POLICY OF STATE OF DELAWARE DEPARTMENT OF CORRECTION	POLICY NUMBER 4.11	PAGE NUMBER 1 of 7
	RELATED ACA STANDARDS: 2-CO-1B-05, 2-CO-1B-06, 2-CO-1B-07, 2-CO-1B-14; 4-4027, 4-4031, 4-4033, 4-4036, 4-4044, 4-4045, 4-4046, 4-4047, 4-4292; 4-ACRS-7D-17, 4-ACRS-7D-21, 4-ACRS-7D-24, 4-ACRS-7D-30, 4-ACRS-7D-32	
CHAPTER: 4 DECISION-MAKING RELATING TO OFFENDERS	**SUBJECT: OFFENDER TRUST FUND ACCOUNTS**	
APPROVED BY THE COMMISSIONER AND EFFECTIVE THIS DATE: 6/29/15 **APPROVED FOR PUBLIC RELEASE**		

I. AUTHORITY: 10 *Del. C.* §8803; 11 *Del. C.* §6517, §6531, §6532, §6534, §6536, §6540; 29 *Del. C.* §8903, §8911, §8913;

II. PURPOSE: This policy and operating procedure establishes protocols for the management of financial resources belonging to offenders incarcerated within Department of Correction (DOC) facilities including provisions for indigent offenders, payments from offender accounts and for external financial accounts belonging to offenders.

III. APPLICABILITY: All Department employees, volunteers, persons or organizations conducting business within the Department, and all offenders under the supervision of the Department.

IV. DEFINITIONS:

Funds: Negotiable instruments, including, but not limited to, cash, checks, money orders, savings, treasury or other bonds, stock certificates, certificates of deposit, etc.

Frozen Status: An account rendered inactive by the business office for the purpose of investigation or validation of account balance or activity. An offender who has their account frozen will be eligible for indigent supplies until the account status is changed to active.

Generally Accepted Accounting Principles: The standard accounting rules, regulations and procedures used by companies in maintaining their financial records. Generally accepted accounting principles (GAAP) provide a consistent set of guidelines that cover both broad accounting principles and specific practices.

Indigent Offender: Offender who has an established pattern of insufficient funds averaging less than $10.00 per day in a rolling 30-day period with which to pay for supplies such as basic personal hygiene items, writing materials, postage, and legal copies.

Offender Banking System: The DOC-established banking module.

Offender Trust Fund Account: Offender money in the care and custody of the DOC that is deposited and managed by the Department. Those monies deposited to an offender's trust account may be used by the offender to purchase authorized items or services during incarceration, or be assessed to pay debts incurred while under the supervision of the DOC.

V. POLICY: It is the policy of the DOC that the collection, safeguarding and disbursement of monies in the offender trust fund accounts complies with GAAP, control procedures established in the Department's Standard Operating Procedures for Internal Accounts and Cash Boxes, and Delaware Code.

VI. PROCEDURES:

A. Offender Trust Fund Accounts

1. The offender trust fund accounts shall be maintained in the designated banking organization as established by the Office of the State Treasurer. Any interest earned in the offender trust fund accounts shall be used for the benefit of the offender population; interest earned shall not be paid to the individual offenders.

2. An offender trust fund account shall be created for all offenders committed to DOC facilities.

3. The offender trust fund account is provided to offenders with no administrative fees.

4. The individual offender account shall be established in the designated offender tracking system and identified by the individual offender's State Bureau of Identification (SBI) number.

5. The purpose of the offender trust fund account is to hold monies obtained from the offender during the intake process, wages earned for work performed while committed to the DOC, and deposits received from approved outside sources. These funds shall be used to pay legal obligations, purchase goods or services from the commissary and approved outside sources, and send approved funds to authorized individuals or entities as designated by the offender. Uncommitted balances are provided to the offender upon release.

6. The maximum allowable balance for an account shall be $600.00. Spending balance will not exceed $500.00 at any given time.
   - Offenders at Level V are not authorized to physically possess any currency.
   - Offenders at Level IV are authorized to possess up to $100.00 cash.

7. The Warden of the facility may request to exceed the $600.00 limit under special circumstances (legal settlement, inheritance, insurance settlement) with the Bureau Chief of Prisons' approval. The excess monies will not be deposited until approval is received.

8. Offenders are not permitted to transfer, send or receive funds from other offenders, other offender's family/visitors or staff and volunteers within the DOC, without the prior approval of the facility administrator.

9. Offender trust fund accounts shall be monitored by facility business offices and mailroom operations for activity that is suspicious or threatens the security and operations of the DOC facilities.

10. Offenders shall be permitted to request and receive one (1) account statement per month from the facility business office, which is distributed to offenders through mailroom operations. Additional copies of account statements may be obtained through written request and charged a fee of $0.25 per page. Revenues generated shall be deposited into the State of Delaware General Fund.

11. Upon release or transfer of an offender from DOC custody or to another DOC facility, the offender trust fund account shall be reconciled, to include all credits, debits and outstanding amounts owed, prior to funds being disbursed by the facility business office.

12. After one year and 30 days (395 days) of account inactivity, the released offender's unclaimed funds will be transferred to the General Fund by the business office.

13. Offender trust fund accounts shall be reconciled with the bank statement on a monthly basis and submitted to the DOC Central Business Office (CBO) within 20 days from receipt of the bank statement. All original files shall be maintained at the facility in accordance with the State of Delaware General Records Retention Schedule.

14. Offender trust fund accounts shall be independently audited every three (3) years at a minimum in compliance with the American Correctional Association (ACA) Standards.

    a. The facilities will coordinate with the Central Business Office to schedule an independent audit.

