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POLICY AND ADMINISTRATIVE PROCEDURE Manual of Policies and Procedures				

Title RECREATION FUND ADMINISTRATION
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Legal References (includes but is not limited to)	Related Policies/Procedures (includes but is not limited to)	Replaces:
IC 4-24-6-1 5-13-6-1 11-8-2-5(a)(8); 11-8-2-5(a)(9)	01-03-105 02-01-108 04-01-104	04-01-105 (Eff. Date 6-1-2018 / ED # 18-23)

I. PURPOSE:

This policy and administrative procedure presents guidelines for the establishment, management, and administration of the Inmate Recreation Funds.

II. POLICY STATEMENT:

It is the policy of the Department to comply with the policies and procedures of the Indiana State Budget Agency in all fiscal matters. The Department shall establish and maintain an Inmate Recreation Fund for each facility. Disbursements from the fund shall be used for the benefit of all offenders, provided the item or service has not been appropriated by the General Assembly. Money may accrue to an Inmate Recreation Fund from the following sources:

- A. Gifts to the fund;
- B. Profits or commissions from a commissary or canteen operation;
- C. Interest earned by deposit of trust funds in public depositories or income derived from trust funds invested in United States government securities;
- D. Sale of items produced in occupational therapy;
- E. Income derived from any kind of benefit entertainment for confined offenders;
- F. Any other money derived from any source that is not legally prohibited;

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- G. Any money derived from the income of any trust fund which has been deposited in any special fund of the facility; and,
- H. Any money seized as prohibited property.

The Department shall use Inmate Recreation Funds to the greatest extent possible, consistent with statute. Use of the Inmate Recreation Funds may include, but is not limited to, the following:

- A. Purchase and maintenance of recreational equipment (e.g., billiard tables, weightlifting machines)
- B. Enhancement of the physical plant for leisure time activities including visitation, television viewing, and reading (e.g., carpeting, soundproof ceiling, and curtains).
- C. Purchase of chairs, tables, bookracks, and other materials and furnishings for recreational and leisure time activities.
- D. Procurement of contractual services for staff supervision in order to expand recreation hours of operation.

The Department shall establish and maintain a system of accurate accounting for all receipts and disbursements from the fund and a system of review to ensure compliance with all applicable statutes, promulgated rules, Indiana Department of Administration procurement programs, and policies and administrative procedures.

Monies in the Inmate Recreation Fund may be invested in interest bearing accounts at federally-insured depositories or in United States government securities, provided all interest earned remains in the Inmate Recreation Fund. The Commissioner or designee is to use discretion, to the greatest extent possible consistent with statute, to authorize the transfer of Recreation Funds, from one facility to another, to maximize cost savings to the General Fund.

III. DEFINITIONS:

For the purpose of this policy and administrative procedure, the following definitions are presented:

- A. **BUSINESS ADMINISTRATOR (ACCOUNTANT 1):** The staff person directly responsible for the supervision and management of all purchasing, bookkeeping and accounting services of a facility.
- B. **DIRECT BENEFIT:** A service, supply, or piece of equipment which provides offenders with an opportunity to enjoy leisure time activities or pursue educational goals.
- C. **INMATE TRUST FUND:** The fund established by Indiana Code 4-24-6-2 which holds the funds deposited for the use and benefit of an offender and in which all deposits, credits and disbursements are recorded.

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- D. RECREATION FUND: The fund established by Indiana Code 4-24-6-6 which is to be used for the direct benefit of offenders.

IV. ESTABLISHMENT OF RECREATION FUND:

In accordance with Indiana Code 4-24-6-6, each facility shall establish a Recreation Fund to be used at the discretion of the Warden, subject to the approval of the Commissioner or designee, for the direct benefit of the offenders at that facility.

The Recreation Fund shall not be used for any purchase in which State appropriations have been approved. The facilities may establish sub-accounts in the facility Recreation Fund for specific purposes. Any such sub-accounts must be approved by the Chief Financial Officer (CFO) before funds are placed in that sub-account.

The Recreation Fund shall be placed in federally-insured depositories. Each facility may invest Recreation Fund monies in an interest bearing account of an authorized federally-insured financial institution or in United States Government Securities until such time as the monies are expended for authorized purchases with the approval of the Chief Financial Officer (CFO). All interest derived from the interest bearing accounts shall revert to the Recreation Fund.

V. SOURCES OF FUNDS:

Funds may accrue to the Recreation Fund from the following sources:

- A. Gifts to the Recreation Fund;
- B. Profits from the operation of a facility's commissary activities or vending machine contracts, including hot food sales and commissions from vendor services;
- C. Interest earned by the deposit of the Inmate Trust Fund in public depositories or income derived from the Trust Fund invested in United States Government Securities;
- D. Interest earned by the deposit of the Recreation Fund in public depositories;
- E. Money confiscated from offenders; and,
- F. Transfers from other Recreation Funds, pursuant to Indiana Code 4-24-6-11.

