

NEBRASKA Good Life. Great Mission. DEPT OF CORRECTIONAL SERVICES	POLICY		
	INMATE ACCOUNTING		
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SUMMARY OF REVISION/REVIEW

PROCESS – I.B. – Language updated. I.B.2. – Language updated. I.B.3. – Language updated.
 I.D. – Language updated. I.G. – Language updated. II. – Language updated. II.A.6. – Language updated.
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APPROVED:

 Rob Jeffreys, Director
 Nebraska Department of Correctional Services

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PURPOSE

To establish policy, uniform practice and procedure for the systematic administration of inmate accounting within the Nebraska Department of Correctional Services (NDCS).

Procedures that relate to transactions processing in the Payroll and Financial Center (PFC) are additionally governed by the State Accounting Manual. All information on incarcerated individuals' accounts is confidential and can only be discussed with the incarcerated individual. Information on incarcerated individuals' accounts that is provided to external sources must be by court order or to authorized law enforcement through Central Office Accounting. (ACI-1B-07)

PROCESS

I. INMATE ACCOUNTS

An incarcerated individual may have the following accounts: institutional, confiscated, savings, security, suspense, restitution, legal, maintenance, and parole.

A. Institutional Accounts

Upon admission to NDCS, an account in the incarcerated individual's name will be established in the Correctional Information and Tracking (CIT) system. All funds in the individual's possession at the time of admission will be placed in this account. Thereafter, all wage payments from the facility job shall be accrued and applied to the individual's account on a monthly basis. Non-wage funds placed in an institutional account may only be spent for those purposes for which incarcerated wages may be spent. All funds in an individual's institutional account will be handled in a manner consistent with statutes governing incarcerated wages. The institutional account is a non-interest bearing account. Allowable uses of funds are outlined in Policy 113.09, *Inmate Accounting – Use of Funds*. (ACI-1B-07)


B. Confiscated Accounts

A confiscated account is a separate account from the incarcerated individual's institutional account and is a non-interest-bearing account. A confiscated account will be established to hold:

1. Unauthorized funds or funds in violation of department rules, which cannot be returned to the sender.
2. Value of excess tokens determined as purchased by the incarcerated individual.

If an incarcerated individual has more than 25 tokens, staff will remove the excess tokens. It is the responsibility of the individual to prove the purchase of any tokens in excess of 25 since their last cell search. The individual shall submit the information via an Inmate Interview Request (IIR) to the facility business office. The value of tokens in excess of 25 verified as purchased since their last cell search shall be placed onto the individual's confiscated account; any other tokens shall be returned to the canteen.

An incarcerated individual has up to 90 days to provide proof of ownership for tokens removed during a cell search.

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3. Value of photo tickets exceeding the allowable limit 25 purchased by the incarcerated individual.

C. Savings Accounts

Incarcerated individuals may have the following savings accounts: Release, Regular, and Private Venture. All accounts will be held by NDCS and invested through the State of Nebraska. Interest will be posted on the 10th workday of the month to the appropriate account. The rate of interest will fluctuate on a monthly basis. Interest will be paid based on the average daily balance in the account. NDCS will assess no fees for handling these interest-bearing savings accounts. (ACI-1B-21, ACI-1B-22)

D. Security Accounts

Security Accounts will only exist for those incarcerated individuals who have existing Savings Bonds or Certificates of Deposit (CD). Due to changes in procedure, individuals cannot purchase any new Savings Bonds or CDs, since a physical document is not issued. An individual can still redeem an existing paper bond by submitting a request to NDCS Inmate Accounting for NDCS Inmate Accounting will obtain the necessary form.


NDCS Inmate Accounting will hold existing bonds that were purchased via NDCS until an incarcerated individual is paroled or discharged. No changes to these bonds can be processed.

NDCS will only coordinate the redemption of bonds or CDs purchased through and held by NDCS. NDCS will not hold bonds or CDs incarcerated individuals may have purchased prior to their incarceration or obtained through outside means while incarcerated.

E. Suspense Accounts

A suspense account will be created for an incarcerated individual when insufficient fund institutional checks are written payable to NDCS for the following allowable purposes:

1. Legal postage
2. Legal copies
3. DNA testing fee
4. Emergency telephone calls to attorneys
5. Emergency and court ordered telephone calls
6. Eyeglasses if approved by NDCS Health Services
7. Purchase of television headphones/FM receivers (if required by the facility)
8. Travel orders (if approved by the warden/designee)
9. Insufficient canteen fees

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10. Expense of shipping property out
11. Shower shoes
12. Birth certificates
13. Cost of obtaining driver's license and/or photo ID where applicable
14. Alarm clocks (if required by the facility)
15. Copies of documents pertaining to a tort claim

Other reasons to allow insufficient fund checks must be approved by the deputy director-administrative services/designee.

