

# LIFERS' GROUP INC.

A REPORT ON THE SOURCES AND USES OF FUNDS  
FROM THE MASSACHUSETTS DEPARTMENT OF  
CORRECTION'S

CENTRAL INMATE BENEFIT FUND  
CENTRAL LAW LIBRARY FUND  
And  
CENTRAL PROGRAM ACCOUNT

For The Period July 1, 2019 - June 30, 2020

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# A REPORT ON THE SOURCES AND USES OF FUNDS IN THE DOC'S LAW LIBRARY FUND, THE PROGRAM ACCOUNT, AND THE INMATE BENEFIT FUND JULY 1, 2019 - JUNE 30, 2020

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## 1. Introduction

The Central Office of the Massachusetts Department of Correction (DOC), pursuant to 103 DOC 476, maintains two separate accounts or funds, the Program Account (103 DOC 476.10) and the Law Library Fund (103 DOC 476.11). These accounts, along with the Central Inmate Benefit Fund (CIB) or Z-1 Account, have been established to provide services and benefits to prisoners. The Program Account and the Law Library Fund are financed almost entirely by monthly assessments paid by each correctional institution as a percentage of revenue received in each institution (Program Account - 10% and Law Library Fund - 20%).

Institutional revenue consists of commissions paid to an institution by the Keefe Commissary Network (KCN) as a percentage of sales to prisoners for commissary, appliances, and clothing items. Over 90% of institutional revenue comes from those commissions. The remaining income is from miscellaneous sources such as: locker fees, soda bottle refunds, and bank interest. KCN also pays commissions on sales of tablets, tablet accessories, emails, and digital media (games, music, and videos). In addition, commissions are paid for Secure Pak orders (special commissary packages which include items not offered in the regular canteen that can be ordered by prisoners or their families at specific times of the year). These commissions, however, go directly to the CIB and are not shared with institutions.

The DOC established the Program Account as "an effort to identify and utilize all available resources... to supplement existing programs or funding for new programs throughout the Department." [103 DOC 476.10(11)] The DOC does not indicate why the Law Library Fund was established or any guidelines as to how the funds are to be expended from the Law Library Fund. But, according to correspondence to and from the DOC Central Office in 2009, the rationale for the Law Library Fund and its monthly assessments was to pay for the computerization and upkeep of each institution's law library. The computerizations were completed several years ago, which begs the question: Why continue the 20% monthly assessment each institution is required to send into the Central Office of the DOC?

The CIB appears to be an extension of the individual Z-1 institutional accounts over which each superintendent has the authority to expend funds within broad guidelines. According to 103 DOC 476.12(2): "Expenditures of such funds shall benefit the general inmate population or be for any goods or services determined by the Commissioner to be necessary to maintain and/or enhance the delivery of services to inmates." Superintendents may petition

the Central Office for payment of major institutional expenditures from either the Program Account or the CIB on a case-by-case basis. But, any expenditure exceeding \$1,000 at the institutional level must receive written approval from Administrative Services in the Central Office. [103 DOC 476.12(5)]

## 2. Total Sources and Uses of Funds - Fiscal Year 2020

<b>Account/Fund</b>	<b>Total Sources</b>	<b>Total Uses</b>	<b>Differences</b>
CIB	203,719.87	193,804.46	9,915.41
Law Library Fund	301,333.59	337,415.95	(36,082.36)
Program Account	<u>64,893.76</u>	<u>26,403.33</u>	<u>38,490.43</u>
Totals	569,947.22	557,623.74	12,323.48

## 3. Central Inmate Benefit Fund (CIB)

### a. Balance Sheet

Beginning Balance (7/1/19)	440,286.97
+Sources of Funds	<u>203,719.87</u>
Subtotal	644,006.84
- Uses of Funds	<u>193,804.46</u>
Ending Balance (6/30/20)	450,202.38

### b. CIB Sources of Funds (7/1/19 - 6/30/20)

Music Downloads, Emails, Videos, Games	99,846.69
Transfer Payments	56,937.45
Secure Pak Commissions	40,233.91
Interest	<u>6,701.82</u>
Total Sources of Funds	203,719.87

The revenue for music downloads, emails, and movie / game sales increased by 57% over FY 2019. This likely reflects the lockdown the DOC instituted in all prisons in April 2020 due to the coronavirus pandemic.

