



# Operating Procedure

<b>Effective Date</b> June 1, 2016	<b>Number</b> 802.2
<b>Amended</b> 4/3/17, 7/6/17, 10/26/17, 2/12/18, 11/1/18, 2/1/19	<b>Operating Level</b> Department
<b>Supersedes</b> Operating Procedure 802.2 (6/1/13)	
<b>Authority</b> COV §20-88.32 et seq., §34-29, §53.1-10, §53.1-32, §53.1-41, §53.1-42, §53.1-43, §53.1-43.1, §53.1-44, §53.1-60.1, §53.1-190	
<b>ACA/PREA Standards</b> 4-4031, 4-4044, 4-4045, 4-4046, 4-4047, 4-4292, 4-4342; 4-ACRS-7D-17, 4-ACRS-7D-30, 4-ACRS-7D-31; 2-CO-1B-05, 2-CO-1B-14	
<b>Office of Primary Responsibility</b> DOC Chief Financial Officer	

**Subject**  
**OFFENDER FINANCES**

<b>Incarcerated Offender Access</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<b>FOIA Exempt</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Attachments</b> Yes <input checked="" type="checkbox"/> #1 No <input type="checkbox"/>
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## I. PURPOSE

This operating procedure establishes protocols for the management of financial resources belonging to offenders incarcerated in Department of Corrections facilities including provisions for indigent offenders, for making payments from offender accounts, and for outside financial accounts belonging to offenders.

## II. COMPLIANCE

This operating procedure applies to all facilities operated by the Department of Corrections (DOC). Practices and procedures shall comply with applicable State and Federal laws and regulations, Board of Corrections policies and regulations, ACA standards, PREA standards, and DOC directives and operating procedures.

## III. DEFINITIONS

**Community Corrections Facility** - A residential facility operated by the Department of Corrections to provide Community Corrections Alternative Programs

**Day** - Any 24-hour day regardless of weekends or holidays

**Facility** - Any Community Corrections facility or institution

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

**Indigent Offender** - An offender with less than \$5.00 in their offender account for discretionary spending during the previous month and has no job or other source of income that provided as much as \$5.00 during the previous month; an offender who is newly received into a facility and does not have available funds nor hygiene items.

**Institution** - A prison facility operated by the Department of Corrections - includes major institutions, field units, and work centers.

**Personal Financial Documents** - Documents that include, but are not limited to, credit cards, checkbooks, savings passbooks. For the purposes of this procedure, these do not include financial account statements or credit reports.

**Working Day** - Weekdays, Monday through Friday, except official state holidays

## IV. PROCEDURE

### A. Provisions for Indigent Offenders

1. When entering Reception Centers, Community Corrections facilities, or transferring between facilities, offenders shall qualify as indigent if they have no available funds and no hygiene items. Transferring offenders, who arrive prior to receipt of their offender account funds, may submit an [Offender Trust System - Advance Request](#) 802\_F8 to request a loan against their funds in accordance

with the *Inmate Trust System Policies and Procedures Manual*. If an offender has no personal hygiene items in their possession and cannot make a commissary purchase, the offender may be provided such items as are necessary until access to the commissary is available.

2. Each facility will include information on how to apply for and receive indigent services in their *Offender Orientation Handbook*.
3. An offender who meets the definition for "indigent offender" in accordance with this operating procedure may submit a *Request for Indigent Services* to receive needed items. (4-4342, 4-ACRS-7D-31) Attachment 1 is a sample *Request for Indigent Services* that may be modified to meet facility needs.
4. The following should be available to eligible indigent offenders: (4-4342)
  - Toothbrush
  - Toothpaste or denture cleaner and adhesive
  - Shampoo
  - Deodorant
  - Comb
  - Razor (except in special housing)
  - Bar soap
  - Correspondence package (paper, pen, envelopes)
  - Legal package (paper, pen, carbon paper, manila envelope)
  - Free letter postage (one - one ounce, domestic, first class letter) as provided in Operating Procedure 803.1, *Offender Correspondence*.
5. The Facility Unit Head should establish appropriate items and quantities of consumable items for distribution based on the facility population and security level. Non-consumable items, such as toothbrushes and combs, should be exchanged when worn out or damaged.
6. When an offender is unable to pay for copies in response to a Court requirement, copies should be provided and the cost debited to the offender's account. Any offender who has an account debit in excess of \$50 for photocopies will not be provided any further photocopies unless the offender presents a Court order instructing the facility to provide the offender additional photocopying service loans.
7. Offenders unable to pay the required fees to obtain their original Birth Certificate, DMV Identification Card, or certified copies of marriage, divorce, or other court issued name-change documents will have the fee charged as a loan to their Offender Trust Account.
8. Any indigent offender, after having chosen to participate in Ramadan or NOI Month of Fasting, who seeks a meal tray between dawn and sunset during the religious fast of Ramada shall be assessed the cost, charged as a loan to their Offender Trust Account, of a Ramadan meal for each meal received outside of their religious observance (currently \$0.70 per meal).
9. Hearing aid batteries will be supplied in the Medical Department without a co-payment charge.
10. Diversion Center offenders without sufficient funds may receive a one-time loan when they start to work, if needed. This loan is intended to allow the offender to purchase work related items and meet other initial employment expenses. (4-ACRS-7D-31)

