

UPMIFA Compliance & Investment Governance Benchmarking Report

Prepared for: [Organization Name]
Date: [Date]
Review Period: [Period Analyzed]
Prepared by: Plentiful Wealth Nonprofit Solutions

Executive Summary

Overall Investment Governance Score: [GREEN/YELLOW/RED]

This comprehensive benchmarking report evaluates [Organization Name]'s investment governance practices against UPMIFA requirements and nonprofit best practices. This assessment serves as documentation of your fiduciary review process and identifies opportunities for strengthening investment oversight.

Performance Overview Dashboard

Governance Area	Status	Grade
UPMIFA Compliance	[Description]	
Investment Policy & Documentation	[Description]	
Fee Competitiveness	[Description]	
Fiduciary Oversight	[Description]	
Performance & Risk Management	[Description]	
Service Provider Evaluation	[Description]	
Board Governance	[Description]	
Liquidity Management	[Description]	
Mission Alignment & ESG	[Description]	
Donor Stewardship Integration	[Description]	

Key Findings Summary

Strengths:

- [Top 2-3 areas where organization excels]

Priority Improvements:

- [Top 2-3 areas requiring immediate attention]

Strategic Opportunities:

- [2-3 areas for long-term enhancement]

Peer Comparison Snapshot

Relative to Kentucky nonprofits with similar assets (\$[X-Y]MM) and mission ([Type]):

- Your total investment costs: [X.XX%] vs. Peer median: [X.XX%]
 - Your annual returns (3-yr): [X.XX%] vs. Peer median: [X.XX%]
 - Your governance practices: [Percentile] percentile
-

Section 1: UPMIFA Compliance Assessment

Grade: [ **GREEN** /  **YELLOW** /  **RED**]

Summary: [Organization] demonstrates [strong/moderate/concerning] compliance with Kentucky's Uniform Prudent Management of Institutional Funds Act requirements.

Investment Policy Statement (IPS)

Current Status:

- IPS Exists: [Yes/No]
- Last Updated: [Date]
- Board Approved: [Yes/No]
- Comprehensive Scope: [Complete/Partial/Missing]

Best Practice Requirements: ✓ Written investment objectives

✓ Risk tolerance documentation

✓ Asset allocation targets

✓ Rebalancing methodology

✓ Performance benchmarks

✓ Selection criteria for advisors

✓ Conflict of interest policy

✓ Review schedule

Your Compliance: [X] of 8 requirements met

Specific Findings:

- [Detailed observations about IPS quality and completeness]
- [Comparison to peer organizations]
- [Legal compliance gaps if any]

Spending Policy

Current Status:

- Documented Policy: [Yes/No]
- Spending Rate: [X%]
- Calculation Method: [Description]
- Preservation of Principal: [Addressed/Not Addressed]

UPMIFA Considerations Met:

- ☐ Duration and preservation of endowment
- ☐ Purpose of institution and endowment
- ☐ General economic conditions
- ☐ Possible effect of inflation/deflation
- ☐ Expected total return
- ☐ Other institutional resources
- ☐ Investment policy

Your Spending Rate vs. Peers:

- Your Rate: [X%]
- Peer Range: [X-Y%]
- Sustainability Assessment: [Green/Yellow/Red]

Recommendations:

1. [Specific action with timeline]
2. [Specific action with timeline]

Section 2: Investment Cost Analysis

Grade: [ **GREEN** /  **YELLOW** /  **RED**]

Summary: Your all-in investment costs of [X.XX%] rank in the [Xth] percentile compared to similar organizations, representing approximately \$[Amount] in annual fees.

Fee Breakdown

Component	Your Fees	Peer Median	Difference	Annual Dollar Impact
Advisory/Management	[X.XX%]	[X.XX%]	[+/- X.XX%]	[\$Amount]
Fund Expenses	[X.XX%]	[X.XX%]	[+/- X.XX%]	[\$Amount]
Trading/Custody	[X.XX%]	[X.XX%]	[+/- X.XX%]	[\$Amount]
Other Fees	[X.XX%]	[X.XX%]	[+/- X.XX%]	[\$Amount]
Total All-In Cost	[X.XX%]	[X.XX%]	[+/- X.XX%]	[\$Amount]

Peer Comparison Detail

Organizations with \$[X-Y]MM in assets typically pay:

