

Chapter 82-20 WAC

ELECTRONIC ACCEPTANCE AND DISBURSEMENT OF FUNDS

<p>WAC 82-20-010 82-20-025 82-20-035 82-20-045 82-20-050</p>	<p>Purpose. Definitions. Is an economic feasibility study required? Agency requirements. Financial institution requirements.</p>
--	--

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

<p>82-20-020 82-20-030 82-20-040 82-20-060 82-20-070</p>	<p>Payroll system requirements. [Statutory Authority: RCW 43.08.085, 82-05-030 (Order 53), § 82-20-020, filed 2/11/82.] Repealed by 05-24-062, filed 12/2/05, effective 1/3/06. Statutory Authority: RCW 43.41.180 and 43.41.110(14). Agency requirements. [Statutory Authority: RCW 43.08.085, 82-05-030 (Order 53), § 82-20-030, filed 2/11/82.] Repealed by 05-24-062, filed 12/2/05, effective 1/3/06. Statutory Authority: RCW 43.41.180 and 43.41.110(14). Recipient requirements. [Statutory Authority: RCW 43.08.085, 82-05-030 (Order 53), § 82-20-040, filed 2/11/82.] Repealed by 05-24-062, filed 12/2/05, effective 1/3/06. Statutory Authority: RCW 43.41.180 and 43.41.110(14). Subsequent transactions. [Statutory Authority: RCW 43.08.085, 82-05-030 (Order 53), § 82-20-060, filed 2/11/82.] Repealed by 05-24-062, filed 12/2/05, effective 1/3/06. Statutory Authority: RCW 43.41.180 and 43.41.110(14). Failure to comply. [Statutory Authority: RCW 43.08.085, 82-05-030 (Order 53), § 82-20-070, filed 2/11/82.] Repealed by 05-24-062, filed 12/2/05, effective 1/3/06. Statutory Authority: RCW 43.41.180 and 43.41.110(14).</p>
--	--

WAC 82-20-010 Purpose. The rules adopted in chapter 82-20 WAC further define and clarify the application of RCW 43.41.180, which authorizes the office of financial management to approve the use of electronic and other technological means to transfer funds whenever economically feasible.

[Statutory Authority: RCW 43.41.180 and 43.41.110(14). 05-24-062, § 82-20-010, filed 12/2/05, effective 1/3/06. Statutory Authority: RCW 43.08.085, 82-05-030 (Order 53), § 82-20-010, filed 2/11/82.]

WAC 82-20-025 Definitions. The following definitions apply throughout this chapter unless the context clearly indicates other meaning:

- (1) "Agency" means and includes every state agency, office, board, commission, department, state institution, or state institution of higher education, which includes all state universities, regional universities, and community and technical colleges.
- (2) An "economic feasibility study" is a package of information that includes a cover letter, a business case and analytical information. It documents the cost/benefit analysis of an agency's proposed electronic payment project and demonstrates the net benefit of the proposed project.
- (3) "Economic feasibility" and "economically feasible" mean that over a reasonable period of time, an application's

cumulative benefits outweigh or are equivalent to the application's cumulative costs.

(4) "Electronic and other technological means" and "electronic payments" include, but are not limited to, credit cards, debit cards, electronic fund transfers utilizing the automated clearing house network, electronic benefit transfers, wire transfers, lock boxes, electronic checks, smart cards, and stored value cards.

(5) "Financial institution" means any state or federally chartered commercial bank, trust company, mutual savings bank, savings and loan association, or credit union.

(6) "Funds" means any moneys either received or disbursed by a state agency, and applies to all cash types including treasury funds, treasury trust funds, and local funds.

[Statutory Authority: RCW 43.41.180 and 43.41.110(14). 05-24-062, § 82-20-025, filed 12/2/05, effective 1/3/06.]

WAC 82-20-035 Is an economic feasibility study required? In order for the office of financial management to determine whether or not an application is economically feasible, agencies are required to prepare and submit an economic feasibility study for approval. Agencies must file an economic feasibility study for all new applications to accept or disburse funds by electronic and other technological means and the application must be approved by the office of financial management prior to implementation. This applies to both pilot and permanent applications, and includes, but is not limited to, internet and retail applications. An economic feasibility study is also required for expansions to existing applications. The office of financial management can grant exceptions to the requirement to file an economic feasibility study, for example:

(1) Very small applications and limited expansions to existing approved electronic payment processes may only require a cover letter that incorporates the business case and analytical information. The office of financial management should be contacted to determine if this is an option for a particular application.

(2) Electronic funds transfers into treasury or treasury trust accounts through the automated clearing house network may only require a cover letter to be submitted to the office of financial management that incorporates the business case and analytical information. The office of financial management and the office of the state treasurer should be contacted to determine if this is an option for a particular application.

(3) Applications involving electronic transfers that are limited to information only do not require an economic feasibility study to be submitted. These would include, but are not limited to, bill presentment, employee earnings statements, and remittance advices.

(4) Wire transfers are usually needed immediately and are singular in nature, therefore they do not require an eco-

nomie feasibility study. However, the agency must work with the office of the state treasurer to ensure that there is not a less expensive alternative available.

[Statutory Authority: RCW 43.41.180 and 43.41.110(14). 05-24-062, § 82-20-035, filed 12/2/05, effective 1/3/06.]

WAC 82-20-045 Agency requirements. (1) The agency is to establish controls to prevent loss of funds. Controls are to include a positive system of validating the amounts to be transferred and verifying that the amounts to be transferred for a recipient are actually due for goods or services received, work performed, benefits due or other purpose as authorized by law.

(2) The agency is to comply with state administrative and accounting policies established by the office of financial management.

(3) The agency is to work with the office of the state treasurer regarding the banking arrangements related to accepting or disbursing funds via electronic and other technological means.

[Statutory Authority: RCW 43.41.180 and 43.41.110(14). 05-24-062, § 82-20-045, filed 12/2/05, effective 1/3/06.]

WAC 82-20-050 Financial institution requirements. Each participating financial institution is responsible for adherence to federal and state statutes and regulations related to the transfer of funds via electronic and other technological means. The state reserves the right to refuse to do business with any financial institution that fails to comply with federal and state statutes and regulations related to the transfer of funds via electronic and other technological means.

[Statutory Authority: RCW 43.41.180 and 43.41.110(14). 05-24-062, § 82-20-050, filed 12/2/05, effective 1/3/06. Statutory Authority: RCW 43.08.085. 82-05-030 (Order 53), § 82-20-050, filed 2/11/82.]