

Financial Records Review Committee Annual Report

2024-2025 Church Year

Financial Records Review Committee (FRRC) Members: Frank Grossman & Rob Bates, we were also joined by the treasurer and other financial board members to learn the process in anticipation of the new by-laws changing.

Our bylaws require annual financial record reviews of the Church, Winter Garden with White Wing School and the 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), Winter Garden with White Wing School (Chris Clanin, Director) and Cemetery Association (Kevin Murray, Treasurer, and the board).

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

UU Church of Nashua

We are getting to the point where there is a lot of consistency from year to year as policy governance has been in place for a while, there are written financial policies, and standard systems such as Quickbooks and Breeze are being used. We were able to meet with Ericka right before her parental leave.

As with most organizations these days UUCN operates with restricted and unrestricted funds. Restricted funds granted or pledged for a specific purpose, such as the Building Our Vision project, and unrestricted funds such as our annual pledges that can be used for any part of the budget. The separation and tracking of these funds are handled well with a good process in place.

Income. There were no new types or styles of collection for income. Income from the endowments, pledges, and Sunday collections. The one income that had some change is for groups using the church for their meetings and events, due to the construction. We still receive money from the school for rent and maintenance.

Expenses. Payments are well tracked and filed. There are limits to both who can access the money and how much an individual can write a check for or transfer. There was a small hiccup with a new payroll service from Quickbooks, but that was sorted out quickly and well handled. There is a separate process for handling construction costs and from the BOV money market.

Those are from a separate checkbook. The costs are tracked in Quickbooks and for more detail in spreadsheets.

Most day to day documentation is kept in a locked filing cabinet as the downstairs “vault” is only the size of a small closet and is quite full with lots of church history.

Areas of concern:

We did not hear any concerns this year.

Children’s Winter Garden with White Wing School

We only met with the director Chris due to a scheduling snafu. Children's Winter Garden with White Wing School (CWG-WWS) is a branch of the UU Church of Nashua and operates under the same Federal Tax ID number. The financial books for CWG-WWS, however, are kept separate from those of the Church, except for payroll, which is handled as an administrative pass-through item in the Church’s budget. The bulk of CWG-WWS’s income comes from tuition, some families pay extra for before and / or after school care. Their major annual expenses are payroll and contributions to the Church for occupancy which includes facilities rental, utilities and custodial services.

CWG-WWS has done a great job applying for and receiving government grants. They have one they will be using at the end of the school year to get new tables and chairs. Keeping the school looking up to date is something that Chris takes pride in as the director. They also receive money from the Ella Anderson grant and from the church donation month.

The majority of their money comes from tuition. Tuition is billed over 10 months and comes in by check or cash. The office manager enters everything into Quickbooks and keeps physical copies of checks and receipts. They had their annual Hop-A-Thon fundraisers and brought in significantly more this year than in years past. They also had more sibling and staff discounts this year than most.

Expenses. Their biggest expense is payroll, which is handled through the church’s payroll system. They did go over on payroll this year, due to needing substitute teachers a little longer than planned. Other expenses are bills, such as phone and copier. As well as a small amount for classroom materials and teacher appreciation. They do have some restricted funds from their grants. These are tracked in Quickbooks, but outside the budget. This is not an uncommon practice as it makes it easier to track how day to day expenses are doing compared to the budget.

We were able to look at their P&L as well as the budget. All looked good, and they are managing to have around \$7,000 of revenue over expenses. As they tend to normally run conservative budgets, they now have a rainy day fund of around \$70,000 in the bank. They are going to be looking at CDs in order to get a better return on those savings.

Areas of concern:

We did not hear any concerns this year.

Nashua Cemetery Association

According to the Church bylaws, the Nashua Cemetery Association (NCA) is an organization within the UU Church of Nashua, although its finances are managed separately from those of the Church. The only sources of income for the NCA are their invested funds account and the sale of space in the Memorial Garden. These funds have been combined with the Church's endowment into a common investment fund, but Bank of America tracks the two balances separately.

We met with Kevin during a board meeting so the whole board was there as well.

There were a few changes this year. Kevin is going to be stepping back from being treasurer and a new treasurer will be selected. Kevin had more than just the checkbook this time, as they now have a P&L statement. They have hired Ericka LaValley to help with some of their paperwork. They are also changing over to a fiscal year that matches the church.

Income. They had sale of two plots and stones in the memorial garden, as well as money from their invested funds. They are also moving to a policy for revenue from invested funds that matches the church's. They also took an additional \$20,000 from principal for the invested funds to help with the expenses for this year.

Expenses. They had higher than usual expenses this year because they are now paying for Ericka's time and they included her hours from both 2024 and 2025 in this budget. They also did \$4,800 of tree work.

We were able to verify their current bank balance.

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.

Currently Kevin uses his personal email address for the bank account login and reports are sent to his house. There was talk of creating a [unashua.org](mailto:unashua@unashua.org) email for the treasurer so it wouldn't be a specific future treasurer's email.

Last FRRC report?

Two years ago we had suggested that with all the changes and improvements in the way that finances are handled at the church and the number of eyes on income and expenses that it may no longer make sense to have a Financial Records Review Committee. The board has listened and at this year's annual meeting there will be a vote on a change to the by-laws that would eliminate the need for the FRRC. On the chance that those by-laws pass, we wanted to recognize that this may be the last report of this type. The first report that I wrote was back in 2013, and I have seen a lot of change. I am very impressed with all that change, and want to say that it has been an honor to have served the church in this capacity.

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:

Frank Grossman

Rob Bate