

# Inside Circle

Inside Circle is a California-based charity specializing in mental health solutions for incarcerated individuals, allowing them to process trauma, leave the prison system, and find long-term stability.

*Presented by The USIT Foundation in Spring 2022*



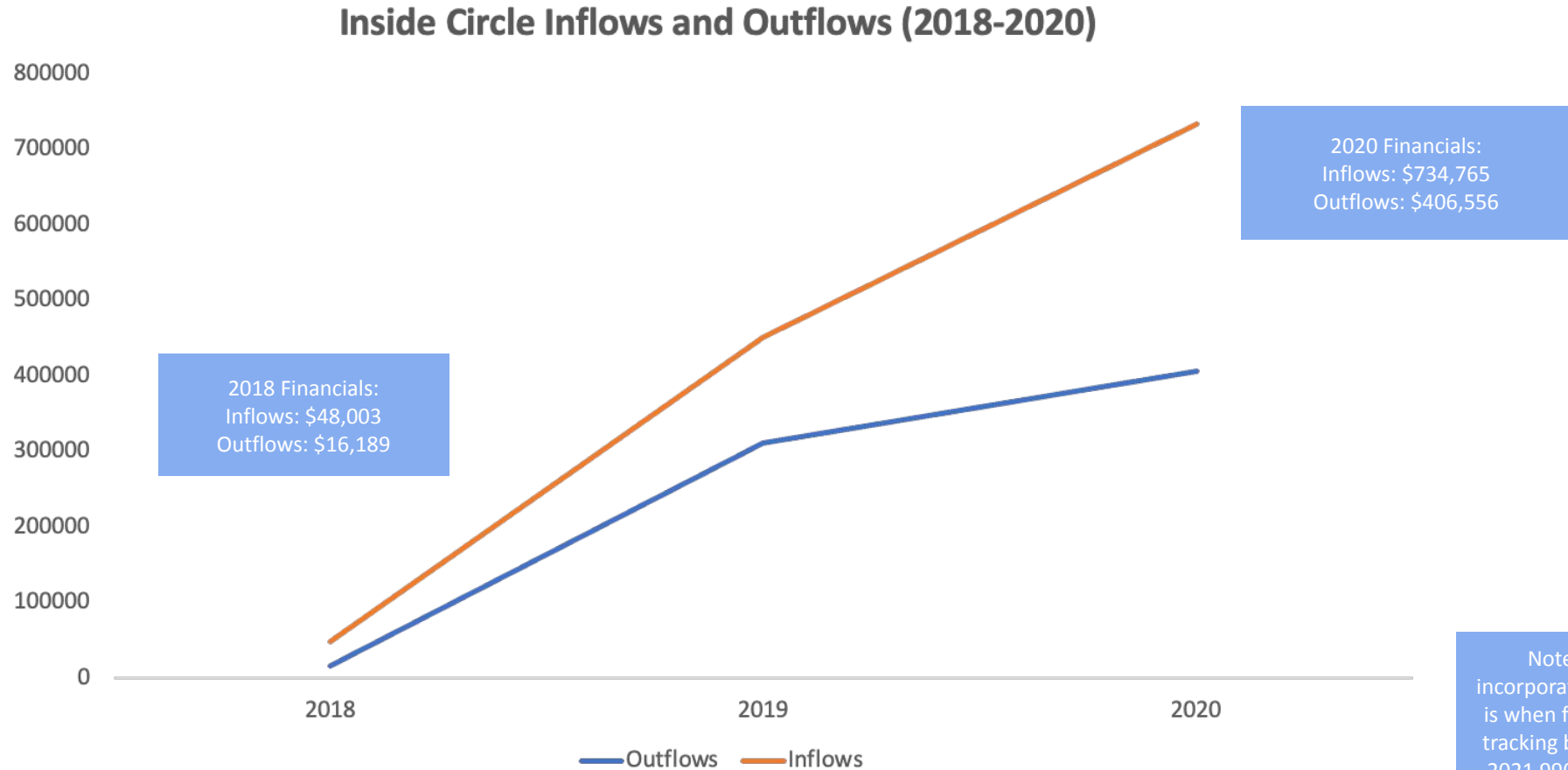
# Charity Summary

Charity  
Overview

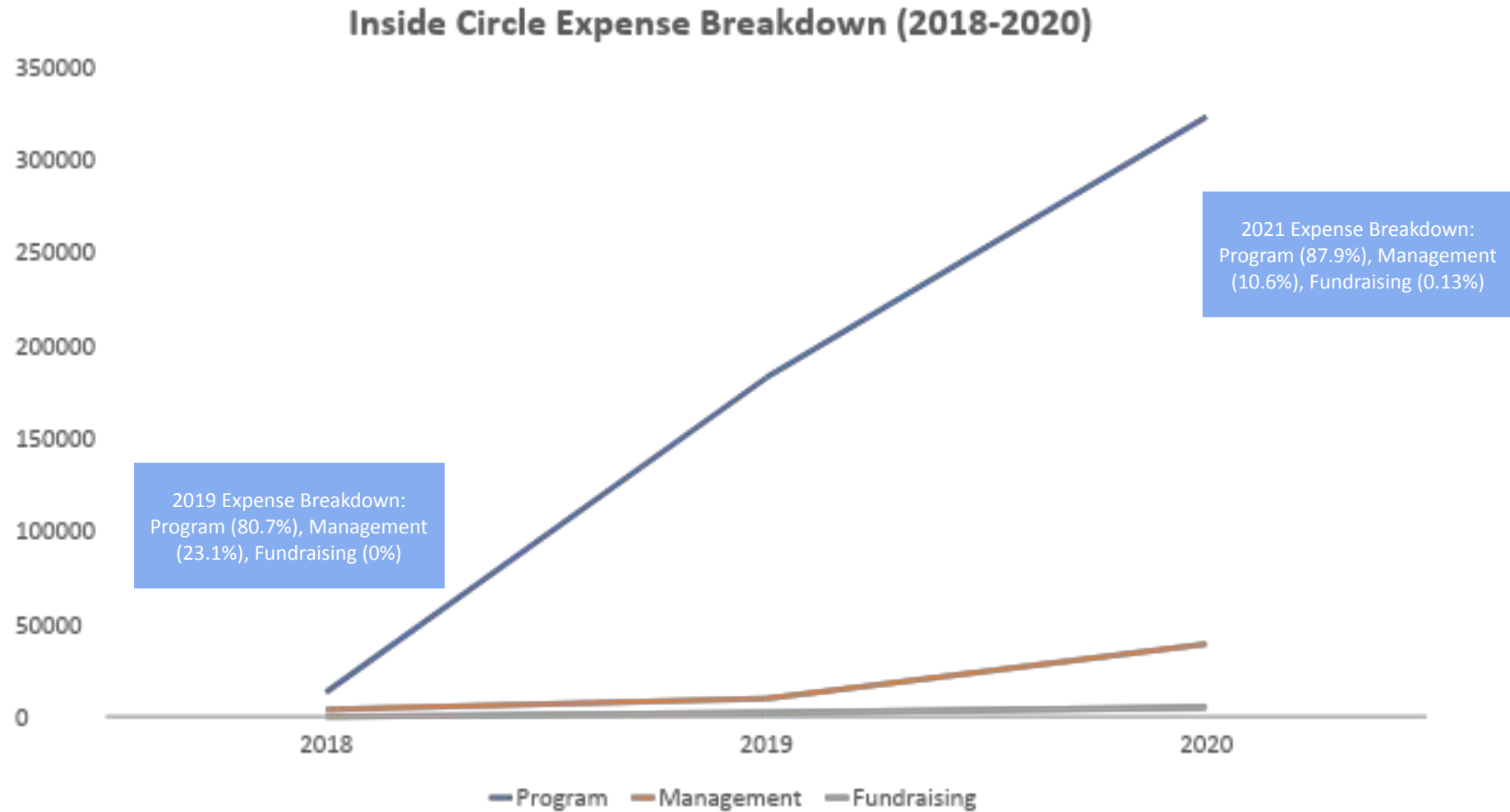
Donation  
Thesis

- **Incorporated in 2018, Inside Circle (IC) is a charity based in Sacramento that mitigates the impact of childhood trauma for prisoners through group-based therapy**
  - IC currently has a 6-person management team and 22-employee mental health team
  - IC's current receipts total \$773k and has a total expense amount of \$406k
  - It costs between \$447 - \$3k (weighted average of \$2.3k) to put someone through the Inside Circle program for one year. The target engagement length is 3 years
- **Management is expanding their model nationally with amazing results for prisoners**
  - The charity's flagship statistic is a 3-year recidivism rate of 0%, tracked through prison databases
  - The model is becoming more data-driven, providing 6 quantifiers of improved mental health
- **Inside Circle is primarily backed by large scale donors, supporting their national expansion**
  - The charity is backed by major players in the non-profit space including SF's Battery Powered, The Annie E. Casey Foundation, and the California and New Jersey prison systems
- **Inside Circle is focusing on their youth program in San Francisco, Trenton, and Chicago**
  - IC is facing a \$100k shortfall in their independent expansion to San Francisco juvenile prisons
  - This isn't funded by partners nor the government, and the USIT Foundation can step in to fund a high impact, first-of-its-kind program for incarcerated youth
- **Inside Circle is the first charity of its kind exploring cognitive behavioral therapy for prisoners**
  - The SROI for capital deployed to IC's mental health work is estimated to be 50.5x
- **The USIT Foundation has an opportunity to partner with IC in the long term**
  - As a relatively smaller charity with growing operations, the USIT Foundation can help influence the expansion of IC's model into a national, replicable model

