I. PURPOSE AND INTENT

This policy sets forth the University of South Florida System’s (USF System) 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.

II. STATEMENT OF POLICY

The University of South Florida Board of Trustees (the “Board”) delegates to the President of the USF System (the “University”) the authority to operate and administer the University in accordance with applicable law, and with the resolutions, regulations and policies of the Board and of the Board of Governors of the State University System. The execution of policies concerning the handling of University funds is delegated to administrative agents who act under the President’s supervision. Under the direction of the Vice President for Business and Finance, the University’s Controller’s Office is responsible for the daily management of University bank balances and the general oversight of EFT activity. The University Controller is specifically designated to assist the Board in matters concerning funds handling. Periodically, the University Controller designates staff authorized to initiate and approve EFTs on behalf of the University.
Electronic Funds Transfer can be accomplished via the Automated Clearing House (“ACH”) or wire transfer. ACH is the University’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 on-line banking software provided by the University’s banking partner.

To promote the safety of University funds in the EFT environment, the procedures to initiate and process EFTs are subject to the same financial policies, procedures, and controls that govern disbursement of University funds by any other means. In addition:

- The University will enable authority to initiate EFTs through the system provided by its financial institution. The University will establish authority to initiate EFTs, including associated financial limits, and enable confirmations for executed transfers.

- All EFTs should be initiated by computer-based systems.

- The mechanism by which EFT requests are communicated to the disbursing bank will have adequate controls to prevent unauthorized access to the system and its functionality. These controls should include password protected user accounts, Personal Identification Numbers (PINs), and a University designated security administrator role.

- The security administrator shall ensure that adequate separation of duties exists and protect the integrity of system user profiles.

- Reduced risk EFTs between University bank accounts should include reasonable controls with regard to authorization, reconciliation and review of these transactions.

- Recurring EFTs should use pre-established templates with receiving and disbursing bank information. Set-up and modification of these templates should require dual authorization.
• Bank balances should be monitored daily for unusual or unexpected transactions.

• Reconciliation of banking activity to the University general ledgers will be accomplished in a timely manner with investigation and resolution of reconciling items.

III. DEFINITIONS

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.

IV. AUTHORITY

The USF Board of Trustees adopted this policy, June 14, 2012. This policy is adopted pursuant to the requirements of Section 1010.11, Florida Statutes.

*Current Responsible Office: Business and Finance

*Refer to the appropriate Responsible Office website for a current name of the Vice President or other Responsible Officer.