

What: WVA Finance Committee Meeting
Date & Time: February 18, 2021; 3:00-4:00 p.m. PT
Location: Zoom/Webinar Meeting

To register for the meeting, please review the [Public Comment Protocol](#) then email wvameetings@wavaccine.org at least two business days in advance of the meeting.

WVA Agendas are subject to revision up to and including the time of the meeting.

Notice: The meeting may be recorded for the benefit of the minute-taker. The WVA intends to delete the recording after the minutes are approved.

Agenda for Finance Committee Meeting

Approx. Time	Page		Topic	Presented by:
3:00			1. Welcome & Introductions a. Notification of Recording	J. Zell
3:05-3:15	3-19	*	2. Financial Overview a. Status Update	L. Walker/P. Miller
3:15-3:40	20-33	*	3. Assessment/Budget Process Discussion a. WVA Reserve Targets b. Assessment Grid Options c. Cash Modeling d. Annual Budget	J. Zell/P. Miller
3:40-3:55	34-39	*	4. Investment Policy Statement Review a. Vote to Recommend IPS Changes to the Board	J. Zell
4:00			5. Closing	P. Auerbach
*Indicates agenda item attached				

February 18, 2021
WVA Meeting of the Finance Committee
Proposed Form of Votes

The following are suggested forms of votes only. They are intended to be an aid to facilitate work by individual directors and committee members.

Items under Agenda Section 3:

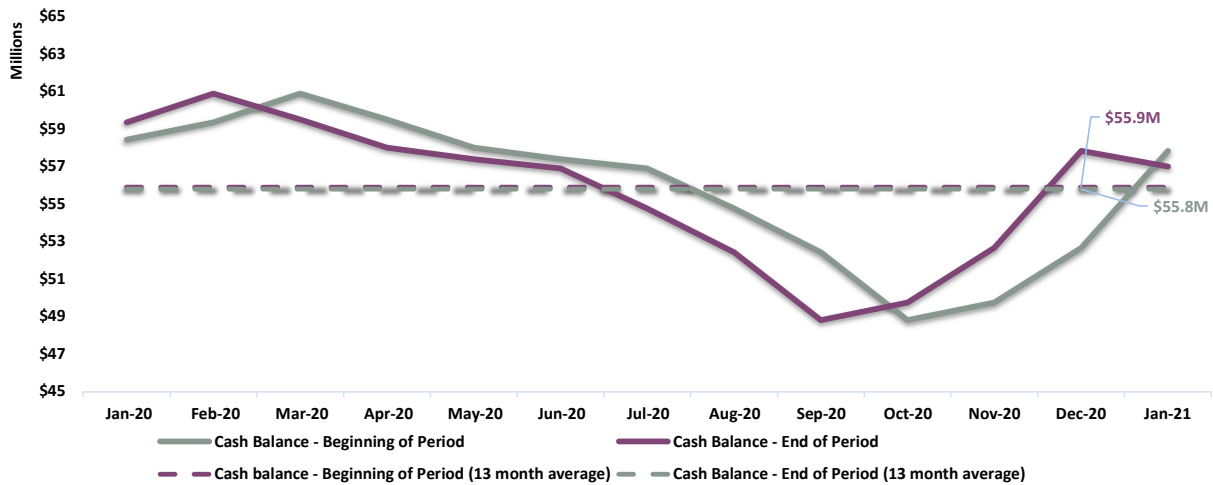
VOTED: To recommend the changes to the WVA's Investment Policy Statement as presented in the meeting materials.

[To recommend the changes to the WVA's Investment Policy Statement with the changes suggested at the meeting.]

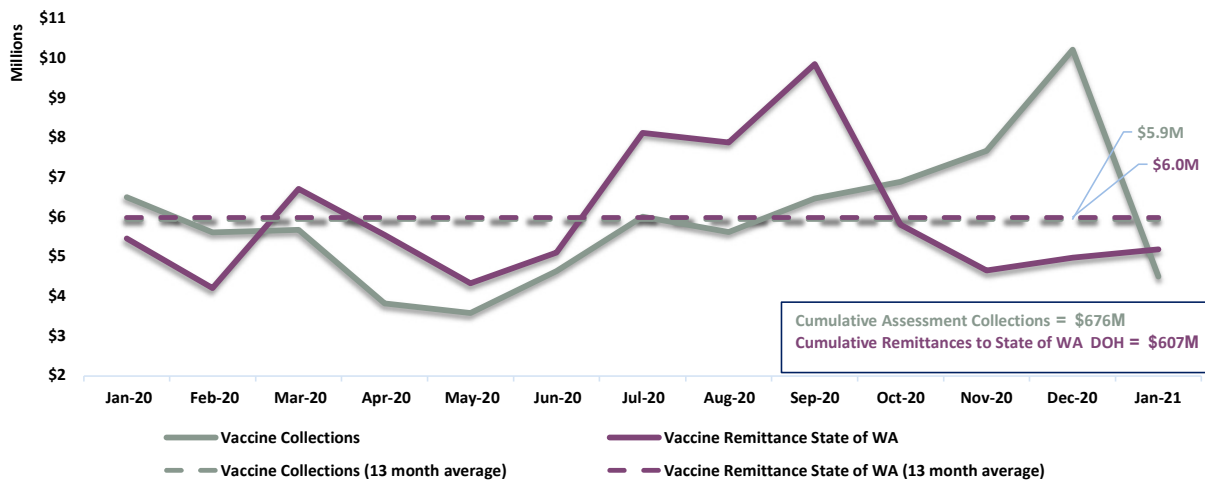
WASHINGTON VACCINE ASSOCIATION
UNAUDITED FINANCIAL STATEMENTS
FOR THE SEVEN MONTHS ENDED
January 31, 2021
With Supplemental Informational Reporting

Prepared by
Helms & Company, Inc., Administrator

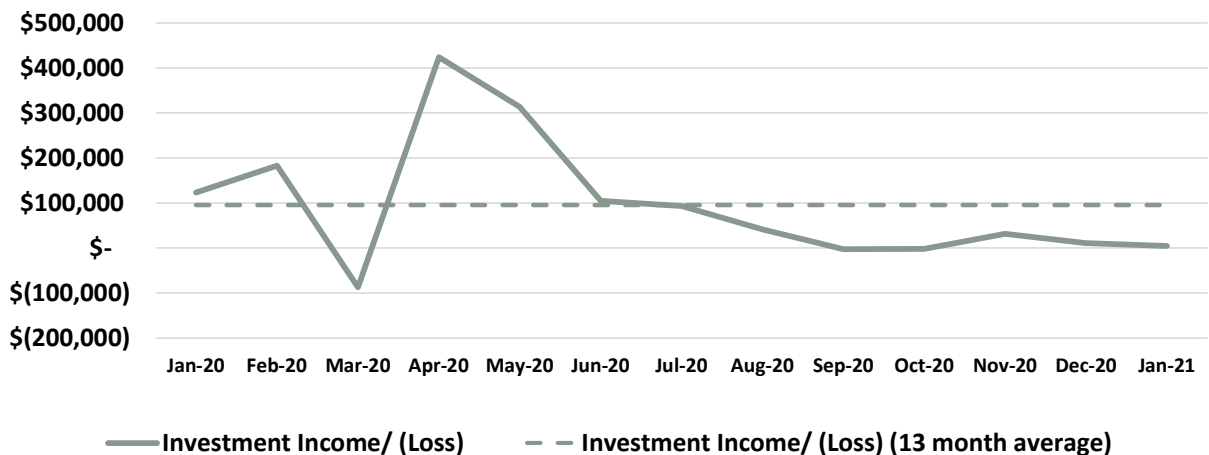
Cash Balances Beginning and End of Period January 2020 - January 2021



Total Vaccine Collections and Vaccine Remittances to State of WA January 2020 - January 2021



