



Managing Local Union Finances



1




Topics/Agenda

- Financial Responsibilities
- AFT Annual Audit Requirement
- IRS Filings
- Vote Cope Contributions and Rebates
- Budgeting and Financial Reporting
- Internal Financial Controls
- Insurance

2



On the web:
www.nysut.org/finance
Leader Access
 Enter the Member ID # from your Membership Card

3



Financial Responsibility

- FIDUCIARY DUTY
 - Legal responsibility to act solely in the best interest of another- putting your members best interests before your own.
- THIS IS A BUSINESS!

4



Financial Responsibilities



- New York State Labor Law *
- NYS Not-For-Profit Corporation Law
- Generally Accepted Accounting Principles
- Local Constitution *
- AFT/NEA *
- IRS and the U.S. Tax Code *

5



New York State Labor Law



- Article 20-A
 - § 722 - Officers Fiduciary Obligation- safeguard books and records
 - § 726 - Financial Reporting- share financial statements annually
 - § 727 - Accounting Requirements- well maintained books and records and support for transactions
 - 7 years for transactional support- receipts, invoices, etc
 - Indefinitely for organizational, formation docs, board minutes
 - § 725 – Enforcement of Fiduciary Obligations & § 728 - Enforcement of Financial Reporting and Accounting Duties
 - members can sue officers for intentional mismanagement of funds

6



Your Local Constitution

- Should have an article for each of the following:
 - Governing Board Financial Duties
 - Annual Budget
 - Financial Reporting/Fiscal Year
 - Annual Audit
 - Reimbursement Guidelines

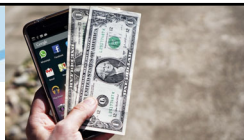
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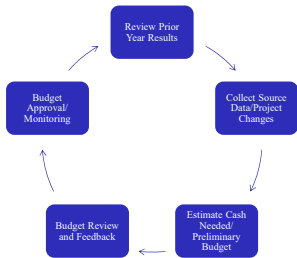
Minutes

- Document Compliance With Constitution
 - Ex- Audit completed and distributed
- Official Record of Decisions Made
 - Budget voted on and passed
- Shows Your Local is Run Like a Business

8



The Budget Process



9

**BOCES 1
REVENUE AND EXPENSE BUDGET
JULY 1, 2020 - JUNE 30, 2021**

REVENUE ACCOUNTS	ADOPTED BUDGET
Member Dues	\$ 52,000.00
Interest	2,000.00
Fund Raising	5,000.00
Arbitration Reimbursement	-
Miscellaneous	1,000.00
TOTAL REVENUE	\$ 60,000.00
EXPENSE ACCOUNTS	ADOPTED BUDGET
Attrition Dues	\$ 27,500.00
Supplies	2,800.00
Telephone	1,750.00
Postage	750.00
Newspaper Costs	4,000.00
Insurance	900.00
Executive Committee	4,000.00
Other Meetings	5,000.00
Officers' Expenses	4,800.00
Delegate Expenses	4,000.00
Arbitration Expenses	1,000.00
Scholarships	3,000.00
Miscellaneous Expenses	500.00
TOTAL EXPENSES	\$ 60,000.00
PROJECTED INCREASE (DECREASE) IN NET ASSETS	\$ -

This budget was adopted by a board resolution at the June 2020 meeting.

Signed _____ Secretary


10

**BOCES 1
SAMPLE FINANCIAL STATEMENT
FOR THE TWELVE MONTHS ENDING JUNE 30, 2021**

STATEMENT OF FINANCIAL POSITION	
Checking Accounts	\$ 1,930.00
Savings Accounts	13,802.00
Investment(s)	15,000.00
TOTAL CASH ASSETS	\$ 30,732.00
Add: Amounts Due to Local	-
Less: Accounts Payable	-
Amounts Due to NYSUT/AFTNEA	-
Other Liabilities	-
NET ASSETS	\$ 30,732.00

STATEMENT OF REVENUE AND EXPENSES			
REVENUE ACCOUNTS	ADOPTED BUDGET	ACTUAL TO DATE	BUDGET REMAINING
Member Dues	\$ 52,000.00	\$ 52,700.00	\$ 700.00
Interest	2,000.00	1,000.00	1,000.00
Fund Raising	5,000.00	4,100.00	891.00
Arbitration Reimbursement	-	200.00	200.00
Miscellaneous	1,000.00	114.00	886.00
TOTAL REVENUE	\$ 60,000.00	\$ 58,114.00	(\$ 1,887.00)
EXPENSE ACCOUNTS	ADOPTED BUDGET	ACTUAL TO DATE	BUDGET REMAINING
Attrition Dues	\$ 27,500.00	\$ 27,540.00	\$ 1,540.00
Supplies	2,800.00	2,489.00	311.00
Telephone	1,750.00	1,462.00	288.00
Postage	750.00	700.00	170.00
Newspaper Costs	4,000.00	3,081.00	919.00
Insurance	900.00	1,000.00	100.00
Executive Committee	4,000.00	3,525.00	475.00
Other Meetings	5,000.00	4,540.00	460.00
Officers' Expenses	4,800.00	4,800.00	-
Delegate Expense	4,000.00	3,565.00	435.00
Arbitration Expenses	1,000.00	174.00	1,716.00
Scholarships	3,000.00	3,000.00	-
Miscellaneous Expenses	500.00	393.00	107.00
TOTAL EXPENSES	\$ 60,000.00	\$ 58,267.00	\$ 1,733.00
INCREASE (DECREASE) IN NET ASSETS	\$ -	(\$ 94.00)	(\$ 94.00)

11



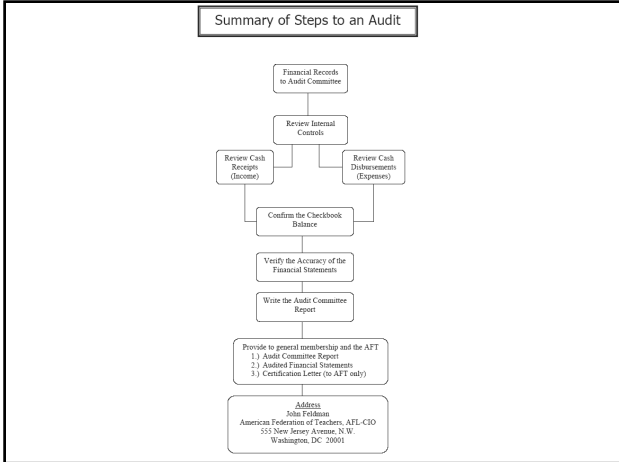
AFT Audit Requirement

Number of Members in Local (excluding retirees)	Type of AFT Requirement
Less than 300 members	Independent CPA Audit <u>or</u> Independent CPA Review <u>or</u> <i>*Internal Financial Review by a Committee of Local Members</i> <u>or</u> Compilation
Between 300 and 1000 members	Independent CPA Audit <u>or</u> Independent CPA Review <u>or</u> <i>*Internal Financial Review by a Committee of Local Members</i>
Between 1,000 and 2,500 members	Independent CPA Audit <u>or</u> Independent CPA Review
2,500 members or more	Independent CPA Audit

Note: Retiree members may serve on audit committees but should be excluded in your count in determining which audit or review is required.

Audit is due 6 months after close of fiscal year

12



13

Dues

- Held in Trust For Members
- NYSUT's Policy With AFT/NEA Dues
- Delinquency Time Table
 - > 90 days letter to President and Treasurer
 - > 120 days letter to Executive Committee
 - > 150 days letter to membership

14



NYSUT Provides Services More Efficiently and Effectively to Members

Dues in State Affiliates with More Than 70,000 Members Ranked by the Full Professional Dues Amount

State	Full Professional Dues (2021-22)	In-service Membership (2021)
New Jersey (NEA)	\$999.00	168,000
California (NEA)	\$768.00	295,000
Michigan (NEA)	\$655.00	80,000
California (AFT)	\$569.40	80,000
Pennsylvania (NEA)	\$564.00	139,000
Washington (NEA)	\$557.00	88,000
Massachusetts (NEA)	\$503.00	103,000
Ohio (NEA)	\$484.00	109,000
Illinois (NEA)	\$483.00	123,000
Minnesota (AFT/NEA)	\$473.00	75,000
Illinois (AFT)	\$380.30	79,000
NYSUT (AFT/NEA)	\$378.00	425,000
Florida (AFT/NEA)	\$230.14	138,000

This chart compares full dues paid to state affiliates of either AFT or NEA that exceed 70,000 members, a comparable universe for NYSUT. As indicated, NYSUT dues are near the bottom. In fact, NYSUT dues are 49% lower than the current top 2 affiliates' dues rates. The services NYSUT renders for those dues provide extraordinary value compared to the other state affiliates.


