

**FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (FCERA)
WIRE TRANSFER POLICY**

I. OVERVIEW

FCERA disburses funds through multiple sources using a variety of payment methods, including wire transfer, ACH, journal transfer, and paper checks. Each type of payment method and payment source has its own processing requirements designed to monitor and control expenditures and cash flow. This policy addresses the general controls over wire transfer activity. Detailed procedures are developed by staff responsible for processing the transactions in compliance with this policy.

II. GENERAL PRINCIPLES

Wire transfers are a method to facilitate the quick movement of funds between banks. FCERA utilizes wire transfers to move money between its account with the County of Fresno Treasury and its custodial/disbursement banks or investment managers.

III. POLICY FOR WIRE TRANSFERS

- 1) Wire transfers will be initiated only upon the written direction of FCERA as authorized by the Retirement Administrator after review of the current cash flow needs, appropriate documentation in support of the transfer, and verified wire instructions.
- 2) In the absence of the Retirement Administrator, and where the wire transfer is mandated by contract or retiree payroll needs, the Assistant Retirement Administrator is authorized to execute the wire instructions after discussing the wire transfer with the Retirement Administrator.
- 3) Requests for the initiation of a wire transfer will be accompanied by the following documents:
 - a) An updated cash flow
 - b) An official request from investment manager if an established investment manager, properly executed contract or Board direction if a new manager, or reconciled payroll/lump sum schedules if for funding of retiree payroll or distributions to terminated employees.
 - c) An edited and budget checked journal voucher transferring the money from the FCERA operating fund into the Treasury's operating fund for transfers from or to the County of Fresno Treasury account.
 - d) A cover letter/transfer direction that includes all wire instructions to bank initiating the transfer, bank/investment manager receiving the transfer, and any other parties involved with the transaction

- 4) Wire transfers are initiated in one of two ways, (i) wire from County Treasury or (ii) wire from our custodian bank. Both scenarios are documented below.
 - a) A wire from the County Treasury requires that all documents be submitted to the Assistant Retirement Administrator for review and approval before being submitted to the Retirement Administrator for approval. In the absence of the Assistant Retirement Administrator, the documents will be submitted directly to the Retirement Administrator. The County Treasurer will confirm receipt of the authorized letter of direction.
 - b) A wire issued from the custodian bank is initiated through a secure online process called Web Cash Movement (WCM). Since WCM is an online application, specific custodian documentation is on file with both FCERA and the custodian listing authorized users and approved maximum amount levels for each user to initiate a wire. Wires must then be reviewed and accepted by an authorized approver. An initiator cannot be an approver on the same wire. This two-step, setup and approval process allows for a separation of duties between initiator and approver. In the situation when a wire may exceed \$25 million dollars, a second approver is required to ensure that the wire was created to fund an approved source (i.e.: benefit payments or a capital call).
- 5) Copies of all wire transfer documentation and approved requests will be provided to the accountant responsible for reconciling the cash accounts.
- 6) The Supervising Accountant is responsible for verifying that all wire transfers are completed as requested.

IV. POLICY REVIEW

- 1) The Board shall review this Wire Transfer Policy at least every three years to assure the efficacy and relevance.
- 2) This Policy may be amended from time to time by majority vote of the Board.

V. POLICY REVIEW

- 1) The Board of Retirement adopted this Policy on March 21, 2007.
- 2) The Board of Retirement reviewed and updated this policy on December 16, 2015.

VI. Secretary's Certificate

I, Donald Kendig, the duly appointed Secretary of the Fresno County Employees' Retirement Association, hereby certify the adoption of this Policy.

December 16, 2015

Date of Action:

Donald C. Kendig

By: Retirement Administrator