



ACEA

Australasian Corrections
Education Association

Create the Opportunity

INVESTMENT PLANNING POLICY

Policy number	0016	Version	1.0
Drafted by	Paul Barnes	Approved by Board on	10 January 2020
Responsible person	Paul Barnes	Scheduled review date	10 January 2021

INTRODUCTION

The Executive Council of Australasian Corrections Education Association is responsible for ensuring that the association operates within a responsible, sustainable financial framework and that the organisation has adequate resources to carry out its work. Australasian Corrections Education Association's Investment Plan forms an important part of fulfilling this responsibility.

PURPOSE

This policy is designed to:

- Direct the use of investment funds of Australasian Corrections Education Association; and
- Determine Australasian Corrections Education Association's future financial planning strategies to ensure the organisation is able to maintain its operating budget and create growth while observing socially responsible ethical standards.

POLICY

The Executive Committee of Australasian Corrections Education Association is responsible for maintaining and extending the assets of the organisation, to provide for its long-term financial viability. In its stewardship of Australasian Corrections Education Association's financial assets, the Executive Committee has adopted this policy to ensure that any assets not required for the current operating budget will be invested in accordance with Australasian Corrections Education Association's Investment Plan.

The purpose of Australasian Corrections Education Association's Investment Plan is to manage the cash assets not required for current operating expenses so as to maximise the earnings of such assets, while retaining security, minimising risks, and observing socially responsible ethical standards.

All interest and other earnings from such investments are deposited into Australasian Corrections Education Association's operating account and thus become part of the annual operating budget.

The Investment Plan should be designed to ensure that:

- Australasian Corrections Education Association's funds are utilised to achieve a balanced operating budget.
- Australasian Corrections Education Association creates capital growth and generates a budget surplus.
- There will be access to cash to cover current liabilities approximately 25% of operating expenses
- Australasian Corrections Education Association will have access to cash for establishing new projects.
- Australasian Corrections Education Association will have access to cash for unforeseen expenses.
- Australasian Corrections Education Association's investments will encourage socially responsible outcomes.

Australasian Corrections Education Association's Investment Plan must conform to the following principles:

- Priorities set in the Business Plan are to be adhered to.
- Investments are to be made with low to medium risk ventures; that is, investments that provide for security of capital over the medium to long term.
- Australasian Corrections Education Association will only invest with reputable, established, proven, financial institutions.
- Australasian Corrections Education Association will not invest with organisations whose operations are socially irresponsible or incompatible with the mission of the organisation. In particular, Australasian Corrections Education Association will not invest in any organisation with a major proportion of its operations in the following areas:
 - Tobacco sales
 - Alcohol
 - Firearms
 - Gambling

Where Australasian Corrections Education Association's investments at the time of adoption of this policy include organisations with significant operations in these areas, these investments will be over time converted into more socially responsible investments.

- Australasian Corrections Education Association will not invest with organisations whose governance disregards fundamental requirements of openness to diversity. In particular, Australasian Corrections Education Association will not invest in any company which
 - Lacks a policy to encourage appropriate diversity in its governing body and senior management

AUTHORISATION

Ron Wilson

10 January 2020

President, Australasian Corrections Education Association (Inc.)

INVESTMENT PLANNING PROCEDURES

Procedures number	0016	Version	1.0
Drafted by	Paul Barnes	Approved by President on	10 January 2020
Responsible person	Paul Barnes	Scheduled review date	10 January 2021

RESPONSIBILITIES

The **President** and the **Treasurer**, in consultation with the **Executive Committee**, are responsible for recommending an Investment Plan portfolio for consideration by the members in the context of the annual Business Plan.

PROCEDURES

- The President and Treasurer will investigate investment options and make recommendations to the Executive Committee, in the form of an Investment Plan, as part of the annual Business Plan. The Investment Plan must conform with the principles laid out in the Australasian Corrections Education Association Investment Policy.
- Australasian Corrections Education Association's President and Treasurer will meet biannually to discuss the performance of the investment portfolio and report to the Finance Committee, which will in turn report to the Executive Committee.
- The President and Treasurer will receive information about and keep track of the progress of all investments, and report on the progress of the investments to the Executive Committee.
- The Investment Plan will be reviewed every 12 months as part of the strategic planning for the Business Plan.

RELATED DOCUMENTS

- Budget Planning Policy
- Australasian Corrections Education Association Business Plan

AUTHORISATION

Ron Wilson
10 January 2020
President, Australasian Corrections Education Association (Inc.)