

## **City of Keiser - Financial Department**

# **Best Practices and Policy and Procedures for Online Payment of City Bills using QuickBooks and Online Banking Software “Exhibit A”**

Effective Date: October 16th, 2023

Last Reviewed: October 16th, 2023

Review Due: October 16th, 2023

Policy Owner: Financial Department

Approval: Current Mayor, City of Keiser

### **Purpose**

The primary objective of this comprehensive policy and procedure is to enhance the efficiency and security of the process for disbursing payments for municipal bills within the City of Keiser. This is achieved through the utilization of QuickBooks and the approved online banking software, facilitating seamless financial operation.

### **Scope**

This policy holds relevance to all members of the City of Keiser's Financial Department entrusted with the vital responsibility of processing and facilitating the payment of municipal bills.

### **Policy**

#### **Authorization**

This policy mandates that only duly authorized personnel within the Financial Department have the authority to initiate online payments for city bills. This stringent authorization process ensures that the highest level of accountability is maintained throughout the payment process. Currently authorized personnel include the Treasurer, Financial Director, Mayor, current City Council members that are authorized signers on our checking accounts. Two signatures/authorizations are REQUIRED for every payment. Only the Treasurer, Financial Director or Mayor are authorized to actually make the payments online.

#### **Software to be Used**

In the pursuit of upholding the financial integrity of the City of Keiser, this policy prescribes the exclusive use of QuickBooks and the officially sanctioned online banking software for the purpose of executing and meticulously documenting all financial transactions. These software platforms have been vetted and approved for their reliability and security features.

#### **Data Security**

Compliance with the City of Keiser's Data Security Policy is paramount. All transactions conducted under this policy must strictly adhere to established data security protocols. Sensitive financial data must never be compromised through sharing or storage in an insecure manner, further safeguarding the city's financial interests.

Payment transactions, as outlined in this policy, shall exclusively take place on designated computers assigned to the Treasurer or Financial Director. This dedicated workstation is equipped with enhanced security measures to ensure the integrity and confidentiality of financial transactions. Access to this computer will be limited to authorized personnel within the Financial Department, further reinforcing our commitment to maintaining the highest level of security and control over payment processes.

### **Compliance**

Every transaction executed under this policy must scrupulously adhere to the prevailing federal, state, and local laws and regulations. This ensures that the City of Keiser remains in full compliance with the law, minimizing legal risks and liabilities.

### **Authorized Vendors to Pay**

The following vendors are approved and authorized to receive payments via online payments. No payments shall be made to any vendor not listed. If a new vendor is identified for payment both the Ordinance and Policies and Procedures MUST be updated to indicate the new vendor.

- American Express
- Entergy
- Ritter Communications
- Lowe's
- Black Hills Energy

### **Procedures**

#### **Procedure for Paying Bills using QuickBooks**

**Review and Approve Bills:** Before any payments are initiated, all incoming bills earmarked for online payments must undergo a thorough review and receive approval from the designated authority. This approval includes a signature from the primary approvers, the Mayor, Treasurer or Financial Director. In the event the one of the primary approvers is not available one of the approved signers on the account can approve the transaction. Two signatures are required for EVERY transaction.

**Log in to QuickBooks:** Authorized personnel will access the dedicated QuickBooks account that has been specifically created for the City of Keiser's financial operations.

**Enter Bills into QuickBooks:** Navigate to the "Vendors" menu and select "Enter Bills" to meticulously input the bill details into the system.

**Schedule Payments:** Following the entry and approval of all bills, proceed to the "Pay Bills" section under the "Vendors" menu to schedule payments.

**Audit Trail:** Every transaction must be meticulously documented and accurately categorized to facilitate seamless auditing processes.

**Transaction Confirmation:** Confirm the completion of each transaction by saving and/or printing confirmation receipts for future reference. These confirmation receipts should be attached to the bill and signed by the approving parties.

## **Procedure for Paying Bills using Online Banking Software**

**Review and Approve Bills:** Similar to the QuickBooks procedure, all incoming bills must first be reviewed and approved.

**Access Banking Software:** Log in to the designated online banking portal utilizing secure and authorized credentials.

**Set up Payee:** If the payee is not already configured, add the necessary details into the system, ensuring their accuracy before saving the information.

**Make Payments:** Navigate to the "Payments" section and enter the requisite details, including the amount, date, and any other pertinent information.

**Transaction Review:** Thoroughly review the transaction details to confirm their correctness before proceeding with payment execution.

**Transaction Confirmation:** To maintain a comprehensive record, save and/or print confirmation receipts for each successfully completed transaction.

## **Documentation and Records**

Every single transaction conducted in accordance with this policy must be exhaustively documented both within QuickBooks and the online banking software. Furthermore, confirmation receipts must be securely stored in digital and hard-copy formats, as specified by the City of Keiser's Data Security Policy.

## **Audit**

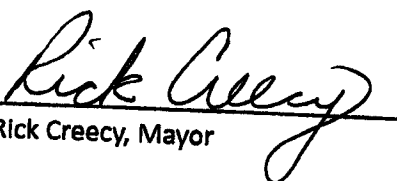
Routine audits of online transactions will be diligently carried out by the Financial Department to ensure strict adherence to the provisions outlined in this policy and its accompanying procedures. Yearly legislative audits will also be performed by an outside accounting firm.

## **Review**

This meticulously designed policy and procedure will undergo a comprehensive review at least once a year or as necessitated by the Financial Department, reflecting our commitment to continuous improvement and adherence to best practices.

*By conscientiously adhering to this policy and its procedures, the City of Keiser is steadfast in its pursuit of safeguarding financial security, promoting operational efficiency, and ensuring unwavering compliance in the process of paying municipal bills.*

For inquiries regarding this policy, please do not hesitate to contact the Treasurer, Financial Director or current Mayor.

  
Rick Creecy, Mayor

  
Peggy Sellers, Recorder/Treasurer