

1 ENGROSSED HOUSE
2 BILL NO. 2898

By: Humphrey of the House

and

Boggs of the Senate

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7 [prisons and reformatories - abolishing the Canteen
8 System Board - placing canteen system operations
9 under the control of the Chief Financial Officer of
10 the Department of Corrections - effective date]

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14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. AMENDATORY 57 O.S. 2011, Section 537, is
16 amended to read as follows:

17 Section 537. A. ~~There shall be established a Canteen System~~
18 ~~Board of Directors for all canteen system services operated within~~
19 ~~the Department of Corrections. The members of the Canteen System~~
20 ~~Board shall be appointed by the Director of the Department of~~
21 ~~Corrections.~~ All canteen system operations shall be under the
22 control of the ~~Canteen System Board~~ Chief Financial Officer of the
23 Department of Corrections and shall operate pursuant to written
24 guidelines established by the ~~Board~~ Chief Financial Officer. The

1 overall canteen operation composed of all correctional facility
2 canteen operations, inmate telephone systems and inmate electronic
3 mail systems shall be collectively called the Canteen System and
4 such system shall be required to be self-supporting from sales
5 receipts.

6 B. Each correctional facility may have a canteen system
7 operation. Each facility canteen system when established shall
8 require the warden of such facility or a designee to oversee the
9 day-to-day canteen system operations according to the guidelines set
10 by the ~~Canteen System Board~~ Chief Financial Officer. The Chief
11 Financial Officer of the Department shall act as custodian of all
12 canteen system funds and be responsible for all expenditures from
13 the canteen system accounts. The Chief Financial Officer shall make
14 daily deposits of all sales receipts in the canteen system accounts.
15 Canteen system profits generated by items or services for resale
16 shall be identified monthly by the Chief Financial Officer and
17 transferred periodically from the canteen system account to the
18 Department of Corrections Inmate and Employee Welfare and Canteen
19 System Support Revolving Fund. All disbursements made from the
20 canteen system account shall be by voucher approved by the Chief
21 Financial Officer and shall be payable through the Office of the
22 State Treasurer. Documentation of each disbursement shall be kept
23 on file by the Department. Canteen system records may be disposed
24 of in accordance with the records disposition schedule approved by

1 the Archives and Records Commission. The Department shall notify
2 the State Records Administrator thirty (30) days in advance of its
3 intent to dispose of any canteen records. The Department shall
4 follow accounting procedures in accordance with state fiscal
5 accounting procedures in administering canteen system funds. All
6 profits from the canteen system shall be used exclusively for the
7 benefit of the inmates of the various institutions and personnel of
8 the Department of Corrections and support of canteen system
9 operations ~~as determined by the Canteen System Board of Directors~~
10 ~~pursuant to subsection A of this section.~~

11 C. Inmates may work in a correctional facility canteen and
12 shall receive reimbursement for such work through the institution
13 incentive pay program.

14 D. Any audit of canteen system operations and accounts
15 conducted by the State Auditor and Inspector shall be provided to
16 the warden of the concerned institution.

17 E. Merchandise and services to be purchased for resale or
18 distribution through the canteen system, inmate telephone equipment
19 or services, and inmate electronic mail equipment and services shall
20 be purchased by voucher drawn against canteen system accounts and
21 all such purchases of goods and services shall be exempted from the
22 provisions of The Oklahoma Central Purchasing Act. All revenues
23 from canteen operations, inmate telephone system services and inmate
24 electronic mail system operations shall be used exclusively for the

1 benefit of the inmates of the various institutions and personnel of
2 the Department of Corrections ~~as determined by the Canteen System~~
3 ~~Board of Directors.~~

4 SECTION 2. AMENDATORY 57 O.S. 2011, Section 537.1, as
5 amended by Section 250, Chapter 304, O.S.L. 2012 (57 O.S. Supp.
6 2019, Section 537.1), is amended to read as follows:

7 Section 537.1 A. There is hereby created in the State Treasury
8 a revolving fund for the Department of Corrections to be designated
9 the "Department of Corrections Inmate and Employee Welfare and
10 Canteen System Support Revolving Fund". The fund shall be a
11 continuing fund, not subject to fiscal year limitations, and shall
12 consist of all profits generated from the canteen system, any inmate
13 telephone system and any inmate electronic mail system. All monies
14 accruing to the credit of the fund are hereby appropriated and may
15 be budgeted and expended by the Department of Corrections ~~and the~~
16 ~~Canteen System Board of Directors~~ for the benefit of inmates of the
17 various institutions and personnel of the Department and to support
18 canteen system operations according to written Department policy,
19 welfare budget limitations, and upon approval of the ~~Canteen System~~
20 ~~Board~~ Chief Financial Officer of the Department. Expenditures from
21 the fund shall be made upon warrants issued by the State Treasurer
22 against claims filed as prescribed by law with the Director of the
23 Office of Management and Enterprise Services for approval and
24 payment. All expenditures from this fund shall comply with the

1 applicable provisions of The Oklahoma Central Purchasing Act, unless
2 specifically exempted by subsection E of Section 537 of this title.

3 B. All cash balances credited to the various Department canteen
4 fund accounts that were previously budgeted and approved for inmate
5 and staff welfare expenditures prior to November 1, 2008, but are
6 not encumbered or expended as of June 30, 2008, shall be transferred
7 to the Department of Corrections Inmate and Employee Welfare and
8 Canteen System Support Revolving Fund upon implementation of the
9 Department of Corrections consolidated canteen, trust and
10 restitution accounting system. Effective November 1, 2008, profits
11 generated from the canteen system, any inmate telephone systems, and
12 any inmate electronic mail systems shall be identified and deposited
13 in the Department of Corrections Inmate and Employee Welfare and
14 Canteen System Support Revolving Fund.

15 SECTION 3. This act shall become effective November 1, 2020.

16 Passed the House of Representatives the 10th day of March, 2020.

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Presiding Officer of the House
of Representatives

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Passed the Senate the ____ day of _____, 2020.

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Presiding Officer of the Senate

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