# Financial Snapshot



# Financial Snapshot



# Program Summary

## Inside Circles

- The Inside Circle is a group of ~12 men (Men's Support Group), led by a facilitator, who use cognitive behavioral therapy (CBT) and group therapy to process trauma
- The men meet 1 or more times a week for a minimum of 2 hours with most participants in the program for 3+ years
- The program consists of sharing and processing trauma, developing coping mechanisms and self-accountability, and picking defined goals on how to improve mentally
- The value proposition of Inside Circles is using *credible messengers*, who are people who've previously been imprisoned, to facilitate mental health discussions
- Inside Circle reports a 0% recidivism rate and 80% drop in discipline citations
- Overall, 44% of people in the program have left prison
- It costs anywhere from **\$447 - \$3,000 (weighted average of \$2,300)** per year to put someone through the IC program, depending on the prison

## Outside Circles

- The Outside Circle is the "alumni" support network for people who were previously in the Inside Circle, allowing them to continue to improve their mental health post-prison
- Outside Circle provides juveniles with financial literacy help, lifestyle coaching, and helps with connecting to a parole officer to stay out
- The program connects ex-prisoners to a lifestyle coach 2x a week to talk about lifestyle redesign
- This lifestyle coach provides mental health counseling, advice on how to avoid drugs/gangs/dangerous activities, and general suggestions on what to do after being incarcerated
- The Outside Circle costs **\$4,000** per juvenile per year. The unit cost for the Outside Circle for adults is unknown.

# Program Summary

## 2-day and 4-day Intensives

- These intensives allow any incarcerated man to speak and process their trauma in a CBT setting over 2 or 4 days
- Begins by opening a safe space for people to speak, creates breakout groups for intensive work, and finishes off with the larger community
- People from the intensive programs are often referred into the Inside Circle program, which begins their path into longer term therapy
- There have been an average of 4-6 intensives per year since Inside Circle's founding, with a total of 25 since 2018
- 10-32 prisoners attend each intensive, with the intensives leading to 458+ engagements
- Each Inside Circle participates in these intensives
- **The intensives lead to a <90% conversion rate from first session to joining the Inside Circle**

## Advocacy and Media

- Inside Circle creates videos and podcasts documenting the work that they do for prisoners to help normalize addressing mental health for ex and current convicts
- Created a 7.8/10-rated movie called *The Work* highlighting the intensive program, which has 500,000+ views
- Make a podcast called The Inside Circle Podcast, which releases bi-weekly and discusses experiences in prison
- Emotional work including 100+ person virtual drop-in groups and 250+ member pen pal system to keep group connected
- In addition, the charity holds public Inside Circles for the public to build awareness about the issue of mental health for prisoners

# Theory of Change Summary

Inputs	Activities	Outputs	Outcomes	Impacts
<ul style="list-style-type: none"> <li>• 6-person management team with 50+ years' experience in re-entry, incarceration, and therapy</li> <li>• 2-person employee team for curriculum, 30-person independent contractor team</li> <li>• 4 full time, hired credible messengers who are on payroll included</li> <li>• Annual 2020 inflow: \$773,438</li> <li>• Cost per participant is from \$447 - \$3,000</li> <li>• Partners including state prisons, Amazon, The Annie E. Casey Foundation, and the state government</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Weekly Inside Circles</b>, which blend cognitive processing and group therapy</li> <li>• <b>2- and 4-day periodic intensive</b> therapy sessions</li> <li>• <b>Outside Circle</b>, events which those who are released participate in for therapy</li> <li>• <b>Advocacy work</b> for incarceration, including a podcast and short films</li> <li>• <b>Facilitation training</b> for people who want to work as mentors in Inside Circle</li> </ul>	<p>Ongoing work:</p> <ul style="list-style-type: none"> <li>• 64+ incarcerated youth</li> <li>• 60 justice-involved youth</li> <li>• 45 incarcerated men</li> <li>• 100+ virtual drop in groups</li> <li>• 250 pen pal and newsletter participants</li> </ul> <p>2020 Totals:</p> <ul style="list-style-type: none"> <li>• 458+ engagements</li> <li>• 794 hours of therapy work</li> <li>• 564,112+ individuals touched via advocacy</li> </ul>	<ul style="list-style-type: none"> <li>• 80% decrease in the number of Rule 115 (serious) violations in prison</li> <li>• 1-3 Security level drop</li> <li>• 0% recidivism rate, 44% of individuals not in prison system anymore</li> <li>• 98% of participants believe that their lives have purpose, feel that they are worth something, and can manage their emotions and actions after the program</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce recidivism rate among California men</li> <li>• Builds stronger families and communities for those who participate</li> <li>• Self-compounding model of Inside Circle to improve long term trauma in prisons</li> <li>• Create a network of mentally healthy prisoners who improve the experience within prisons</li> </ul>

# Key Risks and Mitigating Factors

Risk	Mitigants
Diluted Funding	<ul style="list-style-type: none"><li>• Implicit verification of IC's effectiveness, signaling good prospects for model growth and support for future expansion</li><li>• We'd fund parts of IC that are not funded by corporate donors such as admin and the juvenile expansion program in San Francisco, which means we aren't diluted</li></ul>
Replicability	<ul style="list-style-type: none"><li>• IC is expanding into cities like Chicago, San Francisco, and Trenton, but we don't know if these models are effective yet<ul style="list-style-type: none"><li>• Management is collecting information and has multiple letters of support from other cities/governments to continue these programs</li></ul></li><li>• While IC is newer, the model is old, tried, true, having been established in 1994<ul style="list-style-type: none"><li>• Was not a charity at this point, but rather a program founded by prisoners that has shown to be successful on the in-prison level</li></ul></li></ul>
Mental Health Quantification	<ul style="list-style-type: none"><li>• Management has found multiple work arounds to figure out quantifications for mental health improving</li><li>• These include time in prison, # leaving prison, recidivism rates, exit and satisfaction surveys, reductions in discipline infractions, and more</li><li>• We have been able to quantify SROI, so there's an internal understanding of results</li><li>• Management is working to track and quantify more statistics for their model</li></ul>



# Issue Overview: Recidivism

Mental Health as a Solution

# Background: Incarceration in America

*The justice system is dominated by people suffering from mental health issues*

- Mass incarceration both targets and causes people with mental illness: **30% of individuals** in prisons, or around 365,000 people, suffer from a history of diagnosed mental disorders
  - 17% of these individuals have a recent history and symptoms of mental disorders
  - 64% of all incarcerated individuals suffer from some sort of mental health concern
  - Men in state prisons experience PTSD at a rate of 10x that of the normal population
- Bad mental health leads to most prisoners perceiving a lack of purpose in life, no ties to loved ones, and exposure to violence
  - Half of all males and three-fourths of all females will need some sort of mental health care every year in federal prisons
  - 30 to 60% of prisoners suffer from substance abuse because of these issues
  - Suicide risk was 62% higher among previously incarcerated individuals versus the general population
- In California, **less than 1%** of the California Department of Corrections and Rehabilitation's budget is allocated towards healing trauma of prisoners

# Background: Mental Health Funding in Prisons

*Why is this an issue we need to donate to?*

- In the 1950s and 60s, California shut down mental health hospitals because it abolished involuntary hospitalization, leading to many mentally ill individuals homeless and consequently incarcerated
- The ~\$800 million California spends on mental health funding for prisons goes towards the approximately 1/4th of people in Californian prisons who receive care via mental health houses and prescribed psychotropics
- This is failing: California's prisoner suicide rate is 2x the national average, and smaller county jails where mentally ill prisoners are transferred do not have the bandwidth to help them
- The concept of the Inside Circle was founded in 1994 and the charity was incorporated in 2018 to address the issue of a population that isn't diagnosed with mental illnesses but still needs mental health care

# Credible Messengers for Incarcerated Individuals

- Mental Health systems in prisons by the government are also decidedly unsuccessful because they don't address people without diagnosed issues
  - Discussing suicidal/depressive thoughts leads guards to put you into solitary confinement to stop harm to others
  - Anything you say with a therapist can and will be used against you with the parole board, leaving prisoners unwilling to talk
- Inside Circle's unique model utilizes *credible messengers* to solve this issue
  - These are people who have been through the prison system and were incarcerated in the same way as the population they work with
  - Consequently, they are much more easily able to have prisoners share their trauma, set actionable goals for recovery, and link prisoners to mental health resources
  - To the USIT Foundation's knowledge, no other charity in the country utilizes credible messengers in the same way IC does
- Responses for mental health tend to vary, but focus on:
  - 1) Utilizing therapists and psychologists to process trauma
  - 2) Using group therapy in the prison system
  - 3) Increasing access to family visits, phone calls, suicide hotlines, and more

