

PS2011.06 FINANCIAL RESPONSIBILITY PROGRAM, INMATE, PROCESSING
PAYMENTS



Program Statement

OPI: ADM
NUMBER: 2011.06
DATE: September 17, 1997
SUBJECT: Financial
Responsibility
Program, Inmate,
Processing Payments

1. PURPOSE AND SCOPE. This policy establishes procedures for processing payments for the Inmate Financial Responsibility Program (IFRP) via SENTRY.

The IFRP was developed to encourage sentenced inmates to satisfy court-ordered financial obligation(s). Unit Management staff are required to review each inmate's financial obligation(s) and with the inmate, develop a plan to fulfill the obligation(s).

The SENTRY IFRP Module was developed to facilitate the payment processing procedures for payments made on behalf of inmates in Federal custody who have a financial obligation as identified in the Program Statement on the Inmate Financial Responsibility Program. This system allows tracking of financial data entered into the SENTRY database throughout the inmate's incarceration.

Unit Management staff enter data into the SENTRY database for all inmates with a financial obligation. This information is stored, and payments are processed by the Office of Financial Management (OFM) for those inmates participating in the program. The Central Office transmits the payment data and funds to the appropriate component. The SENTRY IFRP Module replaces the Batch Transmission System (BTS)/FINES, and will be used for all IFRP payments.

2. PROGRAM OBJECTIVES. The expected results of this program are:

- a. Staff will process IFRP payments in a consistent manner.
- b. The amount of obligations transmitted to outside components will be accomplished in a uniform manner.

DIRECTIVES AFFECTED

- a. Directive Rescinded

PS 2011.04 Financial Responsibility Program, Inmate,
Processing Payments (07/26/95)

b. Directives Referenced

PS 2000.02	Accounting Management Manual (10/15/86)
PS 2011.01	Financial Management, Treasury Payment Module (09/14/93)
PS 5380.05	Financial Responsibility Program, Inmate (12/22/95)
TRM 2002.01	SENTRY Inmate Financial Responsibility (07/05/95) (formerly TRM 013.01)
TRM 2003.02	Financial Management (03/01/97) (formerly TRM 015.02)

4. STANDARDS REFERENCED

a. American Correctional Association 3rd Edition Standards for Adult Correctional Institutions: 3-4031, 3-4032, 3-4034-1, 3-4045, 3-4092

b. American Correctional Association 3rd Edition Standards for Adult Local Detention Facilities: 3-ALDF-1B-04, 3-ALDF-1B-05, 3-ALDF-1B-07, 3-ALDF-1B-19, 3-ALDF-1E-01

c. American Correctional Association 2nd Edition Standards for Administration of Correctional Agencies: None

d. American Correctional Association Standards for Adult Correctional Boot Camp Programs: 1-ABC-1B-02, 1-ABC-1B-09, 1-ABC-1B-10, 1-ABC-1B-18, 1-ABC-1E-01

5. OVERSIGHT RESPONSIBILITY. The Chief, Accounting Operations Section, Finance Branch, has oversight responsibility for IFRP payments and is responsible for ensuring that the IFRP data transmitted to outside components is accurate and timely. If errors are detected in the data or OPAC amounts transmitted by the institutions, Accounting Operations staff shall contact the appropriate Regional Office staff and request corrective action.

After the reconciliation process, the Accounting Operations Section transfers the funds to the appropriate component(s), authorizes SENTRY to release the IFRP data file to the appropriate component, and generates reports as appropriate. It is each institution's responsibility to ensure accuracy of data transmitted and prompt correction of any errors the Accounting Operations staff identifies.

6. ACRONYMS AND SENTRY IFRP TERMINOLOGY

a. Financial Obligation. Any court-ordered payment for restitutions, fines, assessments, child support, etc.

b. Contract. Document generated via SENTRY by Unit Staff and signed by the inmate detailing financial obligations and payment terms.

c. Cycle Type. Identifies the type of payroll from which the withdrawal is being processed (UNICOR or Inmate Performance Pay).

d. Cycle Period. Identifies the month and year associated with the payment.

e. Freeze Cycle. The procedure used by OFM for establishing the cut-off for processing contracts during the current cycle period.

f. IFRP. Inmate Financial Responsibility Program.

g. Transaction Code. The four-digit code used to access various SENTRY screens.

h. Excess Withdrawal. The amount by which an expected withdrawal exceeds the financial obligation balance.

7. SENTRY PROCESSING. Unit Management staff enter inmate obligation data and generates a SENTRY IFRP contract. The contract shall include the payment terms agreed upon and be signed by the inmate. The Unit Management staff shall provide the OFM with the original copy of the SENTRY generated contract authorizing withdrawals from the inmate's deposit fund account. Any contract received without the inmate's and a Unit Management staff member's signature shall be returned to the Unit Manager.

