

## St. Mark's Vestry Meeting

June 19, 2023

### Present:

Rev. Aileen DiBenedetto  
James Normington, Senior Warden  
Stuart Paul, Junior Warden  
Frank Ruggiero, Treasurer  
Rebecca Ethier, Clerk  
Laurie Voedisch  
Dayna Hume  
Brenda Matthews  
John Mentzer  
Libby Moore  
Stephanie Powers

### Absent:

Cathy Chipolone-Collins  
Jean Robertson  
Brenda Cole-Milner

### Guests:

Rev. Tanya Wallace  
Rev. Canon Rich Simpson  
Chaille Sims  
Larry Bennett  
Catherine Robertson  
Barbara Divoll  
Howard Kong  
Joan Paul

Rev. Aileen opened the meeting with a prayer.

### Information

#### *Parish Audit 2022*

Rebecca presented the materials from the 2022 parish audit from the Audit Committee. The list of recommendations were presented as well as ones that were implemented over 2022.

#### *Commonwealth of Massachusetts Resolution*

Frank indicated that the diocese is trying to get each parish listed as an entity under the Commonwealth of Massachusetts. We've provided a lot of materials from the past years in order to make this happen. However, we have to approve a motion to authorize the filing of the Restated Articles of Organization with the Commonwealth as a non-profit. An application must be approved so we can be incorporated to be protected by corporation laws. The Chancellor of the diocese is driving this as the state is requiring it. It depends upon when a church was founded if it were separately incorporated. There is a \$30 fee (which the diocese is paying) and there is also an annual \$30 fee. James asked if the diocese is covering the annual amount? Tanya said to ask Steve Abdow about it. Frank will follow up with Steve Abdow.

*Follow-up: Steve Abdow confirmed there is no recurring annual cost.*

### Decision

#### *2022 Parish Audit Vote*

A motion made by James to accept the 2022 audit results; Dayna seconded. All voted in favor.

#### *Commonwealth Resolution*

Frank made a motion to accept the resolution (see attached), Dayna seconded. All voted in favor.

### Discussion

#### *Safe Church*

Rev. Aileen reminded everyone of the Community Guidelines. This will be an emotional conversation so she asked that we remember we are caring for one another, the parish, and our emotions and what is taking place here and outside. This past Sunday we opened a new chapter with our Healing Service and we are talking about Healing tonight.

Rev. Aileen provided a brief history of what we are talking about. A parishioner contacted Rev. Aileen mid-May about a parishioner whose name is on the Commonwealth of Massachusetts sex offender registry but this person on the registry (hereinafter called "Parishioner X") did not disclose this status to Rev. Aileen, but had to prior rectors. Rev. Aileen contacted Rev. Tanya about this matter as Tanya is the safe church officer. To ensure the safety of all, Aileen met with Parishioner X who refused to develop a safety plan and stated they would find another church. Parishioner X was informed that in order to attend St. Mark's they needed to have a safety plan in place. Parishioner X then came to church the following Sunday without the plan in place and was asked to leave; Parishioner X asked for the police to be called. Then they stated that Rev. Aileen inform the church at large of their status. Parishioner X was walked out. Parishioner X agreed to meet with Aileen and Tanya and again Parishioner X would not agree to a safety plan.

Rev. Tanya gave her background as safety officer for the diocese and the policy/rules. There are "Best practices" and no such thing as a "safe church" as when we think we are done with making the church safe, then someone else is uncomfortable. Therefore there is a tension between having rules and having no framework. This tension can make it hard to minister. We have 3 policies which are all available on diocese's website but all are contextual. The Best practices in this case are: 1) interview the offender, and have a conversation about history, etc., 2) call the offender's probation officer, if there is one, to get the context, 3) inform the appropriate persons, such as the Wardens, vestry, and bishop, and 4) create a safety plan. The Safety plan is for all involved, the parish, the individual, etc. In the past, Parishioner X has self-disclosed, but not to Rev. Aileen, so Aileen followed the policy. Now we have to decide what the next steps are as a parish. It appeared that Parishioner X was struggling to actually listen intently, but the door is still open to them for conversation. However, it is not possible for them to be in church until a safety plan is in place. It is the job of the wardens and vestry to create safety for parish. Tanya asked if there are questions but indicated our parish should have a safe church plan, safe church officer and update our trainings.

#### Questions from the Vestry:

What were the provisions of the safety plan that were presented to Parishioner X? Rev. Tanya answered that the plan would be created together, and there are no standard provisions.

Regarding the disclosures to prior rectors was there a prior safety plan in place? No there was no safety plan in place with Parishioner X.

Was there a verbal safety plan agreed to? There was an indication that many years ago that Vestry was told and there may have been an understanding with Parishioner X.

Note that once a safety plan is in place, it should be reviewed every 6 months.

Can the safety plan be developed between the individual and the rector? Yes, but a third person should be involved and shared with the leadership.

One Vestry member commented that "As a parent, I don't like that no one told me. I should have been told and I'm troubled by that." Then asked if when a safety plan is in place should all parishioners be told about it? Rev. Tanya said ideally yes but the next steps will need to be decided which might include communication with the parish.

Canon Rich stated that he strongly believes that it should not just be the rector making the safety plan and decision. It is the work of the Vestry and Safe Church training is important for this reason.

Catherine presented some information. Parishioner X had assumed that the information was passed along and written up. In general sex offenders have a relapse prevention plan. Usually there is one but not necessarily what the church needs here. The Sex offender should take care of themselves and another person should be able to leave with that offender so they are never alone. There is no way to say that offenders cannot come to fellowship events as children are

always around. The offender's hands should always be able to be seen. Once offenders have confessed and are transforming and they want to be like everyone else. We don't know anyone else's sins. We try to keep people away from near occasion of sin.