Investment Income / (Loss) January 2020 - January 2021



Washington Vaccine Association
Statement of Cash Flows
For the Periods Ended

	J	K	L	M	M	O	P	Q	R	S	T	U	V	Q
	Month 1/31/2020	Month 2/29/2020	Month 3/31/2020	Month 4/30/2020	Month 5/31/2020	Month 6/30/2020	Month 7/31/2020	Month 8/31/2020	Month 9/30/2020	Month 10/31/2020	Month 11/30/2020	Month 12/31/2020	Month 1/31/2021	13 Month Average
1 Cash balance - beginning	\$ 58,400,151	\$ 59,339,593	\$ 60,865,088	\$ 59,489,029	\$ 57,990,368	\$ 57,377,494	\$ 56,887,146	\$ 54,756,134	\$ 52,414,390	\$ 48,816,638	\$ 49,741,742	\$ 52,655,537	\$ 57,802,418	\$ 55,759,009
Inflows:														
2 Vaccine collections	6,491,637	5,610,679	5,666,245	3,825,663	3,577,333	4,633,406	6,002,328	5,612,609	6,458,449	6,874,561	7,653,271	10,198,444	4,490,717	\$ 6,144,482
3 Interest income - payers	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
4 Investment income/ (loss)	122,871	183,013	(87,471)	423,706	313,654	104,782	93,280	41,498	(2,857)	(1,665)	31,728	10,991	4,909	\$ 103,774
5 Total inflows	6,614,508	5,793,692	5,578,774	4,249,370	3,890,987	4,738,188	6,095,608	5,654,107	6,455,592	6,872,896	7,684,999	10,209,435	4,495,626	\$ 6,248,256
Outflows:														
Program														
6 Vaccine remittance State of WA	(5,457,734)	(4,210,312)	(6,700,296)	(5,545,185)	(4,329,177)	(5,101,201)	(8,109,512)	(7,860,758)	(9,829,901)	(5,801,760)	(4,646,177)	(4,969,621)	(5,182,384)	\$ (5,955,382)
Administration														
7 Direct Processing Costs	(66,363)	(28,499)	(60,213)	(65,432)	(65,432)	(66,479)	(7,015)	(65,432)	(134,939)	(70,542)	(66,475)	(3,250)	(87,605)	\$ (69,812)
8 Executive Director Costs and Support Fees		(19,783)	(18,392)	(28,841)	(43,093)	(20,417)	(18,673)	(21,723)	(17,762)	(22,370)	(20,953)	(17,762)	(19,093)	\$ (19,213)
9 Provider and Payer Education and Outreach								(5,125)		(10,501)	(11,717)	(3,861)	(775)	\$ (2,400)
10 Administrative Costs	(37,558)	(6,603)		(16,673)	(63,160)	(40,438)	(91,421)	(42,812)	(70,742)	(42,618)	(25,883)	(51,560)	(18,586)	\$ (41,806)
11 Other Discretionary Expenditures	(113,411)	(3,000)	(175,932)	(91,900)	(3,000)							(16,500)		\$ (31,288)
12 Total Administration	(217,332)	(57,885)	(254,537)	(202,846)	(174,684)	(127,335)	(117,109)	(135,092)	(223,444)	(146,031)	(125,028)	(92,933)	(126,059)	\$ (164,519)
13 Net all other outflows	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
14 Total outflows	(5,675,066)	(4,268,197)	(6,954,833)	(5,748,031)	(4,503,861)	(5,228,536)	(8,226,621)	(7,995,850)	(10,053,345)	(5,947,791)	(4,771,205)	(5,062,554)	(5,308,443)	\$ (6,119,901)
15 Net Cash Incr (decr) for period	939,442	1,525,495	(1,376,059)	(1,498,661)	(612,874)	(490,348)	(2,131,013)	(2,341,743)	(3,597,753)	925,105	2,913,794	5,146,881	(812,817)	\$ 128,355
16 Cash balance - end of period	\$ 59,339,593	\$ 60,865,088	\$ 59,489,029	\$ 57,990,368	\$ 57,377,494	\$ 56,887,146	\$ 54,756,134	\$ 52,414,390	\$ 48,816,638	\$ 49,741,742	\$ 52,655,537	\$ 57,802,418	\$ 56,989,601	\$ 55,887,364

Note: Cash balance includes amounts in KeyBank and Morgan Stanley

Washington Vaccine Association
Statement of Financial Position
As of January 31, 2021

ASSETS

1	Current Assets		
2	Cash and Cash Equivalents	\$	1,142,985
3	Accounts Receivable		-
4	Investments		55,846,616
5	Members Estimated Collectible Assessments		6,787,746
6	Prepaid Vaccine		5,144,900
7	Prepaid Administrative Services		-
8	Total Current Assets		<u>68,922,247</u>
9	Total Assets	\$	<u><u>68,922,247</u></u>

LIABILITIES AND NET ASSETS

10	Current Liabilities		
11	Accounts Payable	\$	77,386
12	Other Accruals		249,770
13	Total Current Liabilities		<u>327,156</u>
14	Assessments Collected in Excess of Vaccine Funding and Administrative Activities		<u>68,595,091</u>
15	Total Liabilities		<u>68,922,247</u>
16	Total Liabilities and Net Assets	\$	<u><u>68,922,247</u></u>

**Washington Vaccine Association
Statement of Activities and Changes in Net Assets**

	A	B	C	D	E	F
	Month Ended January 31, 2021			Month Ended January 31, 2020		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
	Revenues / Vaccine Expenses					
1 Assessment Activity:						
2 Assessments	\$ (679,629)	\$ 5,148,818	\$ 4,469,189	\$ 341,920	\$ 6,314,924	\$ 6,656,844
3 Recoveries	-	63,223	63,223	-	-	-
4 Estimated Over (Under) Collections	-	-	-	-	-	-
5 Refunds	(24,117)	-	(24,117)	(24,883)	-	(24,883)
6 Estimated 2% Waste	(97,790)	-	(97,790)	(95,249)	-	(95,249)
7 Estimated Price Variance and Denial	(17,563)	-	(17,563)	(310,237)	-	(310,237)
8 DOH Replenishment	-	(4,982,603)	(4,982,603)	-	(4,463,419)	(4,463,419)
9 Adjustment to Correct Inventory	-	-	-	-	-	-
10 DOH Cost Recovery Admin Charge	(78,919)	-	(78,919)	(73,965)	-	(73,965)
11 Interest Income on Assessments	-	-	-	-	-	-
12 Net Assessment Activity	(898,018)	229,438	(668,580)	(162,414)	1,851,505	1,689,091
13 Investment Activity:						
14 Interest and Dividend Income - Morgan Stanley	104,050	-	104,050	127,456	-	127,456
15 Realized Gain/(Loss) on Investments - Morgan Stanley	21,159	-	21,159	123	-	123
16 Unrealized Gain/(Loss) on Investments - Morgan Stanley	(109,657)	-	(109,657)	42,730	-	42,730
17 Investment Management Expenses	(10,668)	-	(10,668)	(11,616)	-	(11,616)
18 Interest Income - KeyBank	25	-	25	6,908	-	6,908
19 Net Investment Activity	4,909	-	4,909	165,601	-	165,601
20 Net Revenues	(893,109)	229,438	(663,671)	3,187	1,851,505	1,854,692

**Washington Vaccine Association
Statement of Activities and Changes in Net Assets**

	A	B	C	D	E	F
	Month Ended January 31, 2021			Month Ended January 31, 2020		
	Administrative	Vaccine Other Expenses	Total	Administrative	Vaccine	Total
21 Administrative Expenses:						
22 Direct Processing Costs						
23 Helms & Company (Previously KidsVax)	65,432	-	65,432	167,982	-	167,982
24 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	9,872	-	9,872	23,557	-	23,557
25 Clearinghouse Intake Processing (Avality, Zelis)	4,510	-	4,510	-	-	-
26 Lockbox Fees	5,372	-	5,372	7,128	-	7,128
27 CollaborateMD	457	-	457	-	-	-
28 Total Direct Processing Costs	85,643	-	85,643	198,667	-	198,667
29						
30 Executive Director Costs and Related Support Fees						
31 Executive Director Salary	17,167	-	17,167	18,544	-	18,544
32 Payroll Taxes	1,580	-	1,580	-	-	-
33 Leased Employee per Check Fee	195	-	195	-	-	-
34 Executive Director Travel and Lodging, Education, and Other	564	-	564	-	-	-
35 Technology Support (Desktop and Telephony)	335	-	335	1,028	-	1,028
36 Total Executive Director Costs and Related Support Fees	19,841	-	19,841	19,572	-	19,572
37						
38 Provider and Payer Education and Outreach						
39 Provider Education Materials, Development and Printing	-	-	-	-	-	-
40 Postage	8	-	8	-	-	-
41 Website and Information Technology	-	-	-	-	-	-
42 Technical Consultant - Margaret Lane	775	-	775	-	-	-
43 Conferences and Education Sessions, Including Travel and Meals	-	-	-	-	-	-
44 Provider Office Training Sessions, Including Travel and Meals	-	-	-	-	-	-
45 Advertising and Sponsorships	-	-	-	-	-	-
46 Hospitality	-	-	-	-	-	-
47 Subcontractor Assistance	-	-	-	-	-	-
48 Total Provider and Payer Education and Outreach	783	-	783	-	-	-
49						
50 Administrative Costs						
51 Legal Counsel	2,428	-	2,428	(141)	-	(141)
52 Audit Fees	-	-	-	-	-	-
53 Government Relations, Including Travel, Meals, and Consultants	-	-	-	-	-	-
54 Registered Agent Fee	-	-	-	-	-	-
55 Bank Fees	-	-	-	-	-	-
56 Investment Management Fees	-	-	-	-	-	-
57 Office Supplies and Equipment	433	-	433	-	-	-
58 Rent, ELM and Storage Facility	-	-	-	-	-	-
59 Other Admin Support Provided by Lessor	-	-	-	-	-	-
60 Board Retreat and Meetings	-	-	-	-	-	-
61 Insurance	-	-	-	-	-	-
62 Cyber Liability	10,786	-	10,786	11,742	-	11,742
63 Directors and Officers	-	-	-	-	-	-
64 General Liability	-	-	-	-	-	-
65 Total Administrative Costs	13,647	-	13,647	11,601	-	11,601
66						
67 Other Discretionary Expenditures						
68 Conversion/Implementation Cost	-	-	-	-	-	-
69 Tricare Legislative & Administrative Services	-	-	-	-	-	-
70 Executive Director and Other Contractor Bonus	-	-	-	-	-	-
71 Denied Claims Recovery Expenses	5,250	-	5,250	-	-	-
72 Direct Healthcare Practices Operations	-	-	-	-	-	-
73 Covid-19 Expenses	1,750	-	1,750	-	-	-

Unaudited - For Management Purposes - See Attached Notes
Prepared by Helms And Company, Inc.

