

 <p style="text-align: center;"> <b>ADMINISTRATIVE POLICIES AND PROCEDURES</b>          State of Tennessee          Department of Correction       </p>	Index #: 208.01	Page 1 of 15
	Effective Date: May 15, 2007	
	Distribution: A	
	Supersedes: 208.01 (4/1/03) PCN 03-23 (9/1/03)	
Approved by: George M. Little		
Subject: INMATE TRUST FUND ACCOUNTS		

- I. AUTHORITY: TCA 4-3-603, TCA 4-3-604, TCA 4-3-606, TCA 40-24-107, TCA 40-25-130, TCA 40-25-143, TCA 40-28-201, TCA 41-21-216, TCA 41-21-512, TCA 41-6-105, TCA 41-6-106, and TCA 41-21-901 through 911.
- II. PURPOSE: To establish a cashless inmate economy through the use of an inmate trust fund.
- III. APPLICATION: To all institutional employees, inmates, and privately managed institutions.
- IV. DEFINITIONS:
  - A. Central Trust Fund Administration (CTFA): Staff located in the Tennessee Department of Correction (TDOC) Central Office who are responsible for the administration of the trust fund account.
  - B. Government Check: Any check or warrant from a city, municipality, county, state, or federal government.
  - C. Inmate Trust Fund: The account established for an inmate into which he/she can deposit and withdraw his/her personal funds.
  - D. Manager: For purposes of this policy, Warden, Director, Superintendent of the Tennessee Correction Academy (TCA).
  - E. Trust Fund Custodian: An employee designated by the manager to maintain the trust fund account.
- V. POLICY: The TDOC shall maintain all inmate monies in a trust fund account.
- VI. PROCEDURES:
  - A. Receipts shall be handled as follows:
    - 1. The use or possession of cash, credit cards, or tokens of any kind by inmates is prohibited, except for those inmates specified in Section VI.(C)(5) of this policy. Each inmate shall surrender all monies in his/her possession to the manager or designee, except monies allowed by policy.
    - 2. All checks, warrants, and money orders received for an inmate shall be restrictively endorsed at the time of receipt as per Policy #507.02. Personal checks

Effective Date: May 15, 2007	Index # 208.01	Page 2 of 15
Subject: INMATE TRUST FUND ACCOUNTS		

or third party checks will not be accepted. When the payee is an inmate, the endorsement shall be as follows:

"For Deposit Only to the Trust Fund Account of State of Tennessee for the Account of the Named Payee."

3. All government check(s) will be held until the issuing agency verifies that the payment is legitimate and due to the inmate. If the CTFA has not received a response from the verifying agency within 30 days, a letter will be sent to the agency stating that if no response is received within seven days of the date of the letter, the check(s) will be deposited.
4. A pre-numbered receipt shall be written for all monies at the time of receipt. The inmate TDOC number shall be included on the receipt, and a copy shall be given to the inmate.

B. Deposits shall be made as follows:

1. A certificate of deposit (deposit slip) shall be prepared daily (excluding weekends and holidays) for monies received. The deposit slip will be prepared by an employee other than the one who prepares the receipt and signs the deposit slip.
2. Bank deposits will be made immediately (no later than the next working day) subsequent to the date of the receipt.
3. The deposit slip will be forwarded to the CTFA daily with a reconciled copy of the daily deposit report, BI01MKN.

C. Withdrawals from the trust fund shall be made as follows:

1. Withdrawals may be made from an inmate's account without consent if the withdrawal is allowed by policy, statute (including but not limited to levied Criminal Injuries Compensation Fees and Litigation taxes when a certification has been received from the court and court costs imposed against the inmate and paid by the state), or court order. The CTFA will enter those court costs paid by the State on TOMIS (screen LCDU, code STA). Notification of such withdrawals shall be made to the inmate.
2. Withdrawals other than those mandated by statute or policy shall be requested in writing by the inmate.
  - a. These requests shall be made by using the Personal Withdrawal Request, CR-2727; or Commissary Order, CR-2128, CR-3344; or an acceptable alternative developed by the institution. (TDOC facilities shall refer to Policy #209.02 for further instructions.)