#### B. Offender Trust Accounts

1. Offender Trust Accounts will be operated in accordance with the requirements of the *Code of Virginia* and the Board of Corrections.
  - a. This operating procedure ensures that the collection, safeguarding, and disbursement of monies in Offender Trust Accounts comply with the accounting procedures established in the *Inmate Trust System Policy and Procedure Manual*. (4-4031, 4-4045, 4-4292, 4-ACRS-7D-17, 2-CO-1B-05)
  - b. Any interest earned on Offender Trust Accounts will accrue to the benefit of the offender population but will not be paid to individual offenders. (4-4044, 2-CO-1B-14)

2. The purpose of the Offender Trust Account is to hold monies earned by offenders for work performed while committed to the DOC and to allow them to use such earnings to pay legal obligations, to purchase goods from the commissary and other DOC Contract Vendors, to send to individuals and entities designated by the offender, and to provide an allowance to them upon their release.
3. As a convenience for offenders, the DOC also allows money sent to offenders from outside sources to be placed on their Offender Trust Account. Any approved funds received at the facility will be deposited in the Offender Trust Fund and offenders are permitted to send funds from their Offender Trust Account to interest bearing private accounts maintained with outside financial institutions in accordance with the *Outside Accounts* Section of this operating procedure.
4. Use of the Offender Trust Account is a service provided to offenders for which no administrative fees are charged.
5. No one other than governmental agencies and vendors (refund checks) may send funds, Securepak packages, and other items of monetary value to more than one offender without prior approval of each Facility Unit Head.
6. Offenders are not permitted to transfer funds from their accounts to the accounts of other offenders or to send or receive funds from other offenders, other offenders' families or visitors, staff, or volunteers without the prior approval of the Facility Unit Head. Both Facility Unit Heads must approve if the transaction involves another correctional facility. (4-4047, 4-ACRS-7D-30)
7. Handling of unauthorized funds when the sender cannot be determined or the sender is unauthorized:
  - a. If the sender cannot be determined, unauthorized funds should be confiscated and routed to the facility Commissary Fund for the benefit of the offenders in accordance with the *Inmate Trust System Policy and Procedure Manual* and COV §53.1-26.
  - b. If the sender is unauthorized, unauthorized funds should be returned to the sender. If there is evidence of efforts to circumvent DOC operating procedures, the Facility Unit Head or designee may approve for unauthorized funds to be confiscated and routed to the facility Commissary Fund for the benefit of the offenders in accordance with the *Inmate Trust System Policy and Procedure Manual* and COV §53.1-26.
8. Deposits to and withdrawals from offender accounts will be monitored for suspicious transactions or other unusual activity in accordance with established procedures.
9. The facility business office will generate an account statement for each offender once per month by the first day of the following month and provide a copy to the offender within five days.

#### C. Payments into Offender Trust Accounts

1. Offenders will be paid for work performed in accordance with the *Inmate Payroll System Policies and Procedures Manual*, Operating Procedure 841.2, *Offender Work Programs*, and Board of Corrections Policy 20-7, *Offender Pay*.
2. Paychecks for offenders in Diversion Centers or other work release style programs shall be delivered by the employer directly to the facility.
  - a. The employer shall not give any pay directly to the offender.
  - b. The offender shall receive a statement of earnings either from the employer or from the facility.
  - c. Offenders shall not have any payroll deductions other than taxes, Worker's Compensation, and court-ordered child support without prior approval from the Facility Unit Head.
3. Offenders may receive monies through the mail from authorized outside sources i.e., businesses, government agencies, and outside financial institutions in accordance with the *Outside Accounts* section of this operating procedure, for deposit in their account in accordance with Operating Procedure 803.1, *Offender Correspondence*.
4. Money orders and certified/ cashier's checks from individuals must be sent to a vendor contracted by

