



Jerry E. Abramson
Mayor

Louisville Metro Council

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Office of Internal Audit

Department of Corrections

Cash Management Systems

Audit Report

Office of Internal Audit

Department of Corrections

Cash Management Systems

August 2010



Department of Corrections

Cash Management Systems

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Transmittal Letter

August 13, 2010

The Honorable Jerry E. Abramson
Mayor of Louisville Metro
Louisville Metro Hall
Louisville, KY 40202

Subject: Audit of the Department of Corrections Cash Management Systems

Introduction

An audit of the Louisville Metro Department of Corrections cash management systems was performed. The primary focus of the review was the operational and fiscal administration of inmate account activity and manual revenue processes. This included how the activity is processed, recorded, and monitored. The objective was to obtain assurance that the risks are adequately mitigated through the internal control structure.

The audit was conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States and with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

As a part of the review, the internal control structure was evaluated. The objective of internal control is to provide reasonable, but not absolute, assurance regarding the achievement of objectives in the following categories:

- Achievement of business objectives and goals
- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with applicable laws and regulations
- Safeguarding of assets

There are inherent limitations in any system of internal control. Errors may result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personnel factors. Some controls may be circumvented by collusion. Similarly, management may circumvent control procedures by administrative oversight.

Scope

The procedures for administering the Corrections inmate account and manual revenue processing areas were reviewed through interviews with key personnel. The focus of the review was the operational and fiscal administration of the activity. This included assessing whether activity was processed, recorded, and monitored accurately and appropriately. Specific areas reviewed included the following.

- 1) **Inmate Account.** All activity posting to or from an inmate's account.
 - Booking fees
 - Commissary charges
 - Damage fees
 - Deposits to the account
 - Home incarceration fees
 - Medical copayments
 - Room and board fees

- 2) **Manual Revenue Processes.** Revenue activity processed through manual processes.
 - Court monitoring fees
 - Fingerprint fees
 - Miscellaneous revenue (copy fees)

The review covered activity processed during fiscal year 2010 (July 2009 – June 2010). The details of the scope and methodology of the review are addressed in the Observations and Recommendations section of this report. The audit would not identify all issues because it was based on a selective review of data.

Opinion

It is our opinion that the internal control structure for the Corrections inmate account is inadequate, and the structure for manual revenue areas needs improvement. The internal control ratings are on page 5 of this report. The ratings quantify our opinion regarding the internal controls, and identify areas requiring corrective action. Opportunities to strengthen the internal control structure were noted. Examples include the following.

- **Inmate Account.** Several issues were noted with the administration of Correction's inmate account.
 - The Inmate Management System (IMS) does not provide the functionality needed for Corrections to properly record actual fee collection amounts (e.g., booking, damage, and medical fees). As a result, there is a discrepancy between the inmate bank account balance and IMS. *This was noted in a prior review.*

- Monthly IMS report totals may continuously change if adjustments / refunds are processed on an inmate's account. This in turn affects Correction's monthly reports, which are used to make or receive payments.
- Multiple inmate accounts may exist if a person is booked more than once. IMS does not have the functionality to link the accounts together. Manual efforts to overcome this issue are difficult to perform due to the volume of activity being routinely processed on a daily basis. This increases the risk that outstanding balances may go uncollected. *This was noted in a prior review.*
- Monitoring and reconciliation efforts are either not performed or are not comprehensive with regards to inmate account activity (e.g., reconciliation of IMS to the bank account and Metro's financial system, aged inmate funds, Western Union deposits, commissary purchases). *This was noted in a prior review.*
- **Manual Revenue Processes.** There were issues noted with the manual revenue processes used to administer fees associated with court monitoring and fingerprinting services. Issues included diminished accountability over funds, reconciliation of some revenues, segregation of duties, and deposit timeliness.

The implementation of the recommendations in this report will help improve the internal control structure and effectiveness of the administration of Correction's cash management systems activity.

Corrective Action Plan

Representatives from the Department of Corrections have reviewed the results and provided corrective action plans, which are included in this report. The plans demonstrate Corrections commitment to addressing the issues noted. The plans include obtaining a new inmate management system, electronic payment processing, and updated policies and procedures. Several of the corrective actions have already been implemented. It is important to note that the prior audit issues were reported to different leadership of the Department of Corrections. The current leadership has demonstrated a strong commitment to addressing the issues.

In addition, Corrections has requested that the Office of Internal Audit review and critique the Department's progress quarterly until a final solution is implemented. We have agreed to provide this service and will continue to work with Corrections to ensure the actions taken are effective to address the issues noted.

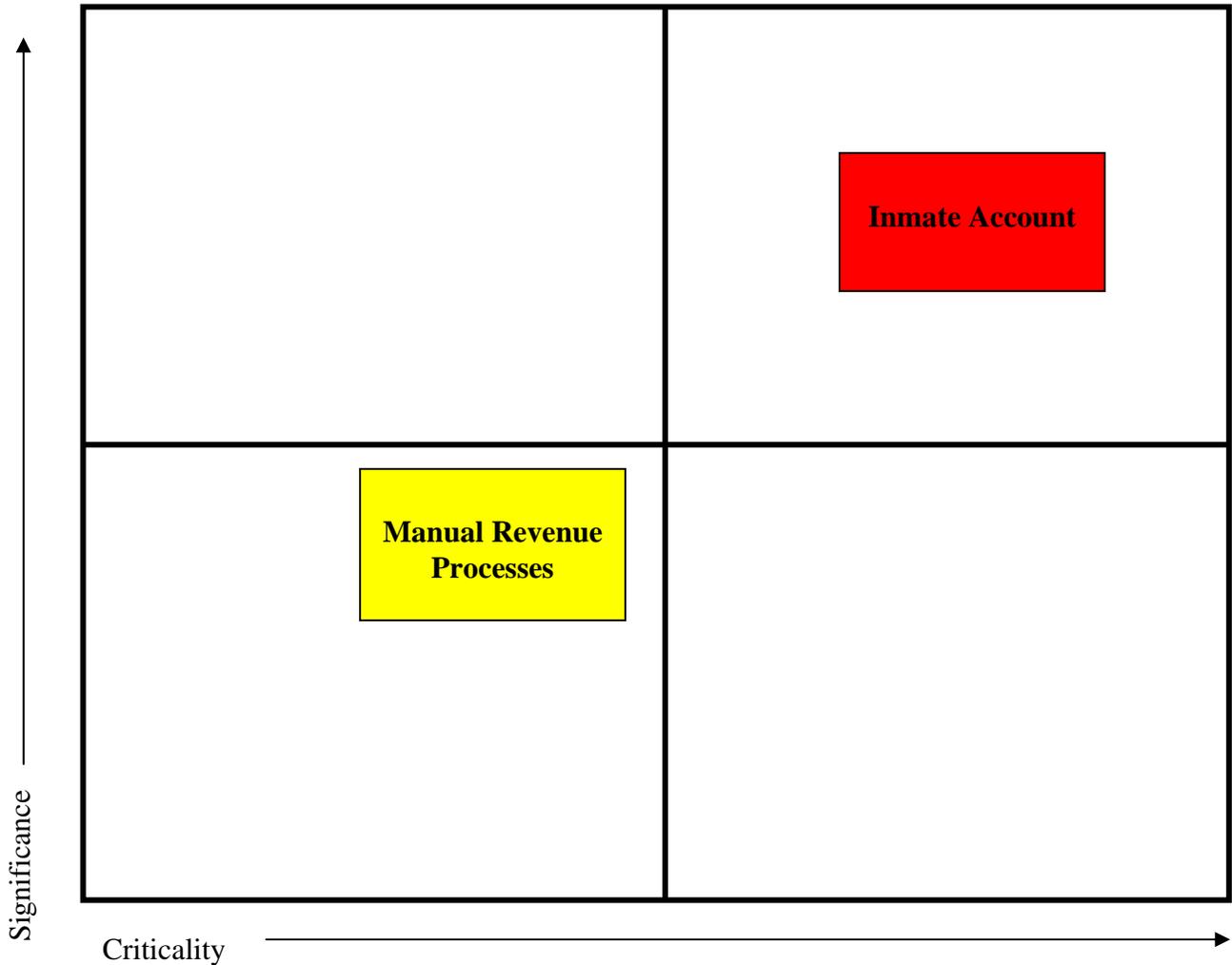
Sincerely,



Michael S. Norman, CIA, CFE, CGAP
Chief Audit Executive

cc: Louisville Metro Council Government Accountability and Oversight Committee
Director of Corrections
Louisville Metro External Auditors

Internal Control Rating



<u>Legend</u>			
<u>Criteria Issues</u>	Satisfactory Not likely to impact operations.	Needs Improvement Impact on operations likely contained.	Inadequate Impact on operations likely widespread or compounding.
Controls	Effective.	Opportunity exists to improve effectiveness.	Do not exist or are not reliable.
Policy Compliance	Non-compliance issues are minor.	Non-compliance issues may be systemic.	Non-compliance issues are pervasive, significant, or have severe consequences.
Image	No, or low, level of risk.	Potential for damage.	Severe risk of damage.
Corrective Action	May be necessary.	Prompt.	Immediate.

Background

Metro Corrections enhances public safety by controlling and managing offenders in a safe, humane, and cost-efficient manner, consistent with sound correctional principles and constitutional standards. The department assesses offenders' needs and provides services to assist them with the transition and reintegration back into the community.

Corrections provides all inmates a money account. The account reflects all monies found on a person upon entry into a Corrections facility, as well as monies placed on their account from outside sources (i.e. family, friends). The account is also used to track debts an inmate may incur, such as booking fees, room and board payments, and commissary purchases. Per Metro financial records, the balance for the inmate account as of June 2010 was approximately \$1.24 million.

Corrections also receives revenue for the court monitoring and fingerprinting services it provides. These revenues are collected through manual processes. As of June 2010, Corrections received approximately \$108,000 in court monitoring fees and \$19,000 in fingerprinting fees during the fiscal year.

This was a scheduled audit.

Summary of Audit Results

I. Current Audit Results

See Observations and Recommendations section of this report.

II. Prior Audit Issues

The Office of Internal Audit previously conducted a review of Metro Correction's inmate account activity in September 2005. Unless otherwise noted, all prior issues have been satisfactorily addressed. It is important to note that the prior audit issues were reported to different leadership of the Department of Corrections. The current leadership has demonstrated a strong commitment to addressing the issues. Manual revenue processes, including fingerprinting and court monitoring fees, has not been previously reviewed.

III. Statement of Auditing Standards

The audit was performed in accordance with Government Auditing Standards issued by the Comptroller General of the United States and with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

IV. Statement of Internal Control

An understanding of the internal control structure was obtained in order to support the final opinion.

V. Statement of Irregularities, Illegal Acts, and Other Noncompliance

The review did not disclose any instances of irregularities, any indications of illegal acts, and nothing was detected during the review that would indicate evidence of such. Any significant instances of noncompliance with laws and regulations are reported in the Observations and Recommendations section of this report.

VI. Views of Responsible Officials / Action Plan

A draft report was issued to Metro Corrections on July 13, 2010. An exit conference was held at Correction's administrative offices on July 22, 2010. Attending were Mark Bolton, Kaye Thompson, Dwayne Clark, Tammy Anderson, Eric Troutman, Donny Goodman and Don Griffin representing Louisville Metro Corrections; and Michael Norman, Mary Ann Wheatley and Catina Hourigan representing Internal Audit. Final audit results were discussed.

The views of Corrections officials were received on August 6, 2010 and are included as corrective action plans in the Observations and Recommendations section of the report. The plans indicate a commitment to addressing the issues noted.

LMCO §30.36(B) requires Louisville Metro Agencies to respond to draft audit reports in a timely manner. It specifically states that

*“The response must be forwarded to the Office of Internal Audit within 15 days of the exit conference, or **no longer than** 30 days of receipt of the draft report.”*

Metro Correction's response was provided within this required timeframe.

Observations and Recommendations

#1) Inmate Account

Scope

Metro Correction's procedures for administering inmate account activity were reviewed through interviews with key personnel. The primary focus was the operational and fiscal administration of the activity. This included assessing whether activity was processed, recorded, and monitored accurately and appropriately.

Daily Activity. Inmate account activity for four days during the month of February 2010 was selected for review. Specifically, the activity reports for all shifts for each day were reviewed for appropriateness, as well corresponding deposit documentation.

Monthly Activity. Monthly activity reports for February 2010 were reviewed for appropriateness. This included activity for home incarceration, booking fees, damage fees, medical fees, work aid pay, rent payments, and commissary charges. The reports were reviewed to ensure payments were made or received based on activity report totals. Individual report transactions (i.e., fees charged) were not verified for appropriateness.

Bank Account Activity. A cursory review of the inmate account bank statements from July 2009 through March 2010 was performed to ensure deposit and withdraw transactions appeared appropriate.

The review would not reveal all weaknesses because it was based on selective review of data.

Issues were noted with the administration of Metro Correction's inmate account activity. As a result, the effectiveness of the internal control structure is inadequate. Opportunities noted to strengthen the controls are as follows.

1A – Inmate Management System

1B – Monitoring and Reconciliation

1C – General Administration

Details of these observations begin on the following page.

1A – Inmate Management System

Issues were noted with the Inmate Management System (IMS), the primary system used by Corrections personnel to process inmate account activity. Examples include the following.

- **Fee Collections.** IMS does not provide the functionality needed for Corrections to properly record actual fee collection amounts. When a charge is posted to an inmate's account, the full fee amount is noted as collected. However, this may not be the actual amount collected because an inmate may not have enough funds in their account to cover the fee. Even when additional deposits are made to an account and are reduced by the amounts still owed, IMS does not record these as collections. As a result, there is no way for Corrections to accurately report on amounts collected for fees charged (e.g., booking fees, damage fees, and medical fees). This also results in a constant discrepancy between the inmate bank account balance and IMS. *This was noted in a prior review.*
 - Corrections does not reimburse its general fund account for the amounts collected for medical and damage fees. Though Corrections is charging inmates these fees, the funds are not being transferred from the inmate bank account to Correction's general fund account. It was stated this is due to the IMS system reporting limitations as mentioned above (i.e., they are unable to obtain data on actual fee collection amounts).

- **Monthly Reports.** There was an issue noted with the accuracy of monthly IMS activity reports. Corrections relies on the reports to generate monthly payments and to request reimbursements for certain inmate account activities. Inaccurate system reports may be resulting in inaccurate expenditures and reimbursements being processed.
 - The checks paid to Corrections for booking fees and home incarceration payments in February 2010 did not agree to IMS report totals. The original reports had manual adjustments noted on them to account for refunds / adjustments made to prior transactions. There was documentation to support the adjustments, and the payments made to Corrections were for the edited monthly report amounts. However, upon further review of this process, it was discovered that IMS applies adjustments to the effective period of the original transaction. As a result, monthly activity reports could be continuously changing depending on when they were generated and if adjustments were processed.
 - If an adjustment were made to a current month transaction, then a manual adjustment would not be necessary since it would already be included in the monthly activity report. In these cases, it appears Corrections may have been under paying the general fund account based on their current practices.
 - IMS allows for adjusting entries to be keyed to prior months' activity. Therefore, adjusting entries processed after monthly reports have been run would never be considered or reported on as it relates to general fund payments or requests for reimbursements. Monthly activity report totals continuously change as refunds / adjustments are processed.
 - The Community Corrections Center (CCC) monthly report did not equal the sum of the weekly reports used to make deposits. This may be attributable to the IMS adjustment and reporting issues.

