

Richland Lutheran Church

INVESTMENT STRATEGIES & GUIDELINES POLICY

“In their hearts humans plan their course, but the Lord establishes their steps.” (Proverbs 16:9)

INTRODUCTION

Richland Lutheran Church is entrusted with monies for a variety of purposes. This document sets forth the general strategies and guidelines to be followed by the church Council, Finance Ministry Team, the Lead Pastor, ex officio member and Investment Advisor retained whereby the Church’s investment activity may serve the mission objectives.

PREMISE

The premise of the Investment Strategies and Guidelines is that we are stewards, not owners, of property and wealth given by God, and the investments have an ethical dimension. As stewards, it is our responsibility to prudently manage the funds. We recognize that the benefits gained will allow us to enhance the mission of the Church.

GOALS

Our primary goal is to match effective investment management in faith-based and socially responsible funds. Stewardship of God’s resources entrusted to the Church should take into consideration the pursuit of peace, racial, economic and social justice in seeking funds that provide reasonable returns on investment.

DELEGATION OF AUTHORITY

Richland Lutheran Church has given the responsibility and authority to manage and invest the funds to the Church Council. The Finance Ministry Team assists the Church Council in meeting the investment goals. The Church Council, in conjunction with the Finance Ministry Team, shall retain an Investment Advisor. The Investment Advisor will carry out the actual investment of the funds.

The Finance Ministry Team shall have at least three members appointed by the Council and will include the Church Financial Officer, Lead Pastor as an ex officio member, and one staff member.

The Finance Ministry Team shall meet at least quarterly. It shall meet with the Financial Advisor at least once a year, or whenever issues need to be addressed.

CHURCH COUNCIL AND FINANCE MINISTRY TEAM RESPONSIBILITY AND AUTHORITY

Richland Lutheran Church has given the responsibility and authority to manage and invest the funds to an Investment Advisor. The Council and Finance Ministry Team believes it can best discharge its responsibilities by:

1. Defining investment objectives and goals to enhance our Church mission
2. Obtaining a Registered Financial Advisor with fiduciary responsibilities
3. Setting investment guidelines and monitoring the Investment Advisor
4. Periodically reviewing the Investment Advisor’s performance

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INVESTMENT OBJECTIVE

Richland Lutheran Church seek preservation of principal and to provide a dependable and reasonable rate of return consistent with a Moderate or lower allocation investment risk. Ambitious goals of profit maximization, market timing, individual stocks or speculative investments will not be considered. The Investment Advisor will be given flexibility with the Investment Policy to use his/her expertise toward the achievement of the goals.

INVESTMENT GOALS

The primary goals for the funds are capital appreciation and long-term Church missions established by the Congregation.

ASSET ALLOCATION

Asset allocation is an investment strategy that attempts to balance risk versus reward by adjusting the percentage of each asset in an investment portfolio according to the investor's risk tolerance, goals, and investment time frame. To attain the Church investments goals a Moderate of lower Allocation will be used for funds.

PERFORMANCE MANAGEMENT

The Investment Advisor will provide a written report to the Finance Ministry Team quarterly on the Fund's performance which will include objective indexes for comparison.

REPORTING REQUIREMENT

The Church Financial Officer will report the performance of the investment funds to the Church Council on a monthly basis.

CONFLICT OF INTEREST

The Finance Ministry Team shall avoid any conflict of interest and exercise due caution to ensure that there is no personal gain for any Congregant or Congregant family member.

CONCLUSION

Richland Lutheran Church vision and mission is to be a congregation of Christ followers making disciples who worship, grow, serve, and are good stewards of all that is given us. Wise investments of our time, talents, and treasures are an integral part of this mission. The investment strategies and guidelines of Richland Lutheran Church enhance the utilization of the resources that God has so richly blessed us with to accomplish our mission.

"The beginning of wisdom is this: Get wisdom, and whatever you get, get insight." (Proverbs 4:7)