

MONTPELLIER PRIMARY SCHOOL ELECTRONIC FUNDS MANAGEMENT POLICY



Help for non-English speakers

If you need help to understand this policy, please contact the Language Loop: Phone 03 9280 1955 for interpreters or call our school office on (03) 5243 2521.

RATIONALE:

Electronic banking has become a very common banking practice that provides several distinct advantages, whilst at the same time offering high levels of security and convenience.

AIMS:

- To utilise the advantages of electronic banking for our school whilst simultaneously enhancing banking security, increasing transaction speed, improving convenience and lessening environmental impact.
- To ensure that all actions related to Electronic Banking are consistent with the DET procedures and internal controls of the 'Education Training and Reform Regulations 2007' and 'Schools Electronic Funds Management Guidelines 2019' located on the DET Policy and Advisory website <https://www2.education.vic.gov.au/pal/finance-manual/resources>.

IMPLEMENTATION:

- School Council, after carefully considering the costs, benefits, fraud prevention, internal controls, and information privacy implications etc, has authorised the use of electronic banking at our school.
- All payments through electronic 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 nominated member of school council.
- School Council approves CBA Bank CommBiz as the approved software for all internet banking activities.
- Electronic banking may be used to check account balances, transfer funds between accounts, direct debit transactions, direct deposit of invoices and local payroll, parent payments via BPAY, and Centrepay.

Direct Debit

- A direct debit facility allows an external source eg: a regular supplier to remove funds of a pre-arranged amount from our school's official account on a pre-arranged date. Typical examples would be computer monthly lease payments. A list of current direct debits will be kept at the front of the banking folder.
- 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.

BPAY

- BPay is a secure electronic banking product identified on a supplier/creditor account with a unique biller code.
- All of the standard controls and processes related to creating and paying orders are to be met.
- Whilst it is possible to pay BPay amounts by telephone, our School Council requires that we make BPay payments via the internet.
- Parent accounts may also be paid to the school by BPAY using the unique biller code printed on their statements. Payment will be allocated to the oldest outstanding transactions at the end of each month unless otherwise informed by parents.

Centrepay

- Centrepay is an option for parents to pay direct credit into the school account from their fortnightly Centrelink payments to pay school levies, with a minimum amount of \$10 able to be deducted per fortnight and a transaction fee of .99c to be paid by Montpellier PS.
- Centrelink email the school after every transaction advising the school to print out Centrelink payment sheet, payment is then receipted into Cases21 as a family receipt and a general ledger payment made for the Centrelink fee to the school.

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COMPASS

- Compass is a third party school management system which allows parents to pay school invoices, by way of credit and debit card transactions through a secure internet gateway.
- Compass will supply an itemised report of receipts to the school daily. The school will apply receipts to invoices daily in CASES21 and reconcile daily settlement statements with CASES21 transactions.
- Documentation will be kept by the school confirming all transactions, reconciliation reports, and relevant CASES21 reports.

Collection of fees by booklist supplier

- School Council authorises the collection of fees by the school's booklist provider.
- The provider will supply an itemised report of receipts to the school weekly. The school will reconcile daily settlement statements with CASES21 transactions.
- Documentation will be kept by the school confirming all transactions, reconciliation reports, and relevant CASES21 reports.
- The booklist provider will transfer money collected on the school's behalf into the Official account at the time agreed in the terms of trade agreement.

Direct Deposit

This form of internet banking allows the school to pay funds directly into a nominated bank account eg: creditors or local payroll employee.

Whilst this facility is particularly convenient and cost effective, it has minimal security. Consequently, internal controls surrounding the process at the school are critical. Such controls include:-

- Proper authorisation and approval of both the initial setting up of account details and any subsequent transactions against the account(s). The Principal and the previously mentioned School Council nominee only are authorised to use the security token associated with the CommBiz internet banking software.
- The proper segregation of duties at all times.
- The safe, secure and confidential storage of information and data, including the storage of PINs and security tokens in the school safe or under the control of the delegated person.
- Proper retention of all transactions relating to accounts such as purchase orders, tax invoices/statements, vouchers, payroll listings, signed or initialled payee details, relevant CASES21 reports etc, including Principal signed and dated internet transaction receipts attached to authorised payment vouchers.
- The retention of printed payment receipts that display all details of a payment so as to confirm payment details.
- Compliance with all bank imposed security measures, limits and requirements.
- Approval by School Council that all creditors are now paid by direct deposit and BPAY where possible to minimise cost and inconvenience of signing cheques.
- The provision of printed documentation to the Finance Committee, School Council and auditors as required.
- That alternative procedures using the direct deposit facility exist during periods when the Business Manager or the Principal are absent for an extended period.

EVALUATION:

- This Policy will be formally minuted and reviewed annually.

POLICY REVIEW AND APPROVAL

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| Policy last reviewed | 2023 |
| Approved by | Principal and School Council |



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| Communication and feedback | This policy is always accessible on the school website and feedback from the community can be directed to the school at any time for the School Council to consider. |
| Next scheduled review date | 2024 (1 Year Cycle) |

If changes from the Department of Education occur, this policy will be reviewed.

This Policy was endorsed by School Council on 20 February 2023