



Urquhart Park Primary School

INVESTMENT

POLICY

Rationale:

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

Guidelines:

- To ensure maximum interest returns on low risk investments.
- To ensure the cash flow needs of the school are not compromised by the investment of funds into inaccessible accounts.
- To ensure all invested funds are targeted for specific purposes.

Implementation:

- All grants and other payments from the Department of Education and Training are paid into the school's individual 'at call' High Yield Investment Account.
- These funds, plus locally raised funds, are then transferred into the school's Official Account on an as needs basis.
- School Council must consider whether or not it should leave excess funds in the High Yield Investment Account, or seek other investment opportunities. School Council must maintain a manual Investment Register for all investments other than the High Yield Investment Account. The register will detail:
 - The date of lodgement
 - Investment institution
 - Account number
 - Amount invested
 - Terms of investment, including:
 - Interest rate
 - Maturity date
 - Interest earned
- When considering investment opportunities, School Council should apply the 'prudent investor test' and ensure that funds are only invested with institutions that are prudentially sound and secure.
- All investment and changes to investments, including the 'roll over' of existing investments, must be approved and minuted by School Council, authorised by the Principal and a School Council delegate.
- All investments will be made in the name of the School Council and be reported through CASES21.

References: Exec Memo 2002/052 – Benchmark for School Cash Reserves
Circular 272/2000 – Investment of School funds

- The cash flow requirements of the school must be monitored to ensure that there are sufficient funds available to meet commitments.
- 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:
 - Interest earned and paid directly into an investment account
 - Funds deposited by the Department of Education and Training directly into the High Yield Investment Account
 - Schools with ATO endorsement to operate a gift deductible trust fund (eg school library or building fund)

Evaluation:

- This policy, plus investment levels, investment terms and types of investments are required to be formally minuted and reviewed by School Council regularly.

This policy was last ratified by School Council in 2018