



Carrum Primary School 3385

Walkers Road, Carrum 3197

Telephone: 9772 1117

Facsimile: 9776 1586

Investment Policy

Definition:

To invest surplus school funds to generate maximum interest revenue for the school.

Rationale:

- The following policy is based upon the Department of Education Executive Memorandum 97/21 and CASES 21 Finance guidelines.
- The School Council has the responsibility for monitoring school funds and for deciding if there is opportunity to invest surplus funds to generate interest revenue for the school.
- The Finance subcommittee of the School Council will regularly review the level of funds to be invested, the term of the investment and the type of investment with reference to the school's requirements.

Implementation:

- All investments to be reviewed annually and changes to investments should be approved by School Council and authorised by the Principal and the Treasurer of the School Council.
- To ensure investments are made with institutions having low risk, the school will only invest as follows:
 - a) By depositing funds in any credit union, bank or building society;
 - b) In bank accepted or endorsed bills of exchange;
 - c) In negotiable, convertible or transferable certificates of deposits issued by a bank.
- The current practice at Carrum Primary School is to transfer funds not immediately required by the school from the Official Account into an Account which offers good rates but allows money to be on call if required. When required, funds will be transferred back to the Official Account. After a thorough investigation we have found that the Victorian Mutual Bank which has no management costs and offers the best interest rate.
- Ensure the School Operating Reserve is maintained at the end of year reconciliation.
- Maintain manual Investment Register

Evaluation:

- The School Council will monitor investments as outlined in this policy via periodic monthly Treasurer's Reports to Council.
- Deposit interest will be paid into the Official Account.
- It is expected that the deposit interest gained will at least equal the amount projected in the Annual Consolidated Budget Statement for receipts.
- These policies and Investment Level, terms and types to be formally minuted and reviewed annually

This policy was ratified by School Council on 14/03/2017

Due for review on March 2018