

IC 4-24-6

Chapter 6. Funds Belonging to Inmates and Patients—Recreation Fund Created

IC 4-24-6-1

"Institution" defined

Sec. 1. As used in this chapter, the term "institution" shall mean psychiatric, penal, correctional, benevolent, or special educational institutions owned and operated by the state of Indiana.

(Formerly: Acts 1957, c.242, s.1; Acts 1963(ss), c.7, s.1.) As amended by P.L.5-1984, SEC.191.

IC 4-24-6-2

Funds held in trust for inmates

Sec. 2. (a) Subject to a designation of the specific purpose for the use of donated funds by a donor, the superintendent or warden of an institution shall hold in trust funds deposited with the institution for the use and benefit of, or belonging to, any inmate or patient.

(b) The superintendent or warden shall keep an accurate accounting of the receipts and disbursements of funds received under subsection (a) on books and records in accordance with the accounting procedure as prescribed by the state board of accounts.

(c) Trust funds created under this section are subject to periodic audits the state board of accounts considers necessary.

(d) Trust funds created under this section shall be:

- (1) deposited in depositories whose deposits are insured by the Federal Deposit Insurance Corporation; or
- (2) invested in government securities of the United States.

(Formerly: Acts 1957, c.242, s.2; Acts 1959, c.253, s.1.) As amended by P.L.8-1991, SEC.2.

IC 4-24-6-3

Withdrawal of money; rules and regulations

Sec. 3. The chief administrative officer of the department, division or state agency having administrative control and supervision of any institution shall make rules and regulations concerning the withdrawal of money held in trust for any patient or inmate, and concerning the deposit of any money to be held in trust for any patient or inmate. Upon the discharge or release of any patient or inmate, the superintendent or warden of the institution shall pay to the individual, or his legal guardian, all money due him from any trust account.

(Formerly: Acts 1957, c.242, s.3.)

IC 4-24-6-4

Recreation fund

Sec. 4. (a) This section does not apply to a patient:

- (1) in a state developmental center listed in IC 12-24-1-1; or
- (2) in an institution listed in IC 12-24-1-3 if the patient is in a unit that is a Medicaid certified intermediate care facility for the

mentally retarded.

(b) Any interest or income derived from the deposit or investment of funds held in trust for any patient or inmate shall be transferred from such trust fund to a special fund to be known as the "patients' recreation fund" or "inmates' recreation fund"; provided, that in the event a trust fund has been established in any institution, which trust fund is in existence on July 1, 1957, and there is a deficiency in the amount of money that properly belongs in such trust fund, the income derived from any trust fund established under the provisions of this chapter shall be paid into the trust fund until the deficiency has been fully paid.

(Formerly: Acts 1957, c.242, s.4.) As amended by P.L.5-1984, SEC.192; P.L.21-1996, SEC.1.

IC 4-24-6-5

Distribution of trust funds upon inmate's death

Sec. 5. (a) If any inmate of any penal or correctional institution, or any patient of any psychiatric institution, shall die, his lawful heirs or devisees shall be entitled to any money credited to and held in trust for such inmate or patient. If the heirs or devisees of such inmate or patient are unknown, the money in such trust account shall be kept intact to the account of the unknown heirs of such inmate or patient for a period of two (2) years from the date of death. If, at the expiration of the two (2) year period, no heir or devisee of any deceased inmate or patient shall appear to make claim to such money, such money shall be paid to the clerk of the circuit court of the county from which such inmate or patient was committed to said institution, said money to be held and disposed of by said clerk of court in the same manner as are other unclaimed funds in his office.

(b) If any inmate of a penal or correctional institution, or if any patient of a psychiatric hospital, shall escape from such institution, or shall make an escape while absent from such institution on parole or leave, any money credited to and held in trust for such inmate or patient shall be kept intact for such escaped inmate or patient for a period of two (2) years from the date of escape. If at the end of the two (2) year period the escaped inmate or patient does not appear to make claim to such money, the money shall be paid to the clerk of the circuit court of the county from which such inmate or patient was committed to said institution, said money to be held and disposed of by said clerk of court in the same manner as are other unclaimed funds in his office.

(c) No money belonging to any patient or inmate shall be paid over to the clerk of any court as provided in this section if such inmate or patient is indebted to the state of Indiana for maintenance by such institution, in which case any money credited on the books of such institution to the account of any inmate or patient shall be applied against any indebtedness or maintenance, and the balance, if any, shall then be paid to such clerk.

(d) Notwithstanding any other law, when the department of correction has determined that an offender has escaped from custody,

the department of correction:

- (1) may consider all of his property (except money) that is under the control of the department, to be abandoned property;
- (2) may dispose of the escaped inmate's abandoned property consistent with rules adopted by the department under IC 4-22-2; and
- (3) is not civilly liable for the safekeeping of the escaped inmate's property.

