Trustees Report - March 29, 2016

The three Trustees of CUPE Local 3909, as elected by the membership, are Maria Mavridis, Bryan Peeler, and Daniel Simeone. On 25 February 2016, we audited the financial records of CUPE Local 3909. We are required to do so under the terms of Bylaw 11.6.1, which states that the Trustees act as the auditing committee for the Local. The purpose of auditing is to ensure that the trust the membership has placed in the Executive Committee of the Local, by allowing it to spend the membership’s money, is returned with good and appropriate management. We are very happy to report that the membership’s money appears to be well cared for and recorded appropriately.

Auditing is a complex process, and requires the Trustees to examine and cross-reference all financial records of the CUPE Local 3909 office, as per the Trustees’ Checklist and Suggested Recommendations. As the Trustees are not involved in the day-to-day operations of the Local, it is up to the Executive Board to provide all documentation in an organized fashion, so as to facilitate the audit. The Executive Board members have provided all information required for us to obtain a complete understanding of the financial position of CUPE Local 3909. We are satisfied that the Executive Board members have fulfilled Bylaws 11.4.7, 11.4.8 and 11.5.8.

The Trustee audit covered the 1 June 2014 to 31 May 2015 fiscal year. This is the first fiscal year for which all of the Local’s financial transactions were recorded in the CUPE Electronic Ledger, a standardized spreadsheet provided by CUPE National. This ledger simplifies financial reporting to CUPE National, and helps the Local to organize its books more easily.

Revenue

We examined the records of dues received form the University of Manitoba, and cross-referenced these amounts against deposit slips, the ledger, and bank statements. This is to ensure that dues as reported by the university all end up in the Local’s bank account. All amounts were accounted for. We also examined the calculation of dues owing to CUPE National, and cross-referenced the calculation against the ledger and bank statements.

We observed that a significant amount of money is being carried in the chequing account, an amount far larger than required for the month-to-

month operation of the Local. While the Local does keep some funds in a GIC, those funds are a fraction of the monthly balance.

RECOMMENDATION 1: The Executive Board should examine the possibility of keeping more of the Local’s funds in GICs.

The dues list from the university includes dues for members in both Unit 1 and Unit 2, and are generally received and deposited monthly. The dues for members in Unit 3 are received more erratically, and on at least one occasion this led to confusion, as Unit 3 dues were reported together with Unit 1 and 2 dues.

RECOMMENDATION 2: Ensure that deposits of Unit 3 dues are made and recorded separately from Unit 1 and 2 dues.

On one occasion the amount for two consecutive months’ of dues were deposited at the same time and recorded on the ledger as a single revenue item. This led to brief confusion.

RECOMMENDATION 3: Report each month’s dues separately in the ledger, and on deposit slips.

We are satisfied that the Local’s revenues – the members’ dues – are being appropriately recorded and deposited.

**Expenses**

We conducted an audit of the recording of expenses, supporting documentation, the ledger, bank statements, cheque stubs, and cancelled cheques for all expenses in the fiscal year. We are satisfied that the Local has excellent record keeping and that appropriate evidence is provided for all expenditures.

In order to cross-reference all information, it is key that the name on a cheque received matches the name noted in the deposit book, and that the name on a cheque issued matches the name on the cheque stub, and that in both cases the name matches that in the ledger. In some instances, no name was indicated in the deposit book. In others, the name on the ledger was the position of an executive board member while the name on the cheque was that person’s name.

RECOMMENDATION 4: Ensure that the name indicated on a cheque, the ledger and the deposit book or cheque stub match, and that the deposit book is filled out correctly for each deposit, i.e. note the detail of the cheque (who it is from), and the amount of the cheque in the appropriate columns provided on the deposit slip.
In the course of our audit of all expenses, we noticed several minor issues.

One cheque, for less than $60, was inadvertently signed by only one signing officer. The recipient of the cheque was institutional, and no impropriety is suggested, merely a minor oversight.

One expense was paid to a vendor by cheque, while the deposit required was paid by credit card. The Local does not have a credit card, so the credit card was likely the personal card of an executive member. The deposit appears to have never been reimbursed to the executive member. We have notified the Executive, and hope that the executive member is correctly reimbursed.

Most of the Local’s expenses are paid for by cheque; this allows for a clear audit trail. Several recurring expenses are paid for by direct withdrawal. For example, telephone and internet service are paid in this manner. The utility bill is kept and archived in a separate place for the direct withdrawals. This allows it to be audited. One monthly withdrawal, for insurance, does not have any corresponding documentation.

RECOMMENDATION 5: Obtain supporting documentation for the insurance expenses incurred, and archive them appropriately.

Conclusion

We are more than satisfied that the Local’s financials are in good shape. Reporting is generally clear, and appropriate documentation is kept for expenses. The members’ dues are in good hands.

We would like to thank President Ana Vialard Hart and Secretary-Treasurer George Buri for the well-organized and easy to access manner in which financial records were made available. It greatly simplified our task and allowed us to fully explore the Local’s financial position.

CUPE 3909 Trustees,

Maria Mavridis, Bryan Peeler, and Daniel Simeone