



# ELECTRONIC FUNDS MANAGEMENT POLICY

## Basic Beliefs

The use of cheques and cash to make payments are rapidly becoming outdated practises. Instead Direct Deposit, Direct Debit, EFTPOS and BPAY transactions have become the norm. In order to reflect community behaviour, our school will offer Electronic Funds Payment facilities to receive funds and utilize Electronic Funds Payment methods to make payments.

## Goals

Direct Deposit, Direct Debit, EFTPOS and BPAY allows schools to increase the options and convenience provided to parents, debtors, creditors and school council employees, as well as improve security by reducing the amount of cash handled and kept at the school.

## Guidelines

### Electronic Revenue

- School Council, after considering the costs, benefits, fraud prevention controls, information privacy implications, and security controls etc, has authorised the provision of EFTPOS, BPAY and Direct Debit facilities at our school.
- Berwick Lodge Primary School's EFTPOS, BPAY and Direct Debit facilities are provided by the Commonwealth Bank of Australia.
- All staff operating the merchant facility will be made aware of the security requirements, and of the need to protect data from fraud. All staff authorised to process transactions will be minuted by School Council and entered on the Electronic Funds Management Register which will include their name, any unique IDs, and the functions they are permitted to perform.
- The school and all staff involved with EFTPOS will treat all acquired and retained EFTPOS customer information in accordance with Schedule 1 of the Victorian Privacy Act 2000.
- School Council appoints the Business Manager or Principal approved delegate as the authorising officer for approval of phone and refund transactions.
- The EFTPOS facility will be limited to one non-mobile terminal, which is located in the school administration office.

- Transaction costs will not be passed on to the customer, maximum limits will be set by the card holder's limit.
- To minimise potential for fraud, our EFTPOS terminal will be connected to the bank via phone connection and not via the internet.
- Our school will not provide a 'cash out' service.
- Customers have the option of using a "Pen" (signature) or "PIN" (Personal Identification Number) or Tap function to authorise transactions. When processing a credit card transaction that requires a signature for authorisation, operating staff 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 transaction that requires the entry of a PIN, customers will be able to enter their PIN without risk of disclosure 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, the embossed card number is free from alteration and that the card has not expired.
- Receipts will be entered onto CASES21 at the time the EFTPOS transaction is processed.
- 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.
- 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.
- Due to the anticipated high volume of EFTPOS transactions each day, our school will use a separate receipt batch for EFTPOS receipts which is updated at the end of each day.
- The settlement on the terminal (where the day's EFTPOS transactions are closed off for the day and a total determined) will be performed at the same time the batch is updated, ensuring that the daily total on each match, including adjustments for refunds.
- The batch total for that day (less refunds) will then match the direct credit amount paid by the bank on our Bank Reconciliation.
- Direct Debit facilities are available for families to pay their fees in set fortnightly or monthly instalments.
- A Direct Debit request form must be completed by the family and read in conjunction with the Direct Debit terms and conditions.
- Direct Debit payments will be receipted onto CASES21 at the time the transaction is processed.
- A separate receipt batch will be used for the monthly Direct Debit payments and the batch total will match this Direct Debit amount paid into our bank on our Bank Reconciliation.
- Any problems associated with Electronic Funds Management in the school will be reported to the authorising officer and the principal.

### **Electronic Refunds**

- 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. If the error is not processed on the same day as the original transaction occurred, it must be

treated as a 'refund' – see below. 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), and all transaction details must be entered in a 'void transaction' section of the Electronic Funds Management Register.

- 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. Details of the refund, including the name of the cardholder, card number, transaction details, date, name of staff member processing transaction, and signatures of the cardholder and the Principal will be recorded in the 'refunds' section of the EFTPOS Register.
- 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, direct deposit 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.

### **Electronic Payment of Accounts**

- School Council, after considering the costs, benefits, fraud prevention controls, information privacy implications, and security controls etc, has authorised the provision of BPAY and Direct Deposit payment of account facilities at our school.
- Berwick Lodge Primary School's BPAY and Direct Deposit facilities are provided by the Commonwealth Bank of Australia, specifically via Commbiz, a secure business banking software program.
- All personnel authorised to process transactions in Commbiz will be minuted by School Council and entered on the Electronic Funds Management Register which will include their name and any unique IDs.
- All personnel authorised to authorise transactions in Commbiz will be minuted by School Council and entered on the Electronic Funds Management Register which will include their name and any unique IDs.
- All personnel with administrative access to Commbiz will be minuted by School Council and entered on the Electronic Funds Management Register which will include their name and any unique IDs.
- PIN numbers required by personnel to access the Commbiz system must be kept secure and known only to the relevant personnel.
- The security tokens required to authorise the transfer of funds to the payee accounts in Commbiz will be held in the security room.
- Two signatories are required to authorise payments in Commbiz.

- Payment transfers from the official account to payee accounts will be processed via Commbiz after the all processes for payment of creditors or local payroll have been processed through CASES21 as per the CASES21 Finance Business Guide.
- Commbiz Payment amounts will match the Direct Deposit Detail and/or BPAY Deposit Detail reports generated from CASES21 (and on our Bank Reconciliation).

### **Responsibility for Implementation**

In consultation with the Principal and Business Manager, the Management Sub-Committee will monitor and make recommendations regarding the use of Electronic Funds facilities.

### **Date Passed by School Council**

The Electronic Funds Management Policy was passed by School Council on 19<sup>th</sup> February 2024.

### **Proposed Date of Review**

The Management Sub-Committee will be responsible for coordinating and planning the review of the Electronic Funds Management Policy, under the auspices of School Council. In line with Department of Education and Training requirements the Electronic Funds Management Policy will be reviewed on an **annual** basis.