

SALT LAKE COUNTY
COUNTYWIDE POLICY
ON
ELECTRONIC FUNDS TRANSFER DISBURSEMENTS

Purpose -

Many companies are seeking direct deposit to their bank account of funds owed them by the County. Some of the reasons for desiring direct deposit of funds are (1) less manual handling of payments, (2) immediate availability of funds, (3) no lost or stolen checks to void and reissue, and (4) less physical paperwork required to backup the funds. The purpose of this policy is to facilitate Electronic Funds Transfer Disbursements. These payments will take place through the Automated Clearinghouse (ACH) as ACH payments.

1.0 The process for a division to pay vendors electronically is as follows:

- 1.1 The division requesting vendor(s) to be paid electronically submits a list of potential ACH vendors to Accounts Payable, a section in the Accounting & Operations Division of the Auditor's office. Accounts Payable will send letters with the required form to those vendors for them to register for ACH payments.
- 1.2 Accounts Payable will obtain vendor approval for ACH payments and vendor banking information by requiring each ACH vendor to complete an ACH agreement. Once this information is obtained, it will be entered into the appropriate location in the vendor file of the payables system. After it has been entered, a pre-notification will be sent to the bank electronically to ensure that the bank account is valid.
- 1.3 Once an account is approved and determined to be valid, payments will continue to be subject to the same procedures for authorization and approval as any other payments currently being processed on general warrants.
- 1.4 When payments are authorized and approved for disbursement, Accounts Payable submits an Automated Clearinghouse (ACH) file to the bank to execute the disbursements. The ACH file is setup from the information contained in the vendor file of the payables system.
- 1.5 A separate file of ACH disbursements will be used to generate remittance advices that will be sent to vendors notifying them of the ACH payment.
- 1.6 The County will continue to send EFT payments to a registered vendor and the bank account currently on file with the Auditor's Office until the vendor contacts the County, in writing, to cancel service or change its bank account.

APPROVED and PASSED this 16 day of September, 2003.

SALT LAKE COUNTY COUNCIL

Michael Jensen, Chair

ATTEST:

Sherrie Swensen, County Clerk

APPROVED AS TO FORM:

District Attorney's Office Date