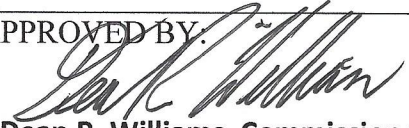


**STATE OF ALASKA
DEPARTMENT OF CORRECTIONS**



POLICIES & PROCEDURES

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CHAPTER: 300	NUMBER: 302.12	P&P TYPE: Public
TITLE: Prisoner Accounts		
APPROVED BY:  Dean R. Williams, Commissioner		DATE: 11/05/18
ATTACHMENTS / FORMS: (A.) Offender Trust Account (OTA) Receipt. (B.) Request For Disbursement Of Funds Form.		AUTHORITY / REFERENCES: 22 AAC 05.105 AS 34.25.230 22 AAC 05.155 AS 34.45.280 AS 33.05.010 AS 44.28.030 AS 33.16.180 DOC P&P 810.02 AS 33.30.011 DOC P&P 811.05 AS 33.30.021

POLICY:

- I. It is the policy of the Department of Corrections (DOC) to have in place, uniform procedures across the Department to manage prisoner financial accounts.
- II. To this end a prisoner account will be established and maintained for each prisoner. All prisoner funds will be maintained, controlled and monitored through the Offender Trust Account (OTA) system.
- III. Prisoners may receive, upon request, a periodic accounting of all transactions and balances for the time period since their last statement.

APPLICATION:

This policy and procedure will apply to all Department employees and prisoners.

DEFINITIONS:

As used in this policy, the following definitions shall apply:

Check:

A check is a document that orders a bank to pay a specific amount of money from a person's account to the person in whose name the check has been issued. The person writing the check, the drawer, has a transaction banking account (often called a checking account) where their money is held. The drawer writes the various details including the monetary amount, date, and a payee on the check, and signs it, ordering their bank, known as the drawee, to pay that person or company the amount of money stated.

Offender Trust Account (OTA):

The system, through which prisoner funds are deposited, monitored and disbursed by the Department.

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Warrant:

A warrant is a written order to pay that instructs a federal, state, or county government treasurer to pay the warrant holder on demand or after a maturity date. Such warrants look like checks and clear through the banking system like checks, but are not drawn against cleared funds in a checking account. A warrant differs from a check in that the warrant is not drawn on a checking account, is not necessarily payable on demand, and may not be negotiable.

PROCEDURES:

I. Maintaining A Cash Drawer:

- A. Each institution shall maintain a secure cash drawer for cash disbursements at release, for cash received at booking, and for cash received from gifts or other sources.
- B. The Superintendent will designate an employee responsible for the security of the cash drawer and all cash transactions during that shift. Access to the cash drawer should be limited to one (1) employee with one (1) key. The cash drawer shall be locked when not in immediate use.
- C. The cash drawer is an integral part of the OTA system and shall not be used for any other purpose. The cash drawer shall not be used to cash employee checks or prisoner checks at the time of release; and is not to be used for institutional purposes, including Cash On Delivery (COD) for supplies or equipment.

II. Cash Drawer Replenishment:

- A. Each institution shall maintain a sufficient cash balance for anticipated cash flow needs. Each institution's cash drawer has an assigned maximum balance. Weekly replenishment amounts shall increase the cash drawer back up to the maximum balance only. Institutions shall utilize the release reporting function of OTA to monitor upcoming cash outflow needs. The OTA Accountant or designee at the Juneau Accounting Office must pre-approve requests for cash drawer increases and replenishments. Approvals will be e-mailed back to the institution.
- B. The initial cash drawer amount designated per institution may be adjusted if approved by the Division of Administrative Services (DAS), OTA Accountant and the Finance Officer. Requests for cash drawer adjustments must be submitted in writing to the Juneau Central Office (JCO).
- C. In order to complete a cash drawer replenishment, the Institutional OTA Coordinator must make a Funds Replenishment Request to the DAS OTA Clerk (cc: OTA Accountant), JCO via e-mail, before 10 a.m. on the day needed. Once approved, the Juneau OTA Clerk will e-mail confirmation to the requesting institution.
- D. The Institutional OTA Coordinator will prepare an OTA Teller check in the amount approved, as follows:
 - 1. The check will be made out to the employee designated to go to the bank and cash it. The check may

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not be made out to “cash”. The check preparer and the employee going to the bank must be two (2) different people.

