

Policy Number	10.1
Approval Body	Board
Policy Officer	VP Finance + Admin
Approval Date	January 2001

10.1 INVESTMENT OF ENDOWMENT FUNDS

ENABLING LEGISLATION & LINKED POLICIES

University Act

Powers of the Board

Section 27 (1) The management, administration and control of the property, revenue, business and affairs of the university are vested in the board.

Investments

Section 57 Subject to a contrary intent expressed in a gift, devise, bequest or trust, section 15 of the Trustee Act does not apply to investments made by a board of a university and each board

- (a) may invest money belonging to the university and available for investment,
- (b) must, when investing under paragraph (a), make investments that a prudent person would make.

Other Laws of General Application

OBJECTIVE

The objective of this policy is to establish the parameters for investing endowment funds ensuring that the investment will not compromise availability of the endowment fund for its intended purpose.

SCOPE

This policy applies to investment of Emily Carr University of Art + Design (University) endowment funds.

POLICY

1. University funds must be invested only in permitted securities, and maturity dates of investments are to be staggered over different time periods and dates to minimize exposure to interest rate changes.
2. In accordance with the *University Act* and guidelines provided by the Minister of Finance, and to ensure that the investment of endowment funds will not compromise availability for their intended purpose, the University will restrict investing funds to:
 - Highly liquid securities that are not rated lower than R1 mid by Dominion Bond Rating Service or A by Canadian Bond Rating Service at the time of investment.

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- Permitted securities include: Government bonds, commercial paper, term deposits, guaranteed investment certificates, banker's acceptances, and corporate bonds

These securities may include the following:

- (a) Financial instruments with maturities of 1 to 10 years and guaranteed as to repayment of interest and principal by the Government of Canada or by any of the Provinces of Canada;
- (b) Financial instruments with maturities of 1 to 10 years and guaranteed as to repayment of interest and principal by chartered banks and trust companies incorporated under the laws of Canada.

POLICY SUPPORTS

10.1.1 Management of Endowment Funds