

BRIEFING NOTE

TO: Board of Directors

FROM: Fazal Khan, Registrar and CEO

DATE: Dec 2, 2024

SUBJECT: Investment Policy (2-06) Monitoring Report

For Decision

For Information

Monitoring Report

Purpose:

To provide the Board with a monitoring report on the Investment Policy, in accordance with the monitoring report schedule approved by the Board.

CEO Interpretation and Evidence:

The Investment Policy (2-06, previously 2-09) was approved by the Board in October 2018.

The monitoring report covers the period from June 2024 to November 2024. The next Investment Policy Monitoring report is due in June 2025.

Policy Requirement	Interpretation and Evidence
Investment Funds Management	The Registrar, CEO has managed the COO investments with the services of an Investment Advisor (BMO Nesbitt Burns) to provide expertise in the investment approach and investment portfolio.
Investment Parameters	The Registrar, CEO has met the Board's expectations of: reasonable liquidity (by maintaining a liquidity ratio over 2.0 and ensuring that invested maturity dates are split throughout the year), continued revenue (by adapting operations to virtual/hybrid functions), and ensured preservation of capital through a conservative investment strategy. The Registrar, CEO has invested funds that will achieve a reasonable return on investment, between 3.89% and 3.94% against the current market rate of 3.4%. The Registrar also proactively reinvested the funds to lock in the higher interest rate a day before the Bank of Canada announced an interest rate drop. These investments will be realized in June 2025, and October 2025. The Registrar, CEO operates with a diverse investment portfolio through multiple GICs within the CDIC insurance limit and a high interest savings account that maintains a minimum of 12 months of operational funds. Additionally, the Registrar and CEO have invested operational

	funds that are not needed for a period of three months into a high-interest savings account, currently offering an interest rate of 3%. These funds remain accessible for withdrawal as needed. Finally, The Registrar CEO has not borrowed any funds during this reporting period.
Evaluation of Results	With the support of the Deputy Registrar and the Finance Manager, the Registrar, CEO monitors the investments to ensure compliance with the Investment Policy and the recommended investment approach. The external Investment Advisor provides additional monitoring and an investment performance overview at the time of maturity.
Reporting	The Registrar, CEO provided audited financial statements to the Board in June 2024. These reports include investment results for the previous fiscal year which have been reviewed and independently verified by the Auditor.

Public Interest Considerations:

The steps taken by the Registrar, CEO to comply with the Investment policy will serve the College’s public interest mandate by ensuring investment is used efficiently, transparently, and sustainably. This includes steps to optimize investment placement while improving service delivery by maintaining funds in high interest savings account that can be withdrawn at any time. The policy promotes accountability through clear guidelines and regular reviews of investment with the guidance of an investment manager and aims for equitable resource distribution. This approach helps enhance public trust, protect funds against possible risks, and align investment management with the College’s needs.

Diversity, Equity, and Inclusion Considerations:

No DEI concerns have been identified with respect to the College’s investment strategy.

Risk Management Considerations:

The steps taken by the Registrar, CEO to comply with the Investment Policy are aimed at minimizing risk to the College’s finances by focusing on conservative and secure investments that preserve principle and liquidity.

Recommendations/Action Required:

The Board is asked to provide comments and feedback on the following questions:

1. Was the Registrar, CEO’s interpretation of the Investment Policy reasonable?
2. Did the Registrar, CEO comply with this policy, as reasonably interpreted?