WYOMING DEPARTMENT OF CORRECTIONS

Policy and Procedure #1.114

Inmate Commissary

Authority: Wyoming Statute(s): 25-1-104; 25-1-105. ACA Standard(s): 4-4042; 4-4043; 2-CO-1B-12; 2-CO-1B-13	**Effective Date:** May 6, 2016 **Revision/Review History:** 02/15/15, 05/01/14, 02/01/13 **Summary of Revision/Review:** Updates existing policy pursuant to annual review.
Cross Reference of Policy: P&P #1.102, *Procurement*; P&P #3.006, *Property Control*; P&P #4.300, *Keep on Person (KOP) Medication Program*; P&P #5.401, *Inmate Mail*.	**Supersedes Existing Policy :**
Approved: R.O. Lampert — 5-4-16 Robert O. Lampert, Director — Date	

APPROVED FOR INMATE DISTRIBUTION

REFERENCE

1. ATTACHMENTS

A. WDOC Form #161, *Standardized Canteen List*

2. OTHER

A. State of Wyoming Executive Order 1997-4: *Executive Branch Code of Ethics*

I. PURPOSE

A. Guidelines for Operation of Inmate Commissary. The purpose of this policy and procedure is to establish uniform operational and fiscal guidelines for the operation of inmate commissaries at Wyoming Department of Corrections (WDOC) facilities.

II. POLICY

A. General Policy. It is the policy of the WDOC to maintain and operate an inmate commissary at each Prison Division facility where inmates can purchase approved items that are not furnished by the facility. The commissary's operations shall be strictly controlled using standard accounting procedures. (ACA 4-4042; 2-CO-1B-12)

B. It is the policy of WDOC to balance the importance of purchasing from local vendors with the desire to maintain consistency in commissary items and pricing.

1. WDOC will centralize the competitive bid and product delivery process for standard items available for resale through the inmate commissaries to the degree possible.

2. Not all items accessible to the inmate population through the inmate commissary are available from large distributors and the same distributors may not serve all regions within the state or commissaries across the state. Therefore, some differences in product availability and price will occur across the agency, despite efforts to maintain consistency in commissary items and pricing.

C. Ethics Compliance. WDOC employees shall adhere to the State of Wyoming, Governor's Executive Order 1997-4, *Executive Branch Code of Ethics* and WDOC P&P #1.215 *Code of Ethics*, specifically, but not limited to:

1. Employees engaged in the procurement process are expected to be free of interests and relationships, which are actually or potentially detrimental to the best interests of the state and shall not engage or participate in any transactions involving the state in which they have an undisclosed close personal or financial interest.

2. Accepting any fee, compensation, gift, payment of expense or any other thing of monetary value in circumstances which create the appearance of a conflict of interest or impropriety, whether or not such conflict of interest

or impropriety actually exists. This shall include personal discounts from any entity doing business with the WDOC.

III. DEFINITIONS

A. **Bid:** *(For this policy only.)* A formal or informal solicitation for prices of items to be offered for resale, including documentation of the price quotes received from eligible vendors.

B. **Commissary:** A store that sells food and supplies to inmates at WDOC facilities. Commonly referred to as "Canteen".

C. **Generally Accepted Accounting Procedures (GAAP):** The standard framework of guidelines for financial accounting used in any given jurisdiction, including the standards, conventions, and rules accountants use in recording and summarizing, and in the preparation of financial statements.

D. **Operational Standards and Procedures (OSP):** A division-level policy which is developed to implement a Department policy and procedure, consistent with the division's specific mission and function, or which provides administrative direction for an area within the scope of authority of the division.

E. **Operational Procedure (OP):** A facility-level policy which is developed to implement a Department policy and procedure, consistent with the facility's specific mission, function, and offender population.

IV. PROCEDURE

A. General Procedures

1. All WDOC Prison Division commissary operations shall use an agency designated single, standardized software system which allows for inmate trust fund accounting, commissary point of sale, and commissary inventory functions which adhere to standard accounting practices.

2. Each facility shall establish and maintain an operational schedule and procedures for commissary operations.

i. Commissary operational hours, the schedule, procedures for submitting orders by inmates, and the delivery of commissary items shall be at the Warden's discretion and may be adjusted for monthly inventory counts or emergency requirements.

3. The overall commissary operation shall be financially self-supporting.

4. Commissary operations may be operated as either a store front and/or order processing/delivery operation.

B. Commissary Items

1. WDOC commissaries shall only sell or stock items allowed by WDOC Policy and Procedure #3.006, *Property Control* and listed on WDOC Form #161, *Standardized Canteen List*.

i. Not all items listed on WDOC Form #161, *Standardized Canteen List*, can be offered for sale at every commissary, although each commissary will attempt to offer access to most of the standard resale items purchased through the centralized purchase of goods process.

ii. The actual type and variety of items offered for sale at each location will be determined by availability of the item, sales history, shelf space, shelf life, and recurring demand for the item locally.

