



State of Indiana
Indiana Department of Correction

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**POLICY AND ADMINISTRATIVE
PROCEDURE**
Manual of Policies and Procedures

Title
**COMMUNITY RE-ENTRY CENTER FUNDS AND THE
DISTRIBUTION OF EARNINGS**

Legal References (includes but is not limited to)	Related Policies/Procedures (includes but is not limited to)	Other References (includes but is not limited to)
IC 4-24-6-2 IC 5-2-6.1-1 <i>et seq.</i> IC 11-8-2-5(a)(9) IC 11-10-8-6 IC 11-10-8-6.5	02-01-101 02-02-101 04-01-104	ACA: CO: 2-CO-1B-14; 2-CO-4G-01; 2-CO-5A-01

I. PURPOSE:

The purpose of this policy and administrative procedure is to establish guidelines for the management, accounting, and distribution of offender/resident earnings for those offenders/residents participating in the Community Re-Entry Center program.

II. POLICY STATEMENT:

It is the policy of the Indiana Department of Correction that residents of a Community Re-Entry Center program obtain gainful employment in order to continue in the program. When the residents maintain gainful employment, the Department shall ensure that the resident's earnings are managed and accounted according to established accounting procedures. Earnings shall be distributed in accordance with statutes, promulgated rules, and Department procedures. The Department shall ensure that the resident's funds held in account are returned to the resident upon release to enable the resident to meet his/her financial obligations.

The Department shall establish and maintain a Work/Study Release Subsistence Special Revenue Fund. This fund shall be used for the Community Re-Entry Center program in accordance with statutory mandates. Expenditures from this fund shall be in accordance with applicable statutes and Department procedures. The Department shall prepare a proposed annual budget for the expenditure of monies from the fund. The Department shall follow all applicable bookkeeping standards to ensure the accuracy of the receipts and expenditure of the account's funds.

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III. DEFINITIONS:

For the purpose of this policy and administrative procedure, the following definitions are presented:

- A. **BUSINESS DAY:** Working days for grievance processing defined as Monday through Friday, excluding any holidays recognized and observed by the State of Indiana.
- B. **INMATE TRUST FUND:** The financial account maintained in trust for offenders as provided in the administrative procedures for Policy 04-01-104, "Inmate Trust Fund."
- C. **SUBSISTENCE FEES:** The fees assessed to an offender for participation in a Community Re-Entry Center program which are intended to cover the cost of room and board.
- D. **VIOLENT CRIME VICTIM'S COMPENSATION FUND:** The special fund established by IC 5-2-6.1-40 to provide monetary awards for the victims or families of victims of violent crimes.
- E. **WORK/STUDY RELEASE SUBSISTENCE SPECIAL REVENUE FUND:** The fund established by IC 11-10-8-6.5 for the expansion, maintenance and operation of the Community Re-Entry Center program.

IV. ESTABLISHMENT OF FINANCIAL ACCOUNTING SYSTEM AND PROCEDURES:

The Fiscal Management Division shall establish and implement a financial accounting system and accounting procedures for the Community Re-Entry Center program. The system and procedures shall be approved by the State Board of Accounts. A staff person shall be designated to perform the accounting and administration of the centralized Work Release-Study Release Subsistence Special Revenue Fund.

V. RESPONSIBILITY FOR ASSESSING SUBSISTENCE FEES:

The Deputy Commissioner in conjunction with the State Budget Agency, shall establish standards for the assessment of subsistence fees for offender participation in the Community Re-Entry Center program. These standards shall comply with IC 11-10-8-6.

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Each Facility Head of a facility in which a Community Re-Entry Center program is operated shall be responsible for the accounting of offender subsistence fee assessments in a manner approved by the Chief Financial Officer (CFO).

VI. THE WORK\STUDY RELEASE SUBSISTENCE SPECIAL REVENUE FUND:

A Work/Study Release Subsistence Special Revenue Fund shall be established and maintained in accordance with IC 11-10-8-6.5. All subsistence fees shall be deposited in this fund not later than the tenth (10th) day of the month following the month in which they were received. Any earnings on the money deposited in the fund shall remain in the fund.

The Work Release-Study Release Subsistence Special Revenue Fund may be used for:

- A. Construction of new Community Re-Entry Center or Work/Study Release facilities;
- B. Maintenance of Community Re-Entry Center or Work/Study Release facilities;
- C. General operating costs of the Community Re-Entry Center or Work/Study Release programs, including offender services;
- D. Providing programs or services established under IC 11-13-8; or,
- E. The matching of federal funds for use in the Community Re-Entry Center or Work/Study Release programs.

The Commissioner shall submit a proposed budget for expenditure of the money in the fund to the State Budget Agency for approval in accordance with IC 4-12-1.

VII. ESTABLISHMENT OF OFFENDER FINANCIAL AGREEMENTS:

All offenders approved for participation in the Community Re-Entry Center program shall complete State Form 9528, REQUIRED DEDUCTIONS, upon transfer to the Community Re-Entry Center program.

