

Investment and Treasury Management Policy

1. PURPOSE

The [Investment and Treasury Management Policy](#) provides the framework for the University's investing and treasury management activities.

2. POLICY STATEMENT

- 2.1 The primary investment objectives of the University are the maximisation of earnings within acceptable levels of risk and meeting liquidity requirements in order to:
 - provide support to the mission of the University over the long term; and
- 2.2 provide security and preservation of the real value of capital adequate cash reserves will be maintained to allow the University to conduct its business.
- 2.3 Cash and investments will be managed through the Short Term Pool and Long Term Investment Pool.
- 2.4 The Short Term Pool provides for operational cash needs having regard for quarter to quarter cyclical. Other cash and investments will be held in the Long Term Investment Pool.
- 2.5 Investment Performance Objectives will be set for both the Short Term Pool and Long Term Investment Pool.
- 2.6 Risks are managed by having a diversified Strategic Asset Allocation for both the Short Term Pool and Long Term Investment Pool. The Strategic Asset Allocation should cover:
 - Asset allocation between various asset classes.
 - Asset mix between domestic and overseas investments.
 - Hedged and unhedged funds for overseas investments.
- 2.7 One or more Investment Managers may be appointed to manage the Investment Pools. Investment Managers must be of Investment Grade counterparties or highly rated by the Investment Consultant.

3. RESPONSIBILITY FOR IMPLEMENTATION, COMPLIANCE MONITORING, MEASURING AND CONTINUAL IMPROVEMENT

These management positions are responsible for implementation and compliance monitoring of the policy in their work areas:

- Chief Financial Officer
- Director Financial Reporting

4. SCOPE OF POLICY

This policy applies to those engaged in monitoring and governing the University's investment strategy, including operating cash flows, banking management. Typically, this will encompass the Finance Committee, the Chief Financial Officer, Investment Consultants and other Delegated Officers.

This policy does not cover direct investment in "spin-off" companies for the purposes of the commercialisation of intellectual property and other direct investments.

5. DEFINITIONS

(Note: Commonly defined terms are located in the [Curtin Common Definitions](#). Any defined terms below are specific to this document)

Investment

Means placement of centrally managed University funds in assets or items with the intent of generating income, return or appreciation in value. This type of investment is administered by Financial Services.

Investment Grade

Means that at least one of major credit rating agencies such as Standard and Poor's, Moody's Investors Service and Fitch Ratings has rated an investment as having "Investment Grade" credit rating.

Long Term Investment Pool

Means the funds that are invested with the intention of achieving returns that are in excess of those of the Short Term Pool. The funds in this pool are intended for strategic purposes.

Operating Account

Means the operating bank account(s) utilised for the purposes of receiving and making operational payments.

Short Term Pool

Means the holdings of cash and investments that are not invested in the Long Term Investment Pool. This pool is used to manage the ongoing day-to-day operational and short term cash flows of the University by investing temporary cash surpluses and providing a reserve of funds for operational cash needs.

Strategic Asset Allocation

A portfolio strategy that involves periodically rebalancing the portfolio in order to maintain an asset allocation target.

6. SUPPORTING PROCEDURES

[Investment and Treasury Management Procedures](#)

[Banking Management Procedures](#)

[Borrowing Policy and Procedures](#)

[Foreign Exchange Procedures](#)

7. OTHER RELEVANT DOCUMENTS/LINKS

[Curtin University Act 1966](#)

[Trustees Act 1962 \(WA\)](#)

[Financial Management Act 2006 \(WA\)](#)

Policy Compliance Officer	<u>Amanda Stammers</u> , Director, Financial Reporting
Policy Manager	Chief Financial Officer
Approval Authority	Council
Review Date	1 st April 2018

REVISION HISTORY

Version	Approved/ Amended/ Rescinded	Date	Committee / Board / Executive Manager	Approval / Resolution Number	Key Changes and Notes
1.1	Approved	17/07/1997	Council	C 147/97	Appendix A to Attachment 2 to Document No C 56/97
1.2/1.3	Amended	22/06/2005	Council	C 60/05	Rescind C 60/05 (a) and Approve C 60/05 (b)
	Administratively Updated	20/03/2008	Director, Legal and Compliance Services		Reformatted and Amended to Reflect Organisational Chart
	Amended	21/10/2009	Council	C 134/09	Attachment 1 to Confidential Document No 01478/09

	Amended	27/10/2010	Council	C 154/10	Appendix 1 as at Attachment A to Confidential Document No 01271/10
	Administratively Updated	30/05/2011	Director, Legal and Compliance Services		Formally Reviewed, Minor Changes
	Amended	10/08/2011	Council	C 114/11	Attachment 1 & 2 to Document No 00935/11
	Amended	27/06/2012	Council	C 82/12	Attachment 1 to Confidential Document No 00636/12 (Amendments to Appendix 1 Investment Objectives and Allocations only)
	Administratively Updated	26/03/2014	Director, Legal and Compliance Services		Updated Policy Manager
	Amended	25/06/2014	Council	C 89/14	Attachment A (Previously titled Investments Policy and Procedures)
	Amended	10/09/2014	Council	C 145/14	Attachment A