

OUIF BOARD MEETING MINUTES
April 23, 2017

Board Members Present: Jean Stratton, Vicki Sensiba, Sylvia Watkins-Castillo, Elaine Webber, Kathi Gunn, Nick Dante

Other Attendees: Serena (Seri) Mylchreest, Pat MacRobbie

1. CHALICE LIT AT 12:08
2. AGENDA: Moved and adopted.
3. SECRETARY'S REPORT: Moved and adopted.
4. TREASURER'S REPORT: Moved and adopted. Significant issues:
 - a. 2017 QuickBooks has been installed without incident.
 - b. No movement of money to CDs was made.
 - i. Discussion regarding CDs had flowed into consideration of using a Money Market account and/or changing banks to get better interest rates. Sylvia does not have time to do the research and actual change of banks at this time. Seri also suggested we wait and use up existing checks and paid-for safety deposit box through the end of the year. The low return is if we stay with First Federal.
 - ii. Elaine had concerns about waiting, and said she would do the research to be used for further discussion.
 - c. On 3/31/17, \$2,000 was transferred to the new contingency fund.
 - d. Actual funds available in our First Federal account: \$68,458.99
 - e. Ameritrade first quarter adjustment of plus \$1,221.85.
5. COORDINATORS REPORT:
 - a. Review of new software for newsletter and potentially other tasks.
 - i. Catharine, together with Greg and Vicki Sensiba, are reviewing software options, including a number that will perform multiple tasks, such as data base management.
 - ii. After discussion, Board agreed that the above team should proceed and make what they think is the best decision.
 - iii. Need to confirm that current software for newsletter will remain available until a decision has been made.
 - b. Sandy Goodwick is working with Catharine on the pre-service PowerPoint presentations.
6. COMMITTEE REPORTS: None

7. OTHER REPORTS: Grounds Committee

- a. Pat MacRobbie asked the Board about whether we should cut down or simply prune the tree outside the front door.
- b. After discussion, it was agreed that the Grounds Committee co-chairs can make these kinds of decisions on their own, without further reference to the Board.

8. OLD BUSINESS

- a. Informal Audit by Serena (Seri) Mylchreest. (Full report is at Attachment 1; below are discussion/decision points.)
 - i. Board moved, seconded, and adopted recommendation to change the RE childcare assistants from independent contractors to employees.
 - ii. Board discussed recommendation to have two signatures for checks greater than \$500. Agreement that ideally second signature will be a Board member.
 - iii. Additional discussion on recommendations will take place at Board retreat.
- b. Board Retreat
 - i. After discussion, agreed that retreat will take place on May 27, from 10:00 – 4:00 at the Fellowship.
 - ii. Attendees will bring their own brown bag lunches. (Note: A few days after the Board meeting it was agreed that the retreat will be in lieu of the “regular” meeting, which would otherwise have been held on May 28.)
- c. Jean is preparing to send a welcome letter to our new neighbors, the Labbes. Board agreed that it’s better for us to provide them with a single point of contact if they have concerns or questions.

9. NEW BUSINESS

- a. Discussion regarding the building having been left open on Easter Sunday. No final decision or recommendations on how to prevent this from happening in the future, except perhaps to remind people of the importance of locking building and securing the keys.
- b. Catharine is looking for someone to replace Nicki Padgett to do the on-line calendar and maintain our Facebook page.
- c. UUA info is now being periodically included in the newsletter.
- d. McDonald Creek Bridge is being repaired. Repairs will begin in late spring and last about eight months.
- e. Catharine provided information about Peter Morales’ resignation, which was discussed briefly.

10. FOR THE GOOD OF THE ORDER/ETC. None

11. CHALICE EXTINGUISHED AT: 1:40

ATTACHMENT 1

Report to OUUF board – Review of 2016 Financial Documents March 2017 Serena Mylchreest

Disclaimer: I am not a Certified Public Accountant. I have degrees in business management and accounting and have worked for CPA firms. I also have worked as an accountant for businesses which have been audited. I did a limited review of OUUF's financial documents as a volunteer.

What I looked at:

Current OUUF Treasurer Sylvia Watkins-Castillo gave me a backup of OUUF QuickBooks (QB) which I loaded onto my computer. She also gave me the deposit receipts, bank statements from First Federal, 1099s for 2016, and check/online payments records for 2016. OUUF has been using QB for financial reporting for many years and I was able to look at the Income and Expense statements to compare income and expenses in 2016 to previous years.

Sampling:

I printed a register of all deposits for 2016 and chose every 10th deposit to examine. I also added all deposits \$3000 and over to my sample.

For the list of checks and online payments I chose every 10th transaction and also included transactions of \$500 or more.

Steps taken:

- Verified 12/31/15 First Federal Bank balance by checking QB bank reconciliation with First Federal bank statement. Verified 12/31/16 bank balance (error of \$542.37 was reversed in February 2017). I did not verify the 12/31/16 Ameritrade investment account balance.
- Examined 2016 deposit and check/online payment records.
- Looked at assets and liabilities on the 12/31/16 Balance Sheet- compared the values with the 12/31/15 balance sheet.
- Examined form 1099 tax documents prepared by Sylvia which were sent to independent contractors and the IRS.
- Examined Income and Expense report for 2016 and compared amounts to reports from 2012-2015.

Comments and Recommendations

- Checks received are copied and posted to QB then put in a 3 ring binder. This makes it easy to find a check if there is any question. I was able to find all checks from all deposits on my list except for one. I did not check for accuracy of donor income account posted but the year's totals of income types looks reasonable. **Recommendation: continue using this effective system.**

- Checks are written and printed from QB. Some recurring bills are paid via First Federal's bill pay system then posted to QB. Many of the checks/payments I examined did not have documentation. **Recommendation: each payment needs to have some kind of documentation-- for example an invoice or board approval for payment of recurring payments like dues. The documentation needs to be attached to the check stub or to the First Federal bill pay report.**
- The employees' payroll is processed by Omega Business Center. I found that some pay stubs had the employee's payroll report attached and some did not. **Recommendation: continue payroll service and attach reports to each pay stub.**
- Sarah Tucker is being paid as an employee but the RE child caregivers are being paid as independent contractors. In my opinion the caregivers are also employees and should be paid thru the payroll service. **Recommendation: Add the RE caregivers to the payroll system.**
- There were uncashed checks from 2012, 2014, and 2015 as of 12/31/16. **Recommendation: Contact vendors and void and replace checks if needed. (Some checks have already been replaced but the original was not voided.) When reprinting checks in the future have "Void after 90 days" printed on checks to encourage prompt cashing.**
- Sylvia says the mortgage balance on the 12/31/16 balance sheet is not correct due to the interest/principal amounts not being divided correctly on past payments. Because the mortgage will be paid off in 2017 we agree that just adjusting the mortgage amount to zero when paying the final payment will be good enough.

Recommendation for more board oversight

I would like to see more "internal control" procedures implemented. In a larger organization I would recommend "separation of duties" with different people handling income received and payments made. With a small organization it is challenging to separate these duties. The board can take actions to help. My recommendations are:

- **That a board officer approves all timesheets before employees are paid.**
- **That a second signature be required for checks \$500 or greater.**
- **That the Treasurer presents a list of all expenditures paid the previous month to the board for approval. (If the board met more frequently it would be good to get approval in advance but it is difficult to do this when the board meets only once a month.)**
- **That the board reviews the Ameritrade investments at least once a year to monitor the value and decide if changes are needed.**

I would like to meet with the board to go over this report and answer any questions you may have.

Thank you, Sylvia, for spending so much time working with me and answering my questions.