

Philadelphia Yearly Meeting Administrative Council
Saturday, January 16, 2016
Approved Minutes

PRESENT: Andrew Anderson, Julian Brelsford, Harry Bryans, Patricia Finley, Evan Draper, Suzanne Day, Bruce Haines (clerk), Ventina Hershey, Linda Lotz, Fred Melroy, Joyce Moore, Richard Morse, Ron Ploeg, (Treasurer) by Phone and Susan Petrocelli.

REGRETS: Tom Peterson

STAFF: Christie Duncan-Tessmer (*ex-officio*) and Linell McCurry

- 1. Opening Worship-** The Meeting opened with worship.
- 2. Welcome-** Bruce welcomed those present and reviewed the Agenda, which was then approved by the Council.
- 3. Review and Approval of Minutes-** A few minor changes were requested for the December 11, 2015 minutes including a misspelling and deletion of certain time frames in the "Mapping Sprint". There was also discussion of the appropriate way to list the Treasurer as a member of the Administrative Council (AC) as well as the office of Treasurer. It was decided that listing the Treasurer was sufficient and likewise the General Secretary would be listed as Staff and Ex-Officio.
- 4. Clerks Report-** Bruce reported that he had the pleasure of attending a Standup meeting at PYM. These meetings are held weekly and the PYM staff gathers in a circle to worship and share whatever is most important on their lists and in their hearts for the week. This allows for a sense of what is happening in the big picture and brings us together as a community. He also mentioned the "Mapping Sprint" and meeting with Auditors which are covered in these minutes. Bruce also told the Council that the numberless budget discussion would be handled in February due to the full agenda today.
- 5. Report from Audit Committee-** Andrew reported for the Audit Committee that PYM had received a "Clean Audit" and that with the change in net assets provided by operations of \$332,032 the fiscal year ended September 30, 2015 was "Good Stuff". The presentation had three handouts consisting of: Consolidated Financial Statements, Required Communications Letter and Representation Letter signed by Linell and Cliessa Nagle. A general discussion ensued with various members of the council asking questions about the financial statements. It was noted that the Auditors did not find any meaningful issues and their opinion was "clean" and comments to the Committee contained nothing material.

There also was discussion of the use of restricted and unrestricted funds and how that affected the statements. It was noted that the revenue and expenses from both restricted

and unrestricted funds were clearly identified in the statements. It was also noted that approximately 80% of total expenses were for programs which is a goal for nonprofits and meets nonprofit standards. The Council expressed satisfaction with the statements and acknowledged the hard and good work of Linell McCurry Associate Secretary for Business and Finance and Cliessa Nagel Controller.

- 6. Recommendations from the Treasurer and General Secretary Regarding Proposal for Strategic Use of Surplus Funds-** Council reviewed the proposal to apply \$75,000 of surplus cash beyond what was required at the start of the fiscal year for 2016 program expenses for special projects. A total of \$50,000 would go to the Quaker Life Council and \$25,000 to the General Secretary. There is no timeframe or constraints on these expenditures. The proposal noted that \$225,000 of the 2015 net cash surplus had been transferred to the operating reserve, with the operating reserve being increased to \$1,025,000 from just over \$800,000 at year end with the ultimate goal of reaching \$1,200,000 or roughly six months of operating expenses. Prudent three year budgeting requires a planned surplus so that the budget is clearly sustainable. After discussion the following minute was approved:

Minute on the Proposal for Strategic Use of Surplus Funds

At the regularly scheduled January 16, 2016, meeting of the Administrative Council, a sense of the meeting of the aforementioned members in attendance was reached as follows and on the attached proposal which was made by the Treasurer and General Secretary.

The Administrative Council (Council) agreed to authorize applying \$75,000 of an unexpected cash surplus to 2016 program expenses. \$50,000 of this surplus will be made available to the Quaker Life Council as directed in the attached Proposal for Strategic Use of Surplus Funds. The additional \$25,000 will be made available to the General Secretary as directed in the same proposal. The background of this cash surplus as well as the details of transferring \$225,000 to the Operating Reserve were detailed in the same proposal. The Council also agreed on the details of the proposal and further recommendations regarding the future of the Strategic Reserve Fund.

After approving this minute, Administrative Council members walked across the hall to share the good news with the Quaker Life Council.

- 7. Report/recommendation from Sprint drafting Job Description for PYM Treasurer-** The Sprint for this project made up of: Andrew, Joyce, Julian, Ron and Linell presented a job description for the Treasurer. It was noted this position is required by Pennsylvania Nonprofit Corporation Law. The Council discussed the skill set needed for Treasurer and also noted that the Treasurer was Ex Officio of the Interim Granting Group. With a minor wording change the Job Description was approved as presented and is attached to these minutes. The AC then thanked the Sprint and with work completed it was laid down.

- 8. Consideration of the draft Duty of Care/Conflict of Interest Policy-** Sue presented the Draft policy to the AC providing background as to the need and use of the policy. The Sprint was made up of Sue, Patricia, Richard and Linell. There was limited discussion and general agreement on the policy. The Clerk of the AC will receive any items that require disclosure for conflict or dual loyalty. Final approval of this draft is deferred until a future meeting as members can deliberate and present questions.
- 9. Report from the Mapping Sprint-** Christie reported for the “Mapping Sprint” and reviewed the draft map of AC responsibilities with estimated time frames as revised from the December AC meeting. This was a general discussion of the time frames for the various categories and exactly what should be presented to Continuing Sessions. It was decided that we would discuss this further at February meeting of the AC. Also names of AC members that volunteered for various Committees and Sprints is as follows:
- Finance- Andrew, Evan, Fred, Joyce, Ventina and Ron.
 - Governing- Evan, Pat, Susan and Suzanne.
 - Property- Harry and Richard.
 - Communication Sprint- Julian and Tom.
 - Bridge- Bruce and Julian.

It is noted that Bruce as clerk will be a member of all Committees as will Christie and other staff as needed.

- 10. Closing-** Business was finished at 1:10 following closing worship. It was noted that the next Meeting will be February 20, 2016 at the Arch Street Meeting House and that the March Meeting will be on the 12th due to Continuing Sessions on the 19th.

Respectfully Submitted
Fred Melroy – Co-Recording Clerk