

# FIN-Gov-2.2 Investment Policy



## Policy

Eastern Victoria GP Training (EV) will manage its investments with the highest standards of fiduciary duty and compliance with applicable laws and regulations.

This will be achieved by the following actions:

1. Prior to investing funds, EV will make an assessment of the organisation's cash flow requirements in order to maintain sufficient liquidity to enable the organisation to meet its operational and planned strategic financial commitments. Funds in excess of short term liquidity requirements may be invested to increase total returns in a manner consistent with prudent levels of risk as determined by the Board. This means term deposits with major banking institutions.
2. The Board delegates to the CEO day-to-day investment management. In carrying out this work, the CEO will not take any investment decisions falling outside of these guidelines and the *Instrument of Delegation*.
3. Investments must be for no more than 12 months duration and must be available for recall.
4. AGPT programme funds must not be used to purchase property, vehicles or enter into business arrangements that are inconsistent with the purpose for which the funds are provided.
5. Term deposits will be managed effectively with sufficient appropriate documentation to ensure that tax and audit obligations are met.
6. EV will compare available market rates when entering into a new term deposit or rolling over an existing term deposit, with a view to obtaining the best return from funds invested, subject to dot point 8.
7. While using best endeavours to maximise the interest return from each term deposit, EV will also ensure the maturity dates reflect optimal access to the funds invested having regard to the liquidity and cash flow needs of the organisation. Timing for maturing of investments should be spread throughout the year to assist with cash availability.
8. A schedule of term deposits will be provided to each meeting of the Finance Audit and Risk Management (FARM) Committee of the Board, setting out the opening balances, movements (new and maturing deposits) over the period, and closing balance. The schedule will include the term of each term deposit, maturity date, interest rate, and financial institution. The schedule will also include reference to current rates quoted by at least two major financial institutions at or around the date the schedule is compiled.
9. Term deposit quotes will be evaluated and assessed based on interest rates, level of risk and any bank fees.
10. All decisions made will take into consideration the current wind-up status and its impact.

## Definitions

Nil

## Additional Information

Nil

## Relevant Legislation

Nil

<b>Title (including ID Number)</b>	FIN-Gov-2.2 Investment Policy				
<b>Policy owner (position title)</b>	CEO				
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