



Illinois Department of Corrections

Administrative Directive

Number: 02.40.101	Title: Locally Held Funds – General Provisions	Effective: 3/1/2022
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Authorized by:	<i>[Original Authorized Copy on File]</i> Rob Jeffreys Director
Supersedes:	02.40.101 effective 10/1/2020

Authority: 730 ILCS 5/3-2-2 20 IAC 205 Statewide Accounting Management System (SAMS)	Related ACA Standards: 5-ACI-1B-07 – 12, 16, 20 – 24
Referenced Policies:	Referenced Forms: C-17 – Receipts and Disbursements for Locally Held Funds

I. POLICY

The Department shall maintain funds held locally in compliance with the Illinois Compiled Statutes, other State Agency regulations and the Department Rules.

II. PROCEDURE

A. Purpose

The purpose of this directive is to define terms that are used throughout this subsection and to provide guidelines for the separation of duties.

B. Applicability

This directive is applicable to the Office of Fiscal Services and all facilities within the Department.

C. Facility Reviews

A facility review of this directive shall be conducted at least annually.

D. Designees

Individuals specified in this directive may delegate stated responsibilities to another person or persons unless otherwise directed.

E. Definitions

Cash – currency, coins, cashier's checks, official bank checks, money orders, certified checks, and paychecks.

Dormant – trust fund accounts that have been unclaimed for a period of one year after an individual in custody's separation from the Department by death, discharge or unauthorized absence.

Trust Fund Account – an individual account maintained for each individual in custody to record all trust fund transactions.

F. Separation Of Duties

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1. The Business Administrator shall:
 - a. Ensure locally held funds are reconciled by an individual who has no authority to sign checks.
 - b. Designate an individual to write checks and ensure this individual does not sign checks or mail prepared checks.
2. The Cashier:
 - a. Shall prepare receipts for and deposits to locally held fund accounts;
 - b. May process outside purchase requests; and
 - c. May assist in preparation of individual in custody payroll.
3. The Trust Fund Officer:
 - a. Shall post receipts and disbursements to trust fund accounts, regardless of type;
 - b. May print checks;
 - c. Shall not have check signing authority; and
 - d. May reconcile the banking accounts.
4. The Imprest Fund Coordinator shall maintain the imprest fund (cash).
5. The Travel Coordinator shall review and verify all travel vouchers.

G. Requirements

1. The Chief Administrative Officer shall ensure there is adequate separation of duties for handling locally held funds.
 - a. The separation of duties for staff as outlined in this directive shall be required unless staff size is insufficient.
 - b. Any exceptions to the separation of duties as outlined in this directive shall be stated in writing by the Chief Administrative Officer and approved by the Chief Financial Officer.
 2. The Central Office Fiscal Accounting Compliance Section shall complete a Receipts and Disbursements for Locally Held Funds, C-17, for each locally held fund maintained, including the Individual's Trust Fund, in accordance with the SAMS Manual.
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