

# ST. REGIS FUND

## Governing Board Bylaws

### **I. Mission/Purpose.**

A. The mission of the St. Regis Fund (“Fund”) is to support both the short term and long-term capital, educational and ministerial needs of the St. Regis Catholic Church and School (St. Regis) in carrying out their faith life and educational activities, which are in accord with the mission of the Roman Catholic Church through a stewardship model of giving within the St. Regis community.

B. The role of the St. Regis Fund Governing Board (“Board”) is to provide oversight of the St. Regis Fund, allocate assets to appropriate projects or expenses, and provide guidance and support for the Fund’s continuing growth and development.

### **II. Objectives.**

More specifically, the Board will perform the following functions:

#### **A. Investment.**

- i. The Board shall provide guidance and assistance in the investment of Fund assets. The Board shall determine the proportion of Fund assets that shall be set aside for short to intermediate-term needs (“Short Term Fund”) and invest such assets in a short-term interest bearing account overseen by the Archdiocese Finance Council. In contrast, the Board shall invest any assets intended for long-term purposes (the “Endowment Fund”) in a collective fund managed by an institutional investment firm selected and overseen by the Archdiocese Finance Counsel. The investment objective for the long-term assets is to earn a competitive rate of return through a well diversified investment program that includes stocks and bonds.
- ii. The investment objectives of the Endowment Fund are designed to reflect a long-term investment horizon and thus will allow interim fluctuations to be viewed in an appropriate perspective. Over time, the Fund will aim to achieve the total return goal while maintaining acceptable risk levels. To accomplish this goal, the fund will diversify its assets among asset classes.
- iii. The investment goal of the Endowment Fund is to earn a nominal rate of return greater than or equal to a composite index created by combining various market indices in the same proportion as the Endowment Fund’s target asset allocations selected by the investment managers. In addition, the Endowment Fund’s assets should earn a rate of return that compares favorably to other investors with similar objectives.

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- iv. Return objectives will be assessed based upon acceptable levels of market volatility. Market volatility is defined as the three year standard deviation of investment returns based on monthly data of the benchmark indices deemed appropriate.
- v. All investment policies and guidelines will be reviewed annually or more frequently when deemed necessary by the Board.

**B. Short Term Fund Spending Policy.** The Board will decide how the Targeted Funds shall be used to meet the capital or other needs of Saint Regis.

**C. Endowment Fund Spending Policy.** The Board shall establish a spending policy for the Endowment Fund based on the objective of maintaining the purchasing power of the Endowment Fund on a long-term basis. A budget shall be established for each fiscal year and the specified annual spending amount shall be specified as a percentage of average Fund assets over the trailing three years and shall be limited to no more than the amount by which the annual returns are expected to exceed the sum of inflation, administrative expenses, and investment expenses.

**D. Spending Requests.** The Board shall consider requests by Saint Regis staff and parishioners for any proposed projects or expenses and prioritize such requests in allocating the Short Term Fund assets and the Endowment Fund annual spending budget. The Board shall establish policies and procedures designed to prioritize and select from the proposed projects or expenses. The Board shall also budget for marketing or fundraising efforts for the Fund and may allocate Fund resources to that effort.

**E. Designated Donations.** Any donations or gifts that are given with a specific intended purpose shall be invested in the Endowment Fund or Short Term Fund as the Board deems appropriate under the terms of such donation or gift and the specific purpose shall be honored. However, if the specific purpose becomes impossible (such as donation for materials for a class that is no longer offered), the Board shall use its best efforts to utilize such donation in a manner that is consistent with the original intent of the donation.

**F. Reporting Requirements.** The Board will monitor investment performance on a regular basis against, where available, the internal composite index benchmark and the performance of peers. The Advisory Board will prepare an annual report on the performance and status of the Fund for parishioners, donors, and staff. The Advisory Board shall include in the report a breakdown of the disbursements for the year by project or expense item. The Board shall provide quarterly financial reports to the St. Regis Parish Finance Committee.

### III. Membership.

The Board will consist of nine persons to consist of the following:

- Parish Pastor ex-officio
- Finance Committee Representative

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- Legal Advisor
- School Representative
- Religious Formation Representative
- Parish Council Representative
- One (1) representative from three (3) Parish ministries, which shall rotate between all ministries on a single term basis
- Non-voting Parish Staff Member

The Board members will be appointed by the committee or group they represent or, in the case of the legal advisor and staff member, by existing Board members. The Board members will typically be appointed to two-year renewable terms; however, half the original members will be appointed for a single one-year term so that one half of the membership shall appointed each year thereafter. Decisions on renewal of a Board member will be made by the committee or group they represent or, in the case of legal advisors and parish staff member, by existing Board members. The Pastor will be a permanent member of the Board by virtue of his office.

#### **IV. Officers and Committees.**

The Chairperson of the Board will be appointed by the Board. The Chairperson will serve no more than three consecutive one-year terms. The Chairperson will chair meetings of the Board and work with all stakeholders in formulating agendas.

#### **V. Meetings.**

The Board will meet a minimum of four times a year, once quarterly, on dates established by the Chairperson. Committees, if any, will meet during part of the general meetings and on other dates as appropriate. Meeting formats will vary depending on agenda, setting, and timing but will typically be informal to encourage open discussion.

#### **VI. Transparency.**

All decisions of the Board shall be documented in writing, maintained in the parish office, and available for review by parishioners, donors, and parish and school staff members

#### **VII. Conflict Resolution.**

Whenever a conflict arises in the recommendations or reports from the Board, (internally or in conjunction with any other advisory body) the following procedure will be followed:

Consensus between the members of the Board is considered the ideal position for recommendations however, while consensus is considered the ideal situation, the Committee believes in the importance of fully disclosing differing points of view. Therefore, to the extent that consensus is not reached on any decision, the Board shall include, in summary form, any differing viewpoints in its written summary of its decisions and actions.

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**VIII. Faithfulness to Roman Catholic Church Principles.**

In the unlikely event that a majority of the Board decides to use its assets in a manner that contradicts the mission of the Roman Catholic Church, the Parish Pastor would be obliged to reject the use of the assets for such purpose.