

## 1. CALL TO ORDER

Call to Order – 11:01 AM

## 2. TERRITORIAL ACKNOWLEDGMENT

We respectfully acknowledge that the SFSS is located on the traditional, unceded territories of the Coast Salish peoples, including the x<sup>w</sup>məθk<sup>w</sup>əyəm (Musqueam), Sk̓w̓wú7mesh Úxwumixw (Squamish), Sel̓ílwitulh (Tsleil-Waututh), k<sup>w</sup>ik<sup>w</sup>əłəm (Kwikwetlem) and q̓ic̓əy̓ (Katzie) Nations. Unceded means that these territories have never been handed over, sold, or given up by these nations, and we are currently situated on occupied territories.

## 3. ROLL CALL OF ATTENDANCE

### 3.1 Committee Composition

VP Finance ( <i>Chair</i> ) .....	Tawanda Chitapi
VP University Relations .....	Shina Kaur
VP External Relations .....	Jasdeep Gill
Board of Directors Representative .....	Andrew Wong
Board of Directors Representative .....	Fiona Li

### 3.2 Society Staff

Finance Manager .....	Rowena de la Torre
Executive Assistant .....	Shaneika Blake
Administrative Assistant .....	Kristin Kokkov

### 3.3 Guest

Guest .....	Elizabeth
-------------	-----------

## 4. ADOPTION OF THE AGENDA

### 4.1 MOTION FAC 2019-11-06:01

**Jasdeep/Andrew**

*Be it resolved to adopt the agenda as presented.*

**CARRIED**

*\*Shina Kaur and Fiona Li came at 11:02 AM\**

## 5. MATTERS ARISING FROM THE MINUTES

### 5.1 MOTION FAC 2019-11-06:02

**Shina/Jasdeep**

*Be it resolved to receive and file the following minutes:*

- FAC 2019-10-09

**CARRIED**

## 6. DISCUSSION ITEMS

### 6.1 Investment Policy Review

- The aim is to earn more investment income than SFSS currently earns from the bank;
  - SFSS is supporting SFU's divestment from fossil fuels and therefore does not plan to invest into fossil fuels.
- An investment manager will be hired.
  - 3 potential investment managers have been contacted so far.
  - After the manager is hired, the comprehensive policy will be done and taken to the Board.
- The portfolio will be conservative – in order to protect the capital, no risks will be taken;
- The boundary of the profit that we can earn:
  - 80% of the revenues has to be put into operation.
- A committee member asked, how we account for the reserves.
  - As a non-profit, we can have as much cash as we need;
    - For example we could have 6 months cash in hand in case something unexpected happens.

### 6.2 Participatory Budgeting

- It is suggested to come up with a list of items that students would like to see in the SUB and then the students could vote on what they would need or want at the SUB;
  - A special amount of money will be dedicated for these things.
  - It is suggested to use Ethelo (<https://ethelo.com/>) for getting students' feedback:
    - Ethelo is a platform for participatory budget;
      - It is also suggested that we could use our current social media platforms instead;
      - The current social media platforms are cost-effective, but might not reach all the students;
  - There is a suggestion to invite the company representatives to the meeting to introduce this platform;
- The plan is to meet the building manager to see what plans he has and how we can work together.

## 7. ATTACHMENT

7.1 Draft investment policy 20191024.pdf

## 8. ADJOURNMENT

8.1 MOTION FAC 2019-11-06:03

Jasdeep/Fiona

*Be it resolved to adjourn the meeting at 11:34 AM.*

**CARRIED**

## **Simon Fraser Student Society**

POLICY: Investment Policy Statement

TYPE: Financial

APPROVAL: Board of Directors

APPROVAL DATE: xxx

REVISION DATES: xxx

### **Section I – Introduction**

- 1.1 This statement of investment policy (the "Policy Statement") applies to the assets (the "Fund") accumulated by the Simon Fraser Student Society (the "Society") for the purpose of maintaining and preserving its ongoing business operations and financial contingencies.
- 1.2 The purpose of this Policy is to establish investment principles and guidelines appropriate for the purposes for which the Fund is maintained.
- 1.3 Any external investment manager (the "Manager") or other agent or advisor providing investment services for the Fund shall accept and adhere to this Policy.

### **Section II – Administration**

2.1 The Board has delegated responsibility for the Fund management to the Finance and Audit Committee that is supported by the Executive Director or delegate.

The Finance and Audit Committee has the following responsibilities:

- (a) Developing investment policy and amendments.
- (b) Establishing investment management structure and selecting investment programs or managers.
- (c) Monitoring investment results.

2.2 The activities of the Finance and Audit Committee will be reported to the Board by the Chair of the Finance and Audit Committee assisted by the Executive Director or delegate.

