



Technical Appendix: Calculating County Spending on Incarceration and Responding to Crime

This document describes the methodology that the Budget Center used to determine county spending on incarceration and responding to crime – including as a share of each county’s budget – for selected fiscal years from 1990-91 to 2015-16. The Budget Center’s findings are summarized in Amy Rose and Scott Graves, *How Much Do California’s Counties Spend on Incarceration and Responding to Crime?* (California Budget & Policy Center: November 2017), available at http://calbudgetcenter.org/Report_CountySpending_Nov2017.

This technical appendix provides:

- A summary of the data source.
- A general overview of the Budget Center’s methodology.
- An explanation of how the Budget Center calculated county expenditures related to incarceration and responding to crime.

Data Source

County spending on incarceration and responding to crime as well as overall county spending come from financial data reported by the State Controller’s Office (SCO).¹ Counties are required to annually report financial information – including expenditures – to the SCO, which compiles the data and makes it available to the public.

The SCO divides county expenditures into major categories, such as “Public Protection” and “Public Assistance,” with each category containing several specific line-item expenditures. Individual SCO line items encompass both operating expenditures and related capital outlay spending (if applicable).

General Overview of the Budget Center’s Methodology

The Budget Center’s analysis:

- Reflects expenditures for fiscal years 1990-91 (the first year of data available from the SCO), 1995-96, 2000-01, 2005-06, and 2010-11 to 2015-16 (the most recent year of data available).

- Aggregates selected line-item expenditures that appear in the SCO's "General," "Public Assistance," and "Public Protection" categories into two new Budget Center categories: either "incarceration" or "responding to crime."
- Adopts an SCO definition of overall spending through the county budget that the SCO variously classifies as 1) "Total of Financing Uses" (1990-91 and 1995-96); 2) "Deduct_Expenditures" (2000-01); or 3) "Deduct : Expenditures During Fiscal Year" (2005-06 and 2010-11 to 2015-16).²
- Includes both operating expenditures and spending on capital outlay (infrastructure), the latter of which is primarily funded with bond dollars.
- Adjusts expenditures for inflation to fiscal year 2017-18.³
- Excludes expenditure data for the City and County of San Francisco. The SCO does not provide information for San Francisco that is comparable to the data reported for the state's other 57 counties.
- Excludes expenditures related to the cost of policing that is provided by county sheriff's departments and city police departments.⁴

Calculating County Expenditures Related to Incarceration

The "incarceration" category generally accounts for spending associated with detaining defendants in jail prior to a trial and incarcerating individuals who have been sentenced to jail. The data include operating expenditures and related capital outlay spending reported in the following line items:⁵

- **Adult Detention:** Expenditures related to holding people who are charged with or convicted of a crime in a county jail or adult detention facility.
- **Juvenile Detention:** Expenditures related to housing juvenile court wards in juvenile homes, ranches, or camps.
- **Jails:** Expenditures related to operating jail facilities.

Calculating County Expenditures Related to Responding to Crime

The "responding to crime" category generally accounts for spending incurred after a crime has been committed, excluding any costs related to incarceration. The data include operating expenditures and related capital outlay spending reported in the following line items:⁶

- **District Attorney (Prosecution):** Expenditures incurred in prosecuting individuals charged with public offenses, in addition to providing legal counsel to the grand jury.
- **Probation:** Expenditures incurred in supervising people released into the community.

- **Public Defender:** Expenditures incurred for providing legal assistance to indigents.
- **Trial Courts:**⁷
 - 1990-91 and 1995-96 (prior to the trial court “realignment” and reorganization of the late 1990s):⁸
 - **Superior Court:** Expenditures incurred with respect to all felony cases and all general civil cases involving disputes exceeding \$25,000, along with probate, juvenile, and family law cases.⁹
 - **Municipal Court:** Expenditures incurred with respect to misdemeanor and infraction cases, civil matters involving claims of \$25,000 or less (including small claims of \$5,000 or less), and felony arraignments and preliminary hearings.¹⁰ These courts served areas with more than 40,000 residents.¹¹
 - **Justice Court:** Expenditures incurred in carrying out the same functions as municipal courts, but in areas with 40,000 or fewer residents.¹²
 - **Court Reporter:** Expenditures related to the transcription of legal proceedings.¹³
 - 2000-01, 2005-06, and 2010-11 to 2015-16:
 - **Trial Court Maintenance of Effort (MOE):** Expenditures required by Government Code (GC) sections 77201.1(b)(1) and 77201.1(b)(2) for monies remitted to the state.
 - **Fifty Percent Excess Revenue Calculation:** These expenditures reflect the 50 percent portion due to the state and remitted to the State Trial Court Improvement Fund in accordance with GC section 77205.
 - **Other Trial Court Expenditures:** Other trial court-related spending for which counties are responsible, including court facility expenditures paid by the county, MOE penalties, and trial court contractual agreement expenditures between the county and the trial courts (e.g., court sheriff security).
- **Grand Jury:** Expenditures incurred in investigating possible misconduct by public officials and in examining the condition and management of prisoners within the county, along with other allowable charges.
- **Care of Court Wards:** Expenditures incurred in providing public assistance and services to youths who are in the custody of the court.

¹ County spending figures for fiscal years 2002-03 to 2015-16 are available on the SCO’s local government financial data website: <https://bythenumbers.sco.ca.gov/>. Spending figures for prior years generally come from a compact disc (CD) provided by the SCO. However, *overall* county expenditures

for 1990-91 and 1995-96 were not available on this CD. For these two fiscal years, overall expenditures come from the SCO's annual county financial transactions report, hard copies of which are available at the California State Library.

