
Financial Officers Resources Manual

American Federation of Government Employees



NST
ADVISOR
TRAINING SERIES

AFGE




AFGE Financial Officers Resources Manual



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AFGE Financial Officers Duties and Responsibilities

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About AFGE

The American Federation of Government Employees (AFGE) is the largest federal employee union representing 670,000 federal and D.C. government workers nationwide and overseas. Workers in virtually all functions of government at every federal agency depend upon AFGE for legal representation, legislative advocacy, technical expertise and informational services.

AFGE believes that all unions should belong to the house of labor and has been nationally affiliated with the AFL-CIO since AFGE was founded in 1932. At AFGE's national convention in 1997, the delegates took the importance of affiliation one step further, voting for each of its 1,100 Locals to affiliate with their AFL-CIO state federations. This makes AFGE one of the few nationally affiliated unions to have all of its Locals affiliated at the state level. National President J. David Cox and National Vice President for Women & Fair Practices Augusta Y. Thomas are active participants in the AFL-CIO, working to enhance and energize the labor movement.

AFGE takes seriously its responsibility to help provide good government services while ensuring that government workers are treated fairly and with dignity. The union supports a meaningful transformation of the federal workplace to improve the way services and benefits are delivered to the American public.

As a labor union, AFGE is in a unique position because it is not currently afforded the same full scope collective bargaining rights as workers in the private sector. For this reason in addition to negotiating working conditions at the bargaining table, AFGE coordinates a full-scale legislative and political action program to monitor issues that impact the government work force. When Congress debates funding of vital government programs administered to the public by government workers or tackles employee health care issues, AFGE is on the scene representing its members.

AFGE represents government workers who are the vital threads of the fabric of American life. Government employees inspect the food we eat and the places we work, they protect citizens from the illicit flow of drugs, maintain the safety of our nation's borders, care for our nation's veterans, serve as a vital link to Social Security recipients, maintain the District of Columbia's infrastructure, keep the national defense systems prepared for any danger and much, much more. AFGE is proud to make America work.

The union is headquartered in Washington, D.C., and is divided into 12 geographical Districts



consisting of some 1,100 Locals. More than one-half of AFGE's members are consolidated into agency-wide bargaining units. Agencies with the highest concentration of union membership include the Department of Defense, the Department of Veterans Affairs, the Social Security Administration, Department of Homeland Security, and the Department of Justice.

Of the 1.75 million people employed by the federal government, only 250,000 are based in the Washington, D.C., metropolitan area. The majority work in federal offices across the nation as police officers, mechanics, lawyers, correctional officers, environmentalists, nurses, mine inspectors and more. The range of jobs performed by both D.C. and federal government employees is impressive and so is their work.

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American Federation
of
Government Employees
AFL-CIO

Constitution

As adopted in August 2015

80 F STREET, NW
WASHINGTON, DC 20001-1583

CONSTITUTION AND RULES

AFGE

**Affiliated with the
American Federation of Labor and
Congress of Industrial Organizations**

As adopted at the Fortieth AFGE National Convention
in Orlando, Florida, August 17-21, 2015

Price: \$4.00

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CONSTITUTION

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

Affiliated with the American Federation of Labor and Congress of Industrial Organizations

PREAMBLE

For the purpose of promoting unity of action in all matters affecting the mutual interests of government civilian employees in general, all other persons providing their personal service indirectly to the United States Government and for the improvement of government service, we as members of the American Federation of Government Employees, adopt this Constitution and Rules.

ARTICLE I

Name and Headquarters

SECTION 1

This organization shall be known as the American Federation of Government Employees (AFGE) and shall be affiliated with the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO).

SECTION 2

It shall be composed of locals throughout the United States, its insular possessions and in foreign territory and countries, now organized and chartered together with those which, hereafter, may be organized and chartered under the provisions of this Constitution.

SECTION 3

The headquarters of this organization shall be in Washington, D.C.

SECTION 4

There shall be published by AFGE an official publication to be known as The Government Standard; a copy of such publication shall be furnished to each member.

SECTION 5

All employees hired for positions in the Headquarters office, with the exception of clerical and stenographic help, shall have been members in good standing of AFGE for at least one year prior to their employment or a member for one year or more of the AFL-CIO. If no qualified applicants from the above two sources are available, the area of consideration will be expanded.

ARTICLE II

Objects and Methods

SECTION 1

The object of this Federation shall be to promote the general welfare of government employees, promote efficiency, advance plans of improvement, and promote the full participation of women and minorities in AFGE activities at all levels throughout the Federation.

ARTICLE III

Membership

SECTION 1(a)

All persons of the following classes, without regard to race, creed, color, national origin, sex, age, political affiliation, disability, marital status, sexual orientation, or preferential or nonpreferential civil service status, excepting those over whom jurisdiction has been granted to other national or international unions by the AFL-CIO, and excepting officers of unions not affiliated with the AFL-CIO, shall be eligible for full membership in this Federation.

SECTION 1(b)

All employees of the United States Government and any of its instrumentalities of whatever nature, including military personnel of the armed forces, and of the District of Columbia, and all other persons providing their personal services indirectly to the United States Government are eligible for membership in this Federation.

SECTION 1(c)

Any person who at the time of being separated without prejudice from employment covered by subsection (b) was a member in good standing of any local is eligible to continue membership in this Federation.

SECTION 1(d)

Any person separated for unjust cause from employment covered by subsection (b) who was a member in good standing in any local may retain membership in the local. Any member separated by an agency and unsuccessfully represented by the Union is eligible to retain membership if otherwise eligible for retirement.

SECTION 1(e)

Special Retiree Affiliation. Any retired person who either:

- (1) At the time of being retired from employment covered by subsection (b) was not a member of good standing of any local, or
- (2) Has dropped membership in the Federation subsequent to retirement from employment covered by subsection (b)

is eligible for special retiree affiliation in the at-large or recruiting local, except where a local wishes to affiliate its own retiree affiliate members, with all rights, except any representational rights, insured local benefits, voting, candidacy for office, and participation and representation in direct or indirect elections under Appendix A, subject to receipt by the National Secretary- Treasurer of the special retiree affiliation rate of \$50.00 per annum, effective September 1, 2006. The national affiliation fee for special retiree affiliation shall increase by the exact amount required to cover any increase in the affiliation fees for the AFL-CIO retiree program, and by the same percentage and on the same date as cost-of-living adjustments to federal annuities.

SECTION 1(f)

Special Military Affiliation of DOD Activation: Any person who is drafted, appointed, enlisted and/or placed on orders by Presidential Executive Orders, DOD Directive or Implementing Issuance via Title 10 or Title 32, for the purpose of, but not limited to, national security, war on drugs, anti-terrorist, or national disaster, will be considered a member in good standing while performing such duties. Locals will not be charged per capita tax on activated members for the duration of their commitment. It is the responsibility of all local presidents and/or secretary-treasurers to report the starting and ending dates of all activated members to the National Secretary-Treasurer's Office for appropriate per capita tax billing. At the time of being placed on orders, an individual's tenure or time in service to the local will continue and the individual will be considered as a member in good standing until the time of the return.

SECTION 2

Locals shall have full power to elect or reject applicants for membership. However, locals holding units of exclusive recognition under Public Law 95-454, the laws of the District of Columbia, or the National Labor Relations Act must accept membership applications in accordance with the law or regulation. Honorary membership may be conferred by locals or by a National Convention, provided that such honorary membership shall give its recipient no right to vote or to hold office in any local of this Federation.

ARTICLE IV*Affiliations***SECTION 1**

No organization holding a charter from AFGE shall be permitted to affiliate as an organization with any other labor organization or labor body unless that body holds a charter from the AFL-CIO.

ARTICLE V*Governing Body***SECTION 1**

The laws and policies of this Federation shall be adopted and promulgated in AFGE National Conventions. This Constitution and any amendments thereto unless otherwise provided shall become effective immediately upon adoption.

SECTION 2

National Conventions shall be the true and legitimate source of all authority and the final court of appeal. No change in the Federation's laws or policies therein adopted or promulgated shall be effected by any officer, committee, or any other body.

SECTION 3

Between sessions of National Conventions the National President, National Secretary- Treasurer (NST), National Vice President for Women and Fair Practices, and twelve National Vice Presidents (NVP) shall constitute the National Executive Council (NEC). The twelve districts are comprised as follows:

2nd District-- Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island and Vermont;

3rd District-- Delaware and Pennsylvania;

4th District-- Maryland, North Carolina, Virginia and West Virginia;

5th District-- Alabama, Bermuda, Florida, Georgia, Puerto Rico, South Carolina, Tennessee and Virgin Islands;

6th District-- Indiana, Kentucky and Ohio;

7th District-- Illinois, Michigan and Wisconsin;

8th District-- Iowa, Minnesota, Nebraska, North Dakota and South Dakota;

9th District-- Arkansas, Kansas, Missouri and Oklahoma;

10th District-- Louisiana, Mississippi, New Mexico, Panama and Texas;

11th District-- Alaska, Colorado, Guam, Idaho, Montana, Okinawa, Oregon, Utah, Washington and Wyoming;

12th District-- Arizona, California, Hawaii and Nevada;

14th District-- District of Columbia, Europe, Montgomery and Prince George's Counties in Maryland, Arlington and Fairfax Counties and the cities of Alexandria, Fairfax, and Falls Church in Virginia.

SECTION 4(a)

The National Convention shall meet triennially at such place as the NEC shall select during the months of August or September of each third year in a union hotel, and the date to be set will be left to the discretion of the NEC. The NEC shall name the dates of the National Convention by October 1 of the year preceding the National Convention year, and the National Office shall notify all locals 30 days after said date is set. The National Convention shall be planned to avoid any conflict with the major religious holy days observed by any religious group among AFGE's membership. If any such conflict should arise, it is the responsibility of the membership representing the affected group to notify the National Office in writing at least six months prior to the suggested date of the National Convention. The National Convention shall convene on a Monday and close on the following Friday.

SECTION 4(b)

In the event of a national emergency which renders the holding of a National Convention impracticable, the NEC, by a majority vote, may postpone the holding of the National Convention until such time as it may become practicable to hold a National Convention. Following postponement of a National Convention, but not later than June 1, the NST shall poll all locals in good standing as of the preceding quarter on the question of further postponement. The results of the poll shall be published immediately in The Government Standard.

