

# NEW HEIGHTS SCHOOL

## POLICY 705

### ELECTRONIC FUNDS TRANSFER

#### POLICY MANAGEMENT

Adopted: 6/24

Reviewed/ Revised\*:

Mandatory: No

Frequency: Every 3 years

Distribution: Not specified

#### **I. PURPOSE**

The purpose of this policy is to set forth the circumstances in which New Heights School may make electronic funds transfers.

#### **II. GENERAL STATEMENT OF POLICY**

It is the policy of New Heights School to abide by Minnesota Statute § 471.38 when making an electronic funds transfer.

#### **III. TRANSFERS ALLOWED FOR CERTAIN PURPOSES**

New Heights School may make an electronic funds transfer for the following:

1. For a claim for a payment from an imprest payroll bank account or investment of excess money;
2. For a payment of tax or aid anticipation certificates;
3. For a payment of contributions to pension or retirement funds; and
4. For vendor payments;
5. For payment of bond principal, bond interest, and a fiscal agent service charge from the debt redemption fund.

#### **IV. POLICY CONTROLS**

New Heights School will only make payments via electronic funds if the following policy controls are met:

1. The Board must annually delegate the authority to make electronic fund transfers to a designated business administrator or the administrator's designee;
2. The disbursing bank must keep on file a certified copy of the delegation of authority;
3. The initiator of the electronic transfer must be identified;

4. The initiator must document the request and obtain an approval from the chief financial officer or the officers designee before initiating the transfer;
5. A written confirmation of the transaction within one business day
6. A list of all transactions made by electronic funds transfer must be submitted to the Board at the next regular meeting after the transaction.

**V. DELEGATION OF AUTHORITY**

The Finance Manager of the School is designated as the business administrator of the School and is responsible for electronic funds transfers and activities under the direction of this policy. The Finance Manager may delegate certain duties to appropriate staff, but shall remain responsible for the operation of the transfer program.

***Legal References:*** Minnesota Statute § 124E.16, subd. 1  
Minnesota Statute § 471.38, subds. 3 and 3a