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| SOUTH DAKOTA  DEPARTMENT OF CORRECTIONS POLICY AND PROCEDURE | | POLICY NUMBER 600-02 | PAGE NUMBER 1 OF 14 |
| | | DISTRIBUTION: | Public |
| | | SUBJECT: | Offender Accounts and Financial Responsibility |
| RELATED STANDARDS: | None. | EFFECTIVE DATE: | September 15, 2024 |
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| DESCRIPTION: Business and Finance | REVIEW MONTH: August |  KELLIE WASKO SECRETARY OF CORRECTIONS | |

I. POLICY

The Department of Corrections (DOC) may promulgate rules, policies, and procedures to establish, maintain, and manage offender accounts, pursuant to SDCL. The DOC will accurately account, manage, and administer offender funds and transactions through the Offender Banking System. The management of the Offender Banking System shall be in accordance with accepted accounting practices and procedures.

II. PURPOSE

The purpose of this policy is to provide guidelines for the management of offender funds within the Offender Banking System.

III. DEFINITIONS

Costs Incurred:

Payment of costs incurred by the DOC related to the custody and care of the offender.

Credit Obligation:

A loan resulting from a charge that overdraws an offender's account.

Disciplinary Sanction:

A sanction imposed as a result of institutional disciplinary action.

Fixed Obligations:

Includes child support, documented court ordered restitution and/or fines and fees, work release room and board, wage deductions from participation in PIECP, DOC costs incurred, parole fees, and cost of incarceration as assessed by the DOC.

Indigent Commissary:

Limited and controlled commissary for offenders with no funds and no immediate source of income at the time of purchase.

Offender Account:

A collective balance of an offender's subaccounts within the Offender Banking System (OBS).

Offender Banking Formula:

The distribution of deposited funds into an offender subaccount which varies by the source of the deposit.

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Offender Banking System (OBS):

The DOC owned and operated accounting system used to manage offender accounts.

Offender Financial Obligations (OFO):

Includes the financial obligations incurred prior to incarceration, during incarceration, and while on parole supervision (including release to extension of confinement). Outstanding financial obligations remain the responsibility of an offender after discharge from DOC.

Offender Subaccounts:

1. **Spend Account (REG):**

A subaccount into which a maximum amount of \$160.00 per calendar month may be deposited.

2. **Savings (SAV):**

A subaccount into which funds exceeding the \$160.00 per calendar month spend account deposit limit may be deposited. Funds placed in SAV are determined based upon a percentage of the total deposit(s) received and receipt type. The maximum amount/balance that may be retained within the account is \$300.00.

3. **Frozen (FRZ):**

A subaccount which funds (deposits and earnings) may be deposited. The majority of funds will originate in FRZ for posting and are then transferred to various subaccounts and obligations.

4. **Specialty (SPC):**

A subaccount which funds may be deposited and distributed outside the offender banking formula.

5. **Private Sector Family (PSF):**

A subaccount which funds may be deposited from participation in the Prison Industries Enhancement Certification Program. Funds may only be sent out to immediate family.

6. **Work Release Expense:**

A subaccount which funds may be deposited for work-related expenses of an offender in work release.

IV. PROCEDURES

1. Authorization to Deposit:

- A. Upon admission to the DOC, the DOC will establish an institutional offender banking account. The DOC will deposit funds received for the offender for the duration of their incarceration.
 1. Checks or other fund instruments received by the DOC for an offender do not need to be endorsed by the offender.
- B. Offenders are not allowed to receive cash through the mail. The DOC is not responsible for cash or returned/rejected funds.
- C. Offenders may withdraw their authorization to deposit at any time by completing a *Revocation of Authorization to Deposit* form (attachment #1). Case managers will provide a copy of the form to the business office. No outside funds, including online deposits, received for the offender may be deposited in the offender banking system (OBS) for a minimum of six (6) months after notifying the DOC of their intent to withdraw their authorization to deposit.
 1. Offenders may not select specific funds to deposit or provide partial or conditional consent to the DOC to only deposit select funds.
 2. All funds received for an offender that has elected to not authorize deposits will be returned to the sender by mail, at the expense of the offender upon sixty (60) days of receipt. If an offender refuses

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to send out rejected funds, the rejected funds shall be deposited into the offender's frozen sub account.

- a. Offenders will not have access to any rejected funds during the period that the revocation is in effect.
3. Offenders that have revoked an authorization to deposit, will not be paid a wage for institutional or state agency jobs. Hours worked will be volunteer only. Hours worked prior to revocation will be paid. Private Sector Prison Industries (PSPI) and work release offenders will not be allowed to work if they have revoked their Authorization to Deposit.
 - a. After a period of six (6) months following the effective date of the Revocation of Authorization to Deposit form has passed, an offender may reinstate their authorization to deposit by completing the *Reinstatement of Authorization to Deposit* form (attachment #5). Case managers will provide a copy of the completed form to the business office. Funds received for the offender following the effective date of this form will be deposited into the offender's subaccounts through the OBS.
 - 1) Offenders may not select specific funds to deposit nor provide partial or conditional consent to the DOC to only deposit select funds.
 - 2) Offenders will have access to their frozen sub-account. Any funds placed in the frozen account during the revocation period will be applied to any applicable fixed obligations prior to use - per DOC policy.
 - 3) Offenders will be eligible to be paid a wage for hours worked.

