Investment Policy

Rationale

The purpose of this investment policy is to monitor school funds and to invest funds according to DET guidelines so as to generate interest revenue for the school.

Implementation

All grants from DET are paid into the school’s “at call” High Yield Investment Account.

School Council can leave monies in the High Yield account or invest in banks, building societies or credit unions. It can invest in bank accepted or endorsed bills of exchange or in negotiable, convertible or transferable certificate of deposit issued by the bank.

Funds that are surplus to the school’s operational requirements will be invested to generate the best possible interest revenue. There must be sufficient flexibility in the investment chosen to ensure the ongoing, efficient operation of the school.

School Council will monitor investments for compliance with this policy and DET guidelines.

All investment or changes to investments will be approved by School Council and authorized by the Principal and a School Council delegate.

Advice will be sought as to how surplus funds should be invested and, in general, more than one opinion will be sought. Generally, this advice will form the basis of a short and long term investment strategy.

School Council will be responsible for endorsing investment decisions and strategies.

School Council will formally minute and review an investment policy which details the:

- Level of funds to be invested
- Term of the investments
- Types of investments with reference to the school’s required cash flow throughout the year
Treatment of Investments

All investment accounts will be included on CASES21 Finance and except for the High Yield Investment Account will be in the name of the School Council.

The school will not deposit money directly to or make payments directly from an investment account. All receipts and payments will go through the official account. An exception to these procedures are:

- Interest earned and paid directly into an investment account
- Funds deposited by the Department directly to the High Yield Investment Account
- The School Library Trust Fund as endorsed by the Australian Taxation Office to operate as a gift deductible trust fund

Investment Register

Where the school chooses not to use the High Yield Investment Account as the sole investment instrument, details of all other investments will be recorded in a manual investment register using headings such as:

Bank Account
Bank Title
Account balance
Account Type
Interest Rate
Investment Date
Maturity Date
Interest Earned
Deposits
Withdrawals

Support Documents

CASES21 Finance Module
Schools Investment Policy and Guidelines - DET

Application

Staff
Members of School Council
Finance Sub-Committee

References

Schools Investment Policy and Guidelines - DET
Evaluation:

This policy is required to be reviewed by School Council annually.