



Manual of Operations

Title: Investments	Number: MO-03-08
Source: Finance Committee	
Approved By: WGHA Board	Date Approved: August 23, 2017 Date Last Reviewed: March 2024

The purpose of this policy is to establish guidelines for the investable assets (the Portfolio) of Waterloo Girls Hockey Association (WGHA). This document shall apply to the Finance Committee as well as all Investment Consultants and/or Investment Managers hired to assist with the management of the Portfolio, if applicable

Investment Objectives & Constraints

Objectives:

The objectives of the Portfolio are listed below:

- Create a rate of return for WGHA on surplus funds
- Invest in Principle secure investments only
- Match the term of the investment with the requirement of the funds (i.e. Long-term investments vs Short Term Investments)

Constraints

The Portfolio is also subject to the following constraints:

1. Investment transactions ONLY with the Primary bank of the Association
2. Investments transactions ONLY with T-Bill, GIC's or any other Bank secured investment
3. Investments decision should match the "use" of the funds invested.
 - i. Surplus operating funds – short term time frame for a minimum of 50 percent of these available funds
 - ii. Capital Funds – longer term time frames
4. Short term investment will not exceed 90 days in length
5. Longer Term investments will not exceed 18 months or the expected spend date of the funds
6. The Treasurer and the President must approve all investment decisions jointly



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7. Any investment decisions which deviate from the policy # 3 must have Board approval

Description of Responsibilities

The responsibilities of each party involved in managing the portfolio are defined below:

- Treasurer: To identify investment opportunities and provide recommendations compliant with this policy
- President: To challenge, approve or deny investment recommendation provided by the Treasurer
- Finance Committee:
 - Review the Investment decisions
 - Review Investment Policy on an annual basis
- Board of Directors - Approve any changes to the Investment Policy

Fiduciary Duty

In seeking to attain the investment objectives set forth in the Investment Policy, the Prudent Investor Rule shall apply, which states that the Treasurer, President, Finance Committee and the Board of Directors is under a duty to WGHA to invest and manage the Portfolio as a prudent investor would, as described below:

- The exercise of reasonable care, skill, and caution that is applied to investments not in isolation but in the context of the Portfolio and as part of an overall investment strategy, which should incorporate risk and return objectives reasonably suited to the Portfolio
- In making and implementing investment decisions, the Treasurer & President has a duty to diversify the Portfolio unless, under the circumstances, it is prudent not to do so
- In addition, the Treasurer & President must:



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- Conform to fundamental fiduciary duties of loyalty and impartiality
- Act with prudence in deciding whether and how to delegate authority and in the selection and supervision of agents
- Incur only costs that are reasonable in amount and appropriate to the management of the Portfolio

The Prudent Investor Rule is based on the following five basic principles:

- Sound diversification is fundamental to risk management
- Risk and return are so directly related that the Treasurer has a duty to analyze and make conscious recommendations concerning the levels of risk appropriate to the purposes, distribution requirements, and other circumstances of the Portfolio

Conflicts of Interest

Any person or organization involved in the oversight or management of the Portfolio (a Covered Party) should adhere to the organization's guidelines regarding conflicts of interest.

Monitoring Portfolio Investments & Performance

The Treasurer will be prepared to report to the Board of Directors as requested.

The performance of the Portfolio including the following:

- A listing of all investments, with invested date, maturity dates and interest rate
- A comparison of investment vs use of funds inside the organization