15

- Tax Exempt Organizations – 501(c)5
 - Exempt from income tax, NOT sales tax
- Federal/Employer Identification Number - EIN
- Federal Form 990-N, 990-EZ or 990
- Federal Information Returns – 1099-NEC
- Payroll and Employment Taxes
- 990T and 1120 POL

IRS Business and Specialty Line 800-829-4933 IRS website: www.irs.gov

16




Your local's EIN (Employer Identification #)

9 digits
XX-XXXXXXX

No !
XXX-XX-XXXX

17



Local's Fiscal Year (Ex: Sept 1, 2021 – Aug 30, 2022)	Required Form To File
Gross Receipts \$50,000 or less	Form 990-N (e-Postcard) <i>filed online only</i> www.irs.gov/990n
Gross Receipts > \$50,000 and < \$200,000, and Total Assets < \$500,000	Form 990-EZ <i>Mandatory E-file</i>
Gross Receipts = or > \$200,000, or Total Assets = or > \$500,000	Form 990 <i>Mandatory E-file</i>

Remember: When calculating your local's gross receipts for the purpose of filing with the IRS, do not include the dues your local collects and passes on to NYSUT.

All 990 Forms are due no later than 4 ½ months after the close of local's fiscal year

www.irs.gov/990n **Form 990-N**
www.irs.gov **Form 990-EZ & Form 990**

18

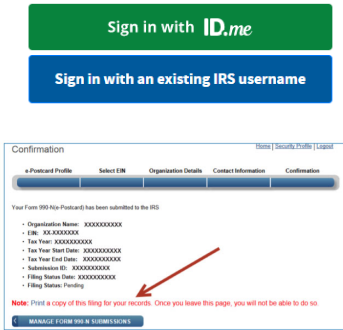
Determining Your Local Gross Receipts
Fiscal Year: July 1 – June 30

\$50,000 - Dues collected from employer
+ 5,000 - Fundraising
+ 2,000 - Retirement dinner receipts
+ 1,000 - Interest income
\$58,000 Total Receipts
- 40,000 Less dues payments to NYSUT
\$18,000 Gross Receipts of Local


19

What does the online Form 990-N look like?

www.irs.gov/990n



20


IRS Form 990-N
Electronic Filing
System (e-Postcard)
User Guide

21

990-EZ Short Form **Return of Organization Exempt From Income Tax** **2021**

OMB No. 1545-0047

Under penalty of perjury, I declare that I am the authorized officer of the organization and that the information provided on this form is true and correct.

Part I **Header Information**

1. Name of the organization: **Teachers Federation of Teachers**

2. EIN: **13-122**

3. State: **CA**

4. County: **001**

5. City: **San Francisco**

6. ZIP: **94102**

7. Telephone: **415-398-1234**

8. Website: **www.teachersfed.org**

9. Form type: **990-EZ**

10. Preparer's name: **John Doe**

11. Preparer's EIN: **12-3456789**

12. Preparer's address: **123 Main St, San Francisco, CA 94102**

13. Preparer's phone: **415-555-1234**

14. Preparer's fax: **415-555-5678**

15. Preparer's email: **john.doe@preparer.com**

16. Preparer's signature: **John Doe**

17. Preparer's title: **Preparer**

18. Preparer's date: **12/31/2021**

19. Preparer's date of preparation: **12/31/2021**

20. Preparer's date of filing: **12/31/2021**

21. Preparer's date of receipt: **12/31/2021**

22. Preparer's date of payment: **12/31/2021**

23. Preparer's date of deposit: **12/31/2021**

24. Preparer's date of withdrawal: **12/31/2021**

25. Preparer's date of distribution: **12/31/2021**

26. Preparer's date of termination: **12/31/2021**

27. Preparer's date of resignation: **12/31/2021**

28. Preparer's date of death: **12/31/2021**

29. Preparer's date of disability: **12/31/2021**

30. Preparer's date of retirement: **12/31/2021**

31. Preparer's date of annuity: **12/31/2021**

32. Preparer's date of pension: **12/31/2021**

33. Preparer's date of IRA: **12/31/2021**

34. Preparer's date of 401(k): **12/31/2021**

35. Preparer's date of 403(b): **12/31/2021**

36. Preparer's date of 529: **12/31/2021**

37. Preparer's date of UGMA: **12/31/2021**

38. Preparer's date of UTMA: **12/31/2021**

39. Preparer's date of trust: **12/31/2021**

40. Preparer's date of estate: **12/31/2021**

41. Preparer's date of probate: **12/31/2021**

42. Preparer's date of executorship: **12/31/2021**

43. Preparer's date of guardianship: **12/31/2021**

44. Preparer's date of conservatorship: **12/31/2021**

45. Preparer's date of receivership: **12/31/2021**

46. Preparer's date of trusteeship: **12/31/2021**

47. Preparer's date of partnership: **12/31/2021**

48. Preparer's date of joint tenancy: **12/31/2021**

49. Preparer's date of community property: **12/31/2021**

50. Preparer's date of marital deduction: **12/31/2021**

51. Preparer's date of charitable deduction: **12/31/2021**

52. Preparer's date of state tax deduction: **12/31/2021**

53. Preparer's date of mortgage interest deduction: **12/31/2021**

54. Preparer's date of property tax deduction: **12/31/2021**

55. Preparer's date of state and local tax deduction: **12/31/2021**

56. Preparer's date of medical expense deduction: **12/31/2021**

57. Preparer's date of capital loss deduction: **12/31/2021**

58. Preparer's date of miscellaneous deduction: **12/31/2021**

59. Preparer's date of other deduction: **12/31/2021**

60. Preparer's date of other income: **12/31/2021**

61. Preparer's date of other loss: **12/31/2021**

62. Preparer's date of other asset: **12/31/2021**

63. Preparer's date of other liability: **12/31/2021**

64. Preparer's date of other equity: **12/31/2021**

65. Preparer's date of other debt: **12/31/2021**

66. Preparer's date of other interest: **12/31/2021**

67. Preparer's date of other dividend: **12/31/2021**

68. Preparer's date of other capital gain: **12/31/2021**

69. Preparer's date of other capital loss: **12/31/2021**

70. Preparer's date of other net capital gain: **12/31/2021**

71. Preparer's date of other net capital loss: **12/31/2021**

72. Preparer's date of other net capital gain/loss: **12/31/2021**

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99. Preparer's date of other net capital gain/loss: **12/31/2021**

100. Preparer's date of other net capital gain/loss: **12/31/2021**

22

7171 VOID CORRECTED

PAAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

PAAYER'S TIN (Local EIN) **13-122**

RECIPIENT'S TIN (Recipient SSN) **123-45-6789**

RECIPIENT'S name **Teachers Federation of Teachers**

Street address (including apt. no.) **123 Main St, San Francisco, CA 94102**

City or town, state or province, country, and ZIP or foreign postal code **San Francisco, CA 94102**

Account number (see instructions) **1234567890** and TIN not

1 Nonemployee compensation **\$ 100,000.00**

2 Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale

3 **3**

4 Federal income tax withheld **\$ 0.00**

5 State tax withheld **\$ 0.00**

6 State/Payer's state no. **CA**

7 State income **\$ 0.00**

Form **1099-NEC** (Rev. 1-2020) Cat No. 759004 www.irs.gov/Form1099-NEC Department of the Treasury Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

23

Do Not Write **1919**

Form **1096** Annual Summary and Transmittal of U.S. Information Returns **2021**

OMB No. 1545-0108

1. FILER'S name: **Teachers Federation of Teachers**

2. Street address (including apt. or suite number): **123 Main St, San Francisco, CA 94102**

3. City or town, state or province, country, and ZIP or foreign postal code: **San Francisco, CA 94102**

4. Name of person to contact: **John Doe**

5. Office name: **Teachers Federation of Teachers**

6. Office address: **123 Main St, San Francisco, CA 94102**

7. Office phone: **415-398-1234**

8. Office fax: **415-398-5678**

9. Office email: **john.doe@teachersfed.org**

10. Office Social Security number: **123-45-6789**

11. Total number of forms: **100**

12. Federal income tax withheld: **\$ 0.00**

13. Total amount paid on all 1099s: **\$ 0.00**

14. Return type: **1099-NEC**

15. Return type: **1099-INT**

16. Return type: **1099-DIV**

17. Return type: **1099-ORD**

18. Return type: **1099-PRO**

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98. Return type: **1099-SSB**

99. Return type: **1099-SSC**

100. Return type: **1099-SSD**

Return this entire page to the Internal Revenue Service. Photocopies are not acceptable. Send this form, with the copies of the form checked in box 6, to the IRS in a flat mailer (not folded).

