

# Electronic Transaction Resolution

## Purpose

The purpose of this resolution is to authorize and regulate the use of electronic transactions, including Automated Clearing House (ACH) arrangements and electronic funds transfers, by the Mount Clemens Public Library in compliance with Public Act 738 of 2002 and applicable state and federal regulations.

## Authority

The Board of Trustees hereby authorizes the Library Director to enter into electronic transaction and electronic funds transfer agreements with financial institutions that have been approved by the Board. The Library Director shall be responsible for the oversight, administration, and monitoring of all electronic transaction arrangements.

## Authorized Uses of Electronic Transactions

Electronic transactions may be used for the following purposes:

- Payment of employee salaries, benefits, payroll taxes, and employee reimbursements or deductions
- Payment for goods and services provided to the Library
- Transfers of funds between Mount Clemens Public Library–owned checking and investment accounts
- Receipt of state, federal, or other governmental payments via electronic funds transfer
- Other electronic disbursements or receipts as authorized under Board-approved financial and budgetary policies

All electronic transactions shall be conducted within the limits of approved budgets and financial policies adopted by the Board of Trustees.

## Approval and Controls

- All electronic disbursements must be supported by appropriate documentation detailing the goods or services received, the payee, the amount, and the date of payment.
- Electronic payments must be approved by the Library Director or other staff member designated by the Library Director prior to processing.
- The Library shall not enroll in electronic disbursement arrangements with any vendor, individual, or organization without approval by the Library Director or their designee.

## Transfer Limits and Access

- Access to electronic banking, ACH, and payment software shall be restricted to authorized administrative personnel on a need-to-know basis.
- Each authorized staff member shall be assigned transaction authority and dollar limits appropriate to their job responsibilities.

## Third-Party and ACH Agreements

The Library Director is authorized to enter into agreements with third-party vendors for ACH origination, electronic payment processing, and related services as necessary for Library operations. The Library Director may also authorize enrollment in electronic payment systems

for employees, customers, or other parties, provided appropriate written consent is obtained where required.

### **Reporting and Record Retention**

- All electronic vendor payments shall be reported in the Library's monthly financial reports, including the purpose of the transaction, date, payee or account, and amount.
- All records, invoices, approvals, and supporting documentation related to electronic transactions shall be retained in accordance with the Library's record retention schedule and shall be available for review by the Board of Trustees and independent auditors.

### **Oversight**

The Board of Trustees retains ultimate responsibility for financial oversight and may review, amend, or revoke this resolution at any time.

