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|  <p>Belmont High School 'Strive for the Highest' www.bhs.vic.edu.au</p> | Electronic Funds Management Policy | |
| Policy Status: Final | Document Owner: Business Manager | Authorised by: BHS School Council |
| Date of issue: 24/11/2020 | Review Date: Nov 2021 | Version 1 |

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 Belmont High School via the methods set out in this policy

POLICY

Belmont High 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

- Belmont High School school council requires that all actions related to internet banking are consistent with The Department's [Schools Electronic Funds Management Guidelines](#).
- Belmont High School 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 other member of school council nominated by the school council.
- Belmont High School school council will determine how refunds will be processed and any refunds processed through the EFTPOS terminal will be recorded in a refund register.
- Belmont High School will undertake maintenance and upgrading of hardware and software as required.
- Belmont High 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.

EFTPOS

Belmont High School is able to accept and provide alternative payment methods to cash or cheque by utilising Electronic Funds Transfer Point of Sale (EFTPOS) facilities.

EFTPOS provides Belmont High School with the ability to accept non-cash electronic payments by way of credit and debit card transactions.

- The Principal of Belmont High School, will ensure all staff operating the merchant facility are aware of security requirements. At our school, this includes: all data obtained through processing EFTPOS transactions remains safe from fraud. The introduction of EFTPOS as a means of collecting funds will require Belmont High School to acquire

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and retain customer information. Belmont High School must do so in accordance with *Schedule 1 of the Victorian Information Privacy Act 2000*.

- School council minutes must record which staff are authorised to process transactions.
- No "Cash Out" will be permitted on any school EFTPOS facility.
- Belmont High School will accept EFTPOS transactions via telephone or post (see Phone/Mail EFTPOS Transactions)
- Belmont High School school council has approved a minimum refund amount of \$10 and a maximum refund amount of \$200 (see Refunds).

Terminals

Terminals should be located in a secure location which will allow for no unauthorised usage, and ensure privacy for PIN transactions. Appropriate procedures will be implemented to ensure the security of the terminals during operation and when they are not in use.

Phone/Mail EFTPOS Transactions

Only transactions on credit cards can be accepted via telephone or post; transactions on debit cards (savings/cheque account) require the cardholder to be present at the point of sale.

Belmont High School has developed a pro-forma to be completed containing information such as:

- cardholders name
- card number, expiry date and security code
- transaction date
- name of staff member processing the transaction and
- invoice details

The pro-forma will be filed in a secure location with restricted access. Both an EFTPOS and school receipt should be forwarded to the cardholder as their record of the transaction.

All credit card details will be destroyed once processed

Processing Transactions

Belmont High School should only process transactions to accept school invoice payments i.e. family charges, sundry debtors, trading operation payments etc. Belmont High School are not to undertake transactions which provide 'cash' to the customer as part of the transaction. The maximum amount of a credit/debit card transaction is determined by the cardholder's limit unless School Council determines a maximum transaction limit for the school. The school should 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.

Incorrect Transaction Processing

Key internal controls relating to the reversal of incorrect EFTPOS transactions include:

- Void transactions must be processed on the same day as the original transaction. After that period it must be treated as a refund as per the procedures under 'Refunds' included in these guidelines
- All documentation relating to the original transaction must be obtained
- The void transaction must be signed by the cardholder
- Copies of both the original and voided transactions should be retained for audit purposes

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- The school copy should be signed by the authorised officer and where possible this should not be the operator who processed the original receipt. The transaction details should be recorded in an EFTPOS 'void transaction' register.

Refunds

If an EFTPOS refund transaction has been processed **and the receipt entered on CASES21**, the following refund guidelines should be applied:

- Before processing a refund, the original receipt is to be produced or the receipt number identified, and the refund must be approved by an authorised officer (Business Manager/Principal)
- Belmont High School will complete the Refund proforma each time an EFTPOS refund is requested. It should include:
 - name of cardholder
 - card number
 - transaction details
 - date
 - name of staff member processing transaction
 - signature of cardholder and Business Manager
- The document should be filed securely with limited access
- If the refund is not performed on the same day as the receipt, the school should not process the refund until they have confirmed the funds have been credited to their official account by the settling bank
- Refund can be made by Direct Deposit following normal processes, or via the EFTPOS terminal to the cardholders account (Business Manager authorisation required in this instance)
- Refunds can only be made to the account of the cardholder that made the original payment. EFTPOS transaction refunds will not be made by cash.
- Cardholders should be notified that it could be 5 business days before the refund may reach their account
- The cardholder should be given the customer copy of the refund voucher and must sign the merchant copy which is to be retained by the school.
- The EFTPOS refund should be processed on the terminal and CASES21 on the same day. The original receipt and merchant copy of the refund is to be attached to the CASES21 payment voucher which must be checked and approved by the authorised account signatories before being processed on the EFTPOS terminal.
- The refund should be recorded in the EFTPOS register.

Manual transactions

When the system is offline, Belmont High School may approve only credit card transactions and only up to their floor limit. The school should complete the pro-forma used for phone transactions and process the transaction as soon as connection to the financial institution is restored.

Banking

- A settlement must be run on the EFTPOS terminal at the end of each day.
- The settlement on the terminal is also performed at the same time as the batch is updated. The daily total on each should match (unless adjustment is required due to processing of a refund)
- On the Bank Reconciliation, the batch total for that date (less any refunds) should match the direct credit amount paid by the bank.

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Using this option provides Belmont High School with clear and current information regarding EFTPOS transactions in case of any enquiries. It is also an effective internal control measure reducing the risks of fraud or misappropriation of funds.

Information to be retained by school

Belmont High School will retain the following information in relation to use of an EFTPOS facility:

- Minutes of School Council meeting approving the use of the facility
- EFTPOS policy approved by School Council
- Register of approved school users
- Register of voided/refunded transactions
- Proforma/documents containing transaction details
- Merchant copies of EFTPOS terminal receipts, voided/cancelled receipts and settlement documents
- Applicable CASES 21 Report
- Daily EFTPOS reconciliation reports and documentation in support of refunds and/or adjustments.

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. Canon – Photocopier 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.
- Belmont High School will ensure adequate funds are available in the Official Account for the "sweep" of funds to the supplier.

DIRECT DEPOSIT

- Belmont High 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 responsibilities: Finance Manger/Assistant Business Manager to access statements and upload batches
 - the identification of staff with authorisation/signatory responsibilities: The Principal and School council delegate for the authorisation of payments

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- 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.

BPAY

Belmont High School 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

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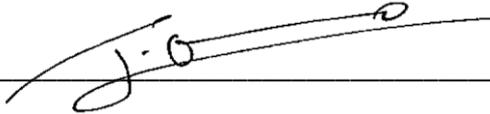
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REVIEW CYCLE

This policy will be reviewed as part of the school's one year review cycle.

AUTHORISATION

This policy and procedure was ratified by School Council on: 24/11/2020

Signed:  (School Council President)

Signed:  (School Council Executive Officer)