

INVESTMENT POLICY STATEMENT

For

**Creighton University
403(b) Retirement Plan**

November 2008

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EXECUTIVE SUMMARY

Type of Plan:403(b) Defined Contribution Plan

Assets:.....Approximately \$107,000,000 as of November 1, 2008

Participant Directed Investment Options.....Yes

Frequency to Change Investment Option.....Daily

Investment Options: A diversified mix of mutual funds, annuities, Target Date Retirement Funds and a brokerage account option designed to provide exposure to major asset classes, dominant investment styles, and specialty funds.

Current Investment Consultant: Cornerstone Advisors Asset Management, Inc.

Recordkeepers: TIAA-CREF and The Principal Financial Group

Third Party Administrator: The Principal Financial Group

ROLES OF SERVICE PROVIDERS

The Creighton University 403(b) Retirement Plan (the Plan) has established a Retirement Plan Committee (the Committee) to provide overall plan governance. The Committee meets formally on a quarterly basis, or more necessary as required, to review the overall performance of the retirement plan. The Committee may hire an Investment Consultant, Record Keeper, Third Party Administrator, and other professional advisers to supervise the daily activities of the plan. The general responsibilities of the Committee and Investment Consultant are listed below. Other service providers' roles and responsibilities would be outlined in the service agreements entered into between Creighton University and the applicable service provider.

General Responsibilities

Retirement Plan Committee

1. Recommend investment objectives and policies to the Trustees as outlined in this statement;
2. Establish a list of acceptable investments and portfolio guidelines;
3. Provide the Trustees with information regarding fund investment structure and performance against established objectives and policies;
4. Review and approve all Plan service agreements;
5. Recommend to the Trustees compensation arrangements for investment service providers;
6. Monitor the performance of all service providers including investment managers, investment advisors, record keepers and Third Party Administrators;
7. Establish acceptable peer group performance for each investment manager.
8. Provide guidance on educational and communication programs;
9. Evaluate plan design and administrative issues.

Investment Consultant

1. Consult with and advise the Committee on plan fees and expenses;
2. Monitor the investments with respect to the stated objectives in this document;
3. Make recommendations on changes to plan investment options including outside money managers.
4. Advise on the retention or removal of service providers;

5. Provide the Committee with reporting adequate to meet their fiduciary responsibility to monitor performance; and
6. Acknowledge its fiduciary responsibilities in writing.
7. Fully disclose all fees and compensation relative to the Plan.

PURPOSE

The purpose of this Investment Policy Statement (IPS) is to guide the Committee and the Investment Consultant in selecting, supervising, monitoring and evaluating the mutual funds and Guaranteed Accounts (Investment Options) for participants of the Plan. The Plan's investment program is defined in the various sections of the IPS by:

- Stating in a written document attitudes, expectations, objectives and guidelines for the selection and retention of Investment Options for the Plan's assets.
- Providing for a diversified menu of Investment Options that will allow the Plan to comply with current 403(b) regulations.
- Establishing formal criteria to monitor, evaluate and compare on a regular basis the performance that each Investment Option achieves.

STATEMENT OF OBJECTIVES

Investment objectives for the Plan have been established in conjunction with a comprehensive review of current Investment Options. The objectives are:

- (1) To assure offering of Investment Options commensurate with satisfaction of section 404(c) of ERISA and prudence requirements.
- (2) To control the costs of administering the Plan and managing its investments.
- (3) To pay for Plan consulting on a fee basis as opposed to a commission basis.
- (4) To provide Plan participants with investment education and guidance to increase the probability of participants achieving favorable long-term investment results.

Time Horizon

The menu of Investment Options is based in part upon an investment horizon that ranges from short-term to long-term, depending on the participant, so interim fluctuations in overall returns should be viewed with appropriate perspective.

Short-term liquidity requirements are a function of each individual participant's investment objectives.

