AFSCME’S FINANCIAL STANDARDS CODE
Article XI

AUDITS

Cathy A. German, CPA
International Union Auditor

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Goals

LEARN
The requirements of Article XI of AFSCME’s Financial Standards Code

UNDERSTAND
The Requirements of Audits

ACCESS
Return to AFSCME’s website to access FSC Videos and a complete copy of the Financial Standards Code
How Often Should You Have An Audit?

It’s Required:
• At Least *Once Each Year* - check your constitution
• Upon *Change of Officers*
• When *Circumstances Warrant*

Who Should Perform the Audit?

• Trustees
• Independent Certified Public Accountant (CPA) not otherwise connected with the union

Trustee Audit

Trustees may follow procedures outlined in the *Trustees Audit Guide*
Trustee Audit

Independence:

- Trustees are **Not Voting Members** of the Executive Board
- Maintain **Arms-Length Relationship** between the Trustees and Executive Board

CPA Audit

All Councils and any Local Union with 2,000 or More Members Must Have an Annual CPA Audit

Audit Results

- Report on **Material Deviations** from the Financial Standards Code
- **Action Taken** to Correct Audit Discrepancies Must be Reported to Executive Board and Membership
Audit Results
CPA or Trustees must present a Written Report with the following:

• Period the records were Reviewed
• Material Deviations from the Financial Standards Code found during the Audit

Audit Findings

• Findings Reported to Executive Board and Membership
• Audit Report Attached to Minutes of meeting at which it was Presented

KNOWLEDGE CHECK
What is the Minimum Frequency during which an AUDIT must be performed?
Pick the Correct Answer

a) Once every 10 years
b) Once every 5 years
c) Once each year

ANSWER

The correct answer is “C”

An Audit must be performed at least once each year

Summary

Article XI – Audits

1. Audits must be performed at least once each year.
2. Audits are performed by the affiliate Trustees or a Certified Public Accountant.
3. The Trustee Audit Guide is an invaluable tool for the Trustees to aid them in completing their audit.
Secretary-Treasurer Workshop

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

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

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

Helpful Resources...

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

Thank You

If you have any questions, please contact AFSCME’s Auditing Department at (202) 429-5032.