8. OFM MONTHLY CUT-OFF. The OFM shall process two payment cycles each month (i.e. UNICOR and Inmate Performance Pay), if appropriate. Prior to the 15th of each month, these cycles must be completed and the funds transmitted via the On-Line Payment and Collection (OPAC) system to the Accounting Operations Section, Finance Branch, Agency Location Code (ALC) 15-10-0900.

9. SENTRY IFRP PAYMENT PROCESSING. All IFRP processes required in FPPOS and SENTRY shall be made on the same day the associated payroll (UNICOR or Inmate Performance Pay) is posted. Single and monthly payments shall be processed once during the month, and quarterly payments will be processed only during the last month of each quarter. Payments of less than \$25 will not be made unless they are final payments.

The OFM SENTRY transaction codes for the following procedures are explained in the SENTRY Inmate Financial Responsibility Technical Reference Manual. These transaction codes are unique to OFM and can only be accessed by OFM staff on designated terminals.

a. Receipt of IFRP Contract. When an IFRP contract is received, the OFM shall use the AUTHORIZE INMATE TRUST FUND WITHDRAWALS transaction to prompt SENTRY to begin withdrawal processing for the contract. This authorization can be done at any time, even if a contract is received after the current cycle

has been frozen. If the cycle is frozen when OFM authorizes a contract for withdrawal processing, SENTRY will record the authorization but not begin the withdrawal processing until the following cycle.

b. Apply Trust Fund Changes to FPPOS. SENTRY creates Trust Fund changes for FPPOS whenever the following occur:

- ! OFM authorizes SENTRY to begin withdrawal processing for a new IFRP contract that involves repetitive withdrawals;
- ! Unit Management stops an IFRP contact; or
- ! the balance of an obligation falls below \$25 and the contract is for repetitive inmate performance pay withdrawals. When this occurs, SENTRY automatically stops the repetitive withdrawal (one Trust Fund change) and issues a second Trust Fund change for the final payment. If, in the next cycle following the creation of this single final payment withdrawal, the inmate has insufficient funds in his/her Trust Fund account to cover the balance, SENTRY allows a second chance to complete the obligation by generating a second single final payment Trust Fund change.

The UPDATE INMATE TRUST FUND CHANGES transaction, lists the Trust Fund changes. After keying the UPDATE INMATE TRUST FUND CHANGES transaction, the OFM needs to accept the Trust Fund changes listed. This is done by keying "Y" next to each Trust Fund change accepted. The OFM shall then update FPPOS with any of the changes that have been accepted on this report. SENTRY will continue to display new Trust Fund changes for a cycle until the OFM freezes the cycle. After freezing, any subsequent Trust Fund changes created by SENTRY will appear in the next cycle.

c. Freeze the SENTRY Cycle Transaction. The OFM must freeze the UNICOR and Inmate Performance Pay cycles once each month for the current processing period. This notifies SENTRY that no more Trust Fund changes are to be included in this current processing period. Any subsequent Trust Fund changes created by SENTRY because of contract authorizations keyed by OFM or because of stopped contracts will appear in the next cycle.

d. Single Payments. The OFM shall use the DISPLAY EXPECTED & UPDATE ACTUAL WITHDRAWALS transaction, to list the single withdrawals that SENTRY expects to be made for this cycle from Inmate Performance Pay. The OFM shall post these expected single withdrawals in FPPOS as follows:

! SENTRY's expected withdrawal is less than or equal to the amount in the inmate's account balance; withdraw the expected withdrawal amount in FPPOS.

Examples:	SENTRY <u>Expected Withdrawal</u>	Account <u>Balance</u>	FPPOS <u>Withdrawal</u>
	\$10.00	\$23.00	\$10.00
	\$20.00	\$20.00	\$20.00

! SENTRY's expected withdrawal is less than \$25 and the inmate's account balance is less than the expected withdrawal; withdraw the inmate's total balance in FPPOS. This will reduce the inmate's account balance to zero.

Example:	SENTRY <u>Expected Withdrawal</u>	Account <u>Balance</u>	FPPOS <u>Withdrawal</u>
	\$15.00	\$10.00	\$10.00

! SENTRY's expected withdrawal is \$25 or more and the inmate's account balance is less than \$25; withdraw nothing in FPPOS.

Example:	SENTRY <u>Expected Withdrawal</u>	Account <u>Balance</u>	FPPOS <u>Withdrawal</u>
	\$40.00	\$10.00	\$0.00

! SENTRY's expected withdrawal is \$25 or more and the inmate's account balance is \$25 or more but less than the expected withdrawal; withdraw the inmate's total balance in FPPOS. This will reduce the inmate's account balance to zero.