F. Restitution Accounts

A restitution account will be opened for an incarcerated individual who is found liable for damages or property destruction in an institutional disciplinary proceeding; escape costs assessed in a disciplinary proceeding; costs for returning parole absconders by a Parole Board hearing; processing errors, or predetermined agreements, such as inter-library loan agreements.

G. Legal Accounts

Legal accounts will be established for incarcerated individuals as needed. Court orders will be processed as directed by the courts. NDCS Inmate Accounting will provide notification to the individual.

H. Maintenance Accounts

A maintenance account shall be opened for all incarcerated individuals on work or educational release. All assessments will be listed on the maintenance account with the appropriate month. All entries to freeze, unfreeze and collect maintenance will be entered on the Maintenance Account and generated over to the Institutional Account.

I. Parole Accounts


A parole account will be opened for each parolee supervised in Nebraska with assessments starting the month after they are paroled.

II. INCOMING FUNDS

All incoming financial instruments shall be receipted.


A. Authorized Funds

1. Funds sent to an incarcerated individual from authorized sources shall be deposited in the individual's institutional account.
2. Checks or money orders shall be payable to the incarcerated individual under his/her committed name or his/her committed name and legal name, if the

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individual has legally changed his/her name. Payroll checks or direct deposit for individuals working in private venture or work release will be accepted in the individual's legal name. Electronic Receipts are paid to the Department for the individual.

3. Only cash (where appropriate), money orders, or checks in United States (US) dollars will be accepted. (Cash, which is not US issue, shall be placed in the incarcerated individual's property. Money orders or checks, which are not in US dollars, shall be placed in the individual's property or returned to the sender at the individual's expense if a complete sender name and address is available.) Electronic receipts will be paid to NDCS through an authorized third party vendor.
4. All funds sent to an incarcerated individual must include the first and last name and complete address of the sender on the instrument and/or the envelope to be placed on the individual's institutional account. Electronic receipts will contain the sender's name and address of record associated with the sender's credit or debit card.
5. An immediate family member may send funds to more than one incarcerated individual with the warden's approval. Immediate family shall mean spouse, parent, step-parent, person acting in place of parent, sibling, stepbrother, stepsister, half-brother, half-sister, child, stepchild, grandparent, and grandchild.
6. Financial instruments made payable to two or more payees incarcerated with NDCS shall be receipted to the incarcerated individual who received the financial instrument and will NOT be forwarded to any other incarcerated individual named as payee for endorsement. If no split funding agreement has been completed by all payees, unit team members of the incarcerated individual who received the financial instrument shall contact unit team members of the facility or facilities where any other incarcerated individual or incarcerated individuals named as payee are located to facilitate the completion of an agreement. If no split funding agreement is agreed upon by the incarcerated individuals, the financial instrument shall be returned to sender.
7. Financial instruments payable to two or more people and all are not incarcerated must only be placed on the incarcerated individual's account if he/she is the last payee to endorse the instrument.
8. Negotiable instruments returned unprocessed by the bank, such as non-sufficient funds, will immediately be debited from the incarcerated individual's account. If the incarcerated individual funds are not sufficient to cover the returned item then collection will proceed in a like manner of collecting restitution.
9. Financial instruments received for incarcerated individuals who are unavailable or incapacitated shall be processed without the individual's endorsement.
10. Financial instruments without a payee will be returned to the sender by the facility business manager if the sender's name and address is complete and no conflicting information exists between the envelope and the financial instrument. Financial instruments without a payee and sender's name and address is incomplete or conflicting information exists between the envelope and the financial instrument will be returned to the issuer of the instrument by the facility business manager. In


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both cases, a letter should accompany the funds indicating why they were being returned. These financial instruments should not be sent to the incarcerated individual for endorsement. A receipt should be written and voided so as to document receipt of the financial instrument. The facility business manager should send a copy of the letter with the voided receipt to Inmate Accounting for their records.


11. An individual who is on the visiting list of two incarcerated individuals and only one is an immediate family member will be allowed to send funds only to the individual who is an immediate family member. Attorneys and members of the media (ex. television, newspaper) who are on the visiting list of other individuals will be allowed to send funds to individuals, but it must be approved by the NDCS Director/designee Clergy visitors who are on more than one incarcerated individual(s) visiting list, may place funds on the individuals' accounts (see Policy 208.01, *Religious Services*).
12. Electronic receipts cannot be refused by the incarcerated individual; they will be posted on the individual's account once Accounting has completed reconciling the file and facility team member have an opportunity to review the receipts. This will generally be the same work day the file is received. Files sent on weekends and holidays will be processed the next work day. (ACI-1B-23)
13. Checks received from a bank processing center are acceptable as long as the sender's complete name and address are included on the actual financial instrument. These will be handled as a personal check and frozen for 21 calendar days.

