

# UUA Audit Committee – Minutes

Via Zoom  
April 12, 2021

Members present: Chris Chepel, Chair, Mary Byron, Judy Kleen and Lucia Santini-Field

Members absent: None

Staff: Susan Helbert, Jason LeBeau, Carey McDonald, Andrew McGeorge

CBIZ: Cheryl Cadle, Merrill Puopolo

## 1. Minutes – Chepel

**Motion 1:** to adopt minutes from the February 1, 2021 meeting: moved by Byron, seconded by Kleen, all approved.

## 2. Fiscal Year 21 Audit Plan - Puopolo

- Presented the audit plan and approach for fiscal year 2021 for both the UUA and the Unitarian Universalist Common Endowment Fund (UUCEF).
- Reviewed the responsibilities of the audit firm, the audit committee, the board, and the UUA management team.
- Auditors will be forming and expressing an opinion on the fairness of the consolidated financial statements and supplemental information contained therein. Will provide a summary communication document regarding the results of the audit with their feedback and insights.
- Will be looking at special factors impacting this year including continued COVID impact on operations, status of PPE loan forgiveness, cybersecurity, increased Beacon Press revenue, revised lease agreements with tenants and, the adoption of new revenue recognition standards.

**Action item 1:** McGeorge to find out when the PPE forgiveness paperwork is due and when the funds begin earning interest if not forgiven.

## 3. Recruitment and succession planning update – Chepel, Santini-Field

- Byron has agreed to chair the committee.
- Have been talking with a few potential new members.
- To fill the desired skills and diversity of the committee, will not require new member(s) to be Unitarian Universalists.
- Current volunteer application is not suited for financial committee recruits. Working on a draft of new application.
- Expect to have two new members joining the committee; an orientation for them will be held prior to the November meeting.

- Could explore bringing in a consultant or advisor, if necessary, to assist with such things as mitigation plans.

**Action item 2:** McDonald to review draft of volunteer application for financial committee positions.

**Action item 3:** McDonald to invite new members and, existing member Kleen, to the UUA Board members orientation.

#### **4. Enterprise Risk Management Update/Discussion – McDonald, McGeorge**

- Added denomination split or conflict and, widespread disaster and disruption to the mitigation framework.
- Added loss of nonprofit status and General Assembly (attack, cancellation, year over year loss) to the ERM analysis grid.
- Reviewed and discussed the structure of mitigation plans.
- Discussed the analysis of unmitigated impact and the potential cost to remediate or address.
- Need to review risk scenarios for readiness to determine where the need to prioritize lies.
- Redefine description of professional misconduct to focus on process instead of singular event.
- Will review ERM and mitigation plan for data security at next meeting.

**Action item 4:** McDonald to contact other denominations to see if/how they have approached mitigation plans through their Audit and Risk Committee.

**Action item 5:** McGeorge to contact Church Mutual to see if they have any ERM resources or specific expectations for mitigation plans.

#### **5. Audit Committee Charter Review - Chepel**

- Identified in Charter items needing more frequent attention:
  - Public reports and regulatory filings.
  - Various compliance policies (whistleblower, conflict of interest, ethics).
  - Review of system for compliance with laws and regulations.
  - Review of complaints and treatment of complaints received through the various hotlines.
  - Designation of committee member to review President's travel and expense reports.
  - Obtain from management an assessment of the potential for occurrences of noncompliance and or fraud within the organization.
  - Regularly report to the Board of Trustees about the committees' activities, issues, and recommendations.
  - Members to perform self-assessment on a regular basis.
- Need to develop a rotation/review schedule for the above items.
- An alignment between the Audit and Risk Committee and the Values and Resources Alignment working group could be advantageous.

- Ensure that the committee meets with the EBT Board to review their audit and make recommendation to the UUA Board regarding such audit.

**Action item 6:** Chepel to share the Not-For-Profit Toolkit with committee members.

**Action item 7:** LeBeau to provide Chepel with credentials to the Concur system for review of President expenses.

**Action item 8:** Chepel to review the last three years of the President's expenses.

**Next Meeting:  
November 22, 2021**