

# Top 10 reasons not-for-profit organizations should use an investment advisory solution

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🕒 September 26<sup>th</sup>, 2017 👤 BULLWEALTH

*Not-for-profit organizations should consider partnering with an investment advisory organization, as a means of achieving informed investment advice. Below we have outlined what we think are the “Top 10 Reasons” why not-for-profit organizations should seriously consider such a solution to maximize their objectives.*

- 1. Informed decision making.** It makes sense for Boards and not-for-profit executives to provide their Investment Committees with access to more resources and information that will enable the Investment Committee to make better decisions.
- 2. Fiduciary risk mitigation.** A dedicated investment advisory organization helps protect Boards from unintended fiduciary breaches that can result from “volunteer” oversight.
- 3. The stakes are higher.** As pools of capital grow, even a small underperformance becomes material when compared to the efforts required to fundraise. Portfolios are monitored constantly by the investment advisory organization.
- 4. Donors care.** Donors want to know their donations are being invested well. Transparency and accountability are paramount. An investment advisory organization can turn your investment strategy into a great fundraising story!
- 5. Volunteer resources are limited.** Many Investment Committees simply lack the time, information and resources to develop and implement complex investment solutions.
- 6. Markets are complex.** Current market conditions require more sophisticated solutions that are developed over time and with proper resources.
- 7. Allows your Investment committee to focus on strategic issues.** Having investment advice frees up your Investment Committee’s time, allowing them to focus on strategic issues. Through ongoing reporting, oversight and due diligence, an investment advisory organization provides the information and guidance your Investment Committee needs to effectively do its job.
- 8. Sound, strategic oversight.** An investment advisory organization provides broad strategic oversight of the entire investment process.
- 9. Independence.** An investment advisory organization that is completely independent from the investment decisions of your investment managers is in the best interests of not-for-profit organizations.
- 10. Cost savings.** An investment advisory organization can assist with negotiating more competitive investment management fees and can provide insights into industry fee benchmarks.

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