



College of Paramedics of Manitoba		
Policy Name: Investment and Reserve Funds	Policy Number: EE-4	Total # of Pages: 3
Approval Signature: <i>Original signed by J. Wade</i>	Section: Executive Expectations	
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1.0 PURPOSE

The objectives of the Council’s Investment & Reserved Funds Policy are to ensure the prudent management and stewardship of the financial resources of the College. This includes reasonable safeguarding of the College’s invested assets and reasonable expectations for growth. The capital reserves held within the College’s investments exist to ensure the College’s long-term operating stability and to provide a source of internal funds for organizational priorities such as capital improvements.

2.0 DEFINITIONS

Capital Assets/Projects: those tangible, non-consumable items, or projects which: a) have a total cost in excess of \$2,500; and b) are intended to have an economic life of more than one year; and c) are necessary, economical and in accordance with overall Manitoba College of Paramedics priorities and financial capacity.

3.0 POLICY

Reserve Funds

- 3.1 The Executive Director will protect against unforeseen loss of income, unexpected events, or unanticipated expense by maintaining designated reserve funds.
- 3.2 The reserve funds will be funded with surplus operating funds as recommended by the Finance Audit and Risk committee and the Executive Director and directed by Council on a yearly basis.



3.3 Reserved Funds will be established as follows:

<u>Reserve Fund</u>	<u>Use</u>	<u>Contribution Goals</u>
Capital Fund	For future capital purchases	\$ 100,000
Contingency Fund	For assistance to operations in the event of unforeseen circumstances such as unbudgeted expenses regarding complaints lodged with the College against members or litigation against the College.	\$ 300,000

3.4 Reserved funds will be kept in separate accounts from the operating revenue.

4.0 PURPOSE OF INVESTMENT GUIDELINES

The Investment Guidelines set out the authorities and responsibilities for the investment of restricted and unrestricted funds of the College of Paramedics of Manitoba. For the purposes of managing investment risk and to optimize investment returns within acceptable risk parameters, the following funds will be created and held as separate investment pools.

“Operating Fund”

“Capital Reserve Fund”

“Contingency Fund”

5.0 RESPONSIBILITIES OF THE FINANCE, AUDIT AND RISK COMMITTEE

5.1 The Finance, Audit & Risk Committee will act in an advisory capacity to the Council, which has the responsibility to monitor the performance of the reserve funds.

5.2 The Finance, Audit & Risk Committee will assist the Governance Committee in developing an Investment Policy and investment guidelines and propose recommended changes required, for approval by the Council.

6.0 INVESTMENT OBJECTIVES

6.1 The basic investment objectives are to ensure that funds will be invested in a prudent and effective manner and shall be sufficient to support cash flow requirements as they arise.

6.2 The expected required rate of return shall cover the College of Paramedics of Manitoba income requirements and protect the value of the portfolio against inflation



7.0 REPORTING

No less than on an annual basis, the Executive Director shall prepare the following reports for presentation to the College of Paramedics of Manitoba Council:

1. Schedule of Investments which includes schedule of performance since purchase or last 5 years.
2. Interest Income year to date.
3. Current yield.

8.0 AUTHORIZED INVESTMENTS

Investments will be short-term and low/no risk investment instruments with access to funds at least once yearly without penalty.

9.0 RESTRICTIONS

- 9.1 There will be no borrowing from any source to make investments.
- 9.2 The Finance, Audit and Risk Committee shall provide as much notice as possible regarding cash requirements or additional funds available for investment. But as these may not always be known in advance, consideration of this factor will be taken into account in assessing investment performance.