A Vestry member raised a concern about Parishioner X bringing a dog in to attract children? Someone mentioned that it could possibly be a support animal.

Laurie stated that as head of Church School, she was not aware of Parishioner X's status, but feels she should have been told. It should be more than the rector and there should be an accountability partner and if that person is not there, then Parishioner X should leave. She agreed we should be forgiving but in this particular case but Parishioner X refused on 2 occasions to agree to a safety plan.

Speaking on Parishioner X's behalf, it was stated that Parishioner X did not understand what was going on during the meetings. They had 2 women speaking to them and they were already in jeopardy. There should be something put in a file and also in the annual report. Also expectations should be listed and posted in the church so that at least people knew there is a sex offender in the congregation. Parishioner X is currently a Level 2 sex offender but levels can change. If/when they go down to Level 1, it would not even be reported. Point of clarity was made that Parishioner X never asked for anyone to attend meeting with them.

It was noted that the Vestry should not have been surprised by this and the person doing youth work did not know.

Parishioner X had testified to several people in the church that they had been in prison and has turned their life around.

If safe church officer knows there is a sex offender attending a church, the officer can mention it to the parish, but in this case Rev. Tanya did not know.

Moving forward the parish needs to work on 2 aspects: 1) we need a safe church minister from a policy perspective and our own a safe church policy; and 2) be proactive in extending an opportunity for Parishioner X to re-engage but say this is how we'd like to work it out. There are examples of policies that are out there. We need to commit as a Vestry to set aside time after tonight to develop a policy and how this type of information is passed from one clergy to another. After that, we can deal with the specifics for Parishioner X. Maybe 2-3 members of the Vestry can work on the policy and then present to larger vestry and others can provide input.

There was a question about sending children to bathrooms without parental supervision and how that should work. The parish policy must have as much specificity as the diocese policy, including a specific bathroom policy.

Laurie noted that we need more active involvement in children's ministry. In order to implement the policy we will need more people involved.

Rev. Aileen noted that the time allocated for this discussion had lapsed and a vote would be needed to continue it. James moved that we continue the discussion for 20 more minutes and Stu seconded. All voted in favor.

There were specific questions about what to do regarding Parishioner X such as What are we going to do? What's fair? All people are valuable members of the parish.

It was decided to move forward to create the policy in time for the next Vestry meeting. Stu volunteered to chair the committee. Laurie volunteered to participate and James will sit on it and publish to all when they will meet. Stephanie will also try to attend. The role of a safe church minister should be defined. We need to have a policy in place before we speak to Parishioner X again. A sensible timeline is to have the policy in place and then address Parishioner X with it as well as any matters in the future. The policy is not about the individual. The policy will be done in time to be discussed at the July Vestry meeting. Catherine provided a policy provided by another church which can be taken into consideration along with the Episcopal one. Please note that the Safety plan for a specific offender and the safe church policy are different. The safety plan is for the individual vs. safe church policy is for the church as a whole. Tanya has a Word version of safe church policy that can be shared.

There was a concern about the “anonymous parishioner” who notified Aileen of Parishioner X’s status. Aileen indicated that she was trying to keep confidentiality as who told her did not matter and it was the right thing to do. Rebecca volunteered that it was her who told Aileen after being told by a former parishioner and independently verifying the information.

Parishioner X will be told that a safe church policy will be developed by the Vestry and after that they will be able to decide if they want to enter into a safety plan to return to the church. Parishioner X can agree or not agree to a safety plan. If not, then they will not be permitted to attend church.

There are 3 problems to be addressed: 1) Lack of communication in the past, 2) Policy issue whenever a safety issue arises, and 3) dealing with an actively contributing member of church who needs to accept the policy or not, including taking into account that they have been attending here for a certain period of time.

We are talking about healing not just for victims but family and friends that were impacted as well. The vulnerable are not the just children but all of those impacted.

## **Information**

### *Treasurer’s Report*

Frank presented the updated April report: 3 things were asked in the May meeting: 1) diocese assessment did not match budget? Answer: the assessment had an incorrect date and the numbers have been updated; 2) what was the \$350 misc expense? Answer: prior bookkeeper had put in an expense for organist as “miscellaneous” and was corrected, and 3) why did the benefit line differ between budget and actual? Answer: Benefits were miscalculated and \$3000 too low. Frank has a proposal to address when adjusting budget discussed later.

For the May report we are a little behind on pledges so we need to keep an eye on it.

Frank noted that the \$500 for organ recital fund needs to be collected as those were donated. The fundraising line will be impacted once those are collected. Also the advertising revenue is behind budget.

For expenses we are running ahead of what we’d usually expect mostly due to quilting group (negative expense) and the deficit reduction line item is ahead at \$3100 (negative expense)

Frank proposed the following budget changes:

Add \$3000 to benefit line by taking \$2000 out of Administration budget. This will be made up as we were paying \$200/month for bookkeeping but not paying this anymore as Frank is doing that work. We can use the savings to increase the benefit line and then add \$1000 to the budget deficit reduction line as we are ahead on that line. We can vote on this at a future meeting.

There was a question about where the church supper proceeds go in the financial report. Frank responded that it goes on the fundraising line.

### *Review of Minutes*

James made a motion to accept the May minutes as amended; Libby seconded. All voted in favor.

### *Senior Warden’s Report*

Deferred due to time

### *Buildings & Grounds Report*

Deferred due to time

## *Rector's Report*

Deferred due to time

## **Discussion**

### *Fundraising*

**Historic Building Open Day on Saturday, June 24** – Dayna has not heard back from any of the churches that she sent letters to. She will follow up by phone call tomorrow. The mayor is on board so City Hall will be open. Dayna is in touch with Mark who is hosting. If we can get donations for snacks and goodies that would be helpful. We will set up a table with snacks and goodies and table for Mark's book. Brenda Matthews will help out.