- **Multiple Inmate Accounts.** Inmates are given a new booking number upon each booking. If a person is booked more than once, this results in multiple accounts with varying balances. IMS does not have the functionality to link the accounts together. Therefore, historical inquiries of accounts have to be made in order to identify multiple accounts. Due to the volume of activity processed by Corrections on a daily basis, historical inquiries may not always be performed. This increases the risk that outstanding balances may go uncollected. *This was noted in a prior review.*
 - It should be noted that Corrections is currently working to identify cases of multiple accounts so they can manually transfer outstanding balances into one.

- **Booking Fees Report.** The Booking Fee report is in a different format than all other monthly reports because of the issues with the IMS standard monthly reports (noted above). However, the current report does not list a start / end date and time for the period it is being run for. Without the report noting these parameters, it is impossible to determine whether all activity is being accurately obtained for reporting purposes. Since Corrections is a 24 hour / 7 day operation, it is essential to note these parameters to ensure completeness of activity reporting.

Recommendations

Appropriate Corrections personnel should take corrective actions to address the inmate account system issues noted. Specifics include the following.

- ✓ Ideally, Corrections should invest in a new inmate management system that would provide better functionality to address their needs. The system needs to be able to address accurate reporting of fees collected, adjusting entries, and have the ability to link / merge multiple inmate accounts. A more sophisticated system will allow Corrections to accurately report on inmate account activity, which in turn will help ensure payments to and requests for reimbursements from the general fund account are appropriate. This will also allow for proper reconciliations of the inmate account bank account and IMS.

- ✓ Corrections should reimburse their general fund account for all inmate fees collected (e.g., medical and damage fees). This may require manual tracking of collected fees if IMS is not able produce accurate data.

- ✓ Corrections should review their procedures for processing refunds / adjustments. It may not be necessary to manually edit reports for current period adjustments since IMS includes them in monthly reporting. However, the system should be programmed to prohibit edits / adjustments to prior period activity. There needs to be a defined cutoff period for monthly reporting in order to provide for accountability of monthly totals (i.e., payments to and from Correction's general fund account). Procedures should be developed to address the handling of prior period adjustments so they do not distort or change prior reporting.

- ✓ Since IMS does not allow for the linking of multiple inmate accounts, care should be taken by Corrections personnel to consider all historical accounts prior to an inmate's release. This is essential in order to ensure the inmate is provided with an accurate balance of funds upon release.

- ✓ The monthly Booking Fee report should be modified to include date parameters. This will help provide assurance that all activity is being captured as intended and that reports are run congruently from month to month.

LMDC Corrective Action Plan

Fee Collections

Louisville Metro Department of Corrections (LMDC) continues to work with Metro Finance, Information and Technology, County Attorney's office and our electronic deposit vendor to improve inmate fee management and bring the financial operations of the inmate account into compliance with cash management policies. Several steps have been taken in the short term to improve account reconciliation and revenue allocation. The long term solution is to obtain a Jail Management System (JMS) with the accounting features necessary to manage inmate accounts and fee transactions. The RFP for the JMS is currently in solicitation with responses due 8/18/10.

While individual inmate account balances are updated as inmates enter the jail, aggregate fee reporting to facilitate allocating fees to the proper revenue account remains problematic. LMDC, OMB, and Metro IT staff continue to work together to produce a report of aggregate fee totals from IMS and review the system for deficiencies and initiate corrective measures. LMDC plans to correct these issues with the implementation of a new inmate management system early 2011.

LMDC cannot reimburse the general fund account accurately until the above discussed reports are complete and/or a new jail management system is implemented. There are currently no issues recording and posting HIP/CAP payments or rent collections.

The Department implemented an electronic cash deposit system managed by an outside provider – Grayhawk. While unrelated to fee collection, this system reduces a significant amount of the department's manual cash collection and improves efficiency and tracking of cash management. The short term plan is to expand electronic payment technology to HIP, Court Monitoring and inmate Bond, CCC room and board this fiscal year.

Monthly Reports

IMS monthly HIP and rent fee reports (CCC Monthly Report) have been modified to reflect the adjusting entries made to prior periods. The deposit amount now takes into account these adjustments (*see Appendix #1 and #2*).

Few manual report adjustment entries should be needed as voided transactions are now listed on the monthly report.

Multiple Inmate Accounts

Property staff reconciles each inmate's historical account and new account upon arrest. Corrections has been "considering all historical accounts prior to an inmate's release" as recommended by the auditor since January. However, the systemic problems will not be resolved until a new jail management system is implemented over the next 12-18 months.

Booking Fees Report

The booking fee report will be formatted similar to the other transaction reports and will list: 1) an aggregate total booking fee collected for each month, 2) the date and time the report is completed, 3) the timeframe the report covers, and any adjustments to IMS such as voids.

As the auditor is aware, there are major issues with being able to report accurate fee collections. While the above listed changes will improve the report and incorporate prior adjustments, aggregate fee collection totals will not be accurate until a new Jail Management System (JMS) is implemented over the next 12-18 months. The RFP for a new JMS is currently in process.

Quarterly Reviews

LMDC has requested, and the Office of Internal Audit has agreed, to review and critique the Department's progress quarterly until a final solution is implemented.

1B – Monitoring and Reconciliation

Issues were noted with the monitoring and reconciliation of Correction's inmate account activity. Examples include the following.

- **Inmate Account Reconciliation.** There is not a comprehensive reconciliation of the inmate bank account. Though the Office of Management and Budget performs a monthly reconciliation of the account, it is cursory in nature. The account balance is reconciled from month to month to Metro's financial system (LeAP), but specific transactions are not monitored for appropriateness. OMB staff does not reconcile the information contained on the bank statements to the information in IMS. In addition, Corrections does not perform any type of reconciliation of the inmate account bank account. This increases the risk that inappropriate transactions could go undetected.
 - A review of monthly bank statements indicated four deposit amounts submitted by Corrections were adjusted (reduced) by the bank. In all four cases, neither Corrections nor OMB had documentation to explain the adjustment, nor was there any evidence that adjustments were made in IMS accordingly.
- **Aged Inmate Funds.** Outstanding inmate checks are not monitored or reconciled. Corrections does not have a policy regarding aged inmate funds (i.e. what should be done with the funds after a designated amount of time has passed). Currently, the funds for outstanding checks, no matter the date of the check, remain in the inmate bank account. *This was noted in a prior review.*
- **Western Union Deposits.** Some issues were noted with the processing of Western Union deposit transactions.
 - Deposits made to an inmate's account through Western Union are not reconciled to ensure system entry. *This was noted in a prior review.*
 - Corrections is not able to process some Western Union deposits. These are deposits made through Western Union where Corrections is unable to identify the inmate the deposit is being made for, or when an inmate has been released.
 - It should be noted that Corrections is working on a plan to return the unclaimed deposits to Western Union.
- **Commissary Invoices.** Commissary invoices are not reconciled or verified to the IMS system to ensure the payment request is appropriate based on purchases logged in the system. *This was noted in a prior review.*
 - Commissary invoices were reviewed for the month of February 2010 and compared to commissary purchases logged in IMS. The invoices totaled approximately \$1,900 less than the IMS total. This could be attributable to the IMS adjustment / reporting issues previously noted (Observation #1A).

Recommendations

Appropriate Corrections personnel should take corrective actions to address the monitoring and reconciliation issues noted. Specifics include the following.

- ✓ A major component of any reporting system is proper monitoring and reconciliation. Corrections should routinely monitor and reconcile inmate account bank activity to ensure appropriateness of transactions. The reconciliation should be documented, and explanations and corrective actions should be noted where exceptions occur. Documentation should also include who performed the reconciliation and when it was performed. This will help ensure the accuracy of inmate account activity and provide accountability for the verification and monitoring efforts.
- ✓ Corrections should seek legal guidance regarding aged inmate funds. Based on the guidance received, Corrections should create a policy regarding the funds. The policy should address the tracking of outstanding checks, and the actions to be taken after a designated period of time (e.g., after 90 days, funds will be forfeited).
- ✓ All inmate deposit transactions should be reconciled for appropriateness. This includes transactions not involving a direct exchange of funds (i.e., Western Union deposits). Corrections should determine the feasibility of modifying the daily reconciling reports to include all deposit activity, no matter the payment method.
- ✓ Commissary invoices should be reviewed more closely for appropriateness. IMS activity reports should be run to verify invoice amounts. Though it is not realistic that each transaction be verified, a sample selection of transactions, as well as report totals, should be reviewed for appropriateness.

LMDC Corrective Action Plan

Inmate Account Reconciliation

LMDC, IT and OMB staff are working together to create a report from IMS that the LMDC Business Manager can use to reconcile inmate fund bank statements with documentation from IMS. Currently the Office of Budget and Management performs a general reconciliation of LMDC inmate bank account statements.

Deposits reduced by the bank are likely the result of transposition of numbers, incorrect addition by the employee preparing the deposit ticket, or a data entry error by the bank. LMDC will reduce the likelihood of this type of error occurring in the future by 1) having a second employee count and review the Property Sergeant's deposit each day, 2) create reports from IMS that will allow a more in-depth bank reconciliation by the LMDC Business Manager and 3) monthly bank statement reconciliation by the LMDC business office.

Aged Inmate Funds

LMDC revised standard operating procedures (*see Appendix #3 and #4*) to address aged inmate funds and has discussed the handling of these funds with OMB staff. A schedule will be set up where the LMDC Business Manager will provide a list of outstanding checks to the Property Sergeant who will cancel the checks and restore the funds to the appropriate inmate account and bank account. LMDC began working with OMB and the Jefferson County Attorney's office in May to determine its obligation and the process for returning money to former inmates and escheatment requirements.

Western Union Deposits

Standard Operating Procedure “9-02 Register 701 Public Lobby” has been revised to address unidentified Western Union Deposits. When an inmate has been released from LMDC custody and a Western Union is received for that particular inmate or property staff is unable to identify an inmate the deposit is being made for, property staff will notify Western Union and advise the deposit is unable to be completed. Property staff provides the MTCN (a transaction number generated by Western Union) and Western Union will void the transaction. Within minutes, a printout will be received from Western Union noting the transaction was voided and will be attached to the original Western Union deposit print out. Both will be included in the shift paperwork. Western Union will notify the purchaser the deposit was unable to be completed and refunds their money.

Upon continued expansion of the inmate electronic deposit system (Grayhawk), the department anticipates a reduction and eventual elimination of Western Union Deposits.

Commissary Invoices

Commissary Reports are in development and will correspond to Invoices. Completion of reports has been delayed by technical and human error. These reports will reflect accurate debit and credits to inmate accounts and discrepancies will be reconciled and verified through the Business Manager’s office before payment to the vendor.

Quarterly Reviews

LMDC has requested, and the Office of Internal Audit has agreed, to review and critique the Department’s progress quarterly until a final solution is implemented.

1C – General Administration

Issues were noted with the general administration of Correction's inmate account activity. Examples include the following.

- **Deposit Timeliness.** Deposits of inmate account activity were not always made timely in accordance with the Office of Management and Budget's cash management policy. Policy states that deposits should be made at least weekly or when they reach \$1,000, whichever occurs first.
 - There were several cases noted where the daily inmate account activity deposits, weekly Community Corrections Center (CCC) rent deposits, and the monthly work aid pay reimbursement check were not deposited timely in accordance with OMB policy. Days late ranged from 1-6 days. *This was noted in a prior review.*
 - For all of the four daily inmate account activity deposits reviewed, the deposit slip was not dated by the preparer. This weakens the audit trail for tracking funds and makes it difficult to reconcile deposit activity to the bank statement.

- **Funds Accountability.** The inmate funds collected by CCC staff are forwarded to Property Room staff for deposit at the bank. A Corrections Transportation Officer transports the funds. However, the transfer of funds between Corrections personnel is not documented, thus diminishing accountability for the funds. *This was noted in a prior review.*

- **Daily Activity.** There were a couple of issues noted regarding the support documentation for inmate account daily activity.
 - There was one case where the information noted on the Cash Drawer Balancing Report did not agree with the information noted on the Property Register Review Report. *This was noted in a prior review.* A handwritten adjustment was made to the total on the Cash Drawer Balancing Report, resulting in agreement with the total on the Property Register Review Report. However there was no documentation or explanation to indicate why an adjustment was necessary.
 - There was one case where the Cash Drawer Balancing Report was not included with the shift's Property Register Review Report.

- **CCC Reporting.** The Inventory Control Specialist does not run the CCC rent reports congruently from one period to the next to ensure completeness of all deposit activity. This could allow a gap in time where activity might go undetected, thus causing a reimbursement or payment to be incorrect. *This was noted in a prior review.*

- **Release Receipts.** Corrections does not provide receipts to inmates upon their release unless it is requested. A receipt would document all of an inmate's charges while incarcerated and support the remaining account balance. Without providing this receipt to inmates, transparency is decreased.

- **Policies and Procedures.** Though the Property Division has documented policies and procedures and Post Orders to guide them in the administration of inmate account

activity, they were undergoing several procedural changes at the time of the review. Policies and procedures manuals will need to be updated accordingly.

Recommendations

Appropriate Corrections personnel should take corrective actions to address the issues noted. Specifics include the following.

- ✓ Deposits should be processed timely in accordance with OMB policy (i.e., at least weekly or when funds reach \$1,000, whichever occurs first). Backup staff should be trained to cover in the absence of key personnel responsible for making deposits. Timely deposits help ensure that funds are properly safeguarded and optimize investment income.
- ✓ All deposit documentation should be completed accurately and completely. This will help increase accountability over the funds and provide a sufficient audit trail.
- ✓ Custody should be documented any time funds are transferred from one individual to another (e.g., pick-ups and deliveries of funds from CCC to the Property Room). It provides accountability and attestation to the amount of funds involved in a transfer.
- ✓ Care should be taken by Corrections personnel to document all adjustments made to activity reports (e.g., Cash Drawer Balancing Report, Property Register Review Report). Detailed explanations should be noted to help support why an adjustment was necessary, and the adjustment should be initialed by the person making the adjustment to provide accountability.
- ✓ A Cash Drawer Balancing Report should be included with the Property Register Review Report for each day's shift. This will help ensure that all of the activity that was processed on each register is properly noted on the Property Register Review Report.
- ✓ Inmate account activity reports, to include CCC rent reports, should be run congruently from one period to the next to ensure completeness of all activity. Activity reports should be monitored to ensure there are no gaps in time.
- ✓ An IMS receipt documenting an inmate's activity and ending account balance should be given to every inmate upon release. This will help ensure that account activity is being properly communicated to the inmate, thus providing increased transparency.
- ✓ Written policies and procedures should be updated and distributed to staff as they are implemented. This will ensure that staff members are aware of the changes in policies and procedures as they occur.

LMDC Corrective Action Plan

Deposit Timeliness

The Department notes the auditor commented deposit tickets were not dated for both the inmate account activity deposits and CMC deposits. Staff will be instructed to ensure all deposits are dated appropriately. LMDC will increase the number of deposits made and

cross-train staff to make deposits. The Court Monitoring Center's (CMC) fees will be deposited as cash on hand reaches \$1,000. Fees collected in the Records Division (i.e. fingerprint and copy fees) will be collected and deposited weekly to avoid exceeding the \$1,000 threshold.

Funds Accountability

The Department currently utilizes a log book to record funds being transferred from CMC to the Business Manager and from the Records Division to the Business Manager. The use of a cash custody form will be implemented in all areas handling cash except CMC as they already have the logbook in place. The form will be kept with the deposit information for the funds being transferred.

The Specialist preparing the deposit for CCC will transfer the deposit to the Transportation Officer who will count and verify the deposit and both will sign the cash custody form signifying the transfer of funds. The transporting officer will take the deposit to the Property Sergeant who will count the funds upon receipt. Both the transporting officer and Property Sergeant will sign the CCC cash custody form signifying the transfer of funds. The Property Sergeant will count the Business Manager's deposits and each will sign the business office cash custody form. The Property Sergeant's deposits will be counted by a business office staff member and both will initial the deposit ticket and property room deposit log signifying agreement.

