

ELECTRONIC FUNDS MANAGEMENT POLICY

PURPOSE

The purpose of this policy is to set out how Osbornes Flat Primary 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 Osbornes Flat Primary School via the methods set out in this policy

POLICY

Osbornes Flat Primary 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

- Osbornes Flat Primary School School Council requires that all actions related to internet banking are consistent with The Department's [Schools Electronic Funds Management Guidelines](#).
- Osbornes Flat Primary School School Council approves the use of Commonwealth Bank of Australia's 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 the school council nominated by the school council.
- Osbornes Flat Primary School will undertake maintenance and upgrading of hardware and software as required.
- Osbornes Flat Primary 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.

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 Daro Twin City] to debit 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.
- Osbornes Flat Primary School will ensure adequate funds are available in the Official Account for the "sweep" of funds to the supplier.

Creditor Direct Deposit/Electronic Funds Transfer

- Osbornes Flat Primary 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, or as an individual manual payment when necessary.
- All payments made through the internet banking system must be authorised by two authorised officers, one of whom must be the Principal.
- The various internal controls that need to be considered include:
 - the identification of staff with administrative responsibilities: Business Manager to access statements and upload batches
 - the identification of staff with authorisation/signatory responsibilities: The Principal and one of the nominated School council delegates to authorise of payments
 - 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: authorised signatories are to keep PIN information confidential and security tokens secure; neither should be shared.
 - the setting up of payee details in CASES21 will follow normal financial protocols.
 - the authorisation of transfer of funds from the official account to payee accounts: Principal and one School Council nominee to authorise.
 - alternative procedures for processing, using the direct deposit facility, for periods of Business Manager's and Principal leave of absence: If the Business Manager is absent at a time when an electronic payment would normally occur, the Principal may write a cheque which can be so-signed by a school council nominee, or enter/process the EFT payment via their own log in. The payment can then be authorised by the school council nominee as per the usual process. If the Principal is absent for a short time (up to 6 days), the creditor should be contacted and advised that payment may be delayed until their return. If the Principal is absent for a longer term (greater than 6 days) the Business Manager will defer to the Department for advice on how to proceed. This would normally mean a relief Principal has been appointed and would require access to the bank account for authorisation purposes.

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](#)

REVIEW CYCLE

This policy was last approved by the School Council February 2025 and is scheduled for review in February 2026.