



CATHOLIC FINANCE INSTITUTE

Institutional Advisory Framework

Governance, Stewardship and Investment Oversight for Religious Institutions

Castel Gandolfo | Rome | International Network

www.catholicfinanceinstitute.org

The governance challenge

Why institutions increasingly seek an independent oversight framework



Financial complexity

Wider asset classes, managers and instruments to oversee.



Patrimonial growth

Endowments and reserves that have outgrown legacy processes.



Reputational risk

Investments that must withstand public and canonical scrutiny.



Generational succession

Continuity of knowledge as boards and leaders change.



Regulatory pressure

Rising expectations on transparency and fiduciary duty.

A faith-led chain from mission to impact

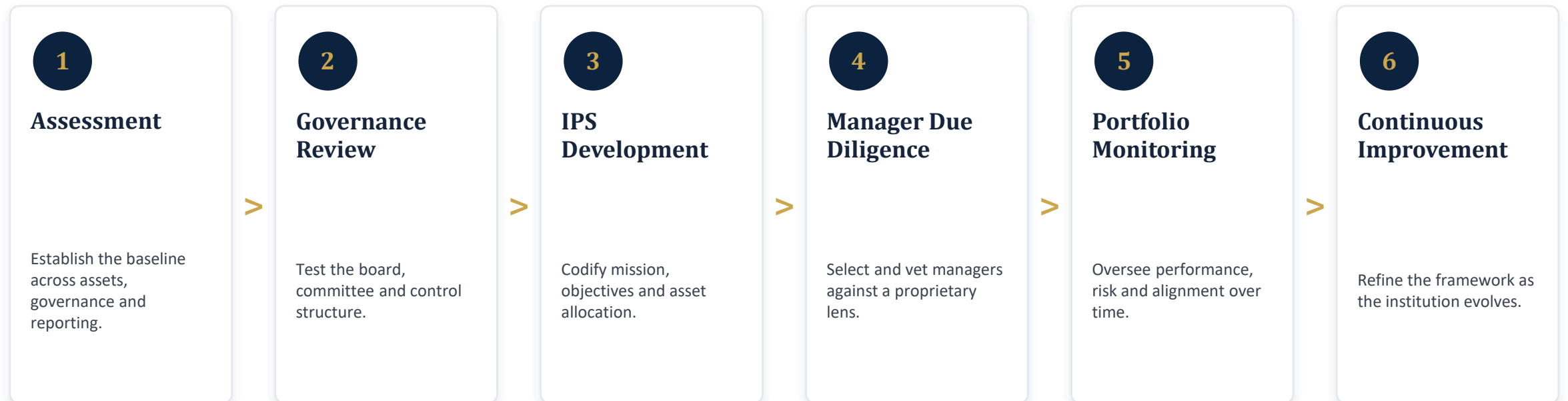
Every decision flows from the institution's mission — and is held accountable to it



A single, traceable line: from why the institution exists, to how its capital is governed, to the good it sustains over generations.

