Concoin

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

ABSTRACT

Concoin is a digital token collateralized 1:1 with the U.S. dollar. You can call it a dollar-pegged stablecoin or a tokenized dollar; however you look at it, it's a digital representation of a U.S. dollar.

Concoin was designed to provide inmates with a robust, safe, secure, and decentralized method of exchanging value using a familiar accounting unit. The use of blockchain creates an auditable and cryptographically secured global ledger.

To maintain accountability and ensure stability, we created 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 managed by each state's Department of Corrections.

INTRODUCTION

Concoin is a blockchain-enabled platform designed to facilitate the use of U.S. currency digitally 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. The 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 digitally approved by a majority vote from the token holders, just like you see in stocks with shareholder voting.

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

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 currently has in place. For decades, inmates have had no choice but to use the current system. Once the funds are on their books, they purchase items such as ramen and use that to 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 state agencies 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 running these prisons.

The developers of Concoin believe it can become 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.

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 punishing the inmate and the loved one sending the funds.

GREEN DOT

Green Dot is used by inmates but is a physical, theft-prone form of currency with heavy fees 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 upgrade 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 rapidly with no end in sight.

LABOR COST

There is a labor cost to processing all these payments 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 that Inmates do not trust the prison financial system. It has caused more violence than is needed within prisons. It has turned some once legitimate staff members into convicts and is seen as America's most outdated financial system.

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 while in prison, the tokens that the inmate had accumulated will no longer be accessible by anyone ever again unless someone knows that inmate's credentials.

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 wallets from almost any electronic device inmates have access to.

CONCOIN SOLVES 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 state agencies across the country.

BARTER SYSTEM

If soup sells for $.20, 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, allowing them to relocate the unneeded employees to a different department.

TRANSPARENCY

For the first time in history, prison administrations will now clearly understand how money moves within their system.

CONCLUSION

Concoin provides a valuable alternative to the current financial systems 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.

ACCURATE TRANSACTION RECORDS

Every time a Concoin token changes hands, it creates a permanent record for anyone worldwide 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 Concoin's are fast and easy. The inmate simply needs to know the wallet ID of the person to whom they want to send the tokens to.

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.

For Concoin to be acceptable by everyone involved, it must show it can benefit all parties involved. Concoin is ready to show it can help the inmate, prisons, and the states.