1 ORGANIZE

Practice M-1.1
Senior management demonstrates expertise in their field, and there is a clear succession plan in place.

Practice M-1.2
There are clear lines of authority and accountability, and the mission, operations, and resources operate in a coherent manner.

Practice M-1.3
The organization has the capacity to service its client base.

Practice M-1.4
Administrative operations are structured to provide accurate and timely support services and are conducted in an independent manner.

Practice M-1.5
Information systems and technology are sufficient to support administration, trading, and risk management needs.

Practice M-1.6
The organization has developed programs to attract, retain, and motivate key employees.

Practice M-1.7
There is a formal structure supporting effective compliance.

Practice SA-1.1
Investments are managed in accordance with applicable laws, trust documents, and written investment policy statements (IPS).

Practice SA-1.2
The roles and responsibilities of all involved parties (fiduciaries and non-fiduciaries) are defined, documented, and acknowledged.

Practice SA-1.3
Fiduciaries and parties in interest are not involved in self-dealing.

Practice SA-1.4
Service agreements and contracts are in writing, and do not contain provisions that conflict with fiduciary standards of care.

Practice SA-1.5
Assets are within the jurisdiction of courts, and are protected from theft and embezzlement.

2 FORMALIZE

Practice SA-2.1
An investment time horizon has been identified.

Practice SA-2.2
A risk level has been identified.

Practice M-2.1
The organization provides disclosures which demonstrate there are adequate resources to sustain operations.

Practice M-2.2
The organization has a defined business strategy which supports their competitive positioning.

Practice SA-2.3
An expected, modeled return to meet investment objectives has been identified.

Practice SA-2.4
Selected asset classes are consistent with the identified risk, return, and time horizon.

Practice M-2.3
There is an effective process for allocating and managing both internal and external resources and vendors.

Practice M-2.4
There are effective and appropriate external management controls.

Practice SA-2.5
Selected asset classes are consistent with implementation and monitoring constraints.

Practice SA-2.6
There is an IPS which contains the detail to define, implement, and manage a specific investment strategy.

Practice M-2.5
The organization has a defined process to control its flow of funds and asset variation.

Practice M-2.6
Remuneration of the company and compensation of key decision-makers is aligned with client interests.

Practice SA-2.7
The IPS defines appropriately structured, socially responsible investment (SRI) strategies (where applicable).

Practice M-2.7
The organization has responsible and ethical reporting, marketing, and sales practices.

Practice M-2.8
There is an effective risk-management process to evaluate both the organization's business and investment risk.

3 IMPLEMENT

Practice SA-3.1
The investment strategy is implemented in compliance with the required level of prudence.

Practice M-3.1
The asset management team operates in a sustainable, balanced, and cohesive manner.

Practice M-3.2
The investment system is defined, focused, and consistently adds value.

Practice SA-3.2
The fiduciary is following applicable "Safe Harbor" provisions (when elected).

Practice SA-3.3
Investment vehicles are appropriate for the portfolio size.

Practice M-3.3
The investment research process is defined, focused, and documented.

Practice M-3.4
The portfolio management process for each distinct strategy is clearly defined, focused, and documented.

Practice SA-3.4
A due diligence process is followed in selecting service providers, including the custodian.

Practice M-3.5
The trade execution process is defined, focused, and documented.

4 MONITOR

Practice M-4.1
There is a defined process for the attribution and reporting of costs, performance, and risk.

Practice M-4.2
All aspects of the investment system are monitored and are consistent with assigned mandates.

Practice M-4.3
Control procedures are in place to periodically review policies for best execution, "soft dollars," and proxy voting.

Practice M-4.4
There is a process to periodically review the organization's effectiveness in meeting its fiduciary responsibilities.

Practice SA-4.1
Periodic reports compare investment performance against appropriate index, peer group, and IPS objectives.

Practice SA-4.2
Periodic reviews are made of qualitative and/or organizational changes of investment decision-makers.

Practice SA-4.3
Control procedures are in place to periodically review policies for best execution, "soft dollars," and proxy voting.

Practice SA-4.4
Fees for investment management are consistent with agreements and with all applicable laws.

Practice SA-4.5
"Finder's fees" or other forms of compensation that may have been paid for asset placement are appropriately applied, utilized, and documented.

Practice SA-4.6
There is a process to periodically review the organization's effectiveness in meeting its fiduciary responsibilities.

LEGEND:

Practices in gold that begin with an "SA" define a fiduciary standard of excellence for Investment Stewards and Investment Advisors, and are all substantiated by U.S. legislation, regulatory opinion letters, and case law.

"SA" Practices highlighted are best reviewed in conjunction with Investment Managers Practices.

Practices in blue that begin with an "M" define a fiduciary standard of excellence for Investment Managers.