



الكلية الحديثة للبحوث والعلوم
MODERN COLLEGE
OF BUSINESS & SCIENCE



Policy on: Investments

July 2024

Policy Title	Policy on: Investments		
Perspective	This policy outlines the principles and procedures guiding MCBS's investment of surplus funds and financial reserves. It aims to ensure safety, liquidity, and reasonable returns to support the College’s mission, financial sustainability, and long-term objectives.		
Policy Owner	Head of Accounts		
Developed By	Accounts Department, MCBS		
Approval Body	Quality Assurance	College Board	
Approval Date			
Revision			
	Date	Revised By	Major Changes
Revision 1		+968 24583	
Revision 2			
Revision 3			

1. Statement.

This policy is hereby developed to guide MCBS in making prudent investment decisions to support long-term sustainability while preserving capital, ensuring liquidity, and achieving a reasonable return on investment. Investments shall align with institutional values and regulatory expectations.

2. Policy Purpose.

- 2.1 Ensure proper management of surplus funds through secure and ethical investments.
- 2.2 Preserve capital while maximizing return within an acceptable risk profile.
- 2.3 Maintain liquidity to meet institutional obligations as they fall due.
- 2.4 Define eligible investment instruments and prohibited asset classes.
- 2.5 Establish roles, responsibilities, and reporting requirements for investment oversight.
- 2.6 Promote ethical investments aligned with MCBS's mission and potential ESG principles.

3. Definitions and Abbreviations.

- 3.1 **Capital Preservation:** Protecting the principal amount of an investment from loss.
- 3.2 **ESG:** Environmental, Social, and Governance investment criteria.
- 3.3 **Liquidity:** The ability to access funds quickly without significant loss of value.
- 3.4 **MCBS:** Modern College of Business and Science
- 3.5 **Return on Investment (ROI):** The gain or loss generated on an investment relative to its cost.
- 3.6 **Surplus Funds:** Funds that are not immediately required for operational use.

4. Stakeholders.

This policy applies to:

- Executive Chairman
- Head of Accounts
- Assistant Finance Manager
- Accounts Clerks
- College Board
- Auditors

5. Procedures.

The following stages are to be followed in proposing or modifying policies:

5.1 Procedure Title 1: Investment Planning

- Stage 1:** Head of Accounts identifies available surplus funds at the end of each quarter.
Stage 2: Risk profile is determined based on operational liquidity needs.
Stage 3: A preliminary investment plan is drafted for review.

5.2 Procedure Title 2: Approval of Investment Strategy

- Stage 1:** Proposed plan is submitted to the Executive Chairman and College Board.
Stage 2: Legal and financial due diligence is conducted.
Stage 3: Approval is documented and recorded.

5.3 Procedure Title 3: Execution of Investments

Stage 1: Funds are placed in approved instruments (e.g., fixed deposits, treasury bonds).

Stage 2: All transactions are recorded in the investment ledger.

Stage 3: Certificates or confirmations are stored in secured digital and physical

5.4 Procedure Title 4: Monitoring and Reporting

Stage 1: Quarterly investment reports prepared by Assistant Finance Manager.

Stage 2: Reports include ROI, compliance status, and portfolio summary.

Stage 3: Report submitted to the Executive Chairman and College Board.

5.5 Procedure Title 5: Review and Adjustment

Stage 1: Annual review of investment strategy based on market trends and MCBS financial performance.

Stage 2: Adjustments proposed if targets are not met or risk levels change.

Stage 3: Re-approval process follows if major changes are introduced.

6. Roles and Responsibilities.

Outline the key personnel with their roles and responsibilities in implementing the policy.

6.1 Head of Accounts

- Oversees policy implementation and investment decisions
- Ensures risk mitigation and policy compliance

6.2 Assistant Finance Manager

- Prepares investment reports and conducts performance tracking
- Coordinates investment transactions and documentation

6.3 Accounts Clerks

- Maintain accurate investment records
- Assist in reconciliations and data collection for reporting

7. References.

The development of this policy has, in a contextualized manner, benefited from the following documents:

- MCBS Financial Sustainability Policy
- Ministry of Higher Education financial guidelines
- International best practices in institutional investment management
- ESG investment principles (UN PRI guidelines)

8. Appendices.

A list of checklists, forms, or templates relevant to the policy.

8.1. Appendix I: Policy Effectiveness Survey

POLICY EFFECTIVENESS SURVEY

This survey is used by stakeholders who are affected by the policy to evaluate its effectiveness and provide feedback to enhance the policy during the review cycle. The survey results should be used by the policy owners in generating the Policy Review Report.

Policy Title:

Date | Click or tap to enter a date.

Please answer the questions below to evaluate the quality, effectiveness and appropriateness of the policy. Provide detailed comments where necessary.

Sr.	Criteria	Agree	Somewhat Agree	Disagree	Any Suggestions/comments
1	The policy is aligned with the organization's mission, vision, and values	☒	☐	☐	
2	The policy is clear, concise, and easy to understand	☒	☐	☐	
3	The communication regarding the policy was clear and effective	☒	☐	☐	
4	It was easy for me to access the policy	☒	☐	☐	
5	There are no gaps or inconsistencies in the policy	☒	☐	☐	
6	The procedure was easy to follow	☒	☐	☐	
7	Overall, I am satisfied with the policy	☒	☐	☐	
8	What changes are required to improve this policy further?				
	Comments				

8.2. Appendix II: Policy Review Report

POLICY REVIEW REPORT

This form is used by policy owners to review their policies based on the policy effectiveness survey done by the stakeholders to help with updating/amendments/revision and to assist with evaluating whether the policy is achieving its intended purpose. This form should be sent to Quality Assurance once filled in for evaluation.

PART A: KEY DETAILS

Policy Title	
Perspective	
Date of Review	

PART B: INTERNAL AND EXTERNAL FACTORS

Are there any major changes that were done internally (organizational structure, mission, vision and values) and externally (affiliations, laws and regulations)

Comments: Please elaborate on each factor if any.

PART C: DESCRIPTION OF CHANGES

Are there any changes in the major components of the policy?

Comments: Please explain on the changes made in the major components of the policy structure e.g: Statement, Policy Purpose, Procedures, Scope, Appendices etc.

PART D: IMPACT OF CHANGES

Elaborate on the impact that the changes made would have on the policy implementation.

Comments: Please explain how the policy changes would cause an impact after its implementation.