

CSEA 111TH ANNUAL DELEGATES MEETING

UNION LEADERSHIP RESPONSIBILITIES

• WEDNESDAY, SEPTEMBER 29, 2021, 1:30 – 3:30 PM •

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FINANCIAL DUTIES

AND

POLITICAL ENDORSEMENTS



Local 1000, AFSCME, AFL-CIO
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FINANCIAL DUTIES

PRESIDENT (See Article IX of CSEA Financial Standards Code)

The financial duties of the President include:

1. Sign checks with Treasurer *only after* determining that proper documentation for the expenditure is provided and that the expenditure is for appropriate and necessary union business.
2. Initiate appropriate actions to maintain financial stability of the Region/Local/Unit.
3. Review financial reports to be submitted to the Executive Board and the membership.
4. Review financial reports required to be submitted to the Statewide or Local Treasurer.
5. Ensure all required governmental reports are filed with the IRS and USDOL (if required) on a timely basis.
6. Appoint, with Executive Board approval, the Standing Audit and Budget Committees.
7. On or before November 1 of each year submit the approved Budget to the Statewide or Local Treasurer.
8. Perform all other duties as required by the Local/Unit Constitution.

TREASURER (See Article IX of CSEA Financial Standards Code)

1. Receive all money for the Local/Unit.
2. Deposit all money in the subordinate's bank account.
3. Write checks as required by the subordinate's Constitution or authorized by the Executive Board. Always have authorization, documentation and explanation before issuing a check.
4. Prepare bank reconciliation for each account each month.
5. Sign checks with President *only after* determining that proper documentation for the expenditure is provided and that the expenditure is for appropriate and necessary union business.
6. Maintain all financial records.
7. Report financial affairs to the Executive Board.

8. Act as custodian of all union property.
9. Ensure the approved Budget is submitted on or before November 1 of each year to the Statewide Treasurer or Local Treasurer.
10. On or before January 1 of each year submit the annual Financial Report, a copy of the prepared IRS Form 990 or 990-EZ or a copy of the IRS acceptance of a filed 990-N *e*-Postcard and, if required, a copy of the filed USDOL LM-2/LM-3/LM-4 Report to the Statewide or Local Treasurer.
11. File all required governmental reports on a timely basis with the IRS, USDOL or other federal or state agencies as required. These include the IRS Form 990/990-EZ/990-N, and if required, the USDOL LM-2/LM-3/LM-4, IRS Form 1099-MISC with Form 1096 and all required payroll returns.
12. Provide the Local/Unit Audit Committee with all necessary financial information to complete the mandatory Audit Report and ensure the Audit Report is submitted on or before January 1 of each year to the Statewide or Local Treasurer.
13. Conduct the fiscal affairs of the Local/Unit in a responsible manner.

EXECUTIVE BOARD (See Article IX of CSEA Financial Standards Code)

The financial duties of the Executive Board include:

1. Oversee and provide advice regarding financial transactions of the Local/Unit.
2. Approve only expenditures that are for appropriate and necessary union business for the exclusive benefit of the union's members.
3. See that prudent guidelines exist and are followed for any major purchase or commitment of union funds, including multiple vendor bids.
4. Ensure that financial stability of the Local/Unit is maintained; expenditures should not exceed income.
5. Review and approve the annual Budget of the Local/Unit.
6. Review the completed annual Financial Report, Audit Report, IRS Form 990/990-EZ/990-N and, if required, the USDOL LM-2/LM-3/LM-4 Report.
7. Ensure the annual Budget, Financial Report, Audit Report, a copy of the prepared IRS Form 990 or 990-EZ or a copy of the IRS acceptance of a filed 990-N *e*-Postcard and, if required, a copy of the filed USDOL LM-2/LM-3/LM-4 Report are submitted annually to the Statewide or Local Treasurer on a timely basis.

8. Ensure that all required governmental reports are filed on a timely basis with the IRS and, if required, the USDOL or any other federal or state agencies.
9. Perform other duties as required by the Local/Unit Constitution.

All Local/Unit officers and Executive Board members must be prudent in the use of information acquired in the course of their duties. Requests for, and use of, confidential information should relate only to the furtherance of legitimate union business needs. Disclosure of such information for personal gain or in violation of law is prohibited. All committee members shall be advised of the rules of confidentiality.