- the DOC for this purpose. Money orders and checks, except those from authorized sources, received at a facility will be rejected and returned to the sender with instructions on how to process their money order through JPay.
5. Offenders in institutions may receive funds through electronic transfer using JPay or through use of the JPay Lockbox service.
    - a. Funds may be sent on-line at [www.jpayers.com](http://www.jpayers.com) or by telephone at 1-800-574-5729 using a credit or debit card.
    - b. Funds may be sent using cash at a MoneyGram location such as Wal-Mart or CVS.
    - c. Money orders and certified/ cashier's checks with a completed deposit slip may be mailed to the JPay Lockbox. Deposit slips are available online at [www.jpayers.com](http://www.jpayers.com) or by telephone request to 1-866-333-5729.
    - d. Monies will be credited to offender's account within two working days of notification of receipt of funds by the facility. The funds are 100% guaranteed by JPay.
  6. Whenever an offender receives what appears to be a government check (i.e. Federal or State), an inquiry should be made by the facility with the issuing agency to verify the validity of the payment. General guidance on the effects of incarceration on government payments includes:
    - a. Under no circumstances can a convicted felon who is incarcerated receive Social Security payments
    - b. On the sixty-first day of imprisonment for any reason, all Veterans Administration (VA) pension payments cease
    - c. On the sixty-first day of imprisonment as a result of a felony, other VA compensation payments are reduced to a fraction of the normal amount
    - d. Tax refunds from the Internal Revenue Service and from states would be legitimate only if the offender earned taxable income during that year
    - e. Other government pension and compensation may or may not be affected by the offender's incarceration.
  7. The facility should report to the Special Investigations Unit any funds received for an offender if the source of the funds is suspicious or if there is a question of whether the offender is entitled to receive the funds.
  8. Compensation received for participating in work programs, funds received from other sources, and charges debited or loaned will be paid into or withheld from the Offender Trust Account as follows:
    - a. *Hold account* - 10% of an offender's pay withheld until \$25.00 is accumulated, to be paid to the offender upon release, in accordance with Operating Procedure 050.3, *Facility Release of Offenders*.
    - b. *Court Obligation account* - Code of Virginia §53.1-41(B) requires the Department of Corrections to withhold funds from offender pay to be applied toward any Court imposed fines, costs, forfeitures, restitution, or penalties the offender may owe. Each offender that owes fines, costs, forfeitures, restitution, or penalties will have 5% of their pay from work, treatment, and education withheld to be paid to the sentencing Court(s) annually or upon release from incarceration.
    - c. *Savings (Personal Trust) account* - Code of Virginia §53.1-43.1 requires the Department of Corrections to withhold 10% of all incoming funds until \$1000 is accumulated, to be paid to the offender upon release.
    - d. *Reserve account* - funds withheld for authorized payments see the *Disbursement Priorities* section of this operating procedure.
    - e. *Loans and other charges* - funds withheld for the repayment of debits against the offender's account for medical co-pay, legal postage, birth certificate, DMV Identification Card, certified copies of marriage, divorce, or other Court-issued name-change documents, Ramadan or NOI Month of Fasting meals, legal copies, disciplinary fines and payments for property damage or

bodily injury assessed in accordance with Offender Disciplinary Procedures, and other charges, debits, or loans.

f. *Spend account* - all other funds that are available for the offender to use at their discretion

D. Disbursement Priorities - Payments from offender accounts will be prioritized and paid out in the following order:

1. Child support and alimony payments for which there is a valid Virginia or out-of-state Court order or an administrative support order received from the Division of Child Support Enforcement of the Virginia Department of Social Services or from another state, in accordance with the Uniform Interstate Family Support Act (COV §20-88.32 et seq.).
  - a. Child support orders to seize all assets will include all monies in the offender's spend and savings accounts.
  - b. When the Court order is received, all seized monies will be transferred to the offender's reserve account.
  - c. All subsequent deposits received will be seized until the demand for payment is received.
2. Court ordered fees, fines, costs, restitution, garnishments, notices of tax lien, or other judgments against the offender, or an administrative order as authorized by law.
  - a. All institutional offenders shall have 5% of their pay from work, treatment, and education withheld to be paid to the sentencing Court(s); see *Court Obligation account* section of this operating procedure.
  - b. Diversion Centers shall place 15% of each paycheck in the offender's reserve account to pay court ordered fines, costs, and restitution.
  - c. A check for the total sum collected will be paid to the Court(s) when the offender leaves the program.
  - d. If an excess is withheld, the amount left over after all Court ordered fines, costs, and restitution are paid will be added to the offender's spend account and included in the offender's release check.
3. Transportation and Room and Board payments owed to the facility. (Diversion Centers and other work release style programs)
4. Payment of DOC imposed debits/loans against the offender's account in the following order:
  - a. Reimbursement of advances against transferred funds
  - b. Medical co-pay charges
  - c. Disciplinary penalties for payment for property damage/bodily injury in accordance with the Offender Disciplinary Procedures
  - d. Disciplinary penalties assessing fines in accordance with the Offender Disciplinary Procedures
  - e. Loans for legal postage, legal copies, replacement ID cards (currently \$2.00), etc.
  - f. Any other debits, fees or loans against the account
5. Discretionary purchases and withdrawals at the offender's request