Risk Tolerances

The Plan allows for individual accounts and requires participants to exercise independent control over all assets in their accounts. It is the responsibility of each participant to evaluate the available Investment Options, to make investment decisions based on his/her individual situation and long-term objectives and to ensure their investment selections are implemented. To that end, the Investment Consultant and the Committee will structure a menu of Investment Options that gives participants a broad selection of investment assets and styles corresponding with differing time frames and risk tolerances. The Investment Option menu will be representative of the major investment asset classes and styles (though it does not need to include all classes or styles) and provides opportunities for liquidity if a participant so desires.

In establishing the risk tolerances for investment of Plan assets, the Investment Consultant and the Committee will consider the following:

- The necessity of offering short, intermediate and long-term investment options in a variety of asset classes so that participants have the ability to diversify their portfolios based on their specific investment objectives.
- The understanding that there are varying degrees of investment knowledge and sophistication among Plan participants.

Performance Expectations

Over a complete business cycle, defined as three to five years, each Investment Option's overall annualized total return, after deducting for advisory, money management, and custodial fees, as well as total transaction costs, should perform above the median of a Morningstar Fund Universe and above an appropriate style specific index.

Asset Classes

The Investment Consultant and the Committee believe that the Plan's risk and liquidity posture are, in large part, a function of asset class mix and has reviewed the long-term performance characteristics of various asset classes, focusing on balancing the risks and rewards of market behavior. The asset classes listed below were noted as possible classes to include in the Plan's mix. There is no requirement that each class be represented as long as the Investment Consultant and the Committee determine that it is both prudent and appropriate to exclude a particular class.

- Domestic Large Capitalization Equities
- Domestic Mid Capitalization Equities
- Domestic Small Capitalization Equities
- International Equities
- Domestic Fixed Income
- Domestic High Yield Fixed Income
- Alternative Fixed Income
- International Fixed Income
- Cash Equivalents
- Stable Value Funds
- Index Funds
- Target Date Retirement Funds
- Brokerage Account Option restricted to Mutual Funds
- Existing TIAA-CREF Annuity Contracts (No new contracts for new employees hired after October 31, 2008)

The following securities and transactions are not authorized or allowed inside the brokerage account option: individual and/or letter stock and other unregistered securities, commodities or other commodity contracts, short sales or margin transactions or investments for the purpose of exercising control of management. Investments available in the brokerage account option will be limited to mutual funds.

When mutual funds are used, then prospectus guidelines prevail.

ADHERENCE TO PROSPECTUS

It is expected that each Investment Option will be managed in accordance with its prospectus or other disclosure document.

SELECTION OF INVESTMENT OPTIONS

The Investment Consultant and the Committee will select Investment Options that meet the following minimum criteria:

- (1) The Investment Option must be a mutual fund, a collective or commingled fund or a separate fund managed by a bank, insurance company, investment management company, or investment adviser as defined by the Investment Advisers Act of 1940.
- (2) The Investment Option must be able to provide historical quarterly performance numbers for a period of at least three years reported net and gross of fees.
- (3) The Investment Option must be able to provide performance evaluation reports prepared by an objective third party that illustrate the risk/return profile of its manager relative to other funds of like investment style.
- (4) The Investment Option must articulate in its prospectus or other disclosure documents a clear investment strategy that has been in place for a reasonable period and which the Investment Consultant can confirm has been adhered to over that time.
- (5) The manager or sponsor of the Investment Option shall have no outstanding legal judgments or past judgments, which, in the opinion of the Investment Consultant and Committee, reflect negatively upon it.
- (6) The Investment Option's manager must have been in place for three years or more, or must have an identifiable and portable track record from previous responsibilities.
- (7) The Investment Option must be valued on a daily basis.
- (8) The Investment Option must accept purchase/sale transactions on a daily basis.

