

**Grail Finance Committee  
Meeting Minutes  
March 25, 2021**

**Attendees:**

**Finance Committee Members:** Mary Farrell, Sharon Wood, Tina Kalala, Carol Skyrn, Pam Hall, Thanh Xuan Nguyen (Liaison to Council)

**Grail US Staff:** Terrie Puckett, Executive Director

**Reflection:** Tina: R. Coward: Progress

**Meeting Minutes:** Thanh Xuan and Sharon

**I. Correction on 2-25-21 meeting minute:**

Mary Farrell clarified that the US Grail has not always operated with a deficit. There were years when there were no deficits when programs (e.g., Semester at Grailville, Year School), operated at Cornwall and Grailville were fully functional. Throughout this century (except for one year when the San Jose condominium was sold), we have been operating at a deficit.

**II. Review of January Financials:** Terri reported:

- A. The line item, Charitable Gift Annuity (CGA) (\$9456) reported in January will be closed in February and combined with the Health and Welfare account. (The Elder Care Committee is responsible for overseeing the Health and Welfare fund). All annuitants but one have chosen not to receive further payments. If the remaining CGA amount runs out, the one annuitant will be paid from the Health and Welfare account for which she is eligible. It was noted that the majority of annuitants did receive more money than what they originally invested, and the US Grail is grateful for their investments.
- B. Rental revenue for Cornwall was for the first three months of the year. More income was received this month but it will balance out.
- C. Question: Where is the \$100,000 listed for the land sale at Grailville? Terri reported that these funds are in escrow and are kept separate until the sale is finalized. (it is not income). Once finalized, this money will be part of the purchase price. Due diligence of 90 days is almost reached. Dreese, the company that bought the land, has met with Loveland City Officials and published a recent article in the local Business Courier re: the GV land sale. Because they have now gone “public,” Terri expects that the contract will be signed very soon. Once the sale is completed, there will be an influx of funds in our assets. This will be distributed according to our asset policy. At the GA, members will vote on a proposal for a Mission Fund.

**III. Review of December 2020 Financials:**

- A. Mary asked why we are counting the draw from the Endowment as **income**, as we are drawing on our **reserves from the Endowment** (not just the interest, but principal as well). (The Endowment was a bequest from Lydwine van Kersbergen’s estate).

Mary believes it is disingenuous for us to record this as income because it is not actually new money coming in. Terrie noted that this is how it has been done: assets on one sheet and income on another. The Grail Reserves are listed as Incomes when they are drawn down from our assets to offset the deficit. It is important to be accurate - they are not revenues from outside, especially when we explain the financial situation to the membership. Terri reported that this is a terminology that has been used for a long time for bookkeeping purposes. Kelly Lipp has done it this way historically. Terrie said perhaps we should make clear there is a difference between member giving and a draw from the Endowment. Mary noted in the past, programs brought in revenue and that was listed as income.

Pam asked when we draw down other reserves, do we count this as income. Terri said she assumes we handle this the same as we do the Endowment. With Major Maintenance (MM) budget, currently \$475,000+ for Grailville and \$218,000+ for Cornwall, it wasn't listed as income (it is not part of the operating budget). It never hit the monthly actuals and was never part of the budget. Mary said maintenance that is major, shows up as expense and the source of funding is the MM fund. It is a separate budget that needs separate approval. Minor, day-to-day routine maintenance comes out of operating budget.

It was noted that one donor had specifically designated half of her bequest for offsetting the deficit and maintenance of Grailville.

Suggestion to change the following wording of:

Item 5600: **Income from Another Grail Entity to Funding from Another Grail Entity.**

Item 5620: **Endowment Draw & Other to Endowment Draw.**

- B. We closed the year 2020 in a very good position although anomalies contributed to this effect. We had budgeted to lose \$300,000 and in fact, we netted \$81,609. Generous giving from members = \$69,676 (\$65,000 was budgeted), non-members = \$52,016 (\$1,500 was budgeted), bequests (\$216,000), termination fee from school board (\$100,000), rental incomes from Cornwall and Grailville, and the PPP loan. Currently the PPP loan is listed on the balance sheet as a liability and we're hoping that this can change from a loan to a grant. We are waiting to hear if the portal is opened. We will see this in 2021 budget.
- C. Mary requested for future financials to include the Actuals from last year with the Actuals and Budgeted for this year.
- D. Terri will attend the Loveland Regional Outreach event tonight. Grail is sharing a table with the Food Pantry (Grail member, Terrie Carter will be the host for the Pantry).
- E. Aggregate (line 34) from Income statement on January Financials. Mary said she is okay if funding from another Grail entity is recorded as such. So, for example, when funds are drawn from the Endowment, this will be recorded not as income but as draw down from the Endowment.

