I. POLICY

Death benefits shall be paid to the heir or legal representative of a deceased employee in accordance with applicable statutes and regulations and orders issued by the Office of the Comptroller.

II. PROCEDURE

A. Purpose

The purpose of this directive is to establish a written procedure for the payment of a deceased employee’s accrued compensation.

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. Requirements

1. At least 30 days after an employee's death and upon the request of a decedent's heir or legal representative, the employing facility's personnel representative shall:

   a. Obtain a properly certified death certificate; and

      (1) If the estate is over $50,000, properly certified Letters of Administration; or

      (2) If the estate is $50,000 or less, a completed Small Estate Affidavit.

   b. Upon receipt of the required documents, obtain from the Chief Timekeeper the amount of accrued benefit time for each of the following:

   NOTE: A properly certified document is one having a raised seal, such as a Notary Public or a County Registrar seal, or a Registrar's stamp.
(1) Compensatory overtime;

(2) Vacation time if the employee had 6 months or more of continuous service;

(3) Holiday time (only for specified contracts);

(4) Half of unused sick time earned after January 1, 1984; and

(5) Half of unused personal business time.

c. Forward the required documents and total accrued benefit time to be compensated to the Central Office Payroll Section in Springfield for processing.

2. The Central Office Payroll Supervisor shall:

a. Determine the amount payable for regular time and overtime earned in the pay period in which the employee died and the lump sum amount payable for the total accrued benefit time.

b. Determine the payees and the distribution amounts for each payee.

(1) If the Small Estate Affidavit indicates a balance due the funeral home, the funeral home shall be paid first. However, if a release by the funeral home or documentation of payment by an insurance company is received, this payment shall not be made.

(2) If a Letters of Administration has been presented, the remaining balance shall be distributed among the heirs as instructed in the document on a percentage basis.

(3) If a Small Estate Affidavit has been presented, the remaining balance shall be issued to the legatee or heir who signed the document. The legatee or heir will distribute the monies among the heirs in the document.

c. Determine the deductions to be made.

(1) If the payment is to be made in the same calendar year in which the employee died:

   (a) Social Security contribution shall be withheld from the amount earned during the pay period of the employee's death and from the lump sum amount payable for accrued benefits if the employee was subject to Social Security withholding.

   (b) Retirement contribution, if applicable, shall be deducted from the amount earned during the pay period of the employee's death only. Retirement shall not be deducted from the lump sum amount payable for accrued benefits.

(2) If the payment is to be made in a year subsequent to the employee's death:

   (a) Social Security contribution shall not be withheld.

   (b) Retirement contribution, if applicable, shall be deducted from the amount earned during the pay period of the employee's death.

(3) No other deductions or withholdings shall be taken from the payment.
d. Prepare the appropriate voucher. (Refer to Procedure 23.50.20 of the CUSAS Manual.)

(1) An Invoice Voucher, C-13, shall be used when either the employee is not subject to Social Security withholdings or payment is to be made in the calendar year following the employee's death.

(a) A Schedule, C-11, shall accompany the C-13.

(b) A detailed explanation of the payment shall be entered in field 10 of the C-13.

(c) The facility shall retain the "Division" copy of the C-13 and C-11.

(2) A Supplemental Payroll Voucher, Form SCO 029, shall be used when the employee is subject to Social Security withholding and payment shall be made in the same calendar year of the employee's death.

(a) If a SCO 029 is used for payment, a Payroll Voucher Distribution Schedule shall accompany the voucher. (Refer to CUSAS Procedure 23.20.45 for information on preparing a Payroll Voucher Distribution Schedule.)

(b) The Division copy of the C-11 and the SCO 029 be forwarded to the facility's Payroll Specialist.

e. Ensure that properly completed and certified copies of the Death Certificate, Small Estate Affidavit or Letters of Administration are attached to the Comptroller's copy of the appropriate voucher and forwarded to the Office of the Comptroller.