

# **Church of St. Joseph** **Investment Policy Statement**

## **Investment Policy Statement**

Investments for the Parish Community of St. Joseph's will be made to complement the Mission Statement for the Parish Community of St. Joseph's within the constraints of applicable Minnesota Statutes (356a.06 subd. 6 and 7) and the investment goals and objectives statements contained in this document. The assets will be invested with the skill, care, and diligence that a prudent person acting in this capacity would use. These objectives may be modified based on the changes in the Mission Statement, the state of the Parish or the nature of the capital markets.

## **Fund Objectives**

The overall objective of the investment strategy is to provide maximum long term total return consistent with safety of principal, from a diversified portfolio of marketable securities made up of high quality bonds and fixed income instruments issued by Corporate and Government entities, money market accounts, certificates of deposit, common and preferred stocks. All holdings must be liquid and tradable on a recognized exchange or over the counter market. Securities shall be purchased with a minimum 10 to 18 month time horizon and not for short term trading profits.

Expected rates of return shall be consistent with:

1. Money market returns for liquid cash
2. No less than a competitive rate for CDs, T-bills or notes
3. The corresponding underlying benchmark of the portfolio in the case of stocks (S&P 500, Russell 2000, etc.)

## **Security Guidelines**

Investments shall be limited to the following groups:

Domestic equities

Growth stocks / dividend stocks

S & P 500 / Russell 3000

Foreign stocks shall make up no more than 5% of portfolio

Domestic fixed income

CD's Treasuries, Govt. Agencies, Money Market, and Investment Grade

Corporate Debt

Cash and cash equivalents

CD's shall not exceed \$100,000 in any one financial institution.

Common stock donated to The Parish Community of St. Joseph's shall be sold as soon as possible.

## **Asset Allocation**

The investment portfolio mix shall, at all times, remain within the following limits:

Cash or cash equivalents 0% to 70%

Non-convertible fixed income 15% to 80%

Common stocks or securities convertible to common stock 0% to 75%

**Control Procedures**

The portfolio will be reviewed as a responsibility of the finance committee at least quarterly, and more often as needed.

The investment advisor(s) shall be evaluated on the basis of meeting the objectives outlined in the policy statement.

**APPROVED BY FINANCE COMMITTEE ON SEPTEMBER 18, 2007**