INVESTMENT POLICY

Investment of excess funds in Investment Accounts other than HYIA

PURPOSE
School council will ensure that school funds are only invested with financial institutions, specifically Banks and Credit Unions, which are regulated by the APRA, and are listed by them as an ADI.

Schools are able to invest in the following types of products with these institutions:
- Cash Management accounts
- Term deposit accounts
- Accepted or endorsed bills of exchange
- Negotiable, convertible or transferrable certificates of deposit.

The investment of school funds in shares or other financial products or with other financial institutions not listed as an ADI (Authorised Deposit–taking Institution) under the APRA (Australian Prudential Regulation Authority) guidelines is not allowed.

Great Ryrie Primary School invests in high interest-bearing, fixed-term deposit accounts, in order to maximise the return from funds in excess of those the school holds in reserve in the High Yield Interest Account.

IMPLEMENTATION
1. School Council shall formally minute, and review annually, an investment plan which details the level of funds to be invested, the term of the investment(s) and the type of investment(s), with reference to the school’s required cash flow during the year.
2. School Council shall monitor investments for compliance with this policy.
3. All investments, or changes to investments, shall be approved by School Council and authorized by the Principal and a School Council delegate.
4. All investment accounts will be recorded on CASES21 Finance and, except for the High Yield Investment Account, shall be in the name of the School Council and recorded in an Investment Register.
5. The school shall not deposit money directly to, or make payments directly from, an investment account. All receipts and payments must go through the school’s Official Account with investment funds transferred to/from the investment account. Exceptions to this are; interest earned and paid directly into an investment account and funds deposited by the Department directly to the High Yield Investment Account. Schools with Australian Taxation Office endorsement for Deductable Gift Recipient status to operate a Gift Deductible trust fund (e.g. school library or building fund).
6. On maturity of an investment, the School Council shall review the cash requirements of the school and decide whether the funds are to be reinvested or utilised.
7. Where the school chooses not to use the HYIA as the sole investment instrument, details of all other investments must be recorded in a manual investment register using headings such as: bank account, bank title, account type, interest rate %, investment date, maturity date, account balance, deposits and withdrawals. The Investment Register must be updated with any changes to invested monies and regularly reconciled with bank statements and certificates.
8. The school shall retain the following information in regards to investment of funds; School Council minutes containing approval of the investment policy, approval of investments and details of changes to investment account particulars, the school’s approved ‘School Council Investment Policy’, Investment Register, Bank Statements or Certificates and relevant CASES21 Finance reports.

School Council ratified this policy in March 2015

To be reviewed annually in line with DET requirements.

Next review of this policy is in 2016