
AUDIT REPORT

DUTCHESS COUNTY

JUSTICE AND TRANSITION CENTER

AUDIT OF COMMISSARY RELATED BANK ACCOUNTS



AUGUST 2025



OFFICE OF THE
DUTCHESS COUNTY COMPTROLLER
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Dear County Officials and Taxpayers,

The Dutchess County Comptroller's Office has completed its audit report of the Dutchess County Sheriff's Office (DCSO) Jail Inmate Commissary, Commissary Profit, & Inmate Welfare Fund Bank Accounts for the period January 1, 2021 through December 31, 2023. Periodic auditing of these accounts is required under New York State Law 9 CRR-NY 7016.1 and is subject to review by the New York State Commission of Correction. The last audit performed by this Office was for the period March 1, 2018 through December 31, 2020, and released in December 2021. Oversight and management of the commissary operations and related accounts are currently the responsibility of the Undersheriff, Director of Budget and Finance, Correction Superintendent, and an Accounting Clerk.

Our audit of the Jail Inmate Commissary, Commissary Profit, and Inmate Welfare Fund Accounts found that all cash and funds were handled appropriately. However, other findings made in this report are not dissimilar from what was concluded in this Office's previous report for the 2018-2020 period, which found a "...lack of segregation of duties, outdated policies and procedures, and an accumulation of inmate welfare account funds that should be spent more aggressively for the benefit of current inmates."

The Comptroller's Office continues to recommend that the DCSO implement comprehensive, written policies and procedures for each commissary-related account, with policies that clearly define roles, responsibilities, and internal controls. Limited staffing continues to account for an improper segregation of duties, as well as timely completions of bank account reconciliations and required submissions to the Department of Finance.

We also recommend that the Sheriff's Office continue to seek additional acceptable uses or purchases with funds from the Inmate Welfare Account to prevent the excess accumulation of funds and utilize them for the benefit of the current inmates as intended by law. The highest percentage of expenditures from the Inmate Welfare Fund Account by category for 2023 were Entertainment (48%), Education (33%), Work Program Supplies (8%), Lexis Nexis (6%), Food (3%), Equipment (1%), and Clothing (1%).

Additionally, we found that the Department of Finance had not yet taken action regarding the **\$86,642** in unclaimed inmate funds held in the County's Jail Trust and Agency account. According to Opinion 88-14 issued by the New York State Comptroller, counties are expected to either transfer long-unclaimed funds to the General Fund or submit these funds to the OSC Office of Unclaimed Funds. Following this finding, the Department of Finance transferred **\$48,375** to the County's General Fund account.

We thank the Sheriff's Office for their cooperation and assistance in accommodating our requests during the audit process.

Respectfully submitted,



Dan Aymar-Blair
Dutchess County Comptroller

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I. Background and Organization

The Dutchess County Sheriff's Office (DCSO) operates under the regulation and supervision of the State of New York and is charged with the duty to maintain and administer the Dutchess County Justice and Transition Center (DCJTC) Dutchess County Sheriff's Office Correction Division. The DCJTC is primarily responsible for housing individuals pending adjudication or sentenced to imprisonment for one year or less. The DCSO provides services under the supervision of an elected Sheriff. In addition to certain other law and safety enforcement duties, the Sheriff is responsible, along with the Superintendent, for County Jail operations. The DCJTC's new facility opened on March 13, 2024, with an average inmate population of 228 per month for 2024.

The New York State Codes, Rules, and Regulations (9 CRR-NY 7016.1) allows the Dutchess County Sheriff's Office to maintain and operate an inmate commissary. The Sheriff's Office manages a commissary for inmates through a contracted vendor, offering food, health, and personal hygiene items for purchase. The vendor is selected through the County's formal bidding process. The County contracted with Aramark Correctional Services, LLC, on November 1, 2018, to provide meal and commissary services for the inmates of the JTC facility. The term of the agreement has been renewed over the years but is currently set to expire on October 31, 2025. In accordance with applicable state regulations, the pricing and selection of items are reviewed by designated Corrections staff, and items are sold at prices established jointly by the vendor and the Sheriff's Office, with profits generated from sales. The County receives 30% commission from the commissary sales; these profits are deposited into the Inmate Welfare Fund Account and must be used solely for inmate welfare and rehabilitation purposes, as mandated by the New York State Commissions of Correction.