B. Unauthorized Funds


1. No person shall send funds to multiple incarcerated individuals. The warden may approve individual immediate family members to receive funds from the same sender.
2. An incarcerated individual may not receive funds from another incarcerated individual, parolee, probationer or individual on post-release supervision; a relative of another incarcerated individual; a person on the visiting list of another incarcerated individual except as noted in II.A.11; a person sending money to another incarcerated individual or at the request of another incarcerated individual, or a volunteer.
3. Unauthorized funds, as identified below will be returned to sender:
 - a. An incarcerated individual receiving funds from the following shall be identified as confiscated and returned to sender by NDCS Accounting: another incarcerated individual, parolee, probationer or individual on post-release supervision; a relative of another incarcerated individual; a person on the visiting list of another incarcerated individual; a person sending money to another incarcerated individual or at the request of another incarcerated individual, or a volunteer; and, a person sending funds to multiple incarcerated individuals.

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- b. If the warden/designee determines there is reasonable cause to conclude that the funds have been sent to an incarcerated individual by an unauthorized source (another incarcerated individual, parolee, probationer or individual on post-release supervision, a relative of another incarcerated individual, a person on the visiting list of another incarcerated individual, a person sending money to another incarcerated individual or at the request of another incarcerated individual, or a volunteer, and a person sending funds to multiple incarcerated individuals), the money shall be identified as confiscated. The original financial instrument, a copy of the confiscated receipt and envelope will be forwarded to Central Office Accounting. The financial instrument will be returned by Central Office Accounting to the sender's name and address on the financial instrument with a letter indicating why it is being returned. The reason for confiscating the funds must be written on the receipt.
- c. Traveler's checks, gift checks or other instruments that require a signature at the time of presentation will be returned to sender by the business manager.
- d. Checks or money orders payable to incarcerated individuals under an alias (not their legally changed name) will be identified as confiscated. The original financial instrument, a copy of the confiscated receipt and envelope will be forwarded to Central Office Accounting. The financial instrument will be returned by Central Office Accounting to the sender's name and address on the financial instrument with a letter indicating why it is being returned.
- e. Funds received and identified as a referral fee or finder's fee are not allowed and will be returned to the sender or issuer of the instrument by the facility business manager with a letter indicating why the funds are being returned. The facility business manager should send a copy of the financial instrument and letter to NDCS Inmate Accounting for their records.
- f. When an incarcerated individual refuses to endorse an authorized financial instrument and the sender (first and last name and complete address) can be determined, the financial instrument can be returned to the sender if the individual provides a stamped envelope within three working days.
- g. Financial instruments that do not have an authorized signature, all of the banking information at the base of the financial instrument or is covered up by something such as a name and address label, will be returned to the sender unprocessed by the facility business manager. These instruments cannot be processed by the State Treasurer or the bank. If the sender cannot be determined it will be returned to the issuer by the facility business manager.
- h. Financial instruments that cannot be properly endorsed will be returned to sender.

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4. Unauthorized funds, as identified below will be placed onto an incarcerated individual's confiscated account.
 - a. Financial instruments that do not have sufficient information to determine the sender will be placed on the confiscated account.
 - b. If information is received within 60 days following the posting of a receipt that funds came from an unauthorized source, the funds will be transferred to the incarcerated individual's confiscated account. The individual may appeal the confiscation of these funds.
 - c. Cash received in the mail will be placed on the incarcerated individual's confiscated account.
 - d. A financial instrument returned to the sender of record or an Inmate Trust check sent to the sender of record and returned as undeliverable will have the funds placed on the individual's confiscated account.
 - e. When an incarcerated individual refuses to endorse an authorized financial instrument and the sender (first and last name and complete address) can be determined, if the individual does not provide a stamped envelope within three working days, the instrument will be processed and placed on the individual's confiscated account.
5. Checks, money orders, or cash may not be given to an incarcerated individual, except as authorized under a work release program.
6. Gift certificates shall not be accepted and will be returned to the issuer. Vendor promotional checks are not acceptable as a negotiable instrument and shall be placed in the incarcerated individual's property.
7. Checks, money orders, or cash may not be dropped off at a facility. This does not relate to hobby purchases.
8. Electronic receipts are subject to the same rules as all other funds sent to an incarcerated individual. They may be transferred to the confiscated account if suspected of violating NDCS policy. The specific policy suspected of being violated will be provided to Accounting along with a copy of the receipt. An email notification will be sent to the mail group DCS.AcctgElecRec@nebraska.gov. Central Office Accounting will return these funds via an Inmate Trust Fund check to the sender of record with a letter indicating why the funds are being returned if the email is received prior to receipt being released. If the email is received after it's put onto the individuals account, then 45. d. above applies.
9. When the sender's name and/or address on the financial instrument is different from the sender's name and/or address on the envelope the funds will initially be placed on the incarcerated individual's confiscated account. If any other rule violation in addition to the names and/or addresses being different is identified, the funds will remain confiscated.
10. A financial instrument received in the mailroom with the endorsement of the name of the incarcerated individual to whom the financial instrument is payable shall not

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be submitted to the individual for a signature. The individual shall be notified of the receipt of such and the option to provide a stamped envelope within three working days so as to return the financial instrument to the sender; otherwise, the financial instrument shall be placed in the individual's property. If the financial instrument cannot be returned to sender, it shall be placed in the individual's property.

