
 <p>NEW YORK STATE Corrections and Community Supervision</p> <p>DIRECTIVE</p>	TITLE		NO. 2798
	Inmate Accounts		DATE 11/29/2017
SUPERSEDES DIR# 2798 Dtd. 12/01/2016	DISTRIBUTION A B	PAGES PAGE 1 OF 6	DATE LAST REVISED
REFERENCES (Include but are not limited to) State Finance Law; OSC Controls and OSC Guide to Financial Operations; Directives #2788, #2791, #4015, #4483, and #4761; ACA Standards 4-4031, 4-4044, 4-4045, 4-4046, 4-4292	APPROVING AUTHORITY 		

I. **DESCRIPTION:** This directive establishes policy for the control of inmate accounts and sets forth the procedures necessary to carry out that policy.

II. **POLICY**

A. **Inmate's Fund Account:** Each facility shall establish an Inmate's Fund Account for deposit of all money earned and/or received by inmates from any source. *This fund shall be apportioned into a checking account and an interest earning reserve account. Some facilities, due to population or program purposes, may not have excess funds to invest and would be exempt from the requirement of maintaining an interest bearing account. The balance of the checking account shall be maintained at a sufficient level to cover daily inmate transactions such as disbursements for outside purchase, commissary, and inmate payrolls. Interest earned from the reserve account will be paid on a quarterly basis to inmates whose average quarterly account balance exceeds \$100.

A savings bank or a commercial bank designated as a depository by the Office of the State Comptroller (OSC) can be used to invest reserve funds per Section 106 of State Finance Law. Such investments may be in (1) a savings account, (2) certificates of deposit (CD) (not to exceed one year duration), and/or (3) money market certificates. Facility investments must be such that the amount of interest earned can be determined on a quarterly basis. For CD or money market accounts, interest should be withdrawn upon maturity. All facilities shall make a reasonable effort to ensure that they are obtaining the best return on reserve funds.

Each quarter, facilities shall review the working balance requirements of their Inmate's Fund Account and determine the working balance required for the next quarter. Interest bearing reserves may be increased or decreased at that time upon approval of the Deputy Superintendent for Administration.

*Exceptions: Inmates who participate in Day Reporting and Residential Treatment Programs are permitted to handle their financial needs on their own and are not required to process their monetary transactions through a facility's Inmate's Fund Account.

- B. Outside Accounts - Prohibitions/Restrictions: It is the Department's policy to prohibit inmates from opening outside accounts and to restrict use of preexisting outside accounts. The intent of this policy is to 1) ensure that inmates are not able to shield monetary judgments or settlements from restitution owed to crime victims or from other court ordered mandatory obligations; 2) deter escapes by restricting inmate access to available funds outside the prison; 3) enforce prison rules against inmate possession of cash and prevent "strong arming" and extortion of funds from weaker inmates; 4) prevent inmate fraud upon those outside the prison; 5) prevent use of inmate funds for illegal purposes; 6) prevent inmates from obtaining Department advances when personal funds are available from other sources; and 7) reduce record-keeping burdens on facility staff.
1. Inmates will not be allowed to open any type of outside account including, but not limited to, checking, savings, stock, mutual fund, money market certificate, certificate of deposit, or "in trust for" accounts.
 2. No funds will be advanced to an inmate who owns a U.S. Savings Bond which was purchased more than six months prior to the date of the requested advance. An inmate who cashes a U.S. Savings Bond must initially deposit the proceeds into his or her Inmate Fund Account.
 3. Inmates are not permitted to maintain checking accounts. Inmates entering the system with such accounts must either close or transfer control of those accounts. Inmates electing to close the accounts must deposit the funds into their Inmate Fund Account. Other than the closing of the checking account, inmate initiated transactions will not be allowed and inmate possession of checks is prohibited.
 4. Inmates who enter the system with existing outside accounts, other than checking accounts, will not be required to close them. No inmate initiated deposits to these accounts will be permitted. Inmate initiated withdrawals from these accounts may be made upon the approval of the facility Superintendent or designee. Inmate initiated withdrawals must initially be deposited into the Inmate Fund Account. No funds will be advanced to an inmate who possesses an outside account.
 5. Exception: Day Reporting and Residential Treatment inmates may open and maintain personal bank accounts while they are in that status.
 6. Passbooks, withdrawal slips, money market certificates, and certificates of deposit for existing outside accounts and savings bonds are to be held with other inmate personal property in a secure area designated by the Superintendent.
 7. To request approval to process withdrawals from existing outside accounts or transactions relating to savings bonds, inmates should write to the Superintendent or designee.
 8. The requirements, restrictions, and limitations imposed on existing outside accounts by financial institutions are the sole responsibility of the inmates. The facility's only responsibility is to act on the inmate's request in accordance with the Department's policies and procedures.