Daily Activity

Property staff will be instructed to provide an explanation for any adjustments noted on reports and initial all adjustments.

Property staff will be instructed to ensure the cash drawer balancing report is included with the shift's property register review.

CCC Reporting

The CCC Inventory Control Specialist has been advised to run reports as recommended to ensure there are no gaps between reports.

Release Receipts

The Department began providing receipts of property and ending account balances to inmates upon release in April 2010 (*see Appendix #5*). A report of account transactions is only provided upon request. IMS is not able to provide an account summary thus a report would list each inmate transaction that occurred during incarceration leading to a time consuming printing process that would affect inmate release efficiency and cause great delays.

The new Jail Management System (JMS) is expected to provide an account summary report at release.

Policies and Procedures

As procedural changes occur policies are updated accordingly. Currently several policies related to areas addressed in the audit are in draft form and ready for OMB review and approval.

Quarterly Reviews

LMDC has requested, and the Office of Internal Audit has agreed, to review and critique the Department's progress quarterly until a final solution is implemented.

#2) Manual Revenue Processes

Scope

Metro Correction's procedures for administering manual revenue collections were reviewed through interviews with key personnel. The primary focus was the operational and fiscal administration of the activity. This included assessing whether activity was processed, recorded, and monitored accurately and appropriately.

The review of manual revenue collections included activity for court monitoring and fingerprinting services. Tests of sample data were performed on activity from February through April 2010. A sample of five court monitoring registration fees was judgmentally selected for review from February through April 2010. Fingerprinting activity for the month of February 2010 was also selected for review. Documentation reviewed included Correction's internal records on fees collected, deposit support documentation, bank statements, and Metro financial system postings. The review focused on the accuracy and timeliness of the transactions. The review would not reveal all weaknesses because it was based on a selective review of data.

Observations

Issues were noted with the administration of Metro Correction's manual revenue processes. As a result, the effectiveness of the internal control structure is impaired and needs improvement. Specifics include the following.

- **Funds Accountability.** There were procedural issues noted that diminish accountability over funds.
 - Funds collected for court monitoring and fingerprint fees are not being reconciled in the presence of two individuals (staff accountable for the activity processing and the corresponding supervisor). There is no documentation to indicate agreement with the amount of funds turned in or agreement with reconciling totals.
 - Deposits prepared by Business Office staff are placed in a sealed bag and turned over to the Property Room for pickup by armored car services / delivery to the bank. However, there is no documentation to support the transfer of funds between individuals.
- **Housing Authority Monthly Payment.** The Louisville Metro Housing Authority (an entity external to Louisville Metro Government) pays Corrections monthly for fingerprint services provided to its applicants. A check is mailed to Corrections, along with a listing of applicant names that the payment is being made for. There were issues noted with this activity.
 - Corrections does not reconcile the monthly payments submitted from the Housing Authority. The Housing Authority listings are not verified to Correction's internal records of fingerprint services provided to ensure the payments are appropriate.

- The Housing Authority does not appear to submit monthly payments to Corrections on a consistent basis. For the month reviewed, fingerprint services were paid by the Housing Authority through two different payments, in combination with services provided from several other months.
 - Documentation dated February 18, 2010 consisted of fingerprint services from October 2009 through mid-February 2010.
 - Documentation dated April 13, 2010 consisted of fingerprint services from December 2009 through mid-April 2010.
 - There were also cases where the listing had inaccurate fingerprint dates noted.
- **Segregation of Duties.** There was a lack of segregation of duties in the processing of fingerprint activity. One person is responsible for the collection of fees and balancing funds at the end of the day to register totals.
- **Deposit Timeliness.** Deposits for manual revenue processes were not made timely in accordance with the Office of Management and Budget's cash management policies and procedures.
 - Court monitoring fees are deposited once a week, though funds typically exceed the \$1,000 threshold within a couple of days. Of the five deposits reviewed, four were not deposited timely. Delays ranged from 7 to 9 business days from the time a fee was paid until it was deposited in the bank.
 - The fees collected for fingerprint services and copies of arrest records are deposited on a monthly basis. For the month reviewed, fingerprint fees were not deposited until 7 business days after the month end.
- **Desktop Policies and Procedures.** There are no desktop policies and procedures to guide Corrections personnel in the collection of court monitoring and fingerprinting fees. This increases the risk of non-compliance with intended policy and can lead to inconsistencies and inefficiencies with activity processing.
- **Manual Receipts.** Corrections should be commended for the purchase and implementation of new sequential receipt books for use in documenting court monitoring payments. However, Corrections still uses old receipt books for the collection of envelope and copy fees. Although the old receipt books are numbered, the books are not inventoried or used in any particular order. The lack of accountability over the receipts creates a risk that funds could be misappropriated.
- **Deposit Slip Completion.** For one deposit reviewed (court monitoring fees), the deposit slip was not dated by the preparer. This weakens the audit trail for tracking funds and makes it difficult to reconcile deposit activity to the bank statement.

Recommendations

Appropriate Corrections personnel should take corrective action to address the issues noted. Specific recommendations include the following.

- ✓ Care should be taken by Corrections personnel to ensure funds are properly accounted for at all times. This requires that documentation be maintained whenever there is a transfer of funds between employees. Funds should be counted, and there should be documented amounts and signatures to indicate agreement from both parties involved in the exchange of funds. This includes instances where employees cover for break / lunch periods, reconciliations between staff and supervisors, and cases where funds are transferred between personnel for deposit purposes.
- ✓ Appropriate Corrections personnel should reconcile the monthly payment received from the Housing Authority for fingerprint services. The payment support documentation should be verified to Correction's internal records to ensure the payment appears appropriate. Any discrepancies should be researched and explanations documented.
- ✓ Corrections should consider billing the Housing Authority on a monthly basis to help ensure all activity is being properly accounted for and to improve payment timeliness. Ideally, the Housing Authority should be submitting a payment to Corrections for fingerprint services on a consistent monthly basis. The payment should coincide with a definitive time frame (i.e., one payment for each month's services, not multiple months). This will allow for more efficient monitoring and reconciliation activities.
- ✓ One person should not be responsible for collecting and reconciling their own funds. Someone independent of the fingerprint collection process (e.g., supervisor) should reconcile funds collected. The reconciliation should be conducted in the presence of the processing clerk, and the clerk should not be able to access their daily register totals prior to the reconciliation.
- ✓ Care should be taken by Corrections personnel to ensure all funds are deposited timely in accordance with the Office of Management and Budget's cash management policies. Corrections may need to evaluate their current fund collection processes to ensure they allow for compliance with the Office of Management and Budget policy.
- ✓ Corrections should develop policies and procedures to guide personnel in the processing of all revenue collection areas, to include collections for court monitoring and fingerprinting. The policies should include sufficient detail for each job duty performed and copies of forms used. This information should be distributed to all applicable personnel and may be used as a training manual for new staff. Training of key personnel will help ensure consistent adherence to the requirements.
- ✓ If Corrections continues to use their remaining stock of manual receipt books, then an inventory of all remaining books should be performed and documented by an individual independent of the processing area. The books should be held in a secure area and signed-out as new receipt books are needed. This will help provide better accountability over the receipt books and funds collected.
- ✓ Documentation submitted with deposits should be thoroughly completed, to include the date the deposit is being prepared. This helps provide a proper audit trail over the funds for tracking and reconciliation purposes.

LMDC Corrective Action Plan

Funds Accountability

Fees collected in the records area for deposit will be reconciled daily in the presence of two individuals (the Data Systems Operator and Shift Supervisor). The Clerk and Business Manager will sign a cash custody form signifying the transfer of cash to the Business Office when the cash is collected by the Business Manager. The form will be stored with the Business Manager's deposit information for these funds.

Court Monitoring funds are counted by three separate employees before being transferred to the Business Office. Two of the employees will count out the funds together daily beginning in July. The CMC Supervisor counts the funds before recording on his daily report. The CMC Supervisor will request the two employees sign off on the report to create a record of each count. Previously only the CMC Supervisor was initialing the report. The Business Manager counts the funds transferred to her by the CMC Supervisor and signs the CMC logbook signifying this exchange.

The CCC Transportation Officer will sign a cash custody form upon receipt of CCC deposits and bring the form to the property room so that the Property Sergeant can sign the form signifying their acceptance of the funds prepared by CCC.

(See Appendix #7 and #8)

Housing Authority Monthly Payment

The Business Manager currently reviews the log of fingerprinted applicants upon receipt of the list and payment from the Housing Authority to ensure no applicants have been left off of the housing authority list.

The Business Manager will prepare an invoice that lists each applicant's name and send to the Housing Authority at the end of the month. LMDC will begin billing the Housing Authority for fingerprint fees monthly in August.

Segregation of Duties

The Data Systems Operator and shift supervisor will reconcile the cash drawer together at the end of each day.

Deposit Timeliness

Deposit timeliness has been addressed in other areas of this audit response.

Desktop Policies and Procedures

LMDC will review current guidelines, update where appropriate. All staff has access to policies. Supervisors will ensure employees have ready access to SOPs.

Manual Receipts

Generic receipts have been or are being replaced in all areas (*see Appendix #6*). Books are being signed out to areas by the Business Manager and inventoried by area supervisors. Eventually completed books will be returned to the Business Manager and/or archived.

Deposit Slip Completion

Deposit slips not being dated has been addressed in other areas of this audit response.

Quarterly Reviews

LMDC has requested, and the Office of Internal Audit has agreed, to review and critique the Department's progress quarterly until a final solution is implemented.

Appendix

Table of Contents

The following were provided by Louisville Metro Department of Corrections as part of the corrective action plan.

- #1: Transaction Report (Rent Transactions)
- #2: Transaction Report (HIP / CAP Payments)
- #3: IMS Outstanding Checks Procedures
- #4: Inmate Accounts Transaction Procedures
- #5: Inmate Personal Property Receipt
- #6: Receipt Book
- #7: Booking Fees and Records Information Fees
- #8: Court Monitoring Center Daily Cash Report

These begin on the following page.

Appendix #1: Transaction Report (Rent Transactions)

Transaction Report
From: 04/01/2010 00:00:00 To : 05/01/2010 00

RENT

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RENT Transactions

Inmate Name	Transaction #	Amount	Transaction Date	Change Date	Voided #
	2440045	\$3.00	04/01/2010 13:42	04/01/2010 13:42	0
	2440047	\$6.00	04/01/2010 13:42	04/01/2010 13:42	0
	2440049	\$6.00	04/01/2010 13:43	04/01/2010 13:43	0
	2440052	\$6.00	04/01/2010 13:44	04/01/2010 13:44	0
	2440054	\$8.00	04/01/2010 13:45	04/01/2010 13:45	0
	2440056	\$9.00	04/01/2010 13:46	04/01/2010 13:46	0
	2440060	\$9.00	04/01/2010 13:46	04/01/2010 13:46	0
	2440062	\$9.00	04/01/2010 13:47	04/01/2010 13:47	0
	2440064	\$9.00	04/01/2010 13:48	04/01/2010 13:48	0
	2440066	\$9.00	04/01/2010 13:48	04/01/2010 13:48	0
	2440068	\$10.00	04/01/2010 13:49	04/01/2010 13:49	0
	2440071	\$12.00	04/01/2010 13:50	04/01/2010 13:50	0
	2440073	\$12.00	04/01/2010 13:50	04/01/2010 13:50	0
	2440178	\$12.00	04/01/2010 13:55	04/01/2010 13:55	0
	2440180	\$14.00	04/01/2010 13:56	04/01/2010 13:56	0
	2440182	\$15.00	04/01/2010 13:57	04/01/2010 13:57	0
	2440184	\$15.00	04/01/2010 13:58	04/01/2010 13:58	0
	2440244	\$15.00	04/01/2010 13:59	04/01/2010 13:59	0
	2440246	\$15.00	04/01/2010 14:00	04/01/2010 14:00	0
	2440248	\$15.00	04/01/2010 14:01	04/01/2010 14:01	0
	2440251	\$15.00	04/01/2010 14:01	04/01/2010 14:01	0
	2440253	\$15.00	04/01/2010 14:02	04/01/2010 14:02	0
	2440256	\$15.00	04/01/2010 14:03	04/01/2010 14:03	0
	2440258	\$15.00	04/01/2010 14:04	04/01/2010 14:04	0
	2440263	\$15.00	04/01/2010 14:17	04/01/2010 14:17	0
	2440265	\$15.00	04/01/2010 14:17	04/01/2010 14:17	0
	2440267	\$18.00	04/01/2010 14:18	04/01/2010 14:18	0
	2440269	\$18.00	04/01/2010 14:19	04/01/2010 14:19	0
	2440271	\$18.00	04/01/2010 14:20	04/01/2010 14:20	0
	2440274	\$18.00	04/01/2010 14:20	04/01/2010 14:20	0
	2440276	\$18.00	04/01/2010 14:21	04/01/2010 14:21	0
	2440300	\$20.00	04/01/2010 15:18	04/01/2010 15:18	0
	2440302	\$20.00	04/01/2010 15:19	04/01/2010 15:19	0
	2440304	\$20.00	04/01/2010 15:19	04/01/2010 15:19	0
	2440307	\$20.00	04/01/2010 15:20	04/01/2010 15:20	0
	2440309	\$21.00	04/01/2010 15:21	04/01/2010 15:21	0
	2440311	\$24.00	04/01/2010 15:21	04/01/2010 15:21	0
	2440313	\$25.00	04/01/2010 15:22	04/01/2010 15:22	0
	2440315	\$25.00	04/01/2010 15:23	04/01/2010 15:23	0
	2440317	\$28.00	04/01/2010 15:23	04/01/2010 15:23	0
	2440319	\$27.00	04/01/2010 15:25	04/01/2010 15:25	0
	2440321	\$27.00	04/01/2010 15:25	04/01/2010 15:25	0
	2440323	\$30.00	04/01/2010 15:26	04/01/2010 15:26	0
	2440325	\$30.00	04/01/2010 15:27	04/01/2010 15:27	0
	2440327	\$30.00	04/01/2010 15:27	04/01/2010 15:27	0
	2440329	\$30.00	04/01/2010 15:28	04/01/2010 15:28	0
	2440331	\$30.00	04/01/2010 15:29	04/01/2010 15:29	0
	2440333	\$30.00	04/01/2010 15:29	04/01/2010 15:29	0
	2440335	\$33.00	04/01/2010 15:30	04/01/2010 15:30	0
	2440337	\$35.00	04/01/2010 15:31	04/01/2010 15:31	0
	2440340	\$37.50	04/01/2010 15:32	04/01/2010 15:32	0
	2440350	\$45.00	04/01/2010 15:36	04/01/2010 15:36	0
	2440353	\$45.00	04/01/2010 15:37	04/01/2010 15:37	0
	2440355	\$45.00	04/01/2010 15:37	04/01/2010 15:37	0
	2440357	\$45.00	04/01/2010 15:38	04/01/2010 15:38	0
	2440359	\$45.00	04/01/2010 15:39	04/01/2010 15:39	0
	2440362	\$48.00	04/01/2010 15:40	04/01/2010 15:40	0
	2440365	\$50.00	04/01/2010 15:40	04/01/2010 15:40	0
	2440368	\$50.00	04/01/2010 15:42	04/01/2010 15:42	0
	2440370	\$60.00	04/01/2010 15:43	04/01/2010 15:43	0
	2440372	\$75.00	04/01/2010 15:43	04/01/2010 15:43	0
	2440374	\$75.00	04/01/2010 15:44	04/01/2010 15:44	0
	2440378	\$75.00	04/01/2010 15:45	04/01/2010 15:45	0
	2440380	\$75.00	04/01/2010 15:45	04/01/2010 15:45	0
	2440383	\$75.00	04/01/2010 15:46	04/01/2010 15:46	0
	2440385	\$75.00	04/01/2010 15:47	04/01/2010 15:47	0
	2440387	\$90.00	04/01/2010 15:48	04/01/2010 15:48	0
	2440390	\$90.00	04/01/2010 15:48	04/01/2010 15:48	0
	2440392	\$90.00	04/01/2010 15:49	04/01/2010 15:49	0