C. Receipt Preparation

Receipts will be prepared at all facilities for all incoming funds to an incarcerated individual. Checks or money orders shall be restrictively endorsed immediately. Receipts shall be used in numerical order based on chronological date funds are received, if completing handwritten receipts. CIT will automatically assign receipt numbers for those created in the CIT system. Electronic Receipts and log will be prepared at Central Office Accounting. Copies of the receipts will be available to the facility Business Office or other location as designated by the warden for review and distribution to the individuals.

Receipts require the following information to be completed. Numbers on the attachment correspond to the following steps:


1. DATE - Enter the date the money was received and the receipt written. CIT generated receipts have the current date automatically designated.
2. FACILITY - Enter the facility and housing unit where the incarcerated individual is located. CIT generated receipts obtain and print this information on the receipts
3. AMOUNT - Write out the amount of funds received (example: nine and 00/100 dollars). Not applicable to CIT generated receipts.
4. DOLLARS - Enter the amount of funds received in numbers (example: 9.00). CIT generated receipts need dollars and cents entered with no decimal point entered.
5. CASH/CK/MO/PER CK - Mark the appropriate box to indicate if money received is cash, check, money order or personal check. If a personal check is received, indicate "IS" for instate bank or "OS" for out-of-state bank. Receipts for personal checks in CIT should have an "I" entered for an instate bank or "O" entered for an out-of-state bank. Additionally, a date 21 days in the future should be entered to identify the date the funds should be unfrozen.
6. CHECK OR MO # - Notate the number of the check or money order. CIT generated receipts have this information entered in ITEM NO. Do not enter any dashes in CIT.
7. INMATE # - Enter the incarcerated individual's identification number.
8. NAME - Enter the incarcerated individual's first and last committed name. Please note; in some cases, a middle initial will be required with common names. If the individual has legally changed his/her name, then both the committed and legal name should be listed. CIT generated receipts automatically display the individual's committed name following the entry of the identification number. Verify the correct individual is listed.

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9. RECEIVED FROM - Enter the name of the person (last name/first name) or business from which the funds were received. This should match as it is listed on the financial instrument or envelope. When differences exist between the financial instrument and the envelope, enter the information from the financial instrument on the receipt or in CIT and confiscated the funds.
10. ADDRESS - Enter the address of the person or business that sent the incarcerated individual money. Include street address, city and state, and ZIP code. The information from the money order should be entered; however, if nothing is on the money order enter the information from the envelope. Do not enter the source financial institution as the sender.
11. CONFISCATED/REASON - Mark the confiscated box if the funds are to be placed on the incarcerated individual's confiscated account. Reason must be completed and should indicate the NDCS rule violated. CIT generated receipts should have a C placed in the type of account column to indicate the funds should be confiscated.
12. SIGNATURE - Signature of person completing the receipt. CIT generated receipts will have the preparers name printed on the receipts.

D. Receipt Distribution

1. The yellow copy or "copy" of the receipt should be sent to the incarcerated individual, along with the instrument for endorsement. The white receipt or "original" should be forwarded with the instrument to NDCS Inmate Accounting. The pink receipt or a copy of the CIT log should be retained as a control copy. A copy of the CIT log must be sent to NDCS Inmate Accounting with the receipts.
2. Receipts should be submitted to NDCS Inmate Accounting in the following format:
 - a. Receipts not prepared in CIT should be grouped together in numerical sequence with a calculator tape listing the first and last receipt numbers, all amounts, and the date.
 - b. Receipts prepared in CIT should be grouped in numerical sequence and clipped to the CIT Receipt Log.
 - c. Checks, money orders, and cash should be grouped together in a similar manner (order to match the receipts) with a calculator tape listing the first and last receipt numbers; all checks, money orders, cash; and the date.
 - d. The tape in a. or the log in b. shall be verified to the tape in c. Any differences shall be reconciled before submitting the receipts to NDCS Inmate Accounting.
3. Handwritten receipts being placed on confiscated accounts should be grouped separately in the above manner.

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E. Endorsement


1. When NDCS Inmate Accounting completes a receipt, the copy of the receipt will be sent to the facility along with the instrument to obtain the incarcerated individual's endorsement if a power of attorney is not on file. NDCS Inmate Accounting will retain the original receipt. NDCS Inmate Accounting will supply the endorsement if a power of attorney is on file.
2. Funds received for incarcerated individuals located at another institution should have a receipt prepared by the institution receiving the funds. The receipts and instrument should be sent to NDCS Inmate Accounting and identify that endorsement is needed and indicate the institution where the individual is currently assigned.

NDCS Inmate Accounting will forward the copy of the receipt and the financial instrument to the business manager at the appropriate institution. Electronic notification will be sent to the business manager so they are aware the receipt and financial instrument is being forwarded.