**Washington Vaccine Association
Statement of Activities and Changes in Net Assets**

		A	B	C	D	E	F
		Month Ended January 31, 2021			Month Ended January 31, 2020		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
Total Other Discretionary Expenditures		7,000	-	7,000	-	-	-
74	Total Administrative Expenses	126,914	-	126,914	229,840	-	229,840
75	Total Change in Unrestricted Net Assets	\$ (1,020,023)	\$ 229,438	\$ (790,585)	\$ (226,653)	\$ 1,851,505	\$ 1,624,852

**Washington Vaccine Association
Statement of Activities and Changes in Net Assets**

		A	B	C	D	E	F
		Month Ended January 31, 2021			For Seven Months Ended January 31, 2021		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
		Revenues / Vaccine Expenses					
1	Assessment Activity:						
2	Assessments	\$ (679,629)	\$ 5,148,818	\$ 4,469,189	\$ 904,536	\$ 42,863,543	\$ 43,768,079
3	Recoveries	-	63,223	63,223	-	3,852,990	3,852,990
4	Estimated Over (Under) Collections	-	-	-	-	-	-
5	Refunds	(24,117)	-	(24,117)	(211,193)	-	(211,193)
6	Estimated 2% Waste	(97,790)	-	(97,790)	(779,888)	-	(779,888)
7	Estimated Price Variance and 3% Denial	(17,563)	-	(17,563)	(198,908)	-	(198,908)
8	DOH Replenishment	-	(4,982,603)	(4,982,603)	-	(42,817,993)	(42,817,993)
9	Adjustment to Correct Inventory	-	-	-	1,034,189	(8,860,993)	(7,826,804)
10	DOH Cost Recovery Admin Charge	(78,919)	-	(78,919)	(610,861)	-	(610,861)
11	Interest Income on Assessments	-	-	-	-	-	-
12	Net Assessment Activity	(898,018)	229,438	(668,580)	137,875	(4,962,453)	(4,824,578)
13	Investment Activity:						
14	Interest and Dividend Income - Morgan Stanley	104,050	-	104,050	709,702	-	709,702
15	Realized Gain/(Loss) on Investments - Morgan Stanley	21,159	-	21,159	125,089	-	125,089
16	Unrealized Gain/(Loss) on Investments - Morgan Stanley	(109,657)	-	(109,657)	(625,383)	-	(625,383)
17	Investment Management Expenses	(10,668)	-	(10,668)	(76,249)	-	(76,249)
18	Interest Income - KeyBank	25	-	25	256	-	256
19	Net Investment Activity	4,909	-	4,909	133,415	-	133,415
20	Net Revenues	(893,109)	229,438	(663,671)	271,290	(8,039,606)	(4,691,163)

**Washington Vaccine Association
Statement of Activities and Changes in Net Assets**

	A	B	C	D	E	F
	Month Ended January 31, 2021			For Seven Months Ended January 31, 2021		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
	Other Expenses					
21 Administrative Expenses:						
22 Direct Processing Costs						
23 Helms & Company (Previously KidsVax)	65,432	-	65,432	458,024	-	458,024
24 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	9,872	-	9,872	76,794	-	76,794
25 Clearinghouse Intake Processing (Avality, Zelis)	4,510	-	4,510	9,190	-	9,190
26 Lockbox Fees	5,372	-	5,372	28,587	-	28,587
27 CollaborateMD	457	-	457	835	-	835
28 Total Direct Processing Costs	85,643	-	85,643	573,430	-	573,430
29						
30 Executive Director Costs and Related Support Fees						
31 Executive Director Salary	17,167	-	17,167	119,776	-	119,776
32 Payroll Taxes	1,580	-	1,580	5,282	-	5,282
33 Leased Employee per Check Fee	195	-	195	1,365	-	1,365
34 Executive Director Travel and Lodging, Education, and Other	564	-	564	9,580	-	9,580
35 Technology Support (Desktop and Telephony)	335	-	335	2,915	-	2,915
36 Total Executive Director Costs and Related Support Fees	19,841	-	19,841	138,918	-	138,918
37						
38 Provider and Payer Education and Outreach						
39 Provider Education Materials, Development and Printing	-	-	-	30,535	-	30,535
40 Postage	8	-	8	167	-	167
41 Website and Information Technology	-	-	-	4,085	-	4,085
42 Technical Consultant - Margaret Lane	775	-	775	3,054	-	3,054
43 Conferences and Education Sessions, Including Travel and Meals	-	-	-	-	-	-
44 Provider Office Training Sessions, Including Travel and Meals	-	-	-	-	-	-
45 Advertising and Sponsorships	-	-	-	-	-	-
46 Hospitality	-	-	-	613	-	613
47 Subcontractor Assistance	-	-	-	-	-	-
48 Total Provider and Payer Education and Outreach	783	-	783	38,454	-	38,454
49						
50 Administrative Costs						
51 Legal Counsel	2,428	-	2,428	64,698	-	64,698
52 Audit Fees	-	-	-	15,467	-	15,467
53 Government Relations, Including Travel, Meals, and Consultants	-	-	-	-	-	-
54 Registered Agent Fee	-	-	-	-	-	-
55 Bank Fees	-	-	-	-	-	-
56 Investment Management Fees	-	-	-	-	-	-
57 Office Supplies and Equipment	433	-	433	6,720	-	6,720
58 Rent, ELM and Storage Facility	-	-	-	252	-	252
59 Other Admin Support Provided by Lessor	-	-	-	-	-	-
60 Board Retreat and Meetings	-	-	-	-	-	-
61 Insurance						
62 Cyber Liability	10,786	-	10,786	10,786	-	10,786
63 Directors and Officers	-	-	-	-	-	-
64 General Liability	-	-	-	38,753	-	38,753
65 Total Administrative Costs	13,647	-	13,647	136,676	-	136,676
66						
67 Other Discretionary Expenditures						
68 Conversion/Implementation Cost	-	-	-	16,500	-	16,500
69 Tricare Legislative & Administrative Services	-	-	-	-	-	-
70 Executive Director and Other Contractor Bonus	-	-	-	-	-	-
71 Denied Claims Recovery Expenses	5,250	-	5,250	15,750	-	15,750
72 Direct Healthcare Practices Operations	-	-	-	-	-	-
73 Covid-19 Expenses	1,750	-	1,750	12,250	-	12,250
Total Other Discretionary Expenditures	7,000	-	7,000	44,500	-	44,500

Unaudited - For Management Purposes - See Attached Notes
Prepared by Helms And Company, Inc.

**Washington Vaccine Association
Statement of Activities and Changes in Net Assets**

	Month Ended January 31, 2021			For Seven Months Ended January 31, 2021		
	A	B	C	D	E	F
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
74 Total Administrative Expenses	126,914	-	126,914	931,978	-	931,978
75 Total Change in Unrestricted Net Assets	\$ (1,020,023)	\$ 229,438	\$ (790,585)	\$ (660,688)	\$ (8,039,606)	\$ (5,623,141)

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

		A	B	C	D	E	F
		For Seven Months Ended January 31, 2021			For Seven Months Ended January 31, 2020		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
		Revenues / Vaccine Expenses					
1	Assessment Activity:						
2	Assessments	\$ 904,536	\$ 42,863,543	\$ 43,768,079	\$ 5,243,985	\$ 45,047,977	\$ 50,291,962
3	Recoveries	-	3,852,990	3,852,990			
4	Estimated Over (Under) Collections	-	-	-	124,879	223,247	348,126
5	Refunds	(211,193)	-	(211,193)	(129,326)		(129,326)
6	Estimated 2% Waste	(779,888)	-	(779,888)	(95,249)	-	(95,249)
7	Estimated Price Variance and 3% Denial	(198,908)	-	(198,908)	(310,237)	-	(310,237)
8	DOH Replenishment	-	(42,817,993)	(42,817,993)	-	(43,299,105)	(43,299,105)
9	Adjustment to Correct Inventory	1,034,189	(8,860,993)	(7,826,804)	-	-	-
10	DOH Cost Recovery Admin Charge	(610,861)	-	(610,861)	(73,965)	-	(73,965)
11	Interest Income on Assessments	-	-	-	-	-	-
12	Net Assessment Activity	137,875	(4,962,453)	(4,824,578)	4,760,087	1,972,119	6,732,206
13	Investment Activity:						
14	Interest and Dividend Income - Morgan Stanley	709,702	-	709,702	816,822	-	816,822
15	Realized Gain/(Loss) on Investments - Morgan Stanley	125,089	-	125,089	45,449	-	45,449
16	Unrealized Gain/(Loss) on Investments - Morgan Stanley	(625,383)	-	(625,383)	(19,692)	-	(19,692)
17	Investment Management Expenses	(76,249)	-	(76,249)	(72,801)	-	(72,801)
18	Interest Income - KeyBank	256	-	256	67,309	-	67,309
19	Net Investment Activity	133,415	-	133,415	837,087	-	837,087
20	Net Revenues	271,290	(8,039,606)	(4,691,163)	5,597,174	1,972,119	7,569,293