- 25th Percentile (Low): [X.XX%]
- 50th Percentile (Median): [X.XX%]
- 75th Percentile (High): [X.XX%]
- Your Position: [X.XX%]

Fee Impact Analysis

10-Year Projection at Current Fees:

- Cumulative fees paid: [\$Amount]
- Opportunity cost of fees: [\$Amount]
- Total impact on corpus: [\$Amount]

If fees matched peer median:

- Annual savings: [\$Amount]
- 10-year savings: [\$Amount]
- Additional funds for mission: [\$Amount]

Service Value Assessment

For your fee level, you receive:

- [✓/X] Discretionary management
- [✓/X] Performance reporting
- [✓/X] Board education
- [✓/X] Spending policy guidance

- [✓/X] Donor stewardship support
- [✓/X] Compliance monitoring

Recommendations:

1. [Specific fee reduction opportunity]
2. [Service enhancement for current cost]

Section 3: Fiduciary Oversight Practices

Grade: [ **GREEN** /  **YELLOW** /  **RED**]

Summary: The board demonstrates [strong/adequate/insufficient] fiduciary oversight with [clear/unclear] processes for investment governance.

Governance Structure

Investment Committee:

- Exists: [Yes/No]
- Members: [Number]
- Expertise Present: [Yes/Partial/No]
- Charter Documented: [Yes/No]
- Meeting Frequency: [Quarterly/Other]

Fiduciary Practices Scorecard

Best Practice	Status	Notes
Regular performance review	[✓/X]	[Frequency]
Benchmark comparison	[✓/X]	[Benchmarks used]
Fee monitoring	[✓/X]	[Last review date]
Advisor evaluation	[✓/X]	[Process used]
Conflict of interest policy	[✓/X]	[Documentation]
Meeting documentation	[✓/X]	[Quality assessment]
Annual governance review	[✓/X]	[Last review]

Decision Authority Matrix

Decision Type	Board	Committee	Staff	Advisor
Asset allocation	[✓]	[✓]	[✓]	[✓]
Manager selection	[✓]	[✓]	[✓]	[✓]
Rebalancing	[✓]	[✓]	[✓]	[✓]
Spending approval	[✓]	[✓]	[✓]	[✓]

Observations:

- [Assessment of authority clarity]
- [Potential conflicts or gaps]

Recommendations:

1. [Governance improvement]
2. [Process enhancement]

Section 4: Performance & Risk Management

Grade: [ GREEN /  YELLOW /  RED]

Summary: Portfolio returns of [X.XX%] over [period] [exceed/meet/lag] appropriate benchmarks with [appropriate/excessive/insufficient] risk levels for your objectives.

Performance Analysis

Trailing Returns (as of [Date]):

Period	Your Portfolio	Benchmark	Peer Median	Relative Performance
1 Year	[X.XX%]	[X.XX%]	[X.XX%]	[+/- X.XX%]
3 Years	[X.XX%]	[X.XX%]	[X.XX%]	[+/- X.XX%]
5 Years	[X.XX%]	[X.XX%]	[X.XX%]	[+/- X.XX%]
10 Years	[X.XX%]	[X.XX%]	[X.XX%]	[+/- X.XX%]

Risk Metrics

Portfolio Risk Profile:

- Standard Deviation: [X.XX%] vs. Benchmark: [X.XX%]

- Maximum Drawdown: [X.XX%] vs. Benchmark: [X.XX%]
- Sharpe Ratio: [X.XX] vs. Benchmark: [X.XX]

Asset Allocation Assessment:

- Current Allocation: [Stocks X%] / [Bonds Y%] / [Alternatives Z%]
- IPS Target: [Stocks X%] / [Bonds Y%] / [Alternatives Z%]
- Peer Typical: [Stocks X%] / [Bonds Y%] / [Alternatives Z%]
- Rebalancing Frequency: [Actual vs. Policy]

Risk-Adjusted Performance

Considering both returns and risk:

- Your risk-adjusted return rank: [Percentile]
- Efficiency assessment: [Green/Yellow/Red]

Recommendations:

1. [Performance improvement opportunity]
2. [Risk management enhancement]

Section 5: Service Provider Evaluation

Grade: [ **GREEN** /  **YELLOW** /  **RED**]

Summary: Current provider [Provider Name] delivers [comprehensive/adequate/limited] services with [strong/mixed/poor] alignment to your needs.