SECTION 4(c)

In any poll of locals as a result of action under subsection (b), a majority vote shall govern.

SECTION 5

Rules and order of business governing the preceding National Convention shall be in force from the opening of the preceding National Convention until new rules have been adopted by action of the succeeding National Convention.

SECTION 6.

A quorum for the transaction of business shall consist of not less than 30% of the delegates properly seated by the National Convention.

ARTICLE VI*Delegates***SECTION 1**

Representation in the AFGE National Convention shall be one vote for each member and shall be based on the average number of paid members for the 12-month period May 1 through April 30. "Member" is defined to be one for whom per capita tax shall have been paid to the Federation. In order to be entitled to representation at the National Convention, a local must pay all per capita tax and all other accounts due to the Federation, including bargaining councils. No local will be eligible to vote in any district caucus, council convention, National Convention or on any council, district or national matter unless per capita tax, bargaining council dues and any other accounts due to the Federation or bargaining councils are paid in full 60 days prior to convening the event. The bargaining council treasurer will submit information on bargaining council delinquencies to the National Secretary-Treasurer 120 days prior to such event and include such information in the report to the Committee on Credentials. Locals and councils will be notified at least 120 days in advance of the Convention of any accounts due. The requirement pertaining to payment of bargaining council obligations will be applied to all locals and bargaining councils on tape process and to any bargaining council whose records have been certified as acceptable by the National Secretary-Treasurer's office when the bargaining council alleges that an arrearage should disqualify a constituent local.

SECTION 2

Locals having a membership of 100 or less shall be entitled to one delegate; 101-200 members, two delegates; 201-300 members, three delegates; 301-400 members, four delegates; 401-500 members, five delegates; 501-750 members, six delegates; 751-1,000 members, seven delegates; 1,001-2,000 members, eight delegates; and 2,001-3,000, ten delegates. Locals having a membership over 3,000 members are entitled to an additional delegate for every additional 1,000 members. Any local whose charter has not been in existence for one year is entitled to representation at the National Convention in accordance with the above, on the average of per capita tax paid monthly since its admission.

SECTION 3

No local shall be represented by proxy in National Conventions, except as hereinafter provided. Only a member duly elected by his or her own local as a delegate in accordance with the AFGE Rules of Conduct for an Election may represent a local by proxy. That delegate may cast the proxy votes of not more than four locals, in addition to the votes of the local of which such delegate is a member, in accordance with Section 1, provided that those locals have elected that delegate in a secret ballot election.

SECTION 4

Notwithstanding the four-proxy limitation, a duly elected delegate for a constituent local of any approved council may cast the proxy votes of four constituent locals of that council which has elected such delegate in a secret ballot election.

SECTION 5

Locals entitled to more than one delegate may fund fewer than their quota of delegates to National Conventions, but the delegates present whether funded or unfunded may cast the entire vote of the locals so represented on all questions and elections coming before the National Convention.



SECTION 6

Alternate delegates elected in a secret ballot election may be seated in the absence of the delegates elected upon presentation and approval of their credentials.

SECTION 7

There shall be no delegate-at-large.

SECTION 8

The National Office will furnish official credentials directly to each local, and these credentials shall be printed on an official AFGE form. All delegates to National Conventions shall be elected by secret ballot in accordance with the AFGE Rules of Conduct for an Election as provided for in Appendix A of this Constitution by their respective locals at least 30 days prior to the National Conventions, and the names of such delegates shall be certified by the proper officers of locals to the NST at least 30 days prior to the opening day of the triennial National Convention.

SECTION 9

No person may be a delegate to any National Convention unless in good standing in his or her local.

SECTION 10

No person who is a paid employee of the Federation and not an elected officer shall be a delegate to any National Convention.

SECTION 11(a)

Any chartered national, regional, state, or district council shall be entitled to two delegates, and such delegates shall pay the same registration fee as other delegates, but may not vote in an election for national officers, except as elected delegates from their own locals, in which case they are entitled to carry their proper share of local votes and any proxies. The registration mfee only applies once for dual delegates.

SECTION 11(b)

The delegates from national, regional, state, or district councils will be elected by a secret ballot election of the respective councils.

SECTION 12

The National President, National Secretary-Treasurer, National Vice President for Women and Fair Practices, National Vice Presidents, National Women's Advisory Coordinators, and National Fair Practices Affirmative Action Coordinators are by virtue of their election as national officers ex-officio delegates to National Conventions with the full rights and status of a delegate, except that they cannot act as a delegate of their respective locals or proxy delegate, unless duly elected by the local as a delegate.

ARTICLE VII

Officers

SECTION 1(a)

No person shall be a candidate for, or be elected to, national office unless he or she has been an employee, as defined by Article III, Section 1(b), for three consecutive years, and also has been a member in good standing of the Federation for the three consecutive years immediately prior to the date of nomination for the office being sought.

SECTION 1(b)

The national officers of this Federation shall be a full-time National President, a full-time National Secretary-Treasurer, and a full-time National Vice President for Women and Fair Practices, to be elected triennially by a majority vote of the National Convention.

SECTION 1(c)

All National Vice Presidents, Fair Practices Affirmative Action Coordinators, and National Women's Advisory Coordinators will be elected by secret ballot, by majority votes cast within each respective district, and will be installed at the caucus after their election.

SECTION 2

The terms of the national officers of AFGE shall expire on the election and installation of their successors, or if they cease to be a member in good standing, they thereby automatically shall forfeit said office.

SECTION 3

The entrance salary of the officers shall be consistent with the Classification Act for Federal Employees:

- (a) National President Executive Level IV
- (b) National Secretary-Treasurer GS-15
- (c) National Vice President for Women and Fair Practices GS-14
- (d) National Vice Presidents GS-14

except that an elected officer shall not suffer any loss in pay if occupying a Federal or District government position when elected. The in-grade step raises for the prescribed grades, if any, shall apply. Pay increases for all national officers will be in accordance with the Federal Employees Pay Comparability Act of 1990 (FEPCA).

SECTION 4

The National President, by and with the advice and consent of the National Executive Council, shall engage suitable offices at Washington, D.C., for the transaction of the business of the Federation.

SECTION 5

A paid employee, as distinguished from an elected officer of AFGE, may be a candidate for any elective office with AFGE, provided he or she is on leave of absence without pay. Upon request, employees will be granted leave without pay for the purpose of seeking elected office. Employees will be granted leave without pay upon announcement of their candidacy. Any announcement as to candidacy shall be made at least 30 calendar days prior to the election, and when candidacy is announced, the employee will be put in a leave without pay status.

ARTICLE VIII

Election of Officers

SECTION 1

The National President, the National Secretary-Treasurer, and the National Vice President for Women and Fair Practices of AFGE will be elected by secret ballot and a majority vote in accordance with the rules of the National Convention.

SECTION 2(a)

National Vice Presidents, Fair Practices Affirmative Action Coordinators, and National Women's Advisory Coordinators are to be nominated and elected at a district caucus to be held within each respective district subsequent to April 30 and prior to June 1 of every third year beginning in 1990.



SECTION 2(b)

The method of electing an NVP and Coordinators by each district shall be as follows: the NST shall certify to each incumbent NVP the locals in good standing in his or her district. Subsequent to April 30 and prior to June 1 of any election year, the incumbent NVP in each district will hold a district caucus of representatives of all locals in good standing for the purpose of electing an NVP and Coordinators for that district. All declared candidates for all national offices will be provided, upon request, the following information as expeditiously as the information is available:

- (1) A complete list of the names, business and home addresses, and business telephone numbers of the presidents and treasurers of each local in the district;
- (2) One set of the names and mailing addresses of the presidents and treasurers of each local in the district. Additional sets will be supplied to each candidate upon written request to the NST. The cost of these additional sets will be charged the candidate at the actual cost to the Federation;
- (3) The names, addresses, and local affiliations of each delegate elected to the district caucus; and
- (4) The lists of the locals and voting strengths as computed by the NST.

SECTION 2(c)

All delegates to district caucuses shall be elected by secret ballot by their respective locals in accordance with the AFGE Rules of Conduct for an Election as provided for in Appendix A of this Constitution.

SECTION 2(D)

Locals in good standing within each district may participate through the medium of a delegate(s). Membership strength will be based on the average number of paid members of the 12-month period through December of the year preceding the election. Each local shall be entitled to cast one vote for each member on all business and elections coming before the caucus, based on said average number of paid members for the previous calendar year for whom per capita tax shall have been paid to the Federation. No local shall be entitled to cast a vote in the district caucus unless all accounts due the Federation, including bargaining councils, from such locals are paid in full. Per capita tax and all other accounts due to the Federation, including bargaining councils, shall be paid in full 60 days prior to convening in order for a local to be entitled to representation or to vote in a district caucus. Locals and councils will be notified at least 120 days in advance of the Convention of any accounts due. The number of caucus delegates a local is entitled to is determined in the same manner as National Convention delegates under Article VI, Section 2. Councils shall not be permitted to send delegate(s) to the caucus. Full-time National Representatives and full-time paid employees of AFGE shall not be permitted to attend the caucus as delegates.

SECTION 2(e)

Standard credential forms must be sent in advance of caucuses to all locals in all districts by the NST for insertion of delegates' names and signatures for the local president and secretary or secretary-treasurer.

ARTICLE IX

Duties of the National President

SECTION 1

The National President shall function as the Chief Executive Officer of the Federation and shall exercise supervision of the affairs of the Federation subject to the approval of the National Executive Council. It shall be the duty of the National President, in accordance with the mandates of the National Convention, to plan and pursue policies which will promote the welfare of the organization; keep the membership fully advised of his or her activities; preside at the triennial Convention and at the meetings of the NEC, unless a different officer is designated by a two-thirds vote of those present and voting; sign all official documents pertaining to his or her office; and travel under budget and general policies of the NEC.

SECTION 2

The National President shall call meetings of the NEC when necessary or when requested to do so in writing by a majority of the members of the NEC.

