

## **705P ELECTRONIC FUND TRANSFER**

### **I. PURPOSE**

The purpose of this policy is to establish guidelines for the electronic fund transfers of school district funds.

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

It is the policy of New Discoveries Montessori Academy (NDMA) to comply with all state laws relating to electronic fund transfers and to guarantee that investments meet certain primary criteria.

### **II. SCOPE**

This policy applies to all electronic funds of NDMA.

### **III. PROGRAM RESTRICTIONS**

The School Credit Card has been assigned a credit limit. All credit card purchases must be pre-approved. In some cases this may include pre approval of a certain dollar amount rather than a particular item to be purchase.

### **IV. AUTHORITY/OBJECTIVES**

- A. The funds of the NDMA shall be transferred in accordance with this policy, Minn. Stat. Ch. 471.381 and any other applicable law or written administrative procedures.
- B. The primary criteria for electronic fund transfers of the school district are as follows
  - 1. The Board of Directors shall annually delegate the authority to make electronic funds transfers to a designated business administrator.
  - 2. The disbursing bank shall keep on file a certified copy of the delegation of authority.
  - 3. The initiator of the electronic transfer shall be identified.
  - 4. The initiator shall document the request and obtain an approval

from the designated business administrator before initiating the transfer.

5. A written confirmation of the transaction shall be made no later than one business day after the transaction and shall be used in lieu of a check, order check or warrant required to support the transaction.
6. A list of all transactions made by electronic funds transfer shall be submitted to the Board of Directors at its next regular meeting after the transaction.

## **V. DELEGATION OF AUTHORITY**

The NDMA Financial Manager, Board Chair, Board Treasurer and Board Appointed Administrator are responsible for electronic fund transfers and activities under the direction of the Board of Directors.

### *Legal References:*

- Minn. Stat. 118A.01 (Public Funds; Depositories and Investments)
- Minn. Stat. 118A.02 (Authorization for Deposit and Investment)
- Minn. Stat. 118A.03 (Depositories and Collateral)
- Minn. Stat. 118A.04 (Investments)
- Minn. Stat. 118A.05 (Contracts and Agreements)
- Minn. Stat. 118A.06 (Delivery and Safekeeping)