through fiscal year 2005-06.

The Office of the Inspector General found from its review that there were a multitude of reasons to explain the failure of the programs, nearly all of which begin and end with poor management by the Department of Corrections and Rehabilitation and the Office of Substance Abuse Programs. One central finding is that even though the contracts between the state and the in-prison providers require contractors to use the “therapeutic community”

substance abuse treatment model, the Office of Substance Abuse Programs not only fails to hold providers accountable for fulfilling that requirement, but also fails to create the conditions that would allow the therapeutic community model to operate. The Office of the Inspector General found the following specific examples of shortcomings in the delivery of the therapeutic community model:

- Participants share yards and other prison facilities even though separation of program participants from other prison inmates is an essential feature of the therapeutic community model.
- Programs have been placed in facilities subject to either frequent or long-term lockdowns of all or a large percentage of program participants.
- Contractors are not providing the required minimum of 20 hours per week of face-to-face group and individual activities and access to six additional hours per week of optional activities, and they are not scheduling activities the required six days per week.
- Intensive group counseling is an essential component of the therapeutic community model, yet contracts with providers do not specify how many of the weekly program hours should be devoted to encounter group sessions.
- Contractors are not maintaining the required 18:1 ratio of participants to counselors to provide intensive group counseling.

Beyond those deficiencies, the review also found that the Office of Substance Abuse Programs uses a flawed process to select contractors, fails to adequately monitor contract compliance, and exercises poor fiscal controls over program budgets.

Many of the problems discussed in this review have been identified before. The Office of Substance Abuse Programs paid the University of California over \$8.2 million between 1997 and 2006 to evaluate in-prison substance abuse programs. The department, however, did not implement corrective action in response to the numerous program weaknesses and recommendations contained in more than 20 reports. Rather, it simply continues to fund additional studies and to expand the programs.

The Office of the Inspector General made the recommendation that officials and policymakers take a step back and work in a bipartisan manner to devise comprehensive solutions, bringing together substance abuse treatment experts and representatives from a broad political spectrum to remake the system from the ground up. In the meantime—and until real reform can be accomplished—the Office of the Inspector General made 29 additional recommendations to address the deficiencies identified in the course of this review.

The full text of the Special Review into In-Prison Substance Abuse Programs Managed by the California Department of Corrections and Rehabilitation can be viewed by clicking on the following link to the Inspector General's Web site:

<http://www.oig.ca.gov/reports/pdf/SubstanceAbusePrograms.pdf>

Special Review of High-Risk Issues at the Heman G. Stark Youth Correctional Facility. In February 2007, the Office of the Inspector General issued a 32-page special review of high-risk issues at Heman G. Stark Youth Correctional Facility in Chino. The special review determined that the Heman G. Stark Correctional Facility has not made substantive progress in improving unsafe or unsatisfactory living conditions for wards in its special management program despite being alerted to those conditions in previous audits by the Office of the Inspector General.

The Office of the Inspector General found that:

- Management's failure to ensure staff members perform room inspections and adhere to existing policies allows wards to maintain contraband in its highly restricted special management program in the form of window coverings, makeshift ropes, and other items. In addition, delivery of mandated services to wards on restricted programs was deficient. The presence of contraband, such as window coverings, combined with wards' isolation in their rooms and the facility's inadequate delivery of mandated services, including education and counseling, presents an environment conducive to suicide attempts and may contribute to wards' propensity to commit assaults against staff members.
- The facility operates a program intended to help violence-prone wards transition from its special management program to less-restrictive programs, but it does not provide to these wards the necessary protections designed to facilitate their rehabilitation.
- The facility's ability to hold wards accountable for sexual misconduct is hampered by its use of ineffective or inadequate sanctions and by its failure to consistently submit for prosecution instances of ward sexual misconduct. Consequently, wards have little concern about being held accountable and little incentive to curtail their negative behavior.
- A critical mental health screening process designed to flag certain indicators of potential mental health problems including thought disorder, suicide risk, depression, and anxiety is not being consistently performed for wards coming into the facility's parole violator program. As a result, wards in this program are potentially being placed at risk for suicide while their assignments to specialized treatment programs or other mental health services are being unnecessarily delayed.

The Office of the Inspector General made 20 recommendations as a result of the special review.

The full text of the Special Review of High-Risk Issues at Heman G. Stark Youth Correctional Facility can be viewed by clicking on the following link to the Inspector General's Web site: <http://www.oig.ca.gov/reports/pdf/HStark022207.pdf>

SUMMARY OF INTAKE AND INVESTIGATIONS DIVISION ACTIVITIES

The Office of the Inspector General received 1,058 complaints this quarter concerning the state correctional system, an average of 352 a month. Most of the complaints arrive by mail or through the Inspector General's 24-hour toll-free telephone line. Others are brought to the attention of the Office of the Inspector General in the course of audits or related investigations. The Office of the Inspector General may also conduct investigations at the request of department officials in cases involving potential conflicts of interest or misconduct by high-level administrators.

The Inspector General's staff responds to each of the complaints and requests for investigation, with those involving urgent health and safety issues receiving priority attention. Most often, the Inspector General's staff is able to resolve the complaints at a preliminary stage through informal inquiry by contacting the complainant and the institution or division involved and either establishing that the complaint is unwarranted or bringing about an informal remedy. Depending on the circumstances, the Office of the Inspector General may refer the case to the Department of Corrections and Rehabilitation's Office of Internal Affairs for investigation. Other complaints require further inquiry or full investigation by the Office of the Inspector General.

During the first quarter of 2007, the Office of the Inspector General had 21 ongoing investigations and completed three such investigations. The completed investigations are summarized in the table that follows. Cases referred to the Office of Internal Affairs may be monitored by the Office of the Inspector General's Bureau of Independent Review depending on whether the nature of the case meets applicable criteria. Such cases are not included in the quarterly report until the Office of Internal Affairs investigation is complete. The Bureau of Independent Review reports its monitoring activities semi-annually in a separate report.

Investigation	Result	Status
The Office of the Inspector General received a complaint alleging that California Department of Corrections and Rehabilitation employees (or managers) promoted a code of silence by interfering with the employee disciplinary process.	The Office of the Inspector General conducted an investigation that included interviewing the complainant, California Department of Corrections and Rehabilitation staff, and the subject employees. The Office of the Inspector General found insufficient evidence to support the allegations.	The Office of the Inspector General has closed this investigation.
The Office of the Inspector General received a complaint alleging that an institution did not provide adequate medical care for inmates requiring dialysis and that a contracted health care provider was overcharging the California Department of Corrections and Rehabilitation for medical services.	The Office of the Inspector General conducted an investigation that included interviewing the complainants and California Department of Corrections and Rehabilitation staff and the review of contracts, invoices, and supporting medical documentation. The Office of the Inspector General found insufficient evidence to support either allegation.	The Office of the Inspector General has closed this investigation.
The Office of the Inspector General received an allegation that senior management of the California Department of Corrections and Rehabilitation were inappropriately using state resources to conduct activities on behalf of a non-profit organization.	The Office of the Inspector General conducted an investigation that consisted of interviews with California Department of Corrections and Rehabilitation staff, review of recordkeeping documents for the cited non-profit organization, and research of applicable government codes. The investigation revealed that the incidental use of state resources was done in accordance with Government Code section 8314.4. In addition, the activities of the non-profit organization were directly related to state business; therefore, there was no violation of policy or code.	The Office of the Inspector General has closed this investigation.