# Comparable Charities

*PEP champions a novel theory of change and implementation model*

Charity Name	Description	Size	Similarity to IC
<i>Foundation of Hope</i>	An interfaith, faith-based rehabilitative program that empowers incarcerated individuals.	<ul style="list-style-type: none"> <li>Inflows: \$1,305,920</li> <li>Outflows: \$1,156,176</li> <li>Served: --</li> </ul>	Charity focusing on mental health as people rehab in prison
<i>Concordance</i>	Focuses on helping individuals heal from past trauma and offers the first set of holistic re-entry services in the country.	<ul style="list-style-type: none"> <li>Inflows: \$5,238,662</li> <li>Outflows: \$5,889,088</li> <li>Served: --</li> </ul>	One of the biggest recidivism charities that relies on addressing childhood trauma
<i>Getting Out, Staying out</i>	Partners with people impacted by arrest and incarceration on a journey of education, employment and emotional wellbeing	<ul style="list-style-type: none"> <li>Inflows: \$4,385,322</li> <li>Outflows: \$4,614,031</li> <li>Served: 600 participants</li> <li>Cost: \$5,491 per participant</li> </ul>	Reentry program focusing on mental health before inmates leave

## ***Analysis: Inside Circle vs. Concordance***

- Inside Circle 2020: Program (87.9%), Management (10.6%), Fundraising (0.13%)
- Concordance 2019: Program (84.23%), Management (12.08%), Fundraising (3.96%)
- Inside Circle has a **competitive advantage** for four reasons:
  - Use of credible messenger system
  - Best-in-class program spending
  - Low fundraising cost
  - Already established expansion partnerships

Note: Figures for comparable charities were calculated using publicly available expense and recidivism data.

# Discussion of Root Causes

## *Inside Circle's philosophy on causes of and solutions to recidivism*

- Inside Circle identifies the root cause of recidivism as childhood trauma, known as Adverse Childhood Experiences (ACEs). ACEs are events in people's lives that influence their development including abuse, divorce, neglect, mental illness, household dysfunction, parental drug abuse, and more
  - 60% of the US population has one ACE, while **97% of the prison population has one**
  - More than half of male prisoners report more than 4 ACEs, with an ACE score of 4 or higher increasing the **chance of incarceration by 20x**
- Inside Circle's motto is that **"healed people heal people"**
  - Healing a person's mental health is a prerequisite to them being able to utilize job programs, social services, re-entry services, and other benefits society can provide
  - This can only be done by employing people who share empathy for the experiences prisoners are going through
  - IC's additionality is that they provide a method of mental health and thus a path to recidivism reduction that the state government and other charities don't have access to or provide

1. Insights gained through interviews with Inside Circle executive board

# Program Activities

Adult Inside and Outside Circles, Juvenile Inside and Outside Circles, 2- and 4- Day Intensives, and Advocacy Efforts

# Inside Circle: Adult Program

- The Inside Circle is a minimum two hour per week commitment for prisoners who participate for an average of 2-3 years
- Per session, there is 1 facilitator and around 12 prisoners. Any prisoners can join but need to be referred by someone who is in the Inside Circle
  - The requirement to join is that you will listen, not show up drunk or high, not share what you hear to others, and keep your hands to yourself.
- The program is led by *credible messengers*.
  - These are independently contracted and hired ex-prisoners who facilitate the group therapy based on a 13-week online curriculum developed by 50 years of CBT Therapy
  - They are chosen via an application, interview process, and gain training by sitting in the Inside Circles. They must have been ex-prisoners and previously incarcerated
- The process follows a curriculum based on PTSD Therapy, Cognitive Behavioral Therapy, and Active Listening
  - First, people share their deepest traumas and receive validation and active listening from the group
  - Second, people explain issues they have such as their fears, darkest thoughts, and psychological problems as a form of processing
  - Third, the facilitator and group help them ask questions about why this is the case and what actionable steps they can take
- The *goal* of the IC is to create a group connection, along with personal self-actualization and feelings of empathy
- *Progress* measured by accomplishment of regular and major life milestones, including regularity of self-care, medical care, presence of arrest, write-ups, or violations
- *Expansion* to California Medica Facility in 2021, marking the third Adult location that Inside Circle is available at
- *Demographic* breakdown of the adult program includes:
  - California CSP SAC: 100% African American



# Inside Circle: Youth Program

- Currently serves 44 juveniles who are incarcerated in 5-6 different prisons across New Jersey, with 50 engagements over the course of 1 year
- The cost of New Jersey Juvenile Justice is \$400 per session and \$100 per facilitator paid per hour. The total annual costs are \$40,000 and the 3-year cost per participant is 2,727.27.
- The cost of the Hannah Boys Center work is \$350 per session, \$100 per facilitator per hour. The total annual costs are \$21,500 and the per participant cost over 3 years is 1,343.75.
- Process of the Youth Inside Circle
  - First, the youth watch the movie 'The Work' made by Inside Circle to understand that credible messengers and the people they are with empathize and understand their problems. This primes a more effective therapy/speaking experience for youth.
  - Second, they have the option to choose to opt into weekly healing circles of the same cognitive processing and group therapy. The opt in percentage for youth is currently unknown.
  - Third, they will spend 1 year in this program and if they are released will transition to the 2 year Outside Circle to continue healing
- Examples of long-term results of the Inside Circle Youth Program include:
  - Employment at a warehouse/UPS, pay raises, college enrollment, driver's license received

# Outside Circle

## Adult Program

- The Outside Circle is a series of optional therapy sessions that promote community and maintenance of progress after the individual has left incarceration
- Outside Circle events for prisoners and juveniles include seminars on financial literacy, driver's license acquisition, and career development
- Examples of Outside Circle events include 100+ drop-in groups hosted, a pen pal system for transferred prisoners, and an online mental health curriculum based on CBT for people in prison
- At the same time, Inside Circle has hosted 2-4 general intensives a year pre-COVID for the public to go through the same therapy the prisoners do
- Percentage of Inside Circle graduates who continue to the Outside Circle is untracked/unknown. Costs are unclear to Inside Circle because its volunteer/returning member driven.

## Youth Program

- Gives children primary contact from Inside Circle that they can call in times of need, crisis, and on routine. Their mentor figure also liaises with their parole officers and is generally on call by choice
- Two-year continuous program with weekly program meetings that last 2 hours each. IC averages 9 sessions a month through the different prisons they operate at
- 48% attendance rate, average juvenile attends 9.6 sessions
- These meetings continue healing therapy for juveniles outside of prison to create sustainable processing
- Includes lifestyle coaching which includes seminars of how to get a driver's license, how to get a bank account
- Progress measured through regular and major milestones including obtainment of driver's license, bank account, presence of violations or re-arrests
- Utilize hiring of 2 facilitators paid at \$100 an hour and \$350 total per each session, totaling to a yearly cost of \$60,000. Total of 125 sessions offered thus far, at \$4,000 per student per year.

## Advocacy Work



- Podcasts, books, and documentary following the work of inside's Circle's founders who are formerly incarcerated men
- Works to decrease stigma around incarceration and reentry in society

