



Policy Name	Investment Policy
Policy Number	2.01
Last Review Date	April 24 th , 2018
Next Review Date	2024
Responsible Committee	Investment Committee

DONOR AND GIFT MANAGEMENT

2.01 Investment Policy

Funds managed by the Yellowknife Community Foundation (YCF) are invested at all times based on the requirement for safety (preservation of capital), liquidity and yield – in that order. The primary investment objective of the Fund is to generate a total return, on average to generate investment income after administration fees to fund ongoing operations of the YCF.

The assets of the endowment are pooled and are professionally managed by an RBC Dominion Securities Inc. Investment Advisor. The current policy of the YCF is to have 60% of the assets in fixed income and 40% in equities. Monthly statements are provided by the Investment Advisor and are reviewed by the Finance and Investment Committee to ensure consistency with overall Foundation objectives and prudent and responsible investment practices.

Investment Policy Statement (summary)

The Finance and Investment Committee developed a policy statement to guide the Board. The policy statement is reviewed as appropriate (no less than every two years). This statement outlines the goals and objectives for management of Foundation assets. It informs of our existing policies and procedures, provides guidance for the future, and outlines the planned asset allocation mix to achieve our objectives. This allocation will be reviewed periodically to ensure that our goal is being achieved. Read our current *investment policy statement (next page)*.

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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.

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.

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 60% 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 40% 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 60% secure investments to 40% 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.

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.

Monitoring: This policy will be every two years.

Board Acceptance: This policy was approved/reaffirmed at the April 24th, 2018 Board meeting.