This audit is performed in order to be in compliance with New York State Law (9 CRR-NY 7016.1) which requires a "periodic audit of the commissary accounts by the office of county auditor." Bank accounts overseen by staff at the DCJTC include the:

- Jail Inmate Commissary Account
- Commissary Profit Account
- Inmate Welfare Fund Account

Oversight and management of the commissary operations and related accounts are currently the responsibility of the Undersheriff, Director of Budget and Finance, Correction Superintendent, and an Accounting Clerk.

II. Audit Objective & Scope

The objective of this audit was to assess the management and oversight of the Jail Inmate Commissary, Commissary Profit, and Inmate Welfare Fund Accounts for the period of January 1, 2021, to December 31, 2023.

We examined the Department's processes and procedures related to the administration, oversight, and use of these accounts. Specifically, the audit addressed the following key questions:

- Did Department staff properly account for and manage the Inmate Commissary, Commissary Profit, and Inmate Welfare Fund Accounts?
- Were internal controls in place to provide oversight and segregation of duties?
- Where applicable, was the Department in compliance with the New York State Code 9CRR-NY 7016.1 - Official Compilation of Codes, Rules and Regulations of the State of New York?

III. Methodology

Our review included:

- Current Policies and Procedures
- Internal Controls
- Cash Collections and Disbursements
- Bank Account Reconciliations and Procedure Review
- Inventory Management
- Purchasing Procedures for Equipment
- Commissary Vendor Contract Review
- Interviews with Sheriff and Jail Personnel responsible for these accounts

IV. Summary of Major Findings & Recommendations

FINDINGS

- The Sheriff's Office – Corrections Division did not have formal, written policies and procedures in place for the individual management of each commissary-related account.
- Unclaimed inmate and stale-dated checks were not consistently submitted to the Department of Finance at the start of each calendar year.
- There was insufficient segregation of duties related to the account recording processes.
- In 2023, the Jail Inmate Commissary monthly bank account reconciliations were not completed timely.
- The Inmate Welfare Fund Account balance continues to accumulate, with less funds being spent than what is being deposited.
- The Department of Finance has not transferred unclaimed inmate funds to the County's General Fund after the six-year holding period and did not submit these funds to the OSC Office of Unclaimed funds after the two-year period, as required under OSC Opinion 88-14.

RECOMMENDATIONS

- Develop and implement comprehensive, written policies and procedures for each commissary-related account. These policies should clearly define roles, responsibilities, and internal controls and be reviewed and updated regularly to reflect current operations and regulatory requirements.
- Unclaimed inmate and stale-dated checks should be submitted to the Department of Finance at the start of each calendar year.
- Establish proper segregation of duties within financial processes to enhance internal controls and reduce the risk of error or misuse.
- Implement formal review and attestation procedures for account recording and reconciliation to ensure consistent oversight and accountability.
- The Sheriff's Office should continue to make allowable purchases and begin to use the accumulated funds for the benefit of the inmates with more frequency.
- The Department of Finance should review and implement a consistent process for handling unclaimed inmate funds in accordance with OSC guidelines. The County should either:
 1. Transfer unclaimed funds to the general fund after six years,¹ or
 2. Submit the funds to the OSC Unclaimed Funds Office after two years.

The ending December account balances for 2021-2023 are shown in the table below.

	2021	2022	2023
Jail Inmate Commissary Account	\$51,066	\$53,731	\$57,953
Jail Commissary Profit	\$5,393	\$1,674	\$5,818
Inmate Welfare Fund Account	\$632,212	\$673,801	\$736,966
Total	\$688,671	\$729,206	\$800,737

¹ On May 28, 2025, the Department of Finance transferred **\$48,375** of unclaimed inmate funds to the County's General Fund.

V. Commissary Process Review

The staff at the DCJTC maintain a separate accounting of all money for each inmate from the time of incarceration until the inmate is released. The Aramark Core Banking System is used to track and account for individual inmate balances and other Commissary-related accounts.

The commissary vendor, Aramark, operates a kiosk on-site called TouchPay where inmates order commissary items through a software program. Once the orders have been placed, the cost of each inmate's order is deducted from their individual account and items are delivered the next day.

Disbursements for the inmate's commissary purchases are made from the Jail Inmate Commissary account to Aramark upon receipt of the preceding week's invoices from the commissary's gross sales. Funds are deducted from the inmates' account at the time the inmate purchases the items.

Each week, Aramark mails a report detailing all sales, the calculated 30% commission to the County and corresponding commission check, which is deposited into the Jail Commissary Profit Account, a designated pass-through account.