2. Receiving and Depositing Funds:

- A. Offenders received at a DOC institution with cash or other negotiable funds (excluding personal checks) in their possession, will have these funds collected by staff. Staff will document the amount of the funds and deposit the funds in the offender's account.
- B. Offenders may receive payroll checks, business checks, checks issued by a government agency (U.S. Treasury), Tribe, or other approved funds received directly or through the offender's Attorney of Record. Offenders may receive cashier's checks or money orders (must be in U.S. dollars and issued by a bank located in the U.S.) for deposit through the OBS.
 1. Personal checks, e-checks, online banking checks, debit cards, cash, or checks/funds from unauthorized sources received at the institution for an offender will be rejected and returned to sender.
 2. Offenders may only receive money orders from those individuals on their approved visit list, their attorney, or others approved by the warden or designee. Money orders or other fund instruments received in foreign currency are not accepted. All money orders and cashier's checks must contain the following:
 - a. The offenders first name, last name, and DOC issued ID number.
 - b. The sender's complete name and address.
- C. Offenders may have funds electronically deposited into their respective accounts by individuals on their approved visit list or their attorney as online deposits through JailATM.com. Availability of such services may vary by institution. Transaction fees may apply and may be assessed to the depositor of the funds. Offenders are not allowed to receive online deposits if they have revoked their authorization to deposit.
- D. Earnings/wages received for an offender participating in employment within institutional support, for a state agency, work release, or the Prison Industries Enhancement Certification Program (PIECP), will be deposited into the offender's subaccounts through the OBS, in accordance with DOC policy, state statute, and rule.
 1. PIECP payroll posting dates falling on a state, federal, or administrative holidays will result in the funds being posted the following business day.
 2. Offender payroll posting dates falling on a state, federal, or administrative holiday will result in the funds being posted the prior business day.

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- E. Depending on receipt type, funds received at the institution for an offender will be deposited into the offender's subaccounts through the OBS, usually within three (3) business days of receipt. Funds will normally be available within one (1) business day of being deposited into the account.
1. Funds received in error, suspected of being received illegally, or those which are contrary to policy or rule, may be seized or withheld as evidence for use in any resulting criminal case or disciplinary procedure.
 2. Unauthorized funds received by mistake or through unapproved methods (illegal or contrary to policy) may be forfeited by the offender.
- F. Funds received directly at an institution for an offender from the U.S. Treasury identified as: Veterans Benefits, United States Department of Interior with the Office of the Special Trustee/Bureau of Trust Funds Administration for American Indians, Railroad Retirement Benefits, FEMA checks, Military Annuities and Survivor Benefits, Department of Interior/Land Money, and Social Security benefits, including Supplemental Social Security Income (SSI), are considered exempt funds and may not be used to pay credit obligations, fixed obligations or PLRA, unless the offender specifically requests the funds, or a portion thereof, be applied to such obligations (*Funds Transfer Agreement*, attachment #2). Any stimulus or other federal payments will adhere to federal guidelines and could be subject to garnishment.
1. If an offender receives any such funds while incarcerated, the full amount of the specified funds will be deposited into the offender's specialty account.
 2. Offenders received at a DOC facility with a check issued directly from any of these sources will have the funds deposited into their specialty account. The offender may be required to provide verification of the origin of any funds they claim are issued from any such source.
 3. Social Security Benefit payments generally are not payable for the months an offender is confined to a jail, prison, or certain other public institutions for committing a crime. Any funds received will be returned and verified before being deposited into an offender's trust account.
 4. Tax returns and tribal checks are not exempt from garnishment and will be processed as a normal incoming mail deposit.
- G. Offender subaccounts within the OBS are non-interest bearing.
- H. Offenders will receive notice of any funds deposited into the offender's subaccounts. Offenders may view account balances, obligations, debts, and financial transactions for the previous sixty (60) days from their tablet or a kiosk.

3. Prison Litigation Reform Act (PLRA) Requirements:

- A. Offenders with financial obligations under the provisions of PLRA will first have PIECP obligations, work release frozen distribution, and room and board (if the offender's wages are from PIECP or work release), and credit obligations deducted from eligible incoming funds, followed by the PLRA amount, which is a pre-determined percent (20%) of the total funds deposited.
- B. A copy of the court order or a billing from the U.S. Clerk of Courts must be presented to the DOC prior to deducting PLRA costs from funds received by the offender.
- C. A copy of the court order or bill will be maintained in the offender's institutional file/records in COMS.

4. Withdraw of Funds – Spend (REG) Subaccount:

- A. An offender may make withdrawals from their spend subaccount.
 1. Commissary purchases will not exceed thirty-five dollars (\$35.00) per week and are completed through the online commissary application on the offender's tablet.
 2. An offender's spend subaccount will be reduced as a result of any of the following transactions, and the designated amount deducted from the spend balance:

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- a. Medical services copayments, costs, and claims for medical services not paid by the DOC and for which the offender is determined to be responsible.
 - b. Transactions documented on a commissary slip, postage, or other correspondence related costs owed, disciplinary sanctions, deposits required for “loaner” property or forfeiture of a deposit, donations to offender group account or approved fund-raising event, duplication/copies or retrieval fees for an open records request, or repair or replacement costs for state property.
 3. An offender may submit a commissary slip to pay towards fixed obligations.
 4. Offenders are responsible for tracking their account balances, including all deposits and withdrawals.
- B. If insufficient funds exist at the time funds are to be deducted from the offender’s spend account, a credit obligation shall be created for essential services or items. This does not imply permission for an offender to overdraw their account.
1. Offenders who are unable to pay for essential services or items because of insufficient funds will not be deprived of those services or items, including but not limited to medical services, legal copies, replacement costs for materials, indigent commissary, and approved postage.

