

POLICY TITLE: Electronic Funds Management Policy

DATE RATIFIED: February 2019

REVIEW DATE: February 2020

ENPS MISSION: We maximise the potential of all; empowering independence, excellence, innovation and engagement with the world.

Critical Engagement  
with the World

Academic Excellence

Inclusive Learning  
Environment

Personal and Social  
Wellbeing

## 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.

Essendon North Primary School is able to accept and provide alternative payment methods to cash or cheque by utilising internet payments through Compass Pay, BPay, QKR, EFTPOS, the CBA secure payment gateway and the WBC secure payment gateway.

## SCOPE

This policy applies to:

- all staff/responsible persons involved in management of funds transacted electronically
- all transactions carried out by Essendon North Primary School via the methods set out in this policy

## POLICY

Essendon North 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

- Essendon North Primary School school council requires that all actions related to internet banking are consistent with The Department's [Schools Electronic Funds Management Guidelines](#).

## Payments Methods

- Essendon North Primary School school council approves the use of Commonwealth Bank Commbiz and Westpac and Compass 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.
- Essendon North 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.
- Electronic Banking may be used for payment of invoices and Local Payroll including 'Direct Debit', Bpay, 'Pay Anyone' Transaction and bank transfers between school bank accounts.
- All documentation required for electronic payments will be obtained, completed and checked and authorised by approving officers as per DET guidelines, including daily internet banking reconciliations reports, authorisation details, relevant Cases 21 reports, Compass transactions reports and Qkr transaction reports.
- The "pay anyone" facility can be used to pay Parent refunds, or General Ledger payments suppliers who have their banking details provided on their invoice or who request payment directly into their bank accounts.
- Compass is the secure payment gateway and Essendon North Primary School has established a secure site.

## 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, BOQ Finance iPad lease, Trolley lease, Zero telephone lease, 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.
- Essendon North Primary School will ensure adequate funds are available in the Official Account for the "sweep" of funds to the supplier.

### **Direct Deposit**

- Essendon North 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 identification of staff with administrative/authorisation responsibilities [cannot be the Business Manager]
  - the identification of payment authorisers the Principal and other designated officer e.g Assistant Principal and Leading Teacher.
  - 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**

Essendon North Primary School 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.

### **Compass Pay**

Essendon North Primary School school council will approve in writing the school council's decision for the utilisation of Compass Pay.

Payments made by Compass Pay 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 Compass Pay transaction receipts attached to authorised payment vouchers.

### **Receipting Methods**

- Essendon North Primary School school council will determine how monies will be receipted via the following electronic secured gateways including BPay, Compass Pay, QKR and EFTPOS.
- Essendon North Primary School will undertake maintenance and upgrading of hardware and software as required.

- Documentation is kept by the school confirming all transactions such as, daily internet banking reconciliations reports, authorisation details, relevant Cases 21 reports, BPay, Compass Pay transactions reports, Qkr transaction reports and EFTPOS.

## EFTPOS

### *Eftpos Terminal*

- The school will operate one Eftpos terminal only. This terminal is located on the front desk in the school office will only be used in the main office.
- The Principal of Essendon North Primary School, will ensure all staff operating the merchant facility are aware of security requirements. At our school, this includes the Business Manager, Accounts Receivable Officer and Administration office, who will process payments via the merchant facility. The Merchant facility password is stored in the schools safe.
- School council minutes must record which staff are authorised to process transactions.
- No “Cash Out” will be permitted on any school EFTPOS facility.
- Essendon North Primary School will not accept EFTPOS transactions via telephone.
- Essendon North Primary school has decided **not to process refunds through EFTPOS**
- The school will not retain the details of any cardholder for future use. However, paper with credit card details will be retained for audit purposes. The last four digits of the credit card number will be blacked out before the paper is stored after the transaction. E-mails received will be printed for processing and then deleted. The printed email will likewise have the last four digits blacked out before the printed e-mail is stored.
- The school will ensure that the information collected, in order to undertake Eftpos transactions, will only be used for its intended purpose in accordance with the DET guidelines.
- Documentation such as merchant copies of Eftpos receipts, voided receipts, daily Eftpos reconciliation reports, authorisation details and relevant CASES21 reports will be retained by the school, confirming all transactions.
- **The minimum transaction limit is \$10.00 and no maximum transaction limits.**
- Reconciliation of monthly Eftpos statements received from the school’s financial institution with CASES21 transaction records will take place.
- Reconciliation of daily Eftpos settlement statements with CASES21 transactions will take place.
- Transaction costs will be absorbed by the school. This position will be reviewed annually.

- The School is not to undertake transactions which provide 'cash' to the customer as part of the transaction.
- When processing credit card transactions that require a signature for authorisation, the school should ensure that the signature obtained on the merchant receipt matches the signature on the credit card, and that the signature panel has not been altered in any way.
- The School will ensure that the credit card number that is embossed on the credit card is free from alteration and that the credit card has not expired.
- Receipts will be entered onto CASES21 at the time the Eftpos transaction is processed, and both original receipts (Eftpos and CASES21) issued.
- The school will always print both the merchant and customer copies of the receipt for both credit and debit card transactions, and retain the merchant copy for audit purposes and attached the Eftpos receipts to the daily Batch reports.
- Eftpos 'settlement' will be undertaken at the end of each day by one the authorised Eftpos staff. This process must be undertaken on any day that transactions take place so that payments are transferred to the school's account or refunds are transferred back to the payee's account. Manual transactions will be performed after the "end of the day" Eftpos settlement has been completed.

## **Bpay**

Essendon North Primary School school council will approve in writing the school council's decision for the utilisation of BPay.

Monies received via BPay are received in relation to school activities including camps, sports, excursions and incursions.

## **Compass Pay**

Essendon North Primary School school council will approve in writing the school council's decision for the utilisation of Compass Pay.

Monies received via Compass Pay are received in relation to school activities including camps, sports, excursions and incursions.

## Qkr

Essendon North Primary School school council will approve in writing the school council's decision for the utilisation of QKR.

Monies received via QKR are received in relation to community engagement activities such as fundraising and special food events that are allocated to general ledger receipting.

## 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 CYCLE

This policy was last approved by school council on February 2019 and is scheduled for review in February 2020.

## DOCUMENT HISTORY

| Version | Effective Date | Owner        | Description of change   |
|---------|----------------|--------------|---|
| 1       | February 2018  | Scott Mullen | <i>Version 1 developed in alignment with DET Electronic Funds Management policy and procedures.</i> |

\* Information on revisions and new versions to be added to the top of the table, therefore the most recent is always on top.



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