

Tallygaroopna Primary School



School Policy Document Investment Policy

Rationale:

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

Aims:

- To ensure maximum interest returns on low-risk investments.
- To ensure the cash-flow needs of the school are not compromised by the investment of funds into inaccessible accounts.

Implementation:

- All grants and other payments from the Department of Education and Training are paid into each school's individual 'at call' High Yield Investment Account.
- These funds, plus locally raised funds, are then transferred into the school's Official Account on a needs basis.
- School council must consider whether or not it should leave excess funds in the High Yield Investment Account, or seek other investment opportunities.
- 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.
- 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, and authorised by the principal and a school council delegate.
- All investments will be made in the name of school council and be reported through CASES21.
- The cash-flow requirements of the school must be monitored to ensure that there are sufficient funds available to meet commitments.
- 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 DET directly into the High Yield Investment Account, and schools with ATO endorsement to operate a gift deductible trust fund (eg school library or building fund).

Evaluation:

- This policy, plus investment levels, investment terms and types of investments are required to be formally minuted and reviewed by school council annually.

This policy was last ratified by School Council on 21st Feb 2018
It needs to be endorsed every year at the first School Council Meeting.