

CALIFORNIA ASSOCIATION OF HEALTH UNDERWRITERS  
POLICY & PROCEDURES

POLICY TITLE:	Duties of the VP Finance and Structure of the Finance Committee
CLASSIFICATION:	Finance
POLICY NUMBER:	1018
DEPARTMENT COORDINATOR:	VP Finance
MOTION:	Bruce Benton
DATE APPROVED:	March 20 <sup>th</sup> , 2019
APPROVED BY:	Board of Directors
AMENDED:	June 28 <sup>th</sup> , 2019
SUNSET DATE:	2022

**PURPOSE:** To insure prudent financial management.

**POLICY:**

1. The VP Finance shall be responsible to the Board of Directors for the oversight of all expenditures.
2. The VP Finance shall review with the appropriate Board member or committee chair, and the President any budget item which exceeds its approved allocation by 5% or more.
3. The VP Finance, President, and/or committee chair shall present a plan of action to the Board of Directors to correct any budget deficit or if a department is not meeting revenue expectations.
4. The VP Finance shall be responsible for managing the Finance Committee and shall serve as the committee's chairperson. The Finance Committee members shall include the VP Finance, President, Immediate Past President, President Elect, and additional Member(s) at Large as appointed, and the Executive Director. The Finance Committee shall meet monthly. The Finance Committee's primary purpose is to keep a close eye on CAHU's financials, budget and financial trends and make necessary recommendations to the Board of Directors where appropriate. The VP Finance shall be responsible for providing a monthly Financial Report to the Board of Trustees based on the Finance Committee's activities and oversight.
5. The VP Finance shall be responsible for organizing the annual budget meeting and shall work in conjunction with the Finance Committee and President for the corresponding budget year on all matters relative to preparation and meeting structure.
6. The VP Finance will review and approve the filing of IRS Form 990 each year before it is filed. Such review will be the responsibility of the VP Finance who presided over the passage of the budget for the calendar year of the filing. The VP Finance will review and seek the approval of the president prior to the IRS Form 990 filing each year. The

president from the same year that that VP Finance served as VP Finance will be responsible for that year's filing review and approval.

7. The Executive Director will regularly inform the Finance Committee, of the expected dates for completion of all IRS submissions, which require review by the Executive officers. The Executive Director will manage the process to have the reviews completed in a timely manner, appropriate with all necessary IRS deadlines.
8. The Executive Director may communicate with local chapter presidents and Treasurers to raise awareness of proper filing requirements.
9. Any changes to the policies and procedures suggested by the VP Finance affecting the duties of the VP Finance or the operation of the Finance Committee must be approved by the Finance Committee prior to presentation to the Board of Directors for consideration.

**PROCEDURE(S):** The President will work with the VP Finance and the appropriate Board members and committee chairs to ensure that expected revenues are met and that expenditures do not exceed revenue for each department and the entire annual budget.

**FINANCIAL IMPACT:** None