

KANSAS DEPARTMENT OF CORRECTIONS

	INTERNAL MANAGEMENT POLICY AND PROCEDURE	SECTION NUMBER 04-104D	PAGE NUMBER 1 of 4
		SUBJECT: FISCAL: Offender Benefit Funds	
Approved By:  Secretary of Corrections		Original Date Issued: 02-03-15	Replaces Version Issued: N/A
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APPLICABILITY:	<input type="checkbox"/> ADULT Operations Only	<input type="checkbox"/> JUVENILE Operations Only	<input checked="" type="checkbox"/> DEPARTMENT-WIDE
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POLICY STATEMENT

Inmate benefit funds shall be established using funds collected from fines, commissions, and profits received from offender purchases of goods or services. (ACO 2-1B-05) All interest that accrues on inmate benefit funds shall be deposited to the inmate benefit fund. (ACO 2-1B-14, ACI 4-4044) All inmate benefit funds shall be annually budgeted in accordance with instructions issued by the KDOC Fiscal Officer and approved by the Secretary of Corrections.

Inmate benefit fund expenditures shall be for incentives for program and work participation/performance and other activities related to offender management, to supplement existing programs, and/or for articles of merchandise, services, and construction/renovation projects that are accessible to and of direct benefit to offenders in the custody of or under the supervision of the Department (including offender athletic equipment, trophies, awards, and travel subsistence and fee costs associated with outside offender athletic events). Each inmate benefit fund account shall be independently audited as deemed necessary by the Fiscal Officer. (ACO 2-1B-07, ACI 4-4036)

DEFINITIONS

Addendum/Addenda: An inmate benefit fund budget request that will increase the total expenditures above the amount previously approved for expenditure.

Department of Corrections Inmate Benefit Fund: A legislatively authorized fund which is comprised of commissions received from long distance phone calls placed by offenders. These moneys may be used as a supplement to facility inmate benefit fund(s) to finance projects and provide for the acquisition of goods and services that cannot be financed within the resources available in a facility inmate benefit fund alone.

Facility Inmate Benefit Fund: A legislatively authorized local fund administered by designated facility staff to account for non-tax moneys utilized to finance projects and provide for the acquisition of goods and services that are of direct benefit to the facility's offender population. Moneys credited to the fund include commissions designated from the sale of canteen items to offenders; commissions from vending machine sales; offender fines; commissions, as apportioned by the Secretary or designee; and other miscellaneous revenues.

Fiscal Officer: The Central Office staff person designated by the Secretary of Corrections with the responsibility to coordinate the Department's budget and fiscal policies.

PROCEDURES

I. Facility Inmate Benefit Fund Budget Preparation

- A. Annually, at a time to be determined by the Secretary, each Warden shall prepare and submit to the Fiscal Officer an inmate benefit fund budget request.
- B. Facility and regional inmate benefit fund budget requests shall be prepared and submitted in accordance with instructions issued by the Fiscal Officer.

II. Review Process - Facility Inmate Benefit Fund Budget Requests

- A. The Fiscal Officer shall review the facility's inmate benefit fund budget request. Upon completion of the review, the Fiscal Officer shall forward the facility inmate benefit fund budget requests with recommendations to the Secretary for approval.
- B. The Secretary shall take one of the following actions:
 - 1. Approve the budget as submitted;
 - 2. Approve the budget as amended;
 - 3. Approve the budget, but place specific line items on hold pending further review and consideration; or,
 - 4. Disapprove the entire budget and return it to the Warden to be revised and resubmitted.

III. Addenda to Facility Inmate Benefit Fund Requests (ACI 4-4030, APPFS 3-3042)

- A. To the greatest extent possible, addenda to the facility inmate benefit fund budget shall be included in the revised budget for the current fiscal year at the time the facility inmate benefit fund budget request is submitted to the Fiscal Officer. However, if during the course of the fiscal year unforeseen needs arise, requests for addenda to the budget may be requested and authorized.
- B. To request an addendum, the Warden shall submit a memorandum to the Fiscal Officer explaining and justifying the requested addendum and certifying that sufficient funds exist in the facility inmate benefit fund to finance the addendum.
- C. The Fiscal Officer shall review the request and recommend to the Secretary that the request be approved or denied. If after the Secretary's review the request is approved, the addendum shall become part of the approved inmate benefit fund budget.

IV. Department of Corrections Inmate Benefit Fund Requests

- A. Requests for funds from the Department's Inmate Benefit Fund may be made to finance incentives or projects and provide for the acquisition of goods and services that are of direct benefit to offenders under supervision or the offender population but which otherwise could not be funded because of insufficient resources in a facility inmate benefit fund.
- B. Requests for funds from the Department's Inmate Benefit Fund shall be for extraordinary expenses, such as items needed to ensure or enhance accreditation standards requirements, rather than for routine original or replacement items.
- C. To the greatest extent possible, all requests for funds from the Department's Inmate Benefit Fund shall be included in the facility inmate benefit fund budget requests that are submitted to the Fiscal Officer.
 - 1. Regional parole directors shall not be required to prepare an inmate benefit fund budget. All requests for funds for programs and services for offenders under post-incarceration supervision shall be presented on an as-needed basis with justification provided for the requested funds.
- D. If during the course of the fiscal year unforeseen needs arise, an unbudgeted request for funds from the Department's Inmate Benefit Fund may be submitted to the Fiscal Officer. Such a

request shall be considered as an addendum to the Inmate Benefit Fund budget and shall be submitted in accordance with the procedures prescribed in Section III.