2. The check, accompanied by the written request for cash, must be given to the authorized signers (two (2) signatures are required on all OTA checks) for signatures.

E. The designated employee (payee) shall take the OTA check to the bank and obtain cash.

F. When the employee returns with the cash, it must be counted in the presence of the returning and receiving employee in charge of the cash drawer. Both shall sign the written request for confirmation of processing.

G. The employee receiving the cash shall complete the OTA entry and obtain a screen print of the OTA Add Currency to Till (screen w_ota_s9_13). At the end of the day, the OTA clerk shall print a transaction listing report from OTA that will verify the cash drawer replenishment amount. This report shall be matched up with the OTA screen-print and given to the OTA Coordinator on site.

H. These documents will establish a cash audit trail and must be retained on site, along with the written request for cash, by the Institutional OTA Coordinator. A designee other than the cash drawer requestor shall maintain verification that the cash drawer replenishment request process was completed.

III. Cash And Other Negotiable Instruments At Booking:

A. At the time of booking, the prisoner’s cash or other negotiable securities must be relinquished. (Note: Coin or currency of historical value or foreign origin may be inventoried, sorted, and processed as personal property in accordance with DOC P&P 811.05, Prisoner Personal Property.) When a prisoner is received and an inventory of the articles in their possession or on their person includes cash, the following procedure applies:

1. As early as practical in the booking process the booking officer shall inquire of the prisoner what cash or checks are in their or the transporting officer’s possession. The cash must be counted in the presence of the prisoner and the amount noted on the booking record. Checks will be processed in compliance with Procedures section III, B, (2) below. The prisoner shall sign the booking record acknowledging the inventory of all personal property including cash. If an individual is for any reason unable to sign the booking record, it shall be noted on the booking record. In cases where there is a large amount of cash, \$500 or more, a second employee shall verify the amount of cash and initial that portion of the booking record.

2. The cash shall be placed into the cash drawer (till).

B. When a prisoner is received and an inventory of the articles in their possession or on their person includes a check(s), the following procedure applies:

1. All negotiable items other than federal and state checks must be noted on the booking record and the

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item placed in the prisoner's personal property. Personal checks are **not** accepted for deposit to a prisoner account.

2. If a negotiable item other than a federal or state check is received at booking, it will be put into the prisoner's personal property. The prisoner may request the item be deposited to his Prisoner account by submitting a 'Request For Interview' to the property officer. A ten (10) day hold shall be placed on money orders, cashier's checks and corporation checks. The ten (10) day hold may be waived by the JCO on a case-by-case basis. Requests for waiver may be submitted to the OTA Accountant by e-mail. Federal, state, or city government warrants are not subject to the hold period.

