



McKinnon Primary School Investment Policy

1. Rationale:

- 1.1. The School Council will maximise the earnings on excess funds where available, by investing in prudentially sound and secure investment institutions, which are professionally managed and have strong financial status in reserves, liquidity and profitability.

2. Implementation:

- 2.1. Only low risk investments are to be undertaken. With the introduction of the High Yield Account by the Department, the school will access this service as a matter of course, but may look to alternate investments if beneficial.
- 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 Finance Committee must approve the investment funds and the Principal must authorise the investment.
- 2.4. All investment accounts will be included in the CASES21 financial systems and the procedures for properly maintaining the accounts will be in accordance with Department of Education and Training (DET) policy. All monies will be receipted into the Official Account, with the exception of any interest income or Department funding receipts and Camps, Sports and Excursion Fund (CSEF), which may be credited directly to the investment account. (High Yield Account) No direct payments from the investment account will be made. The monies must first be transferred into the Official Account.
- 2.5. Trust accounts approved by the Australian Taxation Office established by the School for specific purposes will be able to receive direct deposits.
- 2.6. Investments will be recorded in an investment register or an electronically recorded CASES21 linked program maintained by the Business Manager.
 - 2.6.1. The register will contain:
 - 2.6.1.1. Bank account (name and number)
 - 2.6.1.2. Bank title, Account type
 - 2.6.1.3. Terms of Investment: interest rate %, investment date, period & maturity date
 - 2.6.1.4. Amount invested, balance, deposits, withdrawals
- 2.7. The School Council can decide to deposit funds in banks, building societies or credit unions. It can invest in accepted or endorsed bills of exchange or in negotiable, convertible or transferable certificates of deposits issued by a bank.

3. Evaluation:

- 3.1.1. This policy is required to be reviewed annually by School Council to confirm/enhance internal control procedures.
Review Date: March 2019

This policy was last ratified by School Council in: **March 2018**