Once a month, a check for the total commissions earned is issued from the Commissary Profit Account and deposited into the Inmate Welfare Fund Account.

VI. Bank Account Review

Our review included a sample of account transactions for deposits, withdrawals for purchases, and withdrawals for the final release of funds. The review included:

- The process for depositing funds
- deposit verification
- check writing including signatures
- disbursed checks
- outstanding checks
- voided checks
- stale-dated checks
- stop payment processes and bank reconciliations

VII. Jail Inmate Commissary Account

In compliance with the New York Codes, Rules & Regulations 7016.1 Commissary (**Exhibit I**), the Jail Inmate Commissary Account is used to track all funds collected and disbursed on behalf of inmates incarcerated at the DCJTC. This includes cash collected at intake, wages earned during incarceration, and any outside deposits made through the TouchPay kiosk. Funds in this account may be used by inmates for commissary purchases, haircuts, self-bail, and a one-time disbursement to a family member. Upon release or transfer from the JTC, any remaining account balance is returned to the inmate via a prepaid debit card, disbursement check or in the case of transfer, a check is mailed to the receiving facility. If an inmate is released with a negative balance, that amount is carried forward in case the inmate is reincarcerated and the monies can be recouped.

The Accounting Clerk at DCJTC is responsible for maintaining accurate records and overseeing all financial activity within the Inmate Commissary Account. Specific duties include:

- Preparing daily reports detailing all cash collected, reconciling the cash in the booking safe, and preparing a bank deposit slip.
- Issuing prepaid debit cards or checks to inmates upon release during regular business hours and mailing checks to other facilities.
- In the event of an inmate transfer, checks are prepared by the Accounting Clerk but require the signature of the Deputy Superintendent or Undersheriff.
- Processing weekly payments to Aramark and issuing monthly payments to the barber for haircuts. All payments are made via check and sent by mail.
- Performing stop payments on checks when a check is returned or reported lost. As of 2024, this function has been removed from the Accounting Clerk's duties, and all stop payment requests must now be submitted to the DC Department of Finance.
- Tracking all unclaimed inmate funds stale-dated or returned checks and sending these various checks to the Department of Finance at the beginning of each calendar year.
- Preparing checks for fees collected from inmates for items such as, disciplinary fees, copy charges, indigent haircut reimbursements, and payments for destroyed jail property. These monies are sent at the beginning of each calendar year to the Department of Finance and recorded in a Jail revenue line.

The Sheriff's Office staff is responsible for the monthly reconciliation of the Jail Inmate Commissary Account bank balance to the Aramark Core Banking system.

OBSERVATIONS

Total deposits for the years 2021 through 2023 were as follows:

- 2021: **\$413,621**
- 2022: **\$319,684**
- 2023: **\$368,914**

Total disbursements for the same period were:

- 2021: **\$408,224**
- 2022: **\$317,020**
- 2023: **\$364,692**

VII. Jail Inmate Commissary Account, Cont.

FINDINGS

- Written procedures for the handling of funds for the Jail Inmate Commissary Account were not up to date and did not include key banking activities, such as cash deposits, check issuance, and stop payments procedures.
- Bank reconciliations for this account were not complete after March 2023. The staff at the Sheriff's Office responsible for this was unaware of the account due to the retirement of the previous Director of Budget and Finance, but were able to complete reconciliations for the remaining months of 2023 during the audit process.
- One Accounting Clerk is responsible for all account related functions, including recording deposits, managing inmate balances, issuing disbursement checks or debit cards to inmates upon release, paying vendors, recording payroll inmate checks, tracking stale-dated checks and unclaimed inmate funds, and sending payments to the Department of Finance. There is currently no backup staff trained for these duties.
- Three checks could not be located or accounted for during the audit review.
- There were four instances where deposits were incorrectly deposited and recorded to the wrong account. The Accounting Clerk identified and corrected the errors within the same month by issuing a check to the correct account.

RECOMMENDATIONS

- Comprehensive written procedures for handling funds for the Jail Inmate account should be developed, implemented, and updated periodically.
- Implement formal bank reconciliation policies. Establish and follow documented procedures for performing monthly bank reconciliation. Ensure that all outstanding checks and reconciling items are properly tracked, and discrepancies are promptly investigated and resolved.
- Segregate key accounting functions where possible. Consider cross training additional staff or hiring a backup Accounting Clerk to ensure continuity of operations in the absence of the primary Accounting Clerk.
- Ensure all checks, including voided ones, are recorded and tracked in sequence to maintain the integrity of disbursement records.
- Implement a review step prior to posting deposits to reduce the risk of misallocations and ensure consistency across all accounts.

