



**Florida Agricultural & Mechanical University  
Board of Trustees Policy**

**Board of Trustees Policy Number:  
2005-04**

**Date of Adoption/Revision:** February 25,  
2005; April 11, 2013

<b>Subject</b>	<b>Electronic Transfer of Funds</b>
<b>Authority</b>	Section 1010.11, Florida Statutes (F.S.)

**I. Policy Statement**

This policy sets forth guidelines which apply to all financial transactions performed using an electronic medium, which results in a transfer of ownership of funds from one depositor to another, as required by Section 1010.11, F.S. Any such transaction is termed "Electronic Funds Transfer" (EFT), and is performed for purposes such as direct deposit, wire transfer, withdrawal, investment or payment. EFTs can be made via Automated Clearing House (ACH) or wire transfer. This policy is designed to protect the assets of the University and the integrity of the data.

**II. Establishment of Necessary Controls and Standards to Govern Electronic Transfers**

The following procedures have been established to ensure the appropriate accountability of EFTs:

- A. Accounting practices for electronic transfers adhere to appropriate accounting standards.
- B. Financial information being transmitted electronically is sent using an appropriate level of security.
  - 1. The University will provide to the disbursing bank a list of the names and titles of persons authorized by the University to perform EFT transactions. All ACH transmissions will be confirmed by the bank through a confirmation email upon receipt of the file.
  - 2. EFT requests made to the bank will be regulated by the use of Personal Identification Numbers (PINS) and a designated security administrator.
- C. Sensitive data, including passwords and any other similar data whose compromise would have a material negative impact, is stored in a secure format.
- D. All electronic transactions shall be uniquely serialized and journaled to provide a conclusive audit.
  - 1. Banking reports are to be reviewed by the Office of the Controller for

unauthorized ACH transactions on an ongoing basis.

2. Reconciliation of all EFTs will be completed by using banking and general ledger analysis. Research and resolution of any reconciling item will occur on a monthly basis.

- E. All electronic transactions or applications occur on limited access systems.
- F. Electronic transfers of University funds occur only for lawful purposes in accordance with Board policy and state laws.
  - 1. Requests for EFTs require approval by an authorized representative who is independent from the disbursing department. There will be no instance when one individual will be able to initiate, approve and record an EFT.
- G. Ensure employees designated to engage in electronic transfers are knowledgeable about this policy and any procedures established in accordance with this policy.

### **III. Designation of University Employees**

The President or the President's designee will elect such University employees who shall be responsible for moving University funds using an electronic medium for the purposes of direct deposit, wire transfer, withdrawal, or investment.