



## **City of Spring Lake Park Wire/Funds Transfer Verification Policy**

1. Purpose:

The purpose of this policy is to establish a secure and reliable process for verifying vendor or customer payment requests, reducing the risk of fraud and ensuring the accuracy of financial transactions.

2. Scope:

This policy applies to all departments and employees of the local government involved in processing and verifying payment requests from vendors or customers.

3. Policy:

a. Verification Process:

- All payment requests must undergo a verification process before the initiation of a wire transfer or fund disbursement.
- Verification must be conducted through direct communication with a known representative of the vendor or customer.

b. Methods of Direct Communication:

- The preferred methods of direct communication are telephone calls or face-to-face meetings.
- The contact information for the representative should be obtained from a reliable source independent of the payment request documentation, such as a previously verified document or an internal database.

c. Information Verification:

- During the verification process, confirm the following details:
  - Name of the vendor or customer
  - Amount of payment
  - Purpose of payment
  - Bank account details (if applicable)

- d. Documentation:
  - All communications and verifications must be documented.
  - Documentation should include the date, time, method of communication, and name of the employee who conducted the verification.
- e. Independent Review:
  - A second employee, preferably a supervisor or a member of the financial management team, should independently review and approve the verification process and documentation before proceeding with the payment.
- f. Training and Awareness:
  - Regular training sessions should be conducted for all employees involved in the payment process.
  - These sessions should emphasize the importance of this policy and provide guidance on identifying potential fraud.
- g. Updates to Contact Information:
  - Periodically review and update the contact information of vendors and customers in the internal database.
- h. Reporting Suspicious Activity:
  - Employees are encouraged to report any suspicious activity or inconsistencies identified during the verification process to their supervisor or the designated authority.
- i. Policy Review and Update:
  - This policy should be reviewed annually and updated as necessary to reflect changes in best practices and the operational environment.

4. Compliance:

Failure to adhere to this policy may result in disciplinary action, up to and including termination of employment.

Adopted by the City Council on this \_\_\_\_ day of \_\_\_\_\_, 2023