Transfer Payments represent repayments to the CIB from the DOC's Administrative Services. \$48,702.10 was for expenses related to replacing the gym floor at the Mass. Treatment Center (MTC). The total for Interest is comprised of \$4,730.47 in bank interest and \$1,971.74 in transfer interest payments from a variety of accounts such as: Global Tel., DOC's Maintenance & Administration Account (Z186).

c. CIB Uses of Funds (7/1/19 - 6/30/20)

FJ Roberts - AASG (Project DRM 2019-01)	85,000.00
Swank	46,725.00
Law Library Books and Supplies	25,000.00
Lionbridge	14,940.77
Keefe Commissary	8,750.00
Capital One	4,056.68
Chef Mike	3,906.91
SHI International	3,786.00
Unidentified Transfer	1,100.10
Town Business Systems	<u>539.00</u>
Total Uses of Funds	193,804.06

The \$25,000.00 for Law Library Books and Supplies seems misplaced. In past fiscal years, \$25,000.00 or more was spent on General Library books for all institutions. If the funds were for law library materials, the it should have been entered in the Law Library Fund (Z-176).

4. Central Law Library Fund (Z-176)

a. Balance Sheet

Beginning Balance (7/1/19)	1,584,940.42
+ Sources of Funds	<u>301,333.59</u>
Subtotal	1,886,274.01
- Uses of Funds	<u>337,415.95</u>
Ending Balance (6/30/20)	1,548,858.06

b. Law Library Fund Sources of Funds (7/1/19 - 6/30/20)

1) Institutions

MCI - Shirley Assessment	45,957.70
MCI - Norfolk Assessment	43,261.22
MCI - Gardner Assessment	31,232.96
Old Colony Assessment	30,776.60
MCI - Concord Assessment	19,849.58
MCI - Cedar Junction Assessment	18,981.51
Souza - Baranowski Assessment	18,096.38
MCI - Framingham Assessment	17,154.48
Treatment Center Assessment	16,113.86
Pondville Assessment	7,989.10
Concord Farm Assessment	6,773.65
Bridgewater State Hospital Assessment	6,383.90
Bridgewater Complex Assessment	4,503.38
Community Corrections Assessment	4,375.25
So. Middlesex Assessment	2,456.23
MASAC Assessment	1,927.02

2) Other

Interest	14,579.66
Phone Commissions	6,444.69
Unattributed	4,149.25
Securus	<u>327.17</u>

Total Sources of Funds 301,333.59

The \$6,444.69 paid into the Law Library Fund for Phone Commissions and the \$327.17 from Securus need second looks as phone commissions are supposed to be deposited in the General Fund and not in a Central DOC Account.

c. Law Library Fund Uses of Funds (7/1/19 - 6/30/20)

Matthew Bender / Nexis	119,400.22
Comcast	103,867.50
Thomas Reuters	43,377.00
Integration Partners	38,807.00
Citrix	18,751.23
Mass. Lawyer's Weekly	8,379.00
Lawyer's Diary	4,315.00
CDW	<u>519.00</u>
Total Uses of Funds	337,415.95

The FY 2019 expense for Mass. Lawyer's Weekly was \$3,145.67. The FY 2020 expense (\$8,379.00) was an increase of 166%. This needs an explanation. The expense has been traditionally for copies of Mass. Lawyer's Weekly to be placed in each institution's law library and for office use. The regular price for an individual subscription to Mass. Lawyer's Weekly is \$429.00. For sixteen institutions, that cost would be \$6,864.00, which is \$1,815.00 less than the expense for FY 2020. And, given the large number of subscriptions, the DOC should be able to negotiate a discounted price. For instance, in September 2020, the price for an individual subscription was reduced to \$329.00 as an incentive for individuals to subscribe. The DOC needs to inquire about reduced rates for FY 2021.

