

 Corrections and Community Supervision DIRECTIVE	TITLE Inmate Occupational Therapy Fund		NO. 2771
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SUPERSEDES DIR #2771 Dtd. 3/17/2016	DISTRIBUTION A	PAGES PAGE 1 OF 4	DATE LAST REVISED
REFERENCES (Include but are not limited to) Dirs. #2770,2783,4022,4405, 4556, 4760,4761; Corr. Law 197, 198; OSC Guide to Financial Operations	APPROVING AUTHORITY 		

- I. DESCRIPTION:** To provide guidelines for each facility to establish and maintain a facility checking account entitled, (facility name) Inmate Occupational Therapy Fund (IOTF) Account.
- The IOTF Account consists of all funds received on behalf of the inmate population from in-house activities and outside sources which may include, but are not limited to, (1) Funds collected for the benefit of inmates (including vending machine commissions and can collections, etc.), (2) Sales of arts and crafts and applicable sales taxes, (3) Contributions and donations, (4) Dues and/or gifts, (5) Approved inmate organization and group activities and applicable sales taxes, and (6) Special events.
- II. POLICY:** Each facility shall establish and maintain an IOTF Account with separate ledger accounts for inmate organizations, special events, hobby shop sales, Inmate Benefit Fund, and other self-help groups or activities approved by the Superintendent. The ledger accounts shall record receipts and disbursements, and serve functions specified in their related directives cited below. These ledger accounts are named (or categorized) and described as follows:
- A. **Hobby Shop Sales:** For proceeds from a product sold, as authorized by Sections 197 and 198 of Correction Law, by one or more inmates as incidental to a vocational project approved by the Commissioner, including but not limited to art, music, drama, handicraft, or sports.
 - B. **Inmate Benefit Fund:** For commissions generated by vending machines accessible to visitors and employees (see Directive #2770, "Vending Machine Contracts"), for can collection activities, and for any other income-producing activity approved by the Superintendent.
 1. Vending machine commissions, which include inmate and employee portions, must be recorded on appropriate ledgers. This commission check should be deposited into the IOTF Account. A check should then be immediately drawn payable to the Employee Benefit Fund Account for the employee portion.
 2. Proceeds from cans or any other income generating activity as approved by the Superintendent, other than approved inmate organization sales activities, must be recorded on this ledger.

3. Disbursements from the Inmate Benefit Fund Account must be approved by the Superintendent, upon agreement with the Inmate Liaison Committee, and must be for the general benefit of the entire population. In the event the facility does not have an Inmate Liaison Committee, disbursements under \$500 must also be approved by the HUB Superintendent on [Form #2771A](#), "Request for Expenditure, Occupational Therapy Fund – Inmate Benefit Fund." Any item or service purchased must be needed, but not otherwise available for purchase through State operating funds. If equipment is purchased, it must be donated to the facility, but maintained through the proceeds of this Fund.

Examples of approved expenditures may include payment for premium TV channels, video entertainment options, items for a family visiting center, copiers, typewriters for the law library, entertainment, etc.

- a. Expenditures of the Inmate Benefit Fund over \$500 must be approved by Central Office, Director, Division of Budget and Finance, or his or her designee, on [Form #2771A](#).
 - b. Facilities should ensure that funds are used as soon as possible and are not accumulated.
 - c. In the event that an inmate organization ceases to exist and a balance remains in the sub-ledger, or if a sub-ledger contains a balance that will no longer be used for a specific purpose, that sub-account should be reduced by transferring the remaining or excess balance to the Inmate Benefit Fund part of the ledger.
- C. Charitable Gifts and Contributions: For charitable contributions made by an approved inmate organization in accordance with Directive #4761, "Inmate Charitable Contributions and Gifts."
 - D. Inmate Organization: Ledger accounts named for each approved inmate organization shall be used for all funds generated by the membership and activities of those inmate organizations in accordance with Directive #4760, "Inmate Organizations."
 - E. Group: Ledger accounts must be named for each religious or self-help group which receives donations for the purchase of supplies.
 - F. Named Event: Ledger accounts must be named for all funds collected for the inmate population for activities of a "special" nature, such as for receipts collected to fund an ethnic holiday event in accordance with Directive #4022, "Special Events Program."
 - G. Sales Taxes: Ledger accounts must be established for sales taxes held temporarily from sales of inmate hobby shop items, approved inmate organization sales programs, etc.
 - H. Donations, (named special fund): Establish a ledger account for funds received as grants or bequests to be used for a specific purpose in accordance with Directive #2783, "Funds Received as Grants and Bequests."

