

## **5120-5-02 Inmate funds.**

(A) As used in this rule:

(1) "Unapproved source" means any person under the supervision of the department of rehabilitation and correction or any other correctional agency unless approved by the warden, any transaction the warden has cause to believe is for an unlawful purpose, and any other source where the warden has cause to believe the transaction is for an unlawful purpose, including, but not limited to, fraud, extortion, blackmail, dealing and gambling. For purposes of money orders sent by any source and checks sent by inmates pursuant to paragraph (C) of this rule, an "unapproved source" also means any person not on the inmate's approved visiting list.

(2) When referring to funds, "approved form," means a certified check, cashier's check, money order, check drawn upon the account of a governmental agency or when available, wire or electronic transfer. All money orders and checks must be legible, include the inmate's number and a return address, and be signed by the sender.

(3) When referring to funds, "unapproved form" means currency, coin, or personal check drawn upon an account of an individual, private association, firm, partnership, or corporation, or any other unapproved form.

(B) An individual account record shall be maintained for each inmate in the cashier's office of an institution which reflects all receipts and disbursements of funds from each account.

(C) Funds in approved form, in an amount not to exceed two hundred dollars unless approved by the warden, may be accepted for deposit to the account of that inmate. An inmate may request that a reasonable amount of personal funds be sent, in the form of a check, to any entity other than an unapproved source.

(D) Funds in any amount from an unapproved source or in an unapproved form shall not be accepted for deposit and shall be processed pursuant to rule [5120-5-08](#) of the Administrative Code.

(E) A checking account shall be established to maintain and administer inmate funds.

(F) An inmate who will be incarcerated for less than one year when admitted to the department of rehabilitation and correction may hold an outside bank account. If holding such an account, the inmate shall notify, in writing, the cashier's office of that account. The cashier's office shall maintain a record of that notice.

(G) Investments may only be initiated in accordance with the following guidelines:

(1) Individual investments: when an inmate has a balance of more than one hundred dollars in his personal account, he may request the warden or designee to invest the amount in excess of one hundred dollars in certificates of deposit.

(2) Investments in certificates of deposit must be at least the minimum required amount for such certificates.

(3) The cashier's office shall hold any previously issued series EE savings bonds and all certificates of deposit, registered in the inmate's name, for safekeeping. Investments not registered in the inmate's name must be sent by certified mail, at the inmate's expense, to the registered owner or guardian of

# Exhibit 2

Page 2 of 2

the owner. Separate journal controls shall be established and maintained for individually owned bonds and certificates of deposit as a means of accountability for all such items held by the institution. A notation to the effect that an inmate does have personal investments should also be made on the inmate's account record. All inmates shall be informed of opportunities to invest surplus personal funds.

(4) Consolidated investments: all inmates' funds not individually invested and deemed to be in excess of the normal operating level, shall be consolidated and invested in savings or money market accounts or certificates of deposit at banks, savings and loan associations, or the state treasury asset reserve of Ohio fund as approved by the chief of the division of business administration. The interest received from such investments shall be deposited to the credit of the custodial account for inmates' checking account, and immediately thereafter, a check shall be issued in the amount of such interest to the industrial and entertainment fund. All deposits and investments from inmates' consolidated funds shall be registered as follows:

State of Ohio

(Name of institution)

Custodial account for inmates

(Name of managing officer or successor)

(5) Any bank or savings and loan association holding deposits shall be insured by federal insurance agencies.

(6) An inmate is required, when establishing individual investments, to designate a beneficiary on a form provided by the financial institution.

(H) Pursuant to paragraph (C)(24) or paragraph (C)(46) of rule [5120-9-06](#) of the Administrative Code, it is a rule violation for an inmate to engage in any form of business with an employee, or conduct business operations with any person or entity outside the institution, respectively, without authorization from the warden.

Effective: 09/17/2012

R.C. [119.032](#) review dates: 01/12/2014

Promulgated Under: [111.15](#)

Statutory Authority: [5120.01](#), [5120.13](#)

Rule Amplifies: [5120.13](#)

Prior Effective Dates: 1/12/76, 1/13/79, 8/29/83, 12/1/05