



What is an Investment Policy Statement?

The Investment Policy Statement (IPS) documents your fiduciary responsibilities and ensures that you have a plan to adhere to these responsibilities.

If your plan is an ERISA plan, the U.S. Department of Labor may contact you to perform a plan audit. There are a number of items that the DOL may ask to review. Although an IPS is not required by the DOL, presenting this document may show that as a fiduciary you have a prudent process for selecting and reviewing the investments that you offer in your plan. Here are a few items to consider:

- Consider creating an IPS
- Offer a diversified fund lineup
- Make investment decisions with the skill and care of a prudent expert
- Avoid prohibited transactions

The IPS can set forth the objectives, restrictions, funding requirements, and general investment structure for the management of the plan's assets, and provide the basis for evaluating the plan's investment results.

An IPS also can help trustees communicate a plan's investment guidelines and procedures to those assisting in the investment process, such as investment advisors or money managers. An IPS also provides a guide for making future investment decisions. Following the IPS helps the trustees to be more disciplined in their investment management responsibilities.

*Contact one of our Advisors to help you design an Investment Policy Statement for your
Company Sponsored Retirement Plan*

ALLEGIS RETIREMENT

7180 SW Fir Loop, Suite 210 | Portland, OR 97223 | Tel 503.906.2268 | Fax 503.906.6480

“Creating Retirement Strategies for the Small Business”

5.12.18