SECTION 3

The National President shall submit to the National Convention a triennial report of his or her activities.

SECTION 4

There may be employed in the office of the National President under his or her supervision a Director of Organization. The appointment or removal of the Director of Organization shall be recommended by the National President and approved by the NEC. Under the supervision of the National President, the Director of Organization shall be responsible for:

- (a) Overall organization planning;
- (b) Development of training plans and procedures for organizers;
- (c) Conducting training conferences for organizers;
- (d) Development of organizational material;
- (e) Recommending the appointment of special organizers to carry on the function of the office of the Director of Organization;
- (f) Coordinating with NVPs on organizational drives in their respective districts; and
- (g) Other administrative duties as assigned by the National President.

SECTION 5(a)

The National President shall be authorized and empowered, with the approval of the NEC, to place any council or local under trusteeship, and for safeguard and protection shall take immediate charge of all equities and properties, tangible or intangible, acquired and/or possessed by any such affiliate for the purpose of preventing corruption or financial malpractice, assuring the performance of collective bargaining agreements or other duties of bargaining representation, restoring democratic procedures, or otherwise carrying out the legitimate objectives of the Federation. Restoring democratic procedures and carrying out legitimate objectives of the Federation include, but are not limited to, the following situations provided there is justifiable cause for such action.

(1) The affiliate cannot function autonomously because:

- (i) There has been a drastic reduction in force or a temporary or permanent closing of an installation or subsection thereof affecting most members of the affiliate;
- (ii) The number of members in the affiliate is small or widely distributed geographically or is unstable because of irregularities of employment in the bargaining units;
- (iii) There has been an unexpected loss of leadership;
- (iv) A newly established affiliate is in need of assistance because of inadequate treasuries, inexperienced officers, or difficulties encountered in getting organized;

(2) There is a failure of an affiliate's officers to properly manage the affiliate's affairs, resulting in financial mismanagement, such as insolvency or failure to meet its financial obligations, including payment of per capita tax;

(3) There is administrative mismanagement by the affiliate's officers including, but not limited to, a failure by them to carry out the policies of the Federation and/or the adoption of a constitution and bylaws at variance with those required by the Federation;

(4) There is actual or threatened secession of the affiliate from the Federation.

SECTION 5(b)(1)

In all cases but secession from AFGE or confirmed loss of leadership, or where the local or council fails to agree to mediation, the National President shall be authorized and empowered with the approval of the NEC, to place any council or local under trusteeship only after the following procedures have been followed:

(1) There will be mediation by a certified mediator, appointed by the National President and paid from the district in which the trusteeship is proposed. A council trusteeship will be paid by the Office of the National President. After mediation and conciliation has been exhausted to resolve any conflict;

(2) The Federation should then review the documentation created during the period for resolution and provide a copy to the NEC;

(3) After the review the disputed local should be notified within 120 days of the proposed notice to place a local in trusteeship and the reason why;

(4) That the Federation allow the local a response period after notification (no more than 3 work days) to state why it should not be placed in trusteeship;

(5) The Federation should then send a decision letter either sustaining or revoking a proposed notice of trusteeship;

(6) This proposed notice should first be served upon the Executive Board by certified mail. Prior to the imposition of trusteeship, the notice shall be sent by mail from the National Office to all members of the affiliate setting forth the reasons why the affiliate was placed in trusteeship. In all cases except secession or confirmed loss of leadership, all elected officers shall remain in office until after a decision from a fair and impartial hearing by the Federation. In all cases except secession or confirmed loss of leadership, the National President shall employ an independent arbitrator solicited from the AAA or another arbitration association. The selected arbitrator shall live in close proximity to the council or local where the hearing is being heard. The arbitrator shall have the authority to decide the trusteeship based on the standard of evidence used in the courts. The arbitrator shall conduct a hearing concerning the circumstances surrounding the trusteeship. The arbitrator shall be selected with consultation by the NVP having jurisdiction over the affiliate. The affiliate and the National President designee shall select the arbitrator from a seven-member list supplied by the AAA or other association. Either party shall have three opportunities to strike from such list until there remains one arbitrator. This last arbitrator shall be selected to hear the case for trusteeship for the affiliate. If it is documented by certified return notice that the local or council will not participate in the selection of the arbitrator after certified notice, the National President shall contact and employ this arbitrator; the expense shall be borne by the district in which the trusteeship is proposed. For proposed council trusteeships, the cost will be paid by the Office of the National President. The hearing normally shall commence within 60 days after the notice of trusteeship has been served upon the members of the affiliate. The reason for the establishment of the trusteeship will be fully explored through the testimony of witnesses. The arbitrator will rule on questions of evidence and testimony at the hearing. Within 15 days, the National President will receive the record of hearing, along with the findings and the decision of the arbitrator. He or she shall render a written decision, either ratifying the establishment of the trusteeship if the preponderance of the charges are sustained, or rescinding the trusteeship if the decision is not sustained by a preponderance of the evidence. The National President shall not modify or change the decision of the arbitrator.

SECTION 5(b)(2)

In cases of secession or confirmed loss of leadership, the imposition of trusteeship will be followed within 90 days by a report and recommendations by a three-member panel appointed by the President. The panel may act on the basis of the written record, or may hold an on-site hearing, or may take evidence or argument by electronic means.

SECTION 5(b)(3)

If the decision/report is for trusteeship, the National President will notify the affiliate; any member may appeal the decision in writing to the Labor Department or the next Convention. A copy shall be mailed by certified or registered mail to the National Secretary- Treasurer of the Federation, within 15 days after the National President has established the trusteeship. The appeal will be processed under the regulations/guidance of the Labor Department. If the trusteeship is still sustained, the member of the affiliate can only appeal again that decision at the next Convention. While an affiliate in the Federation is under trusteeship the trustee will ensure that the membership of the affiliate will be involved or participate by: allowing the membership's approval for all expenditures over \$250; providing the membership a voice in setting policy; ensuring representation is given; and allowing the Bill of Rights to govern. To safeguard and protect

the affiliate's assets, the Federation will take immediate charge of all equities and properties, both tangible and intangible, acquired or possessed by the affiliate for the purpose of preventing corruption or financial malfeasance. The Federation will assure the performance of the collective bargaining agreement, restore the duties and responsibilities of the representatives and promote democratic procedures, and otherwise carry out the legitimate objectives of the Federation.

SECTION 5(b)(4)

Expedited Trusteeship Process: In situations where there is: (1) a violation of law established by preponderant evidence gathered by AFGE or by local, state, or federal officials; (2) secession from AFGE; or (3) confirmed loss of leadership, the following shall apply:

SECTION 5(b)(5)

The National President shall remove incumbent officers and give notice of the imposition of trusteeship to the membership of the local or the constituent locals of the council within five days, providing the time, date, and place of the trusteeship hearing. The National President shall appoint a three member trusteeship hearing panel. The hearing shall take place within 60 days in the vicinity of the local or council headquarters, with the exception of trusteeships imposed for chronic (three months) per capita tax delinquency which will be held in the National Office. Any affected member may appear at the hearing in person or by electronic means, and the hearing panel will receive testimony and documentary evidence from those attending or their representatives.

SECTION 5(b)(6)

The hearing panel shall issue its decision within 30 days of the close of the hearing to ratify or rescind the trusteeship, and the National President shall notify the membership of the local or the constituent locals of the council. Any affected member may file an appeal within 15 days of notification to the National Secretary-Treasurer for appeal to the next AFGE National Convention.

SECTION 5(b)(7)

The trusteeship shall end within 12 months.

SECTION 5(c)

The National President shall be authorized and empowered to revoke or suspend, with the approval of the NEC, the charter of any council or local when the National President has proof that such affiliate body has disbanded, has ceased to be beneficial to the Federation, is in such disarray that its continuation will be prejudicial to the objectives and best interests of the Federation, or when a local is delinquent in paying its monthly per capita tax, assessments or other indebtedness, as provided for in Article XXIV. Any member of the local or council whose charter is suspended or revoked under this subsection may challenge the action by mailing a written statement, setting forth the grounds for the challenge, to the National President within 15 days after the suspension or revocation. The National President will order a hearing on such challenge, and such hearing and appeal procedures will be conducted in accordance with the procedures set forth in Section 5(b) of this Article.

SECTION 5(d)

The National President shall be authorized to suspend immediately any officer of an affiliate for serious misconduct, including but not limited to incompetence, negligence, or refusal to perform duties validly assigned, or any other offense, as described in Article XXIII, Section 2, where in his or her judgment the continuance in office of such officer would be inimical to the best interests of the Federation and its members. At the time of the suspension, the National President shall serve upon the suspended officer by registered or certified mail a written notice of the suspension stating in detail the charges against the officer, and he or she also shall mail a copy of such notice and charges to the president or highest remaining ranking officers of the local. Such suspended local officer shall be tried by his or her local under the procedures established in Article XXIII. However, the National President, when he or she deems it in the best interest of the Federation, or in his or her opinion the local will not proceed promptly to trial, or cannot be expected to fairly or judiciously try the matter, may (1) appoint a trial committee or (2) select an arbitrator under existing Federal Mediation and Conciliation Service or American Arbitration Association procedures, for the trial of the suspended officer. A suspended national bargaining council officer will be tried by a trial committee composed of three members, one of whom shall be an arbitrator selected in accordance with Article XXI, Section 7, and of the others, who shall be appointed by the National President, one shall be a national council president. A suspended local officer shall be tried by a trial committee composed of at least three members or employees of the Federation appointed by the National President, or by an arbitrator selected by the National President. Such trials shall be conducted speedily but with reasonable time for the accused to prepare his or her defense. The procedures described in Article XXIII, Sections 4, 5 and 6 governing the conduct of hearings by local trial bodies shall be followed by the trial committee or arbitrator to assure the accused a full and fair hearing in accordance with the basic requisites of due process. The trial committee or arbitrator shall render a decision suspending the accused for a specific time from his or her office, removing him or her from the office, barring him or her from holding any office for a specified time, and/or suspending for a specified period of time, or removing him or her from membership, or finding him or her not guilty as accused. An officer suspended



or removed from office and/or membership shall have the appeal right as set forth in Article XXIII, Section 9, after decision by the trial committee or arbitrator. The suspension or removal of an officer shall operate only to suspend the right of such person to occupy any office or position, or perform any of the functions thereof, but all other membership rights of such individual shall remain unaffected unless and until the trial committee renders a decision affecting his or her membership rights.

