



**STATE OF MONTANA
DEPARTMENT OF CORRECTIONS
POLICY DIRECTIVE**

Policy No. DOC 1.2.6	Subject: OFFENDER FINANCIAL TRANSACTIONS
Chapter 1: ADMINISTRATION AND MANAGEMENT	Page 1 of 5 and Attachment
Section 2: Fiscal Management	Effective Date: May 1, 1996
Signature: /s/ Mike Ferriter, Director	Revised: 01/11/12

I. POLICY

The Department of Corrections will account for all offender funds in compliance with generally accepted accounting principles, establish adult offender non-interest bearing accounts, and discourage theft and the inappropriate use of cash that may present safety and security concerns within Department and contracted facilities and programs.

II. APPLICABILITY

The secure care facilities and programs that include Riverside and Pine Hills Youth Correctional Facilities, Montana State Prison, Montana Women's Prison, Montana Correctional Enterprises, and contracted facilities, as specified in contract.

III. DEFINITIONS

Administrator – The official, regardless of local title (division or facility administrator, bureau chief, warden, superintendent), ultimately responsible for the division, facility or program operation and management.

Child Support Orders – An order from any Child Support Enforcement Division or from a court of competent jurisdiction directing the payment of offender funds for child support.

Income – Any compensation for work or money earned by the offender from the sale of hobby items.

Investigations Bureau – The bureau that oversees investigations for the Department

Offender Trust Account – An account maintained by a secure correctional facility for the placement and disbursement of offender monies.

Prison Industry Enhancement Certification Programs (PIECP) – A program administered by MCE that has been certified by the Department of Justice, Bureau of Justice Assistance to allow the interstate sale and distribution of offender-produced goods developed by the cost center.

IV. DEPARTMENT DIRECTIVES

A. Financial Disclosure

1. Designated facility staff will require an offender to complete and sign the [Offender Financial Disclosure](#) form authorizing Department access to all of the offender's financial records.
2. Staff will forward the original, completed financial disclosure form to the offender file and provide copies of the form to the Department Investigations Bureau and the facility or program accounting unit.

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3. If the monies identified on the offender financial disclosure form are deposited in the offender's trust account, the accounting department will freeze the funds until notified by the Investigations Bureau that the funds may be disbursed or until an order directing payment of the monies is received from a court.
4. In the event an offender refuses to complete and sign the financial disclosure form, facility staff will notify the Investigations Bureau. A designated staff member will serve the offender with a disciplinary infraction report for failure to follow a direct order and refer the offender to the appropriate hearings officer for disciplinary action in accordance with [*DOC Policy 3.4.1, Offender Disciplinary System*](#).
5. If the Investigations Bureau has probable cause to believe that the offender has committed an offense outlined in [*53-1-108, MCA*](#) or [*45-7-302, MCA*](#), it should refer the case to appropriate county attorney for possible criminal prosecution.

B. Deposits

1. When an offender is admitted to a facility, admissions or reception staff will take all monies in the offender's possession, place the money in an envelope, and ensure it is sealed, dated and signed by two employees and process the transaction in accordance with the facility or program guidelines.
2. Admissions staff will secure the envelopes with offender funds in a locked area and take the envelopes to the facility business office as soon as possible but in all cases by the end of the business day in which the monies were received.
3. The business office will deposit all offender funds no later than the end of the next business day.
4. The facility business office will establish an offender account in compliance with facility guidelines.
5. Youth facility staff have the option to place youth offender money in an interest-bearing account if recommended by a caseworker and approved by the facility administrator. Principal and interest will be held in trust for the youth in accordance with *3-JTS-IB-20, ACA Standards for Juvenile Correctional Facilities, 2003*.

C. Transactions/Purchases

1. A designated supervisor will approve all offender account transactions and the facility business office will enter the transaction on the offender's account.

D. Deductions

1. The facility accounting unit will make deductions from an offender's account in accordance with a court order prior to crediting the offender's trust account; and in no event will deductions from an offender's account result in a balance of less than the indigent benchmark.
2. Child support orders will be administered according to the following:
 - a. designated facility staff will maintain child support orders in the offender's file and

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ensure the following divisions or units receive a copy of any child support order:

- 1) accounting;
 - 2) records; and
 - 3) Montana Correctional Enterprises.
- b. the Prison Industry Enhancement Certification Programs (PIECP) will ensure that deductions for family support are withheld for the payment of child support orders. The PIECP program will document the amount of income withheld for the payment of child support and provide that information to the accounting department on a monthly basis;
 - c. in the event that the child support deduction by the PIECP program is not sufficient to satisfy a child support order, the accounting department will deduct from offender income any further funds necessary to comply with the child support order; and
 - d. when an offender is subject to more than one child support order and there are insufficient funds to satisfy both orders, the accounting department will divide the available funds by the number of child support orders to determine the amount of child support to deduct for each child support order.
3. The accounting department will deduct the appropriate funds from the offender's account in accordance with the order or directive and this policy and in the event that orders or directives are unclear, the accounting department will consult with the Department's Legal Services Bureau for clarification.

E. Significant Offender Financial Transactions

1. When an employee of the Department becomes aware that an incarcerated offender has received or is entitled to receive a significant amount of money, from any source, the employee will immediately notify the facility administrator, or designee, and the facility's accounting department in which the offender is housed.
2. The facility administrator, or designee, will prepare a report within two business days identifying the monetary obligations.

F. Transfer of Offender Account Information to Facilities Not Utilizing the Department's Inmate Trust and Commissary System (CACTAS)

1. If an offender is transferred from one correctional facility to another, offender account information will be transferred to the accounting department of the receiving facility within 10 business days. The information will include:
 - a. the offender's current offender trust account balance; and
 - b. any obligations owed by the offender, including:
 - 1) a description of each obligation;
 - 2) the total amount of each obligation;
 - 3) the amount of each obligation that has been paid by the offender;
 - 4) the remaining balance owed by the offender for each obligation; and
 - 5) the name and address of the payee, frequency of payment, and other pertinent information necessary for the receiving facility to continue to make payments on behalf of the offender

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2. If an offender is released from a correctional facility and placed on supervision in the community, the releasing facility will transmit the information identified in (1) to the supervising authority.
3. If an offender is transferred from community supervision to a correctional facility, the supervising authority will transfer the information identified in (1) to the accounting department of the receiving correctional facility.
4. The receiving facility or supervising authority will ensure that the offender continues to make the necessary payments to satisfy their outstanding financial obligations.

G. Statement of Funds

Offender funds will be accounted for in compliance with facility or program guidelines. Resident's accounts systems will be reconciled at least on a monthly basis.

H. Closing Accounts

When an offender is released from a facility or program, the balance of all monies from that account will be returned to the offender in compliance with facility or program guidelines.

V. CLOSING

Questions concerning this policy should be directed to the offender's facility administrator.

VI. REFERENCES

- A. [45-7-302, MCA](#); [46-18-241, MCA](#); [53-1-107, MCA](#); [53-1-108, MCA](#); [53-1-109, MCA](#)
- B. [Policy Number 399, Internal Control Guidebook, Montana Operations Manual \(MOM\)](#)
- C. [4-4044; ACA Standards for Adult Correctional Facilities, 4th Edition](#)
- D. [3-JTS-1B-18, 3-JTS-1B-19, 3-JTS-1B-20, 3-JTS-1B-21; Standards for Juvenile Correctional Facilities, 2003](#)
- E. [DOC Policies 3.4.1, Offender Disciplinary System; 4.1.4, Indigent Status](#)

VII. ATTACHMENT

[Offender Financial Disclosure PDF](#)