COMMUNITY. SPIRIT. JUSTICE.

FINAL

Accola Finance Committee
Tuesday, November 18, 2025
7:30-9:00 a.m.
Zoom Meeting

In Attendance: Steve Kenney; Mary Lydon; Brian Mallaro; Catherine Mary Rosengren, CSJ

Staff: Matt Halley; Tiffany Melnik; Lacy Sietsema

Excused Absence: Michael Quinlan

The Accola Finance Committee convened on Tuesday, November 18, 2025. Chair Brian Mallaro called the meeting to order at 7:31 a.m.

DEI Statement: Steve read the DEI Statement.

Spiritual Centering: Tiffany led the committee in spiritual centering.

Approval of September Minutes
The September minutes were presented for approval. Hearing no changes or corrections, Mary moved and Steve seconded to approve the minutes. All present members voted to approve.

Review of YTD Financial Statements
Tiffany reviewed the financial dashboard. She stated that Accola has a favorable net operating income and administration expenses are lower than anticipated. There was a discussion about the sustainability plan and how this is reflected in the dashboard. Matt provided a brief overview of major sustainability expenses. Tiffany reported that there were no significant changes to the balance sheet. Accrued liabilities and accounts payable are down when compared to last year at this time. There was a discussion about paid time off policies. Tiffany reviewed revenue by sources and stated that the next annual distribution will be made in January. Revenue has improved and Tiffany provided an update on fundraising performance.

Investment activity YTD is doing well and has increased from $25 million to $26 million. Tiffany reported that she is still determining the best methodology to showcase program performance. She reviewed program revenue with and without subsidies and explained the in-kind rent. Operating assets and liabilities and operating activities were reviewed. Restricted and unrestricted donations were reviewed and expenses show Accola coming in favorable to budget.

There was a discussion about the fact that Accola is owed money by the Minneapolis school district and how this discrepancy happened.

Draft FY26 Committee Goals
Finance Committee goals were presented and reviewed. Brian reported that sustainability initiative will

lead to investment opportunities and that the committee should be available as a group to be a resource for this work. There is a specific interest in how additional income can be earned. Brian reviewed the Reserve Policy. Mary explained that the operational side of this policy resides with the Investment Committee, but that the overall thinking is finance related.

There was a discussion about monthly financial reporting. Brian will take out the word “monthly”. Steve suggested developing a clear composition of Accola’s investment portfolio. It was suggested that the reserve policy should be renamed “reserve and spending” policy. Brian will add this.

St. Mary’s Health Clinics – Financial Interaction
The Finance Committee discussed the financial relationship with Accola has with St. Mary’s Health Clinics (SMHC). Tiffany explained that Accola bills SMHC for grant writing and reviewed the contracted rate. There was a discussion about how much time Paul spends on grant writing for SMHC versus Accola and how the contracted rate is calculated. It was also explained that the new OCIO will be managing some SMHC investment funds. This discussion will be tabled until the January Finance Committee meeting.

Tiffany reviewed where the distribution funds for SMHC come from, as well as how the earnings/loss are spread proportionally. There was a discussion about restricted/unrestricted funds and Board designated funds.

Estate Gift Discussion
Tiffany explained that Accola currently possesses a Ministries Foundation policy regarding gift acceptance. Tiffany would like to draft a similar policy that is relevant to Accola. The Foundation policy was reviewed and Tiffany explained that clarification is needed for how estate gifts are treated.

Executive Session: There was no executive session.

Adjournment: The meeting ended at 9:00 a.m.

Respectfully Submitted,

Lacy Sietsema, Accola