

CHAPTER 2

FISCAL MANAGEMENT

Authority

N.J.S.A. 30:1B-6 and 10; Executive Order No. 93(1993), and N.J.S.A. 2C:46-4.

Source and Effective Date

R.1995 d.21, effective December 9, 1994.
See: 26 N.J.R. 4299(a), 27 N.J.R. 118(a).

Executive Order No. 66(1978) Expiration Date

Chapter 2, Fiscal Management, expires on December 9, 1999.

Chapter Historical Note

Chapter 2, Fiscal Management, became effective with Subchapter 7, Restitution for Items Damaged or Destroyed, adopted as R.1990 d.75, effective February 5, 1990. See: 21 N.J.R. 3408(b), 22 N.J.R. 355(b). Subchapter 10, Grants, was adopted as R.1990 d.183, effective April 2, 1990. See: 22 N.J.R. 14(a), 22 N.J.R. 1142(a). Subchapter 6, Inmate Reimbursement for Lost, Damaged or Destroyed Personal Property, was adopted as R.1990 d.363, effective August 6, 1990. See: 22 N.J.R. 1320(a), 22 N.J.R. 2321(a). Subchapter 3, Expenditure of Inmate Welfare Funds, was adopted as R.1991 d.188, effective April 1, 1991. See: 23 N.J.R. 155(a), 23 N.J.R. 1008(b). Subchapter 8, Financial Aid upon Release from Correctional Facilities, was adopted as R.1991 d.372, effective August 5, 1991. See: 23 N.J.R. 1511(a), 23 N.J.R. 2310(b). Subchapter 5, Reporting Loss of Funds, was adopted as R.1991 d.373, effective August 5, 1991. See: 23 N.J.R. 1510(a), 23 N.J.R. 2310(a). Subchapter 9, Gifts, was adopted as R.1991 d.449, effective August 19, 1991. See: 23 N.J.R. 1754(a), 23 N.J.R. 2509(a). Subchapter 2, Inmate Accounts, was adopted as R.1991 d.494, effective October 7, 1991. See: 23 N.J.R. 1992(b), 23 N.J.R. 3031(a).

Pursuant to Executive Order No. 66(1978), Chapter 2 was readopted as R.1995 d.21. See: Source and Effective Date. As a part of R.1995 d.21, Subchapter 1, Introduction, was adopted effective January 3, 1995. See: 26 N.J.R. 4299(a), 27 N.J.R. 118(a). See, also, section annotations.

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SUBCHAPTER 1. INTRODUCTION

10A:2-1.1 Purpose

(a) The purpose of this chapter is to establish policies and procedures for:

- 1. Controlling and depositing funds held in trust for inmates;

2. Appropriating expenditures of inmate welfare funds;
3. Reporting the loss of funds by burglary, theft, embezzlement or mysterious disappearance when discovered by a correctional facility;
4. Processing inmate claims for lost, damaged or destroyed personal property;
5. Withdrawing of restitution from an inmate's account for loss or damage to State property;
6. Distributing financial aid to persons released on parole or upon expiration of sentence;
7. Receiving and giving gifts; and
8. Processing grants.

10A:2-1.2 Scope

(a) N.J.A.C. 10A:2-2, 3, 5, 6, 7 and 8 shall be applicable to the Division of Operations, New Jersey Department of Corrections.

(b) N.J.A.C. 10A:2-9 and 10 shall be applicable to all administrative units within the New Jersey Department of Corrections.

10A:2-1.3 Definitions

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise.

“Gift” means money in the form of a money order or certified check or material(s) donated to a correctional facility or administrative unit for a specified or unspecified purpose by a person(s) or organization(s) without an expectation of compensation.

“Grant” means a specific amount of funds or services given to an administrative unit or correctional facility by a funding source to be used over a specific period of time for a specific purpose.

“Inmate personal property” means items owned by an inmate which have been approved for retention in his or her possession while incarcerated in a correctional facility. Inmate personal property may also be property held by a correctional facility on behalf of an inmate and handled in accordance with N.J.A.C. 10A:1-11.

“Loss of funds” means funds received by a correctional facility or an administrative unit, from any source, which are unaccounted for as a result of theft, larceny, embezzlement or mysterious disappearance.

“Restitution” means a disciplinary sanction recommended by a Disciplinary Hearing Officer, Adjustment Committee, or a court ordered indemnification which requires the inmate to compensate the correctional facility or victim(s) of a criminal act for any loss, damage or injury perpetrated by the inmate.

Amended by R.1996 d.9, effective January 2, 1996.

See: 27 N.J.R. 3673(a), 28 N.J.R. 151(a).

In the definition of “Gift” inserted “in the form of a money order or certified check”.

