

Murrayville Community College Council Investment Policy

Aim

To implement minimum risk investment procedures which increase disposable revenue in order to maximise resources for the enhancement of all areas of the College.

Goals

The ultimate investment goal is to provide maximum funds for the future operations of the College. Specifically the goals of investment are to

- provide a steady income stream to assist with the provision of programs
- assist in meeting the costs of recurrent and unexpected expenditure (eg. maintenance & minor works)
- assist in providing contingency funding to meet the cost of planned major works & acquisitions
- maximise the return on committed and uncommitted financial resources.

Liquidity Needs

College Council has identified two types of cash flow needs. These are

- a daily Operating Account
- investment account/s of appropriate time spans to maximise returns on funds whilst maintaining flexibility and required liquidity.

Investment Types

College Council is not restricted in the types of investments it may make on behalf of the College, however all investments must pass the “Prudent Investor Test” that requires investment bodies to have the following characteristics

- prudentially sound and secure
- professionally managed
- have strong financial status in its reserves, liquidity and profitability.

Investment Guidelines

Considering the needs of the College, and consistent with DEECD guidelines, the following has been developed

- Cheque Account containing the necessary funds for daily operations and short term, foreseeable expenditure
- Investment/s containing the majority of reserves and committed funds, redeemed as required for approved expenditure. Long term investments (generally longer than 6 months) may be approved by council if economic circumstances indicate this course of action is preferable and to the potential advantage of the College
- Investments may be made with various approved financial institutions if the investment is seen to be safe, of benefit to the College and approved by Management & Accountability Committee.

Authorisation of Investments

All investments of the College must be reviewed for compliance with this policy, and authorised by College Council. Any movements in authorised investments must have the endorsement of the College Principal and at least one member of College Council.

When First Approved : 16th September 2013

When Reviewed / Modified : 20th February 2017