2.3 All investment decisions must consider all legal and tax ramifications.

### **Section III – Investment Objectives**

- 3.1 To ensure that funds will be invested in an ethical and prudent manner to preserve capital.
- 3.2 To ensure that Society cash flow requirements can be met as they arise.
- 3.3 To earn a minimum annual rate of return greater than the rate of return on the Society's bank accounts.

### **Section IV – Permitted Asset Class Investments**

4.1 All investments shall be Fossil Fuel Free. All of the investments should be rated BBB or above. The Funds may be invested in the following:

(a) Cash and Cash Equivalents – the Society may invest in the following Cash and Cash Equivalents:

- Money market mutual funds
- Guaranteed Investment issued by a Schedule 1 Bank
- Savings account
- Banker Acceptance
- Treasury Bills
- Bank Term Deposits and Short Term Investment Certificates

(b) Fixed Income

Fixed income investments may be Provincial, Federal, or Corporate and must be rated BBB or above.

(c) Equities

- The Society may invest in Securities listed on any Canadian or a major foreign stock exchange, provided that it shall not directly or indirectly hold more than five percent (5%) of the aggregate of the equities and debut of the entity in which the investment is made
- The Society may invest in Pooled Fund units recommended by the Manager where the investment policy of the fund is classified as an equity fund by the Investment Manager
- The Society may invest in Mutual Fund units where the simplified prospectus or investment policy of the fund is classified as an equity fund.

## Section V – Asset Allocation

5.1 The Executive Director or delegate and the Fund manager shall monitor the allocation of assets comprising the Fund and maintain the following structure:

Asset Class	Percentage of Total Investment Portfolio That May be Invested in Asset Class
Cash and Cash Equivalents and Fixed Income	Min: 65% to Max 100%
Equities	Min: 0% to Max: 35%

## Section VI – Loans and Borrowing

6.1 No part of the Fund shall be loaned to any individual.

6.2 The Executive Director shall not borrow on behalf of the Fund without the express consent of the Board of Directors upon recommendation from the Finance and Audit Committee.

## **Section VII– Responsibilities of the Investment Manager**

7.1 The Manager shall invest the funds of the Society within these specific written guidelines and in accordance with the Investment Objectives. In carrying out their duties and responsibilities, the Manager shall exercise such competence and skill as may be expected of a prudent, diligent Manager in similar circumstances.

7.2 The Manager shall prepare Reports, which shall contain, as a minimum:

### Monthly

- list of portfolio holdings and their cost vs. current market values
- list of transactions for the month
- portfolio listing by security showing cost vs. market value

### Quarterly

- income for the quarter and annualized asset mix
- quarterly and past 12-month total return calculations by asset class
- economic and market commentary with forecasts for the next 12-month or other relevant period

7.2 The Manager should have at least one formal meeting a year with the Finance and Audit Committee to review the portfolio performance and discuss strategy for the ensuing period, and make at least one presentation per year to the Board of Directors. Manager will refer, on a timely basis, any contentious issue so that guidance may be sought from the Finance and Audit Committee.

7.3 The Manager is delegated the responsibility of exercising all voting rights with the intent of fulfilling the objectives and goals of the Society. The Manager shall maintain a record of how voting rights of securities in the portfolio were exercised.

7.4 The portfolio allocations should be reviewed at least quarterly by the Investment Manager, and rebalancing should occur when the asset class allocations fall outside of the ranges established in Section V.

## **Section VIII – Monitoring**

8.1 The Finance and Audit Committee shall meet at least four times per year to:

- (a) Monitor the Manager's compliance with the Policy Statement.
- (b) Review the current asset mix and take any action necessary to ensure compliance with this Policy Statement.
- (c) Evaluate statistics on the investment performance of the Fund and the Manager.

(d) Review the assets and net cash flow of the Fund. A major change in investment is defined as a major change in the amount invested or a significant decrease in returns.

8.2 An overall analysis of Fund performance shall be prepared at least annually by the Executive Director including:

- (a) The rate of return of the Fund.
- (b) The total assets invested in the Fund and their allocation between asset classes.

### **Section IX – Policy Statement Review**

9.1 This Policy shall be reviewed by the Finance and Audit Committee at least annually, or whenever a major change is necessary. Such a review may be caused by:

- (a) A fundamental change in the expected net cash flow of the Fund.
- (b) Significant revisions to the expected long-term trade-off between risk and reward on key assets classes normally dependent upon basic economic, political and social factors.
- (c) A significant shift in the financial risk tolerance of the Society.
- (d) Shortcomings of the Policy Statement that emerge in its practical application or substantive modifications recommended to the Executive Director by a Manager.
- (e) Applicable changes in legislation.

### **Section X – Review**

10.1 The policy shall be presented to the Board of Directors at least annually or more frequently at the request of the Chair of the Finance and Audit Committee and/or the Executive Director.