

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 Melton Primary via the methods set out in this 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 The Department's [Schools Electronic Funds Management Guidelines](#).
- All payments through internet banking software are 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.
- All passwords and data will be kept secure at all times, including the EFTPOS and credit card information of families.
- Melton Primary School Council approves the use of ComBiz 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 of the nominated members of School Council.
- Melton Primary School Council will determine how refunds will be processed and any refunds processed through the EFTPOS terminal will be recorded in a refund register.
- Melton Primary School will undertake maintenance and upgrading of hardware and software as required.
- Melton 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 Compass Pay and CASES21 reports.

Electronic Payments

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 ATO, VicSuper clearing house.
- 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 principal as well as one of either the School Council Treasurer or the School Council nominee must use the CommBiz facility (via a token) for direct debits.

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.
- All payments made through the internet banking system must be authorised by two authorised officers.
- 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.
- Whilst this facility is convenient and cost effective, internal controls surrounding the process at the school are critical. Such controls include:-
 - the identification of staff with administrative responsibilities e.g. Business Manager to access statements and upload batches.
 - the identification of staff with authorisation/signatory responsibilities E.g. The Principal and School Council delegate for the authorisation of 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.

Electronic Revenue

EFTPOS

- The use of EFTPOS allows schools to increase the options and convenience provided to families as well as improving security by reducing the amount of cash kept on the premises.
- EFTPOS is used for **payments only** with no cash out facility.
- The Principal and Business Manager are the authorising officers of phone transactions.
- Copies of EFTPOS receipts and reconciliations will be kept with Financial Records of the school.
- All EFTOS transactions will be reconciled with Cases 21 Finance.

B Pay

- The Melton Primary School BPay Policy will be followed accordingly

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.](#)

Evaluation

In order to assess whether the policy has achieved the aims the School Council will:

- Review the DET Official Auditor's Report **OR** (where no audit has been conducted)
- The Principal and Business Manager in conjunction with the Finance Committee, will review documentation and procedures at least once per year.

This policy is to be reviewed by the Finance Committee and School Council on 16th Sep 2020.