

Offender Banking System	1
I. Trust Fund.....	2
A. Inmate Accounts	2
B. Internal Controls.....	3
C. Inmate Pay Programs	17
D. Seasonal Bonus	20
E. Indigent Inmates.....	21
F. Private Prison Held Inmates.....	21
G. Contract County Jail Held Inmates	22
H. Inmate Discharge or Parole.....	22
I. Inmate Deaths.....	24
J. Inmate Escapes	25
K. Unclaimed Funds	25
L. Inmate Clubs/Charitable Activities/Group Accounts	26
II. Canteen.....	26
A. Canteen Boards	26
B. Profits.....	27
C. Standards for Canteen Services	28
III. Restitution Accounting.....	37
A. Receipt of Offender Field Collections.....	37
IV. Community Sentencing.....	42
A. Restitution Collections by Private Providers.....	42
B. Community Sentencing Administration Fee	42
C. Community Sentencing Supervision Fee Collections by Private Providers	43
D. Community Sentencing Receipt Books	43
V. Other General Services	43
VI. OBS Contract.....	43
VII. System Security.....	43
VIII. References	44
IX. Action.....	45
Referenced Forms	46
Attachments	46

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Offender Banking System	ACA Standards: 2-CO-1B-05, 2-CO-1B-06, 2-CO-1B-12, 2-CO-1B-13, 2-CO-1B-14, 5-ACI-1B-03, 5-ACI-1B-09, 5-ACI-1B-18, 5-ACI-1B-19, 5-ACI-1B-20, 5-ACI-1B-21, 5-ACI-1B-22, 5-ACI-1B-23, 5-ACI-5A-06, 4-ACRS-7D-17, 4-ACRS-7D-21, 4-ACRS-7D-22, 4-ACRS-7D-30, 4-ACRS-7D-33, 4-APPFS-3D-25		
Scott Crow, Director Oklahoma Department of Corrections	Signature on File		

Offender Banking System

The Offender Banking System (OBS) is a computerized system that encompasses Inmate Trust Accounts, Canteen Operations, and Restitution Accounting. All operations of these three areas, the system's contract management, and system's security are covered by this procedure.

Activities, processes and transactions conducted in the OBS will be in compliance with this policy. The OBS User's Guide (Guide) may be referred to for additional instructions

to the employee on how to perform a process in this policy. In the event that the policy and the Guide do not agree, this policy is the governing document.

I. Trust Fund

- A. Inmate Accounts (2-CO-1B-05, 5-ACI-1B-03, 5-ACI-1B-09, 5-ACI-1B-20, 5-ACI-1B-21, 5-ACI-1B-22, 5-ACI-1B-23, 5-ACI-5A-06, 4-ACRS-7D-17, 4-ACRS-7D-21, 4-ACRS-7D-22, 4-ACRS-7D-30)

Trust fund accounts are established for each inmate entered into the Offender Management System (OMS) through an automated process in the OBS. Account balances are maintained and tracked using the Offender Banking System (OBS) trust fund module. The following definitions apply to inmate accounts in the OBS system:

1. Inmate Available Balance

Inmate available balance is those funds in the OBS for their personal use while incarcerated. (5-ACI-5A-06)

2. Mandatory Savings Accounts

20% of all inmate income will be apportioned to an inmate mandatory savings account per O.S. 57 § 549. Inmates serving a sentence of life without the possibility of parole are exempt from the 20% mandatory savings rule since November 1, 2014. Savings will be payable to the inmate upon normal discharge. Funds from this account may be used to pay fees and/or court costs associated with filing a civil or criminal action. This may be done either by submitting an in forma pauperis' action as defined by federal and state statute or by receiving written documentation from the court clerk showing the amount required to file the case.

If written documentation from a court clerk is provided, a staff member will call the court clerk's office to verify fees. The staff member will sign and print their name and the date on the court clerk's documentation. Court clerk documentation may be in the form of a letter or any other official form that can be verified by staff.

3. Interest Bearing Savings Account (IBSA) (5-ACI-1B-22)

A voluntary savings account is an account which allows an inmate to earn interest based on specific account transfers. IBSA accounts will be available to inmates based on statutory authority (O.S 57 § 549.7).

- a. Staff will keep all IBSA account information confidential and will only disclose information regarding IBSA balances to the inmate and authorized staff. Staff authorized to have IBSA

account information are: internal/external auditors, office of Inspector General agents, trust fund officers, business managers, procedures officers, investigators, chief of security, deputy wardens, facility heads, comptroller of offender banking services, chief financial officer, chief administrator of Institutions, chief administrator of Community Corrections and Contract Services, chief of Operations, and the agency director.

- b. Inmates will use an "IBSA Account Request" form ([DOC 120230D](#), attached) for all IBSA account deposits and withdrawals. Inmates may transfer any amount in their available balance so long as a minimum of \$100.00 is left in their available balance after the transfer. Transfers to the IBSA may be made once a month or more frequently as approved by local staff.
 - c. Inmates may only transfer funds from their IBSA to their available balance once every 90 days. Money so transferred will be subject to existing system obligations.
 - d. Interest will be credited to the inmate's IBSA once per month. Actual interest posting may vary from month to month, but will be based upon Office of the State Treasurer (OST) cash management process earnings and the inmate's average daily account balance.
4. Inmates do not have the right to or control of any interest earned on their available balance or mandatory savings trust account. Any interest remitted to the agency from the OST from such balances will be paid to the Crime Victims Compensation Fund as defined by statute (O.S. 21 §142.18).

B. Internal Controls (5-ACI-1B-03 b#1, 5-ACI-1B-21)

1. **OBS Deposits**
 - a. Inmates are not allowed to directly deposit money into their own trust account.
 - b. Deposits or funds sent from the inmate's family and friends will normally be sent through JPay. ODOC will accept payments to an inmate sent directly to the central trust fund or the facility where the inmate's trust fund is processed on an exception basis. The exceptions are as follows:
 - (1) Inheritances, royalty checks and pension checks;
 - (2) Private sector payroll checks;

- (3) Government and Tribal checks;
 - (4) Transfer checks from county jails and private prisons;
 - (5) Proceeds from the sale of home or property; and
 - (6) Settlement checks (as allowed in Section I. B. item h. of this procedure).
- c. Outside deposits into the OBS system (as allowed in Section I. B. 1. item a. of this procedure) may only be made by electronic funds transfer or money order/cashier's check. Other types of non-personal checks will also be accepted in accordance with ODOC policy and procedure as long as they meet the requirements for an exception to JPay. Personal checks and cash will not be accepted by ODOC, but may be accepted by JPay.
- (1) When business payroll checks are reversed by a bank, facilities will redeem the bad payroll check using Express Check or petty cash funds and, if possible, reverse the inmate's OBS deposit and seek reimbursement from the business entity or inmate, as appropriate.
 - (2) If the inmate has discharged or does not have sufficient funds after the deposit reversal is done, the account will have a negative balance and an inmate obligation will be created in OBS.
- d. Deposits to an inmate's account made through an electronic funds transfer process will only be allowed when appropriate sender and inmate information is provided with the fund transfer.
- e. Funds received through the mail from outside sources (as allowed in Section B. 1. item a. of this procedure) must be received in the form of a cashier's check, business check (payroll only) or money order.
- (1) Funds must include the inmate's name and ODOC number.
 - (2) Funds will only be posted to the inmate's account if the name and ODOC number on the money order/cashier's check match the name and ODOC number in OBS.

- (3) Personal checks, cash, debit cards or gift cards sent via the mail will be returned to the sender at the inmate's' expense in accordance with [OP-030117](#) entitled "Correspondence, Publications, and Audio/Video Media Guidelines."
- (4) All authorized funds received for inmates through the mail will be processed by the mailroom staff by one of the two following options:
 - (a) Option 1 (preferred due to the ability to investigate money order/cashier's check after deposit is made)
 - i. Staff responsible for opening the mail will run two calculator tapes of the total of all money orders daily. The trust fund officer who posts the funds cannot be one of these people.
 - ii. Staff will forward a copy of the money orders plus one calculator tape to the trust fund officer.
 - iii. Staff will forward the money orders themselves to the cashier. The cashier will sign and date the calculator tapes to verify the funds were all received.
 - (b) Option 2
 - i. Staff will use and complete a "Mail/Cash Receipts Log" ([DOC 120230A](#), attached) in ink by entering:
 - aa. Receiving officer's name and current date.
 - bb. For each financial instrument received, enter inmate's ODOC number and name, amount of the financial instrument, sender's name and address, and cashier's check or money order number.
 - cc. Total amount on the log (obtained by running a calculator tape of all items on the log).