Under penalties of perjury, I declare that I have examined this return and accompanying documents and, to the best of my knowledge and belief, they are true, correct, and complete.

Signature: **John Doe** Title: **Officer** Date: **12/31/2021**

24

1099-NEC Reportable Income
\$600 or more in a calendar year

\$599 Stipend
600 Value of Waived Dues
\$1,199 To be reported to the IRS

\$1,000 Paid to recipient
600 Expenses
\$400 Not reportable – if expenses *have* receipts
 (\$1,000 Reportable – if *no* receipts)

25

LOCAL LEADER		
Employee or Independent Contractor ?		
	Employee	Independent Contractor
Definition	Employer controls your work and your time	You control your work and your time
Local's Tax Consequence	Local pays: -FICA (Social Security/Medicare) -Federal Unemployment Tax -NYS Unemployment Tax -Workers' Compensation -NYS Disability Insurance	None
Individual's Tax Consequence	Individual Pays: -Federal Income Tax -NYS Income Tax -FICA(Social Security/Medicare)	Individual reports income on personal state and federal returns if applicable.
IRS Reporting Form	W-2	1099-NEC

26

Payroll Service Companies

- ADP (518) 464-7676
- Intuit (must be using Quickbooks)
(800) 365-9618
- Paychex (518) 869-5900 ext. 43501

Call for quotes and identify your local as a NYSUT affiliate

27



Other IRS Filings

- IRS 990T and NYS CT-13
 - Tax on unrelated business income over \$1,000
 - Has to be in the normal course of business
- 1120 POL
 - Applies to locals that file Forms 990-EZ or 990 and
 - Spend more than \$100 on electioneering activities

28



Vote/Cope

- Voluntary Contributions from Members
 - Sent to NYSUT within 10 days of collection
 - Checks only (Payable to Vote/Cope) – no cash
 - Do not deposit contributions into local treasury
- Rebates to Local
 - Local Assistance – Automatic
 - Local Educational Issues – Must Request
- Electioneering Activities
 - May be taxable

29



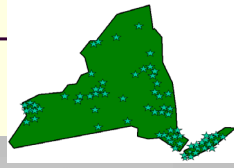
Insurance

No Cost Through Affiliation with NYSUT

- Fidelity Bond
- Officer's Liability Insurance
- General Liability Insurance
- Officer's Life Insurance

30

Newspaper Headlines



Police: Lady stole \$10k from union...

Former BOCES Union Officer Accused of Stealing \$438,000...

Union Leader Resigns Amid Embezzlement Allegations...

Former teachers' union treasurer accused of stealing over \$68,000...

Teacher Left \$50K to Union From Which She allegedly Took \$808K

31

Internal Financial Control Checklist



- Two Signatures On ALL Checks and Accounts
- Never Pre-sign a Check
- Officer Approval of Large or Unusual Items
- Purchases within Budget
- Receipts for all purchases
- Check signatories on file
- Treasurer's report/financials presented
 - Be transparent
- Bank Statements Reconciled Monthly
- **2 Officers Review Bank Statements Each Month**
- Keep Voided Checks
- Pre-numbered Checks
- Separate Functions and Duties

32

Internal Financial Control Checklist



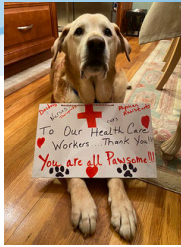
- Cash Control
 - Timely Deposits
 - All On Payroll Deduction
 - No Checks Payable to "CASH"
 - No Cash Cards - ATM
 - Watch Direct Billed Credit Cards
- Investment Policy
 - Protect the Principle
 - Maturity Dates
- Reasonable Cash Reserves
- Inventory Your Assets

33



Internal Financial Control Checklist

- Annual Audit
or
- Financial Review by Committee
or
- Compilation (less than 300 members)
- Annual Budget Adoption
- Written Periodic Financial Reports
- Formal Recordkeeping System



34



Resources

- Managing Local Union Finances Handbook & Workshops
- Membership Department
- www.nysut.org/finance Leader Access
- AFT Guidelines for Financial Review Committees
- <http://leadernet.aft.org/>



35



We're Here to Help!

NYSUT Accounting Department
 1-800-342-9810
 Amy Ethier
Amy.Ethier@nysut.org
 or
 AJ Nunziato
Anthony.Nunziato@nysut.org



36

Important Dates for Treasurers

Date	Form
January 15	IRS Forms 990-N e-Postcard, 990-EZ or 990 due for those affiliates with fiscal years ending August 31. *
January 31	IRS Form 941 and NYS 45, quarterly income tax withholding report due for fourth quarter of the previous calendar year. (<i>Locals with Employees</i>)
January 31	IRS Form 940 annual federal unemployment tax return for the previous calendar year. (<i>Locals with Employees</i>)
January 31	IRS Form W-2 to employees for amounts paid for the previous calendar year. (<i>Locals with Employees</i>)
January 31	Transmittal Form W-3 to the IRS for employees for amounts paid for the previous calendar year. (<i>Locals with Employees</i>)
January 31	IRS Forms 1099-NEC for amounts paid to local union officials, retiree council leaders and others totaling \$600 or more in the previous calendar year.
January 31	Transmittal Form 1096 with copies of Forms 1099-NEC to the IRS for amounts paid to local union officials, retiree council leaders and others totaling \$600 or more in the previous calendar year.
February 28	Annual audit/review/compilation due to the American Federation of Teachers for all affiliates with fiscal years ending August 31.
March 31	For private sector affiliates covered by the Department of Labor, the annual LM report is due for those affiliates with fiscal years ending December 31.**
April 30	IRS Form 941 and NYS 45, quarterly income tax withholding report due for the first quarter. (<i>Locals with Employees</i>)
May 15	IRS Forms 990-N e-Postcard, 990-EZ or 990 due for those affiliates with fiscal years ending December 31. *
July 31	IRS Form 941 and NYS 45, quarterly income tax withholding report due for the second quarter. (<i>Locals with Employees</i>)
September 30	For private sector affiliates covered by the Department of Labor, the annual LM report is due for those affiliates with fiscal years ending June 30.**
October 31	IRS Form 941 and NYS 45, quarterly income tax withholding report due for the third quarter. (<i>Locals with Employees</i>)
November 15	IRS Forms 990-N e-Postcard, 990-EZ or 990 due for those affiliates with fiscal years ending June 30. *
November 30	For private sector affiliates covered by the Department of Labor, the annual LM report is due for those affiliates with fiscal years ending August 31.**
December 31	Annual audit/review/compilation due to the American Federation of Teachers for all affiliates with fiscal years ending June 30.

* Forms 990-N e-Postcard, 990-EZ **or** 990 are due four and one-half months after the close of the fiscal year.

** Department of Labor reports are due 90 days after the close of the fiscal year. Only locals whose members are employed in the private sector are covered by DOL requirements.



DID YOU KNOW?

All NYSUT locals must file an informational tax return with the IRS every year.