Example:	SENTRY <u>Expected Withdrawal</u>	Account <u>Balance</u>	FPPOS <u>Withdrawal</u>
	\$40.00	\$30.00	\$30.00

e. Repetitive Payment Process. The OFM shall generate the IFRP repetitive payments immediately subsequent to posting the UNICOR pay and then shall produce the FPPOS Transaction Listing of actual repetitive withdrawals. The FPPOS Transaction Listing shall be used to enter the actual amount withdrawn in SENTRY (see subsection f.).

f. Record FPPOS Actual Single and Actual Repetitive Withdrawals in SENTRY. After IFRP withdrawals have been made from FPPOS, the OFM must indicate in SENTRY the actual withdrawal amounts. The OFM shall use the DISPLAY EXPECTED AND UPDATE

ACTUAL WITHDRAWALS transaction, to list the withdrawals that SENTRY expects to be made from the UNICOR and Inmate Performance Pay cycles for the current processing period.

These are the expected withdrawals based on previously authorized contracts. For each pay cycle type, the OFM shall compare the FPPOS transaction listing to the DISPLAY EXPECTED AND UPDATE ACTUAL WITHDRAWALS transaction screen.

! Performance pay cycle type, single and repetitive withdrawals. If the cycle type is Inmate Performance Pay and there is a difference between the actual amount withdrawn from FPPOS and the amount SENTRY expected to be withdrawn, the OFM shall key the actual amount withdrawn in the DISPLAY EXPECTED AND UPDATE ACTUAL WITHDRAWALS transaction screen. If there is no difference between an inmate's expected and actual withdrawal, no entry is required.

! UNICOR pay cycle type repetitive withdrawals. If the cycle type is UNICOR pay, the expected withdrawal amount in SENTRY is unknown because it is expressed as a percent of UNICOR earnings. Therefore, the OFM shall always enter the actual withdrawal amount in the DISPLAY EXPECTED AND UPDATE ACTUAL WITHDRAWALS transaction.

When the OFM is finished entering the actual withdrawal amounts in the DISPLAY EXPECTED AND UPDATE ACTUAL WITHDRAWALS transaction, the total amount actually withdrawn shown on the DISPLAY EXPECTED AND UPDATE ACTUAL WITHDRAWALS screen must equal the amount actually withdrawn from FPPOS.

g. Authorize SENTRY Deductions Transaction. After verifying that the amounts withdrawn from FPPOS equal the withdrawal amounts reported to SENTRY, the OFM shall use the AUTHORIZE SENTRY DEDUCTIONS transaction to authorize SENTRY to use these actual withdrawal amounts and create deductions from inmate obligation balances maintained in SENTRY.

h. Display SENTRY's Cycle Totals Transaction. The OFM shall generate the DISPLAY CYCLE TOTALS AND UPDATE OPAC NUMBERS transaction, for each cycle type, on the work day after generating the AUTHORIZE SENTRY DEDUCTIONS transaction.

This will indicate the:

- ! OPAC amount and destination;
- ! Treasury check amounts; and
- ! Excess withdrawal amounts which OFM must post back to the inmate accounts.

The OPAC document reference number and date must be entered on this screen, indicating that the OPAC amount(s) specified on the DISPLAY CYCLE TOTALS report have been transmitted. A copy of this report shall be printed and maintained on file.

i. Display Business Office Disbursements Transaction. This transaction displays a list of payees and addresses to which the Treasury check disbursements identified in the DISPLAY CYCLE TOTALS transaction shall be forwarded by the OFM. The OFM shall print a copy of this report and maintain it on file.

j. Display Inmate Excess Withdrawals Transaction. The DISPLAY INMATE EXCESS WITHDRAWALS report identifies amounts withdrawn from inmates' accounts in FPPOS in excess of their financial obligation balances. The OFM shall post the amounts indicated on this report to the inmates' FPPOS accounts within 24 hours after it is generated. The OFM shall print a copy of this report and maintained it on file.

10. SENTRY IFRP Reports. The day after the AUTHORIZE SENTRY DEDUCTIONS cycle has been run to apply withdrawals, the OFM must print the following SENTRY reports for each cycle type. These reports shall be maintained chronologically for each fiscal year in an area inaccessible to inmates.

Display Cycle Totals & Update OPAC Number. This report is used to verify the amount(s) to be transmitted via OPAC to the Finance Branch by the OFM, to determine if any IFRP payments are to be processed via Treasury check, and to identify excess withdrawals processed during the cycle. The OPAC document reference number and date must be entered indicating the OPAC was transmitted.

