

**NEVADA DEPARTMENT OF CORRECTIONS
ADMINISTRATIVE REGULATION
223**

INMATE ORGANIZATIONAL FUNDRAISERS

Supersedes: AR 223 05/08/08; 3/19/13; (8/21/15, Temporary); 01/14/16; (11/16/17, Temporary)
Effective Date: 03/01/18

AUTHORITY: NRS 209.131; NRS 462.250

PURPOSE

To ensure the Department is compliant with federal and state regulations regarding fundraisers on public property, and to ensure policies and procedures are developed to provide consistent application.

RESPONSIBILITY

The Director is responsible for the administration of all regulations.

The Deputy Director of Support Services is responsible to ensure the implementation of this regulation.

The Warden or Division Heads are responsible to ensure that employees and NDOC inmates comply with this administrative regulation.

The Chief of Purchasing & Inmate Services is responsible to ensure compliance with this regulation.

The Fundraiser Contact is responsible to submit the completed fundraiser application, serve as the point-of-contact for all fundraising activities, distribute products based on commissary fundraiser sales and submit a financial report to the Inmate Services Division after the event.

223.01 GENERAL

1. Each institution/facility may conduct a maximum of two (2) fundraisers, per organization, per calendar year.
 - A. The organization to benefit from the fundraiser must have a 501(c)(3) designation from the Internal Revenue Service (IRS) or be a Nevada public/charter, elementary or secondary school.
 - B. The 501(c)(3) designation must be attached to the application. Nevada public/charter, elementary or secondary schools are exempt from this requirement.

- C. The 501(c)(3) organization must be registered with the Nevada Secretary of State.
 - D. A checking account must be established for the receipt and disbursement of the fundraiser's revenue in the name of the organization holding the fundraiser.
2. Within 30 days of completion of the fundraiser, the inmate group sponsoring the fundraiser must prepare a report to the Deputy Director of Support Services regarding the event. Financial records for the fundraiser are open to inspection/audit, as evidenced by an active Vendor Registration number through the State Controller's Office.
 3. Each institution/facility may conduct one (1) fundraiser each year with the sole purpose of raising funds to maintain or repair gym equipment for the institution/facility. The fundraiser event shall be completed within the first half of the Fiscal Year (July 1 to December 31) to allow for a work program to establish appropriate budget authority in the Inmate Welfare Account.
 4. The vendor for fundraiser products to be sold shall be specifically listed on the application. State of Nevada employees, staff, contractors or volunteers are not permitted to be the vendor.
 5. All inmate purchases must be made through the Inmate Commissary.
 6. Vendor products offered to inmates for the fundraiser event shall not be in direct competition with products offered by the Inmate Commissary.
 7. A Request to Accept Donated Items (DOC-4514) must be attached to the application if any portion of an organization's net fundraiser revenue will be received by the Department.
 8. Raffles are not permitted, pursuant to NRS 462.250.
 9. No fundraisers will be operated or conducted through any of the State funds or accounts.

223.02 FUNDRAISER APPLICATION (DOC-017)

1. The Fundraiser Contact shall submit the application to the Chief of Purchasing & Inmate Services/designee for review at least sixty (60) days prior to the event to allow enough time for all required approvals as well as the thirty (30) days of sales through the Inmate Commissary.
2. Application packets must include the documentation to support the requirements in Section 223.01. Incomplete applications shall be returned to the Fundraiser Contact.
3. The Chief of Purchasing & Inmate Services/designee will initial the application upon verification that the products offered are not in direct competition with products offered through the Inmate Commissary. The application will be returned to the Fundraiser Contact.