10A:2-1.4 Forms

(a) The following forms related to fiscal management shall be reproduced by each correctional facility from originals that are available by contacting the Standards Development Unit, New Jersey Department of Corrections:

1. 943-I INMATE CLAIM FOR LOST, DAMAGED OR DESTROYED PERSONAL PROPERTY;
2. 943-II CERTIFICATION OF INMATE CLAIM;
3. 943-III REVIEW OF INMATE CLAIM;
4. 947-I MONTHLY REPORT OF GIFTS RECEIVED;
5. 947-II ANNUAL REPORT OF GIFTS RECEIVED;
6. 950-I FISCAL REPORT OF GRANTS RECEIVED;
7. 950-II REPORT OF PROGRESS OF PROJECTS FUNDED BY GRANTS.

(b) The following form related to fiscal management shall be obtained from the business office of the correctional facility:

1. STATE OF NEW JERSEY PAYMENT VOUCHER-VENDOR INVOICE.

(c) The following forms related to financial aid upon release from correctional facilities shall be obtained from the Bureau of Parole, New Jersey Department of Corrections:

1. 814.06 FINANCIAL AID PROGRAM RECEIPT;
2. 814.07 REQUEST FOR REPLENISHMENT OF FUNDS;
3. 814.08 FINANCIAL AID ACCOUNT.

SUBCHAPTER 2. INMATE ACCOUNTS

10A:2-2.1 Responsibility for inmate accounts

(a) The Business Manager of the correctional facility shall be responsible for maintaining inmate accounts and recordkeeping.

(b) The Business Manager shall be responsible for providing an inmate with a receipt for each financial transaction processed.

10A:2-2.2 Group deposits and deductions

(a) Inmate accounts of a correctional facility may be maintained in a group depository in an insured commercial bank or savings institution so long as the total fund on deposit does not exceed an amount insured by the F.D.I.C. or F.S.L.I.C.

(b) Interest accruing on inmate accounts shall be transferred on a periodic basis, at least once annually, to the Inmate Welfare Fund.

(c) Accurate records of each inmate's account and spendable balance shall be maintained.

(d) Deductions of funds either earned or unearned from inmate accounts shall be made by the Business Manager as permitted by N.J.S.A. 30:4-91.4, 2C:43-1, 2C:46-1, 2C:46-4, 30:4-92, 30:7E-1, 30:4-16.2, 2C:44-6; and the Prison Litigation Reform Act of 1995, 18 U.S.C. § 3626, to pay:

1. Court ordered penalty assessments, restitution and fines;
2. Other revenue obligations or fees;
3. Fee for medical and/or dental treatment; and
4. Fees for prescription or nonprescription drugs or medicine.

(e) Pursuant to N.J.S.A. 2C:46-1, deductions from inmate accounts shall be made by the Business Manager to pay a transaction fee not to exceed \$1.00 on each occasion a Violent Crimes Compensation Board (VCCB) penalty, forensic laboratory fee, Drug Enforcement and Demand Reduction (DEDR) penalty, restitution payment or installment payment is made by an inmate who committed an offense on or after February 1, 1993. The transaction fee schedule shall be as follows:

1. \$1.00 for payments in the amount of \$10.00 or more;
2. \$0.50 for payments between \$3.01 and \$9.99; and
3. No transaction fee if the payment is \$3.00 or less.

(f) Only nonindigent inmate funds in excess of the one time monthly amount of \$15.00 can be deducted by the Business Manager in accordance with (d) above.

(g) In accordance with N.J.S.A. 30:4-16.2, monies derived from a civil action judgment received by an inmate shall be deposited in the inmate's account at the correctional facility or regional correctional facility to which the inmate is assigned. Such monies shall be used to pay court imposed fines, restitution or penalties which the inmate has not met;

and/or shall be used to satisfy any claims for reimbursement for medical treatment sought by the State or a county.

Amended by R.1994 d.8, effective January 3, 1994.
See: 25 N.J.R. 4849(a), 26 N.J.R. 235(c).
Amended by R.1995 d.21, effective January 3, 1995.
See: 26 N.J.R. 4299(a), 27 N.J.R. 118(a).
Amended by R.1996 d.557, effective December 2, 1996.
See: 28 N.J.R. 4155(a), 28 N.J.R. 5073(b).
Administrative correction.
See: 29 N.J.R. 424(b).

10A:2-2.3 Individual savings accounts

(a) Inmates may establish individual savings accounts in commercial banks or savings institutions upon approval of the Superintendent. These accounts may take the form of:

1. Passbook savings;
2. Savings Bonds; or
3. Certificates of deposit.

(b) Subject to approval by the Superintendent, inmates may be permitted to retain passbooks, account statements and deposits slips.

(c) Bonds and certificates of deposit must be held for safekeeping by the Business Manager.

(d) Inmates shall not be permitted to possess withdrawal slips.

(e) Withdrawals may be permitted upon written approval of the Superintendent.

(f) All deposits and withdrawals shall be processed by the Business Manager or his or her designee.

10A:2-2.4 Written procedures

Each correctional facility shall develop written policies and procedures consistent with this subchapter.

SUBCHAPTER 3. EXPENDITURE OF INMATE WELFARE FUNDS

10A:2-3.1 Sources of income for inmate welfare funds

(a) Money for inmate welfare funds shall be derived from the following sources:

1. Profits from sales at commissaries;
2. Interest on inmate welfare fund savings;
3. Gifts from individuals, corporations and charitable foundations; and
4. Income from inmate trust fund investments.

