

CALIFORNIA ASSOCIATION OF HEALTH UNDERWRITERS POLICY &
PROCEDURES

POLICY TITLE: Investments

CLASSIFICATION: Finance/Executive

POLICY NUMBER: 1003

DEPARTMENT COORDINATOR: VP of Finance

MOTION: Maggi Stedt

SECONDED: Cathy Little

DATE APPROVED: May 9, 2022

APPROVED BY: Board of Directors

REVIEW DATE: 2024

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

POLICY:

The CAHU Board shall direct the deposit of 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.