1. **Policy.** The Department of Correction shall maintain an employee activity fund as a restricted account for activities and events to benefit employees. In addition, the Department shall maintain a separate fund to support inmate projects.

2. **Authority and Reference.**
   a. Connecticut General Statutes, Sections 4-32, 4-33, 4-55, 4-57a and 18-81.

3. **Definitions.** For the purposes stated herein, the following definitions apply:
   a. **Activity Fund.** A fiduciary fund operated for the benefit of inmates, the revenue of which is derived from projects and activities organized by and for inmates.
   b. **Fiduciary fund.** A fund held in trust for others. Use of the fund is limited to applications meeting the interests and intentions of those for whom the funds are being held.
   c. **Employee Activity Fund.** A fiduciary fund operated as a restricted account for employees.

4. **Programmatic Responsibility.**
   a. **Inmate Activity Fund.** Each facility may conduct projects and activities by and for inmates as authorized by the Deputy Commissioner of Administration in consultation with the Deputy Commissioner of Operations and Rehabilitative Services. The proceeds from such projects shall be deposited in the Activity Fund, and held in trust under the supervision of the Director of Fiscal Services. Accumulated funds may be utilized to support additional projects, or may be donated for charitable purposes. Funds shall not be used in any manner that directly or indirectly benefits employees or contractors of the Department of Correction.
   b. **Employee Activity Fund.** Employee fund raising activities or events to benefit appropriate agencies or organizations shall be authorized by the Deputy Commissioner of Administration in consultation with the Deputy Commissioner of Operations and Rehabilitative Services. Funds raised shall be restricted in use to the intended purpose under which they were solicited.

5. **Fiscal Services Accounting Procedures.**
   a. **Deposits.** All deposits shall be processed through the Activity Fund. Backup documentation shall provide a breakdown of the source of funds to be posted to the various projects within the Activity Fund.
   b. **Disbursements.** All disbursements shall be processed in accordance with rules and regulations established by the State Comptroller. Prior to disbursement, authorization for charitable donations shall be submitted to Fiscal Services for approval by the Director of Fiscal Services or designee.

7. **Monthly Reports.** The following monthly reports shall be prepared by Fiscal Services and distributed to the Deputy Commissioners and Unit Administrators.
   a. **Income Statement.** An income statement shall include a detail listing of the revenues earned during the period, expenses incurred, and net income/loss.
   b. **Balance Sheet.** The balance sheet shall show the financial position of the fund on a specific date. Financial position shall be shown by listing the assets of the fund, liabilities and equity.

8. **Exceptions.** Any exception to the procedures in this Administrative Directive shall require the prior written approval of the Commissioner.