### *Organist*

Mike Hoffman, the organist, is ill, so he has resigned. Rev. Aileen would like to talk to those musically and technically inclined so we can come up with a plan for music that would get us through this summer. Aileen is meeting with Robert who is the head of organists. Rebecca Carpenito is interested in helping out here and there but not act as supply such as maybe just 1 or 2 songs. What can we do as the community for music? Frank reminded the Vestry that what we have for organist budget is \$175/Sunday as that is what we were paying Mike.

James spoke to Robert Potterton and Dan Moriarty about organ concerts in the fall. There will be donations to fund the organist concerts. The cost is \$800 but raised only \$300 for last one so, Frank asked we consider if worth it as a fundraising event. It was noted we should publicize future events better.

### *Higher Education Scholarship Policy*

Deferred to July meeting

### *Community Events: Summer and Fall*

Rev. Aileen looking for volunteers to help with Community events. Dayna and Libby volunteered.

## **Decision**

### *Treasurer's Report Vote*

Dayna made motion to accept the revised April Treasurer's report, Laurie seconded. All voted in favor.

Libby made a motion to accept the May Treasurer's report, and Dayna seconded. All voted in favor.

The proposed revisions to the budget will be discussed at the next meeting.

## **Closing Prayer**

Rev. Aileen offered a closing prayer.

## **Meeting Adjourned**

Dayna made a motion to adjourn Libby seconded. The motion passed. The meeting adjourned at 9:05 pm.

## **Next Meeting**


The next Vestry meeting is scheduled for Monday, July 17, 2023.

**ST. MARK'S EPISCOPAL CHURCH  
LEOMINSTER, MASSACHUSETTS  
CLERK'S CERTIFICATE**

The undersigned duly elected Clerk of St. Mark's Episcopal Church, Leominster, Massachusetts (the "Church") certifies that at a duly called meeting of the Vestry and Officers of the Church held on June 19, 2023, at which a quorum was at all times present and voting, the following vote was adopted:

VOTED: To authorize the filing of a Petition pursuant to Section 9 of G.L. Chapter 180 and Restated Articles of Organization with the Secretary of the Commonwealth

Executed as a sealed instrument under the penalties of perjury, this 19<sup>th</sup> day of June, 2023.

Signature   
By (print name) Rebecca Ethier  
Clerk, St. Mark's Episcopal Church, Leominster

Submit the original to the Vestry, send one copy to Diocesan House, retain one copy for next year's Audit Committee

**CERTIFICATE of COMPLETED AUDIT**

To the Rector, Wardens and Vestry of  
Church Name St. Marks  
Church Address 100 West St.  
Church City and Zip Code Leominster, MA 01453

Date: 6/15/2023

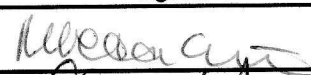
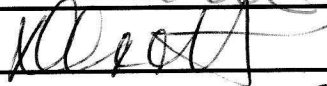

We have inspected the statement of financial position of the church named above as of December 31, 2022, and the related statement of activities and cash flows for the year then ended. Our inspection was made in accordance with the audit guidelines of the *Manual of Business Methods in Church Affairs*. The financial statements are prepared on a *cash, modified accrual, or accrual basis* (circle which basis is used) in accordance with principles adopted by the Episcopal Church and approved by its General Convention except as noted.

Note the exceptions here, if any:

We have taken steps to see that the accompanying financial statements present fairly, in all material respects, except as noted above, the financial position of the congregation as of December 31, 2022; and that the changes in the net assets and its cash flows for the year then ended are in accordance with the principles authorized by General Convention of the Episcopal Church on a basis consistent with that of the preceding year.

Our inspection and certificate are not meant to be construed as an audit and opinion rendered by a Certified Public Accountant.

Sincerely,  
THE MEMBERS OF THE AUDIT COMMITTEE

Name	Address	Signature
Rebecca Ethier	18 Sky Lane Leominster	
DANA ANCTIL	44 VINE ST. LEOM. MA 01453	
Prissy Dawson	24 Cambridge St Leominster, MA	

Audit Committee Findings ... See over

Submit the original to the Vestry, send one copy to Diocesan House, retain one copy for next year's Audit Committee

**AUDIT COMMITTEE FINDINGS ON POLICIES AND PROCEDURES**

Date: 6/15/2023

To the Rector, Wardens and Vestry of  
Church Name

St. Mark's

Church Address

60 West St.

Church City and Zip Code

Leominster, MA 01453

During the course of our inspection of the financial statements of the church, the following items pertaining to internal control and other operational matters were noted. The first group includes areas of management control where prior year auditor recommendations have been implemented; the second group includes comments and recommendations of current year auditors.

Areas where prior year auditor recommendations have been implemented:  
(Attach copy as needed)




please see attached

Comments and recommendations of current year auditors:  
(Attach copy as needed)

please see attached

Sincerely,

THE MEMBERS OF THE AUDIT COMMITTEE

Name	Address	Signature
Rebecca Ethro	18 Sky Lane Leominster, MA	
DIANA AUSTIL	44 View St Leominster MA	
Terry Downirk	24 Fairbank St Leominster MA	



## **Recommendations of the St. Mark's Audit Committee, 2022 Audit**

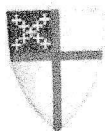
### **The Committee recommends:**

1. The checking account authorized signers should be reviewed and reconciled, including who has access to see the online bank account statements. This should also include all sub-accounts. This is a repeat recommendation from the 2018 - 2021 Audits.
2. A review of restrictions on applicable trust funds should be conducted and the Vestry updated. This is a repeat recommendation from 2017-2021 Audits.
3. A detailed inventory for new additions and dispositions should be maintained with detail such as date acquired, detailed description, cost or fair market value at the time of donation, and any funding source restrictions noted. This is a repeat recommendation from the 2018 -2021 Audits.
4. Loan documents should be stored in the safe with a copy to the Treasurer's file. Electronic applications should be printed out or copies received from the relevant bank for storage. This is a repeat recommendation from the 2020 and 2021 Audits.
5. A Letter of Understanding or employment contract should be put in place with all non-clergy employees where terms of employment and job responsibilities are outlined.