The institutional advisory framework

A disciplined, repeatable six-phase engagement model



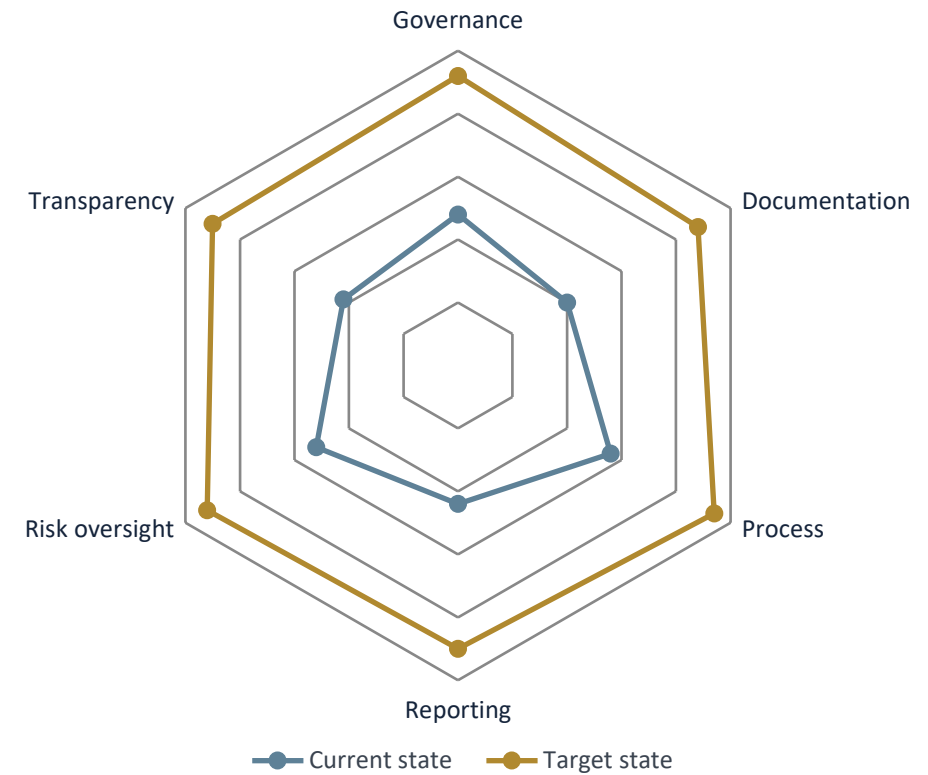
Phase 6 feeds back into Phase 1 — oversight is a continuous cycle, not a one-off project.

Establishing the baseline

A structured diagnostic of where the institution stands today

What we assess

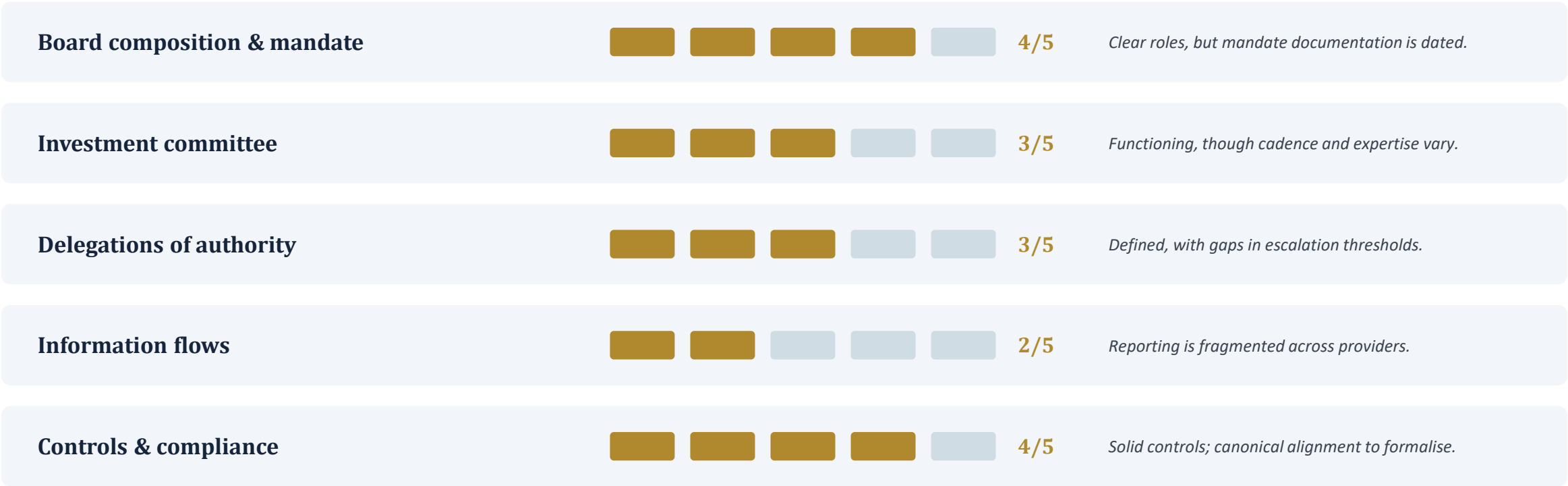
- Patrimonial structure and asset base
- Governance and decision-making bodies
- Documentation and investment policies
- Decision processes and delegations
- Reporting, monitoring and transparency



Illustrative assessment profile (0–5 scale) — current state vs. target maturity.