FINANCIAL DUTIES SET FORTH IN LOCAL/UNIT CONSTITUTIONS

(See Local Constitution, Article X & Unit Constitution, Article IX)

Fiscal Year

The fiscal year shall be from October 1 through September 30 of the succeeding year.

Refunds

All funds rebated from the Statewide Association to the Local and all funds rebated from the Local to the Unit are rebated in trust on behalf of the members and agency shop fee payers of the Local.

All funds received by the Local and/or Unit are to be spent only to represent its members and agency shop fee payers with respect to all terms and conditions of employment and in furtherance of legitimate union business.

Units with the "Unit President" structure shall not maintain a separate treasury. Unit funds shall be maintained by the Local which shall advance such funds for appropriate unit expenditures as approved by the Local Executive Board, upon presentation by the Unit President of proper documentation including but not limited to receipts or purchase orders.

If a Local does not receive a rebate due to its failure to comply with all of the provisions of the mandated Local Constitution and the Statewide Constitution, the Local is obligated to pay rebates to units which have complied with reporting standards, providing there are sufficient funds in the Local treasury.

Budgets

On or before September 30 of each year the Local/Unit Executive Board shall approve a budget in a form prescribed by the Statewide Association.

On or before November 1 of each year the President of the Local must file a budget approved by the Local Executive Board with the Treasurer of the Statewide Association.

On or before November 1 of each year the President of the Unit must file a budget approved by the Unit Executive Board with the Treasurer of the Local.

Approval of Excess Expenses

The Local Executive Board shall be required to approve any expenses in excess of the amounts budgeted and provide the Treasurer of the Statewide Association with an explanation of such amounts, including documentation and a copy of the duly approved resolution of the Local Executive Board approving such excess amounts within thirty (30) days of such approval.

The Unit Executive Board shall be required to approve any expenses in excess of the amounts budgeted and provide the Treasurer of the Local with an explanation of such amounts, including documentation and a copy of the duly approved resolution of the Unit Executive Board approving such excess amounts within thirty (30) days of such approval.

Two Signatures

No withdrawal or expenditure of Local/Unit funds may be made without the signature of at least two (2) officers of the Local/Unit, one being the Treasurer and the other being the President or ranking Vice President.

Investments

No officer or member of the Local/Unit Executive Board shall invest, or cause to invest, union funds in any manner which result in personal profit or advantage for any officer or member of the Local/Unit.

Honoraria

Money may only be paid by a Local/Unit to individuals pursuant to duly approved reasonable honoraria or for the reimbursement of reasonable, actual and necessary expenses incurred in furtherance of union business. ("Reasonableness" shall be determined on the basis of the following factors: number of members in the Local/Unit; amount of unreimbursed time spent on union business; financial condition of the Local/Unit; amount of unreimbursed travel on Local/Unit business and other necessary expenses.)

Locals:

On or before November 1 of the year preceding the election, the Local President shall notify the Treasurer of the Statewide Association of any honoraria which have been approved by the Local Executive Board. The Local President shall also include a copy of the resolution by the Local Executive Board continuing, changing or creating any honoraria for the elected officers of the Local provided that the establishment of any honorarium or change in the amount of any existing honorarium must be approved prior to November 1 in the year preceding the election and shall not take effect until after an intervening election has occurred.

The Local Executive Board of a new Local shall determine honoraria, if any, to be effective no sooner than the date of the certification of the first election of officers for that new Local.

Units:

On or before November 1 of the year preceding the election, the Unit President shall notify the Treasurers of the Local and the Statewide Association of any honoraria which have been approved by the Unit Executive Board. The Unit President shall also include a copy of the resolution by the Unit Executive Board continuing, changing or creating any honoraria. The Unit

Executive Board may establish reasonable honoraria for the elected officers of the Unit provided that the establishment of any honorarium or change in the amount of any existing honorarium must be approved prior to November 1 in the year preceding the election and shall not take effect until after an intervening election has occurred.

The Unit Executive Board of a new Unit shall determine honoraria, if any, to be effective no sooner than the date of the certification of the first election of officers for that new Unit.