VIII. Unclaimed Inmate Funds and Stale-Dated Checks

At the beginning of each calendar year, the Accounting Clerk at the Jail sends various checks to the Department of Finance. These include unclaimed funds left uncollected by inmates for over a year, as well as stale-dated or returned checks that are no longer eligible for deposit. The Department of Finance places these checks into a Jail Trust and Agency holding account, allowing inmates to request their funds. According to Opinion 88-14² from the New York State Office of the State Comptroller, counties have two options for handling unclaimed commissary funds:

- The County may hold the unclaimed funds in its trust and agency account for up to six years. If they remain unclaimed after that period, the funds may be transferred to the County's General Fund.
- Alternatively, after two years the County may submit the unclaimed funds to the State Comptroller's Office of Unclaimed Funds.

OBSERVATIONS

- As of May 1, 2025, the balance in the County's Jail Trust and Agency account is **\$86,642** in unclaimed inmate funds.
- During the three-year audit period, unclaimed funds totaled **\$12,558** and stale-dated checks totaled **\$166**.

Year	Unclaimed Funds	Expired Checks
2021	\$6,190	N/A*
2022	N/A*	\$100
2023	\$6,368	\$66
Total	\$12,558	\$166
<i>*Not processed during the respective year.</i>		

FINDINGS

- Active inmate accounts were included in the Inmate Transaction Report from the Core banking system and sent to the Department of Finance, which resulted in some funds being sent for inmates who were still considered active. As of 2025, this issue has been corrected in the Core banking system and only inactive inmates will be included in the report going forward.
- The Sheriff's Office has not developed procedures for returning inmate funds after an inmate's release or transfer. If an inmate does not request their remaining balance upon release or if the Accounting Clerk is not there the day of release or transfer, the department does not make proactive attempts to return funds owed to former inmates.
- Unclaimed funds and stale dated inmate checks were not consistently submitted to the Department of Finance at the start of each calendar year. A total of eight uncashed checks totaling **\$346** from 2022-2023 were not submitted. As a result of this audit, stop payments were issued for the outstanding checks and a check was sent to Finance. Additionally, there are no written procedures in place outlining the processes for identifying, voiding, and remitting stale-dated or unclaimed checks to the Department of Finance.

² [Office of the New York State Comptroller. "Opinion 88-14," n.d.](#)

VIII. Unclaimed Inmate Funds and Stale-Dated Checks, Cont.

FINDINGS, CONT.

- In January 2023, four checks totaling **\$66.39** were forfeited to the Department of Finance without issuing stop payments beforehand. As a result of this audit, stop payment actions have been processed.
- The 2021 escheated check sent to the Department of Finance was prepared and signed by the Accounting Clerk.
- The Department of Finance has not transferred unclaimed inmate funds to the County's General Fund after the six-year holding period and did not submit these funds to the OSC Office of Unclaimed funds after the two-year period, as required under OSC Opinion 88-14.

RECOMMENDATIONS

- Ensure the Inmate Transaction Report generated by the Core banking system is thoroughly reviewed to confirm only inactive inmate accounts are included for escheatment.
- Develop and implement written procedures for the timely return of inmate funds upon release or transfer. These procedures should include steps for locating and notifying former inmates of unclaimed funds.
- Establish a formal timeline and internal control process to ensure that unclaimed funds and stale-dated checks older than one year are submitted to the Department of Finance promptly at the beginning of each calendar year.
- A stop payment prevents the stale-dated or outstanding checks from being cashed, if found. Ensure stop payments are processed prior to sending the stale-dated checks to the Department of Finance.
- Duties should be segregated to ensure proper internal controls.
- The Department of Finance should review and implement a consistent process for handling unclaimed inmate funds in accordance with OSC guidelines. The County should either:
 1. Transfer unclaimed funds to the general fund after six years,³ or
 2. Submit the funds to the OSC Unclaimed Funds Office after two years.

³On May 28, 2025, the Department of Finance transferred **\$48,375** of unclaimed inmate funds to the County's General Fund.

IX. Commissary Profit Account

The DCJTC facility currently maintains a Commissary Profit Account strictly as a pass-through account for transferring 30% of commissary net sale profits to the Inmate Welfare Fund Account. This account is used exclusively for inmate welfare and rehabilitation.