The business manager obtains the incarcerated individual's endorsement and returns the financial instrument to NDCS Inmate Accounting for processing.
3. Electronic receipts do not require an endorsement since the funds are payable to NDCS on behalf of the incarcerated individual.

F. Processing of Receipts

1. Receipts shall be forwarded to NDCS Inmate Accounting daily. All incarcerated individual receipts will generally be posted to the individual's account within two workdays following the date received in NDCS Inmate Accounting. Working days in this Policy are defined as Monday through Friday, excluding state holidays.
2. Non-wage checks (other than government issued checks and refund checks from special order vendors) endorsed by the incarcerated individuals will be frozen for 21 calendar days. Bond checks issued by the county and received at a later date that exceed \$500 will be frozen on the incarcerated individual's institutional account for 21 days.
3. Any financial instrument for \$500 or more OR multiple financial instruments totaling \$500 or more will be frozen for 21 calendar days. Exceptions include incarcerated individual work release paychecks, U.S. Government Treasury checks and State of Nebraska checks. Work release paychecks may be frozen by the NDCS controller if presented with good cause.
4. Money orders will be frozen for 21 days if the date on the money order is 60 days or older.
5. NDCS cooperates with the IRS Criminal Investigation division by submitting for review income tax and other refunds. Receipts submitted in this review will be handled in accordance with the direction received from the IRS. This may include the return of the check to the IRS. The reason for the return is not known by NDCS.

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A letter will be sent to the incarcerated individual with an address to write the IRS. Time may elapse during the IRS review process.

6. Checks received from the county at the time an incarcerated individual is admitted to a NDCS facility will not be frozen.
7. A cashier or certified check will be frozen for 21 days since a stop payment can be placed on this check.
8. Receipts that are voided should have the reason the receipt was voided written on the receipt and initialed and dated. CIT generated receipts should have both the original and copy submitted to Accounting. If a receipt is voided because it is being returned to the sender, the original and copy of the receipt are sent to NDCS Accounting, and a copy of the voided receipt shall be made and provided to the incarcerated individual.

G. Receipt Log (Non-CIT Generated)

A receipt log must be maintained if the person opening the mail does not also prepare the receipt. The log shall identify the sender's name, amount, incarcerated individual name and number, type of receipt (cash, check, money order) and receipt number.

The original log shall be forwarded to Accounting. Accounting will verify receipt of all funds and posting of the receipts in the Payroll and Financial Center (PFC).

H. Direct Deposit of Work Release Inmate Payroll

Only NDCS Inmate Accounting may grant authorization for direct deposit to a NDCS bank account of work release inmate payroll. Employers who select this method of payment should be forwarded a *Direct Deposit Requirements Notice to Employer* (Attachment A). Incarcerated individuals are required to sign an *Inmate Direct Deposit Agreement* (Attachment B), which should be retained by institutional team member. Employers should send their authorization forms with the individual's signature to NDCS Inmate Accounting for processing.


Following receipt of a copy of the incarcerated individual's pay stub and the bank's credit advice, NDCS Inmate Accounting will prepare an Inmate Trust Receipt. A copy of the Incarcerated individual Trust Receipt will be forwarded to the individual and the original will be used to post the funds to the individual's Institutional Account.

I. Maintenance assessments

Maintenance assessments for incarcerated individuals working in private venture operations shall be at the rate specified in Policy 119.03, *Private Venture Projects - Inmate Accounting*. Such collections shall be posted at the same time pay is posted on the individual's institutional account.

III. CONFISCATED ACCOUNTS

- A. Confiscated money shall be forwarded from the facility to NDCS Inmate Accounting. The receiving facility shall complete a receipt for the confiscated money as specified in Procedure II.C. of this Policy.


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- B. Confiscated tokens or photo tickets shall have a *Merchandise Refund* (Attachment C) sent to NDCS Inmate Accounting for processing.
- C. Upon release or parole, the incarcerated individual's confiscated account will be included in the release check.
- D. Funds in a confiscated account may not be used by NDCS Inmate Accounting to satisfy incarcerated individual obligations or used by incarcerated individuals to satisfy detainers, court filing fees or other obligations. Confiscated funds may be remitted to the court upon receipt of a court order specifying NDCS is to remit such funds.
- E. Any funds confiscated as contraband from an incarcerated individual or an incarcerated individual's outgoing mail will be placed in the individual's confiscated account and returned to the individual upon discharge from NDCS or admission to parole.
- F. Incarcerated individuals who are serving life-to-life or de facto life to life (which is age plus tentative release date (TRD) is equal to or greater than 85) sentences, have a parole eligibility date 10 or more years in the future, or are an interstate transfer may request a transfer of their confiscated balance, if they do not have any credits posted on their confiscated account in the last five years remaining on their confiscated account. Receipts that have been transferred to the institutional account are not included in the five years. Tokens or photo tickets placed on the individual's confiscated account will not be transferred to the institutional account.

