

**BEST PRACTICES UNIVERSAL VACCINE FUNDING PROGRAM
BANKING PROCEDURES FOR
COLLECTION ACCOUNT AND LOCKBOX**

1. KidsVax® (KV) will work with _____ (Bank) to set up a lockbox address within the State of _____ for processing the State Universal Vaccine Funding Program (SUVFP) receipts.
2. KV also will set up an SUVFP-specific collection account at Bank into which SUVFP receipts at the lockbox mail address and all ACH transactions for SUVFP are deposited. Bank will be permitted to deduct its agreed fees from that account after crediting for any earnings on the account balances maintained.
3. KV will be permitted to process ACH transactions promptly for the base fee established by SUVFP with KV. The only other outbound ACH transactions will be monthly or semi-monthly transfers from the collection account to the State of _____ account designated by the Office of State Treasurer or other governing authority (“Governing Authority”) for SUVFP transfers.
4. The final timeframe and frequency of transfers will be as established from time-to-time by KV and the Governing Authority.
5. The following additional items may be paid by two-signature checks which shall require the signatures of two members of SUVFP’s Governing Authority on each draft for any of the following (and only the following) purposes:
 - a. Refunds to payers specifically authorized by the Governing Authority.
 - b. SUVFP fees to SUVFP’s auditor retained by engagement letter authorized by SUVFP.
 - c. Payment of any variable compensation amounts specifically voted by SUVFP upon review of KV performance under its administrative services contract with SUVFP.
 - d. The amount of the monthly or semi-monthly transfers shall be such that the balance in the account is reduced to not more than one-half of SUVFP’s annual operating expense budget as adopted in connection with assessment setting work from time-to-time.

This should enable a minimum balance equal to approximately one-quarter of the expense balance to be maintained. (Each “normal” quarter, one-quarter of the annual budget would be spent, while, in the course of the quarter, one-quarter of the annual revenue is collected). Based upon the most recent assessment worksheet, that target floor for each transfer would be \$_____.

6. KV, as part of its regular management accounting cycle will monthly reconcile the collection account and maintain account statements and reconciliation logs on an online database available 24/7 to (a) any SUVFP member, (b) any person designated by SUVFP’s retained auditing firm, and (c) any state employee designated to have review access by the Governing Authority.