**Section 155.30 Initiation of Electronic Fund Transfers**

a) To initiate electronic transfer of payments, the participant shall provide the following information to the State Superintendent of Education on an authorization form prescribed by the State Superintendent and approved by the Comptroller.

1) The participant's nine-digit taxpayer identification number or Social Security number;

2) The participant's eleven-digit code assigned by the State Superintendent;

3) The name of the participant;

4) The telephone number of the participant's main business office;

5) The street address, city, state, and zip code of the participant's main business office;

6) The name of the chief executive officer for the participant;

7) A dated statement of authorization, signed by the chief executive officer of the participant, for all payments to be directed to the participant's account and for necessary debit entries and adjustments for errors to be initiated;

8) The name of the financial organization to which funds are to be electronically transferred, which shall be a member of the Federal Access or the Automated Clearing House (the nationwide network that provides the electronic payment system);

9) The street address, city, state, and zip code of the financial organization designated;

10) The title, type (checking or savings), and number of the account into which electronic transfers are to be made;

11) The nine-digit routing number of the financial organization designated; and

12) The telephone number of the financial organization.

b) A copy of a deposit slip or voided check for the account into which funds are to be electronically transferred must be attached to the authorization form required under subsection (a) of this Section. If no deposit slip or voided check is available, the participant shall submit a signed statement from the financial organization verifying that the account belongs to the participant and that the information supplied is correct.

c) Each participant shall make all necessary arrangements with the designated financial organization for the receipt of electronic fund transfers, including at least:

1) obtaining the organization's signed, written agreement for electronic transfers, on a form supplied by the State Superintendent of Education as approved by the Comptroller, which shall state that:

A) the financial organization agrees to receive and deposit sums for the participant payee,

B) the financial organization understands that its account number will be included as additional identification on individual payment credits to the participant payee's account and that the participant payee has the right to cancel the authorization with the financial organization,

C) the financial organization agrees to forward all communications from the State of Illinois to the participant payee promptly, including the information contained in the addendum,

D) the financial organization agrees to return all payments that are not due to the participant payee, and

E) the financial organization may reserve the right to cancel the agreement by notice to the participant payee; and

2) establishing the frequency and detail of transaction communications to ensure the participant payee's receipt of the 38-character descriptive entry called for in Section 155.60(c) of this Part, so that the origin and nature of each payment can be correctly identified.

d) Each participant shall designate only one financial organization and one account number to which funds shall be electronically transferred.

e) Within 30 days after receipt of a completed authorization form from aparticipant, the State Superintendent of Education will request the Comptroller to establish the electronic transfer of funds for the participant by submission of a pre-note or zero fund transfer, i.e., a practice exercise in which no funds are transmitted.

f) After a pre-note transfer from the Comptroller is attempted and the time period allowed for completion of the pre-note transfer has expired, all payments to the participant for programs administered by the State Board of Education will be directed electronically unless the Comptroller receives notice from the financial institution that the pre-note transfer has failed or as may be otherwise required by law.

g) Upon receipt of notice that a pre-note transfer has failed, the Comptroller shall notify the State Superintendent of Education. The State Superintendent shall take the actions necessary to identify the reason for the pre-note transfer's failure and to facilitate the electronic payment to the participant.

(Source: Amended at 29 Ill. Reg. 10131, effective June 30, 2005)