

## INVESTMENT POLICY

### PHILOSOPHY

In order to maximise the benefits of both Government Cash Grant and locally raised funds, the School Council has opted to invest its operating funds with the Westpac Cash Management High Yield Investment Account. This account not only provides an appropriate level of flexibility for effective operation of school accounts but also satisfies the statutory requirements in regard to being guaranteed by the Australian Government.

School funds may also be invested in low risk institutions such as banks, building societies and credit unions, as approved by the School Council or as directed by the Department of Education and Training, (all investment institutions must satisfy the statutory requirements in regard to being guaranteed by the Australian Government). Currently, our main investment option is with the Bendigo Bank.

### PURPOSE

- School funds will be invested with institutions having a low risk and which attract an acceptable rate of interest.
- Investments should have the flexibility to meet the school's commitments.
- This procedure is designed to maximise the interest earned on the school's funds while not unduly affecting the daily running of the school office administration.

### IMPLEMENTATION

- All School financial assets will be invested primarily with the bank/s as required by DET.
- An amount of money, enough to meet commitments is to be held in the Official Account.
- The remainder of school financial assets will be invested in approved accounts. School Council may approve an account, provided it is government guaranteed, at call and provides a suitable rate of interest.
- The Principal and Business Manager will be the only members of staff authorised to move money between approved accounts.
- Interest earned during each year will be allocated according to the acceptance, by School Council, of a recommendation made by the Finance Committee.
- **Movement of Funds:** The School's Business Manager and the Principal are to periodically review the level of funds required to maintain liquidity in the Official Account. The Business Manager will transfer funds between accounts as required to meet payments being processed during any one day and will transfer funds into the approved accounts.
- **Investment Policy Review:** This policy is to be reviewed on a regular basis (at least every 12 months) by the Finance Committee to ensure that it satisfies the investment needs of the school with regard to maximising the funds available for the school's programs.
- The Business Manager shall report the movement of all funds monthly to the Finance Committee. School Council shall ratify accounts at all School Council meetings.

<b>Policy Approved by:</b>	Finance Committee – School Council
<b>Effective Date:</b>	November 2017
<b>Review by Date:</b>	November 2018