

Dorset Primary School No: 5132 **INVESTMENT POLICY**

PURPOSE:

An investment policy is a requirement of DET as part of Internal Control Procedure.

BROAD AIMS:

1. To give clear, unequivocal guidelines to the school community, Principal and Council as to how monies are to be invested on its behalf.
2. DET requires the School Council to adopt the "prudent Invest Guide" ie. Its investments are made with institutions which are:
 - Prudentially sound and secure
 - Professionally managed
 - Have strong financial status in their reserves, liquidity and profitability

GUIDELINES:

- Only low risk investments are to be undertaken
- Cash flow of the school is to be such that cash in the official account is enough to meet commitments
- The school council must approve the investment of funds and the Principal must authorise the investment
- All investment accounts will be included in the CASES 21 finance system and the system for properly maintaining the accounts will be completed in accordance with the DET Policy. In particular:
 - There will be no direct deposits into and no direct payments from investment accounts
 - All monies will be receipted through the official account
 - All payments must be made from the official account
- Investments will also be manually recorded in the Investment Register maintained by the business manager.
The register will contain:
 - Date of lodgement
 - Name of institution
 - Terms of the investment period, % rate and maturity date
 - Amount invested
- The school council can decide to invest in:
 - Banks, building societies or credit unions
 - Bank accepted or endorsed bills of exchange negotiable, convertible or transferable certificated of deposit issues by a bank