

HOLY TRINITY EPISCOPAL CHURCH

BOWIE, MD

INVESTMENT POLICY

The investment objective is a long-term rate of return on assets that will generate earnings to provide a sustainable and increasing level of income to support the mission of Holy Trinity or consistent with the wishes of the donors, while preserving the real (inflation-adjusted) purchasing power of the funds.

Holy Trinity's investment decisions are guided by the philosophy that asset allocation is a significant determinant of long-term investment return. Thus, Holy Trinity strives to maintain a diversified portfolio both by asset class and individual securities. The primary purpose of diversification is to provide reasonable assurance that no single security or class of securities will have a disproportionate adverse impact on the total portfolio. The portfolio includes equity investments (e.g., stocks) as well as fixed income investments (e.g., bonds). A portion of the portfolio is invested in liquid, marketable securities.

The Vestry is responsible for making all investment decisions. All changes to Holy Trinity's investment portfolio require Vestry approval. The Treasurer is responsible for executing the Vestry's investment decisions in a timely fashion.

In managing and overseeing Holy Trinity's portfolio, the following guidelines should be followed.

1. The Finance Committee will review, on a regular basis, Holy Trinity's portfolio. The Finance Committee will make recommendations to the Vestry of needed changes based on the portfolio's performance. In making recommendations, the Finance Committee will consider the risk and return of potential changes.
2. When held in a commercial bank, investments of Holy Trinity funds will not exceed—in any one institution—the maximum amount that is insured by the Federal Deposit Insurance Corporation, unless approved by the Vestry.
3. Short-term investments (e.g., certificates of deposits) will be limited in term, generally no longer than 13 months.
4. Maximum interest rates will be sought—and balanced against risk—with the maturity of the investments governed by expected cash needs.
5. The vestry will establish the overall mix between fixed and variable income securities for the portfolio.
6. To the extent practicable, the Vestry will avoid investing in institutions or instruments that run counter to Holy Trinity's mission or our Christian beliefs.
7. All securities are to be written in the name of Holy Trinity Episcopal Church, Collington MD.

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