## 2- and 4- Day Intensives

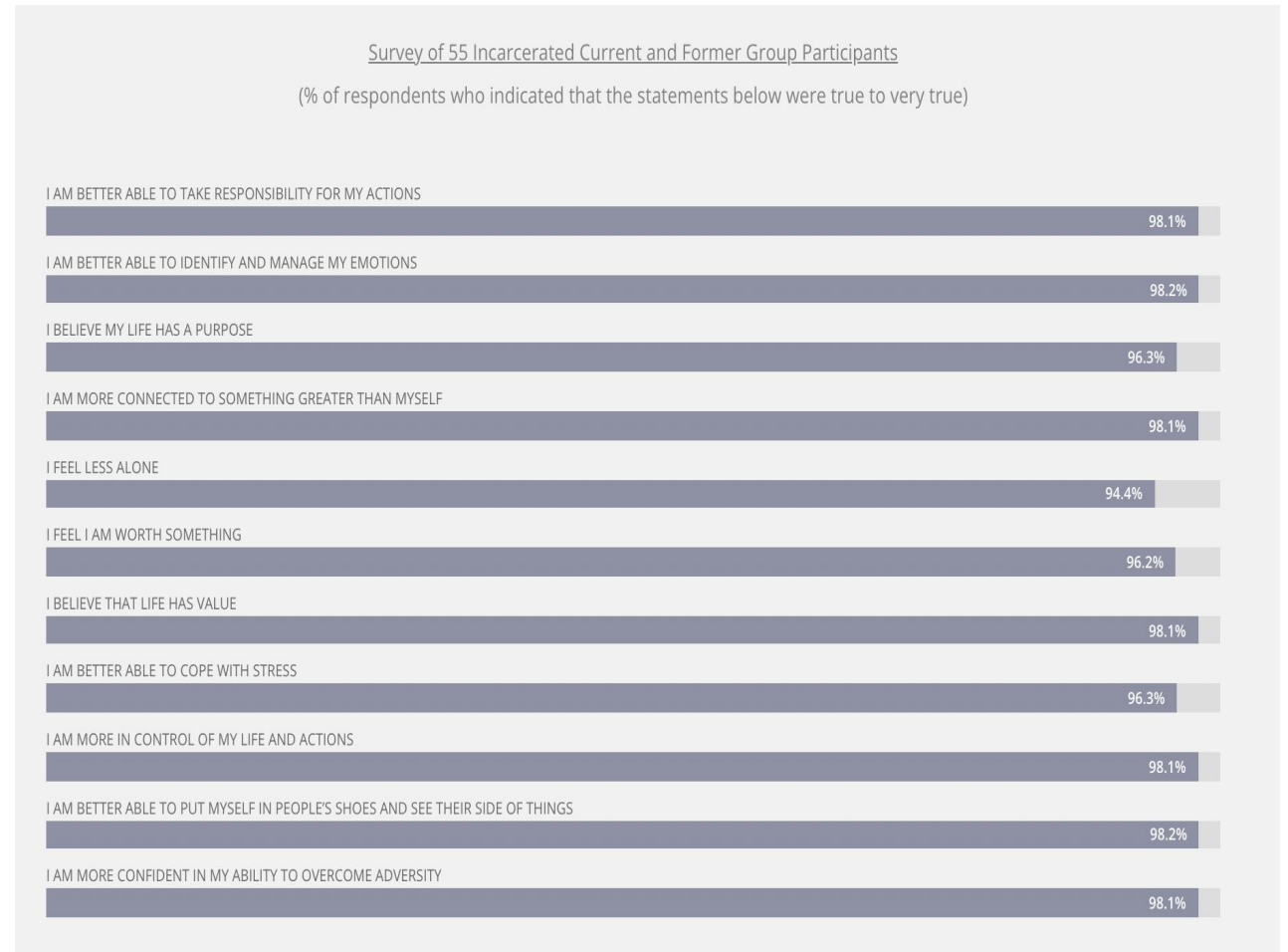


- Begins in opening circle with all participants (generally 12 members)
- Breaks up into smaller groups for intensive work and other fluid group processes
- Led by trained inmates and 3-4 facilitators

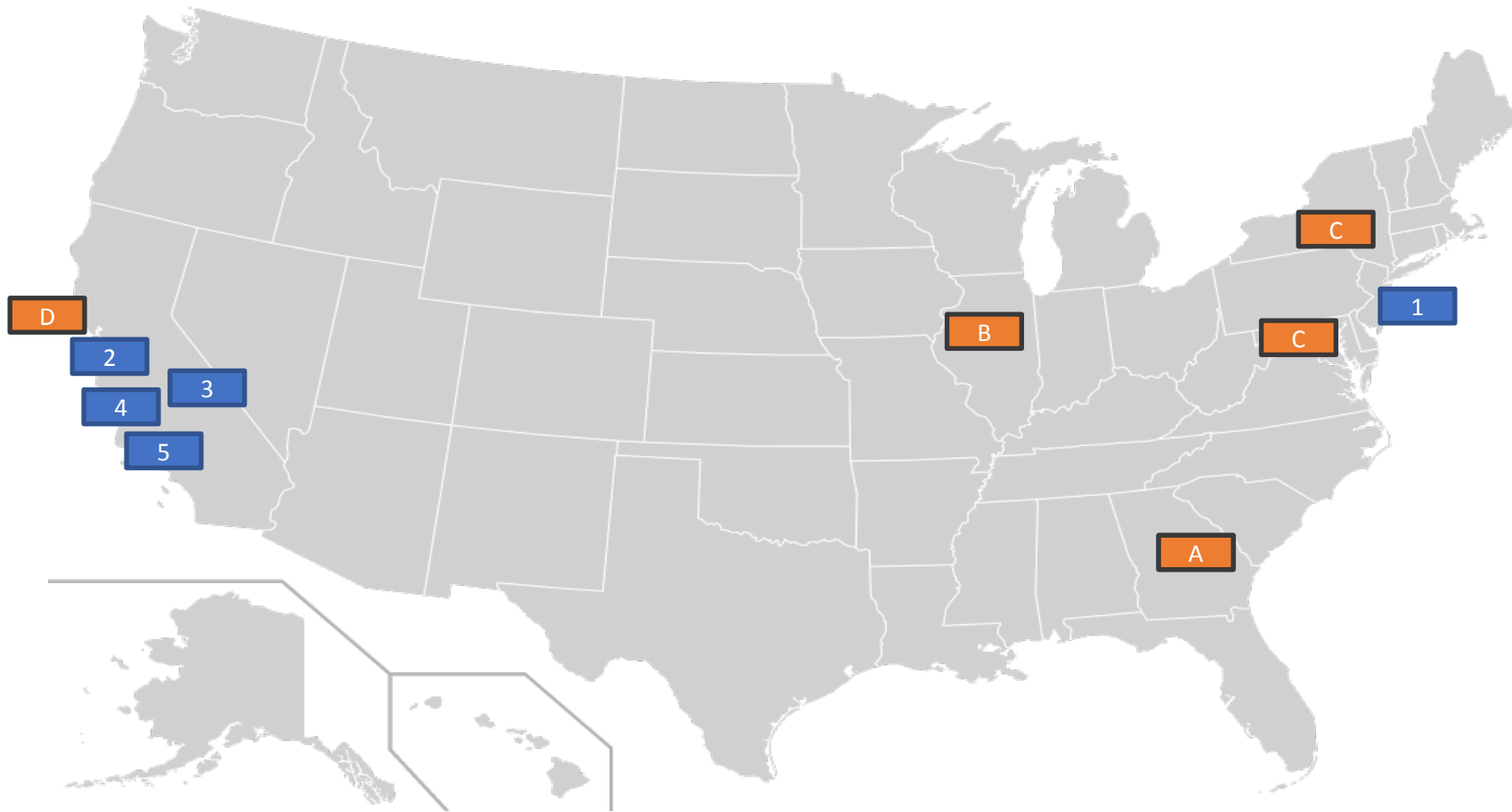
# Inside Circle's Quantifiers of Progress

## Exit and Accountability Survey

- I am better able to take responsibility for my actions.
- I am better able to identify and manage my emotions.
- I believe my life has a purpose/
- I am more connected to something greater than myself
- I feel less alone.
- I feel I am worth something.
- I believe that life has value.
- I am better able to cope with stress.
- I am more in control of my life and actions.
- I am better able to put myself in people's shoes and see their side of things.
- I am more confident in my ability to overcome adversity.



# Operating Areas



Current Operating Areas  
1 – New Jersey Juvenile Justice Commission  
2 – Sierra Conservation Center  
3 – California State Prison  
4 – California Medical Facility  
5 – Hannah Boys Center

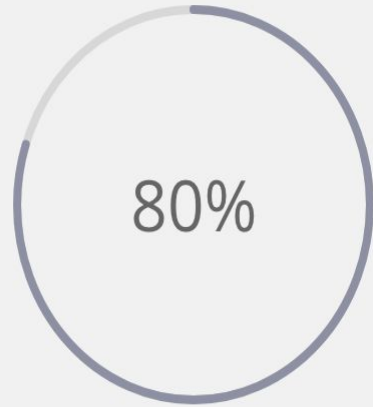
Future Expansion Areas  
A- Atlanta, Georgia  
B- Chicago, Illinois  
C- Baltimore, Massachusetts  
D- San Fransisco, California  
E- Brooklyn, New York

# Theory of Change

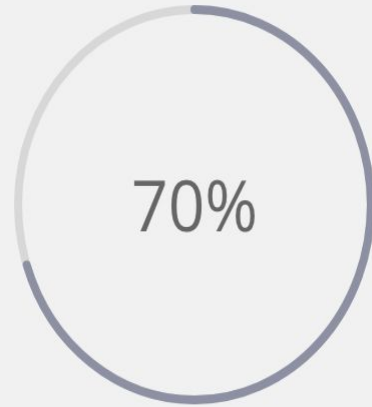
# Results of Inside Circle's Program



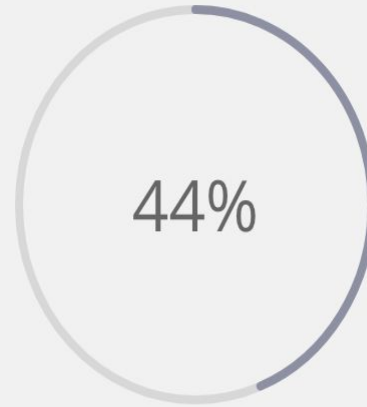
# Results of Inside Circle's Program



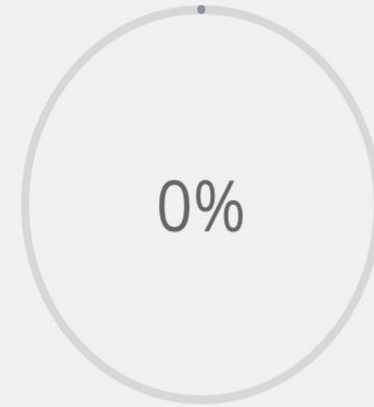
decline for participants in the number of "115" rule violations.



of participants dropped 1-3 security levels.



of the 410 men served in prison are no longer in the system.



of released participants returned to prison within 3 years of release.

