

## **Mid-Atlantic Christian University Board of Trustees Policy #11**

SUBJECT: Investment Policy

DATE: Since September 19, 1995; October 18, 2013

REVISED: October 2011, April 2020

NEXT SCHEDULED REVIEW: Spring meeting even numbered years, Spring 2022

APPROVED BY BOARD OF TRUSTEES: October 18, 2013

Policy for: Mid-Atlantic Foundation

Procedure for: Mid-Atlantic Foundation

Authorized by: Chair of the Board of Trustees

Issued by: Board of Trustees

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### I. Purpose

To prescribe the investment policy to be followed by the Mid-Atlantic Foundation

### II. Policy

The purpose of this policy is to establish and communicate the long-term goals and guidelines of the University to the Finance Audit and Investment (FAI) committee found within the Mid-Atlantic Christian University Foundation, Inc. (Foundation). It is intended to give direction and a framework from which the committee is to work and be evaluated. This policy statement is intended to be specific enough to be meaningful, yet flexible enough to adapt to changing economic conditions. The objectives of investing the university's funds are to preserve capital, protect economic value, and maximize total return. Total return investing relates to achieving both current income and capital appreciation.

Responsibility for the Foundation's investments rests with the Board of Trustees and is delegated to the Foundation. Within the Foundation, the FAI exists to assist in more direct management of Foundation affairs and make investment recommendations to the Foundation board. The FAI committee will be selected from within the Foundation Board of Directors, according to Foundation policies.

The Foundation's investments will be well diversified to avoid undue exposure to any single economic sector or to any individual security. All investments should have a readily ascertainable market value and be readily marketable.

The FAI committee within the Mid-Atlantic Foundation can employ professional management firms. The Foundation Board of Directors will have responsibility for all investment decisions.

### III. Procedure

The Foundation and particularly the FAI committee should work closely with the University's VP for Finance and President since the Foundation holdings directly affect the University's financial strength ratios as measured by the US Department of Education and the annual audit of the University.

The FAI committee will keep written records of all its meetings. The Foundation will furnish the Board of Trustees with a copy of said records, at least annually. Additionally, a written record is to be kept on all investment transactions.

The Foundation will provide the Board of Trustees an annual report of the Foundation's security holdings and a performance report on its investments. If a management firm is employed, it is required to meet biennially or as needed with the FAI committee for review of the investment portfolio, cost and value of individual investments, and continuing investment strategy.

### IV. Published: Policy Manual

### V. Reason for Revision

### VI. Appendices