

CALA Investment Policy

First adopted on February 10, 2018, by the Board of Directors
Amended June 24, 2018, by the Board of Directors

The Chinese American Librarians Association (CALA, <https://cala-web.org>), a non-profit organization with 501(c)3 tax exempt status, recognizes the importance of maintaining a healthy status both strategically and financially. This policy establishes a general investment guideline for the relevant endowment funds that are used to support CALA's operational and awarding activities.

The Board of Directors has a direct oversight role regarding all decisions that impact CALA's organizational funds. The Executive Committee of the Board of Directors (EC) is entitled by the CALA Constitution to possess all authority of the Board to act between board meetings, except with respect to the following three matters – (1) actions requiring general membership approval, (2) amendment or repeal of any portion of the Bylaws, and (3) amendment of any resolution of the Board unless so authorized by the Board. EC has the delegated supervisory responsibility for the management of CALA funds.

In accordance with CALA's understanding and support of Uniform Prudent Management of Institutional Funds Act^[1] (UPMIFA), investment decisions must be considered along with the status and mandate of CALA. The investments will preserve the purchasing power of the principal of the endowment funds in the future. The Executive Committee shall manage and invest CALA's funds in good faith and with the care that an ordinarily prudent body in a like position would exercise under similar circumstances. In making decisions relative to the investment of organizational funds, each of the following factors must be considered:

1. general economic conditions;
2. possible effect of inflation or deflation;
3. expected tax consequences, if any, of investment decisions or strategies;
4. diversified portfolio of investment options;
5. expected total return from the income and appreciation of investments;
6. the needs of the organization and the fund to make distributions and preserve capital; and,
7. an asset's special relationship or special value, if any, to the organization's purposes.

For each decision to do with appropriate organizational funds for investment or expenditure, a written approval record by the EC and Board of Directors shall be kept and maintained describing the investment proposal, discussion, and the voting results, including voting members and date.

[1] Uniform Prudent Management of Institutional Funds Act, retrieved from <http://www.uniformlaws.org/shared/docs/prudent%20mgt%20of%20institutiona...>