



# School Investment Policy

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This Policy has been developed to comply with the requirements of the Schools of the Future Reference Guide Section 7.7.3 and is to be read in conjunction with this document.

## Rationale

In accordance with DET policy for Internal Control Procedures and as a prudent investor, the school must ensure that investments are only made with institutions that are:

- prudentially sound and secure
- professionally managed
- have strong financial status in its reserves, liquidity and profitability

## Aim

In pursuing funds from other sources to maintain facilities and programs, the School Council will monitor school funds carefully and invest surplus funds to generate revenue for the school.

## Investment of school funds

School Council will undertake low risk investments as follows:

- by depositing funds in any credit union, bank or building society.
- in bank accepted or endorsed bills of exchange.
- in negotiable, convertible or transferable certificates of deposit issued by a bank.
- School Council will monitor cash flow to ensure that funds are always available in the official account to meet commitments.
- All investments, including reinvestments, made by the school must be endorsed by the Finance Committee and approved by the School Council and recorded in the minutes.
- Investment transactions may be made by the Business Manager in consultation with the Principal to maximise income potential provided that delegation is made by School Council and recorded in the minutes.

## High Yield Investment Account (HYIA)

The Business Manager requires approval for delegation from School Council to transfer funds between this account and the Official Account. The Principal is to authorise in writing all movement of monies from the HYIA.

## Investment register

If the school decides to open any investment account they will be included and maintained on the CASES21 financial management system and procedures followed in accordance with DET policy including:

- no direct deposits into Investment Accounts, except for interest earned on the account.
- all monies will be receipted through the Official Account.
- no direct payments will be made from the Investment Account.

Investments will be manually recorded (until an electronic investment register is included on CASES21) and maintained in an Investment Register and transferred onto CASES21. The Register will contain the following information:

- name of institution and date of lodgement
- terms of the investment – period, percentage rate and maturity date

- amount invested

## **Implementation**

- School Council delegates to the Principal and Business Manager responsibility to operate within these guidelines. This should be minuted at the First School Council meeting each year when this policy is reapproved.
- School Council will monitor investments on compliance with the School Policy.
- Appropriate reports will be provided to School Council on a monthly basis.

## **Evaluation**

Audit by the DET appointed auditors

Annual School Report

School Council will review this policy annually as part of DET endorsement requirements.