



Electronic Funds Management Policy

Rationale:

Internet banking is a very common banking practice that provides several distinct advantages, whilst at the same time offering high levels of security and convenience. School Council has a responsibility to manage school funds ensuring that payments and receipts are made and received in a safe and secure manner. Electronic Banking offers online facility which provides users with the ability to undertake various banking functions; checking account balances, transferring funds between accounts, direct debit, direct deposits and EFTPOS (Electronic Funds Transfer Point of Sale).

Purpose:

This policy seeks to utilise the advantages of internet banking for Bonbeach Primary School Council whilst simultaneously enhancing banking security and transaction efficiency. In addition it aims to:

- provide enhanced risk control and security over transactions;
- provide clear documentation of processes;
- provide enhances service to creditors and debtors; and
- minimise storage and banking of cash and cheques.

Relationship to existing policy:

This policy is intended to be read in conjunction with the Finance Policy.

Implementation:

School Council, after carefully considering the costs, benefits, fraud prevention, internal controls, and information privacy implications, has authorised the use of internet banking at our school for the facilities listed below. In doing so, School Council requires that all actions related to internet banking are consistent with DET's *Finance Manual for Victorian Government Schools 2016* and *Schools Electronic Funds Management Guidelines 2015*.

ELECTRONIC PAYMENTS – MADE BY THE SCHOOL

School Council approves CBA Bank CommBiz as the approved software for all Bonbeach Primary school internet banking activities. CommBiz is our preferred business banking package because it has a two user authorisation of payments system and contains a greater degree of security and access controls.

Authorisation of payments must be made by two signatories approved by School Council (the Principal and one other member of the School Council, including the signing of all authorising paperwork. This includes print outs of internet banking payments screen showing creditor name, account number and amount. The Business Manager must not be a signatory.

Original invoices must be attached to payment vouchers, and are to be signed by payment authorisers and Business Manager Personal Identification Number (PIN) and software authorisation tokens are to be securely stored.

For Creditor Payment – Two signatories must sign all authorising paperwork. The original invoice must be attached. Two signatories and Business Manager are to sign the payment voucher.

For local payroll – Two signatories must sign all authorising paperwork.

Direct Debit

- A direct debit facility allows an external source e.g.: a regular and School Council approved supplier to remove funds of a pre-arranged amount from the official account on a pre-arranged date.
- School Council requires all suppliers to be formally approved prior the School establishing a direct debit from the School's Official Account.

- 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.
- The School Council requires a copy of the supplier's terms and conditions the schools ability to vary the direct debit agreement.
- The Principal is the only authorised signatory for a direct debit authority.
- Bonbeach Primary School will ensure adequate funds are available in the Official Account for the "sweep" of funds to the supplier.

Direct Deposit Facility

This form of internet banking allows the school to pay funds directly into a person's or businesses nominated bank accounts e.g.: creditors or local payroll employee.

Whilst this facility is convenient and cost effective, however internal controls surrounding the process at the school are critical. Such controls include:-

1. Proper authorisation and approval of both the initial setting up of account details and any subsequent transactions against the account(s). The principal and the previously mentioned School Council nominee only are authorised to use the security token associated with the CommBiz internet banking software.
2. The proper segregation of duties at all times.
3. The safe, secure and confidential storage of information and data, including the storage of PIN's and security tokens in the school safe.
4. Proper retention of all transactions relating to accounts such as purchase orders, tax invoices/statements, vouchers, payroll listings, signed or initialled screen prints and payee details, relevant CASES21 reports etc, including principal signed and dated internet transaction receipts attached to authorised payment vouchers.
5. The retention of printed payment receipts that display all details of a payment so as to confirm payment details.
6. Compliance with all bank imposed security measures, limits and requirements.
7. The provision of printed documentation to the finance committee, School Council and auditors as required.

BPay

- BPay is a secure banking product which identifies creditors by a unique code. Payments made by BPay are subject to the same requirements as for all transactions relating to accounts such as purchase orders, tax invoices/statements, vouchers, payroll listings, signed or initialled screen prints and payee details, relevant CASES21 reports etc., including principal signed and dated BPay transaction receipts attached to authorised payment vouchers.
- Whilst it is possible to pay BPay amounts by telephone, our School Council requires that we make BPay payments via the internet.

ELECTRONIC REVENUE – PAYMENTS RECEIVED BY THE SCHOOL

Eftpos

- The use of EFTPOS allows schools to increase the options and convenience provided to debtors and families as well as improves security by reducing cash kept on the premises.
- EFTPOS is used for payments only with no cash out facility.
- Copies of EFTPOS receipts, void transactions, refunds and reconciliations will be kept with Financial Records of the school.
- Off line transactions will be completed using a MOTO Transaction form which records cardholder name, date of transaction, amount, and card details and purpose of the transaction.
- Maximum refund limit is set at \$500.
- All EFTPOS transactions will be reconciled with CASES21 Finance.
- Transactions will only be accepted that match school invoice payments e.g. family charges, sundry debtors, trading operations payments etc.

Bpay

- BPay is an electronic bill payment service providing parents with the option to pay school accounts at any time via internet.
- BPay automatically notifies the school through CASES21 when a payment has been made, these payments may take up to 48 hours to clear, and the school will process and allocate the payment in a timely manner and print receipts of all BPay transactions.

Direct Credit

- Direct Credit is an electronic bill payment service providing parents with the option to pay school accounts according to an agreed payment plan with regular payments from a predetermined bank account.
- Direct Credit is an electronic bill payment service providing parents and sundry debtors with the option to pay school accounts using the unique CASES21 identification code printed on their invoice/statement.
- Bonbeach Primary School will accept payments through Commonwealth Bank Internet banking system.
- The school will allocate the payments to accounts in a timely manner.

CompassPay

- CompassPay provides a safe, convenient and easy way for payments to be made to the school by families directly from iOS, smartphone and Android devices. CompassPay accepts all scheme credit and debit cards.

Centerpay

- Centerpay is an option available to customers of Centrelink. Centrelink customers can authorise Centrelink to transfer funds to the school for the purpose of educational activities with a minimum amount of \$10 able to be deducted per fortnight and a transaction fee of .99c to be paid by school. Parents will notify the school at the commencement of a Centerpay plan of their instructions for the purpose of the funds. The school will allocate the payments to accounts in a timely manner.

Evaluation:

The Bonbeach Primary School and Preschool and school community have secure, convenient internet banking.

This policy will be reviewed annually.

Approval:

This policy was approved by School Council in February 2023.