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VIII. DISTRIBUTION OF OFFENDER EARNINGS:

The earnings of an offender employed in a Community Re-Entry Center program, less payroll deductions required by law and court ordered deductions for satisfaction of a judgement against the offender, shall be surrendered to the Facility Head or designee. These earnings shall be deposited in the offender's Inmate Trust Fund, in accordance with the administrative procedure for Policy 04-01-104, "Inmate Trust Fund," and subsequently distributed in the following order:

- A. State and federal income taxes and social security deductions not otherwise withheld shall be calculated, but not deducted from the earnings, for the purpose of determining further required deductions;
- B. The cost of membership in an employee organization;
- C. Ten percent (10%) of the offender's gross earnings, to be deposited in the Violent Crime Victim's Compensation Fund;
- D. Not less than fifteen (15%) of the offender's gross earnings, if that amount of the gross is available after the above deductions, must be returned with accrued interest to the offender not later than at the time of release on parole or discharge. The payment of the fifteen percent (15%) shall occur after fifteen (15) working days from the date of deposit of the offender's check to allow clearance of the check by the bank.
- E. The expense of room and board (subsistence fees), as fixed by the Department and the State Budget Agency, in facilities operated by the Department, or, if the offender is housed in a facility not operated by the Department, the amount paid by the Department (which may include the subsistence fees) to the operator of the facility or other appropriate authority for room and board. The fee shall be the lesser of forty percent (40%) of the offender's weekly earning less the deductions listed in Procedures VIII, A and VIII, B or, one hundred seventy dollars (\$170.00) per week. Subsistence fees and Violent Crime Victim's Compensation fees shall not be collected from monetary gifts or monies transferred from other facilities; however, subsistence fees and Violent Crime Victim's Compensation fees are to be deducted from Workers' Compensation benefits.
- F. Court ordered costs or fines imposed as a result of conviction of an offense under Indiana law, unless the costs or fines are being paid by other means.

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After the above deductions have been made, the Department may, out of the remaining amount:

- Pay for the support of the offender's dependents when directed by the offender or ordered by the court;
- Pay to the victims or others any unpaid obligations of the offender with the written consent of the offender. If the offender's dependents are receiving welfare assistance, the appropriate welfare department shall be notified of these disbursements; and,
- Any remaining amount shall be given to the offender or retained by the Department in accordance with Procedure VIII. B.

The Department may, when special circumstances warrant, or for just cause, waive the collection of room and board charges by or on behalf of a facility operated by the Department. If the offender is housed in a facility not operated by the Department, authorized payment of room and board charges from other available funds, or as a condition of the awarded contract, allow the facility to keep the subsistence to help offset the cost of the per diem.

If the offender is housed in a community corrections facility, the Community Corrections Agency may collect the required deductions in a manner that meets the needs/requirements of the agency.

IX. COLLECTION/DISBURSEMENT OF OFFENDER EARNINGS:

A Community Re-Entry Center participant may accept a check or money order, if the employer does not have a company check, for payment of services directly from an employer or funding source; however, the check, debit card, or money order must be submitted to the Facility Head or designee immediately upon return to the facility on the day of receipt. Cash shall not be an acceptable method of payment, unless prior approval is given in writing by the Facility Head.

A pre-numbered receipt may be prepared in triplicate for each offender's earnings as soon as the earnings are received by the facility. The original receipt shall be issued to the offender, the duplicate copy forwarded to the facility's bookkeeping staff and the triplicate copy retained in the receipt book.

All offender earnings shall be deposited no later than the next business day after receipt by the facility into the Inmate Trust Fund or a similar fund.

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All disbursements made out of the offender's earnings to cover the deductions outlined in Procedure VIII shall be in the form of checks drawn from the offender's account in the Inmate Trust Fund to the appropriate recipient.

The following procedures shall apply to the processing of offender subsistence fees and funds earmarked for the Violent Crime Victim's Compensation Fund:

- A. Each offender Inmate Trust Fund account shall be charged, according to established standards by the close of business of the last day of the month in which the offender participates in the Community Re-Entry Center program. If appropriate, this transaction may occur at other times during the month, as necessary for adequate control;
- B. All charged and collected monies shall be accumulated monthly as of the close of business on the last business day of each month and forwarded to the Chief Financial Officer or designee no later than the fifteenth (15th) day of the month following the month closed;
- C. The Chief Financial Officer or designee shall be responsible for transferring all funds earmarked for contribution to the Violent Crime Victim's Compensation Fund from a holding account to the Indiana Criminal Justice Institute on a monthly basis; and,
- D. The Chief Financial Officer or designee shall transfer all subsistence fee monies into the Work/Study Release Subsistence Special Revenue Fund for distribution in accordance with Procedure VI.

X. FINANCIAL STATEMENTS AND REPORTS:

The Facility Head of each Department facility with a Community Re-Entry Center program shall include in the monthly report for that facility information regarding the earnings of offenders in the Community Re-Entry Center program and the distribution of those earnings. This report shall include a summary of offender earnings, receipts and distributions for the month.

If the offender is housed in a facility not operated by the Department, the summary shall include the details of the calculations of each offender's subsistence amount.

Quarterly, a summary report of contributions made to the Violent Crime Victim's Compensation Fund shall be prepared by the CFO or designee and shall be distributed to the Commissioner and the Deputy Commissioner/Operations.

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XI. APPLICABILITY:

This policy and administrative procedure applies to Department Community Re-Entry Centers and to privately operated programs providing contractual Community Re-Entry programs to the Department.

signature on file
Bruce Lemmon, Commissioner

Date