Scoring the oversight model

An evidence-based scorecard of the institution's governance



Illustrative governance scorecard — dimensions rated on a 1–5 maturity scale.



The Investment Policy Statement

The cornerstone document that turns mission into investable rules

Why the IPS matters

The IPS is the institution's constitution for investing. It aligns the board, removes ambiguity, and gives every future decision a clear, agreed reference point.



Mission

Purpose and values that anchor the portfolio.



Objectives

Return goals and the institution's time horizon.



Risk tolerance

Capacity and willingness to bear volatility.



Asset allocation

Strategic mix across asset classes.



Benchmarks

Reference points for performance review.



Reporting

Cadence and content of oversight reporting.

Investment committee support

Hands-on support across the full committee cycle



Meeting preparation

Briefings and pre-reads that focus discussion.



Agenda design

Structured agendas tied to the IPS.



Reporting

Clear, comparable performance and risk reports.



Monitoring

Ongoing oversight between meetings.



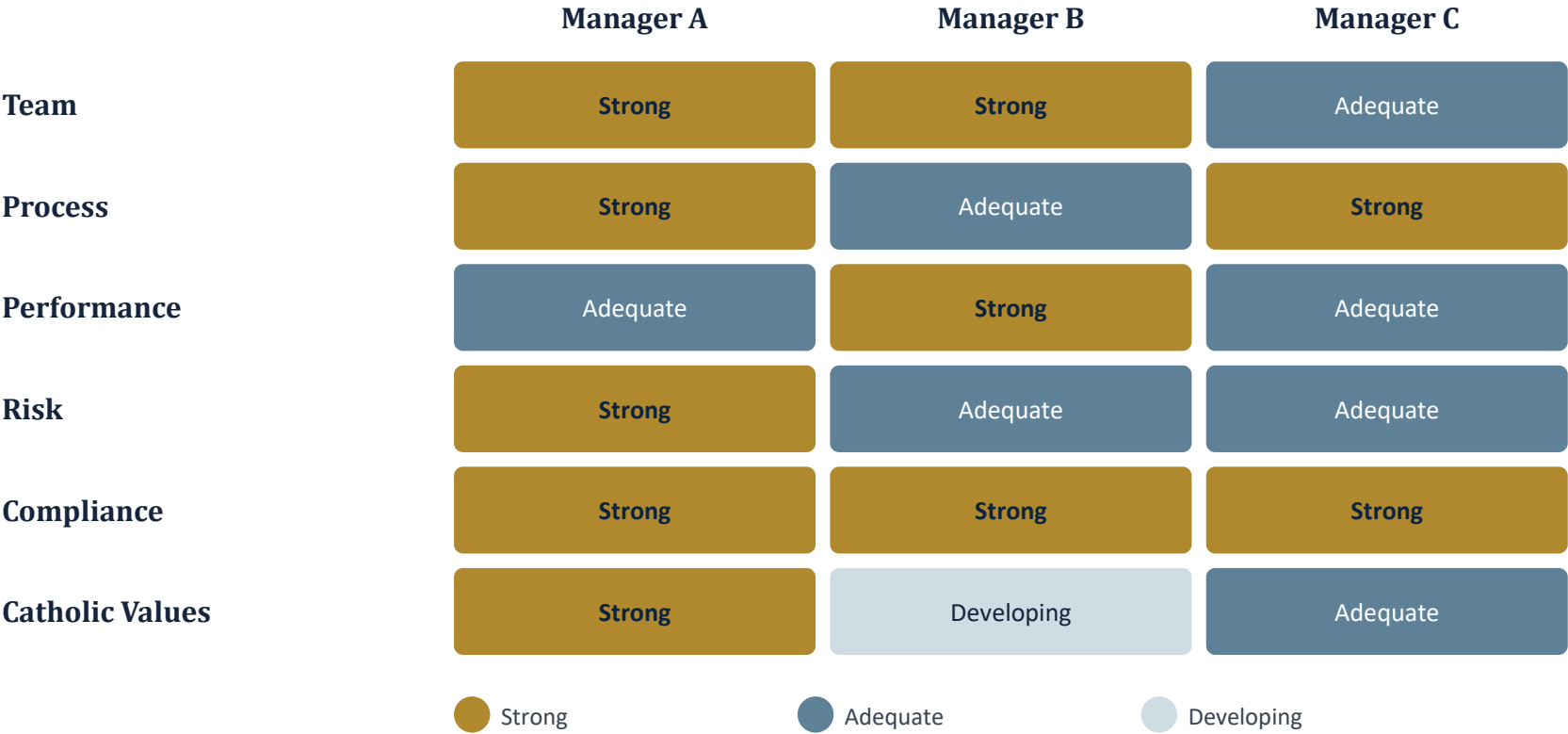
Implementation tracking

Decisions followed through to execution.

The committee leads; we equip it. Our role is to raise the quality of preparation, deliberation and follow-through — never to replace the board's judgement.

A proprietary six-lens assessment

Every manager evaluated through the same disciplined framework

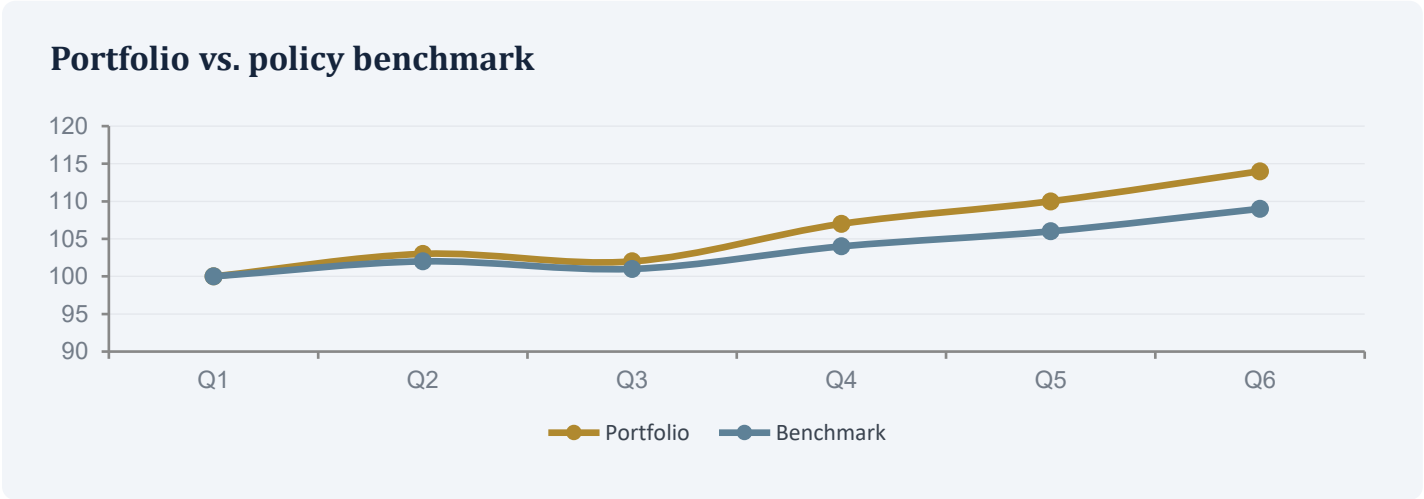
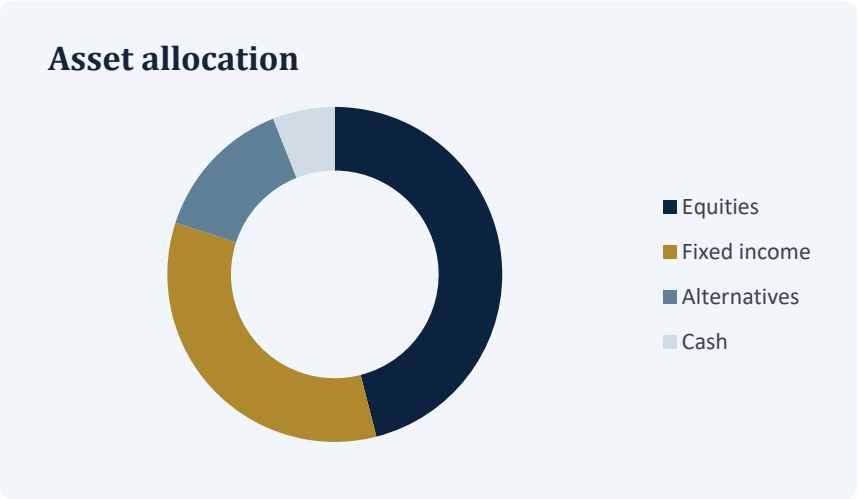


