

CASH MANAGEMENT AGENCY MANUAL		NUMBER 02 18 01 PO
OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE December 1, 2006
CHAPTER	CASH MANAGEMENT	
PART	DEPOSIT OF CASH RECEIPTS	
SECTION		APPROVAL

Authority ORS 293.265

PURPOSE OF THE POLICY

- .101 To describe the responsibilities of state agencies, boards, commissions, and other public entities for compliance with ORS 293.265 and the collection of state moneys. To describe parameters and provide examples of what justifies a “*reasonable, longer period*” when not depositing receipts by the end of the business day following the date of collection.

AGENCY RESPONSIBILITIES

- .102 State agencies, boards, commissions and other public entities subject to ORS 293.265 shall deposit cash, checks and other negotiable instruments received within one business day after collection or receipt of such moneys. A *reasonable, longer period* for the deposit of particularly identified funds or categories of funds is permitted if the entity documents a valid business reason for using a longer transmittal period and that period is no longer than necessary to satisfy that business reason. ORS 293.265 requires this information be filed with the Secretary of State, Audits Division. An additional copy is to be filed with the Office of the State Treasurer.
- .103 Examples of what could be considered legitimate business reasons for not meeting the next business day deposit requirement include:
- Receipts are collected in a field office or by field staff in locations that are not near a bank branch with which the State Treasurer maintains an account.
 - Aggregate receipts on hand total less than \$1,000.
 - The entity has severely limited staff resources such as boards or commissions with only one or two staff members.
 - Peak, infrequent volume of receipts received is so great that existing staff cannot meet the next business day requirement. All other reasonable alternatives such as changes in processing

procedures, use of temporary employees, and use of a bank lockbox operation must first be considered.

- .104 In the event agencies elect to document a valid business reason for a “*reasonable, longer period*” than the statutory requirement of next business day deposits, procedures should include that:
- Bank deposits are made not less than weekly.
 - Checks held overnight are restrictively endorsed on the date received. Agencies are encouraged to adopt procedures which restrictively endorse checks when mail is opened.
 - Cash, checks and other negotiable instruments are placed in an area secured by some form of locking device such as a safe or locking file cabinet. A dual control storage device requiring two individuals to open the device is recommended.
- .105 The State Treasurer recognizes that agencies may receive checks that are precluded from deposit immediately (or ever) for legal or contractual reasons. Instances may include bid deposits, Good Faith Deposits on bond sales, payments on loans in foreclosure proceedings, and items that appear to have been altered. Negotiable items received under these, or other unusual circumstances, are not subject to restrictive endorsement nor being deposited in any specific time period.
- .106 If an agency finds isolated events where they were unable to comply with the next business day deposit requirement due to unusual circumstances beyond their control, it is not necessary, nor encouraged, that the agency file documentation explaining the circumstances causing late deposit. Documenting the reasons for the occurrence in the agency files is required and may prove beneficial to the agency in the event of an audit.

EXCEPTION PROCEDURES

- .107 Agency determines they receive particularly identified funds or categories of funds which they are unable to deposit by the following business day after collection, and they have a valid business reason for these occurrences.
- .108 Agency documents the valid business reasons for these receipts and submits the documentation to the Audits Division. A copy of such documentation is also submitted to the Office of the State Treasurer, Finance Division.
- .109 Agency maintains copies of the documentation in its official files.
- .110 Agency updates and submits new documentation as changing circumstances dictate.
- .111 The Audits Division will mail agencies a letter confirming receipt of such documentation. Any review of such documentation will be performed as deemed appropriate by the Audits Division.

CASH MANAGEMENT AGENCY MANUAL		NUMBER 02 18 02 PO
OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE December 1, 2006
CHAPTER	CASH MANAGEMENT	Revised May 4, 2011
PART	CHECK ISSUANCE	
SECTION		APPROVAL

Authority ORS 293.875

PURPOSE OF THE POLICY

- .101 To describe the roles and responsibilities of state agencies, boards, and commissions for ordering and controlling check stock and issuing checks.
- .102 The Office of the State Treasurer recognizes the financial risks associated with the issuance of checks. The single state check utilizes a controlled paper stock with numerous security features and a background design that makes all state checks and warrants easily recognizable as state items.