VI. AUTHORIZED USE OF FUNDS:

The Recreation Fund shall be expended for the direct benefit of the offenders in the facility or to assist in the rehabilitation of the offenders in the facility. An example of a direct benefit to the offenders would be the purchase of a computer for recreational or educational use by offenders and the preparation of the room in which the computer is located. Expenditures may include, but are not limited to, the following:

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- A. Radio and television equipment;
- B. Recreational supplies, holiday packages and holiday cards;
- C. Hobby shop supplies and equipment;
- D. Rental of motion pictures or purchase of cable or satellite television/radio programming;
- E. Books, magazines, and periodicals for the educational and recreational libraries of such facilities;
- F. Musical instruments, instructions, and sheet music;
- G. Officiating at recreational and athletic events;
- H. Special foods for parties and celebrations;
- I. Transfers to other facility Recreation Funds, pursuant to IC 4-24-6-11;
- J. Payment for professional service contracts to expand ordinary recreation hours to enhance a recreational program;
- K. Purchase of equipment for leisure time activities, including desks and chairs for visiting rooms;
- L. Educational materials;
- M. Purchase of materials, supplies and equipment for the operation of a Law Library in the facility and the payment of copying and mailing costs for legal materials in accordance with Department procedures; and,
- N. US Department of Labor or other offender work training programs.

VII. PURCHASES:

Purchases of items using the Recreation Fund shall be at the discretion of the Warden or designee based upon the authorized use of Recreation Funds as indicated in Section VI.

Purchases from the Recreation Fund are required to follow the Department of Administration purchasing policies. All purchases using the Recreation Fund shall be documented on State Form 45029, "Request for Recreation Fund Purchase."

Any purchase exceeding five thousand dollars (\$ 5,000.00) shall be forwarded to the CFO for approval prior to purchase.

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Equipment purchases in excess of twenty five hundred dollars (\$ 2,500.00) shall be forwarded to the CFO. Bids are not to be artificially broken down to usurp or avoid the intent of this policy and administrative procedure.

Any documents initiated or received in this process shall be maintained at the facility, until completion of an audit by the State Board of Accounts.

VIII. HOLIDAY ISSUE:

Each Warden shall ensure that sufficient funds are available in the Recreation Fund of the facility to allow for a Holiday issue for each offender incarcerated in that facility in an equal amount. All offenders in the facility, no matter the offender’s status, shall be eligible for the Holiday issue, including offenders in restrictive status housing.

The Holiday issue may be in the form of:

- A. A credit, the amount determined by the Commissioner, from the Recreation Fund of the facility to each offender's individual Inmate Trust Fund account; or,
- B. An amount of candies, nuts and/or fruits equal to the dollar amount determined by the Commissioner, in subsection A above, given to each offender of the facility which is purchased with funds from the Recreation Fund of the facility.

The type of Holiday issue shall be at the discretion of the Warden with consideration of the funds available in the Recreation Fund of the facility.

The type of Holiday issue shall be subject to the approval of the appropriate Regional Director.

VII. ACCOUNTING FOR RECREATION FUND:

The accounting of the Recreation Fund shall be maintained in such a manner as to meet all appropriate accounting procedures established by the State Board of Accounts and this policy and administrative procedure. All receipts and disbursements of funds shall be accounted for and recorded on the forms and records prescribed by the State Board of Accounts.

The Business Administrator or designee shall complete State Form 16916, “Recreation Fund Balance Sheet,” monthly. Copies of this report shall be forwarded to the Regional Finance Director by the tenth (10th) day of the following month. A copy of the bank statement shall be attached to each report.

Recreation Fund fiscal records shall be filed and maintained at the facility in accordance with established records retention schedules and until an audit is completed by the State Board of Accounts and all outstanding charges settled.

VIII. AUDIT OF FUNDS:

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The Recreation Fund shall be subject to periodic audits by the State Board of Accounts.

IX. TRANSFER OF FUNDS:

The CFO shall ensure the maintenance of a general ledger for all investments for the various Recreation Funds. The CFO shall ensure the proper accounting of all funds and shall ensure funds are available for recreation purchases throughout the Department to avoid the use of general fund revenues, consistent with statute. Cash flow shall be evaluated, as well as investments, focusing on the maximum use of the Inmate Recreation Fund.

X. APPLICABILITY:

This policy and administrative procedure is applicable to all facilities operated by the Department.

signature on file
Robert E. Carter, Jr.
Commissioner

Date