

# 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 the management of funds transacted electronically
- all transactions carried out by Parkhill Primary School via the methods set out in this policy

## POLICY

Parkhill 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

- Parkhill Primary School school council requires that all actions related to internet banking are consistent with The Department's [Schools Electronic Funds Management Guidelines](#).
- Parkhill Primary School school council approves the use of Bendigo 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 nominated by the school council.
- Parkhill Primary School school council will determine how refunds will be processed. If a school administrative error occurs then refunds on the day of transaction will be allowed.
- Refunds processed through the EFTPOS terminal will be recorded in a refund register.
- Only the Business Manager is to process refunds.
- Parkhill Primary School will undertake maintenance and upgrading of hardware and software as required. The school will comply with all bank imposed security measures, limits and requirements in relation to all electronic banking facilities.
- Documentation for all electronic banking transaction and process requiring authorisation, and transaction supporting documentation must be kept for reconciliation, account preparation, tax and audit purposes. This documentation includes but is not limited to: Principal signed/dated internet transaction receipts (attached to authorised payment vouchers); purchase orders, tax invoices/statements, vouchers, payroll listings, signed or initialed screen prints and payee details, relevant CASES21 reports, duplicate copies of direct debit authorities, EFTPOS transaction receipts and reports.

## EFTPOS

- The Principal of Parkhill Primary School, will ensure all staff operating the merchant facility are aware of security requirements, and that all data obtained through processing EFTPOS transactions are destroyed and safe from fraud.
- School council minutes must record which staff are authorised to process transactions.
- No “Cash Out” will be permitted on any school EFTPOS facility.
- Parkhill Primary School will accept EFTPOS transactions via telephone or post.
- Parkhill Primary school council has approved a minimum refund amount of \$10 and a maximum refund amount of \$200.

## 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, Vodafone, Westpac 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.
- Parkhill Primary School will ensure adequate funds are available in the Official Account for the “sweep” of funds to the supplier.

## Direct Deposit

- Parkhill 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 Business Manager has administrative responsibilities
  - The Principal and school council delegate have authorisation/signatory responsibilities
  - 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

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: [Finance Manual — Financial Management for Schools](#)
- [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](#)
- [Records Management — School Records](#)

## REVIEW CYCLE

This policy was last reviewed in December 2020 and is scheduled for review in November 2021.