What IRS form does my local file?

The following table highlights the thresholds for IRS filing according to your local's gross receipts and total assets.

Local's Fiscal Year (Ex: Sept 1, 2021 – Aug 30, 2022)	Required Form To File
Gross Receipts \$50,000 or less	Form 990-N (e-Postcard) <i>filed online only</i> www.irs.gov/990n
Gross Receipts > \$50,000 and < \$200,000, and Total Assets < \$500,000	Form 990-EZ <i>Mandatory E-file</i>
Gross Receipts = or > \$200,000, or Total Assets = or > \$500,000	Form 990 <i>Mandatory E-file</i>

- Gross receipts = the monies you deposit into your local's bank account(s) during your 12 month fiscal year. When calculating your local's gross receipts for the purpose of filing with the IRS, *do not* include the dues your local collects and then passes on to NYSUT.
- Total Assets = typically the balances in the local checkbook and savings accounts at fiscal year end (Large locals would include other booked assets such as buildings owned, furniture, etc.)
- *All forms must be filed no later than 4 1/2 months after the close of your local's fiscal year.* Example: if your fiscal year ends on August 30, you must file no later than January 15 each year.
- Form 990-N, e-Postcard can only be filed online at: www.irs.gov/990n
 - **You will have to create a new ID.me account with the IRS even if you already have one.** [Click here to view the IRS new sign-in process beginning August 2022](#)
- If your local files either the Form 990-EZ or the Form 990, these forms are required to be electronically filed. IRS approved e-file providers can be found here: [E-file providers](#)
- You will need your local's EIN (nine digit tax id number) when filing. This number can be obtained from your local's bank, previous filings or formation documents.

What happens if my local does not file with the IRS?

Your local's tax exempt status (waiver from paying federal and state income tax) may be revoked and/or monetary penalties will be assessed.

I've got more questions. Who can help me?

Contact the NYSUT Accounting Department at (800) 342-9810.

Ask for Amy Ethier, email: Amy.Ethier@nysut.org
or A.J. Nunziato, email: Anthony.Nunziato@nysut.org

Determining Gross Receipts for the Purpose of Filing the Form 990

Locals must calculate the amount of their gross receipts each fiscal year to determine which form (990-N, 990-EZ or 990) should be filed annually with the IRS. The thresholds for filing the Form 990 are shown in the table on the reverse side.

Gross receipts are the monies collected and deposited into the local's bank account(s) during the fiscal year. (Example: July 1 through June 30).

There are certain receipts that can be excluded in this calculation. Three issues determine gross receipts; benefit to the local, control by the local and discretion on the use of funds by the local. If the local collects funds that it derives no benefit from and are simply pass through funds, then these receipts are not counted as gross receipts for the purpose of the filing the Form 990. If the local simply acts as a conduit for the funds received, those funds should not be included in its gross receipts. However, if the local has some discretion with regard to the funds received or otherwise receives benefits from the receipt of the funds collected then the local would have to include the funds received in their gross receipts calculation.

The following examples are situations that illustrate the definition of gross receipts as pertains to the filing of the IRS Form 990.

The local collects dues from the district via the payroll deduction process and passes these dues directly on to NYSUT (includes the NYSUT and national affiliate AFT or NEA dues). The local is simply acting as a conduit for these funds and derives no benefit. The state and national dues are *not included* in calculating local gross receipts.

A local advertises a trip to its members but is not sponsoring or taking part in the planning of the trip. The local collects \$15,000 from members and passes the entire \$15,000 on to a travel agency. Since the local did not have discretion over the use of the funds, the entire amount would *not be included* in gross receipts on the 990.

A local holds a retirement dinner and collects money from all attendees, deposits the funds in the local bank account and then writes a check to the restaurant for the exact same amount. The local is deriving no monetary benefit from these funds however, they have discretion on how the funds will be utilized (i.e. planning the function). These funds *are included* as gross receipts.

A local sponsors a trip and collects \$10,000 from participants and deposits these funds in the local bank account. The local writes a check to the travel agency for \$9,000 and keeps \$1,000 for their efforts in organizing the trip. The entire \$10,000 *is included* as a gross receipt because the local received some benefit from the collection of the funds.

Lastly, a local holds a fundraiser for student scholarships and deposits \$3,000 in the local bank account in May. The local distributes the entire \$3,000 at graduation in June. The local must include the entire \$3,000 as a gross receipt because fundraising activities receipts are considered as 100% gross receipts in all instances. Any and all monies collected through fundraising efforts *are included* in gross receipts on the Form 990.

In all the illustrated cases of gross receipts that are *not included* in the calculation for the purposes of filing the Form 990, these amounts should *not be included* on the Form 990 when filing the annual return. NYSUT strongly encourages locals to seek the guidance of their tax professional on these matters at tax preparation time.

VI. PRIVATE SECTOR LOCALS ONLY–FEDERAL RETURNS

Reports required under the Labor-Management Reporting and Disclosure Act

Virtually all of NYSUT locals are free from the reporting requirements under this act. By definition, labor organizations in the public sector whose members are employed by State, County, Municipal or other Local governmental bodies are not required to file. This excludes most NYSUT locals except those employed in the **Private Sector** (i.e., private employers). We will briefly touch on the reporting requirements under this act.

1. Initial Report, Form LM-1

Each labor organization subject to the Act must file with the Secretary of Labor their constitution and bylaws and also certain information relative to the structure and procedures of the labor organization. Any subsequent changes after this initial report is filed should be made on the local's annual LM report, LM-2, LM-3 or LM-4.

Only an electronic version of the LM-1 will be accepted.

2. Labor Organization Annual Report, Form LM-2

The LM-2 must be filed if gross receipts are more than \$250,000. Gross receipts include all sources of income without exclusions or deductions. (NYSUT and AFT per capita would be included under this definition.) This report is due 90 days after the close of your fiscal year and is filed with the Office of Labor-Management Standards Enforcement, U.S. Department of Labor, Washington, D.C. 20216.

Only an electronic version of the LM-2 will be accepted.

3. Labor Organization Annual Report, Form LM-3

Shortened version of Form LM-2 filed by organizations with gross receipts less than \$250,000. This report is due 90 days after the close of your fiscal year.

Only an electronic version of the LM-3 will be accepted.

4. Labor Organization Annual Report, Form LM-4

Shortened version of Form LM-2 and Form LM-3 filed by organizations with gross receipts less than \$10,000. This report is due 90 days after the close of your fiscal year. *Only an electronic version of the LM-4 will be accepted.*

On the following pages are examples of completed LM-1 and LM-3 for our fictitious private sector local, HOSPITAL I, which has no regular employees.

Information on filing the annual LM reports can be found at:

<https://www.dol.gov/agencies/olms/reports/forms/lm-1-lm-2-lm-3-lm-4>

Contact NYSUT's Accounting Department with questions on filing at 800-342-9810.

Please note: The Department of Labor is requiring locals with \$250,000 or more in annual receipts to file revised form LM-2, electronically. Please check the Department of Labor's web-site below for updates to the new LM-2 filing requirements.

Suggested Recommendations for Adopting a Local Expense Reimbursement Policy

I. OBJECTIVE

This document is for local leaders who have been requesting recommendations for an expense reimbursement policy in order to establish guidelines for their own policy. In the development of expense reimbursement guidelines, the following principles should be adopted:

1. The funds used by the organization are entrusted to the local by the membership. Local leaders have a fiduciary duty to expend the membership funds wisely and in the interests of those members they represent.
2. Individuals should not be required to subsidize the organization. Therefore, reasonable and authorized expenditures should be promptly reimbursed.
3. The policy applies to all who incur expenses on behalf of the local.

II. ADMINISTRATION

It is the responsibility of the governing board to ensure that expenses incurred for travel and other activities are essential to their function. Expenses should be reasonable and justified.

Any exceptions to the policy will require the prior approval of the appropriate local leader. However, any reimbursement policy should apply uniformly to all local leaders and member volunteers.

The governing board of the local shall determine which local officer approves the expenses of the organization.

It is the responsibility of the individual with approval authority to thoroughly review the voucher/expense reports to ensure expenses are consistent with this policy.

