



## Illinois Department of Corrections

### Administrative Directive

Number: <b>02.45.102</b>	Title: <b>Expenditures from Employee Benefit Funds</b>	Effective: <b>12/1/2021</b>
-----------------------------	---	--------------------------------

<b>Authorized by:</b>	<i>[Original Authorized Copy on File]</i> <b>Rob Jeffreys</b> Director
<b>Supersedes:</b>	02.45.102 effective 9/1/2019

<b>Authority:</b> 730 ILCS 5/3-2-2 and 3-4-3 5 ILCS 430/1-5	<b>Related ACA Standards:</b> 5-ACI-1A-07, 10, 5-ACI-1B-01, 03, 07 – 11, 14
<b>Referenced Policies:</b> 02.44.110, 02.45.101	<b>Referenced Forms:</b>

#### **I. POLICY**

The Department shall review and authorize all expenditures from Employee Benefit Funds.

#### **II. PROCEDURE**

##### **A. Purpose**

The purpose of this directive is to establish written guidelines for expenditures from Employee Benefit Funds.

##### **B. Applicability**

This directive is applicable to all correctional facilities, offices, programs and parole services within the Department.

##### **C. Facility Reviews**

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

##### **D. Fiscal Audits**

The Office of Internal Audits may conduct annual audits of the locally held funds and the accounting system used by the facilities.

##### **E. Designees**

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

##### **F. Definitions**

Employee – for purposes of this directive, refers to any Department employee, but shall not include contractual employees, employees of vendors contracted with the Department, interns or volunteers.

##### **G. General Provisosn**

A Central Employee Benefit Fund Committee and local Employee Benefit Fund Committees shall be established in accordance with Administrative Directive 02.45.101.

	Illinois Department of Corrections Administrative Directive	Page 2 of 3
Number: 02.45.102	Title: Expenditures from Employee Benefit Funds	Effective: 12/1/2021

## H. Requirements

1. Requests for all expenditures and transactions from the Employee Benefit Funds shall:
  - a. Be submitted in writing to a local Committee member.
  - b. Include the nature of and reason for the expenditure, how the expenditure will be procured and the total approximate cost.
2. Local Committee members shall present received requests at the next Committee meeting.
3. If a response is needed prior to the next scheduled meeting, the Committee, within five business days of receiving the request, shall:
  - a. Hold a meeting; or
  - b. Convene a majority of the local Committee members, either via telephone or email, to vote on the specific request.
4. The Employee Benefit Fund may be used for:
  - a. Expenditures for which each employee will have a similar opportunity to benefit.
  - b. Equipment or recreational items for the use or benefit of the majority of employees at a facility, office or program site, including repair of equipment or items.
  - c. Recreational or entertainment events for the benefit of the majority of employees at a facility, office or program site.
  - d. A tribute to an employee or an employee's immediate family if:
    - (1) All employees and their immediate family members have the opportunity to be considered for such tributes; and
    - (2) The selection process is transparent and consistent.

**NOTE:** Tributes made using monies from the Employee Benefit Fund may be taxable.
  - e. Charitable contributions to community organizations, if the Benefit Fund is not used to collect or hold charitable contributions.

**NOTE:** Any monies collected from employees with the express purpose of being charitable contributions shall not be commingled with any funds obtained from primary revenue sources in accordance with Administrative Directives 02.44.110 and 02.45.101.
5. Monies from the Employee Benefit Fund may not be allocated or spent without approval from the respective local Committee and the CAO, or the Central Committee.
6. Approval for expenditures, transactions and activities from Employee Benefit Funds shall be obtained as follows:
  - a. All decisions made by the local Committees shall be documented and subject to the approval of the CAO. The CAO shall approve or deny such recommendations in writing.
  - b. If the local Committee rules against an expenditure, transaction or activity, the CAO may authorize the expenditure. However, the CAO shall advise the Central Committee, in

	Illinois Department of Corrections Administrative Directive	Page 3 of 3
Number: 02.45.102	Title: Expenditures from Employee Benefit Funds	Effective: 12/1/2021

writing, of the case specifics and the reason for such action.

- c. The Central Committee shall review the CAO's determination and reasons within 15 business days.
- d. Once the Central Committee adopts the CAO's determination in writing, notification shall be provided to the appropriate employee to initiate the expenditure for check preparation.
- e. Approved expenditures, transactions or activities shall be made after the Central Committee reviews the CAO's determination and either adopts the CAO's determination in writing, or the Central Committee provides its own determination.

**NOTE:** In the event that a majority of the Central Committee disagrees with a CAO's determination, and the requested expenditure, transaction or activity has already been processed or executed, said expenditure, transaction or activity must be refunded, reversed or otherwise undone to the extent possible. Reimbursement for said expenditure, transaction or activity shall come from the respective facility's budget.

- 7. All charitable contributions and donations, whether monetary or non-monetary and including those that are intended for a specific purpose by the contributors, shall be presented to the appropriate Committee for approval.
    - a. If the local Committee rules against the wishes of the contributors and the CAO concurs, the contributors shall be notified of said ruling and provided with an explanation in writing. The notification should offer an alternate use for the donation and request the contributors to advise the Committee of their wishes.
    - b. Donations of any kind from any source other than current Department staff members shall not be solicited.
    - c. Inquiries regarding whether a potential donor or contributor is a prohibited source, including, but not limited to, vendors and businesses desiring to become vendors as defined by the State Officials and Employees Ethics Act (5 ILCS 430/1-5), should be directed to the Central Office Fiscal Services who shall consult with the Agency Ethics Officer.
    - d. Fiscal Services shall be consulted for the proper procedures on how to accept any contributions or donations.
    - e. The Procurement Code and all purchasing policies and procedures shall be followed when acquiring any donations.
-