The Orthodox Church in America

Archdiocese of Washington

Audit Report 2023 September 26, 2023

The members of the audit committee met during the month of September 2023 to conduct a financial review for the Archdiocese of Washington (ADoW), Orthodox Church in America.

Since the last report for the period ending in December 2020, there has been no reported change to the position of Treasurer and/or banking institution which we have confirmed to be Matthew Matyuf and the Bank of America. It is noted, however, that in July 2023 the accounting system for the ADoW accounts was moved from Quickbooks online to another version of Quickbooks purchased through TechSoup. In addition, a new computer was purchased for Mr. Matyuf to use for conducting ADoW financial business.

This committee was tasked with completing the annual review for the period January 2021 through December 2021 and January 2022 through December 2022. We were provided adequate records and documentation which included: access to Quickbooks records, account statements, check registers, profit and loss statements, check stubs, invoices, expense reports, deposit receipts, and related information.

To identify key transactions for review, our audit process applied the following methodology:

1. Review check register for non-repeating entries
2. Review check register for funds released to individuals
3. Review for large dollar transactions (deposit or funds released)
4. Review check register for voided entries
5. Compared ending bank statement balance to machine reports
6. Review of machine reports for accuracy

During 2021, a separate savings account was set up under the ADoW BOA account to keep the reserves that are designated for ADoW operations and the Diocesan obligation toward funding the All-American Council.

January – December 2021

* The check sequence began with #1420 and ended with #1510 = 90 checks, 86 issued.
* There were four voided entries for checks #1468, #1469, #1474, and #1490. These were misprints and were accounted for.

Sample transactions reviewed (2021):

01 Deposit 1/20/21/Operations $4,059.92 (5 checks)

02 Check #1422 1/26/21 OCA Assessment $2,409.00

03 Deposit March 2021/Operations $6,251.89 (7 checks)

04 Check #1432 Mission stipend to All Saints $194.41

05 Check #1465 OCA Pension plan $213.88

06 Check 1467 ADoW Cont. to Holy Week Stipend $500.0

07 Transfer AAC reserve transfer to savings acct. $9,235.87

08 Deposit 7/28/21/Operations $729.75 (2 checks)

09 Check #1492 Holy Archangels stipend $583.33

10 Check #1500 Payment to OCA for AAC $10,319.10

11 Check #1502 Holy Archangels stipend $583.33

January – December 2022

* The check sequence began with #1511 and ended with #1590 = 80 checks
* There were 10 checks that were misprinted due to printer errors: #1548, #1549, and #1578 through #1585. All were accounted for.

Sample transactions reviewed (2022)

01 Check #1515 1/30/22 OCA for Background checks $269.40

02 Deposit 2/14/22/Operations $15,997.08 (5 checks)

One check was for $10,000 from Vanguard Charitable meant for Holy Trinity. It was later determined that this check was not meant for the ADoW Holy Trinity and was repaid to Vanguard.

03 Check #1520 2/14/22 Holy Trinity $10,000

04 Deposit 5/9/22 to ADoW Ops $457.00

An item for the DDB was incorrectly paid for with the ADoW Ops Debit Card. This deposit was returning the money to the ADOW Ops account.

05 Transfer 5/9/22 to Savings for AAC $125.00

$50.00

$83.33

06 Payment 5/19/22 to GuideOne Insurance $2,969.20 (check card)

07 Check #1543 Holy Archangels stipend $441.67

08 Deposit 12/27/22 to ADoW Ops $730.08

As part of our review we also examined transactions from the DDB account.

January 2021-December 2021 (DDB)

* There were no checks written from the DDB account in 2021.

Sample transactions reviewed (2021)

01 Deposit 4/12/21 from St. Andrews $300.00

02 November 2021 – No activity on account

January 2022 – December 2022 (DDB)

* Check sequence began with #1103 and ended with #1011.

Sample transactions reviewed (2022)

01 Payment 2/26/22 to Juliana Woodill $1,000.00

02 Deposit 4/10/22 DDB $7,025.00 (2 checks)

One check ($7,000) was designated for Alaskan clergy, the other was undesignated.

03 Check #1005 4/21/22 Dr. Ee for Psych Eval. $1,000.00

04 Deposit 8/4/22 DDB $550.00 (2 checks)

05 Transfer 8/17/22 to ADoW Ops. $2,000.00

06 Check #1010 11/14/22 to OCA $14,300.00

For Alaskan travel to AAC.

07 Deposit 12/2/22 DDB $100.00

08 Paypal 12/8/22 Paypal transfer $276.79

Observations:

* All OCF budgeted funds were dispersed and cleared during both 2021 and 2022.
* Examined transactions had corresponding documentation in the hard-copy files and in Quickbooks, except for the deposit on 4/12/21. The deposit was recorded in Quickbooks but the deposit receipt was misfiled and could not be easily located.
* This was the first physical financial review since 2019. We had limited time to complete this review prior to the September 30, 2023 ADoW meeting.

Review Summary

* We discussed with Mr. Matyuf an issue he is having with the current version of Quickbooks and how information is presented in reports. Mr. Matyuf and the Finance committee continue to work through these issues with the migration and we will keep them in mind for the review of the 2023 records.
* We recommended adding an invoice number to the memo line in Quickbooks if the invoice number is available to help with reconciling.
* We recommend having the ADoW Chancellor review names on the invoices for background checks to ensure that the ADoW is only paying for backgrounds conducted for our diocese.
* We recommend the Finance committee and the DDB Chairman provide guidance and clarity for the tracking and entry of Paypal donations and disbursements (or other electronic accounts, if applicable).  Deposits made to and disbursed from Paypal are expected to grow.  Currently, the Treasurer electronically disburses those funds periodically to the ADoW account in a lump sum.  While providing great convenience to receive donations from individuals, Paypal does not provide documentation (such as checks) that help trace the movement of funds.  To protect the integrity of the funds and the Treasurer, we recommend additional guidance for recording these transactions.  Furthermore, we recommend that review of the Paypal disbursements or from any other similar electronic accounts (Venmo, Zelle, etc., if any exist) be included in the Finance committee meetings and be included in the sampling requirements of annual internal review.  We also recommend that Paypal funds be deposited at least quarterly, if not monthly, into the ADoW bank account.
* We recommend that the Treasurer be offered a basic Quickbooks class (either online or in-person) to help with using the tool to its fullest and support ADoW finances. TechSoup has options for online classes.

Based on the review of the 2021 and 2022 banking transactions, and the information presented, we have no further concerns to report for the financial materials received.

Respectfully submitted

Ann Prentice Rebecca Iannicelli

Lay Audit Member Lay Audit Member

St. John Mission Station Holy Archangels Mission