



COTAPSA INVESTMENT POLICY

Effective: April XX, 2018
Issued by: ED, EA, Treasurer
Issued on: March, 2018
Approved by: Executive/COTAPSA BOARD
Approved on: April 18, 2018

Contact Information:

Executive Assistant
COTAPSA
77 Elizabeth St., 3rd floor
Toronto

The Treasurer is the association Officer/signatory primarily responsible for its finances, seconded by the President, followed by the Executive Director. As Officers of the Association, Executive Committee members who have signing authority, have the responsibility to review COTAPSA's financial affairs.

Staff have an ethical and moral responsibility to keep the Treasurer (or if unavailable the President) apprised as to all financial activities and outcomes but it is the Treasurer's overall accountability to know and understand all aspects of the finances and is responsible to report this back to the Board, Executive Committee and the Membership.

1.1.1
Funds

<p>Description Funds Held by COTAPSA</p> <p>COTAPSA holds two funds: Special and Unrestricted</p>	<ul style="list-style-type: none"> The Special Fund currently totals \$266,040 (as of year-end September 30, 2017) and requires member approval via a motion/vote to spend. It was established at a Special Meeting on Sept. 20th 2006 through a special assessment/levy of \$5 per pay in addition to the then regular dues¹.
--	---

1.1.2
Management

<p>Description Management of Funds</p> <p>Investments -- GICs</p>	<ul style="list-style-type: none"> Interest is attributed to the Special Fund annually, based on the average rate of interest received during the year on the total balance of term deposits at year-end. The remainder is attributed to the Unrestricted Fund. The Unrestricted Fund is the Operating Fund. Funds are held in the Chequing account for short term requirements (generally no more than \$100k.) and other funds are invested in GICs. GIC investments hold both funds. They are to be used when needed for unanticipated requirements, in case of an emergency and/or wind down of the Association. Investments are held in a laddered system; maturity dates are set with the objective of cash availability at quarterly intervals throughout the year. Staff will keep a 'calendar reminder' of maturity dates as well as a current table of investments with an identification number, investment date, maturity date, principal amount, interest rate and current value.
--	---

¹ The levy was created to cover costs of the Appeal of the Ministry of Labour Order dated Aug. 16th 2006, wherein each member would be charged the levy for the period of 1 year. Monies were set up in a separate Legal Defense Fund. At a Special Member Meeting on Oct 17th, 2007 it was decided that the 'special levy' would be rescinded as soon as all expenses associated with the ESA appeal were settled. Further, at the AGM of Dec 13, 2007*balance remaining in the Special Fund be set-up as a Special Reserve Fund can be used on collective defense matters which may arise including legal representation and labour relations expertise and that any of the funds be subject to approval of the members at a Special Members' meeting.*

	<ul style="list-style-type: none"> • When a maturity date approaches, staff will enquire about current renewal options, as to rate, term offered and then determine which option best meets the current needs of the association. • Duration of term invested is governed by cash availability and the Board established requirement of the best possible rate of return for GICs. • Consulting with the Executive Director, President and/or Treasurer, the staff will determine what action is to be taken in terms of rollover or cash transferred to the current account. Information on the decision(s) made will be e-mailed to all three Directors after action is taken. • Monies are not to sit in an account and are to be moved/reinvested expeditiously. • Annually, as part of the budget preparation process for review the current investment plan will be reported for review by the Finance and Executive Committees. • Detailed information on investments can be made available to the Board upon request to the Executive Director or the Treasurer.
--	--

1.1.3.
Responsibility – Monthly Reporting

<p>Description When bank statement is received, staff (EA) is to share with the Treasurer</p>	<ul style="list-style-type: none"> • The Treasurer is the Lead Director/Officer/signatory on all COTAPSA financial matters. Their responsibilities include reviewing the monthly banking statements, financial reports, account reconciliations, and asking questions of the EA or directing the EA to ask questions of the Credit Union • For questions at Board, Executive or AGM (from Directors or COTAPSA members) it is the Treasurer's responsibility to respond, with support of EA • Overall information regarding investments will be supplied, on a monthly basis, to COTAPSA Directors through the Finance Statement/Treasurer's Report provided at the Board Meetings.
<p>Obligation</p>	<ul style="list-style-type: none"> • Mandatory – Treasurer/EA

1.1.4
Report

<p>Description The EA (monthly) and the Auditor (annually) provide information to the Treasurer</p>	<ul style="list-style-type: none"> • The EA supplies monthly information to the Treasurer. • The Treasurer will discuss the Investments with the Finance Committee (Executive Committee) in June during Budget setting • The Treasurer will report on the investments annually to the Board at the end of September when the Board sets the Budget.
--	--

	<ul style="list-style-type: none"> As part of the Audited statements, the overall position on investments is reported to the Members annually at the AGM.
Obligation - mandatory	<ul style="list-style-type: none"> Information to be provided to the Treasurer and the President, and copied to the Executive Director In addition to monthly reports to the Board, a report-back to the Board regarding COTAPSA Investments will occur twice annually. Finances are reported to members yearly as part of the Audited statements.

1.1.5 Review

Description The investment profile must be reviewed annually during the Budget process	<ul style="list-style-type: none"> A review of the portfolio should be done by the Treasurer with the EA and ED yearly The Credit Union could be invited to attend to discuss any issues or opportunities
Obligation	Mandatory – Treasurer and EA Secondary – President and ED

1.1.6 **GIC Table - Sample**

As of March, 2018 investments were as follows;

Term Code	Date Invested	Maturity Date	Term (months)	Principal Value	Interest Rate	Next Interest
Term # 22	01-Apr-17	01-Apr-18	12	\$52,103.95	1.05%	01-Apr-18
Term #35	08-May-17	08-May-18	12	\$62,764.52	1.50%	08-May-18
Term # 31	05-Jun-16	06-Jun-18	24	\$70,000	1.85%	06-Jun-18
Term #36	07-Jun-17	07-Jun-18	12	\$103,000	1.75%	07-Jun-18
Term #18	01-Nov-16	01-Nov-18	24	\$175,272.91	1.30%	01-Nov-18
Term #32	06-May-16	06-Dec-18	30	\$65,000	1.95%	06-Jun-18
Term #37	16-Jan-18	16-Jan-19	12	\$35,000	1.75%	16-Jan-19
Term #33	06-May-16	06-Jun-19	36	\$65,000	2.15%	06-Jun-18
Term #12	01-Oct-17	28-Oct-19	24	\$167,938.16	1.45%	28-Oct-18
Term #38	16-Jan-18	16-Jan-20	24	\$35,000	1.95%	16-Jan-19
Term #27	01-Oct-17	01-Nov-20	36	\$171,235.25	1.65%	01-Nov-18

