# THE LAKES SOUTH MORANG COLLEGE
# INVESTMENT POLICY

**Rationale:**

- School Council has a responsibility to manage school funds and in doing so, has a responsibility to invest funds in a manner that generates the maximum interest revenue with institutions that represent low risk.

**Aims:**

- To ensure maximum interest returns on secure investments.
- To ensure the cash flow needs of the school are not compromised by the investment of funds into inaccessible accounts.
- All invested funds must be targeted for specific purposes.

**Implementation:**

- All grants and other payments from the Department of Education and Training paid into each school's individual 'at call' High Yield Investment Account.
- These funds, plus locally raised funds, are then transferred into the school's Official Account on a needs basis.
- 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.
- 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 date and interest earned.
- When considering investment opportunities, School Council will 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. Schools are able to invest in the following types of products with these institutions – cash management accounts and term deposits accounts, as listed by the Australian Prudential Regulation Authority.
- 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 principal and a School Council delegate.
- All investments will be made in the name of School Council and be reported through CASES21. Registered signatories at the bank for these accounts must comprise the principal as a mandatory signatory, and a second co-signatory who must be a member of School Council or approved by Council as a signatory.
- The cash-flow requirements of the school must be monitored to ensure that there are sufficient funds available to meet commitments. School bank accounts are not permitted to become overdrawn.
- School Council must not deposit money directly into, or make payments directly 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 DET 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).

**References:**

- Circular 226/2001 – Benchmarks to Assist School Investment Decisions
- Circular 272/2000 – Investment of School Funds; S296-2008 School Investment Policy guidelines
- DET - School Investment & Policy Guidelines – February 2015

## Evaluation:

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

  This policy was ratified by School Council on 16/10/2007
  This policy was amended by School Council on 19/05/2009
  This policy was amended by School Council on 15/03/2011
  This policy was ratified by School Council on 21/05/2013
  This policy was ratified by School Council on 20/05/2014
  This policy was ratified by School Council on 17/03/2015
  This policy was ratified by School Council on 17/05/2016
  This policy was ratified by School Council on 23/05/2017
  This policy was ratified by School Council on 19/06/2018

***The Lakes South Morang College Child Safety Statement:***

*To thrive, children need a safe and supportive environment at school, at home and in the broader community; no exceptions. At The Lakes South Morang College, we believe meeting the physical and emotional needs of our students is paramount in laying the foundations for a fulfilling future. We pledge to provide an environment that has zero tolerance to child abuse and will strive to work in partnership with our parents and community members to keep our students safe every day, in every way.*