

**2013-2014 ALA CD#16.2_6/27/14_inf.
2014 ALA Annual Conference**

**ALA Endowment Trustees
Report to Council
Saturday - June 28, 2014
Las Vegas, NV**

This report provides information regarding the performance of the ALA Long Term Investment Fund (LTI) i.e. the Endowment Fund. It is provided as a supplement to the oral report given by the Chair of the ALA Endowment Trustees. This report also provides information on the general condition of the financial markets, the performance of the individual portfolio managers and other issues that impact the Endowment fund that are viewed as important to the membership. This report will be placed on the Treasurer's web page after this Annual Conference as possible.

**MISSION, ROLE, PURPOSE AND USES OF THE ENDOWMENT
FUND OF THE AMERICAN LIBRARY ASSOCIATION**

MISSION - Exhibit #1

The purpose of the American Library Association's Long Term Investment Fund is to protect and grow the investment resources so as to support current and future Association needs, including scholarships, awards and unique programs that build a strong future for the American Library Association and America's libraries.

INVESTMENT POLICY STATEMENT – Exhibit #2

This policy statement outlines the goals and investment objectives for the American Library Association's Long-Term Investment Portfolio aka the Endowment Fund. This document is intended to provide guidelines for managing the Long-Term Investment, and to outline specific investment policies that will govern how those goals are to be achieved. This statement:

- Describes an appropriate risk posture for the investment of the Long-Term Investment fund's assets
- Specifies the asset allocation policy for those assets
- Establishes investment guidelines regarding the selection of investment managers, permissible securities and diversification of assets,
- Specifies the criteria for evaluating the performance of the investment managers and of the Long-Term Investment as a whole,
- Defines the responsibilities of the Trustees, Executive Board and other parties responsible for the management of the Long-Term Investment fund.

Endowment Fund Uses – Exhibit # 3

Income from the Endowment supports a variety of programs and activities carried out by the Association and some of its Divisions. Annually the Trustees set a “draw” level that is a percentage of each asset category that the holder can use to support programs. The draw was 5%

- The House moving even further to the right could harden the federal government logjam and budget shutdown in the in the fall is a greater possibility.