### **PRIOR YEAR RECOMMENDATIONS**

1. The reconciliation between the weekly count and pledge records and the annual report figures was improved and maintained.
2. The Treasurer received a record of hours worked by non-clergy hourly employees.
3. PayPal contributions were added to the balance sheet as a separate line item.

THE  
*Episcopal*  
CHURCH



Manual of Business Methods  
in Church Affairs

INTERNAL CONTROLS  
QUESTIONNAIRE

*In accordance with Title I, Canon 7, "Of Business Methods in Church Affairs", and Resolution D-147 (1979 GC): "Accounting Principles and Practices for Dioceses, Parishes, and Other Congregations"*

(Updated periodically as indicated at the end of each Chapter)

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The Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the USA

### **Section C. Internal Control Questionnaire**

The following Internal Control Questionnaire is intended to provide guidance for setting up an accounting system and a checklist for periodic review and evaluation of an existing system. The questionnaire is designed also to assist a congregation's internal audit committee. The format is a series of questions, most of which refer to some recommended internal control. The normative answer to a question will be positive. A negative response suggests an area of the system that could be strengthened.

Developing a narrative description is suggested, to provide documentation of the current review. This narrative should be retained for reference in future evaluations.

*General:* The following items are intended to provide general information to aid understanding of the overall accounting and internal control system.

1. Are prior internal control questionnaires and auditors' recommendations available? Yes  No
2. Have recommendations of prior reports on internal controls been implemented? Yes  No
3. Is a complete and current chart of accounts, listing all accounts and their respective account numbers, available? Yes  No
4. Is there an accounting policy and procedure manual? Is it up to date? Yes  No
5. Is a current edition of this manual available? Yes  No
6. Is the accounting system using a double-entry bookkeeping method? Yes  No
7. Have the findings of external auditors been reported to the Vestry? Yes  No

on checklist  
comp to  
BUSINESS  
Affairs  
Audit  
Committee

*Budget:* The development and use of a budget is a critical management tool that will aid in the stewardship and administration of church resources and program.

1. Is the budget approved by the Vestry? Yes  No
2. Are all changes to the budget authorized by the Vestry and recorded in the minutes of the meetings? Yes  No
3. Is there a periodic review of the budget by the Vestry? Yes  No

*Reporting:* The best accounting system is of little value, unless it communicates the information it contains to those responsible. Although there may be variations, certain minimum standards exist to assure adequate communication of the financial information.

1. Is a Treasurer's report submitted to the Vestry or accounting committee each month? Yes  No
2. Is the Treasurer's report presented in sufficient detail to inform the reader about the nature of the various income and disbursement items? Yes  No
3. Does the report present the current actual financial data compared with the approved budget? Yes  No
4. Is there periodic reporting, at least quarterly, of all other funds and activities, including designated or restricted funds? Yes  No

Balances  
not reported  
for each  
fund  
Trust  
Committee  
reported  
2003

*Cash Receipts:* Clearly stated policies and procedures regarding the handling of cash and other receipts help not only to protect from loss, but assure that all receipts are properly recorded in the records.

1. Are there safeguards to protect the collections from theft or misplacement from the time of receipt until the time the funds are counted and deposited? Yes  No
2. Are the collection receipts counted and deposited so that the deposit equals the entire amount of receipts on a timely basis (e.g., at least weekly)? Yes  No
3. Are there at least two unrelated persons responsible for counting and depositing the collections? Yes  No

But  
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monthly  
audit  
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Golly  
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more than  
1 are  
authorized  
to count

- 4 Are the persons responsible for counting receipts rotated on a periodic basis? Yes  No
- 1 Do the counters have a standardized form for recording the deposit information? Yes  No
- 2 Are the counters' sheets retained and reconciled with actual deposits, and are all discrepancies investigated? Yes  No
- 3 Is there a control prohibiting the cashing of checks from the currency received? Yes  No
- 4 Are all of the pledge envelopes or other memoranda retained and reconciled to the recorded amounts? Yes  No
- 5 Are all other cash receipts recorded and deposited on a timely basis? Yes  No
- 6 Are all checks received restrictively endorsed —for deposit only "immediately upon receipt?" Yes  No
- 7 Are all cash receipts deposited into the general operating checking account? Yes  No
- 8 Are there procedures that will highlight, or bring to someone's attention, the fact that all receipts or income have not been received or recorded? Yes  No
- 9 Are periodic statements provided to donors of record (i.e. at least quarterly)? Yes  No
- 10 Do acknowledgments of contributions in excess of \$250 include a receipt from the recipient organization which states that it is "the contemporaneous acknowledgment required by the Internal Revenue Code, and states that, in accordance with Section 170(F)(8)(B), any goods or services provided consist solely of intangible religious benefits"? Yes  No
- 11 Are all discrepancies investigated? Yes  No

*not enough  
cashings*

*started  
met  
pledge  
reconciling*

*may be  
issues  
w/  
endorsements  
annually*

*annually*

*Cash Disbursements:* The following procedures will assist in assuring that all payments are properly approved, recorded, and supported by appropriate documentation.

