

Flemington Primary School

Investment Policy



1. PURPOSE AND RATIONALE:

The ultimate investment goal of the School is to provide the maximum funds for the future operations of the School to:

- Assist in providing for future building works and major asset purchases;
- Assist in meeting the costs of major repairs and maintenance works;
- Provide a steady income stream to assist in the provision of programs; and
- Enable the School to make best use of special funding offers.
- Maximise the return on any excess cash that may be held by the School from time to time.

2. POLICY STATEMENT:

Liquidity Needs

The cash needs of the School are mixed and there must be sufficient funds in the Official account to meet weekly expenses. Surplus funds are to be partly kept in the High Yield Investment Account (HYIA) which is an at-call management investment account established by the department or in a Term Deposit when attractive interest rates and terms are available.

All DEECD grants and other payments are now transferred directly into the High Yield Investment Account which has no account-keeping fees or transaction charges.

In line with Department guidelines the school maintains surplus funds in the HYIA and other specific funds are kept in the following accounts:

Bank Account Name	Bank Account Type	Interest Rate
High Yield Investment Account	Cash Management Account	1.65%
FPS Official Account	Community Access Account	variable
FPS Building Trust Fund (Senior Campus)	Community Access Account	variable
FPS Library	Community Access Account	variable
Term Deposit 1	Term Deposit	2.80%
Term Deposit 2	Term Deposit	2.85%

Authorisation of Investments:

All investments of the School must be reviewed for compliance with this policy, and authorised by School Council. Any movement in authorised investments must have the endorsement of the School Principal and her nominee who must be a member of the School Council.

Term Deposit:

The school will continue to invest funds into term deposits where there is sufficient cash flow available and the interest rates and terms offered are in excess of the HYIA interest rates.

3. DEFINITIONS:

- None.

4. ACTION GUIDELINES:

None.

5. MONITORING, REPORTING AND REVIEW:

The status of school accounts will be reported at School Council meetings.

6. RELATED POLICIES AND DOCUMENTS:

- Cash Handling Policy
- Electronic Funds Management Policy
- Parent Payment Policy

7. REFERENCES:

- DET School Financial Guidelines:
<http://www.education.vic.gov.au/school/principals/finance/Pages/guidelines.aspx>

8. REVISION HISTORY:

This policy was ratified by School Council in on March 29th, 2017.

This policy will be reviewed as part of the school's annual review cycle and be approved by School Council.