**Washington Vaccine Association
Statement of Activities and Changes in Net Assets**

	A	B	C	D	E	F
	For Seven Months Ended January 31, 2021			For Seven Months Ended January 31, 2020		
	Administrative	Vaccine Other Expenses	Total	Administrative	Vaccine	Total
21 Administrative Expenses:						
22 Direct Processing Costs						
23 Helms & Company (Previously KidsVax)	458,024	-	458,024	613,370	-	613,370
24 Lockbox Image Conversion and Clearinghouse Intak	76,794	-	76,794	23,557	-	23,557
25 Clearinghouse Intake Processing (Availity, Zelis)	9,190	-	9,190	-	-	-
26 Lockbox Fees	28,587	-	28,587	32,690	-	32,690
27 CollaborateMD	835	-	835	-	-	-
28 Total Direct Processing Costs	573,430	-	573,430	669,617	-	669,617
29						
30 Executive Director Costs and Related Support Fees						
31 Executive Director Salary	119,776	-	119,776	124,084	-	124,084
32 Payroll Taxes	5,282	-	5,282	-	-	-
33 Leased Employee per Check Fee	1,365	-	1,365	-	-	-
34 Executive Director Travel and Lodging, Education, a	9,580	-	9,580	37,088	-	37,088
35 Technology Support (Desktop and Telephony)	2,915	-	2,915	1,028	-	1,028
36 Total Executive Director Costs and Related Support Fe	138,918	-	138,918	162,200	-	162,200
37						
38 Provider and Payer Education and Outreach						
39 Provider Education Materials, Development and Prin	30,535	-	30,535	-	-	-
40 Postage	167	-	167	-	-	-
41 Website and Information Technology	4,085	-	4,085	37,425	-	37,425
42 Technical Consultant - Margaret Lane	3,054	-	3,054	-	-	-
43 Conferences and Education Sessions, Including Tra	-	-	-	-	-	-
44 Provider Office Training Sessions, Including Travel	-	-	-	-	-	-
45 Advertising and Sponsorships	-	-	-	16,724	-	16,724
46 Hospitality	613	-	613	-	-	-
47 Subcontractor Assistance	-	-	-	-	-	-
48 Total Provider and Payer Education and Outreach	38,454	-	38,454	54,149	-	54,149
49						
50 Administrative Costs						
51 Legal Counsel	64,698	-	64,698	67,798	-	67,798
52 Audit Fees	15,467	-	15,467	14,700	-	14,700
53 Government Relations, Including Travel, Meals, and	-	-	-	-	-	-
54 Registered Agent Fee	-	-	-	-	-	-
55 Bank Fees	-	-	-	7,508	-	7,508
56 Investment Management Fees	-	-	-	-	-	-
57 Office Supplies and Equipment	6,720	-	6,720	17,458	-	17,458
58 Rent, ELM and Storage Facility	252	-	252	453	-	453
59 Other Admin Support Provided by Lessor	-	-	-	-	-	-
60 Board Retreat and Meetings	-	-	-	-	-	-
61 Insurance	-	-	-	-	-	-
62 Cyber Liability	10,786	-	10,786	11,742	-	11,742
63 Directors and Officers	-	-	-	-	-	-
64 General Liability	38,753	-	38,753	30,839	-	30,839
65 Total Administrative Costs	136,676	-	136,676	150,498	-	150,498
66						
67 Other Discretionary Expenditures						
68 Conversion/Implementation Cost	16,500	-	-	-	-	-

Unaudited - For Management Purposes - See Attached Notes
Prepared by Helms And Company, Inc.

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

		A	B	C	D	E	F
		For Seven Months Ended January 31, 2021			For Seven Months Ended January 31, 2020		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
69	Tricare Legislative & Administrative Services	-	-	-	(73,271)	-	(73,271)
70	Executive Director and Other Contractor Bonus	-	-	-	-	-	-
71	Denied Claims Recovery Expenses	15,750	-	15,750	18,000	-	18,000
72	Direct Healthcare Practices Operations	-	-	-	-	-	-
73	Covid-19 Expenses	12,250	-	12,250	-	-	-
	Total Other Discretionary Expenditures	44,500	-	44,500	(55,271)	-	(55,271)
74 Total Administrative Expenses		887,478	-	931,978	981,193	-	981,193
75	Total Change in Unrestricted Net Assets	\$ (616,188)	\$ (8,039,606)	\$ (5,623,141)	\$ 4,615,981	\$ 1,972,119	\$ 6,588,100

**Washington Vaccine Association
Administrative Budget Status
For Month of January 31, 2021**

	A Approved Budget	B Actual January 31, 2021	C Budget Variance
1 Direct Processing Costs			
2 Helms & Company	\$ 65,432	\$ 65,432	\$ -
3 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	16,255	9,872	6,383
4 Clearinghouse Intake Processing (Availity, Zelis)	1,350	4,510	(3,160)
5 Lockbox Fees	5,550	5,372	178
6 CollaborateMD	189	457	(268)
7 Total Direct Processing Costs	88,776	85,643	3,133
8 Executive Director Costs and Related Support Fees			
9 Executive Director Salary	17,424	17,167	257
10 Payroll Taxes	1,767	1,580	187
11 Leased Employee per Check Fee	195	195	-
12 Executive Director Travel and Lodging, Education, and Other	8,000	564	7,436
13 Technology Support (Desktop and Telephony)	335	335	-
14 Total Executive Director Costs and Related Support Fees	27,721	19,841	7,880
15 Provider and Payer Education and Outreach			
16 Provider Education Materials, Development and Printing	6,250	-	6,250
17 Postage	1,000	8	992
18 Website and Information Technology	1,250	-	1,250
19 Technical Consultant - Margaret Lane	1,000	775	225
20 Conferences and Education Sessions, Including Travel and Meals	-	-	-
21 Provider Office Training Sessions, Including Travel and Meals	1,000	-	1,000
22 Advertising and Sponsorships	-	-	-
23 Hospitality	333	-	333
24 Subcontractor Assistance	6,500	-	6,500
25 Total Provider and Payer Education and Outreach	17,333	783	16,550
26 Administrative Costs			
27 Legal Counsel	5,000	2,428	2,572
28 Audit Fees	-	-	-
29 Government Relations, Including Travel, Meals, and Consultants	2,500	-	2,500
30 Registered Agent Fee	-	-	-
31 Bank Fees	1,500	-	1,500
32 Investment Management Fees	9,333	10,668	(1,335)
33 Office Supplies and Equipment	450	433	17
34 Rent, ELM and Storage Facility	150	-	150
35 Other Admin Support Provided by Lessor	100	-	100
36 Board Retreat and Meetings	3,333	-	3,333
37 Insurance			
38 Cyber Liability	24,000	10,786	13,214
39 Directors and Officers	-	-	-
40 General Liability	-	-	-
41 Total Administrative Costs	46,366	24,315	22,051
42 Other Discretionary Expenditures			
43 Conversion/Implementation Cost	-	-	-
44 Executive Director and Other Contractor Bonus	-	-	-
45 Denied Claims Recovery Expenses	3,500	5,250	(1,750)
46 Direct Healthcare Practices Operations	2,000	-	2,000
47 Covid-19 Expenses	-	1,750	1,750
48 Total Other Discretionary Expenditures	5,500	7,000	(1,500)
49 Total Budget	185,695	137,582	48,114

**Washington Vaccine Association
Administrative Budget Status
For Seven Months Ended January 31, 2021**

	A Approved Budget	B Actual January 31, 2021	C Budget Variance
1 Direct Processing Costs			
2 Helms & Company (Previously KidsVax)	\$ 458,024	\$ 458,024	\$ -
3 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	113,782	76,794	36,988
4 Clearinghouse Intake Processing (Availity, Zelis)	9,450	9,190	260
5 Lockbox Fees	29,600	28,587	1,013
6 CollaborateMD	1,323	835	488
7 Total Direct Processing Costs	612,179	573,430	38,749
8 Executive Director Costs and Related Support Fees			
9 Executive Director Salary	118,926	119,776	(850)
10 Payroll Taxes	12,063	5,282	6,781
11 Leased Employee per Check Fee	1,365	1,365	-
12 Executive Director Travel and Lodging, Education, and Other	35,000	9,580	25,420
13 Technology Support (Desktop and Telephony)	2,345	2,915	(570)
14 Total Executive Director Costs and Related Support Fees	169,699	138,918	30,781
15 Provider and Payer Education and Outreach			
16 Provider Education Materials, Development and Printing	43,750	30,535	13,215
17 Postage	11,000	167	10,833
18 Website and Information Technology	8,750	4,085	4,665
19 Technical Consultant - Margaret Lane	7,000	3,054	3,946
20 Conferences and Education Sessions, Including Travel and Meals	5,000	-	5,000
21 Provider Office Training Sessions, Including Travel and Meals	7,000	-	7,000
22 Advertising and Sponsorships	1,000	-	1,000
23 Hospitality	2,331	613	1,718
24 Subcontractor Assistance	19,500	-	19,500
25 Total Provider and Payer Education and Outreach	105,331	38,454	66,877
26 Administrative Costs			
27 Legal Counsel	35,000	64,698	(29,698)
28 Audit Fees	18,000	15,467	2,533
29 Government Relations, Including Travel, Meals, and Consultants	7,500	-	7,500
30 Registered Agent Fee	150	-	150
31 Bank Fees	10,500	-	10,500
32 Investment Management Fees	65,335	76,249	(10,914)
33 Office Supplies and Equipment	3,150	6,720	(3,570)
34 Rent, ELM and Storage Facility	1,050	252	798
35 Other Admin Support Provided by Lessor	700	-	700
36 Board Retreat and Meetings	3,333	-	3,333
37 Insurance			
38 Cyber Liability	24,000	10,786	13,214
39 Directors and Officers	32,000	38,753	(6,753)
40 General Liability	650	-	650
41 Total Administrative Costs	201,368	212,925	(11,557)
42 Other Discretionary Expenditures			
43 Conversion/Implementation Cost	-	16,500	(16,500)
44 Executive Director and Other Contractor Bonus	-	-	-
45 Denied Claims Recovery Expenses	24,500	15,750	8,750
46 Direct Healthcare Practices Operations	14,000	-	14,000
47 Covid-19 Expenses	-	12,250	(12,250)
48 Total Other Discretionary Expenditures	38,500	44,500	(6,000)
49 Total Budget	1,127,077	1,008,227	118,850

Washington Vaccine Association

Notes to Financial Statements

For the Month Ended January 31, 2021

Balance Sheet

Lines 2 and 4. Although cash decreased in January by approximately \$813,000, the balance has not decreased at the budgeted rate. Total cash and investments at month end are approximately \$57 million as compared to the budgeted cash position of \$52.8 million. Factors contributing to the variance from the budgeted reduction include the receipt of \$3.9M in recovery payments. Additionally, payments continue to be received for assessments related to FY2020 dates of service and payable at the higher FY2020 assessment rate. The time-lag between the date of service and the receipt of payment will need to be considered when projecting cash reserves for FY2022.