Note: 115 Rule Violations are California's method of measuring basic prison disciplinary infractions. Publicly available information.



# Root Cause Analysis: The Inside Circles

*Addressing the mental health and social isolation issue*

- Bad mental health is a root cause of recidivism
  - *Wallace, et al* in a study of 2k prison periods: **Better mental health** [measured by NCBI scales], both in-prison and changes to mental health post-release, is related to a **decrease in the likelihood of recidivating**
  - *Rhode Island College*: “Male [mentally ill offenders] are more likely to have at least 1 more violent infraction than their control group of non-MIO”
  - Mental illness is directly tied to recidivism because people who suffer from it prior to, during, and after prison are unable to take advantage of services to recover from incarceration
  - Solving mental illness means that other services will become more effective for individuals who go through cognitive behavioral therapy
- Social isolation is a root cause of recidivism
  - *Wilderman, et al*: Being placed in solitary confinement...increased the risk of being convicted...within three years after release by about 15%.

Sources: NCBI, Rhode Island College, Cornell University

# Root Cause Analysis: The Outside Circles

*Addressing the consistency and community issue post prison*

- What makes so many recidivism programs fail: creating stability post incarceration
  - We need groups that follow up and create structural methods to keep mental health positive for ex-prisoners
  - *Wallace, et al:* “Individuals with poor mental health in-prison who make significant improvements after release **see the largest reduction in their odds of recidivating**”
  - *Burke and Keaton:* “participants who received ...intervention were less [11%] likely to be booked into jail for a new...and spent [11] fewer total days in jail”
  - Inside Circle’s model works to create consistent mental health check ins years post incarceration by creating much more genuine connections, allowing for greater drops in recidivism rates
  - Cal Matters: “the [Male Community Reentry] program decreased the likelihood of rearrest by 13%.”
  - Creating community is important as a guidance method for jobs, accessing social services, and maintain good mental health in the long term. Friends who’ve been through similar experiences are just as important as professional opportunities.

Sources: NCBI, San Diego County, State of California

# Root Cause Analysis: Juvenile Recidivism

*Inside Circle's comprehensive model addresses the reason why juveniles recidivate*

- Why do juvenile offenders who participate in development programs and charities go back to prison?
  - Meeting other criminals as a young individual
  - Criminal record and job location
  - Exacerbated mental health issue
  - Inconsistent program approach
  - Lack of program continuity
  - Lack of support systems
- Inside Circle's model addresses all of these because it's a 1-year in prison, 2-year post prison, and a long-term mentor matching system.
  - This is important: long term solutions for juveniles don't exist in the prison system, which is why Inside Circle uniquely reports such large drops in recidivism

Sources: State of New York

# Anchor Studies

*Inside Circle's goals align with the body of literature on benefits of improving mental health*

- **Anchor Studies**
  - *Journal of Experimental Criminology, an RCT on CBT (2020):* “Subjects who participated in the CBT program were **69% less likely to reoffend** at any compared with those assigned to the control group.”
  - *University of Pennsylvania, an RCT on CBT (2013):* “Therefore, assignment to the Life Skills program caused a **7.5% decrease in the number of offenders committing non-violent crimes.**”
  - *DOJ, meta-analysis on group therapy (2000):* “The authors found that the 200 programs reviewed reported recidivism reductions..., with the average being a **12% reduction** when comparing program participants with a control group.”
- Overall, Inside Circle **aligns with the conclusions** from studies in the incarceration space which imply that improving mental health decreases adverse outcomes post-incarceration

Sources: Journal of Experimental Criminology, University of Pennsylvania, United States Department of Justice

# SROI Calculation

All calculations were internally conducted by the Philanthropy Investment Team based on raw data provided by Inside Circle and third-party data sources

# SROI Overview

*The Inside Circle Program offers a lifetime return for each dollar invested*

## Social Return on Investment

## Memo: Uncertainty Factor

Reduced Recidivism Total Lifetime Benefit	\$ 17,739,318	1.00
Savings in Prison System Total Lifetime Benefit	\$ 1,936,789	1.00
Savings from Decreased Crime Post Release	\$ 757,797	0.75
Benefits from Therapy Total Lifetime Benefit	\$ 287,502	0.50
Savings from Decreased Disciplinary Action	\$ 28,078	0.50
<b>Cumulative Total Lifetime Benefit</b>	<b>\$ 20,749,484</b>	
<b>Cumulative Total Lifetime Cost</b>	<b>\$ 410,532</b>	

<b>SROI</b>	<b>50.5x</b>
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Note: Calculations were conducted as a weighted average of participants by state

# Benefits of Decreased Recidivism and Prison Savings

*Description and underlying assumptions of each benefit line item*

- **Decreased Recidivism**

- Yearly savings on incarceration, amounting to \$106,131 in California and \$46,880 in New Jersey per individual, applied to the differential between the 3-year recidivism rate in California (50%) and New Jersey (29.80%) respectively and the 3-year recidivism rate of Inside Circle (0%)

- **Savings in Prison**

- 80% of Inside Circle's participants drop between 1-3 security levels
- In California, the average cost of moving a prisoner from Administrative Segregation Units (highest security) to Security Housing Units (one level lower) is \$7,099
- In California, the average cost of moving a prisoner from Security Housing Units to General Population Inmate (one level lower) is \$12,317

# Decreased Burden of Crime on Community

## Costs to the community for crime-related violence

- Direct, out-of-pocket costs:
  - Police response, medical and behavioral health care, victim services, court and child welfare proceedings, incarceration, value of stolen goods or damaged property
    - Note: the unit cost of incarceration was subtracted in calculating Inside Circle's SROI
- Indirect costs:
  - Loss of productivity, decreased quality of life by victims and their families, wage losses of incarcerated perpetrators

## Anchor study | The Cost of Crime to Society: New Crime-Specific Estimates for Policy and Program Evaluation

- The selected approach incorporates the cost-of-illness and jury compensation methods
  - Cost estimates for over 12 major crime categories including murder, rape/sexual assault, assault, robbery, arson, larceny/theft, motor vehicle theft, household burglary, embezzlement, fraud, stolen property, forgery and counterfeiting, and vandalism
  - The costs considerations fall under 4 fundamental components: victim costs (direct economic losses including medical care, lost earnings, property loss/damage), criminal justice system costs (local, state, federal government funds spent on police protection, legal and adjudication services, and corrections programs), crime career costs (opportunity costs related with criminal's choice to engage in illegal activity), and intangible costs (pain and suffering, decreased quality of life, psychological distress)
- Selected literature includes peer-reviewed publications, manuscripts, and government reports
- Determines the total cost of murder (highest cost) to be \$1,285,146 and larceny/theft (lowest cost) to be \$3,523 across the US in 2008 dollars



# Economic Benefits of Therapy

- Inside Circle's unique approach to therapy
  - Utilizes Elements of Group therapy, cognitive behavioral therapy, somatic therapy, and Jungian therapy.
  - In essence, utilizes a cost-effective and scalable form of therapy that emphasizes group sharing with 1 facilitator
  - CBT is better because it encourages prisoners to set actionable goals for the future as well as processing past trauma, leading to better outcomes such as anecdotally cited lower drug use, reduced rates of depression, higher incomes because of therapy, and an anecdotally cited lower suicide rate
  - General benefits of the Inside Circle model include
    - 94% of inmates feeling less alone
    - 98% of inmates feeling that they can overcome adversity
- Anchor Study | Reducing Suicide by Providing Cognitive Behavioral Therapy for Suicide Prevention
  - Analyzes group CBT sessions with veterans ages 18-90 over 6-weeks with history of suicide ideation, suicide attempts, and mental illness
  - Compared veterans who took part in CBT sessions versus veterans who went through treatment as usual, creating a control and a variable group to compare CBT outcomes
  - This study found that compared to patients who received treatment as usual, there was a 30% reduction in suicide attempts (with 0 total) for veterans who received CBT
  - The main limitations of this study compared to the SROI yield is that this program specifically isolates CBT while Inside Circle uses many types of therapy. In addition, this study analyzes veterans, many with a specific suicide history while not all prisoners have documented attempts at suicide
  - Other studies, such as one from Brown, cite a 64% reduction in suicide rates because of CBT. Consequently, this study is used to take a conservative estimate on SROI

# Economic Benefits of Therapy

- Economic Impact of Mental Health
  - Depression has an economic impact because it reduces worker productivity, stops people from functioning, reduces educational attainment, and increases unemployment
  - In the past year, the "economic burden of MDD is estimated to be \$201.5 billion dollars" with 6-7% of the population having depression
  - Prisoners contribute to this heavily because 23% of prisoners are estimated to have some type of depression
- Anchor Study | Clinical relevance of findings in trials of CBT for depression
  - There have been a variety of Randomized Control Trials, looking at the results of CBT and its impact on reducing depression
  - This study uses the Hamilton Rating Scale for Depression to measure how much of a reduction these RCTs show in depression on a numerical scale
  - It uses 170 datasets and 82 studies to conclude, with a key limitation being that this study is holistic and not specific to prisoners
  - The key finding for this study is that the mean percentage change of depression is 53.66% by measuring on the scale, showing there is a statistically significant effect of using CBT as a method to reduce the impact of depression

