



## ELECTRONIC FUNDS POLICY

### Rationale:

- The use of cheques and cash to make payments are rapidly becoming outdated practices. Instead, Financial Apps, Internet banking (both payment and receipting), Bpay, EFTPOS and similar card transactions have become the norm. In order to reflect community behavior, our school will offer Electronic Banking facilities across all platforms.

### Aims:

- Electronic banking allows schools to increase the options and convenience provided to parents and debtors, as well as improves security by reducing the amount of cash handled and kept at the school.

### Implementation:

- School Council, after considering the costs, benefits, fraud prevention controls, information privacy implications, and security controls etc., has authorized the provision of electronic banking facilities at our school.
- In doing so, School Council requires that all actions related to internet banking are consistent with DET guidelines and protocols: *S385-2007 School Internet Banking Guidelines*, *S464-2008 CASES21 Finance – BPAY Receipting for Families*, Internal Controls for Victorian Government Schools (from Financial Services Division, DET, January 2015), School Finance Manual for Victorian Government Schools (from Financial Services Division, DET, October 2016), and *S396 \ 2008 - EFTPOS receipting in School*.
- All staff operating electronic banking facilities will be made aware of the security requirements and of the need to protect data from fraud.
- The school and all staff involved with electronic banking will treat all acquired and retained electronic banking customer information in accordance with Schedule 1 of the Victorian Privacy Act 2000.
- All payments through internet banking software are simply 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 School Council, as nominated by the School Council, as per normal payment procedures.

### The Following Electronic Banking Facilities Are Covered By This Policy:

- Direct Credit (using CommBiz)
- Direct Debit
- B-Pay
- Centrepay
- EFTPOS for debit/credit card payments and
- Compass Pay -Online portable parents can use to make payment

### **Direct Credit (using Commbiz):**

- All payment transactions are to be raised in CASES21 Finance and then exported to the online banking product Commbiz. Should a transaction not able to be exported, it is to be raised in the online banking product as a 'Direct Credit' transaction.
- Only staff authorised in CASES21 Finance to process payments are to have the authority to raise transactions in the online banking product.
- Transactions are to be authorised in the online banking product in accordance with the School Council list of staff members authorised as signatories to the account.
- A Commbiz transactions report is to be printed and provided to the authorised signatories.
- The authorised signatories are to check the transactions on the report match the payments vouchers and sign the report.

### **Direct Debit (School Payment)**

- 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 annual insurance premiums, monthly lease payments and the Westpac Bank Schools' Purchasing Card payment.
- 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 transaction is always completed in C21 Finance, as per the usual procedures and protocols.

### **BPay (DEECD / CASES21 Finance implemented Community Payment - School Receipt)**

- Both families and staff may use the BPay facility if they choose.
- The BPay biller code and individual reference numbers are to be found on the family and debtor statements.
- Information provided to the school from the relevant family / staff banks does not include what the payment is for, therefore the following will apply:
  - a) if the deposit amount on the school's bank statement directly matches an outstanding amount on the family / debtor account, the full amount will be applied to that transaction
  - b) if the deposit amount on the school's bank statement does not directly match an outstanding amount on the family / debtor account, the full amount will be applied to the first outstanding transaction and then subsequent outstanding transaction until the deposit amount is exhausted

### **Centrepay (Amounts deducted from Centrelink Payments and Forwarded to the School)**

- Any family on a Health Care Card can avail themselves of this facility. Application forms are available from the school office.
- Information provided to the school from the relevant family's bank does not include what the payment is for, therefore the following will apply:
  - c) if the deposit amount on the school's bank statement directly matches an outstanding amount on the family / debtor account, the full amount will be applied to that transaction
  - d) if the deposit amount on the school's bank statement does not directly match an outstanding amount on the family / debtor account, the full amount will be applied to the first outstanding transaction and then subsequent outstanding transaction until the deposit amount is exhausted
- Bank fees charged for this service will be born by the school.

### EFTPOS:

- Payments will be received either in person or over the phone (Moto).
- School Council appoints the Business Manager as the authorising officer for approval of phone and refund transactions.
- The EFTPOS facility will be limited to one mobile terminal which will be ordinarily located in the school reception office. The Facility will be locked in the safe overnight and during holiday periods.
- Transaction costs will not be passed on to the customer.
- To minimise potential for fraud, our EFTPOS terminal will be connected to the bank via mobile phone connection and not via the internet.
- Our school will not accept EFTPOS transactions via the post. We will only process transactions to accept school invoice payments, and we will not provide a 'cash out' service.
- All credit card transactions over \$100.00 will require the operating staff to check the signature obtained on the merchant receipt with that on the signature panel on the back of the card.
- We will ensure that customers required to enter a PIN can do so privately and PINs will not be recorded by the school.
- All credit card transactions will include a check that the card does not appear to have been tampered with, and that it has not expired.
- Receipts will be entered onto CASES21 at the time an EFTPOS transaction is processed, and original EFTPOS receipt issued.
- We 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.
- If an EFTPOS transaction error occurs prior to entering the receipts on CASES21, the school will immediately either 'void' or 'refund' the transaction via the EFTPOS terminal. All documentation for 'void' errors will be retained for audit purposes, the void transaction must be signed by the cardholder, the school copy will be signed by the authorised officer plus the terminal operator (if different people).
- If an EFTPOS refund transaction has been processed and the receipt entered on CASES21, the original receipt is to be produced, or the receipt number identified, and the refund must be approved by the authorised officer.
- If the refund is not performed on the same date as the receipt, the school will not process the refund until it has been determined that the funds have been credited into our official account.
- Refunds can only be made by cheque or via the EFTPOS terminal to the cardholder's account that made the original payment.
- The cardholder will be given the customer copy of the refund voucher, and must sign the merchant copy which will be retained by the school. The EFTPOS refund will be processed on the terminal and CASES21 on the same day. The original receipt and merchant copy of the refund will be stapled to the CASES21 voucher which will be checked and approved by the authorised account signatories before processing on the EFTPOS terminal.
- Should the EFTPOS facility be 'off-line' for any reason, our school will not process manual transactions despite the potential for the school to process manual transactions up to the floor limit set by the bank during such times.
- Any problems associated with the EFTPOS in the school will be reported to the authorising officer and the principal.

**Compass Pay (Smart Device App or PC)**

- Compass Pay is the school's preferred method of payment for all family transactions.
- The school will load all transactions for families on Compass as they are invoiced on C21F.
- Families can use Compass Pay to pay for all invoiced transactions.
- Amounts will only be applied by the school to the transactions as listed on the daily Compass Pay Transfer report.

**Evaluation:**

This policy will be reviewed by the Finance sub-committee as part of the school's three-year review cycle.

**This policy was last ratified by School Council on** \_\_\_\_\_