

Saint Nicholas Greek Orthodox Church

Treasurer's Report – June 6, 2021 General Assembly

Submitted to the Parish Council President on June 1, 2021

by George Papayannis, Treasurer

1. 2021 Financial Review (to April 30, 2021)

Assets	\$433,091
Liabilities	\$22,000
Revenue	\$159,601
Expenditures	\$96,622

\$48,930 over budget
\$12,476 under budget

Commentary:

We applied for PPP loan forgiveness on June 1, 2021.
We paid off the Heat Loan with Eastern Bank in April 2021.
Annual Fund is driving revenue.
Personnel is driving expenditure savings.

See *Statement of Financial Position, FY21 P&L – Operating Budget*, and *Statement of Activity* for details.

2. Projects Updates (FY21-to-date)

Project Status	Summary
Regular, Ongoing	Run payroll, pay contractors, pay bills Process Pangari Sheets & deposit to bank Manage QuickBooks records and generate financial statements Generate Parish Council and General Assembly reports
Completed	Fr. Demetri's FY2020 SECA/FICA obligations FY20 to FY21 records turnover Documenting and automating Fr. Demetri benefits in payroll Authorize automatic ACH withdrawal for clergy pension Finance Committee Review of Q1 financials Archdiocese Allocation Report for 2022 Pangari Sheet training for Parish Council members Responses to Audit Committee inquiries Apply for PPP loan forgiveness through Citizens Bank
Current	Account maintenance: signers for Citizens and Fidelity Insurance request from Archdiocese Transfer \$25,000 to Investment fund (approved at Fall 2020 GA meeting)
Pending	Approve PPP loan forgiveness application Transition to audit of financial statements

3. Comments on the 2020 Audit Committee Report

1. Expectation

An audit is a review of the official financial statements of the parish (e.g., Statement of Financial Position or Balance Sheet, Profit and Loss Statement, Statement of Activity). The financial statements are produced monthly by the Treasurer, shared and reviewed at Parish Council meetings and General Assemblies, and used for key decisions throughout the year. The purpose of the audit is to provide an opinion on the completeness, accuracy, and reliability of these official financial statements.

This expectation is delineated in *Regulations of the Greek Orthodox Archdiocese of America* (both *Uniform Metropolis Regulations* and *Uniform Parish Regulations*, Jan 2019); is described in the *Parish Council Procedures and Administrative Practices: A Brief Synopsis* (Aug 2019) issued by the Metropolis of Boston Finance Committee; and was reiterated to me by the Treasurer of the Archdiocese, Elaine Allen.

2. Current Practice

The current approach, used by the Audit Committee for at least 10 years, is to generate their own financial statements from the bank statements and records of revenue and payments. The committee does not review the financial statements issued into the official record of Parish Council meetings and General Assemblies. The result is that the official financial statements, the ones used to make decisions, are not reviewed by a second party; likewise, the financial statements generated by the Audit Committee are also not reviewed.

The Archdiocese, in light of financial concerns in recent years, has taken great strides to ensure financial practices from the Archdiocese down to the parishes are aligned with proper accounting practices.

3. Impact

Ultimately, no opinion of reliability on the official financial statements is able to be given to our community, and the controls of the Treasury are not properly scrutinized, leaving the community open to potential liability.

4. Remedy

The remedy is to transition from the current practice to the expected practice. The General Assembly can direct this.

The Audit Committee is appointed by the General Assembly; the Parish Council has no authority over their work. According to the Metropolis *Parish Council Procedures*,

“the General Assembly should describe the duties of the committee so that all parties understand what will be expected from them” (p. 10, attached).

To assist in the transition, we can leverage the professional expertise within our community (e.g., Vasilis Kariolis, an accounting professional), hire the expertise of professional auditors to train the next Audit Committee on the expected practice, or hire auditors as a means to outsource the function.