Illustrative due-diligence heatmap — sample managers across six evaluation lenses.



A board-level monitoring dashboard

Performance, risk and alignment — at a glance, every period



Illustrative dashboard — representative indicators for demonstration only.



From screening to mission alignment

A five-stage framework that moves beyond exclusion to active stewardship



Negative Screening

Excluding activities incompatible with doctrine.

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Positive Screening

Favouring activities that advance the good.

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Stewardship

Active ownership, voting and engagement.

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Impact

Seeking measurable, mission-aligned outcomes.

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Mission Alignment

The whole portfolio in service of purpose.

Catholic values due diligence

Translating principles into concrete, checkable practice

Dimension	What we examine	Approach	Output
Excluded activities	Exposure to activities contrary to Catholic teaching	Look-through screening across holdings and funds	Exclusion list & breach flags
ESG evaluation	Environmental, social and governance quality, read through CST	Integrated scoring with a Catholic lens	ESG / CST assessment
Active engagement	Use of ownership rights to encourage better conduct	Voting and dialogue with managers and issuers	Engagement log & outcomes
Reporting	Transparency of values alignment to the board	Periodic, plain-language disclosure	Catholic values report

Deliverables

Tangible documents the institution keeps and reuses



Investment Policy Statement

The institution's investing constitution.



Governance Review

A scored assessment with a clear action list.



Due Diligence Report

Manager evaluations across the six-lens framework.



Monitoring Report

Periodic performance, risk and alignment review.



Catholic Values Assessment

Evidence of mission alignment across the portfolio.

