

ARMADALE PRIMARY SCHOOL POLICY

SCHOOL No. 2634

Investment Policy 2017

Authorisation: This policy was adopted by the Armadale Primary School Council at the Committee Meeting on the 26th June 2017

Review Date: It is recommended that this policy is reviewed by the Finance Subcommittee in 2018

1. PURPOSE

- 1.1 An Investment Policy is a requirement of the Department of Education and Early Childhood Development (DET) as part of the Internal Control Procedures. It aims to give clear guidelines to the school community, Principal and School Council as to how monies are to be invested on its behalf
- 1.2 School Council will ensure that the Investment Institution chosen will be
 - 1.2.1 prudentially sound and secure
 - 1.2.2 professionally managed
 - 1.2.3 has strong financial status in its reserves, liquidity and profitability.

2. GUIDELINES

- 2.1 Only low risk investments are to be undertaken
- 2.2 Cash flow of the school is to be such that cash in the Official Account is enough to meet commitments
- 2.3 The term of any Investment should be considered carefully in conjunction with the school's cash flow, annual budgets and any major projects
- 2.4 All Investment Accounts will be included in the CASES21 financial system (DET software)
- 2.5 Investments will be completed in CASES21, in accordance with DET Policy – in particular :
 - 2.5.1.1 No direct deposits into investment accounts except for interest earned on these accounts
 - 2.5.1.2 All monies will be receipted through Official Account
- 2.5.2 No direct payments from the Investment Account will be paid
- 2.5.3 Monies must be transferred to the Official Account for payments to be made
- 2.6 When selecting an Investment institution consideration should be given to:
 - 2.6.1.1 Ease of access to funds
 - 2.6.1.2 Terms and Conditions of the account
- 2.6.2 School Council administrative procedures
- 2.7 Monthly financial reports to the Finance Subcommittee and School Council will include details of all Investment Accounts including interest earned, Investment redemption dates and current balances.

3. IMPLEMENTATION

- 3.1 The School Council can invest in banks, building societies or credit unions
- 3.2 The School Council must approve the investment of funds
- 3.3 The Principal and the School Council President must authorise the investment
- 3.4 Funds transferred between accounts must be ratified by School Council

4. MONITORING AND REPORTING RESPONSIBILITIES

Armadale Primary School will adhere to the following DET documents when setting up and administering Investment Accounts:

- 4.1 Internal Control for Schools, January 2015 V3.2
- 4.2 Schedule 1 of the Victorian Information Privacy Act 2000
- 4.3 Finance Manual for Victorian Government Schools , October 2016
- 4.4 Victorian School Policy and Advisory Guide
- 4.5 Schools Investment and Policy Guidelines v.1.2 , February 2015
(All documentation available online at: www.education.vic.gov.au/management/financial/Cases21.htm,
<http://www.education.vic.gov.au/management/governance/spag/finmanagement/finrec/frinrecords.htm>)

5. EVALUATION

In order to assess whether the policy has achieved the objectives set out in section '3. Implementation' the School Council will:

- 5.1 Review the DET Official Auditor's Report
Or (where no audit has been conducted)
- 5.2 The Principal and Business Manager in conjunction with the Finance Committee will review documentation and procedures used for Investment during Term 1 each year.