1. Are all disbursements made by check, except for small expenditures made from petty cash? Yes  No
2. Are all checks pre-numbered and used in sequence? Yes  No
3. Is there a clearly defined approval process for all disbursements? Yes  No
4. Are all voided checks properly cancelled and retained? Yes  No
5. Are all checks made payable to specified payees and not to cash or to bearer? Yes  No
6. Are all disbursements supported by original documentation? Yes  No
7. Is the original vendor's invoice or other documentation cancelled at the time of signature to prevent duplicate payment? Yes  No
8. Check signing:
  - a. Is signing blank checks prohibited? Yes  No
  - b. Is using a signature stamp or pre-printed signatures prohibited? Yes  No
  - c. Does all supporting documentation accompany checks presented for signature? Yes  No

*same are  
EFT's, Am  
checks acct  
documentation  
with it*

*we save  
inv w/ check  
with Bank  
but inv #  
attached*

- d. Are all account signers authorized by the Vestry? Yes  No
- e. Is more than one signature required for any check? Yes  No
- f. If not, do checks for more than \$500 require more than one signature? Yes  No
- g. If signature imprint machines are used, are the keys kept under lock and key except when in use? Yes  No
- 9. Are all disbursements requiring special approval of funding sources or the Vestry properly documented in the Vestry or Finance Committee minutes? Yes  No
- 10. Are there adequate controls and segregation of duties regarding electronic funds transfers? Yes  No

to be documented  
not vestry approved  
N/A excepting over \$500

Please authorize electronic payments - pay by checks

**Journal Entries:** Journal entries offer a special opportunity to make adjustments to accounting records. The general journal is an equally important book of original entry as the cash receipts and cash disbursements journals.

- 1. Is there an appropriate explanation accompanying each journal entry? Yes  No
- 2. Are all journal entries approved by a knowledgeable authority other than the person initiating the entry? Yes  No
- 3. Is adequate documentation maintained to support each journal entry? Yes  No

for 2021 not in 2022

**Bank Account Reconciliation:** The monthly reconciliation of all bank accounts is a primary tool for assuring the proper recording and accounting for all cash account activity.

- 1. Are all bank accounts reconciled within 10 days of receipt of bank statement? Yes  No
- 2. Do two different people perform the tasks of opening and reconciling the bank statement? Yes  No
- 3. Does someone complete the bank account reconciliations other than the person who participates in the receipt or disbursement of cash? Yes  No
- 4. Do the reconciliation procedures provide for:
  - a. Comparison between the bank statement and the cash receipts journal of dates and amounts of deposits? Yes  No
  - b. Investigation of bank transfers to determine that both sides of the transactions have been recorded? Yes  No
  - c. Investigation of all bank debit and credit memos? Yes  No
  - d. Review of all checks outstanding more than 90 days? Yes  No
  - e. Are checks more than 180 days outstanding voided during the year-end reconciliation? Yes  No
  - f. Is the bank immediately notified of all changes of authorized check-signers? Yes  No
- 5. Are all journal entries for bank charges and bank account interest recorded routinely? Yes  No

by Ald. in 2023 but not in 2022

see audit item

6. Are all bank accounts included on financial reports to the Vestry?

Yes  No

*incl. paypal as sep. item*

*Petty Cash:* The following controls are intended to provide a timely recording of cash expenditures in the accounting system.

1. Is the responsibility for the petty cash fund assigned to one person?

Yes  No

2. Are all petty cash funds maintained on an imprest basis, i.e., the total amount of vouchers paid or disbursed, plus cash, always equal the amount of the fund?

Yes  No

3. Is adequate review made of documentation before the fund is reimbursed?

Yes  No

4. Is the petty cash fund reimbursed at least monthly?

Yes  No

5. Are check cashing and making loans to employees prohibited?

Yes  No

6. Is the actual petty cash protected from theft or misplacement?

Yes  No

*needs to be done 1st of month*

*Investments:* Procedures for proper recording and control of all investment instruments will help to assure that all assets and related income are accounted for and properly reported.

1. Are all investment instruments held in the name of the church only?

Yes  No

2. Is authorization for the sale and/or purchase of investments provided for by the Vestry or authorized investment committee?

Yes  No

3. Are all investment instruments adequately protected from fire, theft, or misplacement?

Yes  No

4. Is the income/dividends/interest recorded?

Yes  No

5. Are all investment accounts included in financial reports to the Vestry?

Yes  No

*by Trustees in process in total*

*Property and Equipment:* Certain procedures involving the physical assets of the church will aid in detecting, identifying, and preventing losses.

1. Is formal approval of the Vestry required for all property and equipment additions and dispositions?

Yes  No

Is a detailed inventory of all property, furniture, fixtures, and equipment maintained showing:

a. Date acquired?

Yes  No

b. Detailed description?

Yes  No

c. Cost or fair market value at time of donation?

Yes  No

d. Any funding source restrictions?

Yes  No

2. Is a periodic review conducted to compare the actual property, furniture and fixtures, and equipment with the recorded inventory listing?

Yes  No

3. Is there a safe deposit box?

Yes  No

a. Who is authorized to enter it? \_\_\_\_\_

b. Is there an inventory of its contents?

Yes  No

4. Are permanent records such as articles of incorporation, if applicable, by-laws and real estate deeds kept in a safe place?

Yes  No

5. Are they up to date?

Yes  No

*may have 11/20/11*

*keep track very careful*

*n/a*

**Insurance:** Insurance should be maintained that is adequate to protect against all reasonable risks of loss.

1. Is a periodic review conducted to ensure the adequacy of the insurance coverage for:
  - a. Property?
  - b. Liability?
  - c. Fidelity bond?
  - d. Sexual misconduct?
  - e. Directors and officers liability? → Frank will do checks
  - f. Workers' compensation?
2. Is there a policy related to sexual misconduct?
3. Is a periodic review conducted to ensure that adequate controls are in place to prevent loss?