Display Business Office Disbursement. This report lists all payees and their mailing addresses for payments to be made by the OFM via Treasury check.

Display Inmate Excess Withdrawals. This report identifies amounts withdrawn from inmates' accounts in FPPOS in excess of their SENTRY financial obligation balances. SENTRY applies payments not to exceed the obligation; therefore, the amounts indicated on this report must be posted to the inmates' FPPOS accounts by the OFM within 24 hours after it is generated.

Refer to Sections 9.h., 9.i., and 9.j., for additional guidance on these reports.

11. CERTIFICATION OF IFRP PAYMENTS. Disbursements for IFRP are made either via OPAC or Treasury Check as indicated previously in this Program Statement.

The OPAC and Treasury check disbursements shall be certified in accordance with current requirements. Each IFRP payment voucher shall include:

Display Business Office Disbursements Report,

FPPOS Transaction listing,

- # Verification Report - Summary (generated by the payment system), when applicable,
- # OPAC document transaction listing, when applicable.

12. PAYMENT TRANSMISSION. The FPPOS withdrawal and the SENTRY, AUTHORIZE DEDUCTION FROM INMATE FINANCIAL OBLIGATION transaction shall be accomplished on the same day. The funds will be transmitted via OPAC to the Central Office the next business day after the cycle has been processed. The total amount of funds withdrawn from FPPOS and the amount indicated on the SENTRY Display Cycle Totals Report for each cycle must equal the OPAC plus Treasury check amounts.

(SENTRY = FPPOS = OPAC + Treasury checks)

13. BATCH PROCESSING. The Office of Information Systems (OIS), Central Office, shall collect all IFRP data and batch process information every night for all completed cycles. This procedure creates the file for submission to the appropriate component and updates the SENTRY database.

14. RECONCILIATION. Using the IFRP Reconciliation form to ensure the information's accuracy, the Accounting Supervisor shall perform a monthly reconciliation comparing the SENTRY reports, FPPOS transaction listing, OPAC transmission(s) and Treasury check disbursements. All differences must be explained. The IFRP reconciliation shall be attached to the monthly proof-check for submission to the appropriate Regional Office (form can be obtained from the Financial Management Technical Reference Manual).

15. MAINTAINING CONTRACTS. The OFM shall maintain the original contract for each cycle type separately (UNICOR or Inmate Performance Pay), and chronologically by the cycle period (month) the first payment is scheduled to start in SENTRY for each fiscal year.

16. IFRP REFUNDS FOR OVERPAYMENTS. When an inmate overpays his/her IFRP obligations, the Clerk of the Court will refund the overpayment to the inmate. The refund will be sent to the inmate at his or her current location either by OPAC from the Accounting Operations Section, Finance Branch, or by check from the Clerk of the Court. Upon receiving an IFRP overpayment refund, the OFM staff shall enter the refund into the SENTRY IFRP module using the ADJUST INMATE FINANCIAL OBLIGATION transaction. The OFM shall enter the deposit number of the original overpayment in the appropriate field.

17. CORRECTIONS. Corrections to the actual amount withdrawn can only be made using the DISPLAY EXPECTED & UPDATE ACTUAL WITHDRAWALS transaction prior to SENTRY's cycle to apply withdrawals, however, if an error has been identified after SENTRY's cycle has run, it will be necessary to contact the

Accounting Operations Section, Finance Branch, Central Office,
for assistance.

18. TRANSFERRED INMATES. If an inmate is transferred to another Bureau institution, SENTRY automatically stops the existing IFRP contract as long as the cycle has not been frozen. If it has been frozen, and the inmate has an expected withdrawal for this cycle, SENTRY will indicate the contract as having a stop in progress and will process the contract during the cycle. Once the cycle has run, SENTRY will stop the contract automatically.

19. INMATES OUT ON WRIT. The withdrawals for inmates on writ will continue to be processed until Unit Management staff stop the contracts. If funds in the inmates' accounts have been exhausted or the inmates have requested their funds be sent to another correctional facility, the OFM shall enter zero as the actual withdrawal amount.

20. INMATES ON ESCAPE STATUS. The withdrawals for inmates on escape status will continue to be processed until Unit Management staff stop the contracts. If funds in the inmates' accounts have been exhausted, the OFM shall enter zero as the actual withdrawal amount.

21. RECEIPTS. Inmates with questions about receipt of payments shall contact Unit Management staff.

22. TRAINING. The Controller or Budget and Accounting Officer at complexes, shall ensure adequate training is provided to all staff with IFRP processing responsibilities.

/s/
Kathleen M. Hawk
Director