Effective Date: May 15, 2007	Index # 208.01	Page 3 of 15
Subject: INMATE TRUST FUND ACCOUNTS		

- b. The personal withdrawal request shall be forwarded to the trust fund custodian after being signed by a witness and the Warden or designee. After processing, the original of the request form shall be returned to the inmate. A copy of the request will be maintained in the trust fund office, whether the request is approved or denied.
  - c. Processed commissary forms (BI01LCMB), shall be maintained in the trust fund office, business office, or warehouse. The fiscal officer shall determine the most suitable location.
  - d. Personal withdrawals may only be made payable to inmates' immediate family members or for other legitimate verifiable reasons. (See Policy #507.01 for definitions of immediate family.) The verification of legitimacy shall be supplied by the inmate. Transfer of funds to an incarcerated (TDOC) member of the inmate's immediate family may be approved by the Warden of the institution in which the receiving family member is incarcerated.
  - e. The status of a specific check should not be requested until the check is 30 days old. Exceptions may be granted in unusual circumstances.
  - f. An inmate may request that a stop payment be placed on a check that has been issued from his/her trust fund account. Justification must be sent to the CTFA from the trust fund custodian as to why the stop payment is needed. If approved, the inmate will be charged \$15.00 for this service. A withdrawal will be processed from the inmate's trust fund account and placed in a trust fund organization account called "stop payment". Once a month, these funds will be transferred to the State of Tennessee General Fund by the CTFA.
3. The following priorities for withdrawals shall apply to inmates participating in a work release program:
- a. Specific court orders and deductions allowed by statute applicable to a specific inmate
  - b. Room and board, electronic monitoring, and other costs – TDOC facilities will refer to Policy #208.02 for further guidance
  - c. Necessary travel expenses to and from work and associated incidental expenses
  - d. Weekly draws attributable to work related expenses
  - e. Support of dependents, if any, in amounts fixed by the designated institutional work program coordinator

Effective Date: May 15, 2007	Index # 208.01	Page 4 of 15
Subject: INMATE TRUST FUND ACCOUNTS		

- f. Payment in full or ratably of obligations acknowledged in writing by inmate
    - (1) Monthly contributions to the CICF should be made according to Policy #513.01. The money shall be credited to the CICF organization account within the trust fund. Privately managed facilities will comply in accordance with CCA policy and contractual requirements.
    - (2) Supervision and Rehabilitation Fees should be deducted according to Policy #513.01. The money shall be credited to the Supervision and Rehabilitation organizational account within the trust fund. Privately managed facilities will comply in accordance with CCA policy and contractual requirements.
  - g. Other amounts owed the TDOC
  - h. Other requested personal withdrawals
4. CTFA shall follow these procedures for fees collected by the institutions with work release programs:
- a. On the first workday of each month, the funds shall be deducted from the Supervision and Rehabilitation and CICF organization accounts of the inmate trust fund.
  - b. A reallocation journal voucher shall be prepared to transfer the funds from the inmate trust fund to the department revenue accounts of the appropriate allotment codes and to the Department of Treasury for the Criminal Injuries Compensation Fund as follows:
    - (1) Code 313.03/Source 362-Criminal Injuries Compensation Fund
    - (2) Code 329.17/Source 369-Supervision and Rehabilitation Fund (CBCX)
    - (3) Code 329.13/Source 355-Supervision and Rehabilitation Fund (TPFW)
    - (4) Code 329.11/Source 354-Supervision and Rehabilitation Fund (BMCX)
    - (5) Code 329.16/Source 367-Supervision and Rehabilitation Fund (MLCC)
5. Inmates assigned to a work/educational release program may possess cash; all other inmates except authorized by VI.(C)(6) are restricted from possessing cash. This shall be in accordance with institutional policy and obtained in the following manner:

Subject: INMATE TRUST FUND ACCOUNTS

- a. The maximum amount of semimonthly draw is limited to \$50.
  - b. The inmate may not have more than \$60 in his/her possession at any time.
6. Minimum trusty inmates authorized to operate motor vehicles off state property as their job assignment may possess and use cash in accordance with the provisions of VI.(C)(5) above and may use cash in accordance with Policy #503.11.
- D. The CTFA shall reconcile the trust fund account on a monthly basis.
- E. A trust fund account balance report shall be generated monthly and reviewed for negative balances. Appropriate corrective action shall be taken for inmates with negative account balances. The report and documentation of corrective action taken shall be retained for audit purposes.
- F. All checks that have been outstanding for six months shall be added back into an inmate's account by the institution. The CTFA will provide relevant data.
- G. In the event of an inmate's death, the Warden's designee of the facility where the inmate was assigned (regardless whether it was a temporary assignment) will contact the family and forward the Trust Fund Estate Settlement Form, CR-3618.
1. Upon receipt of the completed form, the trust fund custodian will send a facsimile copy to the CTFA.
  2. If the form is not returned within thirty days, the trust fund custodian will electronically mail the CTFA the last known address listed on TOMIS for family contacts and/or emergencies.
  3. Upon notification in subsections (1) or (2) above, the CTFA will take the appropriate steps to activate the inmate's account and post the necessary transactions.
  4. A check will be generated to the "Estate Of" with the address provided above.
  5. The CTFA will retain a copy of the check and forward the original check, along with the other institutional trust fund checks, to the institution. The institution will mail the estate check in the same manner as all other trust fund checks.
- H. Upon release, the trust fund custodian shall notify the appropriate court(s) of the amount of CICF, STA, and Sex Offender Tax that was originally owed, the amount collected, and the balance of the amount still owed.
- I. After an inmate is released, the fiscal officer or designee shall forward a check as soon as possible to the inmate for the balance of his/her trust fund account after deducting any and all outstanding obligations.
1. When it is known at or prior to the time of the inmate's release that an inmate will be receiving monies into his/her trust fund account following release, especially