E. Hold Account Funds (Institutional offenders only)

1. Hold Account Funds (up to \$25.00) are set aside from an offender's pay to offset the Commonwealth's supplement to the discharge allowance authorized by COV §53.1-190 and shall be held until the offender's release.
2. Hold Account Funds should not be transferred from an offender's permanently assigned facility when the offender is temporarily housed at another facility.
3. Funds in an offender's *Hold Account* are not available for payments for Court ordered or other mandatory fees, co-pay, loans, or other charges assessed against the offender's account, or for any discretionary spending or withdrawals by the offender.

4. Offenders with a death sentence, a life sentence without eligibility for parole, sentenced to a term that makes them ineligible for release (excluding the conditional release of geriatric prisoners pursuant to § 53.1-40.01) prior to being 75 years of age, or serving an out-of-state sentence are exempted from having a hold account in accordance with Board Policy 20-7, *Offender Pay*. If an offender's status changes, the withholding shall begin on the date of the status change.

F. Savings (Personal Trust) Account (Institutional offenders only)

1. Ten percent of any funds received by an offender from any source, excluding vendor refunds and Veteran's Administration (VA) benefits, shall be deposited by the DOC in the offender's *Savings Account* until the account has a balance of \$1,000. When the offender's *Savings Account* reaches \$1,000, funds received by the offender will no longer be automatically withheld for deposit to the *Savings Account*.
2. Transfer of funds between the offender's *Spend Account* and *Savings Account*
  - a. An offender may direct the DOC to transfer funds from the offender's *Spend Account* to the offender's *Savings Account* by submitting an [Offender Trust System - Savings Account Transfer Request](#) 802\_F2.
    - i. Transfers shall be a minimum of \$10 and a balance of at least \$10 must remain in the *Spend Account* after the transfer.
    - ii. Each offender may submit only one *Offender Trust System - Savings Account Transfer Request* per month.
    - iii. *Offender Trust System - Savings Account Transfer Requests* must be received in the Business Office by the 15<sup>th</sup> of the month to be processed that month.
  - b. After the balance of a *Savings Account* has exceeded \$1,000, an offender may direct the DOC to transfer funds from the *Savings Account* to the *Spend Account* by submitting an [Offender Trust System - Savings Account Transfer Request](#) 802\_F2. The balance of the *Savings Account* shall not fall below \$1,000.
3. Except for balances in excess of \$1000, funds in an offender's *Savings Account* are not available for payments for Court ordered or other mandatory fees, co-pay, loans, or other charges assessed against the offender's account, or for any discretionary spending or withdrawals by the offender. Child support orders to seize all assets will include all monies in the offender's *Savings Account*.
4. When an offender's Trust Account is closed on discharge from DOC institutions, *Savings Account* funds will be used if necessary to pay any outstanding co-pay, loans, or other charges assessed by DOC against the offender's account.
5. *Savings Account* funds should not be transferred from an offender's permanently assigned facility when the offender is temporarily housed at another facility.
6. Offenders with a death sentence, a life sentence without eligibility for parole, sentenced to a term that makes them ineligible for release (excluding the conditional release of geriatric offenders pursuant to § 53.1-40.01) prior to being 75 years of age, or serving an out-of-state sentence are exempted from having a *Savings Account*. If an offender's status changes, the withholding shall begin on the date of the status change.
  - a. Out of state offenders that are housed in Virginia facilities per DOC contract and are returning to their home state for release are exempt from the ten percent savings withholding.
  - b. Offenders under an Interstate Compact agreement who will return to their home state for release are exempt from the ten percent savings withholding.
  - c. Offenders under an Interstate Compact agreement who will be released in Virginia and not returned to their home state shall be subject to the ten percent savings withholding of any funds received to be deposited in the offender's *Savings Account* in accordance with this operating procedure.

