NEW YORK STATE Department of Corrections and Community Supervision **DIRECTIVE**	TITLE **Incarcerated Individual Accounts**		NO. 2798 DATE 10/05/2026
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REFERENCES (Include but are not limited to) State Finance Law; ACA Expected Practices 5-ACI-1B-07, 5-ACI-1B-20, 5-ACI-1B-21, 5-ACI-1B-22, 5-ACI-5A-06, 2-CO-1B-05, 2-CO-1B-14; Directives #2788, #2791, #4015, #4483, #4761; OSC Controls and OSC Guide to Financial Operations	APPROVING AUTHORITY		

I. DESCRIPTION: This directive establishes policy for the control of incarcerated individual accounts and sets forth the procedures necessary to carry out that policy.

II. POLICY

A. Incarcerated Individual's Fund Account: Each facility shall establish an Incarcerated Individual's Fund Account for deposit of all money earned and/or received by incarcerated individuals from any source. *This fund shall be apportioned into a checking account and an interest-earning reserve account. Some facilities, due to population or program purposes, may not have excess funds to invest and would be exempt from the requirement of maintaining an interest-bearing account. The balance of the checking account shall be maintained at a sufficient level to cover daily incarcerated individual transactions such as disbursements for outside purchase, commissary, and incarcerated individual payrolls. Interest earned from the reserve account will be paid on a quarterly basis to incarcerated individuals whose average quarterly account balance exceeds $100.

Pursuant to State Finance Law Section 98 and the Office of the State Comptroller's (OSC) Guide to Financial Operations, OSC has advised that New York State Department of Corrections and Community Supervision (DOCCS) facilities are to invest excess funds in the NYS General Checking Account Short Term Investment Pool (STIP).

Each quarter, facilities shall review the working balance requirements of their Incarcerated Individual's Fund Account and determine the working balance required for the next quarter. Interest-bearing reserves in the NYS General Checking Account may be increased or decreased at that time upon approval of the Deputy Superintendent for Administration.

*Exceptions: Incarcerated individuals who participate in Day Reporting and Residential Treatment Programs are permitted to handle their financial needs on their own and are not required to process their monetary transactions through a facility's Incarcerated Individual's Fund Account.

B. Outside Accounts - Prohibitions/Restrictions: It is the Department's policy to prohibit incarcerated individuals from opening outside accounts and to restrict use of pre-existing outside accounts. The intent of this policy is to: (1) ensure that incarcerated individuals are not able to shield monetary judgments or settlements from restitution owed to crime victims or from other court-ordered mandatory obligations, (2) deter escapes by restricting incarcerated individual access to available funds outside of the prison, (3) enforce prison rules against incarcerated individual possession of cash and prevent "strong arming" and extortion of funds from weaker incarcerated individuals, (4) prevent incarcerated individual fraud upon those outside of the prison, (5) prevent use of incarcerated individual funds for illegal purposes, (6) prevent incarcerated individuals from obtaining Department advances when personal funds are available from other sources, and (7) reduce recordkeeping burdens on facility staff.

1. Incarcerated individuals will not be allowed to open any type of outside account including, but not limited to, checking, savings, stock, mutual fund, money market certificate, certificate of deposit, or "in trust for" accounts.
2. An incarcerated individual who requests to cash a U.S. Savings Bond will, with the assistance of the Offender Rehabilitation Coordinator (ORC), fill out FS Form #1522, "Special Form of Request for Payment of United States Savings and Retirement Securities Where Use of a Detached Request Is Authorized," found at https://treasurydirect.gov/. The incarcerated individual's identity must be verified by the Superintendent or the Superintendent's designee with a signature guarantee. The savings bond and FS Form #1522 will be mailed to the address listed on the last page of the form. A paper check must be mailed to the correctional facility where the incarcerated individual is housed for deposit into their Incarcerated Individual Fund Account.
3. Incarcerated individuals are not permitted to maintain checking accounts. Incarcerated individuals entering the system with such accounts must either close or transfer control of those accounts. Incarcerated individuals electing to close the accounts must deposit the funds into their Incarcerated Individual Fund Account. Other than the closing of the checking account, incarcerated individual-initiated transactions will not be allowed, and incarcerated individual possession of checks is prohibited.
4. Incarcerated individuals who enter the system with existing outside accounts, other than checking accounts, will not be required to close them. No incarcerated individual-initiated deposits to these accounts will be permitted. Incarcerated individual-initiated withdrawals from these accounts may be made upon the approval of the facility Superintendent or designee. Incarcerated individual-initiated withdrawals must initially be deposited into the Incarcerated Individual Fund Account. No funds will be advanced to an incarcerated individual who possesses an outside account.
5. Exception: Day Reporting and Residential Treatment Program incarcerated individuals may open and maintain personal bank accounts while they are in that status.