III. GUIDELINES

- A. Each facility shall request approval to open a checking account for the IOTF through Central Office and the Office of the State Comptroller, (see the OSC Guide to Financial Operations, Chapter XIV 4.B).
- B. A manual or computerized ledger system of sub-accounts shall be maintained daily to record all deposits and receipts for each separate activity, inmate organization or special event, as itemized in Section II, above. Ledgers shall also be maintained for any other special purpose approved by the Superintendent.
- C. The total of all sub-account ledgers shall be reconciled to the checkbook balance at least monthly, after the checkbook balance is reconciled to the bank statement.
- D. At each facility where sales tax collections are required for any activity of the IOTF, a New York State certificate for the collection of sales taxes must be requested from the Department of Taxation and Finance. The sales tax authorization number should be requested to be issued to "(facility) Inmate Occupational Therapy Fund."
A check representing the sales taxes collected will be drawn to the Department of Taxation and Finance, and forwarded with the standard sales tax forms in conformance with sales tax standard reporting periods.
- E. Each inmate organization or group treasurer and/or staff advisor may receive a copy of the reconciled sub-account ledger pertinent to his or her responsibilities, upon request to the Deputy Superintendent of Program Services or designee.
- F. Each ledger account established for inmate organizations shall reflect the receipt and disbursements of the following funds:
 1. Those monies received from inmates for the specific purpose of paying dues assessments of outside parent organizations (i.e., NAACP or JAYCEES) and the payment of those dues.
 2. Those monies received in the form of donations for a specific purpose as designated by the donor, and the payments made for the specific purpose.
 3. Those monies received and disbursed in the form of "organizational dues" approved for the facility organization.
 4. Those monies realized as a result of approved fund raising ventures by the organization, and purchases of supplies.
 5. Those monies received in the form of "non-specific" donations by a donor.
 6. Disbursements for expenses, contributions, etc., related to events and projects must be approved on [Form #3089](#), "Request for Approval of Special Projects and/or Special Events" (in accordance with Directive #4760).
- G. Each facility must have approval and disbursement procedures in place to access funds in the IOTF Account.
- H. Purchases for the IOTF may be made utilizing the facility procurement card when necessary. Reimbursement from the IOTF Account for the purchase must be made by the time of the procurement card reconciliation via OSC Form AC-1286-S, "Refund of Appropriation."

IV. RESPONSIBILITY

- A. The Facility Chief Fiscal Officer, under the direction of the Superintendent, shall be responsible for initiating the request to open the IOTF Account and, thereafter, to maintain its checking account with a single entry bookkeeping system to record receipts and disbursements. Each deposit and disbursement must be supported by documentation maintained on file in the facility Business Office. The account balance is to be updated as transactions occur and reconciled at least monthly to the bank statement.
- B. For all inmate activities covered under this directive, but not covered in Directives #2770, #2783, #4022, #4405, "Offender Art & Handicrafts," #4556, "Entertainment Media," #4760, or #4761, the Superintendent, or designee, shall be responsible for developing facility policy and procedures which control the activities and approve receipts and expenditures.
- C. Under the direction of the Superintendent; the Deputy Superintendent for Program Services, or designee, shall be responsible for the approval of receipts and expenditures of the established inmate organizations (see Directives #4760 and #4022).