

Investment

Rationale

An investment policy is a requirement of the DET as part of Internal Control procedures. It aims to give clear unequivocal guidelines to the school community, Principal and Council as to how monies are to be invested on its behalf.

The DET requires the School to adopt the Prudent Investor guide to the investment institution of their choice as follows:

- Prudentially sound and secure
- Professionally managed
- Has strong financial status in its reserves, liquidity and profitability

Guidelines

Only low risk investments are to be undertaken.

Cashflow 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 CASES financial system and the procedure for properly maintaining the accounts will be completed in accordance with DET 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. No direct payments from the investment account will be made. The monies must first be transferred into the official account.

The Buildings maintenance Trust and Library Trust can be paid directly as they have the approval of the ATO.

Investments will be manually recorded in the Investment Register maintained by the Bursar of the School. This will be replaced later with an electronically recorded CASES linked program. The Register will contain:

- Date of lodgement
- Name of institution
- Terms of investment: period, percentage rate and maturity date
- Amount invested.

The School Council can decide to invest in banks, building societies or credit

unions. It can invest in bank accepted or endorsed bills of exchange or in negotiable, convertible or transferable certificates of deposit issued by the bank.