



**OREGON YOUTH AUTHORITY**  
**Policy Statement**  
**Part I – Administrative Services**



*Subject:*

**Offender Trust Accounts**

*Section – Policy Number:*

**B: Financial Management – 3.0**

*Supersedes:*

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*Review/Revision:*  
**None**

**Related Standards and References:**

- Social Security Act, [Title XIX](#) (Grants to States for Medical Assistance Programs)
- [ORS Chapter 98](#) (Lost, unclaimed or abandoned property)
- [OAR Chapter 416](#), Division 260 (Trust Accounts)
- American Correctional Association, *Standards for Juvenile Correctional Facilities*; 3-JTS-1B-18 through 3-JTS-1B-21 (Juvenile Funds)
- [OYA form](#): YA 2218 (Trust Disbursement Request)  
YA 2201 (Delegation of Expenditure Decision Authority)

**Related Procedures:**

- None

**Policy Owner:**

Accounting Manager

**Approved**

Colette S. Peters, Director

**I. PURPOSE:**

This policy describes how OYA establishes and maintains Trust Accounts for offenders in its custody.

**II. POLICY DEFINITIONS:**

**Juvenile Justice Information System (JJIS):** The Juvenile Justice Information System (JJIS) is a statewide-integrated electronic information system designed, developed, and implemented to support a continuum of services and shared responsibility among all members of the juvenile justice community. In a collaborative partnership between the Oregon Youth Authority (OYA) and Oregon's county juvenile departments, JJIS is administered by the State of Oregon through OYA.

**Maintenance Account:** A sub-section of an offender's Trust Account used to account for funds that may be used to pay for the offender's cost of care.

**Special Account:** A sub-section of an offender's Trust Account used to account for funds received for an offender for purposes other than paying for the offender's cost of care.

**Trust Account:** An offender-specific trust account established and held for an OYA offender for safekeeping, management and maintenance in accordance with OYA's mission, federal and state laws, and OYA rules and policy.

### III. POLICY:

OYA has established a Trust Account for offenders when they are placed in OYA custody. This Trust Account includes both a Maintenance and Special Account in which all revenue received is recorded and disbursed according to federal and state laws, and Oregon Administrative Rules (OAR chapter 416 division 260).

### IV. GENERAL STANDARDS:

#### A. Maintenance Accounts

1. Central Accounting staff must deposit all money received that may be used to pay for an offender's cost of care into the offender's Maintenance Account. All sources are considered available for the offender's care unless otherwise specifically designated. Sources of money include, but are not limited to:
  - a) Federal benefits such as Social Security (SS), Supplemental Security Income (SSI), veteran's or railroad benefits;
  - b) Court-ordered support;
  - c) Voluntary payments sent for offender support; including money an offender possesses when taken into custody or sent to the offender after placement in OYA custody; and
  - d) Interest earned on the Maintenance Account.
2. Maintenance Accounts include subaccounts to segregate money and interest earned by source, as follows:
  - a) Social Security (SS);
  - b) Supplemental Security Income (SSI);
  - c) Supplemental Security Income Dedicated (SSI Dedicated);
  - d) Court-ordered support (Child Support); and
  - e) Other sources.

Staff will consider all sources not otherwise specifically designated available for the offender's care.
3. Money in Maintenance Accounts is available to pay for an offender's current needs, as follows:

a) Trust Fund Applications

Central Accounting staff electronically compare the amount OYA paid for the offender's cost of care to the balance in the Maintenance Account. Central Accounting staff must -

- (1) Apply the entire Maintenance Account balance to the cost of care if the cost of care meets or exceeds the balance; or
- (2) Deduct the cost of care from the account leaving the balance for future use if the cost of care is less than the Maintenance Account balance.

b) Staff must leave excess benefits and support in the Maintenance Account to meet the offender's care and needs and may not transfer balances to the offender's Special Account.

c) Manual Maintenance Account Payments

Staff may allow offenders in OYA custody in an unpaid relative placement or returned home to have monthly needs met through their Maintenance Accounts until representative payees are changed.

