

## **204 Electronic Funds Transfer**

### **I. Purpose**

The purpose of this policy is to safeguard the resources of the school and comply with acceptable accounting practices.

### **II. General Statement of Policy**

The Board of Directors understands its obligations to its constituencies and the taxpayers of the state of Minnesota to conduct proper oversight in the use of public funds. The Board recognizes the need to control itself, management and staff as it properly executes an electronic funds transfer.

### **III. Guidelines for Electronic Funds Transfer (EFT)**

- A. The Board of Directors annually authorizes the business manager to provide oversight of electronic funds transfers. The authority to do so is communicated to the board at a regular monthly meeting as soon after the start of a new fiscal year as possible. No vendor is authorized to effect an EFT.
- B. The Board of Directors shall approve the opening and closing of all accounts.
- C. The Board of Directors shall annually authorize the business manager to invest in passbook savings, money-market savings, certificates of deposit, Minnesota School District Liquid Asset Funds, and other legal investments as recommended for school funds as needed for the operation of school business.
- D. All forms and amounts of investment are part of the monthly Treasurer's Report.
- E. The Board of Directors shall require any disbursing bank to keep a certified copy of the delegation of authority. Prior to any electronic funds transfer, the initiator (a person other than the business manager designated by the Board) shall document the request and obtain approval for each transaction from the business manager. Written confirmation of each electronic funds transfer shall be available within one business day of each transaction.
- F. A list of all electronic funds transfers shall be submitted to the Board of Directors at the next regular board meeting following the transaction as part of the Treasurer's Report.

*Electronic funds transfer are limited to the following; payroll direct deposits, paying of federal and state taxes, MN Unemployment, PERA (Public Employee Retirement Association), TRA (Teachers Retirement Association), American Funds, LTD, STD, Whole Life & Employee Voluntary Deduction, Health Savings Account and Flex Benefit Deduction, Dental Premiums, Health Insurance Premiums, Pay.gov (Reinsurance fee) and Food Service of America.*