



Audit and Administration Committee Meeting

Agenda

May 15, 2025, 1:00 p.m.

<https://us02web.zoom.us/j/83843353538>

Meeting ID: 838 4335 3538

Passcode: 366541

Call to Order and Opening Prayer: Mary Sonom

Introduction of the Forvis/Mazar's Partner, National Nonprofit Advisory Services Leader, Neely Duncan

- Presentation of December 2024 Audit Draft Report and Discussion (Separate packet)
Motion to approve audit for Board approval

- Other Business
 - Review of Document Inventory Spreadsheet (p.1)
 - Review of Policies (separate packet)
 - Donor Advised Fund Guidelines
 - Gift Acceptance Policy
 - Gifts in Honor of Trustees
 - Hiring Policy
 - Whistleblower Policy
 - Review of Insurances (p.2)
 - Review of Q1 2025 Financials (p.3-5)

Motion to approve Q1 financials for Board approval

- Adjourn

Inventory of Important Documents / Policies & Owners and Plan of Review

	Owner	Frequency of Review	Last Reviewed	Next Review Due
Organizational Documents				
Articles of Incorporation EFD	Secretary	As needed		
Bylaws EFD	Secretary	3-5 years	Jul-22	2025
Organizational Directional Documents				
Mission, Vision, Values	Ex Cmtt	5 years	2021	2026
Spherical Brand Promise	Ex Cmtt	5 years	2021	2026
Strategic Plan	Ex Cmtt	3-4 years	2021	2025
Committee Responsibilities	Indv. Cmmtt	3 years	2023	2026
Annual Budget of Foundation	Ex Dir & Ctrlr	Fourth Qtr	Dec-24	Dec-25
Operating Policies				
Conflict of Interest	Gov Cmtt	First Qtr	Jan-25	Jan-26
Document Retention Policy	Audit Cmtt	5 years	2023	2028
Executive Director Review Policy/Process	Audit Cmtt	Fourth Qtr	Sep-24	Sep-25
Gift Acceptance Policy	Audit Cmtt	5 years	Jul-20	2025
Gifts in Honor of Trustee Service Guideline	Ex Cmtt	5 years	Feb-20	2025
Grant Policy - EFD	Grant Cmtt	5 years	2023	2028
Investment Policy	Invest Cmtt	3 years	2024	2027
Spending /Distribution Guideline	Invest Cmtt	3 years	Feb-23	Feb-26
Whistleblower Policy	Gov Cmtt	5 years	May-18	2023
Donor-Advised Fund Guideline	Ex Cmtt	3 years	Dec-22	2025
Hiring Policy	Audit Cmtt	5 years	Aug-19	2024
Other Items				
Insurance Policies	Audit Cmtt	3 years	2022	2025
Employee Handbook	Audit Cmtt	5 years	2024	2029
Accounting Manual	Ex Dir & Ctrlr	Ongoing		
Investment Management Agreement	Ex Cmtt	5 years	2022	2027
Donor-Advised Management Agreement	Ex Cmtt	5 years	2024	2029
EFD Grant Agreement	Ex Dir & Ctrlr	5 years	2022	2027
Strategic Plan Initiatives	Ex Dir/Ex Ctte	Qtrly	2021	2025
EFD Audited Financials	Audit Cmtt	Yearly		