6. Passbooks, withdrawal slips, money market certificates, and certificates of deposit for existing outside accounts and savings bonds are to be held with other incarcerated individual personal property in a secure area designated by the Superintendent.
7. The requirements, restrictions, and limitations imposed on existing outside accounts by financial institutions are the sole responsibility of the incarcerated individuals. The facility's only responsibility is to act on the incarcerated individual's request in accordance with the Department's policies and procedures.

III. INCARCERATED INDIVIDUAL'S FUND ACCOUNT PROCEDURES

A. Transactions

1. Disbursements

a. An incarcerated individual may withdraw funds from their facility account to conduct routine financial transactions by submitting Form #2706, "Disbursement or Refund Request," to the Business Office.

b. Except for disbursements for legal photocopies, an incarcerated individual's disbursement form should be processed within ten business days of receipt in the Business Office.

Disbursements for legal photocopies shall be processed as follows:

(1) Disbursement forms for legal photocopying must be forwarded to the Business Office no later than the end of the shift when received. Absent extenuating circumstances, the incarcerated individual must receive their photocopies within five business days of receipt of Form #2706 in the Business Office. Two-day commissary holds, where applicable, may increase the delivery deadline to seven days. Fees shall be assessed equal to the facility's cost of reproduction excluding costs for staff time.

(2) An incarcerated individual lacking sufficient funds may not receive photocopying services unless the Law Library Supervisor, in consultation with the Law Library Administrator or Office of Counsel, approves an advance for the same. Advances (Form #2708, "Authorized Advance Request") will only be authorized for photocopies of specific documents that are required by the courts and cannot be replicated longhand. (See Directive #4483, "Law Libraries, Incarcerated Individual Legal Assistance and Notary Public Services.")

c. Disbursement requests in excess of $100 will require the written approval of the Superintendent (or designee) except where an incarcerated individual is purchasing merchandise from an outside vendor for personal use, or where the incarcerated individual is withdrawing funds to cover furlough or work release expenses. Where approval is required, the incarcerated individual must identify the name and address of the recipient, the relationship of the payee to the incarcerated individual, and the purpose of the disbursement.

d. Incarcerated individuals are prohibited from purchasing or ordering any items on credit or installment plans and are also prohibited from obligating their funds for anything more than the immediate purchase which is being reviewed. For example, incarcerated individuals may not join a club or purchase plan in which items are automatically sent to the facility along with invoices for payment each week, month, etc.

Incarcerated individuals may, however, make one single initial payment for items which will be delivered over an extended period of time provided that there is no additional billing for the items being delivered in the future.

If it is determined that an incarcerated individual purchased an item by utilizing a credit card, facility management shall order the incarcerated individual to cancel the credit card.

e. Incarcerated individuals who are housed outside of the DOCCS system, while in out-to-court status, may request that funds be transferred to them. A disbursement will be processed via an Incarcerated Individual Commissary Account System (ICAS) 527 miscellaneous disbursement transaction by the assigned facility if such a request is submitted in writing and if there are available spendable funds. Incarcerated individuals may only have access to the amount of the spendable balance.

f. Transfers to psychiatric centers: Accounts will not be closed for those incarcerated individuals who are transferred to a psychiatric center. Only the spendable portion of those incarcerated individuals' accounts will be sent to the incarcerated individual. This fund transfer is accomplished via an ICAS 527 miscellaneous disbursement transaction rather than a 201 closeout. This process allows the facility to maintain the account until the incarcerated individual returns, is transferred to another correctional facility, or is released. It also ensures that all funds collected for incarcerated individual obligations will remain intact.