Requests for a transfer of confiscated funds in these circumstances should be submitted to the facility business manager for initial review. The facility business manager will forward applicable requests to the NDCS controller for approval and processing of the transfer. All such transfers will be to the incarcerated individual's institutional account and will be treated the same as all other funds placed on an individual's institutional account. These funds are treated in accordance with all funds placed on an individual's institutional account.

Funds designated as a potential violation of Neb. Rev. Stat. §81-1836 (profiting from their crime) will be held on an incarcerated individual's confiscated account until documentation is provided no such violation occurred. These funds will not be eligible for transfer as noted above. When documentation becomes available to NDCS that the funds being held are a violation of Neb. Rev. Stat. § 81-1836 they will be transferred to the Victim's Compensation Fund.

- G. Accounting will maintain a log on the NDCS shared drive to track all confiscated receipts returned to the sender to include the following:
 1. Date Received at the Facility/Central Office
 2. Receipt Number
 3. Financial Instrument Number, if applicable
 4. Inmate Trust Check Number, if applicable
 5. Inmate ID Number

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6. Incarcerated Individual Committed Name
7. Date Received in Accounting
8. Reason Violated Department Rules
9. Sender's Name
10. Sender's Address, including City, State, and ZIP Code
11. Date Mailed

H. Confiscated Appeal Process

Incarcerated individuals may appeal decisions for receipts placed on their confiscated accounts, including electronic receipts, by sending a written request to the warden, within 30 days from the date the funds were placed on the confiscated account. Such request shall provide justification as to why an exception should be granted and details regarding the situation. The warden will review the request, complete research as needed, and provide a copy of the research along with their decision to approve or deny the appeal to Central Office Accounting. (ACI-1B-23)


Appeals received more than 30 days after the receipt has been posted on the confiscated account or for unendorsed financial instruments will not be considered. Confiscated funds sent back to the sender, but returned to the department as undeliverable, cannot be appealed.

IV. SAVINGS ACCOUNTS

A. Release Savings

Upon admission to NDCS, a release savings account will be established in the CIT system. Incarcerated individuals with debts due to NDCS will not have Release Savings withheld until their debts are satisfied. 5% of all earnings will be transferred from the individual's institutional account to the release savings account when the earnings are posted. Individuals with a Parole Eligibility Date (PED) 10 or more years in the future, serving life-to-life sentences, and death row individuals are exempt from the Release Savings until the first month after their PED equals 10 years. Interstate transfers and safe-keepers will not have Release Savings withheld from their account. The individual will not have access to this account until he/she is released from NDCS. Additionally, NDCS shall not be able to access these funds for debt to the department. When an additional sentence or recalculation of their current sentence causes the PED to move to 10 or more years into the future, individual can request their release savings balance to be transferred to their institutional account.

An account will be opened with the first transaction; however, interest will not be earned until an average daily balance of \$50 is reached for a month. Should the average daily balance drop below \$50 the Release Savings account will stop earning interest. Deposits will be made on the same day as pay posts on the institutional account. Mid calendar year statements will be generated for all accounts with a balance greater than \$50. End of calendar year statements will be generated for all accounts regardless of balance. 1099

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statements reporting the interest will be issued by the State of Nebraska in accordance with Internal Revenue Regulations and the Nebraska Department of Revenue guidelines. Interest will be posted on the 10th workday of the month for two months prior. For example, interest earned in January will be posted in March. Interest that posts to a savings account with a \$0 balance may be transferred to the individual's institutional account. (ACI-1B-22)

B. Regular Savings

A minimum of \$50 will be required to open or sustain a regular savings account. Two withdrawals and two deposits are allowed per calendar month. One additional withdrawal per month may be requested for an emergency with the warden's recommendation submitted to the NDCS controller for approval. Withdrawals that will decrease the account to a balance below \$50 will be adjusted to close the account and all funds will be placed on the incarcerated individual's institutional account. Interest will be posted on the 10th workday of the month for two months prior. For example, interest earned in January will be posted in March. Interest that posts to a savings account with a \$0 balance may be transferred to the individual's institutional account.

Mid calendar year and end of calendar year statements will be generated and distributed. 1099 statements reporting the interest will be issued by the State of Nebraska in accordance with Internal Revenue Regulations and the Nebraska Department of Revenue guidelines.


A *Savings Transaction Request* form (DCS-A-acc-020) will be used to request a deposit or withdrawal as authorized by NDCS regulation. This form works similar to the institutional check with a stub to be returned to verify processing of the transaction. Transactions requested on this form will be processed in Central Office Accounting on Thursday; therefore, they generally should be received in Accounting no later than Wednesday.