SECTION 5(e)

Where the National President determines that the conditions within a local or council are such that a fair and impartial investigation and trial of charges against a member cannot be conducted by the local or council under the provisions of Article XXIII, Section 3, then in that event the National President may appoint a committee of investigation and/or a trial committee, such committees to be composed of at least three members. In lieu of a trial committee, the National President may select an arbitrator under existing Federal Mediation and Conciliation Service or American Arbitration Association procedures. In the case of a national council officer, the composition of the trial committee shall be consistent with Article XXI, Section 7. In no case will the committee of investigation and the trial committee be composed of the same members. All of the due process provisions in Sections 4, 5, and 6 of Article XXIII govern the trial before such trial committee. The findings and recommendations and decision of such trial committee or arbitrator shall be submitted to the National President. Within 15 days after the National President receives the transcript or minutes of the hearing and the findings and recommendation and decision of the trial committee or arbitrator, he or she shall render a written decision. The National President's decision may be appealed by the charged member to the NEC and to the National Convention in accordance with the procedures in Section 9 of Article XXIII.

SECTION 6

The National President shall furnish to the National Vice President for official district publications, and through the resident NVP to any council or local which is in good standing, a mailing list. These lists are for the exclusive use of exchanging publications or for the purpose of organizing.

SECTION 7

The National President, with the approval of the NEC, shall appoint a Budget Committee of not less than three members, one of whom shall be the NST. The duties of the Budget Committee shall be to estimate the revenue of the Federation, to present to the NEC for approval allocations of funds, and to make other recommendations related to the finances of the organization. The National President is authorized to appoint such committees and chairpersons thereof as may be necessary to serve during the Convention period, with the approval of the NEC present and voting.

SECTION 8

The National President may discharge employees other than elected officers only for just cause. If a discharged employee is covered by a collective bargaining agreement or contract, he or she shall have such grievance rights as are provided in that agreement. The NEC shall establish a grievance procedure for all other full-time employees not covered by contract.

SECTION 9

The National President, with the advice and consent of the NEC, shall retain a certified accountant to audit the accounts of the NST immediately following the close of each fiscal year and at such other times as the National President or NEC shall deem necessary. Copies of the annual audit reports shall be furnished to members of the NEC and upon request to any local. Copies of the certified balance sheets and revenue and expense statements from the annual audit reports covering the two immediately prior fiscal years shall be furnished to the presidents of the constituent locals of the Federation at least ten days prior to the triennial Convention.

SECTION 10

The National President may delegate the authority to exclusively recognized national councils:

- (a) To meet and confer with agency/activity management for the purpose of entering into negotiated agreements;
- (b) To represent members of the recognized bargaining unit on all subjects, matters, and issues embraced by said agreements; and
- (c) To administer all collective bargaining agreements entered into and between the parties.

SECTION 11

If the National President for any valid reason, such as ill health, is unable to perform his or her duties for any substantial period of time, he or she shall designate in writing that the NST is to perform his or her duties. Such notice will be served upon the NEC. This designation may be revoked at the discretion of the National President. Vacancies in the office of the National President which occur between Conventions shall be filled by the NST. The office of the NST then shall be filled by a majority vote of the National Executive Council.

ARTICLE X*Duties of the National Secretary-Treasurer***SECTION 1**

It shall be the duty of the National Secretary-Treasurer to have custody of and properly maintain the papers and other documents and effects of the National Office; conduct the correspondence pertaining to his or her office; receive and receipt for all monies; convene and act as NST at the triennial Convention, and travel under the budget and general policies of the NEC.

SECTION 2

The NST, with the approval of the National President and under the policy established by the NEC, shall invest any surplus funds of the Federation in sound securities or deposit them in a bank or banks.

SECTION 3

The NST shall disburse monies of AFGE in payment of obligations incurred on behalf of the Federation after such obligations are approved by the National President or his or her duly authorized agent. Each check drawn upon the funds of the Federation shall be signed by the National President and countersigned by the NST.

SECTION 4

The NST shall furnish the Committee on Credentials at the National Convention a statement of the financial condition of each local.

SECTION 5

In addition to his or her triennial report, the NST shall prepare a quarterly financial report which shall be published. Such reports shall include the following disbursements: salaries, maintenance of Headquarters, travel, and miscellaneous expenditures. Such information is to be itemized by Headquarters department and NVP district and program function expenditures.

SECTION 6

The NST shall submit a triennial report to the Federation covering the membership of the Federation and its locals and a complete statement of all receipts and disbursements during the preceding year. At the expiration of his or her term of office, he or she shall deliver to his or her successor all monies, books, and papers of the Federation which are under his or her control. He or she shall give bond in such sums as the NEC may determine.

SECTION 7

The NST shall appoint, direct, and have supervision of all employees of the Federation employed in the office of the NST, such action to be subject to the approval of the NEC.

SECTION 8

The NST shall direct an audit of the financial records of any affiliate of the Federation to determine its financial status when sufficient cause exists.



SECTION 9

The NST shall preside over meetings of the National Executive Council when the National President is not present.

SECTION 10

The NST or designee shall be the point of contact for all AFGE affiliated organizations, including councils and districts, in order that such parties may have access to the National Headquarters Building Board Room for union purposes on the basis of actual availability.

ARTICLE XI

Duties of the National Vice President for Women and Fair Practices

SECTION 1

The National Vice President for Women and Fair Practices shall:

- (a) Develop, and exercise general supervision over, the affairs of the Women's Department and Fair Practices Department;
- (b) Coordinate with National Vice Presidents on the activities of district National Women's Advisory Coordinators and National Fair Practices Affirmative Action Coordinators;
- (c) Report to the National Executive Council on the affairs of the two Departments and on the activities of the District Coordinators;
- (d) Consult with the General Counsel on all administrative legal actions involving discrimination initiated by the Department and on requests for initiation of court action;
- (e) Preside over meetings of the National Executive Council when the National President or National Secretary-Treasurer is not present; and
- (f) Administer the conflict resolution program.

ARTICLE XII

Duties of the National Vice President

SECTION 1(a)

The National Vice Presidents shall oversee all organizational work in their respective districts and coordinate as necessary with the Director of Organization. They shall exercise general supervision over the affairs of their respective districts. They shall assist locals in negotiations and implementation of contracts within their respective districts, handle grievances and appeals at the district level up to and including the regional levels, and refer to the National President for adjustment all grievances and appeals not resolved at the district level. However, in the Fourteenth District, the NVP shall be permitted to deal with governmental department heads.

SECTION 1(b)

NVPs shall be responsible and accountable to the locals and councils in the district where elected to serve and to the following performance standards:

- (1) To represent their district's, locals' and councils' best interests in all interactions with the National Executive Council and National Office;
- (2) To follow the democratic process in all official AFGE functions conducted in the district served;
- (3) To provide assistance when requested in writing from locals when processing bargaining unit employees' complaints against agency management;
- (4) To refrain from any local or council interaction that could be considered a conflict of interest or not in the best interest of all locals or councils in the district served or contrary to Public Law 95-454, Civil Service Reform Act, and Department of Labor regulations;
- (5) To follow the mandates of the National Convention and locals and councils in the district served;
- (6) To be financially accountable by providing on at least a quarterly basis to all locals, bargaining councils, and DEFCON in the district served a report of all monies, and by providing to locals and councils in the district served for all monies allocated for district functions and Political Action Committee (PAC) monies donated and Legislative Action Fund (LAF) monies; and
- (7) To issue to all local and council presidents in the district at least a quarterly report of expenditures showing the funds and time spent on each local and council served, and a pre-caucus audit report showing expenditures to all district locals and councils served. Each council that has local constituencies in the district regardless of where the council officers reside shall receive these reports.

SECTION 2

Each district shall be entitled to at least one resident National Representative who will work directly under the district NVP's supervision and direction. Such National Representative shall be selected, in accordance with the policy established by the NEC, by the incumbent NVP of the district or department to which he or she is assigned, and he or she may be discharged by the NEC, upon recommendation by the NVP or the majority of the locals within the area he or she services, for cause.

ARTICLE XIII*National Executive Council***SECTION 1**

It shall be the duty of the National Executive Council of the Federation to watch all legislative measures directly affecting the interests of employees of the United States Government and the District of Columbia and to devise and initiate such legislative actions as the National Convention may direct, and in the interim between National Conventions, shall devise and initiate, whenever necessary, legislative policies consistent with the objectives of the Federation.

SECTION 2

The NEC shall use every legitimate means to organize new locals in every section of the United States, its possessions, and foreign territories.

SECTION 3

The NEC shall instruct all locals to affiliate and actively cooperate with central, state, district, or regional labor bodies in their respective localities. The NEC also shall utilize every legitimate means and effort to consolidate existing compatible locals into larger segments or councils for the purpose of creating stronger union entities and eliminating fragmented organizations. District boundaries will not be a barrier to any merger or consolidation deemed beneficial and for the protection of union members. When previously unrepresented units are organized, if they become part of a national exclusive bargaining unit, the applicable council president will determine the local jurisdiction.

SECTION 4

The NEC shall establish the conditions and regulations on which AFGE publications will be distributed or otherwise supplied to the general public.

SECTION 5

Organizers and other employees of the Federation not specifically provided for herein shall be employed when necessary by the National President, by and with the advice and consent of the NEC.

SECTION 6

The NEC shall have power to make rules to govern matters not in conflict with this Constitution and shall prepare and present a complete report of its activities to the National Convention.

SECTION 7

Any officer of the Federation may have charges filed against him or her for violations of Article XXIII. Any officer of the Federation having charges preferred against him or her may be suspended by a two-thirds vote of the NEC, only after being notified in writing of the charges and given an opportunity to present his or her defense to the NEC.

SECTION 7(a)

Charges filed against a national officer of AFGE must be filed in writing with the National President and a copy thereof served by registered mail or personal service upon the officer charged. Delivery of the copy by mail to the official address of the officer involved shall constitute valid service. Charges may be filed solely by a member of AFGE in good standing and for good and sufficient cause, and shall relate solely to acts or omissions required or taken by such officer as an official of AFGE.

