

Section: B Subject: Investment Policy	Policy Number: B-012 Total Pages: 2	Approval Date: Dec. 21, 2016
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Investment Policy

Purpose:

The purpose of this policy is to provide objectives, guidelines, direction and limits to the Board of Directors with respect to investment of Agency funds. The overall investment objective is to maximize the return on invested assets while minimizing risk and expenses. This will be done through prudent investing and planning, as well as through the maintenance of a diversified investment portfolio.

Guidelines:

- all transactions shall be for the sole benefit of the Agency and will respect the Agency's Vision, Mission and Service Principles;
- the Board of Directors will approve all investments;
- the Agency's Investment Policy will be reviewed annually by the Finance Committee;
- the Finance Committee will report at least annually to the Board of Directors the status of investments and at other times that may be relevant (ie. renewal of an investment);
- the Agency's investments will be in compliance with all applicable federal and provincial laws and regulations, Agency Policies and By-Laws;
- the Board of Directors will ensure the following related to investments: maintain a diversified portfolio which will maximize the return on invested assets while minimizing risk and expenses, be readily marketable to ensure sufficient cash flow to operate Agency business in an effective manner;
- the investment portfolio should not be a blind pool; each investment must be available for review.

Responsibilities:

- the Board of Directors has the ultimate responsibility for the investments and management of the Agency's assets;
- the Finance Committee and Executive Director will solicit information and advice from recognized external financial consultant(s) and bring recommendations to the Board of Directors. The financial consultant(s) should support the use of the Chartered Financial Analysis (CFA) Institute Code of Ethics and Standards of Professional Conduct as provided by the CFA Institute;
- only recognized professional financial consultants will manage agency funds, under the guidance of the Board of Directors;
- The Finance Committee and the Executive Director will communicate the financial needs of the Agency in a timely manner to the Board of Directors.

Guidelines for Asset Allocation:

The allocation of assets shall be determined by the following:

- liquidity requirements for the Agency;
- the relationship between the current and projected assets of the Agency and projected liabilities;
- other factors, as advised by recognized professional financial consultant(s), such as the perception of future economic conditions, including inflation and interest rate assumptions.

Definitions:

Conflict of Interest:

A conflict of interest arises when an individual or group associated with the Agency and its agents, including family members, are in a position to benefit, or is perceived to be in a position to benefit from a proposed investment transaction. In the event of a conflict of interest, the individual or group involved must immediately notify the Executive Director and/or the President, Board of Directors, verbally or in writing of the actual or perceived conflict of interest and therefore, may not participate in the decision making process concerning the transaction in question.

Notwithstanding the above, Community Living-Central Huron recognizes that employees may from time to time have personal investments/securities that are also held by the Agency. Provided the bank and/or investment company maintain a system to monitor conflicts of interest, including a policy of internal disclosure and a system to ensure no personal benefit is derived or perceived to be derived from transactions made on behalf of the Agency, these transactions are excluded from the necessity to report to Community Living-Central Huron.