Effective Date: May 15, 2007	Index # 208.01	Page 6 of 15
Subject: INMATE TRUST FUND ACCOUNTS		

payroll, balances in a trust fund account less than \$1.00 may be held and included to the last known address of the inmate.

2. When an inmate is released on a commitment detainer, a trust fund check may be issued for the balance of an inmate's account. A check shall not be issued when an inmate is released on any other type of detainer.
  3. When monies are received for and/or remain in the account of an inmate after release, a check will be written for the amount and mailed to the last known address of the inmate.
  4. Trust/Fund Checks returned "undeliverable" shall be cancelled and the funds placed in the unclaimed organization account. The CTFA will transfer the funds at the appropriate time to the Department of Treasury, Unclaimed Property Division.
- J. When a check that is issued to an inmate after his/her release remains outstanding for a period of six months, the inmate's funds shall be transferred to the unclaimed organization account. The CTFA will transfer the funds at the appropriate time to the Department of Treasury, Unclaimed Property Division.
- K. When an inmate remains on "escape" status and monies remain in the trust fund account for a period of six months, the inmate's monies shall be transferred to the unclaimed organization account. The CTFA will transfer the funds at the appropriate time to the Department of Treasury, Unclaimed Property Division.
- L. To retrieve the funds transferred to the State of Tennessee in Sections VI.(G), (H), and (I) above, the following procedures shall be followed:
1. Requests to withdraw (return) inmate funds transferred in VI.(I) shall be submitted in writing to the manager of the institution where the inmate is housed or from which he/she was paroled. These requests will be forwarded to the CTFA.
  2. A journal voucher will be prepared by the CTFA to retrieve the funds.
  3. To claim inmate funds transferred to the Department of Treasury, Unclaimed Property Division, the inmate will be required to file a claim with that division.
- M. An organization account will be established for visitation photographs.
1. The purchase of film and the development of film shall be made based on the same criteria as the Department of General Services' purchasing regulations.
  2. Purchases of film and film development will be paid from the family photo organization account.
  3. On a monthly basis, funds in excess of those needed to purchase and develop film will be transferred by the trust fund custodian to the revenue organization account.

Effective Date: May 15, 2007	Index # 208.01	Page 7 of 15
Subject: INMATE TRUST FUND ACCOUNTS		

- N. Interest earned from trust fund investments will only be utilized to pay expenses of maintaining the trust fund account, to purchase recreational supplies that directly benefit the majority of the inmate population, and to offset printing costs associated with the inmate newsletter. No state money or interest money earned from trust fund investments will be utilized to purchase recreational equipment (i.e., weights/weight machines, backboards, table saws for arts and crafts, etc.) Exemptions to this will only be granted by the Commissioner/designee.
1. The earned funds shall be maintained by each facility and the CTFA as an organization account within the trust fund. The CTFA will distribute interest earnings into the organization accounts quarterly based on the average daily balances for each facility.
  2. The manager shall approve all purchases prior to the obligation of funds.
  3. The fiscal officer shall ensure that all appropriate accounting procedures are followed.
  4. All purchases shall require bids based on the same criteria as purchasing regulations.
  5. Goods and services shall be paid for by check made payable to the vendor, supported by vendor's invoice. A check shall not be made payable to cash or an employee.
  6. Within ten working days after the end of the quarter, the fiscal officer shall prepare a written status report including beginning balance, deposits, withdrawals, and ending balance of the interest account. A detailed listing of the goods or services purchased shall be included. This report shall be approved by the Warden/Deputy Warden and retained for audit and historical reference.
  7. The Department of General Services, Division of Personal Property Utilization's rules and regulations and Policy #206.01 shall be adhered to when purchasing equipment. Privately managed facilities will comply in accordance with CCA policy and contractual requirements.
- O. Inmates shall be allowed to open and maintain savings accounts or legitimate investments, with the earnings accruing directly to the inmate. The inmate must obtain the prior approval of the Warden before a savings account is opened or an investment transaction initiated. Documentation of the Warden's approval shall be maintained for audit purposes.
1. Inmates maintaining such accounts/investments shall be required to provide a copy of the account transactions and balance to their counselors on a quarterly basis. This information will be documented on TOMIS conversation LCDG, Contact Note, using code QRFA, and shall include quarterly beginning and ending balances, as well as total deposits and withdrawals from each account during the quarter.

