

Present: John Cooley, Laura Cisar, Robin Gowin, Barbara Menzel, Karen Way, Linda Houser, Mary Williams, Spee Braun, Lucinda Antrim, Dennis Haag, Mark Hewitt, Bridget Bower, Callie Janoff, Patricia Glynn, Christopher Sammond, Fred Dettmer

Regrets: Jim Schulz, Adam Segal-Isaacson, Paula McClure

Introductions

2016-04-02-01

Audit.

Laura Cisar presented the Audit Committee report. It is attached. Procedural changes have been recommended in a number of areas including capitalization, incoming fund restrictions documentation, real property document keeping and archival document retention, trust fund documentation, designation of annual surplus/deficit needs to be formally minuted – need procedures; documentation of use of staff time.

A hold has been placed on any further work on the ongoing audit or consolidated financial statement until additional conversations have happened and the newly obtained information has been reviewed.

2016-04-02-02

The Trustees brought the following minute from their meeting this afternoon:

The Trustees note that, pursuant to the Bylaws, “The Trustees shall be responsible for holding title to and administration of the properties, both real and personal, owned by the Corporation.” In that capacity, the Trustees expect that (a) no further payment will be made to the accountant, nor any payments to the auditor beyond \$10,000 until the Trustees are satisfied with the status of current and further work, and (b) no further work will take place for 2015 or the GAAP audit until the Trustees have assessed the work in hand for 2014, and the projected costs for 2015. Noting that the Audit Committee will pursue this inquiry, the Trustees expect to approve any decision with respect to the adequacy and cost of any further work on the GAAP audit or review. This minute will be conveyed to the Audit Committee and the General Services Committee.

We join with the Trustees in the concerns expressed in this minute and unite with Audit Committee’s recommendation to withhold additional payments to the accountant until the Treasurer of the Yearly Meeting, the Treasurer of the Trustees, and a representative from Audit Committee have had an opportunity to meet with the accountant to understand the work done so far and the cost overruns, and to determine a path forward.

2016-04-02-03

Linda Houser reported for Sessions Committee.

They conveyed this minute to us: Sessions Committee is led to recommend an experiment with a "Pay as led" process for summer sessions when the time is right. This will be forwarded to GSCC for consideration.

They felt that they weren't quite ready to do it this year, but would like to explore the idea more broadly in the yearly meeting.

General Services is interested in an in-depth discussion of the proposal.

The theme for 2016 yearly meeting is Nurturing the Blessed Community at Every Age.

Brief Reports:

Barbara Menzel from Personnel.

Steve Davison will retire in June/July. A search will be launched soon for his replacement.

Communications. Energy is going into website redesign. Website on track to be implemented before Steve leaves.

Development. Looking at the gap between what came in after appeal letter and projected budget number. The committee is looking for a clerk.

Spring Sessions. 149 registered, including 20 children and teens. There were additional walk-ins.

Next GSCC meeting will at Silver Bay, NY during Summer Sessions.

Notes and minutes by Bridget Bower and John Cooley

Audit Committee Report to General Services Coordinating Committee

The Audit Committee presented an interim report and some preliminary recommendations to General Services Coordinating Committee at Coordinating Committee Weekend at the end of January, 2016. At that time, the 2014 Consolidated Financial Statement (CFS), being prepared by DSJ, our Bookkeepers, was nearing completion, and a Review by the Auditors (ODPKF) was to be initiated during the following week. This was approximately 6 months behind the schedule that was contemplated one year ago, due to the complexity and number of details needed to complete the 2014 CFS.

As a result of the several teleconferences that had been held with DSJ, including one in January, 2016, the Clerk (as well as the Point of Contact, our Treasurer Paula McClure) had become aware of six procedural areas where NYYM practices should be improved. These were discussed (see Attachment) and a tentative allocation of responsibilities was made for Audit Committee members to work with other NYYM committees or office staff to draft some improved procedures. Updating of these processes should allow NYYM to comply with the “process” aspects of a full audit, and should also produce documentation that is required for the audit itself.

Following the visit of the Auditors to the NYYM Office, certain additional information was requested of the office staff and of the bookkeepers. This information has just recently been completed, and preparation of the Recommendations from the Review has been initiated by the Auditor. One of the auditor requests required the Bookkeeper to revise the draft 2014 CFS. Among the changes requested to comply with GAAP was the need to accrue expenses for the Audit (including accounting costs) with the year for which the Audit was to be performed. In the past, NYYM practice had been to budget in the following year for the cost of the audit for the previous year (i.e., the budget has been done, in effect, on a “cash” rather than “accrual” basis). This has meant that the cost of both the 2014 and 2015 CFS preparation and Reviews had to be charged as costs prior to closing of the 2015 books, so that the 2015 CFS could be brought into conformance with GAAP. Although it should be a one-time change, the need to determine how to accommodate this request delayed the closing of the 2015 books.

Now that the 2015 books are closed, the preparation of the 2015 CFS is to begin. Since the Trustee accounting has not yet transitioned to our bookkeeping firm as originally contemplated in 2014, it will again be necessary for the auditors to generate the Trustee portions of the CFS from Trustee accounting records. A meeting is planned in the near future to simplify this procedure. Since no other major financial changes occurred during 2015, it is expected that the schedule to generate the CFS can be significantly accelerated, and that a second Review-style audit will be held for the 2015 fiscal year during June and early July. The Review, rather than a full Audit, is proposed due to the inability of NYYM to conform with 2014 audit recommendations prior to the 2015 audit activity.

The near-term goal of the audit committee is to have draft procedural recommendations ready for a first reading by 2016 Summer Sessions, and to also have completed by that time all bookkeeping adjustments based on the 2014 and 2015 Review recommendations.

Submitted by the Audit Committee
Tim Johnson, Clerk