

December 30, 2025

Joe Stephenshaw, Director
California Department of Finance
915 L Street
Sacramento, CA 95814

Dear Director Joe Stephenshaw,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the Department of Corrections and Rehabilitation submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2025.

Should you have any questions please contact Cathy Cruz Jefferson, Deputy Director, Office of Research, at (279) 210-3281, cathy.jefferson@cdcr.ca.gov.

GOVERNANCE

Mission and Strategic Plan

The California Department of Corrections and Rehabilitation (CDCR) operates California's incarceration system. In total, CDCR oversees approximately 130,000 adult incarcerated and supervised persons. The CDCR accomplishes its mission with 60,000 employees and a 2025-26 fiscal year budget of approximately \$13.2 billion.

The mission of CDCR is to facilitate the successful reintegration of the individuals in our care back to their communities equipped with the tools to be drug-free, healthy, and employable members of society by providing education, treatment, rehabilitative, and restorative justice programs, all in a safe and humane environment. Critical business functions are carried out by the Division of Adult Institutions (DAI), Division of Adult Parole Operations (DAPO), Division of Rehabilitative Programs (DRP), Board of Parole Hearings (BPH), and the California Correctional Health Care Services (CCHCS). In addition, CDCR has various support divisions which provide essential services, such as policy, research, and internal oversight; budgeting; accounting; human resources; facilities management; information technology; and legal services.

The goals of CDCR are two-fold and encompass:

Organizational Goals:

Workforce Excellence: Ensure a well-trained, high-quality workforce.

- Technology: Develop an information technology strategy and implement systems capable of managing both current needs and anticipated growth.

- Risk Management/Organizational Effectiveness: Achieve organizational excellence in our operations and systems.
- Legal Compliance: Develop preventive strategies to preclude class action suits and remedy identified violations.

Programmatic Goals:

Crime Prevention and Safety: Develop a comprehensive crime prevention program and establish evidence-based research to determine the impact of offender programs within the institutions and community to reduce criminality and victimization.

- Outreach, Partnerships, and Transparency: Seek out partnerships and develop meaningful programs and processes to promote shared responsibility for community safety.
- Health Care Delivery: Ensure an organization design and accompanying systems to provide efficient delivery of quality health care.

CDCR's operations are built upon the following core values:

- Service: We serve and are responsible to the public. We value their trust and invite their involvement.
- Leadership: We serve as positive role models and foster an environment that supports a balance between professional development, professional job performance, and personal wellness.
- Integrity: We conduct ourselves professionally through fair, honest, and ethical behavior. We have the courage to do what is right, even in the face of adversity.
- Accountability: We accept responsibility for our actions and decisions as well as their consequences.
- Respect: We respect each other's differences and treat others with courtesy, dignity, and consideration.
- Trust: We are people of character. We keep our word and honor our commitments.
- Collaboration: We work with our stakeholders as partners to support mutual understanding of ideas and open exploration of our differences.

In partnership with CDCR, CCHCS operates under the direction of a United States District Court, Northern District of California (court) appointed Receiver. In 2006, the Receiver took control of CDCR's prison medical care and will retain control until the court finds that the State can maintain a constitutionally adequate prison medical care system. In January 2008, the Receiver submitted a "Turnaround Plan of Action" (Plan of Action) designed to effectuate the restructuring and development of a constitutionally adequate medical health care delivery system. The Plan of Action was approved by the court.

The Receiver filed a subsequent report on March 10, 2015, titled "Receiver's Special Report: Improvements in the Quality of California's Prison Medical Care System", wherein he outlined the significant programs in improving the delivery of medical care in California's prisons and the remaining significant gaps and failures that must still be addressed. The identified gaps at that time were availability and usability of health information, scheduling and access to care, care management, and health care infrastructure at facilities.

On August 27, 2025, the federal court in *Coleman v. Newsom, et al.* appointed a receiver to oversee CDCR's Statewide Mental Health Program. On September 5, 2025, the Coleman Court issued its Amended Order Setting Out Powers and Duties of Receiver, vesting the appointed Receiver with authority and, as necessary, the duty to control, oversee, supervise, and direct all administrative, personnel, financial, accounting, contractual, legal, and other operational functions necessary to the delivery of mental health care to class members.

CCHCS is required to maintain a standardized governance structure, driven by its Governing Body that consists of multidisciplinary leadership teams at headquarters and institutions.