Effective Date: May 15, 2007	Index # 208.01	Page 8 of 15
Subject: INMATE TRUST FUND ACCOUNTS		

2. At any time an inmate's account balance is \$2,000 or greater, the Warden shall submit supporting documentation to the Director of Budget and Fiscal Services for review as to the inmate's potential to contribute towards the cost of his/her care in accordance with TCA 41-21-901 through 911.
- P. Inmates shall not have checking account privileges.
- Q. CTFA staff shall conduct an annual review during the third quarter of each fiscal year of each inmate's trust fund account.
1. When the review indicates the possibility that sufficient assets may exist to allow the state to recover at least 10% of the estimated cost of the inmate's care for a two year period, the Director of Budget and Fiscal Services shall forward an Inmate Financial Status Report, CR-3561, to the fiscal officer of the appropriate institution with directions as to completion.
  2. Upon receipt of the completed CR-3561, the Director of Budget and Fiscal Services shall prepare a memorandum detailing the results of the trust fund account review and forward it, along with CR-3561, to the Assistant Commissioner of Administrative Services for investigation.
  3. When the Assistant Commissioner of Administrative Services investigation indicates that the inmate appears to possess sufficient assets to recover at least 10% of his/her estimated cost of care for two years (or total sentence, whichever is less), the Assistant Commissioner of Administrative Services shall forward CR-3561 and the results of the investigation to the TDOC General Counsel.
  4. The TDOC General Counsel shall provide the information concerning an inmate's assets and potential ability to reimburse the state for at least a portion of his/her care to the State Attorney General's office for action.
- R. On an annual basis during the first quarter of each fiscal year, the Director of Budget and Fiscal Services shall prepare a report to the Commissioner detailing the amount of money collected during the previous fiscal year under the provisions of TCA 41-21-901 through 911.
- S. Upon receipt of information regarding an inmate's potential assets from reception center staff (See Policy #401.02.), the Director of Budget and Fiscal Services shall initiate the actions outlined in Section VI.(O) of this policy.
- T. Inmates who have not had a trust fund balance of \$6.00 or more at any time during the pay period will receive a hygiene kit. INFOPAC report BI01MKO, Offenders Eligible to Receive Hygiene Kits, will be available on the 17<sup>th</sup> day of each month. Inmates listed on this report are to receive their hygiene kit within five working days. Each Warden shall designate staff to distribute the hygiene kits.
- U. When an inmate is within 90 days of expiring his/her sentence and have not had a trust fund balance of six dollars or more in the last three pay periods, the inmate may be eligible to receive assistance from the institution in the form of a state ID or birth certificate upon his/her release. The pre-release coordinator shall make a written request for this benefit to the Warden.

Effective Date: May 15, 2007	Index # 208.01	Page 9 of 15
Subject: INMATE TRUST FUND ACCOUNTS		

VII. ACA STANDARDS: 4-4027, 4-4031, 4-4034, 4-4044, 4-4045, 4-4046, and 4-4047.

VIII. EXPIRATION DATE: May 15, 2010.







**TENNESSEE DEPARTMENT OF CORRECTION**  
**TRUST FUND ESTATE SETTLEMENT**

**To Whom It May Concern:**

I, \_\_\_\_\_ do hereby state that I am the Executor  
Print Name

of The Estate of \_\_\_\_\_ TDOC # \_\_\_\_\_

and wish for his/her Trust Fund Account be sent to me at the following address:

\_\_\_\_\_  
Signature of Executor or Estate

**Address:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn to in my presence, this \_\_\_\_\_ day of \_\_\_\_\_

**Date:** \_\_\_\_\_

\_\_\_\_\_  
Signature of Notary

