

Title: Reserves	Number: N/A
Cross Reference: N/A	
Approved by: SD ENA Board of Directors	Origination Date: 12/2013
Revised by:	Approval Date: 12/2013
Review date: 2020	Revision Date:

I. **POLICY PURPOSE:**

- The creation at maintenance of adequate reserves is a fundamental tenet of sound financial management. The purpose of accumulating reserves of the SD ENA is to assure that the Organization has the financial means to continue to provide essential services to its members and the general public in the both short and long term.

II. **PROTOCOL:**

- The state Treasurer will identify a goal for reserves annually. The identified goal amount will be presented with the annual budget proposal to the state council for approval.
- The specific objects of the SD ENA reserves are as follows:
 - Sustain basic operations and core member services for a minimum of six months
 - To sustain essential member services during a transition to a long-term economic downturn
 - Cover unbudgeted and extraordinary expenditures brought about by unanticipated challenges or opportunities.
 - Sustain sufficient funds such that income from investments of these funds could be used to offer member benefits at lower costs than would otherwise be possible.