

# Investment Policy

## Purpose

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

## Aim

- 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.

## Implementation

- All grants and other payments from the Department of Education, Employment and Training are paid into each College's individual 'at call' High Yield Investment Account.
- These funds, plus locally raised funds, are then transferred into the College's Official Account on a needs basis.
- College Council must consider whether or not it should leave excess funds in the High Yield Investment Account, or seek other investment opportunities.
- College Council must maintain a manual Investment Register for all investments other than the High Yield Investment Account. The register will detail date of lodgement, investment institution, account number, amount invested, and terms of investment including interest rate, maturity date and interest earned.
- When considering investment opportunities, College Council will ensure that funds are only invested with institutions that are prudentially sound and secure, professionally managed, and have strong financial status in reserves, liquidity and profitability.
- All investment and changes to investments, including the 'roll over' of existing investments, must be approved and minuted by school council, and authorized by the principal and a College Council delegate.
- All investments will be made in the name of College Council and be reported through CASES.
- The cash-flow requirements of the College must be monitored to ensure that there are sufficient funds available to meet commitments.
- College 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 and funds deposited by DEET directly into the High Yield Investment Account.

**Evaluation:** This policy is required to be formally minuted and reviewed by College Council annually

**Related policies:** School Policy Advisory Guide – <http://www.education.vic.gov.au>

*This policy was endorsed by the College Council in June, 2016*