SECTION 7(b).

The committee of investigation shall be appointed by the National President and shall consist of three members in good standing. The chairman of the committee shall be a national officer and shall be the sole national officer on the committee. The committee of investigation shall investigate the charges by initially interviewing orally or in writing each complainant, the officer charged, and such other persons as it deems necessary to determine if good and sufficient grounds exist for the charge and whether or not material facts concerning the charge are in dispute. The written charges, related papers and correspondence, and all statements, documents, recordings, and reports containing evidence or information obtained in the course of th

investigation shall constitute the investigative file. If the committee of investigation determines that:

- (1) Good and sufficient grounds for a charge do not exist, it shall refer the charge to the NEC with a recommendation that it be dismissed;
- (2) Good and sufficient grounds for a charge exist, but that no material facts are in dispute, it shall refer the charge to the NEC for decision on the basis of the investigative file; and
- (3) There are material facts in dispute, it shall refer the charge to a trial committee.

SECTION 7(c)

The trial committee shall consist of three national officers. The National President shall select one member, the officer who is the subject of the charges shall select one, and those members shall select a third member who shall be the chairman of the trial committee. The trial committee shall have full authority to conduct a fair and thorough trial of the charges, hold hearings, take testimony under oath, receive documents, affidavits, and records as exhibits, take depositions, and issue interrogatories, and do all things necessary to ascertain the truth, make a verbatim transcript of testimony, establish a record of all relevant and material evidence, and provide a written report and recommendation on each charge as to whether it is sustained or not sustained and the appropriate discipline, if any, to the NEC. The trial committee shall complete its proceedings and issue its final report and recommendation within 90 days of the referral of the charge to it, unless for good cause, the NEC grants an extension of time. No such extension of time shall be granted for more than 30 days.

SECTION 7(d)

Each member of the NEC shall have a copy of the complete record available to it as well as the trial committee report and recommendation for at least ten days prior to voting upon the final decision. Voting may be by mail ballot or at a duly constituted meeting of the NEC. The national officer under charges shall abstain from voting as a member of the NEC. It shall take a two-thirds vote of the remaining members of the NEC to sustain a charge and to impose discipline. The NEC shall take separate votes on each charge, and on the discipline, if any, appropriate to each charge which is sustained. Where the NEC upholds, in whole or in part, any decision which results in a penalty imposed upon an individual, that individual may appeal to the next National Convention of AFGE under Article XXIII, Section 9, of the AFGE Constitution, provided, however, that the appeal is filed in writing, by certified or registered mail, with the National Secretary-Treasurer within 30 days of receipt of the notice of the decision of the NEC. Such suspension by the NEC, to become permanent, must be sustained by a majority vote of the next regular National Convention.



SECTION 8

Any affiliate of the Federation desiring assistance from the Federation in the adjustment of grievance or disputes shall submit to the National President the full certified statement of such grievance or dispute and shall receive within 20 days a decision from the National President as to whether the affiliate will be sustained. Such affiliate however, has the right of appeal to the NEC as a whole, provided such grievance or dispute is prepared by such affiliate and presented by its delegate or delegates in person at a meeting of the NEC or duly authorized committee of representatives thereof.

SECTION 9

No money of AFGE shall be expended unless authorized by the NEC or specifically provided for by act of National Convention.

SECTION 10

The NEC, during the interim between National Conventions, is authorized to constitute itself a standing committee of the NEC with respect to any matters within the jurisdiction of the NEC, and such standing committee may designate subcommittees composed of its own members to act for it on matters within the jurisdiction of the NEC, provided that the NEC shall have the right to veto any action of the standing committee or any subcommittee thereof.

SECTION 11

The NEC is directed to provide and conduct a uniform pension plan for the full-time officers and full-time employees.

SECTION 12(a)

Accurate minutes of all actions and votes of the NEC shall be kept, and shall be made available to each National Vice President and council president upon request, and shall be shown to local presidents upon request.

SECTION 12(b)

Within one month or 30 days after each and every meeting of the NEC, a report of such meeting shall be mailed to the president of each local. The report may be in abstract form but should include the following items:

- (1) The agenda;
- (2) The disposition of each item on the agenda;
- (3) The manner in which each member of the NEC voted; and
- (4) As to any item on the agenda which was tabled, the report shall set forth the reason for the tabling of the item, the names of the

members of the NEC who moved and seconded the motion for the tabling of the item, and the manner in which each member of the NEC voted on the motion. If any member opposed the tabling, such member shall be given the opportunity of stating his or her reason for opposing the tabling of the item.

SECTION 12(c)

NEC meetings normally should be held at the AFGE National Headquarters, Washington, D.C., except during the AFGE National Conventions, and except that the NEC is authorized to convene in a regular meeting outside of Washington, D.C., providing such a meeting costs no more than convening a regular NEC meeting in Washington, D.C. All NEC meetings shall be open "sunshine" meetings to the Federation, and advance notice to locals and councils of the location of NEC meetings will be published by the Federation. Whenever a majority of the NEC gathers in the same location to address business of the Federation, such gathering will be considered a meeting pursuant to this Section. All NEC committee meetings also will be considered meetings pursuant to this Section, with the exception of the Legal Rights Committee when dealing with individual legal rights matters. Members may participate in the debate of issues and motions before the NEC. Any member attending the NEC meeting should be allowed up to three minutes to express comments for the good of the Federation.

SECTION 13

The NEC will develop a Continuation of Operations Plan to cover all locals, councils, districts and National Office operations, by May 15, 2010.

ARTICLE XIV

Duties of the National Human Rights Committee

SECTION 1

The National Human Rights Committee (NHRC) is comprised of the National Vice President for Women and Fair Practices and the 24 elected district officers called the National Fair Practices Affirmative Action Coordinators (FPAAC) and the National Women's Advisory Coordinators (NWAC). The purpose of the NHRC is to study and recommend legal, legislative, and administrative proposals relating to improving working conditions, with a focus on eliminating employment discrimination in the Government. These proposals may be presented to the National Executive Committee (NEC) through the National Vice President for Women and Fair Practices. The topics of these proposals include but are not limited to eliminating discrimination based on race, color, age, sex, religion, national origin, disability/handicap, genders, political affiliation, personal appearance, family responsibility, and sexual preference or sexual orientation as they relate to the quality of life for AFGE members, their families, and their committees.

SECTION 2

The National Human Rights Committee (NHRC) will elect a Chairperson, Vice Chairperson, and Secretary to preside over meetings of the Committee at the next HRC meeting and elect such officers thereafter every three (3) years beginning after the 2011 Caucus.

ARTICLE XV

Duties of the National Fair Practices Affirmative Action Coordinators

SECTION 1

These Coordinators may advise, assist and/or represent members on EEO issues, monitor trends in EEO laws and regulations and may recommend a human rights, civil rights, and worker's rights national action plan for AFGE. They also provide and assist in training on EEO issues throughout the district they represent. These Coordinators are elected at a district caucus every three years. They recruit and develop Local Coordinators in their respective districts and will:

- (a) Mobilize AFGE members around civil, human, and worker's rights in their district. They are charged to work closely with the National Women's Advisory Coordinators (NWAC) and National Vice President (NVP) to help raise the profile of civil and human rights and strengthen the worker's rights agenda in their respective districts;
- (b) Submit quarterly status report on district activities to be reported to the AFGE National Executive Council;
- (c) Work with locals in their district to ensure Local Fair Practices Coordinators are appointed or elected;
- (d) Serve as the catalyst to disseminate information affecting civil, human, and worker's rights issues throughout the district;



- (e) Inform the NVP and National Vice President for Women and Fair Practices of local civil, human, and worker's rights issues with the potential of having a national impact;
- (f) Participate in leadership training seminars or other skill building opportunities in their districts annually;
- (g) Coordinate member participation in civil, human, and worker's rights activities within the locals and councils in their district;
- (h) Work with the AFL-CIO constituency groups and other allied organizations to improve the coalition base;
- (i) Maintain accurate financial and travel records for their district activities; and
- (j) Serve as a member of the National Human Rights Committee.

ARTICLE XVI

Duties of the National Women's Advisory Coordinators

SECTION 1

These Coordinators monitor trends in women's and work/life issues, recommend a national working women's action plan for AFGE, and advise, assist and/or represent members on women's issues. They also assist locals in training sessions throughout the district where they were elected. These Coordinators are elected at a district caucus every three years. The National Women's Advisory Coordinator (NWAC) will recruit and develop Local Coordinators and will:

- (a) Mobilize AFGE members around women's issues in their district. They are charged to work closely with the National Fair Practices Affirmative Action Coordinators (NFPAAC) and National Vice President (NVP) to help raise the concerns of women and minorities and strengthen the worker's rights agenda in their respective districts;
- (b) Submit quarterly status report on district activities to be reported to the AFGE National Executive Council;
- (c) Work with locals in their district to ensure Local Women's Coordinators are appointed or elected;

- (d) Serve as the catalyst to disseminate information affecting women's issues throughout the district;
- (e) Inform the NVP and National Vice President for Women and Fair Practices of local women's issues with the potential of having a national impact;
- (f) Participate in leadership training seminars or other skill building opportunities in their districts annually;
- (g) Lobby and engage local legislators on issues that impact women and their families;
- (h) Work with local community, women's, religious, and AFL-CIO constituency groups on women's issues that affect AFGE members;
- (i) Maintain accurate financial and travel records for their district activities; and
- (j) Serve as a member of the National Human Rights Committee.

ARTICLE XVII

Duties of the Local Women's Coordinator

SECTION 1

The Local Women's Coordinator (LWC) is primarily concerned with any issue that has an adverse impact on women in the workforce. The main objective of the LWC is to assure that the agency maintains policies and practices which are free from artificial barriers to the progress of women. Duties of the LWC may include submitting proposals and recommendation through the appropriate local channel to their agency to adopt policies and programs within their agencies. Among the areas of concern are childcare, gender-based wage discrimination, sexual harassment, alternate work schedules, upward mobility, career development, family friendly leave policies, health and safety matters, and leadership skills development. The above issues are but a few that should be addressed by the Coordinator. All actions to resolve issues may require the LWC to pursue solutions within their agency, through the appropriate local channels, or seek legislative solutions. The LWC will stress the importance of organizing members around these issues and will assist in the recruitment of new members.

