

GENERAL DISTRIBUTION

**WEST VIRGINIA
DIVISION OF CORRECTIONS
& REHABILITATION**

NUMBER: 111.03

EFFECTIVE DATE: 15 October 2025

SUBJECT: FISCAL MANAGEMENT

POLICY DIRECTIVE

PURPOSE:

To provide policy and procedure ensuring the agency operates with sound fiscal practices and accounting procedures, including internal controls, money management, and internal monitoring.

REFERENCE:

WV Code §§12-2-2; 12-2-3; 15A-5-3; 36-8-1 *et seq.*; WV State Treasurer's Office (STO) Outside Bank Account Policy and Procedures, Cash Receipts Handbook for WV Spending Units, and Guidelines for Preparing Unclaimed Property Reports; and ACA Expected Practices 5-ACI-1B-01 through 03, 07, and 09 through 11; 5-ALDF-7D-13; 5-JCF-7B-01, 02, 05, and 07; 3-JDF-1B-01 through 03, 08, and 10-12; 1-JDTP-1B-01 through 03, 07, and 09 through 11; 2-CO-1B-01, 05 and 06; 1-CTA-1B-01, 02, and 05; 4-APPFS-3D-23 and 25; and 2-CI-6E-1.

RESPONSIBILITY:

No additional written instructions on this subject are required.

CANCELLATION:

Any previous written instruction on the subject, including DCR Policy Directive 111.03, dated 20 September 2020.

APPLICABILITY:

All facilities and work units within the Division of Corrections and Rehabilitation (DCR). This Policy is available for general distribution.

DEFINITIONS:

Cash: For the purpose of this Policy Directive, this includes money or its equivalent in the form of coins, currency, money orders, pay cards and checks.

Imprest Fund: A change fund that has a fixed amount and is maintained at the agency. An imprest fund is not a petty cash fund.

Internal Controls: Functions, processes and procedures utilized by a spending unit to ensure compliance, proper accounting, and safeguarding of State funds, property, and equipment.

Outside Bank Account: An account operated by a state spending unit outside of the state treasury. It consists of monies not due the state. The State Treasurer's Office (STO) approves and monitors these accounts as set forth in WV Code §12-2-3.

Segregation of Duties: The concept of having more than one person required to complete a task.

Unclaimed Property: Any personal asset that has remained unclaimed for a specific abandonment period as set forth in WV Code §36-8-2.

POLICY:

- I. Superintendents are responsible for the fiscal policy, management, and control. Management of the fiscal operations may be delegated to a designated staff person. Agency and facility fiscal personnel will maintain close coordination.
 - A. In facilities with Corrections Business Managers as their fiscal officer, the individual will have appropriate professional qualifications, as designated by the Division of Personnel, including:
 1. A bachelor's degree in business or public administration, finance, economics, accounting or mathematics including at least six (6) hours in accounting; and
 2. Four (4) years of full-time or equivalent part-time paid experience in accounting, auditing, financial management or advanced level banking including two (2) years in administrative or supervisory capacity.
 3. Experience as described above may be substituted for the required training on a year-for-year basis.
 - B. In all facilities and work units, the DCR Director of Operations, Program Administrators and the Internal Auditor assist with fiscal operations.
- II. Superintendents and work unit supervisors or directors as appropriate shall ensure the complete and accurate accountability of all staff members supervising the various fiscal programs within the facility or work unit. This shall be accomplished with ongoing checks and balances as well as periodic audits conducted by the agency's Internal Auditor.