G. Spend Account Funds - See *Disbursement Priorities* 1-4.



1. Discretionary Spending
  - a. Except for a Court order requiring that an offender's entire trust account be seized (child support payments), each offender shall be allowed \$5.00 per month of their spend account balance for discretionary spending (commissary and legal mail) that is not subject to payment of fines, fees, loans, or other payments.
  - b. Any discretionary spending by the offender in the current calendar month will be deducted from the \$5.00 minimum balance.
2. Fines, fees, restitution, Court filing fees, other charges ordered by the courts or administrative authority, disciplinary fines and payments for damaged property/bodily injury, repayment of loans, and other charges against the offender's account will be paid from the offender's spend account except for \$5.00 discretionary spending (see above) for that calendar month.
3. Federal Court filing fees - offenders filing a civil action or appeal in forma pauperis are required to pay filing fees in full as ordered by the Court.
  - a. An initial partial filing fee shall be 20% of the greater of (a) the average monthly deposits to the offender's account, or (b) the average balance of the offender's account for the 6-month period immediately preceding the filing.
  - b. After payment of the initial partial filing fee, each month that the amount in the offender's account exceeds \$10, the offender shall be required to make monthly payments of 20% of the preceding month's income credited to the offender's account.
  - c. Any additional initial partial filing fees shall be paid in addition to any existing monthly payment, but the offender shall be required to make monthly payments on only one Federal Court filing fee at a time. Once the oldest filing fee is satisfied, monthly payments will begin for the next filing fee, etc.
4. Legal Mail Postage Charges
  - a. When a legal mail postage charge is assessed against an offender, all funds in the spend account may be used to pay the postage charge. Any legal mail postage charge in excess of the spend account balance should be debited against the offender's account as a loan.
  - b. When an offender, who has a legal mail postage debt, receives additional funds or pay, the funds will be used to satisfy the debt. See *Disbursement Priority 4., e.*
5. Medical Co-pay Charges
  - a. When a medical co-pay charge is assessed against an offender who has funds in their spend account, the charge may not reduce the offender's account below \$5.00; any amount still owed on the co-pay charge should be debited against the offender's account to be paid when their spend account exceeds \$5.00.
  - b. When an offender, who has less than \$5.00 in their spend account and has a medical co-pay debt, receives additional funds or pay, the funds may be used to satisfy the co-pay debt, except for a minimum of \$5.00, for that calendar month, to be left for the offender's discretionary use for the purchase of necessary personal hygiene items, correspondence/legal supplies, or other necessities. See *Disbursement Priority 4., b.*
6. Discretionary withdrawals by the offender (*Disbursement Priority 5*)
  - a. Offenders in Diversion Centers and other work release style programs shall not be allowed to transfer funds from their Trust Account to outside accounts. Additional limits may be placed on discretionary withdrawals for these offenders. Offenders should be notified of limits during orientation.
  - b. Facilities may set schedules for accepting and processing discretionary withdrawals. Offenders should be notified of schedules during orientation. All *Withdrawal Requests* should be processed within six working days after receipt of the *Withdrawal Request* in the Business Office.
  - c. Whenever an offender submits an [Offender Trust System - Withdrawal Request](#) 802\_F9 for a

money order be drawn on the Offender Trust Account or for authorized mail order purchases to be sent to an outside person or entity, and for deposits to outside accounts, a balance of at least \$10.00 must remain in the Spend Account after the deduction, to ensure that the offender has sufficient funds to spend for commissary purchases of personal hygiene items, stamps and writing materials, and for legal photocopies.

- d. Offenders may submit one [Offender Trust System - Withdrawal Request GTL Debit Account 802\\_F10](#) per month to transfer funds to Global Tel\*Link to pay for offender telephone calls.
    - i. A balance of at least \$10.00 must remain in the Spend Account after the deduction.
    - ii. Funds transferred to Global Tel\*Link cannot be returned to the Offender Trust Account.
    - iii. Unused funds transferred to Global Tel\*Link will be refunded only after the offender has been released from incarceration.
  - e. If the requested withdrawal will leave less than \$10.00 in the offender's Spend Account, it should be disapproved and returned.
  - f. For withdrawals sent to anyone other than a legitimate business, financial institution, or government agency, the offender must submit, with the *Withdrawal Request*, information regarding the offender's relationship to the individual to whom the money is being sent to ensure the transfer of funds does not violate law or DOC operating procedures. If this person is not a family member, the offender must also provide the reason for sending the money. Any request for which the offender has not provided sufficient information to make a determination that the request is legitimate should not be approved and should be returned to the offender.
  - g. The offender should be notified of the disapproval of any *Withdrawal Request* and the reason for the disapproval. The offender may resubmit the request with additional justification.
7. Exceptions to the \$10.00 minimum balance
- a. If an offender requests to have funds withdrawn to pay legal/governmental obligations such as taxes, voluntary agreements to make installment payments on Court fines, fees, costs, or restitution or child support payments made through the Courts or Department of Social Services, the withdrawal is made payable to such Court or governmental agency and the offender provides adequate documentation of such obligations, the withdrawal from the offender's account may be up to all the funds on their account. Such payments may be made by check payable to the specified government agency.
  - b. Postage and photocopying costs deducted directly from the offender's spend account are exempt from a minimum balance requirement.

