

INVESTMENT POLICY

RATIONALE

School Council has a responsibility to manage school funds and in doing so, has a responsibility to invest excess funds in a manner that generates the maximum interest revenue with institutions that represent low risk.

PURPOSE:

1. to ensure maximum interest returns on low-risk investments
2. to ensure the cash-flow needs of the school are not compromised by the investment of funds into inaccessible accounts

IMPLEMENTATION

1. All grants and other school payments for the Department of Education and Training (DE&T) are paid into the school's individual 'at call' High Yield Account
2. These funds, plus locally raised funds, are then transferred into the school's Official Account on a needs basis
3. School Council must consider whether or not it should leave excess funds in the High Yield Investment account, or seek other investment opportunities. The Finance sub-committee of School Council will monitor and make recommendations regarding investment of excess funds to School Council
4. The cash flow requirements of the school must be monitored to ensure that there are sufficient funds available to meet commitments
5. School Council must 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:
 - i. Interest earned and paid directly into an investment account
 - ii. Funds deposited by DE&T directly into the High Yield Investment Account and
 - iii. Schools with ATO endorsement to operate a gift deductible trust fund (eg school library or building trust fund)

REVIEW

This policy will be reviewed towards the end of 2012.