



FINANCE, INVESTMENT, and RESERVES

All policies and procedures of Colorado ENA will be reviewed, updated, and ratified annually by the Colorado ENA Board of Directors. This Policy may be amended or any exceptions to it may be authorized by resolution of the Board of Directors at any time.

THIS POLICY HAS BEEN REVIEWED AND RATIFIED FOR YEAR 2009, on 06/18/2009

Statement of Purpose

The purpose of this document is to establish the investment goals, objectives, and policy guidelines for managing the short- and long-term investment funds of the Colorado Emergency Nurses Association (Herby referred to as COLORADO ENA or the Association). It is intent that these goals, objectives and guidelines provide meaningful guidance and in the management of COLORADO ENA funds and to provide the flexibility to respond to given changing economic, business and investment conditions.

1. GOALS: COLORADO ENA funds will be invested in such a manner as to:

- A. Maximize total returns consistent with (1) acceptable levels of risk and (2) the liquidity needs of the Association.
- B. Ensure the financial health of the association.

2. Short-term Funds

- A. The goals of investing short-term funds shall be preservation of principal, liquidity timed to spending needs and reasonable current income, subject to any grant restrictions.

3. Long –Term Funds

- A. Long-term Funds: The goals of investing long-term funds shall be to generate a reasonable rate of return at a relatively low level of risk, prescribing the real inflation-adjusted value of the fund over time.
- B. Purpose: The creation and maintenance of adequate reserves is a fundamental tenet of sound financial management. The purpose of accumulating reserves of COLORADO ENA is to assure that the Association has the financial means to continue to provide essential services to its members and the general public in both the short- and long-term future.
- C. The amount allocated quarterly to the COLORADO ENA long term investment will be outlined in the annual strategic plan.

D. Long Term Objectives:

1. To sustain basic operations and core member services for a minimum of six months in the event there is a meeting cancellation or a decline in a major revenue source.
2. To sustain essential member services during a transition to a long term economic downturn.
3. To cover unbudgeted and extraordinary expenditures brought about by unanticipated challenges of opportunities.

4. Investment Objectives

- A. The investment objective is to grow the value of the COLORADO ENA investment funds over the long term and to earn total rates of return greater than those currently received by the Association's banking strategy, while avoiding undue risk and generating liquidity sufficient for the needs of the Association's operations. Although short-term fluctuations will affect portfolio performance, the Council expects: (a) the short-term investments to preserve principal and the invested portion thereof to generate current income equal to a market rate of return for short-term fixed income securities; and (b) the long-term investments to provide for any emergency liquidity needs of the Council and to generate a total return net of investment expenses over a five-year moving time period that exceeds the rate of inflation plus three to five percent (3-5%) annually, (Market conditions permitting).

5. General Investment Accounts and Roles

- A. GENERAL ACCOUNTS: The accounts for COLORADO ENA shall include the following.

1. Checking Account: COLORADO ENA shall maintain an active checking account with a minimum of three (3) signatures rights at all times. These signatures shall include the President, Treasurer, and President Elect. In the event that there is a treasurer elect serving as a member at large, a fourth (4th) signature right may be added.
2. Savings Account: All direct deposit funds will be directed into the COLORADO ENA savings account. Funds can be transferred at will from checking to savings and vice versa in order to maintain the business of COLORADO ENA.
3. Long Term Account: A monthly deposit into the COLORADO ENA long term account will be maintained. Long term accounts will be reviewed semiannually for risk, return. Withdrawals from the COLORADO ENA long term account must be approved by a majority vote of the COLORADO ENA Board of Directors.

B. Role of the Board of Directors

1. The COLORADO ENA Board of Directors shall make recommendations upon the advice of the investment managers, brokers and/or bankers with respect to investments within the policies set by the Board of Directors. The Board of Directors shall vote on these decisions and have this vote recorded as with all other board of director's decisions.
2. It shall be the responsibility of the COLORADO ENA Board of Directors to set a targeted amount for long term reserves in order to meet the objectives of this policy.

C. Role of Treasurer: Including but not limited to;

1. The Treasurer shall advise the Board with respect to the status of investments and shall monitor the implementation of the decisions of the Board. It is the responsibility of the treasurer to inform the board of any significant market changes that may adversely affect the implementation, goals, and objectives of this policy.
2. Maintain balanced accounting practices and reporting. Treasurer reports will be submitted to the board one (1) week prior to board meetings.
3. Annual taxes will be completed prior to the end of February each year.
4. 1099 Forms must be completed and mailed prior to January 31st each year.
5. In regards to Colorado ENA Bylaws Article VII, Section 3,A,3,c,3: The COLORADO ENA Treasurer is responsible for obtaining and maintaining the signature rights for COLORADO ENA accounts.
6. The COLORADO ENA Treasurer is responsible for maintaining a written list of instructions in regards to account information, and methods of accessing these accounts. This is to be protected information and not stored on a personal computer.

6. Investment Selection Standards

- A. Investments will be made and held through mutual funds or other collective investment vehicles rather than individual securities.
- B. The COLORADO ENA may accept donations of marketable securities, which will be reviewed immediately to determine whether or not the investments fit within the guidelines of this policy, if not, it will be sold immediately.

7. Prohibited Investments and Transactions

- A. The following investments and transactions are prohibited: direct investment in real estate, short sales, margin transactions, non-publicly traded securities and derivatives; except that investments in mutual funds that employ such strategies on a limited basis or only for hedging purposes are permitted.

8. Investments Performance Review Evaluation and Reporting

- A. The COLORADO ENA Board of Directors shall review and evaluate the performance results of the investments funds quarterly and at the end of each year and shall compare performance results to relevant benchmarks.
- B. The COLORADO ENA Treasurer shall report to the board at least annually on the composition and performance results of the funds.