

STATE OF OHIO



DEPARTMENT OF REHABILITATION
AND CORRECTION

SUBJECT: External Fund Establishment and Control	PAGE <u> 1 </u> OF <u> 2 </u>
	NUMBER: 24-CAS-04
RULE/CODE REFERENCE: A.R. 5120-5-02; 5120-5-03 5120-5-04; 5120-5-07; 5120-5-11	SUPERSEDES: 24-CAS-04 dated 01/25/12
RELATED ACA STANDARDS: 2-CO-1B-14; 1-CTA-1B-05	EFFECTIVE DATE: February 9, 2016
	APPROVED: 

I. AUTHORITY

This policy is issued in compliance with Ohio Revised Code 5120.01 which delegates to the Director of the Department of Rehabilitation and Correction the authority to manage and direct the total operations of the Department and to establish such rules and regulations as the Director prescribes.

II. PURPOSE

The purpose of this policy is to establish responsibility, procedures, and documentation for the establishment of any external fund accounts.

III. APPLICABILITY

This policy applies to all persons employed by or under contract with the Department of Rehabilitation and Correction. It specifically applies to all employees of the Division of Business Administration, Business and Cashiers' Offices throughout the Department.

IV. DEFINITIONS

None

V. POLICY

It is the policy of the Ohio Department of Rehabilitation and Correction that any external fund is established within the guidelines of this policy and the generally accepted accounting practices are followed in the handling of these external funds.

VI. PROCEDURES

- A. The written approval of the Chief of the Division of Business Administration must be obtained prior to the establishment of any external fund account or sub-account for an external fund.

- B. The Industrial and Entertainment fund shall be created and maintained in accordance with Ohio Revised Code 5120 and Administrative Rule 5120-5-04, Administration of Industrial and Entertainment Funds, governing its use.
- C. Inmate Trust fund shall be created and maintained in accordance with Administrative Rules 5120-5-02, Inmate Funds, and 5120-5-03, Court Order for Payment of Funds from Inmate's Accounts, and the Department Cashiers' Manual.
- D. Inmate Group fund shall be created and maintained in accordance with Administrative Rule 5120-5-07, Inmate Groups Fiscal Activities, governing such accounts.
- E. The Employee Activity Fund shall be created and maintained in accordance with Administrative Rule 5120-5-11, Employee Activity Funds, governing its use.
- F. Accounting for receipts and expenditures from all accounts shall be in accordance with the applicable administrative rule, the Department Cashiers' Manual and the Department Business Operations Manual, as approved by the Director of the Department of Rehabilitation and Correction.
- G. Interest earned on an account shall be handled in accordance with procedures outlined in the Department Cashiers' Manual.
- H. Management reviews and internal audits shall be conducted to monitor compliance of all related Department of Rehabilitation and Correction policies, manuals, appropriate Administrative Rules, and applicable Ohio Revised Code sections.