



Concoin

An innovative form of currency designed for inmates housed in the U.S. prison system

ABSTRACT

Concoin is a digital-based token backed one-to-one by the U.S. dollar that provides inmates with a robust, safe, secure, and decentralized method of exchanging value while using a familiar accounting unit. The use of blockchain creates an auditable and cryptographically secured global ledger.

In order to maintain accountability and ensure stability, we propose a method to maintain a one-to-one reserve ratio between the cryptocurrency token, called Concoin, and its associated real-world asset, the U.S. dollar.

This method uses blockchain, Proof of Reserves, and other audit procedures to prove that issued tokens are fully backed while reserves are held securely and safely in bank accounts always managed by state agencies.



INTRODUCTION

Concoin is a blockchain-enabled platform designed to facilitate the use of U.S. currency in a digital manner for the nearly 2 million prisoners housed throughout the United States.

Concoin makes it possible for inmates to send, receive, store and trade digital representations of the U.S. dollar. With the use of Concoin, prison administrations across the country will have unprecedented visibility of the money flow within their institutions.

The software behind Concoin runs across a decentralized, open network, called the blockchain. Blockchain is a global ledger that can handle millions of transactions daily. Like Bitcoin, Concoin relies on blockchain to keep the network cryptographically secured eliminating the need for human interaction at any point in the accounting process.

There is no one person, company or agency that owns Concoin. Concoin token holders collectively own Concoin. Any changes to the Concoin network must be approved by a majority vote from the token holders just like you see in stocks with shareholder voting.

Concoins are held in digital wallets that inmates can access via a tablet or kiosk. Concoins can never be taken from an inmate by other inmates, administration staff, courts or government agencies without the inmate's permission.

Inmates can send Concoin's to loved ones who can cash them out at a one-to-one rate with the U.S. dollar at any time.

Concoin is a thousand times faster, more cost-effective and safer than any other solution the Department of Corrections has in place. For decades, inmates have had no other choice but to use this system. Once the funds are on their books, they purchase items such as ramen and now enter into a different financial system called, the barter system.



THE COMPANY

The initial concept for Concoin started back in 2017. The mission behind Concoin is three-fold.

1. To improve the financial system inside prisons across the country.
2. Strip companies like jPay and Access Corrections from the millions they make each year in fees at the hands of suffering families who struggle to send loved ones what they can.
3. Pump money back into the states to help improve prisons while funding programs to help rehabilitate inmates and reduce the recidivism rate in this country.

Concoin has developed a solution to put millions charged in excessive fees from third-party companies back into the inmate's pockets all while drastically increasing the money each state gets to help offset the cost of these prisons and programs.

The developers of Concoin believe it has the capability of becoming the preferred form of currency used in the U.S. prison system based on its functionality and security.

PILOT PROGRAM

We are in the process of establishing an intra-prison financial network that would allow inmates to have direct control over their financial assets through a digital wallet. Currently, we are designing a pilot program to be used in prisons willing to implement this new financial system.

We are pleased to say in May 2022, the Lieutenant Governor of North Carolina invited Concoin to meet with him and his staff to give a presentation on how Concoin could help benefit their prison system. The next stop for Concoin in North Carolina is the General Assembly.



THE PROBLEM

The current prison financial system is without a doubt plagued with holes. Below are some of the major problems currently in place.

THEFT BY STAFF

A quick search on Google will show tons of stories of prison officials stealing from inmate commissary accounts. Reports range from a few hundred dollars to over \$700,000 from a single inmate's account. There are very few inmates who fully trust the system.

PROCESSING TIMES

Depending on how a loved one pays, it can take a day to over a week to be credited to an inmate's account.

FEES

Companies like jPay, Access Corrections and Money Gram charge up to 38% to send money to loved ones. This is not only punishing the inmate but the loved one sending the funds.

GREEN DOT

Green Dot is used by inmates but is a physical, theft-prone form of currency that also has heavy fees that are encountered by the person who gets the card such as monthly fees, ATM fees, reload fees, withdrawal fees and more.

LOSS OF ADDITIONAL REVENUE

States and prisons across the country are leaving tens of millions on the table in additional revenue. This money could have been used to do upgrades to prisons, implement new programs and much more.