III. VOUCHERS/EXPENSE REPORTS

Vouchers are legal documents. The information on them is used in judging both the operation of the organization and the financial integrity of the individual. Certain 2

Only *original* paid receipts or bills (no photocopies) should be acceptable documentation. An appropriate timeframe should be designated for payment of voucher expenses.

For an expense reimbursement plan to be accountable (no tax consequences for the individual), the IRS requires that each expenditure show the following:

1. Amount
2. Date and place of travel or entertainment
3. Business purpose
4. Names of individuals present and business connection

The following are suggested expenses that the governing board may determine are reimbursable expenses:

- Meals – Assign a maximum allowable amount for each meal (breakfast, lunch, and dinner). If paying for more than one, list names on receipt.
- Mileage rate for personal car use – The IRS suggested mileage reimbursement rate is published each January. Your local can determine its own rate.
- Parking and Tolls – These fees must be substantiated with receipts or an EZ Pass report.
- Public transportation – Detail the circumstances it may be used and guidelines (Example: Local leaders traveling more than 200 miles may take a train).
- Housing – The maximum amount allowed and length of stay should be stated. Determine if double occupancy for lodging is mandatory or suggested. An itemized paid bill must accompany hotel expenses.

I. ADVANCES

At certain times, extraordinary expenses are anticipated (conventions, conferences, etc.). Advances are appropriate in these circumstances. However, expenses incurred against these advances must be immediately vouchered and substantiated with receipts. Any excess advance should be returned to the local at this time or, conversely, any amounts due the traveler should be promptly reimbursed. At the end of the calendar year, if still not vouchered by the individual, the advance must be considered income and reported to the IRS. This income must be reported by the local Treasurer on IRS Form 1099-MISC or included in W-2 wages, whichever is applicable.

Model Financial Language for a Local Constitution

ARTICLE DUTIES OF OFFICERS

Duties of the President

Section 1. The President shall:

- a. be one of the responsible financial officers of the organization and shall be authorized to co-sign financial instruments and make regular and usual disbursements of funds;
- b. certify to the Secretary Treasurer of the American Federation of Teachers that the annual audit/internal financial review were presented to the entire membership annually.

Section 2. The Vice President shall:

- a. co-sign financial instruments in the absence of the President or Treasurer.

Section 3. The Secretary shall:

- a. ensure that the annual budget is adopted and recorded in the minutes of the Executive Board/membership meeting;
- b. where appropriate, a local may merge the offices and duties of the Secretary and Treasurer

Section 4. The Treasurer shall:

- a. receive, record and deposit all dues monies and other income in the name of the organization;
- b. reimburse local officials as mandated by the Expense Reimbursement Policy;
- c. maintain accurate membership records;
- d. where appropriate, a local may assign the duty of issuing membership cards and sending notices of dues delinquency to a separate membership coordinator;
- e. be one of the responsible financial officers of the organization and be authorized to co-sign financial instruments and make regular and usual disbursements of funds;
- f. maintain all financial records of the organization;
- g. present periodic financial reports to the Executive Committee and an annual report to the general membership;
- h. collaborate with the Executive Board in the preparation of the annual budget;
- i. arrange for an independent audit/internal financial review of the finances of the organization annually no later than (month/day) and make same available to the Executive Board and membership;
- j. transmit per-capita payments on a regular basis to the Membership Reporting Department of the New York State United Teachers;
- k. perform other financial duties as delegated by the President or assigned by the Executive Board;

**ARTICLE
EXECUTIVE BOARD**

Compensation and benefits of officers

Section 1. The Executive Board shall establish the salary, benefits and expense guidelines of any general officer who is employed by the organization.

Executive Board financial authority

Section 2. The Executive Board shall be empowered to make contracts and incur liabilities including the purchase of services, equipment and real property, to borrow money, to secure such obligations by mortgage or other instrument, and to otherwise engage in financial transactions to the extent permitted by applicable law or statute. The Executive Board shall have the power to sue, complain and defend on behalf of the membership.

Annual financial report

Section 3. The Executive Board shall ensure that an annual financial report and an audit/internal financial review are presented to the membership.

Annual Audit/Review

Section 4. The Executive Board shall ensure that an audit/review by an independent accounting firm or an internal financial review conducted by a committee of 3 – 5 members who do not sit on the Executive Board is presented to the membership annually.

Budget adoption Executive Board or General Membership adopts the budget

Section 5. The Executive Board shall ensure that an annual budget is adopted, in collaboration with the Treasurer, by the Executive Board/Membership no later than (month/day) annually.

Typical ratings services are Moody's and Bankrate.com

Section 6. The Executive Board shall implement an Investment Policy determining acceptable types of investments, maturity timeframes, and number of commercial banking relationships with assessments of these relationships based on periodic ratings by an independent ratings service.

The fiscal year is a 12 month period that typically follows the natural collection of dues revenue, Example: Sept. 1 – Aug. 31 or the local's election year, Example: July 1-June 30. Once the fiscal year is set, it should not be changed unless the IRS is notified.

Section 7. The Executive Board shall establish a fiscal year for the local which shall commence (month/day) and end (month/day).

Section 8. The Executive Board shall adopt an expense reimbursement policy and update as necessary.

NYSUT Accounting Department has a sample Expense Reimbursement Policy to share with locals.

POSSIBLE USES OF TREASURY FUNDS NYSUT LOCALS

FOR THE MEMBERS

- New Member Programs: Reception, Dinner, Buddy Program, Orientation
- Annual picnic or other social gathering; i.e., membership dinner
- Local newsletter
- Local answering machine tied to separate local phone number
- Offer in-service educational programs (Effective Teaching Program)
- NYSUT sponsored programs: Defensive Driving, financial seminars
- Sunshine Fund
- Employee Benefit Fund (Welfare Fund)
- Freebies, give-aways; i.e., mugs, pencils
- Fruit basket in faculty rooms at year end
- Carnation from local at beginning of school year
- Small gift from local when Tenure granted
- Refreshments at meetings
- Purchase a yearbook for each building
- Scholarships for children of local members

COMMUNITY/DISTRICT COALITION BUILDING

- Scholarship Fund for district students
- Welcome Back to School event
- Recognition dinner or event; i.e., retirements in district
- Contributions to community activities/charity/Special Olympics
- Sponsorships of local events, sports teams, musical/theater
- Community beautification programs; i.e., Adopt-A-Highway
- Local food bank participation
- Local participation in PTA and School Board meetings
- Parent Outreach materials
- Local banner to use at functions
- Community service awards
- Parents As Reading Partners sponsorship

FOR THE LOCAL LEADERSHIP

- Officer stipends
- Negotiations Team stipends
- Building Representative stipends to attend Executive Board Meetings
- Attend NYSUT RA
- Attend AFT and NEA National Conventions
- Attend the AFT Quest Conference
- Increase participation at Local Regional Leadership Conferences
- Release time for local officers
- Child care for members to attend local meetings
- Reimburse mileage to attend meetings on behalf of local

Cost Saving Tips for NYSUT Locals

1. Membership receipts from the district should be direct deposited into the local's *interest-bearing* checking account to take advantage of additional interest-earning days and for better internal financial control.
2. If your local maintains a portion of its cash reserves in a CD, don't just let the bank roll it over at maturity at a rate they determine. Inquire about higher *promotional* rates from all the local's lending institutions when renewing.
3. Watch the size of envelopes for mailings. If you can fit your mailing into an envelope no larger than 6" x 9" and weighing no more than 1 ounce, you can use a 44-cent letter rate stamp.
4. Consider buying generic brand or remanufactured toner for printers and copiers.
5. Need a computer for your local? Contact the NYSUT Information Technology Department for assistance on purchasing through NYSUT's access to educational discount programs. Obtain an interest-free loan through the IT department on the purchase of that computer.
6. Investigate other phone service providers for your local's office. You may find that the cost per minute charge is lower than what you are paying with your current provider.
7. Call NYSUT Member Benefits for an Office Max discount card. NYSUT members will save from 10-40%, under NYSUT's negotiated contract pricing on office supply purchases for your local as well as for your personal purchases.
8. When purchasing supplies for the local, try to consolidate orders to save on shipping/delivery costs.
9. When negotiating with consultants/auditors, try to get a set fee for their work instead of an hourly rate.
10. Increasing insurance deductibles will result in lower premiums. Maintain a deductible level that your local could sustain should a claim need to be filed.

