

Murtoa College

INVESTMENT POLICY



Rationale:

In all matters relating to investment of monies Murtoa College School Council will act in the best interests of the school community.

Investments should be made to ensure the greatest possible return and be risk free.

Purpose:

To provide clear guidelines which meet the requirements of the DET.

Implementation:

1. All investments to be made with institutions that are:
 - Supported by the Banking Guarantee Act
 - Prudentially sound and secure
 - Professionally managed and;
 - Have strong financial status in its reserves, liquidity and profitability.
2. School Council should formally minute and regularly review investments including the following matters:
 - The level of funds to be invested
 - The term of the investment
 - The type of investment/s, with reference to the school's required cash flow during the year.
3. All investments, or changes to investments, should be approved by School Council and authorised by the Principal and a School Council delegate.
4. All Official investment accounts should be in the name of Murtoa College and must be included on **CASES** finance. The standard procedure for properly maintaining such account is:
 - a) **No Direct Deposits into Investment Accounts:**
 - Except for interest earned on the accounts;
 - Not deposit funds directly into an investment account;
 - All receipts to go through the Official Account;
 - Once money has been receipted into the Official Account, an investment transfer to shift the funds out of the Official Account into an investment account must be undertaken.
 - b) **No Direct Payments from Investment Accounts:**
 - Do not make payments to creditors directly from investment accounts.
 - All payments must be made from the Official Account.
 - To redeem funds, complete an investment transfer to shift the funds from the investment account into the Official Account.
(The only exception to the above procedure is where the investment account is approved by the Australian Taxation Office and the donations are tax deductible for the donor)
5. Investments held are to be recorded in an Investment Register. The following details should be recorded:

- Date of lodgement;
 - With whom invested;
 - Terms of investment: period, percentage rate and maturity date;
 - Amount invested.
6. All school bank accounts are to be maintained on CASES21 Finance and regular (monthly) financial reports are to be provided to school council.
- Each bank account must be reconciled each month and audited in accordance with DET policy
 - School bank accounts are not permitted to be overdrawn
 - The transfer of money from one bank account to another should be authorized by the Principal and a report detailing transfers presented to school council each month.

Evaluation:

This policy was last ratified by School Council in....

March 2018