Line 6. The Prepaid Vaccine amount includes the amount requested by the Washington Department of Health (DOH) for the January 2021 replenishment of vaccines. The amount includes the administrative fee of 1.4%. The DOH cost recovery charge included with this request was \$78,919 and is associated with December 2020.

Line 5. Members Estimated Collectible Assessments reflects the value of vaccine funding provided to the DOH for the purchase of vaccines for which the Association expects to receive an assessment payment.

Profit and Loss

Line 1. Assessment receipts for the month of January 2021 are \$2.2 million less than January 2020. A portion of the reduction is due to the timing of remittances, however, the current month's loss is in agreement with the budgeted cash reduction.

Line 2. The amount reported as Assessments includes all assessments received in the month of January. The assessments are tracked in the accounting system using the date of service supplied by the provider's remittance advice. It is assumed that the provider utilized a vaccine that was purchased by the Department of Health in either the corresponding month or a prior month.

Line 3. The amount reflects payment received by the WVA resulting from grid adherence and other payer compliance initiatives.

Line 6. The amount reported as 2% Waste is an estimate that was recorded through a journal entry. This estimate will be refined as we continue to process and track the amount of collectible assessments remaining from each DOH funding request. The amount remaining would likely represent vaccines that were not administered and would be considered waste. This will take several months of data before we are able to provide a more accurate estimate and therefore the 2% Waste estimate will continue to be used for the foreseeable future.

Line 7. The amount reported in January as Price Variance and Denials is the actual total of variances and denials identified through the lockbox transactions processed through OrboGraph.

Line 8. The DOH replenishment is the actual “cost” of the vaccines that are associated with the Assessments received in January.

Other

Based upon a review of detailed assessment remittance data, it appears that the Association may have received some remittances in error. Research is ongoing to determine the reasons for these remittances, the timeline of receipt, and the total dollar amount. Additionally, a process to resolve these items, as well as prevent future remittance errors from occurring will be developed.

Utilizing the assessment remittance database, the Association has been able to identify several instances whereby a payer has been incorrectly denying or underpaying assessments for a variety of reasons. Efforts are underway to contact payers to resolve these discrepancies and may result in additional assessment revenue attributable to the current fiscal year.



Ensuring Funds for Childhood Vaccines

Cash Position & FY22 Budget and Vaccine Grid Development Overview

Finance Committee
February 18, 2021

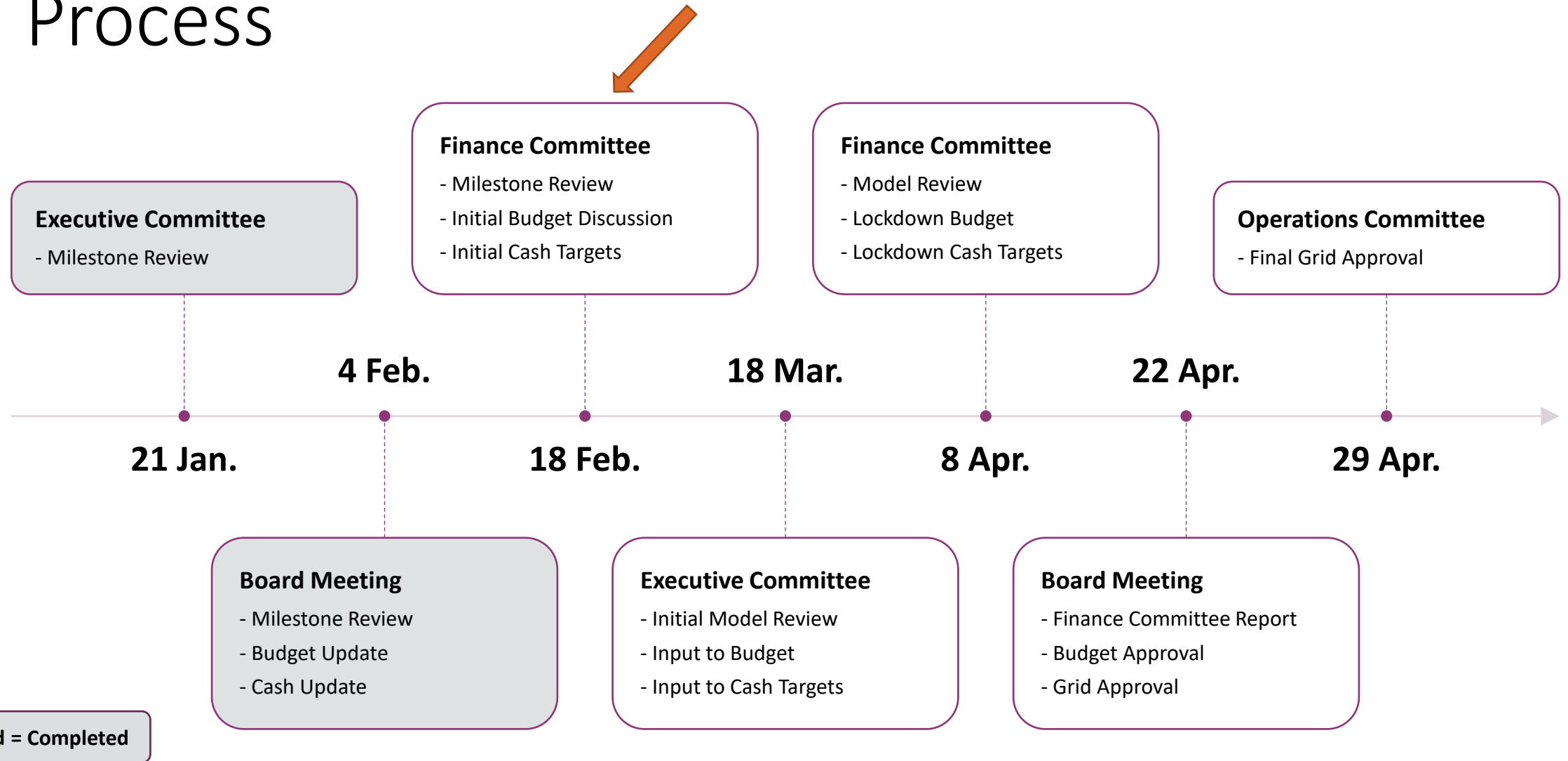
Confidential and Proprietary WVVA (c) 2021



