

Tracking Payments

There are several ways to track Vendor Pay transactions on IPASonline. Options include:

- 1. Screen Print**
Each transaction can be printed with the print screen button when viewing transactions.
- 2. Export Transactions**
Save as a comma delimited file (ex. VendorPmts.csv) from IPASonline.
- 3. Daily Confirm**
The daily transaction confirmation includes the vendor, amount, and description of the vendor payment.
- 4. Monthly Statement**
The monthly transaction statement includes the vendor, amount, and description of the vendor payment.
- 5. Email Notification**
An email will be sent to the vendor's contacts to let them know details of the payment.

Authorization of Electronic Payments

SDCL 4-3-27 allows local governments to use electronic payments for the purchase of materials, supplies, equipment, or other authorized transactions for the benefit of the local government entity.

Before authorizing the use of electronic payments, the governing body shall, by resolution, establish policies providing for the use and accountability of electronic transactions.

For your convenience a *sample* Electronic Payment Policy can be found at www.sdpfit.org under Forms and Reports.

Call 866-314-0060 to start using Vendor Pay now!

Vendor Pay is...

Efficient

Maximize your processing efficiency with SD FIT's Vendor Pay through IPASonline.

Automated

Payments are credited to the vendor's bank on the day requested, making vendor payments timely and hassle free.

Easy

Vendors are notified of incoming payments, making receipts easy for them to track.



South Dakota Public Funds Investment Trust (FIT)

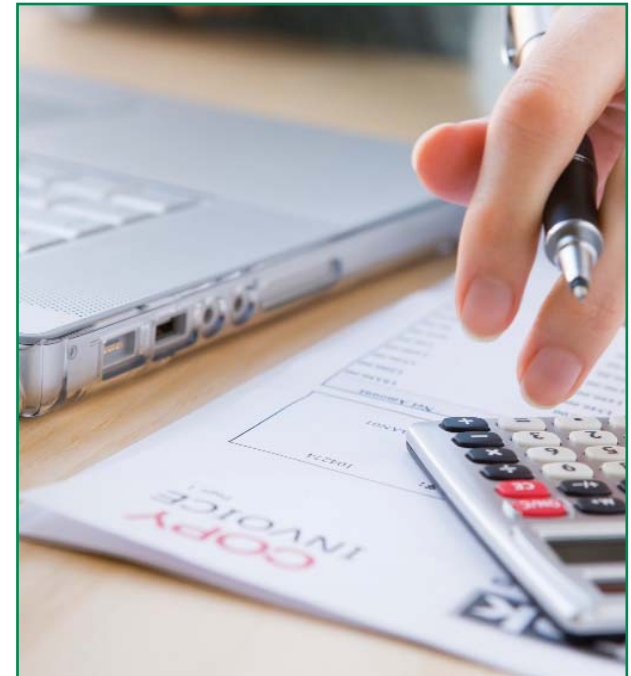
208 Island Drive
Ft. Pierre, SD 57532
800-658-3633
Transfer Funds Line: 866-314-0060

www.sdpfit.org

Vendor Pay

Payments Made Easy

through SD FIT



What is Vendor Pay?

Vendor Pay is FIT's latest addition to the IPASonline Participant recordkeeping system. Vendor Pay is an online bill pay feature integrated within the IPASonline system developed in response to Participants' requests.

Payments to Participant's vendors are made directly from the Participant's FIT account and initiated and executed through IPASonline. Participants currently using FIT's online functionality should have no problem using the Vendor Pay feature, as the user-friendly platform remained a focus throughout the development of the feature.

Vendor Pay allows the Participant's vendors to receive payments electronically via ACH, along with receiving an automated email notification with the details of the payment.

Transaction Options

Vendor Pay was developed with three options for Participants. The options include:

- 1. Enter Vendor Pay transactions in IPASonline.**
Just as a Participant enters purchases and redemptions, they can choose Vendor Pay as the Transaction Type. Along with the necessary data fields to initiate the payment from FIT, IPASonline also captures data related to the payment to allow for a complete audit trail for the Participant.
- 2. Export Vendor Pay transactions.**
Once Vendor Pay transactions are entered into IPASonline the Participant can export the data to their accounts payable system. IPASonline will create a text file that can be formatted to upload to the accounts payable system.
- 3. Upload vendor payments to IPASonline from the Participant's accounts payable system.**
IPASonline allows the Participant to upload and approve Vendor Pay files. The upload requires that the data be received in a predetermined file layout. After the initial mapping from the accounts payable system is complete, transactions can be uploaded with a few clicks.

Security

Vendor Pay was developed with multiple levels of security. The levels include:

- 1. Vendor Pay Agreement Certificate**
The Certificate authorizes the Participant to utilize the Vendor Pay feature of IPASonline.

This Certificate must be signed by two authorized officials of the FIT Participant.
- 2. Customized Vendor Set-up**
Each Participant has individual vendors specific to their entity. There is no master vendor list utilized by FIT.

Two vendor contacts are required for the vendor set up.

The vendor set-up form requires signatures by two authorized officials of the FIT Participant.
- 3. Negative Response Letter**
When a new vendor is set up, a negative response letter is sent to the vendor to verify and approve contact information and bank information. The vendor is given seven days to respond to any discrepancy. FIT will not process payments within the seven days, unless approval has been received from the vendor.
- 4. Preauthorized Vendors**
Payments can only be sent to a vendor's predefined bank account. In the event of a change in the vendor's bank information, written notification is required.
- 5. Access to Vendor Pay**
Only FIT Administrators and authorized officials of FIT Participants have access to initiate, modify, or cancel Vendor Pay transactions.
- 6. Payment Rejection Notice**
In the event a vendor's bank information changed and the Participant was not notified to process the change through a FIT Administrator, the payment will be rejected. A FIT Administrator will work with the Participant to update the vendor bank information and reprocess the payment timely.

7. Annual Vendor Verification

Along with the annual FIT account reviews, a FIT Administrator will send confirmations on all preauthorized vendors to the Participant. This will allow Participants to review, make changes, or inactivate a vendor. If necessary, vendors can be marked inactive at any time.

Timing Example

Monday	Invoices approved for payment on Monday evening at the board meeting.
Tuesday	Trade date. Enter and/or upload all Vendor Pay transactions prior to 3:00 p.m. for settlement on Thursday. These transactions could have been entered prior to board approval and would be available for modification or cancellation up until 3:00 p.m. At 3:00 p.m. an email is sent to vendors which includes details of each payment to settle on Thursday. Funds continue to earn income in FIT.
Wednesday	Funds continue to earn income in FIT.
Thursday	Settlement date. The vendor's bank electronically receives the payment via ACH.

As with all IPASonline transactions, Vendor Pay transactions can be entered 30 days prior to settlement date.

Participants must allow a minimum of two business days for settlement of Vendor Pay transactions.

Participants can modify or cancel any Vendor Pay transaction up to 3:00 p.m., two business days before settlement date.

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