BoardReady IPS

FREE EDITABLE WORKING TEMPLATE · SEPTEMBER 2026

Investment Policy Statement

Board-ready structure for nonprofit, foundation, and endowment governance

Organization: [FULL LEGAL NAME]

Assets or pools covered: [IDENTIFY]

Draft owner: [NAME / ROLE] Version: [VERSION] Date: [DATE]

How to use this document

- Gather governing documents, gift instruments, fund records, committee charters, provider agreements, budgets, cash-flow forecasts, portfolio and fee reports, and recent minutes.
- Replace bracketed fields only with decisions supported by actual authority and evidence. Mark unresolved items [OPEN], assign an owner, and return them to the appropriate body.
- Delete drafting prompts only after the final decision is recorded. Keep analysis and minutes with the adopted version.
- Have qualified legal, tax, accounting, fiduciary, and investment advisers review matters within their responsibility before adoption.

Important limitation

This is an educational drafting template, not legal, tax, accounting, fiduciary, or investment advice. It does not recommend an objective, allocation, spending rate, provider, or course of action. Governing documents, gift instruments, law, tax status, contracts, operations, and institutional facts may require different or additional language.

Document control

Field	Working entry
Approving body	[ ]
Approval date	[ ]
Effective date	[ ]
Version / supersedes	[ ]
Next review	[ ]
Minutes / resolution	[ ]

Board evidence checklist

List the source, date, owner, and unresolved issue for each relevant item. A blank row is an open governance question, not permission to assume.

Evidence	Reference / date	Owner	Open issue
Governing documents	[ ]	[ ]	[ ]
Gift instruments and fund register	[ ]	[ ]	[ ]
Board designations / resolutions	[ ]	[ ]	[ ]
Committee charter	[ ]	[ ]	[ ]
Spending / reserve policies	[ ]	[ ]	[ ]
Provider agreements	[ ]	[ ]	[ ]
Budget and cash forecast	[ ]	[ ]	[ ]
Portfolio / allocation	[ ]	[ ]	[ ]
Fees / conflicts	[ ]	[ ]	[ ]
Recent minutes / exceptions	[ ]	[ ]	[ ]

Decision status

READY — evidence and authority support the draft. OPEN — an owner and next action are assigned. N/A — the record explains why the item does not apply.

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1. Policy identity, purpose, and scope

Define exactly which legal entity and assets this policy governs. List excluded assets and the controlling documents that take priority.

Organization. [FULL LEGAL NAME]

Policy title. Investment Policy Statement for [NAME OF POOL OR ASSETS]

Effective date and version. [DATE] | [VERSION]

Purpose. This Investment Policy Statement (IPS) governs [IDENTIFY THE ASSETS, ACCOUNTS, OR POOLS]. Its purpose is to support [MISSION OR FINANCIAL PURPOSE] by recording the objectives, decision rights, implementation boundaries, and oversight process approved by [AUTHORIZED GOVERNING BODY].

Scope. This IPS does not govern [OPERATING CASH, SEPARATELY GOVERNED PLANS, OR OTHER EXCLUDED ASSETS]. The organization will administer the assets consistently with its governing documents, applicable gift instruments, controlling law, and other policies identified in Appendix [X].

Conflict process. If a conflict among this IPS and a controlling document is identified, [ROLE] will pause the affected action and refer it to [AUTHORIZED BODY / COUNSEL] for resolution.

Board questions to resolve

- [STATUS] Are the legal entity, accounts, pools, and excluded assets unambiguous? Evidence: [ ] Owner: [ ]
- [STATUS] Which governing documents, gift instruments, policies, and contracts control? Evidence: [ ] Owner: [ ]
- [STATUS] What mission or financial job does each pool perform? Evidence: [ ] Owner: [ ]

2. Governance, authority, and accountability

Separate approval, recommendation, execution, custody, monitoring, reporting, and exception authority. Titles alone do not establish power.