IV. Cash / Checks And / Or Gifts For Prisoners:

- A. Deposits to a prisoner's OTA account shall be limited to \$500 per month, unless a larger amount is pre-approved by the Superintendent or their designee. Dividend payments and checks from Native corporations shall not count towards a prisoner's monthly deposit limit.
- B. Deposits may only be made by individuals on a prisoner's approved visitor list, per DOC P&P 810.02, Visitation. Deposits by individuals other than those on the prisoner's approved visitor list may be refused.
 1. Deposits may be made by individuals in person at any DOC institution, regardless of which institution the prisoner is actually located in.
 2. Staff shall ensure that the person making the deposit is approved before accepting the deposit.
 3. Deposits shall be added to the offender's OTA per the established procedures below.
- C. Any cash or checks received for a prisoner from gifts, craft sales, or other sources shall be processed as follows:
 1. All cash or checks received for a prisoner are to be documented with a written receipt. Employees may use the *OTA Receipt* (Attachment A) in place of a written receipt only if it is issued at the time of receipt. The employee receiving the funds must initial the receipt.
 2. Copies of the receipt are to be distributed as follows:
 - a. One (1) copy is given to the donor, if the donor is present to receive it. Receipts need not be mailed;
 - b. One (1) copy remains with the cash or check. Once posted to the prisoner account (OTA), this copy will be given to the prisoner within one (1) working day; and
 - c. One (1) copy remains at the institution.
- D. If the transfer of money is required it must be done using a secured lock box and a logbook. The logbook shall be maintained as follows:

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1. The log shall include the date received, the signature or initials of the employee making the entry, the receipt number, the cash or check amount and the recipient's name for each receipt placed in the box.
 2. The log shall have a place for the date, time and the signature or initials of the employee taking custody of the contents.
 3. The employee shall inventory the contents of the box, compare the contents to the log and shall note in the log any exceptions (additional items or missing items).
 4. The employee shall report any inventory exceptions in the same manner as prescribed for reporting the failure to balance a cash drawer as described in Procedures section VII, C, of this policy below.
- E. The employee receiving the cash or checks should place them in a locked box or locked drawer until they can be transferred to the designated cash drawer officer. The following steps are to be taken:
1. The cash shall be counted and the checks reconciled with the receipts by the designated cash drawer officer.
 2. The cash or checks shall be placed into the cash drawer.
 3. The OTA system accounts are to be credited.

V. Cash Drawer Deposits:

- A. Each institution has a maximum cash drawer balance. This maximum may not be exceeded for more than two (2) consecutive days. All checks shall be deposited at least twice each week. The deposit will be completed as follows:
1. The designated cash drawer officer shall complete a deposit slip listing each check and all cash. A copy of this slip will be kept at the institution while the original shall go to the bank. (One (1) deposit slip is automatically printed by the OTA system when a deposit transaction is entered.)
 2. The deposit must be counted by a second employee who shall confirm the deposit amount. All checks / cash and the original deposit slip will be placed into a polybag or lockable bank bag.
 - a. A copy of the deposit slip will remain at the institution.
 - b. The deposit will be entered into the OTA system. The OTA deposit record should balance with the deposit slip printed. The deposit entered into OTA shall be taken to the bank on the same day of entry.
 - c. The bag shall be locked (polybags are sealed) and transported to the bank for deposit by a designated employee or by an authorized courier.

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- d. A copy of the bank receipt must be verified to the deposit slip from OTA and initialed by the on-site OTA Coordinator.
- e. The name of the institution must be written on the original bank receipt and sent to the OTA Accountant, JCO. A copy should be kept at the institution.

VI. Cash Disbursements:

Cash disbursements shall be held to a minimum. Any disbursement of cash other than at the time of a prisoner's release must be approved by the Superintendent or designee on the *Request For Disbursement Of Funds Form* (Attachment B). Cash disbursals at release shall not exceed the maximum amount as set by the institution Superintendent or designee. Once the cash disbursal maximum amount is reached any remaining account balances shall be disbursed by check.

VII. Reconciliation Of The Cash Drawer:

A. Balancing The Drawer:

The designated cash drawer officer shall determine the total cash and checks on hand in the cash drawer at the beginning and at the end of each shift in the presence of a second employee and shall compare that total to the OTA cash drawer total.

- 1. If the cash drawer is in balance with OTA, the Balance screen and View Transaction list shall be printed at the end of each shift, signed and dated by the designated cash drawer officer and second employee and then given to the oncoming designated cash drawer officer.

In institutions where the custodian of the cash drawer is someone other than shift personnel, the cash drawer must be balanced daily at the end of each day. The Balance screen and View Transaction list shall be printed, signed and dated by the custodian and second employee then forwarded to the Administrative Manager or designated employee for storage on site.