C. Private Venture Savings

An account will be opened with the first transaction; however, interest will not be earned until an average daily balance of \$50 is reached for a month. Should the average daily balance drop below \$50 the Private Venture Savings account will stop earning interest. Two withdrawals per calendar month will be allowed to send funds for family support; however, a \$50 balance must be maintained to earn interest. Deposits will be made on the same day as private venture pay posts on the institutional account. Interest will be posted on the 10th workday of the month for two months prior. For example, interest earned in January will be posted in March. Interest that posts to a savings account with a \$0 balance may be transferred to the incarcerated individual's institutional account.

Mid calendar year and end of calendar year statements will be generated and distributed. 1099 statements reporting the interest will be issued by the State of Nebraska in accordance with Internal Revenue Regulations and the Nebraska Department of Revenue guidelines.

A savings transaction request form will be used to request a withdrawal as authorized by Department Policy. This form will work similar to the institutional check with a stub to be returned to verify processing of the transaction. Withdrawals must be accompanied with an institutional check for family support and a self-addressed stamped envelope. Family support must meet the definition of immediate family. Transactions requested on this form

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will be processed in NDCS Inmate Accounting on Thursday; therefore, they generally should be received in Accounting no later than Wednesday.

V. SUSPENSE ACCOUNTS

- A. All assessments will be listed on the Suspense Account with the occurrence date, description of purchase and the amount of the institutional check.
- B. As funds are available on the institutional account, the system will automatically freeze amounts up to the total amount due on the Suspense Account. An incarcerated individual will be allowed access to \$10.00 during any calendar month if they have or receive such funds from any source on their institutional account. Any balance remaining at the end of a month becomes part of the \$10.00 available for the next month. All freezing entries posted on the Suspense Account are generated over to the Institutional Account.
- C. Periodically, NDCS Inmate Accounting will review the Suspense Accounts to unfreeze funds and collect amounts due. Both of these transactions will be reflected on the Suspense Account, as well as on the Institutional Account. Time will elapse between the freezing and collection due to the other priorities in NDCS Inmate Accounting.
- D. Any funds on an incarcerated individual's Institutional Account or any receipts received may be used for collection of the amounts due on the Suspense Account.
- E. Suspense Accounts will remain open until 60 days after the account balance is at zero and the incarcerated individual has been released from the Department.
- F. Institutional checks for posting to the Suspense Account should be forwarded to NDCS Inmate Accounting daily.
- G. Suspense Account balances for discharged incarcerated individuals will be transferred to an individual's new Identification Number should they be sentenced to the department at a later date.

VI. RESTITUTION ACCOUNTS

- A. All assessments will be listed on the Restitution Account with the occurrence date, description of damages and amount of assessment.
- B. As funds are available on the institutional account, the system will automatically freeze amounts up to the total restitution due. An incarcerated individual will be allowed access to \$10.00 during any calendar month if they have or receive such funds from any source on their institutional account. Any balance remaining at the end of a month becomes part of the \$10.00 available for the next month. All freezing entries posted on the Restitution Account are generated over to the Institutional Account.
- C. Periodically, NDCS Inmate Accounting will review Restitution Accounts to unfreeze funds and collect amounts due. Both of these transactions will reflect on the Institutional Account, as well as on the Restitution Account.
- D. Any funds on an incarcerated individual's Institutional Account or any receipt received may be used for collection of the restitution.


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- E. Restitution Accounts will remain open until 60 days after the account balance is at zero and the incarcerated individual has been released from NDCS.
- F. The incarcerated individual may be required to pay for the value of damages or cost of the individual's return to NDCS. The amount to be paid will be determined at the disciplinary hearing or at a subsequent due process hearing and should be the actual value of damages, including labor costs or actual costs of returning the individual from escape or parole violation. Inter-library loan agreements (DCS-A-lib-001) must bear the individual's signature and date the book was received. The conditions of items returned should be noted on the agreement and have the individual's signature and date of signature. The loaning library will set the value of an item, lost or damaged, through an inter-library loan agreement.
- G. When the amount of restitution is determined in a disciplinary proceeding, an institutional check payable to NDCS shall be prepared. If an incarcerated individual refuses to sign the institutional check, the disciplinary hearing officer should sign the institutional check and indicate on the check that the individual refused to sign. Copies of the applicable disciplinary proceedings and hearings should be forwarded to NDCS Inmate Accounting for recovery of these funds.
 - 1. In the event of escape, the Special Services Division will notify NDCS Inmate Accounting in writing of the amount to be collected.
 - 2. In the event of a parole violation, the Parole Board will notify NDCS Inmate Accounting in writing of the amount to be collected.
 - 3. In the event of accounting errors, appropriate team member will notify NDCS Inmate Accounting.
 - 4. In the event of payroll corrections, the business manager will notify NDCS Inmate Accounting.
 - 5. In the event of bank returned checks or money orders, the State Treasurer will notify NDCS Inmate Accounting.
- H. Restitution assessed from a disciplinary hearing and reversed by either the Institutional Disciplinary Committee or the Appeals Board will require a copy of the reversal be submitted to Accounting to adjust the individual's restitution account. Accounting will prepare a journal entry to correct the restitution account.
- I. Restitution account balances for discharged incarcerated individuals will be transferred to an individual's new Identification Number should they be sentenced to the department at a later date.

