INVESTMENT POLICY

PURPOSE
- To provide direction and guidelines for the investment of school funds.

POLICY GUIDELINES
- School Council has a responsibility to manage school funds and in doing so, has a responsibility to invest funds in a manner that generates the maximum interest revenue with institutions that represent low risk.

DOCUMENTS IN SUPPORT OF THIS POLICY
- Exec Memo 2002/052 Benchmark for School Cash Reserves
- Exec Memo 2000/008 High Yield Investment Account
- Circular 272/2000 Investment of School Funds
- Exec Memo 97/021 Investment of school funds

IMPLEMENTATION GUIDELINES
- All grants and other payments from the Department of Education and Early Childhood Development are paid into the school’s individual ‘at call’ High Yield Investment Account as required by DEECD.
- These funds, plus locally raised funds, are then deposited into the School’s Official Account on a needs basis.
- All investments will be made in the name of School Council and be reported through CASES.
- The cash-flow requirements of the school must be monitored to ensure that there are sufficient funds available to meet commitments.

- School Council Responsibility
  - School Council must consider whether or not it should leave excess funds in the High Yield Investment Account, or seek other investment opportunities. The Finance Committee of School Council will monitor and make recommendations regarding investment of targeted funds to School Council.
  - When considering investment opportunities, School Council will ensure that funds are only invested with institutions that are prudentially sound and secure, professionally managed, and have strong financial status in reserves, liquidity and profitability.
  - All investment and changes to investments, including the ‘roll over’ of existing investments, must be approved and minuted by School Council.
  - This policy, plus investment levels, investment terms and types of investments are required to be formally minuted and reviewed by School Council regularly.

- Investment Register
  - School Council must maintain a manual Investment Register for all investments other than the High Yield Investment Account. The register will detail date of lodgement, investment institution, account number, amount invested, and terms of investment including interest rate, maturity date and interest earned.

- Transfer Of Funds
  - School Council must not deposit money directly into, or make payments directly from an investment account. All receipts and payments must be made via the Official Account with the exception of interest earned and paid directly into an investment account, funds deposited by DE&T directly into the High Yield Investment Account and the Library Fund which is ATO endorsed as a gift deductible trust fund.
  - Investments cannot be paid out in cash.
  - Investments cannot be transferred into any other account than the Official Account, High Yield or Library Trust Fund and this must be done electronically.

EVALUATION
- This policy will be reviewed on a cyclical basis according to the policy review schedule or as required, by the School Council Finance Sub Committee and ratified by School Council.

Policy Area: Finance
Ratified by School Council: June 2009
Next Review: 2012