III. INMATE'S FUND ACCOUNT PROCEDURES

A. Transactions

1. Disbursements

- a. An inmate may withdraw funds from his or her facility account to conduct routine financial transactions by submitting the "Disbursement/Refund Request," [Form IAS #2706](#), to the Business Office.
- b. Except for disbursements for legal photocopies, an inmate's disbursement form should be processed within ten business days of receipt in the Business Office.

Disbursements for legal photocopies shall be processed as follows:

- (1) Disbursement forms for legal photocopying must be forwarded to the Business Office no later than the end of the shift when received. Absent extenuating circumstances, the inmate must receive his or her photocopies within five business days of receipt of [Form IAS #2706](#) in the Business Office. Two-day commissary holds, where applicable, may increase the delivery deadline to seven days. Fees shall be assessed equal to the facility's cost of reproduction excluding costs for staff time.
 - (2) An inmate lacking sufficient funds may not receive photocopying services unless the Law Library Supervisor, in consultation with the Law Library Administrator or Office of Counsel, approves an advance for same. Advances ("Authorized Advance Request," [Form IAS #2708](#)) will only be authorized for photocopies of specific documents that are required by the courts and cannot be replicated longhand. (See also Directive #4483, "Law Libraries, Inmate Legal Assistance and Notary Public Services.")
- c. Disbursement requests in excess of \$100 will require the written approval of the Superintendent (or designee) except where an inmate is purchasing merchandise from an outside vendor for personal use, or where the inmate is withdrawing funds to cover furlough or work-release expenses. Where approval is required, the inmate must identify the name and address of the recipient, the relationship of the payee to the inmate, and the purpose of the disbursement.
 - d. Inmates are prohibited from purchasing or ordering any items on credit or installment plans and are also prohibited from obligating their funds for anything more than the immediate purchase which is being reviewed. For example, inmates may not join a club or purchase plan in which items are automatically sent to the facility along with invoices for payment each week, month, etc.. Inmates may, however, make one single initial payment for items which will be delivered over an extended period of time provided that there is no additional billing for the items being delivered in the future.

If it is determined that an inmate purchased an item by utilizing a credit card, facility management shall order the inmate to cancel the credit card.

- e. Inmates who are housed outside of the DOCCS system, while in out-to-court status, may request that funds be transferred to them. A disbursement will be processed by the owning facility if such a request is submitted in writing and if there are available spendable funds. Inmates may only have access to the amount of the spendable balance.
 - f. Transfers to psychiatric centers: Accounts will not be closed for those inmates who are transferred to a psychiatric center. Only the spendable portion of those inmates' accounts will be sent to the inmate. This fund transfer is accomplished via a 527 miscellaneous disbursement transaction rather than a 201 closeout. This process allows the facility to maintain the account until the inmate returns, is transferred to another correctional facility, or is released. It also ensures that all funds collected for inmate obligations will remain intact.
2. Receipts
- a. Cash, checks, or money orders anonymously received via mail or a package will be confiscated, labeled, and forwarded to the Business Office for safekeeping. An investigation will be conducted in an attempt to verify the source. If, after proper investigation, no source is identified, the monies will be turned over to the State Treasurer as miscellaneous receipts on a "Report of Moneys Received," OSC Form AC 909-S.
 - b. If a Social Security or Veteran's Administration check is received for an inmate, it shall be deposited into the inmate's account. However, Business Office staff shall make a copy of the check and send the copy with a letter to the local Social Security or Veteran's Administration Office indicating that the payee is an incarcerated felon. It will be the responsibility of the Social Security or Veteran's Administration to investigate, stop issuing checks, if appropriate, and seek reimbursement of funds already paid.
 - c. Inmates may receive checks or money orders from persons not on a negative correspondence list. Checks/money orders must be made payable to the name under which the inmate is committed.
 - d. A visitor may leave funds for deposit only to the account of the inmate he or she is visiting. Funds may be received in cash, check, or money order, but shall be limited to \$50 per inmate per day regardless of the number of visitors transmitting funds. The visitor will be required to complete a deposit envelope (2703E), enclose the check, money order, or cash and present it to the Officer assigned to visitor registration. The Officer will verify the accuracy of the information on the envelope (e.g., identification of the visitor and the inmate's name and DIN). Upon verification, the Officer will place the sealed envelope in a locked box located at the visitor registration desk in the presence of the visitor. The Officer is not required to view the contents of the envelope. The facility Business Office will maintain control of the key to the locked deposit box and will process deposits each business day utilizing the same process used for receipting checks, money orders, or cash received via daily correspondence.

