

Pacific Yearly Meeting
Finance Committee

Report to Representative Committee (RepCom) 2023

Committee Members: Martha Hunkins (Humboldt), Robert Levering (Santa Cruz), John Murphy (Hawaii), Sarah Bottom (La Jolla), Sarah Tyrrell (Co-Treasurer, ex officio), Genie Stowers (Co-Treasurer, ex officio), Susy Cervantes (Statistical Clerk, ex officio), and Doug Smith (Reno).

The Finance Committee Job Description should be amended to reflect that the committee was reduced to five members in July 2022.

Travel issues were discussed. FC noted that gas prices and inflation have affected travel costs such that a review of reimbursement policy was in order. Here's a link to our current Travel Expense Reimbursement Policies:

https://www.pacificyearlymeeting.org/wordpress/wp-content/uploads/2014/06/PYM_TRAVEL_EXPENSE_REIMBURSEMENT_POLICYES.pdf

We also noted that it is not generally the purpose of nonprofit reimbursements to pay for total costs of vehicle ownership including such items as maintenance, insurance, and registration. A suggestion was made that the current rate be increased to half of the IRS business deduction rate of \$0.658, or \$0.329 which is some 30% above the IRS charity rate. **We seasoned this and are formally suggesting the change to RepCom.**

A second issue involving travel to Annual Session and other meetings was raised. The general policy is to reimburse appropriate travel (per guidelines on the website, with a \$600 suggested maximum) based on distance from one's home Meeting to the committee site. Air travel is not generally encouraged except for long distances, but there have been situations involving flights combining personal travel (to a third location) with the Quaker travel. The Finance Committee recommends that in such cases the maximum reimbursement be no more than half of the total travel costs. Committee Clerks should approve such travel in advance. If guidelines are to be exceeded, the Committee Clerks should discuss it with Finance Committee or the PacYM Clerk. This approach should probably also apply to Youth Program reimbursements.

It stands to reason that inexpensive alternatives to travel are often available and should be considered today (digital meetings etc.). Of course, travel arrangements are best made as far in advance as possible.

The Clerks will ultimately have to manage these issues, but FC is here to help them discern fair outcomes. We noted that we certainly want to help folks that are sincerely interested in PacYM involvement, but cannot otherwise afford to travel. We also noted that travelers are always encouraged to first seek financial help from their home meetings as well.

Co-Treasurer's Genie and Sarah handle routine and other finance/accounting work and develop our current financial reports, but we all noted the workload is rather great. We reflected on the long service of Roy Allen as Treasurer, and how much work he took on over the years. The load was becoming onerous even as Genie became Assistant Treasurer to help with payroll, etc. We must listen carefully to our Co-Treasurers, and once we have completed a full cycle and they are aware of the total tasks involved, i.e. after AS2023, we all need to weigh division of tasks, perhaps among FC members and/or others. We also suggested we might need to consider another paid position or contractor, perhaps a bookkeeper for example, or combine the work with other paid positions.

As for our financial position, we have general operations and annual session reserves as reported by the Co-Treasurers, but portions of that are already allocated to representative travel, etc., and those have not been incurred much since the current FY (Oct 1 through Sept 30) began. Worst case would be an operations shortfall of over \$90,000. Still, our conclusion is that we should be in a good enough position to support this year's AS in a manner similar to last year. That is, we should again be able to fully subsidize the youth through age 18.

We do ask attendees to seek funds from Monthly Meetings more actively this year. There were a fairly large number of adult participants who paid nothing for AS last year, and although those in need are welcome, we will suggest this year that some manner of adult financial participation be strongly encouraged by everyone 'able.' The flip side is that quite a few folks paid more than the recommended amounts, which was both helpful and generous.

Online AS participation last year was excellent, and Mt Madonna's and our technology staff ran the digital program very effectively. Only a nominal contribution was asked as we wanted to encourage online attendance, and were uncertain how well the online program would function. We feel online attendance is a very worthwhile option now, and that we should suggest a single contribution of about \$150 per

participant this year, regardless of how many sessions registrants plan to attend. It would simplify registration considerably if everyone registers well in advance of AS. Over 50 participants paid a nominal amount or nothing last year, and there are significant expenses and resources needed for the online programs.

The pay-as-led approach seemed adequate for our purposes last year, however it does create registration complications. In fact, PacYM needs more help in that arena. Overlaps between Registrars, Finance, and Arrangements committees were noted.

PacYM (including the Finance Committee) seems to be supporting a policy of strongly encouraging children, youth, and young adult participation in AS. If we plan to use General Operations funds to support this effort, we need to consciously note the change from past policies. Finance Committee recommends \$20,000 be allocated (line item 5213) to support AS2023, which was not included in the General Budget approved last July.

We also need to recognize that long-term support of this policy will probably result in increased pay-as-led contribution requests from Monthly Meetings beginning next fiscal year. Note that we reduced those amounts three years ago, and have kept them static for the last two years, so an increase should not be onerous for most meetings. We are also happy to listen to other proposals for funding.

We reviewed and discussed the Mt. Madonna proposal for AS2023 provided by PacYM Administration. Simply put, the cost will increase by about 25%. There may be some room for negotiation, but we all understand the need for increases. Food costs alone have increased substantially this past year. Finance Committee will likely recommend increases in suggested contributions by participants, but do not feel we have to ask everyone for the full 25% increase at this time. If General Operations subsidies are similar to last year, the roughly \$41,000 subsidy from last year will likely need to increase to at least \$50,000.

A draft AS2023 budget is attached for approval by the Representative Committee. We may slightly exceed estimates for arrangements, technical support, and registration unless we receive additional volunteer help.

We ask for acceptance of this report and approval of recommendations stated herein.

Respectfully, Doug Smith, Finance Committee Clerk