AGENCY RESPONSIBILITIES

- .103 All agencies drawing checks and warrants on the State Treasurer's accounts will use the single state check. All orders of check stock will be coordinated through the vendor contract established by the Department of Administrative Services. Check stock specifications and instructions for ordering check stock, including bank testing procedures, are included in the Disbursements Section of the State Treasurer's Cash Management Manual.
- .104 Agencies drawing checks and warrants on State Treasurer accounts will maintain adequate systems of internal controls designed to prevent and detect errors and irregularities in a timely manner. A discussion of internal control policies and procedures can be found in Chapter 10 of the Oregon Accounting Manual.
- .105 Agencies shall maintain physical controls over blank check stock. At a minimum, these controls must include:
 - Limited access to all unissued check stock.

- Unissued check stock is kept in a locked storage area or in a locking storage device.
- Use of a check control log to account for all checks.
- Periodic physical inventories of blank stock reconciled to the control log by someone lacking access and responsibility for check stock and check issuance.
- Procedures to deface and retain voided checks. Voided checks should be retained as required by the Oregon Accounting Manual and State Archive schedule..
- Physical controls over check signing equipment.
- Timely reconciliation of Treasury accounts and timely resolution of reconciling items.

.106 Agencies shall maintain adequate physical controls over checks, which have been issued but not mailed. Agencies shall not prepare checks using typewriters that contain corrective ribbons.

.107 Agencies shall maintain on file with the State Treasurer, current Signature Authorization forms. All applicable personnel changes require submission of a new Signature Authorization form complete with all original signatures. This form may be found in the Forms Section of the Cash Management Manual.

.108 The use of rubber stamps to affix the maker signature on checks or warrants issued by agencies is prohibited. Legislation was enacted in 1997, which deleted "rubber stamps" as an allowable method for signing such items.

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OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE December 1, 2006
CHAPTER	CASH MANAGEMENT	
PART	REDEEMED CHECK TRUNCATION	
SECTION		APPROVAL

Authority ORS 293.285

PURPOSE OF THE POLICY

- .101 To describe the responsibilities of state agencies, boards, and commissions who issue checks on the State Treasurer and desire to have those checks truncated (destroyed) by the Treasurer's disbursement bank, in lieu of having them returned.

AGENCY RESPONSIBILITIES

- .102 Agency accounts with significant check issuance volume have the option of having the Treasurer's Office send an electronic file each day of the checks redeemed on their account. Agencies compare the redeemed check listing to their check issuance file and identify checks that do not match. Unmatched items thought to be counterfeit can be immediately identified. The Treasurer's disbursement bank can locate the actual check, because they wait several days after presentment before the checks are actually destroyed. Agencies are able to initiate the return of the counterfeit check within the Midnight Deadline and will bear no loss of funds.
- .103 State agencies, boards, and commissions who draw checks on the State Treasurer's Office, and who desire to have the Treasurer's disbursement bank truncate the redeemed checks, shall:
- Maintain a complete check issuance file for the account that will be truncated.
 - Receive a daily redeemed check file from The Treasurer's Office.
 - Perform a matching process of the daily redeemed check file to the agency check issuance file each day to identify counterfeit checks or other discrepancies.
 - Contact the Treasurer's Office immediately on all counterfeit checks.

- .104 The Treasurer reserves the right to determine whether the check volume on an account is sufficient to warrant the resources necessary to produce the redeemed check file. The Treasurer's Office, at its sole discretion, may also determine whether truncation of checks for any specific account is in the best interest of the state.

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CHAPTER	AUTOMATED CLEARING HOUSE (ACH)	
PART	ACH ORIGINATION	
SECTION	OPERATING GUIDELINES	APPROVAL

Authority ORS 293.875

PURPOSE OF THE POLICY

- .101 This policy clarifies and emphasizes the requirements of agencies operating within the State Treasurer ACH Network (STAN).

AGENCY REQUIREMENTS FOR USE OF STAN

- .102 All agencies will sign an interagency agreement with the Treasurer's Office before access will be granted to process transactions within STAN.
- .103 All agencies will comply with ACH Policies within the OST Cash Management Manual.
- .104 All agencies will comply with the Treasurer's Cash Management Data Security Policy, # 02 18 13. PO.
- .105 All agencies will comply with applicable portions of the STAN Operating Manual.