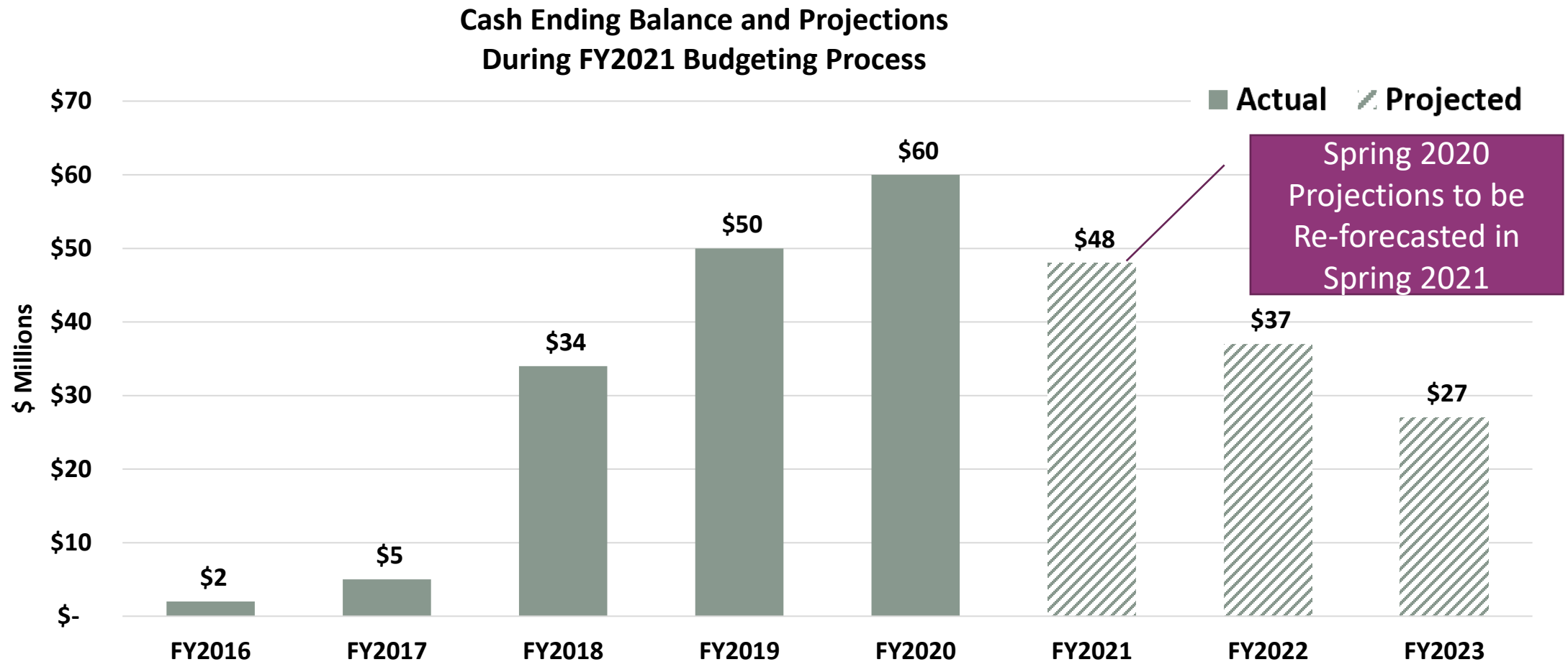
Summary

- WVA remains in a strong cash position seven months into FY2021
 - The July 1, 2021 vaccine grid reductions went into effect
 - COVID-19 had an impact by reducing assessment revenue
 - Cash is ahead of forecast due partially to compliance recovery efforts
- The FY22 process for budget and grid development has begun
 - There will be multiple points of board and committee engagement
- Ideally, the grid will remain stable in FY22
- Initial assumptions will be discussed today
 - Cash targets
 - Recoveries
 - Administrative budget

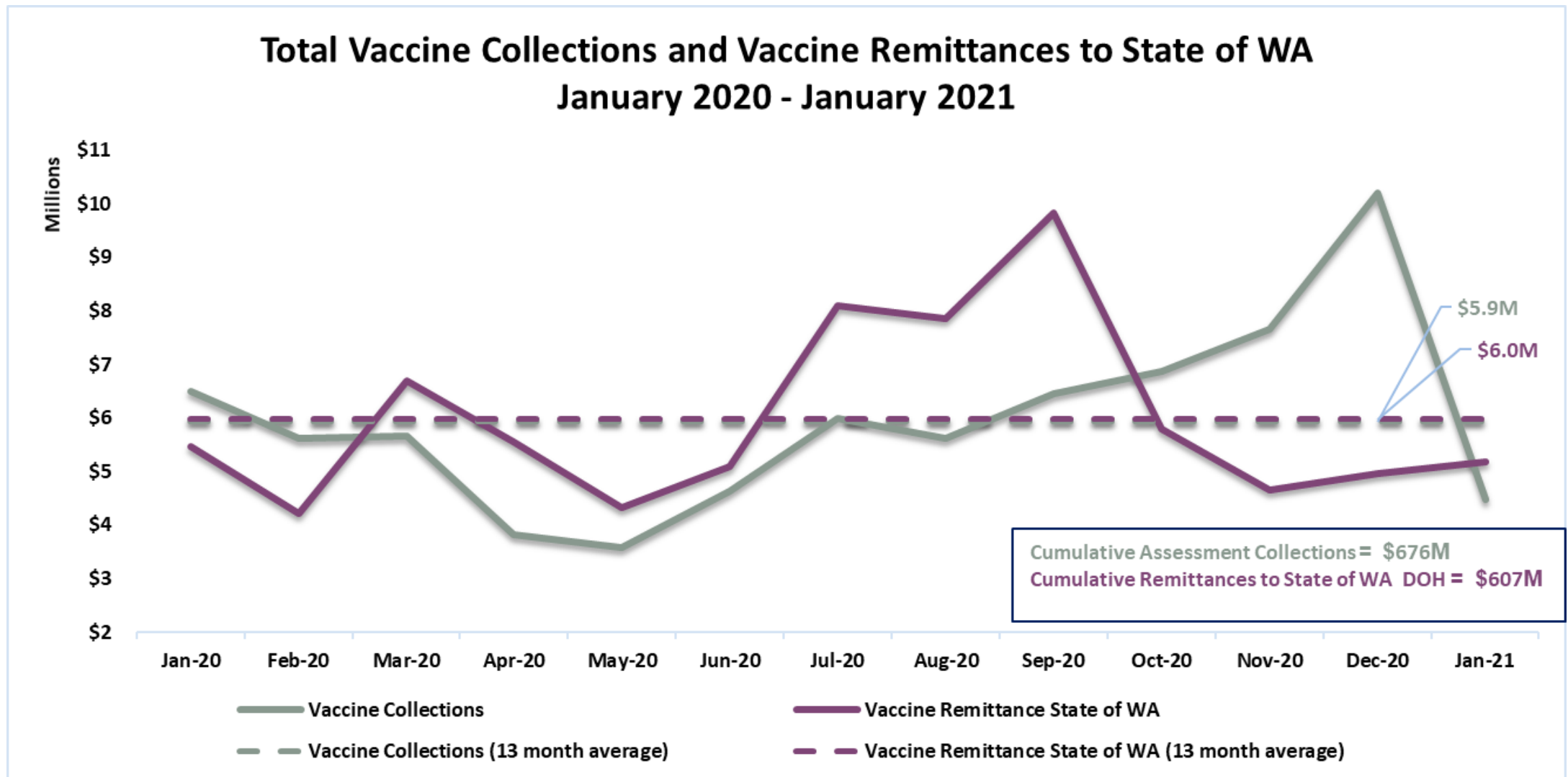
FY22 Budget & Vaccine Grid Development Process



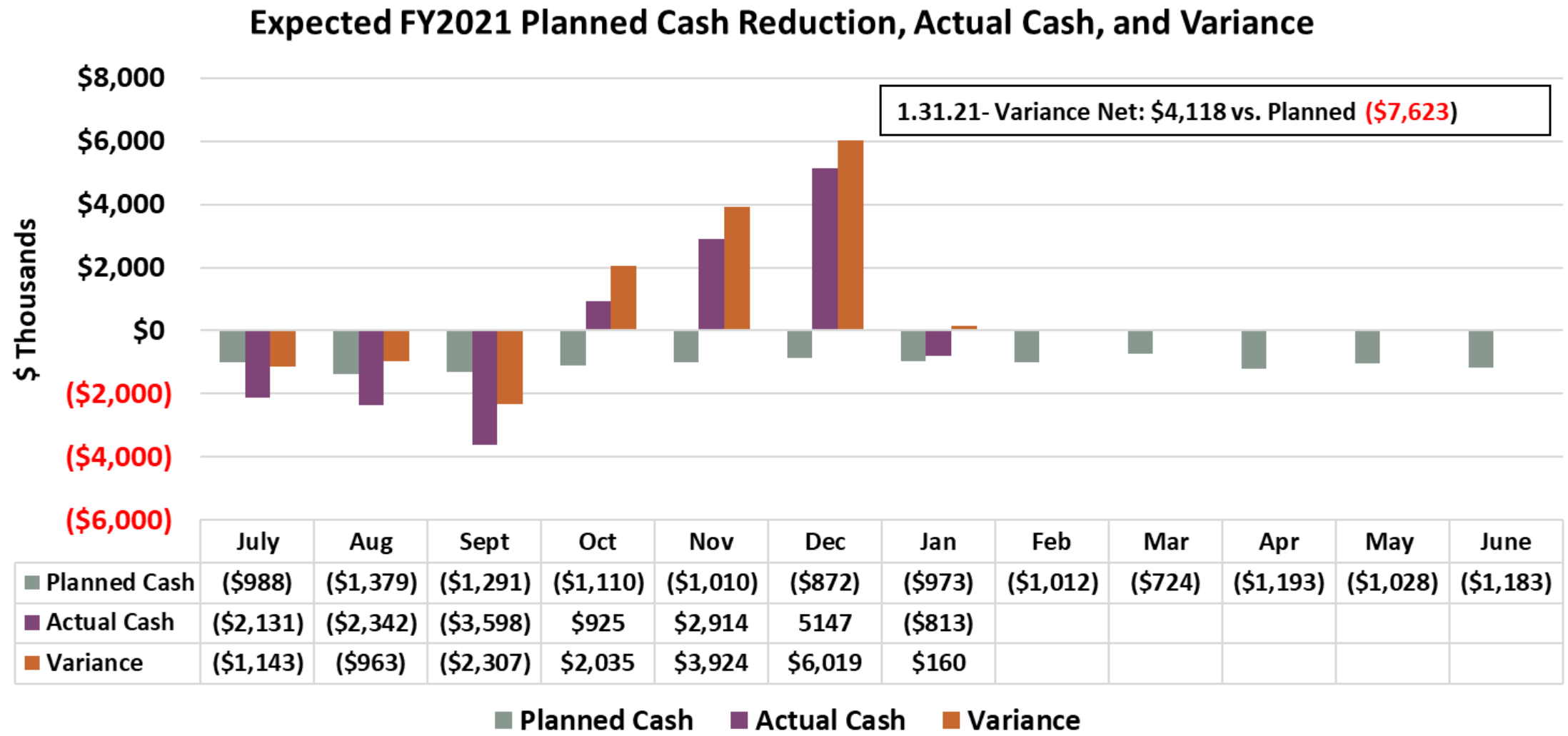
FY21 Cash Budget Goals



Cash Flows 13 Month Period January 2020-January 2021



FY21 Planned Cash Reduction, Actual Cash, and Variance



Recovery Overview

- Recoveries Actively Pursued Include:
 - Grid adherence
 - Denials
 - Patient responsibility
- Recoveries Passively Pursued Include:
 - Payer DBA refunds
 - Quarterly settlement process (split DBAs)
- Method for Recoveries Include:
 - One-time settlements
 - DBAs reprocessed
- Impacts Include:
 - Some recoveries impact the Members Estimated Collectible Assessments found on the Statement of Financial Position
 - Assessment revenue increases on a go forward basis
 - Receipt of DBA detail to update WVA system flag(s)