EFD & EHFD Insurance Coverage Review

Carrier	Summary of Coverage	2024 Cost	2025 Cost	Renewal Date	
Hartford - Business Owners	Business Owners Policy- essentially general liability: General Aggregate Limit \$2,000,000, Products/Completed Operations Aggregate Limit \$1,000,000, Personal & Advertising Injury Limit \$1,000,000, Each Occurrence Limit \$1,000,000, Damage to Premises Rented to You \$100,000, Medical Expense Limit \$10,000	\$ 1,122.00	\$ 1,169.00		1-Apr
Philadelphia - EFD D&O and E&O	Organization Management Indemnity Package: employment practices and directors and officers \$5,000,000	\$ 4,960.00	\$ 4,483.00		1-Apr
Markel Investment Adviser Professional Liability	Investment Adviser Professional Liability \$1,000,000	\$ 4,964.00	\$ 5,350.00		22-Aug
Travelers - purchased through Unity Insurance Partners	Crime Coverage: Employee Fidelity Bond Limit \$1,000,000; Forgery or Alteration Limit \$1,000,000; Funds Transfer limit \$1,000,000; Computer Crimes Limit \$1,000,000	\$ 1,237.00	\$ 1,242.00		1-Apr
Church Insurance Agency Corp	Worker's Comp* (not included in total on budget)	\$ 80.00	\$ 80.00		1-Apr
Total:		\$ 12,363.00	\$ 12,324.00		

**EPISCOPAL FOUNDATION OF DALLAS
STATEMENT of ACTUAL VS. BUDGET**

	Notes	2025	YTD at 3/31/2025		
		Annual	Actual	Budget	Variance over (under) Budget
Operating Revenue and Expenses					
Revenue					
Administrative fee income - gross	(1)	\$ 254,061	\$ 65,597	\$ 63,515	\$ 2,082
Interest Income	(2)	8,000	601	2,000	(1,399)
Miscellaneous Income		-	-	-	-
Operating Revenue		\$ 262,061	\$ 66,198	\$ 65,515	\$ 682
Expenses					
Payroll					
Executive Director		98,500	24,625	24,625	-
Grant Administrator		12,000	1,488	3,000	(1,513)
Accounting Manager		39,000	9,750	9,750	-
Support Staff		2,750	675	688	(13)
Employee Bonus		10,000	-	2,500	(2,500)
Employer's payroll taxes		11,494	2,681	2,874	(192)
Total Payroll Expenses		\$ 173,744	\$ 39,219	\$ 43,436	\$ (4,217)
Professional Fees					
Audit		28,770	-	7,193	(7,193)
Website & Computer Tech		2,500	-	625	(625)
Legal Fees		500	-	125	(125)
Marketing		11,000	-	2,750	(2,750)
Development		0	-	0	-
Total Professional Fees		\$ 42,770	\$ -	\$ 10,693	\$ (10,693)
Office Expense					
Rent		7,200	1,800	1,800	-
Insurance-D&O/Liability	(3)	14,000	5,652	3,500	2,152
Telephone/Fax/Internet		500	112	125	(13)
Computer Expense	(4)	16,000	9,669	4,000	5,669
Development		500	-	125	(125)
Professional Development		3,000	1,265	750	515
Office Supplies & Postage		1,000	239	250	(11)
Marketing materials		600	305	150	155
Insurance-Worker's Comp		150	-	38	(38)
Board Luncheon		1,000	-	250	(250)
Meetings		600	16	150	(134)
Convention		200	-	50	(50)
Memorials & special gifts		500	-	125	(125)
Miscellaneous		500	-	125	(125)
Total Office Expense		\$ 45,750	\$ 19,058	\$ 11,438	\$ 7,620
Operating Expense		\$ 262,264	\$ 58,277	\$ 65,566	\$ (7,289)
Operating Surplus (Deficit)		\$ (203)	\$ 7,921	\$ (51)	\$ 7,972

- (1) Includes Pooled account and St. John's
(2) Interest earned on money market account balance
(3) Timing of insurance premiums payment
(4) Timing of contract renewals