STATEMENT OF LIABILITY FOR AGENCY

- .106 The agency shall indemnify and hold harmless the State Treasurer from and against all claims, suits, losses, damages, liabilities, penalty, costs and expenses resulting from or arising out of the agency's authorized or unauthorized use of STAN.

RESULTS OF FAILURE TO COMPLY WITH THIS POLICY

- .107 The Treasurer reserves the right to take appropriate action to ensure compliance with this policy. For example, the Treasurer's Office may modify agency access to STAN by removing or limiting operator access or adjusting dollar limits if such action is deemed in the best interest of the State of Oregon. The Treasurer's Office may also terminate an agency's ability to use STAN if the Treasurer's Office determines it to be in the State's best interest.

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OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE December 1, 2006
CHAPTER	AUTOMATED CLEARING HOUSE (ACH)	
PART	ACH ORIGATION	
SECTION	FILE TRANSMISSION	APPROVAL

Authority ORS 293.525, ORS 293.875

PURPOSE OF THE POLICY

- .101 This policy documents requirements and responsibilities for agencies transmitting ACH files to the State Treasurer. Failure to comply with these requirements may result in losses to the agency or the agency's customers, vendors, or clients.

AGENCY RESPONSIBILITIES

- .102 Agencies are responsible for ensuring that ACH files comply with National Automated Clearing House Association (NACHA) rules, the State Treasurer's requirements, agencies' trading partners' requirements, and other external requirements governing the agencies' ACH transmissions, i.e., federal certification requirements, etc.
- .103 Agencies are responsible for correcting and resubmitting ACH files when the Treasurer's Office detects errors.
- .104 Agencies that are not transmitting files via STAN must use the Treasurer's VPN (Virtual Private Network) to transfer files to the Treasurer's Office. This VPN will ensure a secure and encrypted file transfer via the Public Internet.
- .105 Agencies must transmit files within the timelines prescribed by the Treasurer's Office.
- .106 Agencies must ensure that ACH files are not sent multiple times. If an agency does erroneously send duplicate ACH files, the agency should contact the Treasurer's Office as soon as it is discovered. While the agency is responsible for creating reversal entries in accordance with

NACHA Operating Rules, the Treasurer's Office will provide assistance in the reversal process.

- .107 Agency assumes all liability for errors, irregularities, or loss of funds arising from agency's use of ACH.

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OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE December 1, 2006
CHAPTER	AUTOMATED CLEARING HOUSE (ACH)	
PART	ACH ORIGINATION	
SECTION	INTERNAL CONTROLS	APPROVAL

Authority ORS 293.875

PURPOSE OF THE POLICY

- .101 For purposes of maintaining effective internal control, this policy clarifies and emphasizes the responsibility of agencies initiating ACH transactions through systems provided by the State Treasurer. Accordingly, this policy promotes the implementation of agency procedures that ensure compliance with Oregon Law, Federal Law and National Automated Clearing House Association (NACHA) rules.

AGENCY RESPONSIBILITIES

- .102 Agencies are responsible for ensuring that only authorized individuals have access to any system capable of initiating ACH transactions. A current list of persons authorized to initiate and approve electronic funds transfer (EFT) transactions must be maintained by the agency.
- .103 Agencies are responsible for ensuring that ACH payments are lawful expenditures of State funds and comply with legislatively approved budgets.
- .104 Agencies are responsible for obtaining proper authorization for debiting or crediting any customer, vendor or payor account via ACH, in accordance with NACHA rules. A file of current authorizations must be maintained by the agencies. All authorizations must be retained for two years following termination or revocation of the authorization.
- .105 Agencies must establish and maintain adequate reconciliation procedures which include timely resolution of all material reconciling items.

- .106 Agencies are responsible for ensuring that agency staff responsible for ACH activity have the necessary training and knowledge required to effectively perform their duties.
- .107 Systems initiating ACH transactions must require unique passwords and User IDs. Shared User IDs are prohibited.
- .108 Agency must have contingency plans which enables the agency to recreate sent ACH data files until such time as the agency has verification that the ACH files have been accurately accepted and processed by the Treasurer's Office.
- .109 Agencies must maintain an adequate separation of duties over ACH processing. At a minimum, there should be separate authorities for initiating, release and reconciliation of ACH batches.
- .110 Each agency will participate in the Treasurer's annual audit of compliance with the NACHA Operating Rules.

