

CALA Donation Acceptance and Management Policy

Revised on August 11, 2020

1. CALA Donation Acceptance Policy

The Chinese American Librarians Association (CALA, <https://cala-web.org>), a non-profit organization with 501(c)3 tax exempt status, appreciates the valuable donations made by CALA members and supporters in developing CALA as an organization and enhancing members' professional growth and development in the short- and long-terms.

As CALA has demonstrated in its remarkable history of 47 years, income from monetary donations represents an important and growing source of funding for the association. As such, the establishment of donation funds should reflect and be driven by the strategic priorities of CALA defined by the CALA Strategic Plan (2020-2025) and support CALA programs and services. CALA has the responsibility to properly manage and use donated funds as intended by the donors, and to report to donors or designated contacts on the impact of their donations within CALA and the Library and Information Science (LIS) field.

This policy pertains to CALA. The purpose of this donation acceptance and management policy is to govern CALA's acceptance of donations and manage donors' expectations. The policy provides guidance to donors and their professional advisors in completing donations. It also provides guidance to the CALA Board, the Fundraising/Public Relations Committee, the Finance Committee, gift fund award committees, and CALA members.

Donors are advised to follow the policy and seek independent legal or tax counsel when making a donation to CALA. CALA may engage legal or tax counsel to assist with the donation as needed and appropriate.

General Policy and Guidelines

Acceptance of donations is based on the relevance and consistency with the purpose and mission of CALA (<https://cala-web.org>), CALA Constitution (<https://cala-web.org/constitution>), and CALA Bylaws (<https://cala-web.org/bylaws>). Donations which are contrary to or beyond the scope of CALA's mission and purpose will be rejected. CALA reserves the sole and absolute right to determine whether to accept or reject a donation.

All donations to CALA, once established and received, are irrevocable and non-transferrable, and become the property of CALA, and will be administered by CALA.

Generally, CALA accepts two categories of cash or check donations:

1. **Current Use Fund:** A donor may make donations to CALA and the fund will be used until it's exhausted. The fund may be an unrestricted, allowing CALA the flexibility to support its most pressing and strategic needs, or it may be restricted to meet the donor's

specific intent. The donor may also choose to designate donations to an existing fund. Currently CALA has the following active funds:

- CALA Caring and Loving Fund
- Dr. Tze-Chung Li's Student Membership Scholarship
- Huang Tso-ping and Wu Yao-yu Research and Scholarships
- Huang Tso-ping and Wu Yao-yu Scholarship Memorial Fund
- Jing Liao Award for Best Research
- Lisa Zhao Scholarship Fund
- Sally C. Tseng Profession Development Grant
- Sheila Suen Lai Scholarship of Library & Info Science
Sheila Suen Lai Research Grant
Award
- Outstanding Library Leadership Award in Memory of Dr. Margaret Chang Fung

In order to establish a named fund, the minimal is **\$10,000 (USD)**. Please consult the web page of CALA Donations and Contributions (<https://cala-web.org/donate>). Unless specifically directed otherwise, donations shall be regarded as unrestricted. CALA reserves the right to establish additional funds, fund/donation agreements, or donation restrictions on a per-donation basis.

(2) Endowment Fund: Endowment Fund donations are contributions with donor-specified restrictions that the principal be invested in perpetuity (subject to certain limitations). In addition, income (e.g., interest, dividend) from those investments may also be restricted by donors (see reference at <https://cala-web.org/endowment-fund-policy>).

CALA requires a minimum **\$50,000 (USD)** gift from a donor to establish an endowment fund. The donation can be phased in multiple years. The endowment funds may be named in honor or in memory of individual(s) as determined by the donor, in consultation with the CALA President and the CALA Executive Director.

The endowment fund would adhere to the outlined purpose provided by the donor, or as prescribed in an applicable endowment fund agreement. To ensure that the donor's intent is met and the use can be administered, the CALA President and the CALA Executive Director must work alongside the donor to prepare a fund agreement that will govern the endowment. The agreement shall govern CALA and shall be consistent with CALA's Constitution and Bylaws. The agreement shall also be governed by and interpreted in accordance with all applicable Federal and state laws. The agreement shall be reviewed and approved by the CALA Executive Committee of the Board, and signed by the donor, the CALA President and the CALA Executive Director.