Authority matrix

Decision or duty	Retained by	Delegated to	Evidence / reporting
Approve and amend the IPS	[BOARD / BODY]	[NONE / ROLE]	[MINUTES / VERSION]
Approve strategic allocation	[BODY]	[SCOPE, IF ANY]	[ANALYSIS / MINUTES]
Select and terminate providers	[BODY]	[ROLE / LIMITS]	[DUE DILIGENCE]
Rebalance within ranges	[BODY]	[ROLE / DISCRETION]	[TRADE / REPORT]
Approve exceptions	[BODY]	[EMERGENCY LIMIT]	[EXCEPTION LOG]
Maintain records	[BODY]	[STAFF / PROVIDER]	[LOCATION / CADENCE]

Authority. The [AUTHORIZED GOVERNING BODY] approves this IPS and retains [LIST RETAINED DECISIONS]. The [COMMITTEE OR STAFF ROLE] may [LIST DELEGATED DECISIONS] within the boundaries of this IPS and [CHARTER, RESOLUTION, OR AGREEMENT].

Reporting. [RESPONSIBLE PARTY] will provide [SPECIFIED REPORTS] every [INTERVAL]. Decisions outside delegated authority return to [APPROVING BODY].

Conflicts. Every fiduciary and service provider will disclose actual or potential conflicts through [PROCESS]. The organization will document recusal, approval, mitigation, or other action in [MINUTES / CONFLICT LOG].

Board questions to resolve

- [STATUS] Which decisions must remain with the board? Evidence: [ ] Owner: [ ]
- [STATUS] Who may hire or terminate providers, rebalance, move cash, or approve an exception? Evidence: [ ] Owner: [ ]
- [STATUS] Do the charter, contracts, resolutions, and IPS use the same roles and powers? Evidence: [ ] Owner: [ ]

3. Objectives, time horizon, and risk

State what the assets must accomplish before selecting measures. Connect objectives to spending or withdrawals, inflation or purchasing power, fees, gifts, liabilities, and time horizon.

Institutional objective. The assets exist to [DESCRIBE MISSION OR FINANCIAL JOB]. The organization's time horizon is [HORIZON AND REASON]. The portfolio objective is [BOARD-APPROVED OBJECTIVE AND MEASUREMENT PERIOD], reflecting [SPENDING / WITHDRAWALS], [INFLATION OR OTHER REFERENCE], [FEES], and [EXPECTED CONTRIBUTIONS]. This is an objective, not a guarantee.

Risk capacity. The organization has the financial capacity to accept [DESCRIBE LOSS, VOLATILITY, ILLIQUIDITY, OR OTHER RISKS] because [EVIDENCE]. It is not willing to accept [UNACCEPTABLE MISSION OR FINANCIAL OUTCOMES].

Risk monitoring. The board will monitor market loss, liquidity, concentration, leverage, counterparty, operational, governance, cost, and mission risks through [REPORTS OR TESTS].

Board questions to resolve

- [STATUS] What outcome would force program cuts, breach a restriction, or require a sale at an unfavorable time? Evidence: [ ] Owner: [ ]
- [STATUS] Which risks can the institution financially absorb, and which is it willing to tolerate? Evidence: [ ] Owner: [ ]
- [STATUS] What period matches the strategy, and which shorter-term signals still require action? Evidence: [ ] Owner: [ ]

4. Spending, cash flows, and liquidity

Link the IPS to the controlling spending, reserve, distribution, and cash policies. Record timing and stressed needs, not only an annual percentage.

Spending or withdrawals. Portfolio withdrawals are governed by [POLICY, VERSION, AND DATE]. The expected annual amount or method is [METHOD OR OPEN DECISION]. [ROLE] calculates the amount using data as of [VALUATION DATE], and [ROLE] approves it through [PROCESS].

Liquidity. The portfolio will maintain sufficient liquidity to meet [EXPECTED CASH NEEDS], [STRESSED CASH NEEDS], expenses, and [CAPITAL CALLS OR OTHER OBLIGATIONS]. At least [BOARD-APPROVED AMOUNT OR METHOD] will be available within [TIME PERIOD] under [DEFINED CONDITIONS].

Forecasting. [ROLE] will provide a rolling [PERIOD] cash-flow and commitment report every [CADENCE]. A proposed exception will identify its amount, purpose, restriction, liquidity effect, authority, owner, and follow-up.

Board questions to resolve

- [STATUS] Which payments, grants, distributions, calls, or collateral needs occur, and when? Evidence: [ ] Owner: [ ]
- [STATUS] What happens in a stressed but plausible cash scenario? Evidence: [ ] Owner: [ ]
- [STATUS] For restricted funds, who verifies purpose, duration, and availability at the fund level? Evidence: [ ] Owner: [ ]

5. Strategic allocation and rebalancing

Use approved categories that match actual implementation and reporting. Targets must total 100%. Ranges should express meaningful decision boundaries.

