

Adopted: 11/1/08  
Revised: 5/7/2012

Yinghua Academy Policy YA-003

### Yinghua Academy Electronic Funds Transfer Policy

**Purpose:** This policy outlines procedures for conforming with Minnesota statutes surrounding the authorization and review of Electronic Funds Transfers (“EFTs”) initiated from Yinghua Academy’s (“Yinghua’s”) bank accounts, specifically §§ 124D.10, subd. 8(i), & 471.38, subds.3 & 3a.

Through adoption of this policy, the Yinghua Board authorizes the initiation of EFTs for three purposes only: (1) processing of EFTs associated with Yinghua’s payroll; (2) processing of Automated Clearing House (“ACH”) transactions to collect Yinghua Care and school lunch payments from parents/guardians of Yinghua students; and (3) to transfer funds between accounts maintained by Yinghua at different financial institutions.

**Procedure:** The statutes outlined above contain six specific requirements. These requirements and Yinghua’s actions/procedures to comply are as follows:

Required by Statute:	Yinghua’s approach to compliance:
1. Annual delegation of authority to make electronic funds transfers to a designated business administrator.	It is the intention of the Yinghua Board to limit authority to initiate electronic funds transfers to its Board Chair and Treasurer. Accordingly, delegation of authority to a designated business administrator will not be made. Annually, the Board will delegate this authority to the Chair and Treasurer. This will occur concurrent with the Board’s election of officers.
2. The disbursing bank must keep a certified copy of the delegation of authority.	Initiation of EFTs are made from Yinghua’s account at Drake Bank only, using Drake’s online cash management software. The ability to initiate EFT transactions is limited to the user ids assigned to the Board Chair and Treasurer on Drake’s online cash management software.
3. The initiator of each electronic transfer must be identified.	Drake’s online cash management software electronically captures the initiator of each electronic funds transfer.
4. The initiator must document the request and obtain approval for each transfer from the designated business administrator prior to the transaction.	Not applicable, as Yinghua limits initiation authority to the Board Chair and Treasurer.
5. Written confirmation of each transaction must be made within one business day	Confirmation is provided immediately upon initiation of an EFT by Drake’s cash management software.
6. A list of transactions must be submitted to the school board at the next regular meeting after the transaction.	Review of EFT transactions will be added as a standard agenda item for each regular meeting of the Yinghua Academy Board.