

Electronic Funds Management Policy

Rationale:

- Internet banking has become a very common banking practice and is an efficient means of receiving monies and processing payments.

Aims:

- To utilise the advantages of internet banking for our school by providing an up to date and more efficient payment process and also lessening environmental impact.
- To provide enhanced risk control and security over transactions.
- To provide clear documentation of processes.
- To provide enhanced services to creditors and debtors.

Implementation:

- School Council, after carefully considering the costs, benefits, fraud prevention, internal controls, and information privacy implications has authorised the use of internet banking at our school.
- In doing so, School Council requires that all actions related to internet banking are consistent with DET's 'S385-2007 School Internet Banking Guidelines'.
- School Council approves CBA CommBiz as the approved software for all the school's internet banking activities.
- 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 council. The principal and school council nominee will be minuted at the start of each year at School Council.
- The business manager cannot be nominated as an authoriser even if he or she is a member of school council.

Internal Controls:

- Proper authorisation and approval of both the initial setting up of account details and any subsequent transactions against the account. The principal and the school council nominee only are authorised to use the security tokens associated with the CommBiz internet banking software.
- Security and confidentiality of passwords, tokens and data at all times.
- Principal and business manager must ensure that the official account is not overdrawn.
- The proper segregation of duties at all times.
- The safe, secure and confidential storage of information and data.
- Proper retention of all transactions relating to accounts such as purchase orders, tax invoices/statements, vouchers, payroll listings, authorised payment vouchers and relevant CASES21 reports.
- Compliance with all bank imposed security measures, limits and requirements.
- The provision of printed documentation to the finance committee, school council and auditors as required.

Electronic Payment of Accounts:

Electronic payments can be made from the official account via the following methods:

- Direct Deposit

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- BPay
- Direct Debit

Direct Deposit

- Direct deposit via an internet banking facility provides schools with the flexibility to pay funds directly into a person's or businesses' nominated bank account using their BSB and account number eg. creditor or local payroll employee.
- A business banking package that has a two user authorisation is required as it contains a greater degree of security and access controls.

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.
- School Council requires that BPay payments are made via the internet for correct authorisation.

Direct Debit

- A direct debit facility allows an external source for example a regular supplier to remove funds of a prearranged amount from our school's official account on a pre-arranged date eg. computer lease payments.
- Direct debit may also be used by suppliers to remove irregular amounts from the school as a result of pre-arranged agreements.
- 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.

Evaluation:

This policy is required to be reviewed annually by school council to confirm or enhance internal control procedures.

References:

Schools Electronic Funds Management Guidelines

Education Training and Reform Regulations 2007, section 37(1) Revenue and Expenditure

This policy was ratified by School Council on 21 March 2019.

To be reviewed in 2020.