

Needs Assessment Survey

How Engaged Is Your Oversight Committee?

Understanding your oversight committee members' opinions on topics including: asset allocation, expected return, risk tolerance, and spending policy can be challenging to assess. Madison has created a proprietary, online survey to help determine each committee member's views on key issues. This consensus-building approach helps ensure proper oversight of your assets and sets appropriate expectations for your group.

Critical Topics for Oversight Committee

Since every organization has unique circumstances we customize our needs assessment survey to best fit your organization. Generally, our topics include:

- Asset Allocation:** Allocation of the portfolio and which asset classes to include are critical components in ensuring investment return, risk and spending meet your committee's needs and expectations.
- Expected Return:** In today's low interest rate environment, many organizations have return expectations that are unrealistic. Our survey will help determine your committee's expectations and identify specific actions that should be taken in regards to investment education.
- Risk Tolerance:** Determining your group's tolerance for risk is critical in ensuring expectations are met – especially in difficult markets. Our questions will provide feedback to your committee on whether risk expectations and risk capacity are consistent with the portfolio's construction.
- Spending Policy:** Identifying the spending expectations of your organization is an important aspect of properly structuring your portfolio and ensuring budgetary targets are achieved.
- Investment Education:** Many groups have varying degrees of investment expertise. Our survey will help determine topics of investment education that are most important to your group.

Sample Question from Needs Assessment Survey

Based on the above returns and associated risks, please indicate an estimated percentage allocation to the asset classes to which you would feel comfortable.

	0%	1%-3%	4%-6%	7%-10%	11%-15%	Select if you would find additional education beneficial.
U.S. Small Cap Stocks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Emerging Market Stocks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
High Yield Bonds	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Alternative Investments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

If you would allocate to Alternative Investments, please describe the type(s) of Alternative Investments that are of interest to you.

On an absolute percentage basis, what would you consider to be the maximum allowable downside loss for the total portfolio in a 12-month period?

- 0% - 5%
- 6% - 15%
- 16% - 25%
- Greater than 25%
- Not Sure

Please rank in order of priority the policy topics that you would like to learn more about, if the topic would not be beneficial then check the corresponding box on the right.

<input type="text" value="Asset Allocation"/>	<input type="checkbox"/> No Benefit
<input type="text" value="Spending Policy"/>	<input type="checkbox"/> No Benefit
<input type="text" value="Investment Policy Statement Review"/>	<input type="checkbox"/> No Benefit
<input type="text" value="Fund Raising"/>	<input type="checkbox"/> No Benefit
<input type="text" value="Alternative Investments"/>	<input type="checkbox"/> No Benefit
<input type="text" value="Portfolio Risk"/>	<input type="checkbox"/> No Benefit
<input type="text" value="Fiduciary Responsibility"/>	<input type="checkbox"/> No Benefit
<input type="text" value="Balance Sheet & Risk Capacity"/>	<input type="checkbox"/> No Benefit

Survey Results

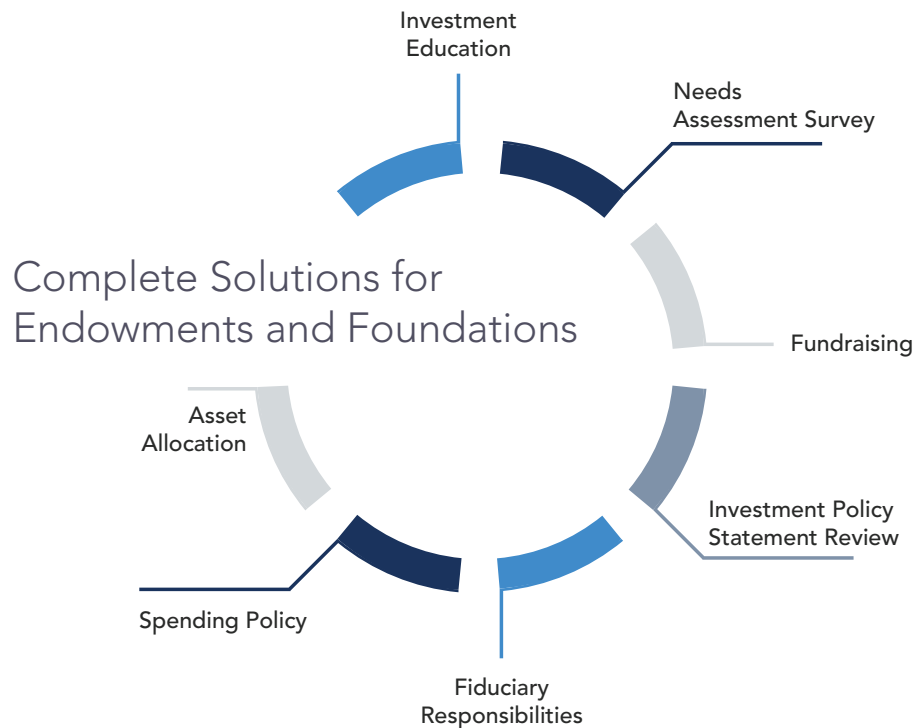
- After committee members have completed the survey, Madison will summarize the results in an anonymous format and review the information with your group.
- Survey results typically identify areas of consensus and disagreement, and help formulate an action plan, including board educational sessions.
- Over time your committee will find the needs assessment survey plays a vital role in fulfilling the fiduciary duty by identifying potential governance gaps related to member engagement, educational needs and policies.

Sample Results from Needs Assessment Survey

Based on the graph above illustrating returns and associated risks, please indicate an estimated percentage allocation to the asset classes to which you would feel comfortable.

	Portfolio Allocation Targets					Select if you would find additional education beneficial.
	0%	1%-3%	4%-6%	7%-10%	11%-15%	
U.S. Small Cap Stocks	0%	38%	23%	16%	23%	10%
Emerging Market Stocks	4%	42%	28%	17%	8%	35%
High Yield Bonds	9%	37%	27%	9%	18%	29%
Alternative Investments	25%	63%	12%	0%	0%	52%

#	If you would allocate to Alternative Investments, please describe the type(s) of Alternative Investments that are of interest to you.
1	REITs



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