



U3A Canberra POLICY No. P80

Investments Policy	
<b>Publication date:</b> 4 August 2024	<b>Applies to:</b> Treasurer and Committee
<b>Responsible person:</b> Treasurer	<b>Scheduled review date:</b> Every three years as determined by the Committee - 2027
<b>Approved by:</b> Committee meeting on 8 July 2024	<b>Author:</b> - Graeme Swift (Treasurer)

## INTRODUCTION

U3A-ACT Inc. (U3A) is a not-for-profit organisation that raises money through membership fees, course levies and interest on investments to cover its operations.

This policy outlines the principles and practices for appropriately investing U3A funds.

The rules governing the expenditure of U3A monies are outlined in the Financial Commitments and Payments Policy ( P70).

Rule 21(2) specifies that: "The Treasurer shall open and maintain all such accounts in the name of the association with such banks or other financial institutions as the committee may from time to time direct."

## PURPOSE

To ensure that excess funds available for investment by the Committee are managed effectively and with probity.

## DEFINITIONS

**Surplus funds:** Money held by U3A which, at a given point in time, is in excess of the determined current operational level requirement.

**Investment:** The movement of surplus funds to an account which can provide a return on U3A monies while they remain in surplus.

## POLICY

1. U3A holds its monies in transaction accounts that cover:
  - 1.1. Day-to-day operations (Operational account)
  - 1.2. Tours and other related activities (Tours account).
2. The Treasurer must ensure that the level of funds maintained in the operational account is sufficient to ensure that day-to-day activities can be carried out effectively and efficiently.

3. The Tours Officer or Tours Team (which assists the Tours Officer) must ensure that the level of funds maintained in the Tours account are sufficient to ensure that day-to-day activities can be carried out effectively and efficiently.
4. The Tours Officer or Tours Team will transfer any surplus funds in this account to the operational account during the year to enable investments to occur.
5. Surplus funds (see definition) must be invested by the Treasurer in accordance with this policy.
6. The Treasurer must seek committee endorsement for the proposed quantum(s) and terms of an investment.
7. When making a decision on an investment the Treasurer must:
  - 7.1. Select an Authorised Deposit-taking Institution (ADI) recognised by the Australian Prudential Regulation Authority ([www.apra.gov.au](http://www.apra.gov.au)) in which to deposit the funds.
  - 7.2. Ensure that the investments are covered by the Australian Government's Financial Claims Scheme and, if necessary, split surplus funds across accounts to be certain this occurs ([www.apra.gov.au](http://www.apra.gov.au)).
  - 7.3. Achieve best possible returns subject to retaining sufficient access to funds to meet any possible requirement.
  - 7.4. Report to the Committee at the subsequent meeting any investment actions taken since the last meeting.

## **SOURCES**

Financial Commitments and Payments Policy ( P70)

## **REFERENCES**

[www.apra.gov.au](http://www.apra.gov.au)