Current Provider Profile

Provider: [Name] **Type:** [Bank/Community Foundation/RIA/Broker] **Relationship Duration:** [Years]

Service Model: [Discretionary/Advisory/Consulting]

Service Coverage Assessment

Service Component	Provided	Quality	Peer Standard
Portfolio Management	[Yes/No]	[1-5]	[Standard]
Performance Reporting	[Yes/No]	[1-5]	[Standard]
Board Education	[Yes/No]	[1-5]	[Standard]
Spending Policy Guidance	[Yes/No]	[1-5]	[Standard]

Service Component	Provided	Quality	Peer Standard
Donor Integration	[Yes/No]	[1-5]	[Standard]
Compliance Support	[Yes/No]	[1-5]	[Standard]
Market Commentary	[Yes/No]	[1-5]	[Standard]

RFP Process Review

Last RFP/Review: [Date or "Never"] Best Practice: Every 3-5 years

RFP Process Quality:

- ☐ Written RFP document
- ☐ Multiple proposals obtained
- ☐ Fee comparison conducted
- ☐ Reference checks performed
- ☐ Board presentation of options
- ☐ Documented selection rationale

Market Review Status: [RED if >5 years]

Recommendations:

- [Service gaps to address]
- [RFP timeline if needed]

Section 6: Board Governance & Education

Grade: [GREEN / YELLOW / RED]

Summary: Board demonstrates [strong/moderate/limited] investment knowledge with [adequate/insufficient] education and engagement.

Board Capability Assessment

Investment Committee Composition:

- Members with finance background: [X] of [Y]
- Average tenure: [Years]
- Training provided: [Frequency]
- Self-assessed competency: [High/Medium/Low]

Education & Engagement

Training Opportunities (Last 12 Months):

- Formal investment training sessions: [Number]
- Fiduciary duty education: [Yes/No]
- Market/economic updates: [Frequency]
- Peer organization discussions: [Yes/No]

Engagement Metrics:

- Investment discussion time per meeting: [Minutes]
- Questions asked by board: [Many/Some/Few]
- Strategic vs. tactical focus: [Ratio]

Knowledge Gaps Identified

Based on assessment:

- ☐ Fiduciary responsibilities
- ☐ Investment terminology
- ☐ Performance evaluation
- ☐ Fee understanding
- ☐ Risk management
- ☐ Spending policy implications

Recommendations:

1. [Education priority]
 2. [Board development opportunity]
-

Section 7: Liquidity Management

Grade: [ **GREEN** /  **YELLOW** /  **RED**]

Summary: Liquidity management shows [strong/adequate/concerning] alignment between cash needs and investment structure.

Liquidity Framework

Cash Segmentation:

- Operating Cash: \$[Amount] ([X] months expenses)
- Reserve Fund: \$[Amount] ([X] months coverage)
- Long-term Investment: \$[Amount] ([X%] of total)

Peer Comparison:

- Typical operating cash: [X] months
- Typical reserves: [X] months
- Your position: [Above/At/Below] peer median

Cash Flow Analysis

Annual Liquidity Needs:

- Predictable distributions: \$[Amount]
- Potential emergency needs: \$[Amount]
- Investment income available: \$[Amount]
- Liquidity coverage ratio: [X.X]

Investment Liquidity Profile

Asset Class	Amount	Liquidity	Days to Cash
Cash/Money Market	\$[Amount]	Immediate	0
Public Securities	\$[Amount]	High	1-3
Alternative Investments	\$[Amount]	Low	30+
Total Portfolio	\$[Amount]	[Assessment]	[Weighted Average]

Recommendations:

1. [Liquidity optimization]
2. [Cash management improvement]

Section 8: Mission Alignment & ESG Integration

Grade: [ GREEN /  YELLOW /  RED]

Summary: Investment approach shows [strong/moderate/no] alignment with organizational mission and values.

