

INVESTMENT

POLICY

Rationale:

School Council have full responsibility for monitoring school funds and identifying the potential to invest surplus funds to generate interest revenue for the school

The High Yield Investment Account held at Westpac was established by the Department of Education to assist schools with cash flow planning and, in the event of surpluses being identified, to provide schools with attractive and competitive interest rate on the funds invested while still retaining an 'at call' status,

Aims:

- To invest school funds in the Government approved High Yield Investment Account for at-call purposes
- To optimise the interest component of our locally raised funds.
- To invest long-term funds in the most appropriate manner that will ensure maximum returns.

Implementation:

- Two signatories to the Canadian Lead Primary School HYIA will be the same as the signatories to the School Council Official Account:
 - Principal – Darlene Cameron (mandatory)
 - Assistant Principal – Clete Smith
- The Principal or his/her delegate, with the guidance of the Finance Committee, will review the monthly cash flow position, in order to monitor the appropriate level of School Council investment funds
- Careful management of the School Council Official Account should ensure that it is neither goes into deficit or carry excessive amounts of cash funds
- The transfer of money from one bank account to another must be authorised by the Principal and reported to school council each month
- At each monthly Finance Committee meeting, the following information will be required to be presented:
 - Total of all Bank Accounts, including Investment Accounts
 - List of approved transactions
 - Interest earned during the month (if any)
 - The interest rate being paid on the HYIA and any other Investment Accounts
 - Recommendations for future investments (if any)
- The principal (or his/her delegate) will be responsible for the timely implementation of School Council decisions in regard to the Canadian Lead Primary School investment account/s
- Direct deposits or payments will NOT be made directly from any investment accounts. All receipts and payments must go through the school's Official Account with investment funds transferred to/from the HYIA, with the exception being interest earned and paid directly into the account; and funds directly deposited by the Department of Education.
- The following documents will be retained for audit purposes in relation to investment accounts:
 - The school's approved "School Council Investment Policy"
 - School council minutes containing approval of investment policy, approval of investments and details of changes to investment account particulars
 - Investment Register (if applicable)
 - Bank Statements and/or certificates
 - Relevant CASES21 reports
- School Council can elect to operate investment accounts in addition to the HYIA eg Fixed Term Deposit, if it deems prudent to do so.

- School funds other than with the HYIA are only invested with financial institutions which are regulated by the Australian Prudential Regulation Authority (APRA)
- A manual investment register must be kept if the school chooses to add other investment accounts which will record.
 - Bank Account name and number
 - Bank Title
 - Account type
 - Interest Rate %
 - Investment Date
 - Maturity Date
 - Account balance
 - Deposits & Withdrawals
- The investment register must be updated with any changes and reconciled monthly with bank statements and certificates when issued
- The investment of school funds in shares or other financial products is not allowed
- Where possible, funds held over holiday periods should be placed in the High Yield Account spanning the school holiday periods

Evaluation:

An annual review of the Canadian Lead Primary School Investment policy will be undertaken in term 3, in readiness for the development of the Program Budget for the following year in term 4.

References: -DET Schools investment policy and guidelines