- F. Pam noted that she cannot ascertain what budget items are for. Mary said that Noreen Wilhelm, past Executive Director of the Grail, devised a document explaining these items. Mary will send this document to Finance Team.
- G. It was noted that members on the Grail Council at one time were paid for their service before the first Executive Director was hired (Noreen). They were paid 10 hours/week when they probably worked 40 hr. each!
- H. Tina requested a Zoom recording of our meeting. Sharon said she will ask Elizabeth at the National Office for this recording and send to all Finance Committee members.

#### **IV. Grail Membership Finance Education Meeting.**

A date for our next membership finance meeting will be May 6, 2021 at 1:00 p.m. PST and 4:00 p.m. EST. The Finance Committee will discuss topics for this meeting on April 22 at 11:00 a.m. EST and 8:00 a.m. PST. The meeting will be scheduled for 90 minutes. Carol suggested we collect ideas from Finance Team re: topics for membership finance meeting and responsibilities and agenda and she will send to Team. An agenda item for our next Finance Team meeting will clarify issues to be addressed at this membership meeting. Thanh suggested that we inform members how finance operates and change terminology from where income originates.

Finance Team discussed possible topics:

- *Sale of Grailville South side*
- *Overview of expenses – what is it that costs so much about running this movement in the U.S. and why*
- *Finance Team’s job/responsibilities*
- *Some members think the Grail has lots of money and wonder why we need to sell our land. Explain to members the cost of running our movement (i.e., explain the various portfolios – Health and Welfare, Major Maintenance, etc.)*
- *Discuss member giving and its importance*

#### **V. Meeting with Membership Committee Feedback**

Sharon asked what Team members felt re: our meeting last time with Membership Committee. Mary said it was useful. It helped to understand and remind us of who we are, how old we are, how functional we are, etc. There was a discussion on the process for becoming a member of the Grail. It has never been consistent across the board. Mary asked if there should be a standard process and what are things that should be included. Sharon said it seems like it takes a long time to become a member; perhaps discouraging some women’s desire to join the Grail. Tina noted that we are living in a different time vs. when the process was first developed; we have very different lives now then when women first joined the Grail. She said that the length of the process does not encourage women to join. Carol asked Tina how long it took for her cohort. Tina said she was not sure but it was a long time. She said she did not know that she was supposed to say “I’m ready,” when she wanted to become a member. She believes there are some parts of the process that can be removed.

Pam said in Cincy they had regular dinners for the Explorers and made their way through the book. She said she was ready to become a member but never had a clear idea what the Grail did. Carol said she went through the process twice and couldn’t

get a clear answer as to what she was called to do. Grail members told her she “will know.” Cornwall became that calling. Sharon said she sees the process of becoming a Grail member like the one for those who wish to become nuns. Tina said those who joined in the beginning only had two choices: become a nun or get married. Once early Grail women realized they could join the Grail instead, they chose the latter. Tina said she’s heard that the Grail is not a place to bring children, which can discourage younger women from joining, although because her mother was/is a Grail member, Tina was always at Grail events. Sharon suggested that an Ad Hoc committee be formed to revamp the “joining the Grail” process. It was suggested that the Membership Committee take on this task, not Finance. Sharon agreed to contact the Membership Committee via email. Carol will edit Sharon’s draft before sending it to them.

## **VI. Finance Committee Goals**

### **A. Membership fee; no standard of giving; Solidarity funds**

There is no standard of giving for Grail members. Carol asked how we could reformulate this issue in the form of a goal. Tina suggested there be a standard of giving. For example, membership fee is   x   but members don’t need to pay it if they are unable to do so. There could also be several levels of giving for members as there are in other organizations. Carol suggested an annual giving level. Pam said there should not be a standard of giving. Whatever donation the member can give is acceptable. Mary said there is a resistance to an amount. There are some members who’ve given “sweat equity” their entire lives. Carol said this goal is in conflict with the Membership Committee views but we can have a goal of our own committee. We could suggest a giving level. Tina wondered what age category in the Grail contributes the most and their ages. She wondered if the majority of those giving to the Grail are not really able to do so. Pam said we can create solidarity funds to help with members who cannot afford to give. She said one member once told her that she “gives time, so doesn’t give money.” Tina said in other organizations like church, people give time and money. Members should contribute whatever they can, but they should contribute.

Pam noted that discussions in the Revisioning the Grail Committee have touched on the fact that many members give to International projects vs. National because they can see what projects they are funding and the work they are doing.

Tina asked “How can we make people love the Grail again?”

Thanh said members give to an organization because they get something out of it. The dissension in the Grail over the last few years has turned many members off to supporting the U.S. Grail.

## **VII. Next Finance Committee Meeting: April 22, 2021 at 1:00 pm PST (4:00 pm EST).**