Transaction Report
From: 04/01/2010 00:00:00 To : 05/01/2010 00

RENT

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RENT Transactions

Inmate Name	Transaction #	Amount	Transaction Date	Change Date	Voided #
	2465936	\$30.00	04/28/2010 10:18	04/28/2010 10:18	0
	2465939	\$30.00	04/28/2010 10:19	04/28/2010 10:19	0
	2465944	\$30.00	04/28/2010 10:22	04/28/2010 10:22	0
	2465946	\$30.00	04/28/2010 10:24	04/28/2010 10:24	0
	2465949	\$30.00	04/28/2010 10:25	04/28/2010 10:25	0
	2465951	\$30.00	04/28/2010 10:25	04/28/2010 10:25	0
	2465953	\$30.00	04/28/2010 10:26	04/28/2010 10:26	0
	2465956	\$30.00	04/28/2010 10:27	04/28/2010 10:27	0
	2465958	\$30.00	04/28/2010 10:28	04/28/2010 10:28	0
	2465961	\$33.00	04/28/2010 10:28	04/28/2010 10:28	0
	2465963	\$33.00	04/28/2010 10:29	04/28/2010 10:29	0
	2465966	\$36.00	04/28/2010 10:31	04/28/2010 10:31	0
	2465968	\$42.00	04/28/2010 10:32	04/28/2010 10:32	0
	2465970	\$45.00	04/28/2010 10:34	04/28/2010 10:34	0
	2465974	\$50.00	04/28/2010 10:34	04/28/2010 10:34	0
	2465980	\$50.00	04/28/2010 10:37	04/28/2010 10:37	0
	2465983	\$50.00	04/28/2010 10:38	04/28/2010 10:38	0
	2465985	\$60.00	04/28/2010 10:38	04/28/2010 10:38	0
	2465987	\$60.00	04/28/2010 10:39	04/28/2010 10:39	0
	2465990	\$60.00	04/28/2010 10:40	04/28/2010 10:40	0
	2465992	\$66.00	04/28/2010 10:41	04/28/2010 10:41	0
	2465994	\$75.00	04/28/2010 10:42	04/28/2010 10:42	0
	2465996	\$75.00	04/28/2010 10:43	04/28/2010 10:43	0
	2465998	\$75.00	04/28/2010 10:44	04/28/2010 10:44	0
	2466000	\$75.00	04/28/2010 10:45	04/28/2010 10:45	0
	2466002	\$90.00	04/28/2010 10:46	04/28/2010 10:46	0
	2466006	\$90.00	04/28/2010 10:46	04/28/2010 10:46	0
	2466010	\$90.00	04/28/2010 10:50	04/28/2010 10:50	0
	2466013	\$90.00	04/28/2010 10:50	04/28/2010 10:50	0
	2466015	\$90.00	04/28/2010 10:51	04/28/2010 10:51	0
	2466018	\$90.00	04/28/2010 10:52	04/28/2010 10:52	0
	2466021	\$90.00	04/28/2010 10:52	04/28/2010 10:52	0
	2466023	\$120.00	04/28/2010 10:53	04/28/2010 10:53	0
	2466026	\$120.00	04/28/2010 10:55	04/28/2010 10:55	0
	2466030	\$180.00	04/28/2010 10:56	04/28/2010 10:56	0
	2466035	\$225.00	04/28/2010 10:57	04/28/2010 10:57	0
Total:		\$17,388.98			

RENT Voided Transactions

Inmate Name	Transaction #	Amount	Transaction Date	Change Date	Voided #
RUFF, ANGELA RENEE	2465877	\$18.00	04/28/2010 09:56	04/28/2010 11:10	2466049 Y
Total:		\$18.00			

Total Transactions: \$17,388.98
Total Transactions Voided: \$18.00
\$17,370.98

Appendix #2: Transaction Report (HIP / CAP Payments)

Transaction Report

From: 04/01/2010 00:00:00 To : 05/01/2010 00

HIP / CAP Payments

Inmate Name	Transaction #	Amount	Transaction Date	Change Date	Voided #
	2440461	\$21.00	04/01/2010 16:59	04/01/2010 16:59	0
	2440472	\$21.00	04/01/2010 17:16	04/01/2010 17:16	0
	2440482	\$21.00	04/01/2010 17:20	04/01/2010 17:20	0
	2440499	\$40.00	04/01/2010 17:50	04/01/2010 17:50	0
	2440501	\$10.00	04/01/2010 17:51	04/01/2010 17:51	0
	2440512	\$35.00	04/01/2010 18:20	04/01/2010 18:20	0
	2440534	\$21.00	04/01/2010 19:07	04/01/2010 19:07	0
	2440537	\$10.00	04/01/2010 19:11	04/01/2010 19:11	0
	2440546	\$105.00	04/01/2010 19:22	04/01/2010 19:22	0
	2440547	\$21.00	04/01/2010 19:24	04/01/2010 19:24	0
	2440550	\$30.00	04/01/2010 19:43	04/01/2010 19:43	0
	2440552	\$34.00	04/01/2010 19:46	04/01/2010 19:46	0
	2440554	\$21.00	04/01/2010 19:47	04/01/2010 19:47	0
	2440579	\$10.00	04/01/2010 20:22	04/01/2010 20:22	0
	2440598	\$10.00	04/01/2010 20:50	04/01/2010 20:50	0
	2440607	\$10.00	04/01/2010 21:02	04/01/2010 21:02	0
	2440642	\$21.00	04/01/2010 21:50	04/01/2010 21:50	0
	2441203	\$90.00	04/02/2010 11:29	04/02/2010 11:29	0
	2441308	\$90.00	04/02/2010 13:39	04/02/2010 13:39	0
	2441445	\$70.00	04/02/2010 17:08	04/02/2010 17:08	0
	2441447	\$21.00	04/02/2010 17:09	04/02/2010 17:09	0
	2441450	\$21.00	04/02/2010 17:11	04/02/2010 17:11	0
	2441453	\$47.00	04/02/2010 17:12	04/02/2010 17:12	0
	2441458	\$70.00	04/02/2010 17:17	04/02/2010 17:17	0
	2441459	\$53.00	04/02/2010 17:22	04/02/2010 17:22	0
	2441460	\$21.00	04/02/2010 17:24	04/02/2010 17:24	0
	2441464	\$105.00	04/02/2010 17:32	04/02/2010 17:32	0
	2441467	\$10.00	04/02/2010 17:36	04/02/2010 17:36	0
	2441468	\$30.00	04/02/2010 17:37	04/02/2010 17:37	0
	2441471	\$75.00	04/02/2010 17:42	04/02/2010 17:42	0
	2441472	\$21.00	04/02/2010 17:43	04/02/2010 17:43	0
	2441473	\$21.00	04/02/2010 17:44	04/02/2010 17:44	0
	2441485	\$125.00	04/02/2010 17:56	04/02/2010 17:56	0
	2441486	\$72.00	04/02/2010 17:57	04/02/2010 17:57	0
	2441490	\$21.00	04/02/2010 18:03	04/02/2010 18:03	0
	2441496	\$16.00	04/02/2010 18:20	04/02/2010 18:20	0
	2441508	\$10.00	04/02/2010 18:28	04/02/2010 18:28	0
	2441514	\$10.00	04/02/2010 19:00	04/02/2010 19:00	0
	2441515	\$25.00	04/02/2010 19:03	04/02/2010 19:03	0
	2441516	\$10.00	04/02/2010 19:04	04/02/2010 19:05	0
	2441520	\$70.00	04/02/2010 19:09	04/02/2010 19:09	0
	2441523	\$20.00	04/02/2010 19:13	04/02/2010 19:13	0
	2441524	\$10.00	04/02/2010 19:14	04/02/2010 19:14	0
	2441528	\$10.00	04/02/2010 19:18	04/02/2010 19:18	0
	2441530	\$10.00	04/02/2010 19:19	04/02/2010 19:19	0
	2441531	\$21.00	04/02/2010 19:21	04/02/2010 19:21	0
	2441533	\$21.00	04/02/2010 19:24	04/02/2010 19:24	0
	2441536	\$21.00	04/02/2010 19:26	04/02/2010 19:26	0
	2441540	\$24.00	04/02/2010 19:28	04/02/2010 19:28	0
	2441541	\$40.00	04/02/2010 19:29	04/02/2010 19:29	0
	2441542	\$210.00	04/02/2010 19:31	04/02/2010 19:31	0
	2441543	\$22.00	04/02/2010 19:32	04/02/2010 19:32	0
	2441546	\$21.00	04/02/2010 19:36	04/02/2010 19:36	0
	2441550	\$21.00	04/02/2010 19:48	04/02/2010 19:48	0
	2441558	\$10.00	04/02/2010 20:06	04/02/2010 20:06	0
	2441560	\$21.00	04/02/2010 20:07	04/02/2010 20:07	0
	2441568	\$40.00	04/02/2010 20:25	04/02/2010 20:25	0
	2441577	\$21.00	04/02/2010 20:28	04/02/2010 20:28	0
	2441578	\$21.00	04/02/2010 20:29	04/02/2010 20:29	0
	2441584	\$21.00	04/02/2010 20:36	04/02/2010 20:36	0
	2441597	\$105.00	04/02/2010 20:49	04/02/2010 20:49	0
	2441603	\$21.00	04/02/2010 20:55	04/02/2010 20:55	0
	2441610	\$21.00	04/02/2010 21:11	04/02/2010 21:11	0
	2441613	\$10.00	04/02/2010 21:20	04/02/2010 21:20	0
	2441614	\$21.00	04/02/2010 21:22	04/02/2010 21:22	0
	2441615	\$21.00	04/02/2010 21:23	04/02/2010 21:23	0
	2441616	\$21.00	04/02/2010 21:27	04/02/2010 21:27	0
	2441625	\$105.00	04/02/2010 21:32	04/02/2010 21:32	0
	2441637	\$120.00	04/02/2010 21:41	04/02/2010 21:41	0

Transaction Report

From: 04/01/2010 00:00:00 To : 05/01/2010 00

HIP / CAP Payments

Inmate Name	Transaction #	Amount	Transaction Date	Change Date	Voided #
	2468445	\$11.00	04/30/2010 19:13	04/30/2010 19:13	0
	2468447	\$21.00	04/30/2010 19:32	04/30/2010 19:32	0
	2468449	\$28.00	04/30/2010 19:35	04/30/2010 19:35	0
	2468451	\$56.00	04/30/2010 19:38	04/30/2010 19:38	0
	2468452	\$26.00	04/30/2010 19:39	04/30/2010 19:39	0
	2468453	\$28.00	04/30/2010 19:40	04/30/2010 19:40	0
	2468454	\$28.00	04/30/2010 19:42	04/30/2010 19:42	0
	2468455	\$30.00	04/30/2010 19:43	04/30/2010 19:43	0
	2468462	\$10.00	04/30/2010 19:48	04/30/2010 19:48	0
	2468465	\$21.00	04/30/2010 19:49	04/30/2010 19:49	0
	2468467	\$42.00	04/30/2010 19:50	04/30/2010 19:50	0
	2468470	\$30.00	04/30/2010 19:56	04/30/2010 19:56	0
	2468473	\$21.00	04/30/2010 20:08	04/30/2010 20:08	0
	2468476	\$30.00	04/30/2010 20:18	04/30/2010 20:18	0
	2468478	\$40.00	04/30/2010 20:19	04/30/2010 20:19	0
	2468479	\$30.00	04/30/2010 20:21	04/30/2010 20:21	0
	2468485	\$28.00	04/30/2010 20:24	04/30/2010 20:24	0
	2468486	\$20.00	04/30/2010 20:25	04/30/2010 20:25	0
	2468487	\$31.00	04/30/2010 20:45	04/30/2010 20:45	0
	2468489	\$28.00	04/30/2010 20:49	04/30/2010 20:49	0
	2468490	\$25.00	04/30/2010 20:50	04/30/2010 20:50	0
	2468493	\$35.00	04/30/2010 20:53	04/30/2010 20:53	0
	2468496	\$28.00	04/30/2010 21:03	04/30/2010 21:03	0
	2468497	\$21.00	04/30/2010 21:04	04/30/2010 21:04	0
	2468500	\$50.00	04/30/2010 21:06	04/30/2010 21:06	0
	2468502	\$28.00	04/30/2010 21:07	04/30/2010 21:07	0
	2468503	\$28.00	04/30/2010 21:08	04/30/2010 21:08	0
	2468504	\$20.00	04/30/2010 21:10	04/30/2010 21:10	0
	2468505	\$35.00	04/30/2010 21:11	04/30/2010 21:11	0
	2468507	\$21.00	04/30/2010 21:13	04/30/2010 21:13	0
	2468512	\$28.00	04/30/2010 21:19	04/30/2010 21:19	0
	2468513	\$28.00	04/30/2010 21:26	04/30/2010 21:26	0
	2468515	\$22.00	04/30/2010 21:30	04/30/2010 21:30	0
	2468530	\$40.00	04/30/2010 21:34	04/30/2010 21:34	0
	2468546	\$56.00	04/30/2010 21:46	04/30/2010 21:46	0
	2468554	\$41.00	04/30/2010 21:58	04/30/2010 21:58	0
	2468556	\$28.00	04/30/2010 21:59	04/30/2010 21:59	0
	2468560	\$20.00	04/30/2010 22:07	04/30/2010 22:07	0
Total:		\$44,904.00			

Voided HIP / CAP Payments

Inmate Name	Transaction #	Amount	Transaction Date	Change Date	Voided #
	2441525	\$20.00	04/02/2010 19:15	04/02/2010 19:17	2441527 Y
	2409764	\$45.00	02/26/2010 18:00	04/13/2010 13:43	2450558 Y
	2415893	\$35.00	03/05/2010 19:02	04/13/2010 13:43	2450559 Y
	2422364	\$35.00	03/12/2010 17:45	04/13/2010 13:44	2450560 Y
	2452394	\$10.00	04/14/2010 21:55	04/15/2010 08:11	2452567 Y
	2414163	\$70.00	03/03/2010 19:48	04/15/2010 08:13	2452569 Y
	2414051	\$21.00	03/03/2010 17:09	04/15/2010 08:15	2452571 Y
	2452283	\$120.00	04/14/2010 20:18	04/15/2010 08:16	2452574 Y
	2453496	\$10.00	04/15/2010 21:16	04/15/2010 22:34	2453543 Y
	2454353	\$59.00	04/16/2010 17:52	04/20/2010 08:19	2456761 Y
	2459202	\$28.00	04/21/2010 17:07	04/21/2010 17:10	2459208 Y
	2460083	\$24.00	04/22/2010 17:02	04/22/2010 17:05	2460085 Y
	2464574	\$50.00	04/27/2010 11:10	04/27/2010 11:27	2464577 Y
Total:		\$527.00			

Total Payments:	\$44,904.00
Total Payments Voided:	(\$527.00)
	\$44,377.00

Appendix #3: IMS Outstanding Checks Procedures



Louisville Metro Department of Corrections



Business Management

IMS Outstanding Checks

Procedures for IMS Outstanding Checks Issued from the Inmate Account

Each month the bank statement is compared and reconciled with the IMS check register to determine the outstanding checks.