BARTER SYSTEM

The barter system is one way, inmates attempt to establish an economy within the prison. However, supply and demand—and personal opinions—affect how inmates value the items they are exchanging. Price gouging is running rapid with no end in sight.

LABOR COST

There is a labor cost to processing all these payments that come into inmates' accounts. From accounting to cutting checks and research, each state is paying these employees who fall under the financial sinkhole prisons are often referred to as.

TRANSPARENCY

The first prison in the U.S. was opened in 1773. To date, prisons around the country have yet to find a way to track the money flow inside their institutions.

The bottom line is The prison financial system is not trusted by inmates. It has caused more violence than needed within prisons. It has turned some once legitimate staff members into convicts themselves and is seen as the most outdated financial system in America.



THE SOLUTION

Concoin is being developed to be an effective alternative to a slow, outdated financial system and to help reduce violence resulting from inmate-to-inmate bartering.

Concoin offers unparalleled assurance that each Concoin is backed 100% by the U.S. dollar. Whether you cash out tomorrow or five years from now, the tokens will maintain their value. For example, 250 Concoin tokens will always be worth \$250 U.S. dollars, no matter what.

Concoin gives inmates total control over their financial accounts and enables them to transfer tokens to other inmates, the prison store or prison-approved vendors within minutes. Upon the inmate's release or if an inmate transfers his/her tokens to a loved one on the outside, the Concoin tokens can be exchanged into U.S. dollars at any time.

One important feature of Concoin is called Next of Kin, which allows an inmate to set up a beneficiary to receive 100% of his/her tokens in the event of his/her passing. This feature is optional to set up by the inmate and requires the beneficiary to have a Concoin account.

If the inmate chooses not to select a beneficiary and does pass, the tokens that the inmate had accumulated, will no longer be accessible by anyone again.

The entire virtual network provides inmates with an accurate and efficient way to handle their financial affairs without physical money ever exchanging hands. Concoin is a decentralized currency, and inmates can control their digital wallet from almost any electronic device they have access.



CONCOIN CAN SOLVE 100% OF THE PROBLEMS

THEFT BY STAFF

Impossible. Unless the inmate gives his/her credentials out, there is no way Concoin tokens can be taken, no matter if there is \$5.00 in the account or \$5,000,000.

PROCESSING TIMES

Transactions through the blockchain network process only takes minutes. No matter if your mother is in London, you will have it in your Concoin wallet in less than 3-5 minutes.

FEES

Concoin has a flat rate of 1% for any transfer. This fee goes directly to the state in real-time as the transaction happens.

GREEN DOT

Concoin would replace the need for a physical asset riddled with fees.

LOSS OF ADDITIONAL REVENUE

State agencies will generate income from initial deposits to inmates, store purchases, inmate to inmate transfers and interest collected on billions of outside dollars held in reserves by the state agencies across the country.

BARTER SYSTEM

If soup sells for \$.20 then it goes back to \$.20. No need to pay over \$1.00. Again, another physical form of currency that can be stolen from inmates due to the inflated value.



LABOR COST

There will always be a need for people to process manual payments, but by using Concoin, states will notice a drop in processing checks and money orders to allow them to relocate the unneeded employees into a different department.

TRANSPARENCY

For the first time in history, prison administrations will now have a clear understanding as to how money moves within their system.

CONCLUSION

Concoin provides a valuable alternative to the current financial systems in place within prisons across the country. Instead of permitting outside entities to charge outrageous fees, Concoin puts monetary control back in the hands of the inmates at the start.

ACCURATE TRANSACTION RECORDS

Every time a Concoin token changes hands, it creates a permanent record that is available for anyone in the world to see. The digital blockchain through which the funds move documents every type of transaction in real-time, with no delays and no discrepancies.

Moving Concoins are fast and easy. The inmate simply needs to know the wallet ID of the person to whom they want to send the tokens.

Concoin will reduce the need to use tangible items for barter, resulting in less theft and fewer altercations, creating a single financial system that everyone involved can trust 100%.

For Concoin to be acceptable by everyone involved, it must show it can provide benefits to all parties involved. Concoin can and has shown how it can benefit the inmate, prison and state.