- ii. Forward the "Mail/Cash Receipts Log" ([DOC 120230A](#), attached) and all money orders to the trust fund.
 - iii. Both original and copy of the mail log are retained in the trust fund; original in the daily folder in trust fund, with check stubs and deposit tickets.
 - aa. The staff that filled out the document will maintain a copy.
- f. Funds received must be deposited at least once per week and any time the amount of the deposit exceeds \$100.00 (O.S. 62 § 34.57). Once deposit limits have been met, all funds requiring deposit received will be deposited into the appropriate agency account within 24 hours.
 - (a) Trust and canteen funds should be deposited separately into the agency's 700 Fund and recorded into both the OBS and the state accounting system through the normal OBS/CORE process except as listed in item i. below.
 - (b) Any funds received after the deposit is processed will be secured in a designated location (5-ACI-1B-09, 4-ACRS-7D-21) and must be posted and deposited with the next required deposit, except as listed in item i. below.
 - (c) Deposits should be posted within one working day in the CORE and OBS system after deposit.
- g. The staff person receiving and recording inmate funds into the OBS system will not be the same person who makes the actual monetary deposit at the local financial institution.
- h. A trust fund officer or their designee will notify the facility head or designee when funds are received in excess of \$500.00 with the exception of private sector payroll, settlements and government checks.
 - (1) These funds may be encumbered at the facility head's request to allow time for investigation and potential return to the original sender. When funds are returned to an original sender, it will be at the inmate's expense.

- (2) Funds received from verified sales of property, legal inheritance and others reasons deemed valid will be accepted upon completion of investigation and confirmation.
 - (3) If funds are held for more than three days, the inmate will be notified in writing. If the investigation is not completed within 15 days, the inmate will be afforded a hearing with the facility head or designee and an additional hold may be placed on the funds in OBS until a hearing decision is made.
- i. Settlement award proceeds received at the facility will be forwarded to central office. These funds will be deposited separately in the 700 fund and held for up to 180 days to allow time for the General Counsel's office to define an inmate obligation distribution plan in accordance with state law. Once released for debt plan distribution, any remaining funds will first be distributed to the inmate's mandatory savings (20%) with any remainder credited to the inmate's available balance through normal outside source income processes. Inmates serving a sentence of life without the possibility of parole are exempt from the 20% mandatory savings rule (O.S. 57 § 549.A.5.)
 - j. In accordance with Title 57, Section 549(B)(2) of the Oklahoma Statutes, 100% of worker's compensation paid to an inmate will be deposited locally into the agency clearing account as cost of incarceration.

2. Obligations

Inmate obligations will be paid in accordance with [P-120100](#) entitled "Management of State Funds and Assets" after deposits are made to the inmate's trust account and before any other disbursements will be approved.

3. OBS Disbursements (5-ACI-1B-03, 5-ACI-1B-21, 4-ACRS-7D-22)

A "Request for Disbursement" form ([DOC 120230B](#), attached) or a "Multiple Inmate Request for Disbursement" form ([DOC 120230C](#), attached) must be signed by the inmate and approved by a staff member designated by the facility head for inmate initiated disbursements. Inmate initiated disbursements should be approved unless there is evidence or reason to believe the disbursement is associated with an illegal, prohibited or deceptive act.

Transfers of funds from the inmate's trust fund account into the inmate's media account may be done electronically via PIN using

an inmate wireless device where available. No disbursement form will be used for electronic transfers. The inmate's PIN is the only signature required.

Any disbursement of \$500.00 or more from one inmate must be verified by the business manager, chief of security, deputy warden or facility head. A disbursement of \$500.00 or more will only be processed on a "Request for Disbursement" form ([DOC 120230B](#), attached). The appropriate authority will complete the verification in person with the inmate and sign the "Request for Disbursement." Disbursements of any amount may be required to have the same verification if single or combinations of disbursements from the same inmate add up to or near \$500.00, or otherwise seem suspicious.

The "Request for Disbursement" form will be marked indicating if a check is to be returned to the facility and who should receive the check. Disbursements will be e-mailed to trustfund@doc.ok.gov for any facilities that the trust fund is completed by the Central Trust Fund. The subject line of the e-mail should include the facility's initials, description of item sent, and deadline for legal disbursements (e.g., JDCC, legal disbursement, deadline 1/1/2018). If confirmation of the legal disbursement has not been received within five work days or an earlier deadline is required, the facility will call the trust fund officer for confirmation. The trust fund officer and cashier will sign the disbursement verifying that the action was completed and approved.

- a. Inmates may be charged a disbursement fee for each disbursement processed if the disbursement results in ODOC having to mail a check. The fee is based on the cost of a stamp, envelope and any directly related costs. The following disbursements will not result in a fee:
 - (1) Disbursement is paid to any governmental agency.
 - (2) Disbursement is court ordered.
 - (3) Disbursement is account closure or discharge.
- b. "Multiple Inmate Request for Disbursement" ([DOC 120230C](#), attached) are designed for many inmates to send one check to one charity or participate in one event. Each individual inmate must write name, ODOC number, signature, amount and date, but the form only requires one approving staff member signature per page. This form may only be used if more than five inmates participate.
 - (1) Food Buys

The chief administrator of Institutions/chief administrator of Community Corrections and Contract Services may approve up to one food buy per quarter per facility. Food buys will be for restaurant, catered or other prepared food. No shelf stable foods will be allowed. All food from a food buy must be consumed within 24 hours. Any food not consumed within 24 hours will be disposed of.

- (a) Facility must establish a maximum dollar amount and quantity of food allowed for approval from the chief administrator of Institutions/Community Corrections and Contract Services. No inmate will be allowed to order more food than can be reasonably consumed in one sitting. Food buy amount will not exceed \$40.00 before taxes, but may be lower. A copy of the food buy request memo and limit approved by the chief administrator of Institutions/Community Corrections and Contract Services will be given to the trust fund when scheduling the dates for the food buy.
 - i. Cost of the meal by the vendor will be marked up 30%. Meal will be sold to the ODOC and will be tax exempt when sold to ODOC. A copy of the tax exempt permit may be provided upon request. ODOC will collect sales taxes on the total value given by the inmate and remitted as per OAC 710:65.
 - ii. Disbursements will be made out for the amount of the meal and mark-up. Sales tax will be added as it is entered as is custom with sales.
- (b) Facility must contact the trust fund to schedule the date. Trust fund will be given a minimum two weeks' notice to schedule the time that they can enter the food buy. Multiple food buys for different facilities may not be able to be supported at the same time.
- (c) Trust fund will have a minimum of three work days to enter disbursements for a food buy.

- (d) Disbursements will be made out to the facility's initials and food buy like: "____ Food Buy."
- (e) Refunds may only be given if an inmate is moved by ODOC for reasons not related to inmate discipline. Refunds will not be given if food has been ordered and the inmate is responsible for the reason preventing them from receiving food. Once the food is ordered, ODOC has to pay for the food and therefore the inmate will not receive a refund.
 - i. Refunds will not be given because:
 - aa. Inmate changed their mind.
 - bb. Inmate went to RHU/SHU.
 - cc. Inmate was moved to another yard for disciplinary reasons.
- (f) After the food buy is completed, vendor is paid, pending refunds processed, sales taxes remitted or pending payment, proceeds from the food sale will be transferred to the facility's Welfare and Recreation account in OBS. The funds will only be allowed to be spent at the facility who earned the funds.
 - i. Funds may only be spent in accordance with [OP-120701](#) entitled "Employee and Inmate Welfare Fund" and state purchasing rules.
 - ii. Funds may not be spent on staff or staff related items.
 - iii. The Inmate Council will bring recommendations to the facility head as to how to spend the funds.
 - iv. The facility head may use funds to improve the lives of inmates, purchase recreation equipment or supplies, support positive inmate programs or any other item allowed by [OP-120701](#) entitled "Employee and Inmate Welfare Fund" for inmates without consent of the inmate council.

v. Items purchased by this fund are property of the state and cannot be given or donated to an outside entity but can be used or consumed by inmates.

(g) Required religious feasts are not counted as a facility's food buy as long as only those qualifying religious members participate. Any payments made will be directly to the vendor and ODOC nor will any inmates earn any funds or receive gratuities for the religious service. If the whole facility participates, then it is a food buy.

(2) Charitable Donations/Religious Purposes

Multiple Inmate Disbursements may be used to make charitable donations, for inmates to pay tithes or to pay for required religious feasts as long as more than five inmates donate at one time.

(3) Inmate Pictures

Multiple Inmate Disbursements may be used if a facility chooses to take and sell pictures of inmates. Inmates will pay for the picture before it is taken to ensure the inmate has available funds to pay.

(a) The disbursement will be made out for the price of the picture. Sales tax will be added to the value of the disbursement and remitted as per OAC 710:65 as it is entered into OBS. Funds will be transferred to the facility's 205 fund with the profit from food sales.

