**TO:** PLA Board of Directors

**FROM:** Clara Bohrer, Barb Macikas

**RE:** Endowment Transfer

**DATE:** October 7, 2019

**ACTION REQUESTED/INFORMATION/REPORT:** Report

In August 2019, per ALA’s policy and as part of the budget planning cycle, PLA notified ALA’s Chief Financial Officer of our intent to transfer $350,000 from our fund balance (which is projected to be approximately $3.5 million at the close of FY19) to our long-term investment (LTI), each year for three years. According to ALA’s *Operating Procedures for Transfers to/from the Long-Term Investment Fund*, PLA’s request in FY19 to make these transfers should mean the transfers begin in FY21.

ALA must approve this request and it will become part of the final FY20 budget request/approval review process by the ALA Budget and Analysis Review Committee (BARC) and the Finance and Audit Committee (F&A) at their joint meeting on October 20, 2019. Their actions will be forwarded to the ALA Executive Board for their meeting on October 26, 2019. Even if approved, PLA is under no obligation to make the transfers. We are making the request per ALA policy in order to have the option to do so and the PLA Board can decide each year whether to transfer all, some, or none. Without the official request (and approval), we are limited to a maximum LTI transfer of $49,999 annually.

Per decisions made the by the PLA Board at its June 2019 meeting, PLA will transfer the maximum amount allowed without advance notice ($49,999) from the fund balance to the LTI each year in FY19 and FY20.