

# Guilford County

## Electronic Payment Transactions Policy

### **Policy Statement**

Guilford County Board of Commissioner adopted a resolution on \_\_\_\_\_ authorizing the use of electronic payment processes to transact county business when it is determined by the County Management that the electronic payment processes increase efficiency and provide a financial advantage. All electronic transactions procedures must comply with NCGS 159-28 as well as other relevant legal requirements and internal control practices.

### **Reason for Policy**

To provide guidance to County employees who are authorized to use electronic transaction to pay for goods or services for the operation of County programs and activities. This policy is also to give guidance to those charged with administering electronic payment processes. Procedures will be developed for each electronic payment method, but all electronic payments must comply with this policy.

### **Who Must Comply**

All Guilford County departments and employees who engage in payment transactions using electronic payment technology.

### **Policy Guidelines for Electronic Payment Encumbrance Systems:**

1. A procedure shall be written by the Finance Officer for each type of electronic payment transaction and adopted by the County Manager upon satisfactory review.
2. Procedures must include sufficient internal controls to protect county resources by separating authorizations, recording, custody of assets, reconciliation, and verifications.
3. Each procedure must contain directions for the certifying a pre-audit annually or prior to the time of obligation.
4. The procedures must comply with requirements of NCGS 159-28 by including:
  - a. All funds to be obligated must be authorized under an adopted budget ordinance or project/grant ordinance
  - b. Encumbrances must be recorded in the accounting system to pay for the current obligations
  - c. Sufficient funds must remain within the appropriation to pay for amounts obligated to be paid out
  - d. The procedure for authorizing payments on each claim must be clearly described and executed before payment can be made.
  - e. Adequate funds must be available before payments can be made.
5. Training must be provided for each person with ability to authorize electronic payment transactions upon being delegated authority. Also, semi-annual training and on demand training must be available as a refresher to all those so authorized.
6. The reporting of electronic payment transaction must be incorporated into periodic county reporting processes.