

Financial Records Review Committee Annual Report

2020-2021 Church Year

Financial Records Review Committee (FRRC) Members: Frank Grossman & Rob Bate

Our bylaws require annual financial record reviews of the Church, Winter Garden with White Wing School, and the Nashua Cemetery Association. The reviews verify that the fiscal records and financial transactions of each component are transparent, orderly and consistent.

The Committee conducted separate reviews for the UU Church (Ericka LaValley, Church Administrator), Children's Winter Garden with White Wing School (Chris Clanin, Director and Kim Coumas, Office Manager), and Nashua Cemetery Association (Kevin Murray, Treasurer).

This year due to the pandemic the meetings were done remotely with video conferencing software.

Subject to the concerns and recommendations below all records examined were found to be in satisfactory order.

UU Church of Nashua

Attendees; Ericka LaValley (Church Administrator), Frank Grossman, Rob Bate

Ericka was only 3 months into the job of Church Administrator when we did this review. Ericka had picked up a good amount of knowledge by this point, and was great at asking questions to make sure she had a good understanding of the different parts. She had picked up a good amount of the QuickBooks (QB) lingo and was able to show us around by sharing her screen. The main areas that we asked about were income and expenses - the different types and the procedures for each - as well as any policies around the financials. Ericka had a good grasp on the different types of income that come into the church, including how pledges come in from Breeze and how to reconcile those to the individual accounts in QB. On expenses, the budget is kept in QB and she makes sure that each check comes from the correct accounts from the budget and is reflected in QB. She was also able to walk us through the procedures for reimbursements and the use of the debit card. The bookkeeper, Lori Bonnette, has taken on a little bit more of the procedures while Ericka is learning the systems, but that should return to normal as Ericka gets more up to speed. While it always takes awhile to come up to speed on all

the policies, most of the policies are documented and kept in a shared drive on Google. Ericka has a very measured approach and our feeling was that she was likely to ask questions or be more conservative than most policies.

We were able to have Ericka pull some recent donations and expenses and show us how those moved through the systems. All looked good.

One change was that the payroll company PayCycle had recently been purchased by QB. As with any conversion, details have to be watched closely to make sure no details have changed. There were some minor issues, but all were being handled.

The Church did receive some PPP loans, but that had been handled before Ericka started and most of the details were handled by Rev. Allison and the Board.

Areas of concern:

There were no areas of concern that came up during the meeting. We did enjoy seeing how much Ericka has learned about the systems in such a short amount of time.

Children's Winter Garden with White Wing School (CWGWWS)

Attendees; Chris Clanin (CWGWWS Director), Kim Coumas (Office Manager), Frank Grossman, Rob Bate

It was nice to have both Chris and Kim at the meeting. They gave us a better idea of the flow of all the parts.

The school is doing very well. They had to do a lot of work in order to have in person classes, such as installing touchless sinks and air purifiers as well as following the CDC guidelines. They were able to be in person for all but approximately 3 weeks, and did remote classes during those times. They applied for and received 3 pandemic grants to help with the equipment they had to install, PPE, and losses due to lower student enrollment. They had around 50 students versus 78 the year before. Also since they do their payroll through the Church they were able to benefit from the PPP loans that the Church applied for. With all of this they may have an excess of revenue over expenses.

Enrollment is looking good for next year with 75 already registered. Their “Stay and Play” after school program is also growing and will hopefully have enough children to open a second classroom.

The only real change for the year is that they switched bookkeepers to use Lori Bonnette, which is the same as the Church’s bookkeeper.

Chris and Kim work together on a daily basis, and it was easy to see that they complement each other's strengths and weaknesses.

They were able to walk us through some transactions, although they were not able to share their screen in order for us to see their QuickBook (QB) entries. We did not see any problems from what they walked through with us.

They also keep their budget on QB so they can see how they are tracking to the budget. And they have strong policies in place for reimbursements.

Areas of concern:

We did not hear any concerns this year.

Nashua Cemetery Association (NCA)

Present: Kevin Murray (Treasurer), Frank Grossman, Rob Bate

The NCA is a very simple business with their own Board that has met once this year. The organization only does about 6 transactions a year. Since the business is simple their accounting is done by filing invoices and doing their banking online. Currently there is about \$8,000 in their bank account that is held at Bar Harbor Bank & Trust.

The majority of their income comes from existing funds of about \$300K. While these funds are not an endowment, they are invested alongside the Church endowment for a better return. NCA gets monthly proceeds from this investment. At one point their bank account was getting a little low so they requested an extra \$6,000 from their invested funds. It appeared they followed their policies on this and got two signatures on the approval from the Treasurer and the President of the NCA Board.

Near the end of the year they received two memorial reservations for a total of \$2,000.

Kevin was able to share his screen to show us the online banking. We could see all the transactions that had happened for the year. We did not see any problems.

The only real change that he mentioned was that the President of the Board is leaving and they will have a new President starting next fiscal year.

Areas of concern

Ongoing concern: Currently the NCA's past records are kept in a few boxes at the Treasurer's house. We suggested storing those records at the Church.

It would be nice if he emails and investment reports were not going to Kevin personally. We suggest the reports go to the church. Could the church provide the NCA with some email addresses?

Signatory card. Kevin believes that Ellen McCormick is still on the signature card. His plan was to get the signature card updated when the new NCA Board President comes in.

In noting concerns and making recommendations we recognize we may have transcended the technical limits of our charge. It is not our intent to criticize past actions or suggest inappropriate changes. We believe it is important to raise these concerns to the Board and let it and the congregation decide what, if any, action should be taken.

Acknowledgement

The committee would like to extend sincere appreciation and gratitude to all parties who opened their books and responded to FRRC inquiries. Without exception, everyone was extremely open, accommodating and supportive of the process.

Respectfully Submitted:

Signature:  Date: May 22, 2021

Frank Grossman

Signature:  Date: May 21, 2021

Rob Bate