



Donvale Primary School

EFTPOS Policy

Policy Statement

Schools are able to accept and provide alternative payment methods to cash or cheque by using Electronic Funds Transfer Point of Sale (EFTPOS) facilities.

EFTPOS provides schools with the ability to accept non-cash electronic payments by way of credit and debit card transactions. In addition to EFTPOS, Donvale also offers payment by BPAY, QKR and Compass.

Rationale

Use of EFTPOS will allow the primary school to increase the options and convenience provided to parents/debtors, as well as improves security by reducing the amount of cash handled and kept on school premises.

Implementation

- The Principal will be responsible for ensuring that the staff operating the merchant facility are made fully aware of security requirements, and that all data obtained through processing EFTPOS transactions remains safe from fraud. Staff authorized to process transactions should be minuted at School Council and entered into a Register.
- The use of EFTPOS as a means of collecting funds will require the school to acquire and retain customer information. Schools must do so in accordance with *Schedule 1 of the Victorian Privacy Act 2000*.

Internal controls

- Proper authorisation and approval of the initial setting up of the facility by School Council.
- Donvale Primary School will only process transactions to accept school invoice payments i.e. family charges, sundry debtors, trading operations payments, and fundraising. Transactions which provide “cash” to the parent/customer are not to be processed.
- Donvale Primary School will not refund via the EFTPOS machine in line with the Refunds Policy.
- The office staff will ensure that the documentation is filed appropriately, confirming all transactions such as merchant copies of EFTPOS receipts, voided receipts, daily EFTPOS reconciliation reports, authorization details and relevant CASES21 reports
- Donvale Primary School Administration staff will ensure that there is an appropriate segregation of duties to ensure and maintain the security, accuracy and legitimacy of transactions.

- The Administration office will have the following information available in a register detailing school user information, unique ID code and EFTPOS functions that are authorized to be performed.
- Register of void or refund transactions.
- DPS staff authorized to use the EFTPOS facility will be familiar with the EFTPOS functions and User Guide provided by the Financial Institution.
- Processed phone and offline transaction documents are to be filed with reconciliation reports and EFTPOS receipts.
- Donvale Primary School does not operate a mobile EFTPOS machine
- A minimum receipt amount of \$10.00 has been set. The Principal has the discretion to approve receipts of a smaller amount. A maximum of \$150.00 for offline payments has been set by the Financial Institution.
- Reconciliation of monthly EFTPOS statements received from the schools financial institution with CASES21 transaction records.
- Reconciliation of daily EFTPOS settlement statements with CASES21 transactions.

Appendix 1

The following information should be retained by the school:

- Minutes of the School Council meeting approving the use of the facility.
- EFTPOS policy approved by the School Council.
- Register of voided/refunded transactions.
- Merchant copies of EFTPOS terminal receipts voided cancelled receipts and settlement documents.
- Applicable CASES21 Reports
- Daily EFTPOS reconciliation reports and documentation in support of refunds and /or adjustments.
- Current authorised users of the EFTPOS terminal as per the EFTPOS authorised user register.

References

- DEECD Bulletin S396 – 2008 EFTPOS Receipting in Schools
- DEECD Policy EFTPOS Receipting in Schools 2008

Evaluation

This policy is to be reviewed on an annual basis following the AGM and Election of new School Council members.

Appendix 2

Procedures

EFTPOS Terminal

- The EFTPOS terminal has been connected to the bank via phone connection and not via the internet. Connection via a phone line ensures that the schools are not collecting or storing customer data in a manner that makes them susceptible to fraudulent transactions.
- The EFTPOS Machine is to be located in the front administration office.
- Donvale Primary School has one terminal.
- The EFTPOS terminal requires a PIN code to be entered by authorised users to access functions. Authorised users are the Principal, Assistant Principal, Business Manager and Administration Assistant.

Processing Transactions

- Donvale Primary School will only process transactions to accept school invoice payments i.e. family charges, sundry debtors, trading operations payments, and fundraising. Transactions which provide “cash” to the parent/customer are not to be processed.
- The maximum amount of a credit/debit card transaction is determined by the cardholders limit unless School Council determines a maximum transaction limit for the school.
- Banks have recently introduced new software for processing credit card transactions which allows customers the option of using a “Pen” (Signature) or “PIN (Personal Identification Number) to authorise transactions.
- When processing a credit card transaction that requires a signature for authorisation, authorised staff should ensure that the signature obtained on the merchant receipt matches the signature on the card and that the signature panel has not been altered in any way.
- When processing a credit card transaction that requires the entry of a PIN, customers should be able to enter their PIN without the risk of disclosure, and the PIN should never be recorded by the school.
- Authorised staff should ensure that the card number that is embossed on the the card is free from alteration and that the card has not expired.
- EFTPOS receipts are issued at the time of the EFTPOS transaction. CASES21 receipts are issued as soon as possible after the EFTPOS transaction. Administration staff should reconcile EFTPOS receipts with CASES21 reports to ensure all funds received by the school are receipted.
- Administration staff should always print both the merchant and customer copies of the receipt for both credit and debit card transactions, and retain the merchant copy for audit purposes.

Incorrect Transaction Processing

- If it is determined at the time of the transaction and **prior to entering the receipt on CASES21**, that an error has occurred, for example an incorrect amount is processed, schools should “void” or “refund” the transaction **via the EFTPOS terminal**. Schools should refer to the instructions provided in the EFTPOS facility user guide to ensure that this is processed correctly.
- Void transactions must be processed on the same day as the original transaction. After that period it must be treated as a refund as per the Refunds Policy and detailed under Internal Controls in this policy.
- The void transaction must be signed by the cardholder.
- Copies of both the original and voided transactions should be retained for audit purpose.
- The school copy should be signed by an authorised staff member; this should not where possible be the operator who processed the original receipt. The transaction details should be recorded in an EFTPOS ‘void transaction’ register.

Banking

- A separate receipt batch is to be operated (not containing cash or cheque transactions) for EFTPOS receipts, which is then reconciled with the transactions from the EFTPOS terminal.
- The *Settlement on the terminal is performed at the same time as the Batch is updated. The EFTPOS Batch total should match the settlement total.
- On the Bank reconciliation, the EFTPOS totals for the month being reconciled should match the Direct Credit amounts paid by the bank.
**The Settlement process is where the days EFTPOS transactions are closed off for the day and a total is determined. If the settlement is not performed by the school each day, the bank will force a settlement, at a time determined by them. As a result one or more Settlements may cross over one or more batches containing EFTPOS transactions making it difficult for schools to reconcile the EFTPOS transactions on their Bank Reconciliation.*