St. Nicholas Greek Orthodox Church

Statement of Financial Position

As of April 30, 2021

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Available Cash	
Citizens - 3082 - Priest Discretionary	3,841.35
Citizens - 4508 - Operating	172,137.48
Citizens - 5988 - Social Committee	16,560.32
Citizens - 8189 - Memorial	41,970.38
Total Available Cash	234,509.53
Restricted Cash	
Citizens - 3152 - Parish House Security (Berlin)	4,502.35
Citizens - 4299 - Accruals	113,187.02
Citizens - 8197 - Endowment	12,495.48
Total Restricted Cash	130,184.85
Total Bank Accounts	\$364,694.38
Other Current Assets	
Fidelity - 5651	68,396.55
Total Other Current Assets	\$68,396.55
Total Current Assets	\$433,090.93
TOTAL ASSETS	\$433,090.93
LIABILITIES AND EQUITY	
Liabilities	
Long-Term Liabilities	
Eastern Bank - Heat Loan	0.00
SBA PPP Loan	22,000.00
Total Long-Term Liabilities	\$22,000.00
Total Liabilities	\$22,000.00
Equity	
Opening Balance Equity	-124,094.65
Retained Earnings	472,206.51
Net Revenue	62,979.07
Total Equity	\$411,090.93
TOTAL LIABILITIES AND EQUITY	\$433,090.93

St. Nicholas Greek Orthodox Church

FY21 P&L – Operating Budget

January - April, 2021

		TOTAL	
	ACTUAL	BUDGET	OVER BUDGET
Revenue			
19 Meriam Street	20,300.00	20,300.00	0.00
Annual Fund	134,828.65	85,533.32	49,295.33
Events	50.00		50.00
Legacy & Memorial	2,305.00	3,333.32	-1,028.32
Major Gifts		1,500.00	-1,500.00
Ministry Revenue	1,890.00		1,890.00
Savings & Investments	225.14	1.68	223.46
Total Revenue	\$159,598.79	\$110,668.32	\$48,930.47
GROSS PROFIT	\$159,598.79	\$110,668.32	\$48,930.47
Expenditures			
Ministries	1,206.19	2,866.64	-1,660.45
Operations	39,293.82	42,267.72	-2,973.90
Personnel	56,121.95	63,963.68	-7,841.73
Total Expenditures	\$96,621.96	\$109,098.04	\$ -12,476.08
NET OPERATING REVENUE	\$62,976.83	\$1,570.28	\$61,406.55
Other Revenue			
Investment Dividends	2.24		2.24
Total Other Revenue	\$2.24	\$0.00	\$2.24
NET OTHER REVENUE	\$2.24	\$0.00	\$2.24
NET REVENUE	\$62,979.07	\$1,570.28	\$61,408.79