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OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE December 1, 2006
CHAPTER	AUTOMATED CLEARING HOUSE (ACH)	
PART	ACH ORIGATION	
SECTION	ACH NOTIFICATIONS	APPROVAL

Authority ORS 293.875

PURPOSE OF THE POLICY

- .101 This policy documents requirements and responsibilities for agencies regarding Prenotifications (prenotes) and Notification of Change (NOC). Failure to comply with these requirements may result in monetary losses to the agency or the agency's customers, vendors, or clients. Failure to comply may also result in termination of agency's use of ACH.

AGENCY RESPONSIBILITIES

- .102 Agency is responsible for correcting notification of change (NOC) and returned items. Agency is responsible to correct all NOC's within the timelines prescribed by the NACHA Operating Rules.
- .103 Agency will update its systems for any account number or other required changes occurring due to bank acquisitions and mergers, or other reasons, within the timeframe prescribed by the State Treasurer's Office for such changes. Additional costs incurred by the Treasurer for the agency's failure to make such changes within the timelines established by the Treasurer's Office will be reimbursed by the agency.
- .104 Agency shall initiate prenotes for all recurring ACH transactions unless otherwise agreed to by The Treasurer's Office. Agency is required to wait for the NACHA prescribed waiting period before initiating a transaction to the prenoted account. (The exception is for inter-agency (On us) prenotes that are not transmitted to the bank. These prenotes will only be required a day in advance of the transaction.)

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OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE December 1, 2006
CHAPTER	AUTOMATED CLEARING HOUSE (ACH)	
PART	INCOMING ACH	
SECTION		APPROVAL

Authority ORS 293.875

PURPOSE OF THE POLICY

- .101 This policy documents requirements and responsibilities for agencies receiving incoming ACH transactions. Failure to comply with these requirements may result in losses to the agency or the agency's customers, vendors, or clients.

AGENCY RESPONSIBILITIES

- .102 Agency is responsible for completing the payment information forms and obtaining appropriate approvals. The State Treasurer's Office approval, as the Financial Institution, is required before an agency receives incoming ACH transactions.
- .103 Only incoming ACH credit transactions (increasing agency cash) are allowed. **The Treasurer's Office will return any incoming ACH debit transactions that are not returned items or reversals back to the originator.**

CASH MANAGEMENT AGENCY MANUAL		NUMBER 02 18 09.PO
OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE December 1, 2006
CHAPTER	CASH MANAGEMENT	
PART	INTERFUND BORROWING	
SECTION		APPROVAL

Authority ORS 293.210 to ORS 293.214

PURPOSE OF THE POLICY

- .101 This policy documents requirements and responsibilities for agencies regarding interfund borrowing requests under ORS 293.210 to ORS 293.214.

AGENCY RESPONSIBILITIES

- .102 Interfund borrowing is a tool employed by the Treasurer's Office to assist agencies experiencing short-term, transitory cash imbalances created in the conduct of legislatively approved agency activities. It is not to be used to fund activities not contemplated in an agency's budget request.
- .103 All agency interfund borrowing requests will be in writing and will be signed by the agency head. Governing board or commission approval is required where applicable. Such approval should be indicated by a signature of a member of the governing board or commission so empowered to provide such approval.
- .104 Requests must include the following:
- Purpose/use of funds
 - Reasons cash balances and current revenues cannot fund activity
 - Analysis of other options available to fund activity, i.e. Emergency Board request, etc.
 - Source(s) of repayment and any conditions that must change to allow repayment

- Legal basis for request (Does agency have specific borrowing authority granted in statute, or is agency looking to general interfund borrowing statutes? ORS 293.205-225)
- Implications of not receiving funding

.105 Requests will be accompanied by the documentation specified below:

- Balance sheet
- Income statement
- Aged receivables listing
- Historical data on repayment source(s)
- Cash flow projections of repayment source(s)
- Pages from agency's legislatively approved budget highlighting the related program
- Explanation if the program has had cash flow problems in the past and how it was handled

.106 Agency will execute an interfund borrowing agreement that must be signed by the agency head, agency CFO, and the Treasurer's Office.

.107 Agency will be assessed a \$150 set-up fee per agreement and shall reimburse the Treasurer's Office for any legal fees directly associated with such borrowing.

