

BAINBRIDGE ISLAND METRO PARK & RECREATION DISTRICT

Electronic Fund Transfer (EFT) Control Procedure

Administrative Division — Accounting Department

Purpose

This procedure outlines the required steps to ensure the safety of Park District funds.

Scope

This procedure applies to employees who process electronic fund transfers.

Definitions

An electronic fund transfer (EFT) is a way to move money across an online network, between banks and people. EFT payments are used in place of paper-based payment methods like checks and cash.

Procedure

1. The procedure to initiate, approve, and record an EFT payment is subject to the same financial policies, procedures, and controls that govern disbursements made by any other means.
 - Review of transfer by Administrative Division Director or her/his designee who will not be entering or initiating the transfer.
 - Reconciliation of bank activity to the General Ledger by someone other than the person initiating transfers will be performed in a timely manner with all exceptions resolved.
2. EFT transactions will not be made without proper authorization of affected parties in accordance with federal and state statutes and accepted business practices.
3. All EFT payments should be initiated by secure computer-based systems.
4. The Administrative Division Director will serve as the primary administrator to manage and control access to the systems used to process EFT transactions. The primary administrator shall ensure that adequate separation of duties exists in accordance with accepted internal control standards. In addition, the primary administrator shall ensure approval and maintenance of user system IDs and user permissions, including authorized representatives and their associated transfer limits.
5. Internal controls will be continually reviewed and updated to ensure that inappropriate transfers are not completed.
6. EFT payments are limited to transfers between Park District accounts, Department of Revenue tax

and unclaimed property payments, payroll, payroll benefits, and any other transfer that is required by the governing authority (Department of Revenue etc.) to be done by EFT.

7. Employees must submit a hard copy of the completed Direct Deposit Agreement Form to the Accounting Department. No electronic signatures will be accepted. Any change to banking information will require a newly completed form. Employee signatures will be verified against signature on file. If an employee submits a change request without enough time for authorization prior to payroll, payment will be made by check until such time as the information can be verified.