

CALIFORNIA ASSOCIATION OF HEALTH UNDERWRITERS POLICY &  
PROCEDURES

**POLICY TITLE: Investments**

CLASSIFICATION: Finance/Executive

**POLICY NUMBER: 1003**

DEPARTMENT COORDINATOR: VP of Finance

MOTION:

SECONDED:

DATE APPROVED: January 16, 2018

APPROVED BY: Board of Directors

REVIEW DATE: 2019

PURPOSE: To maximize Associations reserve funds for financial sustainability of the Association.

**POLICY:**

The CAHU Board shall deposit CAHU reserves in safe conservative vehicles such as bank Certificates of Deposit or Money Market Accounts.

The selections of investment advisors and/or investment products require approval of the CAHU Board.

CAHU shall maintain a checking account and one or more savings accounts to maximize the return on CAHU revenues.

**PROCEDURE(S):**

- To insure adequate liquidity, Certificates of Deposit (CD's) shall be laddered when possible to mature every 3 months in a 12-month period so that funds can be made accessible if needed for operations.
- To ensure that all invested funds are protected by FDIC (Federal Deposit Insurance Corporation), CAHU shall not maintain more than the current maximum FDIC threshold at a single bank.

**FINANCIAL IMPACT:** Potential expense if investment advisors are retained and subsequent fees or bank charges associated with management of these investment accounts.