CASH MANAGEMENT AGENCY MANUAL		NUMBER 02 18 10 PO
OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE December 1, 2006
CHAPTER	CASH MANAGEMENT	
PART	SIGNATURE AUTHORIZATION FORM	
SECTION		APPROVAL

Authority ORS 293.875

PURPOSE OF THE POLICY

- .101 To describe the responsibilities of state agencies, boards, commissions, and other public entities in providing a signature authorization form for each active account with the State Treasurer's Office.
- .102 The State Treasurer recognizes the financial risks associated with allowing multiple signature authorization forms for one individual account at the Treasurer's Office. Therefore, multiple signature authorization forms for one account are not permitted.

AGENCY RESPONSIBILITIES

- .103 State agencies, boards, commissions, and other public entities will submit only one signature authorization form per active account at the Treasurer's Office. This form may be found in the Forms Section of the Cash Management Manual.
- .104 Agencies with branch, field, or district offices must submit only one signature authorization form for each account. If it is not possible for the agency to include all branches, field, or district offices that require check writing authority on one signature authorization form, the agency must set up a separate account or accounts, as it deems necessary, for each such office and provide the Treasurer's Office with one signature authorization form per account.
- .105 Agencies shall maintain up-to-date signature authorization forms by:
 - Immediately providing the Treasurer's Office with a new form whenever there are applicable personnel changes. **Non-compliance could result in revocation of check writing authority.**

- Providing the Treasurer's Office with a new signature authorization annually in January. The Treasurer's Office will communicate the request to the agencies each year, and the agencies will have 30 days in which to provide the newly updated form. **Non-compliance could result in revocation of check writing authority.**
- .106 Agencies shall establish and maintain proper internal controls with respect to the number of authorized signers, periodic review of the signature authorization forms, and ensuring security of the check stock inventory.
- .107 The Audits Division may review agency compliance with this policy during its normal audit engagement with state agencies.

CASH MANAGEMENT AGENCY MANUAL		NUMBER 02 18 11 PO
OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE December 1, 2006
CHAPTER	CASH MANAGEMENT	
PART	AGENCY ADJUSTMENT REQUESTS	
SECTION		APPROVAL

Authority ORS 293.875

PURPOSE OF THE POLICY

- .101 To describe the responsibilities of state agencies, boards, commissions, and other public entities in requesting adjustments on an original transaction over one (1) year old.
- .102 The State Treasurer's Office recognizes the financial risks associated with allowing adjustments (credit or debit) over one (1) year old to agency accounts. Therefore, the Treasurer's Office will not process adjustments requested by an agency that date back further than one (1) year. This practice is consistent with standard financial institution policies and clearing house rules. The Treasurer's Office will review individual cases over one (1) year old where there may be an issue of materiality.

AGENCY RESPONSIBILITIES

- .103 State agencies, boards, commissions, and other public entities will review and reconcile their financial accounts in a timely manner (at least monthly) in order to meet the one (1) year timeline.
- .104 Agencies may request the Treasurer's Office to review items over one (1) year old if the adjustment is over \$1,000 and deemed to be material to that agency's financial records. The agency must present a written statement to the Treasurer's Office requesting a review of the adjustment. The written statement must include the details of the original transaction, as well as the justification for the adjustment request.
- .105 The Treasurer's Office will review the agency requests on a case by case basis and will notify the requesting agency of its decision.

CASH MANAGEMENT AGENCY MANUAL		NUMBER 02 18 12.PO
OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE July 1, 2009
CHAPTER	CASH MANAGEMENT	
PART	OVERDRAFTS	
SECTION		APPROVAL

Authority ORS 293.875

PURPOSE OF THE POLICY

- .101 This policy documents requirements and responsibilities for agencies regarding overdrafts of accounts at the Office of the State Treasurer.