AFT ANNUAL AUDIT/REVIEW REQUIREMENT

The American Federation of Teachers adopted an affiliate audit and financial review requirement at the July 2004 AFT Convention (revised in 2018). The AFT requires all NYSUT locals to submit to the AFT annually, and within 6 months of the close of the local’s fiscal year, an audit or review of its financial statements. An audit or review of the union’s financial records is a valuable tool in safeguarding the union funds. It will attest to the fact that the union funds are being handled properly.

The AFT requires that every local submit an annual audit, review, internal review or compilation according to the following chart:

Number of Members in Local (excluding retirees)	Type of AFT Requirement
Less than 300 members	Independent CPA Audit <u>or</u> Independent CPA Review <u>or</u> <i>Internal Financial Review by a Committee of Local Members</i> <u>or</u> Compilation
Between 300 and 1,000 members	Independent CPA Audit <u>or</u> Independent CPA Review <u>or</u> <i>Internal Financial Review by a Committee of Local Members</i>
Between 1,000 and 2,500 members	Independent CPA Audit <u>or</u> Independent CPA Review
2,500 members or more	Independent CPA Audit

If a local performs an internal financial review by a committee of members, the committee should be comprised of three to five members of which no member should sit on the Executive Committee of the association.

Appended to the internal financial review submission by a committee of members must be a certification letter signed by the local’s principal officer and at least one other elected general officer certifying that the current internal review has been presented at a specified regular or special meeting of the local’s governing body and made available to the members.

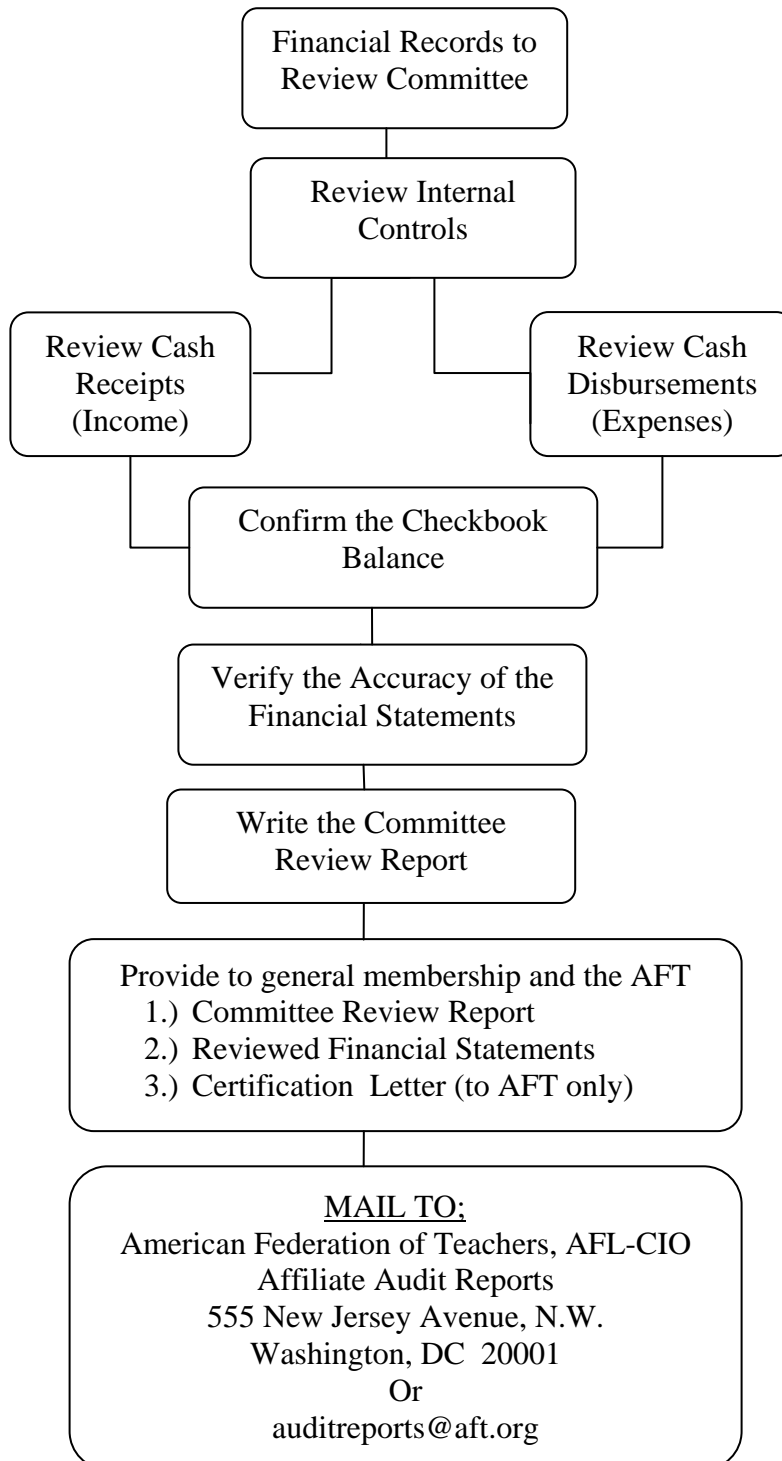
Independent audits should be conducted in accordance with generally accepted auditing standards by a CPA whose firm does not have responsibility for the local’s regular bookkeeping or for preparation of its routine financial statements.

In the case of an audit or review conducted by an independent CPA, appended to the audit or review must be a certification letter signed by the local’s principal officer and at least one other elected general officer certifying that the current audit or review has been presented at a specified regular or special meeting of the local’s governing body and made available to the members.

FINANCIAL REVIEW FLOWCHART

The following flowchart summarizes how an internal financial review is conducted. Refer to the *AFT Guidelines for Financial Review Committees* in Appendix 8 of the Managing Local Union Finances handbook for full instructions at www.nysut.org/finance

Summary of Steps to an Internal Financial Review



INTERNAL FINANCIAL REVIEW CHECKLIST

The Financial Review Committee shall consist of 3 to 5 members excluding members of the local's Executive Committee.

ITEMS SUPPLIED TO THE FINANCIAL REVIEW COMMITTEE BY THE TREASURER

- Fiscal year-end financial statements drawn up by the treasurer
 - Balance Sheet – (Assets and Liabilities)
 - Statement of Income and Expenditures
- Bank Statements reconciled for all accounts with canceled and voided checks
- Checkbook(s)
- All invoices, vouchers, receipts and deposit tickets
- Dues records – Both local membership records and employer list
- Minutes of governing board meetings
- Copy of local's constitution and bylaws

STEPS TO A REVIEW

1) REVIEW INTERNAL CONTROLS

- Are financial materials kept in a secure location?
- Who has access to the bank accounts? Who are the signatories?
- Two signatures on every check.
- Is the monthly bank statement(s) mailed to the officer who does not reconcile the checkbook? Example; the bank statement(s) is mailed to the president who then gives it to the treasurer to reconcile.
- Financial reports presented at governing board meetings at least quarterly.
- No ATM or debit cards. Limit use of credit cards.
- Review local constitution and bylaws to confirm that expenditures, investments and purchases comply with the local's financial rules and regulations.

2) REVIEW CASH RECEIPTS (INCOME)

- Verify that funds are deposited promptly. Compare dates on the checks received to the dates checks are deposited on the bank statement.
- Does the deposit have documentation to support the amount?
- Verify that all payroll dues receipts are deposited and show on the bank statement.
- Check the accuracy of the employer's calculation. Compare with the local's records, i.e., number of members times the dues deduction = amount of receipt.
- Are proper records maintained for members who pay dues directly to the local and not through payroll deduction?
- Trace deposits for other income, such as fundraisers, to insure proper accounting of funds.
- Was the bank interest recorded on the local's books?

