

Investment Policy (2.3)

Policy:	Investment Policy	Effective Date: Feb, 2022	
Last Review Date:	Oct/23	Next Review Date:	Nov/26
Review Frequency:	Every 3 years (November) A&F Committee	Related Supporting Documents:	Audit and Finance Committee Charter

Purpose

CRNS has established this Policy to ensure that CRNS' investment portfolio meets the organization's stated objectives and also reflects its corporate values. The policy will enable CRNS to meet its risk objectives, liquidity needs and investment capacity.

Principles

The College is governed by Council which delegates the oversight of the CRNS' investment performance to the Audit and Finance Committee ("Committee"). The Committee through established investment parameters holds the Executive Director and CRNS' management accountable to achieve the key investment objectives of:

- Preserving capital amounts
- Avoiding undue risk of loss
- Obtaining a reasonable rate of return
- Providing capital growth and income that aligns with CRNS obligations

The policy will also support the Audit and Finance Committee in its duties to review the performance of external investment advisors and to make recommendations to Council on the adequacy of such advisors.

Investment Directives

The Committee provides oversight through the following established Investment Directives:

1. Management will ensure that an investment strategy is established that achieves CRNS' investment objectives, cashflow needs, risk tolerances and values.
2. Management will ensure that the strategy is reviewed and/or revised at least on an annual basis.
3. All funds available for investment will be invested in an appropriate mix of short and long term investments denominated or hedged to Canadian dollar currency. Such investments will be in Investment Grade instruments according to bond rating agencies, Standard and Poor and/or Moody's.

Investment advisory oversight is established through the Committee to oversee the investment parameters and management of the investments. Management may retain the service(s) of an external professional investment manager(s) to select and direct the investment of the fund(s) in accordance with the objectives established in this policy, and in line with the following guidelines:

1. The investment object is to ensure all funds are prudently invested in accordance with this policy and that investments are selected to match the anticipated cashflow requirements, risk tolerance and investment objectives of the College.
2. This objective necessitates incurring generally accepted investment risks through ownership of financial securities to preserve capital amounts, obtain a reasonable rate of return, and provide growth and income that align with College needs and obligations.
3. All short -term funds are maintained in a Canadian chartered bank or a credit union regulated by the Financial and Consumer Affairs Authority of Saskatchewan. To facilitate the college's cash requirements, interest-bearing cash or liquid, high-quality cash equivalents will be maintained at greater than 100% of the College's expenditure budget.
4. The primary investment objective for long-term funds is the preservation of capital in real dollar (inflation adjusted) terms in perpetuity.
5. The secondary investment objective for long-term funds is to achieve modest growth in real dollar terms over time.
6. Long-term investments based on the above primary and secondary objectives require a low-risk, conservative investment strategy which emphasizes fund preservation with a modest growth component.
7. Benchmarks will be determined and used as a comparison for performance reviews.
8. No acquisition of land as an investment without prior approval of Council.
9. There shall be no investment where the liability is beyond the amount invested.

Investment Policy Compliance Reporting

The Committee provides oversight of Investment Policy Compliance through confirmation provided by investment manager(s) on annual basis regarding their compliance with the investment objectives and limitations.

Review

Every three years by the Audit & Finance Committee