(Formerly: Acts 1957, c.242, s.5.) As amended by P.L.39-1983, SEC.1.

IC 4-24-6-6

Recreation funds; establishment

Sec. 6. (a) There is established in each psychiatric, benevolent, penal, and correctional institution a fund to be known as the:

- (1) patients' recreation fund;
- (2) students' recreation fund; or
- (3) inmates' recreation fund.

(b) These funds shall be used, at the discretion of the superintendent or warden subject to the approval of the chief administrative officer of the department, division, or state agency having administrative control and supervision over the institution, for the direct benefit of persons who are inmates or patients in such institutions, and shall not be used for any purposes which are covered by state appropriations.

(c) The funds shall be expended for purposes in accordance with the policies of the department, division, or state agency having administrative control over such institution. The expenditures may include, but are not limited to:

- (1) purchased entertainment;
- (2) magazine subscriptions for the libraries, wards, or units of such institutions;
- (3) special recreational equipment and supplies;
- (4) special foods for parties or celebrations;
- (5) educational materials;
- (6) phonograph records, televisions, radios, and similar items when the items cannot be purchased from regular appropriations; and
- (7) any other purposes not covered by regular appropriations;

that will provide a direct benefit to or assist in the rehabilitation of the inmates or patients of such institutions.

(Formerly: Acts 1957, c.242, s.6; Acts 1965, c.87, s.1.) As amended by P.L.7-2004, SEC.1.

IC 4-24-6-7

Sources of recreation fund

Sec. 7. Money may accrue to the patients' recreation fund or inmates' recreation fund from the following sources:

- (1) Gifts to the fund.
- (2) Profits from the operation of a commissary or canteen.

(3) Interest earned by deposit of trust funds in public depositories, or income derived from trust funds invested in United States government securities as provided in section 2 of this chapter.

(4) Sale of items produced in occupational therapy.

(5) Income derived from any kind of benefit entertainment for the inmates or patients.

(6) Any other money derived from any source that is not legally prohibited.

(7) Any money derived from the income of any trust fund which has been deposited in any special fund of the institution.

(Formerly: Acts 1957, c.242, s.7.) As amended by P.L.5-1984, SEC.193.

IC 4-24-6-8

Funds held on July 1, 1957

Sec. 8. All money held in trust for any inmate or patient of any institution on July 1, 1957, shall be transferred into a trust fund established under the provisions of this chapter. Any money in any recreational or activities fund in any institution, on July 1, 1957, shall be transferred to the "recreation fund" established under the provisions of this chapter.

(Formerly: Acts 1957, c.242, s.8.) As amended by P.L.5-1984, SEC.194.

IC 4-24-6-9

Accountability for funds held in trust

Sec. 9. (a) Except as provided in subsection (c), the superintendent or warden of any institution may not be held personally liable for the loss of:

(1) money held in trust for any inmate or patient of the institution; or

(2) money deposited in the recreation fund of the institution.

(b) Except as provided in subsection (c), in the event the superintendent or warden delegates to any officer or employee of his institution the authority to administer the provisions of sections 6 and 7 of this chapter, such officer or employee may not be held personally liable for the loss of:

(1) money held in trust for any inmate or patient of the institution; or

(2) money deposited in the recreation fund of the institution.

(c) A superintendent or warden or a delegate of a superintendent or warden may be held personally liable under subsection (a) or (b) if the loss of money arises from the superintendent's, the warden's, or the delegate's official misconduct. All other losses under this section must be covered by the general blanket performance bond or crime insurance policy under subsection (d).

(d) No other bond except the general performance blanket bond given by the superintendent or warden of any institution, or by an officer or employee of the institution, shall be required. A general

blanket performance bond or crime insurance policy endorsed to include faithful performance that is obtained under IC 5-4-1-15.1 shall cover any misfeasance or nonfeasance in the administration of sections 6 and 7 of this chapter on the part of any superintendent, warden, officer, or employee of the institution.

(e) The commissioner of insurance shall prescribe the form of the bonds or crime policies required by this section.

(Formerly: Acts 1957, c.242, s.9; Acts 1965, c.87, s.2.) As amended by P.L.5-1984, SEC.195; P.L.49-1995, SEC.1; P.L.22-1996, SEC.1.

IC 4-24-6-10

Repealed

(Repealed by P.L.5-1984, SEC.196.)

IC 4-24-6-11

Transfer of funds

Sec. 11. The chief administrative officer of the department, division, or state agency that has administrative control and supervision of an institution with a fund established under section 6 of this chapter may transfer money from the institution's fund to one (1) or more other funds established under section 6 of this chapter. The institution receiving the transferred money shall use the transferred money in conformity with section 6 of this chapter.

As added by P.L.30-1988, SEC.1.