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Title: **INVESTMENT POLICY**

Adopted: May 3, 2011

Revised:

Reviewed: May 3, 2014, May 3, 2016, February 2017, June 2019, June 2021

Authorization:

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## **POLICY**

It is the policy of the Bloorview School Authority that all investments undertaken shall be made in accordance with all legal restrictions imposed by Ontario Regulation 41/10 of the Education Act and in accordance with appropriate investment guidelines.

## **GUIDING PRINCIPLES**

1. This investment policy applies to all moneys and other financial resources available for investment on behalf of Bloorview School Authority.
2. The primary objectives of the investment activities are, in priority order,
  - To conform with all applicable provincial and other legal requirements (legal)
  - To adequately safeguard principle (safety)
  - To provide sufficient liquidity to meet all operating requirements (liquidity)
  - To obtain a reasonable rate of return (yield)

## **INVESTMENT GUIDELINES**

3. Investment of funds undertaken by the Board shall be made with the objective of preserving and protecting the principal amount.
4. Investment of funds undertaken by the Board shall be made with the objective of maintaining liquidity necessary to meet fluctuations in the cash flow requirements of the Board. The forecast of cash flow requirements will determine the proper proportion of investments that have terms to maturity which match the cash flow requirements of the Board.
5. Investments undertaken by the Board shall be made with the objective of obtaining a competitive return on investments and weighing the investment alternatives within the constraints of the policy objectives.

## GENERAL GUIDELINES

6. The Supervisory Officer of Education or designate will maintain a cash management program, which will make the following determination in accordance with this policy:
  - a. Identification of surplus funds for investment purposes;
  - b. Term of proposed investment;
  - c. Compliance with the investment policy and goals;
  - d. The need for financial advice with respect to the proposed investments, and legal advice if required.
  
7. The Board shall require the treasurer of the Board to prepare and provide to the Board, each year, or more frequently if so required by the Board, an investment report.
  
8. The investment report shall contain
  - a. A statement about the performance of the portfolio of investments of the board during the period covered by the report.
  - b. a description of the estimated proportion of the total investments of the board that are invested in its own long-term and short-term securities to the total investment of the board and a description of the change, if any, in that estimated proportion since the previous year's report
  - c. A statement by the treasurer as to whether or not, in his or her opinion, all investments were made in accordance with the investment policies and objectives adopted by the board;
  - d. A record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale price of each security; and
  - e. Such other information that the board may require or that, in the opinion of the treasurer, should be included.
  
9. The Board shall invest funds in only those securities that are expressly permitted under the Education Act of Ontario and Ontario Regulation 41/10, Eligible Investments, as amended from time to time.

The following are prescribed, for the purposes of clause 241 (1) (a) of the Act, as securities that a board may invest in:

- A. Bonds, debentures, promissory notes or other evidence of indebtedness issued or guaranteed by,
  - i. Canada or a province or territory of Canada,
  - ii. an agency of Canada or of a province or territory of Canada,
  - iii. a municipality in Canada, or
  - iv. the Municipal Finance Authority of British Columbia.
  
- B. Bonds, debentures, promissory notes or other evidence of indebtedness of a corporation if,
  - i. the bond, debenture or other evidence of indebtedness is secured by the

- assignment to a trustee, as defined in the Trustee Act, of payments that Canada or a province or territory of Canada has agreed to make or is required to make under a federal, provincial or territorial statute, and
- ii. the payments referred to in subparagraph i are sufficient to meet the amounts payable under the bond, debenture or other evidence of indebtedness, including the amounts payable at maturity.
- C. Deposit receipts, deposit notes, certificates of deposit or investment, acceptances or similar instruments, the terms of which provide that the principal and interest shall be fully repaid no later than two years after the day the investment was made, that are issued, guaranteed or endorsed by,
- i. a bank listed in Schedule I or II of the Bank Act (Canada),
  - ii. a loan corporation or trust corporation registered under the Loan and Trust Corporations Act, or
  - iii. a credit union or league to which the Credit Unions and Caisses Populaires Act, 1994 applies.
- D. Deposit receipts, deposit notes, certificates of deposit or investment, acceptances or similar instruments, the terms of which provide that the principal and interest shall be fully repaid more than two years after the day the investment was made, that are issued, guaranteed or endorsed by,
- i. a bank listed in Schedule I or II of the Bank Act (Canada),
  - ii. a loan corporation or trust corporation registered under the Loan and Trust Corporations Act, or
  - iii. a credit union or league to which the Credit Unions and Caisses Populaires Act, 1994 applies.
- E. Bonds, debentures or evidences or long-term indebtedness issued by an institution listed in paragraph 4. O. Reg. 41/10, s. 9.

**Restrictions:** No investments shall be made in securities that are expressed or payable in a currency other than Canadian dollars.