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# Florida Board of Governors Foundation

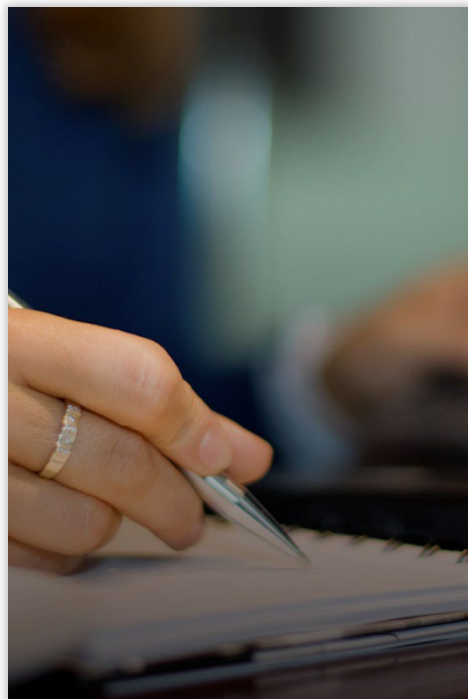
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Presented by

**CAPTRUST Research**



The Investment Policy Statement (IPS), should be carefully crafted to ensure that it reflects the organization’s objectives and practices.



### Components of a Well-Written IPS

	Included	No	Incomplete
Define the roles of all fiduciaries	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Identify income, cash flow, and liquidity needs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Identify the time horizon for achieving goals	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Develop a statement of risk tolerance for the organization	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Identify specific asset classes to be utilized	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Define asset allocation policy and rebalancing guidelines	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
List methodology of gauging success of the investment managers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Describe the responsibilities of the investment managers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Create a formal statement of investment objectives and target returns	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Outline specific benchmarks to evaluate total portfolio performance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Define the spending policy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Include policy for SRI/ESG investing	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### Observations on Investment Policy Statement...

- Implement a rebalancing strategy across all asset classes to ensure the integrity of the strategic targets over time.
- Clearly identify the income, cash flow, and liquidity needs of the organization to ensure solutions are focused on meeting them.
- Consider including a policy for SRI/ESG investing that aligns with the organization. (Not applicable here)