1. The LMDC Business Manager will generate a copy of the bank statement from online banking access and a copy of the IMS check register. The LMG Office of Management and Budget receives the original hard copy of the bank statement. Additionally, the LMDC Business Manager forwards a copy of the IMS check register to the LMG Office of Management and Budget.
2. Each issued check listed on the IMS check register is compared to each check that has cleared on the bank statement. If the check on the IMS check register has cleared on the bank statement, then it is checked off on the IMS check register.
3. After the check register has been reviewed in its entirety and it is determined which checks have cleared and which checks are still outstanding, the outstanding checks are recorded documenting the following information:
 - Check number
 - Check amount
 - Check date
 - Payee
 - Name of financial institution
4. The list of outstanding checks will be forwarded to the designated LMG Office of Management and Budget Staff who reconciles LMDC's list of outstanding checks against LMG Office of Management and Budget's list. If there are any discrepancies, the designated LMG Office of Management and Budget Staff will contact the LMDC Business Office for clarification and corrective action as required. The list of outstanding checks will be forwarded to the LMG Office of Management and Budget for use in the monthly reconciliation process.
5. Additionally, the LMDC Business Manager, while reviewing all outstanding checks, will compile a list of all stale dated outstanding checks (stale dated checks refers to checks that are at least six (6) months old). This document is prepared in the same format and contains the same information as the monthly outstanding checks list. This document is forwarded to the designated LMG Office of Management and Budget Staff for approval.
6. The LMDC Business Manager shall forward a list of outstanding checks to the Property Sergeant who shall cancel the checks and restore the funds to the appropriate inmate and bank account.

	<u>LOUISVILLE METROPOLITAN DEPARTMENT OF CORRECTIONS</u> DEPARTMENTAL POLICY Chapter: Institutional Operations Section: Property	
	Index Number: 03-6.02	Title: Positive Identification and Release of an Inmate
Supercedes: 4/25/2008		
Approved By: <i>[Signature]</i>	Effective Date: 06/19/2009	
OD:	DB: 03-6.02-1 03/09/2009	PO:
Governing Authority: <i>William E. Hummel</i>	Date: 06/04/2009	

I. POLICY

Prior to any inmate being released from the custody of the Louisville Metro Department of Corrections (LMDC), positive identification of the inmate shall be completed. The authority to release the inmate shall be verified through the Records Department. All confiscated inmate personal property shall be returned to the inmate upon release, unless said property is confiscated by Court Order.

II. SOURCES

Kentucky Revised Statute KRS 441.055 Regulation of Jails – Adoption and revision of standards.
 Kentucky Administrative Regulation 501 KAR 3:120. Admission; searches and release.
 ACA Standards for Adult Local Detention Facilities 4th Edition 4-ALDF-5B-18

III. DEFINITIONS

Allowable Property: Items inmates are permitted to maintain in their possession while in the custody of Louisville Metro Department of Corrections.

Classified Housing: Inmate security holding areas and/or inmate living/housing assignments.

Confiscated Property: Unauthorized items confiscated by Louisville Metro Department of Corrections staff from an inmate.

I.D. Code Band: Identification armband issued to each inmate in Louisville Metro Department of Corrections custody, identifying them by name, race, sex, CIN, booking number, booking date and photo.

I.D. Code Card: A color-coded card issued to Work Release inmates for identification purposes, bearing the inmate’s photo, name, date of birth, race, sex, CIN and date of entry.

Indigent: Inmates having less than \$5.00 on their account.

Information Management System (IMS): Computerized inmate record keeping system utilized by the Department.

Personal Property: Inmate belongings such as jewelry, wallets, keys, etc.

Storage Bag: Assigned bag issued to inmates for the maintenance of allowable personal property in their assigned living area.

IV. AUDIT FREQUENCY

This policy shall be reviewed annually.

V. APPLICABILITY

This policy is applicable to all Property/Intake Staff and the assigned Release Officer of Louisville Metro Department of Corrections.

VI. PROTOCOL

Procedures for releasing inmates from the facility at the end of their term include, but are not limited to, the following:

- Identification of outstanding warrants, wants or detainers.
 - Verification of identity.
 - Verification of release papers.
 - Completion of release arrangements, including notification of the parole authorities in the jurisdiction of release, if required.
 - Return of personal property.
 - Verification that no facility property leaves the facility.
 - Arrangements for completion of any pending action, such as grievances or claims for damages or lost possessions.
 - Medical screening and arrangements for community follow-up where needed, to include medication.
 - Instructions for forwarding or return of mail.
- A. When an inmate is to be released from LMDC, the Records Department shall complete the appropriate entries into IMS and generate copies of the inmate's release (LMDC policy 01-5.05 Releases). The copies shall then be forwarded to the Release Officer and the Property Section.
- B. Pre-Release Procedures – Security Staff
1. Upon receiving a release, the Release Officer shall contact the appropriate Area Control Room, and advise they are enroute to escort the inmate to the Booking Floor.
 2. The Area Control Room Officer shall notify the assigned Security Officers, who shall verify the inmate to be released by checking the inmate's I.D. Code Band prior to removing them from the housing area.
 3. The assigned Security Officer shall ensure the inmate has the following items prior to departing the floor:
 - a. Assigned Storage Bag with all personal property;
 - b. Two (2) sheets;
 - c. One (1) pillowcase;
 - d. One (1) towel; and
 - e. One (1) blanket.
 4. Inmates to be released shall be escorted by the Release Officer to the designated hold area(s) on the Booking Floor for the completion of the release process. The Area Control Room Officer shall notify the Area Sergeant if the inmate has not been

- escorted to the Booking Floor within thirty (30) minutes from receiving notification from the Release Officer.
5. The Release Officer shall verify the inmate's identity by checking the inmate's I.D. Code Band and accessing the inmate's photo on IMS and visually verifying/comparing with the inmate.
 6. The Release Officer shall have the inmate verify the following information:
 - a. Name;
 - b. Address;
 - c. Social Security Number; and
 - d. Date of Birth.
 7. If, at any time any discrepancies arise as to an inmate's identity, the IMS system is down or there is no photo in IMS, the Release Officer shall have identification verified by the Identification Lab based upon fingerprint analysis.
 8. Once the Release Officer has ensured proper identification of the inmate, the officer shall sign and have the inmate sign the copy of the release and forward it to the Property Section. The Release Officer shall then escort the inmate to the Property Staging Area for the completion of the release process.

C. Final Release – Property Section

1. Upon receiving a copy of the inmate's release, the Property Officer assigned to the Middle Property Window shall access IMS and retrieve the appropriate information.
2. The Property Officer shall verify the inmate's identity by checking the inmate's I.D. Code Band and by accessing the inmate's photo on IMS and visually verifying/comparing with the inmate.
3. The Property Officer shall verify in IMS that the assigned Storage Bag is being returned, and release it from IMS.
 - a. If the Storage Bag being returned is not the one assigned to the inmate, the inmate's account shall be charged twenty-five dollars (\$25.00) for the replacement of the assigned Storage Bag.
 - b. If the inmate does not have their assigned Storage Bag (i.e., lost), the inmate's account shall be charged twenty-five dollars (\$25.00) for the replacement of the Storage Bag.
4. Inmate funds shall not be released from IMS until the assigned Storage Bag has been returned, or the inmate's account has been charged for the replacement of the Storage Bag.
5. After the inmate's identity has been verified, the inmate's personal property shall be returned.
 - a. The Property Officer shall retrieve the inmate's personal property and/or clothing.
 - b. If applicable, the Property Officer shall instruct the inmate to enter one of the dressing booths to change from issued jail attire to their personal clothing.
 - c. Jail attire and the issued linen brought from the housing area (sheets, towels, blankets, pillow case and laundry bag) shall be placed in the laundry bins provided. The Property Officer shall ensure inmates are not released from the facility with jail attire or linen.
 - d. The Property Officer, in the presence of the inmate, shall open the property bag and inventory all property to ensure all items stored are accounted for.

- e. The Property Officer shall have the inmate sign a receipt for the returned personal property.
 - f. Inmates released with an account balance of twenty dollars (\$20.00) or less shall receive cash. For all account balances greater than twenty dollars (\$20.00), the inmate shall receive up to twenty dollars (\$20.00) in cash and the remainder of the balance shall be issued by check.
 - g. The Property Supervisor shall be notified of any discrepancies locating property or establishing an inmate's identity.
6. The inmate shall be released via the Property Security Vestibule to the Exit Lobby on Liberty Street, or to the representative of another agency, if appropriate.

D. Issuance of Shoes and Appropriate Clothing Prior to Release

An inmate shall not be permanently released or transferred to another facility without shoes and/or appropriate clothing.

1. The Middle Property Window Officer shall ensure the inmate being permanently released has shoes and/or the appropriate clothing.
 - a. Issuance of Shower Shoes
Shower shoes shall only be issued to inmates that do not have shoes or who are indigent. All other inmates can order shower shoes from commissary.
 - b. Issuance of Clothes
During periods of inclement weather, staff shall ensure the inmate has appropriate clothing to wear.
2. Staff shall provide inmates the opportunity to make a free phone call to have appropriate clothing brought to the facility prior to being released.
3. The Property Section may have appropriate clothing in the Property Room to give an inmate prior to being released.

E. Inmate Property – Lost or Missing

In the event the inmate's property cannot be located, the following procedure for reporting and investigation shall be adhered to.

1. Lost/Missing Property
 - a. If an inmate's property cannot be located at the time of release, or the inmate claims property items are missing, the Property Officer shall conduct an initial search for the property, including a comparison of those items the inmate claims is missing to those items inventoried in IMS.
 - b. If the inmate wishes to file a claim, the Property Officer shall provide the inmate a Lost/Missing Property Claim Form (03-6.02-1).
 - i. All claims shall be filed at the time of release. Claims submitted after release shall not be accepted.
 - ii. The Lost/Missing Property Claim Form (03-6.02-1) shall be completed in its entirety. Incomplete forms shall not be accepted.
 - c. The Property Supervisor shall complete all Lost/Missing Property Claim investigations within thirty (30) days of receiving the Lost/Missing Property Claim Form (03-6.02-1).

- d. The Property Supervisor shall determine the validity of the claim. The Property Supervisor shall notify the claimant when a determination on the validity of the claim has been reached.
- e. If the claimant is not satisfied with the decision, and they wish to proceed further, the Property Supervisor shall inform them to contact Metro Call at 311 or 574-5000 to file a claim for missing property while in custody.
- f. Louisville Metro Government adjusters shall contact the Property Supervisor to obtain further assistance, if necessary.

2. Lost Checks

- a. Released inmates claiming a check issued to them by the Department has been lost or stolen shall be advised, in accordance with bank procedures, they will have to wait ninety (90) days from the date of issue to ensure the check does not clear the bank.
- b. After ninety (90) days, if the check does not clear, the bank automatically voids the check.
- c. Once the ninety (90) days has expired, the Property Supervisor shall verify, with the bank, that the check did not clear. If the check did not clear and the bank has voided it, a new check shall be issued. If the check cleared, the Property Supervisor shall assist with any investigation.

Appendix #4: Procedures for completing transactions on Inmate Accounts



Louisville Metro Department of Corrections



Property

Register 701 (Public Lobby)

Procedures for completing transactions on Inmate Accounts

Deposits

General Deposits

In the IMS Navigator:

- IMS
 - Funds
 - Transactions
 - ADD
 - Trans → DEP (Deposit)
 - Funds Type → Money Order/Cash
 - Tab to PARTY DETAILS → enter the inmate's Booking Number
 - Highlight/Select inmate's active account
 - Tab to FIND
 - Highlight/Select → GENERAL ACCOUNT
 - Tab to SAVE

Two (2) receipts will be generated; one receipt will be provided to the individual making the deposit and the other will be provided to the inmate.

Western Union

In the IMS Navigator:

- IMS
 - Funds
 - Transactions
 - ADD
 - Trans → WUD (Western Union Deposit)
 - Funds Type → Western Union
 - Tab to PARTY DETAILS → enter the inmate's Booking Number
 - Highlight/Select inmate's active account
 - Tab to FIND
 - Highlight/Select → GENERAL ACCOUNT
 - Tab to SAVE

Two (2) receipts will be generated; one receipt will be attached to the Western Union print out and the other will be provided to the inmate.

When an inmate has been released from LMDC custody and a Western Union is received for that particular inmate or Property Staff are unable to verify the inmate the deposit is for, Property Staff shall notify Western Union and advise the deposit is unable to be completed.

Property Staff shall provide the MTCN and Western Union will void the transaction. The voided transaction confirmation shall be attached to the original Western Union deposit print out. Both shall be included in the shift paperwork.

Internet, Phone, EZ Pay kiosk Deposits to Inmate Accounts (EZ Pay System)

Notification is sent to Property Staff by the EZ Pay System when a deposit is made.

In the IMS Navigator:

- IMS
 - Funds
 - Transactions
 - ADD
 - Trans → TP_CDP (EZ Pay System)
 - Funds Type → EZ Touch Pay
 - Tab to PARTY DETAILS → enter the inmate's Booking Number
 - Highlight/Select inmate's active account
 - Tab to FIND
 - Highlight/Select → GENERAL ACCOUNT
 - Tab to SAVE

Two (2) receipts will be generated; one receipt will be attached to the EZ Pay System print out and the other will be provided to the inmate.

Internet, Phone, EZ Pay kiosk to Bond Payment to Inmate Bond Account

In the IMS Navigator:

- IMS
 - Funds
 - Transactions
 - ADD
 - Trans → TP_BDP (Inmate Bond Account)
 - Funds Type → EZ Touch Pay
 - Tab to PARTY DETAILS → enter the inmate's Booking Number
 - Highlight/Select inmate's active account
 - Tab to FIND
 - Highlight/Select → GENERAL ACCOUNT
 - Tab to SAVE

Two (2) receipts will be generated; one receipt will be attached to the EZ Pay System print out and the other will be provided to the inmate.

Transfer Bond from Inmate Bond Account to Facility Bond Account

In the IMS Navigator:

- IMS
 - Funds
 - Transactions
 - ADD

- Trans → TRANBD → Inmate's CIN
 - SAVE

Two (2) receipts will be generated; one receipt will be maintained in Property and the other will be provided to the inmate.

****NOTE**** Once a payment has been made through EZ Pay System that covers the inmate's bond, notifications will be sent to District Court, LMDC Records Department and LMDC Property.

HIP Payments

In the IMS Navigator:

- IMS
 - Admin
 - Custody Alternatives
 - Case Maintenance
 - Enter CIN
 - Highlight/Select inmate's active account
 - Funds Transactions
 - ADD
 - Trans Type → CAP (Custody Alternative Program)
 - Funds Type → Money Order/Cash
 - Party Detail
 - In the FROM → Inmate Name and CIN
 - FIND
 - Highlight/Select HIP Account
 - SAVE

Two (2) receipts will be generated; one receipt will be provided to the inmate making the payment and the other will be maintained in Property.

Third Party Release of Funds

In the IMS Navigator:

- IMS
 - Funds
 - Transactions
 - ADD
 - Trans → REL (Release)
 - Funds Type → Check → Check Number
 - Tab to PARTY DETAILS → enter the inmate's Booking Number and CIN
 - Tab to FIND
 - Highlight/Select → inmate's active account
 - Tab to TO → enter the name of whom the check is payable
 - SAVE
 - Check Number will be displayed in a dialog box, verify the number is correct
 - Select CHECK PRINTER
 - OK

The check will print. Issue the check to the appropriate party. The check stub will be maintained in the Check Stub box in Property.

