

CITY OF ESSEXVILLE
ACH AND ELECTRONIC TRANSACTIONS POLICY
(Adopted by City Council on July 10, 2003)

Authority

The Treasurer shall be designated as the Electronic Transaction Officer (ETO) of the City of Essexville and may enter into ACH (Automated Clearing House) agreements as provided by Public Act 738 of 2002. The City of Essexville deems that it is in the best interest of the City to make certain financial transactions by using electronic transactions as described in the Act and shall have adopted a resolution to authorize electronic transactions and shall have provided the ETO a copy of this policy.

Responsibility

The ETO shall be responsible for all ACH agreements, including payment approval, accounting, reporting, and generally overseeing compliance with the ACH policy for the City of Essexville. The ETO shall submit documentation detailing the goods or services purchased, the cost of goods or services, and the date of the payment.

Internal Accounting Controls

The ETO shall be responsible for the establishment of ACH agreements and shall notify the person responsible for approval and payment of those accounts to be paid by ACH or electronic transfers.

Upon receipt of an invoice for payment by ACH, the person responsible for approval and payment shall approve payment and notify the ETO of the amount of debit to the City account. Accounts payable by this method may include utility and recurring payments. These payments shall be included on the report of payments to the City Council. All other invoices approved by the person responsible for approval and payment by ACH may be paid in that matter if deemed in the best interest of the City of Essexville to avoid a late fee.

For payment of State and Federal payroll taxes, the ETO shall initiate or delegate payment to the proper authority upon receipt of the information from the payroll department using the established EFTPS and state program.

For deposits from state, county and/or federal authorities, and from third-party payment processors, e.g. (banks and vendors) the ETO shall obtain the amount of the deposit and notify the person responsible for accounting records.

The ETO shall approve all ACH transactions BEFORE payment is made.

The City Clerk shall hold all invoices along with copies of payment advices for audit purposes.