- (1) The offender's juvenile parole/probation officer (JPPO) must determine a financial need exists, document the need in the offender's case file, and complete a Trust Disbursement Request (YA 2218) for each month money is forwarded to the unpaid placement.
- (2) JPPOs must notify a disability analyst (DA) of the offender's address change. The DA will notify the payor organization. The funds are forwarded, as follows:
  - i. Social Security benefits will not exceed the monthly benefit amount;
  - ii. SSI benefits are returned to the Social Security Administration (SSA);
  - iii. Voluntary support is limited only by financial need;
  - iv. Court-ordered support may not be used for this purpose.

d) Retroactive Lump Sum Payments of SS and SSI Benefits

Staff may apply retroactive lump sum benefits as follows:

- (1) Federal benefits (SS and SSI) may be used for current and foreseeable future needs. Application of benefits against prior expenditures may be requested of the federal agency; and
- (2) Retroactive court-ordered support benefits may be applied back to the court order date or date of paid placement, whichever is later.

## B. Special Accounts

Staff must deposit money received for purposes other than paying for an offender's cost of care into an offender's Special Account to be used to pay toward the offender's court-ordered financial obligation(s), and obligations incurred by the offender.

Sources of money may include:

1. An offender's earnings, stipend, or incentive pay;
2. Restricted money gifts;
3. Restricted inheritances;
4. Tribal monies;
5. Other sources of money including SAIF (State Accidental Insurance Fund) payments and legal settlements;
6. Money brought with the offender when entering OYA custody; and
7. Interest earned on the account based upon earnings made by the State Treasurer's Office on investment of all trust money held.

## C. Federal Benefits

1. Disability Analysts (DA) are responsible for applying for federal benefits on behalf of offenders in substitute care placement.
  - a) A DA must contact the federal agency to determine an offender's entitlement for benefits. If the offender is entitled, The DA must request an application for OYA to become the representative payee.
  - b) A DA must advise federal agencies to use the OYA Central Office address for receipt of correspondence and benefits.
2. Monitoring for SSI and Title XIX (Grants to States for Medical Assistance Programs) Eligibility

Offenders who are eligible for SSI are also eligible for Title XIX benefits.

- a) Because offenders are ineligible for SSI benefits when housed in facilities, the DA must request the SSA suspend benefits to these offenders.

The DA may run a JJIS report "Youth in Close Custody Receiving SSI" to identify offenders drawing SSI who are housed in facilities.

- b) The Trust Accountant must monitor offender accounts to ensure those receiving SSI or Title XIX benefits have Maintenance Account balances below \$2,000.

An offender becomes ineligible for SSI and Title XIX benefits when the offender's Maintenance Account reaches an asset limitation of \$2,000 on the first day of a calendar month.

(1) Exceptions to the limit are:

- i. Lump sum benefits received from SSA for back SSI benefits. OYA is allowed six months to reduce the Trust Account balance below the asset limitation.
- ii. Funds in a separate irrevocable trust account.
- iii. Court-ordered support to satisfy state debt incurred when an offender is in an OYA-paid placement is not considered income for SSI benefit determinations.

(2) The Trust Accountant will monitor Maintenance Accounts by reviewing a monthly report of balances over \$700. The Trust Accountant will review accounts for the following:

- i. Expenditures made by OYA for which reimbursement was not made;
- ii. Foreseeable future expenditures against which benefits may be applied;
- iii. Whether the offenders is no longer in OYA custody.

If an offender is no longer in OYA custody, a final accounting will be made and money disbursed to the source or the offender.

(3) When an offender's Maintenance Account reaches \$2,000 and the offender receives SSI, the DA will contact the SSA and ask that benefits be suspended until the Trust Account balance is reduced.

- (4) SSI money received after reaching the asset limitation must be returned to the SSA until the balance is reduced below the \$2,000 limitation.
  - i. The DA will notify the SSA to reinstate benefits.
  - ii. All correspondence relating to overpayments must be forwarded to the Trust Accountant, who will resolve payor organization overpayment claims.