**EPISCOPAL FOUNDATION OF DALLAS
STATEMENT OF ACTIVITIES**

	Notes	Quarter Ended 3/31/25	Quarter Ended 3/31/24	Year Ended 12/31/2024
Operating Revenues and Expense				
Administrative fee income-gross		\$ 65,597	\$ 67,944	\$ 270,014
Miscellaneous Income		0	1,229	1,654
Interest/Royalty Income		601	504	7,993
Total operating revenue		<u>\$ 66,198</u>	<u>\$ 69,677</u>	<u>\$ 279,661</u>
Payroll and payroll taxes		\$ 39,219	\$ 38,016	\$ 160,895
Professional fees	(1)	-	-	33,375
Office operation		19,058	18,003	38,751
Total operating expenses		<u>58,277</u>	<u>56,019</u>	<u>233,021</u>
Net Operating income (deficit)		<u>\$ 7,921</u>	<u>\$ 13,658</u>	<u>\$ 46,639</u>
Contribution income	(2)	<u>\$ 56,600</u>	<u>\$ 2,550</u>	<u>\$ 61,100</u>
Net Investment Gains/(Losses)				
Interest & dividends		\$ 58,440	\$ 53,534	\$ 728,627
Realized gains		64,357	112,388	410,859
Unrealized gains		(99,676)	614,099	347,740
Less: Vanguard advisory fees		(6,668)	(6,337)	(25,973)
Less: Admin fees on EFD funds		(20,430)	(19,938)	(81,058)
Total net investment gains/(losses)		<u>\$ (3,977)</u>	<u>\$ 753,746</u>	<u>\$ 1,380,195</u>
Grant Expense				
Foundation grants		\$ -	\$ -	\$ 546,133
Trustee fund grants		-	3,000	30,000
Advised fund grants		-	-	55,000
Total grant expense		<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 631,133</u>
Total Increase in net assets		<u>\$ 60,544</u>	<u>\$ 766,954</u>	<u>\$ 856,802</u>
Net assets at beginning of period		<u>\$ 15,092,304</u>	<u>\$ 14,235,502</u>	<u>\$ 14,235,502</u>
Net assets at end of period		<u>\$ 15,152,848</u>	<u>\$ 15,002,456</u>	<u>\$ 15,092,304</u>

Notes to Statement of Activities:

- (1) Timing of contracts for audit, website and computer technician
- (2) Morriss and Trustee Contributions

**EPISCOPAL FOUNDATION OF DALLAS
STATEMENT OF NET ASSETS**

	Notes	Quarter Ended 3/31/2025	Quarter Ended 3/31/2024	Year Ended 12/31/2024
Assets				
Cash - Foundation operating	(1)	\$ 199,413	\$ 138,738	\$ 191,597
Cash - Vanguard Money Market	(2)	196,580	311,825	45,980
Administrative fees receivable		45,167	48,006	45,735
Investments - Foundation		14,858,187	14,500,387	14,805,492
Investments - Agency		32,848,597	34,913,320	33,261,779
Oil and gas property	(3)	3,500	3,500	3,500
Investment Clearing	(4)	(150,000)	-	-
Right of Use Asset	(5)	12,000	19,200	13,800
Total Assets		\$ 48,013,444	\$ 49,934,976	\$ 48,367,883
Liabilities and Net Assets				
Liabilities				
Lease Liability		12,000	19,200	13,800
Due to Agency Funds		32,848,597	34,913,320	33,261,779
Total liabilities		\$ 32,860,597	\$ 34,932,520	\$ 33,275,579
Net Assets				
Without donor restrictions		\$ 14,856,437	\$ 15,000,706	\$ 14,803,742
With donor restrictions		1,750	1,750	1,750
Total net assets		15,152,848	\$ 15,002,456	\$ 15,092,304
Total liabilities and net assets		48,013,444	\$ 49,934,976	\$ 48,367,883

Notes to Statement of Net Assets:

- (1) Cash on hand is approximately 6 months operating expenses.
- (2) Includes 150,000.00 transferred to pooled 4.3.25. Accounting error-wire reversed
- (3) Oil & Gas Property was given with the stipulation that income is split 50/50 with other charities
- (4) 150,000.00 transfer to pooled 4.3.25. Accounting error-wire reversed
- (5) Lease accounting to record "Right of Use" asset and related liability for office space lease agreement