#### H. Processing Payments for Priorities 1 and 2: Payment of Orders and Judgments

1. Freezing of funds and verification of order or judgment
  - a. Upon receipt of an order or judgment for payments to be withheld from an offender's account, the funds to cover the payment should be moved from the spend account to the reserve account and any questions about the validity of the order or judgment or the identity of the subject of such order or judgment should be investigated and resolved.
  - b. In the absence of a Court order, the following are authorized by law as sufficient notice:
    - i. Notices from the Department of Social Services, Division of Child Support Enforcement or equivalent out-of-state authority for child support payments,
    - ii. Notices of tax liens from the IRS, Virginia Department of Taxation, or the local in-state government,
    - iii. Notices from the Office of the Attorney General for Court ordered costs and attorney fees
    - iv. Other state or federal administrative orders
  - c. Questions regarding the validity or authority of any Court or administrative order should be addressed to the Court or agency issuing the order.
2. Notice to Offender



- a. The offender will be notified in writing of the lien placed against their account and provided the address and any other contact information for the authority issuing the order or judgment in case they have questions or wish to contest the order or judgment.
  - b. A copy of the order or judgment may be attached.
3. Payment of orders or judgments (Priorities 1-4) Payments should be made in accordance with the instructions contained in the judgment or order. Payments may be one time garnishments or liens, installments or on-going and should be made as follows:
- a. *One-time payments* - These normally are a demand for payment of a specific amount or "for so much thereof as may be in your hands." Upon receipt of the notice, the amount specified or, if less than the specified amount, all funds in the offender's spend account should be placed in the reserve account. If the offender does not have sufficient funds to pay the entire amount, all net pay received for work (after the deposit into the hold account of any "hold" amount) and other funds received for deposit to the offender's account will be placed in the reserve account until the amount to satisfy the obligation is accumulated or until the return date on the notice. All funds up to the amount specified in the lien or order in the reserve account will be held until the return date and paid when due. Once the lien or order has been paid, incoming funds will be credited again to the offender's spend account.
  - b. *On-going obligations* - These are normally orders such as child support orders which specify that a percentage of the offender's earnings, up to a maximum amount, be paid on a monthly or other specified periodic schedule. Such orders normally continue in effect until a notice modifying or canceling the order is issued. The specified percentage of all incoming funds and payments to the offender's account up to the monthly obligation stated in the notice or order, will be placed in the offender's reserve account and all accumulated funds in the reserve account will be paid monthly or per the schedule specified in the notice/order by the specified due date. State and federal law limit withholding for child support to 60% for an individual with no other family to support, with an additional 5% if arrears are more than 12 weeks old.
  - c. *Installment payments* - Installment payments based on a percentage of the offender's account balance should be paid in the same manner as specified for on-going obligations (b. above) until the total amount of the obligation specified in the order is satisfied. For installment payments specifying a set amount per installment, all incoming funds and payments into the offender's account will be placed in the offender's reserve account up to the full amount of the installment and all accumulated funds in the reserve account will be paid on the due date for the installment. Payments will be made until the total amount of the obligation is satisfied.
  - d. *All other orders, judgments, or liens that do not specify an installment or percentage amount and are not a one-time payment* (as in a. above) - All incoming funds and payments into the offender's account will be placed in the offender's reserve account up to the full amount of the order or lien and all accumulated funds in the reserve account will be paid monthly. Monthly payments will be made until the total amount of the obligation is satisfied.
  - e. *Minimum monthly payments* - Except for one-time payments (a. above) and payments which completely satisfy an order or lien, if funds accumulated in the reserve account are less than \$10.00 when any monthly payment comes due, the facility may defer payment until the available funds equal \$10.00 or more. However, payment of any amount in the offender's reserve fund must be made at least quarterly, even if the accumulated funds are less than \$10.00. The facility will notify the recipient of the disbursement, that due to the lack of any funds or the low balance in the offender's account, payment will be made at least quarterly or whenever the funds reach \$10.00 or more.

