

Chestnut Hill Friends Meeting Finance Committee Annual Report 4th Month 2019

Finance is charged to prepare the CHFM annual budget; oversee the Treasurer's work; determine financial policy; monitor income and expenses to ensure the Meeting stays within its budget; monitor the Meeting's investments; and bring to the Meeting any interim budgetary problems and suggestions. It is the primary point of fiscal responsibility and stewardship for the Meeting. Its goal is to keep income and expenses balanced, so that the Meeting always lives within its means.

It works closely with the Treasurer to fulfill this charge. To facilitate Meeting for Business (MFB) decision making, Finance and the Treasurer try to present financial information both in detail and in forms that are understandable without having financial expertise.

The annual budget for the fiscal year beginning July 1 is usually approved at the June MFB before the final results for the current fiscal year ending (FYE) June 30 are known. In June 2018 Finance presented a budget for the year beginning July 1 with an \$8,550 bottom line deficit. Because of that deficit, Finance recommended that \$10,000 allocated for grants to other organizations be deferred until January, 2019 when actual results, particularly contributions, for the FYE June 2018 and for the first 6 months of the FYE June 2019 were known. This was approved by MFB.

Contributions were greater than forecast both for FYE18 and for the first 6 months of FYE19. Finance consulted with Stewardship to insure that those contributions did not include any significant non-recurring one-time gifts. With Stewardship's assent, Finance recommended to the January 2019 MFB that the FYE19 budget be amended to increase contributions by \$10,000 and release the grant spending deferred by the June 2018 MFB. This was approved.

In late 2017, Dan Heider indicated he wanted to step down after his many years of dedicated, tireless, and adept service as CHFM Treasurer. He waited patiently as we determined how best to replace him. Dylan Steinberg has agreed to move from Finance clerk to Treasurer. We've hired a part-time bookkeeper, Mary Lynn Howard, to support both Dylan and Secretary Phil Jones. Finance appointed Craig SanPietro to succeed Dylan as Finance clerk at its January 2019 meeting.

All current Finance members, including those with terms expiring in 2019, have agreed to stay on Finance. This experienced group who have worked well together are: Chuck Bragtikoš, Storm Evans, Craig SanPietro, Chris Strom, Peter Warrington, and Erica Warshawer, with Treasurer Dylan Steinberg, Asst. Treasurer Jordan Bastien and CHFM clerk Jeff Perkins as ex-officio members.

Philadelphia Yearly Meeting's Queries about Finance & Budget are attached as an appendix. CHFM Finance practice complies with those queries that are within its domain except for multiyear budgeting. The PYM queries also address practices that are within the domain of several other CHFM committees. During April 2019 Finance will complete its annual "Friendly Audit" that reconciles bank and investment balances as of 12/31/18 with balance sheet amounts and reviews large expenditures. We will continue to have Assistant Treasurer Jordan Bastien reconcile bank statements and have two signatures on all checks larger than \$750.

Submitted by Craig SanPietro, Finance Clerk

Philadelphia Yearly Meeting's Finance & Budget Queries:

1. Does the meeting have a long-term financial plan that includes:
 - Increasing endowment through bequests and planned giving?
 - Increasing current support through fundraising and growth of membership?
 - Utilizing multi-year budgeting?
 - Developing multi-year schedules for the repair, maintenance and renovation of meeting buildings and grounds?
2. Does the meeting approve a budget each year?
3. During the year does the meeting approve discretionary expenditures that deviate from the approved budget?
4. Does the treasurer report to the meeting each year on the prior year's income and expenses and the meeting's balance sheet? Does the treasurer also report periodically to the meeting on its financial situation?
5. Does the meeting have proper checks & balances in place in the disbursement of its funds?
6. Are the meeting's accounts regularly reviewed by a committee appointed for this purpose, its trustees or, if appropriate, an independent outside auditor?
7. Do the meeting's treasurer and finance committee observe generally accepted accounting practices and standards in handling the meeting's finances?
8. Does the meeting seek the financial support of all its members? Does it make clear the expectation that each member will contribute as able?
9. Are routine operating funds financed by living members and attenders?
10. Does the meeting have a process for extending financial support to members experiencing hard circumstances or suffering as a result of witness to Friends testimonies?
11. Does the meeting's budget include resources to support and give witness to Friends testimonies in the local community and the world?
12. Does the meeting's budget provide financial support for the quarterly and yearly meetings?
13. Are the meeting's patterns of spending and consumption socially and environmentally responsible?