- e. Funds will not be transferred from the account of one inmate to the account of another inmate without the specific approval of the facility Superintendent(s). Transfers are limited to gifts between inmates related to each other. In each instance, a report pertaining to transfer of funds to a relative (inter or intra-facility) will be provided by a facility staff member designated by the Superintendent. (See Directive #4761, "Inmate Charitable Contributions and Gifts.")
 - f. All inmate funds received at the facility and deposited into the facility's Inmate's Fund Account are subject to the collection process established in Directive #2788, "Collection & Repayment of Inmate Advances & Obligations." However, if it is determined that a "refund" from a vendor originated from an inmate's account, the "refund" will not be subject to the collection process. Incoming receipts may not be designated for a specific purpose (e.g., to pay for a mandatory surcharge, bus ticket, commissary, etc.) since this would interfere with the Department's automated process of collection/payment of advances and obligations.
 - g. When a check or money order is received for an inmate who has been discharged, the check or money order will not be deposited into the facility's Inmate's Fund Account. Instead, the check or money order will be forwarded in accordance with Directive #4015, "Forwarding Inmate Mail," Section IV-B-2.
3. Transfer Funds
- a. Transferred inmates' accounts should be closed and the funds must follow them to the new facility within 72 hours of transfer. It is not necessary to be the owning facility to open an inmate account.
 - b. If an in-transit inmate is expected to be at a facility for longer than two weeks (SHU, out-to-court inmates housed within DOCCS), the sending facility should close the account, and forward the funds so the inmate has access to his or her funds for commissary, postage, purchases, and outside or visitor receipts.

B. Interest Earnings

1. Interest earned on reserve funds deposited in an interest bearing account or other interest bearing medium, shall be paid to those inmates who have an average balance in their accounts of \$100 or more for a given quarter. This interest will be paid on the amount in excess of \$100.
2. Interest will be posted quarterly to the inmate's account for quarters ending March 31, June 30, September 30, and December 31.
3. Interest earnings are computed automatically in the ICAS system, which generates a listing of interest amounts to be posted to individual inmates' accounts.
4. Any inmate transferred out or released from a facility before the end of the interest period will not be considered eligible to earn interest for the incomplete interest period.
5. Earned interest will be forwarded to an inmate who has been transferred to another facility.

6. Whenever an inmate is paroled or discharged before earned interest is posted, all amounts above \$20.00 will be forwarded to him or her at the last known address. Amounts of \$20.00 or less will be considered abandoned property and should be reported in accordance with Directive #2791, "Lost & Found/Abandoned Property."

IV. MISCELLANEOUS ACCOUNTS PROCESSING

A. Check Holds

1. All personal checks for \$50 or more will be held in the inmate's account for ten days. After the ten days, the funds will be available for use.
2. All personal checks for less than \$50 will be available as soon as the funds are posted to the inmate's account.
3. Money orders, bank checks, or business checks in any amount will be made available as soon as the funds are posted to the inmate's account.
4. Personal and/or business checks of any denomination may be held for a maximum of ten days if it is determined by facility management that a pattern exists of certain checks being returned for insufficient funds. This procedure is not to be applied to all inmate accounts, only those specific accounts where checks are constantly being returned due to insufficient funds.
5. Work Release wage checks of any denomination will not be held. Checks that are returned for insufficient funds will be handled as described in Directive #2788.

- B. Stop Payments: Inmates may submit requests for a stop payment to the facility Business Office. The stop payment request must be in writing and include a clear explanation and appropriate documentation to substantiate the need for the stop payment. Stop payments will not be issued unless there is a compelling reason such as well-documented cases of illegality, wrongdoing, fraud, or other significant problem. If the stop payment request is reasonable and necessary, it should be processed. Facilities may establish a timeframe that must be met (e.g., certain number of days a check may be outstanding) before placing a stop payment. In any case, checks outstanding for more than 90 days should be reviewed in accordance with New York State Office of the State Comptroller, Guide to Financial Operations, XIV-4-c, Special Procedures, Bank Account Reporting and Reconciliations.