

# ELECTRONIC FUNDS MANAGEMENT

## POLICY 2021

### CAMP HILL PS



#### PURPOSE

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 receipts and payments, BPAY receipts and payments and EFTPOS (Electronic Funds Transfer Point of Sale).

#### AIMS

To utilise the advantages of Electronic banking for our school whilst simultaneously enhancing banking security, decreasing transaction speed, improving convenience and lessening environmental impact.

#### IMPLEMENTATION

- All payments through Electronic banking software are simply another form of payment from the school's accounts and consistent with DET requirements, must be authorised by the principal and one other member of council nominated by the council. The school business manager cannot be nominated as an authoriser.
- School Council approves Bendigo Bank for all electronic banking activities.
- The use of electronic payments will require schools to acquire and retain customer information. Schools must do so in accordance with Schedule 1 of the Victorian Information Privacy Act 2000.
- All transactions are in line with the Schools electronic funds Management Guidelines.

#### DIRECT DEBIT

- A direct debit facility allows an external source e.g. a regular supplier to remove funds of a pre-arranged amount from our school's official account on a pre-arranged date. Typical examples may include annual insurance premiums, power, telephone or monthly lease payments. Direct debit may also be used by suppliers to remove irregular amounts from the school as a result of pre-arranged agreements.
- 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.
- If the direct debit differs in amount or timing, the supplier must be contacted immediately and the issue resolved for the direct debit cancelled.

#### DIRECT DEPOSIT

- Direct Deposit via Bendigo Bank provides the freedom and flexibility to pay creditors. Creditors can nominate their BSB and account number if they wish to receive payments by Direct Deposit.
- All receipts collected through Electronic banking are simply another form of collecting revenue.
- School Banking details will be made available on all tax invoices to enable direct deposit payments to the school account.

#### 'Pay Anyone' Facility

- This form of internet banking allows the school to pay funds directly into a person's or businesses nominated bank accounts eg: creditors or local payroll employee.
- Whilst this facility is particularly convenient and cost effective, it has minimal security. Consequently, internal controls surrounding the process at the school are critical.

**Such controls include:**

- 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 Bendigo Bank internet banking software.
- The proper segregation of duties at all times.
- The safe, secure and confidential storage of information and data, including the storage of PIN's and security tokens in the school safe.
- 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.
- The retention of printed payment receipts that display all details of a payment so as to confirm payment details.
- Compliance with all bank imposed security measures, limits and requirements.
- Prior approval by School Council and minuting of a list of all personnel or creditors (including bank account details and payroll numbers) to be paid via the Pay-Anyone facility.
- The provision of printed documentation to the finance committee, School Council and auditors as required.
- That alternative procedures using the 'Pay-Anyone' facility exist during periods when the business manager or the principal are absent for an extended period."

### Electronic Funds Transfer Point of Sale EFTPOS

EFTPOS provides schools with the ability to accept non-cash electronic payments by way of credit and debit card transactions.

Use of EFTPOS allows schools to increase the options and convenience provided to parents/debtors, as well as improves security by reducing the amount of cash handled and kept on school premises. (See EFTPOS Policy for implementation).

### QkR

QkR is a smart phone payment app that can be used by parents for school payments. Parents download the app and register as a user for Camp Hill Primary School. Parents add their children's details and credit card details. It is a secure payment app and details are not stored on the phone. The QkR payments are reconciled daily with the Bendigo Bank and Cases21. The internal controls and financial reporting procedures are in line with DET Financial guidelines and policies.

### EVALUATION

This policy is required to be reviewed annually by School Council to confirm/enhance internal control procedures.

**This policy was last ratified by School Council in February 2020.**