Allocation. The approved strategic allocation appears in the table below. Each category's role, liquidity, risk, cost, implementation, and benchmark were considered using [EVIDENCE].

Rebalancing. [RESPONSIBLE PARTY] will review allocation at least [CADENCE] and when a range is breached. [DELEGATED ROLE] may rebalance within approved ranges using [CONTRIBUTIONS, WITHDRAWALS, TRADES, OR OTHER METHOD], subject to [LIMITS].

Breach response. A market-driven range breach does not by itself require an automatic trade. [ROLE] will evaluate liquidity, costs, restrictions, taxes if relevant, and unusual conditions, then act or seek approval within [TIME PERIOD]. Every breach and response will be reported to [BODY].

Approved allocation schedule

Asset class / strategy	Role	Target	Min.	Max.	Benchmark
[CATEGORY 1]	[ROLE]	[ ]%	[ ]%	[ ]%	[INDEX / METHOD]
[CATEGORY 2]	[ROLE]	[ ]%	[ ]%	[ ]%	[INDEX / METHOD]
[CATEGORY 3]	[ROLE]	[ ]%	[ ]%	[ ]%	[INDEX / METHOD]
[CATEGORY 4]	[ROLE]	[ ]%	[ ]%	[ ]%	[INDEX / METHOD]
Total		100%			

Board questions to resolve

- [STATUS] What job does each category perform? Evidence: [ ] Owner: [ ]
- [STATUS] Who can rebalance, within what boundaries, and on what timing? Evidence: [ ] Owner: [ ]
- [STATUS] How will a range breach, deferral, or exception be documented? Evidence: [ ] Owner: [ ]

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6. Diversification and constraints

Name permitted and prohibited exposures, concentration, illiquidity, leverage, derivatives, mission-related directions, and any approval conditions in monitorable terms.

Diversification. The portfolio will be diversified across and within strategies to manage [IDENTIFIED RISKS], subject to the approved ranges.

Permitted and prohibited. Permitted investments are [LIST OR INCORPORATED SCHEDULE]. Prohibited investments, exposures, or practices are [LIST]. The following require prior approval from [BODY]: [ILLIQUID FUNDS, DERIVATIVES, LEVERAGE, CONCENTRATED POSITIONS, SECURITIES LENDING, OR OTHER ITEMS].

Illiquidity. Illiquid commitments may not exceed [BOARD-APPROVED LIMIT OR METHOD]. Before a new commitment, [ROLE] will evaluate existing unfunded commitments, expected calls and distributions, spending, collateral, stressed cash needs, and exit limitations.

Other constraints. Donor, legal, tax, mission, environmental, social, governance, concentration, custody, and operational constraints are recorded in [SCHEDULE].

Board questions to resolve

- [STATUS] Can each constraint be applied consistently and reported? Evidence: [ ] Owner: [ ]
- [STATUS] Does the illiquidity measure include unfunded commitments and future cash needs? Evidence: [ ] Owner: [ ]
- [STATUS] Which exposures require prior approval or a separate schedule? Evidence: [ ] Owner: [ ]

7. Service-provider selection and oversight

Define the role, discretion, selection record, monitoring, fees, conflicts, custody, and termination process for every outside party.

Selection and agreements. [BODY] may retain [ADVISER / CONSULTANT / OCIO / INVESTMENT MANAGERS / CUSTODIAN] under written agreements that define authority, standard of care, reporting, fees, conflicts, custody, termination, and discretion. Selection will consider [CRITERIA] and be documented in [DUE-DILIGENCE RECORD].

Ongoing review. [ROLE] will review each provider at least [CADENCE] for performance appropriate to mandate, process, personnel, organization, risk, compliance, service, complete fees, conflicts, and continued fit with this IPS. Watch-list placement or termination will follow [PROCESS].

Board questions to resolve

- [STATUS] Does each provider advise, decide, execute, hold assets, report, or perform more than one role? Evidence: [ ] Owner: [ ]
- [STATUS] Are all direct and underlying fees visible on a consistent basis? Evidence: [ ] Owner: [ ]
- [STATUS] What change triggers escalation, watch-list review, or termination? Evidence: [ ] Owner: [ ]

8. Benchmarks, reporting, compliance, and fees

Reports should allow the board to assess the policy and delegation, not only manager returns.