2. Receipts

a. Cash, checks, or money orders anonymously received via mail or a package will be confiscated, labeled, and forwarded to the Business Office for safekeeping. An investigation will be conducted in an attempt to verify the source. If, after proper investigation, no source is identified, the monies will be considered contraband and forwarded via OSC Form AC 909-S, "Report of Monies Received," utilizing fund code 10050 – State Purpose.

b. If a Social Security or Veteran's Administration check is received for an incarcerated individual, it shall be deposited into the incarcerated individual's account as transfer funds via an ICAS 304 transaction, so that the funds do not get encumbered. However, Business Office staff shall make a copy of the check and send the copy with a letter to the local Social Security or Veteran's Administration Office indicating that the payee is an incarcerated felon. It will be the responsibility of the Social Security or Veteran's Administration to investigate, stop issuing checks, if appropriate, and seek reimbursement of funds already paid.

c. Incarcerated individuals may receive funds for deposit into their incarcerated individual account. Funds from family and friends in the form of check or money order must be deposited initially through an outside banking vendor. Checks or money orders **NOT** received from family and friends (i.e., vendor refunds, attorney checks, income tax refunds, veteran's checks, and Social Security checks) will be processed at the facility.

   No funds will be deposited to an incarcerated individual's account from a person on a negative correspondence list.

d. A visitor may leave funds for deposit only to the account of the incarcerated individual they are visiting. Funds may be received in cash, check, or money order; however, cash deposits shall be limited to $50 per incarcerated individual per day, regardless of the number of visitors transmitting funds. Checks or money orders shall be limited to $999.00 or less. The visitor will be required to complete a deposit envelope (2703P), enclose the check, money order, or cash, and present it to the Officer assigned to visitor registration. The Officer will verify the accuracy of the information on the envelope (e.g., identification of the visitor and the incarcerated individual's name and Department Identification Number [DIN]).
   Upon verification, the Officer will place the sealed envelope in a locked box located at the visitor registration desk in the presence of the visitor. The Officer is not required to view the contents of the envelope. The facility Business Office will maintain control of the key to the locked deposit box and will process deposits each business day by either sending checks/money orders to an outside banking vendor for processing, or processing cash at the facility.

e. Funds will not be transferred from the account of one incarcerated individual to the account of another incarcerated individual without the specific approval of the facility Superintendent(s). Transfers are limited to gifts between incarcerated individuals related to each other. In each instance, a report pertaining to transfer of funds to a relative (inter or intra-facility) will be provided by a facility staff member designated by the Superintendent. (See Directive #4761, "Incarcerated Individual Charitable Contributions and Gifts.")

f. All incarcerated individual funds received at the facility and deposited into the facility's Incarcerated Individual's Fund Account are subject to the collection process established in Directive #2788, "Collection & Repayment of Incarcerated Individual Advances & Obligations." However, if it is determined that a "refund" from a vendor originated from an incarcerated individual's account, the "refund" will not be subject to the collection process and will be receipted via an ICAS 304 transfer funds transaction code. Incoming receipts may not be designated for a specific purpose (e.g., to pay for a tier ticket, court filing fees, ID card, bus ticket, etc.) since this would interfere with the Department's automated process of collection/payment of advances and obligations.

