

# **MCLEOD COUNTY ELECTRONIC TRANSACTION POLICY**

## **PURPOSE**

Minnesota law enables and regulates the use of electronic transactions in state, county and other units of local government. Minnesota statutes that govern electronic transactions in county government include, but may not be limited to, 276.02, 375.171, 375.12, 385.071, 471.38, 471.381, and 471.382. McLeod County hereby adopts and sets forth policies and procedures to administer electronic transactions in accordance with applicable statutes. These policies reflect the commitment of McLeod County to utilize electronic transaction capabilities whenever practical to enhance customer service and/or gain operating efficiencies.

## **ELECTRONIC FUNDS TRANSFERS**

Minnesota Statute 385.071 states "...the county board shall establish policies and procedures for investment and expenditure transactions via electronic funds transfer." McLeod County utilizes electronic funds transfers for receipt of intergovernmental payments, grant payments and other revenues where practical, and the transmittal of payroll withholdings, tax deposits and other disbursements where practical. The following general policies are established to ensure the safety of county funds through internal control procedures as they apply to electronic funds transfers:

1. The County Board hereby delegates the authority to make electronic fund transfers in a designated administrator, the County Auditor-Treasurer. The Auditor-Treasurer will designate two employees as transaction initiators.
2. The disbursing banks will keep on file a certified copy of said delegation.
3. The initiator shall document the request and obtain approval from the designated administrator.
4. The written confirmations will be sent to Auditor-Treasurer staff not directly involved in the transaction process, who will compare them to the approved requests. A list of Auditor-Treasurer office staff authorized to receive confirmation will be provided to disbursing banks.
5. Disbursing banks will be instructed to make electronic transfers to approved accounts upon receipt of prior written authorization, including one approved signature. A list of approved accounts and signatures will be provided to each disbursing bank.
6. Disbursing banks will be instructed to make electronic transfers to non-approved accounts only upon receipts of prior written authorization, including two approved signatures.