

BOARD OF FIRE COMMISSIONERS
Pennington Borough Fire District No. 1
PO Box 387
Pennington, New Jersey 08534

RESOLUTION 2021-40

ADOPTING ELECTRONIC FUNDS TRANSFER POLICY AND PROCEDURES

WHEREAS, by statute (N.J.S.A. 40A:5-16.5) the governing body of local units, including local authorities may by resolution adopt policies and procedures permitting specific officers and employees, in lieu of signed paper checks, to utilize standard electronic funds transfer (EFT) technologies to pay claims electronically; and

WHEREAS, Pennington Borough Fire District #1 is a local authority and falls within the purview of this statute and the rules and regulations adopted by the Local Finance Board of the State of New Jersey for the purpose of implementing the provision of the statute.

IT IS HEREBY RESOLVED by the Commissioners of Fire District No. 1 in the Borough of Pennington, Mercer County, New Jersey, that the Board hereby adopts the following policy and procedures for the electronic payment of claims:

1. It is the general policy and regular procedure of the Board of Fire Commissioners of Pennington Borough Fire District #1 ("BOFC") to issue paper checks with live signatures to process cash disbursements. The BOFC will maintain this practice as its routine procedure, however in some limited instances an electronic payment may be necessary to process cash disbursements. In these limited instances the BOFC permits the Treasurer/CFO to use electronic fund transfers ("EFT"). EFT's are to be the exception, and not the rule in processing cash disbursements.

2. To ensure timely payment to vendors requiring EFT's, the following procedures and controls are hereby adopted:
a. The BOFC is charged with the responsibility of ensuring that internal controls for electronic transfers are being adhered to.

b. The Treasurer/CFO will initiate the transfer and the Secretary will authorize the transfer. Both will maintain separate passwords.

c. A third commissioner, to be named annually at the reorganization meeting, will review the transaction(s) within a week after the transaction(s) is initiated.

d. When electronic payments are made, each bill list will clearly reflect the electronic payment.

e. Banks who provide EFT services must meet all federal and state requirements and be covered under the Governmental Unit Deposit Protection Act (GUDPA).

f. Banks who provide EFT services must provide detailed reports that correspond to the applicable transaction(s).

g. Automatic debits from bank accounts are not permitted.

<u>Roll Call Vote</u>	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Chairperson Blackwell	X			
Commissioner DiFalco	X			
Commissioner Fraser	X			
Commissioner Hofacker	X			
Commissioner Ingram	X			

Certified as a true copy of a Resolution
duly passed at a meeting held on November 16, 2021

_____ s/ R. Fraser . Secretary