

ELECTRONIC BANKING POLICY

PURPOSE

Electronic banking (e.g. Internet, EFTPOS, BPAY, Direct Debit, etc.) has become a very common banking practice that provides several distinct advantages, whilst at the same time offering high levels of security and convenience.

Use of Electronic banking facilities allows schools to increase the options and convenience provided to parents/debtors/creditors, as well as improving security by reducing the amount of cash handled and kept on school premises.

AIMS

1. To utilise the advantages of electronic banking for our school whilst simultaneously enhancing banking security, increasing transaction speed, improving convenience and lessening environmental impacts.
2. To provide alternative payment methods to cash or cheque to minimise cash/cheque handling.
3. To develop protocols, processes procedures and internal controls to meet the Department of Education and Training (DET) requirements.

POLICY

- School Council, after carefully considering the costs, benefits, fraud prevention, internal controls, and information privacy implications etc., has authorised the use of electronic banking (including internet banking) at our school.
- In doing so, School Council requires that all actions related to internet banking are consistent with all of DET's requirements including but not limited to: Schools Electronic Funds Management Guidelines, Internal Controls for Victorian Government Schools and School Finance Manual for Victorian Government Schools.
- While these facilities are particularly convenient and cost effective, optimal security and strong internal controls surrounding the process are critical.
- All payments through electronic banking channels (including internet) are simply another form of payment from the school's accounts and must be authorised by the principal and one other member of School Council nominated by the School Council.
- The school will provide printed documentation to the Finance Committee, School Council and auditors as required.
- 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, etc.
- The school will comply with all bank imposed security measures, limits and requirements in relation to all electronic banking facilities.
- The proper segregation of duties is to be maintained at all times.

- All Electronic banking PINs, Passwords, Security Tokens, etc. must be stored in safe and secured (i.e. locked) locations (e.g. the school safe). These locations must also remain confidential.
- The School will perform regular (minimum monthly) reconciliations of all electronic transactions.
- The collection of personal information (e.g. bank details) when using electronic banking must be in accordance with Privacy and Data Protection Act 2014.
- The Principal is responsible for ensuring that staff process electronic payments (e.g. EFTPOS, etc.) comply with security requirements, and that all data obtained through processing EFTPOS transactions are destroyed and safe from fraud.
- Staff authorised to approve and/or process electronic transactions should be recorded at School Council and entered into a register.

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 PERIOD

This policy was last updated February 2019 and is scheduled for review February 2020.