The Ending Balance in the Law Library Fund as of June 30, 2020 was again over \$1.5 million. The DOC needs to consider why so much is continually left unused. A further indication of the excessive balance remaining in the fund is that on average, the fund earned \$1,214.97 in interest each month, a high amount given that interest rates in savings banks continue to be minuscule, i.e., at or below 1% annually.

The funds stockpiled in the Law Library Fund could be used to meet program needs at the institutional level. If the DOC is not willing to apportion at least some of the funds held in the Law Library Fund, the DOC should, as noted before, consider reducing the 20% assessment to 10%. At the very least, the DOC should reimburse institutions for the expenses they have paid for maintaining their individual law libraries. These expenses include, but are limited to: photocopier rental, copier paper, toner, legal books and assorted office supplies such as ribbons, envelopes, typing paper. For example in FY 2020, MCI-Norfolk paid over \$5,000 from its own Inmate Benefit Fund for law library expenses.

## 5. Central Program Account

### a. Balance Sheet

Beginning Balance (7/1/19)	206,031.54
+ Sources of Funds	<u>64,893.76</u>
Subtotal	270,925.30
- Uses of Funds	<u>26,403.33</u>
Ending Balance (6/30/20)	244,521.97

### b. Program Account Sources of Funds

The sole source of funds for the Program Account is the 10% assessment paid by each institution on their total revenue for each month. In FY 2020, the total of all institutional sources was \$64,893.76. The DOC did not provide the amounts assessed each institution in FY 2020.

### c. Program Account Uses of Funds

MCI-Shirley Barbershop	9,605.00
Boston Pre-Release Phoenix Program	9,185.90
Education Division - Nutrition Course	2,436.00
Testing Kit For Psychological Testing	2,171.40
MCI-Shirley - Correctional Recovery Academy	1,073.48
Table Program in Restricted Housing	570.00
Earbuds for Tablet Program	512.95
MTC Housing Search Specialists	140.71
Boston Pre-Release OSHA 10 Cards	120.00
Indirect Charges	<u>587.89</u>
Total Uses of Funds	26,403.33

## 6. Total Of Ending Balances For Each Account

Central Inmate Benefit Fund (Z-1)	450,202.38
Law Library Fund (Z-176)	1,548,858.06
Central Program Account	<u>244,521.97</u>
Total of Ending Balance - 6/30/20	2,243,582.41

The increase in the total of ending balances for the three Central Accounts from FY 2019 was \$12,323.48 or .6%. In closing, the question once again needs to be asked: Why does



the DOC maintain over \$2.2 million sitting in these three accounts, rather than increasing spending for programs proven to reduce recidivism, such as education, or return funds to individual institutions for their use?

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Any and all comments, questions, or corrections concerning this report are welcome and should be directed to Gordon Haas, Chairman, Lifers' Group Inc. at the above address.

All calculations were made by the author who is solely responsible for any errors. The data was provided by the DOC pursuant to a public records request. The Lifers' Group Inc. thanks them for so responding. We hope the DOC can use the recommendations and questions raised in this report to improve conditions and programming within all DOC institutions.

The Lifers' Group Inc. continues to thank Lois Ahrens, Founding Director of Real Cost of Prisons Project for her generous, much valued, and appreciated support. This report, as well as many other Lifers' Group Inc. reports on such topics as Parole Decisions For Lifers, Recidivism Rates, Expenditures and Staffing of the DOC, and reports on specific issues concerning lifers and the DOC can be found at: [www.realcostofprisons.org/writing](http://www.realcostofprisons.org/writing). Copies of this report and others found on the Real Cost Of Prisons' website can be obtained from the Lifers' Group Inc.