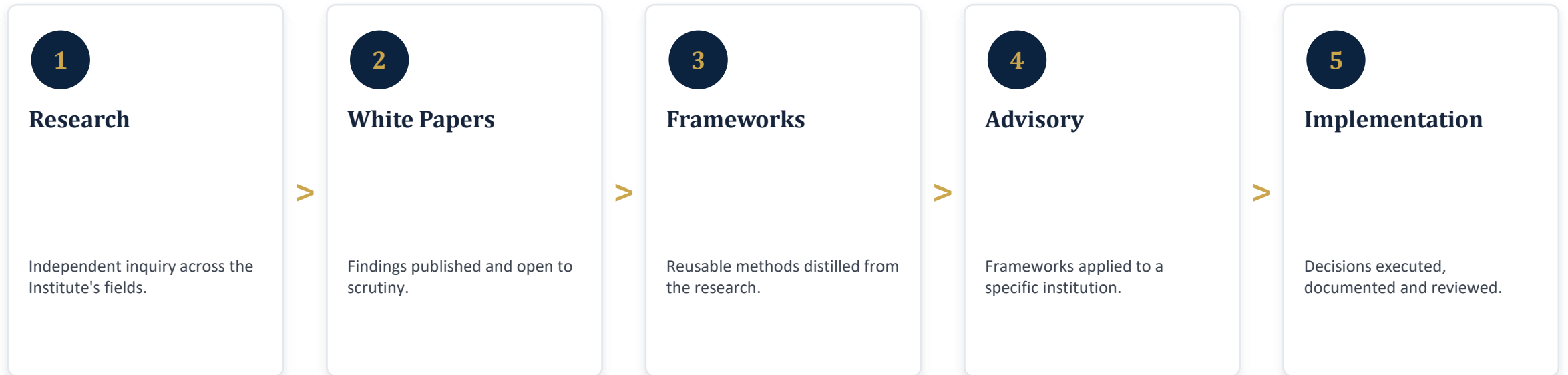


Board Dashboard

A one-view summary for every meeting.

Research-based advisory

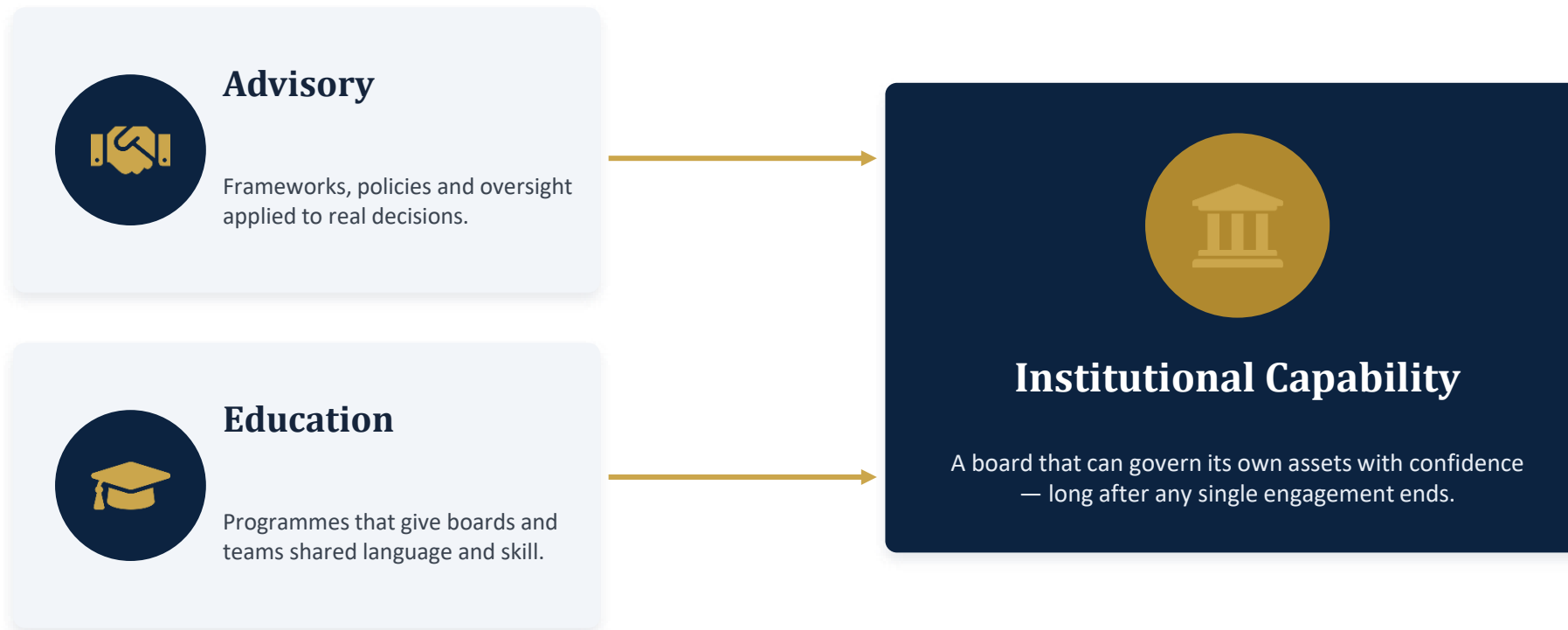
Advice anchored in the Institute's own research — not received wisdom



The same evidence base informs our research, our teaching and our advice — so guidance stays consistent, current and defensible.

