

POLICY

3.4 INVESTMENT



Supporting Procedure:	N/A	
Other Related Documents:	Policy 3.7 Fraud and Corruption Policy 4.1 Code of Ethics Policy 4.2 Conflict of Interest Finance and Audit Committee Terms of Reference	
Category:	Finance	
Type:	Strategic	Dates:
1 st Review By:	Jane O'Malley	24/1/2019
2 nd Review By:	Karen Henderson	16/06/2020
Approved By:	Board of Management	18/06/2020
Issued By:	Chief Executive Officer	16/06/2020

Introduction

This Policy relates to the investment of PHCC funds, attitudes, philosophy, and accepted tolerance relating to such investments. The objective of this Policy is to guide the decision making of financial investment opportunities with the purpose of expanding the cash holdings of the organisation, allowing greater re-investment in NRM activities in the Peel-Harvey. The Finance and Audit Committee is tasked to investigate and provide advice to the Board of Management relating to Investments, in accordance with the PHCC Delegations of Authority.

Definitions

For the purposes of this Policy:

'Board of Management' or 'Board' means the Association Members of PHCC and has the same meaning as the word 'Council' in the Constitution

"Finance and Audit Committee" means the Standing Committee that provides advice to the Board of Management on financial matters, undertaking duties as set out in its terms of reference

"Finance Manager" means the employee or service provider appointed who is responsible for administering the financial management system

"Investments" means any funds allocated to any activity for the sole purpose to expand the funds, such as a term deposit

'Procedure' is a documented process

"Risk Tolerance" means the accepted level of potential loss of funds from Investment.

3.4 INVESTMENT

Policy Statement

Financial Investments are to maximise income earning potential from the organisation's financial position and enable greater re-investment in NRM activities in the Peel-Harvey.

1 Income

- 1.1 Income shall be applied solely towards the promotion of the objects of the PHCC and no part of that property or income may be paid or otherwise distributed, directly or indirectly, to Members or Associates except in good faith in the promotion of those objects, except for the payment of approved Stipends.
- 1.2 PHCC will act with honest transparency and integrity when engaging in financial investments.

2 Declaration or speculation of conflict

- 2.1 Declaration of conflict or speculation of conflict in investment opportunities will be clearly noted and anyone with an actual or perceived conflict will be removed from any investment process/es.
- 2.2 Advice perceived as speculation in relation to recommending financial investment opportunities is managed in accordance with adequate due diligence.

3 Risk

- 3.1 Financial risk tolerances for the organisation vary according to origin of funding and its intended use.
- 3.2 As a community based not-for-profit organisation predominately using government funding, the PHCC has a low tolerance for financial risk.

4 Responsible Officers

- 4.1 The Chairperson of the Board of Management has been delegated the responsibility by the Board of Management or as otherwise delegated, for the operational compliance of the Finance and Audit Committee to this Policy
- 4.2 The Finance and Audit Committee members are responsible to act in accordance with this Policy and make recommendations for its improvement as required.