

P&C use of Debit Cards



As outlined in the Accounting Manual for P&C Associations, P&Cs can use debit cards for appropriately approved official purchases of \$1,000 and under.

- Debit cards must not be used to withdraw cash, and direct debit arrangements cannot be attached to the debit card account.
- Retain receipts for all transactions. Reconcile the account monthly.
- Transaction charges for debit cards will be charged to the respective bank account and must be entered as an expense in the financial accounts when the monthly bank statement is received.
- Set up the debit card account as a separate account to the main bank account.

REQUIREMENTS:

- Talk to your bank to find out whether they are able to issue debit cards that meet the Department of Education's requirements for two-to-sign accounts.
- Do not link the debit card to the P&C's main bank account. SET UP A SEPARATE ACCOUNT (with the same financial institution) just for the debit card. If a debit card is linked to the P&C's main bank account, there is a potential risk that the cardholder would have access to the entire account balance of the P&C's main account.
- After discussion at a P&C meeting, move (and record in the minutes) a motion about who is authorised to have the card/s.
- Ask your bank to restrict each transaction to no more than \$1000. This is a control mechanism to help eliminate any risk and/or fraud.
- Deposit only enough funds to the debit card account to cover the upcoming authorised transactions for the month (keeping the amount to a minimum such as no more than \$1000).
- Depending on your bank, a debit card will probably have the facility for "payWave" or "PayPass". The person who has been issued the debit card will be responsible for treating the card as securely as they would cash to safeguard against unauthorised "tap and pay" transactions.
- Ensure all planned spending on the debit card is pre-approved by P&C Members at a P&C meeting.
- Conduct regular checks/reports (as the Treasurer would for the main account) including a monthly reconciliation.
- Keep a "Debit Card Register", with the details of who has been issued each card, the dates cards are received and returned, and signatures as appropriate.
- Make sure the card is returned to the P&C if there is a position handover. The P&C Treasurer should change the PIN before giving the care to a new user.

QUESTIONS?

Email the P&C Services team at enquiries@pandcsqld.com.au