An endowment fund will not be in effect until a fully executed fund agreement is in place and the following conditions are met: CALA has the entire amount of the endowment in hand and available for support for the purpose designated in the gift agreement.

Notwithstanding anything herein to the contrary, the following guidelines shall apply to all endowment funds and endowment fund agreements. Until the fund balance reaches the

minimum funding level of \$50,000 (USD), the spending allowance will be reinvested into principal (fund balance). The "fund balance" or "principal" represents the funds originally gifted by the donor, adjusted by any capital appreciation or depreciation, and it may also include some permanently reinvested income. The market value is also referred to as "net asset value"; it represents the value of the individual fund's investment in the designated funds at a specified date (see reference at <https://www.councilofnonprofits.org/tools-resources/endowments>). Upon request, the CALA Treasurer, informing the CALA Executive Committee of the Board and the CALA Board, will prepare an annual statement of endowment fund activity and growth for the donor and/or designated contact person. The Treasurer will also prepare an annual budget for the related gift fund committees, informing the CALA Executive Committee of the Board and the CALA Board.

Any changes and updates to the endowed gift fund purpose or designation will require an amendment to the original governing document, signed by CALA president and executive director on behalf of CALA EC and the donor or the donor's representative or successor in interest.

CALA adheres to ethical standards and adopts the Model Standards of Practice for the Charitable Planner (<https://charitablegiftplanners.org/standards/model-standards-practice-charitable-gift-planner>- promoted by the National Association of Charitable Gift Planners).

The Donation Acceptance and Management Policy will be reviewed by the CALA Board annually to determine if any amendments are needed to reflect changes in law and/or CALA and to address new situations not previously addressed by the policy.

Acknowledgments

With respect to Endowment Fund gifts, Donors can expect the following from CALA:

- A letter of acknowledgement will be addressed to the donor by the CALA President and the CALA Executive Director in a timely fashion.
- The donor(s) can expect to receive direct communication from the CALA President, the CALA Executive Director and the CALA Treasurer regarding use and impact of the endowed gift funds.
- All endowment fund donors will be acknowledged in CALA's social media channels, printed materials including the newsletter.

Donations and Tax Benefits

The CALA Treasurer sends the tax receipts for donations. Tax forms and guidelines can be found at the Internal Revenue Service website. The following publication may prove useful: IRS Publication 526, Charitable Contributions (<https://www.irs.gov/pub/irs-pdf/p526.pdf>).

Giving to CALA

CALA sincerely thanks donors for their interest in giving to and supporting CALA. There are two convenient ways to make a monetary gift.

Online

Please find instructions for Donations and Contributions, and the CALA Donation Form at <https://cala-web.org/donate>.

By Mail

Make your check payable to “CALA” and mail it to the CALA Treasurer (Please visit Contact Us page for current address at <https://cala-web.org/contact-us>).

Please write your specific instruction in the memo line and/or attach a letter of instruction.

Contact Information

For more information on monetary giving, please get in touch with the CALA Public Relations/Fundraising Committee Chair, the CALA President or the CALA Executive Director at donation@cala-web.org.

1. CALA Donation Management Policy

A gift fund donated to CALA will be invested in a prudent and diversified manner to produce a reasonable total annual return, with the assistance of a qualified investment advisor, and with approval from the Board of Directors of CALA. The fund may be commingled with other CALA investments for investment purposes, but CALA shall maintain in its books a separate record showing the individual fund’s proportionate share of gain, loss, income, and expenses, including common investment expenses such as a proportionate share of any advisor fees and other investment expenses. CALA shall keep the donor advised of the investment performance of the fund, not less than annually, at the donor’s request.

The CALA award committee for a gift fund has no role in the gift fund management, but will be kept informed by the CALA Treasurer of the fund balance and the available amount of the award upon request. The donor may serve on the award committee as an Ex Officio who cannot vote or make decisions on the award. The donor will be kept informed by the award committee about the award selection process.