

Department of Corrections Prison Canteen Funds

Purpose

Iowa Code section [904.310](#) creates the Canteen Funds under the control of the [Department of Corrections](#) (DOC). Receipts to the Funds include sales of commodities to offenders and offender donations for victim travel expenses. Receipts in excess of the costs of operating the central canteen, or reimbursements to any Fund that may have subsidized the canteen operations or victim travel expenses, are considered profit. These moneys may be used for any purchase that collectively benefits the offenders in the Institutions or for victim travel expenses. Examples of expenses include the purchase of exercise equipment and the cost of cable television. The [Justice System Appropriations Subcommittee](#) budget act contains intent language that permits the DOC to use Canteen Funds for educational programs for inmates. The DOC uses approximately \$175,000 annually in canteen receipts to pay for vocational education training for offenders through Iowa's community college system.

Operations

Beginning in FY 2002, [Iowa Prison Industries](#) (IPI) started operating a central canteen at Newton. Offenders place their commissary orders through computer kiosks in each Institution. Purchases are tracked through the Iowa Corrections Offender Network (ICON) banking module to ensure that offenders have the money to pay for their purchases. The cost of the items purchased is deducted from the offender's account balance. The ICON commissary module interacts with the banking module. The commissary module provides purchasing, inventory, and sales management. The commissary orders are transmitted electronically to the Newton central canteen, where offenders package individual orders and deliveries are made daily.

Iowa Prison Industries recoups the cost of operating the central canteen and transmits any remaining funds to the Institutions based on sales volume. The central canteen enhances security by controlling the types of items available for sale to the offenders, creates efficiency by generating volume discounts on purchases, and provides offenders with work opportunities.

Offenders pay the state sales tax on their purchases as well as a Pay For Stay surcharge that offsets the offenders' cost of incarceration. See Iowa Code section [904.702](#) for deductions allowed from inmate accounts.

Related Statutes and Administrative Rules

Iowa Code chapter [904](#)

[201](#) Iowa Administrative Code

More Information

Iowa General Assembly: <https://www.legis.iowa.gov/>

Iowa Department of Corrections: <http://www.doc.state.ia.us>

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