I. Processing Payments for Priorities 3 – 5

1. Advances, loans, fees, or other charges against an offender's account should be processed in accordance with the *Inmate Trust System Policies and Procedures Manual*.
2. Penalties imposed as the result of a disciplinary conviction for fines or restitution for property

damage or bodily injury will be processed in accordance with *Offender Disciplinary Procedures*.

3. Medical co-pay charges will be processed in accordance with Operating Procedure 720.4, *Co-Payment for Health Care Services*, and the *Inmate Trust System Policies and Procedures Manual*. Minimum account balances will be maintained as noted above.
4. Discretionary withdrawals and payments at the offender's request will be handled in accordance with the *Inmate Trust System Policies and Procedures Manual* and any applicable operating procedure(s).
  - a. Minimum account balances will be maintained as noted above.
  - b. A money order fee will be deducted from the offender's account for each money order.
  - c. The DOC will not issue payment for an offender to place any advertisement in an offender social network print or electronic publication.
  - d. The DOC will not issue payment for the purchase of services designed to circumvent security procedures (i.e. purchase of local phone numbers).
5. Offenders may appeal assessments against their accounts through the *Offender Grievance Procedure*, except for the imposition of disciplinary penalties, which may be appealed through the *Offender Disciplinary Procedure*.

J. Release from Incarceration

1. Any *Reserve Account* funds will be paid to the appropriate authority up the amount of the offender's total obligation.
2. When an offender's Offender Trust Account is closed on discharge from DOC institutions, *Spend Account* and, if necessary, *Savings Account* funds will be used to pay any outstanding co-pay, loans, or other charges assessed by DOC against the offender's account.
3. All funds credited to the offender's account shall be paid to the offender by check, cash, and/or debit release card per facility practice.
  - a. For institutional offenders, if the funds do not total \$25.00, sufficient money will be added to reach that amount. This includes offenders that are being released from incarceration but are not going directly into the community such as entering a mental health commitment including mental health hospitals and the Virginia Center for Behavioral Rehabilitation.
  - b. For offenders that will remain under incarceration such as being transferred to work release, a Community Corrections Facility, or being released to a detainer, the facility DOES NOT need to supplement offender funds to meet the \$25.00 Discharge Allowance.
4. A receipt will be provided to confirm funds paid to the offender
5. Any offender pay, GTL Debit Account balances, or other funds not posted to the offender's account at the time of the offender's release will be forwarded to that offender within five working days of the posting of the funds to the offender's account in accordance with Offender Trust Fund procedures.

K. Deceased Offenders - The Offender Trust Fund Accounts belonging to a deceased offender shall be distributed in accordance with Operating Procedure 802.1, *Offender Property*.

L. Outside Accounts - 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. (4-4046)

1. If offenders choose to maintain outside accounts or to purchase U.S. Savings or Treasury Bonds, they will be permitted to withdraw money from their Offender Trust Account for deposits or purchases, in accordance with DOC procedures for withdrawal of funds from the Offender Trust Account and the minimum balance requirements specified above.
  - a. Any 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 may not be

mailed to the facility.

- b. They may also 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/debit cards, certificates of deposit, stock certificates, bonds, and other "funds" or "personal financial documents" as defined in this operating procedure.
  - c. Offenders may receive copies of their account statements and taxpayer copies of official interest or dividend reports for tax purposes, such as IRS Forms 1099-INT or 1099-DIV.
  - d. Checks or money orders may be sent by their financial institution for deposit into the offender's Trust Account.
2. All "personal financial documents" and "funds" relating to accounts with outside financial institutions or brokers, trusts, financial plans, government bonds, etc. (with the exception of account statements and checks for direct deposit into the Offender Trust Account) must be held and managed for the offender by someone on the outside and the address of an outside party should be used as the designated mailing address for such financial transactions.
    - a. If such documents are sent to the offender at the facility, the offender will not be permitted to review them but will be permitted to have them sent at their expense to whomever they designate.
    - b. An offender may choose to designate an individual to hold their funds or maintain their account or may choose to employ professional services to manage any private financial accounts, trusts, and transactions for them.
  3. The DOC does not manage checking and savings accounts or maintain account records at outside financial institutions for individual offenders and does not hold statements, deposit and withdrawal slips, savings/check books, or other records for offenders' outside financial accounts.