Aramark (the commissary vendor) mails the commission profit check weekly to the DCJTC Civil Department's Accounting Clerk along with a Sales and Commission Report. These checks are deposited into the Commissary Profit Account as they are received.

Once a month, the Accounting Clerk prepares a disbursement check for the total commissions earned for that month and makes the check payable to the Inmate Welfare Fund Account. The Deputy Superintendent or Undersheriff signs the checks written from this account. A Correction Officer takes the check for deposit to the designated bank and returns the deposit receipt to the Accounting Clerk for record-keeping. Monthly bank reconciliations are performed by the Director of Budget and Finance in the Sheriff's Office.

During the three-year audit period, commission profits totaled **\$370,592**.

Year	Total
2021	\$136,018
2022	\$108,349
2023	\$126,225
Grand Total	\$370,592

As of December 31, 2023, the bank balance in this account was **\$5,818**.

OBSERVATION

- During the review of items excluded from the commission rates, such as stamps, pre-stamped envelopes, indigent products, etc., it was noted the Health and Beauty category was not included on the official exclusion list in the contract. Upon inquiry, the Sheriff's Office staff indicated certain African American hair care items were not marked up due to the cost. As a result, it was agreed that this category, consisting of 6 items, was to be excluded from the commission rate.

RECOMMENDATION

- Ensure all items or categories excluded from commission rates are clearly defined and documented in the next contract.

IX. Commissary Profit Account, Cont.

FINDINGS

- The staff at the Sheriff's Office were unable to provide copies of deposit slips and receipts for the commission deposit transfers. Additionally, sales and commission reports accompanying the profit checks from Aramark were not available for review for 2021 and 2022, therefore our office was unable to verify if the proper amounts for commission profits were received for those years. We reviewed 2023 and no discrepancies were noted. (**Note:** The Jail staff indicated that during the transition from the old jail to the new jail facility in 2024, boxes containing the requested documents may have been misplaced by an outside moving company.)
- During our review of 13 profit checks received from Aramark in 2023, we noted 6 checks were deposited more than 15 days after the issue date. According to the staff at the Sheriff's Office, delays are sometimes caused by checks mistakenly being delivered to the Law Enforcement Center (LEC) instead of directly to the Accounting Clerk at the DCJTC. Additionally, reliance on the mail service contributes to inconsistent delivery times. The Sheriff's Office is currently working with the vendor to establish ACH payments to reduce delays.
- There are no current formal policies and procedures governing the Commissary Profit Account, only a Departmental Account Clerk Policy which does not include guidelines for deposits, disbursements, and record keeping. Additionally, there is no documented process for the periodic review and reconciliation of the account's activity to ensure accuracy and compliance.
- In January 2023, there were no disbursements made from this account to the Inmate Welfare Account. Commissions are supposed to be transferred to the Inmate Welfare Account monthly according to the Account Clerk Policy.
- The department lacks segregation of duties. A single individual is responsible for receiving and reviewing funds, preparing deposits, writing checks, occasionally signing monthly disbursement checks.
- This account is only used as a pass through of commissions earned. Commission checks can be deposited directly into the Inmate Welfare Fund Account.
 - **Note:** Since the commencement of this audit, the Sheriff's Office has ceased using this pass-through account and has begun depositing commission checks directly into the Inmate Welfare Fund Account. Additionally, the staff at the Sheriff's Office is in the process of working with the vendor to establish ACH payments to ensure future commissions are deposited directly into the Inmate Welfare Fund Account in a more efficient and secure manner.

RECOMMENDATIONS

- The department should establish a system for electronically storing all deposits slips, receipts, and sales commission reports to prevent loss and ensure accessibility. Staff should systematically file these records in a secure, centralized location and conduct periodic reviews to verify compliance and maintain proper financial oversight. Potentially, the vendor can provide electronic copies. All information should be retained and available for audit.
- To minimize deposit delays and ensure timely processing of profit checks, the staff at the Sheriff's Office should continue efforts to implement ACH payments with Aramark. In the meantime, the proper mailing address should be confirmed with the vendor to ensure the checks are consistently directed to the appropriate recipient at the Jail.
- Create written policies and procedures that include deposit and disbursement guidelines, account reconciliation, responsibility assignment, and outline procedures for reporting lost checks.
- Funds should be transferred monthly in accordance with the Account Clerk Policy.
- The Department should separate financial duties by assigning different staff members to handle deposits, disbursements, and record-keeping, this will ensure proper checks and balances.
- Depositing commission checks directly into the Inmate Welfare Account would streamline the process and eliminate the need for separate accounting and reconciliation.