B. Offender Trust Fund Account Credits

1. All funds collected upon admission of an offender to a DOC facility shall be secured in the facility's designated location by the intake staff. A receipt shall be provided to the offender for funds received. The funds shall be, at a minimum, collected and verified by the facility business office on the following business day for deposit into the Offender Trust Fund Account.

2. Offender wages earned shall be credited to the Offender Trust Fund Accounts in the DOC Offender Banking System.

3. Offender wages earned from work performed outside of established DOC offender works programs (i.e. car wash projects, art projects, etc.) shall be credited to the Offender Trust Fund Account.

4. Offenders shall be permitted to receive funds from approved outside sources. Facility administrators shall develop procedures for accepting outside funds and the requirements thereof. Receipts shall be provided to the offender for all funds received from outside sources.

5. Funds collected from Level IV offenders exceeding the $100.00 allowable limit will be deposited to the individual trust fund account and available for allocation to all active debits in accordance with the hierarchy schedule.

6. When an offender receives a government check, the facility business office will make an inquiry to the issuing agency and verify the validity of the payment. Examples of such payments include but are not limited to: Social Security Administration, Veterans Affairs, Internal Revenue Service and other government agencies.

C. Offender Trust Fund Account Debits

1. In accordance with *11 Del. C.* §6532 (f) the following shall apply:

   The Department shall cause to be placed into an account, payable to each offender upon the offender's discharge, income from the offender's employment and any other income or benefits, accruing to or payable to, and for the benefit of said offender, including but not limited to any worker's compensation or Social Security benefits.

   From the account of each offender, the Department shall deduct, in order of the priority set forth herein, the following sums:

   a. Support payments for dependents of the offender who are receiving public assistance during the period of incarceration, or to whom the offender is under a court ordered obligation to provide support and restitution as may have been assessed against said offender pursuant to court order

   b. Court costs, fines, and such other items as may be assessed against said offender pursuant to court order; and

   c. A proportionate share of the costs of incarceration of offenders in the facility in which said offender is housed including but not limited to room, board, medical care, legal services, prison education, training, library services, counseling and treatment services, religious services and other programs and services as shall be provided together with an allocation of the overhead for operating such prison and the Department in accordance with a fee schedule to be established by the Department.

2. The hierarchy for debits from the Offender Trust Fund Account absent the criteria set forth in Delaware Code 11 *Del. C.* §6532 (f) shall be as follows:

   a. Overdrafts to the individual offender trust fund account;
   b. Outstanding account receivables for debts from prior incarcerations;
   c. Indigent supply packs (purchased with State General Funds);
   d. Postage and mailing supplies;
   e. Restitution owed to the DOC;
   f. Medical copay amounts owed;
   g. Charges for copies of legal work requested;
   h. Charges for the cost of replacement identification cards or wrist bands;
   i. Charges for copies of requested status sheets and account statements;
   j. Charges for the replacement of issued items; and
   k. Other offender discretionary spending amounts not listed above.

3. Offender accounts receivable shall remain as debts owed until paid in full by the offender. Accounts receivable shall remain as debt owed by an offender after release and be collected in the event that the offender is re-incarcerated in any DOC facility.

   a. Carried-over court fees will remain inactive unless verified through the courts.

   b. Facility business offices will distribute funds to the appropriate locations in which the debits occurred.

4. Offenders that have their Trust Fund Accounts placed in a frozen status shall not be permitted to make any debits until the status is removed by the business office.

5. In the event of an offender death, funds in the Offender Banking System shall be disbursed as directed by the Bureau Chief of the releasing facility.

6. Upon release from a DOC facility, the offender's available funds after reconciliation will be disbursed to the offender via check or cash. Cash boxes shall be established with sufficient funds, not to exceed $3,000.00, to manage the individual facility offender population. Cash payments will not exceed $50.00. Facility administrators shall develop procedures regarding the use of cash boxes to include balance, payment threshold and guidelines for use in accordance with this policy.

D. Outside Accounts

1. Offenders may maintain accounts with banks or other financial institutions in accordance with that entity's rules and with the provisions specified below and accrue the interest earned on those accounts.

2. Offenders that purchase U.S. Savings or Treasury Bonds shall be permitted to withdraw money from their Offender Trust Fund Account for deposits or purchases, in accordance with DOC procedures as follows:

   a. U.S. Savings or Treasury Bonds, stock certificates, or other securities purchased by an offender must be mailed to the care of someone outside the facility. These items shall not be mailed to the facility.

   b. Offenders may send and receive correspondence and account statements from the financial institution but may not receive or have in their possession any negotiable items including, but not limited to, checks, savings passbooks, credit cards, certificates of deposit, stock certificates, bonds and other funds or personal financial documents.

   c. Offenders may receive copies of their account statements and taxpayer copies of official interest or dividend reports for tax purposes.

d. Checks or money orders may be sent by the financial institution for deposit into the Offender Trust Fund Account as approved by the facility administrator. The amount shall not cause the offender's trust fund account to exceed the allowable balance.

3. All personal financial documents and related funds with outside financial institutions or brokers, trusts, financial plans, government bonds, etc. must be held and managed for the offender by an individual(s) external to the DOC. The address of the outside individual(s) should be used as the designated mailing address for such financial transactions. The exception to this rule is account statements and checks for deposit to the Offender Trust Fund Account.

   a. If such documents are sent to the offender at the facility, the offender will not be permitted to review them, but will be required to have them mailed from the facility at their expense.

   b. An offender may employ professional services to manage outside financial accounts, trusts and transactions.

4. The DOC shall not manage checking and savings accounts or maintain account records at outside financial institutions for individual offenders. Additionally, statements, deposit and withdrawal slips, savings/check books, or other records for offenders' outside financial accounts shall not be held by the DOC for storage or safekeeping.