

**NJLA Investment Policy**

**A. Structure of the NJLA Investment Committee**

1. The NJLA Investment Committee is subordinate to the NJLA Executive

Board and has only those powers which are delegated to it by the

Executive Board.

2. The Committee is made up of five members of NJLA, one appointed each

year by the President for a five year term, plus the NJLA Treasurer and the

Chair of the Finance Committee, ex officio. In the case of a vacancy the

President shall appoint a replacement to complete the remaining term of

office.

3. The Committee shall elect from among its number a Secretary. The

President shall designate a Chair of the Committee annually. The

Treasurer of the Associations shall act as the Treasurer for this committee,

and hold no other office within it.

4. The Committee is responsible for the management of only those funds so

designated by the Executive Board.

5. A quorum of three is required for the Investment Committee to take

action, and the Committee shall meet at least quarterly. All committee

decisions shall be by majority vote of those present. Minutes of all

decisions shall be recorded, and forwarded to the committee members, as

well as to the President and Executive Director of NJLA, immediately

after any meeting at which actions was taken.

**B. The Funds**

1. The Scholarship Trust Fund is managed by the Investment Committee. It

provides partial scholarships to support candidates for graduate degrees in

library and information science.

2. The Endowment Fund was created with a view to providing supplemental

income to NJLA’s operating budget. This Fund provides the vehicle for

donations and bequests from anyone who may wish to benefit the

Associations directly, other than for scholarships. Amounts are added

incrementally from annual membership receipts when members check off

the development line for a contribution, and from other donations directed

to the Endowment Fund. Disposition of the Endowment Fund is an

Executive Board prerogative, with consideration to the intent of any

donors.

3. The Executive Board may set up other funds for the Investment

Committee to manage.

**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.

**D. Reporting**

1. The Investment Committee shall report to the NJLA Executive Board at

least semi-annually.

2. An audit of NJLA investments shall be performed annually as part of

NJLA’s general audit. These audits may be inspected by any member of

NJLA.

*Approved 2006*

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