



Town of

**SLAVE LAKE**

## **TOWN OF SLAVE LAKE**

### **ELECTRONIC FUNDS TRANSFER POLICY**

Department:	Finance	Policy No:	FIN.FN-25-1006
Policy Title:	Electronic Funds Transfer	Issue Date:	January 8, 2025

#### **1. PURPOSE**

- 1.1. This policy details the procedures and responsibilities associated with the disbursement of funds using Electronic Funds Transfer.

#### **2. POLICY STATEMENT**

- 2.1. The Town of Slave Lake recognizes the value electronic payment methods provide as a safe and efficient way to process financial disbursements. The Town is committed to establishing controls and procedures to realize the secure electronic transfer of funds while ensuring all transactions are conducted with integrity, accountability, and transparency.

#### **3. DEFINITIONS**

- 3.1. "Authentication Token" means a physical device used by an authorized user to prove identity electronically; used to store cryptographic information and may use biometric identification or other means to prove the user's identity by generating a number that is rekeyed by the user or entered directly through a direct connection to a computer.
- 3.2. "CAO" means the person appointed by Council as Chief Administrative Officer.
- 3.3. "Council" means the duly elected officials who govern The Town of Slave Lake.
- 3.4. "Town" means the municipality of the Town of Slave Lake.
- 3.5. "Financial Assistant" means the person in charge of Accounts Payable and Receivable and reports to the Director of Finance.

3.6. "Electronic Funds Transfer (EFT)" means the following financial transactions:

- 3.6.1. Remitting funds electronically to a supplier rather than through a cheque or other means.
- 3.6.2. Direct Deposit of employees' payroll payment directly.
- 3.6.3. "EFT Release List" means the list of vendors and payment amounts for accounts payable to be paid by way of electronic funds transfer.

3.7. "Finance Department" means the administrative unit within the Town of Slave Lake responsible for all municipal accounting functions.

3.8. "Vendor" means a company/person to which the EFT payments are made.

#### **4. GUIDELINES**

- 4.1. Procedure and Responsibility
  - 4.1.1. Initiating the EFT Process:
    - 4.1.1.1. EFT payments must be made through the Town's web-based bank account system.
    - 4.1.1.2. EFT payments shall require the Financial Assistant to initiate the transaction, and one additional signing authority to separately approve the transaction. The Director of Finance, the finance supervisor, one additional designated Director and the CAO have signing authority
  - 4.1.2. Access to the web-based EFT shall be controlled by the use of a user ID and password, and the authentication token provided to each user by the financial institution.
  - 4.1.3. Payment Authorization:
    - 4.1.3.1. All EFT payments shall be authorized by the same procedures as required for cheques:
    - 4.1.3.2. An authorized approved invoice, or cheque/EFT request form.
    - 4.1.3.3. The complete voucher package shall consist of an invoice or cheque/EFT request form with detailed documentation and back up.

- 4.1.3.4. A EFT Requisition and Authorization Form must be fully complete, including: the name and address of the payee, and full payment instructions including bank number, transit number, and bank account number.
- 4.1.4. EFT Authorizations:
  - 4.1.4.1. The Director of Finance /CAO will
  - 4.1.4.2. approve payment by initialing/signing the EFT Release List.
- 4.1.5. Before the EFT payment is authorized, each signing authority must review supporting documentation, and must be satisfied that it is reasonable, complete, and the payment has been properly authorized, and then sign the EFT Release List to document that the EFT has been authorized.
- 4.1.6. Confirming Receipt and Reconciliation Process:
  - 4.1.6.1. After the transmission of the EFT payment:
  - 4.1.6.2. A receipt must be downloaded from the bank and all of the information checked against the EFT Release List;
  - 4.1.6.3. The bank account shall be reviewed to ensure that all EFT payments have been made accurately; and,
  - 4.1.6.4. Any discrepancies shall be brought to the attention of the Director of Finance and/or the CAO for immediate review.

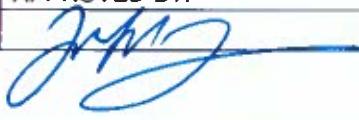
## **5. RESPONSIBILITIES:**

- 5.1. The Finance Department has the authority and responsibility to create, maintain, and ensure that procedures and controls are in place for EFT payments.
- 5.2. Bank Signing Authorities have the authority and responsibility to ensure that payments are only made for items that are properly authorized.

## **6. REVIEW OF THE POLICY**

- 6.1.1. This policy will be reviewed every three years by the Chief Administrative Officer or their designate and will determine if changes are required and make recommendations to Council for said changes.

## 7. **APPROVAL and REVISION CONTROL**

ISSUED BY	APPROVED BY:	DATE:
Chief Administrative Officer		0205/01/08