Core report. [RESPONSIBLE PARTY] will report portfolio performance [NET / GROSS] of [SPECIFIED FEES], compare results with [POLICY BENCHMARK AND CALCULATION METHOD], identify departures from policy, and document actions requiring approval.

Benchmark. The policy benchmark will use the approved strategic target weights, rebalance [FREQUENCY], and use [NAMED COMPONENT INDEXES]. Any actual-weight benchmark used for attribution or diagnostics will be labeled separately. Manager benchmarks will match each mandate.

Required content. Reports will show the measurement period, source, valuation basis, cash flows, allocation, range compliance, liquidity, unfunded commitments, spending, fees, material conflicts, and open exceptions.

Reporting schedule

Report or review	Prepared by	Recipient	Cadence	Record
Portfolio / allocation	[ROLE]	[BODY]	[CADENCE]	[LOCATION]
Compliance / exceptions	[ROLE]	[BODY]	[CADENCE]	[LOCATION]
Liquidity / commitments	[ROLE]	[BODY]	[CADENCE]	[LOCATION]
Fees / conflicts	[ROLE]	[BODY]	[CADENCE]	[LOCATION]

Board questions to resolve

- [STATUS] Can a reader reproduce the policy benchmark from the description? Evidence: [ ] Owner: [ ]
- [STATUS] Are net and gross results labeled with the fees included? Evidence: [ ] Owner: [ ]
- [STATUS] Does the report surface policy breaches, liquidity, conflicts, and required decisions? Evidence: [ ] Owner: [ ]

9. Exceptions, breaches, and changes

A written exception process prevents a temporary departure from silently changing the policy.

Notice and log. A person identifying an actual or expected breach will notify [ROLE] within [TIME]. [ROLE] will record the provision, cause, date, financial and governance impact, interim safeguards, responsible owner, proposed remedy, authority, and target date in the exception log.

Approval. Only [BODY] may approve an exception, except [NARROW EMERGENCY AUTHORITY, IF ANY]. Approval of one exception does not amend this IPS.

Review trigger. Material changes in mission, finances, spending, gifts, liabilities, law, governance, providers, liquidity, or portfolio structure will trigger an interim review. Amendments require [PROCESS], a new version, and an effective date.

Board questions to resolve

- [STATUS] Who must act when a breach is expected rather than already present? Evidence: [ ] Owner: [ ]
- [STATUS] What narrow emergency authority, if any, is appropriate? Evidence: [ ] Owner: [ ]
- [STATUS] When does a recurring exception signal that policy or implementation should change? Evidence: [ ] Owner: [ ]

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10. Review, adoption, and version control

Record when the policy was reviewed, what evidence was considered, who approved it, and which version is in force.

Review. This IPS will be reviewed at least [ANNUALLY / OTHER CADENCE] and after a trigger described above. A scheduled review does not require a change; minutes will record whether the policy remains appropriate, evidence considered, and follow-up.

Approval. Approved by: [AUTHORIZED BODY] | Approval date: [DATE] | Effective date: [DATE] | Version: [VERSION] | Supersedes: [VERSION / NONE] | Next scheduled review: [DATE] | Minutes or resolution: [REFERENCE] | Signatures if required: [NAMES / TITLES / DATES]

Version history

Version	Date	Change	Approved by	Record
[1.0]	[DATE]	[INITIAL ADOPTION]	[BODY]	[MINUTES]
[ ]	[ ]	[ ]	[ ]	[ ]

Board questions to resolve

- [STATUS] Is the effective version easy for staff, committee members, and providers to locate? Evidence: [ ] Owner: [ ]
- [STATUS] Do minutes identify evidence, unresolved items, and required follow-up? Evidence: [ ] Owner: [ ]
- [STATUS] Has every party with an assigned responsibility received the final policy? Evidence: [ ] Owner: [ ]

Appendix A · Fund and account schedule

Fund / account	Category / purpose	Restriction or designation	Liquidity / spending	Controlling record
[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]

Appendix B · Exception log

Date / provision	Cause and impact	Interim safeguard	Decision / authority	Owner / due
[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]

Appendix C · Approval record

The authorized body approved this IPS through [PROCESS] after considering [EVIDENCE]. Unresolved or follow-up matters are [LIST / NONE].

Authorized name and title: [ ]

Signature, if required: ______________________________ Date: ______________

Second authorization, if required: ____________________ Date: ______________

Distribution list: [BOARD / COMMITTEE / STAFF / PROVIDERS / RECORD LOCATION]