

Introducing Electronic Banking for Payments

It is recommended that boards of management should use online banking for all payments. This is more cost effective and efficient for the school.

Approval must first be obtained from the board of management for the use of electronic banking by the school. This approval should be included and approved in the minutes of the board meeting.

Please follow the steps below when moving to electronic banking for payments:

- Once the decision to implement an electronic banking system has been taken, the board must ensure that an electronic banking policy is implemented as part of the schools' internal control procedures. This policy should be reviewed and updated at least once a year.
 - [Click here for a sample electronic banking policy](#)
- Schools must use business banking online which allows for two approvers as required by the school's governance documents.
- Electronic payments are subject to the same rules as a cheque payment and therefore must be approved by two of the nominated signatories of the board;
 - Post Primary: The Principal and one other person approved by the board must both approve all payments, be they cheques or electronic transfers.
- The board must approve the authorised approvers of online payments and include this in the minutes of the board.
- In line with good financial practice, there should be a clear division of duties. The person preparing the payment should not be one of the approvers of the payment.
- Access to approval of electronic payments must be password/PIN protected. It is not permissible for a bank approver/signatory to share logon details/PIN with other users.
- Any additions and amendments to payees must be approved by both authorised signatories.
- It is the responsibility of the board to ensure that the bank is aware of these controls and that the electronic banking system implemented complies fully.
- The FSSU has issued a separate guidance on the appropriate use of credit cards, [please click here](#).
- Debit cards should not be used by schools as a payment method under any circumstances, and where a school currently has a debit card for a bank account, this should be destroyed.

Sample Template

- [Sample electronic banking policy](#)

Further Guidance

- [Further Guidance on Electronic Banking](#)