****** All of the above transactions will be logged in the appropriate Ledger Book. ******

CLOSING REGISTER/RECONCILE

The on coming officer(s) will count all monies and money orders.

1. Funds will be counted and verified with the IMS Register Report.
2. After funds have been reconciled, the off going officer(s) will close the register and both the off going and on coming officers will sign the IMS Register Report and Shift Report.
3. The amounts will be documented on the Shift Report.
4. Both officers will sign the Register Report, Shift Report and the bag of monies and money orders to be deposited in the safe.

	LOUISVILLE METROPOLITAN DEPARTMENT OF CORRECTIONS	
	DEPARTMENTAL POLICY	
Chapter: Institutional Operations		
Section: Property		
Index Number:	03-6.01	Title: Inmate Property and Money
Supercedes:	4/25/2008	
Approved By:	<i>[Signature]</i>	Effective Date: 7/20/2009
OD:		DB:
Governing Authority:	<i>William E. Hummel</i>	PO:
		Date: 7/9/09

I. POLICY

Louisville Metro Department of Corrections (LMDC) shall provide space for the safe and secure storage of inmate personal property. The Department has established and operates an Inmate Fund for the safeguarding of inmate money. Inmates shall not be subjected to personal abuse, corporal punishment, personal injury, disease, property damage or harassment. Inmate property shall be protected.

II. SOURCES

Kentucky Revised Statutes KRS 67.594 Use of property as evidence – Disposition.
 Kentucky Revised Statutes KRS 441.055 Regulation of Jails – Adoption and revision of standards.
 Kentucky Revised Statutes KRS 500.090 Forfeiture.
 0020Kentucky Administrative Regulations 501 KAR 3:080. Sanitation; hygiene.
 Kentucky Administrative Regulations 501 KAR 3:120. Admission; searches and release.
 ACA Standards for Adult Local Detention Facilities 4th Edition 4-ALDF-2A-20, 21, 23, 24, 26, 6A-07* and 7D-16

III. DEFINITIONS

Action Request Form: A written request from an inmate asking for a specific action to be taken. For the purposes of this policy, Action Requests sent to the Property Section pertain to a request listing specific allowable property.

Allowable Property: Personal items inmates may retain while in custody, unless otherwise restricted, that are not considered contraband, and meet the limit restrictions as determined by the Department.

Classification: The process for determining the needs and requirements of those for whom confinement has been ordered and for assigning them to housing units and programs according to their needs and existing resources.

Confiscated Property: Inmate personal property retrieved from inmates and stored in the Property Room.

Confiscated Property Receipt Form: Form, in quadruplicate, listing confiscated inmate property.

Contaminated Property/Money: Any item containing unidentified fluids or substances making it unfit for use. Appropriate precautions shall be utilized when handling such items.

Departmental Rubber Stamp: Device bearing the name and applicable account number(s) utilized to endorse checks or money orders for deposit.

Exchange Transaction: The activity or "trade" of items that is documented in IMS and Property Ledgers. For the purposes of this policy, exchange transaction pertains to the exchange of a set of clothing for another set of clothing for court appearances.

Information Management System (IMS): Computerized inmate record keeping system utilized by the Department.

Move List: A listing of inmates, prepared by Classification Staff and printed from IMS, scheduled to be moved from one housing unit to another.

PCI: Prisoner Classification Interviewer.

Property and Money Release Form: A form authorizing LMDC to release an inmate's personal property and/or money to a designated party.

Property Ledger: A logbook utilized at each designated property window for the documentation of the activity and transactions completed pertaining to inmate property and/or account.

Reasonable Suspicion: An articulable belief or fact, taken together with rational inferences from those facts, that an inmate is or is about to be engaged in criminal activity or justifies searching a person or their belongings due to the threat of safety.

Receipt: The written acknowledgment of property and/or money received.

Restitution: Court ordered compensation for loss, damage or injury.

Storage Bag: Assigned bag issued to inmates for the maintenance of allowable personal property in their assigned living area.

Storage Location: The appropriate location of held inmate property as listed in IMS, inclusive of property bags, bins, hangers and shelves.

IV. AUDIT FREQUENCY

This policy shall be reviewed annually.

V. APPLICABILITY

This policy is applicable to all staff and inmates of Louisville Metro Department of Corrections.

VI. PROTOCOL

LMDC shall provide an itemized inventory of all personal property of newly admitted inmates and secure storage of inmate property, including money and other valuables. Inmates shall be provided a receipt for all property held until released from custody.

A. Initial Intake

1. Inmates and their property shall be immediately searched upon admittance into the facility.

2. The assigned Property Officer shall complete an itemized inventory of all personal property, including the total amount of money in the inmate's possession, in IMS.
3. If an inmate has \$500.00 or more in their possession, the Booking Floor Sergeant shall count and verify the amount and indicate the amount on the property bag.
4. Individuals requesting to place additional items in the property of any inmate in LMDC custody (i.e., "Drop-offs") shall be prohibited, unless the inmate is housed at CCC for the Work Release Program or authorized by the Director/designee.
5. The Property Officer shall assign an appropriate storage location in IMS.
6. Two (2) receipts shall be generated. The inmate shall sign and date one (1) receipt to be maintained with the inmate's property. The other receipt shall be provided to the inmate.
7. In the event the inmate is disruptive/combative, intoxicated/inebriated, is a mental inquest detainee, mentally ill or retarded, or medically unable to sign the receipt, the Property Officer shall have the Booking Floor Sergeant sign the receipt acknowledging the inmate was unable to sign. As soon as the inmate is able to understand and account for their actions, the inmate shall sign the receipt.
8. The Property Officer shall document the transaction in the appropriate Property Ledger.
9. Contaminated money shall be deposited to the inmate's account, properly stored and marked until forwarded to the bank for removal from circulation in accordance with bank guidelines.
10. Counterfeit Money
Property Officers shall inspect all cash brought into the facility to ensure authenticity by verifying the money through the cash counter, which detects counterfeit money. Upon discovering counterfeit money, the Property Officer shall:
 - a. Secure the counterfeit money;
 - b. Notify the Property or Booking Floor Supervisor;
 - c. Contact the Secret Service; and
 - d. Where possible, determine origin.

B. Personal Clothing and Issuance of Jail Attire and Linen

Prior to assigning inmates to permanent inmate living areas, LMDC shall provide inmates the opportunity to shower and issue clean, laundered jail attire and bed linen.

1. Upon placement on the Move List by the appropriate Classification Staff, the inmate shall be escorted to the designated area for the issuance of jail attire and bed linen.
2. The inmate shall be provided the appropriate jail attire in exchange for their personal clothing. Inmates shall be allowed to keep their briefs or boxers, white socks and white tee-shirt or undershirt.
3. The inmate shall be provided the opportunity to shower prior to being escorted to their assigned housing unit.
4. Qualified Medical Staff shall conduct a visual skin assessment and tuberculosis (TB) skin test.
5. The assigned Property Officer shall complete an itemized inventory of the inmate's personal clothing and assign it to an appropriate storage location.
6. The assigned Property Officer shall issue the inmate a numbered Storage Bag, logging the Storage Bag number in IMS. Each Storage Bag shall contain the following:
 - a. Two (2) sheets;
 - b. One (1) pillowcase;
 - c. One (1) blanket;
 - d. One (1) pair of shower shoes, if needed;
 - e. One (1) hygiene kit.

7. A receipt shall be generated. The inmate shall sign and date the receipt to be maintained with the inmate's property.
8. In the event the inmate is disruptive/combative, intoxicated/inebriated, is a mental inquest detainee, mentally ill or retarded, or medically unable to sign the receipt, the Property Officer shall have the Booking Floor Sergeant sign the receipt acknowledging the inmate was unable to sign. As soon as the inmate is able to understand and account for their actions, the inmate shall sign the receipt.

C. Inmate Access to Personal Property

1. Any inmate housed at LMDC may submit a request to have allowable personal property retrieved from the Property Section.
2. To request allowable personal property, the inmate shall complete an Action Request Form (04-1.01-1), specifically listing those items to be retrieved.
3. The assigned PCI shall collect and review the Action Request Form (04-1.01-1) ensuring it is properly completed. The PCI shall then forward the form to the Property Section.
 - a. The form shall include the inmate's name, CIN and housing assignment.
 - b. The form shall list only allowable property to be retrieved from the inmate's property.
 - c. The form shall be signed by the inmate requesting the property, the PCI retrieving the property and the Property Officer completing the request.
 - d. After the request is completed, the PCI shall retrieve the property from the designated Classification cabinet in the Property Room, and deliver it to the requesting inmate.
4. All requests shall be completed within twenty-four (24) hours by Property Staff.
5. If the requested property can not be retrieved for any reason, it shall be noted on the request form and forwarded to the inmate.
6. Incomplete requests shall be returned to the inmate with an explanation for proper completion.
7. If an inmate's housing assignment has changed since the request was completed, the PCI shall note the change on the form and ensure the property is delivered appropriately.
8. Any questions and/or issues pertaining to the inmate's property shall be directed to the Property Supervisor.
9. Community Corrections Center (CCC) Inmate Access to Property
 - a. Inmates assigned to CCC not having court ordered releases shall adhere to the above procedure to gain access to their property.
 - b. The assigned PCI at CCC shall forward all Action Requests (04-1.01-1) for property to the Intake Officer for completion.
 - c. Inmates with court ordered releases have access to their allowable property, secured in their living area, subject to the release program limitations and restrictions pertaining to personal property in their possession.
10. Completed forms shall be filed with the shift paperwork.

D. Allowable Property

The following lists of items shall be allowed in the inmate living areas, unless restricted otherwise.

1. Males:

- a. Seven (7) tee-shirts and/or undershirts, white without writing (limit of seven (7) combined);
- b. Briefs and/or boxers (limit of seven (7) combined);
- c. Seven (7) pairs of white socks;
- d. One (1) pair of shoes or boots, any type except steel toe;
- e. One (1) pair of shower shoes;
- f. Two (2) sets of thermal underwear (white);
- g. One (1) pair of gym shorts (orange); and
- h. One (1) cubic foot of legal paperwork, papers and books. Legal work over the allowable limit shall be approved, in writing, by the supervisor with set time limitations.

2. Females:

- a. Seven (7) panties;
- b. Seven (7) bras, no wire;
- c. Seven (7) pairs of white socks;
- d. Seven (7) tee-shirts and/or undershirts, white without writing (limit of seven (7) combined);
- e. One (1) pair of shoes, any type except steel toe or high heel over one (1) inch, to include platform or wedge;
- f. One (1) pair of shower shoes;
- g. Two (2) sets of thermal underwear (white);
- h. One (1) pair of gym shorts (orange); and
- i. One (1) cubic foot of legal paperwork, papers and books. Legal work over the allowable limit shall be approved, in writing, by the supervisor with set time limitations.

3. Hygiene Items:

- a. Soap with dish;
 - b. Toothbrush with case;
 - c. Toothpaste;
 - d. Shampoo;
 - e. Conditioner;
 - f. Powder;
 - g. Plastic comb;
 - h. Deodorant;
 - i. Lotion;
 - j. Lip balm (any brand);
- The above listed items shall be limited to two (2) each; and
- k. Female hygiene items (sanitary napkins).

4. Commissary:

Unopened commissary from other agencies, similar to what can be purchased at LMDC, shall be allowed.

- a. No aerosol or spray bottles of any kind shall be allowed.
- b. No alcohol based products.

5. Magazines:

Only ten (10) Departmental magazines shall be allowed per dorm.

6. All allowable personal property shall be maintained in the Storage Bag, to be stored under the inmate's assigned bed in their living area. Inmates assigned to the top bunk of a double bunk shall store their assigned Storage Bag under the bottom bunk. The inmate shall be responsible for the maintenance of their assigned Storage Bag and allowable personal property.

E. Confiscated Inmate Property

1. Confiscated property shall be appropriately stored in the Department's Property Room.
2. Temporary confiscation of inmate property may occur as the result of disciplinary sanctions, hospital admission, and temporary release to another agency, etc.
3. The officer confiscating the property shall be responsible for listing the items on the Confiscation Form, and providing a receipt to the inmate.
4. Contraband items, including money and allowable property over the specified limit, shall be subject to forfeiture in accordance with KRS 500.090. Confiscated contraband items, such as illegal drugs and weapons, shall be processed in accordance with LMDC policy 03-2.25 Contraband Control. Perishable food items shall be properly disposed.
5. Confiscation Form
 - a. A completed Confiscation Form shall include the following information:
 - i. Inmate's name, Booking and/or CIN number(s) and housing location;
 - ii. Money amount or "NONE";
 - iii. Listing of all items confiscated from the inmate;
 - iv. Confiscating officer's signature;
 - v. Property Officer's signature and date; and
 - vi. Inmate's signature and date.
 - b. If an inmate refuses to sign the Confiscation Form, the officer shall note "Inmate Refused to Sign" on the Defendant Signature line.
 - c. The Area Supervisor shall sign below the refusal acknowledging the inmate's refusal to sign.
 - d. The duplicate copies of the Confiscation Form shall be distributed as follows:
 - i. **Blue Copy:** Maintained on file in the Property Room (Jail Complex and CCC Intake – to be filed with shift paperwork)
 - ii. **Yellow Copy:** Placed with the confiscated property
 - iii. **Pink Copy:** Inmate receipt
 - iv. **White Copy:** Attached to the outside of the storage location (hard card)
6. Confiscated property shall be delivered to the Property Room for proper inventory and storage.
7. Area Supervisors shall ensure any confiscated property is delivered to the Property Section as soon as the property is collected.
8. The Property Officer shall review the form and enter the appropriate inventory in IMS, ensuring the Confiscation Form and confiscated items match.
9. The Property Officer shall note on the Confiscation Form the storage location of the property prior to distributing the duplicate copies.
10. In the event LMDC staff confiscate an inmate's shoes (i.e., steel toes, high heels, etc.), the staff member shall issue the inmate appropriate foot wear.

11. If an inmate is placed in a housing area (i.e., Disciplinary or Administrative Segregation, Mental Health Observation, etc.) with property restrictions, the assigned Security Officer shall deliver the inmate's personal property in the Storage Bag to the Property Room for appropriate storage until the property restrictions are no longer in place.
12. Return of Confiscated Property
 - a. Confiscated property shall be returned to inmate's when:
 - i. Returning to the facility from the hospital, Kentucky Correctional Psychiatric Center (KCPC), Central State Hospital (CSH), medical admission or from the custody of another law enforcement agency.
 - ii. Property restrictions are no longer in effect (disciplinary, medical/mental health review, etc.).
 - iii. Release from custody.
 - b. Inmates returning to the facility from the hospital, KCPC, CSH, other agency or having property restrictions lifted, shall submit an Action Request (04-1.01-1) to request the return of the confiscated property.

F. Inmate Accounts – General Provisions

LMDC Property Section shall be responsible for all monies received pertaining to inmate accounts. Receipts and documentation in Property Ledgers shall be required for all transactions completed on an inmate's account. The below procedures shall govern the operation of the fund established for inmates. Any interest earned on monies, other than operating funds, shall accrue to the benefit of the inmates.

1. Money retrieved from initial intake (fresh arrests) and from inmates from other agencies, shall be recorded in the Property Ledger and the amount entered into IMS at the Property Intake Window.
2. Deposits to inmate accounts and Home Incarceration Program (HIP) Fee Payments shall be accepted at the Front Property Window.
3. All transactions on an inmate's account shall be documented in the appropriate Property Ledger.
4. Money orders and checks received shall be endorsed with the Departmental Rubber Stamp.

G. Deposit to Inmate Account

LMDC shall receive, transfer and credit money to the account of any inmate submitted by family or members of the general public. Western Union Deposits and Money Orders shall be the only forms accepted for deposit to inmate accounts. Cash, personal and business checks shall not be accepted. Checks from other correctional agencies shall be accepted for deposit to inmate accounts.