SECTION 2

The LWC will work together with AFGE National, district, council, and local officers to effectively work toward eliminating issues that have an adverse impact on women in the workplace.

SECTION 3

All newly established local, council, and national steering-type committees shall include in their proposed bylaws, constitution, articles, or articles of operation, the positions and duties of both Women and Fair Practice Coordinators.

ARTICLE XVIII

Duties of the Local Fair Practices Coordinator

SECTION 1

The Local Fair Practices Coordinators (LFPC) are primarily concerned with equal employment opportunity and affirmative employment in the workplace. Their primary focus is direct assistance and/or counseling to members with inquiries or complaints of discrimination. LFPCs should be familiar with EEO laws and regulations so they can take an active role in the complaint process by assisting stewards with strategies for winning complaints. Another major focus of the LFPC is to assure that agency officials properly identify under-representation of minorities, women, and persons with disabilities. Once an under-representation has been identified, the LFPC will take actions to correct the situation through the appropriate local channel. These corrections may be addressed by working within the agency's EEO program and/or through the negotiation of strong contract language.

SECTION 2

The LFPC's activities also will include grassroots action on EEO or civil rights legislation, always stressing the importance of organizing new members around these issues and assisting in new member recruitment.

SECTION 3

The LFPC will work together with AFGE National, district, council, and local officers to effectively work toward eliminating discrimination of any kind in government.

ARTICLE XIX

Locals

SECTION 1

This Federation may have locals for which the National Secretary-Treasurer, under authority of the National Executive Council, issues or amends a charter. Each local shall bear the name, "AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES Local No. __, AFLCIO."

SECTION 2

Each application for charter for locals must be signed by the National Vice President and sent to the NST together with copies of the membership forms for each charter member. The charter members will be entered into the AFGE membership data base through the NST's Office, and the local will be charged appropriate per capita tax.

SECTION 3(a)

Every local of AFGE shall adopt an approved constitution. Effective January 1, 1985, all new locals, or existing locals whose constitutions have not been approved on or after September 1, 1979, shall be governed by a standard local constitution as set forth in Appendix B of the AFGE National Constitution. Provisions of the then existing local constitution or bylaws not conflicting with the AFGE National Constitution or, if applicable, the constitution of a national bargaining council, including the dues, fees, and assessments, shall remain in effect unless and until superseded by action of the local.

SECTION 3(b).

Any local wishing to adopt the standard local constitution, as contained in Appendix B of the AFGE National Constitution, may do so in accordance with the amending provisions of its current constitution. Copies of the minutes of such meeting(s) shall be sent to the National President in support of the request for NEC approval.

SECTION 3(c)

Any local not under the standard local constitution wishing to amend provisions of its constitution and/or bylaws may do so in accordance with the amending provisions of its current constitution. Prior to amendments taking effect, NEC approval must be obtained by forwarding to the National President the amendments, together with a copy of the prior notice to the members and a copy of the minutes of the meeting showing adoption of the amendments by the proper majority.

SECTION 3(d)

Expenditures by the Executive Board in excess of \$500 per month must have prior approval of the local's members either as authorized by the budget approved by the local or by separate vote of the local's members. All expenditures authorized by the Executive Board will be reported in writing at the next regular meeting of the local. Upon request a copy of such report will be made available to any member in good standing of the local.

SECTION 4

AFGE, in accordance with provisions of the AFGE National Constitution, charters two types of locals: Regular Local and Insured Local. A Regular Local does not provide any life insurance benefits for its members. An Insured Local automatically includes life insurance programs for its members under the AFGE Insured Program. Listed below are the steps to follow in organizing the two types of locals:

SECTION 4(a) REGULAR LOCAL

- (1) Contact the NVP, National Representative, or organizer of the district or department and request a Charter Application form and a supply of literature and Membership Application forms for organizing a Regular Local;
- (2) A minimum of ten United States Government employees is required to charter a Regular Local;
- (3) Fill out the Charter Application form. Attach it to the copies of the membership forms for all charter members. If the charter member is a current member of another AFGE local, provide the name and address with the charter application. The above documents will be submitted to the NVP of the district for review and approval. After he or she has approved the Charter Application, he or she will transmit it to the NST;
- (4) Appropriate per capita tax will be charged to the local's account by the NST upon receipt of the charter application. The local will be charged per capita tax for each new member subsequently enrolled;
- (5) Effective January 1, 2016, the per capita tax is \$20.91 per member per month and \$1.50 per member per month for retired members; and the per capita tax for retired members will be raised by the exact amount required to cover the affiliation fees for the AFL-CIO retiree program; and
- (6) Each local created under the provisions of this Constitution shall be established and maintained with a dues level high enough to allow adequate funds for the payment of per capita tax and to provide sufficient funds for the operating expenses of the local.

SECTION 4(b) INSURED LOCAL

- (1) Contact the NVP, National Representative, or organizer of the district or department and request a Charter Application form and a supply of literature and Membership Application forms for organizing an Insured Local;
- (2) A minimum of ten United States Government employees is required to charter an Insured Local. Each applicant must complete an AFGE Membership Application form in its entirety;
- (3) Fill out the Charter Application form. Attach it to the copies of the membership forms for all charter members. If the charter member is a current member of another AFGE local, provide the name and address with the charter application. The above documents will be submitted to the NVP of the district for review and approval. After he or she has approved the Charter Application, he or she will transmit it to the NST;
- (4) Appropriate per capita tax for each charter member will be charged to the local's account by the NST upon receipt of the charter application. The local will be charged per capita tax for each new member subsequently enrolled;
- (5) Effective January 1, 2016, the per capita tax is \$21.96 per member per month for insured members and \$2.55 per member per month for retired insured members, and the per capita tax for retired members will be raised by the exact amount required to cover the affiliation fees for the AFL-CIO retiree program; and
- (6) Each local created under this Constitution shall be established and maintained with a dues level high enough to allow adequate funds for the payment for the per capita tax and to provide sufficient funds for the operational expenses of the local. Each member of a local operating under the Insured Program who is under the age of 65 automatically will be covered for benefits according to the member's age as follows:

Age (last birthday) of the Insured Member	AMOUNT OF INSURANCE	
	First Unit	Each Added Unit
Less than 35	\$2,200	\$2,800
35-49	1,700	2,300
50-59	1,200	1,800
60-69	1,000	1,000
70 and over	1,000	500

The amount of the insurance at any time depends on the age and on the number of units of insurance (one to five) elected by, and in effect for, the local to which the member belongs. The insurance amount changes as the age changes. Because the insurance provides greater membership stability, every group of federal employees desiring to form an AFGE local will find it more advantageous to organize under this program. If a local organizes under the Insured Program, 100% of the eligible members must participate.

SECTION 5

Each local shall conduct an audit at least once a year and a certification made to the NST that such an audit has been made. This certification shall indicate the current membership.

SECTION 6

When the charter of a local is revoked or whenever a local disbands, its officers shall be required to turn over all books, records, property, and funds to the National President or his or her representative to be held on account. All such funds shall become the property of the Federation.

SECTION 7

Nothing in this or any other provision of this Constitution shall prevent a local from investing funds in state chartered credit unions as well as federal credit unions throughout the United States which operate on the same basis or in a federally insured savings and loan association. Such investment shall be authorized by a regular meeting of the local, and the investment must be secured by insurance, security, or collateral.

SECTION 8

Any bargaining unit employee alleging an arbitrary, discriminatory, or bad faith processing of the employee's grievance or other complaint shall appeal timely to the president of the employee's respective local. Such appeal must be in writing, alleging specific grounds, and must be accomplished within the time requirements set forth in the bargaining agreement or other applicable proceeding or immediately upon discovery of such alleged improper processing. Upon receipt of the written appeal, the president or designee(s) immediately shall conduct a review and take appropriate action as warranted. Invocation of this appeal procedure for matters of this nature is the exclusive remedy available to an aggrieved employee.

SECTION 9

Each national bargaining local shall receive a per capita tax rebate of \$.10 per member per month.

ARTICLE XX

Duties of Local President

SECTION 1

The local presidents shall exercise general supervision over the affairs of their respective locals.

SECTION 2

The local president shall comply with the National and local Constitution. Further, the local president shall keep the membership apprised of the goals and objectives of the Federation.

ARTICLE XXI

Councils

SECTION 1

AFGE locals may form councils to be comprised of member locals in good standing; such councils are to be formed after due application and approval by the National Executive Council, which in turn will issue a charter under the same conditions applying to the locals. If the NEC does not approve the first application for a charter, within 30 days it must furnish in writing to all locals involved the reason why approval has not been granted and the specific actions which will lead to the granting of the charter. Upon completion of the stated actions the charter must be issued. AFGE locals having members represented by a council with national exclusive recognition or a national consolidated unit must pay the dues and/or per capita tax to the appropriate council and in accordance with the council's constitution. Retired members may pay national council or national consolidated unit council dues, but it is not mandatory unless the local of which they are a member requires them to do so. Locals not paying their national council or national consolidated unit council dues and/or per capita tax, as required, are subject to all penalties as prescribed in the AFGE National Constitution and the appropriate national council or national consolidated unit council constitution.

SECTION 2

An annual report of each council's activity, including the annual audit, shall be made to the National Office. Further, copies of official publications shall be furnished to the National Office.

SECTION 3

All councils shall be subject to the rules and regulations of AFGE and the NEC.

SECTION 4

Councils shall pay no per capita tax. They may have representation in, and be permitted mto submit resolutions to, the National Convention.

SECTION 5

Only locals in good standing shall be affiliated with such councils.

SECTION 6

Each council shall adopt a constitution and bylaws which shall be submitted to, and approved by, the NEC before a permanent charter of affiliation shall be issued. Councils shall send to the National President the amendments, together with a copy of the notice to the delegates, if required by the council constitution, and a copy of the minutes or transcript of the council meeting showing a quorum and adoption of the amendments by the proper majority. Amendments to such constitution and bylaws shall be approved by the NEC before becoming effective.

