

Allandale School EFTPOS Policy

Adopted by the Board of Trustees on March 2015

1. Rationale:

1.1. Schools are able to accept and provide alternative payment methods to cash or cheque by utilising 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.

2. Aims:

2.1. EFTPOS allows the school to increase the options and convenience provided to parents and debtors, as well as improves security by reducing the amount of cash handled and kept at the school.

3. Implementation:

3.1. Allandale School is able to accept and provide alternative payment methods to cash or cheque by utilising Electronic Funds Transfer Point of Sale (EFTPOS) facilities.

3.2. EFTPOS provides Allandale School with the ability to accept non-cash electronic payments by way of credit and debit card transactions.

3.3. The Principal will be responsible for ensuring that 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 authorised to process transactions will be minuted at School Board of Trustees meetings and entered into a Register.

3.4. The introduction of EFTPOS as a means of collecting funds will require Allandale School to acquire and retain customer information. Allandale School must do so in accordance with the Privacy Act 1993.

4. Evaluation:

4.1. This policy is required to be reviewed annually by School Board of Trustees to confirm/enhance internal control procedures.

Review Date: 2017

Allandale School EFTPOS Procedures

1. EFTPOS Terminals

- 1.1. Terminals should be located in a secure location, which will allow for no unauthorised usage, and ensure privacy for PIN transactions. Appropriate procedures will be implemented to ensure the security of the terminals during operation and when they are not in use.
- 1.2. Phone/Mail EFTPOS Transactions
- 1.3. Only transactions on credit cards can be accepted via telephone or post;
- 1.4. Transactions on debit cards require the cardholder to be present at the point of sale.
- 1.5. Allandale School has developed a pro-forma to be completed containing information such as:
 - 1.5.1. cardholders name and address
 - 1.5.2. card number, expiry date and security code
 - 1.5.3. transaction date identification method and details
 - 1.5.4. name of staff member processing the transaction and
 - 1.5.5. invoice details.
- 1.6. The pro-forma will be filed in a secure location with restricted access. Both an EFTPOS and school receipt should be forwarded to the cardholder as their record of the transaction.

2.. Processing Transactions

- 2.1. Allandale School should only process transactions to accept school invoice payments (i.e. family charges, sundry debtors, trading operation payments etc.) and are not to undertake transactions, which provide 'cash' to the Allandale School customer as part of the transaction. The maximum amount of a credit/debit card transaction is determined by the cardholder's limit unless School Board of Trustees determines a maximum transaction limit for the school. The school 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.

3. Incorrect Transaction Processing

- 3.1. Key internal controls relating to the reversal of incorrect EFTPOS transactions include:
 - 3.1.1. 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 procedures under 'Refunds' included in these guidelines
 - 3.1.2. All documentation relating to the original transaction must be obtained
 - 3.1.3. The void transaction must be signed by the cardholder
 - 3.1.4. Copies of both the original and voided transactions should be retained for audit purposes.
 - 3.1.5. The school copy should be signed by the authorised officer and where possible this should not be the operator who processed the original receipt. The transaction details should be recorded in an EFTPOS 'void transaction' register.

4. Refunds

- 4.1. If an EFTPOS refund transaction has been processed and the receipt entered, then the following refund guidelines should be applied:
 - 4.1.1. Before a school processes a refund, the original receipt is to be produced or the receipt number identified, and the refund must be approved by an authorised officer
 - 4.1.2. Allandale School will complete the Refund proforma each time an EFTPOS refund is requested. It should include:
 - 4.1.2.1. name of cardholder
 - 4.1.2.2. card number
 - 4.1.2.3. transaction details
 - 4.1.2.4. date
 - 4.1.2.5. name of staff member processing transaction
 - 4.1.2.6. signature of cardholder and Principal.
 - 4.1.2.6.1. The document should be filed securely with limited access

- 4.2. If the refund is not performed on the same day as the receipt, the school should not process the refund until they have confirmed the funds have been credited to their official account by the settling bank
- 4.3. Refund can be made by cheque following normal processes, or via the EFTPOS terminal to the cardholders account (Principal authorisation required in this instance)
- 4.4. Refunds can only be made to the account of the cardholder that made the original payment. EFTPOS transaction refunds will not be made by cash
- 4.5. Cardholders should be notified that it could be 2-3 business days before the refund may reach their account
- 4.6. The cardholder should be given the customer copy of the refund voucher and must sign the merchant copy which is to be retained by the school
- 4.7. The EFTPOS refund should be processed on the terminal on the same day. The original receipt and merchant copy of the refund is to be attached to the payment voucher which must be checked and approved by the authorised account signatories before being processed on the EFTPOS terminal
- 4.8. The refund should be recorded in the EFTPOS register.

5. Manual transactions

- 5.1. When the system is offline, Allandale School may approve only credit card transactions and only up to their floor limit. If a manual card reader is not available (they are not mandatory), the school should complete the pro-forma used for phone transactions and process the transaction as soon as connection to the financial institution is restored.

6. Banking

- 6.1. A Settlement* must be run on the EFTPOS terminal at the end of each day
 - 6.2. Allandale School use a separate receipt batch (not containing cash or cheque transactions) for EFTPOS receipts which is updated at the end of each day
 - 6.3. The Settlement* on the terminal is also performed at the same time as the batch is updated. The daily total on each should match (unless adjustment is required due to processing of a refund)
 - 6.4. *On the Bank Reconciliation, the batch total for that date (less any refunds) should match the direct credit amount paid by the bank.*
- Using this option provides Allandale School with clear and current information regarding EFTPOS transactions in case of any enquiries. It is also an effective internal control measure reducing the risks of fraud or misappropriation of funds.

7. Information to be retained by school

- 7.1. Allandale School should retain the following information in relation to use of an EFTPOS facility:
 - 7.1.1. Minutes of School Board of Trustees meeting approving the use of the facility
 - 7.1.2. EFTPOS policy approved by School Board of Trustees
 - 7.1.3. Register of approved school users
 - 7.1.4. Register of voided/refunded transactions
 - 7.1.5. Proforma/documents containing transaction details
 - 7.1.6. Merchant copies of EFTPOS terminal receipts, voided/cancelled receipts and settlement documents
 - 7.1.7. Applicable CASES 21 Reports
 - 7.1.8. Daily EFTPOS reconciliation reports and documentation in support of refunds and/or adjustments.