D. Receipt and Deposit of Trust Money

Staff must forward all receipts to OYA's Accounts Receivable (A/R) clerk (except when facilities make their own deposits) to be deposited into the offender's Trust Account.

Facilities making their own deposits must send deposit details including a signed copy of the YA 2202 (Deposit Register Form) to the A/R clerk. The A/R clerk will credit those deposits to appropriate accounts.

1. Federal benefits: Upon receipt of a federal benefit checks, the Trust Accountant will send a letter to the offender requesting the offender sign the check over to OYA.
2. Court-ordered support: Information on the amount of court-ordered support is transmitted daily from the Department of Justice, Division of Child Support, to OYA. Accounting staff must verify the amounts and release them into each corresponding offender's Trust Account.
3. Special Account: Staff may only deposit money received from a person listed in an offender's JJIS "persons" tab as an approved visitor into the offender's Special Account. Money received from a person not listed in the offender's JJIS "persons" tab as an approved visitor may not be deposited and must be returned to that person.

Any exception must be authorized by the offender's JPPO or treatment manager.

4. Interest: Interest is calculated and posted by JJIS to each Trust Account, by source, based upon the daily balance in each account.

E. Withdrawals

1. OYA manages withdrawals closely to ensure proper authorizations and approvals are obtained. Staff may only disburse funds from Trust Accounts to a person listed in an offender's JJIS "persons" tab as an approved visitor.
2. Disbursement to OYA staff, other offenders, or other offenders' family members must be authorized by the superintendent, camp director, or field supervisor.

3. Any disbursement written for more than \$25.00 must be approved by the offender's JPPO or MDT prior to the purchase. The approval may be verbal or in writing.
4. Staff must document each withdrawal from a Trust Account on a YA 2218.
  - a) Staff must store supplies of blank YA 2218s in locked storage.
  - b) Facility staff must enter the YA 2218s into the offender's Trust Account.
  - c) Facility staff must send original white copies of completed and voided YA 2218s to the Trust Accountant.
  - d) Staff must keep remaining copies of completed and voided YA 2218s on file numerically.
5. Authorization of the YA 2218

Authorization of the YA 2218 is documented with the following signatures:

  - a) Offenders placed in the community: The offender, the JPPO, and the field supervisor;
  - b) Offenders placed in facilities: The offender and management staff (i.e. unit supervisor, program director or designee); or
  - c) OYA Trust Accountant and Accounting Manager.
6. Approval of the YA 2218

Approval of the YA 2218 is documented with the following signatures:

  - a) Offenders placed in the community: Field supervisor;
  - b) Offenders placed in facilities: Management staff (i.e. unit supervisor, program director, superintendent, camp director, or designee); and
  - c) The Accounting Manager or an assistant director.
7. The YA 2218 may not be authorized and approved by the same individual.
8. There must be sufficient funds in the offender Trust Account to reimburse a revolving fund when funds are disbursed through a revolving fund account.

The offender's JPPO, field supervisor, facility management staff or other designee must verify sufficient funds are available in the Special Account **prior to** authorizing payment.

9. If sufficient funds are not available and the Trust Account is overdrawn, staff must suspend the Trust Account until enough money is in the Trust Account to cover the overdraft.

If the Trust Account remains overdrawn at the time the offender leaves the facility or OYA custody, staff must set up an accounts receivable and bill the offender for the outstanding balance.

10. If payment is made under the wrong offender's JJIS number and an application is posted to the wrong Trust Account, staff must make a reverse application.
  - a) Staff must send a written document to the Trust Accountant stating the circumstances of the misapplication, month(s) involved, amount(s), incorrect JJIS number, correct JJIS number, name of the payee, payee number and offender's name.
  - b) The Trust Accountant will make the reverse application upon receiving the staff's document.
11. Staff may only transfer money between the Maintenance and Special Accounts when money was erroneously credited to the wrong account. Staff must document the transfer.

#### F. Financial Accounting

1. Staff will complete financial accounting as required for legal proceedings, audits, etc. In addition, staff will complete financial accountings when a Maintenance Account balance exists and OYA custody is terminated.
2. Staff must complete financial accountings based on a "Trust Account Balance Detail" report.

