



Yellowknife Community Foundation Investment Policy Statement

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1. Purpose of the IPS

This IPS sets out the investment process and guidelines for the Yellowknife Community Foundation (the Foundation). It identifies investment goals, decision making process, and investment options for the Foundation.

2. Roles and Responsibilities

The finance committee will oversee the assets of the plan and make decisions concerning the investments in accordance with the investment process and options the Foundation board has adopted by resolution confirming this IPS. The investment advisor will provide assistance to the committee in their duties. The advisor may offer guidance and recommendations to the committee in the selection and retention of investment options available under the plan.

3. Investment Plan and objectives

General Objectives

The primary plan objective is to generate regular income to fund the ongoing operation of the Foundation. This income can be in the form of interest, dividends or realised capital gains. In the pursuit of the primary objective the plan should be invested in such a way that there is a relatively high level of capital security income to help preserve and protect the principle amounts on deposit.

Fixed Income

The plan will target investment of 70% of assets , within + or – 5 % in a traditional fixed income ladder of Government Guaranteed deposits , or obligations of provincial governments and crown corporations or chartered banks with a credit rating of A or better. Investment maturities should be spread out in a ladder of up to 10 years, with various amounts maturing in any one year.

Equities

The plan will target an investment of 30% of assets, within + or – 5% in equity based investments. Equity investments should be broad based investments that include a number of different industries in each investment, as well as diversifying to different regions and countries. Large cap TSE index and U.S. stock market index investments would comprise the majority of any equity investments.

Rebalancing

Periodic rebalancing should occur to maintain the investments within plan asset allocation tolerances. This can occur at a minimum annually, or more often should the plan exceed the + or – 5% variance. The finance committee is not obligated to rebalance immediately back to a ratio of 70% secure investments to 30% equities. They should, using their discretion and the advice of the investment advisor create a plan to rebalance to plan objective within a reasonable time period, and as circumstances of liquidity, deposits or market changes allow.

4. Monitoring and Reporting

The finance committee, along with the investment advisor will monitor the fund on an ongoing basis, and report any changes or issues to the Foundation board as a whole. Topics including, but not limited to Investment performance, assets allocation, fixed income ladder, maturing issue rollovers, and rebalancing actions would all be reported to the board on a quarterly basis.