X. Inmate Welfare Fund Account

This account is funded by proceeds from commissary sales and is intended to support the rehabilitation and welfare of inmates. A review of the activity from January 2021 to December 2023 was performed.

OBSERVATIONS

As of the last audit on December 31, 2020, the account balance was **\$621,377**. The accumulated balance as of December 31, 2023, was **\$736,966**. Based on the bank statements provided:

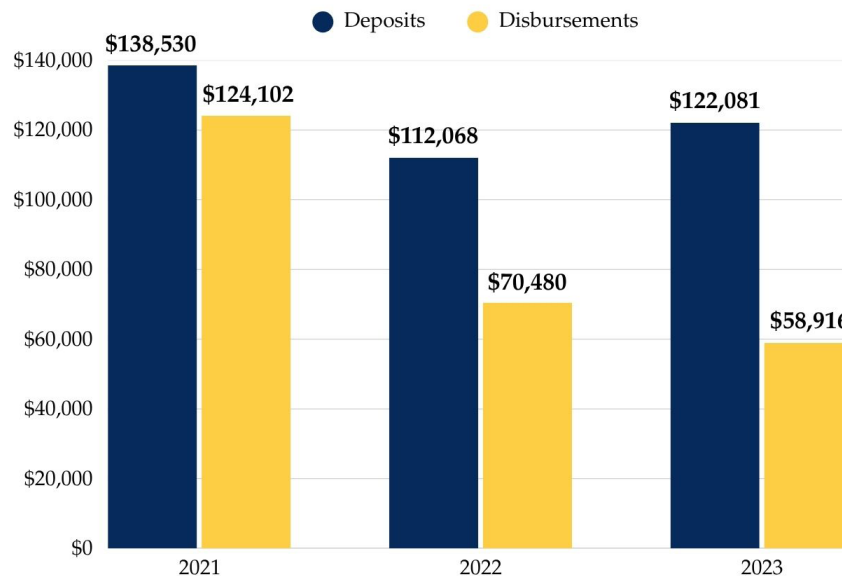
Deposits

- 2021: Average monthly deposits of **\$11,544**, totaling **\$138,530**.
- 2022: Average monthly deposits of **\$9,339**, totaling **\$112,068**.
- 2023: Average monthly deposits of **\$10,173**, totaling **\$122,081**.

Disbursements

- 2021: Average monthly disbursements of **\$10,342**, totaling **\$124,102**.
- 2022: Average monthly disbursements of **\$5,873**, totaling **\$70,480**.
- 2023: Average monthly disbursements of **\$4,910**, totaling **\$58,916**.

INMATE WELFARE ACCOUNT



X. Inmate Welfare Fund Account, Cont.

FINDINGS

- The balance in the Inmate Welfare Account continued to accumulate more funds during the audit period. Disbursements for the welfare of the inmates were considerably less than funds deposited.
- There was no duty segregation. The Accounting Clerk receives the bank statements, prepares and records commissary deposits and disbursements in the account checkbook and prepares the checks for signature.
- There were no written processes and procedures for this account specifically regarding check writing, including who may sign and if there is a dollar amount threshold which requires two signatures.

RECOMMENDATIONS

- The Sheriff's Office should continue to make acceptable purchases and begin to use the accumulated funds for the benefit of the inmates.
- Duties should be segregated to ensure proper internal controls.
- Check writing processes should be written and thresholds for large amounts of money should be established with a dual signature requirement.

XI. Review of Disbursements from the Inmate Welfare Fund Account

New York Codes, Rules & Regulations state the spending of profits from commissary sales is limited to "the purpose of prisoner welfare and rehabilitation."

The Sheriff's Office provided details of disbursements from the Inmate Welfare Account by category for January 2021–December 2023.

