FAMILY VISIONS INCORPORATED
POLICY AND PROCEDURE MANUAL

POLICY: **INVESTMENTS**	POLICY NO: FMG-008	PAGE 1 of 4
	DATE REVIEWED: February 2022	PREVIOUS POLICY DATE/NAME: September 28, 2011 Investments BDA01-40
		RELATED DOCUMENTS: Service Agreement
APPROVED BY: Board of Directors	DISTRIBUTION: Board Policy	

PURPOSE:
Family Visions Inc. is a charitable organization that operates through funding from various sources. The day-to-day operation, capital expenditures related to facility and service offerings and services provided to the clients being served by the organization are all dependent on a stable level of funds.

A volunteer Board of Directors governs the overall direction for the organization. The Board of Directors have considered the financial resources and goals, defined the risk preference and rate of return objectives, asset selections, liquidity, and cost constraints required to develop this long-term portfolio strategy.

POLICY:
To provide guidelines for financial investments entered into by Family Visions Inc.

Guidelines
The Board of Directors will have the authority to invest and manage investments.

Portfolio Objective:
Objective - Maximize Safety of Principle
It is the policy of Family Visions Inc. to invest funds in a manner which will provide the highest investment return with the maximum amount of security related to the principle while meeting the daily cash flow needs of the organization.

The primary objectives, in priority order of Family Visions Inc. investment activities shall be:

- Safety - Safety of principle is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.
- Liquidity -The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
- Diversification - The investments will be diversified by security type and institution.

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- Return on Investment -The investment portfolio shall be designed with the objective of obtaining a rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints of the portfolio.

Scope:
This investment policy applies to all cash assets of Family Visions Inc. These assets are accounted for in the monthly financial report and include the chequing accounts/savings accounts/savings bonds/term deposits and any new fund(s) established by the FV Board.

Risk Tolerance:
These investments are required to service a non- profit organization and it is imperative that the principle not be negatively impacted by those investments outlined in this policy. It is recognized that this factor will impede the potential of return, but a steady level of growth is acceptable. These factors result in the level of risk being assessed as low risk.

Asset Mix:
The portfolio shall consist of both cash and debt instruments*. The cash portion of the portfolio will be managed by direction from the Board of Directors exclusively and will not be eligible for management by a third party. The remaining portion of the portfolio may, at the discretion of the Board of Directors, be invested by a broker or advisor selected by the Board.

The Guaranteed Investment Certificates may be laddered up to a 5-year period. Bonds may be laddered up to a 10-year period.

Upon maturity of any investment, the Board of Directors will review the recommendation of the broker or advisor and determine the next steps.

The investment policy strictly prohibits the Board of Directors from engaging in any activity that could be considered speculative or that could jeopardize the ability of the portfolio to meets its cash flow obligations.

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Investment Limits
The purchase of any securities carrying a credit rating below an A rating for bonds or an A1 rating for commercial paper is strictly prohibited.

Investments of appropriate credit quality may be made subject to the following limits.

Investment Vehicle	**Maximum % of Portfolio**
Deposits (cash accounts) in Banks or Credit Unions	10%
*Federal Government Bonds	100%
*Municipal / Provincial Government Bonds	50%
*Corporate Bonds	25% (See Note Below)
Guaranteed Investment Certificates	100% (See Note Below)

Corporate Bonds – no more than 5% of the total portfolio in any one corporate name.

Guaranteed Investment Certificate – no more than $100,000 with any one named insured institution. In the event the GIC is invested with a Manitoba Credit Union, the investment amount can be more than $100,000 i.e. The Credit Union deposit Guarantee Corporation is the deposit guarantor for Manitoba Credit Unions. As established under The Credit Unions and Caisse Populaires Act, the Corporation is required by law to guarantee without limit all the deposits you make with your Manitoba Credit Union.

In cases where a bond rating slips below the ratings defined in this policy the broker or advisor will notify a member of the FV Board Executive Committee. The Executive Committee will convene and provide a recommendation related to holding or selling that bond to the Board of Directors for approval. A decision to change how investments are to be laddered will also require the entire Board of Directors' approval.

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PROCEDURE:

Application

The Board of Directors will implement and monitor the investment policy.

Reporting

Annual investment reports shall be prepared for and distributed to the Board of Directors. These reports will contain the following information:

- Complete inventories of all portfolio investments and percentage breakdown by each type of investment type and credit rating
- A list of all transactions whether matured or not, including opening balances, maturities, dispositions, purchases and accrued interest.
- Detail of any variations from stated investment policy.

Policy Review

The Board of Directors will review this policy annually, to ensure that it remains consistent with the overall objectives of the organization and prudent and conservative investment practices. This policy may be reviewed and updated more frequently as necessary.

The investment policy statement will be presented on a quarterly basis at the Board of Directors meetings.