

EFT MANAGEMENT POLICY

Kerrisdale Community Centre Society (KCCS) Payroll Electronic Funds Transfer (EFT) / Direct Deposit
General Information and Management Review Process and Controls

General Information:

The payroll electronic funds transfer to the instructors and employees was recommended by the Finance Committee as an effective method of paying remuneration. It is intended to provide convenience of pay to instructors and employees, and also minimize the amount of cheque signing required from the authorized signatories.

For the time being, and until further review, this method of direct deposit shall NOT be used for any other types of payments (for example, any vendor / supply payments, prepaid deposits, etc.).

The financial institution information of each instructor / employee who wishes to be paid via electronic funds transfer (EFT) will be kept confidential.

Management Review Process and Controls:

User Access

- Access of the electronic funds transfer (EFT) platform is granted to 2 users: (1) the Society's Accounting Manager, and (2) Clerk III. Access allows the user to input, amend, authorize and upload the online transactions.
- A portable security device with a password is used to access the EFT platform; the password is required to be changed every 6 months.

Review

- The Society's Accounting Manager (and/or Clerk III) will prepare the supporting paperwork (e.g., calculations of pay per period for each instructor, general listing of dollar range of pay per period for each instructor, etc.) as a batch per pay period. (Note: Biweekly pay period, with 1 batch for staff payroll and another batch for instructor payroll).
- The batch of supporting paperwork is submitted for approval (2 approvals required – 1 each from Finance and Executive Committee) prior to payment.
 - The batch of supporting paperwork is to be prepared and ready for approval **no later than Tuesday at 5:00pm** (of the week for which payroll is made).

- The 2 approvals of the batch of supporting paperwork is to be obtained and ready for input **no later than Wednesday at 12:00pm** (of the week for which payroll is made).
- The dollar value limit per batch payroll is restricted to a maximum of \$25,000. Any amounts greater than this limit of \$25,000 (either for a single payment to one individual, or cumulatively as an aggregate payroll total per pay period) will require the approval from a third Director either from the Finance or Executive Committee.
- Once approved, the Society's Accounting Manager (and/or Clerk III) can input the batch information to the online banking platform for payment to the instructors / staff.
 - The information is to be inputted into the platform **no later than Wednesday at 5:00pm** (of the week for which payroll is made).
- The Society's Accounting Manager (and/or Clerk III) will print the batch payment confirmation from the online banking platform and reconcile it as part of his monthly bank reconciliation.
- The overall compliance with the EFT process will be reviewed annually, commencing from the date of implementation, by the Finance Committee which will act to correct deficiencies or authorize ongoing use of the online banking platform. The Finance Committee will also monitor and review the process on a monthly basis in its first year of implementation to ensure the process is operating adequately and appropriately.