- III. All rules and regulations set forth by the State Treasurer's Office (STO) for outside bank accounts and WV Code §12-2-3 governing deposits of monies not due the state into authorized outside bank accounts will be adhered to.
- A. The only outside bank accounts authorized for DCR:
1. Inmate/Resident Trustee Accounts at DCR Facilities
 2. Facility Travel Advance Account (for inmate/resident related travel only)
- B. To open an outside bank account, the facility must complete the Request to Open an Outside Bank Account form available on the STO website and submit it to the DCR Director of Operations or designee who will ensure agency-level approvals. Approved forms will be submitted to the Division of Administrative Services (DAS), who will review and submit to the STO.
1. If the STO approves the account, the STO will contact DAS and provide a copy of the approved application form and DAS will notify the facility.
 2. The facility will open the account at the approved state depository per the application, obtain the proper signatures on the signature card, return the original signature card to the bank, and provide the account number and a copy of the signature cards to DAS who will provide to the STO.
 3. Should it be necessary to change signatures during the term of the account, the facility will update the signature card, return the original to the bank and a copy to DAS who will provide to the STO.
- C. The STO will request various types of information throughout the year to help analyze and review the maintenance of the accounts by state agencies.
1. At the end of each fiscal year, as of June 30 and due by July 31, and at various times determined by the STO, facilities maintaining outside bank accounts must provide the following information:
 - a. Bank statements
 - b. Bank reconciliations
 - c. Itemized list of outstanding checks; including check number, date the check was written, and the amount.
 - d. Any other information requested by the STO
 2. In order for the STO to be notified of any of the following changes, all facilities will notify the DCR Director of Operations/designee in writing who will ensure appropriate actions are taken including notifying DAS who will notify the STO.

- a. Change of bank ABA or account number due to bank mergers or ownership.
 - b. Change of any authorized person on an account.
 - c. Change of contact information for an account.
 - d. Any other changes the facility or agency feels the STO should be aware of.
- D. To close an outside bank account, the facility shall make sure all transactions have cleared the account to be closed and ensure the account has a zero balance.
- 1. The facility will then complete the Request to Close an Outside Bank Account form available on the STO website and submit it to the DCR Director of Operations or designee. Approved forms will be submitted to the DAS who will review and submit to the STO.
 - 2. The STO will then forward a copy of the request to the bank and verify the account has been closed.
 - 3. The STO will then forward a copy of the approved close request to DAS who will forward to the facility for their records.
- IV. Facilities shall maintain proper internal controls with all bank accounts.
- A. Checks and paper used to print magnetic ink character recognition (MICR) checks, shall be stored in a locked and secure environment.
 - B. Two signatures are required on all checks.
 - C. Staff shall never sign blank checks. Staff with signatory authority must verify the payee's name is present on the check and all backup documentation matches the payee and the amount of the check. Staff shall initial the backup documentation to document the review and make notations of any special circumstances. Staff with signatory authority will immediately notify the Superintendent, the Business Manager or lead fiscal staff member of any concerns regarding the supporting documentation and the check and file an incident report.
 - D. All funds received shall be deposited into the appropriate bank account within one (1) business day of receipt and logged using the Deposit Information Spreadsheet (**Attachment #1**). The bag holding such monies should be sealed and/or locked before it leaves the facility.
 - E. Monies (including coins, currency, money orders, pay cards and checks) collected at facilities shall be placed in an officially designated and secure location (locked fireproof cash drawer, safe or other secure place) until deposited. A limited number of staff shall have access to the secured receipts to prevent mishandling.

- F. No individual shall have sole responsibility for the cash receipts. Multiple staff members shall be assigned certain functions with respect to cash/check receipts.
 - G. All cash should be counted out of sight of the general public by two (2) staff members with at least one (1) being business office staff, if possible.
 - H. Under no circumstances shall an employee commingle funds with the staff member's personal funds or take the business funds home. All funds must remain at the facility until deposited in the bank.
 - I. All incoming checks must immediately be stamped "For Deposit Only."
 - J. Staff duties when receiving cash/checks shall be segregated. An individual should not have the sole responsibility for more than one of the following cash handling components: preparing deposits, making deposits, and reconciliation of accounts. The Deposit Review Sheet (**Attachment #2**) shall be used to verify this segregation. (Attachment #2 "Admin Signature" and "Admin Deposit Amount" will be completed after the deposit has gone to the bank. The "Admin Deposit Amount" will be the amount on the receipt generated by the bank after deposit.)
 - K. All inmate/resident trustee accounts must be reconciled on a monthly basis and shall be performed by a facility fiscal staff member. All errors or irregularities shall be reported to the Superintendent and Business Manager or lead fiscal staff member to be investigated and corrected.
 - L. All account reconciliations shall be reviewed and approved by the Business Manager or lead fiscal staff member.
 - M. All bank account information shall be reported annually by each facility to the STO as required and forwarded to the DAS Accounting Team by the established deadline to be included in closing book reports. DAS will then forward to other necessary agencies outside of the Department of Homeland Security.
- V. Record keeping of the inmate/resident funds and accounts shall be conducted through the inmate/resident trustee accounting system.
- A. The accounting system, at a minimum, will account for:
 - 1. Receipts – a record of cash, checks, voucher transfers, electronic deposits, and all other forms of receipts.
 - 2. Disbursements – a record of all funds paid from an inmate's/resident's account. Written documentation shall be kept and maintained in the Business or Fiscal Office or scanned/attached to the inmate's/resident's account on the system.