Control Environment

CDCR has specific regulations, policies, and a code of conduct for employees to follow, which ensures the mission and goals of CDCR are met. It is the responsibility of management and supervisors to ensure each employee, regardless of classification, understands these expectations and to hold each employee individually accountable. Managers are expected to ensure that all employees under their supervision attend all required training and that employees are provided with timely probationary and annual performance evaluations. This allows employees to be provided with every opportunity to comply with the policies that govern CDCR. The Division of Correctional Policy, Research, and Internal Oversight (CPRI) is the monitoring arm of CDCR and includes the following:

- The Office of Appeals (OOA) helps to ensure the administrative remedies process for incarcerated person complaints is accessible, responsive, and meaningful. This process affords the adult incarcerated and supervised population an opportunity to address complaints directly to high-ranking officials. OOA is responsible for reviewing statewide compliance with the regulatory framework for administrative remedies and providing statewide guidance and training to staff involved in the process.
- The Office of Audits and Court Compliance (OACC) provides an independent assessment of the adequacy and effectiveness of governance and control processes; and assists CDCR in complying with court-ordered remedial plans. Further, OACC enforces accountability through the tracking and monitoring of corrective action plans.
- The Office of Civil Rights (OCR) is responsible for ensuring Equal Employment Opportunity (EEO) exists for all applicants and CDCR employees, and to promote a professional work

environment free from discrimination, harassment, and retaliation.

- The Office of Correctional Safety (OCS) protects the public and serves the CDCR investigative and security interests. OCS functions include, but are not limited to, major criminal investigations and prosecutions. OCS also identifies and conducts trend and link analyses between criminal suspects and criminal enterprise organizations operating within California's correctional systems.
- The Office of Internal Affairs (OIA) investigates allegations of employee misconduct, including criminal investigations, administrative investigations, and retaliation investigations. The Centralized Screening Team is housed within OIA and provides hiring authorities with an independent review of allegations of staff misconduct.
- The Office of Research (OR) is responsible for producing a variety of reports, including projections of adult and parole populations, as well as statistical summaries of CDCR populations, recidivism, and performance metrics. OR manages the early warning system, which notifies hiring authorities of potentially problematic areas so that intercessory actions can be taken. OR also facilitates external research requests and provides research-based information and data to CDCR administrators and correctional stakeholders.
- The Regulation and Policy Management Branch (RPMB) provides the Department with expertise in the Administrative Law process and requirements of the Administrative Procedure Act. RPMB works with and provides guidance to program areas in creating and promulgating both regulations and Department Operations Manual policies and ensures Department stakeholders have input on regulation and policy development.

CCHCS is responsible for developing, implementing, and validating the health care systems within the CDCR's correctional facilities to ensure patients receive constitutionally adequate health care. CCHCS has specific health care regulations and administrative policies, and all CCHCS employees are required to follow the CDCR code of conduct policies. All CCHCS management is responsible for monitoring and oversight of their employees and programs to ensure compliance and to ensure that departmental goals and objectives are being met. Key CCHCS monitoring and oversight activities are conducted by the following:

- Health Care Correspondence and Appeals Branch is responsible for oversight and management of the statewide health care grievances and the patient health care inquiry process.
- Internal Audit Program uses a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal controls, and governance processes of CCHCS.
- Risk Management Branch partners with stakeholders to develop health care regulations and operating standards and facilitates the evaluation and monitoring of health care

programs.

- Quality Management Program supports continuous evaluation and change to improve patient outcomes, cost effectiveness, and efficiencies; and support the delivery of safe patient care.

Information and Communication

CDCR Cabinet includes high-ranking executives and meets weekly to discuss relevant issues and associated actions taken. CDCR Undersecretaries meet regularly to discuss internal and external audits and subsequent corrective action plans, as well as progress made in mitigating CDCR's highest risks. As applicable, decisions and concerns are communicated to the CDCR Secretary. Hiring authorities and their managerial staff conduct regular meetings to address day-to-day operations. The Office of Public and Employee Communications (OPEC) facilitates information flow to all staff members.

