

GEORGIA DEPARTMENT OF CORRECTIONS



Standard Operating Procedures

Policy Name: Employee Benefit Fund

Policy Number: 407.01

Effective Date: 12/14/2020

Page Number: 1 of 7

Authority:
Commissioner

Originating Division:
Administration and Finance
Division

Access Listing:
Level I: All Access

I. Introduction and Summary:

Allow all facilities to maintain and operate an Employee Benefit Fund containing each facility's profits from vending services. Each Employee Benefit Fund will operate under the authority of the Executive Director of the facility and will be administered by an Employee Benefit Fund (EBF) Committee at such facility.

II. Authority:

A. O.C.G.A. 42-2-15;

B. Ga. Comp. R. & Reg. 125-2-1-.13; and

C. ACA Standards: 5-ACI-1A-15 (ref. 4-4015), 5-ACI-1B-03 (ref.4-4027), and 4-ACRS-7D-17.

III. Definitions:

A. **Employee** - A full-time or part-time employee of the Department or an employee serving under contract with the Department.

B. **Employee Benefit Fund** - An account containing the facility's profits generated from vending services maintained by the facility.

C. **Executive Director of the Facility** - The person serving in the capacity of warden, superintendent, or such other head of a facility.

D. **Facility** - A prison, detention center, transition center, boot camp, ITF, RSAT, or such other similar property under the jurisdiction or operation of the Department.

E. **Vending Services** - One or more vending machines in a location easily accessible by employees, which may also be accessible to members of the general public, but which do not require an attendant or manager for the purpose of purchasing food or drink items. Vending services shall be for the provision of snack or food items or non-alcoholic beverages only and shall not include any tobacco products or alcoholic beverages.

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F. **Immediate Family Members** - For purposes of this policy, immediate family members will be recognized as one of the following relations to an employee: spouse, child, parent, sibling, grandparent, grandchild, stepchild, step-grandchild, stepparent, step or half-sibling, step-grandparent, and legal guardian.

G. **Employee Benefit Fund Committee** - A committee of five facility staff members selected by the Executive Director of the facility to administer the Employee Benefit Fund for the facility.

IV. Statement of Policy and Applicable Procedures:

A. A facility may purchase vending machines or enter into vending service agreements by contract, sublease, or license for the purpose of providing vending services at the facility.

B. Vending services shall be provided in any facility where a vending service operation is capable of generating a profit. A facility may, however, at its discretion, provide vending services which do not generate a profit, as long as there is no cost to the Department.

C. The profits from a facility's vending services will be designated the "Employee Benefit Fund" (EBF). These funds will be maintained in an interest-bearing account under the authority of the Executive Director of the facility in accordance with GDC accounting procedures.

D. Funds generated through means other than vending funds (employee or company donations; fund-raisers such as bake sales or recycling projects) will NOT be a part of this fund.

E. Each facility's Executive Director will name a committee of five (5) staff members from the facility to administer the Employee Benefit Fund and will designate one member to serve as the Chairperson. This committee will be called the Employee Benefit Fund (EBF) Committee. Authorization for expenditures from the fund and other decisions involving the Employee Benefit Fund will be made by a majority vote of members.

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- F. Facilities which are a sub-unit of a Host Facility (not including sub-units housed in annex buildings which are physically a part of the Host Facility) may maintain a separate Employee Benefit Fund for the sub-unit which will be under the authority of the Host Facility’s Executive Director. The Host Facility’s Executive Director will appoint an EBF committee from the sub-unit to administer the sub-unit’s EBF.
- G. The Deputy Warden for Administration, Business Manager or a staff member with direct responsibilities for the business office functions for that facility will be a mandatory appointment by the Executive Director to the EBF Committee. This committee member will be responsible for the financial management of the EBF, such as submitting Quarterly Trust Fund reports. For sub-units with a Host Facility, the business office representative will be a staff member, generally from the Host Facility, with direct responsibility for the management of the sub-unit’s facility budget.
- H. Approved items or services that may be purchased from the Employee Benefit Fund and Financial Limits for Purchases:
1. Funds may be authorized for an individual employee of the facility to recognize a special event such as a birth, death, marriage or prolonged illness. Funds up to a maximum amount of \$250.00 per person, per event may be authorized by the Employee Benefit Fund Committee for expenditures in this area.
 2. Funds may be authorized to provide assistance in the event of a natural disaster or devastation adversely affecting a facility employee or an employee’s immediate family. Funds up to a maximum of \$250.00 per person, per event may be authorized by the Employee Benefit Fund Committee for expenditures in this area.
 3. Funds up to the amount of \$1,000 may be allocated for a single item, activity or event which shall benefit the employees of the facility, and which allows access to the item or activity for all employees for the purposes of:
 - a. Developing camaraderie among the facility staff;
 - b. Building loyalty to the Department; or

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c. Bringing facility staff together for a meeting, training session, or other similar event.

4. Funds up to a maximum of \$4,500.00 may be authorized by the Employee Benefit Fund Committee for special, facility-wide events for the benefit of all employees of an entire facility.

