

BELMONT PRIMARY SCHOOL

ELECTRONIC FUNDS MANAGEMENT POLICY



Rationale:

Electronic (internet) banking offers an online facility (via a website) which provides users with the ability to undertake various banking functions, such as checking account balances, transferring funds between accounts, direct debit, direct deposit, BPAY payment/ receipts and EFTPOS (Electronic Funds Transfer Point of Sale).

This policy is to be read in conjunction with the School's Electronic Funds Management Guidelines:
<http://www.education.vic.gov.au/school/principals/finance/Pages/guidelines.aspx>

Aims:

To ensure the school's electronic funds management processes are implemented in accordance with Department of Education requirements set out in the Education Training and Reforms Regulations 2007 which aims to:

- Provide parents and families with greater convenience, as well as improve security by reducing the amount of cash handled and kept at the school
- Enhance risk control and security over transactions
- Provide clear documentation of processes
- Enhance services to creditors and debtors
- Utilise the advantages of internet.

Implementation:

- All payments through internet banking software must be consistent with DET requirements and must be authorised by the Principal and one other member of the School Council nominated by the School Council.
- School Council approves CommBiz as the approved software for all internet banking activities as individual authority and security tokens are required.
- For Creditor Payment and local payroll – two signatories must sign all authorising paperwork. This includes a print out of internet banking payment screen showing creditor name, account number and amount. The original invoice must be attached. Two signatories and Business Manager are to sign the payment voucher.
- Maintenance and upgrading of hardware and software will be undertaken as required.
- The school will ensure proper retention of all transaction records relating to accounts such as purchase orders, tax invoices/statements, vouchers, payroll listings and relevant CASES21 reports.
- 'Pay Anyone' internet banking allows the school to pay funds directly into a person's or business's nominated bank accounts e.g. creditors or local payroll employee. Any such payments will be authorised as required.
- A direct debit facility allows an external source e.g. VicSuper, to remove funds from the school's official account on a pre-arranged date. Any such payments will be authorised as required.
- The School Council requires all suppliers to provide tax invoice/statements to the school prior to direct debiting any funds from the school's account.
- All direct debit agreements must be approved by School Council prior to implementation.
- The school will adhere to internal controls as set out in the document *Internal Control for Victorian Government Schools*. <http://www.education.vic.gov.au/school/principals/finance/Pages/guidelines.aspx>
- BPay is an electronic bill payment service providing families with the option of paying their school account at any time via internet banking. Internal control measures apply as stated in this policy and the DET publication *Internal Controls for Victorian Government Schools*.

EFTPOS Implementation:

- Our EFTPOS facility is set up through Commonwealth Bank.
- All staff operating the merchant facility will be made aware of the security requirements, and fraud protection requirements.
- All staff authorised to process transactions will be minuted by School Council and entered on an EFTPOS Register which will include their name, any unique IDs, and the functions they are permitted to perform. The register will be maintained by the Business Manager and kept in the school safe.
- The school and all staff involved with EFTPOS will treat all acquired and retained EFTPOS customer information in accordance with Schedule 1 of the Victorian Privacy Act 2000.
- School Council has nominated the Business Manager as the staff member authorised to approve or refuse refund transactions.
- Our school will be limited to one terminal. The terminal will be located in the school reception office, and stored in the school safe over holiday periods.
- Transaction costs will not be passed on to the card holder, maximum limits will be set by the card holder's limit.
- For security reasons, our terminal will be connected to the bank via a telephone connection and not via the internet.
- Our school will only process transactions to accept school invoice payments, and we will not provide a 'cash out' service.
- All credit card transactions will require the operating staff member to check the signature obtained on the merchant receipt with that on the signature panel on the back of the respective card, check that any cards used have not been tampered with, and that the card has not expired.
- We will ensure that customers required to enter a PIN can do so privately and PINs will not be recorded by the school.
- Receipts will be entered onto CASES21 at the time the EFTPOS transaction is processed, and both original receipts (EFTPOS and CASES21) issued.
- We will always print both the merchant and customer copies of the receipt for both credit and debit card transactions, and retain the merchant copy for audit purposes.
- If an EFTPOS transaction error occurs prior to entering the receipts on CASES21, the school will immediately either 'void' or 'refund' the transaction via the EFTPOS terminal. If the error is not processed on the same day as the original transaction occurred, it must be treated as a 'refund' – see below. All documentation for 'void' errors will be retained for audit purposes, the void transaction must be signed by the cardholder, the school copy will be signed by the Business Manager plus the terminal operator (if different people), and all transaction details must be entered in a 'void transaction' section of the EFTPOS Register.
- If an EFTPOS refund transaction has been processed and the receipt entered on CASES21, the original receipt is to be produced, or the receipt number identified, and the refund must be approved by the Business Manager. Details of the refund, including the name of the cardholder, card number, transaction details, date, name of staff member processing transaction, and signatures of the cardholder and the Principal will be recorded in the 'refunds' section of the EFTPOS Register.
- If the refund is not performed on the same date as the receipt, the school will not process the refund until it has been determined that the funds have been credited into the school's official account.
- Refunds can only be made via the EFTPOS terminal to the cardholder's account that made the original payment.
- The cardholder will be given the customer copy of the refund voucher, and must sign the merchant copy which will be retained by the school. The EFTPOS refund will be processed on the terminal and CASES21 on the same day. The original receipt and merchant copy of the refund will be stapled to the CASES21 voucher which will be checked and approved by the authorised account signatories before processing on the EFTPOS terminal.
- If the EFTPOS facility is 'off-line' for any reason, our school will not process manual transactions.
- The settlement on the terminal will be performed daily (where the day's EFTPOS transactions are closed off for the day and a total determined).
- Any problems associated with the EFTPOS in the school will be reported to the Business Manager and the principal if appropriate.

Evaluation:

This policy will be reviewed by the Finance sub-committee annually.

This policy was last ratified by School Council in.....

May 2018

Review Date: Term 1 2019