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Joe M. Allbaugh, Director Oklahoma Department of Corrections	Signature on File		

Fiscal Management Responsibilities

This procedure outlines fiscal management responsibilities at the various management levels within the Oklahoma Department of Corrections (ODOC). Each level of management has various responsibilities; the next higher level of management is responsible for all lower levels. (2-CO-1B-01)

I. Statewide Fiscal Rules and Regulations

Fiscal management of ODOC is affected by several higher authorities. The Oklahoma state Constitution places restrictions on the fiscal activity of the state as a whole. State statutes add another accountability of fiscal restrictions. Legislation on fiscal matters may be more stringent than the Constitution, but cannot be less stringent. In addition, several agencies have been empowered to establish additional accountabilities of administrative rules and regulations as described below.

A. Office of Management and Enterprise Services

The Office of Management and Enterprise Services (OMES) has the authority to issue rules, regulations, and procedures within specific areas of

fiscal management. These areas include budgeting, revenue accounting, expenditure processing, and financial reporting. The OMES Procedures Manual describes the rules, regulations, and procedures affecting areas within their purview. Additionally, the OMES Information Services Division, or its successor entity, will be the approval authority for information technology related purchases by the agency.

B. OMES, Division of Capital Assets and Management

The OMES, Division of Capital Assets and Management, is authorized to issue rules, regulations, and procedures for acquisition of goods and services as well as for disposition of surplus state property.

1. These functions are carried out by the Central Purchasing Division and the Division of Construction and Properties.
2. The state risk manager (insurance) and the state fleet manager are also part of OMES Division of Capital Assets and Management and may issue rules, regulations, and procedures in their respective areas. (2-CO-1B-11)

C. Office of the State Treasurer

The State Treasurer's Office has the authority to issue rules, regulations, and procedures involving deposits to state funds and disbursements of state funds. The Office of State Treasurer approves the implementation of any banking related functions.

II. Federal Fiscal Rules and Regulations

Federal fiscal rules and regulations apply to ODOC for federal funds. When a federal grant is received directly from a federal agency or through a pass-through state agency, federal rules and regulations apply to those funds in addition to state rules, regulations and procedures. Federal rules and regulations may vary from one grant to another.

III. Department of Corrections Topic Specific Fiscal Procedures

Within the framework established by higher authorities, the agency has established system-wide fiscal procedures. Managers at all levels of the agency should be familiar with these procedures, as they are responsible for fiscal procedures within their area of supervision.

IV. Department of Corrections General Fiscal Procedures

The following general fiscal procedures apply to many areas of fiscal management within ODOC.

A. Fiscal Management

The division/district/facility/unit head is responsible for fiscal policy, management and control within their unit. Fiscal management may be delegated to a designated staff person. (4-4025, 4-ACRS-7D-16, 4-APPFS-3D-22)

B. Staff Development

1. Staff Development of Business Managers/Fiscal Officers

Newly appointed business managers/fiscal officers will undergo a series of staff development training that will consist of the following components:

- a. Within the first week of appointment, an informational handbook will be provided by the divisional/district business manager/fiscal officer that will consist, in part, of a listing of ODOC policy and procedures relevant to fiscal management, including the Offender Banking System (OBS).
 1. These policies will normally be read within the first 30 days of appointment.
 2. A signed memorandum stating that the required policies have been read and understood will be placed in the employee's personnel file and the new business manager/fiscal officer will forward a copy to the appropriate divisional/district business manager/fiscal officer.
 3. Finance and Accounting will review the handbook annually and update as required.
- b. The divisional/district business manager/fiscal officer will schedule, through the facility/district/unit head, a minimum of one day that the new business manager/fiscal officer will be required to spend at the divisional/district office. This will normally be accomplished during the first week of appointment.
- c. The divisional/district business manager/fiscal officer will schedule a "permanent" business manager/fiscal officer to report to the facility of the new business manager/fiscal officer, and assist that individual in understanding the position and its requirements. Time spent at the facility will be based on need as determined by the divisional/district business manager/fiscal officer. This will normally be accomplished within 30 days of

appointment.

- d. The divisional/district business manager/fiscal officer will schedule, through the facility/district/unit head, the new business manager/fiscal officer to report to the Finance and Accounting Unit, in order to become familiar with the various functions and personnel of that division. This will normally be accomplished within the first three months of appointment.
- e. The new business manager/fiscal officer will participate in a learning journey at one or more facilities/districts/units as determined by the divisional/district business manager/fiscal officer and facility/district/unit head, normally within six months of appointment.