Advisory and education, integrated

Capability built inside the institution — not dependence on outside advice



A typical six-month engagement

An indicative roadmap from first assessment to live oversight



Indicative timeline — actual sequencing adapts to each institution's needs.

Case study — Diocese

Restoring governance and oversight to a growing diocesan patrimony

Initial situation

A diocese held a substantial but fragmented patrimony, with several managers, no unified policy and limited board visibility.

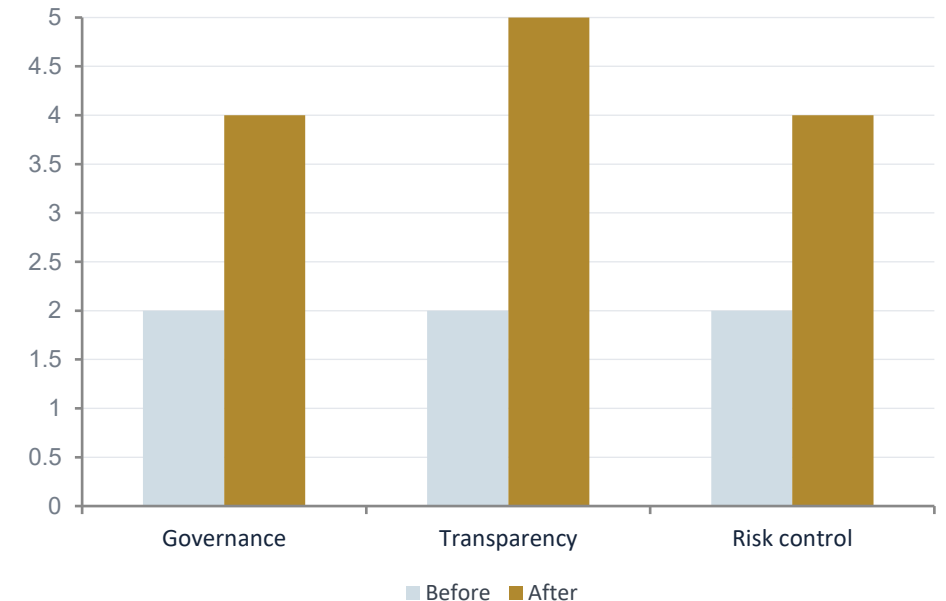
Our intervention

Full assessment and governance review, a new Investment Policy Statement, consolidated reporting and a quarterly oversight cadence.

Results

A single, governed portfolio with clear roles, comparable reporting and decisions traceable to an agreed policy.

Before / after



Illustrative scenario for demonstration of the framework — not an actual client engagement. Scores on a 1–5 scale.

Case study — Religious Congregation

Aligning a congregation's reserves with its charism

Initial situation

A congregation sought assurance that its reserves were invested in keeping with its charism, without sacrificing prudence.

