



B – Governance Process

INVESTMENT POLICY

Background

The *Minister's Binding Policy Directive on Governance and Accountability* indicates that each Board of Governors of a college of applied arts and technology is responsible for the governance of the college and for ensuring that it is effectively and appropriately managed to achieve its established mandate and to provide needed services. Good governance requires that policies, processes and structures be in place to promote the effective operation of the college, including prudent financial management.

The *Minister's Binding Policy Directive on Banking, Investments and Borrowing*, which is issued under the authority of the *Ontario Colleges of Applied Arts and Technology Act, 2002*, establishes banking, investment and borrowing requirements for all colleges.

The Ministry also sets out specific details on the restrictions and conditions on college banking, investments and borrowing requirements.

Policy

The Board of Governors of Northern College will ensure the College establishes prudent investment management practices that:

- 1) result in the preservation of principal; and
- 2) achieve a competitive rate of return within parameters established under the MTCU Binding Policy Directive.

Procedure

Detailed investment procedures will be maintained under the Finance Department Administrative Policy and Procedure manual.

Board Policy D-12 – Financial Matters is to be applied in conjunction with this policy.

Monitoring Statement

The senior finance officer of the College shall provide quarterly investment reports to the Board.