

Investment Policy Checklist for Not-for-Profit Charitable Organizations

The organization's investment policy:

- ☐ **Is approved by board resolution**
- ☐ **Is written, dated and provided to all board members**
- ☐ **Prohibits conflicts of interests**
- ☐ **Delegates investment responsibility to the Finance Committee**
- ☐ **Defines the duties of the Finance Committee regarding investments**
- ☐ **Clearly states goals and objectives, including cash flow needs, for:**
 - ☐ **Operating Reserves (short time horizon)**
 - ☐ **Capital Reserves (intermediate time horizon)**
 - ☐ **Gift Annuity Reserves (and other planned gift investments)**
 - ☐ **Endowment (long time horizon)**
- ☐ **Specifies the organization's risk tolerance**
- ☐ **States which investments are acceptable, in terms of quality, for:**
 - ☐ **Equity Investments**
 - ☐ **Fixed-Income Investments**
 - ☐ **Cash and cash equivalents**
- ☐ **Provides parameters for asset allocations and rebalancing requirements**
- ☐ **Provides diversification requirements**
- ☐ **Specifies prohibited investments**
- ☐ **Specifies reporting requirements**
 - ☐ **Monthly statements**
 - ☐ **Quarterly reviews of portfolio performance**
 - ☐ **Annual reviews of suitability and costs**
- ☐ **Clearly states any special requirements (socially responsible investing)**
- ☐ **Specifies the process for selecting the investment advisor**
- ☐ **Specifies the duties of the investment advisor**
- ☐ **Specifies the process for selecting the custodian**
- ☐ **Specifies the duties of the custodian**
- ☐ **Specifies the process for evaluating the investment advisor**
 - ☐ **Compliance with investment policy**
 - ☐ **Satisfactory service and reporting**
 - ☐ **Performance measures**
- ☐ **Policy is signed by the investment advisor**