SECTION 7

No action shall be taken against national council officers by the NEC or National President without due process. Such due process will be consistent with the provisions of Article XXIII, and the trial or hearing panel shall be composed of three members, at least one of whom shall be a national council president and the second an independent arbitrator chosen from a list of seven arbitrators provided by the FMCS. The National Office shall strike the first name followed by the charged officer, with both parties alternating until one name remains.

SECTION 8

Where the charter of a council is revoked, or whenever a council disbands, its officers shall be required to turn over all books, records, property, and funds to the National President or his or her representative to be held on account. All such funds shall become the property of the Federation.

SECTION 9

Expenditures by the Council President in excess of \$500 per month must have prior approval: (a) by the council's Executive Board, (b) as authorized by the budget approved by the delegates, or (c) by separate vote of the council's delegates. All expenditures authorized by the Executive Board will be reported in writing at the next regular meeting of the council. Upon request a copy of such report will be made available to any officer in good standing of the council.

ARTICLE XXII*Duties of Council President***SECTION 1**

The council presidents shall exercise general supervision over the affairs of their respective councils.

SECTION 2

The council president shall comply with the National and council Constitution. Further, the council president shall keep the membership apprised of the goals and objectives of the Federation.

ARTICLE XXIII

Offenses, Trials, Penalties, Appeals

SECTION 1

Except as provided for under the powers of the National President in Article IX, Section 5, the local in which an individual member holds membership is the court of original jurisdiction for trial of charges against the local's members and officers, unless the charges arise out of or result from an individual's conduct or status as a council officer on matters concerning council operations, in which case the council has original jurisdiction for trial of such charges. The due process provisions of Article XXIII shall govern at the council level when a council officer is charged and tried in his or her capacity as a council officer. Members of the Federation, including officers, agents, and representatives of locals or councils, shall be tried for any of the offenses listed in Section 2 hereof.

SECTION 2

Charges may be preferred for conduct detrimental or inimical to the best interests of the Federation. Offenses against this Federation include the following:

- (a) Advocating, encouraging, or attempting to bring about a secession from the Federation of any local or of any member or group of members. The conflict resolution program is not available. Penalty for conviction under this subsection shall be expulsion;
- (b) Working in the interest of or becoming a member of the Communist Party or any other organization which advocates the overthrow of the democratic form of government under which our members live. The conflict resolution program is not available. Penalty for conviction under this subsection shall be expulsion;
- (c) Violation of any provision of this Constitution or the constitution and bylaws of the local to which a member belongs;
- (d) Making known the business of any affiliate of the Federation to management officials of any agency or other persons not entitled to such knowledge;
- (e) Engaging in conduct unbecoming a union member;
- (f) Engaging in gross neglect of duty or conduct constituting misfeasance or malfeasance in office as an officer or representative of a local. The conflict resolution program is not available after the committee of investigation has preferred charges;
- (g) Incompetence, negligence, or insubordination in the performance of official duties by officers or representatives of a local or council or failure or refusal to perform duties validly assigned;
- (h) Committing any act of fraud, embezzlement, mismanagement, or appropriating to one's own use any money, property, or thing of value belonging to the Federation or any affiliate. The conflict resolution program is not available after the committee of investigation has preferred charges;
- (i) Refusing, failing, or neglecting to deliver at specified periods or on demand, in accordance with this Constitution or the constitution and bylaws of the local or council to which a member belongs, a full and accurate account of all monies, properties, books, and records for examination and audit; and/or
- (j) Assisting, counseling, or aiding any member or officer of the Federation or any of its affiliates to commit any of the offenses herein set forth.

SECTION 3

Charges may be preferred by the National President, the National Executive Council, the National Vice President having jurisdiction over the local of which the accused is a member, or by a committee of investigation of the local. Any member may request conflict resolution or bring charges by first filing them with the local of which the accused is a member, and the charges shall be investigated by a committee of investigation appointed by the local president or by the majority of the local Executive Board if the local president is being accused. If it is the local president who brings charges against a member, then the local Executive Board shall appoint a committee of investigation. If a member of the local Executive Board is the accused member, he or she may not vote in the selection of the committee of investigation. No member of the Executive Board may serve on the committee of investigation. The local committee of investigation shall conduct and complete the investigation within 120 days of the filing of charges. If the committee of investigation finds probable cause and cannot settle the matter informally or through the conflict resolution process, it shall prefer charges upon the accused. Such charges shall be in

writing and shall be served upon the accused by registered or certified mail at his or her last known address and the local of which the accused is a member also shall be served at its office or address of its highest ranking officer. The charges shall contain an allegation of the facts describing the nature of the offenses charged.

SECTION 4

The trial shall be conducted either (a) by all of the eligible members of the local's Executive Board or (b) by a trial committee elected by the membership and composed of not less than three nor more than seven members of the local. In any event, no member of a local union shall be eligible to serve on the board or trial committee for the hearing of charges under this Article if he or she is directly or indirectly involved in the matter which gave rise to the charges upon which the accused is to be tried. In no case will the committee of investigation and the trial committee be composed of any of the same members. The trial committee shall be elected by the membership of the local at the next regular meeting after the charges have been preferred or at a special meeting called for that purpose to be held not less than five days after a copy of the charges has been filed with the local. The body hearing the trial shall select from among themselves a presiding officer and a secretary and fix the time and place of the trial. The presiding officer shall notify the accused and those who preferred the charges by registered or certified mail of the time and place of trial, and such trial shall be held promptly but shall not be held less than two weeks after the mailing of the notice so as to insure the accused of a reasonable time to prepare his or her defense, nor more than 180 days after the preferring of charges, so as to insure a prompt trial. The conflict resolution program is not available after the trial commences.

SECTION 5

All parties shall be given full opportunity to present all relevant evidence and exhibits which they deem necessary to the proper presentation of their case and shall be entitled to cross-examine witnesses of the other party or parties. The accused shall have the privilege of being represented by representatives of his or her choice, except by a member of the trial committee or a member of the Executive Board when it is acting as a trial board or a representative of another labor organization. At the discretion of the local union a verbatim transcript of the trial proceedings may be taken. For the purpose of creating an official record of the hearing conducted by the trial body, a verbatim transcript also shall mean a tape recording. In the event no verbatim transcript is made, the secretary of the trial body shall reduce the minutes of the trial to writing and include therein the substance of the testimony and all exhibits submitted at the trial. The secretary also shall furnish to each party a copy of the transcript or minutes, as the case may be, and each party within ten days after receiving said transcript or minutes shall submit to the secretary in writing any objections thereto. The record thus made shall constitute the record of the trial for the purpose of appeal, and in the event any party fails to attest to the correctness of the record or to file objections to the correctness of the record within the time limit prescribed herein, the transcript or minutes furnished by the secretary of the trial committee for the purpose of appeal shall be deemed to be a correct record of the trial procedure and of the evidence presented. All matters relating to the procedure of the trial not otherwise specified in this Section shall be determined by the trial body, and all parties and their respective counsel shall comply with all orders and directions of the trial body with respect to such matters. No member of the board or trial committee who absents him or her self from any session of a trial may participate in findings, decisions, or recommendations of the board or trial committee or file any concurring or dissenting opinion.

SECTION 6

Should the accused fail, refuse, or neglect to appear for trial after due notice, or after appearing refuse to comply with orders or directions of the trial committee relating to the conduct of the trial or otherwise attempt to obstruct or thwart the trial committee in its conduct of the trial, the trial committee shall proceed with the trial in the absence of the accused, hear such evidence as may be presented by witnesses who respond to notice, and render its findings, recommendation, and decision. However, the accused shall not be deprived of the privilege of being represented by a representative of his or her choice.

SECTION 7

At the next regular meeting of the local following the conclusion of the trial, as the first order of business, the trial body shall read the sustained charges against the accused. At that time the accused or representative may make a statement on his or her behalf to the membership. The trial body then shall submit to the local in writing and read its findings of the facts, decisions, and recommendations. The accused shall retire from the room when the vote of the membership is taken. The members of the local there assembled shall vote without debate solely on the question of whether to accept or reject the decision and recommendations of the trial body. The local by a majority vote of its members voting may fine, suspend, or expel the accused from its membership or suspend or remove the accused from any local offices which the accused may hold. No further trial shall be had on the same charges except for violation of the procedures described by the Constitution or of procedural due process, and then only if desired by a decision on appeal.

SECTION 8

The accused and those who preferred the charges shall be notified by registered or certified mail of the decision of the local. The notice to the accused shall be mailed to the last known address and shall advise the accused of available appeal rights. Any adverse decision against the accused shall remain in effect pending final appeal.

SECTION 9

Any officer or member fined, suspended, or expelled from membership or suspended or removed from office by a vote of his or her local may appeal such decision to the NEC, provided such appeal is filed in writing with the NST within 15 days after the officer or member is notified of the decision of the local. The NEC shall consider the appeal at its next regularly scheduled meeting or at a special meeting called for that purpose by the National President or two-thirds of the NEC. The NEC shall review the case and affirm or reverse the decision, reduce the penalty, or return the case to the local for a new trial before a different trial committee. If the decision of the NEC should affirm any adverse action taken against the appellant by the local, the appellant may further appeal to the next National Convention.

SECTION 10

All provisions relating to the trial procedures and appeals in local constitutions and bylaws must comply with the Rules and Regulations of the Assistant Secretary of Labor for Labor Management Standards implementing Public Law 95-454, Standards of Conduct for Labor Organizations. This Article supersedes any provisions in local constitutions and bylaws which do not meet the basic democratic procedures prescribed in this Article.

ARTICLE XXIV

Revenues

SECTION 1(a)

THE REVENUES OF THE FEDERATION shall be obtained as follows, effective January 1, 2016:

(1) Regular Locals

The per capita tax is \$20.91 per member per month and \$1.50 per capita tax per member per month for retired members. The per capita tax for retired members will be raised by the exact amount required to cover the affiliation fees for the AFL-CIO retiree program.