# Reduced Cost from Rule 115 Violations

## CDCR Form 115 Discipline Report

- A CDCR Form 115 discipline report is the form that the California Department of Corrections and Rehabilitation uses to document rule violations in prison
  - Form 115 (administrative violations)
  - Form 115A (serious rule violations)
- Penalties include:
  - Forfeit up to 360 days of good conduct credits
  - Mandatory and random drug testing, required alcohol testing, etc.
  - Confinement to quarters for up to 10 days
  - Loss of canteen, appliance, mail, telephone, or personal property privileges

## Anchor Study | When Inmates Misbehave: The Costs of Discipline

- 6-month study of a Washington medium-security prison from 1994-1995
  - In Washington prisons, offenders with serious mental illnesses constituted 18.7% of the prison population but accounted for 41% of the infractions
- Costs incorporated account for the *administrative and time* costs spent on the infraction processes and do not include the actual harms of the violations themselves
  - The largest costs imposed are disciplinary segregation and the loss of good time (i.e., loss of sentence reductions)
  - Substantial costs are also associated with review processes, notification and logging, hearings, and appeals
- The average cost of an infraction was estimated to be \$970
- The main limitations of this analysis are the age of the study and the comparability to the California state prison system. However, given the rising dollar costs of incarceration over time (i.e., at the time of study, the average cost of 1 year of confinement in Washington was \$23,500, compared to the average cost of 1 year of confinement in California of \$106,000, we believe the average infraction cost figure is understated and conservative in estimating the cost savings of reduced disciplinary action)

Sources: California Code of Regulations Sections 3313 – 3326, Prison Journal (1996)

# Financials

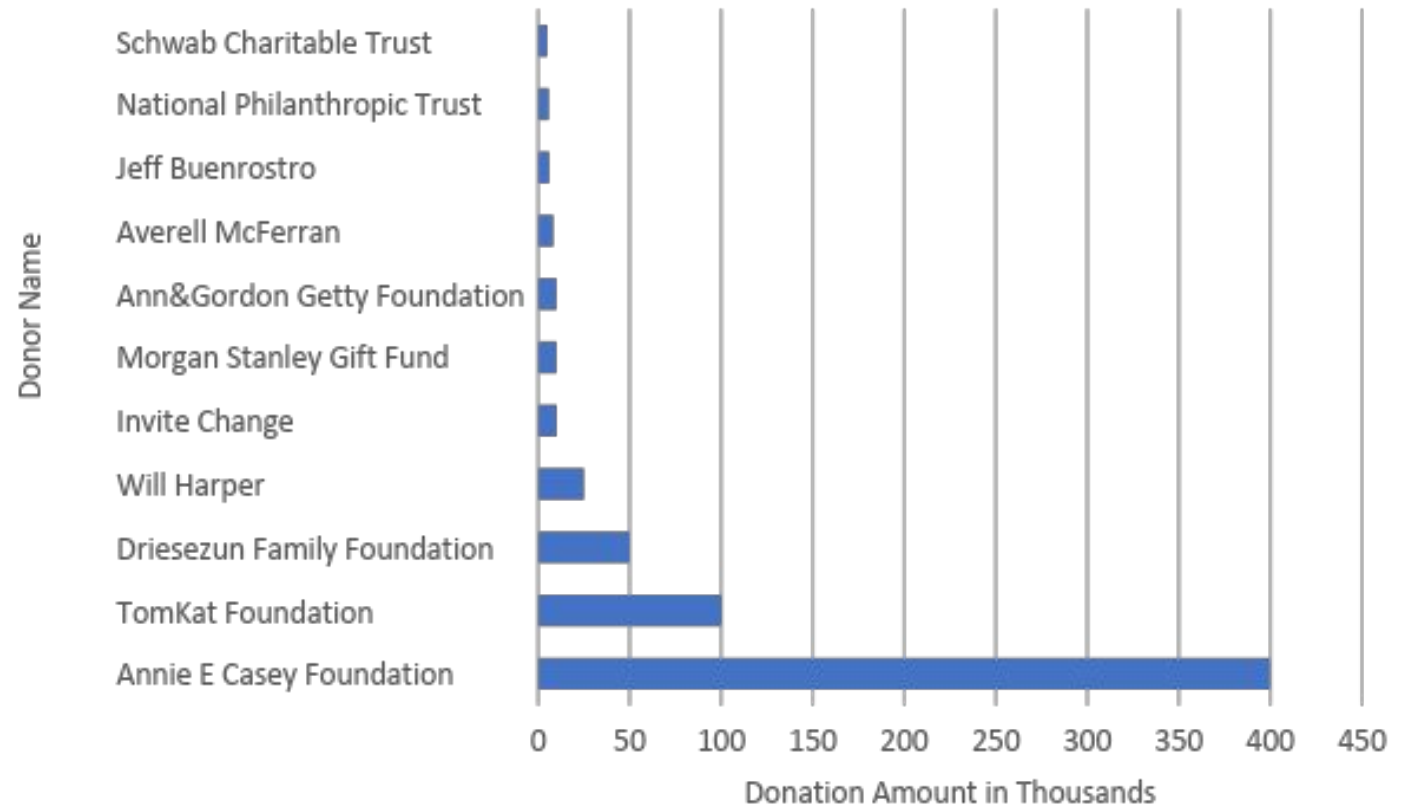
Further information on what goes into Inside Circle's financial picture

# Further Details on Funding

## Private Donors

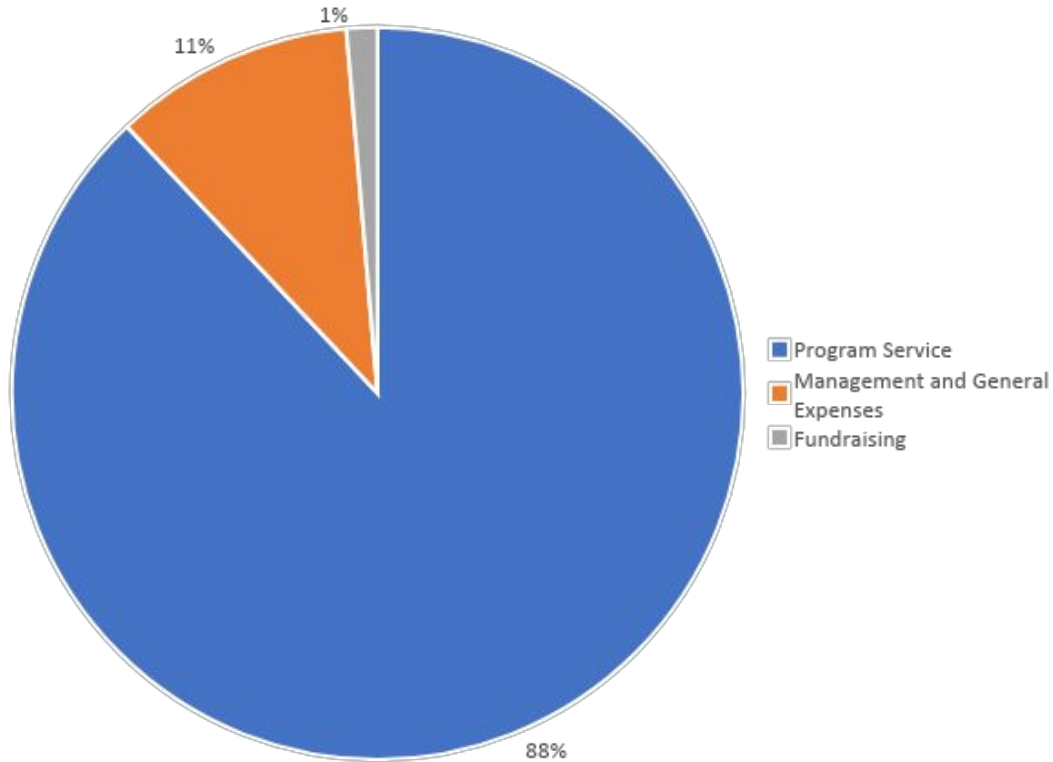
- Annie E Casey Foundation, \$400,000
- TomKat Foundation, \$100,280
- Dreisezun Family Foundation, \$50,000
- The Rising Foundation, \$25,000
- Will Harper, \$6,000
- Jeff Buenrostro, \$10,000
- Morgan Stanley Gift Fund, \$10,100
- Invite Change, \$10,000
- Ann&Gordon Getty Foundation, \$10,000
- Averell McFerran, \$8,270
- Schwab Charitable Trust, \$5,000
- National Philanthropic Trust, \$5,800