² As explained in endnote 1, overall county expenditures for 1990-91 and 1995-96 were not available from the SCO in electronic format (either online or on the CD provided by the SCO). For these two fiscal years, overall expenditures for each county come from the "Total of Financing Uses" column in the SCO's annual county financial transactions report. The name of this column differs in the electronic versions of the SCO's county data. This column is called "Deduct_Expenditures" in the 2000-01 data (which the SCO provided on a CD) and is called "Deduct : Expenditures During Fiscal Year" in the data for 2002-03 to 2015-16 (which is available at <https://bythenumbers.sco.ca.gov/>). The Budget Center verified that despite having different names, these expenditures are comparable across time. We did so in part by comparing overall county expenditures across SCO data sources for selected fiscal years. For example, we verified that overall county expenditures for 2000-01 are the same whether they are called "Total of Financing Uses" (in the SCO's county financial transactions report) or "Deduct_Expenditures" (in the data that the SCO provided on a CD). The overall county expenditures used in the Budget Center's analysis *exclude* spending related to "enterprise" activities, such as airports, hospitals, sanitation, cemeteries, marinas, and golf courses. Notably, these enterprise expenditures *do* include at least a couple of activities that are related to "incarceration" or "responding to crime": Contra Costa County's "Sheriff Training Center" and Stanislaus County's "Jail Commissary." In each case, annual spending on these activities totaled less than \$2 million for more than a decade. The Budget Center decided to exclude these relatively minor enterprise-related expenditures from the "incarceration" and "responding to crime" categories in order to simplify the analysis and treat all enterprise expenditures consistently.

³ Expenditures are adjusted for inflation using the Consumer Price Index for All Urban Consumers (CPI-U) for California, as reported by the Department of Finance.

⁴ City police expenditures are not included in the SCO's county spending data. The SCO *does* display county expenditures for policing provided by sheriff's departments in a "Police Protection" line item within the "Public Protection" expenditure category. This line item accounts for the cost of both preventing *and* detecting crime – the latter of which could arguably be considered "responding to crime." However, the SCO data do not indicate how much sheriff's departments spend on crime *prevention* as opposed to crime *detection*. Because it is not possible to determine how much counties spend on crime *detection*, the Budget Center's analysis excludes *all* county spending in the "Police Protection" line item in order to avoid overstating expenditures associated with "responding to crime."

⁵ Each of the line items in this category presumably includes a portion of sheriff's department expenditures. Definitions generally come from State Controller's Office, *Counties Financial Transactions Report Instructions* (September 2015), pp. 49-50.

⁶ Unless otherwise noted, definitions come from State Controller's Office, *Counties Financial Transactions Report Instructions* (September 2015), pp. 48-50 and 58.

⁷ For each fiscal year, trial court expenditures reported in the "responding to crime" category reflect one-half of each county's *total* trial court expenditures. This is because the Budget Center's analysis assumes that one-half of trial court spending is related to *criminal*, as opposed to *civil*, cases. This assumption is based on guidance from the Legislative Analyst's Office (LAO), using 2009-10 judicial branch spending as a baseline. More recent data are not available because the judicial branch no longer collects this information in a way that distinguishes criminal cases from civil cases, according to the LAO.

⁸ SCO expenditure data for 1990-91 and 1995-96 include a different set of court-related line items compared to subsequent fiscal years that are included in the Budget Center's analysis. This is because, in the late 1990s, the state completed a process of transferring – or "realigning" – primary responsibility

for trial courts from the counties to the state. Prior to this realignment, counties had been primarily responsible for financing trial court operations, with some with financial support from the state. Realignment shifted primary responsibility for trial court funding to the state, although counties continue to provide some annual support for trial court operations. In addition, Proposition 220 of 1998 allowed judges in each county to merge municipal courts with superior courts, a process that was completed in all counties by 2001. (Justice courts had already been abolished in 1995 due to the passage of Prop. 191 in 1994.) As a result of these changes, some court-related line items in the SCO data were eliminated and others were created. For a discussion of the trial court realignment and reorganization, see Legislative Analyst's Office, *Completing the Goals of Trial Court Realignment* (September 28, 2011).

⁹ Mary Anne Lahey, et al., *Analysis of Trial Court Unification in California: Final Report* (Administrative Office of the Courts, Judicial Council of California: September 28, 2000), p. 1.

¹⁰ Mary Anne Lahey, et al., *Analysis of Trial Court Unification in California: Final Report* (Administrative Office of the Courts, Judicial Council of California: September 28, 2000), p. 1.

¹¹ "Inferior Court Reorganization California Proposition 3 (1950)," accessed at http://repository.uchastings.edu/ca_ballot_props/508/.

¹² "Inferior Court Reorganization California Proposition 3 (1950)," accessed at http://repository.uchastings.edu/ca_ballot_props/508/. "Abolish Justice Courts California Proposition 191 (1994)," accessed at http://repository.uchastings.edu/ca_ballot_props/1108. See also James Luther, "A Brief History of the Justice Courts of Mendocino County" (June 15, 2016). Prop. 191 of 1994 eliminated justice courts and merged them into municipal courts effective January 1, 1995.

¹³ For a discussion of the role of court reporters, see Anne M. Grignon and Ilana R. Herscovitz, "Why You Need a Court Reporter to Set the Record Straight" (September 11, 2014), accessed at <https://www.law360.com/articles/576472/why-you-need-a-court-reporter-to-set-the-record-straight>.