

## **CORNERSTONE LUTHERAN CHURCH FOUNDATION INVESTMENT POLICY**

### **1. Purpose and Intent**

- a. The Cornerstone Lutheran Church (“Cornerstone”) Foundation (“the Foundation”) Investment Policy establishes responsibility for:
  - 1) Directing and monitoring the Foundation’s assets,
  - 2) Creation of investment objectives, and
  - 3) Reviewing and evaluating investment results.
- b. It is the intent of this policy that investment strategies yield acceptable long-term growth of the Foundation’s assets at a suitable level of risk and volatility.

### **2. Responsibility**

- a. The Foundation’s Board of Trustees (“the Board”) is responsible for directing and monitoring the Foundation’s assets.
- b. If the Board delegates the investment of the Foundation’s assets to a professional investment firm, the Board is still responsible for establishing investment objectives and actively monitoring results.

### **3. Investment Objectives**

- a. It is the general investment objective of the Foundation to minimize risk while seeking reasonable returns.
- b. It is clearly understood that donors have contributed to the Foundation with the objective of providing a long-term asset from which Cornerstone Lutheran Church and its Christ-centered ministries can benefit for many years to come.
- c. The Foundation shall prudently invest its assets to achieve the greatest combination of security and return based on the facts available at that time.

### **4. Limitations**

- a. The Foundation shall not purchase or hold real property as an investment. Gifts of real property can be owned or held until promptly sold. Any exception to this limitation must be approved by the Board and Cornerstone’s Governing Board and is intended for situations that primarily facilitate Cornerstone’s Blueprint for Ministry.

- b. Investments shall be primarily 'high-grade,' comprising:
  - i. Money Market Funds,
  - ii. Church Extension Fund obligations,
  - iii. U.S. Treasury or other Federal government obligations,
  - iv. Investment grade corporate bonds or bond funds, and
  - v. Common stock funds.
- c. Investment grade bonds are considered those rated AA or better by Standard and Poor's
- d. The Foundation shall not be involved in short selling or margin buying.
- e. The Foundation shall not invest in commodities or futures or funds thereof.
- f. The Foundation shall not hold individual common stocks without the Board's specific approval. Gifts of individual stocks can be accepted but they are to be sold as promptly as possible.

#### 5. Investment Review and Evaluation

The board shall review the Foundation's investment objectives and results during its first meeting each calendar year and during other meetings, as needed.

#### 6. Investment Policy Changes

Any change to the Foundation's investment policy shall be approved by the Board.