

# Electronic Funds Management

## 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 Kerrimuir Primary School via the methods set out in this policy

## POLICY

Kerrimuir 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

- Kerrimuir Primary School Council requires that all actions related to internet banking are consistent with The Department's Schools Electronic Funds Management Guidelines.
- Kerrimuir Primary School Council approves the use of The Commonwealth Bank of Australia 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.
- Kerrimuir 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.
- Kerrimuir Primary School will undertake maintenance and upgrading of hardware and software as required.
- Kerrimuir 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 relevant CASES21 reports.

## EFTPOS

- The Principal of Kerrimuir Primary School will ensure all staff operating the merchant facility are aware of security requirements. At our school, this includes:

- Both the Principal and the Business Manager must approve all funds transfers using a bank code generator. Neither once can approve a transfer of funds without the other one.
- Credit/EFTPOS card details are not stored on site at school.
- All Credit/EFTPOS details are shredded immediately after the transaction where applicable
- Payments via phone call are made immediately using the EFTPOS machine to avoid storage of numbers.
- School Council minutes must record which staff are authorised to process transactions.
- No “Cash Out” will be permitted on any school EFTPOS facility.
- Kerrimuir Primary School will accept EFTPOS transactions via telephone or post.
- Kerrimuir 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 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.
- Kerrimuir Primary School will ensure adequate funds are available in the Official Account for the “sweep” of funds to the supplier.

### **Direct Deposit**

- Kerrimuir 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:
  - Business Manager to access statements and upload batches.
  - The Principal (Michael McLean) and School Council delegate (Sherrin Strathairn) may authorise payments.
  - The Business Manager will set up payee details in CASES21 as needed.

- The Business Manager will authorise the transfer of funds from the official account to payee accounts with the Principal's approval.

## **BPay**

Kerrimuir Primary School Council will approve in writing the School Council's decision for the utilisation of 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 HandlingAvailable 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 approved by school council in August 2021 and is scheduled for review in August 2022 from this date.