(b) Pictures sold to inmates:

i. Will cost between \$2.00 and \$5.00. Actual cost will be set by the facility and will cover the cost of all expenses and replacement equipment related to the pictures.

ii. Will have a plain background or against a solid wall.

- iii. May contain the inmate's personal visitors if facility has an appropriate space for pictures in visiting.
 - aa. Photos of the visitation room and other inmate's visitors are not allowed.
 - iv. No pictures containing more than one inmate unless approved by facility head.
 - v. Will not contain any part of the perimeter, fencing, any security or camera equipment, or ODOC employees or volunteers.
 - vi. Will not contain any gang signs, contraband, or anything not allowed in accordance with [OP-030117](#) entitled "Correspondence, Publication, and Audio/Video Media Guidelines."
 - c. All disbursements from OBS accounts will be by printed check signed by two authorized signatures or through electronic funds transfer. Trust fund officers, cashiers, unit managers or case managers are not authorized to be one of the signatures for any check written against an OBS account. Business managers and accountants are authorized to be one of the two signatures, but cannot sign together on one check.
 - (1) The business manager and accountant cannot sign the printed voucher if they have signed as the cashier or trust fund officer on the "Request for Disbursement" ([DOC 120230B](#), attached) form.
 - d. Any requests for disbursements that involve financial transactions between inmates require facility head or designee approval. Such transactions will normally be restricted to immediate family members and require verification through the inmate field files. (5-ACI-1B-23, 4-ACRS-7D-30)
 - e. Since the OBS prints checks based upon withdrawal data entered into the system, with an electronic record of the staff person entering the withdrawal, local procedures do not need to restrict who can actually initiate the system print check action.

- f. Disbursements may not be made from statutory savings except:
- (1) To pay fees to a court clerk for a state or federal court case; or
 - (2) Upon discharge, if the inmate still owes the agency any money (copays, institutional debt, program fees, etc.) those amounts can be deducted from the combined account. The inmate will discharge with at least \$50.00 after the \$3.00 debit card fee. If total debt exceeds this amount, the remaining debt should be set up as a future obligation in the event the inmate is re-incarcerated.

All funds held by ODOC will be paid to the inmate when discharged except as noted in item (2) above. If an inmate receives funds after discharge, these funds will either be added to the discharge card or a check mailed to the inmate after it is verified that these funds have cleared our bank and are not owed to the agency. If enough time has passed that the debit card is no longer active and the agency does not have an address for the inmate, the funds will be sent to the State Treasury's Unclaimed Property as described in Section I. K. item 1. of this procedure.

4. Community Cash Draws/Reloadable Debit Cards
 - a. A community level request/authorization form will be signed by the inmate and approved by a staff member designated by the facility head for inmate initiated disbursements.
5. OBS Checks
 - a. All disbursement checks from the OBS will be printed using only approved blank check stock on a printer that uses MICR toner cartridges.
 - b. All check stock will be locked in a secure location when not in use.
 - c. Blank check stock is issued to a trust fund location by central office Finance and Accounting.
 - d. Financial staff will keep a list of all check stock numbers issued to their location and account for their usage daily. Check stock tracking will separately identify OBS and Express Check system use.

- e. All OBS checks require two Office of the State Treasurer (OST) approved signatures.
 - (1) The chief financial officer and the facility head are jointly responsible for ensuring only appropriate staff have check signature authority.
 - (2) The facility head will submit the names of those authorized to sign OBS checks to the chief financial officer. If trust fund is processed at a remote location, then the business manager or comptroller of Offender Banking Services will submit the names of those authorized to sign OBS checks to the chief financial officer. Trust fund officers, cashiers, unit managers or case managers are not eligible to sign OBS checks.
 - (3) At the facility level, at least one signature must be someone other than the business manager or accountant.
- f. A stop payment for an OBS check may be requested by the trust fund officer or financial staff as follows:
 - (1) E-mail the ODOC Budgeting Office with the reason for the stop payment, the check number, the check amount, issue date, and whom it was issued to.
 - (2) Collect \$15.00 from the inmate as an institutional debt set to collect at 100% if the inmate requested the stop payment. If the reason for the stop payment was the fault of the agency staff then ODOC will pay the stop payment fee.
 - (3) The check will not be canceled until notice is received from the Budget office that the stop payment request was completed.
- g. A check may only be voided/canceled if you have the check in your possession or if the check has had a stop payment issued.
 - (1) To void a check that has not had a stop payment issued, a notice must be emailed to the ODOC Budgeting office with "Void Check" in the subject line. Attached to the e-mail, a form must be attached that gives a short explanation of why the check needs to be voided and include the check number, amount, issue date and who it was issued to. Write "VOID" on the check and cut out the signature lines.

- (2) If the check was voided the same day it was written, the voided check will be filed where it was written without submitting it to the Budget office.
- (3) If the check was voided any time after the day it was written, the check must be mailed to the ODOC Budget office.

6. Outside Bank Accounts

- a. Inmates are not authorized to make deposits to or initiate withdrawals directly from any financial institution.
 - (1) Accounting staff may not initiate business transactions of any kind for an inmate; except they may assist in closing an inmate's outside bank account at the inmate's request. Any assistance required by an inmate on outside financial matters should be conducted by a case manager or unit manager. Any funds that might be received by the inmate will be sent through JPay unless it exceeds \$1,000.00 per transaction limit. Reporting of this activity is governed by local management.
- b. Inmates are not authorized to have a private bank account with an ODOC staff signature on the account. All outside bank accounts formerly authorized by policy will be closed and the money transferred to OBS if the inmate is to maintain control of those funds.
- c. Inmates may not own Certificate(s) of Deposit (CD) unless it is purchased, managed, and the documents are held by their attorney or person with power of attorney.
- d. Inmates owning a private bank account before incarceration do not have to close their bank account as long as they surrender signature authority on the account and/or understand they cannot deposit to nor withdraw from the account.
 - (1) When an inmate elects to transfer their signature authority over an external bank account to a person not employed by ODOC, any costs incurred or documents required are the responsibility of the inmate and not the agency.
 - (2) An inmate may receive money remittances from an external bank account as long as the inmate has

transferred his/her signature authority and cannot initiate or direct the remittance. The funds must be sent by a family member or person on the inmate's visiting list through JPay.

- (3) An inmate may receive statements from an outside financial institution.

7. State Treasurer and Office of State Finance Month-end Reconciliation

- a. The OBS deposits and warrant register will be reconciled monthly to the 700 fund by the 20th day of the following month unless extraordinary circumstances exist. If circumstances prevent OBS/700 Fund reconciliation by the 20th day of the following month, those circumstances will be documented, reviewed and approved by the chief financial officer.
- b. Monthly OBS/700 Fund reconciliation will be performed by the Budget and Planning unit.
- c. The Budget and Planning unit will provide a list of warrants which are void by statute on a regular basis no less than monthly to the central trust fund to void in OBS and return funds to the inmate's account.

8. System Security

- a. Staff will not allow other users to log into the OBS under their user name and password. Any computer on which OBS software is installed will be logged off or system locked by the user when that person is not physically present and able to monitor the equipment.
- b. OBS software will not be installed on non- agency owned and operated computers, copied to flash drives, CD's, electronic files or any other media.
- c. The OBS secure website will only be accessed by approved ODOC staff that have completed [DOC 120230F](#) entitled "New OBS User & Permissions Change Request" (attached). The information technology unit will maintain a list of those approved staff and their OBS system login identification and password.
- d. The chief financial officer or designee will approve all new users added to the system, and where appropriate, establish system access rights by having the user complete [DOC](#)

[120230F](#) entitled "New OBS User & Permissions Change Request."

- e. The chief financial officer or designee will be notified by an employee's immediate supervisor who will complete [DOC 120230F](#) entitled "New OBS User & Permissions Change Request" when an employee is no longer employed by ODOC or no longer requires access to OBS in conjunction with their work responsibilities so that their access to the system may be restricted or removed.

C. Inmate Pay Programs

1. Institution Incentive Pay Program

- a. Inmate pay will be calculated and paid in accordance with [OP-060107](#) entitled "Systems of Incarceration"
- b. Inmate pay will be credited electronically by OBS through an overnight system process at the end of each month to all eligible inmates in OBS.
 - (1) Privilege level inmate pay computation in OBS will be based on data recorded in the Offender Management System (OMS).
 - (2) If an inmate's pay rate changes during the month, the inmate pay rate used in OBS for that month's pay calculation will be the level rate of the inmate as recorded in OMS at end of the month.
- c. Trust fund officers must verify inmate pay information in OBS before month-end OBS payroll processing.
- d. Inmates will not be paid inmate gang pay in the same month that they receive Oklahoma Correctional Industries (OCI), Agri-Services, Construction Maintenance pay, funds from a Work Release, Prison Industry Enhancement (PIE) program or any other pay program.
 - (1) If an inmate's OCI/Agri-Services, Construction Maintenance pay, funds from a Work Release, PIE program, or any other pay program received during the same calendar month is less than the level derived gang pay, the inmate may be paid the amount that would bring them up to their level pay as a manual payroll correction.

