

**General Conference of Seventh-Day Adventists
West-Central Africa Division**

WAD Business Professional Convention

**Afrikland Hotel
Grand Bassam, Cote d'Ivoire**

**INVESTMENTS
JULY 4, 2017**

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INVESTMENTS – S 85 Investment of Church Funds

S 85 05 Safeguarding Denominational Funds— Introduction

The Seventh-day Adventist Church has adopted the following principles and policies to promote the prudent management of certain assets owned and designated for investment by entities listed in the *Seventh-day Adventist Yearbook*.



INVESTMENTS – S 85 Investment of Church Funds

S 85 05 Safeguarding Denominational Funds— Introduction

The General Conference Corporation of Seventh-day Adventists (the “Corporation”) is the legal entity appointed by the Church to (a) hold or oversee assets designated for investment, whether as trustee or otherwise, and (b) exercise or oversee legal and regulatory authority and compliance regarding such designated assets.



INVESTMENTS – S 85 Investment of Church Funds

S 85 05 Safeguarding Denominational Funds— Introduction

The Corporation has authorized its Investment Management Committee (also referred to in these working policies as the “Investment Committee”) to hire, coordinate and provide global investment management expertise to maintain and promote these principles and policies with regard to such assets in service to the Church.



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S 85 05 Safeguarding Denominational Funds— Introduction

The Church also maintains a General Conference Investment Office which carries daily administrative and operational functions based upon these principles and policies as Investment Management Committee of the Corporation.



INVESTMENTS – S 85 Investment of Church Funds

S 85 10 Philosophy

Committees and individuals authorized to invest funds for the denomination must always be mindful of their stewardship responsibility. Under the guidance of the Holy Spirit, they should strive with prudence and wisdom to reflect the Master both in style and substance.



INVESTMENTS – S 85 Investment of Church Funds

S 85 15 Principles

- 1 - Controlling committees, defined as any group with the authority to give direction and control execution of instructions, must act as prudent investors would be expected to act....
- 2. All investments must be prudent and in harmony with the laws, rules, and regulations of the jurisdiction in which the organization is located.
- 3. A return correlates strongly with risk, but tolerance for risk varies greatly with the purpose of the funds for investment and the relevant circumstances of the organization.
- 4. Specific investments or techniques are not by themselves prudent or imprudent....



INVESTMENTS – S 85 Investment of Church Funds

S 85 15 Principles

- 5. Controlling committees shall diversify the portfolios of intermediate and long-term assets for investment.
- 6. When pooled funds are offered, interest and values must be established in such a manner that all investors are treated fairly based on length of time investments were held.
- 7. Within the values of the denomination, controlling committees shall invest and manage each pool of assets for investment solely in the interest of achieving the purposes for which each of the individual pools of assets were established.
- 8. In investing and managing assets, a controlling committee must limit costs to those that are appropriate and reasonable.....



INVESTMENTS – S 85 Investment of Church Funds

S 85 20 Policies

I recommend that you get the GC Policy Book to read the rest of the policies

The next several slides will indicate some things you need to do.



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GCWP 85 15.16a – 2016-2017

16. Divisions and General Conference to Establish Investment Policy—

a. Rationale—Wide variations in national markets, laws, regulations, securities, and levels of investment expertise make it impractical to establish a single detailed set of investment policies beyond a set of general principles and policies.



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GCWP 85 15.16 b – 2016-2017

16. b. Divisions—Each division is encouraged, subject to General Conference Administrative Committee approval, to develop an investment policy in harmony with and no less restrictive than the provisions of this policy which contains principles, guidelines, and processes appropriate to its territory to govern the investment practices of its organizations and institutions.



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GCWP 85 15.16 c – 2016-2017

16. c. General Conference Institutions—The General Conference Administrative Committee, at its discretion, may allow a General Conference institution’s board of directors to develop and administer its own investment policies, in harmony with the provisions of this policy, and should contain principles, guidelines, and processes appropriate to the institution.



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GCWP 85 15.16 c – 2016-2017

16. c. When granting such authority, the General Conference Administrative Committee shall consider:

- 1) Size of the institution's investment pool.**
- 2) Level of investment expertise of the institutional board or executive committee.**
- 3) Level of long-term institutional resources committed to supporting the administration and staffing of an investment office with individuals competent to implement the institution's investment policy.**



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GCWP 85 15.16 d – 2016-2017

16. d. Divisions choosing not to develop an investment policy for the division and its affiliated organizations, and General Conference institutions that are not approved to develop and administer their own investment policy, shall be limited to investments in the General Conference Unitized Funds and/or those investments covered in S 85 35.



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There is more to the policy – Please read it. Then make your own investment policy for your unique situation. The auditors require it.

ALSO look up this web site sponsored by GC TRE

<http://moneywise.adventist.org>



Thank You – The End

