



Chilwell Primary School

"Learning for Life"

Gavan Welsh – Principal

No.2061

313a Pakington Street, Newtown, 3220 Telephone: (03) 5221 2738 Fax: (03) 5221 8191
email: chilwell.ps@edumail.vic.gov.au ABN 43 418 945 496

POLICY: INVESTMENT

1. Rationale:

- 1.1 An investment policy is a requirement of the Department of Education and Training (DET) as part of Internal Control procedures. It aims to give clear unequivocal guidelines to the school community, Principal and Council as to how monies are to be invested on its behalf.
- 1.2 DET requires the School Council to adopt the Prudent Investor guide to the investment institution of their choice as follows :
 - 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 taken.
- 2.2. Cash in the Official Account is enough to meet the cash flow commitments of the school.
- 2.3. The School Council must approve the investment of funds and the Principal must authorise the investment.
- 2.4. All investment accounts will be included in the CASES21 financial system and the procedures for properly maintaining the accounts will be completed in accordance with DET policy. In particular, no direct deposits into Investment accounts except for interest earned on these accounts. All monies will be receipted through the Official Account. No direct payments from the Investment Account will be made. The monies must first be transferred into the Official Account.
- 2.5. Any Building Fund or Library Fund can be paid directly as they have the approval of the Australian Taxation Office.
- 2.6. **The School Council can decide to invest in banks, building societies or credit unions which are regulated by the Australian Prudential Regulation Authority (APRA) and are listed by them as an Authorised Deposit-taking Institution (ADIs). It can invest in cash management accounts, term deposit accounts, accepted or endorsed bills of exchange, and negotiable, convertible or transferrable certificates of deposit.**
- 2.7. As from April 2000 all DET funds will go into a Bank of Melbourne High Yield Account. This procedure now operates for all government departments. Money will be drawn from the High Yield Account to the Official Account.

Ratified:

This policy has been ratified by School Council – February 2016.

Review: Annually