Information and communication necessary to achieve CCHCS objectives is communicated at all levels of management. Management and subordinates have individual meetings, staff meetings, and other programmatic meetings, as necessary. Information is shared with Deputy Directors and Directors, as appropriate. Director and Deputy Director level staff meet weekly to share critical information, as appropriate. CCHCS also hosts various conferences with institutional management to share appropriate information necessary to achieve statewide and local objectives. Staff communication can involve memos, policies, procedures, and regulations sent to all staff or through program postings on Lifeline, such as Pharmacy and Therapeutics memos, which provide an archive of program information.

CDCR has multiple avenues it uses to share information with external stakeholders. CDCR stakeholders include law enforcement agencies, community-based organizations, formerly incarcerated people, and families impacted by the criminal justice system, among others. The Office of Public and Employee Communication (OPEC) provides updates on CDCR policy and regulation changes to all stakeholders via email, conference calls, and in-person meetings. The team attends weekly CDCR Cabinet meetings and communicates regularly with CDCR divisions and workgroups to stay informed of programs and initiatives, and coordinates stakeholder outreach accordingly. CDCR leadership attend quarterly board meetings of every major law enforcement organization in California.

MONITORING

The information included here discusses the entity-wide, continuous process to ensure internal control systems are working as intended. The role of the executive monitoring sponsor includes facilitating and verifying that the Department of Corrections and Rehabilitation monitoring

practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: DeAnna Gouldy, Deputy Director, Policy and Risk Management Branch; Cathy Cruz Jefferson, Deputy Director, Office of Research.

Directors from all CDCR program areas meet regularly with their managerial teams and monitor various operational and programmatic areas in an effort to achieve the goals of CDCR. Internal control deficiencies identified in the SLAA report will be monitored by the executive leadership team through an established governance process. Other internal control deficiencies, outside of SLAA reported areas, will be addressed through separate corrective action plans via existing CDCR processes. These corrective action plans are reviewed by CDCR leadership, to include the secretary and undersecretaries, and the appropriate program directors. CDCR typically receives numerous external and internal reviews each year.

CCHCS risks and control activities identified in the SLAA report are monitored by the CCHCS executive leadership team. Additionally, internal control deficiencies requiring corrective actions found as a result of internal or external audits, risk assessments, and reviews are tracked and monitored by management and CCHCS's Internal Audit Program.

The Receiver's Tri-Annual Report is filed three times per year, reflecting the status of compliance with the Plan of Action, remaining gap items, and specific programmatic status. Health care performance is monitored through the Performance Improvement Plan (PIP) process, where leadership considers the direction of quality improvement efforts and selects highest priority processes, patient populations, and resources reported in a biennial plan. The PIP's specific performance objectives are monitored for the duration of the plan in the monthly CCHCS Dashboard.

CPRIQ created an enterprise risk management program within OR to evaluate, develop, and implement policies, procedures, and projects, as they relate to risk management. This unit's responsibilities include, but are not limited to, designing, developing, and maintaining CDCR's early warning risk identification system, which includes compiling and analyzing information and data. This unit has developed key risk and performance indicators to better understand and manage enterprise risks, with careful emphasis in the area of staff misconduct.

RISK ASSESSMENT PROCESS

The following personnel were involved in the Department of Corrections and Rehabilitation risk assessment process: executive management, middle management, and staff.

The following methods were used to identify risks: ongoing monitoring activities, audit/review results, other/prior risk assessments, and performance metrics.

The following criteria were used to rank risks: likelihood of occurrence, and tolerance level for the type of risk.

RISKS AND CONTROLS

Risk: Contraband Interdiction Program

The CDCR has long recognized the ongoing epidemic of illegal drug use, trafficking, and contraband within our institutions. CDCR determined a multifaceted approach to the most effective way to reduce contraband activity within the institutions. This approach includes heightened security, dismantling drug distribution systems, disrupting gang activity, and closing all contraband avenues, both externally and internally by detecting, interdicting, and intervening. This approach enables CDCR to reduce contraband from entering institutions as well as minimize its availability.

Control: A

In Fiscal Year (FY) 23/24, the Division of Adult Institutions (DAI) and Enterprise Information Services (EIS) deployed Counter Unmanned Aerial Systems (CUAS) starting at two institutions, Kern Valley State Prison (KVSP) and North Kern State Prison (NKSP). The CUAS system has been operational during the control period. CDCR will continue to use this system as it was found to be effective in detecting incursions into institutional airspace, intercepting contraband. The CUAS is integrated into the Audio-Video Surveillance System (AVSS) to enable the capture of video evidence when drones are detected over the institution. Since the last reporting period, CDCR has installed the AVSS at all but four institutions (CIM, PBSP, CTF, and CMC). CDCR is planning on installing AVSS at these four institutions over the next two fiscal years, to be completed by July 2027.

