



DRAFT 4 Investment Guidelines Addendum
to the Washington Library Association Financial Policies and Procedures.

The Purpose of the Washington Library Association is to promote library services, continuing education and library advocacy on behalf of the people of Washington State.

The objectives of this Investment Guideline are

1. To maximize the return on investments without any significant risk to principal;
2. To maintain adequate liquidity.

The WLA Board may elect to transfer money from the Operations Account after the Association has attained a “safe level” of cash, which is deemed to be the approximate equivalent of one year plus one quarter typical operating expenses. WLA shall consider socially responsible investments when feasible.

Any money moved from the Operations Account for the purpose of growth will be invested into one of the following investment vehicles with the following conditions:

TYPE	LIMITATIONS
Equity Funds or Index Funds	At least 10 years performance history for the fund; investment only in diversified fund. 35%
Preferred Stock Mutual Funds Or individual bonds	Well known public companies rated “A” or better by Standard & Poors and/or Moody’s. 25%
Fixed Income	30%
Cash or Money Market	10%

Once the Association has made an investment in any of the above vehicles, the Finance & Operations Committee shall review the performance on an annual basis. Withdrawals from any mutual fund account must have the approval of the WLA Board. All checks drawn on such accounts shall have two signatures: those of the Treasurer and the President.