



## Electronic Funds Management Policy

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### **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 Mordialloc College via the methods set out in this policy

Mordialloc College 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:**

- Mordialloc College school council requires that all actions related to internet banking are consistent with The Department's [Schools Electronic Funds Management Guidelines](#).
- Mordialloc College school council approves the use of CommBiz 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 the other members of school council approved by the school council.
- Mordialloc College school council will determine how refunds will be processed and any refunds processed through the EFTPOS terminal will be recorded in a refund register.
- Mordialloc College will undertake maintenance and upgrading of hardware and software as required.
- Mordialloc College 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 Mordialloc College, will ensure all staff operating the merchant facility are aware of security requirements. At our school, this includes:
  - Daily EFTPOS settlement statements will be reconciled with CASES21 transactions.
  - EFTPOS transactions must only be accepted to pay College invoices.
  - The College will not undertake transactions which provide 'cash out' to the customer as part of the transaction.
  - The maximum amount of a credit/debit card transaction is determined by the cardholder's limit.
  - When processing a credit card transaction that requires a signature for authorisation, the College will ensure that the signature obtained on the merchant receipt matches the signature on the card and that the signature panel has not been altered in any way.

- When processing a credit card transaction that requires the entry of a PIN, customers will be able to enter their PIN without risk of disclosure, and the PIN will never be recorded by the college.
  - Staff will ensure that the embossed card number on the debtors' card is free from alteration and the card has not expired.
  - Receipts are entered onto CASES21 at the time the EFTPOS transaction is processed and both original receipts (EFTPOS and CASES21) issued to customer.
  - The merchant and customer copies of the receipt for both credit and debit card transactions will always be printed and the merchant copy retained by the College for audit purposes.
  - Incorrect receipts (such as incorrect amount) will be processed by the College as 'void' via the EFTPOS terminal on the same day they occurred, in accordance with the bank User Guide and DET guidelines.
  - All documentation relating to the 'void' transaction must be signed by the cardholder and retained by the College for audit purposes.
  - The school copy must be signed by the authorised officer and transaction details recorded in the EFTPOS 'void transaction' register.
  - Banking – Mordialloc College includes EFTPOS receipts in a normal receipt batch with cash and/or cheque receipts that is updated at the end of each day.
  - The EFTPOS terminal settlement is also performed daily at the same time as the batch is updated and reconciled against CASES21.
- School council minutes must record which staff are authorised to process transactions.
  - Mordialloc College will accept EFTPOS transactions via telephone or post.
  - Mordialloc College school council has approved a minimum EFTPOS reversal amount of \$10 and a maximum EFTPOS reversal 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 (e.g. VicSuper, Employee Super Funds, DET, Custom Service Leasing, WEX Motorpass, TPG Internet Pty Ltd, Equigroup, HP Financial Services, Naavi, Australia Post) 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.
- Mordialloc College will ensure adequate funds are available in the Official Account for the "sweep" of funds to the suppliers.

#### **Direct Deposit**

- Mordialloc College 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 responsibilities [e.g. Business Manager to access statements and upload batches]
- the identification of staff with authorisation/signatory responsibilities [e.g. The Principal and School council delegate for the authorisation of payments]
- the Business Manager must not have banking authorisation/signatory responsibilities other than for the transferring of funds between school bank accounts
- 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.
- 'Pay Anyone' transactions will be checked and authorised by the Principal and a second authorised signatory. The Business Manager or delegate will be responsible for inputting payment details from CASES21 processing.

### **BPay**

Mordialloc College 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 Handling](#)
- Available 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 updated March 2021 and is **scheduled for review in March 2022.**