

EAST QUOGUE UNION FREE SCHOOL DISTRICT

ON-LINE BANKING SERVICES

Policy 6420

The Board of Education acknowledges that online banking services offer convenience and facilitate management of the School District's finances provided that good accounting practices are adhered to and internal controls observed. The Board of Education requires a clear, complete and detailed accounting of all financial transactions for which the Board of Education is held accountable. The transfer of funds via online banking services between various accounts and the transfer of funds from School District accounts to non-School District accounts, and vice versa, for various purposes, are financial transactions to be properly monitored and controlled.

The following are online banking activities the School District engages in:

1. viewing bank account information;
2. transfers between School District accounts;
3. transfer of School District funds into investments in accordance with the School District's Investment Policy;
4. verifying cash disbursements to the banking institution;
5. initiate payroll ACH file;
6. receipt of revenues from various sources; and
7. wire transfers.

The School District will enter into written wire transfer security agreements for School District bank accounts which will include established procedures for authenticating wire transfer orders.

Transfers between School District accounts may be initiated and approved by the same person. All other transactions initiated through online banking services require secondary approval, and may not be initiated and approved by the same individual. The School District Treasurer and the Deputy District Treasurer shall each respectively have the authority to initiate and process transactions made using online banking services. The Business Manager shall designate such other individuals with authority to initiate and process transactions made using online banking services and shall develop a procedure for secondary and tertiary approvals, where appropriate, in connection with the School District's use of online banking services. The Business Manager will have the authority to process online banking transactions in the absence of the School District Treasurer or Deputy Treasurer and to the extent said initiation and processing requires a secondary or tertiary approval, the Superintendent of Schools shall designate the individual who will be responsible for providing said approvals. A separate user name and password for processing online banking transactions shall be established for all individuals who have the authority to initiate, process or approval online banking transactions.

Each bank transfer will be recorded in monthly receipts and disbursements, showing the amount of monies and the purpose of the transferring of funds. The School District Treasurer and Deputy Treasurer will be responsible for the reviewing, reconciling and recording of online banking transactions.

The External Auditor will periodically confirm that wire transfers have appropriate signatures, verification and authorization of proper personnel.

Adoption Date: December 12, 2016

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