



INVESTMENT POLICY

Rationale:

Buchan Primary School Council has a responsibility to manage School funds and in doing so, has a responsibility to invest funds in a manner that generates the maximum interest revenue with institutions, which 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 & 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 ensure a manual Investment Register is maintained 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 investments will be made in the name of School Council and be reported through CASES21 Finance.
- To enable maximum interest return the Business Manager has authorisation from School Council to move funds between the Westpac High Yield Investment Account and the Official Account to meet operational needs.
- Electronic transactions are to be performed strictly in accordance with DET policy. The Principal and the Business Manager to maintain control of security numbers and codes.
- The cash-flow requirements of the School must be monitored by the Business Manager to ensure that there are sufficient funds available to meet commitments.
- School Council must make sure that money is 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).
- Monitoring of the Investment register and compliance with this Investment Policy will be conducted by council as part of the monthly finance reports.
- All Financial Activities to be conducted within the DET Financial Management Policy and Procedures for Victorian Government Schools Guidelines.

Evaluation:

- This policy is required to be formally minuted and reviewed by the School Council on an annual basis.

This policy was last updated on 7th June and is scheduled for review in June 2022.