5. Facilities may jointly host activities or events in accordance with the above listed mandates, with each facility authorized to spend up to the maximum amount allowed by policy.

I. Management of the Employee Benefit Fund:

1. The management system for the Employee Benefit Fund will be one master account with sub-accounts for each facility/unit. These accounts, as mandated by law, will be interest-bearing. Vending commission funds will be received from the Vendor by the facility and deposited directly into the facility's sub-account by forwarding the check and a completed deposit slip for the sub-account to the banking services provider. Each facility will be able to access the funds in the facility's sub-account and will maintain a checkbook for withdrawals from the facility's EBF sub-account.

2. An official logbook will be maintained to document the minutes of the EBF Committee meetings and to serve as a back-up source of documentation to record deposits to, and withdrawals from, the EBF account. These documents, and any other records pertaining to the Employee Benefit Fund, will be maintained in the business office of the representative serving on the EBF Committee. The facility Executive Director will ensure that he/she, as well as the EBF Committee Chairperson, can access these documents in the event that the business office staff member is absent from the workplace. This measure will ensure continuity of services provided by the fund at all times.

3. Interest-bearing Checking Account: GDC will maintain a single interest-bearing account with sub-accounts for each facility. Each facility will be able to access their sub-account and will maintain a checking account for their EBF sub-account.

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This account will be managed by the business office representative appointed to the Employee Benefit Fund Committee. The sole purpose of this account will be for the financial deposits of vending commission checks and withdrawals for the Employee Benefit areas outlined in Section IV-H:1-5 of this policy. This will be an official State account and will be managed in accordance with all applicable GDC policies and procedures. A Control Ledger will be maintained that describes all deposits and disbursements by date. The bank statement will be reconciled to this ledger on a monthly basis, within five (5) business days of online availability or receipt of the statement from the bank if unavailable online.

4. Under no circumstance should money be deposited or withdrawn from this account that is meant for any other purpose outside of the Employee Benefit Fund. Only vending machine commission funds and refunds from Employee Benefit purchases may be deposited in this account.
 5. No account shall maintain funds in excess of \$5,000.00. At the month-end checkbook reconciliation, any balance of funds in excess of \$5,000.00 must be remitted to the Department's Central Accounting Office by the 15th day of the following month to be placed in the Department's general operating budget.
- J. Employee Benefit Fund Committee Meetings: The members of the Employee Benefit Fund Committee will determine a meeting schedule based on the needs of the facility to discuss any business related to the Employee Benefit Fund. At this meeting, the business office representative will give a written report to each member of the committee, listing the balance and any transactions made for the Employee Benefit Fund since the last meeting. A copy of this report will be forwarded to the facility Executive Director following each meeting and the original report will be maintained on file with the EBF records. In the event of an emergency in which a decision must be made prior to the regularly scheduled meeting, special meetings may be conducted. Special meetings may be called by either the Chairperson of the Employee Benefit Fund Committee or the facility Executive Director.
- K. Audits: The EBF account for each facility shall be reviewed by the administrative office of the local facility in accordance with standard GDC policy. This account will be audited by the GDC Fiscal Audit Section when regularly scheduled audits are conducted or by special request of Department management.

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- L. Authority to purchase or sign checks from the Employee Benefit Fund: Authorized transactions will require one signature on each check from a staff member listed on the signature card on file with the banking services provider. The facility's Executive Director will determine who will be authorized to sign checks for his/her facility. Signature authority will generally be given to the business office representative on the EBF Committee, the Committee Chairperson and the facility Executive Director. As need dictates, additional staff may be authorized to sign checks at the discretion of the facility Executive Director. The business office representative will ensure that appropriate documentation for each transaction is maintained in the Official Logbook of the Employee Benefit Fund. A written record of staff with signature authority to write checks will also be maintained and will be kept current.
- M. Method for requesting expenditure(s) from the Employee Benefit Fund: Requests for expenditures from the Employee Benefit Fund may be made by any staff member. The EBF is an employees' fund, therefore a system utilizing supervisors, or a chain of command is not necessary. Requests must be submitted in writing to allow for proper record keeping. The request can be submitted to any member of the EBF Committee. The committee will vote on all requests made at the scheduled meetings, unless there is a situation of precedence requiring a special or called meeting to take place. The committee will respond, in writing, immediately to each staff member regarding the status of their request. If a request is disapproved, then an explanation will be given to the employee stating why the committee disapproved the request. A file will be maintained by the committee's business office representative of all requests made to the committee.
- N. Reporting: Within each location of the Quarterly Trust Fund program in SCRIBE, an EBF account will be established for all applicable bank accounts. The entries and submission of the required information should be entered by the 15th day of the month, following quarter end. The business office representative on the EBF Committee will be responsible for ensuring this reporting is done as required.

V. **Attachments:** None.

VI. **Record Retention of Forms Relevant to this Policy:**

All documents relevant to this policy shall be maintained for five (5) years.