

# INVESTMENT POLICY



## PURPOSE

To ensure maximum interest returns on low-risk investments.

School Council has a responsibility to manage school funds and in doing so, has a responsibility to invest funds in a manner that generates the maximum interest revenue with institutions that represent low risk.

School Council manages school funds by the approval of any investment or movement of funds. The day to day operation is the responsibility of the administration team – usually the Business Manager.

Schools operate one main bank account known as the School Council Official Account. To assist schools with cash flow planning and, in the event of surpluses being identified the DET has established a High Yield Investment Account (HYIA). The HYIA provides schools with an attractive and competitive interest rate on the funds invested, while still retaining and 'at call' status.

School Councils may elect to operate investment account/s in addition to the HYIA.

## SCOPE

This policy applies to all school staff who are involved in cash management and determining funds for investment.

This policy should be read in conjunction with the Department's investment policy and guidelines as outlined in the [School Financial Guidelines](#).

## POLICY IMPLEMENTATION

Eltham Primary School will:

- Ensure maximum interest returns on low-risk investments.
- Ensure the cash flow needs of the school are not compromised by the investment of funds into inaccessible accounts
- Ensure that all invested funds are targeted for specific purposes

Financial institutions will be evaluated and investments will be made with institutions which are:

- prudentially sound and secure
- professionally managed

- strong in financial status, in reserves, liquidity and profitability

To ensure the cash flow needs of the school are not compromised by the investment of funds into inaccessible accounts. All invested funds must be targeted for specific purposes.

All grants and other payments from the Department of Education and Training are paid into the school's individual 'at call' HYIA.

These funds, plus locally raised funds, are then transferred into the school's Official Account on a needs basis.

School Council must consider whether or not it should leave excess funds in the HYIA or seek other investment opportunities. The Finance sub-committee of School Council will monitor and make recommendations regarding investment of targeted funds to School Council.

School Council must maintain a manual Investment Register for all investments other than the HYIA. The register will detail the date of lodgement, investment institution, account number, amount invested and terms of investment including interest rate, maturity date and interest earned.

When considering investment opportunities, School Council will apply the 'prudent investor test' and ensure the funds are only invested with institutions that are prudentially sound and secure, professionally managed and have strong financial status in reserves, liquidity and profitability.

All investments and changes to investments, including the 'roll over' of existing investments, must be approved and minuted by School Council, and authorised by the Principal and a School Council Delegate.

All investments will be made in the name of School Council and be reported through CASE21.

The cash-flow requirements of the school must be monitored to ensure that there are sufficient funds available to meet commitments.

School 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, funds deposited by DET directly into the HYIA and schools with Australian Tax Office endorsement to operate a gift deductible trust fund (eg school library or building fund).

It is recognised that circumstances may arise which require urgent access to the funds. In such circumstances, the school principal, in consultation with the School Council president may access an investment account to address the matter of urgency. Such circumstances may include: acute occupational health and safety issues, disaster management, major equipment failure

## FURTHER INFORMATION AND RESOURCES

### Related School Policies

- Fundraising Policy
- Parent payment Policy
- Electronic Funds Management Policy
- Petty Cash Policy

### Related DET Resources

- [Department of Treasury and Finance](#)
- [School Financial Guidelines](#) – Schools investment policy and guidelines
- [List of Authorised Deposit Taking Institutions](#)

## REVIEW CYCLE

<b>THIS VERSION FIRST ISSUED</b>	<b>LAST UPDATED</b>	<b>STATUS</b>	<b>DUE FOR REVIEW</b>
<b>2017</b>	<b>2018</b>	This policy will be reviewed annually with a report back to School Council as to its implementation over the past year.	<b>2019</b>

# Understanding Parent Payment Categories

## Schools

### What does the legislation say?

The Education and Training Reform Act (2006) provides for free instruction in the standard curriculum program to all students in government schools. The Act also empowers school councils to charge fees to parents for goods and services provided by the school to a child.

In the Act, a 'Parent' includes a guardian and every person who has parental responsibility for a child including parental responsibility under the Commonwealth Family Law Act 1975 and any person with whom a child normally or regularly resides.

### What do schools pay for as part of 'free instruction'?



Free instruction is the teaching staff, administration and the provision of facilities in connection with the instruction of the standard curriculum program, including reasonable adjustments for students with disabilities.

The standard curriculum for Years F-10 means implementation of the Victorian Curriculum F-10.

The standard curriculum for senior secondary schools means a program that enables a student to be awarded a VCE or VCAL qualification.

### What principles govern parent payment practice?

Educational Value | Access, Equity & Inclusion | Affordability  
Engagement & Support | Respect & Confidentiality | Transparency & Accountability

## Parents

### What may parents be asked to pay for?

#### Schools can request payment for Essential Student Learning Items



These are items, activities or services that the school deems **essential** to student learning of the standard curriculum.

Where practical and appropriate, parents may choose to purchase items through the school or provide their own.

These may also be either:

#### Items the student takes temporary or permanent possession of

- e.g.
- textbooks, activity books, exercise books
  - stationery, book bags
  - student ID cards, locks
  - cooking ingredients students will consume
  - materials for final products that students take home (technology projects, build-your-own kits, dioramas)
  - Picture Exchange Communication Systems

#### Activities associated with instruction that all students are expected to attend

i.e. travel, entry fees or accommodation

- e.g.
- excursions
  - incursions
  - school sports
  - work placements

Parents can be asked to pay for items, activities and services in the three Parent Payment Categories:

Essential Student Learning Items,  
Optional Items and  
Voluntary Financial Contributions.

Schools determine how items, activities and services are classified within these categories based on the learning and teaching program of their school.

#### Schools can request payment for Optional Items

These are items, activities or services that are **optional** and are offered in addition to the standard curriculum.

Students may access these on a user-pays basis.

These may be either:

#### Items the student purchases or hires

- e.g.
- school magazines, class photos
  - functions, formals, graduation dinners
  - materials for extra curricular programs
  - student accident insurance

#### Activities the student purchases

- e.g.
- fees for extra curricular programs or activities, such as instrumental music tuition
  - fees for guest speakers
  - campus, excursions, incursions, sports
  - entry fees for school run performances

#### Items and/or materials that are more expensive than required to meet the standard curriculum

- e.g.
- use of silver in metal work instead of copper
  - supplementary exam revision guides

Support for families experiencing hardship is available at every school and each school has a parent payment contact person. See your school's policy for more information.

For more information on Parent Payments and Personal Devices, visit the DET website at: [www.education.vic.gov.au](http://www.education.vic.gov.au)

Schools can invite **Voluntary Financial Contributions** for



- e.g.
- Building or Library fund (Tax deductible)
  - Voluntary contributions for a specific purpose, such as equipment, materials, services.
  - General voluntary contributions