The only exception to the encumbrance collection mechanism is that an incarcerated individual may request, via disbursement, to pay off a court-mandated surcharge, fine, fee, or court restitution if the following criteria is met: the encumbrance must be first in priority in collection and will be paid in full (no partial payments). This transaction will be completed by utilizing the ICAS 519 screen #4 option to modify the encumbrance making the total amount owed equal to the amount collected.

g. When a check or money order is received for an incarcerated individual who has been discharged, the check or money order will not be deposited into the facility's Incarcerated Individual's Fund Account. Instead, the check or money order will be forwarded in accordance with Directive #4015, "Forwarding Incarcerated Individual Mail".

3. Transfer Funds

a. Transferred incarcerated individuals' accounts should be closed and a check mailed to the receiving facility within three business days of transfer. It is not necessary to be the assigned facility to open an incarcerated individual account.

b. If an in-transit incarcerated individual is expected to be at a facility for longer than two weeks (Special Housing Unit [SHU], out-to-court incarcerated individuals housed within DOCCS), the sending facility should close the account and forward the funds so the incarcerated individual has access to their funds for commissary, postage, purchases, and outside or visitor receipts.

B. Interest Earnings

1. Interest earned on reserve funds deposited in an interest-bearing account or other interest-bearing medium, shall be paid to those incarcerated individuals who have an average balance in their accounts of $100 or more for a given quarter. This interest will be paid on the amount in excess of $100.

2. Interest will be posted quarterly to the incarcerated individual's account for quarters ending March 31, June 30, September 30, and December 31.

3. Interest earnings are computed automatically in the ICAS system, which generates a listing of interest amounts to be posted to each incarcerated individuals' accounts.

4. Any incarcerated individual transferred out or released from a facility before the end of the interest period will not be considered eligible to earn interest for the incomplete interest period.

5. Earned interest will be forwarded to an incarcerated individual who has been transferred to another facility and posted to their account via an ICAS 318 miscellaneous receipt transaction.

6. Whenever an incarcerated individual is paroled or discharged before earned interest is posted, all amounts above $20.00 will be forwarded to them at the last known address. Amounts of $20.00 or less will be considered abandoned property and should be reported in accordance with Directive #2791, "Lost & Found/Abandoned Property."

IV. MISCELLANEOUS ACCOUNTS PROCESSING

A. Check Holds

1. All personal checks for $50 or more will be held in the incarcerated individual's account for ten days. After the ten days, the funds will be available for use. NOTE: Attorney checks are personal checks.
2. All personal checks for less than $50 will be available as soon as the funds are posted to the incarcerated individual's account.
3. All money orders, bank checks, or business checks over $1,000 are to be held in the incarcerated individual's account for a period of ten days. After ten days, the funds will be available for use.
4. Personal and/or business checks of any denomination may be held for a maximum of ten days if it is determined by facility management that a pattern exists of certain checks being returned for insufficient funds. This procedure is not to be applied to all incarcerated individual accounts, only those specific accounts where checks are constantly being returned due to insufficient funds.
5. Work release wage checks of any denomination will not be held. Checks that are returned for insufficient funds will be handled as described in Directive #2788.

B. Stop Payments: Incarcerated individuals may submit requests for a stop payment to the facility Business Office. The stop payment request must be in writing and include a clear explanation and appropriate documentation to substantiate the need for the stop payment. Stop payments will not be issued unless there is a compelling reason such as well-documented cases of illegality, wrongdoing, fraud, or other significant problem. If the stop payment request is reasonable and necessary, it should be processed. Facilities may establish a timeframe that must be met (e.g., certain number of days a check may be outstanding) before placing a stop payment. An incarcerated individual-initiated stop payment in which the check is ultimately cashed will result in the incarcerated individual's account being charged the amount of the check. Any stop payment should be considered carefully. It should be noted that vendor checks sometimes take a longer amount of time to be cashed; therefore, it is imperative that the vendor is contacted by the incarcerated individual *before* a stop payment is placed on the check. In any case, checks outstanding for more than 90 days should be reviewed in accordance with NYS OSC Guide to Financial Operations, Chapter XIV.4.C, Special Procedures, "Bank Account Reporting and Reconciliations."