3. Balance – inmate's/resident's accounts will be maintained in a current, balanced, and always up-to-date manner wherein all entries are posted in a timely manner.
 4. Vouchers/orders – copies of all documentation issued, such as, court orders or other financial obligation paperwork shall be kept and maintained in the Business or Fiscal Office or scanned/attached to the inmate's/resident's account on the system.
 - B. Staff working with the inmate/resident funds and accounting system shall not keep any cash on hand, nor shall they make any cash purchases with inmate/resident funds. All cash and checks must be deposited into the inmate's/resident's account within one (1) business day of receipt.
 - C. The inmate/resident funds and trustee accounting system shall be audited no less than quarterly by the DCR Director of Operations or designee who will provide a written report. The funds and trustee accounting system shall also be audited by the agency's Internal Auditor when a need is determined. Audits conducted by the Internal Auditor will examine the level of compliance with policy, standard financial management, and accounting procedures. A detailed report will be presented to agency and facility leadership.
- VI. Superintendents may be authorized by the Commissioner to establish or continue an imprest fund for the sole purpose of providing employees with funds to transport inmates/residents for any purpose as determined by the superintendent. Petty cash funds are not authorized.
- A. The employee is required to complete a Travel Reimbursement Form for the travel within five (5) days of returning to the facility. The funds shall be used to reimburse the imprest fund for the amount expended by the employee.
 - B. Each facility that receives a quarterly travel cash advance will be eligible to maintain an imprest fund on-site.
 - C. The on-site imprest fund will be considered part of the Travel Advance Account. Therefore, at any point, during the quarter, the account should be able to be balanced by adding the checkbook balance, bank balance, and the required travel receipts.
 - D. Facilities authorized to use an imprest fund will be required to establish and maintain an adequate system of internal controls for the fund. These controls should include, but not be limited to, the following:
 1. These funds are strictly limited for the purpose of transporting inmates/residents and cannot be used for any other purpose.
 2. The checkbook should be kept in an officially designated and secure location (locked fireproof cash drawer, safe or other secure place).
 3. Access to the checkbook should be limited to necessary personnel.

4. The same individual shall not control the checkbook and perform the quarterly reconciliation/settlement.
 5. At the end of each quarter, the balance in the imprest fund, along with the remaining balance in the bank account, will be settled to the STO and the West Virginia Auditor's Office via a FIMS Coversheet. This settlement should include all receipts for the quarter.
- VII. The Uniform Unclaimed Property Act (WV Code §36-7-1 *et seq.*) requires all businesses and government entities to file an unclaimed property report with the STO once per year.
- A. Property held by state agencies is presumed abandoned if it is unclaimed by the apparent owner one (1) year after the property becomes distributable.
 - B. All facilities will ensure that all checks written from outside bank accounts have a stale/void date of 180 days on the face of the check.
 - C. All positive unclaimed property reports must be filed with the STO before November 1 of each year and cover the twelve (12) months preceding July 1 of that year. No report is required if no unclaimed property exists.
 - D. Facilities must perform due diligence to find the owner of unclaimed property when the value is fifty dollars (\$50.00) or more, and no returned mail has been received. It must consist of a first class mailing and be performed not less than sixty (60) days or more than one hundred and twenty (120) days before filing the report. A sample due diligence letter is provided on the STO website.
 - E. Electronic reporting is required for all holder reports. Reports are uploaded or created directly on the STO website. Multiple payment methods for holders are also provided on the website.

ATTACHMENT(S):

- #1 Deposit Information Spreadsheet
- #2 Deposit Review Sheet

APPROVED SIGNATURE: _____

David L. Kelly, Commissioner

Date

WVDCR Policy Directive 111.03
15 October 2025
Attachment #1
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WVDCR Policy Directive 111.03
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Attachment #2
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