#### M. Commissary Profits

1. In accordance with COV §53.1-27, all profits earned from the sale of items in the commissary must be used for offender educational, recreational, pre-release and post-release reentry and transition services, or other purposes beneficial to the offender population as prescribed by the Director.
2. The Director has delegated authority to the Facility Unit Head to use facility commissary profits to purchase the items from the following categories:
  - a. Recreation equipment and supplies
  - b. Barber/ beauty shop equipment and supplies
  - c. Law Library equipment and supplies
  - d. Appliances for offender use (i.e. washer/dryer, microwave, etc.)
  - e. Offender Picture Services (i.e. visitation, offender picture projects, etc.)
  - f. Movies and Cable/Satellite TV
  - g. Incentive programs (Community Corrections Facilities)
  - h. Religious Items as authorized by Operating Procedure 841.3, *Offender Religious Programs*
  - i. Bank service charges for the management of the Commissary Fund and the Offender Trust Account.
3. Purchase requests for additional items using facility commissary profits will require approval by the Director or Chief of Corrections Operations; these requests must first be submitted and approved by the Regional Administrator and Regional Operations Chief.
4. Facility commissary profits and those items purchased with the facility commissary profits cannot be transferred to another institution without written approval from the appropriate Regional Operations Chief or designee.
5. In addition to the *Commissary Balance Sheet* posted for offender viewing in accordance with

Operating Procedure 801.6, *Offender Services*, each facility is required to post an *Offender Welfare Fund Statement* that contains the following:

- a. Income (line item listing of all funds debited to the Commissary Fund)
  - b. Expenses (line item listing of all funds credited to the Commissary Fund for management of the Commissary Fund)
  - c. Purchases (line item listing of all items purchased for offender use i.e. Recreation Equipment, Law Library Computer, etc.).
  - d. Net profit or loss for the month
  - e. Net profit or loss for the year
6. When there are miscellaneous expenses, the line item entry should provide additional detail that identifies the expenditure to include but not limited to expenses required by item 393 (A) of the *2017 Appropriations Act* as follows:
- a. Assisting Families of Inmates, Inc.
  - b. Faith-based services for offenders
  - c. "FETCH" program.
  - d. An asterisked note at the bottom of the *Statement* showing allowable expenses and/or the requirements of the *2017 Appropriations Act* will suffice.
7. The Business Manager or Senior Fiscal Technician for Field Units and Community Corrections Facilities is responsible to ensure compliance with the requirements of this operating procedure and for the proper accounting of all commissary assets.
- a. The Business Manager/Accountant or Senior Fiscal Technician (Field Units and Community Corrections Facilities) must prepare and submit an Accountability Report containing the following information:
    - i. Balance Sheet
    - ii. Income Statement
    - iii. Account Reconciliation - Cash in Bank Account #0110
    - iv. Bank Statement
    - v. Local Government Investment Pool (LGIP) Bank Statement
    - vi. Account Reconciliation - LGIP (Investments) Account #0130
  - b. The Accountability Report must be scanned and submitted by email to the Financial Systems & Reporting Unit by the 20<sup>th</sup> of the following month.

## V. REFERENCES

Board of Corrections Policy 20-7, *Offender Pay*  
*Inmate Payroll System Policies and Procedures Manual*  
*Inmate Trust System Policy and Procedure Manual*  
Operating Procedure 050.3, *Facility Release of Offenders*  
Operating Procedure 720.4, *Co-Payment for Health Care Services*  
Operating Procedure 801.6, *Offender Services*  
Operating Procedure 802.1, *Offender Property*  
Operating Procedure 803.1, *Offender Correspondence*  
Operating Procedure 841.2, *Offender Work Programs*  
Operating Procedure 841.3, *Offender Religious Programs*

## VI. FORM CITATIONS

[Offender Trust System - Savings Account Transfer Request](#) 802\_F2

[Offender Trust System - Advance Request](#) 802\_F8

[Offender Trust System - Withdrawal Request](#) 802\_F9

[Offender Trust System - Withdrawal Request GTL Debit Account](#) 802\_F10

VII. REVIEW DATE

The office of primary responsibility shall review this operating procedure annually and re-write it no later than three years from the effective date.

*The office of primary responsibility reviewed this operating procedure in June 2017 and necessary changes have been made.*

*The office of primary responsibility reviewed this operating procedure in June 2018 and no changes are necessary at this time.*

*Signature Copy on File*

**4/27/16**

N. H. Scott, Deputy Director of Administration

Date