

Cornerstone Montessori Elementary School

Electronic Funds Transfer Policy

I. Purpose

The purpose of this policy is to set forth the circumstances in which Cornerstone Montessori Elementary School (CMES) may make electronic funds transfers.

II. Policy

It is the policy of CMES to abide by all state laws, including Minnesota Statute § 471.38, when making an electronic funds transfer.

III. Transfers Allowed for Certain Purposes

CMES may make an electronic funds transfer for the following:

1. For a claim for a payment from an imprest payroll bank account or investment of excess money;
2. For a payment of tax or aid anticipation certificates;
3. For a payment of contributions to pension or retirement funds;
4. For vendor payments;
5. For payment of bond principal, bond interest, and a fiscal agent service charge from the debt redemption fund.

IV. Policy Controls

CMES will only make payments via electronic funds if the following policy controls are met:

1. The Board of Directors must annually delegate the authority to make electronic fund transfers to the Treasurer and the Board Chair or their designee;

2. The disbursing bank must keep on file a certified copy of the delegation of authority;
3. The initiator of the electronic transfer must be identified;
4. The initiator must document the request and obtain an approval from the Finance Committee which includes the ex officio Board Chair and Head of School before initiating the transfer;
5. A written or electronic confirmation of the transaction by the Director of Business Operations or their designee within one business day;
6. A list of all transactions made by electronic funds transfer must be submitted to the Board of Directors at the next regular meeting after the transaction.

V. Delegation of Authority

The Treasurer and Board Chair of CMES are responsible for electronic funds transfers and activities under the direction of this policy. The Treasurer and Board Chair may delegate certain duties to appropriate staff but shall remain responsible for the operation of the transfer program.

Legal References: Minnesota Statute § 124E.16, subd. 1
Minnesota Statute § 471.38, subds. 3 and 3a

Adopted: December 15, 2020