



EDGARS CREEK
Secondary College

INVESTMENT POLICY

Rationale:

The school's Council has the responsibility to ensure the funds received in the school's Student Resource Package and from Local Fund Raising are spent within the Department of Education's guidelines and to maximise the school's return on funds that are not immediately required for the day to day running of the school.

Aims:

It is the intent of this policy to guide the school's Council, Finance Sub-Committee and staff on the ways and means of dealing with the funds in excess of daily requirements.

All investment strategies undertaken by the school will be within the guidelines issued by the Department of Education or its successors.

Implementation:

Financial Institutions and Organisations

In the deregulated financial market there are numerous financial institutions and organisations which will accept the school's business. Edgars Creek Secondary College will restrict itself in dealing with the APRA approved financial institutions as outlined in the DET *'School Investment Policy Guidelines'* Feb 2015.

Minimising Of Risks

To ensure there is minimal risk involved in the investment of the school's funds, money will only be credited to accounts which are guaranteed by the financial institution.

The school's money will not be invested in any of the following funds:

- a) a fund tied to the stock market,
- b) a superannuation fund,
- c) a fund where access to the school's money is not immediately available and
- d) a fund where there is any likelihood of balance of the account dropping below that of the original investment.

Interest Rates

While it is recognised interest rates fluctuate with the country's economy and the business decisions of the individual financial institutions, every effort will be made by the School Council and its agents to monitor the interest rates of all acceptable financial institution's products. Interest rates will only be one factor on which investment decisions will be based.

Dollar Limits

Accounts held on behalf of the Edgars Creek Secondary College will always maintain a credit balance.

The level of funds invested will enable the School Council to make a sufficient financial return to meet budget requirements while enabling the school to meet its day to day running costs.

Apart from restrictions placed on accounts by the individual financial institutions, there will be no upper limit for invested funds held in the name of the school.

Period of Investment

All school monies will be held for periods agreed to by the School Council.

For fixed term investments, the investment will be rolled over for the same period at the applicable interest rate unless otherwise approved by Council.

Types of Accounts

Edgars Creek Secondary College will hold monies in the following types of accounts only:

- a) Cheque Accounts Bearing Interest,
- b) Statement based 'On-Call' investments,
- c) Passbook based 'On-Call' investments,
- d) Fixed Term certificated investments,
- e) Bank Bills.

Direct Credits and Debits

Apart from bank interest, there will be no direct credits or direct debits processed to any investment account. All transactions to any investment account will be processed via the school's Official Account and funds transferred from and to this account as the need arises.

Investments Register

All investments held by the school will be manually recorded in the Investments Register.

The register will contain the following details as a minimum:

- a) Date of lodgement,
- b) Name of Institution,
- c) Term of investment,
- d) Interest rate,
- e) Maturity date and
- f) Amount invested.

Cash Flows

To enable the school to maximise its return on its investments, a cash flow will be completed at the end of each term. Funds deemed to be in excess of requirements will be invested for whatever term at whatever rate is deemed appropriate.

Roles And Responsibilities

Business Manager

It is the role of the Business Manager:

- a) to monitor the day to day balances of the school's accounts,
- b) to ensure there is sufficient funds in the school's operating account to meet the day to day running costs of the school,
- c) to notify the Principal and Finance Sub-Committee of the need to transfer monies between the investment and operating accounts to:
 - i) meet the running costs of the school and
 - ii) maximise the schools' return on its invested funds,
- d) to act upon the decisions of the School Council in relation to transferring monies to and from the school's operating and investments accounts,
- e) to notify the Principal and Finance Sub-Committee of any change in conditions and/or interest rates applicable to the school's investments and
- f) to maintain the school's investment register.

It is the responsibility of the Business Manager:

- a) to ensure the information passed to the Principal and Finance Sub-Committee is timely and accurate and
- b) to act upon the decisions of the School Council in a timely and accurate manner so as to truly reflect the decisions of the Council.

Finance Sub-Committee

It is the role of the Finance Sub-Committee:

- a) to receive information from the Business Manager in relation to the balances, terms and interest rates of school's operating and investment accounts,
- b) to make effective financial decisions based on this information and
- c) to make recommendations to School Council on the best possible outcomes in relation to the investment of the school's funds.

It is the responsibility of the Finance Sub-Committee:

- a) to ensure the information passed to the School Council is timely and accurate and
- b) to ensure the information provided is in the best financial interests of the school.

School Council

It is the role of the School Council:

- a) to receive information from the Finance Sub-Committee and

It is the responsibility of the School Council:

- a) to endorse or reject the recommendations of the Sub-Committee which has the specific responsibility for the management of finances under this policy.

This policy was last ratified by School Council on: _____