

# MEMO

**TO:** NJLA Executive Board  
**FROM:** Finance Committee and the Investments Subcommittee  
**DATE:** August 20, 2019  
**RE:** Updated Investment Strategy

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The Finance Committee and the Investments Subcommittee have reviewed the current Investment Strategy for the New Jersey Library Association, in italics below.

## ***C. Investment Strategy***

- 1. NJLA's overall investment goal is to provide moderate income. The committee shall adhere to a diversified, prudent and balanced investment strategy to achieve an annual income stream for authorized expenditures at the same or greater level than the year before.*
- 2. The Investment Committee will oversee the management of NJLA investments. The Committee will work with licensed investment advisor and a reputable financial services company to manage the designated funds.*
- 3. The Investment Committee will provide for the disbursement of funds at a rate that reflects the investment performance and the needs of NJLA.*
- 4. The Investment Committee shall maintain liquidity sufficient to meet association obligations.*

The Committees propose jointly the following revision for review and approval by the Executive Board. This revision aligns with tenets promulgated in New Jersey Library Association's Strategic Plan and Core Values. It also reflects the Committee's focus on fiscal responsibility.

## **C. Investment Strategy**

1. NJLA's overall investment goal is to provide maximum income within the parameter of preserving capital.
2. This should be achieved by following the recommendations of a qualified investment professional from a reputable financial services firm who invests in a diversified portfolio while making every effort to minimize fees.
3. The Subcommittee will receive quarterly reports from the investment professional, as well as meeting with him or her annually, to manage the designated funds in a manner that is consistent with the Association's core values and strategic plan.
4. The Investment Subcommittee will maintain liquidity sufficient to meet the fiscal obligations of the New Jersey Library Association (a minimum of six months of regular expenses).
5. The Investment Subcommittee will provide for the disbursement of funds at a rate that reflects the investment performance and the needs of NJLA.

Adopted by the NJLA Executive Board Aug. 20, 2019