Mission Alignment Assessment

Current Integration:

- Formal ESG/SRI policy: [Yes/No]
- Negative screens applied: [List or None]
- Positive impact investments: [%] of portfolio
- Proxy voting policy: [Yes/No]

Values Alignment Review

Consideration	Addressed	Implementation
Environmental sustainability	[Yes/No]	[Description]
Social responsibility	[Yes/No]	[Description]
Governance standards	[Yes/No]	[Description]
Mission-related investments	[Yes/No]	[Description]
Donor expectations	[Yes/No]	[Description]

Peer Practices

Organizations with similar missions typically:

- [%] have formal ESG policies
- [%] use sustainable investment options
- [%] report on impact to stakeholders

Your Position: [Leader/Average/Lagging]

Recommendations:

1. [Mission alignment opportunity]
2. [Stakeholder communication enhancement]

Section 9: Donor Stewardship Integration

Grade: [ **GREEN** /  **YELLOW** /  **RED**]

Summary: Investment management [strongly/moderately/poorly] supports donor stewardship and fundraising objectives.

Donor Communication

Investment Reporting to Donors:

- Endowment performance reports: [Frequency]
- Impact of fees on gifts: [Communicated/Not]
- Growth of named funds: [Tracked/Not]
- Stewardship materials quality: [Assessment]

Fundraising Support

Investment Program Supports:

- ☐ Planned giving discussions
- ☐ Endowment campaigns
- ☐ Donor confidence building
- ☐ Legacy gift structures
- ☐ Stock donation processing

Donor Satisfaction Indicators

- Donor questions about investments: [Frequency]
- Concerns raised: [Topics]
- Positive feedback: [Examples]
- Additional gifts influenced by investment management: [Yes/No]

Best Practice Gaps:

- [Missing stewardship element]
- [Communication opportunity]

Recommendations:

1. [Donor engagement enhancement]
 2. [Fundraising support improvement]
-

Section 10: Action Priority Matrix

Immediate Actions (Next 30 Days)

Action	Impact	Effort	Responsible Party
[High priority item]	High	Low	[Role]
[High priority item]	High	Low	[Role]

Short-Term Improvements (Next Quarter)

Action	Impact	Effort	Responsible Party
[Medium priority item]	High	Medium	[Role]
[Medium priority item]	Medium	Low	[Role]

Strategic Initiatives (Next Year)

Action	Impact	Effort	Responsible Party
[Long-term item]	High	High	[Role]
[Long-term item]	Medium	Medium	[Role]

Appendix A: Peer Benchmarking Methodology

Data Sources

- Kentucky nonprofit Form 990 analysis (n=[X])
- Commonfund Benchmarks Study data
- NACUBO-TIAA Study of Endowments
- Proprietary survey data from [X] regional nonprofits

Peer Group Definition

Organizations included in peer comparison:

- Asset range: \$[X-Y] million
- Geography: Kentucky and surrounding states
- Type: [Categories included]
- Total peer group size: [N] organizations

Statistical Methods

- Median values used for comparison
 - Percentile rankings calculated
 - Risk-adjusted returns using Sharpe ratio
 - Fee analysis includes all-in costs
-

Appendix B: UPMIFA Compliance Checklist

Kentucky UPMIFA Requirements Met

- ☐ **KRS 273.600** - Prudent management of institutional funds
- ☐ **KRS 273.610** - Standard of conduct in managing and investing
- ☐ **KRS 273.620** - Appropriation for expenditure guidelines
- ☐ **KRS 273.630** - Delegation of management functions
- ☐ **KRS 273.640** - Release or modification of restrictions

Documentation Review

- Investment Policy Statement: [Date reviewed]
 - Spending Policy: [Date reviewed]
 - Board minutes referencing investments: [Dates]
 - Advisor agreements: [Current/Expired]
 - Performance reports: [Frequency/Quality]
-

Appendix C: Glossary of Terms

All-in Costs: Total fees including advisory, fund expenses, and trading costs **Basis Point (bp):** One hundredth of one percent (0.01%) **Fiduciary:** Legal obligation to act in beneficiaries' best interest **IPS:** Investment Policy Statement **Rebalancing:** Adjusting portfolio back to target allocation **Sharpe Ratio:** Risk-adjusted return measure **UPMIFA:** Uniform Prudent Management of Institutional Funds Act

Certification

This benchmarking report has been prepared based on information provided by [Organization Name] and comparative market data. It is intended for use as a governance tool and documentation of fiduciary

review. This report does not constitute investment advice or a recommendation to purchase any specific investment product or service.

Report Prepared By: Plentiful Wealth Nonprofit Solutions [Date]

For Questions: [Contact Name] [Email] [Phone]

This report serves as documentation of investment governance review as required under UPMIFA and prudent investor standards. Please retain for your records.