I. Western Union

- a. The blue Quick Collect Western Union Form shall be utilized as follows:

Pay to:	Louisville Metro Corrections
Code city:	JCCDLOU
State:	KY
Account number:	Inmate CIN
Attention:	Inmate's name

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- b. Upon receipt of the Western Union Form, a bank deposit shall automatically be made and a receipt shall be generated to confirm the deposit. The transaction shall be recorded in the Property Ledger and entered into IMS. A receipt shall be forwarded to the inmate advising them of the deposit.

2. Money Orders

- a. Money orders for deposit to inmate accounts shall be accepted Monday through Friday from 7:30am to 10:30pm.
- b. Any type of money order shall be acceptable for deposit.
- c. Money orders shall be properly completed, or they shall not be accepted.
- d. Money orders shall be made payable to Metro Corrections Inmate Fund (MCIF). The abbreviation MCIF shall be acceptable.
- e. The address line of the money order shall be utilized for the inmate's name and CIN.
- f. The signature line shall be utilized for the signature of the individual who purchased the money order and/or the individual who is depositing the money order if they are not the same person.
- g. The individual depositing the money order shall provide a valid government issued photo ID (i.e., state issued driver's license or identification card, TARC ID card, passport, etc.), or the money order shall not be accepted. School ID, Social Security Card, employee ID, etc., are not acceptable forms of ID.
- h. The amount of the money order, money order number and the name and ID number of the individual depositing the money order shall be entered in IMS and recorded in the Property Ledger.
- i. Two (2) receipts shall be generated. One (1) receipt shall be provided to the individual depositing the money order and the other receipt is retained for the inmate.

3. Home Incarceration Program (HIP) Fee Payments

- a. HIP payments shall be accepted at the Front Property Window on Saturday and Sunday from 8:00am through 10:00 pm.
- b. Money orders and cash shall be the only forms of payment accepted.
- c. Participants making a payment on a day other than Saturday or Sunday shall be required to obtain a Payment Authorization Form completed by HIP Staff prior to the payment being accepted.
- d. Two (2) receipts shall be generated. One (1) receipt shall be provided to the participant as proof of payment and the other receipt shall be retained by the Property Officer to be filed with the shift paperwork.
- e. The Property Officer shall record the transaction in the Property Ledger.

H. Receipt Distribution to Inmates

Classification Staff (PCIs) shall check for and retrieve the inmate money receipts from the designated Classification cabinet, located in the Property Room, on a daily basis.

- 1. The receipts shall be distributed to the inmates in the respective areas by the assigned PCI.
- 2. If the PCI receives a receipt for an inmate who is no longer housed in the respective area, the PCI shall determine the current housing area and immediately forward the receipt.
- 3. If the inmate has been released from custody, the receipt shall be destroyed.

I. Employee Deposit to an Inmate Account

1. Any employee requesting to deposit money to an inmate account shall obtain prior approval in writing from the Shift Commander if the inmate is in pre-arraignment status, and the appropriate Deputy Director if the inmate is assigned to a designated housing unit.
2. If an employee is acting on behalf of a third party, both the employee's name and the third party's name shall appear on the deposit receipt.
3. All instances in which an employee is involved in the deposit of money to an inmate's account, the employee's name shall appear on the deposit receipt.

J. Drop Box and Bank Deposits

1. All money collected shall be placed in the secured Property Money Drop Box at the end of each shift. The designated Property Supervisor shall count and verify all monies secured.
2. Bank deposits shall be conducted on a daily basis by the designated Property Supervisor, excluding weekends and holidays.

K. Transfer of Inmate Funds to Court**1. Fines, Court Costs and/or Bonds**

- a. The transfer of money to court for the purpose of paying fines, court costs or bonds shall only be completed for those inmates that do not have local resources available to them, with exceptions approved by the Classification Supervisor.
- b. The inmate shall sign a Property and Money Release Form (03-6.01-1) authorizing money to be released from their account.
- c. The PCI shall present a completed Property and Money Release Form (03-6.01-1) to the Property Officer for the amount required to pay fines, court costs and/or bonds.
 - i. The Property Officer shall verify the amount required is available in the inmate's account.
 - ii. The PCI, Property Officer and either the Classification or Property Supervisor shall sign and date the Property and Money Release Form (03-6.01-1).
 - iii. The Property Officer shall issue a check, payable to the appropriate court, to the PCI for the required amount from the inmate's account.
 - iv. The Property Officer shall record the transaction in the Property Ledger and file the completed Property and Money Release Form (03-6.01-1) with the shift paperwork.
 - v. The PCI shall deliver the check to the appropriate Clerk's Office for payment.
 - vi. The payment of fines, court costs and/or bonds shall be completed in the inmate's name and a receipt of the transaction provided to the inmate.

2. Federal Court Filing Fees

The Property Supervisor, in accordance with a Federal Court Order pertaining to filing fees, shall monitor an inmate's account and complete the appropriate payments to the court clerk.

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- a. The Property Supervisor shall check the inmate's account at least three (3) times per week to verify if funds are available to complete payment to the court clerk in accordance with the court order.
- b. If funds are available, the Property Supervisor shall generate a check, issued from the inmate's account, for the appropriate amount as stipulated by the court order. The check shall then be forwarded to the court clerk.
- c. All transactions shall be documented and maintained on file with the court order in the Property Supervisor's Office.
- d. If the inmate is released from custody or to another agency, the Property Supervisor shall forward notice to the court clerk advising of such.

L. Inmate Account Restrictions

1. Inmates owing the Department money, restitution or by court order, shall have their account restricted until payment is made.
2. If an inmate's account is restricted, releases from that account or commissary purchases shall not be permitted until payment is made and the account returns to unrestricted status. Deposits to the inmate's account shall continue to be permitted.
3. Upon the determination an inmate's account is to be restricted, a Notification of Inmate Account Restriction (03-6.01-2) shall be completed and approved by the Director/designee, and a copy forwarded to the inmate.
4. Inmate accounts shall be restricted in response to and in accordance with court orders, account activity investigations, debit to the Department and restitution orders.
5. Notification of Inmate Account Restriction (03-6.01-2)
 - a. The staff member requesting the restriction shall complete the Notification of Inmate Account Restriction (03-6.01-2).
 - b. The staff member shall provide the inmate the opportunity to respond to the restriction in the space provided on the form.
 - c. The staff member shall then forward the form to the Director/designee for review and approval.
 - i. If approved, the requesting staff member shall provide a copy to the inmate, Records Department and Property Section.
 - ii. Upon receipt of the form, the Property Section shall place the appropriate restrictions on the inmate's account.
 - iii. If disapproved, no restrictions shall be placed in the inmate's account, and any temporary restrictions shall be removed.
 - d. If the need to place restrictions on an inmate's account exist prior to approval from the Director/designee (i.e., Professional Standards Unit investigation, added criminal charges, destruction of jail property, etc.), the requesting staff member shall notify the Property Section to restrict the inmate's account pending approval. The staff member shall have twenty-four (24) hours to obtain an approved Notification of Inmate Account Restriction (03-6.01-2).
 - i. If approved, the restriction shall remain in place.
 - ii. If disapproved, the Property Section shall be notified and remove any temporary restrictions.

6. Inmate Account Activity Investigations

- a. If reasonable suspicion exists that an inmate has obtained money in their account by engaging in illegal activities or by violating federal or state law or facility rules, the inmate's account may be restricted to allow for a thorough investigation.
- b. Inmate accounts restricted for investigation purposes shall not exceed a six (6) month period. Any extensions shall be approved by the Director/designee.
- c. If the investigation determines no cause for action, all restrictions shall be removed.

7. Restitution

- a. If a court determines restitution for damage to jail property is appropriate, the inmate shall be requested to authorize disbursement from their account and sign a Property and Money Release Form (03-6.01-1). If the inmate refuses to authorize disbursement, all or the appropriate portion of the account balance shall be seized in accordance with the restitution order.
- b. The Property Supervisor shall generate a check, issued from the inmate's account, payable to Louisville Metro Government for the specified amount, and forward it to the Department's Business Office for the appropriate processing.

M. Inmate Property and/or Money Release (Third Party)

Upon authorization from the inmate, LMDC shall release inmate property and/or money to persons other than the inmate, provided all property is released to the third party except for the inmate's clothing to be worn upon release. Partial property releases shall not be permitted, unless court ordered or approved by the Director/designee.

1. General Provisions

- a. An individual requesting to receive an inmate's personal property and/or money shall have a Property and Money Release Form (03-6.01-1) completed by the Property Officer. Only one (1) request per individual per shift shall be completed.
- b. Property releases shall be completed for pre-arraignment detainees (i.e., fresh arrests) assigned to designated pre-arraignment housing locations. Once an inmate is placed in general population or Special Management Unit, property releases shall not be completed unless authorized by the Property Supervisor.
- c. Money releases shall be completed for pre-arraignment detainees (i.e., fresh arrests) assigned to designated pre-arraignment housing locations. Individuals requesting to receive an inmate's money shall receive all funds available in the inmate's account. Once an inmate is placed in general population or Special Management Unit, money releases shall not be completed with the following exceptions:
 - i. Attorneys;
 - ii. Fines, court costs and/or bonds;
 - The third party, prior to requesting and receiving the inmate's funds, shall know the exact amount of the fine, court costs and/or bond.
 - Once the Property Officer receives the authorization for release from the inmate, the Property Officer shall issue a check payable to the appropriate court to be delivered by the third party.
 - iii. Authorization by the Property Supervisor.

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- d. Inmate account balances shall not be provided to the public, unless authorized by the Property Supervisor.
- e. The property and/or money shall be released during the same shift in which the Property and Money Release Form (03-6.01-1) was submitted.
- f. Property and Money Release Forms (03-6.01-1) shall not be issued during the following designated times due to securing facility counts:
 - i. 1st Shift: 6:30am through 7:30am
 - ii. 2nd Shift: 2:30pm through 3:30pm
 - iii. 3rd Shift: 10:30pm through 11:30pm

2. Property and Money Release Form (03-6.01-1)

- a. If the inmate is housed on the 5th, 6th floor Hall of Justice (HOJ), 3rd floor LMPD or the Kitchen Housing Unit, the Property and Money Release Form (03-6.01-1) shall be taken by the recipient of the property and/or money to the public side of the floor where the inmate is housed and presented to the assigned Floor Officer. The Property Officer shall notify the inmate's housing area to inform security staff of the person in route with the Property and Money Release Form (03-6.01-1).
- b. If the inmate is housed in the Jail Complex, the Property and Money Release Form (03-6.01-1) shall be taken to the housing area by the In-House Transportation or Release Officer, who shall present the form to the inmate for their signature. The officer shall witness the signature of the inmate.
- c. After the Property and Money Release Form (03-6.01-1) is signed and witnessed, the recipient or In-House Transportation/Release Officer shall return the completed form to the Property Officer.
- d. The property and/or money shall be released only if there is a completed release form with the inmate's signature and the signature of the witnessing officer.
- e. In the event the inmate refuses to provide authorization, the Property and Money Release Form (03-6.01-1) shall be destroyed, and the person requesting the property and/or money notified of the refusal.
- f. If the inmate is housed at the Community Corrections Center (CCC), and a money release is requested, the individual requesting the money shall obtain an authorized release form signed by the inmate and witnessed by the assigned Floor Officer at CCC. The CCC Officer shall return the completed form to the individual requesting the money and instruct them to proceed to the Property Room at the Jail Complex to receive the money. The CCC Officer shall then notify the Property Officer the release form was authorized and witnessed. Requests for property of inmates housed at CCC shall be completed at CCC.
- g. The Property Officer shall verify the Property and CIN numbers and name in IMS.
- h. The Property Officer shall follow prompts in IMS for Third Party Release. All third party releases of inmate money shall be in the form of a check.
- i. All Property Officers shall verify the contents of the property being released through the IMS screen.
- j. The Property Officer shall generate a receipt for the items released and have the person receiving the property sign the receipt and the Property and Money Release Form (03-6.01-1).
- k. The Property and Money Release Form (03-6.01-1) shall be attached to the receipt and filed with the shift paperwork. The transaction shall be recorded in the Property Ledger.

N. Court Clothing Exchange

1. An exchange of clothing for court shall only be completed twenty-four (24) hours prior to the court date and upon verification of a jury trial, or receipt of a court order requiring the inmate to "Dress for Trial".
2. Upon the arrival of the individual requesting to exchange clothes for court, the Property Officer shall complete a Property and Money Release Form (03-6.01-1), and obtain the inmate's signature authorizing the exchange.
3. The specified clothing items currently listed in property storage shall be retrieved and exchanged for the clothing delivered by the individual authorized to conduct the exchange.
4. All items accepted for the exchange, shall be searched and inventoried in IMS.
5. The exchange shall be recorded in the Property Ledger.
6. In all instances, there must be an exchange of clothing. The release of clothing for the purpose of dry cleaning and return shall not be permitted.
7. Clothing may be exchanged daily for the same court case. Once authorization is received by the inmate, a release form for the daily exchange of clothing shall not be required. Upon conclusion of the case, the current clothing utilized shall remain in property storage, unless otherwise authorized by the Director/designee or court order.
8. Acceptable items for court appearances shall be:
 - a. Pants (dress slacks or khaki, no denim jeans);
 - b. Shirt (plain polo or button down);
 - c. Jacket (suit or sport);
 - d. Tie;
 - e. Socks;
 - f. Dress or skirt; and
 - g. Dress shoes.

O. Release of Personal Property/Money when an Inmate is Released to Another Facility/Agency

1. The Property Officer shall release the inmate's personal property to the transporting agency official after proper inventory and receipt has been signed and issued to the inmate.
2. The Property Officer shall obtain the inmate's account balance in IMS and issue a check in the correct verified amount to the transporting agency official.
3. If the transporting agency official will not accept the inmate's personal property or check for transport with the inmate, the inmate shall complete the Property/Money Release Form (03-6.01-1), denoting specifically to whom and where the property/funds shall be forwarded and sign the completed form.
4. LMDC Property Supervisors shall maintain a list of agencies (local, state and federal) for reference and forwarding of personal property/money should the exact location be unknown by the transporting agency official or inmate as this is common practice with federal releases/transport.

P. Unclaimed Property

LMDC, in accordance with law, shall dispose of property not retrieved within ninety (90) days after an inmate's release from custody, escape, absconding or Absence Without Leave (AWOL).

1. Notification Letters

- a. LMDC shall send a Notification Letter (03-6.01-3) to any lawful claimants having property remaining in the custody of the Department after their release or AWOL date.
- b. Letter recipients shall have ninety (90) days to retrieve the property from LMDC.
- c. Inmates with addresses listed as City At Large (CAL) shall not be sent a Notification Letter (03-6.01-3). The property shall be properly disposed of after ninety (90) days of release or AWOL date.
- d. Valid identification shall be required for property retrieval (valid identification shall consist of a state issued photo driver's license, ID card, TARC ID, passport, etc.).
- e. Those inmates in the custody of another agency may make arrangements to have a third party retrieve their property by sending a signed notarized letter to the Property Supervisor authorizing the Department to release their property to a specified third party.

2. Exceptions

- a. Perishable food items shall be disposed of after twenty-four (24) hours.
- b. All contraband, illegal items and evidence of crime shall be subject to confiscation, designated as criminal evidence and forfeiture in accordance with KRS 500.090 Forfeiture.

3. Disposal of Unclaimed Property

Upon expiration of retrieval time, all property shall be sorted as follows:

- a. Clothing items shall be boxed for donation.
- b. Sealed food items shall be disposed of.
- c. LMDC Professional Standards Unit (PSU) shall inventory and secure all items of value (i.e., necklaces, watches, rings, cell phones, etc.) prior to sale or disposal.
- d. Items not salvageable shall be appropriately disposed.

