



Policy Title:	Investment Policy	Policy No: SSO 8-16
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Related documents:	<i>SSO By-laws</i> <i>Code of Conduct and Ethics</i> <i>Conflict of Interest Policy</i> <i>Finance Policy</i>	

Purpose

This Investment Policy has been written to provide both clarity and guidance in the investment decision-making process. It takes Synchro Swim Ontario's (SSO) financial resources, needs, goals, risk tolerance and preferences into account, and also outlines roles, responsibilities and expectations. This document is meant to ensure the prudent management of funds according to the SSO By-laws, while at the same time allowing for sufficient flexibility to react appropriately to changing economic, business and investment market conditions.

Investment Principles

- a. **Safety of principal and interest:** Only investments that guarantee a return of principal should be used.
- b. **Income maximization:** Once the safety of principal and interest principle is met the corporation should attempt to maximize the income generated by these securities.
- c. **No uncertainty as to income to be earned:** Total income should be determined when purchased.
- d. **Hold to maturity:** The intention when purchasing securities must always be to hold until maturity.
- e. **Provide clear direction to the managing agent:** Have a clear plan to ensure accuracy of investments.

Investment Policies

- a. **Preparation of an investment plan:** Before investing any monies, the board shall develop an investment plan based on the anticipated cash requirements as set out in the most recent budget.
- b. **Securities and deposit registration:** All investments must be registered in the name of the corporation (Synchro Swim Ontario) and held in a segregated account by a member of the Investment Dealers Association of Canada and insured by the Canadian Investor Protection Fund (CIPF). To see approved members go to <http://www.cipf.ca/Public/MemberDirectory.aspx>.
- c. **Maximum investment maturity:** It is recommended that the maximum maturity for any investment be no more than one (1) to three (3) years, except in rare and unusual circumstances.



- d. **Portfolio composition:** This should be based on the board-developed investment plan and the anticipated cash needed in the one (1) to three (3) year plan. An example of a possible composition of a portfolio as a starting point is: 20% to 30% of total assets should be invested in short-term, liquid investments of less than one (1) year of maturity; 20-80% of total assets should be invested in longer-term (one (1) to three (3) year) securities that will mature to meet future expenditures. These investments can typically benefit from higher interest rates.
- e. **Implementation:** Once a decision has been made about how the fund assets are to be managed, the board should pass a motion similar to the following:

On a motion by _____, seconded by _____ and carried, it was resolved that based on the investment plan presented and the attached guidelines, Synchro Swim Ontario will invest the Corporation reserve fund assets in accordance with the investment plan dated _____.

Investment Philosophy and Goals

Invest reserve and operating funds that are not needed for everyday cash flow as determined by the Executive Director and Finance and Audit Committee Chair, which is the board Treasurer, in securities that are registered in the name of Synchro Swim Ontario, and are held in a segregated account under the name of the corporation by a member of the Investment Dealers Association of Canada and insured by the Canadian Investor Protection Fund. Investments should be in the medium to low risk range.

Investment Monitoring and Reporting

Provide clear direction to the managing agent. Clear communication between the board and the investment professional is imperative in order to ensure accuracy in the preparation of the investment plan and investment of the corporation's fund assets. All directions should be in writing and should be verbally confirmed by the investment advisor who will execute the investment decisions and confirm when completed in writing.

Investment interest will be reported monthly on financial statements, and will be reviewed by the board. Records must be available for examination by the corporation and auditor, upon reasonable notice, at all times. Review of this plan should occur on an annual basis with the Finance and Audit Committee and approved by the board of directors.