

Kew Primary School INVESTMENT POLICY

PURPOSE:

An investment policy is a requirement of the Department of Education as part of the Internal Control Procedures.

BROAD AIMS:

1. To give clear, unequivocal guidelines to the school community, Principal and Council as to how monies are to be invested on its behalf.
2. The Department of Education requires the School Council to adopt the "prudent Invest Guide", i.e. Investments are made with institutions which are:
 - Prudentially sound and secure
 - Professionally managed
 - Have strong financial status in their reserves, liquidity and profitability

GUIDELINES:

- Only low risk investments are to be undertaken
- Cash flow of the school is to be such that cash in the official account is enough to meet commitments
- The school council must approve the investment of funds and the Principal must authorise the investment of funds.
- All investment accounts will be included in the CASES 21 finance system and the system for properly maintaining the accounts will be completed in accordance with the Department of Education Policy. In particular:
 - There will be no **direct** deposits into, and no **direct** payments out of, the investment accounts
 - All monies will be receipted through the official account
 - All payments must be made from the official account
- Investments will also be manually recorded in the Investment Register maintained by the business manager.

The register will contain:

 - Date of lodgement
 - Name of institution
 - Terms of the investment period, % rate and maturity date
 - Amount invested
- The school council can decide to invest in:
 - Banks, building societies or credit unions
 - Bank accepted or endorsed bills of exchange negotiable, convertible or transferable certificated of deposit issues by a bank

Evaluation:

- The School Council is to review this policy annually.

This policy was ratified by School Council on: _____

Signed: _____ ***School Council President***