INVESTMENT POLICY

**Purpose:**
- To identify Roslyn Primary School’s investment goals and cash flow requirements.

**Investment Goal:**
- The ultimate investment goal of Roslyn P.S. is to provide maximum funds for its future operations.
- 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.
- Enable the school to make best use of special funding offers.
- Maximize the return on any excess cash that may be held by the school from time to time.

**Liquidity Needs:**
The School has three types of cash flow needs:
- 30 day investments, for meeting monthly expenses, and making the best use of surplus funding.
- 1 – 6 months or more, for meeting unexpected major expenses and funding deals.
- 6 months or more, for allowing for capital works or major asset purchases, budgeted for on an annual basis.

**Investment Types:**
The Council is not restricted in the types of investments it may make on behalf of the school, however all investments made must pass the “Prudent Investor Test”.

This test requires that the investment bodies have the following characteristics:
- Prudentially sound and secure
- Professionally managed, and
- Have strong financial status in its reserves, liquidity and profitability
- APRA approved ADI (Authorised Deposits Institution) financial institution

**Investment Guidelines:**
1. The funds are maintained in the Official Account to cover predicted payments for the immediate future.
2. Funds not required in the Official Account are to be invested in appropriate accounts to maximise interest.
3. The term of the investment to be determined based on predicted cash flows required.
4. The funds in any investment account are not surplus funds but they are committed funds and reserves not required for current expenditure.
5. Interest gained from all accounts will be included with locally raised funds.
6. The level of funds and type of account used for investments is at the discretion of the Business Manager in consultation with the Principal and will be made according to DEECD guidelines (Memo 97/021).
7. Investment accounts must be included in monthly reports to the Finance Committee and School Council, and reconciled with the Official Accounts each month.

**Evaluation:**
This policy will be evaluated by the Finance Committee of School Council each year.