



# Financial Investment Policy

## Policy Statement

The Principal, School Council and Business Manager have the responsibility to manage surplus funds to generate interest revenue for the school. To ensure that Donvale Primary School complies with DEECDS Policy and Guidelines to ensure that funds are only invested with Financial Institutions (specifically Banks and Credit Unions) which are regulated by the Australian Prudential Regulation Authority (APRA) and are listed by them as an Authorised Deposit –taking Institution (ADIs)

## Rationale

To successfully maintain all bank accounts for the benefit of the school. To obtain the highest return available for monies held in investment accounts while ensuring a cash flow available to meet school requirements. To minimise the schools exposure to risk when investing school funds.

## Implementation

- Donvale Primary School is able to invest in the following types of products with approved institutions: Cash Management Accounts, Term Deposit Accounts, Accepted or endorsed bills of exchange, Negotiable, convertible or transferable certificates of deposit.
- All investment accounts must be recorded on CASES21 Finance, in the name of Donvale Primary School Council (with the exception of the High Yield Investment Account), and recorded in an investment register
- All receipts and payments must go through Donvale Primary Schools Official account with investment funds transferred to/from the investment account.
- Approval of cash transfers between the school's Official account and Investment/HYIA accounts is done in consultation and at the "joint" discretion between the Principal and Business Manager. Investment transfers are to be minuted at the Finance Committee, with the minutes being tabled at School Council. All transfers to be entered into the Investment Register.
- Short term cash requirements to be maintained in the school's Official account to ensure a credit balance.
- Monthly statements detailing investment balances to be presented to School Council.

- School Council financial investment policy is to maximise the amount in the Investment account/HYIA account in order to generate the highest return while being able to meet current and short term cash requirements of the school.
- The school management shall have the authority to determine immediate future investments strategies with consequent report and recommendation to Council body.

### **Review**

This policy is to be reviewed and minuted on an annual basis following the AGM and election of new School Council members.

### **References**

- Schools Investment policy and Guidelines – January 2013