

POLICY OF STATE OF DELAWARE DEPARTMENT OF CORRECTION	POLICY NUMBER 9.21	PAGE NUMBER 1 of 3
	RELATED ACA Standards N/A	
CHAPTER: 9 HUMAN RESOURCES, EMPLOYEE DEVELOPMENT, EMPLOYEE- MANAGEMENT RELATIONS	SUBJECT: EMPLOYEE FUND ACCOUNT	
APPROVED BY THE COMMISSIONER AND EFFECTIVE THIS DATE:		
		
APPROVED FOR PUBLIC RELEASE		

I. AUTHORITY: 11 Del. Ch. § 6517

II. PURPOSE: To require adequate security, accounting, and monitoring procedures for all employee accounts.

III. APPLICABILITY: To all employees involved in the management, collection, storage, and or disbursal of employee funds and to the Controller and all Employee Account Managers.

IV. DEFINITIONS: As used in this document, the following definitions shall apply:

- A. Disbursal: to pay out, spend or expend funds.
- B. Internal Auditors: Department employees required to examine practices or procedures of the individual employee accounts.
- C. External Auditors: Persons not employed by the department required to examine practices or procedures of the individual employee account.
- D. Employee Account Manager: Person responsible for collection or disbursal of employee funds

V. POLICY: These regulations and practices are designed to ensure the safekeeping of all employee funds and to require a system of ongoing monitoring of fiscal activities by internal and external auditors. These fiscal policies require the following safeguards:

- A. By-Laws: Each institution or employee fund account must have a written set of bylaws which must contain the following components:

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1. Employee Fund Committee composition and responsibilities
 2. Statement of purpose for the account
 3. Methods of collection and disbursement of funds
 4. Method of vendor selection and vendor monitoring
- B. Signature Control on Checks: All checks shall be signed by the employee preparing the check and at least one other member of the Employee Fund Committee
- C. Internal Audits: The Employee Account Manager must complete a monthly reconciliation and submit report to the Central Business Office by the 15th of the following month. The reconciliation must include a copy of the complete bank statement, book statement to include beginning valance, receipts, disbursements and ending balance, and a list of outstanding checks.
- D. External Audits: An annual review of fiscal activity may be conducted by the State Auditors and/or a contracted firm as designated by the State Auditors Office
- E. Adoption of By-laws: By-laws can only be created by the affected employees. All employees of a particular facility, office or budget unit creating an employee fund shall be given an opportunity to consider, make recommendations and vote on by-laws. By-laws will not be imposed by management.
- F. To the extent employee funds are generated through vending that is available to both inmates and employees, the Bureau shall establish in writing, the formula by which funds are divided between employee and inmate accounts.
- G. To the extent that expenditures of employee fund accounts do not conflict with applicable law, do not create the appearance of impropriety or interfere with facility operations and/or security, the employees, through the by-laws and the employee fund committee, shall control all disbursements. The Warden shall review all proposed expenditures and retains the authority to reject any expenditure, which would adversely affect the facility or otherwise conflict with this paragraph.

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- H. The Bureau Chief shall have the authority to terminate employee fund accounts if it is determined that to do so would be in the best interests of the employees, the facility or the Department. Any funds remaining in an employee account when the fund is terminated shall be disbursed pursuant to the by-laws existing upon termination.