5. Savings (SAV), Frozen (FRZ), Work Release (WRE) and Specialty (SPC) Subaccounts:

- A. Approved personal property purchases are submitted for withdrawal from the offender’s savings account from the commissary property application on the tablet. The account must contain sufficient funds. If not, the request to purchase the property shall be denied. Indigent offenders are not permitted to request property purchases from savings.
- B. DOC staff may approve an offender to apply funds in their savings subaccount towards fixed obligations if offender has no credit obligations.
- C. Offenders may apply funds in their savings, if they have no credit obligations nor fixed obligations (other than work release room and board, PSPI obligations, or cost of incarceration (COI)) towards religious tithes or contributions to an approved DOC group account.
- D. If an offender has exempt funds contained within their specialty account, the offender is ineligible for indigent status or work expense loans as explained specifically in the exempt language.
 1. Specialty funds that are not exempt may be used for specific purposes, such as purchasing certain property or participation in a program. Offender access to SPC funds and expenditure of SPC funds requires authorization by designated staff.
- E. Work release expense account may only be used on work-related expenses.
- F. An offender may not deduct funds from his/her frozen subaccount without approval from the warden.
 1. Offender must maintain a minimum of fifty dollars (\$50.00) in their frozen account.
 2. Offender must pay off all credit obligations.
 3. Must be at a minimum of five dollars (\$5.00).

6. Check Request:

- A. The offender must submit a completed commissary slip for a specific amount and indicate from which subaccount the funds will be drawn. If the funds are to be mailed, the offender must provide a stamped envelope containing the name and address of the recipient.

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- B. An offender may request funds be deducted from their spend, PS family support, savings, specialty, or frozen subaccounts in the amount of five dollars (\$5.00) or more per subaccount requirements.
1. A business, as approved by DOC staff. This includes a financial institution such as a bank, savings and loan, credit union, etc.
 2. A recognized religious representative, group, or organization.
 3. A recognized non-profit organization.
 4. An offender's personal representative, such as an attorney or certified public accountant. The legitimacy of an offender's personal representative and the purpose for sending the money out may be subject to approval by the warden or designee.
 5. An individual on the offender's approved visit list.
 - a. An offender cannot send funds to an institutional volunteer, or an M-2/W-2 sponsor.
 6. Magazine or newspaper subscriptions approved by the DOC.
 7. Approved craft items through the approved DOC vendor.
- C. Sub Account Check Requirements and Authorizing Designated Staff.
1. Spend:
 - a. Offenders may request to use spend funds to purchase approved items. Funds may be sent to the approved list. Request must be approved by DOC staff.
 2. Savings:
 - a. Offenders may request to use savings funds to purchase approved items, provided the offender has no credit obligations. Request must be approved by DOC staff.
 - 1) Allowed items are magazine or newspaper subscriptions and approved craft items through the approved DOC vendor.
 - b. Offenders may request to deduct funds in their savings subaccount if the offender has no credit obligations nor fixed obligations (other than WR Room and Board, PSPI obligations, and COI), and may send the funds per the approved list. Request must be approved by DOC staff.
 - c. Checks from savings subaccount when the offender has fixed and/or credit obligations must be approved by warden or designee.
 3. Frozen:
 - a. With approval from the warden, an offender may request to deduct funds from his/her frozen subaccount. Funds may be sent to the approved list. Frozen funds may only be used if the following guidelines are followed:
 - 1) Offender must maintain a minimum of fifty dollars (\$50.00) in their frozen account.
 - 2) Offender must pay off all credit obligations.
 - 3) Must be a minimum of five dollars (\$5.00).
 4. Specialty:
 - a. Checks from specialty subaccount for the vendor for lease of a replacement tablet that were deposited as "Tablet Only" in Specialty subaccount are allowed if approved by DOC staff. Any other specialty requests must be approved by warden or designee and must be for special circumstances only.
 5. PS Family:
 - a. PS Family is limited to immediate family to include legal dependents or their legally appointed representative. Payments must be to a person, not a bank, business, or third party. Request must be approved by DOC staff.
 6. Work Release Expense:
 - a. Offenders may request work release funds for work related expenses. Requests must be approved by DOC staff.
 - 1) An offender may request to use other funds in their trust account to avoid creating a work release loan subject to policy guidelines.

7. Transfers:

- A. Offenders may complete the following funds transfers (must be a minimum of five dollars (\$5.00)) with DOC staff approval:
1. Spend to savings and consistent with the following requirements:

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- a. Not to exceed the three hundred dollar (\$300.00) maximum savings balance. Any balance in excess of three hundred dollars (\$300.00) may be transferred to the frozen account.
- b. Funds transferred from spend to savings cannot be transferred back to spend.
- c. Offenders with a zero (\$0.00) balance as a result of transferring funds from spend to savings, are not eligible for indigent commissary for thirty (30) days following the date the transfer was completed.
- d. Funds may not be transferred if the offender has outstanding credit obligations.
- e. Funds may be transferred from spend to savings for the purchase of commissary property.
2. Frozen to spend or savings (approved by warden or designee).
 - a. Offenders may, subject to approval by the warden, transfer funds from frozen to spend or savings. Requests will be granted so long as the offender has not met the monthly monetary threshold of the account they wish to transfer money into. Likewise, offenders will not be allowed to transfer money in excess of the limits set forth in this policy for each subaccount type.
 - b. Offender must keep a minimum of fifty dollars (\$50.00) in their frozen account.
 - c. Offender must pay off all credit obligations.
 - d. Must be at a minimum of five dollars (\$5.00).
3. Specialty funds to spend. Only exempt funds may be transferred from the specialty subaccount (must be approved by DOC staff). Includes the following transactions:
 - a. Specialty exempt funds to the offender's spend account, provided the offender agrees in writing that these funds may be applied to any credit obligations that have accrued or may accrue (Funds Transfer Agreement). This transfer is subject to the one hundred-sixty-dollar (\$160.00) calendar month deposit limit, plus any credit obligation owed.
 - b. All credit obligations will be paid off immediately following the transfer of funds to the offender's spend account and prior to any other spend transactions occurring. Only one (1) exempt transfer per month allowed if approved.
4. Specialty to savings (three hundred dollar (\$300.00) sub account balance limit) if no credit or fixed obligations are owed (except cost of incarceration, WR room and board, PSPI obligations). If credit or fixed obligations are owed, the warden or designee may specifically authorize the offender to transfer exempt funds to savings, provided the offender agrees in writing to pay any credit obligations owed and that a portion of the funds as agreed upon by the warden, will be applied to fixed obligations owed. Only one transfer from exempt per month allowed if approved.
5. Specialty to fixed obligations and PLRA, if no credit obligations are owed.

