

**NEW COLLEGE OF FLORIDA  
REGULATIONS MANUAL**

**CHAPTER 3 - Administrative Affairs**

**3-2008 Electronic Funds Transfer**

Electronic Funds Transfer (EFT) is defined as the transmission of an electronic message to a financial institution instructing it to make an electronic entry reflecting the transfer of ownership of funds from one depositor to another. This Regulation is adopted pursuant to the requirements of Chapter 1010.11, Florida Statutes, and sets forth the College's written policies prescribing the accounting and control procedures under which any funds under its control are allowed to be moved by electronic transaction for any purpose, including direct deposit, wire transfer, withdrawal, or investment.

The execution of this Regulation, which concerns the handling of College funds, is delegated to administrative agents who act under the President's supervision. The College's Business Office is responsible for the daily management of College bank balances and the general oversight of EFT activity. The College Controller is specifically designated to assist the Board in matters concerning funds handling. Periodically, the College Controller designates staff authorized to initiate and approve EFTs on the College's behalf.

EFT can be accomplished via the Automated Clearing House (ACH) or wire transfer. ACH is the College's preferred mechanism, but wire transfer is acceptable when conditions do not support the use of ACH. Except in rare circumstances, both ACH and wire transfers are processed through online banking software provided by the College's banking partner.

To promote the safety of College funds in the electronic funds transfer environment, the following EFT procedures apply.

- (1) The procedure to initiate an EFT is subject to the same financial policies, procedures, and controls that govern disbursement by any other means.
- (2) EFT transactions will not be made without proper authorization of affected parties in accordance with federal and state statute and accepted business practices.
- (3) The College will provide to the disbursing bank a list of the names and titles of persons authorized by the College to initiate EFT Requests (authorized representatives), as well as associated transfer limits. The disbursing bank will be notified in a timely fashion of any changes to this list.
- (4) All EFTs should be initiated by computer-based systems when possible. Phone wire transfers should be used only as back-up in an emergency. Phone transfers, except for transfers between College accounts and payroll transfers to the State, will require approval by an authorized representative other than the initiator.
- (5) The mechanism by which EFT requests are communicated to the disbursing bank will have adequate controls to prevent unauthorized access to both the system and to its various functionalities. These controls should include password protected user accounts, Personal Identification Numbers (PINs), and a designated security administrator(s) role. The security administrator(s) shall ensure that adequate separation of duties exists in accordance with accepted internal control standards and will protect the integrity of system user profiles. This includes assigning system IDs to users, changing user IDs as necessary, and assisting users with technical problems related to the EFT system. In

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addition, the Security Administrator(s) will assign users access to functions and is authorized to lock out personnel as directed by the Controller.

- (6) Requests for the electronic transfer of funds other than transfers among the College's various bank accounts within the same financial institution require approval by an authorized representative other than the initiator. In no case will an individual have the capability to initiate, approve, and record an EFT to the General Ledger.
- (7) Because EFTs between College bank accounts has reduced risk, the Business Office may use EFT on a routine basis to concentrate funds for payment and investment purposes. Although risks are minimal for transfers between College accounts, reasonable controls should exist with regard to authorization, reconciliation, and review of these transactions.
- (8) Where EFT's are recurring, the security administrator(s) will initiate the establishment of a template with receiving and disbursing bank information that may not be altered by those assigned to its use. The set-up of and modifications to these templates will require the signature of two authorized College signatories.
- (9) Bank balances will be monitored daily for unusual or unexpected transactions.
- (10) Reconciliation of banking activity to the General Ledger will be accomplished in a timely manner with investigation and resolution of reconciling items.

*Authority: Article IX, Sec. 7, Fla. Constitution; Fla. Stat. 1010.11; Fla. Board of Governors Regulation 1.001*

*History: Adopted 05-14-11; Revised 02-26-17 (technical amendment)*