1. Regional parole directors may request funds from the Department of Corrections Inmate Benefit Fund to provide programs and services for offenders on post release supervision by submitting a memorandum describing the program/service and the justification to the Deputy Secretary of Community and Field Services.
2. Requests for Inmate Benefit Funds approved by the Deputy Secretary of Community and Field Services shall be submitted to the Fiscal Officer.

V. Inmate Benefit Fund Expenditures

- A. To the greatest extent possible, all transfers between expenditure categories shall be included in the revised budget for the current fiscal year at the time the facility inmate benefit fund budget request is submitted to the Fiscal Officer. However, if during the course of the fiscal year unforeseen needs arise that can be financed within the approved inmate benefit fund budget, moneys may be transferred between expenditure categories.
 1. Prior approval from the Fiscal Officer shall not be required for routine transfers between expenditure categories within the approved facility inmate benefit fund budget.
 2. If a transfer between expenditure categories is of particular significance with respect to either cost or use of funds, approval of the Fiscal Officer shall be necessary before the transfer can be made.
 3. Under no circumstances should any funds be transferred to the expenditure category of Capital Improvements without prior approval of the Fiscal Officer.
- B. The unofficial and local status of facility inmate benefit funds shall not diminish the requirement that these funds be administered and managed in accordance with requirements that would be applicable if these funds were subject to State accounting and purchasing procedures.
 1. The number of accounts payable at the end of the fiscal year for items that have been ordered but which have not been received shall be minimized. Items shall be ordered at such a time as will permit payment within the fiscal year.
 2. When applicable, items shall be purchased from State contracts.
 3. Expenditures shall be made in accordance with the current local purchase procedures and limitations prescribed by the Department of Administration, Division of Purchases.

VI. Review of Reports

- A. The Deputy Director of Finance will conduct random reviews of facility inmate benefit fund quarterly income statements, balance sheets, and bank reconciliations.
- B. Each facility business manager shall submit quarterly, for the quarters ending June 30, September 30, December 31 and March 31, a copy of an inmate benefit fund financial statement.

VII. Submission of Inmate Benefit Fund Requests to the Legislature

- A. All inmate benefit fund budget requests shall be forwarded annually to the Governor and the Legislature for review and approval.
- B. Inmate Benefit Funds shall be distributed in accordance with appropriation acts of the Legislature.

VIII. Audits of Inmate Benefit Funds

- A. The Fiscal Officer or designee may, as deemed necessary by the Fiscal Officer, conduct audits of inmate benefit fund accounts maintained by KDOC facilities. All inmate benefit funds shall be managed and audited against standard accounting procedures outlined in Division of Accounts and Reports Policy #09,102.
 - 1. A report of such audits, including findings of fact, audit exceptions, and recommendations for procedural changes, shall be made to the Warden of each facility so audited, with a copy provided to the Deputy Secretary for Facilities Management. (ACO 2-1B-07, APPFS 3-3044)

IX. Juvenile Correctional Facilities

- A. Each juvenile correctional facilities shall establish procedures for the operation of their respective juvenile offender benefit funds in accordance with the Department of Administration Policy Manual Filing #9,102.

NOTE: The policy and procedures set forth herein are intended to establish directives and guidelines for staff and offenders and those entities that are contractually bound to adhere to them. They are not intended to establish State created liberty interests for employees or offenders, or an independent duty owed by the Department of Corrections to employees, offenders, or third parties. Similarly, those references to the standards of various accrediting entities as may be contained within this document are included solely to manifest the commonality of purpose and direction as shared by the content of the document and the content of the referenced standards. Any such references within this document neither imply accredited status by a Departmental facility or organizational unit, nor indicate compliance with the standards so cited. The policy and procedures contained within this document are intended to be compliant with all applicable statutes and/or regulatory requirements of the Federal Government and the state of Kansas. This policy and procedure is not intended to establish or create new constitutional rights or to enlarge or expand upon existing constitutional rights or duties.

REPORTS REQUIRED

None.

REFERENCES

K.S.A. 75-3728e, *et seq.*; 75-5251; 75-5252; 75-5254
K.A.R. 1-27-1 *et seq.*
ACO 2-1B-05, 2-1B-07, 2-1B-14
ACI 4-4030, 4-4036, 4-4044
APPFS 3-3042, 3-3044
Department of Administration Report #DA-161
Division of Accounts and Reports Policy Manual Filing #09,102

ATTACHMENTS

None.