8. Phone Accounts:

- A. Offenders may complete the following phone transfers per policy requirements (must be in increments of five dollars (\$5.00)) with DOC staff approval.
 1. Offenders may transfer money from their spend account to their phone account.
 2. Offenders may transfer funds from their savings account to their phone account, provided they do not owe any credit nor fixed obligations, other than COI, work release room and board, or PSPI obligations.
 3. Offenders may transfer funds from their frozen account to their phone account with approval from the warden provided they do not owe any credit obligations and have kept a minimum of fifty dollars (\$50.00) in their frozen account.
- B. The DOC does not accept monies intended for deposit into an offender's phone account. All such funds must be sent directly to the vendor. Incoming funds received by the DOC designated as "phone funds" will be deposited into the offender's institutional account(s) in accordance with DOC policy.
- C. Phone Transfers are subject to review by finance office and may be denied based on phone account balances.
- D. Offenders may not close their phone account until release or discharge from custody.

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9. Tablet Lease:

- A. An offender may lease a tablet (only applies to offenders who are no longer eligible for free access to a loaner tablet).
- B. An offender may receive funds to lease a tablet.
 - 1. The money order must be specifically marked “Tablet Lease” and will only be for the full amount of the lease. No partial amounts will be accepted.
 - 2. The funds received will be deposited directly to the offender’s specialty subaccount. If the funds received exceed the cost of the lease, the remaining amount will remain in the offender’s specialty account until release or discharge.
 - 3. When designated funds are deposited, business office staff will note “tablet lease” in the comments section.
 - 4. Offenders receiving funds marked “Tablet Lease” who are currently issued a tablet, will have the funds deposited into their “Specialty” sub account and remain until release.
- C. Eligible offenders may lease a tablet after the funds have been deposited and the appropriate commissary slip, along with a self-addressed stamped envelope, has been received and processed by the business office. The commissary slip must state For Tablet Lease from Frozen (subject to policy requirements), Specialty, Savings, or Spend account and a check will be issued to the vendor.

10. Statements:

- A. Offenders are responsible for reviewing and reconciling their subaccounts.
 - 1. The DOC shall make available information about disbursements made from the offender’s subaccounts, pursuant to SDCL and ARSD. The DOC shall provide banking balances and transaction records for the past sixty (60) day period on an offender’s tablet. This information may also be accessed by the offender through kiosks located within facility. In the event the balance and transaction information are not available on the offender’s tablet or kiosks, the DOC will provide the offender a printed banking statement once each calendar month.
 - 2. The DOC will maintain at least six (6) months of prior deposits and subaccount balance averages for each offender’s account, as required by the Prison Litigation Reform Act (PLRA). Offenders submitting a Prison Trust Account Report form to the Business Office must include a signed commissary slip for the six (6) months required at fifty cents (\$0.50¢) per month along with the PLRA form to the Business Office. If the offender is indigent the costs will be added to the offender’s credit obligations.
 - 3. Offenders requesting statement of their accounts will be charged fifty-cents (\$0.50¢) per month or five-dollars (\$5.00) per year and must have funds within their spend account. A maximum of the three (3) previous years’ worth of statements may be requested from current date. Request for more than six (6) continuous months will be processed as a continuous statement.

11. Stop Payments:

- A. An offender may request a “stop payment” on a check issued from his/her account, provided the check has not cleared through the bank.
 - 1. The offender must submit a commissary slip for ten dollars (\$10.00) with their request. The offender must have funds within their spend account.
 - 2. Offenders may be assessed additional fees or costs incurred, including the amount of the check if clears through the bank.
- B. Returned funds resulting from the stop payment will be deposited into the subaccount from which they were drawn.

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- C. Offenders requesting a stop payment for a check previously issued from their account may be required to complete an *Application, Affidavit for Stop Payment* prior to the DOC issuing a stop payment (attachment #3).

12. Stale-Dated Checks:

- A. The DOC may clear stale-dated checks. Stale-dated checks are checks issued from an offender's subaccount and are considered void six (6) months following the date of issue. The DOC may initiate "stop payment" on stale-dated checks.
- B. If a stale-dated check clears the bank at a later time, the offender's account will be charged.
- C. The refunded amount will be deposited into the offender's subaccount from which the check was drawn.
- D. Funds received from checks drawn from inactive offender subaccounts will be deposited in the DOC Deceased/Released account. If the offender is on parole and the amount is twenty-five dollars (\$25.00) or greater, a check for the amount will be sent to the offender's supervising parole agent.

