

INVESTMENTS

This document is the parent policy for any College procedures. Questions regarding this policy are to be directed to the identified Policy Owner.

Category:	F. Finance
Policy Number:	F14
Approval Date:	February 15, 2024
Effective Date:	February 15, 2024
Policy Owner:	Chief Financial Officer Chief of Staff

Objective:	The objective of this policy is consistent with the primary objectives of capital preservation, growth beyond the rate of inflation, and sufficient liquidity to meet Olds College of Agriculture & Technology (the "College") needs.
Policy:	<p>These criteria guide the investment policy:</p> <ol style="list-style-type: none"> 1. Investments will be publicly traded. 2. Investments in fixed income instruments will be used to minimize risk while generating income. 3. Investments in equities will provide a return that will enable the investments to grow at a rate beyond the rate of inflation to prevent the erosion of capital. 4. Investments in money market instruments will ensure the liquidity needs of the College are met while generating some return on investment. 5. Investments will not be made in entities which could damage the role or standing of the College within the community or which could be construed to be at odds with the College's Ends. <p>Assets that meet these criteria are considered to be eligible assets.</p> <p>The investment portfolio will consist of all funds in excess of operating requirements. The College will employ cash and fund management practices which manage the funds available to maintain 3% of gross operating revenues at all times. The College may also segregate certain funds within the investment portfolio if it is deemed advisable to do so.</p> <p>Funds in excess of operating requirements are defined as:</p> <ol style="list-style-type: none"> 1. Funds which can be invested for terms of up to three years These funds would include funds held on behalf of others, non-endowment funds generated by Olds College, internally restricted funds designated by the Board for expenditure within three years and other funds not required for immediate operating cash flow.

	<p>2. Funds which can be invested for a term of three or more years These funds would include endowments generated by the College, internally restricted funds designated by the Board for specific purposes and funds making up the long-term working capital of the College.</p> <p>Investment accounts will be reconciled on a monthly basis with quarterly reports to the Audit and Finance Committee and the Board of Governors.</p>
<p>Definitions:</p>	<p>Fixed Income Instrument: Investments that pay a fixed amount of interest to investors. Bonds are the most common type.</p> <p>Equity: Shares of a company that are typically traded in the stock market.</p> <p>Money Market Instrument: A conservative, very liquid security that is considered 'safe'; issued by governments, financial institutions and large corporations.</p> <p>Investment Pool: The total funds available for investing.</p> <p>Investment Portfolio: The total funds that are actually invested.</p>
<p>Related Information:</p>	<p>G02 Code of Conduct Policy B03 Fraud & Irregularities Policy F08 Endowments, Inflation & Investment Recapitalization Policy Board Policy EL-4: Financial Condition & Activities Board Policy EL-10: Investments</p>
<p>Related Procedures:</p>	<p>F14 Investments Procedure</p>
<p>Review Period:</p>	<p>3 years</p>
<p>Revision History:</p>	<p>Revised: May 1999 Revised: October 2004 Revised: September 2013 Revised: February 2017 Revised: March 2021 Revised: February 2024</p>