- e. Inmate payroll will be certified no later than the fifth working day of the following month.
- f. The inmate incentive pay program is designed to encourage good behavior and work practices while incarcerated. When an inmate discharges before month end, incentive pay is not required to be paid for the last month of incarcerated status. When OCI/Agri-services payroll is uploaded into the OBS and the inmate has already discharged, it is within the authority of OCI/Agri-Services/Construction Maintenance program to reverse the incentive pay entry.
- g. If an inmate failed to receive their correct incentive pay because OMS had an incorrect privilege level when payroll was figured, unit staff may initiate a request to pay the inmate the difference between the correct level pay and level they were coded in OMS. OBS automated incentive payroll payments will not be reduced due to incorrect OMS privilege level data.
 - (1) Trust fund will pay the additional funds owed with a written or e-mailed request from unit staff or if the error can be verified on OMS.
 - (2) If an inmate did not receive the correct amount of pay because an inmate received a misconduct that was later reversed, dismissed or expunged, the trust fund will pay the amount that the inmate would have received had the misconduct never been issued.

2. OCI/Agri-Services Pay

- a. Inmates working for OCI or Agri-Services will be paid in OBS within five working days of the ending pay cycle.
- b. Any incentive adjustments/corrections will be made by OCI/Agri-Services staff.
- c. Certified payroll invoices will be forwarded to OCI/Agri-Services business manager or designee by the trust fund officer during the normal month end payroll certification process.
- d. Prison Industry Enhancement (PIE) programs payroll payments by OCI are covered under work release/PIE program.

3. Construction/Maintenance

- a. Construction/maintenance paid inmates will be paid within five working days of the ending pay cycle based upon their computed pay rate by the trust fund officer
 - b. Any adjustments/corrections will be made by construction/maintenance personnel providing the information to the trust fund officer.
 - c. Certified payroll invoices will be paid by facility business office staff using a purchase order and funding provided by construction/maintenance.
4. Work Release and PIE Private Sector Pay
- a. Work release and PIE payroll will be posted to the inmate's account with the income type of "private sector pay."
 - b. Business managers or accountants may make the determination whether or not the inmate can have immediate access to private sector pay. If an inmate's work release or PIE company payroll check has ever had a check returned, the check may be posted with a fund source of "Hold for 7 days" or "Hold for 15 days" to ensure the check clears.
 - (1) The hold delay should correspond to the amount of time needed for the bank to notify the business office of a returned check.
 - (2) The hold may be released early at the business manager's or accountant's discretion when the check has cleared or has had time to clear.
 - c. Program support fees are the lesser of 50% of the inmate's net private sector wages (defined as gross pay less taxes and employer paid child support) or the number of days incarcerated during the pay period times the average annual community based per diem rate as defined by the agency's cost of incarceration.
 - d. Work release and PIE pay is subject to the 20% mandatory savings requirement, except for inmates serving life without chance of parole.
 - e. If it is suspected that an inmate has contacted a work release employer and had them cancel a payroll check that has been deposited into OBS with program support fee reductions already taken; the facility business office will notify their facility administrator of the inmate's suspected

action. Facility administrators are responsible for follow-up and corrective action.

- f. If an inmate's account has been credited with a private sector payroll deposit and that deposit is subsequently reversed in the State of Oklahoma's Financial and Information System known as CORE system due to insufficient funds or cancelled check, the trust fund officer will (if possible) reverse the inmate's account crediting this deposit. If this is not possible due to the inmate's trust account having an insufficient fund balance or the inmate is currently in "released status" at time of notification, the facility cashier will redeem the returned private sector payroll check using Express Check or petty cash resources and notify the agency's general counsel and the facility head and/or PIE program manager of the returned employer payroll check. When Express Check or petty cash is used to redeem a returned private sector employer payroll check, the payroll debt (and all associated costs) are then debts owed to the agency by the private sector employer or the inmate as appropriate. Once the inmate's account is reversed, an obligation for program support fees can be set up. If program support fees are still due at the time of the inmate's discharge, their savings can be used to fulfill the debt (see Section I. B. 2. d. item (2) of this procedure).
- (1) If a private sector employer has more than two returned employer paychecks within a six month timeframe, the facility head will evaluate whether that employer should be prohibited from further employment of agency inmates.
- (2) All private sector payroll checks from any employer with a history of three or more returned payroll checks will have a 15 day hold placed on all inmate payroll private sector payroll deposits in OBS until the check is confirmed as a negotiable financial instrument through the state accounting system. Inmates will be notified of this mandatory employer payroll check hold when the check is received by the business office.
- g. If a GPS inmate is sanctioned to a CCC facility, that inmate will be charged program support.

D. Seasonal Bonus

1. The ODOC System Canteen Board may authorize a seasonal bonus for distribution to inmates. Seasonal bonuses will be funded

from the 205 Fund and, when paid, are not subject to any system automatic deductions.

E. Indigent Inmates

1. An inmate is considered indigent if the total of their end of day available balance and all voluntary withdrawals for the last 30 days does not exceed \$10.50.
 - a. Any disbursements, cash/reloadable debit card draws, canteen sales or similar transactions will count as a “voluntary” except disbursements for birth certificates.
 - b. Co-pays, court costs, fines, fees, institutional debt and similar transactions will not count towards the \$10.50 “voluntary” withdrawals. The available balance is checked for being over the \$10.50 limit after these collections are made. If co-pays, court costs, fines, fees, institutional debt, and similar mandatory collections collect all but \$10.50 of the funds that an inmate receives in their available balance and the inmate would otherwise be indigent the inmate is still indigent.
2. Indigent status reports will be distributed to appropriate facility staff no less than once a week. Indigent status is computed nightly in OBS.
3. If a deposit is made into an inmate’s account which would immediately disqualify the inmate from being considered indigent, staff are authorized to disregard the inmate from the most current indigent status report. For record purposes, a red line will be drawn through the inmate’s name.

F. Private Prison Held Inmates

1. Trust fund officers will transfer only available balance funds to a private prison for the inmate’s use within five working days of the transfer.
2. Mandatory savings and IBSA program money will be retained and managed by the agency while the inmate is in the custody of a private prison.
3. Private prisons will be given a list of current inmate obligations at time of transfer. Private prisons will remit to outside entities the appropriate inmate owed monthly remittances.
4. Obligations owed to the agency by an inmate while in the custody of a private prison will be held in abeyance until the inmate returns

to an ODOC operated facility. Upon the inmate's transfer back to an ODOC operated facility, the private prison will provide a list of all obligation payments made on behalf of the inmate by the private prison while in their custody. The receiving facility trust fund officer will update OBS for those private prison remitted payments.

G. Contract County Jail Held Inmates

1. Host facilities are responsible for the payment of incentive pay for those inmates held in a contract county jail bed in accordance with [OP-060107](#) entitled "Systems of Incarceration." Exceptions to the payment of incentive pay to contract jail housed inmates must be approved by the chief administrator of Community Corrections and Contract Services.
2. County jails will be billed for inmate incentive payroll cost when their per diem rate includes those costs. The chief administrator of Institutions is responsible for host facility notification when the county jail contract per diem rate does not include inmate incentive pay costs.
3. All inmate funds from outside sources will be first deposited into OBS before being disbursed to a contract county jail provider for an inmate's use.

H. Inmate Discharge or Parole

1. Upon discharge or parole, an inmate's account will be consolidated, and a discharge card and/or voucher(s) prepared based on the inmate's combined balances in their mandatory savings, IBSA and draw accounts less any outstanding agency debts (see Section I. A. 2. item d. of this procedure). Discharge cards are to be used as the primary means of giving an inmate discharge money. At no time will a discharge card be mailed.
 - a. Inmates with \$1,000.00 and less in their OBS account will receive a discharge card with all of their funds on the card unless they have a detainer.
 - b. Trust fund officers may issue a discharge card up to \$2,500.00 for discharging inmates that have between \$1,000.00 and \$2,500.00, or issue a discharge card for \$500.00 and put the remainder on a voucher. Inmates that have over \$2,500.00 will receive a discharge card for \$500.00 and the remainder will be on a discharge check.
 - c. Any time a discharge card is issued, the inmate will receive a copy of the receipt from card vendor for the discharge card indicating the funds added to the card. The business office

will keep a copy of the discharge card receipt signed by the inmate to indicate having received the discharge card. A disbursement form or other written evidence of card issue signed by the inmate may be used if a receipt cannot be printed.