Major Private Donors

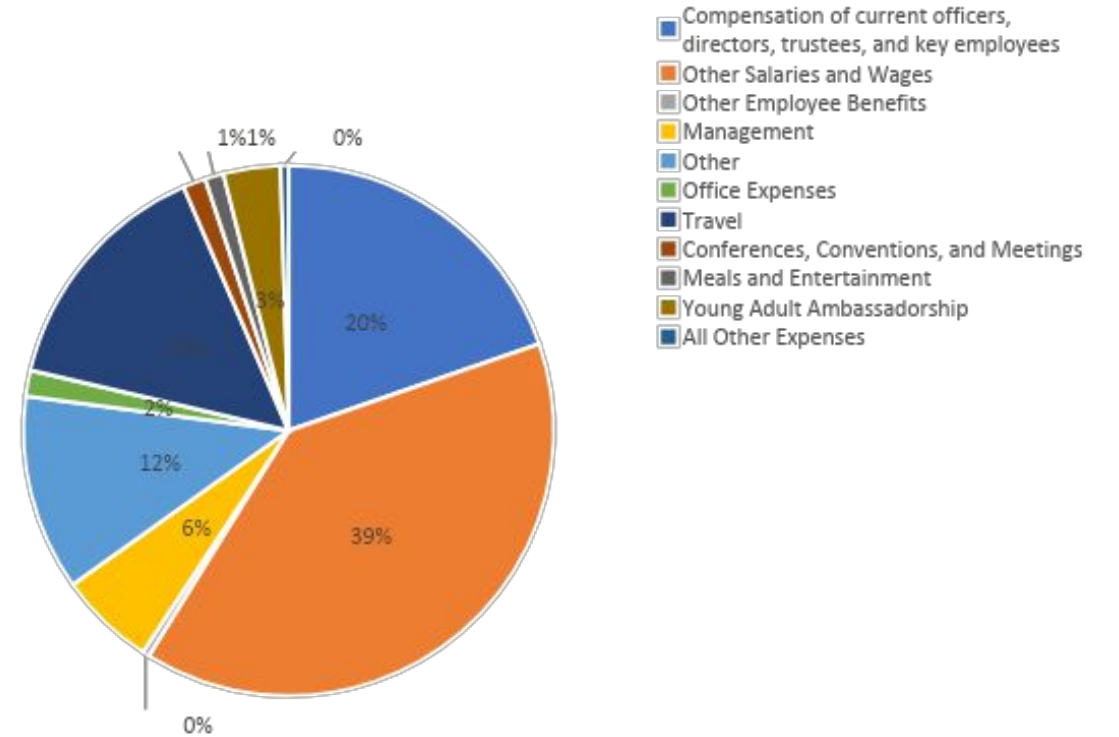


# Further Details on Funding

Percentage of Total Spending



Percentage of Total Functional Expenses



# Additional Information

# Outstanding Questions

## **SROI Calculations**

- How to better work on social return on impact for mental health charities in general?
  - Approaching these kinds of charities from a healthcare perspective compared to a recidivism and incarceration perspective
  - Quantifying soft benefits such as improved happiness through concrete qualifiers such as improved security levels

## **Inside Circle**

- Need more information on the details of Inside Circle's program. We haven't been able to obtain exact curriculums and details on what they do on a day-to-day basis, and this may help us understand what makes the charity so effective.
- Should we be focusing more on juveniles in terms of incarceration? Need to understand if they're more at risk/vulnerable to the issue of mass incarceration.
- What does our influence and work mean to Inside Circle in the coming future? How can we be stronger donors amongst such a large pool?
- What can USIT Foundation do for Inside Circle outside of funding?

## **Recidivism Space**

- Need to understand the method of collecting recidivism rates better. Should other charities be doing this in the space?



# Management Structure

- Director: Eldra Jackson
  - Writer and public speaker on advocacy topics, previously part of Inside Circle at New Folsom Prison. Now manages Inside Circle from the lens of mission, purpose, and mentorship.
- Director: Lisa Blum
  - Sales and Data Analytics associate now working in the non-profit sphere in marketing and management. 7+ years experience in non-profit management, and now manages Inside Circle's data tracking and expansion.



# Board Structure

- 6-person full-time staff
  - 4 directors, 1 community engagement leader, 1 re-entry specialist
- 5-person board
  - Previously incarcerated individuals, professor, businesspeople
- 3-person advisory board
  - Businesspeople advising expansion
- 4-person Elder Council
  - Individuals previously involved in the non-profit overlooking activities
  - Includes founders and creators of Inside Circle Media

## Advisory Board



Andrew Blum, Advisory Board Member



Christina Hollenback, Advisory Board Member



Brian O'Keefe, Advisory Board Member



**Manuel Ruiz**  
Board Chair



**Michael Dimock**  
Vice-Chair



**Gordon Brown**  
Board Member



**Jeff Buenrostro**  
Treasurer



**Greg Mellor**  
Secretary

# Physical Assets and Locations



# Summary of Diligence Activities / Notes

- Nilay Gandhi called Executive Direct Lisa Blum on 10/28/2021 regarding charity logic model, expansion, and SROI
- Nilay Gandhi emailed Executive Directors Eldra Jackson III and Lisa Blum to discuss impact report for Inside Circle
- Nilay Gandhi and Anita Liu called Lisa Blum on 4/11/2022 to obtain details on activity itineraries and methodology, demographics of serviced populations, progress metrics, and other impact details
- Nilay Gandhi called CEO and Founder Eldra Jackson III on 5/5/22
- Nilay Gandhi and Anita Liu emailed Lisa Blum to obtain requested data including Letters of Support, 2019, 2020, and 2021 Forms 990s, and data highlights.
- Anita Liu emailed Lisa Blum on 5/19/22 for further information on charity budgeting and operational activities

# Other relevant links and contact notes

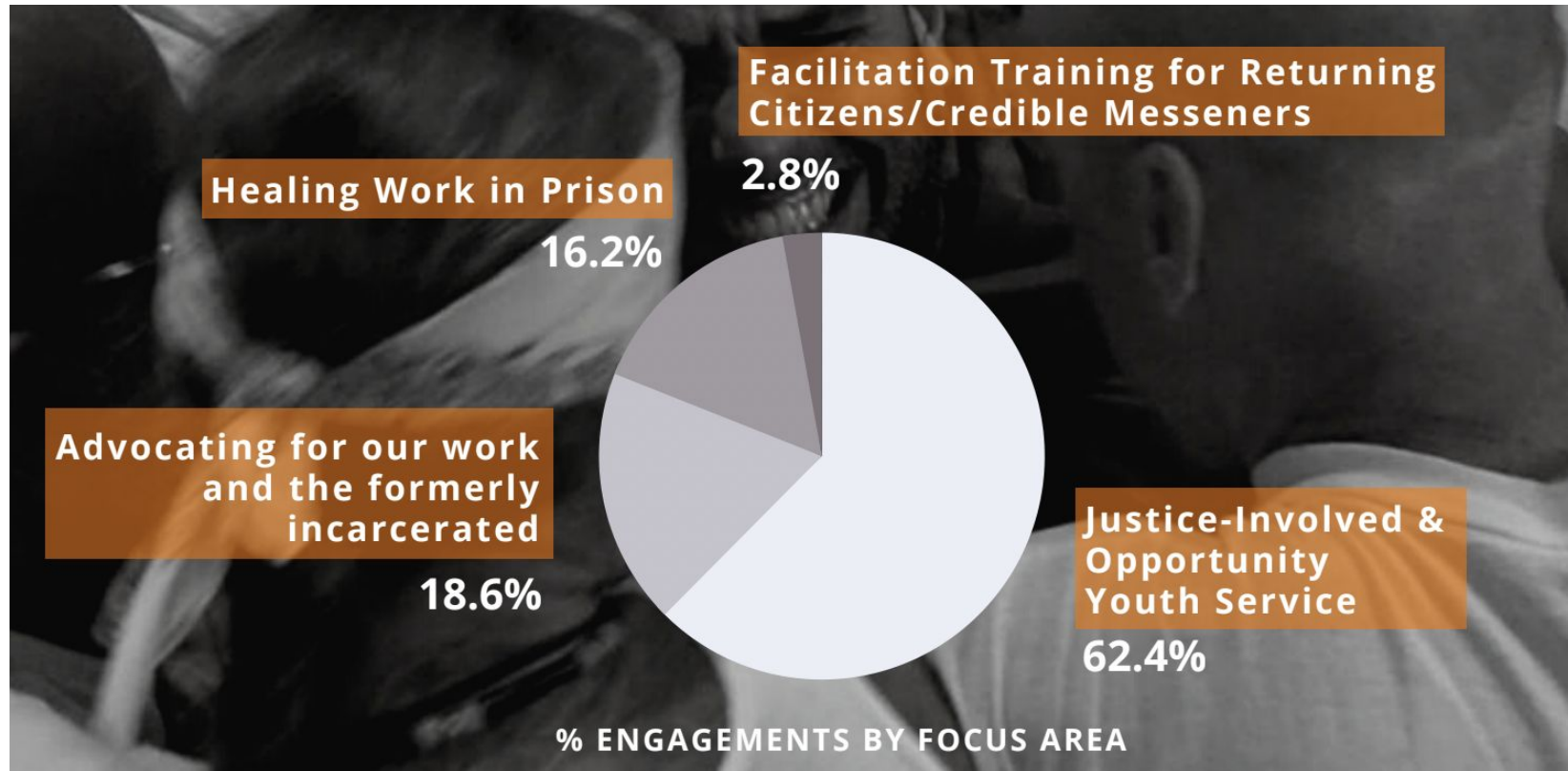
- [GuideStar](#)
- [Website](#)
- [ProPublica](#)
- [Charity Navigator](#)
- [Inside Circle Google Drive](#)
  - [Quick Look](#)
  - [First call notes](#)
  - [Second call notes](#)
  - [Mid-Level Presentation](#)
  - [Unit Costs](#)
  - [Latest SROI](#)
  - [2021 Personnel Budget](#)