Amended by R.1995 d.21, effective January 3, 1995.

See: 26 N.J.R. 4299(a), 27 N.J.R. 118(a).

Recodified from 10A:2-5.2 by R.1995 d.21, effective January 3, 1995.
See: 26 N.J.R. 4299(a), 27 N.J.R. 118(a).
Prior text at 10A:2-5.1, Definition, repealed.

10A:2-3.2 Accountability and expenditure

(a) As required by N.J.S.A. 30:4-1.1k, the institutional Boards of Trustees are trustees of public funds.

(b) The institutional Boards of Trustees shall be responsible for the maintenance of proper accounts and the appropriate expenditure of inmate welfare funds.

(c) Inmate welfare funds shall be spent only for the use, benefit and general welfare of the inmate population as a whole, such as recreation equipment, books, or movies.

(d) Inmate welfare funds shall not be used for the payment of employee salaries or the purchase of any item or service which is not intended for use by the inmate population, such as security equipment, automobiles, or typewriters.

(e) The Assistant Commissioner, Division of Operations, shall be contacted when there are questions regarding the use of inmate welfare funds.

(f) Gifts from individuals, corporations and charitable foundations shall be spent as designated by the donor, or when undesignated, at the discretion of the institutional Board of Trustees. The monies from these gifts shall be identified separately in the inmate welfare fund so that expenditures can be directly related to the source of funds.

(g) Inmate welfare funds shall not be spent for any purpose which is not consistent with the rules outlined in this subchapter.

Amended by R.1995 d.21, effective January 3, 1995.
See: 26 N.J.R. 4299(a), 27 N.J.R. 118(a).

SUBCHAPTER 4. (RESERVED)

SUBCHAPTER 5. REPORTING LOSS OF FUNDS

10A:2-5.1 Reporting loss of funds

(a) Loss of funds shall immediately be reported to the Superintendent or administrative unit head.

(b) The Superintendent or administrative unit head or his or her designee shall contact the Internal Affairs Unit immediately to investigate the loss.

(c) Pursuant to N.J.A.C. 10A:21-5.4, the Internal Affairs Unit, at the direction of the Superintendent, shall serve as the liaison to all outside law enforcement agencies.

10A:2-5.2 Reporting the loss of funds to the Assistant Commissioner, Division of Administration; referral to Deputy Commissioner

(a) Within 48 hours after the loss is discovered, a written report of the loss shall be submitted to the Assistant Commissioner, Division of Administration, with a copy to the Office of the Commissioner.

(b) The Assistant Commissioner, Division of Administration, shall prepare and submit a request to the Bureau of Risk Management, Department of Treasury, for appropriate reimbursement.

(c) If the loss is not covered by the Bureau of Risk Management, Department of Treasury, the loss shall be referred to the Deputy Commissioner, Division of Administration, who will determine the appropriate source of funds to dispose of the loss claim.

Recodified from 10A:2-5.3 and 5.4, and amended by R.1995 d.21, effective January 3, 1995.
See: 26 N.J.R. 4299(a), 27 N.J.R. 118(a).

SUBCHAPTER 6. INMATE REIMBURSEMENT FOR LOST, DAMAGED OR DESTROYED PERSONAL PROPERTY

10A:2-6.1 Filing a claim at an adult or juvenile institution or satellite unit

(a) When an inmate claims the loss, damage or destruction of personal property, other than personal property disposed of in accordance with N.J.A.C. 10A:1-11, Personal Property of Inmates, the inmate shall complete Form 943-I INMATE CLAIM FOR LOST, DAMAGED OR DESTROYED PERSONAL PROPERTY and submit the Form to the Superintendent or his or her designee.

(b) The Superintendent or his or her designee shall submit the Form 943-I to the Director of Custody Operations or his or her designee for investigation and preparation of a report. The investigation conducted by the Director of Custody Operations or his or her designee shall consist of, but not be limited to:

- 1. Obtaining statements from the inmate, witnesses and correctional facility personnel; and
- 2. Verifying the inmate's legitimate possession of the lost, damaged or destroyed personal property.

(c) Verification of possession of lost, damaged or destroyed personal property may be made by reviewing documents such as the personal property inventory form maintained by the correctional facility (see N.J.A.C. 10A:1-11.6).

(d) Upon completion of the investigation, the Form 943-I along with a copy of the investigative report shall be submitted to the Business Manager of the correctional facility for review.

(e) The Business Manager shall review the Form 943-I and the Custody Operations' investigative report and com-

plete Form 943-II CERTIFICATION OF INMATE CLAIM indicating the Business Manager's recommendation to approve or deny the claim and the reasons therefor.

(f) Form 943-I, Form 943-II and the Custody Operations' investigative report shall be submitted, by the Business Manager, to the Superintendent to be denied or recommended for approval.

(g) Claims that are denied by the Superintendent shall not be processed any further. In all cases of denial, the inmate shall be notified in writing by the Superintendent with substantiating reasons.