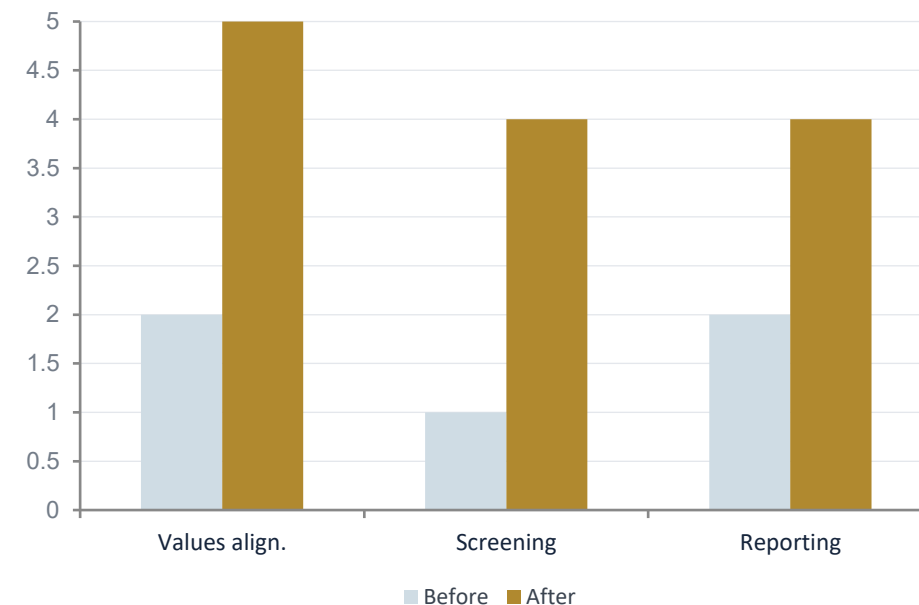
Our intervention

A Catholic-values due-diligence exercise, refined screens, an engagement policy and values-aligned reporting to the council.

Results

Demonstrable mission alignment across the portfolio, with documented screening and active engagement.

Before / after



Illustrative scenario for demonstration of the framework — not an actual client engagement. Scores on a 1–5 scale.



Case study — Catholic Foundation

Building durable oversight for a grant-making foundation

Initial situation

A foundation's investment committee lacked structured due diligence and a consistent way to monitor managers.

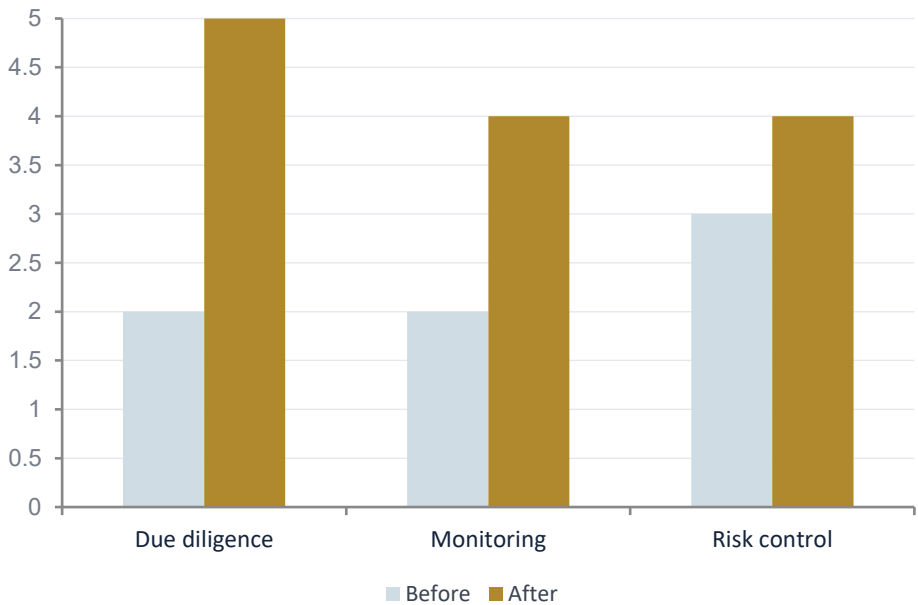
Our intervention

A proprietary six-lens manager due-diligence framework, a board dashboard and a continuous monitoring routine.

Results

Stronger manager selection, earlier risk detection and a board that oversees with confidence each quarter.

Before / after



Illustrative scenario for demonstration of the framework — not an actual client engagement. Scores on a 1–5 scale.



Institutional benefits

What disciplined oversight delivers to the institution



Stronger governance



Greater transparency



Risk under control



Mission alignment



**Intergenerational
continuity**



Faithful stewardship

Why the Catholic Finance Institute

Six reasons institutions choose to work with us



Research

An independent, growing evidence base.



Governance

Deep fluency in fiduciary oversight.



Education

Capability built to last inside the board.



Network

Peers, scholars and practitioners connected.



Catholic Values

Fidelity to the Church's social teaching.



International Perspective

Rome-based, with a global outlook.



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