# Appendix

# Inside Circle Unit Costs

ON-GOING PROGRAMMING OVERVIEW													
(DOES NOT INCLUDE SHORT TERM PROJECT-BASED ENGAGEMENTS OF LESS THAN ONE YEAR, 2 & 4 DAY INTENSIVES THAT COMPLEMENT ON-GOING PROGRAMMING, OR BROAD-BASED ADVOCACY OR PAROLE HEARINGS OR STAFF STRATEGY MEETINGS, OR PROGRAMMATIC SUPPORTS LIKE NEWSLETTER & PEN PAL PROGRAM)													
	# OF WEEKLY SESSIONS	LENGTH (HRS)	# FACILITATORS	COST PER FACILITATOR HR	COST PER SESSION	COST PER WEEK	# ENGAGEMENT WEEKS PER YEAR	ENGAGEMENT COST PER YEAR	ANNUALIZED ADD ON COSTS (TRAVELTIME, EXPENSES+GAS/ON-CALL HRS - WIDE VARIABILITY HERE)	TOTAL ANNUAL COSTS	#PARTICIPANTS	ANNUAL COST PER PARTICIPANT	PER PARTICIPANT COST 3 OVER YEARS - AVERAGE ENGAGEMENT PERIOD TO EFFECT OPTIMAL CHANGE
<b>YOUTH PRISON WORK</b>													
NEW JERSEY JUVENILE JUSTICE COMMISSION (VIRTUAL,INCLUDES 5-6 FACILITIES ACROSS STATE)	2	2	2	100	400	800	50	\$40,000.00	NO ON CALLSUPPORT, NO TRAVEL	\$40,000.00	44	\$909.09	\$2,727.27
<b>YOUTH COMMUNITY WORK</b>													
YOUNG ADULT EMPOWERMENT (VIRTUAL,POST-INCARCERATION)	3	2	2	100	400	1200	50	\$60,000.00	\$20,000.00	\$80,000.00	20	\$4,000.00	\$12,000.00
HANNAH BOYS CENTER (IN PERSON,INCARCERATION DIVERSION WORK - MIX OF JUSTICE-INVOLVED & AT RISK/OPPORTUNITY YOUTH)	1	1.5	2	100	350	350	50	\$17,500.00	\$4,000.00	\$21,500.00	48	\$447.92	\$1,343.75
<b>ADULT HEALING PRISON WORK (IN-PERSON)</b>													
SIERRA CONSERVATION CENTER, JAMESTOWN	1	2	1	100	300	300	50	\$15,000.00	\$8,000.00	\$23,000.00	32	\$718.75	\$2,156.25
CALIFORNIA STATE PRISON, SACRAMENTO (NEW FOLSOM)	1	2	2	100	400	400	50	\$20,000.00	\$7,000.00	\$27,000.00	12	\$2,250.00	\$6,750.00
CALIFORNIA MEDICAL FACILITY, VACAVILLE	1	2	2	100	400	400	50	\$20,000.00	\$16,000.00	\$36,000.00	12	\$3,000.00	\$9,000.00

# Inside Circle's Program Activities Breakdown



This figure shows a percentage breakdown of IC's activities budget and what causes its going towards.



# Inside Circle Youth Program List of Results

<b><u>Accomplishments</u></b>	<b><u>Date</u></b>
H. H attended an orientation session for a HVAC training program.	11/24/20
A. H began employment at a warehouse.	12/1/20
J. B secured employment on 12/1/20 and will report to work on 12/3/20.	12/1/20
Z. E achieved a 98% on a work-related audit, and was offered a pay raise.	12/17/20
H. H earned a 4.0 grade point average at hos school.	2/4/21
L. L began his new employment on March 1, 2021.	3/1/21
K. V passed his placement exam at Denmark Technical College.	7/6/21
K. V began college at Denmark Tech.	8/11/21
L. L received his driver's license.	8/26/21
L. L began his new employment.	8/26/21
H. H graduated from his HVAC training program.	9/2/21
J. F began a new position at UPS.	9/16/21



# 2021 IC Additional Programming Numbers

ADDITIONAL PROGRAMMING		# SERVED	
<b>Pen Pal Program</b> <i>Launched 2021 (We match &amp; facilitate letter exchanges between our incarcerated &amp; non incarcerated community to provide connection &amp; positive input into lives of the incarcerated. A subset of this group is piloting a program in which they are paired with mentors who support them in developing specific self-help practices)</i>	2020	129	
<b>Podcast (Advocacy)</b> <i>Launched 2021+</i>	2,021	10,000	# of unique listens
<b>Inmate Newsletter</b> - <i>Shares new about our work and progress of our mission as well as tools to support personal growth, inspiration and provides means to communicate and get their words and voices out on our Voices from the Inside Instagram thread. Goes out 4X per year to all current &amp; former group members across all California prisons - <b>Note # served = number of our members still incarcerated out of ~400 since 1997, so 190 are deceased or have been released)</b></i>	2020	210	
<b>"Outside Circle"</b> <i>Public 2-Day Intensives (2019-2020)</i>	2019	107	
<b>"Leading Change From Within"</b> <i>6-week Program w/San Francisco Probation 2018-2019</i>	2018	20	
Department of Juvenile Justice Youth Support (2020)		20	
Online Weekly Public Drop In Circles (Launch April 2020)	2020	177	
See Engagement Summaries for Additional Intensives & Numbers			

# The USIT Foundation

[usitfoundation.org](http://usitfoundation.org) | [texasusit.org](http://texasusit.org)

THE  
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# The USIT Foundation

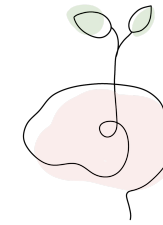
## About the USIT Foundation

The USIT Foundation is the 501(c)(3) parent organization of the University Securities Investment Team, the largest student-run investment fund at The University of Texas at Austin. Comprised of alumni who started their investing journeys with the team, the USIT Foundation works closely with student leadership in the contexts of investing, data science, and philanthropy.

The USIT Foundation supports and advises the USIT student organization and marshals and engages its alumni to promote personal and professional growth through active charitable giving. In Spring 2020, the alumni of the USIT Foundation initiated a philanthropic Giving Pledge to commit time and resources to better our communities.

## Philosophy and Approach

The USIT Foundation is committed to evidence-based philanthropy and continuously builds upon a model of effective, responsible capital deployment. In its months-long competitive annual process, the Foundation identifies and performs deep diligence, including client testimonials, data room modeling, and impact stress testing, on charities. In the 2021-22 academic year, the Foundation plans to provide \$100,000 in donations to several charities that operate within the three observed impact verticals, with the initial donation opening the door for years-long engagement and follow-on investments.



### Education

Ensuring that students of all ages receive high-quality, equitable education while community members are properly supported.



### Justice & Opportunity

Breaking down systemic barriers to assist the reentry transition and reduce nationwide recidivism.



### Healthcare

Reducing healthcare burdens through preventative measures, early childhood development interventions, and elderly care.

# Philanthropy Investment Team

## History

The Philanthropy Investment Team was formed in Spring 2020 at The University of Texas at Austin by request of the University Securities Investment Team (USIT) Foundation and Alumni Network, which wished to establish a partnership with the student organization to source charitable investment opportunities.

This fund generates ideas and performs diligence on charities that merit a donation with a value investing framework. Through the primary and secondary research of undergraduate Analysts, the Philanthropy Investment Team is developing a model of impact measurement, both for initial investment diligence and subsequent staged donations. Experimental in nature in its inaugural year, the Philanthropy Investment Team ultimately seeks to donate \$150,000 by Fall 2022 at the discretion of the Giving Committee. Its funds are replenished yearly, comprising 1% of the total Annual Gross Income of the Alumni Network.

## Senior Analyst Contact

Nilay Gandhi is a first-year Finance and Government student at The University of Texas at Austin. He is passionate about creating impact for small businesses and minority groups. For any questions about this project, you may contact him at [nilaygandhi@utexas.edu](mailto:nilaygandhi@utexas.edu).



## Junior Analyst Contact

Anita Liu is a first-year Management Information Systems major at The University of Texas at Austin. She is dedicated to creating social impact through sustainable and systemic changes, particularly with solutions related to technology. For any questions about this project, you may contact her at [anitaliu@utexas.edu](mailto:anitaliu@utexas.edu).

