



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



*Subject*

**Offender Trust Accounts**

*Section – Policy Number:*

**B: Financial Management – 3.0**

*Supersedes:*

**I-E-3.0  
(11/25/02)**

*Effective Date:*

**06/06/2003**

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*Review/Revision:*  
**03/07/08**

**Related Standards and References:**

- Social Security Act, [Title XIX](#) (Grants to States for Medical Assistance Programs)
- [OAR 413-310-0400](#) through 413-310-0510 (Trust and Agency Accounts)
- [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)  
[YA 4012](#) (Trust Fund Receipt Envelope)

**Related Procedures:**

- None

**Interpretation:**

Business Services

**Approved:**

Robert S. Jester, Director

**I. PURPOSE:**

This policy describes how the 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.

**OYA Primary Case Manager:** OYA Juvenile Parole/Probation Officers (JPPO) are primary case managers for all juvenile commitments. OYA treatment managers (or their designees) are primary case managers for Department of Corrections (DOC) commitments.

### III. POLICY:

The OYA will establish a trust account for offenders when they are placed in OYA custody. This account will include both a maintenance and special account in which all revenue received will be recorded, and disbursements made according to federal and state laws.

### IV. GENERAL STANDARDS:

#### A. Maintenance accounts

1. All money received for the purpose of caring for an offender will be deposited into the offender's maintenance account. All sources not otherwise specifically designated will be considered available for the offender's care. 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;
  - d) Interest earned on the maintenance account.
2. The maintenance account will include subaccounts to segregate money and interest earned by source, as follows:
  - a) Social Security;
  - b) Supplemental Security Income;
  - c) Supplemental Security Income Dedicated (SSI Dedicated);
  - d) Court-ordered support (Child Support);
  - e) Other sources.

All sources not otherwise specifically designated will be considered 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

Amounts paid by the OYA for the offender's cost of care are electronically compared to the balance in the maintenance account. If the cost of care exceeds the balance, the entire maintenance account balance will be applied. If the cost of care is less than the maintenance account balance, the cost of care will be deducted from the account, leaving the balance for future use.

- b) Excess benefits/support must remain in the maintenance account to meet the offender's care/needs and may not be transferred to the special account.
- c) Manual maintenance payments

Offenders in OYA custody in an unpaid relative placement or returned home may have monthly needs met from their maintenance account until representative payees can be changed.

- (1) The 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 to be forwarded to the unpaid placement.
- (2) JPPOs will notify a Federal Revenue Specialist (FRS) of the offender's address change. The FRS 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.

Uses for retroactive lump sum benefits vary, 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;

- (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

Money received for purposes other than paying for an offender's cost of care will be deposited into the offender's special account and used to pay obligations incurred by the offender. Sources of money may include:

1. The offender's earnings;
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. Federal Revenue Specialists (FRS) are responsible for applying for federal benefits on behalf of offenders in substitute care placement.
  - a) An FRS contacts the federal agency to determine an offender's entitlement for benefits. If entitled, an FRS requests an application for the OYA to become representative payee.
  - b) An FRS advises federal agencies to use Support Central's address for receipt of correspondence and benefits.
  - c) The Trust Accountant copies correspondence, as appropriate, and forwards it to an FRS for the offender's case file.
  - d) Upon receipt of the federal letter awarding benefits, the Trust Accountant will enter benefit information into JJIS to indicate the amount of monthly benefit to be received. A copy of the letter will be forwarded to an FRS.
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) Offenders are ineligible for SSI benefits when housed in facilities.

Offenders drawing SSI and housed in facilities are identified on a JJIS report "Youth in Close Custody Receiving SSI." The Trust Accountant will request the Social Security Administration (SSA) suspend benefits to these offenders.

- b) An offender becomes ineligible for SSI and Title XIX benefits when his/her 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. The OYA is allowed six months to reduce the trust 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 accounts by reviewing a monthly report of balances over \$700. Accounts are reviewed for the following:

- i. Expenditures made by the OYA for which reimbursement was not made;
- ii. Foreseeable future expenditures against which benefits can be applied;
- iii. Offenders 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 he/she receives SSI, the Trust Accountant will contact the SSA and ask that benefits be suspended until the trust account balance is reduced.

At that time, the Trust Accountant will request from the SSA authorization to reimburse the agency for prior costs with current benefits via an SSA form REGX-1 (Statement of Amount Owed).