- d. All vouchers will require disbursements that will be signed by the inmate. If the inmate is not able to sign because of death, released from court or other valid reasons, then documentation must be kept with the disbursement indicating an approval.
2. Discharge cards will not be sent through the mail. If at any time an inmate is not present at discharge (a court release, medical discharge while inmate is in hospital, etc.), a voucher will be prepared and mailed to the inmate.
3. If an inmate housed in a facility and released from custody does not have a total of \$53.00 (\$50.00 required from state law + \$3.00 discharge card activation fee) from the consolidation of their mandatory savings, available balance and/or IBSA savings accounts and will receive a discharge card; then the amount necessary to bring the inmate up to \$53.00 will be added to the inmate's discharge card under Issue Release Allowance. The amount of funds to bring the inmate up to \$53.00 is known as "gate money." The discharging facility will furnish, at no cost to the inmate; any necessary discharge clothing and a railroad or bus ticket within the contiguous United States. The railroad or bus ticket will be to the stop nearest to the residence location provided on the "Pre-Release Plan," [OP-060901](#), [Attachment A](#). If no address of residence is provided, the ticket will be to the county the inmate was sentenced in.
4. Inmates who are on pre-release supervision programs such as Electronic Monitoring Program (EMP), Global Positioning System (GPS) or Pre-Parole Conditional Supervision (PPCS) will receive a discharge check if they have less than \$8.00 in their trust fund account. Inmates with \$8.00 and over in their trust fund account will receive their funds on a discharge card with up to \$2,500.00. Inmates with over \$2,500.00 will receive \$500.00 on their discharge card and the remainder on a check.
5. For inmates with a sentence of 120 days or less or on the delayed sentencing program, the supplemental Express Check or petty cash is at the discretion of the facility head or designee. A deciding factor is if the inmate needs the funds to buy meals on the bus ride home. If the inmate is already released from court or has family that picks them up, then the inmate will not need the supplemental funds.

6. Central Trust Fund Supervisor will issue an Express Check for the total amount of gate money given to inmates when the JPay release card invoice is paid. Facilities will not issue an express check for gate money when issuing discharge cards.
7. If unforeseen events prevent a discharge card from being used, a discharge check and/or Express Check may be used.
8. Inmates discharging to the custody of other law enforcement agencies are not eligible for the supplemental Express Check or petty cash payment. A voucher will be used to disburse the inmate's trust funds.
 - a. If the inmate is ordered to appear before a court or their probation and parole officer, the travel arrangements must be to that or an adjacent location.
 - b. If the inmate is discharging from a private prison, the private prison will be reimbursed by the agency from administrative Express Check or petty cash sources for necessary clothing and transportation costs.

I. Inmate Deaths

1. [OP-030120](#) entitled "Inmate Property" provides, upon death of an inmate, the person listed on the "Designation for Disposition of Property" form ([DOC 030120B](#)) be provided a written inventory of the deceased inmate's money and personal property by certified mail (O.S. 57 § 530.2). If money is not paid to a designated beneficiary within one year, it will be transferred to "Whereabouts Unknown" (WUNK) in OBS. WUNK funds are transferred once a year to the State Treasurer's Unclaimed Property Division.
2. The deceased inmate's designated unit manager, deputy warden or the warden's designee will ensure all beneficiary notification requirements of [OP-030120](#) entitled "Inmate Property" are met.
3. In the event the inmate's designee declines to accept the inmate's remains and ODOC pays for the cremation, the cost will be deducted from any balance, including mandatory savings, due to the inmate's designee (O.S. 57§ 530.2).
4. Once the facility notifies the trust fund that an account distribution to a beneficiary is appropriate and provides a copy of the "Designation for Disposition of Property" form ([DOC 030120B](#)) and any other supporting documentation needed, the deceased inmate's account will be consolidated and distributed by voucher. If the funds have been transferred to WUNK by the trust fund, a

distribution from WUNK of those inmate funds will be paid to the beneficiary by the Central Trust Fund supervisor or comptroller of Offender Banking upon proper facility notification unless the funds have been transferred to the State Treasurer's Unclaimed Property Division.

J. Inmate Escapes

1. Upon an inmate escape, the inmate's OBS account will be frozen.
2. If a claim is made within one year by an inmate who is subsequently incarcerated in another jurisdiction, the facility/unit head, from which the inmate escaped, will authorize the release of any funds held in the claimant's draw and IBSA accounts.
3. If the inmate remains on escape status for a period of 12 months or greater, the inmate's funds will be considered as 'unclaimed' and transferred to WUNK for appropriate aging and eventual distribution to the Treasurer's Unclaimed Property Division.
4. Before transferring any funds to WUNK, facility staff will print an Inmate Statement Report and retain that report in the inmate's case file. If the inmate is re-incarcerated, the inmate will be refunded the money to his account from WUNK unless the money has been transferred to the Oklahoma State Treasurers (OST) Unclaimed Property Division, then they will have to make claim to the OST. The copy of the Inmate Statement Report will be used to determine the amount that goes into Available Balance and the amount for Mandatory Savings.
5. If an inmate is re-incarcerated after his/her money has been transferred to the OST, those funds will only be returned to the inmate through a request to the OST Unclaimed Property Division.
6. Any funds returned to a re-incarcerated inmate's account that originate from the OST Unclaimed Property Division will, upon deposit into OBS, be immediately transferred to the inmate's mandatory saving's balance.

K. Unclaimed Funds

1. Any inmate funds remaining in an OBS trust fund account after an inmate has discharged and after all reasonable attempts to reunite the inmate with his/her trust fund money have proven fruitless; the money will be transferred to WUNK. Transfer to WUNK will happen within 12 months of discharge.

2. After one year in the WUNK account, unclaimed funds will be transferred to the State Treasurer's Unclaimed Property Division in accordance with state law:

www.ok.gov/treasurer/Unclaimed_Property/

L. Inmate Clubs/Charitable Activities/Group Accounts

1. Inmate clubs and charitable activities are not authorized to have funds in OBS.

II. Canteen (5-ACI-1B-18)

A. Canteen Boards

1. System Canteen Board
 - a. State statute requires that a System Canteen Board be established with a System Canteen Board of Directors (Board) for all canteen services operated within ODOC. Canteen operations are composed of all correctional facility canteens, inmate telephone systems and inmate electronic mail systems and are collectively called the "Canteen System."
 - b. Members of the Board will be appointed by the agency director and should consist of at least five or seven staff members who directly report to the agency director.
 - c. All canteen operations are under the control of the System Canteen Board. Canteen operations will be pursuant to written guidelines established by the Board, agency policy and the Guide.
 - d. The System Canteen Board will meet at least quarterly to review canteen operations, profits and budgetary activity. At the meeting held annually in June, the Board will review and approve the annual operating budget for the canteen system and the Inmate and Employee Welfare and Canteen System Support Revolving Fund. Ad hoc meetings can be scheduled at any time by the agency director. Meetings will comply with the Oklahoma Open Meeting Act.
 - e. Facility special project expenditures from the 205 Fund are only authorized based upon specific approval action of the System Canteen Board and will be documented in meeting minutes.
 - f. All votes will be made in an open meeting.

2. Facility Canteen Boards

- a. Each institution with a canteen will maintain a facility Canteen Board. Facility Canteen Boards assist the facility head or designee in the oversight of the day-to-day canteen system and management of the facility's 205 Fund, according to the guidelines set by the agency's System Canteen Board in accordance with [OP-120701](#) entitled "Employee and Offender Welfare Fund."
- b. The members of facility canteen boards consist of the facility head and at least two additional members appointed by the facility head. A business office representative will provide the facility Canteen Board with the facility 205 budget, but cannot be a member. Staff members working in the canteen are encouraged to be present at the meeting to answer any questions about canteen operations that may arise.
- c. The facility Canteen Board will meet at least quarterly with documentation of any approved board action. At the meeting held annually in June, the board will review and approve the annual operating budget for the facility canteen system and the facility Inmate and Employee Welfare and Canteen System Support Revolving Fund. It is the responsibility of the facility canteen board to review and authorize those items offered for resale through that facility's canteen and to review local canteen operations with emphasis on canteen inventory management practices.
- d. Local facility Canteen Boards will review monthly all OBS inventory adjustments to ensure canteen inventory losses are kept at to minimum. When concerns arise as to the size and scope of a canteen's monthly inventory adjustments, the facility Canteen Board will consider and implement appropriate canteen operational changes to address the situation.

B. Profits

Each facility will operate their canteen in a manner consistent with good security practices, while maximizing profit and minimizing costs for inmate purchases.

