



Wonga Park Primary School Policy Manual	700 RESOURCES 711 Investment	Page: 1 of 2 Issue No: 5.0 Date: March 2019
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INVESTMENT POLICY

Purpose

- The School Council has full responsibility for monitoring school funds and deciding if there is the opportunity to invest surplus funds to generate interest revenue for the school. To maximize the funds available for investment, a cash flow budget will be prepared to determine cash requirements in any given period.
- The school will identify the potential for investment of excess funds and determine an appropriate cash reserve or “safety net”, to meet budget variations and commitments that may occur.
- The school will refer to the following resource as necessary - <http://www.education.vic.gov.au/school/principals/finance/Pages/guidelines.aspx>

Guidelines

- The school council, as trustee of school funds, will ensure that money is adequately protected by placing it in secure investments. All investments, or changes to investments, should be approved by school council and authorised by the principal and a school council delegate
- The School will ensure that it complies with the Centralised Treasury and Investment Policy. This policy centralises the borrowing and investment powers of state entities with the State's central finance agencies, Treasury Corporation of Victoria (TCV) and Victoria Financial Management Corporation (VFMC). The policy and associated frequently asked questions can be accessed on the Department of Treasury and Finance website.
- All school financial assets will be invested with an approved financial institution. The investment of school funds in shares or other financial products or with financial institutions not listed as an ADI under the APRA guidelines is not permitted.
- If the school retains separate investments, the school will ensure that the maturity profile of the deposits is appropriate to the school's needs and that the following internal controls are in place.
 - a) School council approved policy

School council will formally minute and review annually, an investment policy which details the:

 - level of funds to be invested
 - term of the investment(s)
 - type of investment(s), with reference to the school's required cash flow during the year.
- The School council will be provided with regular summarised investment reports so as to enable monitoring of investments for compliance with the investment policy and so that school council is fully aware of all funds held and invested by the school
- All investments, or changes to investments, should be approved by school council and authorised by the principal and an approved signatory.
 - b) Treatment of investments

- All investment accounts will be recorded on CASES21 Finance and, except for the High Yield Investment Account, will be in the name of the school council and recorded in an investment register.
- The School will not deposit money directly to, or make payments directly from, an investment account. ALL receipts and payments will go through the school council official account with investment funds transferred to/from the investment account. Exceptions to this are:
 - interest earned and paid directly into an investment account
 - funds deposited by the Department directly to the High Yield Investment Account
 - Schools with Australian Taxation Office endorsement for Deductible Gift Recipient (DGR) status to operate a gift deductible trust fund (e.g. School library or building fund).
- On maturity of an investment, the school council will review the cash requirements of the school and decide whether the funds are to be reinvested or utilised.
- The school will retain the following information in regards to the investment of all funds:
 - School council minutes containing the approval of investment policy, approval of investments and details of changes to investments account particulars
 - Investment register
 - Bank statements or certificates
 - Relevant CASES21 Finance and investment reports
- The Principal and the office manager (under the direction from the Principal) will be the only members of staff authorised to move money from the Investment Account to the Official Account.
- Interest earned during each year is allocated according to the acceptance by School Council of a recommendation made by the Finance Committee.
- The Principal has the authority to rollover investment monies not exceeding one hundred and twenty (120) days.

Date Ratified by School Council: 4.3.19.

REVIEW Administration and teaching staff will be responsible for the implementation and evaluation of these guidelines. The guidelines will be reviewed by the school council every year, or earlier in special circumstances, and is scheduled for review in **2020**.