



INVESTMENTS

Category:	BOARD OVERSIGHT	
Policy Number:	BO-4	
Board Approval Date:	March 26, 2026	
Objective:	This policy ensures that investments are managed in a way that is consistent with the primary objectives of capital preservation, growth beyond the rate of inflation, and sufficient liquidity to meet College needs.	
Scope:	This policy is applicable to the Chief Financial Officer and the Investment Portfolio Manager.	
Definitions:		
Policy:	1.	Investments shall not be made in entities which could damage the role or standing of Olds College of Agriculture & Technology (the "College") within the community or that could be construed to be at odds with the College's strategic priorities.
	2.	Investments will be managed through the active involvement of a well-qualified professional portfolio manager with a proven track record, who is independent of any investment fund.
	2.1	An annual report and assessment of the performance of the investment manager will be submitted to the Audit and Finance Committee.
	3.	The following are prohibited investments: • Unlisted securities and funds • Venture capital funds • Derivatives • Margin trading • Land or other tangible assets
	4.	The investment asset mix will be segregated into the following categories, each with an appropriate asset mix in terms of objective, time horizon, risk tolerance and liquidity: • Capital/Projects Funds • Operating Funds • Endowment Funds • Deferred Salary Funds
	4.1	The investment asset mix will meet the following criteria:



		Capital/Projects Funds			Operating Funds			Endowment Funds			Deferred Salary Funds		
		Minimum	Neutral	Maximum	Minimum	Neutral	Maximum	Minimum	Neutral	Maximum	Minimum	Neutral	Maximum
	Asset Class	0%	50%	100%	5%	15%	25%	0%	2%	10%	0%	50%	100%
	Cash & Equivalents	0%	50%	100%	15%	25%	35%	30%	38%	50%	0%	50%	100%
	Fixed Income	0%	50%	100%									
	Canadian Equity	0%	0%	10%	10%	20%	30%	10%	20%	30%			
	US Equity	0%	0%	10%	10%	20%	30%	10%	20%	30%			
	International Equity	0%	0%	10%	10%	20%	30%	10%	20%	30%			
	Total Equities	0%	0%	20%	50%	60%	70%	50%	60%	70%			
	Total		100%			100%			100%			100%	

5.	Investments will not be exposed to greater than a moderate level of risk.	
5.1	Cash or cash equivalent investments in money market securities shall have a rating of R-1 or A-1 as determined by a recognized rating agency, or for a term of longer than one year.	
5.2	The Fixed Income Investment portfolio will be subject to the following criteria: • No more than 20% of the total portfolio in a single government issue, other than those guaranteed by the Government of Canada or the Government of Alberta/ • No more than 10% of the total portfolio with any single corporate issuer • Bonds other than Canadian, US and International Bonds rated BBB minus or better as determined by a recognized rating agency at the time of purchase, with an overall portfolio rating of A minus or better; • Preferred shares only with a rating of P-3 or better by a recognized rating agency at the time of purchase.	
5.3	The Equity Investment portfolio will be subject to the following criteria: • No single position that comprises more than 10% of the total investment portfolio; • Will be diversified as to industry group.	
6.	The Board will be provided with annual performance information which provides the actual percentage rate of return over a rolling 10-year period in comparison to industry benchmarks.	
6.1	The Audit and Finance Committee of the Board will be provided with quarterly statements of portfolio summary transactions, invested positions (by cost and market) and performance.	
7.	Investments shall be sufficiently liquid to meet the organization's anticipated expenditures without incurring penalties.	
8.	Investments of cash accounts (or operating capital) shall be only in GICs and high interest savings, while respecting the accumulated surplus requirement as stated in Policy BO-4 Fiscal Oversight.	
9.	The Board shall be made aware of revisions made to the administrative investment policy.	



Related Information:	BO-5 Fiscal Oversight BG-12 Audit & Finance Committee TOR
Related Procedures:	
Review Period:	3 years
Revision History:	New: February 2025 Revised: March 2026