- (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 Trust Accountant will notify the SSA to reinstate benefits.
  - ii. All correspondence relating to overpayments will be forwarded to the Trust Accountant, who is responsible for resolving overpayment claims of payor organizations.

D. Receipt and deposit of trust money

All receipts will be forwarded to the Support Central, Accounts Receivable (A/R) clerk (except when facilities make their own deposits) to be deposited into the trust account.

Facilities making their own deposits will send details of deposits to the A/R clerk. The A/R clerk will credit those deposits to appropriate accounts.

1. Federal benefits: Upon receipt of the federal benefit checks, the A/R clerk notifies the Trust Accountant, who in turn will request the federal agency to send future payments via direct deposit.
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 the OYA. The amounts are verified and released into each corresponding offender's trust account.
3. Interest: Interest is calculated and posted by JJIS to each trust account, by source, based upon the daily balance in each account.

E. Withdrawals

Withdrawals will be managed closely to ensure proper authorizations and approvals are obtained. Disbursements will not be made to OYA staff from offender trust accounts.

1. The YA 2218 will be used to withdraw funds from offender trust accounts.
  - a) Supplies of blank YA 2218s will be maintained in locked storage.
  - b) Copies of completed YA 2218s will be kept on file.
  - c) Voided YA 2218s will be sent to the central Trust Accountant.
2. Authorization of the YA 2218
  - a) Offenders placed in the community: The offender, the JPPO, and the Field Supervisor;

- b) Offenders placed in facilities: The offender and management staff (Unit Supervisor, Program Director or designee);
  - c) OYA Trust Accountant and Accounting Manager.
4. When funds are disbursed through a revolving fund account, there will be sufficient funds in the offender trust account to reimburse the revolving fund. It is the responsibility of the JPPO, Field Supervisor, facility management staff or other designee to verify sufficient funds are available in the special source account **prior to** authorizing payment.
  5. If payment is made under the wrong offender's JJIS number, and application is posted to the wrong trust account, a reverse application must be made.
    - a) To initiate a reverse application, OYA staff will 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 receipt of the staff's document.
  6. The only instance in which money may be transferred between the maintenance and special accounts is when money was credited to the wrong account in error. The transfer will be documented.

F. Financial accounting

1. Financial accounting will be completed as required for legal proceedings, audits, etc. In addition, financial accountings will be completed when a maintenance account balance exists and OYA custody is terminated.
2. Financial accountings are based on a "Trust Account Balance Detail" report.

This report shows receipt and disbursement details. Receipts and disbursements on the report are compared with JJIS screens. Deviations, if any, are investigated and adjustments made to bring JJIS Screens and the Trust Account Balance Detail into agreement.

G. Clearing a trust account

When OYA custody is terminated, funds available in trust accounts will be disbursed and accounts cleared using the following guidelines.

1. Maintenance Account

Balances will be analyzed 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 are to be returned to the payor organization when OYA custody terminates. The 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 should 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 are 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 the OYA is not entitled to the child support, the Trust Accountant will notify and return the money to the Revenue Recovery Administration (RRA). RRA will return the money to the obligor.

(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 an offender leaves an OYA facility, special account balances are disbursed to the offender or his/her designee.

(1) For youth offenders: The JPPO directs the disbursement.

(2) For Department of Corrections (DOC) offenders: Facility management directs the disbursement.

(3) Offenders will be asked to sign the YA 2218.

(4) Staff will complete the YA 2218 and indicate "leaving OYA custody – clear account" in the description of article/service section.

i. Enter a current address in the mailing address field; and

ii. Assure the form is countersigned by facility management staff.

b) Funds may be released to the extent a balance is retained adequate to cover potential outstanding trust disbursement requests.

c) Funds are released no earlier than six weeks after the offender leaves the facility.

(1) Accounts with balances below \$5 are not disbursed.

- (2) If an offender has need of his/her trust funds prior to the six-week waiting period, a portion of the funds may be released leaving a balance to cover potential outstanding trust disbursement requests.
- d) Special account balances which are unclaimed and abandoned two years from the date of OYA custody termination will be identified by the Trust Accountant in accordance with the Uniform Disposition of Unclaimed Property Act.
  - (1) Special account balances of at least \$100 will be returned to offender.
  - (2) A diligent attempt will be made to locate the offender.

At a minimum, the Trust Accountant will 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 elapses without a claim.
- ii. Special accounts less than \$100 will be forwarded by the Trust Accountant to the Division of State Lands.

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