13. Closing Accounts:

- A. An offender's subaccounts will be closed only upon discharge, placement on extension of confinement or conditional release (parole or suspended sentence), death, escape, suspended execution of sentence, suspended imposition of sentence, or transfer to an out-of-state facility. Subaccounts will not be closed if the offender is placed on temporary status at a county jail or hospital, out-to- court, or temporary absence (TAP).
1. The balance of the offender's subaccounts (spend, savings, family support, work release expense, specialty, and frozen) will include the total funds contained in all subaccounts and any payroll wages earned which are owed. Credit obligations will be paid from eligible remaining funds (does not include exempt funds in the specialty subaccount).
 2. After gate money and transportation provisions are calculated (for eligible offenders only), a debit card and/or check will be issued to the offender for the entire amount of funds remaining in the subaccounts, including any payroll due. Eligible offenders include those releasing from a DOC facility on parole supervision or extension of confinement and offenders that are discharged. US Marshal federal offenders and offenders releasing on suspended execution of sentence, suspended imposition of sentence, or to a work release facility do not qualify for gate money.
 3. Offenders must contact the vendor to request remaining funds from their phone account.
 4. Commissary refunds and/or payroll owed that is posted after the account is closed will first have any gate funds adjusted if received. If no gate funds posted, refunds three dollars (\$3.00) or greater received/posted after an account has been closed will be applied to fixed obligations. If no fixed obligations are owed, or the amount of the refund is less than three dollars (\$3.00), the refund will be applied to cost of incarceration. If refund is twenty-five dollars (\$25.00) or greater, a check or debit card will be issued to offender if DOC has a valid forwarding address. If no valid forward, or funds are greater than three dollars (\$3.00), less than twenty-five dollars (\$25.00) and the offender has no fixed obligations (other than COI) funds will be cleared to the DOC/Deceased/Released account.
- B. For offenders releasing to parole supervision, the amount of any unsatisfied obligations will be transferred to parole services and included in their release plan.
1. If an offender is released on parole or suspended sentence with a credit obligation, the amount of the credit obligation shall be written-off and added to DOC costs incurred.
 2. Offenders are responsible for making arrangements to pay towards costs incurred prior to release to parole, suspended sentence, or discharge.
 3. Parolees may mail payments to the DOC Administration office in the form of a money order. The payment must include a note directing the funds be applied toward costs incurred rather than parole supervision fees.
 4. The DOC may forgive indebtedness upon the offender's final discharge.

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- C. If an offender is discharged or dies while in DOC custody with funds remaining in their subaccounts, the warden shall apply any eligible funds remaining towards the offender's obligations, as provided for in SDCL. If the funds exceed the offender's obligations, the excess balance shall be issued to the next of kin or designee, otherwise, the excess balance shall be deposited in the state general fund.
- D. If any offender dies or is discharged from the DOC with a negative balance, the warden may authorize the offender's account(s) to be closed out.
- E. All offender funds confiscated as contraband or evidence released to the DOC, shall be deposited into the state general fund.

14. Fixed Obligations:

- A. Fixed obligations include prison and/or parole related obligations, which may be listed on an offender's financial plan. Parole violators in the custody of the DOC may be charged supervision fees and other parole-related fees. Parolees who return to prison will not be refunded for parole-related fees already submitted to the DOC. Disbursement of an offender's funds shall be completed to defray the offender's obligation(s).
- B. If a case manager becomes aware of an obligation not previously documented on the Offender Obligations in COMS, or changes in a previously documented fixed obligation, or the offender is reclassified, staff will review and update the OFO.
- C. Documentation of costs incurred owed to the DOC may be in the form of jail fees, transportation costs/fees, invoices; costs documented through a commissary slip and be deducted from the offender's account. Costs incurred owed by the offender will be sent to case managers for inclusion in the OFO and added to the offender's costs incurred without going through the spend subaccount. Case managers will scan a copy of the documentation into COMS under the deductions screen.
- D. Anytime the total of deposits into an offender's spend subaccount for a one (1) month period exceeds one hundred sixty dollars (\$160.00), a percentage of the funds received, as established by the DOC, will be transferred to the offender's savings subaccount, based on receipt type. Any eligible remaining amount, after disbursement to the offender's savings subaccount, may be disbursed to the offender's fixed obligations based on type. This amount is also based on a percentage, with the order/priority set by the DOC. When a particular fixed obligation is paid in full, the OBS will automatically disburse the available funds to the next identified obligation.
- E. Fixed obligations and costs incurred will be paid from funds received. Offender wages/earnings received from participation in work release, PIECP, DOC institutional payroll including wages earned from another state agency, Pheasantland Industries, and the South Dakota Housing Development Authority (SDHDA), and exempt funds, are subject to specific rules regarding disbursement. Fixed obligations shall be paid in the following obligation type order:
 - 1. Child Support.
 - 2. Court ordered obligations.
 - a. This amount is issued to the county from which the order was issued. The county shall disburse the funds received to restitution owed, fines, fees and other court ordered costs.
 - 3. Costs incurred while in the custody of the DOC.
 - a. An offender may be charged for costs incurred when costs related to the incarceration/custody of the offender have been incurred by the department or other, and documentation exists describing the cost.
 - b. Any documentation of costs incurred while in custody will be included within the OFO.
 - 4. Parole supervision fees.
 - 5. Parole SCRAM fees.