Category	2021	2021%	2022	2022%	2023	2023%
Food	\$80,554	64%	\$29,025	42%	\$1,772	3%
Entertainment	\$15,412	12%	\$20,538	30%	\$27,828	48%
Equipment	\$12,354	10%	\$2,069	3%	\$750	1%
Education	\$11,027	9%	\$11,080	16%	\$19,110	33%
Lexis Nexis	\$3,744	3%	\$3,744	5%	\$3,744	6%
Clothing	\$1,363	1%	\$814	1%	\$407	1%
Work Program Supplies	\$1,176	1%	\$2,322	3%	\$4,776	8%
Totals	\$125,631		\$69,591		\$58,387	

XI. Review of Disbursements from the Inmate Welfare Fund Account, Cont.

OBSERVATIONS

- The largest expenditures from the Inmate Welfare Account in 2021 and 2022 were for food. During the COVID-19 pandemic in 2020, inmate visitation was suspended, and inmates received two additional commissary bags per week containing snacks and/or hygiene products. This concluded at the end of 2021. As a result, food expenditures decreased significantly in 2023, dropping to 3% of total expenditures.
- The second-largest expenditure category was entertainment, which included TVs, game systems, newspapers, board games, and TV cable services.
- Other expenditures included equipment, educational materials, Lexis Nexis, clothing and work program supplies.

Staff indicated the current process for requesting items such as equipment, food, educational materials, clothing, and work program supplies begins with a requisition order form. The Superintendent, a Correctional Officer, or a Project M.O.R.E employee research pricing and vendors before submitting the request. The Deputy Superintendent(s) or one of the Superintendents then reviews and approves the order. Once approved, the Accounting Clerk purchases the item, processes the payment, and the Administration signs the check for disbursement.

For recurring monthly expenses, such as Spectrum, USA today, and Lexis Nexis, the Accounting Clerk directly processes the payment, and an Administrator signs the check. According to the Director of Budget and Finance, frequently, the same items are ordered from the same vendors, while new items and special items follow a different process. The Accounting Clerk is also responsible for recording equipment purchases on the inventory list.

A random sample of purchased items was reviewed against the Account Clerk Policy. The purchases, made for the purpose of prisoner welfare and rehabilitation, were examined for compliance with established protocols. This review included purchase requisition order form requests and approvals, pricing quotes, receipt of merchandise, inventory recording, and invoice payment.

There were no major concerns noted with the funds expended. There are no specific guidelines available from New York State which dictate how the funds may be expended.

FINDINGS

- In 2021, two office supply purchases from Staples, totaling **\$335** and **\$147**, were not for the inmate's use but instead for the program officer's use. Staff indicated that the Administration had determined program office supplies should be purchased from this account.
- There are no formal current policies and procedures for purchasing equipment and supplies.
- Requisition forms were not properly completed. Three sample requisition forms had blank fields. Staff acknowledged that this was an oversight but noted that the forms had been approved by Administration. Additionally, the current requisition form does not include a field for justifying the necessity of the requested item or equipment.
- No inmate programs or activities are currently funded through this account. According to staff, all current programs are volunteer classes/programs with no costs involved. The Jail Administration is exploring new funding options for future programs.
- The Inventory listing report provided did not include all items purchased during the period audited. **(See XII. Inventory)**

XI. Review of Disbursements from the Inmate Welfare Fund Account, Cont.

RECOMMENDATIONS

- Require supporting documentation to be attached to the requisition form, when the purchase is not intended for inmate use.
- Create written policies and procedures for the purchase of equipment and supplies.
- An administrative review should be done prior to approval, ensuring all required fields are complete and accurate. Consider updating forms to include justification for the requested item.
- Explore different programs that are available for the benefit of the inmates.
- Ensure all purchased items are recorded in the inventory report at the time of receipt. Implement regular verification to confirm accuracy.

XII. Inventory

An inventory is maintained for equipment and machinery purchased through the Inmate Welfare Fund account. The Account Clerk Policy for managing the inventory was reviewed. A sample of equipment purchased was reviewed to verify the inventory recording process. According to staff, the Accounting Clerk is responsible for documenting large equipment purchases on the Inventory Listing Report.

FINDINGS

- The Account Clerk Policy provided is incomplete. It states that inventory should be maintained for purchases with “substantial monetary value,” but this value is not defined. Additionally, there are no documented procedures for transferring or removing items from the inventory list. Staff indicated that policy revision is in progress to exclude items below a certain threshold, with **\$500** currently under consideration.
- The location of each item was not recorded on the Jail Inventory, making it difficult to track the purchased items effectively.
- A sample of Inmate Welfare equipment/machinery purchases revealed that some items, such as televisions, were not recorded on the inventory list. Staff explained that the Administration has decided televisions under **\$200** do not require inventory tracking.

RECOMMENDATIONS

- Clarify and finalize policy and procedures by defining the monetary threshold for inventory tracking and documenting procedures for adding, transferring, and removing items.
- Locations of the equipment should be added to the listing report.
- Ensure consistency in inventory recording by formally documenting any exclusions.

