

SECTION: Administration
 Finance
 SUBJECT: Hospital Investment Policy

DIRECTIVE: III-F-24
 AUTHORITY: Board of Governors/Sr. Mgmt.

EFFECTIVE DATE			REVISED DATE			POLICY	X	PROCEDURE
MONTH	DAY	YEAR	MONTH	DAY	YEAR			
05		1999	06		2006	Applies to: Board Members		
			10		2010			
			11		2012			

INVESTMENT POLICY STATEMENT

PURPOSE

The objective of this policy is to set investment guidelines for excess cash generated by the West Haldimand General Hospital operations.

INVESTMENT GUIDELINES

- 1) **Oversight**
 The Board and senior management of the hospital shall have a good understanding of the legislation governing not-for-profit investing.
- 2) **Philosophy**
 - At all times, prudent investment decisions will be made
 - At all times, a conservative risk tolerance will prevail
 - Within this context, and pursuant to the guidelines below, the maximum return is expected.
- 3) **Short-Term Approach**
 - Given that cash is generally used to fund current operations and that large surpluses used to generate cash are not likely to occur, investments of cash should be viewed within a 12-month timeframe. Cash should generally not be "locked-in" beyond 90 days and never beyond 12 months.
 - A maximum of 10% of the investment portfolio may be invested in other than cash or cash equivalents in order to achieve a higher return over a longer period of time, provided that a prudent and conservative approach is taken.
- 4) **Eligible Investments**
 - Cash current account, GIC's, Bankers' Acceptances, money market mutual funds and, generally, anything that is cash, or an equivalent of cash, that is invested through any of the five largest Canadian Chartered Banks.
 - For purposes of the 10% portion of the portfolio outlined in Section 3 above, eligible investments include bonds, share capital and mutual funds.
- 5) **Investment Advice**
 The Board may authorize from time to time that investment decisions be entrusted to a professional investment advisor.
- 6) **Investment Performance**
 The Fiscal Resources Committee of the board will review investments and investment returns on a quarterly basis.
- 7) **Policy and Guidelines Review**
 The Fiscal Resources Committee will review the content and relevance of this policy and related guidelines on an annual basis.