NEVADA DEPARTMENT OF CORRECTIONS
ADMINISTRATIVE REGULATION
223

INMATE ORGANIZATIONAL FUNDRAISERS (TEMPORARY)

Supersedes: AR 223 (05/08/08) and AR 223 3/19/13
Effective Date: 8/21/15

AUTHORITY

NRS 209.131

RESPONSIBILITY

The appointing authorities are responsible to ensure that their employees and inmates comply with this administrative regulation.

223.01 GENERAL

1. Approval to hold a fundraiser must be requested from the Warden and approved by the Deputy Director of Support Services with final approval by the Director or designee.

2. The organization to benefit from the fundraiser must have a 501(c)(3) designation from the Internal Revenue Service or be a Nevada public/charter, elementary or secondary school. The 501(c)(3) designation must be attached to the application.

   A. No raffles are permitted per NRS. 462.250

3. A checking account must be established for the receipt and disbursal of funds in the name of the organization holding the fundraiser.

4. 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 by the office of the Inspector General.

223.02 INMATE DEDUCTIONS

1. Monies may be deducted from the inmate's Trust Account or Trust 2 Account.

223.03 PROCEDURES

1. FUND RAISER APPLICATION – (Form DOC-017)

A. Applications must include a copy of the IRS tax status notice or the charity must be listed in the Internal Revenue Service (IRS) publication 78, Search for Exempt Organizations and a copy of the State of Nevada business license, issued by the Department of Taxation. Nevada public/charter, elementary or secondary schools are exempt from this requirement.

B. All purchases must be made through the Inmate Store. The store must be notified of the fundraiser at least 30 days prior to the event.

C. If the Warden approves the application, it must be forwarded to the Deputy Director of Support Services for review.

(1) Application Form DOC 017 will be submitted and approved by the Warden and the Deputy Director 30 days before Inmate Stores creates fundraiser number and begins fundraising process.

(2) Nevada Inmate Stores Systems (NISS) will have 30 days before the fundraising event and after completion of Fundraiser sales to report and distribute supporting documentation to Inmate Services.

D. Incomplete applications will be returned to the Warden who originally approved the application.

E. Upon completed review, the Deputy Director of Support Services will forward the application to the Director or designee for approval.

(1) The Director/Designee will approve or disapprove the application.

(2) If the application is not approved, it will be returned to the Warden who originally approved the application.

F. If the application is approved, the Director/Designee will forward the application to the Chief of Inmate Services.

2. COMPLIANCE

A. Inmate Services will forward a copy of the approved application to the Warden who will contact the staff sponsor to advise them of the approval.

B. Each institution/facility may conduct a maximum of two (2) fundraisers per organization per calendar year to benefit a 501(c)(3) organization.

C. 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.

3. NEVADA INMATE STORE SYSTEM (NISS) DOC 517 APPROVAL

A. No fund raisers will be operated or conducted through any of the State's funds or accounts.

B. Monies will be deducted from the inmate's trust account or trust 2 account via a store purchase on a DOC 517 within the min. max quantities as approved by the institution at established incremental rates.

C. The amount withdrawn from the inmate's trust account or trust 2 account shall be limited to purchase a reasonable quantity for the inmate's own personal use and not to purchase for other inmates unless approved, in writing, by the Director/Designee.

4. NEVADA INMATE STORE SYSTEM (NISS) DOC 517 FORM TRANSMITTAL

A. Inmates should only submit one DOC 517 form for each fundraiser.

B. Inmate Stores shall provide Inmate Services a printed batch report of inmate fundraiser purchases for fundraiser by inmate number.

C. The printed batch report for the fundraiser will be sent weekly and received at Inmate Services at least two weeks prior to the event or when the check(s) and participation lists are required.

D. A check will only be issued to the 501(c)(3) organization. Payment of invoices for the items purchased will be issued from 501(c)(3) organization. A refund check for remaining balance may be issued based on calculations. A list of participating and non-participating (NSF) inmates along with the check(s) will be forwarded to or picked up by the institution/facility staff sponsor. The staff sponsor will be responsible for notifying inmates of their participation status.

E. A fifteen percent (15%) administration fee will be charged on the Net Profits of the fundraiser.

(1) Initially, 15% will be deducted from the Net Revenue (gross proceeds) prior to issuing the check(s), which will be held pending receipt of a financial report outlining the allocation of funds, including Net Revenue, Expenses and Net Profits.

(2) The financial report will be sent to Inmate Services within 30 days of completion of fundraiser and shall have copies of receipts and checks attached for all expenses incurred that are directly related to the fund raiser.

(3) Upon review of the report and related receipts/checks, the 15% administrative fee will be re-calculated from the Net Profits and the difference between the amount withheld and the re-calculated amount will be forwarded to the organization.

(4) Inmate Services may retain the initial 15% deduction if financial reports are not received within 30 days of the date the fundraiser event is held.

EXAMPLE:	
100 participants at $10.00 each = Net Revenue	$1,000.00
15% initial Admin Fee withheld from Net Revenue	($150.00)
Initial check issued	$850.00
Financial Report:	
Net Revenue	$1,000.00
Fund Raiser Expenses (food, supplies, etc. Do not include payment to charities)	($200.00)
Net Profits	$800.00
15% Admin Fee from Net Profits	$120.00
Initial Admin Fee withheld from Net Revenue	$150.00
Less Admin Fee from Net Profits	($120.00)
Difference owed to organization	$30.00

F. The Director/designee may, in writing, designate a statewide fundraiser and exempt the 15% deduction.

G. All donations are final. Refunds will **NOT** be granted unless the organization must cancel the event at no fault of the inmates.

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 G. Cox, Director

8/21/15
Date