VII. LEGAL ACCOUNTS

Court orders requiring withholding of incarcerated individual funds shall be at the percentages or rates and terms specified in the order. Restitution court orders will be withheld at 20% of all earnings unless the court specifies other terms.

Accounting will send a memo to the individual with a copy of the court order advising them of the order being established in the CIT.

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VIII. MAINTENANCE ACCOUNTS

A. Work Release

1. Incarcerated individuals in a work release status shall be assessed maintenance from the date when employment begins or on the eighth day in a work release status, whichever comes first. The maximum of seven days with no assessment is once per individual identification number.
2. The amount frozen shall be the maintenance daily rate of \$12.00 times the number of days that maintenance is due. Maintenance is due at the beginning of a month; however, a limited retention of funds will be allowed for incarcerated individual needs. This rate will be reviewed annually to see that it is an appropriate level.

B. Educational Release

1. Incarcerated individuals in an educational release status or parole pending status shall be assessed maintenance for each day on such status.
2. The amount frozen shall be the maintenance daily rate of \$12.00 times the number of days that maintenance is due. Maintenance is due at the beginning of a month; however, a limited retention of funds will be allowed for incarcerated individual needs. This rate will be reviewed annually to see that the rate is at an appropriate level.
3. Incarcerated individuals with an institutional job assignment will not be paid; however, maintenance will be waived. The individuals will be set up in CIPS with the Education Release pay rate and their performance evaluation entered each month. Each business manager shall notify NDCS Inmate Accounting on the first workday of each month the individual name and number of Educational Release individuals with a job assignment. NDCS Inmate Accounting will make an entry to reverse the current monthly maintenance assessed. The maintenance account will be adjusted if Inmate Accounting receives notice from the facility business manager individual was terminated from the education release assignment.


C. Freezing of Funds for Maintenance

Seventy-five percent of each receipt that a work release or educational release incarcerated individual receives will be frozen up to the amount due for maintenance. Adjustments will be made by NDCS Inmate Accounting team member based on a review of the Institutional account balance and input from the facility business manager.

When an incarcerated individual is removed from work or education release the collection process changes to allow access to \$10 in a calendar month.

D. Community Custody Incarcerated individual Disbursement

A uniform system for the receipt and disbursement of incarcerated individual monies has been established in order to ensure that room and board (maintenance) payments and other department and facility reimbursements, restitution, court obligations and the like are recorded and paid by community custody individuals in a timely fashion.

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The daily rate for maintenance shall be reviewed annually. The daily rate shall be determined based on the hourly minimum wage times 40 hours divided by 30 days.

E. Power of Attorney

Neb. Rev. Stat. § 83-184 authorized NDCS to credit wages and other earnings/receipts to an incarcerated individual's wage fund and to collect appropriate and reasonable costs incident to the person's confinement. The NDCS *Power of Attorney* (Attachment D) shall be signed by those individuals who are classified to a community corrections facility in order that the statutory directive can be carried out.

F. Reports or Data accessible to NDCS Inmate Accounting

Institutions with work release incarcerated individuals shall forward the following documents to NDCS Inmate Accounting on a daily basis:

1. Daily change sheet.
2. Job/education placement (accessible through the web suite).
3. Notification to employer.
4. Power of Attorney.

G. Collection of Maintenance

Amounts will be debited from the incarcerated individual's maintenance and institutional accounts during the last workdays of the month.

IX. DECEASED INCARCERATED INDIVIDUALS

An incarcerated individual's institutional funds shall not be released to any individual or entity without required documentation. Refer to Policy 115.13, *Serious Injury, Advance Directive and Death*, for required documentation to release a deceased individual's institutional balance.


REFERENCE

I. STATUTORY REFERENCE AND OTHER AUTHORITY

- A. Neb. Rev. Stat. §81-1836, §83-184

II. NDCS POLICIES

- A. Policy 113.09, *Inmate Accounting – Use of Funds*
- B. Policy 115.13, *Serious Injury, Advance Directive and Death*
- C. Policy 119.03, *Private Venture Projects - Inmate Accounting*

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III. ATTACHMENTS

- A. Direct Deposit Requirements Notice to Employer (DCS-A-acc-019-pc)
- B. Inmate Direct Deposit Agreement (DCS-A-acc-027-pc)
- C. Merchandise Refund (DCS-A-adm-133-pc)
- D. Power of Attorney (Community Correctional Centers) (DCS-A-inm-010-pc)

IV. AMERICAN CORRECTIONAL ASSOCIATION (ACA)

- A. Expected Practices for Adult Correctional Institutions (ACI) (5th edition): 5-ACI-1B-07, 5-ACI-1B-21, 5-ACI-1B-22, 5-ACI-1B-23