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6. Parole Remote Breath Fees.
 7. Extension of confinement.
 8. Electronic monitoring.
 9. Sober Track.
 10. Cost of Incarceration (COI).
 - a. The DOC will set an annual cost based upon the prior year's costs (percent charged, based on receipt type, etc.). Cost of incarceration may include room and board charges, costs associated with providing the offender with medical, dental, optometric, and psychiatric services, vocational education training, and alcohol treatment.
 - b. Cost of incarceration charged to the offender will be determined by multiplying the number of days the offender is in DOC custody and determined to owe cost of incarceration by the daily cost, as set by the DOC.
 - c. Offenders in the custody of the DOC from the US Marshals that are paying a set daily cost for placement/custody of the offender, will not be charged cost of incarceration. However, the offender shall remain responsible for other fixed obligations, as ordered by the courts, or as directed by the US Marshal placing the offender in DOC custody. Remaining funds received will be placed in the offender's frozen subaccount.
 - d. Cost of incarceration only will be waived for initial deposits from another state's institution for offenders on an interstate compact.
 - e. Offenders with fixed obligations may be charged costs of incarceration.
 - f. Offenders earning PSPI, work release earnings, DOC institutional payroll including wages from another state agency, PI, and SDHDA may not be charged for costs of incarceration and will have any remaining funds placed in their frozen subaccount.
 - g. Any additional funds received that are not payroll/paycheck wages are subject to cost of incarceration.
 - h. The secretary of corrections (SOC) may, after considering an offender's net income, net worth, number of dependents, and existing obligations, determine an offender is unable to pay costs of incarceration and waive all or a portion of the costs of incarceration charged to the offender. The waiver shall remain in effect until rescinded by the SOC, based on changes in the offender's status, or until the offender releases/discharges from custody.
- F. The DOC shall notify the offender of any disbursements made from the offender's subaccounts, pursuant to SDCL and ARSD.

15. Offender Financial Obligation (OFO):

- A. Establishing obligations and completing an OFO:
 1. Case managers will review the monthly documentation provided by UJS eCourts system, verifying the offender's date of birth matches, to determine whether an offender has court ordered obligations.
 2. Case managers will query the South Dakota SSDC system (Social Services, Division of Child Support) to determine if the offender owes child support and to verify the amount owed.
 3. Case managers will question each offender about any known fixed obligations which the offender may self-disclose.
 4. Case managers will document all other court order obligations (such as court appointed attorney fees and court costs that may come through the auditor's office and not the Clerk of Courts report from eCourts).
- B. Obligations will be added within the Offender Obligations section in COMS by case managers. Documentation will be uploaded to ITAG/Offender Financials/Trust/Deduction/Offender Obligations.
 1. Fixed obligations will be added upon confirmation of the amount owed.
 2. If there is no record of the obligation on eCourts, but a court order exists documenting an obligation, a confirmation form may be sent (attachment #4 - *Offender Financial Responsibility Verification* form). Forms returned by the clerk of courts will be scanned into ITAG/Offender Financials/Trust/Deductions/Offender Obligations for documentation.

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3. In the case a payee is noted, the payee's contact information and status will be verified by DOC staff prior to issuing funds to the payee. Child support obligations shall be recorded in the Offender Obligations screen in COMS. Child support payments to the same vendor shall be combined into one and include a "+" sign following the case number. In-state child support cases will be verified through the SSDC tracking system of the Department of Social Services (DSS).
 4. Court ordered obligations will be recorded in the Offender Obligations section in COMS with the court docket number.
 - a. Multiple obligations under a single docket number will be recorded as a single entry on the Offenders Obligations screen in COMS.
 - b. Multiple obligations with different docket numbers but from the same county, will be recorded as a single entry with a "+" sign after the first docket number.
 - c. Dockets from different counties shall be listed separately.
 5. Costs incurred while in the DOC will be recorded as a single obligation reflecting total costs incurred on the OBS. Documentation of jail bills, transport bills etc. will be scanned into ITAG/Offender Financials/Trust/Deductions/Offender Obligations.
 6. Certain wages/earnings and funds received by an offender are not subject to garnishment, attachment, or execution, either by an employer or the DOC. Exceptions include work release earnings (see SDCL and funds identified as exempt).
- C. An offender's OFO will be reviewed and modified as necessary, including when an existing obligation is fulfilled, a new obligation is reported or discovered, the offender's work status or employment changes, or the offender is scheduled for release to parole supervision or suspended sentence. Any modification to an OFO will be reflected in COMS.
1. When an offender is transferred to another unit, case managers from the receiving unit must review the OFO.
 2. Parole fees will be documented in COMS. These fees are community based. The offender shall be responsible for payment of the fees. Prior obligations of child support and restitution payments take precedence over community-based fees.
 3. The offender is able to view any changes to their OFO via the tablet.
- D. Refunds received by the DOC on behalf of deductions made from an offender's account for child support or court-ordered obligations, must be applied in entirety to other child support or court-ordered obligations documented on the OFO. If no other child support, court-ordered obligations, or fixed obligation is listed on the OFO, the funds may be applied to costs of incarceration if not previously paid with original deposit. Any remaining funds will remain in the offender's frozen account.
1. If a refund is received for child support or court ordered obligations paid by an offender with work release wages, PSPI wages, or institutional payroll, and no other fixed obligation is noted besides COI on the OFO, the amount of the refund will be deposited into the offender's frozen account.
- E. Costs incurred while in the DOC custody will be recorded as a single obligation that includes the total costs incurred which are owed to the DOC by the offender. Documentation may be saved on the Offender Obligations documents.
- F. Obligations and restitution owed by the offender do not terminate upon discharge of an offender's sentence, e.g., an offender serving consecutive sentences remains liable for obligations from their first sentence, even if the first sentence is completed and the offender has begun serving another sentence.
- G. Offenders remain responsible for obligations and restitution owed when released on parole supervision or suspended sentence. Fixed obligations are not limited to an offender's current booking.
1. The Parole Board shall require the implementation of a restitution plan or payment of supervision fees, if reasonably possible, for each offender released to parole supervision.

| | | | |
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- H. Corrections will not be made to disbursements made to a fixed obligation, or when a fixed obligation is discovered after an offender's funds were applied to costs of incarceration.
- I. Each offender discharging from the DOC who owes court-ordered financial obligations on the sentence or sentences he/she is discharging, will have their name and date of birth provided to the Unified Judicial System. Pursuant to SDCL each offender discharging who owes court-ordered financial obligations on the sentence or sentences the offender is discharging, shall be transferred by the DOC to the Administrative Financial Accountability System (AFAS), pursuant to SDCL.

