



# ELECTRONIC BANKING POLICY

## **RATIONALE:**

1. Electronic Banking provides an efficient and secure form of paying and receiving funds on the school's behalf utilising functions provided in CASES by DET, in conjunction with internet banking software.
2. Electronic payments can be made from the Dookie Primary School Official A/C and via the Direct Debit and Direct Deposit methods.

## **GUIDELINES:**

### Direct Deposit

1. Direct Deposit via an internet banking facility provides schools with the freedom and flexibility to pay creditors (creditor, school level payroll employee) by nominating their BSB and account number at the time of the transaction, and depositing directly into their bank account.

To ensure the safety and security of school funds DET Financial Management Guidelines will be followed at all times with restricted access given to the electronic payment system. The school will use the Bendigo Bank e-banking system that has a two user authorisation system, as it contains a greater degree of security and access controls. Payments made through internet banking software must be authorised by two authorised officers (one of whom must be the Principal). Authorised officers are approved and minuted at School Council. The Business Manager may be nominated to process electronic payments but cannot be nominated to approve payments under any

### Direct Debit

1. The direct debit facility allows an external source e.g. financial institution or supplier to remove or 'sweep' funds pertaining to a pre-arranged amount and date from the school's official bank account on a regular or ad hoc basis e.g. computer lease payment. Many large companies will operate only on a Direct Debit basis.
2. All suppliers/creditors offering the direct debit facility will require a Direct Debit Request authority from the school. It is important to carefully read and understand the terms and conditions accompanying the direct debit commitment prior to completing and authorising the expenditure.
3. Two authorised officers must approve and sign all Direct Debit Request (as with any other form of payment), the Direct Debit approval must be minuted at School Council and a copy retained for Audit Purposes. A Standing Order purchase order must be completed to cover all transactions during the year.
4. The school should ensure that it receives a tax invoice/statement from each supplier prior to the direct debit 'sweep' date each month in order to confirm the accuracy of all payment's as well as any cash flow considerations. If the direct debit differs in amount or timing, the supplier must be contacted immediately and the issue resolved or the direct debit cancelled.

**Implementation:**

1. The Business Manager will confirm the availability of funds in the Official A/C prior to processing an electronic payment batch, and if required, transfer funds from the High Yield for the amount required.
2. A Bendigo Bank e-banking Transaction Report, must be printed by the Business Manager following submission of a payment batch in Bendigo Bank e-banking system.. This report must be attached to the CASES Payment Batch, confirming the transactions and batch totals processed in both systems balance. These reports are presented to the Principal and other authorised officer for verification and signature, along with the creditor invoices and payment vouchers prior to authorisation in Bendigo Bank e-banking system . These reports along with the fully authorised Bendigo Bank Report are retained for audit purposes.

Basis for discretion:

The basis for discretion lies with the Principal as an operational matter.

This policy will be reviewed annually.