Control: B

CDCR upgraded the Managed Access System (MAS) to E-MAS at 16 locations. CDCR will continue to use E-MAS, as it allows calls from approved phone numbers while blocking calls to and from devices or numbers that are not approved. In addition, the system is able to capture “unique identifiers” of a contraband cell phone to assist staff in gathering the required information to deactivate contraband cell phones illegally operated within our prisons.

Control: C

CDCR is considering the use of digital innovation to reduce the contraband introduction threat vector for institutions by decreasing the number of suspicious mail items introduced inside the institutions. Suspicious mail could simply be scanned to digital format and sent on to the incarcerated person's tablet device and the physical mail returned to the sender or disposed of appropriately.

Risk: Staff Allegation Workload Sustainability

Under court mandate, CDCR revised the staff misconduct allegation process and subsequent regulations for allegations of staff misconduct involving an incarcerated person(s) and/or person(s) on parole. The new regulations created a simplified, two-tiered grievance process from the previous three-tier process. With this, allegations of staff misconduct are no longer directly addressed by the local hiring authority. Instead, allegations are screened by a newly created, independent Centralized Screening Team (CST). More egregious allegations of staff misconduct are routed to the Office of Internal Affairs (OIA) for investigation. OIA investigative efforts are then routed to the institutional hiring authority for disciplinary outcome decisions. Allegations not routed to OIA are routed back to the institution for local inquiry. The revised regulations also removed any previous limits on the number of allegations an incarcerated person can submit in a given time period. As a result, the number of allegations against staff for

potential misconduct increased. This increase has significantly impacted the workload of institutional hiring authorities and staff resources at the local level, both in the number of local inquiries and in the number of OIA-driven investigatory outcomes institutional hiring authorities must address. In turn, these changes in process and volume decreased the quality of inquiries and investigations, making it difficult for a Hiring Authority and Chief Deputy Warden to make appropriate determinations on staff misconduct allegations. Additionally, the volume of inquiries and investigations has led to poor Hiring Authority and Chief Deputy review of staff misconduct allegations. CDCR needs to develop a more efficient streamlined process for addressing staff misconduct allegations.

Control: A

A multidisciplinary workgroup has been developed to address the concerns with the staff misconduct allegation process overall. The workgroup involves stakeholders from DAI, OIA, CCHCS, OLA, OR, and Ombudsman office. The work group meets regularly to discuss concerns with the staff misconduct allegation process, review available data surrounding the process, and make modifications where necessary.

Risk: Program Access for Disabled Populations

The incarcerated population with disabilities requiring accommodation continues to increase within the CDCR.

The Department's ability to ensure equal access to programs, services, and activities within aging facilities not designed to meet current American with Disabilities Act (ADA) requirements and allow for the provisions of court-mandated standards is impacting CDCR's ability to appropriately accommodate this population. Currently, over one-third of the incarcerated population requires lower bunk housing and approximately 15 percent requires lower bunk ground floor housing.

Control: A

CDCR has a Correctional Facility Accessibility Transition Plan (Master Plan) to address accessible housing needs and access to programs, services, and activities. The Master Plan is updated monthly and provides data of "in construction barriers." All institutions have been made accessible in some way and range from 20-95 percent complete. In coordination with Division of Facility Planning, Construction and Management, DAI continues to monitor progress at five institutions, including California Institution for Men, California Institution for Women, Richard J. Donovan Correctional Facility, California State Prison, Los Angeles, and Solano State Prison in the project. Completion of the construction barriers opens accessible housing for the disabled population and mitigates the risk of litigation and court orders.

Control: B

DAI is currently monitoring population projections provided by the OR and Strategic Oversight Management System - SOMS. Construction and on-going ADA modification schedules will continue to ensure ADA standards are met.

Risk: Suicide Prevention Programming

The incarcerated population requiring mental health treatment continues to rise within CDCR, while the ability to hire and retain mental health staff continues to be a barrier, ultimately impacting access to services and care. CDCR recognizes how critical suicide prevention efforts are for protecting the individuals assigned to our institutions and strives to maintain a comprehensive and data-informed suicide prevention program. CDCR has implemented numerous initiatives to prevent suicide, developed through both internal and external stakeholders and through collaborative projects, such as the

monthly suicide prevention call, monthly suicide prevention teams training, and annual suicide prevention summit.