2. Staff Development – Canteen Supervisor/Trust Fund Officer

Newly appointed canteen supervisors and trust fund officers will receive specialized development training. Components of the training will include the following:

- a. The facility/district supervisor, in conjunction with the divisional/district business manager/fiscal officer, will ensure that newly appointed canteen supervisors/trust fund officers receive training appropriate to their job classification, including OBS.
- b. The facility/district supervisor will ensure that a “permanent” canteen supervisor/trust fund officer visits the site of a new canteen supervisor/trust fund officer and assists that individual in understanding the position and its requirements. Time spent at the site will be based on need as determined by the facility/district supervisor. This will normally be accomplished within 30 days of appointment to the position.
- c. Normally within three months of appointment, the facility/district supervisor will ensure that the new canteen supervisor/trust fund officer participates in a learning journey at one or more facilities/districts. This may be continued annually at the discretion of the facility/district business manager/fiscal officer.

C. Annual Review of Written Fiscal Policies and Procedures

In accordance with [OP-010101](#) entitled “Policies and Procedures,” all fiscal policies and procedures will be reviewed annually to ensure compliance with fiscal rules, regulations, and procedures of the next higher level of the agency and the State of Oklahoma. (4-4031, 4-APPFS-3D-21)

D. Accounting Security and Control (4-4027, 4-ACRS-7D-17, 4-APPFS-3D-23)

Policy and procedures will address, at a minimum, the following fiscal matters:

1. Internal controls;
2. Petty cash (Express Check);
3. Bonding or indemnification for all appropriate staff;
4. Signature control on checks;
5. Offender funds;
6. Issuance or use of vouchers;
7. Employee expense reimbursements; and
8. All monies collected within the agency will be placed in an officially designated and secure location daily. (2-CO-1B-06, 4-4033, 4-ACRS-7D-21, 4-APPFS-3D-25)

E. Generally Accepted Accounting Principals

All fiscal policy and procedures for receipt, safeguarding, disbursing, recording of funds, and other financial transactions will comply with generally accepted accounting principals for governmental entities. (4-4031, 4-ACRS-7D-22, 4-APPFS-3D-23)

F. Financial Monitoring and Reporting

Ongoing monitoring of all fiscal activities will be done by managers at all levels, the results of which will be reported in writing at least quarterly to the next higher level of management. With respect to trust funds and canteen funds, the written reports will summarize monies collected and disbursed. (2-CO-1B-01, 4-4034, 4-4035, 4-ACRS-7D-23, 4-APPFS-3D-22, 4-APPFS-3D-24)

G. Internal Audit Team

An internal audit team will be responsible for conducting annual independent agency wide audits. The supervisor of the audit team will report to the administrator of Auditing and Compliance. All team members will report to the audit team supervisor and will not be affiliated with the

division/district/facility/unit being audited. (2-CO-1B-07, 4-4036, 4-ACRS-7D-24, 4-APPFS-3D-26)

H. Staff Awareness/Development

Managers at all levels will ensure fiscal procedures are available to all staff under their supervision and all staff have input in policy development and are aware of fiscal procedures affecting their job assignment. (4-4028)

I. Grants and Donations

To supplement the fiscal resources made available by the state, upper management will seek financial support from public and private funding sources.

1. All grants are subject to approval by the director.
2. Donations not exceeding \$5,000 in value may be accepted by division/district/facility/unit heads on behalf of the agency. Upon receipt of a donation, the director will be informed in writing of the donation and its approximate value. (4-4521)
3. Donations exceeding \$5,000 can only be accepted by the director on behalf of the agency.

V. Agency Fiscal Activity Responsibilities

- A. The Finance and Accounting Unit will administer fiscal operations at the agency level. This unit provides services to the agency in budgeting, claims processing, fiscal reporting and other fiscal activities as deemed necessary and serves as the coordinating unit between the agency and other state agencies in fiscal matters.
- B. The Contracts and Acquisitions Unit will be responsible for the purchasing related requirements of financial functions.
- C. Correctional centers, community corrections centers, probation and parole districts, Community Sentencing and Offender Information Services Division, Oklahoma Correctional Industries, Agri-Services and the Health Services Division will maintain fiscal personnel, with agency approval, sufficient to meet their needs in the areas of budgeting, purchasing, invoice processing, trust funds, canteens, unit level fiscal reporting and other fiscal activities required at the local level. (4-APPFS-3D-22)

VI. References

Policy Statement No. P-120100 entitled "Management of State Funds and Assets"

OP-010101 entitled "Policies and Procedures"

Oklahoma Statutes, Titles: 57, 68 and 74

Statewide Accounting Manual 2015

VII. Action

The division manager is responsible for compliance with this procedure.

The chief administrator of Business Services is responsible for the annual review and revisions.

Any exceptions to this procedure will require prior written approval from the director.

This procedure is effective as indicated.

Replaced: Operations Memorandum No. OP-120101 entitled "Fiscal Management Responsibilities" dated August 27, 2015

Distribution: Policy and Operations Manual
Agency Website