



Electronic Funds Management

POLICY

PURPOSE

The purpose of this policy is to set out how our school will manage electronic funds in accordance with applicable Department of Education and Training policy and law.

SCOPE

This policy applies to:

- all staff/responsible persons involved in management of funds transacted electronically
- all transactions carried out by Ararat Primary School via the methods set out in this policy

POLICY

Ararat Primary School has developed this policy consistently with the [Schools Electronic Funds Management Guidelines](#) and [Section 4 Internal Controls of the Finance Manual for Victorian Government schools](#).

Implementation

- Ararat Primary School school council requires that all actions related to internet banking are consistent with The Department's [Schools Electronic Funds Management Guidelines](#).
- Ararat Primary School School Council approves the use of Commonwealth Bank as the approved software for all internet banking activities, as individual authority and security tokens are required.
- All payments through internet banking software must be consistent with Department requirements and must be authorised by the Principal and one other member of school council who is nominated by the school council.
- If approved, Ararat Primary School will only process refunds to families as a parent payment. The school will not authorise any refunds to be processed through the EFTPOS terminal.
- Ararat Primary School will undertake maintenance and upgrading of hardware and software as required.
- Ararat Primary School will ensure proper retention/disposal of all transaction records relating to accounts such as purchase orders, tax invoices/statements, vouchers, payroll listings and relevant CASES21 reports.

EFTPOS

- The Ararat Primary School EFTPOS Facility is set up through Commonwealth Bank
- The Principal of Ararat Primary School will ensure all staff operating the Albert EFTPOS Tablet (The recognised Merchant Facility) are aware of security requirements. At our school, this includes the use of both a facility and managers password.
- 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 minutes must record which staff are authorised to process transactions.
- Ararat Primary School will only process transactions to accept school invoice payments, and we will not provide a 'cash out' service.
- Transaction costs will not be passed on to the card holder, maximum limits will be set by the card holder's limit.
- Ararat Primary School will/will not accept EFTPOS transactions via telephone or post.

- 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.
- Ararat Primary School 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' the transaction via the EFTPOS terminal. 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 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.

Direct Debit

- All direct debit agreements must be approved and signed by school council prior to implementation.
- The school council requires all suppliers to provide tax invoices/statements to the school prior to direct debiting any funds from the school's account
- A direct debit facility allows an external source [e.g. VicSuper, DET payroll] to a pre-arranged amount of funds from the school's official account on a pre-arranged date. Any such payments will be authorised as appropriate and required.
- Ararat Primary School will ensure adequate funds are available in the Official Account for the "sweep" of funds to the supplier.

Direct Deposit

- Ararat Primary School utilises a "two user authorisation of payments" banking package, as it contains a greater degree of security and access controls.
- Creditor details will be kept up to date and the treatment of GST for creditors will be monitored.
- Payment transactions will be uploaded as a batch through the CASES21 system.
- All payments made through the internet banking system must be authorised by two authorised officers.
- The various internal controls that need to be considered include:
 - the identification of staff with administrative responsibilities. The Business manager is responsible for all administrative responsibilities at Ararat Primary School
 - the identification of staff with authorisation/signatory responsibilities. At Ararat Primary School, the Principal and School council delegate will authorise all payments.
 - the Business Manager must not have banking authorisation/signatory responsibilities other than for the transferring of funds between school bank accounts
 - the allocation and security of personal identification number (PIN) information or software authorisation tokens
 - the setting up of payee details in CASES21
 - the authorisation of transfer of funds from the official account to payee accounts
 - alternative procedures for processing, using the direct deposit facility, for periods of Business Manager's and Principal leave of absence.

BPay

Ararat Primary School school council has approved the utilisation of BPAY as a fast and convenient way for a debtor to make a transaction with the the school.

Payments made by BPay are subject to the same requirements as for all transactions relating to accounts such as:

- purchase orders
- tax invoices/statements
- payment vouchers
- signed screen prints and payee details
- relevant CASES21 reports etc.

This includes a requirement for the principal to sign and date BPay transaction receipts attached to authorised payment vouchers.

FURTHER INFORMATION AND RESOURCES

- Finance Manual for Victorian Government Schools
 - [Section 3 Risk Management](#)
 - [Section 4 Internal Controls](#)
 - [Section 10 Receivables Management and Cash Handling](#)

Available from: [School Financial Guidelines](#)

- [Schools Electronic Funds Management Guidelines](#)
- CASES21 Finance Business Process Guide
 - [Section 1: Families](#)
- [Internal Controls for Victorian Government Schools](#)
- [ICT Security Policy](#)
- [Public Records Office Victoria](#)
- [Archives and Records Management Advice for Schools.](#)

REVIEW CYCLE

This policy will be reviewed as part of the school's annual review cycle.

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

February 2020