4. Sale of Unclaimed Property

LMDC may sell all property remaining in the custody of the Department without a lawful claimant at public auction under the following conditions:

- a. The property has been in the custody of the Department not less than ninety (90) days.
- b. Reasonable efforts have been made to contact the lawful claimant.
- c. The sale of the property is in accordance with applicable state and federal laws.

5. Money

Unclaimed money shall be forwarded to the General Fund of Louisville Metro Government by the LMDC Business Office.

Appendix #5: Inmate Personal Property Receipt

LOUISVILLE METRO DEPT. OF CORRECTIONS

115

Inmate Personal Property Receipt

CIN: 553692 Book #: 2010014568 Book Dt/Tm: 07-26-2010 1043

Name(L,F,M,S): MAN, FAKE, FIVE

DOB: 05-05-1985 Age: 25 Race: H Sex: M SSN: - -

Storage Locations		
Storage	Number	Rls/d
LOCK BOX	000084	Y

Property Type	Description	Status
SET OF KEYS		R

Notes

Account Balance \$10.32

Intake

Notice: All properties listed are to be claimed within 30 days of release from custody.

X _____ X _____
 (Inmate Signature/Date/Time) (Signature/Date/Time)

Release

Notice: All properties listed are to be claimed within 30 days of release from custody.

X _____ X _____
 (Inmate Signature/Date/Time) (Signature/Date/Time)

Appendix #6: Receipt Book

Receipt Book

PROPERTY OF _____

ADDRESS _____

FILING REFERENCE	
DATE	BOOK NUMBER
FROM TO	4

26



Louisville Metro Department of Corrections

RECEIPT

Date _____

No. 012601

RECEIVED FROM _____

ADDRESS _____

_____ DOLLARS \$ _____

FOR _____

HOW PAID

Cash _____

Check _____

Money Order _____

By _____



Louisville Metro Department of Corrections

RECEIPT

Date _____

No. 012602

RECEIVED FROM _____

ADDRESS _____

_____ DOLLARS \$ _____

FOR _____

HOW PAID

Cash _____

Check _____

Money Order _____

By _____



Louisville Metro Department of Corrections

RECEIPT

Date _____

No. 012603

RECEIVED FROM _____

ADDRESS _____

_____ DOLLARS \$ _____

FOR _____

HOW PAID

Cash _____

Check _____

Money Order _____

By _____



Louisville Metro Department of Corrections

RECEIPT

Date _____

No. 012604

RECEIVED FROM _____

ADDRESS _____

_____ DOLLARS \$ _____

FOR _____

HOW PAID

Cash _____

Check _____

Money Order _____

By _____

Appendix #7: Booking Fees and Records Information Fees



Louisville Metro Department of Corrections



Booking and Records

Booking Fees and Records Information Fees

Booking Fee

Inmates are assessed a thirty-five dollar (\$35.00) fee at the time of booking, based upon the arrest type. Staff utilize the below list of arrest types to determine whether the fee is applicable to the inmate being processed. The arrest types are as follows:

<u>Arrest Code</u>	<u>Arrest Type</u>	<u>Booking Fee (Y/N)</u>
ADDC	Added Charge	N
BKRL	Book and Release	Y
BW	Bench Warrant	Y
CCBS	Circuit Court Bond Surrender	Y
CCBW	Circuit Court Bench Warrant	Y
CCDT	State Community Center Detainer	N
CCPU	Circuit Court Pick-Up	Y
CH	Courtesy Hold	N
DCPU	District Court Pick-Up	Y
FCWT	Family Court Pick-Up	Y
FD	Federal In-Transit	N
FDDT	Federal Detainer	N
FDRM	Federal Remand	N
FMPU	Family Court Pick-Up	Y
FRA	Fresh Arrest	Y
IMM	Immigration Booking	Y
INST	Institutional	N
INTR	Interstate Prisoner	N
KYNG	KY National Guard	Y
NSPU	Nonsupport Pick-Up	Y
NSWT	Nonsupport Warrant	Y
PROD	Probation Detainer	Y
PROW	Probation Warrant	Y
PARD	Parole Detainer	Y
PARW	Parole Warrant	Y
SF	Safe Keeping	N
SOC	Sentenced Other County	Y
USA	U.S. Army	Y
USAF	U.S. Air Force	Y
USCG	U.S. Coast Guard	Y
USMC	U.S. Marine Corp	Y
USN	U.S. Navy	Y
WT	Warrant Arrest	Y

Booking Staff enters the inmate and arrest general information into IMS. Once complete the paperwork is forwarded to the Records Department where Records Staff process Booking Labels and clears the Charge Review screen. Once the Charge Review is cleared, IMS prompts Records Staff to charge the inmate with the Booking Fee. If the Booking Fee is applicable to the inmate, the Records Staff enter "YES" in IMS charging the inmate the \$35.00 fee. The fee is added to the inmate's account by IMS. Payment is received provided the inmate has the assessed amount in their account at the time of arrest, or accumulates the amount prior to their release date.

Records Information Fees

Open Records Requests

Records Staff assigned to the Public Window process Open Records Requests.

1. Individuals requesting the information complete an Open Records Request Form.
2. The Records Staff requests a valid ID, and makes a copy of the ID.
3. Requested information, if eligible for release, is copied at a cost of \$0.10 per page.
4. Once payment for the copies is received, the Records Staff completes a receipt and provides the individual with the original.
5. The Open Records Request, copy of the individuals ID and copy of the receipt are maintained in the Records Department by the Records Coordinator.
6. Records Staff will verify the monies at the end of the shift. The Records Supervisor will reconcile the monies at the end of each shift. The Records Coordinator will reconcile the totals weekly and deliver the monies to the LMDC Business Manager for deposit.
7. The Business Manager shall verify the amount of the deposit and both the Records Coordinator and the Business Manager shall sign the log book to maintained in Records for the transfer of funds.

Verification of Incarceration

Records Staff assigned to the Public Window process Verification of Incarceration.

1. Individuals request a Verification of Incarceration Form.
2. The Records Staff requests a valid ID, and makes a copy of the ID.
3. Requested information is completed at a cost of \$3.00.
4. Once payment for the verification is received, the Records Staff completes a receipt and provides the individual with the original.
5. A copy of the Verification of Incarceration, copy of the individuals ID and copy of the receipt are maintained in the Records Department by the Records Coordinator.
6. Records Staff will verify the monies at the end of the shift. The Records Supervisor will reconcile the monies at the end of each shift. The Records Coordinator will reconcile the totals weekly and deliver the monies to the LMDC Business Manager for deposit.



Louisville Metro Department of Corrections



Court Monitoring Center (CMC) CMC Fees

Procedures for Collection and Deposit of CMC Fees

CMC receives from court ordered registrants a one time fee of \$25.00 per case, additional case(s) and/or charge(s) may warrant additional fee(s). The fee is collected in cash or money order. This fee may be paid in person, by mail or by a third party. The courts may find it necessary to waive the fee in instances of indigence of the registrant. CMC Fees are delivered weekly by the CMC Supervisor to the LMDC Business Manager. The fees delivered are the previous week's fees that were collected.

Collection of Fees

1. CMC Staff collect the assessed fees from registrants upon completion of the registration process, unless arrangements are otherwise made.
2. CMC Staff provide the participant with a receipt. In the event the fee is paid by mail, the receipt is placed in the client's CMC File (the receipt is provided to the client upon their request).
3. Upon conclusion of the business day, the monies are verified by two (2) CMC Staff and reconciled with the Daily Cash Report, which indicates all transactions, generated from the CMC database. The report contains the following information for each fee paid:
 - First and last name of the participant making the payment
 - Social Security Number
 - Interview Date
 - Payment amount
4. The funds, yellow carbon copy of the receipt, Daily Cash Report and Shift Report are forwarded to the CMC Supervisor.
5. The CMC Supervisor verifies the monies, reviews the yellow carbon copy of the receipts and reconciles the funds with the Daily Cash Report.
6. The CMC Supervisor documents the transactions in the CMC Financial Ledger noting the date, amount paid and initials.
7. Additionally, the CMC Supervisor documents transactions in the CMC Cash Intake database recording the dollar amount collected daily, receipt numbers and any notes that may be necessary. The database records daily, weekly and monthly totals.
8. At the conclusion of the week, the Financial Ledger is reconciled with the CMC Cash Intake database.
9. Each day fees are maintained in separate envelopes. The amount the envelope contains and the date are written on the envelope and maintained in the CMC Supervisor's Office in a lock box.
10. The Daily Cash Report and the yellow carbon copy of the receipts are attached to the envelope.
11. The CMC Supervisor delivers the funds and accompanying paperwork to the LMDC Business Manager on Tuesday and Friday every week, or when the amount collected totals \$1000.00. The LMDC Business Manager signs the Financial Ledger acknowledging fee dates and amounts.
12. At the conclusion of each month, the CMC Supervisor reconciles the Financial Ledger with the CMC Cash Intake database. The CMC Supervisor provides the LMDC Business Manager with a copy of the CMC Cash Intake for the month.

****NOTE**** Additional fees are collected for "replacement envelopes", "photocopies" and other incidentals. These fees are also recorded in the Financial Ledger and CMC Cash Intake database. Receipts are also provided for payments and recorded appropriately. The fees are processed as above and delivered to the LMDC Business Manager weekly.

Deposit of Collected Fees

1. The LMDC Business Manager signs the Financial Ledger acknowledging the fee dates and amounts.
2. A copy of any money orders is made and the fund, department, division, unit and LMDC account numbers are documented on the copy. These numbers correspond to the area or category the funds will be credited to. Until these funds are deposited, they are maintained in a secure location in the LMDC Business Office.
3. The cash and/or money orders are retrieved from each envelope by the LMDC Business Manager and are verified and totaled. Each total is reconciled with the corresponding receipts, total written on the individual envelopes and the CMC Daily Cash Report.
4. A deposit ticket will then be prepared. The deposit ticket is a 2 page carbon: White – original; Yellow – carbon copy. The money order number will be written on the deposit ticket along with the corresponding dollar amount.
5. Once it is determined which LMDC account the funds will be credited to, the LMDC Business Office will complete a Journal Voucher Form (JV Form) to reflect such. The JV Form designates what account the funds are credited to at LMDC. Once the form is complete, the total should match the deposit ticket. Two copies of the JV Form will be generated. One copy will be signed by the LMDC Business Manager and forwarded to LMG Office of Management and Budget along with a copy of the deposit ticket and a copy of the CMC Daily Cash Report with the LMDC Business Manager's signature. The other copy of the JV Form will be attached to the corresponding yellow carbon copy of the deposit ticket with corresponding copies of money orders and maintained in the LMDC Business Office.
6. Once the deposit amount has been determined, the original white deposit ticket and the funds will be placed in a security bag (provided by the bank). On the front of the security bag is a place to input the name of the depositor, date, account number and total deposit amount. All of this information will be completed prior to placing the deposit ticket and corresponding items in the bag. After the deposit ticket and funds are placed in the bag, the bag is sealed with a self adhesive strip.
7. Once sealed, the bag will be delivered to the Property Sergeant where a sticker is placed on the bag displaying a unique bar code. The Property Sergeant will secure the bag until picked up by Armored Car Service. The Armored Car Service Officer will scan the bar code at the time of pick up, and deliver the bag to the bank for deposit.
8. All documentation for each deposit will be maintained in the LMDC Business Office along with the yellow carbon copy of the corresponding deposit ticket, copy of the JV Form and Daily Cash Report that is submitted to LMG Office of Management and Budget.

Appendix #8: Court Monitoring Center Daily Cash Report

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Court Monitoring Center Daily Cash Report

Friday, July 16, 2010

Interview Date	Last Name	First Name	Payment
07/13/2010			\$25.00
07/07/2010			\$25.00
07/16/2010			\$25.00
07/09/2010			\$25.00
06/24/2010			\$25.00
07/08/2010			\$25.00
07/06/2010			\$25.00
07/06/2010			\$25.00
07/14/2010			\$25.00
07/08/2010			\$25.00
07/16/2010			\$25.00
07/16/2010			\$25.00

Summary for 'Payment Date' = 7/16/2010 (12 detail records)

Sum

\$300.00

Grand Total

\$300.00

EXHA

07/16/10

CMC Cash Intake - June 2010

Date	Amount	Receipt Numbers	Notes		Initial/Sign off
			Envelopes	Photocopies	
1-Jun	675	001635-001662; void 001643			
2-Jun	250	001663-001672, consec		2	
3-Jun	575	001673-001696, consec			
4-Jun	375	001697-00001711, consec		1	
Total	1875				DG
7-Jun	550	001712-001733, consec		2	
8-Jun	400	001734-001749, consec		3	
9-Jun	500	001750-001770, void 001761		2	
10-Jun	275	001771-001781, void 001782	10	2	
11-Jun	450	001783-001800, consec			
Total	2175				DG
14-Jun	525	001801-001822, consec			
15-Jun	400	001823-001838, consec		3	
16-Jun	175	001839-001845, consec		1	
17-Jun	175	001846-001852, consec		1	
18-Jun	225	001853-001862, consec		1	
Total	1500				DG
21-Jun	450	001863-001880, consec			
22-Jun	375	001881-001895, consec		2	
23-Jun	650	001896-001921, consec			
24-Jun	300	001922-001933, consec		1	
25-Jun	375	001934-001947, consec			
Total	2150				DG
28-Jun	650	001948-001973, consec		2	
29-Jun	375	001974-001988, consec		1	
30-Jun	300	001989-002002, void 001997		1	
Total	1325				DG
Monthly Total	9025		10	25	9060

Court Monitoring Center Monthly Report -- June 2010

Outstanding files
 28-Jun...
 2006 0
 2007 86
 2008 203
 289

Registered/Completed/Re-Docketed Clients

Beginning Count
 Active Files 2456

Financial

	Substance Abuse	Domestic Violence	Family Court	Re-Docket Non-Compli	Completed	Fees \$ Collected	Fees # Waived	Envelope Replace	Photocopies
1-Jun	22	7	4	21	10	675	6		2
2-Jun	14	4	0	6	9	250	8		
3-Jun	21	5	3	21	0	575	5		1
4-Jun	14	7	1	16	23	375	7		2
7-Jun	21	5	2	34	59	550	6		3
8-Jun	21	4	3	10	9	400	12		2
9-Jun	20	6	2	13	0	500	8		2
10-Jun	9	8	2	20	12	275	8	10	2
11-Jun	21	4	1	13	20	450	7		
14-Jun	16	8	10	18	0	525	11		
15-Jun	17	3	2	12	6	400	7		3
16-Jun	7	6	10	11	36	175	8		1
17-Jun	5	8	3	11	6	175	4		1
18-Jun	8	7	7	22	16	225	7		1
21-Jun	16	10	4	21	23	450	13		
22-Jun	20	5	2	4	0	375	11		2
23-Jun	24	6	5	13	6	650	9		1
24-Jun	14	6	2	13	15	300	8		
25-Jun	17	5	5	17	16	375	13		1
28-Jun	26	9	8	11	6	650	10		2
29-Jun	23	5	4	12	8	375	9		1
30-Jun	23	3	1	7	50	300	9		1
Monthly Totals	379	131	81	-326	-330	\$9,025.00	186	10	25
Grand Total	591		now counted	-656			x \$25		

\$4,650.00 waived

Non-Payment of CMC fees:

Total Active Cases 2391
 as of June 30, 2010

Office of Internal Audit
Phone: 502.574.3291
www.louisvilleky.gov/InternalAudit/