2. WDOC commissaries shall adhere to WDOC Policy and Procedure #4.300, *Keep on Person (KOP) Medication Program*.

3. All items ordered for inmates through the mail by the commissary shall adhere to WDOC Policy and Procedure #5.401, *Inmate Mail*.

C. Sales Markup. Items sold through WDOC commissaries shall be subject to the following markup categories, with the markup calculated from the most recent Annual Standardized Bid or Local Vendor Bid price for each item:

1. <u>No Markup</u> – those items considered "basic hygiene items" which include but are not limited to: toothbrush; toothpaste; soap; shampoo; deodorant; razors; shaving cream; toilet paper; denture products; postage; pre-stamped envelopes; religious items; socks; undergarments; t-shirts; and OTC medications/medically ordered vitamins or supplements.

i. Ethnic products are considered basic hygiene.

ii. Hobby items and sales will not be subject to markup.

2. <u>Luxury Goods, 20% Markup</u> – Include but not limited to: styling products; makeup; laundry/cleaning supplies; clothing, including shoes;

sanitary items; healthy choice foods and alternative items (*e.g.*, sugar free candies/decaf coffee/decaf tea/sugar free drink mixes/heart healthy soups, *etc*.); electronics (*e.g.*, TV, game console, headphones, radio, MP3 players, etc.); and electrical items (*e.g.*, razors, curling iron, reading lights, *etc*.); and special orders (*i.e.*, at the discretion of each facility and may include approved educational and/or required programming materials, shoes, *etc*.).

3. Premium Goods, 30% Markup - Include but not limited to: games, music, "junk food" (*e.g.*, candy, chips, sodas, slim-jims, *etc*.), regular (*i.e.*, caffeinated) coffee/tea or sweetened beverages, clear-top storage boxes, *etc*.

4. Initial sales item category assignments shall be made by the Prison Division Administrator or designee. Modification requests shall be submitted through each facility Warden for review and comments. It will then be forwarded to the designated Warden's Committee Representative for presentation and disposition by the Warden's Committee.

5. Facility Commissary Managers will update fixed pricing on resale items for their respective facility as directed by the WDOC Purchasing Manager and/or WDOC Trust Fund Manager.

i. Pricing on resale items shall be determined using a last-in, first-out system of pricing in which the price posted for the item (advertised price) will be set based on the most recent Annual Standardized Bid or Local Vendor Bid price of that received item, with mark-ups, if any, calculated from that most recent Annual Standardized Bid or Local Vendor Bid price point.

a. Any items remaining in inventory from a previous bid/ purchase regardless of their date of order, purchase, or receipt, whether in the commissary or in the warehouse awaiting distribution to the commissary, will be re-priced to the new advertised price, along with all newly received inventory, prior to sale.

(1) Items in inventory or offered for sale shall remain at that price, unless discontinued and/or discounted, until receipt of newly purchased items that require an updated price point.

b. The price posted at the commissary and shown on the commissary software system at the time of the inmate's

purchase will be the price the inmate is charged for that item.

6. The WDOC Trust Fund Manager will, on a quarterly basis, review and document resale items and pricing to ensure every effort is made to maintain consistency between facilities.

D. **Sales Profit.** Profits from the commissary sales shall be used to support commissary operations and for the benefit of WDOC inmates.

1. Inmate satellite television services shall be supported by profits from the commissary sales.

E. **Sales Tax.** Wyoming state sales tax shall be applied to each item sold through the inmate commissaries at the applicable tax rate in accordance with Wyoming Department of Revenue Rules and Regulations.

F. **Inmate Spending Limits**

1. The WDOC may place financial and time limits on inmate purchases from the commissary to minimize differences in individual spending power, custody levels, and/or housing assignments.

i. Additional restrictions may be placed at the discretion of the facility for disciplinary or health related reasons.

2. Individual inmate commissary spending will be limited to seventy-five dollars ($75.00) per week; designation of the weekly period is at the discretion of the Warden.

i. Specialty items are those items specifically designated on the WDOC Form #161, *Standardized Canteen List,* which are exempt from the weekly spending limit.

a. Requests for specialty item designation shall be submitted through each facility Warden for his/her review and comments. It will then be forwarded to the designated Warden's Committee Representative for presentation and disposition by the Warden's Committee.

ii. Weekly spending limits may be reduced by the Warden for special housing units (*i.e.*, segregation) through facility operational procedures.