Committee Confidential Slide

Committee Confidential Slide

Committee Confidential Slide

Committee Confidential Slide

FY21 Assumptions & Cash Flow Impacts

WVA Financial Model	Historical		Projected	Forecast Period - At Cost		
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Assumptions						
Assessment Grid Markup				1	1	1
Indirect				1.4%	1.4%	1.4%
DOH Cost Recovery Fee				3.0%	2.6%	2.6%
Vaccine Wastage				3.0%	2.0%	2.0%
Denials				10.5%	8.0%	6.0%
Denial Recoveries				3.5%	3.0%	2.0%
% of Investments on Ending Cash Balance				90%	90%	90%
Inflows/Outflows						
Assessment Revenue	84,137,375	87,262,137	81,113,594	74,499,160	77,083,349	79,395,849
Vaccine Replenishment	65,835,583	65,491,991	63,139,509	74,499,160	77,083,349	79,395,849
Investment Income	-	51,903	1,158,897	-	-	-
TRICARE Expense Offset	-	-	191,858	-	-	-
Gross Revenue	18,301,792	21,822,049	19,324,840	-	-	-
Administrative Cost						
Indirect	-	-	-	(1,042,988)	(1,079,167)	(1,111,542)
DOH Cost Recovery Fee	-	-	-	(2,234,975)	(2,004,167)	(2,064,292)
Vaccine Wastage	-	-	-	(2,234,975)	(1,541,667)	(1,587,917)
Denials	-	-	-	(7,822,412)	(6,166,668)	(4,763,751)
Denial Recoveries	-	-	-	2,607,471	2,312,500	1,587,917
Administrative Budget	(1,189,899)	(1,821,862)	(1,310,555)	(2,027,633)	(1,935,521)	(1,919,676)
Total Administrative Cost	(1,189,899)	(1,821,862)	(1,310,555)	(12,755,512)	(10,414,689)	(9,859,261)
Revenue in Excess of Expenditures	17,111,893	20,000,187	18,014,285	(12,755,512)	(10,414,689)	(9,859,261)
Effect on Cash Reserves						
Cash Reserves Beginning Balance	9,582,053	34,130,094	50,477,971	60,494,195	47,738,683	37,323,993
Cash Generated/ (Used)	24,538,923	16,347,877	10,016,224	(12,755,512)	(10,414,689)	(9,859,261)
Cash Reserves Ending Balance	34,130,094	50,477,971	60,494,195	47,738,683	37,323,993	27,464,732
Investments	9,118	45,555,976	54,444,775	42,964,814	33,591,594	24,718,259
Cash and Cash Equivalents	34,120,976	4,921,995	6,049,419	4,773,868	3,732,399	2,746,473

Budget Summary	Historical		WVA ANNUAL OPERATIONS BUDGET FY2021													Forecast		
	Budgeted	Projected Actual	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	Budgeted Total	Budgeted Total	Budgeted Total	
	FY 2020	FY 2020	2020	2020	2020	2020	2020	2020	2021	2021	2021	2021	2021	2021	FY 2021	FY 2022	FY 2023	
Direct Processing Costs																		
Helms & Company (Previously KidsVax)	430,867	502,598	65,432	65,432	65,432	65,432	65,432	65,432	65,432	65,432	65,432	65,432	65,432	65,432	785,184	785,184	785,184	
Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	-	111,915	16,255	16,255	16,255	16,255	16,255	16,255	16,255	16,255	16,255	16,255	16,255	16,255	195,054	195,054	195,054	
Clearinghouse Intake Processing (Availity, Zelis)	-	4,050	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	16,200	17,820	19,602	
Lockbox Fees	55,000	58,151	3,000	3,400	3,300	3,500	5,100	5,750	5,550	4,500	3,350	3,850	3,650	3,325	48,275	33,793	28,965	
CollaborateMD	-	567	189	189	189	189	189	189	189	189	189	189	189	189	2,268	-	-	
	485,867	677,281	86,226	86,626	86,526	86,726	88,326	88,976	88,776	87,726	86,576	87,076	86,876	86,551	1,046,981	1,031,851	1,028,805	
Executive Director Costs and Related Support Fees																		
Executive Director Salary	207,000	203,000	16,917	16,917	16,917	16,917	16,917	16,917	17,424	17,424	17,424	17,424	17,424	17,424	206,045	212,226	218,593	
Payroll Taxes	20,992	20,586	1,716	1,716	1,716	1,716	1,716	1,716	1,767	1,767	1,767	1,767	1,767	1,767	20,895	21,522	22,168	
Leased Employee per Check Fee	-	2,730	195	195	195	195	195	195	195	195	195	585	195	195	2,730	3,000	3,000	
Executive Director Travel and Lodging, Education, and Other	80,500	65,000	3,000	3,000	3,000	6,000	6,000	6,000	8,000	6,000	8,000	6,000	8,000	8,000	71,000	75,000	75,000	
Technology Support (Desktop and Telephony)	-	10,670	335	335	335	335	335	335	335	335	335	335	335	335	4,020	4,020	4,020	
	308,492	301,986	22,162	22,162	22,162	25,162	25,162	25,162	27,721	25,721	27,721	26,111	27,721	27,721	304,690	315,768	322,781	
Provider and Payer Education and Outreach																		
Provider Education Materials, Development and Printing	16,724	15,000	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	75,000	45,000	45,000	
Postage	-	2,500	1,000	5,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	5,000	20,000	15,000	15,000	
Website and Information Technology	38,235	37,425	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000	15,000	15,000	
Technical Consultant - Margaret Lane	-	-	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000	12,000	
Conferences and Education Sessions, Including Travel and Meals	6,000	6,000	-	-	-	2,000	-	3,000	-	-	-	-	2,000	-	7,000	11,000	11,000	
Provider Office Training Sessions, Including Travel and Meals	-	-	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000	12,000	
Advertising and Sponsorships	2,000	-	-	-	-	-	-	1,000	-	-	-	-	1,000	-	7,000	2,000	2,000	
Hospitality	2,000	200	333	333	333	333	333	333	333	333	333	333	333	333	7,000	4,000	4,000	
Subcontractor Assistance	-	-	-	-	-	-	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	52,000	52,000	52,000	
	64,959	61,125	10,833	14,833	10,833	12,833	17,333	21,333	17,333	17,333	17,333	17,333	20,333	21,333	199,000	168,000	168,000	
Administrative Costs																		
Legal Counsel	48,000	116,250	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	40,000	40,000	
Audit Fees	12,000	14,700	-	9,000	9,000	-	-	-	-	-	-	-	-	-	18,000	16,000	16,000	
Government Relations, Including Travel, Meals, and Consultants	-	-	-	-	-	5,000	-	-	2,500	-	-	5,000	-	-	12,500	12,500	12,500	
Registered Agent Fee	-	140	-	150	-	-	-	-	-	-	-	-	-	-	150	150	150	
Bank Fees	18,000	11,262	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000	18,000	18,000	
Investment Management Fees	112,000	125,369	9,337	9,333	9,333	9,333	9,333	9,333	9,333	9,333	9,333	9,333	9,333	9,333	112,000	85,000	80,000	
Office Supplies, Printing and Equipment	10,410	-	450	450	450	450	450	450	450	450	450	450	450	450	5,400	5,500	5,500	
ELM Rent, Conference Rooms and Storage Facility	5,000	5,000	150	150	150	150	150	150	150	150	150	150	150	5,065	6,715	6,800		
Other Admin Support Provided by Lessor	2,000	2,000	100	100	100	100	100	100	100	100	100	100	100	100	1,200	2,400	2,400	
Board Retreat and Meetings	5,000	-	-	-	-	-	-	-	3,333	3,333	3,333	3,333	3,333	3,333	20,000	5,000	5,000	
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cyber Liability	15,000	11,742	-	-	-	-	-	-	24,000	-	-	-	-	-	24,000	24,720	25,462	
Directors and Officers	30,000	30,839	-	32,000	-	-	-	-	-	-	-	-	-	-	32,000	32,960	33,949	
General Liability	-	-	-	650	-	-	-	-	-	-	-	-	-	-	650	650	650	
	257,410	317,302	16,537	58,333	25,533	21,533	16,533	16,533	46,366	19,866	19,866	24,866	19,866	24,781	310,615	249,680	246,410	
Other Discretionary Expenditures																		
Conversion/Implementation Cost	-	480,000	-	-	-	-	-	-	-	-	-	-	-	100,000	100,000	100,000	100,000	
Executive Director and Other Contractor Bonus	100,000	20,000	-	-	-	-	-	-	-	-	-	-	-	-	100,000	100,000	100,000	
Denied Claims Recovery and Grid Adherence Activities	36,000	27,000	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	42,000	42,000	42,000	
DBA System Refinement Activities	-	-	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000	24,000	24,000	
	136,000	527,000	-	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	105,500	5,500	166,000	166,000	166,000	
Total Budget	1,252,728	1,884,693	-	141,258	187,454	150,564	151,754	152,854	157,504	185,696	156,146	156,996	160,886	260,296	165,886	2,027,286	1,931,299	1,931,996
Other Uncategorized Expenses	46,807		Confidential and Proprietary WVA (c) 2021															
Total Prior Year Budget	1,299,535																Meeting Package	