St. Nicholas Greek Orthodox Church

Statement of Activity

January - April, 2021

	JAN 2021	FEB 2021	MAR 2021	APR 2021	TOTAL
Revenue					
19 Meriam Street					\$0.00
Rental Income	5,075.00	5,075.00		10,150.00	\$20,300.00
Total 19 Meriam Street	5,075.00	5,075.00		10,150.00	\$20,300.00
Annual Fund					\$0.00
Amazon On-line Shopping Proceed		66.67			\$66.67
Holiday	300.00	200.00		4,670.00	\$5,170.00
Non-stewardship	320.00	337.00	1,035.00	1,882.00	\$3,574.00
Stewardship	48,419.69	41,335.22	16,938.00	19,325.07	\$126,017.98
Total Annual Fund	49,039.69	41,938.89	17,973.00	25,877.07	\$134,828.65
Events					\$0.00
Fundraisers In		50.00			\$50.00
Total Events		50.00			\$50.00
Legacy & Memorial					\$0.00
Memorial	320.00	595.00	375.00	1,015.00	\$2,305.00
Total Legacy & Memorial	320.00	595.00	375.00	1,015.00	\$2,305.00
Ministry Revenue					\$0.00
Bookstore				20.00	\$20.00
Community Outreach (Care/Kindness Fund)	1,270.00	10.00	30.00	560.00	\$1,870.00
Total Ministry Revenue	1,270.00	10.00	30.00	580.00	\$1,890.00
Savings & Investments					\$0.00
Bank Interest					\$0.00
Operating Interest	1.15	1.15	1.50	1.34	\$5.14
Total Bank Interest	1.15	1.15	1.50	1.34	\$5.14
Endowment Fund In	150.00		20.00	50.00	\$220.00
Total Savings & Investments	151.15	1.15	21.50	51.34	\$225.14
Total Revenue	\$55,855.84	\$47,670.04	\$18,399.50	\$37,673.41	\$159,598.79
GROSS PROFIT	\$55,855.84	\$47,670.04	\$18,399.50	\$37,673.41	\$159,598.79
Expenditures					
Ministries					\$0.00
50-Year Planning Committee			956.25		\$956.25
Church School	14.34				\$14.34
Community Outreach	3.63	0.43	0.43	2.33	\$6.82
Youth Ministries					\$0.00
GOYA	228.78				\$228.78
Total Youth Ministries	228.78				\$228.78
Total Ministries	246.75	0.43	956.68	2.33	\$1,206.19

St. Nicholas Greek Orthodox Church

Statement of Activity

January - April, 2021

	JAN 2021	FEB 2021	MAR 2021	APR 2021	TOTAL
Operations					\$0.00
Annual Fund Expenses					\$0.00
Vanco Service Fees	103.30	159.20	75.20	98.29	\$435.99
Total Annual Fund Expenses	103.30	159.20	75.20	98.29	\$435.99
Archdiocese Total Commitment	3,031.92	3,031.92	3,031.92	3,031.92	\$12,127.68
Bank & Investment Expenses					\$0.00
Endowment Fund Fees				1.91	\$1.91
Total Bank & Investment Expenses				1.91	\$1.91
Buildings & Grounds (17)					\$0.00
Service Contracts & Inspections	81.00	585.90		162.00	\$828.90
Custodian		1,150.00	1,380.00	920.00	\$3,450.00
Landscaping & Snow Removal	5,035.00		1,170.00		\$6,205.00
Trash Service	96.33	192.66	96.33	96.33	\$481.65
Total Service Contracts & Inspections	5,212.33	1,928.56	2,646.33	1,178.33	\$10,965.55
Total Buildings & Grounds (17)	5,212.33	1,928.56	2,646.33	1,178.33	\$10,965.55
Buildings & Grounds (19)					\$0.00
Landscaping	1,830.00				\$1,830.00
Repair & Maintenance		560.00			\$560.00
Total Buildings & Grounds (19)	1,830.00	560.00			\$2,390.00
Information Technology					\$0.00
Software & Subscriptions	39.00	39.00	59.52	39.00	\$176.52
Telephone	69.99	49.99	69.99	443.03	\$633.00
Total Information Technology	108.99	88.99	129.51	482.03	\$809.52
Insurance					\$0.00
Multi-Peril	1,297.05	1,297.05	1,297.05	1,297.05	\$5,188.20
Umbrella Liability				353.00	\$353.00
Workers' Compensation			-182.00	526.00	\$344.00
Total Insurance	1,297.05	1,297.05	1,115.05	2,176.05	\$5,885.20
Liturgical Expenses					\$0.00
Candles			1,020.00		\$1,020.00
Equipment & Textiles				168.07	\$168.07
Total Liturgical Expenses			1,020.00	168.07	\$1,188.07
Office & Kitchen					\$0.00
Postage		55.00	165.00		\$220.00
Supplies	94.12			183.18	\$277.30
Total Office & Kitchen	94.12	55.00	165.00	183.18	\$497.30

