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LALOR SECONDARY COLLEGE

Investment Policy

2018

AIM

To ensure maximum interest returns on low-risk investments.

To ensure the cash flow needs of the College are not compromised by the investment of funds into inaccessible accounts.

RATIONALE

College Council as a trustee of College funds has a responsibility to ensure that invested funds are adequately protected by using secure investments. Secure investment institutions must be regulated by APRA (Australian Prudential Regulatory Authority) in accordance with the Banking Act 1959.

GUIDING PRINCIPLES

All College Council bank accounts, except the High Yield Investment Account, must be in the name of the College Council.

All grants and other payments from the Department are to be deposited into the 'at call' High Yield Investment Account (HYIA).

All investment registered signatories must comprise of the Principal (a mandatory signatory) and a second approved signatory who must be a member of College Council.

All investments, or changes to investments, should be approved by College Council and authorised by the Principal and a College Council delegate.

All investments will be made in the name of College Council and be reported through CASES21. Each bank account must be reconciled each month and regular monthly financial reports provided to College Council.

College 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 College Council will monitor and make recommendations regarding investment of targeted funds to College Council.

College Council must maintain an Investment Register for all investments other than the High Yield Investment Account. The register will detail date of lodgement, investment institution and account type, terms of investment – period, percentage rate and maturity dates, deposits and withdrawals and interest earned.

When considering investment opportunities, College Council will ensure that funds are only invested with institutions that are regulated by the Australian Prudential Regulation Authority (APRA), and are listed as an Authorised Deposit – taking Institution (ADIs), Treasury Corporation of Victoria (TCV or Victorian Funds Management Corporation (VFMC).

College 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 and funds deposited by the Department directly into the High Yield Investment Account.

College bank accounts are not permitted to become overdrawn. The transfer of money from one bank account to another should be authorised by the Principal and a report detailing transfers presented to College Council each month.

Related Documents.

[Circular S436-2008 New School Cash Reserve Benchmark](#)

External Links

<http://www.education.vic.gov.au/school/principals/spaq/finance/Pages/bankaccounts.aspx>

<http://www.apra.gov.au/adi>