

Financial Oversight Committee Minutes Sept. 21, 2021

The Financial Oversight Committee met at 7:00 PM on Tuesday, Sept. 21, 2021 via Zoom.

Members present were Al Powers, Barb Royal, Megan Klee, and Eileen Jackson (non-board); Greg Nichols and Sara Jensen (Board). Charlie Lewis attended as staff liaison.

Board Update

Greg provided an update on personnel issues.

- The Bookkeeper position has been eliminated, work will be transferred to Charlie
- Peyton and Kerrie have resigned and the Membership Coordinator position has been eliminated.
- A new Technology position will be created.
- The new job descriptions for Communications Coordinator, Technology, and Office Operations will be updated and may be modified depending on the skills of persons who are hired to fill these openings.

These changes will result in some reduction in expenditures and should reduce the amount that we need to pull from reserves.

The board has adopted the UUA formula for determining the number of hours for the DRE position based on RE enrollment. The position hours will be adjusted during the year based on the number of the children's RE enrollment this fall.

Quarterly Audit (2020-2021 Budget Year):

Bank Fees were \$3,100 over budget – The higher expense reflects that Push Pay is being used by more people and for more things, including pledges, internal & external social justice contributions, and other fundraisers. The cost is based on a flat fee per transaction plus a percentage of the payment amount. The overall cost is less than PayPal or other payment processing alternatives. Charlie is to follow up with information on the number of people that are signed up for notifications in the PushPay app.

It was noted that PushPay had a guarantee that we would show an overall increase of 5% in revenue or we would get a year's maintenance for free. Charlie wasn't sure how much we grew, but thought that the guarantee was voided by the pandemic, because of a clause in the contract dealing with "critical events". He will follow up with PushPay.

Charlie was asked to include information related to the outcome of prior financial projections or expectations in future reporting.

Equipment and Maintenance was \$4,600 over budget – This was due to new computers that were intended to be paid from the 2021-22 budget, but were received in June and charged to the 2020-21 budget because the funds were available and it will reduce the projected deficit for 2021-22.

Technology Support was \$2,700 over budget – This was due to software that was purchased with the new computers and expenditures for web site development.

RE Curriculum Materials were \$1,600 over budget – Charlie says the line item was over budget because of a \$2,500 payment for someone to teach a class, but the RE total expenditures were about \$3,500 under budget, so it shouldn't matter. He also noted that

since the person was paid for this same task in the previous year (via a REACH grant) IRS regulations will not allow the work to be continued on a volunteer basis. He was unsure if the person would be paid for teaching a similar class this year.

Charlie has started adding more detail on each transaction in Power Church to make it easier to respond to questions. The Committee feels strongly that all income and expenditure must be documented and tracked, whether or not it is a budget item. This includes anonymous donations and purchases made with the funds.

The Committee also feels a clearer distinction is needed as to how technology and computer related expenses are categorized.

Someone asked about depreciation of assets, and Charlie says since we don't file taxes, we don't need to do that. The committee felt that we do need to track purchases so we have some idea when major assets will need replacement (e.g., the roof, furnaces, technology equipment).

The Committee felt these discussions represented a satisfactory resolution of all items.

Ad Hoc Sub-Committee on capital expenditures

The Board of Trustees requested that a temporary sub-committee be formed to draft a policy on periodic review potential capital expenditures and how those are to be prioritized. Sara will chair the sub-committee, with Eileen and Megan as members. The sub-committee is to report to the Board in November or December.

Pledge Status

Charlie reports that the pledge income to date for the 2021-22 budget year is very close to the budgeted amount. The August pledge dinner was successful and resulted in a net increase of about \$2,000 in expected income for the 2021-22 budget.

Bank Deposits

Charlie has asked the Committee to handle bank deposits on a temporary basis because of lack of staff. The Committee agreed that Barb could handle this temporarily, but it emphasizes the need for staff to be available on site. This responsibility needs to be included in the job descriptions being prepared.

New Business

Discussed need for a cash flow statement as part of the monthly reporting. Charlie does not think it would provide any useful information, but the Committee wants to know if it would be available from Power Church. **Charlie** will investigate.

Future Meetings: The next meeting will be held at 7:00 PM on Tuesday, Oct. 19.

Respectfully submitted,
Allan Powers