

RESOLUTION NO. 2020-21-13

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF TUSAYAN,
ADOPTING AN ELECTRONIC BANKING POLICY.

RECITALS:

WHEREAS, the Town's current Financial Reporting and Account Access Policy provides procedures for authorizing access to Town banking accounts and conducting transactions from such accounts; and

WHEREAS, the Town's current Financial Reporting and Account Access Policy is based on paper banking procedures and is silent in its application to electronic banking; and

WHEREAS, the Council recognizes the use of various electronic banking transactions as a faster, easier, and more efficient substitute for paper transactions; and

WHEREAS, the Council wishes to adopt a policy pertaining to the utilization of online banking for Town financial accounts.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF TUSAYAN as follows:

Section 1. The Town Council adopts the following policies pertaining online banking and Town financial accounts:

1. Electronic banking activities will be used for, but not limited, to the following:

- a. Online banking services (reviewing account balances, retrieving bank statements, downloading copies of cancelled checks, making stop payment orders, etc.);
- b. Check fraud prevention services;
- c. Electronic depositing of checks received;
- d. Pre-authorized debit payments;
- e. ACH vendor payments;
- f. EFT or wire transfers; and,
- g. Electronic Federal or State Tax Payment Systems.

2. Access to any of the Town's online bank accounts will be managed by the Mayor and a member of the Council who will be designated as the Council's Financial Designee. The Mayor or Council's Financial Designee may allow the Town Manager, Town Bookkeeper, or employees of the Town's Accounting Department restricted access as necessary for banking functions.

3. The Mayor and Council's Financial Designee may only access Town financial accounts to ascertain existing balances or provide access authorizations to the Town Manager, Town Bookkeeper, or employees of the Town's Accounting Department to access the Town's financial accounts as needed. The Mayor or Council's Financial Designee may not conduct transactions nor authorize access to the Town's financial accounts by any person who is not the Town Manager, Town Bookkeeper, or an employee of the Town's Accounting Department.

4. To help protect against the threat of check fraud, a file of all Accounts Payable cash disbursement payments made by paper checks will be uploaded to the bank's online accounts, if not done so automatically. This process provides details about checks the Town has written and compares that information to checks being processed to the bank for payment. The benefits include reducing the risk of check fraud by providing the Town with the ability to monitor and control checks presented against any Town account so only authorized items are paid.

5. Electronic funds transfers, wire payments, or ACH payments to vendors may only be initiated by the Town Manager. Electronic funds transfers, wire payments, or ACH payments may only be made with approval of the majority of the Town Council.

6. Pre-authorized debit payments may be authorized by the Town Manager and are restricted to payroll related deduction payments.

7. Checks or payments to the Town may be deposited into Town financial accounts electronically by the Town Manager, Town Bookkeeper or an employee of the Town's Accounting Department. Electronic payments may be received into Town financial accounts.

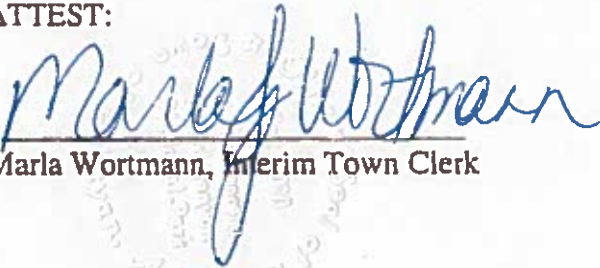
8. Physical security of the Town's financial accounts requires any electronic access to the Town's accounts be conducted on a computer or device issued by the Town to the Mayor, the Council's Financial Designee, Town Manager, Town Bookkeeper, or an employee of the Town's financial department. Town financial accounts may not be accessed on personal devices.

9. The Town Manager, Town Bookkeeper, and Town's Accounting Department are responsible for monitoring online transactions to and from Town financial accounts.

PASSED AND ADOPTED BY the Mayor and Council of the Town of Tusayan, this 9th day of December, 2020.


Clarinda Vail, Mayor

ATTEST:


Marla Wortmann, Interim Town Clerk

APPROVED AS TO FORM:


Aaron Arnson, Pierce Coleman PLLC, Town Attorney