



**NORTH CAROLINA GENERAL
ASSEMBLY**

Legislative Services Office

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Mark Trogdon, Director

MEMORANDUM

October 31, 2013

TO: Rep. Charles Graham

FROM: John Poteat
Fiscal Research Division

SUBJECT: JPay and Inmate Fund Transfers

This is in response to your request for additional information about the **Inmate Fund Transfer System**.

In Fiscal Year 2011-12, the Department of Public Safety's Division of Prisons (DOP) received 614,146 money orders from inmate families totaling \$26.3 million. Each money order was sent to the individual prison and deposited into the inmate's account to purchase items from the prison canteen.

The Department contracted with JPay, a Florida-based vendor that works in 38 states providing various inmate services, including money transfers. As of November 1, DOP will no longer accept money transfers sent to individual prisons. Instead, there will be multiple options for sending funds to inmates. Inmate transfer funds are deposited to the DPS Controller's Office's bank account and the money is immediately credited to the inmate account when the transfer of funds occurs.

Money Order Option:

Money orders are sent to JPay's post office box with **no service charge** and the funds are credited to the inmate's account. This is virtually the same system that currently exists, but instead of the money order being sent directly to the prison facility they will be sent to a PO Box. Typically, deposits are credited within three (3) days. Money order deposits may take longer if the deposit slip is not completed properly or if there is a problem with the money order.

Other Transfer Options:

Online accounts allow the funds to be sent directly to DOP and credited to the inmate's account. JPay charges a service fee for this convenience. JPay typically pays other Correction departments \$.50 per transaction, but North Carolina negotiated a \$.25 per transaction cost with the difference used to lower the transfer fees paid by families. Below is the list of transfer fees:

Money Transfer Fees

Deposit Amount	Online	Phone	Money Order	Walk-In*
\$0.01 – \$20.00	\$3.45	\$4.45	\$0.00	\$6.70
\$20.01 – \$100.00	\$6.65	\$7.65	\$0.00	\$6.70
\$100.01 – \$200.00	\$8.65	\$9.65	\$0.00	\$6.70
\$200.01 – \$300.00	\$10.65	\$11.65	\$0.00	\$6.70
\$300.01 – \$999.99	-	-	\$0.00	\$6.70
\$1,000.00 – \$5,000.00	-	-	-	\$6.70

* Go to any MoneyGram agent location (including all Walmarts and CVS Pharmacies) and enter a code.

Source: DPS based upon JPay's fee list

In addition, upon release from prison inmates will be given a debit card with their fund balance. The Department believes this new system will be more efficient and provide families with more options to send funds to inmates. Go to www.ncdps.gov and click on "Prisons" and then "Send money to an inmate" to review the procedures families use.

Please do not hesitate to contact me if you have additional questions about the program.

Thanks

cc: Kristine Leggett
Lisa Fox
Mark Trogdon