Internet Banking/Electronic Funds Management Policy

Rationale:
• Internet banking is 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 internet banking for our school and parent community whilst simultaneously enhancing banking security, decreasing transaction speed, improving convenience and lessening environmental impact.

Implementation:
• School Council, after carefully considering the costs, benefits, fraud prevention, internal controls, and information privacy implications etc, has authorised the use of internet banking at our school for the facilities listed below. In doing so, School Council requires that all actions related to internet banking are consistent with DEECD’s ‘S385-2007 School Internet Banking Guidelines’ and ‘Schools Electronic Funds Management Guidelines – A guide to electronic payments and receipts.’
• All payments through internet banking software are simply another form of payment from the school’s accounts and consistent with DEECD requirements, must be authorised by the principal and one other member of council nominated by the council.
• School Council approves CBA Bank CommBiz as the approved software for all of our internet banking activities.
• All passwords and data will be kept secure at all times, including the EFTPOS and credit card information of families.

**ELECTRONIC PAYMENTS**

**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 may include annual insurance premiums or monthly 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 invoice/statements to the school prior to direct debiting any funds from the school’s account.
• The school council requires a copy of the suppliers terms and conditions the schools ability to vary the direct debit agreement.
• The principal is the only authorised signatory for a direct debit authority.

**Direct Deposit Facility**
• This form of internet banking allows the school to pay funds directly into a person’s or businesses nominated bank accounts 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:-
  1. 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.
  2. The proper segregation of duties at all times.

This policy was last ratified in 2012
3. The safe, secure and confidential storage of information and data, including the storage of PIN’s and security tokens in the school safe.
4. Proper retention of all transactions relating to accounts such as purchase orders, tax invoices/statements, vouchers, payroll listings, signed or initialled screen prints and payee details, relevant CASES21 reports etc, including principal signed and dated internet transaction receipts attached to authorised payment vouchers.
5. The retention of printed payment receipts that display all details of a payment so as to confirm payment details.
6. Compliance with all bank imposed security measures, limits and requirements.
7. The provision of printed documentation to the finance committee, School Council and auditors as required.
8. That alternative procedures to using the Direct Deposit facility exist during periods when the business manager or the principal are absent for an extended period.

**BPay**
- BPay is a secure banking product which identifies creditors by a unique code
9. Payments made by BPay are subject to the same requirements as for all transactions relating to accounts such as purchase orders, tax invoices/statements, vouchers, payroll listings, signed or initialled screen prints and payee details, relevant CASES21 reports etc, including principal signed and dated BPay transaction receipts attached to authorised payment vouchers.

**ELECTRONIC REVENUE**

**EFTPOS**
- The use of EFTPOS allows schools to increase the options and convenience provided to debtors and families as well as improves security by reducing cash kept on the premises.
- EFTPOS is used for payments only with no cash out facility
- The Principal and Business Manager are the authorising officers of phone and refund transactions
- Copies of EFTPOS receipts, void transactions, refunds and reconciliations will be kept with Financial Records of the school
- Off line transactions will be completed using a MOTO Transaction form which records cardholder name, date of transaction, amount, acrd details and purpose of the transaction.
- Maximum refund limit is set at $200
- All EFTPOS transactions will be reconciled with Cases 21 Finance.
- Transactions will only be accepted that match school invoice payments eg family charges, sundry debtors, trading operations payments etc.

**BPAY**
- BPAY is an electronic bill payment service providing parents with the option to pay school accounts at any time via internet or telephone banking
- BPAY automatically notifies the school through Cases21 when a payment has been made, these payments may take up to 48 hours to clear, the school will process and allocate the payment in a timely manner and print receipts of all BPAY transactions
- Parent will have the option to choose BPAY as a payment method when returning permission slips and statements. Parents will be requested to email the Business Manager to direct payment amounts to particular invoices. If payment is made less than 48 hours prior to the payment date for the activity parents will be asked to provide a copy of the BPAY receipt as proof of payment.

**DIRECT DEBIT**
- Direct Debit is an electronic bill payment service providing parents with the option to pay school accounts according to an agreed payment plan with regular payments from a predetermined bank account. The school will accept payments through Commonwealth Bank Internet banking system. The school will allocate the payments to accounts in a timely manner.

**Evaluation:**
This policy was last ratified in 2012
This policy was last ratified in 2012

References:
S385-2007 School Internet Banking Guidelines
Schools Electronic Funds Management Guidelines – A guide to electronic payments and receipts.