AGENCY RESPONSIBILITIES

- .102 Overdrafts must only result from transitory, unanticipated imbalances in receipts and disbursements unless otherwise expressly authorized by the Treasurer's Office.
- .103 Anticipated imbalances and/or imbalances of more than a transitory nature will be addressed as loans under the Interfund Borrowing Policy #02.18.09.
- .104 Each overdraft will result in a fee of \$20.00.
- .105 Negative account balances resulting from an overdraft will be charged interest at an annualized rate equaling the Oregon Short Term Fund rate plus 2.10 percent.
- .106 Overdrafts will be cleared as soon as possible.
- .107 The Treasurer reserves the right to transfer any funds Agency has in accounts at the State Treasurer's Office to offset unauthorized overdrafts that are not cleared in a timely manner.
- .108 Agencies experiencing overdraft problems should contact the State Treasurer's Office for assistance. Excessive overdrafts may result in modification or termination of agency's access to Treasury accounts.

CASH MANAGEMENT AGENCY MANUAL		NUMBER 02 18 13.PO
OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE May 1, 2008
CHAPTER	CASH MANAGEMENT	
PART	DATA SECURITY	
SECTION		APPROVAL

Authority ORS 293.875

PURPOSE OF THE POLICY

- .101 This policy documents data security requirements and responsibilities for agencies receiving, originating, processing or storing financial information associated with electronic financial transactions including wire, ACH, or credit/debit card transactions. Failure to comply with these requirements may unnecessarily expose agency customers to loss due to financial fraud and may result in termination of agency's ability to conduct such transactions.

AGENCY RESPONSIBILITIES

- .102 The Office of the State Treasurer expects state agencies and organizations to adhere to data security requirements mandated by the State of Oregon for the protection of financial related data. These would include, but are not limited to: the Department of Administrative Services Statewide Information Security Policies and the Oregon Consumer Identity Theft Protection Act.
- .103 In addition agencies that process, store, and/or transmit cardholder information associated with credit/debit card transactions are contractually required to comply with Payment Card Industry Data Security Standards. Agencies that process ACH transactions are contractually required to comply with the security rules set forth by the National Automated Clearing House Association (NACHA).
- .104 The Office of the State Treasurer will require state agencies and organizations to certify their compliance with PCIDSS and NACHA data security requirements on an annual basis.

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OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE May 1, 2008
CHAPTER	CASH MANAGEMENT	
PART	3 rd PARTY VENDOR REQUIREMENTS	
SECTION		APPROVAL

Authority ORS 293.875

PURPOSE OF THE POLICY

- .101 This policy documents 3rd party vendor approval requirements for state agencies and organizations processing, storing, or transmitting information associated with Automated Clearing House (ACH) and/or credit/debit card transactions. Failure to comply with these requirements may unnecessarily expose customers to loss due to financial fraud and may result in termination of an agency's or organization's ability to conduct such transactions.

Prequalification by the Office of the State Treasurer (OST) helps insure that vendors have met minimum industry and state security, interface and depository requirements. It does not insure suitability of vendors' products for agency specific applications.

OST RESPONSIBILITIES

- .102 OST will maintain a prequalification process for 3rd party vendors who wish to provide financial transaction storage, processing, or transmission services and/or applications to state agencies and organizations. Vendors may request prequalification as a service provider or request prequalification of an application, or both.
- .103 To pre-qualify as a service provider for the state for credit/debit card transactions, the organization must be listed on Visa's website as a compliant service provider in good standing. To pre-qualify an application for credit/debit card transactions, OST will require the application to be listed as a validated payment application on Visa's website.

- .104 To pre-qualify an application or as a service provider for the state for ACH transactions, the organization must certify that their products and/or services comply with the rules set forth by the National Automated Clearing House Association (NACHA).
- .105 OST will maintain a list of 3rd party vendors which indicates the financial transaction storage, processing, or transmission services and/or applications they are prequalified to provide to state agencies and organizations. An annual requalification will be required by all vendors on the list to ensure they remain qualified.

AGENCY/ORGANIZATION RESPONSIBILITIES

- .106 State agencies and organizations will contract with prequalified 3rd party vendors for services and/or applications associated with the storage, processing, or transmission of ACH and/or credit/debit card transactions. The method of individual vendor selection will be at the discretion of the agency/organization as permitted by applicable rule or law. Potential vendors will be directed to seek prequalification through OST prior to contract.
- .107 State agencies and organizations who have contracted for services or purchased applications prior to April 1, 2006 should contact their 3rd party vendor and request that they seek qualification through OST. If the 3rd party vendor is unable or unwilling to achieve qualification, state agencies and organizations are directed to work with OST to identify acceptable alternatives.

3rd Party Vendor Application