1. Profits from the agency canteen system are transferred periodically to and annually budgeted within the Oklahoma Department of Corrections Inmate and Employee Welfare and Canteen System Support Revolving Fund (205 Fund).

2. When a revenue failure has been declared by the state, the Canteen Board may authorize a redirection of canteen system profits to continue operations that directly support staff and inmates. Examples of this would be inmate healthcare and staff payroll. Funds will be budgeted as 205 Fund in the designated areas approved for use.
3. All monies accruing to the credit of the 205 Fund are budgeted and expended by ODOC and the System Canteen Board of Directors for the benefit of inmates of the various institutions and personnel of the agency and to support canteen system operations according to written agency policy and welfare budget limitations.
4. Canteen merchandise and services are exempt, by statute, from the Central Purchasing Act. Canteen merchandise for resale and services are also exempt from State Use contracts.
5. All revenues from canteen operations, inmate telephone system services and inmate electronic mail system operations will be used exclusively for the benefit of the inmates of the various institutions and personnel of the agency as determined by the System Canteen Board, unless redirected under item 2. above.

C. Standards for Canteen Services

1. As identified below, the dollar amount the inmates are authorized to spend per week on canteen services is determined by their assigned level as outlined in [OP-060107](#) entitled "Systems of Incarceration."
 - a. Maximum amount authorized by level prior to sales tax being applied. Additionally, the amount reflects the maximum dollar amount of goods authorized in the inmate's possession.
 - (1) Level 1 - \$ 20.00
 - (2) Level 2 - \$ 40.00
 - (3) Level 3 - \$ 60.00
 - (4) Level 4 - \$ 80.00
 - b. OBS will manage the agency's inmate maximum spending limit. Any other inmate purchase restrictions will be managed by the facility itself. Canteen is a privilege.
 - (1) For lengthy lockdowns extending more than a week, level 1's will be allowed to draw \$20.00 per week and level 2-4's will be allowed to draw \$40.00 per week.

- (2) For short lockdowns and facility issues that are less than a week, canteen may not be sold.
 - (3) Canteen draws missed for one week may not be combined with the next week draw limit.
 2. Inmates may only make canteen purchases from their available balance. Exemptions from the weekly maximum spending limit are made by the agency for items that appear on [OP-030120](#) entitled "Inmate Property." Inmates may buy these items without the purchase counting against their canteen purchase limit.
 3. Operating Standards
 - a. All sales made by the canteen will involve verifying the inmate's identity with a valid ID as specified in [OP-040115](#) entitled "Inmate/Offender Identification and Crime Alert Bulletin."
 - (1) If the canteen sale is conducted in person at the canteen, the staff member will compare the picture on the ID with the inmate before proceeding with sale. Staff will verify that the ODOC number entered in OBS is the same as what is on the card prior to handing the card back to the inmate or selling any items.
 - (2) If the canteen sale happens remotely, canteen staff will verify the ODOC number and name on the order matches the ODOC number and name in OBS before conducting the sale. At the time of delivery, the inmate will present their ID to claim their canteen order.
 - b. Items sold to inmates and bagged for delivery will be bagged in clear plastic bagging material. Canteens will not stock or use paper sacks for inmate sales.
 - c. All food items must be pre-cooked and pre-packaged.
 - (1) No food product will be sold past its expiration date.
 - (a) Food items that expire and cannot be returned to the vendor will be inventory adjusted off of the inventory using the adjustment type of "Spoilage."

- (b) After items are inventory adjusted off, they will be immediately disposed of in front of a staff witness in a manner that would discourage inmates from taking the items. An example would be to open a package and pour the contents over trash.
 - (2) Food items without an expiration date will be considered expired one year after purchase.
 - (a) The item activity report in OBS can be used to investigate when a product was purchased.
 - (3) Canteen supervisors are responsible for ensuring expired food items are not sold.
 - (4) “Freeze By”, “Freshest By” and “Made On” dates are not considered dates of expiration.
- d. Canteens may sell:
 - (1) Prepackaged food and drink items;
 - (2) Clothing as authorized by [OP-030120](#) entitled “Inmate Property”;
 - (3) Property as authorized by [OP-030120](#);
 - (4) Craft supplies as approved by local canteen boards;
 - (5) Writing supplies;
 - (6) Batteries;
 - (7) Personal hygiene items;
 - (8) Over the counter medicines as authorized by [OP-140130](#) entitled “Pharmacy Operations” which must be purchased from the contract vendor; and
 - (9) Electronic cables and cable connectors which do not require battery/electricity, must be under 6’ and must not be a separate device that is not listed in [OP-030120](#) entitled “Inmate Property.”
- e. Inmates working in a facility canteen may not access the canteen computer, cash register, directly hand item(s) sold to an inmate customer and/or participate in any record

keeping or determination of any canteen inventory purchase decision.

- f. The System Canteen Board will establish the mark up used on products sold by canteens.
 - (1) Inventory in the OBS system is valued at “average moving cost (AMC)” which values all items to be sold. The AMC product pricing system ensures common pricing for any given item at all agency canteens at time of sale.
 - (a) Inventory management is based on a UPC/EAN/PLU code.
 - (b) Canteens that wish to add UPC/EAN/PLU codes may make their request to ODOC Administration.
 - (c) Products must be approved for sale in ODOC canteens at the discretion of the OBS Comptroller or canteen product committee.
- g. Canteens may not take returns on any sold items except resalable clothing.
 - (1) Returns on electronic items sold through the canteen are not allowed. The canteen system is not responsible for manufacturers’ warranties. Unit staff may assist inmates with product returns provided the inmate has the receipt for purchase and a copy of the manufacturer’s warranty registration. Shipping or postage for returns will be at the inmate’s expense.
 - (2) No food item may be returned after the inmate takes the food item from the canteen. An exception to this rule is allowed if a canteen has inadvertently sold a food item that is out-of-date or for some other reason determined as unfit for human consumption at the time of the sale. Canteens have the option of replacing the item or reversing the sale.
- h. Canteens will enter all purchases into OBS prior to the product being sold. The purchase must also be entered into OBS within one business day of receipt.
 - (1) Canteens will count each delivery of goods prior to placing in inventory to ensure the amount invoiced matches the amount received.

- (2) If a delivery is received and cannot be entered into OBS at that time, the product will be kept separate from the products for sale until it can be entered into OBS.

4. Canteen Restriction

Inmates may be assigned a canteen restriction as an allowable sanction for misconduct under [OP-060125](#) entitled "Inmate/Offender Disciplinary Procedures." [OP-060125](#) states that under canteen restriction an inmate may only buy hygiene items as listed in [OP-030501](#) entitled "Personal Hygiene and Appearance Code." An inmate must also be allowed access to writing supplies. There is not a dollar amount limit, but a limit to the items an inmate can purchase. Specifically, an inmate may purchase the following items each week:

- a. One bar of soap;
- b. One shampoo;
- c. One toothbrush or denture brush;
- d. One toothpaste or denture cleaner;
- e. One package toilet paper;
- f. One package razors;
- g. Sanitary napkins/tampons (females);
- h. One deodorant;
- i. One comb;
- j. One package of paper, notebook or One card;
- k. One ink pen or pencil;
- l. Five stamps; and
- m. Five envelopes (if not sold separately, one box).

5. Canteen Inventory

- a. Canteens will conduct a 100% inventory count of all items for sale between the 10th and 20th of each month.

- (1) The inventory will be conducted at a consistent time each month, e.g., the first Tuesday between the 10th and 20th is acceptable.
 - (2) The inventory count sheets that were used during the count will be retained for two years.
- b. When entering and classifying a canteen inventory adjustment, the following standards will be used.
- (1) Inventory Correction

An inventory correction will be used when the problem is known but uncorrectable due to system restrictions.

 - (a) This will be used to correct data entry errors that cannot be otherwise corrected.
 - (b) Losses discovered during an inventory normally would not qualify for this correction type.
 - (c) This will be used if a vendor gives credit for salable items that will be added to the inventory.
 - (2) Shrinkage

This is used when the reason for an inventory adjustment is not known.

 - (a) If it is discovered that the items on the shelf are a different quantity than the quantity shown on the system inventory, unless a clerical error is confirmed, use this adjustment type.
 - (b) The adjustments from the monthly inventory and any other inventories and spot checks will normally be entered as shrinkage.
 - (c) Theft will be entered as shrinkage.
 - (3) Spoilage

Spoilage adjustments occur when inventory becomes unsalable due to damage, breakage or item exceeds "sale by date" or "expiration date."
 - (4) Disposable Items

This is used for inventory consumed as a point of sale (POS) supply. These are items purchased by the canteen with a purchase order (PO) but given to the customer at no charge to execute a sale (example: sacks, spoons for ice cream, etc.).