Reimbursements

No reimbursement for expenses may be made by the Local/Unit without having the individual seeking expenses submit a voucher, together with the receipts and any other documents required to support such expenses. No reimbursement for expenses may be paid by the Local/Unit to any individual who has been reimbursed for those expenses from any other source.

Delegates' Expenses (Locals)

Reimbursement by the Local for delegate expenses, including travel, meals, lodging and other delegate expenses cannot exceed the amount authorized for such reimbursement by the Board of Directors of the Statewide Association.

Gifts

No gifts of appreciation or contributions to any cause may be made by the Local/Unit. Disbursement of up to Two Hundred Dollars (\$200.00) per item may be made by the Local/Unit for such things as acknowledgement of retirement and memorials to deceased members.

Indebtedness

No Local/Unit shall incur any indebtedness without the prior approval of the Board of Directors of the Statewide Association.

Leases, Contracts, etc.

No Local/Unit is authorized to enter into any lease, contract or other agreement (excluding collective bargaining agreements) which extend beyond the term for which its officers have been elected without prior approval of the Board of Directors of the Statewide Association. All leases, contracts or other agreements shall be submitted in advance of signing for review by the Statewide Counsel.

Loans

No Local/Unit may make any loans to any individual, corporation or other entity without the prior approval of the Board of Directors of the Statewide Association.

Contributions for Joint Causes

Any funds appropriated by a Local/Unit to contribute jointly to any cause with any other employee organization, or to provide for any services of the kind provided by the Statewide Association, its agents and/or employees must first be approved by¹ the Board of Directors of the Statewide Association before such funds may be expended or any obligation for such

¹ For Units, approval must be obtained by the Local Executive Board and the Board of Directors of the Statewide Association.

expenditure may be incurred. Such services include, but are not limited to, negotiations, administration of the collective bargaining agreement, legal services and the use of any paid professional staff except for clerical office help.

Expenses for Local/Unit Offices

Expenses incurred for the operation of Local/Unit offices may not exceed the usual and customary rates and fees normally charged for such services in the area.

Locals/Units may hire reasonable and necessary clerical help only where such service is of a kind and nature as to be reasonable and necessary for the continuation of the Local's/Unit's business and in the furtherance of union business. Such expenditure must be approved in advance by the Local/Unit Executive Board. The Local/Unit is responsible for complying with all State and Federal regulations regarding its employees.

Advances

When reasonable and necessary, advances in amounts not exceeding the amounts approved by the Board of Directors of the Statewide Association may be paid no sooner than ten (10) days before the event for which the advance is sought.

Submission of vouchers and adjustments must be made within thirty (30) days after the close of such events. No additional advances may be made to any individual who is in violation of this provision or who owes any monies to the Local/Unit.

Records

The Local/Unit shall make all Local/Unit records available for inspection to the duly authorized representatives of the Statewide Association upon request of the President or Board of Directors of the Statewide Association. Upon the Local's/Unit's failure to make the Local's/Unit's records available for inspection, or in the event the Local/Unit furnishes records which are deemed to be inadequate, the Local/Unit may be placed in trusteeship by the President of the Statewide Association.

Dissolution

In the event that the Local is dissolved by the Statewide Association, all books, papers, funds and property of such Local shall immediately be delivered to the President of the Statewide Association to be held in escrow for a period of one (1) year for the purpose of reorganizing the Local or designating a successor Local. If the Local is not reorganized within one (1) year, or if a successor Local is not designated, such books, papers, funds and property of shall become the property of the Statewide Association.

In the event that the Unit is dissolved by the Local Executive Board, all books, papers, funds and property of such Unit shall immediately be delivered to the President of the Local to be held in escrow for a period of one (1) year for the purpose of reorganizing the Unit or designating a successor Unit. If the Unit is not reorganized within one (1) year, or if a successor Unit is not designated, such books, papers, funds and property of such Unit shall become the property of the Local.

Disassociation

In the event that the Local disassociates from CSEA, or ceases to function as part of CSEA, all books, papers, funds and property in the control or custody of such Local shall be returned to the Statewide Association and shall be delivered to the President of the Statewide Association immediately.

