



INTERNAL MANAGEMENT POLICY & PROCEDURE

Applicability: ☐ Adult Operation Only ☐ JUVENILE Operations Only ☒ DEPARTMENT-WIDE

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FISCAL: Benefit Funds

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Approved By: , Secretary Next Scheduled Review: 02/2025

POLICY

Inmate Benefit Funds shall be established to be used for incentives for program and work participation/performance and other activities related to resident 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 residents in the custody of or under the supervision of the Department.

DEFINITIONS

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

Central Office Inmate Benefit Fund: A legislatively appropriated fund which is comprised of commissions from various services offered to the resident population. Revenue to the IBF is used to finance resident programs.

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 resident population. Moneys credited to the fund include commissions designated from the sale of canteen items to residents; commissions from vending machine sales; resident fines; commissions, as apportioned by the Secretary or designee; and other miscellaneous revenues.

Juvenile Offender Benefit Fund: A legislatively authorized local fund administered by the Kansas Juvenile Correctional Complex 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 resident population. Moneys credited to the fund include commissions designated from the sale of canteen items to residents; commissions from vending machine sales; resident fines; commissions, as apportioned by the Secretary or designee; and other miscellaneous revenues.

Executive Director of Contracts & Finance: The Management Team member designated by the Secretary of Corrections with the responsibility for the oversight and management of the Department's financial operations and support services contracts.

PROCEDURES

I. BENEFIT FUND GENERAL GUIDELINES

- A. Inmate benefit funds shall be established using funds collected from fines, commissions, and profits received from resident purchases of goods or services.
- B. All interest that accrues on inmate benefit funds shall be deposited to the inmate benefit fund.

- C. Inmate benefit fund expenditures may include athletic equipment, trophies, awards, and travel subsistence and fee costs associated with outside resident athletic events.
- D. Each inmate benefit fund account shall be independently audited as deemed necessary by the Executive Director of Contracts & Finance.
- E. All inmate benefit funds shall be annually budgeted in accordance with instructions issued by the KDOC Executive Director of Contracts & Finance and approved by the Secretary of Corrections or designee.

II. 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 Executive Director of Contracts & Finance 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 Executive Director of Contracts & Finance.

III. Review Process - Facility Inmate Benefit Fund Budget Requests

- A. The Executive Director of Contracts & Finance shall review the facility's inmate benefit fund budget request. Upon completion of the review, the Executive Director of Contracts & Finance 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.

IV. Addenda to Facility Inmate Benefit Fund Requests

- 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 Executive Director of Contracts & Finance. However, if during the course of the fiscal year unforeseen needs arise, requests for addenda to the budget may be requested.
- B. To request an addendum, the Warden shall submit a memorandum to the Executive Director of Contracts & Finance explaining and justifying the requested addendum and certifying that sufficient funds exist in the facility inmate benefit fund to finance the addendum.
- C. The Executive Director of Contracts & Finance shall review the request and obtain any additional information necessary to process the request. If after the Secretary's review the request is approved, by the Executive Director of Contracts & Finance, the addendum shall become part of the approved inmate benefit fund budget.

V. Facility 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 Executive Director of Contracts & Finance. 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 Executive Director of Contracts & Finance 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 Executive Director of Contracts & Finance 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 Executive Director of Contracts & Finance.
- 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, Office of Procurement & Contracts.

VI. Review of Reports

- A. The Executive Director of Contracts & Finance or designee 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. Audits of Facility Inmate Benefit Funds

- A. The Executive Director of Contracts & Finance or designee may, as deemed necessary, 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.

VIII. Kansas Juvenile Correctional Complex

- A. The Kansas Juvenile Correctional Complex shall establish procedures for the operation of their juvenile offender benefit funds in accordance with the Department of Administration Policy Manual Filing #9,102.

IX. Department of Corrections Inmate Benefit Fund

- A. Expenditures from the Department of Corrections Inmate Benefit Fund are authorized by legislative appropriation and are intended to provide programs and services to the resident population. Expenditures from the Central Office Inmate Benefit Fund shall be included in the annual Central Office budget request developed in accordance with the directions issued by the Division of the Budget.

NOTE: The policy and procedures set forth herein are intended to establish directives and guidelines for staff, residents, 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, residents, or offenders, or an independent duty owed by the Department of Corrections to employees, residents, 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

None.

REFERENCES

K.S.A. 75-3728e, *et seq.*; 75-5251; 75-5252; 75-5254
K.A.R. 1-27-1 *et seq.*
Department of Administration Report #DA-161
Division of Accounts and Reports Policy Manual Filing #09,102

HISTORY

02-03-15 Original
08-23-22 Revision 1

ATTACHMENTS

None.