St. Nicholas Greek Orthodox Church

Statement of Activity

January - April, 2021

	JAN 2021	FEB 2021	MAR 2021	APR 2021	TOTAL
Utilities (17)					\$0.00
Electricity	629.41	475.25	509.99	392.01	\$2,006.66
Natural Gas	647.37	850.92		1,487.65	\$2,985.94
Total Utilities (17)	1,276.78	1,326.17	509.99	1,879.66	\$4,992.60
Total Operations	12,954.49	8,446.89	8,693.00	9,199.44	\$39,293.82
Personnel					\$0.00
Clergy Benefits					\$0.00
FICA & Medicare Reimbursement		2,506.32	1,253.16	1,253.16	\$5,012.64
GOA Pension		1,702.00	851.00	851.00	\$3,404.00
Priest Dental Insurance	190.00	190.00	190.00	190.00	\$760.00
Priest Health Insurance	1,609.05	1,609.05	1,739.22	1,739.22	\$6,696.54
Priest Housing Allowance	1,328.66	3,985.98	2,657.32	2,657.32	\$10,629.28
Priest Travel Allowance	333.33	999.99	666.66	666.66	\$2,666.64
Total Clergy Benefits	3,461.04	10,993.34	7,357.36	7,357.36	\$29,169.10
Payroll Expenses					\$0.00
Payroll Service Charges	73.31	66.94	60.56	60.56	\$261.37
Taxes & Withholdings					\$0.00
Federal Withholding	0.28	0.28	0.36	0.32	\$1.24
MA Health	5.51	3.94	0.46	0.58	\$10.49
Medicare	14.12	-467.85	11.83	495.75	\$53.85
Social Security	60.34	-1,994.34	50.60	2,113.63	\$230.23
Total Taxes & Withholdings	80.25	-2,457.97	63.25	2,610.28	\$295.81
Total Payroll Expenses	153.56	-2,391.03	123.81	2,670.84	\$557.18
Professional Development			51.00		\$51.00
Salaries & Wages					\$0.00
Salaries					\$0.00
Clergy	5,533.24	5,533.24	5,533.24	5,533.24	\$22,132.96
Total Salaries	5,533.24	5,533.24	5,533.24	5,533.24	\$22,132.96
Wages (1099)					\$0.00
Custodian (1099)	498.33				\$498.33
Total Wages (1099)	498.33				\$498.33
Wages (W-2)					\$0.00
Secretary	779.00	587.10	606.67	841.51	\$2,814.28
Stewardship Bookkeeper	194.25	304.80	209.55	190.50	\$899.10
Total Wages (W-2)	973.25	891.90	816.22	1,032.01	\$3,713.38
Total Salaries & Wages	7,004.82	6,425.14	6,349.46	6,565.25	\$26,344.67
Total Personnel	10,619.42	15,027.45	13,881.63	16,593.45	\$56,121.95
Total Expenditures	\$23,820.66	\$23,474.77	\$23,531.31	\$25,795.22	\$96,621.96
NET OPERATING REVENUE	\$32,035.18	\$24,195.27	\$ -5,131.81	\$11,878.19	\$62,976.83

St. Nicholas Greek Orthodox Church

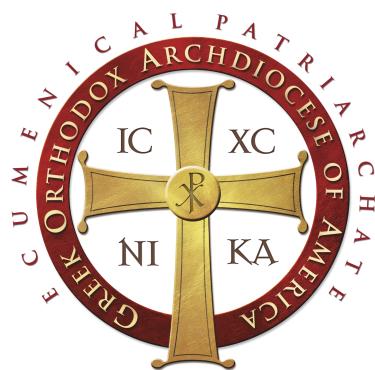
Statement of Activity

January - April, 2021

	JAN 2021	FEB 2021	MAR 2021	APR 2021	TOTAL
Other Revenue					
Investment Dividends	0.58	0.52	0.58	0.56	\$2.24
Total Other Revenue	\$0.58	\$0.52	\$0.58	\$0.56	\$2.24
NET OTHER REVENUE	\$0.58	\$0.52	\$0.58	\$0.56	\$2.24
NET REVENUE	\$32,035.76	\$24,195.79	\$ -5,131.23	\$11,878.75	\$62,979.07

PARISH COUNCIL PROCEDURES AND ADMINISTRATIVE PRACTICES

A BRIEF SYNOPSIS



METROPOLIS
OF BOSTON

This document is not intended to cover all such procedures or practices.
It will highlight just a few of them that might be helpful to the parish.