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

Diocese

**Liabilities and Other Debt:** All liabilities and other debt must be clearly reported, and all provisions or restrictions complied with.

1. Is all borrowing or indebtedness authorized by the Vestry and the appropriate diocesan board or committee?
2. Are all loan agreements and/or lease agreements in writing and properly safeguarded? → Frank will get sign
3. Are there periodic reviews conducted to determine compliance with any debt/lease provisions?
4. Are all liabilities noted on Financial Reports to Vestry?

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

needs to be installed

**Restricted Gifts and Income:** Gifts restricted by donors are not handled in the same manner as other contributions. Procedures are necessary to assure that these gifts are recorded properly and all restrictions are observed.

1. Are records maintained of all bequests, memorials, endowments, or any other restricted gifts to include:
  - a. Date, amount and donor of gift?
  - b. Any restrictions or limitations?
2. Does the Vestry or other authoritative body approve all restricted gifts and grants?
3. Are the income and other transactions periodically reported to the Vestry?
4. Are written acknowledgments issued for whom they are required?

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

MA Corlat EES

**Payroll:** The application of policies and procedures involving the employment of individuals assures compliance with payroll tax reporting to the various governmental entities.

1. Are personnel files maintained to include:
  - a. Employment application and/or letter of employment
  - b. Authorizations of pay rates and effective dates?
  - c. Internal Revenue Service Form W-4?
  - d. Department of Justice Form I-9?
  - e. State Withholding Forms?
  - f. New hire reporting?

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

Diocese has but we keep a copy



2. Is there a written record of hours worked, approved by a supervisor when applicable?
3. Are there adequate records to:
  - a. Show computation of gross pay?
  - b. Account for all deductions from gross pay?
  - c. Support payroll tax returns and Forms W-2?
4. Are payroll tax returns filed on a timely basis?
5. Are payroll tax deposits made on a timely basis?
6. Are all employees, clergy and lay, receiving a Form W-2?
7. Are Forms 1099 being provided for all individuals who are not employees, and for all unincorporated entities paid \$600 or more annually?
8. Are Form W-2 wages reconciled to the general ledger accounts, and all four quarterly payroll tax returns?
9. Are clergy housing allowances recorded in the minutes of the Vestry no later than the first meeting of the year?

Yes  No

*with set by 1/1/11 + record*

Yes  No

Yes  No

Yes  No

Yes  No

Yes  No

Yes  No

Yes  No

Yes  No

*These*  
*Financials*  
*N/A Diocese*

*Computer Systems:* The use of computers creates the need for additional procedures to safeguard the system and data.

1. Are current or duplicate copies of the operating system and programs maintained off premises?
2. Are the files backed up daily and the backups maintained off premises?
3. Is access to the computer and computer programs limited to authorized persons?
4. Is there adequate documentation, including user manuals, available on-site for all computer programs?
5. Is a printed copy retained of all journals, general ledger, financial statements and any other computerized records?
6. Is there a plan for recovery of data and continuation of operations in the event of a disaster?

Yes  No

Yes  No

Yes  No

Yes  No

Yes  No

Yes  No

*Financial Software B*  
*when changes are made*  
*Bit & B O S*  
*and u protected*  
*Somewhat*  
*most*  
*online*