The report shows receipt and disbursement details. Staff must compare receipts and disbursements on the report with JJIS screens. Staff must investigate deviations and adjustments made to bring JJIS Screens and the Trust Account Balance Detail into agreement.

#### G. Clearing a Trust Account

When an offender's OYA custody is terminated, the offender's available Trust Account funds will be disbursed and accounts cleared using the following guidelines.

1. Maintenance Account

Central Accounting staff will analyze balances based on a closing financial accounting to determine offset of cost of care.

- a) The Trust Accountant will apply trust funds in the following order when part or all of the Maintenance Account balance is used to offset the cost of care:

- (1) Court-ordered support;
- (2) Social Security;
- (3) Voluntary support;
- (4) Veterans;
- (5) SAIF (State Accident Insurance Fund);
- (6) Civil Service Annuities;
- (7) Military Allotments;
- (8) Railroad;
- (9) Other;
- (10) SSI.

b) If part or all of the balance in the Maintenance Account is not used to offset the cost of care, the source of the income will be determined and managed as follows:

- (1) SSA and SSI

Conserved funds must be returned to the payor organization when OYA custody terminates. OYA may not disburse excess SSI or SS benefits to the offender or guardian without written authorization from the SSA.

- i. If the offender or guardian will endure extreme financial hardship, the JPPO must contact the SSA by telephone or letter stating the circumstances, claim number, offender's name, and amount of excess benefits.
- ii. If written authorization to release benefits to the offender or guardian is received from the SSA, the JPPO will initiate a YA 2218 payable to the appropriate person. The written authorization and the YA 2218 must be sent to the Trust Accountant.

- (2) Child Support

The support amount will be applied to the offender's cost of care if the balance includes payments received after the offender left OYA custody and the payments are for arrearages during a period when the offender was in care.

If OYA is not entitled to the child support, the Trust Accountant will notify the Department of Justice Division of Child Support (DCS). If DCS cannot recover the overpayment, the money will be forwarded to the offender.

(3) Other Support

Money received as voluntary support intended for maintenance of the offender in an out-of-home care placement will be disbursed to the parent/guardian or the offender when OYA custody is terminated.

2. Special Account

- a) When a youth offender's legal custody is terminated, the youth offender's JPPO must disburse the youth offender's Special Account balance to the youth offender or the youth offender's designee.
- b) When a Department of Corrections (DOC) offender leaves OYA physical custody, facility management staff must direct the disbursement of the DOC offender's Special Account balance.
- c) Staff must ask the offender to sign the YA 2218.
- d) Staff will complete the YA 2218 by –
  - (1) checking the box for "Close Trust Account;"
  - (2) entering a current address in the mailing address field; and
  - (3) assuring the form is countersigned by facility management staff (if leaving an OYA facility).
- e) Staff may release funds to the extent a balance is retained adequate to cover potential outstanding trust disbursement requests.
- f) Staff may not release funds earlier than six weeks after an offender leaves an OYA facility.
  - (1) Staff may not disburse accounts with balances below \$5.
  - (2) If an offender has need of the offender's trust funds prior to the six-week waiting period, staff may release a portion of the funds leaving a balance to cover potential outstanding trust disbursement requests.
- g) The Trust Accountant must disburse Special Account balances which are unclaimed and abandoned two years after an

offender's OYA custody is terminated, in accordance with the Uniform Disposition of Unclaimed Property Act.

- (1) The Trust Accountant must return Special Account balances of at least \$5 to the offender.
- (2) A diligent attempt must be made to locate the offender.

At a minimum, the Trust Accountant must send a letter to the last known address stating there is a Trust Account balance, giving 30 days from the date of the notice to claim the account balance.

- i. The Trust Accountant will forward the Special Account balance to the Division of State Lands if the notice is returned with no forwarding address or 30 days passes without a claim.
- ii. The Trust Accountant must forward Special Accounts with unclaimed balances to the Division of State Lands.

**V. LOCAL OPERATING PROTOCOL REQUIRED: NO**