In the event that the Unit disassociates from CSEA, or ceases to function as part of CSEA, all books, papers, funds and property in the control or custody of such Unit shall be returned to the Local and shall be delivered to the President of the Local immediately.

Transfer to Another Local

Whenever members of a Local shall be transferred or reassigned permanently to another governmental agency, that Local under whose jurisdiction the members shall have been, shall pay to the Local under whose jurisdiction they will become, the prorated share of the current refund for each member from the effective date of transfer to the end of the fiscal year.

No Funds in Union Elections

No monies received by any Local/Unit may be contributed or applied to promote or detract from the candidacy of any person in any CSEA/AFSCME election or in any other labor organization.

Such monies may be utilized for notices and other expenses necessary for the holding of an election. This provision shall not prohibit a Local/Unit from spending monies to distribute campaign literature for all candidates on an equal basis.

Guests

No Local/Unit money shall be used to fund or reimburse guests at the Annual Meeting of the Association.

POLITICAL ENDORSEMENTS

For Local Officers, see Local Constitution, Article XI

For Unit Officers, see Unit Constitution, Article X

- ✓ Only the Statewide Political and Legislative Action Committee or, in local elections², the Region Political and Legislative Action Committee, to the extent specifically authorized by the Board of Directors of the Statewide Association, may determine endorsements of any candidate for political or party office or any proposition on behalf of CSEA.
- ✓ No Region or member may endorse or give the appearance of endorsing by publicizing to the membership or media any candidate for political or party office or any proposition until that candidate or proposition has been approved by the Statewide Political and Legislative Action Committee, or in local elections, the Region Political and Legislative Action Committee to the extent specifically authorized by the Board of Directors of the Statewide Association.
- ✓ No member or officer of a Local or Unit shall make, or cause the Local or Unit to make, either directly or indirectly, any expenditure, reimbursement or contribution of any kind from union funds or property for political or ideological purposes, nor may the Local or Unit make any loans or incur any indebtedness for such purposes.
- ✓ A Local or Unit may make recommendations for CSEA endorsement or contribution through its Political and Legislative Action Committee.
 - For Locals, such recommendation shall be made directly to the Region Political and Legislative Action Committee or, in the absence of the Region Committee, directly to the Statewide Political and Legislative Action Committee.
 - For Units, such recommendation shall be made directly to the Local Political and Legislative Action Committee or, in the absence of the Local Committee, directly to the Region Political and Legislative Action Committee. In the absence of a Region Political and Legislative Action Committee, such recommendations may be made directly to the Statewide Political and Legislative Action Committee.
- ✓ Any recommendations of the Local or Unit with reference to matters of principle or policy, or proposals to be submitted to the Governor, the Legislature, or to the executive or administrative heads of State government shall first be submitted to the Executive Officers³ of the Statewide Association.
- ✓ No officer or representative of the Local shall be empowered to take any action on behalf of the Local, Region or Statewide Association before the Governor, the Legislature, or the executive or administrative heads of State government with reference to such matters

² "Local elections" in this provision are defined as elections for School Board, Village, Town, City or County seats.

³ "Executive Officers" are defined as the four Statewide Officers of CSEA and the six Region Presidents.

or proposals unless expressly authorized by a majority of the Executive Officers of the Statewide Association.

- ✓ No officer or representative of the Unit shall be empowered to take any action on behalf of the Unit, Local, Region or Statewide Association before the Governor, the Legislature, or the executive or administrative heads of State government with reference to such matters or proposals unless expressly authorized by a majority of the officers of the Local with the approval of the Executive Officers of the Statewide Association.
- ✓ The Local may submit recommendations or proposals to local governments on matters affecting only the Local.
- ✓ The Unit, with the consent of the Local President, may submit recommendations or proposals to local governments on matters affecting only the Unit.

FINANCIAL STANDARDS CODE (*See*, Article VI, Section 4)

No contributions may be made or any expenses incurred by the subordinate for any political cause. Any and all such requests should be addressed to the Region Political Action Committee.

No monies received by any subordinate may be contributed or applied to promote or detract from the candidacy of any person in any CSEA/AFSCME election or in any other labor organization.