*Financial records*  
*- other does not*

## Operating Income & Expenses

	Jan - Dec 22 (preliminary)	Jan - Dec 21 (Final)	\$ Change	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
40000 · Christmas/Easter	3,211.00	3,750.00	(539.00)	4,000.00	(789.00)
41000 · Other Offerings	135.25	27.25	108.00	200.00	(64.75)
42000 · Plate Offerings	8,018.35	4,285.00	3,733.35	6,000.00	2,018.35
43000 · Pledges	102,981.77	100,948.50	2,033.27	104,736.00	(1,754.23)
44000 · Investment Income	7,596.22	23,419.27	(15,823.05)	7,000.00	596.22
45000 · Bazaar	2,926.00	3,834.50	(908.50)	4,500.00	(1,574.00)
47000 · Thrift Shop Income	2,883.08	876.00	2,007.08	2,500.00	383.08
47100 · Donation to Camp Funds	(288.25)	(87.60)	(200.65)	(250.00)	(38.25)
47500 · WMA Diocesan Grant	0.00	1,999.52	(1,999.52)		0.00
48000 · Other Fundraising Events (Net)	2,625.27	6,296.00	(3,670.73)	10,000.00	(7,374.73)
48600 · Advertising Revenue	1,600.00	800.00	800.00	2,400.00	(800.00)
49900 · PPP Forgiveness Grant Revenue	0.00	19,695.00	(19,695.00)	0.00	0.00
69000 · Dumpster Expenses	(2,512.60)	(1,714.50)	(798.10)	(1,800.00)	(712.60)
<b>Total Income</b>	<b>129,176.09</b>	<b>164,128.94</b>	<b>(34,952.85)</b>	<b>139,286.00</b>	<b>(10,109.91)</b>
<b>Gross Profit</b>	<b>129,176.09</b>	<b>164,128.94</b>	<b>(34,952.85)</b>	<b>139,286.00</b>	<b>(10,109.91)</b>
<b>Expense</b>					
60000 · Church Programs - Work Outside	17,592.00	19,267.00	(1,675.00)	17,592.00	0.00
61100 · Salaries and Wages	63,666.52	63,227.87	438.65	76,300.35	(12,633.83)
61200 · Benefits	5,775.76	5,742.16	33.60	7,020.00	(1,244.24)
61300 · Pension Clergy	0.00	0.00	0.00	11,250.00	(11,250.00)
61300 · Medical & Dental	0.00	0.00	0.00	20,601.00	(20,601.00)
61500 · Vacation Replacements	1,350.00	14.25	1,335.75	0.00	1,350.00
61600 · Administration	9,007.93	10,669.20	(1,661.27)	10,000.00	(992.07)
61450 · New Rector Search Expenses	0.00	0.00	0.00	6,500.00	(6,500.00)
61605 · Miscellaneous	17.19	0.00	17.19	0.00	17.19
62600 · Christian Education	350.20	80.00	270.20	300.00	50.20
63100 · Property and Liability Insurance	2,747.28	2,747.28	0.00	2,940.00	(192.72)
63200 · Property Inspections	170.00	270.00	(100.00)	270.00	(100.00)
63400 · B & G - Church	3,548.19	1,457.28	2,090.91	3,300.00	248.19
64200 · B & G - Elevator Exp & Inspect	0.00	1,500.00	(1,500.00)	500.00	(500.00)
64300 · B & G - St. Marks House	16,135.96	3,042.42	13,093.54	16,350.00	(214.04)
64400 · B & G - Rectory	4,520.30	3,761.58	758.72	4,500.00	20.30
64500 · Maintenance	162.15	236.31	(74.16)	800.00	(637.85)
64600 · Snow Removal	0.00	3,190.00	(3,190.00)	4,000.00	(4,000.00)
64700 · Other Utilities - Church	4,542.31	2,602.60	1,939.71	2,800.00	1,742.31
64800 · Other Utilities - St Marks House	1,517.40	1,210.27	307.13	1,500.00	17.40
64900 · Other Utilities - Rectory	1,179.66	539.72	639.94	1,000.00	179.66
65100 · Heating - Church	12,516.04	9,171.87	3,344.17	8,000.00	4,516.04
65200 · Heating - St. Marks House	5,518.14	3,496.31	2,021.83	3,500.00	2,018.14
65300 · Heating - Rectory	1,972.40	1,307.34	665.06	2,000.00	(27.60)
65400 · Designated Heating Donations	(725.00)	(1,052.00)	327.00	(2,500.00)	1,775.00
66300 · Other Rental Offsets	(4,558.00)	(4,165.47)	(392.53)	(2,000.00)	(2,558.00)
66400 · Beacon of Hope Offset	(3,999.96)	(3,999.96)	0.00	(4,000.00)	0.04
67400 · EIDL Loan Repayment - Interest	3,463.68	2,046.00	1,417.68	4,200.00	(736.32)
68100 · Deficit Reduction	0.00	(460.00)	460.00	(5,000.00)	5,000.00
<b>Total Expense</b>	<b>146,470.15</b>	<b>125,902.03</b>	<b>20,568.12</b>	<b>191,723.35</b>	<b>(45,253.20)</b>
<b>Net Ordinary Income</b>	<b>(17,294.06)</b>	<b>38,226.91</b>	<b>(55,520.97)</b>	<b>(52,437.35)</b>	<b>35,143.29</b>
<b>Net Income</b>	<b>(17,294.06)</b>	<b>38,226.91</b>	<b>(55,520.97)</b>	<b>(52,437.35)</b>	<b>35,143.29</b>

## Other Operating Income & Expenses

	Jan - Dec 22 (Preliminary)	Jan - Dec 21 (Final)	\$ Change
<b>Other Income/Expense</b>			
<b>Other Income</b>			
70100 · Trust Funds - Mkt Value Change	(27,079.99)	52,044.38	(79,124.37)
70500 · Special Offerings and Transfer	(52.26)	0.00	(52.26)
70600 · Special Offerings RDF	2,587.00	2,440.07	146.93
70800 · Memorial Fund Receipts	(1,649.58)	2,623.98	(4,273.56)
70900 · Restricted Fund Inc and Trfrs	9.66	12.81	(3.15)
71000 · Outreach Fund (net)	(1,580.41)	(1,275.23)	(305.18)
73000 · Scholarship Funds (net)	8.69	8.69	0.00
74000 · Childrens Fund (net)	5.64	5.63	0.01
75000 · Bement Camp Funds (net)	303.93	113.42	190.51
76000 · Vestry Fund (net)	(408.51)	65.40	(473.91)
78200 · Rainy Day Funds Received	5.88	5.87	0.01
78300 · Capital Funds Drive Income	0.00	500.00	(500.00)
78400 · CPC Grant	0.00	680.50	(680.50)
<b>Total Other Income</b>	<b>(27,849.95)</b>	<b>57,225.52</b>	<b>(85,075.47)</b>
<b>Other Expense</b>			
81000 · Special Transfers - RDF	3,150.00	4,092.12	(942.12)
84000 · Restricted Fund Projects	3,911.26	10,200.00	(6,288.74)
84100 · CPC Expenditures	0.00	680.50	(680.50)
<b>Total Other Expense</b>	<b>7,061.26</b>	<b>14,972.62</b>	<b>(7,911.36)</b>
<b>Net Other Income</b>	<b>(34,911.21)</b>	<b>42,252.90</b>	<b>(77,164.11)</b>
<b>Net Income</b>	<b>(34,911.21)</b>	<b>42,252.90</b>	<b>(77,164.11)</b>

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## Balance Sheet (Preliminary)