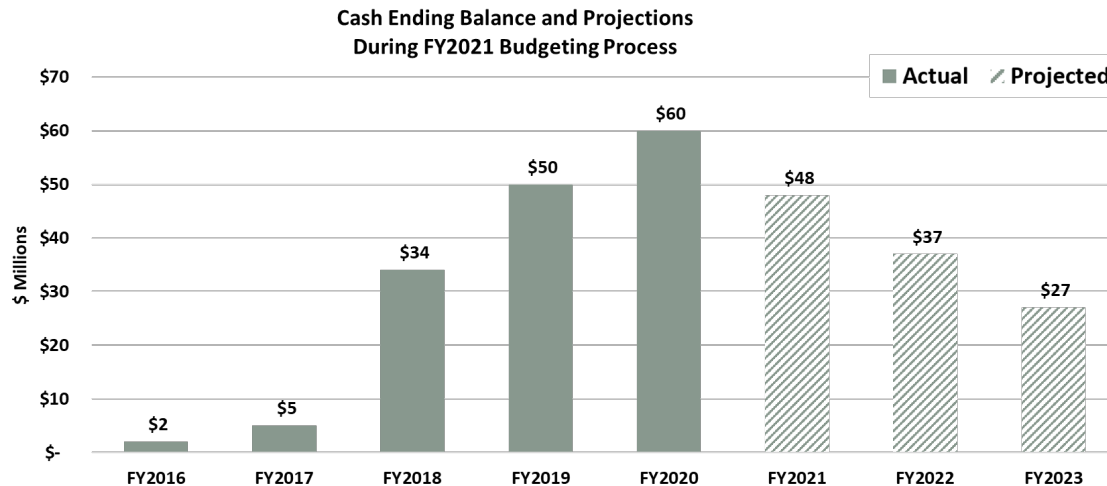
Placeholder FY22 Assumptions Discussion

- Assumptions

- 2022 YE Cash \$
- 2023 YE Cash \$
- 2024 YE Cash \$

- Further Analysis

- Additional months close
- Improved estimate of YE cash \$
- DOH FY2022 projections
- April 2021 CDC pricing
- Improved aging factor of Assessment Revenue line
- Additional recovery estimates



Reserves Investment Policy – Washington Vaccine Association

(Adopted June 28, 2018; Revised and Restated ____, 2021)

Overview of WVA Reserves Investment Policy

Washington Vaccine Association (WVA) is a Washington nonprofit corporation, exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The primary purpose of WVA is to collect and remit adequate funds from health carriers and third-party administrators to the Washington State Department of Health to pay timely the cost of vaccines administered to children in the State of Washington who are not eligible for free vaccines under one or more federal programs. WVA was created in April 2010 pursuant to the provisions of Chapter 70.290, RCW.

The Board of Directors of WVA (Board) has determined that to carry out its statutory and charitable purpose WVA should maintain minimum reserves **[in amounts projected from time to time by the Board to cover several months of vaccines costs plus the next flu season purchases]** to provide liquidity to fund the costs of such vaccines by timely (just in time) deposits to the State's universal vaccine purchase account.

The purpose of this Reserves Investment Policy is to establish the responsibility, authority, and guidelines for the investment of WVA reserve funds maintained from time to time.

Reserves Investment Policy Review

This Reserves Investment Policy has been adopted by the Board and will be reviewed periodically by the Board or a delegated Board committee as required to remain consistent with the objectives of WVA and with current financial trends. Changes to this Reserves Investment Policy shall require Board approval.

Prudence and Good Faith

Persons responsible for managing and investing WVA funds shall act in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances as set out in the Washington State Uniform Prudent Management of Institutional Funds Act (UPMIFA), Chapter 24.55 RCW.

Investment Objectives and Principles

The objectives of WVA's investment program are, in order of priority:

- Safety and preservation of principal by investing in a high quality, diversified portfolio of securities as described in "Investment Guidelines."
- Liquidity of investments that is sufficient to meet WVA's projected funding requirements and provide liquidity for unanticipated funding needs.
- Market rates of return on invested funds consistent with the above stated conservative objectives.

Investment Guidelines

1. **Maturity:**

Individual security maturities shall not exceed 60 months (5 years). The weighted average maturity of the Portfolio shall not exceed 36 months (3 years). No more than 40% of the Portfolio will carry maturities beyond 36 months (3 years). A maturity or effective maturity by definition shall include puts, announced calls or other structural features which will allow the holder to redeem the investments at a quantifiable price consistent with liquidity, safety and preservation of capital.

2. **Eligible Investments:**

Eligible investments shall include only the following investments:

United States Government Securities: Marketable securities which are direct obligations of the U.S.A., issued by or guaranteed as to principal and interest by the U.S. Government and supported by the full faith and credit of the United States.

United States Government Agency Securities: Debt securities issued by the Government Sponsored Enterprises, Federal Agencies and certain *international institutions* which are not direct obligations of the United States, but involve US Government sponsorship and are fully guaranteed by government agencies or enterprises, including but not limited to:

- Federal Farm Credit Bank (FFCB)
- Federal Home Loan Bank (FHLB)
- Federal Home Loan Mortgage Corporation (FHLMC)
- Federal National Mortgage Association (FNMA)

Corporate Debt Instruments: All commercial paper and other short-term, unsecured promissory notes issued by corporations or financial institutions including but not limited to Master Notes, Medium-Term Notes, Deposit Notes, Eurodollar Notes and Yankee Notes and bonds. Corporate Debt must have either short term or long-term ratings. At the time of purchase, a security must have at least 2 short-term ratings of A-1 or P-1 or F1 or higher (S&P, Moody's and Fitch, respectively), or at least 2 long-term debt ratings of A, A2, or A or higher (S&P, Moody's, and Fitch, respectively). If the credit rating on a security falls to either BAA1 or BBB+ from the time of purchase, the holding shall be sold.

Investments in corporate bond issuers primarily related to health care or pharmaceutical companies is strongly discouraged (or: not permitted).

Money Market Mutual Funds: Shares of an open-end investment company fund registered under the Investment Company Act of 1940 and rated AAA by at least one major rating agency (S&P, Moody's, or Fitch). The investments of that fund should comply with the SEC regulations under Rule 2a-7 and maintain a constant net asset value, offer daily liquidity and carry an average weighted maturity that does not exceed 90 days. An investment consultant shall routinely evaluate WVA's investment portfolio to ensure its compliance with this Investment Policy.

FDIC Insured Certificates of Deposit: Marketable certificate of deposit (CDs) in separately insured ownership categories of less than \$250,000 each insured by the Federal Deposit Insurance Corporation.

Bank Deposit and Checking Accounts: No limit will be placed on bank deposit or checking accounts as long as they are 100% guaranteed by FDIC coverage. Where FDIC limits expire or are otherwise exceeded, the board will set prudent operating limits in consideration of the overall economic and operating benefits to WVA; credit quality of the bank; and overall risk environment.

Issuer Concentration Limits – In order to provide adequate issuer risk diversification the following issuer limits apply, based on the Portfolio size at the time of purchase:

1. No limit on AAA money funds that otherwise meet policy parameters;
2. No limit on US Treasury individual securities;
3. Maximum of 10% individual securities backed by any qualifying Agency issuer; and
4. Maximum of 5% individual securities of any corporate or bank issuer, with a total maximum limit of corporate bond holdings to not more than 50% of the total Portfolio.

Benchmarking, Performance, and Communications

The investment performance of the Portfolio will be measured and evaluated against an appropriate blend of commonly accepted performance benchmark indexes.

At a minimum, quarterly performance and strategy outlook reviews should be held with the investment manager and the Board or its delegated committee. The investment manager or consultant will provide timely reporting on capital market developments affecting the Portfolio and present a course of action if necessary. Investments may be sold prior to maturity due to changes in credit quality, market condition, or for uncertain capital needs; however, prudence and overall caution shall be exercised to minimize any potential losses.

Delegation of Authority

The Board shall be authorized to delegate certain responsibilities to professional experts in various fields to assist WVA in developing an investment strategy aligned with WVA's objectives consistent with UPMIFA. Professionals may include investment management consultants, investment managers, custodians of investments, attorneys, auditors, and any others who may assist WVA in meeting its responsibilities and obligations to prudently administer the investments of WVA. The Board shall engage a qualified investment manager to evaluate performance of the Portfolio and support compliance with this Reserves Investment Policy.

Revised and Restated ____ day of _____, 2021.

Chad Murphy, PharmD

Reserves Investment Policy – Washington Vaccine Association(Adopted June 28, 2018; Revised and Restated , 2021)**Overview of WVA Reserves Investment Policy**

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~~Approved and adopted on this~~ Revised and Restated ____ day of _____, 2021~~18~~.

~~Chad Murphy, PharmD~~ John Sobeck, M.D., Chairman ~~+ 2 even~~