



## Electronic Funds Management Policy (Internet Banking Policy) 2022

### Rationale

Internet 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 internet banking for our school 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 following facilities. In doing so, School Council requires that all actions related to internet banking are consistent with DET's 'S385-2007 School Internet Banking Guidelines'.
- 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 nominated by the council.
- School Council approves Bank Australia as the approved software for all of our internet banking activities.

#### 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.

#### 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.

#### 'Pay Anyone' 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:-
  - Proper authorisation and approval of both the initial setting up of account details and any subsequent transactions against the account(s).
  - The proper segregation of duties at all times.
  - 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.

- 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.
- The provision of printed documentation to the finance committee, School Council and auditors as required.
- That alternative procedures using the 'Pay-Anyone' facility exist during periods when the Business Manager or the Principal are absent for an extended period. This would be the relieving Business Manager and Principal.
- For 2021, Principal Robert Sands, School Council President Karen Pearce and School Council Treasurer Kylie McFarlane are the signatories for internet banking.

## Evaluation

This policy is required to be reviewed annually by School Council to confirm/enhance internal control procedures.