

Signal Crest United Methodist Church

Investment Fund Policy

1. Purpose

The purpose of the Investment Fund is to provide a long-term financial foundation for Signal Crest United Methodist Church ("Signal Crest UMC"). The fund is designed to strengthen the church's financial stability, support ministry growth, and ensure the sustainability of the church's mission of making disciples of Jesus Christ for the transformation of the world.

2. Definition

The Investment Fund is a designated account established to hold and grow church assets through prudent investment and stewardship. It is distinct from the church's operating funds and may be used for significant capital needs, ministry development, or emergency support as approved by the Finance Committee and Church Council.

3. Objectives

The objectives of the Investment Fund are to:

- Build and preserve financial reserves for the long-term mission and ministry of Signal Crest UMC.
- Provide a source of earnings that may supplement the church's annual budget or special initiatives.
- Demonstrate faithful stewardship through responsible and ethical investment practices.
- Reduce financial vulnerability in times of uncertainty or economic downturn.

4. Funding Sources

The Investment Fund may be funded through:

- Designated gifts, bequests, or memorials.
- Transfers of surplus funds approved by the Finance Committee and Church Council.
- Special offerings or endowment distributions designated for long-term investment.
- Interest, dividends, and investment returns earned by the fund itself.

5. Target Balance and Growth

The Finance Committee will set a target balance and annual growth goal for the Investment Fund based on the church's financial condition, ministry needs, and investment performance. The goal of the fund is to maintain principal stability while generating a modest, sustainable return over time.

6. Investment Guidelines

The Investment Fund shall be managed in accordance with the Social Principles of The United Methodist Church, avoiding investments that conflict with Christian ethical standards. The Finance

Committee or an appointed Investment Subcommittee shall oversee investment decisions and may engage qualified financial advisors as needed. Investments shall be diversified to balance risk and return, with an emphasis on capital preservation, liquidity, and long-term growth.

7. Use of Funds

Disbursements from the Investment Fund may only occur when approved by the Finance Committee and Church Council, the purpose aligns with the church's mission and strategic priorities, and the withdrawal does not compromise the long-term integrity of the fund. Appropriate uses may include major capital improvements, ministry expansion, or emergency support during financial hardship.

8. Replenishment and Additions

When funds are withdrawn, the Finance Committee will develop a plan to replenish the Investment Fund as feasible. Additional contributions and investment earnings will continue to build the fund's principal over time.

9. Oversight and Reporting

The Treasurer will maintain detailed records of the Investment Fund's activity. The Finance Committee will review the fund's performance at least quarterly and report to the Church Council. An annual report will be presented to the Charge Conference or congregation as part of the church's annual financial report.

10. Accountability and Stewardship

Signal Crest United Methodist Church affirms that all resources belong to God and are to be managed with integrity, transparency, and gratitude. The Investment Fund represents a commitment to faithful stewardship and responsible planning for future generations. "Moreover, it is required of stewards that they be found trustworthy." — 1 Corinthians 4:2

11. Amendments

This policy may be amended upon recommendation of the Finance Committee and approval by the Church Council, ensuring consistency with the Book of Discipline of The United Methodist Church and the financial principles of Signal Crest UMC.

Approved by:



Pastor



Finance Chair



Church Council Chair



Date Approved