

NORTHERN BAY P-12 COLLEGE INVESTMENT POLICY NBC004

1. PURPOSE

- 1.1. School Council has a responsibility to manage College funds and in doing so, has a responsibility to invest funds in a manner that generates the maximum interest revenue with institutions that are Australian Prudential Regulation Authority (APRA) approved institutions and represent low risk.

2. BROAD GUIDELINES

- 2.1. To ensure maximum interest returns on low-risk investments
- 2.2. To ensure the cash flow needs of the College are not compromised by the investment of funds into inaccessible accounts
- 2.3. All invested funds must be targeted for specific purposes

3. IMPLEMENTATION

- 3.1. All grants and other payments from the Department of Education and Training (DET) are paid into the College's individual 'at call' High Yield Investment Account.
- 3.2. These funds, plus locally raised funds, are then transferred into the College's Official Account on a needs basis.
- 3.3. School Council must consider whether or not it should leave excess funds in the High Yield Investment Account, or seek other investment opportunities. The Finance sub-committee of School Council will monitor and make recommendations regarding investment of targeted funds to School Council, at the end of each quarter.
- 3.4. School 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 rate and interest earned.
- 3.5. When considering investment opportunities, School Council apply the 'prudent investor test' and 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.
- 3.6. All investment and changes to investments, including the 'roll over' of existing investments, must be approved and minuted by School Council, and authorised by the College Principal and a School Council delegate.
- 3.7. All investments will be made in the name of School Council and be reported through CASES21
- 3.8. The cash-flow requirements of the College must be monitored to ensure that there are sufficient funds available to meet commitments
- 3.9. School Council must not deposit money directly into, or make payments 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, funds deposited by Department directly into the High Yield Investment Account, and schools with ATO endorsement to operate a gift deductible trust fund (eg school library or building fund)

4. EVALUATION

- 4.1. This policy, plus investment levels, investment terms and types of investments are required to be formally minuted and reviewed by School Council annually.

Document #	Committee Responsible	Review Date	Public Location	Ratified by
NBC004	Finance Committee	Feb 2017	Website, Intranet NBC Public Policies	School Council: 15/2/17
	Related document			