

ROYAL ROADS UNIVERSITY

BOARD POLICY

Title: Investment Policy

Policy #: D1080

Effective Date: September 17, 2010

Purpose

The purpose of this policy is to provide investment guidelines for Royal Roads University and the Royal Roads University Foundation that will maximize the rate of return while ensuring funds are managed within an appropriate and prudent level of risk.

Authority

In accordance with Section 57 of the *University Act* a university board (through its delegates) is authorized to:

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

The investment of funds should aim to:

- preserve capital
 - maintain liquidity necessary to meet cash requirements
 - maximize the rate of return, within acceptable risk levels
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Investment Guidelines

The University and Foundation may retain an external investment manager and in conjunction with the external investment manager, develop an investment policy statement that will govern the management of the investment portfolio. This statement will include the objectives, constraints around risk, liquidity, diversification and quality of investments. The portfolio will also be designed within the context of the Board's corporate social responsibility framework.

The investment policy statement will be reviewed annually to ensure it continues to meet the University and Foundation investment objectives.

Reporting

Quarterly investment reports will be presented to the Finance & Audit Committee and Board. In addition, the investment manager may be requested to make presentations, as required.

Investment Managers

The Vice President & CFO will recommend to the Board, for appointment, a suitably qualified external professional investment manager. The investment manager will be selected from well-established and financially sound organizations with proven track records.

The performance of the investment manager will be reviewed annually. Based on the annual review, the Vice President & CFO will recommend whether to continue with the appointed investment manager or to initiate a selection process. The selection of an investment manager will be made in prudent manner, applying fair and reasonable identification, using evaluation and selection criteria developed for the process.

RELATED DOCUMENTS:

RRU Board Policy on Corporate Social Responsibility

FACT SHEET

DATES:

2010 09 17	Board Approval
2010 09 17	Implementation
2013 09 17	Review Due