16. Reimbursement of Offender Liability:

- A. A conditional release offender who posted an interstate compact security bond prior to March 3, 2010, will have his/her offender liability deducted from the proceeds of that bond.
 - 1. Documentation of offender liability will be forwarded for processing to Mike Durfee State Prison (MDSP) business office.
 - 2. If the amount of the offender liability is less than the amount of the interstate compact security bond:
 - a. The balance will be put in the offender's "Specialty" subaccount if the offender posted the bond from his/her own funds.
 - b. The balance will be sent out to the person who posted the bond on behalf of the offender, or
 - c. The balance will be prorated between the offender and the outside person if the bond was posted through a combination of funds from the offender and an outside person. The offender's residual share will be put in his/her Specialty subaccount and the outside person's residual share will be sent out to them.
 - 3. If the amount of the offender liability is greater than the amount of the interstate compact security bond, the business office will document the difference in the restitution owed to the DOC account, add to DOC Cost Incurred, and send a copy to housing staff to save to the "Offender Deduction" screen in COMS.
 - 4. Any residual funds from an interstate compact security bond posted by the offender will not be released to that offender until he/she discharges his/her sentence(s) or paroles in state, and it is determined there is no remaining offender liability.
 - 5. If a conditional release offender remains on supervised release or is revoked and reinstated, the parole agent can require the offender to reimburse the DOC directly through a money order(s) for the amount of the obligation.

17. Offender Grievance/Due Process:

- A. Offenders who believe they have been deprived of funds earned or received, or disagree with requirement of payment or assessed fees, or the amount of a required deduction, with the exception of court orders, may submit an offender grievance.

18. Audits:

- A. Offender accounts are open to audit by an external auditing entity to ensure compliance with Generally Accepted Accounting Principles.

V. RESPONSIBILITY

It is the responsibility of the director of Finance & Administration to enforce this policy and conduct annual reviews and incorporate revisions as necessary.

VI. AUTHORITY

- A. SDCL § [1-15-20](#) Rules, policies, and procedures for management of institutions and agencies--Inmate discipline.
- B. SDCL § [1-15-21](#) Receipt and disbursement of inmates' funds.

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- C. SDCL § [23A-47-2](#) Management of parolee, inmate, or probationer by administrative financial accountability system.
- D. SDCL § [24-2-1](#) Inmates under custody of secretary of corrections--Delegation of powers.
- E. SDCL § [24-2-5](#) Disposition of inmate's personal effects.
- F. SDCL § [24-2-9](#) Disciplinary sanctions authorized--Corporal punishment prohibited.
- G. SDCL § [24-2-28](#) Costs of confinement and services--Liability of inmate.
- H. SDCL § [24-2-29](#) Inmate's liability for court-ordered fines, costs, fees, sanctions, and restitution and obligations incurred under Department of Corrections jurisdiction--Disbursement from inmate's account.
- I. SDCL § [24-5-2](#) Restoration to citizenship on discharge--Certificate issued by secretary of corrections--Copy to clerk of court.
- J. SDCL § [24-5-3](#) Clothing, money, and transportation provided on discharge.
- K. SDCL § [24-5-5](#) Funds in inmate's institutional accounts upon discharge, death, or escape--Application--Refund.
- L. SDCL § [24-5-6](#) Closing of inmate's institutional account with negative balance.
- M. SDCL § [24-8-9](#) Disbursements to defray inmate's obligations--Priority of disbursements.
- N. SDCL § [24-8-10](#) Earnings exempt from seizure.
- O. SDCL § [24-15-11](#) Restrictions on parolee--Bond--Restitution--Child support--Supervision fees.
- P. SDCL § [24-15-12](#) Clothing and travel expense for parolee.
- Q. SDCL § [24-15A-7](#) Status of inmate upon discharge--Certificate to inmate upon discharge or parole--Mailing to clerk of court.
- R. SDCL § [24-15A-11](#) Parole and clemency--Concurrence by panel or board.
- S. SDCL § [24-15A-24](#) Restrictions on parolee--Bond--Restitution--Child support--Supervision fees.
- T. SDCL § [24-15A-25](#) Parolee release--Necessities.
- U. SDCL § [24-15A-54](#) Transfer to administrative financial accountability system.
- V. ARSD § [17:50:01:18](#) Deposits.
- W. ARSD § [17:50:01:20](#) Inmate Accounts.
- X. ARSD § [17:50:01:21](#) Frozen Accounts.

VII. HISTORY

September 2024
May 2023
November 2022
April 2021
October 2020
March 2019
January 2017
January 2015
November 2013
April 2013
April 2012
March 2011

ATTACHMENTS *(*Indicates document opens externally)*

1. Revocation of Authorization to Deposit*
2. Funds Transfer Agreement*
3. Application, Affidavit for Stop Payment*
4. Offender Financial Responsibility Verification*
5. Reinstatement of Authorization to Deposit*
6. DOC Policy Implementation / Adjustments

REVOCATION OF AUTHORIZATION TO DEPOSIT

I, _____, DOC # _____, hereby notify the Department of Corrections of the withdrawal of my authorization to deposit funds in the Offender Banking System. I understand any funds with my name, to include but not limited to checks, money orders, bank drafts, online deposits, and the like, received after my authorization to deposit withdrawal from the Offender Banking System will not be endorsed or deposited into my account and will be returned to the sender at my expense upon sixty (60) days of receipt. Refusal to send out funds will result in the money being deposited into the offender frozen sub account.