(5) Transfer Between Prisons

Transfer between prisons will be used to move bulk inventory between two prisons. The sending canteen will use this adjustment to write off the inventory and the receiving canteen will write on the inventory. These two adjustments will normally cancel each other out except for any AMC changes between when the sending canteen made their adjustment and the receiving canteen made theirs.

If a canteen is selling a product to an inmate at another prison, this method should not be used. The sending canteen will sell the product to the inmate. A copy of the receipt will accompany the product to the second canteen. The product will never be in the second canteen's inventory. This adjustment would only be made if bulk inventory is moved from one canteen to another.

(6) Vendor Return

Vendor return is used as an inventory adjustment when inventory is received out of date, damaged or actual count is short from the vendor and the vendor has given an "on-invoice credit." When a vendor return is recorded as an inventory adjustment, there should be an offsetting account payable "discount/credit" adjustment on an inventory receiving document. The original invoice number, the receiving memo number and the vendor return credit number will be entered into the "Reason for Adjustment" section in OBS.

6. Hobby, Art, and Craft Sales

- a. Hobby, art and craft items sold through the facility canteen are subject to a markup established by the System Canteen Board along with the appropriate state, county and city sales taxes.

- (1) Sale of these items will only occur after a buyer and inmate have agreed upon a cash price for the item purchased inclusive of the markup and appropriate sales taxes.
 - b. Canteens can only accept cash (staff), money orders and cashier's checks for sales. Personal checks will not be accepted.
 - c. Standards for Inmate Hobby, Art and Craft Sales
 - (1) Inmates making hobby, art and craft items may send up to a total of six gifts per year to persons on their authorized visitation list without the item being sold through the canteen system.
 - (2) Employees and the public may purchase inmate hobby, art and craft items through the facility's canteen according to local procedures.
 - (3) Upon inmate transfer all inmate art and craft supplies, incomplete items and finished goods will be transferred or disposed of in accordance with [OP-030120](#) entitled "Inmate Property."
7. Staff Sales
 - a. Canteens are authorized to sell canteen items to agency staff.
 - b. All items purchased must be paid for with cash, money order or cashier's check at the time of purchase.
 - c. Cash will be deposited locally any time the amount exceeds \$100.00 or every five working days.
8. Institutional Purchases
 - a. Institutions are authorized to make purchases from the canteen for special events.
 - (1) Mandatory purchasing rules apply.
 - (2) Mandatory SW contract items may be purchased from the canteen if the mandatory vendor does not carry the product or if the quantity needed is less than the quantity sold by the mandatory vendor. For instance, if only three items are needed and the smallest quantity sold on the mandatory contract is 12 and the remaining nine would reasonably expire before use.

- (a) Purchase cannot be made from the canteen only because the mandatory statewide (SW) vendor does not carry the desired brand.
 - (b) Contact will be made with the Contracts and Acquisitions unit prior to purchase to determine legitimacy.
 - (c) Documentation must be supplied that the vendor would not sell partial cases.
 - b. When institutional sales are recorded in OBS, reimbursement from the institution to the OBS system is required within 45 calendar days of purchase.
 - c. Facilities will execute a direct purchase order (P.O.) in CORE for the institutional sale. The direct P.O. will be approved and dated prior to the date of purchase.
- 9. Canteen Vendors
 - a. Agency canteens will only purchase items for resale from an approved vendor.
 - (1) ODOC has issued a purchase order that further restricts the vendors or products purchased by ODOC run canteens.
- 10. Payment of Canteen Vendor Invoices
 - a. Payments will be made by the agency through OBS. Invoices will be paid within 30 days of inventory receipt.
- 11. Computation and Payment of Canteen Sales Taxes
 - a. Canteen sales will be reported using the Oklahoma Tax Commission (OTC) "Quick Tax" electronic filing system.
 - b. Reporting and remitting of monthly canteen sales tax collections will be accomplished no later than the 20th day of the following sales month.
- 12. Canteen Change Fund
 - a. Each canteen is allocated a \$100.00 change fund. This fund is to make change necessary from cash sales. Each week, the person who supervises the canteen or designee will count the change fund to ensure the funds are accounted

for. At no time will the designee be a person who works in the canteen. Any discrepancies will be reported and appropriate steps will be taken to ensure shortages do not reoccur. The comptroller of Offender Banking Services will be notified of shortages.

13. Canteen Audits (5-ACI-1B-19)

Canteen operations will be included in the agency fiscal audits as required by [OP-120101](#) entitled "Fiscal Management Responsibilities."

III. Restitution Accounting (5-ACI-1B-24, 4-ACRS-7D-33, 4-APPFS-3D-25)

The OBS incorporates multiple functions that support offender restitution obligation management and the collection of statutory fees from offenders who are under the supervision of field probation and parole staff.

A. Receipt of Offender Field Collections

1. There are three payment options for both fees and restitution available to all offenders while they are required to make monthly visits to a probation and parole officer:
 - a. Mail; when mailing payments, only a money order or cashier's check will be accepted. Each payment will be mailed in an envelope provided by the probation officer and will be preaddressed to the ODOC Fee Payment Processing lockbox. The supervising officer is responsible for making sure each offender understands the instructions provided on the envelope and knows their correct ODOC number. After payments have been received at the lockbox, an electronic file containing the information regarding those payments are transmitted the next day to restitution accounting for application to the offenders' account.
 - b. Online or by phone; both these types of payments can be made seven days per week, 24 hours per day by credit or debit card at the web address or phone number listed on the payment envelope.
 - c. No payments can be accepted through any of the methods until the next day after the offender's personal and legal information is added to both the OMS and the Offender Banking System.
 - d. Payments will not be allowed to be left with the officer for mailing. If a payment is left at the probation office, it will be

returned to the offender along with the appropriate payment envelope to be stamped and mailed by the offender.

- e. The only payments an ODOC probation officer may accept and enter into the Offender Banking System are payments for DNA samples taken from offenders who are not required to be supervised by an ODOC probation officer. Restitution accounting will be contacted for the assignment of an "Unsupervised ODOC number." These payments will be attached to a copy of the OBS Restitution/Fee receipt and forwarded to the Restitution Accounting office.
- f. After an offender is released from active supervision, he/she will continue to make payments for any obligation due by cashier's check or money order only. These payments will be mailed along with a stamped, self-addressed envelope to:

Oklahoma Department of Corrections
Restitution Accounting
P. O. Box 11400
Oklahoma City, Oklahoma 73136

No receipt will be returned unless a stamped, self-addressed envelope is included with the payment.

2. Field Collection Web Page Data Entry

Probation and parole officers and field staff using the OBS website page for receipt of client payments will follow specific procedures as outlined in the OBS User's Guide.

3. Transmittal of Client Obligation Information by Probation and Parole Offices

Establishing a new client in the OBS accounting system requires the supervising probation and parole office to notify restitution accounting of all restitution obligations and fees owed by the client and the client's expected monthly payment schedule. This information, utilizing [DOC 120230E](#) entitled "Probation and Parole Services Information Transmittal Form" (attached) will be emailed to restitution accounting and entered into OBS by restitution accounting staff before any collection is credited to a client's account.

4. Victim(s) Restitution

The ODOC is responsible for monitoring and administration of client restitution of those clients under its direct supervision and to ensure restitution payments are forwarded to the victim and that service

assignments are properly performed.

a. Waiver of Restitution

A valid need for modification of restitution is a legal issue which will be addressed through the offender's attorney.

b. Probation Offenders

When restitution is ordered, it will be collected as outlined in the sentencing documents.

c. Parole Offenders

When restitution is required as a condition of parole as indicated on the parole certificate, the supervising officer will contact the appropriate district attorney's office to obtain the court documents regarding the amount of restitution owed, name of victim and current address of the victim(s). A monthly payment schedule will be established so that the offender may complete ordered restitution payments by the expiration of parole supervision. The supervising officer will forward this information and copies of the court documents to the Restitution Accounting office.

5. Restitution Order Modification

If the amount of restitution or the identity of the victim cannot be established, a special report will be forwarded to the assistant regional supervisor for forwarding to the Pardon and Parole Board for a modification of the condition. A monthly payment schedule will be established so that the offender may complete ordered restitution payments by the expiration of parole supervision.

6. Processing Fee

A \$1.00 processing fee will be collected for each money order processed as a payment toward restitution.

7. Supervision Fee

Offenders under the supervision of the agency will pay a supervision fee of \$40.00 per month unless expressly waived, all or in part, due to financial hardship. Only one monthly supervision fee will be collected from each offender under supervision. In the event of multiple convictions, the supervision fee to be collected will be based on the longest sentence of all cases.