	Dec 31, 22	Dec 31, 21	\$ Change
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Checking/Savings</b>			
10000 · LCU Checking XX1247 (main)			
10010 · LCU Main Checking Tower Fund	27,640.27	195,746.39	-168,106.12
10000 · LCU Checking XX1247 (main) - Other	17,489.75	39,540.85	-22,051.10
<b>Total 10000 · LCU Checking XX1247 (main)</b>	<b>45,130.02</b>	<b>235,287.24</b>	<b>-190,157.22</b>
10100 · LCU General Funds XX5125	5,907.66	5,901.75	5.91
10200 · LCU - Rainy Day Fund XX6354	5,886.08	5,880.20	5.88
10300 · LCU Higher Education XX6370	8,700.18	8,691.49	8.69
10400 · LCU Church School XX6383	5,650.63	5,644.99	5.64
10500 · LCU - Healing Class/Miss 6367	2,334.29	2,331.95	2.34
11000 · DCU (S2) Checking	539.72	508.72	31.00
11100 · DCU (S1) General Funds	683.44	643.73	39.71
11200 · DCU (S3) Loan Funds Paid	914.70	913.31	1.39
11300 · DCU (S4) Vestry Funds	184.52	588.03	-403.51
11400 · DCU (S5) Music Fund	5,132.80	5,125.14	7.66
11500 · DCU (S6) Memorial Funds	10,312.17	10,536.75	-224.58
11600 · DCU (S7) Summer Camp Funds	10,562.29	10,392.03	170.26
11700 · DCU (S8) Outreach Fund	2,502.62	3,937.78	-1,435.16
11800 · DCU (S9) Heating Fund	24.99	24.99	0.00
11900 · DCU (S10) Community Cafe Svgs	9.33	9.33	0.00
11980 · Petty Cash Fund	200.00	200.00	0.00
11985 · Special Petty Cash Fund	300.00	300.00	0.00
<b>Total Checking/Savings</b>	<b>104,975.44</b>	<b>296,917.43</b>	<b>-191,941.99</b>
<b>Total Current Assets</b>	<b>104,975.44</b>	<b>296,917.43</b>	<b>-191,941.99</b>
<b>Fixed Assets</b>			
13000 · Land and Buildings	2,978,494.00	2,978,494.00	0.00
14000 · Building Improvements			
14100 · Roof Repair - 2006	0.00	0.00	0.00
14200 · Furnace Renovations - 2008	0.00	0.00	0.00
14210 · Tower Project	448,929.93	210,413.23	238,516.70
14300 · Reside Church (2013 project)	0.00	3,911.26	-3,911.26
<b>Total 14000 · Building Improvements</b>	<b>448,929.93</b>	<b>214,324.49</b>	<b>234,605.44</b>
<b>Total Fixed Assets</b>	<b>3,427,423.93</b>	<b>3,192,818.49</b>	<b>234,605.44</b>
<b>Other Assets</b>			
1401 · Deferred Expenses	11,194.12	9,001.93	2,192.19
1402 · Deferred Income	1,999.92	1,999.96	-0.04
15000 · Funds Held by Trustees	156,802.25	248,564.42	-91,762.17
16000 · Unrestricted Trustee Funds	48,470.50	54,788.32	-6,317.82
<b>Total Other Assets</b>	<b>218,466.79</b>	<b>314,354.63</b>	<b>-95,887.84</b>
<b>TOTAL ASSETS</b>	<b>3,750,866.16</b>	<b>3,804,090.55</b>	<b>-53,224.39</b>

As of December 31, 2022

<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
<b>Current Liabilities</b>				
<b>Accounts Payable</b>				
	20000 · Unpaid Bills	720.56	350.00	370.56
	20100 · A/P Church Gas	-147.36	356.04	-503.40
	20200 · A/P Rectory - Gas	-126.16	-201.00	74.84
	20300 · A/P St Mark's House - Gas	-721.80	-389.00	-332.80
	<b>Total Accounts Payable</b>	<b>-274.76</b>	<b>116.04</b>	<b>-390.80</b>
	<b>Total Current Liabilities</b>	<b>-274.76</b>	<b>116.04</b>	<b>-390.80</b>
<b>Long Term Liabilities</b>				
	24320 · SBA Loan	78,971.68	79,600.00	-628.32
	<b>Total Long Term Liabilities</b>	<b>78,971.68</b>	<b>79,600.00</b>	<b>-628.32</b>
	<b>Total Liabilities</b>	<b>78,696.92</b>	<b>79,716.04</b>	<b>-1,019.12</b>
<b>Equity</b>				
	39000 · Unrestricted Net Assets	3,724,374.51	3,643,894.70	80,479.81
	<b>Net Income</b>	<b>-52,833.59</b>	<b>80,479.81</b>	<b>-133,313.40</b>
	<b>Total Equity</b>	<b>3,671,540.92</b>	<b>3,724,374.51</b>	<b>-52,833.59</b>
	<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>3,750,237.84</b>	<b>3,804,090.55</b>	<b>-53,852.71</b>

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Tower Project as of December 31, 2022

Tower Funds Acquired		Tower Funds Expended	
Contributions	\$ 52,377.08	B&B (Fencing)	\$ 5,850.00
Insurance Settlement	\$ 6,601.28	Elite	\$ 37,434.45
EIDL Loan	\$ 79,600.00	Brideau (Temp Roof Repair)	\$ 4,850.00
All Saints Fund	\$ 191,194.00	Structures North (Engineering)	\$ 40,039.70
Fred Johnson	\$ 45,000.00	Calhess (Reconstruction)	\$ 420,383.84
Eleanor Cook	\$ 90,219.00	<b>Total</b>	<b>\$ 508,557.99</b>
Minerva Crocker	\$ 36,000.00		
Richardson Legacy	\$ 35,000.00		
<b>Total Funds Allocated</b>	<b>\$ 535,991.36</b>		
<b>Total Funds Expended</b>	<b>\$ 508,557.99</b>		
<b>Current Balance</b>	<b>\$ 27,433.37</b>		
<b>Estimated Future Costs</b>			
Calhess	\$ 30,671.86		
Structures North	\$ 1,041.78		
<b>Total Future Costs</b>	<b>\$ 31,713.64</b>		
<b>Needed Additional Funds</b>	<b>\$ 4,280.27</b>		