3. Individual, one-time adjustments to an inmate's weekly commissary spending limit may be allowed as permitted by the facility Operational Procedure (OP) or division Operational Standard and Procedure (OSP).

4. Individual reduction to or temporary suspension of an inmate's weekly commissary spending limit may be made as a disciplinary sanction or as permitted by the facility OP or division OSP.

G. Procurement. Procurement of commissary operational supplies and/or services shall be made in accordance with WDOC Policy and Procedure #1.102, *Procurement*.

1. Purchase of Goods. Purchase of goods for resale regardless of the dollar amount may be bid without utilizing a formal bid process. The Procurement Division within the Wyoming Department of Administration & Information has granted WDOC an informal waiver of the formal bid process for resale items.

i. The WDOC Purchasing Manager will solicit and document bids for standard resale items a minimum of every twelve (12) months.

ii. The WDOC Purchasing Manager will designate which resale items facility Commissary Managers shall solicit and document bids for at a minimum of every six (6) months.

a. Facility Commissary Managers will maintain an ongoing monthly electronic record of individual items placed out for bid at the facility level. Data content and format will be as prescribed by the WDOC Purchasing Manager. This record will be provided to the WDOC Purchasing Manager by the 10th of the following month for review by the WDOC Purchasing Manager and administration.

2. Receiving of Goods. Resale goods and operational supplies for the canteen will be received by facility in accordance with WDOC Policy and Procedure #1.106, *Fiscal Control*.

i. Each Facility/Division shall designate employees who are authorized to receive (*i.e.*, sign for) deliveries. Inmates are not permitted to accept or sign for deliveries.

ii. Designated delivery personnel shall accept deliveries of canteen supplies and resale goods in a receiving area designated by each facility. Designated delivery personnel shall inspect for visible damage and will document as necessary. The Canteen Manager is

responsible for preparing freight claims (*i.e.*, for any damages, shortages, *etc*.) and for properly arranging for returns to the vendor.

iii. Designated delivery personnel shall open all packages received and if damage, contraband, *etc*. is suspected, such items will be held for investigation as deemed necessary.

H. Canteen Access. Canteen operational and storage areas are restricted access areas. Admittance to the these areas is limited to the following guidelines:

1. During normal business hours, visitors and employees must be accompanied by a facility canteen or warehouse employee or as permitted by the facility OP or division OSP.

2. Each Facility/Division shall designate employees who are authorized emergency access during non-business hours to the canteen areas.

3. Inmates shall not be allowed access to or allowed to remain in the canteen operational or storage areas unless supervised by a WDOC employee or as permitted by facility OP or division OSP.

4. Inmates shall not be allowed to complete other inmate sales using the Cashless Systems (CACTAS) point of sale system. Inmates may help with the preparation of the sale, such as gathering items, and help by bagging of the items.

I. Inventory

1. On the last working day of each month, a physical inventory shall be made of all canteen resale goods. Monthly Canteen Inventory and Inventory Adjustment Reports shall be provided to the Facility Business Manager. The Inventory Adjustment Reports shall include justification for each inventory adjustment documented and a copy shall be emailed to the WDOC Inmate Trust Manager upon acceptance and approval of the Business Manager, but no later than the 15th of each month.

2. Annually, on June 30th or the last working day of June, all Prison Division canteens will close for a full inventory. Business Managers shall certify and submit this inventory to the WDOC Fiscal Manager on or before the 10th working day of July.

3. All inventory counts shall be completed by WDOC employees only. Inmates may be utilized to assist in organizing goods for count; however, the actual count shall be made or verified by a WDOC employee.

J. **Audit/Reporting Requirements.** Commissary funds shall be audited independently following standard accounting procedures, and an annual financial status report shall be available as a public document. (ACA 4-4043; 2-CO-1B-13)

1. Internal audits of each facility commissary shall be conducted annually by the Central Office staff. The Central Services Administrator shall assemble a team with expertise in the fiscal area, to include the WDOC Accounting Manager. The team shall audit utilizing generally accepted accounting procedures (GAAP).

2. An annual financial report for each facility commissary for each fiscal year shall be completed by the facility and provided to the Central Services Administrator by August 1st.

3. A monthly canteen profit and loss report shall be provided to the facility Warden with a copy to the WDOC Inmate Trust Fund Manager and WDOC Fiscal Manager by the 15th of each month.

4. Canteen financial and/or sales data shall be provided as required on the Monthly Facility Operational Report.

V. TRAINING POINTS

A. How often are Canteen inventories completed?

B. Can inmates receive merchandise?

C. How often are profit and loss statements prepared?

D. What documents regarding inmate commissary operations are available as public documents under this policy?