

Centre for Christian Studies Investment Policy For Scholarship, Bursary & Trust Funds

Purpose:

The purpose of this policy is to establish a general philosophy for the investment of the Centre for Christian Studies General Bursary and Designated Bursary and Scholarship Funds, to establish investment guidelines and performance criteria, and outline mechanisms for periodic reviews of the philosophy, objectives, strategies, and performance results.

Theological Stance:

At the Centre for Christian Studies we believe that how we use our financial resources should be reflective of our faith stance. This requires an enhanced sense of social responsibility and an awareness of the impact or effect of our investment decisions.

Policy Scope:

This policy applies to the following funds:

- Centre for Christian Studies General Bursary Fund
- Margaret Graham Fisher Bursary
- Anna Hilliard Bursary
- Annie Elizabeth Agnes Kennedy Bursary Fund
- M. Russell and A. Dawson Bursary Fund
- Menzies Memorial Bursary
- Bertha Collett Scott Bursary
- A.C. Mildmay Bursary
- Kay Pearson Bursary Fund
- Martha Turnbull Trust Fund
- Dr. F.N.G. Starr Fund
- Jean Hutchinson Memorial Bursary
- Emma Kaufman Scholarship
- Gertrude Rutherford Scholarship
- Lee Aune Freedom Fund
- Barbara Easton Bursary Fund
- Martha R. Beatty Bursary
- AJW Myers Scholarship
- Marion Niven Bursary Fund
- WFBDMP Memorial Education Fund
- Fred Binding Bursary
- Shirley Ann Grant Seipke Bursary
- CCS Staff Leadership Fund in honour of Caryn Douglas

and any other similar bursary or scholarship or trust funds assigned under this policy by the Central Council.

Description of Funds:

a) *Non-restricted Bursary funds:*

The Centre for Christian Studies General Bursary Fund is a fund intended to provide bursary support to students in the Centre for Christian Studies programs. The amount of money available for distribution from CCS's general bursaries in a given year will be an amount up to 70% of the prior year's earnings in interest on the capital in the Bursary Fund account with 30% returned to ensure ongoing capital of the General Bursary Fund.

b) *Restricted Bursary, Scholarship and Trust funds:*

The remainder of the funds are intended to provide either bursary support for students in the CCS program, scholarships or are designated for special projects. They all have designated terms for use. These Funds have terms of reference describing their use and conditions for expenditure and protection of capital. Because some of these funds are intended to be sustained in perpetuity the investment goals should reflect this.

Safety of the Capital:

Preservation of capital for the funds in the category of b) Restricted terms, is regarded as the highest priority. All other investment objectives are secondary to the safety of the capital. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they be from security defaults or erosion of market value.

Delegation of Authority:

1. This policy is declared by the Central Council of the Centre for Christian Studies, which empowers the Finance Committee to act within its limitations. The Finance Committee shall report regularly to the Central Council.
2. Investment decisions are made by the Finance Committee, in consultation with the Centre for Christian Studies' investment broker, and with other investment advisors, as necessary.
3. The Finance Committee has the authorization to review submissions from investment brokers and to choose and engage an appropriate broker.
4. The Finance Committee expects to meet with the Investment Broker twice yearly, and to receive at least quarterly reports from them. The investment brokers are expected to initiate contact with the Finance Committee to convey any information which might cause the Finance Committee to readjust this policy.

Ethical Guidelines for Investment:

To live out our faith stance in our investment decision making, we need to be selective in determining which companies we will invest in. We need to be able to discern if their goals, objectives, and actions fit with our understanding of how companies are to act in the world.

1. The following criteria will be used in discerning whether or not to invest in a given company. This is not an exclusive list and other like-minded criteria can be added as the situation warrants:

- a) sound policy or just record on human rights, including gender justice;
 - b) just employment practices;
 - c) quality and nature of product;
 - d) responsible use of resources;
 - e) sound environmental policy and record;
 - f) non-use of product for military purposes;
 - g) ethical nature of international investments.
2. We recognize that the corporate network of investments and finances is a complex one. This means that discerning the social responsibility of a company is not an easy task and may not always be done with complete accuracy. However, we must still endeavour to exercise due diligence in making informed and moral investment decisions.
 3. If at some time prior to re-investment, it comes to our attention that a company's practices no longer fit our criteria, divestment will be considered by the Finance Committee.
 4. Investments will be made in companies, firms or governments who fit our criteria and who offer a good return on investment for CCS. It is also recognized that a better return on our investment comes secondary to the proper investment of our funds in appropriate companies, firms, or governments.

Policy Terms:

1. Investments shall be made with judgment and care, not for speculation, but for investment, considering the probable safety of the capital as well as the probable income to be derived.
2. Authorized investments are as follows:
 - a) Investments will only be made in companies trading on recognized stock exchanges, or in government or corporate debt securities rated BBB or better by Dominion Bond Rating Service.
 - b) Guaranteed Investment Certificates or term deposits to be within Canada Deposit Insurance Corporation Limits of \$60,000 at any one institution.
 - c) No equity investment in one company shall exceed 5% *of the total investment fund*.
 - d) The cumulative investment in any one industry shall not exceed 20% of our equity portfolio.
 - e) The target average *annual* rate of return shall be 5% *or higher*.
 - f) Up to 30% of the fund can be in equities, possibly 50/50 domestic and foreign equities.
 - g) Balance of the fund in bonds, debentures, term deposits, and G.I.C.s.
 - h) We expect to withdraw in any year, an amount up to 70% of the prior year's earnings to disburse as bursaries and scholarships with the remaining 30% to be reinvested in the fund to ensure safety of capital and ongoing availability of funds.