**GLEN HUNTLY PRIMARY SCHOOL**

**NO. 3703**

**INVESTMENT OF SCHOOL FUNDS POLICY**

In the event that the school has excess funds held in its bank account, then the extra amounts may be transferred to a secured investment account, such as term deposits or cash management accounts, held with a major banking institution in order to maximise the financial return to the school.

The following procedures must be followed for finds to be transfer funds from the school’s bank account to the investment account:

1. The school’s Finance Committee will authorise two signatories of the school’s bank account to prepare written authorisation to be forwarded to the school’s bank, authorising the transfer. In authorising a transfer to an investment account, the school’s Finance Committee will consider:
2. The current funds in the school’s bank account
3. The normal monthly funding requirements of the school
4. Any abnormal payments that will be required to be made by the school during the investment period
5. The normal level of cash receipts to be banked into the school’s bank account over the term of the investment
6. Any abnormal receipts that are expected to be deposited into the school’s bank account over the term of the investment
7. Investments can only be held in cash type investments held with a major trading bank.
8. The funds invested must be recorded in the cashbook as funds being transferred to investments.
9. On maturity, funds and interest earned must be returned to the bank account from where the funds were originally drawn.
10. An investment register is to be maintained in which the following details must be recorded:
11. Date of lodgement
12. With whom and in what account the funds are invested
13. Terms of investment: period, interest rate and maturity date
14. The amount of funds
15. Source of funds invested: locally raised funds or government provided funds
16. At school Finance committee meetings, the investment accounts must be reviewed to ensure that there will be sufficient funds held in the school’s bank account for the short and long term future. At these meetings the investments will be ratified, or if considered that the school’s bank account will have insufficient funds, two members of the committee will be authorised to redeem funds to meet expected expenses.
17. Should any member of the Finance committee become aware that the school’s bank account has or will have insufficient funds, they must consult at least three other members of the Finance committee, including the School Council president and/or the Treasurer, to authorise the termination of investments, as required to meet the school’s funding requirements. At the next Finance committee meeting these fund transfers must be reviewed and ratified.
18. This policy has been formulated after considering the School’s Investment policy and government guidelines, as specified by the Department of Education and Training (DET) Schools Investment and Policy and Guidelines version 1.3 (February 2016).

**Evaluation:**

This policy will be reviewed and amended every three years, or as required by amendments in DET Schools Investment and Policy and Guidelines and legislation.

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