AUDIT COMMITTEE GUIDELINES

The purpose of the Annual Parish Audit is to insure that the parish remains healthy so that the community can accomplish its main mission; that is, to spread the Good News of Jesus Christ for the salvation of many.

Annual audits are independent evaluations of financial reports, records and the internal controls of the parish and are conducted by a committee of at least three parishioners none of whom are members of the Parish Council. This committee should consist of qualified people for the purpose of reasonably verifying the reliability of the financial reporting, whether assets are being safeguarded, and whether the parish is complying with the law, the UPR and also with the procedures and bylaws of the parish.

For your convenience, the following are the Regulations from the Greek Orthodox Archdiocese Uniform Parish Regulations (UPR} for your review:

ARTICLE 33 BOARD OF AUDITORS

SECTION 1: The Board of Auditors shall consist of at least three parishioners none of whom are members of the Parish Council. The Board of Auditors shall be elected at the last Parish Assembly preceding an election from among those who have not served on the Parish Council for the year being audited and who are not candidates for election to the Parish Council. The Board of Auditors shall have the financial competency to properly execute its responsibilities.

SECTION 2: The Board of Auditors shall audit financial records of the prior year and prepare a report of such audit for presentation to the Parish Assembly. After review by the Parish Assembly, the Parish Council shall transmit copies of the final audit to the respective Hierarch and the Archdiocese.

SECTION 3: A vacancy on the Board of Auditors shall be filled by the Parish Council by electing a successor therefor from amongst the parishioners of the Parish in good standing for the unexpired portion of the term of such vacancy.



In order to clarify the Audit Process, the Metropolis Finance Committee has established the following procedures and guidelines:

- ✚ Prior to the nomination of Audit Committee candidates, the General Assembly should describe the duties of the committee so that all parties understand what will be expected from them.
- ✚ Committee members should only serve in this capacity for two consecutive years at a time.
- ✚ Audit Committee members should NOT be granted access to computers or provided

AUDIT COMMITTEE GUIDELINES

with passwords. Under NO circumstances should they be given the authority to change or alter records.

- ✚ The Audit should only review the previous year unless special circumstances apply or only as it applies to the current review.
- ✚ Audit should include a complete inventory of church assets and the confirmation that said assets included in the current insurance policy of the church.
- ✚ Audit Committee members should obtain and review samples of financial documents that are distributed at each Parish Council meeting.
- ✚ The Audit Committee should confirm that all insurance policies in effect have the proper level of personal property, fire, theft, casualty and liability insurance. They should also confirm the Treasurer and other members handling funds are adequately bonded.
- ✚ The Audit Committee should verify that the authorized signatures are current with the bank and that the correct EIN number is on all accounts.
- ✚ Audit Committee members should NOT have had any involvement, whatsoever, in the funds that are being reviewed. Simply put, they should not be checking themselves.
- ✚ The Audit Committee is to work in conjunction with and report to the Parish Council before making a presentation to the General Assembly.
- ✚ The committee, in addition to verifying the financial documentation of the parish should also verify insurance information as well as ensure that the proper documents have been reported to the IRS, including, but not limited to, IRS forms 941, W2, W3 and 1099's.
- ✚ ALL accounts need to be reviewed, including, but not limited to, Restricted Funds, Unrestricted Funds, Money Market Funds and Discretionary Accounts. The ONLY exemption is the Philoptochos Account.
- ✚ Any funds and/or accounts that are not reviewed must be reported to the Metropolis with a detailed explanation as to why it was not included.

A Good Resource...

“THE ANNUAL CHURCH AUDIT”
by Dan Busby