8. New Conviction While Under Supervision

If an offender receives a new conviction while under supervision without a revocation on the original case, the officer will continue to receipt the fee to the original case as long as the new case expires on the same date or later than the original case. In the event the supervision will expire on the original sentence with time remaining on the new conviction, fees will then be receipted to the new conviction's CRF number on the next month's payment.

9. Community Supervision

Any offender sentenced to a community sentence pursuant to the Oklahoma Community Sentencing Act is required to pay a supervision fee if under the supervision of the agency. Fees for supervision services performed by agencies other than ODOC will be paid directly to that agency.

10. Court Ordered Supervision

When the court orders supervision by the agency or the district attorney requires the agency to supervise any person pursuant to a deferred prosecution agreement, the person will be required to pay a supervision fee unless the fee would impose an unnecessary hardship on the person.

11. Parole Supervision

Statute requires the Pardon and Parole Board to require a supervision fee be paid by the parolee as a condition of parole.

12. Interstate Compact Agreement Offenders

When probation or parole supervision is transferred to Oklahoma through the Interstate Compact Agreement, a supervision fee will be required to be paid by the offender to the ODOC.

13. Reduction/Waiver of Supervision Fees

a. Hardship Waiver

Supervision fees may be reduced or waived for a 90 day period by ODOC any time during the course of supervision if a legitimate hardship is verified. The reduction in fees will be reviewed every 90 days to confirm the hardship still exists. If the hardship has been determined to be permanent, the fee may be waived for the duration of supervision. When the supervising officer is provided with evidence that a hardship exists, a case conference will be held with the immediate supervisor.

b. Incentive Waiver

Supervision fees may be reduced or waived for a specified time as an incentive awarded to the offender. An incentive fee waiver or reduction will not exceed \$100.00 for each six month time period.

c. Approval of Fee Reductions and Waivers

If a recommendation is made by a supervising officer to reduce or waive a supervision fee, the approval action of the fee reduction or fee waiver will be entered into the OBS system by the assistant regional supervisor's office.

d. Interstate-Out Fee Collection

In the event that an Oklahoma offender is being supervised by another state, Oklahoma supervision fees will not be collected. If the offender is delinquent before transferring to another state, the delinquency must be resolved before transfer either by payment or waiver.

e. Supervision Fee Refunds

A memorandum, approved by the district supervisor or designee, will be sent to restitution accounting stating the reason for the refund. The request will be processed within 30 days and paid out of the 200 Fund.

14. Other Fee Collections.

a. DNA Fees

Persons subject to DNA testing who are not received at the Lexington Assessment and Reception Center (LARC) or Mable Bassett Reception Center (MBRC) will be required to pay a fee of \$15.00.

b. GPS Fees

Any offender sentenced to the GPS Electronic Monitoring Program is required to pay a monitoring fee to the supervising authority (ODOC or private agency), not to exceed \$300.00 per month.

c. EMP Fees

Any offender who participates in the electronically monitored home detention program is required to pay a monitoring fee, not to exceed \$300.00 a month.

d. Pre-Sentencing Investigation Fees

When the court orders offenders to pay a pre-sentence investigation fee, the agency will collect not less than \$5.00 or more \$250.00 for the pre-sentence investigation. In hardship cases, the court will set the amount of the fee and establish a payment schedule.

- e. Offenders without an official state issued birth certificate will be charged the amount of the birth certificate fee for obtaining a copy of the birth certificate.

IV. Community Sentencing

The Oklahoma Community Sentencing Act requires the collection of supervision fees, administrative fees and if assessed by the court, program reimbursement costs, restitution and fines from the offender. The supervision fee will not be collected by a private vendor.

A. Restitution Collections by Private Providers

When restitution is ordered by the court to be paid through the agency and is collected by a private provider, the restitution payment will be recorded on the same offender receipt as the Community Sentencing Administration Fee and remitted to restitution and accounting at:

Oklahoma Department of Corrections
Attn: Restitution/Accounting (for payment to the victim)
P. O. 11400
Oklahoma City, Oklahoma 73136

Restitution payments collected by private providers will include a \$1.00 collection fee for each money order associated with the restitution payment as defined by statute.

B. Community Sentencing Administration Fee

Offenders participating in a local community sentencing system will pay an administrative fee not to exceed \$20.00 per month. Administrative fees, when collected by private company providers, will be recorded in an ODOC receipt book and forward to the agency's Community Sentencing Administration unit. These fees will be deposited into the agency's 210 Fund through the OBS for distribution to the various community planning councils.

C. Community Sentencing Supervision Fee Collections by Private Providers

The Oklahoma Community Sentencing Act requires the collection of supervision fees, administrative fees and if assessed by the court, program reimbursement costs, restitution and fines from the offender.

D. Community Sentencing Receipt Books

Receipt books will be issued by the Division of Community Sentencing to the Community Sentencing Planning Councils for their distribution to private company providers to receipt collected funds. They will be returned to the Division of Community Sentencing (when used by the Planning Councils) for audit purposes. Receipt books issued will be kept in a secure location at all times with appropriate fiscal controls.

1. Receipt Information

Each cashier's check or money order submitted will receive a receipt attached to it. The information on the receipt will be printed legibly, see OBS User's Guide for specific instructions and information required.

V. Other General Services

As approved by the agency director, there may be other general services provided for sale on behalf of the offenders and/or staff in addition to regular canteen items. Instructions controlling the provision and sale of these additional general services will be issued at the time these services are offered for sale. The instructions may or may not be made a part of this procedure or the OBS user guide depending on the circumstances surrounding the provision of the service. Regardless, the appropriate staff will be expected to follow these instructions. Cost of service, if any, of such approved general services also requires the agency director's approval.

VI. OBS Contract

The contract between the vendor and the agency grants the right to use the OBS software to manage trust accounts, restitution and commissary operations of all inmates residing at facilities managed and operated by the ODOC. There is no limit on the number of machines or users that can access the OBS software. Private providers will not be granted direct access to the OBS.

VII. System Security

OBS users will adhere to all information management policy and procedures for employees accessing the OBS through state facilities as defined by [OP-021001](#) entitled "Oklahoma Department of Corrections Internet Standards" and [OP-020701](#) entitled "Control and Use of Networks and Computers."

VIII. References

Policy Statement P-120100 entitled "Management of State Funds and Assets"

OP-020701 entitled "Control and Use of Networks and Computers"

OP-021001 entitled "Oklahoma Department of Corrections Internet Standards"

OP-030117 entitled "Correspondence, Publications, and Audio/Video Media Guidelines"

OP-030120 entitled "Inmate Property"

OP-030501 entitled "Personal Hygiene and Appearance Code"

OP-040115 entitled "Inmate/Offender Identification and Crime Alert Bulletin"

OP-060107 entitled "Systems of Incarceration"

OP-060125 entitled "Inmate/Offender Disciplinary Procedures"

OP-120101 entitled "Fiscal Management Responsibilities"

OP-120701 entitled "Employee and Inmate Welfare Fund"

OP-140130 entitled "Pharmacy Operations"

28 U.S.C. §19

28 U.S.C. §1911

O.S. 7 § 73

O.S. 12 §1171.2

O.S. 22 § 982A

O.S. 22 § 988.9

O.S. 22 § 991a

O.S. 22 § 991d

O.S. 22 § 998.1

O.S. 22 § 998.9, B

O.S. 28 §151

O.S. 57 § 530.2

O.S. 57 § 513

O.S. 57 § 537

O.S. 57 § 549

O.S. 57 § 566.1

O.S. 60 § 657

O.S. 60 § 661

O.S. 62 § 34.57

O.S. 62 § 34.72

O.S. 62 § 263

O.S. 68 §1357.34

O.S. 68 §1361.2

O.S. 85 § 22.3b

IX. Action

The chief financial officer is responsible for compliance with this procedure and for the annual review and revisions.

Any exceptions to this procedure will require prior written approval from the agency director.

This procedure is effective as indicated.

Replaced: OP-120230 entitled "Offender Banking System" dated June 19, 2020

Deleted: OP-120230 Revision-01 dated December 11, 2020

Distribution: Policy and Operations Manual
Agency Website

<u>Referenced Forms</u>	<u>Title</u>	<u>Location</u>
DOC 030120B	“Designation of Disposition of Property”	OP-030120
Attachment A	“Pre-Release Checklist”	OP-060901
<u>Attachments</u>	<u>Title</u>	<u>Location</u>
DOC 120230A	“Mail/Cash Receipts Log”	Attached
DOC 120230B	“Request for Disbursement”	Attached
DOC 120230C	“Multiple Inmate Request for Disbursement”	Attached
DOC 120230D	“IBSA Account Request”	Attached
DOC 120230E	“Probation and Parole Services Information Transmittal Form”	Attached
DOC 120230F	“New OBS User & Permissions Change Request”	Attached