



INVESTMENT OF SCHOOL FUNDS Policy

Rationale:

- To ensure that School Council properly monitors and manages school funds, thus enabling the school to maximise interest returns with a prudent investment strategy.

Implementation:

- To maximise funds available for investment, the Budget & Finance Sub-committee of School Council will prepare a cash flow budget to determine Official Account cash requirements in any given period.
- As per DET policy, all Government grants will automatically be paid into the School's High Yield Investment Account with WESTPAC.
- As a prudent investor, the School will ensure that the vast majority of School funds remain in the School's High Yield Investment Account, thus ensuring the highest possible interest rate return.
- The School's High Yield Investment Account, Official Account, Term Deposit Account and Kindergarten Account will be included on CASES21 Finance.
- Except for Government Grants forwarded to the High Yield Account, all funds received to the school must go through the school's Official Account. High Yield Investment funds will be transferred to the Official Account on a needs basis.
- The School will only make payments to creditors from the Official Account and from the Kindergarten account for kindergarten payments to creditors.
- The School's High Yield Investments will be reconciled at the end of each month and resultant reports will then be presented to ensuing School Council meetings for ratification, as part of the Budget and Finance Report.
- All cheques & negotiable instruments (NB. Internet banking payments) must be authorised by the Principal and a member of the School Council nominated by the School Council for that purpose.
- School council must consider whether or not it should leave excess funds in the High Yield Investment Account, Term Deposit Account or seek other investment opportunities. The Principal and Business Manager will monitor and make recommendations regarding investment of targeted funds to school council.

- School Council must maintain a manual Investment Register 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 investment and changes to investments, including the 'roll over' of existing investments, must be approved and minuted by school council, and authorised by the principal and a school council delegate.
- All investments will be made in the name of school council and be reported through CASES.

This policy was last ratified by School Council in....

February 2015