I also understand that while this revocation is in effect, I will not have access to the rejected funds and will not be paid a wage for any job I perform after revocation. I understand if I decide to authorize deposits in the Offender Banking System, I will not be able to do so until six (6) months following the effective date of this withdrawal notice. I further understand this notice of withdrawal will not take effect until it has been processed by Offender Banking Staff.

Offender Printed Name

Offender Signature

Offender DOC Number

Date

Offender Banking Staff Name

Date Form was Processed

FUNDS TRANSFER AGREEMENT

I have certain types of exempt funds identified in Policy 600-02 Offender Accounts and Financial Responsibility that are currently being held on my behalf in a Specialty account. I am requesting \$ _____ (up to \$160 each month for spend plus any credit obligations owed) of these funds be transferred to my Spend account. I understand that in making this request I am acknowledging that these funds will be applied to any credit (loan) obligations such as medical copayments, commissary slip transactions or fines that I have accrued or I may accrue within my Spend account and my signature below authorizes these transactions.

Print Name _____

ID No. _____

Signature _____

Officer _____

Date _____

I have certain types of exempt funds identified in Policy 600-02 Offender Accounts and Financial Responsibility that are currently being held on my behalf in a Specialty account. I am requesting \$ _____ (up to \$160 each month for spend plus any credit obligations owed) of these funds be transferred to my Spend account. I understand that in making this request I am acknowledging that these funds will be applied to any credit (loan) obligations such as medical copayments, commissary slip transactions or fines that I have accrued or I may accrue within my Spend account and my signature below authorizes these transactions.

Print Name _____

ID No. _____

Signature _____

Officer _____

Date _____

I have certain types of exempt funds identified in Policy 600-02 Offender Accounts and Financial Responsibility that are currently being held on my behalf in a Specialty account. I am requesting \$ _____ (up to \$160 each month for spend plus any credit obligations owed) of these funds be transferred to my Spend account. I understand that in making this request I am acknowledging that these funds will be applied to any credit (loan) obligations such as medical copayments, commissary slip transactions or fines that I have accrued or I may accrue within my Spend account and my signature below authorizes these transactions.

Print Name _____

ID No. _____

Signature _____

Officer _____

Date _____



Complete and then print for signing before a notary.

State of South Dakota
DEPARTMENT OF CORRECTIONS (DOC)
Pierre, South Dakota
APPLICATION, AFFIDAVIT FOR STOP PAYMENT

TO THE DOC of the State of South Dakota Located at Pierre, South Dakota.

I hereby make application for and request that a stop payment be issued. I understand that I will be responsible for the stop payment fee and also the amount of the check if it later clears the bank. I attest that the payee has been notified to not cash the check. The original check is identified as follows:

Check number: Date Issued: Amount \$:

Offender/Account Drawn from: Payee:

TO BE COMPLETED BY THE APPLICANT:

Applicant's Name:

Address:

Date:

City:

State:

Zip:

(If the applicant is not the payee of the original check, or a bank, then the applicant must attach an assignment by original payee to the applicant.)

I declare that I did not endorse, cash, or otherwise negotiate check number , issued by the Department of Corrections to me as the payee, nor did I authorize, direct, or instruct any other person to endorse, cash, or otherwise negotiate said check, nor did I receive any benefits, money, services, or commodities of any form from the proceeds of said check.

STATE OF

)ss

COUNTY OF

I,

of

being first duly sworn, depose and say that I am the applicant, that this claim has been examined by me, and, to the best of my knowledge, is in all things true and correct.

(Signature of applicant)

On this _____ day of _____ in the year _____, before me, the undersigned, a Notary Public in and for the County and State, personally appeared _____ as applicant.

Complete and then print for signing before a notary.

TO BE COMPLETED BY DOC

Application Approved by _____

Date _____

Replacement No _____

Date _____

(Notary Public)

(Expiration Date)

OFFENDER FINANCIAL RESPONSIBILITY VERIFICATION

COUNTY: _____

OFFENDER _____ HAS BEEN RECEIVED FROM YOUR COUNTY. WE ARE PREPARING HIS FINANCIAL RESPONSIBILITY FORM TO REIMBURSE YOUR COUNTY FOR EXPENSES INCURRED. PLEASE VERIFY THE AMOUNTS OWED AND DOCKET NUMBER(S). THANK YOU.

| DOCKET# | SOURCE | OUTSTANDING AMOUNT | OFFICE PAYABLE TO: |
|---------|---------------------------|--------------------|--------------------|
| | RESTITUTION | | |
| | | | |
| | FINES | | |
| | | | |
| | COURT APPT. ATTORNEY FEES | | |
| | | | |
| | | | |

Clerk of Courts _____ Date _____

County Auditor _____ Date _____

Please mail or fax this document back to:

South Dakota State Penitentiary
PO Box 5911
Sioux Falls, SD 57117-5911
Fax #: 367-5105

Attn: Offender Accounts

REINSTATEMENT OF AUTHORIZATION TO DEPOSIT

I, _____, DOC # _____, hereby notify the Department of Corrections of the reinstatement of authorization to deposit funds in the Offender Banking System. I attest that at least six (6) months has passed since my revocation request was effective. I also understand that any funds placed in my frozen account during the revocation period will be applied to any applicable fixed obligations prior to use - per DOC policy. I further understand this notice of reinstatement will not take effect until it has been processed by Offender Banking staff.

Offender Printed Name

Offender Signature

Offender DOC Number

Date

Offender Banking Staff Name

Date Form was Processed