



Type:	Finance & Risk Management
Authority:	Executive Director
Related Documents:	Trustee Act (1990) and any subsequent provisions (noted where appropriate)

Preamble

The investment guidelines set out the authorities and responsibilities for the investment of restricted and unrestricted funds of Grey Bruce Hospice (GBH).

Policy Statement

The Board shall hold sole authority for investing in the name of GBH including:

- approving the investment guidelines;
- the amount of funds to be invested; and
- the time horizon for investments.

All decisions must be made in an authorized board meeting and by recorded resolution.

208.01 Monitoring Investments

1. The Board of Directors is responsible for monitoring the performance of the Portfolio.
2. GBH will employ a Portfolio Manager (note: in Canada an “investment advisor” does not have a fiduciary obligation to their client) when assets available for Long Term investment are greater than \$500,000. The Portfolio Manager will be selected through an RFP process which will be repeated every 5 years or earlier if required. The incumbent may submit a proposal and be selected for an additional 5-year term.
3. Annually, the Finance Committee or if one is not established, the Finance Committee will prepare a report to the Board of Directors including:
 - a. review and recommend changes (if appropriate) to the Investment Policy;
 - b. recommend investment guidelines;
 - c. review of Portfolio Manager;
 - d. report on prior year’s returns on investment;
 - e. recommended amounts to be held in each of GBH’s investment accounts.

208.02 Establishing Investment Funds

For the purpose of managing investment risk and to optimize investment returns within acceptable risk parameters, the following funds may be created and held as separate investment pools and / or accounts:

- Operating reserve fund (Goal for this fund is 50% of annual, non-LHIN funded operating revenues)
- Capital Fund (All unallocated surplus funds)
- Endowment Fund

208.03 Restrictions

1. Except for government bonds, not more than 10% of the total market value of the portfolio will be invested in securities of any one issuer.
2. There will be no borrowing from any source to make investments.

208.04 Responsibilities of the Portfolio Manager(s)

1. The Portfolio Manager(s) shall invest the funds of GBH within these specific written guidelines and in accordance with the Investment Objectives. In carrying out their duties and responsibilities, the Portfolio Manager(s) shall exercise such competence and skill as may be expected of a prudent, diligent Portfolio Manager in similar circumstances.
2. The Portfolio Manager(s) shall prepare Reports, which shall contain, as a minimum:
 - a. Monthly
 - i. list of portfolio holdings and their cost vs. current market values
 - ii. list of transactions for the month.
 - iii. portfolio listing by security showing cost vs. market value
 - b. Quarterly
 - i. income for the quarter and annualized asset mix
 - ii. quarterly and past 12-month total return calculations by asset class versus benchmarks (defined in point economic and market commentary with forecasts for the next 12-month or other relevant period)
 - c. Annually
 - i. In addition, Portfolio Manager(s) should have at least one formal meeting a year with the Finance Committee to review the portfolio performance and discuss strategy for the ensuing period and make at least one presentation per year to the Board of Directors. Portfolio Manager(s) will refer, on a timely basis, any contentious issue so that guidance may be sought from the Finance Committee.
 - ii. Portfolio Manager(s) must disclose any material interest in any investment or proposed transaction. All investment activities must be conducted in accordance with the Chartered Financial Analyst code of ethics, and the Conflict-of-Interest Policy as adopted by the GBH.

208.05 Review of Portfolio Manager(s) Services

It is the responsibility of the Board to monitor the performance of the Portfolio Manager(s) on an ongoing basis with input from the Finance Committee.

208.06 Fund Withdrawals

1. Cash flow activity will be reported by the appropriate GBH staff to the Finance Committee on a semi-annual basis. This information will enable the Finance Committee to prepare a notice to the Board of Directors of any anticipated significant change in expected investment income. This information is relevant when the Committee and Board are reviewing the expectations and outcomes of the Portfolio
2. Manager(s) performance. Any change of expectation should be documented and included in Board minutes.

208.07 Review Cycle

This policy will be reviewed at least every three years.

Original Approval: 11-27-2019

Reviewed On:

Revised On: 11-23-2022