INVESTMENT POLICY

RATIONALE:
An investment policy is a requirement of the Department of Education & Early Childhood Development (DEECD) as part of Internal Control procedures.

AIMS:
To give clear unequivocal guidelines to the school community, Principal and Council as to how monies are to be invested on its behalf.

DEECD requires the School Council to adopt the Prudent Investor Guide to the investment institution of their choice as follows:
• Regulated by the Australian Prudential Regulation Authority (APRA) and are listed by them as an Authorised Deposit taking Institution (ADIs).
• Professionally managed.
• Has strong financial status in its reserves, liquidity and profitability

IMPLEMENTATION:
• Only low risk investments are to be undertaken.
• Cash flow of the school is to be such that cash in the official account is enough to meet commitments.
• The School Council must approve the investment of funds and the Principal must authorise the investment.
• All investment accounts will be included in the CASES21 financial system and the procedures for properly maintaining the accounts will be completed in accordance with DEECD policy. In particular, no direct deposits into investment accounts except for interest earned on those accounts.
• All monies will be receipted through the official account.
• The Department Funds are now only receipted in the High Yield account, however all monies through the school are receipted via the official account. No direct payments from the investment account will be made. The monies must first be transferred into the official account.

All investments will be electronically recorded via the CASES21 Finance Linked program. This program will detail:
• Date of transaction
• Name of institution/ name of account
• Monetary value of transaction
• Description of where from/to

The School Council can decide to invest in banks, building societies or credit unions in line with DEECD guidelines. It can invest in bank accepted or endorsed bills of exchange or in negotiable, convertible or transferable certificates of deposit issued by the bank. Findon Primary School Council has approved a Term Investment account with the Commonwealth Bank and Victoria Teachers Mutual Bank. Information regarding these term investments are to be kept in a current Investment Register and regularly reported to School Council.

EVALUATION: This policy shall be reviewed as part of the ongoing policy and process review.

REFERENCES:
DEECD Website
Regulated by the Australian Prudential Regulation Authority, (APRA)
Authorised Deposit taking Institution (ADIs)
CASES21

Ratified by School Council 18.6.2013
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