The last six years have seen a stark increase in the number of suicides within CDCR, peaking in 2019 with 38 suicides, and then dropping precipitously in 2021 to just 14 before increasing to 21 in 2022, 30 in 2023, and 29 in 2024. There were 15 suicides as of October 2025. Ongoing strains on clinical staff can result in potential missed opportunities to avoid adverse outcomes with patients who are at high risk for suicide.

Control: A

Working with the Coleman receiver, CDCR will continue to improve upon its suicide prevention strategies to include the completion and accuracy of suicide risk evaluations (SRASHE), the completion of timely and appropriate treatment plans for patients in crisis, ensuring staff training in suicide prevention and response is completed by all staff members, reducing risk factors in CDCR associated with suicide, and enhancing clinical competency around effective suicide risk determination and treatment planning.

Risk: Decline of Conservation Camps Population

With the consistent change in laws, to include Assembly Bill 109, and Propositions 47 and 57, there has been a decline in incarcerated persons that meet the criteria to be placed in a CDCR fire camp. Most incarcerated persons who meet camp criteria are generally housed in county jails or not incarcerated at all. The population at conservation camps in January 2020 was approximately 64 percent, and due to COVID, the population again drastically declined. As of December 15, 2025, the population was approximately 52 percent.

Camp firefighters are critical to combating fires in California. In recent years, California has seen an increase in fires resulting in loss of life and causing extreme damage to property. If the department is unable to increase camp populations, there is risk of closure to camps, increasing the likelihood of longer burning fires and increased destruction to life and property. Camp firefighters also assist in other emergencies,

including those declared by FEMA. Last winter saw firefighters respond to snow removal in many parts of the state, many assisting people unable to leave their homes due to the snowpack. Outside of fire season and other emergencies, firefighters work daily in the local communities, mitigating fire risks by clearing trails in state parks, and providing other services, such as delivering meals for Thanksgiving to retirement homes, or building bleachers for local schools.

Control: A

CDCR is continually identifying methods to increase camp participation. The department recently increased the credit earning capacity for fire camp participation, expanded the temporary community leave program to provide furlough time for fire camp participants, and implemented a youth offender program. Additionally, county jail contracts are being revisited, updated, and signed, in an effort to restore the County Boarder Program to the Camps. Tablets are being distributed to camps from October-December 2025. Pay increase to federal minimum wage for camp firefighters was signed into law, per Assembly Bill 247.

Risk: Critical Infrastructure Systems

CDCR has an aging infrastructure that does not adequately support operations. A variety of systems within the adult institutions are in disrepair and require significant improvements. These systems include roofs, water, wastewater, fire/life/safety, and other infrastructure. The failure of infrastructure or roofing systems could lead to unusable housing units and disrupt the provision of basic services such as feeding, health care and rehabilitative programming, which could translate to loss of prison housing capacity and potentially dangerous conditions for staff and incarcerated persons. Additionally, the cooling infrastructure at CDCR institutions has also degraded and become less effective. Excessive heat conditions impact both incarcerated population and staff, which is not conducive to the rehabilitative mission, making it difficult to focus and participate in

programming, and negatively impacting morale for the incarcerated population and staff.

Control: A

CDCR is developing a report that identifies and prioritizes special repair, deferred maintenance, and capital outlay projects. The report will assist with prioritization of funding and resources for infrastructure repairs.

Control: B

CDCR published its “Climate and the Impact on CDCR” report in June 2025. In line with the Air-Cooling Pilot Program that was included in the Governor’s 2025 Budget, CDCR will begin the design and installation of air-cooling systems at the Central California Women’s Facility (CCWF), Kern Valley State Prison (KVSP), and California State Prison-Los Angeles County (LAC). This pilot will inform a future statewide plan to address indoor temperatures within the Department’s buildings.

CONCLUSION

The Department of Corrections and Rehabilitation strives to reduce the risks inherent in our work and accepts the responsibility to continuously improve by addressing newly recognized risks and revising risk mitigation strategies as appropriate. I certify our internal control and monitoring systems are adequate to identify and address current and potential risks facing the organization.

Jeff Macomber, Secretary

CC: California Legislature [Senate, Assembly]
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