- 2. If the cash drawer is determined to be out of balance with OTA, the Supervisor shall document the amount and the suspected cause in writing prior to leaving for the day. The Balance screen and View Transaction list shall be printed and attached to the memo. This memo shall go to the Administrative Manager. The Administrative Manager or designee shall begin an investigation immediately after the failure to balance has occurred. The Superintendent shall be informed of the status of the investigation the same day the investigation begins:

- a. If the investigation determines the error is an OTA system error, the investigation report should be given to the Superintendent and the OTA Accountant, JCO, with a written request for a cash drawer adjustment.
- b. If the investigation determines the error is a staff error, the Superintendent shall send a copy of the investigation report to the OTA Accountant, JCO, and attach the following:

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- i. If the error is a shortage in the cash drawer, the Superintendent or designee shall attach a memo to report if the cash drawer is being reimbursed by the operating budget of the institution or by some other means as determined by the outcome of the investigation. An OTA report showing the balance over / under transaction should also be attached.
- ii. If the error is an overage in the cash drawer, the Superintendent or designee shall have the cash overage deposited into the Offender Trust Account and send a written request to the OTA Accountant to transfer the funds to the State of Alaska.

VIII. Audits And Maintaining System Security:

A. OTA Audits:

The Superintendent shall designate an employee to be responsible for record retention and periodic audit of the institutional OTA accounts. The employee shall maintain a record of all OTA checks written, all cash drawer replenishments and all cash drawer deposits.

B. System Security:

Every employee should strive to protect the integrity of the employee's computer by systematically ensuring no one can obtain unauthorized access to the employee's computer account. These protective steps include:

1. Maintaining the confidentiality of the individual's password;
2. Not permitting anyone to operate the system utilizing another employee's password; and
3. Signing off of the system when it is not in use.

IX. Commissary Purchase And Other Disbursal Of Funds:

A. All prisoner commissary purchases or other fund disbursements must be approved by the Superintendent or designee before deductions from the prisoner's account may occur. All actions which require transfer of funds must be processed in the following manner:

1. Adequate funds must be in the prisoner account to cover a prisoner-initiated transaction in advance of the requested disbursal.
2. Commissary must be signed for by the prisoner upon delivery, noting any refusals, returns and out-of-stock items on the commissary request form.

B. Authorized disbursals to individuals and businesses must be processed as follows:

1. The prisoner shall fill out a *Request For Disbursement Of Funds Form* (Attachment B), listing the prisoner's name, offender number, amount to be disbursed, and the name and address of the person or business to which the funds are to be sent. The prisoner must also provide a stamped, addressed envelope for each disbursement of this type.

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2. The Superintendent or designee shall review and approve or disapprove the request.
3. The Superintendent or designee shall have a check issued for the authorized amount and provide the prisoner with a copy of the completed disbursement form. Another copy of the disbursement form must be placed in the prisoner's case record, and the original routed to the Administrative Manager or designee.

C. Disbursements for the purpose of court-ordered fine or restitution must be processed as follows:

1. A *Request For Disbursement Of Funds Form* (Attachment B), must be completed by staff initiating the disbursement.
2. The *Request For Disbursement Of Funds Form* must state the specific purpose and authority for which the intended disbursement is being made. If possible a copy of the authority, such as the court order, should be attached to the form.
3. A copy of the *Request For Disbursement Of Funds Form* must be provided to the prisoner from whose account the funds are being disbursed.
4. Another copy of the *Request For Disbursement Of Funds Form* will serve as the action document for the transfer of funds and must be retained in the prisoner case record. The original must be returned to the originating staff.

D. A continuous checkbook balance is maintained in the OTA system. It is reconciled monthly by the OTA Accountant at JCO. A copy of the reconciled statements will be kept on file at JCO. Questions regarding institutional checking account activity will be directed to the Superintendent or designee at each institution. The Superintendent or designee is responsible for maintaining accurate disbursement records at their institution for audit trail purposes.