4. The Chief of Purchasing & Inmate Services/designee will resolve any product issues with the Fundraiser Contact directly.
5. The Fundraiser Contact shall then submit the application to the Warden for review.
6. If the Warden does not approve the fundraiser, the application shall be returned to the Fundraiser Contact.
7. Upon the Warden's approval, the application shall be forwarded to the Deputy Director Support Services for review.
8. Upon approval of the Deputy Director of Support Services, the application will be forwarded to the Deputy Director of Operations for review. Whether or not the fundraiser is approved by the Deputy Director of Operations, the application will be forwarded to the Chief of Purchasing & Inmate Services and the Fundraiser Contact will be notified.
9. The Chief of Purchasing & Inmate Services will forward a copy of the approved application to the Warden and Fundraiser Contact and provide the date range for sales through the Inmate Commissary.
10. The Fundraiser Contact shall provide notification to inmates upon approval of the Warden.

223.03 FUNDRAISER SALES

1. Inmates shall submit fundraiser sales orders using a *scantron* form based on the approved minimum and maximum quantities.
2. Inmate fundraiser purchases may be deducted from the inmate's Primary Trust Account, Trust 2 Account or Trust 3 Account in accordance with AR 258 – Inmate Fiscal Procedures. Inmates may not purchase items for other inmates.
3. The Inmate Commissary Section shall provide the Fundraiser Contact and Inmate Banking Unit with a report of fundraiser sales daily.
4. Within seven (7) days of the end of the fundraiser sales, the Inmate Banking Unit shall either process payment to the approved organization or issue a check made payable to the approved vendor (for recreational fundraisers only) and mail the check to the Fundraiser Contact.
5. The Fundraiser Contact shall be responsible for notifying inmates of their participation status and fulfilling orders.
6. All sales (donations) are final. Refunds will **NOT** be granted unless the organization must cancel the event through no fault of the inmates.
7. The facility/institution may promote the fundraiser flier on the inmate television channel to promote participation, as approved by the Warden/designee.

223.04 FUNDRAISER REPORTING

1. A five (5) percent administration fee, not to exceed \$250, will be assessed on the Net Revenue of the fundraiser to be received in the Inmate Welfare Account.
 - A. Initially, fifteen percent (15%) of the Gross Sales will be withheld prior to issuing payments to organizations or vendor check(s).

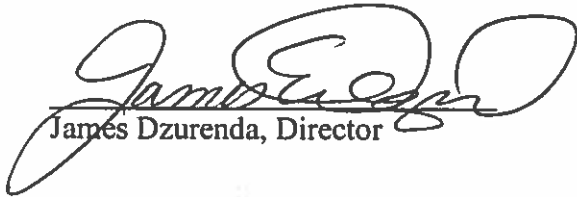
2. Within 14 days of the fundraiser event, the Fundraiser Contact shall submit a financial report to the Chief of Purchasing & Inmate Services/designee outlining Gross Sales, Expenses and Net Revenue.
 - A. Original receipts for all fundraiser expenses shall be included.
 - B. Financial records for the fundraiser are open to inspection/audit by the Office of the Inspector General.

3. Upon review of the financial report and receipts, the five (5) percent administration fee, not to exceed \$250, will be re-calculated from the Net Revenue. A check for the difference between the initial amount withheld and the re-calculated administrative fee will be issued to the organization.
 - A. Inmate Services may retain the initial fifteen percent (15%) deduction if financial reports are not received within thirty (30) days of the date the fundraiser event is held.

EXAMPLE:	
100 Participants at \$10.00 each = Gross Sales	\$1,000.00
15% Gross Sales	(\$150.00)
Initial payment/check(s) issued	\$850.00
Financial Report:	
Gross Sales	\$1,000.00
Fundraiser Expenses (e.g., food, supplies, etc. Do <u>not</u> include payment to charities)	(\$200.00)
Net Revenue	\$800.00
Initial Admin Fee withheld from Gross Sales	\$150.00
Less Admin Fee from Net Revenue	(\$40.00)
Difference owed to organization	\$110.00

APPLICABILITY

1. This regulation requires an Operational Procedure for the Support Services Division.
2. This regulation requires an audit as part of the annual review of internal controls pursuant to SAM 2418.0.



James Dzurenda, Director

3/1/18
Date