3) REVIEW CASH DISBURSEMENTS (EXPENDITURES)

- Are all expenditures paid by check and authorized by the appropriate officials?
- Review canceled checks for proper payee and endorsement. Watch for alterations to checks. No checks should be payable to Cash.
- Voided checks must never be destroyed but should be clearly marked "VOID" across the face and maintained.

REVIEW CASH DISBURSEMENTS (continued)

- Note the starting and ending check number for the period audited. Look for any missing checks.
 - Does each disbursement have proper documentation in the form of an invoice, voucher or receipt?
 - If a payment is large or unusual review the Minutes to look for approval by the Executive Committee or to other bodies as required by the local's constitution and bylaws.
- 4) CONFIRM THE BALANCE IN THE CHECKBOOK
- Confirm that the bank statement reconciles to the checkbook.
 - Review other accounts such as savings accounts and other investments. Trace all receipts, withdrawals and transfers to other local accounts.
- 5) VERIFY THE ACCURACY OF THE FINANCIAL STATEMENTS
- Verify that the amounts reported on the treasurer's financial statement agree with the supporting records.
- 6) WRITE THE FINANCIAL REVIEW COMMITTEE REPORT
- The financial review report should be written on the local's letterhead showing the name and local number. (Sample report on the following pages)
 - Include the dates that the review encompasses. (fiscal year)
 - Were the books found to be in good order? List any deficiencies in your letter.
- 7) WHAT, WHEN AND WHERE DO I SEND THE FINANCIAL REVIEW COMMITTEE REPORTS?
- Copy of the Financial Review Committee Report signed by all committee members shared with membership and sent to the AFT.
 - Copy of the treasurer's fiscal year-end Financial Statement shared with the membership and sent to the AFT.
 - Certification Letter – Appended to the internal financial review must be a certification letter signed by the local's principal officer and at least one other elected general officer certifying that the current internal review has been presented at a specified regular or special meeting of the local's governing body and made available to the members.

Review must be completed no later than 6 months after the close of the fiscal year.

MAIL TO:
American Federation of Teachers, AFL-CIO
Affiliate Audit Reports
555 New Jersey Avenue, NW
Washington, DC 20001

Or
auditreports@aft.org

If you have questions, please call the AFT Financial Services Department.
800-238-1133 ext. 4493

Refer to the *AFT Guidelines for Financial Review Committees* for full instructions.

SAMPLE FINANCIAL REVIEW REPORT

Every internal financial review must produce a financial review report on completion of the review. The following sample shows a report in which a deficiency is noted as a result of the review. This report is shared with the membership and is sent to the AFT.

SAMPLE FINANCIAL REVIEW REPORT

Date:

Local Name:

Local's AFT #:

We have examined the financial records of **(local name)** for the period **(first day of fiscal year)** through **(last day of fiscal year)**, and found them to be in good order. This examination was performed by a committee of members of **(local name)** and was not conducted in accordance with generally accepted accounting principles.

During the course of our examination, we discovered that, while there was adequate documentation maintained for all expenditures, documentation was not available for all income. This was primarily due to checks that were received that were not accompanied by letters or other documentation. In the future, if a check is received without documentation, a copy of the check will be made before the check is deposited.

Based upon our examination, we consider the attached financial statements for the period **(first day of fiscal year)**, through **(last day of fiscal year)**, to be an accurate summary of transactions conducted during that period.

Sincerely,

Name, Chair

Local Name Financial Review Committee

Name, Member

Local's Name Financial Review Committee

Name, Member

Local's Name Financial Review Committee

Substitute the **bold** entries with your local's information.

SAMPLE FINANCIAL STATEMENT

At the conclusion of the committee's review, the treasurer's now reviewed financial statement will be submitted to the AFT. The review committee will verify that the totals in each category (actual to date column) is correct. In addition, the committee will verify that the checking account balance and the balances of all other assets and liabilities are listed correctly. This statement is shared with the membership and is sent to the AFT.

BOCES 1			
SAMPLE FINANCIAL STATEMENT			
FOR THE TWELVE MONTHS ENDING JUNE 30, 20XX			
STATEMENT OF FINANCIAL POSITION			
Checking Account(s)		\$	1,930.00
Savings Account(s)			13,462.00
Investment(s)			15,000.00
TOTAL CASH ASSETS		\$	30,392.00
Add:	Amounts Due to Local		-
Less:	Accounts Payable	(-)
	Amounts Due to NYSUT/AFT/NEA	(-)
	Other Liabilities	(-)
NET ASSETS		\$	30,392.00
STATEMENT OF REVENUE AND EXPENSES			
REVENUE ACCOUNTS	ADOPTED BUDGET	ACTUAL TO- DATE	BUDGET REMAINING
Member Dues	\$ 52,000.00	\$ 52,700.00	\$ 700.00
Interest	2,000.00	1,050.00	(950.00)
Fund Raising	5,000.00	4,109.00	(891.00)
Arbitration Reimbursement	-	200.00	200.00
Miscellaneous	1,000.00	114.00	(886.00)
TOTAL REVENUE	\$ 60,000.00	\$ 58,173.00	\$ (1,827.00)
EXPENSE ACCOUNTS			
Affiliation Dues	\$ 27,500.00	\$ 27,840.00	\$ (340.00)
Supplies	2,800.00	2,489.00	311.00
Telephone	1,750.00	1,402.00	348.00
Postage	750.00	920.00	(170.00)
Newsletter Costs	4,000.00	3,083.00	917.00
Insurance	900.00	1,000.00	(100.00)
Executive Committee	4,000.00	3,525.00	475.00
Other Meetings	5,000.00	4,549.00	451.00
Officers' Expenses	4,800.00	4,800.00	-
Delegate Expense	4,000.00	3,565.00	435.00
Arbitration Expenses	1,000.00	1,716.00	(716.00)
Scholarships	3,000.00	3,000.00	-
Miscellaneous Expenses	500.00	378.00	122.00
TOTAL EXPENSES	\$ 60,000.00	\$ 58,267.00	\$ 1,733.00
INCREASE (DECREASE) IN NET ASSETS	\$ -	\$ (94.00)	\$ (94.00)

SAMPLE CERTIFICATION LETTER BY PRINCIPAL OFFICERS

Appended to every audit or review by an independent CPA, an internal financial review by a committee of members or a compilation of the financial statements (see chart on page 2 for type) must be a certification letter signed by the local's principal officer and at least one other elected general officer certifying that the current audit, review, internal review or compilation has been presented at a specified regular or special meeting of the local's governing body and made available to the members.

Date:

Fedrick C. Ingram
Secretary-Treasurer
American Federation of Teachers
555 New Jersey Ave. N.W.
Washington, DC 20001

Dear Secretary-Treasurer Ingram:

Please find attached the internal financial review for the _____ (**your local name**), **Local #** _____, for fiscal year ending June 30, 20xx. The financial review was presented to the _____ (**your local's governing body**) on _____ (**date**). The internal financial review has been published and is available to our members.

Sincerely,

Signature

Signature

Name, President
Local Name

Name, Vice President

Substitute the **bold** entries with your local's information.

There are 6 worksheets TABS in this Excel file.

The first financial statement worksheet is not linked to the cash receipts and cash disbursements worksheets. As you enter information on the budget, cash disbursements and cash receipts worksheets, it will automatically update the financial statement. You can change the category names on the worksheets as needed to suit your local. I have added extra columns for interest income and interest expense. Please note that the disbursements worksheet (your expenses) must be printed on legal size paper because it is wide. You will have to manually enter the checking account, savings account and CD balances on the financial statement. PLEASE ONLY INPUT AMOUNTS IN THE GREY CELLS.

It would be a good idea to save a copy of this file to use separately as a test file to 'play with' and to have as a backup. *Wherever you see a dash in a cell that means there is a formula in that cell. Careful not to delete.*

Enjoy !

there are so many columns that they won't fit on regular size paper.
ement (at the top of statement). They are not linked to the other worksheets.

