



Investment Policy Statement

Georgia Baptist Foundation, Inc. was incorporated in 1941 to support the ministries and churches of the Georgia Baptist Mission Board with the objective of advancing the gospel of Jesus Christ by serving as the trust agency for the Georgia Baptist Mission Board. The Foundation manages endowments, charitable funds, designated accounts, and planned gifts through prudent, dependable, and competitive fiduciary services consistent with the highest ideals of Christian stewardship.

General Management

Scope

This document establishes the investment policy for the Foundation's common investment funds and is designed to assist in effectively supervising, monitoring, and evaluating the investment of the assets under management. The Board of Trustees arrived at this investment policy through careful study of a range of investment strategies in relation to the current and projected distribution requirements of the beneficiaries and shareholders. This investment policy was chosen as the most appropriate policy for achieving the financial objectives of the funds. The Board of Trustees is free to deviate from this investment policy when it concludes that it is prudent and in the interest of the Foundation and the organizations it supports. The Board of Trustees may amend the Investment Policy Statement at any time. In addition to the investment policy defined herein, the management of the common investment funds is in compliance with all applicable laws.

Purpose

The purpose of this policy is to outline the Foundation's philosophy and worldview that will guide the investment management of the common investment funds and is set forth by the Board of Trustees to:

1. Define and assign the responsibilities of all parties;
2. Establish a clear understanding of the Foundation's general investment objectives and principles;
3. Establish guidelines for investment consultants and managers;

Delegation of Authority

The Board of Trustees is the fiduciary and is responsible for directing and monitoring the management of the common investment funds. The specific responsibilities of the Board of Trustees relating to the management of the common investment fund assets include:



1. Establishing an Investment Policy Statement to oversee the management of the common investment funds, including the creation and review of the investment objectives, permitted investments, asset allocations, and risk/reward profile for the funds;
2. Selecting and terminating the relationship with qualified investment professionals to manage the funds, including Investment Consultant(s), Investment Manager(s), and Custodian(s);
3. Establishing the Income Spending Policy of the funds, if applicable.

As such, the Board of Trustees is authorized to delegate certain responsibilities, including but not limited to those of the Investment Consultant, Investment Manager, Custodian, Proxy Voting Service, and Investment Committee.

INVESTMENT CONSULTANT

The Investment Consultant's role is to provide guidance to the Investment Committee and the Board of Trustees on matters pertaining to the investment of fund assets including investment policy development, asset allocation, investment manager selection and oversight, monitoring fund performance, spending policy distributions, and compliance with the Investment Policy Statement. The Consultant, in carrying out the investment policy defined in this document, has the responsibility to recommend appropriate investments in the specific asset classes mandated by this investment policy, in accordance with the terms of an investment management agreement between the Foundation and the Consultant. The Consultant acknowledges its fiduciary status as non-discretionary Investment Consultant. The Consultant acknowledges that it is a co-fiduciary with the Foundation with respect to determining asset allocation of the portfolio and selection of the Investment Managers. The Consultant shall not act as co-fiduciary of any managers retained or obtained by the Foundation that do not meet the Consultant's compliance requirements.

INVESTMENT MANAGER

The Investment Managers have the discretion to buy, sell, or hold specific securities used to meet fund objectives and may vote proxies on behalf of the Foundation. The Managers should report to the Investment Consultant any major changes to outlook, strategy, or any qualitative change to the organization personnel, ownership, philosophy, etc.

CUSTODIAN

The Custodian is responsible for the safekeeping of the funds, and these duties include maintaining separate accounts, providing daily values (whenever possible), collecting dividends and interest, settling all transactions, and providing at least monthly statements.

PROXY VOTING SERVICE

The Proxy Voting Service is responsible for voting the proxies of the equity shares owned by the funds in such a way that supports the business interest of the corporation and aligns with Biblical values. The Service will use the proxy voting guidelines selected by the Foundation. The Service shall provide a summary report of the proxies voted annually.



INVESTMENT COMMITTEE

The Board of Trustees shall appoint an Investment Committee to act on its behalf between the regularly scheduled meetings of the Board of Trustees.

UPMIFA

The Board of Trustees and Investment Committee are responsible for managing the investment process in a prudent manner with regard to preserving principal while providing reasonable returns that is consistent with the principles articulated in the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) which was enacted in the state of Georgia July 1, 2008. In this regard, the Board of Trustees and Investment Committee will consider, if relevant, the following factors in managing the funds:

1. General economic conditions;
2. The possible effect of inflation or deflation;
3. The expected tax consequences, if any, of investment decisions or strategies;
4. The role that each investment or course of action plays within the overall investment portfolio of the funds;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the institution;
7. The needs of the institution and the funds to make distributions and preserve capital;
8. An asset’s special relationship or special value, if any, to the charitable purpose of the institution.

In addition, each person responsible for managing and investing fund assets shall comply with the duty of loyalty imposed by law and manage and invest in good faith and with the care an ordinary prudent person in a like position would exercise under similar circumstances.