CONTROL PROCEDURES

Performance Objectives

The Investment Consultant and the Creighton 403(b) Retirement Plan Committee will review overall investment performance on a regular and continuing basis to assure conformity with the principles of the IPS. In addition, the Investment Consultant will regularly (no less frequently than annually) review the IPS in light of changing circumstances to determine whether it should recommend that the IPS be modified; however, absent significant changes in conditions, it is not expected that the IPS will change frequently.

Monitoring of Investment Options

The Investment Consultant will evaluate performance of Investment Options on a quarterly basis to determine conformity with the "Performance Expectations" and other requirements of this IPS, including the matters set forth below. It is understood that there are likely to be short-term periods during which performance of an Investment Option deviates from market indices. During such times, greater emphasis shall be placed on peer-performance comparisons with funds/managers employing similar styles.

On a timely basis, but not less than four times a year, the Investment Consultant will report to the Committee with respect to the issues listed below and other relevant matters. The Investment Consultant will monitor these issues on a regular and continuing basis throughout the year, consistent with its role and responsibility. These include:

- Material changes in the Investment Option's organization, investment philosophy, senior management and/or investment style consistency with its prospectus; and,
- Comparisons of the Investment Option's results to appropriate indices and peer groups, specifically:

<i>Asset Category</i>	<i>Index</i>	<i>Peer Group Universe</i>
Large Cap Equity		
Value	Russell 1000 Value	Value Equity Style
Core	S & P 500	Core Equity Style
Growth	Russell 1000 Growth	Growth Equity Style
Mid Cap Equity		
Value	Russell Mid Cap Value	Value Equity Style
Core	Russell Mid Cap	Core Equity Style
Growth	Russell Mid Cap Growth	Growth Equity Style
Small Cap Equity		
Value	Russell 2000 Value	Value Equity Style
Core	Russell 2000	Core Equity Style
Growth	Russell 2000 Growth	Growth Equity Style
International Equity	MSCI EAFE	Int'l Equity Style
Domestic Fixed Income		
Core Bond	Barclays Capital	Core Bond Style
Defensive	Barclays Capital 1-3 Treasury	Defensive Fixed Style
High Yield	Barclays Capital High Yield	High Yield Style
International Fixed Income	Global Aggregate ex US	Non-US Fixed Income Style
Cash	90 Day T-Bills	CAI Active Cash or Money Market Database
Diversified All Asset Fund	90 Day T-Bills + 3%	Domestic Conservative Balanced Style
Asset Allocation Portfolios	Various S&P / Barclays Capital Blends	Conservative, Moderate, Balanced, Growth & Aggressive Blends

In evaluating performance, the Investment Consultant will consider whether any investment risk assumed over the benchmark index and the peer group results in at least a corresponding increase in performance above the benchmark and peer group.

In addition to the information covered during the quarterly reviews, the Investment Consultant will report to the Committee at least annually with respect to the performance of each Investment Option relative to funds of like investment style or strategy. Each Investment Option is expected to perform in the upper half of its style universe over complete business cycles, as defined.

The Investment Consultant will conduct an extensive review of the desirability of retaining a particular Investment Option if:

- The Investment Option performs in the bottom quartile (75th percentile) of its peer group over the most recent twelve-month period.
- The Investment Option falls in the southeast quadrant of the risk/return scatter plot for rolling 3-year and 5-year periods.
- The Investment Option has a rolling three-year risk adjusted return that falls below the median within the appropriate peer group.
- The Investment Option has a negative alpha over a rolling 3-year period.
- The Investment Option has a major organizational change, such as a change in management, personnel, or investment style.

The Investment Consultant will advise the Committee as to what action it deems appropriate with respect to the selection and retention of the Investment Options in connection with the evaluations it makes in accordance with this IPS. Such action may include, but is not limited to, placing the continuation of an Investment Option on a "watch list" for a period pending action, freezing an Investment Option to new investments, terminating an Investment Option, terminating an Investment Option and replacing it with one that follows a similar investment style and asset class and/or adding an Investment Option that represents an additional investment style and/or asset class.