**YOUR LOCAL ASSOCIATION
FINANCIAL STATEMENT
FOR THE TWELVE MONTHS ENDING JUNE 30, 2022**

STATEMENT OF FINANCIAL POSITION

Checking Account		\$	
Savings Account			
Investments (CD)			
TOTAL CASH ASSETS		\$	-
Add: Amounts Due to Local		\$	
Less: Accounts Payable			()
Amounts Due to NYSUT/AFT/NEA			()
Other Liabilities			()
NET ASSETS		\$	-

STATEMENT OF REVENUE AND EXPENSES

	ADOPTED BUDGET	ACTUAL TO- DATE	BUDGET REMAINING
REVENUE ACCOUNTS			
Member Dues			\$ -
Interest			-
Fund Raising			-
Arbitration Reimbursement			-
Miscellaneous			-
Revenue 1			-
Revenue 2			-
TOTAL REVENUE	\$ -	\$ -	\$ -
EXPENSE ACCOUNTS			
Affiliation Dues			\$ -
Supplies			\$ -
Telephone			\$ -
Postage			\$ -
Newsletter Costs			\$ -
Insurance			\$ -
Executive Committee			\$ -
Other Meetings			\$ -
Officers' Expenses			\$ -
Delegate Expenses			\$ -
Arbitration Expenses			\$ -
Scholarships			\$ -
Miscellaneous Expenses			\$ -
Expense 1			\$ -
Expense 2			\$ -
Expense 3			\$ -
Expense 4			\$ -
TOTAL LOCAL EXPENSES	\$ -	\$ -	\$ -
INCREASE (DECREASE) IN NET ASSETS	\$ -	\$ -	\$ -

**YOUR LOCAL ASSOCIATION
FINANCIAL STATEMENT
FOR THE TWELVE MONTHS ENDING JUNE 30, 2022**

STATEMENT OF FINANCIAL POSITION

Checking Account	\$	
Savings Account		
Investments (CD)		
TOTAL CASH ASSETS	\$	-
Add: Amounts Due to Local	\$	
Less: Accounts Payable	(
Amounts Due to NYSUT/AFT/NEA	(
Other Liabilities	(
NET ASSETS	\$	-

STATEMENT OF REVENUE AND EXPENSES

	ADOPTED BUDGET	ACTUAL TO- DATE	BUDGET REMAINING
REVENUE ACCOUNTS			
Member Dues	\$ 52,000.00	\$ 5,400.00	\$ (46,600.00)
Interest	2,000.00	2.00	(1,998.00)
Fund Raising	5,000.00	175.00	(4,825.00)
Arbitration Reimbursement	-	-	-
Miscellaneous	1,000.00	-	(1,000.00)
Revenue 1	-	-	-
Revenue 2	-	-	-
TOTAL REVENUE	\$ 60,000.00	\$ 5,577.00	\$ (54,423.00)
EXPENSE ACCOUNTS			
Affiliation Dues	\$ 27,500.00	\$ 5,000.00	\$ 22,500.00
Supplies	\$ 2,800.00	42.00	\$ 2,758.00
Telephone	\$ 1,750.00	-	\$ 1,750.00
Postage	\$ 750.00	60.00	\$ 690.00
Newsletter Costs	\$ 4,000.00	-	\$ 4,000.00
Insurance	\$ 900.00	-	\$ 900.00
Executive Committee	\$ 4,000.00	-	\$ 4,000.00
Other Meetings	\$ 5,000.00	-	\$ 5,000.00
Officers' Expenses	\$ 4,800.00	-	\$ 4,800.00
Delegate Expenses	\$ 4,000.00	-	\$ 4,000.00
Arbitration Expenses	\$ 1,000.00	-	\$ 1,000.00
Scholarships	\$ 3,000.00	-	\$ 3,000.00
Misc. Expenses	\$ 500.00	-	\$ 500.00
Expense 1	\$ -	-	\$ -
Expense 2	\$ -	-	\$ -
Expense 3	\$ -	-	\$ -
Expense 4	\$ -	-	\$ -
TOTAL LOCAL EXPENSES	\$ 60,000.00	\$ 5,102.00	\$ 54,898.00
INCREASE (DECREASE) IN NET ASSETS	\$ -	\$ 475.00	\$ 475.00

CASH DISBURSEMENTS JOURNAL

LOCAL: YOUR LOCAL ASSOCIATION

FY 2021-22

Expense Categories

DATE	CHECK ISSUED TO	DESCRIPTION	CHECK NO.	CHECK AMOUNT	Affiliation Dues	Supplies	Telephone	Postage	Newsletter Costs	Insurance	Executive Committee	Other Meetings	Officers' Expenses	Delegate Expenses	Arbitration Expenses	Scholarships	Misc. Expenses	Expense 1	Expense 2	Expense 3	Expense 4		
				-																			
10/10/2022	NYSUT	Dues	1001	5,000.00	5,000.00																		
10/22/2022	Staples	Office Supplies	1002	42.00		42.00																	
10/26/2022	USPS	Stamps	1003	60.00				60.00															
				-																			
				-																			
				-																			
				-																			
				-																			
				-																			
				-																			
				-																			
				-																			
YEAR-TO-DATE TOTALS				5,102.00	5,000.00	42.00	-	60.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				5,102.00	in balance																		

CASH RECEIPTS JOURNAL

LOCAL: YOUR LOCAL ASSOCIATION

FY 2021-22

Revenue (Income) Categories

DATE	RECEIVED FROM	DESCRIPTION	AMOUNT	Member Dues	Interest	Fund Raising	Arbitration Reimbursement	Miscellaneous	Revenue 1	Revenue 2
			-							
9/15/2022	School District	Dues Deducted	2,700.00	2,700.00						
9/20/2022	Fundraising	Calendars	175.00			175.00				
9/30/2022	School District	Dues Deducted	2,700.00	2,700.00						
9/30/2022	Bank	Interest	2.00		2.00					
			-							
			-							
			-							
			-							
			-							
			-							
			-							
			-							
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			-							
			-							
			-							
			-							
			-							
			-							
			-							
YEAR-TO-DATE TOTALS			5,577.00	5,400.00	2.00	175.00	-	-	-	-
			5,577.00	in balance						

**YOUR LOCAL ASSOCIATION
REVENUE AND EXPENSE BUDGET
JULY 1, 2021 - JUNE 30, 2022**

<u>REVENUE ACCOUNTS</u>	<u>ADOPTED BUDGET</u>
Member Dues	\$ 52,000.00
Interest	2,000.00
Fund Raising	5,000.00
Arbitration Reimbursement	-
Miscellaneous	1,000.00
Revenue 1	-
Revenue 2	-
TOTAL REVENUE	\$ 60,000.00
<u>EXPENSE ACCOUNTS</u>	
Affiliation Dues	\$ 27,500.00
Supplies	2,800.00
Telephone	1,750.00
Postage	750.00
Newsletter Costs	4,000.00
Insurance	900.00
Executive Committee	4,000.00
Other Meetings	5,000.00
Officers' Expenses	4,800.00
Delegate Expenses	4,000.00
Arbitration Expenses	1,000.00
Scholarships	3,000.00
Miscellaneous Expenses	500.00
Expense 1	-
Expense 2	-
Expense 3	-
Expense 4	-
TOTAL EXPENSES	\$ 60,000.00
PROJECTED INCREASE (DECREASE) IN NET ASSETS	\$ -

This budget was adopted by a board resolution at the June 2019 meeting.

Signed

Secretary

YOUR LOCAL ASSOCIATION

Bank Reconciliation

Account # _____ at _____ Bank
As of _____

Ending Bank Statement Balance \$ _____

Add: Deposits in Transit

Date	Amount	_____
_____	_____	_____
_____	_____	_____

Less: Checks Outstanding

Check Number	Amount	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)
_____	_____	(_____)

Other Adjustments _____

Adjusted Bank Balance \$ _____ -

Ending Checkbook Balance \$ _____

Add: Interest Earned (from bank statement)

Date	Amount	_____
_____	_____	_____

Less: Bank Service Charges (from bank statement)

Date	Amount	(_____)
_____	_____	(_____)
_____	_____	(_____)

Other Adjustments _____

Adjusted Checkbook Balance \$ _____ -

Note: Deposits in transit = deposits made and entered in the checkbook in a given month but not yet showing on the bank statement. Usually occurs with last day of month deposits.