XIII. Department Response



Dutchess County Sheriff's Office

Justice and Transition Center
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To: Dan Aymar-Blair, Comptroller
From: William T. Moore, Superintendent
Date: August 1, 2025
Subject: Response to Audit

We acknowledge and appreciate the findings and recommendations outlined in the recent audit of the Inmate Commissary, Commissary Profit, and Inmate Welfare Fund Accounts. The Dutchess County Sheriff's Office is committed to transparency, sound fiscal management, and full compliance with New York State regulations. We recognize the importance of having clearly defined policies, effective internal controls, and appropriate oversight of all commissary-related financial activities.

Since 2023, several improvements have already been implemented in response to internal assessments and evolving operational needs. These include more timely bank reconciliations, improved recordkeeping procedures, and increased oversight of financial processes. Efforts are also underway to formalize comprehensive, written policies for each account to clearly define roles, responsibilities, and internal control mechanisms.

We also acknowledge the need to address unclaimed inmate funds and stale-dated checks more consistently, and we are updating our procedures to ensure timely submission to the Department of Finance. In addition, we are actively reviewing options to responsibly and appropriately utilize accumulated Inmate Welfare Funds for the benefit of the inmate population, in alignment with regulatory guidelines.

We appreciate the audit team's work and will continue to build upon these recommendations to strengthen our operational practices and ensure accountability moving forward.

A handwritten signature in black ink, appearing to read "William T. Moore".

William T. Moore
Superintendent

"TAKING PRIDE IN DUTCHESS COUNTY"

Exhibit I

9 CRR-NY 7016.1 N&-CRR

OFFICIAL COMPILATION OF CODES, RULES AND REGULATIONS OF THE STATE OF NEW YORK

TITLE 9, EXECUTIVE DEPARTMENT

SUBTITLE AA. STATE COMMISSION OF CORRECTION

CHAPTER I. MINIMUM STANDARDS AND REGULATIONS FOR MANAGEMENT OF COUNTY JAILS AND PENITENTIARIES

SUBCHAPTER A. MINIMUM STANDARDS AND REGULATIONS

PART 7016. COMMISSARY AND INMATE ACCOUNTS

7016.1 Commissary.

- (a) In the discretion of the sheriff or chief administrative officer, a commissary may be established, maintained, and operated for the purpose of making available, for sale to prisoners, items deemed proper by such officials and consistent with the health and welfare of the prisoners and the security and general operation of the facility concerned.
- (b) The prices of any items offered for sale shall be fixed by the sheriff, or official in charge, to the extent that the commissary operation will be self-supporting and will provide a modest return above costs.
- (c) Profits resulting from commissary sales shall be deposited in a separate bank account and shall be utilized only for the purposes of prisoner welfare and rehabilitation.
- (d) Commissary accounts shall be maintained in a manner which will fully substantiate all purchases, sales and expenditures, and definite arrangements shall be made for periodic audit of the commissary accounts by the office of county auditor, county treasurer or other county officer in a similar capacity.
- (e) Nothing in this section shall be construed as exempting commissary operations in a county jail or a county penitentiary from compliance with the provisions of any applicable county or State statute, resolution, rule, regulation, etc.

Appendix I: Glossary of Terms

ACH payments: Electronic transfers of money between bank accounts using the Automated Clearing House network.

Adjudication: The legal process by which a court makes a final decision in a criminal case. Determining whether the person in custody is guilty or not and then issuing a sentence if necessary.

Bank Deposits: Refer to money placed into a bank account by an individual or organization. This can include cash, checks, or electronic transfer that increase the account balance.

Bank Disbursements: The payment or withdrawal of funds from a bank account to settle an obligation, such as paying bills, or other expenses. It can be made through checks, wire transfers, or electronic payments.

Bank Reconciliation: Process of matching the balances and transactions recorded in a government agency accounting system with those reported on the bank statements.

Cross-training: The practice of teaching employees how to perform tasks or responsibilities outside their usual job roles.

Escheatment: Process of transferring unclaimed or abandoned property such as funds or assets to the county or state after a certain period of inactivity.

Pass-through Account: A financial account used to temporarily hold funds that are transferred from one party to another, without being retained by the account holder.

Segregation of Duties: Splitting tasks between different staff so that no one person has full control over all parts of a process. This helps prevent mistakes or fraud.

Self-bail: Inmate pays their own bail using money from their Jail Commissary account.

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