



AFSCME's FINANCIAL STANDARDS CODE
ARTICLE IX AND X

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This graphic features a large 3D dollar sign composed of puzzle pieces. The AFSCME logo is in the bottom left corner, and the title is centered below the dollar sign.



AFSCME's FINANCIAL STANDARDS CODE

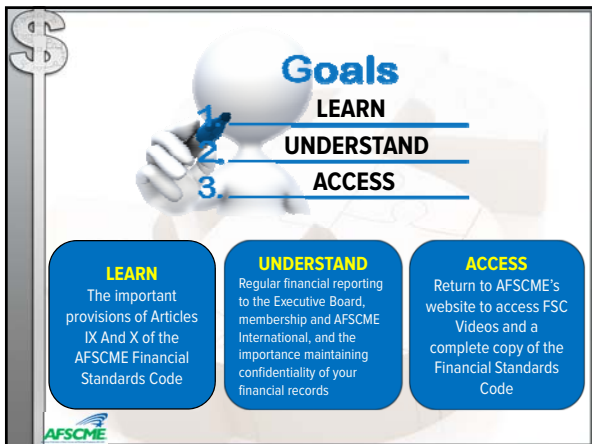
ARTICLE IX REPORTING

ARTICLE X CONFIDENTIALITY OF FINANCIAL RECORDS



William Del Pino
AFSCME Field Auditor

This graphic includes a portrait of William Del Pino, an AFSCME Field Auditor. The background features puzzle pieces and a large dollar sign. The title and article topics are prominently displayed.



Goals

- LEARN**
- UNDERSTAND**
- ACCESS**

LEARN
The important provisions of Articles IX And X of the AFSCME Financial Standards Code

UNDERSTAND
Regular financial reporting to the Executive Board, membership and AFSCME International, and the importance maintaining confidentiality of your financial records

ACCESS
Return to AFSCME's website to access FSC Videos and a complete copy of the Financial Standards Code

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This graphic shows a hand holding a blue pen writing on a whiteboard. The board lists three goals: Learn, Understand, and Access. Each goal has a corresponding text box below it. The AFSCME logo is in the bottom left corner.

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Reporting

Bill of Rights of Union Members

- Part of AFSCME Constitution
- Full and clear accounting
- Regular financial reports required



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Financial Statements


- Prepared **Monthly**
- **Reported** to the **Executive Board** and **Membership**
- **Attached** as a **Permanent Part** of the **Local's Minutes**



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Components of Financial Reports

Total Income		Total Expenses
	Excess or (Deficit) for the Period	
Ending Cash Balances (Assets)		Unpaid Bills (Liabilities)



\$ Large Affiliate Reporting

All **Councils** and any **Local Unions** with **2,000 or More Members** must prepare a **Monthly Report** showing **Actual Income** and **Expenses** versus **Budgeted Income** and **Expenses** for the **Month** and the **Year-to-Date**



\$ Large Affiliate Reporting

All **Councils** and **Local Unions** with **2,000 or more Members** must:


- Prepare **Quarterly Financial Statements** and **Annual Budgets**
- **Submit Copy** to the **International Secretary-Treasurer**



\$ Government Reporting



You are **Required** to **File One** (or more) of the following:

Forms	Due Date
IRS Form 990-N, 900-EZ or 990	May 15
IRS Form 1120-POL	March 15
DOL L-M-2,3,4 Reports	March 31



Government Reporting


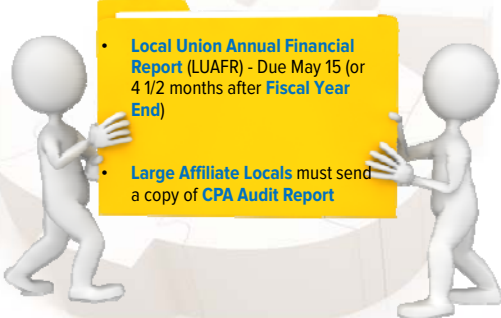
- States also have state reporting requirements
- Ensure that you are in compliance with all laws and requirements for your jurisdiction
- Failure to file required governmental report could cause a penalty to be imposed



AFSCME Reporting

All Local Unions must file:




- Local Union Annual Financial Report (LUAFR) - Due May 15 (or 4 1/2 months after Fiscal Year End)
- Large Affiliate Locals must send a copy of CPA Audit Report



AFSCME Reporting

Every Affiliate must file:

- Surety Bond Report due by March 1st each year
- The Surety Bond is protection against theft of Union Funds by Officers and Employees



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Surety Bond

AFSCME Employees and Officers are Bonded

Stealing Union funds will lead to the Union filing a claim to recover funds

Coverage levels range from \$2,500 to \$500,000

Surety Bond Report is used to determine coverage levels for each affiliate

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Knowledge Check

How often is my union required to prepare a financial report?