X. Outside Banking:

Prisoner checking accounts are discouraged. Approval for transactions in an outside checking account will rarely be granted for sentenced prisoners. Prisoners may maintain an outside savings account only under the following conditions:

- A. There must be some specific need for the outside account that cannot be handled by the Department's OTA system;
- B. A minimum balance of \$25 must be maintained in the Department's OTA; and
- C. All banking transactions require the written approval of the Superintendent.

XI. Transfer To A Different Department Institution:

No action is required. Funds remain in the OTA.

XII. Release To A Non-Departmental Institution Or Agency:

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The Superintendent shall develop Standard Operating Procedures (SOP) that incorporates the following principles:

- A. The verification of prisoner account balances by the prisoner;
- B. Receipting and signatures of fund transfer with copies of receipts and fund transfers retained in the prisoner case file; and
- C. If it is necessary to forward a check to the prisoner after release, a copy of the prisoner account balance must be attached to the check and mailed to the address provided by the prisoner.

XIII. Release To Street:

- A. The releasing officer shall print an OTA statement which shows the prisoner's account balance. The prisoner must sign the statement and a copy shall be retained in the prisoner case file.
- B. If it is necessary to forward a check to the prisoner after release, a copy of the prisoner account balance must be attached to the check and mailed to the address provided by the prisoner.

If, after mailing out the check, the check is returned in the mail as 'undeliverable', the check shall be voided and the prisoner's funds shall be held in the OTA. The money will be held until the prisoner makes contact with DOC regarding their funds, or until the prisoner returns to DOC custody at which time they shall be reunited with their funds.

- C. In situations where, after one (1) year, the prisoner and their funds have not been reunited the funds shall be treated as abandoned, per section XVI, below.
- D. In cases where there is a dispute, the dispute must be documented on the prisoner's Statement of Account and forwarded to the Administrative Manager.

Note: Any gratuities earned that month should be expected to be received by the prisoner at the beginning of the following month.

- E. In those cases where funds are not being released, the reasons should be documented on the Statement of Account and forwarded to the Administrative Manager.

XIV. Escape / Walkaway:

- A. If a prisoner escapes or walks away, their funds will be held in their OTA. The OTA Accountant in JCO, in conjunction with the local OTA coordinator, will bring the prisoners account current. This will be done by adding any outstanding deposited money to the account, and then paying out any pending expenses that the prisoner has, in accordance with this policy.
- B. Once the prisoner's account is current, the funds shall be held in the OTA for the period of one (1) year

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(from the date of escape / walkaway), during which time it may be re-claimed by the prisoner if they return to DOC custody. Any funds not claimed after one (1) year will be treated as abandoned, per Procedures section XVI, below.

XV. Death Of A Prisoner:

- A. Upon the death of a prisoner all funds will be held in that prisoner's account, absent deductions approved elsewhere in policy, until documentation is presented to the Department Accounting Section authorizing its release. Persons making a claim to funds in the deceased prisoner's account shall be referred to the Chaplain's office for information on how to proceed.
- B. Any funds not claimed one (1) year after the prisoner's passing, will be treated as abandoned, per Procedures section XVI, below.

XVI. Unclaimed / Abandoned Funds:

- A. Funds that have been untouched in an OTA for more than one (1) year and that are unlikely to be reunited with their owner will be treated as abandoned. (Per AS 34.45.230.) Abandoned funds will be turned over to the State, per the procedures outlined in AS 34.45.280 (Report Of Abandoned Personal Property) and AS 34.45.370 (Deposit Of Money And Accounting).
- B. The OTA Coordinator at each institution shall forward any abandoned funds to the OTA Accountant in JCO within seven (7) working days of the abandoned funds being identified. The OTA Accountant in JCO shall then be responsible for turning the funds over to the State as described above.

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