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INVESTMENT

Section	Institute Governance and Management		
Approval Date	27.06.2019	Approved by	Council
Next Review	10.06.2021	Responsibility	Executive Director - Finance, Compliance and Business Improvement
Last Reviewed	10.06.2019	Key Evaluation Question	6

SCOPE

All investments of cash surplus to current operational requirements.

APPROVED FINANCIAL INSTITUTIONS

CATEGORY A

At banking institutions registered as a bank as defined by Section 2 of the Reserve Bank of New Zealand Act 1989, and their guaranteed subsidiaries or associates, and the Public Trust Office. The bank must have a credit rating of BBB or higher per the Standard and Poors rating scale.

- (i) On call
- (ii) Term deposits
- (iii) Bank bills

CATEGORY B

Government stock.

RESPONSIBILITY

The Chief Executive (CE) is responsible for:

- i. Approving Category A investments. Approval may be sub-delegated to the Executive Director Finance, Compliance and Business Intelligence.
- ii. Recommending any Category B investments to Council.
- iii. Reporting all investments as part of the CE's report.

Council is responsible for approving any Category B investments.

POLICY

The overriding criterion for investment of Institute funds shall be the security of the funds.

CATEGORY A

- i. Up to 100% of funds may be invested in Category A. Where total invested funds exceed \$1.0m, a maximum of 60% may be invested in any one institution/associate for periods greater than 2 working days.
- ii. Investments with the best possible interest rate must be chosen to maximise interest revenue, subject to the requirements of (i) above being met.

CATEGORY B

Up to 30% of funds may be invested in Category B.

REFERENCES

EXTERNAL

Reserve Bank of New Zealand Act 1989