

Electronic Banking Policy

Policy Statement

School Council has a responsibility to manage school funds and in doing so, has a responsibility to ensure that payments and receipts are made and received in a safe, timely and efficient manner while adhering to the internal controls and guidelines of the Department of Education and Training.

Rationale

- To establish a secure Electronic Banking facility for Wilandra Rise Primary School, including electronic payment of accounts and electronic receipting.
- To implement strict internal controls for payments on a 'Pay Anyone' basis, e.g. Direct Debit from the school's official account, using the school level payroll and payments to creditors.
- To provide users with the ability to undertake various banking functions, such as checking account balances, transferring funds between accounts, Direct Debit and Credit and BPAY.
- To provide alternative methods to cash or cheque receipts into the official account using EFTPOS, BPAY or Compass.

Guidelines for Implementation

- Abide by all DET financial guidelines relating to electronic banking.
- Provide a secure electronic banking system with the Principal, School Council nominated members and Business Manager assigned individual log in, password and security tokens or apps.
- Ensure all payments through electronic banking are authorised by two people - the Principal and a member of the School Council.
- The school Business Manager cannot be nominated as an authoriser even if he or she is a School Council member.
- There will be proper processing and approval of both the initial setting up of account details and any subsequent transactions against the accounts. e.g. Direct Debit and Pay Anyone account details
- The Principal, School Council nominated member and Business Manager are not to store security tokens with their Bendigo Bank log in and passwords.
- Documentation confirming all transactions related to the accounts, such as purchase orders, payment vouchers, payroll listings, Bendigo Bank transaction confirmation details and relevant CASES21 reports will be stored in an orderly manner in a secure area.
- There will be appropriate delegation and segregation of duties to ensure and maintain the accuracy and legitimacy of accounts and transactions.
- The Principal and School Council nominated member must authorise the final payment using their individual security tokens or App.

Specific Guidelines for Direct Debit

Direct Debit facility effectively allows an external source, e.g. financial institution or supplier etc. to remove or 'sweep' funds pertaining to a pre-arranged amount and date from the school's official bank account on a regular or ad hoc basis e.g. computer lease payment.

- Prior to agreement with a supplier to utilise the Direct Debit payment option, the school will ensure that it receives in writing from the supplier all relevant details of the Direct Debit which include the actual amount, the day/date on which the payment will be processed, and the regularity of the payment
- If the direct debit differs in amount or timing, the supplier will be contacted immediately and the issue resolved or the direct debit cancelled.
- The school will ensure all relevant information is kept. This includes the original Application for Direct Debit Form signed by Principal and a designated signatory of School Council, information relating to the amount, date of Direct Debit and regularity of the payment, all related billing and statement details and relevant CASES21 Finance reports.

Specific Guidelines for BPay

BPAY – is a secure electronic banking product identified on a supplier/creditor account with a unique biller code. The payee selects either the internet or telephone option to transfer funds from the school's official account to the supplier and follows a series of steps to attach the amount owed to the creditor's account and biller code.

- When using BPAY the school will ensure that suppliers'/creditors' accounts are always paid by the due date and for the correct amount.
- The invoice will be attached to the purchase order and forwarded to the Principal for approval.
- The school will ensure all relevant information is kept, including the original signed payment approval and creditor invoice, and all relevant CASES21 Finance reports.

Specific Guidelines for Direct Deposit

Direct Deposit – via an internet banking facility provides schools with the freedom and flexibility to pay creditors (creditor, local payroll employee and family payments) by nominating their BSB and account number at the time of the transaction.

- School Council will approve in writing the school's decision to use a Direct Deposit internet banking facility, following consideration of the advantages and disadvantages, and internal controls required to be implemented.
- Internal Controls will include:
 - Abide by existing bank-imposed restrictions or security measures, such as daily withdrawal limits and software user and authorisation tokens security.
 - Identification of personnel with administrative/authorisation responsibilities.
 - Note: The school Business Manager cannot be nominated as an authoriser, even if he or she is a member of the School Council.
 - Ensure all transactions are appropriately authorised.
 - Ensure there is segregation of duties for the Business Manager, nominated School Council representative and Principal.
 - Retain printed payment voucher that confirms payment details.
 - Principal and School Council nominee to sign the payment vouchers for each transaction.
 - Ensure safe and secure storage of all documentation.
 - Provide documentation to Finance Committee, School Council and school auditors.
- The school will ensure all relevant information is kept, including School Council minutes recording approval of the Direct Deposit basis of electronic banking, all signed or initialled Bendigo Bank reports as part of the approval to pay creditors/local payroll, and all relevant CASES21 Finance reports.

Electronic Revenue - Specific Guidelines for Electronic Receipting

EFTPOS- use of this facility provides schools with the ability to accept non-cash payments by way of credit and debit card transaction. Use of EFTPOS allows schools to increase the options and convenience provided to parents and debtors, as well as improving security by reducing the amount of cash handled and kept on the premises.

- Abide by existing bank-imposed restrictions or security measures, such as daily withdrawal limits and personal identification number (PIN) security.
- Copies of EFTPOS receipts, void transactions, refunds and reconciliations will be kept with financial records of the school.
- EFTPOS transaction details are stored in a secure location to maintain information privacy.
- The School must not have "Cash Out" configured via the EFTPOS terminal
- All EFTPOS transactions will be reconciled with Cases21 Finance.
- Offline transactions e.g. telephone and written authorisation will be completed using a MOTO transaction form which records cardholder name, date of transaction, amount, and card details and purpose of the transaction. Card details are to be crossed out using texter once the transaction has been approved.

BPAY- BPAY is an electronic bill payment service providing parents and sundry debtors with the option to pay school accounts at any time via internet or telephone banking.

- BPAY automatically notifies the school through Cases21 when a payment has been made. These payments may take up to 48 hours to clear. The school will process and allocate the payment in a timely manner and print receipts of all BPAY transactions
- Parents will have the option to choose BPAY as a payment method.

Direct Debit- Direct Debit is an electronic bill payment service providing Sundry Debtors and parents with the option to pay school accounts.

- All Direct Debit transactions will be receipted in Cases21.
- The school will allocate the payments to accounts in a timely manner.

Compass – Compass is a third party software application available to parents on smartphones, tablets and computers allowing parents to make payments to the school.

- The school receive reports for each bank transfer amount listing the family, the purpose of the payment and the payment amount.
- All Compass transactions will be receipted in Cases21 via Compass Rapid Receipting.
- The school will allocate the payments to accounts in a timely manner.

Evaluation

This policy will be evaluated annually.

References:

- [DET School Electronic Funds Management Guidelines](#)
- [DET Finance Manual for Victorian Government Schools](#)
- [DET Internal Controls for Schools](#)
- [DET School Policy and Advisory Guide](#)