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Pick the Correct Answer

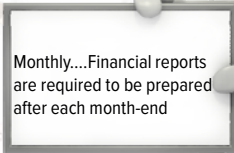
- a) **Only** in the months for which an **Executive Board** or **Membership** meeting will be held
- b) **Monthly Financial Reports** are required to be prepared after each month-end
- c) **Annually**, so that the **LUAFR** and **Surety Bond** can be sent to the **International**

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ANSWER

The correct answer is "B"



Monthly...Financial reports are required to be prepared after each month-end

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AFSCME's FINANCIAL STANDARDS CODE
ARTICLE X



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Restricted Access

- **Don't** disclose **Confidential Information** without **Authorization**
- Limit requests to legitimate **Union Business Purposes**
- **Personal Information** should be **Secured**



Disclosure

- **Government Required Disclosure**
- **IRS Form 990 and DOL LM Forms are Public Documents**

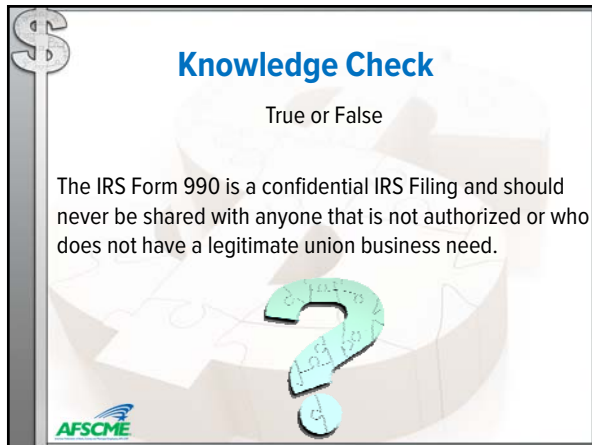


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Knowledge Check

True or False

The IRS Form 990 is a confidential IRS Filing and should never be shared with anyone that is not authorized or who does not have a legitimate union business need.



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Pick the Correct Answer

- a) **True** - IRS filings are confidential and access should be restricted only to executive board members and those with a legitimate union business need
- b) **False** -The IRS Form 990 is "Open to Public Inspection". Copies of the most current filings should be maintained for easy access under a public information request




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ANSWER

The correct answer is "FALSE"

The IRS Form 990 is a document "Open to Public Inspection". Copies of the most current filings should be maintained for easy access under a public information request




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Summary

Article IX – Reporting

1. Monthly financial reports, also known as Treasurer’s reports are required and should be prepared and presented to the union’s executive board and general membership
2. The Surety Bond and LUAFR are required to be submitted annually to the International
3. Large Affiliates must prepare quarterly financial statements and annual budgets and submit to the International




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Summary

Article X – Confidentiality of Financial Records

1. The union’s financial records should be properly maintained and safeguarded to prevent unauthorized access
2. IRS Form 990, and 990-EZ and the Department of Labor LM reports are public documents





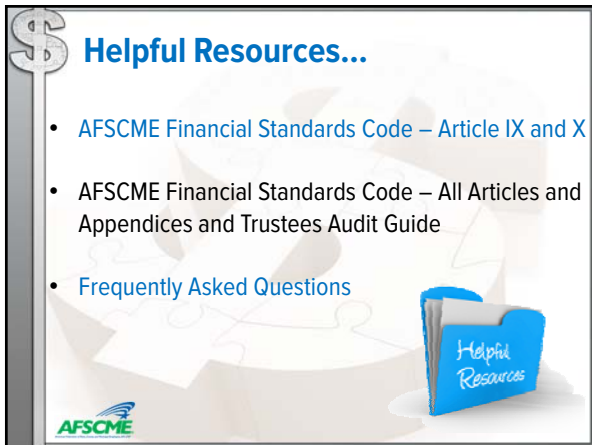
Secretary-Treasurer Workshop

This Video covers only a Small Portion of what you will learn by attending one of our regular Secretary-Treasurer Workshops

Secretary-Treasurer Training is Highly Recommended for all Union Officers and Trustees

Contact your Council or AFSCME International Representative to schedule a class in your area

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Helpful Resources...

- AFSCME Financial Standards Code – Article IX and X
- AFSCME Financial Standards Code – All Articles and Appendices and Trustees Audit Guide
- Frequently Asked Questions

Helpful Resources

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Thank You

If you have any questions, please contact AFSCME's Audit Department at (202) 429-5032

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