

POLICY TITLE: Electronic Funds Management Policy

DATE DEVELOPED: February 2021

REVIEW DATE: February 2022

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 Essendon North Primary School will manage electronic funds in accordance with applicable Department of Education and Training (DET) 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, EFTPOS, contactless card reader, 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

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

### Payment Methods

- The School Council of Essendon North Primary School approves the use of Commonwealth Bank Commbiz, Westpac and Compass as the approved software for all internet banking activities as individual authority and security tokens are required. Contactless card reader payment will be used for fundraising activities.
- All payments through internet banking software must be consistent with DET requirements and must be authorised by the Principal and/or a member of staff nominated by the School Council.

- The School Council of Essendon North Primary School will determine how refunds will be processed and any refunds will not be permitted or processed through the EFTPOS terminal. Refunds will be completed through the procurement process of documentation, purchase order, payment voucher. Compass Pay option of refund only if required and approved by the Principal.
- Essendon North Primary School will undertake maintenance and upgrading of hardware and software as required.
- 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, 'direct debit', BPAY, 'pay anyone' transactions and bank transfers between school bank accounts and international payments.
- All documentation required for electronic payments will be obtained, completed, checked and authorised by approving officers as per DET guidelines, including daily internet banking reconciliation reports, authorisation details, relevant Cases 21 reports, Compass transactions reports.
- The 'pay anyone' facility can be used to pay parent refunds, or General Ledger payments to 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 the 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, Bank of Queensland (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
  - the Business Manager must not have banking authorisation/signatory responsibilities other than for the transferring of funds between school accounts

- the identification of payment authorises the Principal and other designated officers 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**

The School Council of Essendon North Primary School 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, incursions, Essential Book Pack, voluntary contributions and fundraising activities.

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's 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, incursions, Essential Book Pack, voluntary contributions and fundraising activities.

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's School Council will determine how monies will be received via the following electronic secured gateways including BPAY, Compass Pay, EFTPOS and contactless card reader payments.
- 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**

- 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 school's safe.
- School Council minutes must record which staff are authorised to process transactions.
- No "Cash Out" will be permitted on any school EFTPOS facility.
- The school will operate one EFTPOS terminal only. This terminal is located on the front desk in the school office and will only be used in the main office. The EFTPOS machine may be outside in the school grounds when the school is hosting fundraising events. Essendon North Primary School will have contactless card readers for payments at fundraising events so the use of cash is minimised for risk.
- 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. Emails received will be printed for processing and then deleted. The printed email will also have the last four digits blacked out before the printed email 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 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 attach 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.

#### 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: Familie](#)
- [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 the School Council in February 2021 and is scheduled for review in February 2022.

#### DOCUMENT HISTORY

Version	Effective Date	Owner	Description of change
3	February 2021	Kate Barletta	Version 3
2	February 2020	Kate Barletta	Version 2
1	February 2018	Scott Mullen	Version 1 developed in alignment with DET Electronic Funds Management policy and procedures.

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