(2) Insured Locals

The per capita tax is \$21.96 per member per month for insured members and \$2.55 per capita tax per member per month for retired insured members. The per capita tax for retired members will be raised by the exact amount required to cover the affiliation fees for the AFL-CIO retiree program.

SECTION 1(b)

DEDICATED DISTRIBUTION OF FUNDS:

(1) Effective January 1, 1998, \$1.00 is earmarked in the following manner: \$0.38 toward affiliation, \$0.35 toward inflation, and the remainder (\$0.27) toward organizing.

(2) Effective January 1, 2002, an additional \$1.50 is dedicated in the following manner: \$.15 to education, \$.10 to media, \$.08 to national building fund, \$.08 to savings, \$.11 to contingency, \$.04 to special political education, \$.10 to computers, \$.30 to Membership and Organizing, \$.03 to coordinators, \$.15 to legislation, \$.04 to Women's Department, and \$.12 to Fair Practices Department. Additionally, each bargaining council shall receive \$.10 rebate for each of its dues-paying members from the foregoing increase, and effective January 1, 2007, AFGE's Defense Conference shall receive \$.30 for each Department of Defense dues-paying member.

(3) Effective January 1, 2004, per capita tax is increased by \$2.50 per month. \$.25 of that per capita tax increase is dedicated to media; \$.25 is dedicated to legislation. Effective January 1, 2004, these committees will be permanently funded and the expenditures from the contingency fund shall specifically include, but are not limited to the following: AFGE's Firefighter Steering Committee, the AFGE Law Enforcement Steering Committee, and the AFGE Hispanic Coalition at \$15,000 each per year. They shall make all requests for funds through the Office of the National President to insure financial integrity and to insure that amounts expended are in accord with their approved annual budgets. Such requests shall be promptly processed and funds remitted to the designated payee.

(4) Effective January 1, 2007, per capita tax is increased by \$2.00 per month. \$.06 of that per capita tax increase is dedicated to legislative and privatization programs, \$.06 to district member organizing program, \$.10 to communications programs, \$.06 to Women's/Fair Practices programs and \$.02 for conflict resolution program, \$.02 to education program, \$.10 to district operational, \$.01 each to AFGE's Firefighters Steering Committee, Law Enforcement Steering Committee, Hispanic Coalition, and Nurses Committee, \$.10 rebate to bargaining councils, and \$1.44 to the general fund for AFL-CIO, inflation, and computer overhaul of mainframe (\$.20).

(5) Effective January 1, 2010, per capita tax is increased \$2.00 per member per month. \$.28 of that per capita tax increase is dedicated to organizing and bargaining, \$.28 to education, \$.08 to districts, \$.08 to lobbying, \$.06 to AFL-CIO affiliation fees, \$.03 to communications, \$.05 rebate to bargaining councils, \$.15 to DEFCON parity. Effective January 1, 2012, per capita tax is increased by \$.25.

(6) AFGE will allocate a minimum of 5 cents per member per year to the efforts of building and supporting the Y.O.U.N.G. movement within AFGE.

(7) Effective January 1, 2016, per capita tax is increased \$1.16 per member per month. \$.70 of that per capita tax is dedicated to lobbying and grassroots mobilization, \$.32 for AFL-CIO state federation affiliation, and \$.14 for education.

SECTION 1(c)

EXCEPTIONS

(1) Those employees on a regular part time weekly schedule of 25 hours per week or less will be assessed per capita tax at a rate of 50%, and this rate will be applied to any employees who fall under the lowest pay scale in the federal sector (equivalent to below grade GS-4, Step 1). Locals must certify that the reduction in per capita tax applies only to eligible employees and is reflected in a reduction in local dues in an appropriate amount for those employees.

(2) Members that hold a permanent seasonal position will have the per-capita dues exempt, from the local's national billing, during their non-pay status, not to exceed six months long. These members will be considered as a member in good standing during their non-pay status. These members will not count toward voting strength of the local while in a non-pay status. These members will be responsible for any benefit fees that are incurred by that member while in non-pay status. The local's bylaws may address the level of local participation of the member while in non-pay status and reimbursement to the local for any monies deemed owed.

(3) A local will report all members under Article III, at the earliest possible time directly to the NST and/or My Local section on www.afge.org for exception. The exception to payment will not count against the local's total membership for the purpose of delegate representation.

SECTION 1(d)

SERVICE FEE OR PAYMENT IN LIEU OF DUES

Consistent with law, an amount equal to the regular per capita tax or the service fee, whichever is less, shall be paid by the local union for each person making service or similar payments to the local in lieu of dues under agency shop or similar provision. The AFGE National Union shall establish and implement a Hudson Plan and AFGE locals shall not be charged any cost for the establishment of a Hudson Plan(s) or the implementation of such a plan at the National level, as required by law.

SECTION 2

SPECIAL RETIREE AFFILIATION FEE

For those individuals who do not qualify for retiree membership in the Federation, the national affiliation fee is \$50.00 per annum, effective September 1, 2006. The national affiliation fee for special retiree affiliation shall increase by the exact amount required to cover any increase in the affiliation fees for the AFL-CIO retiree program, and by the same percentage and on the same date as cost-of-living adjustments to federal annuities.

SECTION 3(a)

A quarterly report will be issued to all Local and Council Presidents accounting for all expenditures regarding any per capita increase passed at the 2009 AFGE convention. The report will also account for all earmarked items from previous per capita increases included in the AFGE constitution. The quarterly report will also contain implementation information regarding all resolutions adopted by the 2009 AFGE convention.

SECTION 3(b)

A committee will be established consisting of two (2) Council Presidents, two (2) Local Presidents, two (2) NEC members, and chaired by the National Secretary-Treasurer, that will be charged with examining AFGE spending practices to find efficiencies and savings. The committee will also be assigned the responsibility of identifying any wasteful expenditures that can be modified or eliminated. Such committee will also be assigned the task of devising a system of accountability so that AFGE members can be assured that AFGE is spending its resources pursuant to Convention mandates. Such committee will report its findings and recommendations to the NEC for

decision by May 1, 2010. Committee findings and recommendations will be included in the subsequent quarterly report of expenditures to the Local and Council Presidents. If the NEC does not adopt the committee recommendations in full, the issue will be a mandatory issue for consideration at the next AFGE convention in 2012. All reports for dues will be posted on the members only section of the AFGE Website. These committee meetings shall occur in conjunction with quarterly NEC meetings, if possible, or if not by video conference or alternate means.

SECTION 4 [Deleted]1

SECTION 5(a)

Per capita tax of members of a Regular Local is due and payable on the 20th day of the following month, together with all other money owed by the local.

SECTION 5(b)

Per capita tax of members of an Insured Local is due and payable on the first of each month, together with all other money owed by the local.

SECTION 6(a)

Each month locals are provided billing statements showing all monies due for the current monthly billing cycle as well as any outstanding balances due from previous months. If a local is in arrears in per capita tax payments or other payments to the National Office for more than 90 days, its principal officers, if in the offices when the delinquency was created, may be suspended from office.

SECTION 6(b)

Any local in arrears in its per capita tax or other payments to the National Office more than 90 days automatically will generate a review by the NST's Office in conjunction with the appropriate NVP. A certified letter of notification will be sent to the Executive Board that a review will be conducted and will state the time, date, and place. If the review substantiates the arrearages, then the local's dues deductions, at the direction of the National President with the concurrence of the NVP, will be sent directly from the agency to the Federation for a period of at least 12 months. The NST shall deduct the appropriate amount of per capita tax for both AFGE and any council, deduct an appropriate portion of the other obligations owed the Federation, and send the remainder to the local. After 12 months, the NST will review the local's structure and other appropriate considerations and determine whether the direct dues process should be terminated. If the direct dues process is terminated and thereafter the local becomes delinquent for more than 90 days, the direct dues process will be reinstated and remain in place, except that if there is a change in the principal financial officers of the local, those officers can request reconsideration. The decision whether or not to reconsider is at the discretion of the National President.

SECTION 7

A suspended local may be reinstated to membership in the Federation upon payment of all arrearages.

SECTION 8(a)

The financial officer or officers responsible for the custody of funds of an affiliate, and the NST, or any other person who handles money will be bonded.

SECTION 8(b)

The affiliate must be bonded for at least ten percent of all the monies that are handled by the affiliate in the year.

SECTION 8(c)

The National President shall negotiate on behalf of all affiliates a blanket position bond in the amount of \$5,000 to cover up to five people who handle the affiliate's funds for the protection of the affiliate. In the event that an affiliate needs, desires, or is required by the Labor-Management Reporting and Disclosure Act of 1959, as amended, to be bonded for additional amounts or for additional people who handle the affiliate's funds, it shall be incumbent upon the affiliate to bear the additional expense of such additional bond. Each affiliate will be responsible for payment of all charges for all bonding of the affiliate, including the initial \$5,000 blanket position bond negotiated by the National President, and each affiliate shall own all bonding paid for by the affiliate.

SECTION 8(d)

In order for the bond to be effective, the affiliate must file within 90 days after the close of its fiscal year a copy of the AFGE form for the annual audit and a copy of the Department of Labor required form.

SECTION 9

All books, records, and fiscal accounts of a local or council shall be open at all times to the inspection of the national officers or accredited representative of the NEC and any duly authorized and accredited representative of the local or council.

ARTICLE XXV*Health and Life Insurance Benefits***SECTION 1**

The Federation is authorized to conduct a program of health and life insurance.

ARTICLE XXVI*Delegates to the AFL-CIO and Other Conventions***SECTION 1**

The national officers of the Federation shall designate and select the allotted number of members of AFGE to represent this Federation at the National Conventions of the AFL-CIO or such other conventions as may be designated, and the representatives shall attend all sessions of such convention, present such resolutions or proposals as are ordered to be presented by the National Convention of this Federation or the National Executive Council; and further, all delegates shall submit an official report of their activities.

SECTION 2

In the event a dispute regarding jurisdiction arises between AFGE and any other organization affiliated with the AFL-CIO that cannot be settled by conference and negotiations between representatives of the organizations involved, it shall be referred to the Executive Council of the AFL-CIO for settlement, and said Council's decision shall be final and binding to all parties of the dispute.

ARTICLE XXVII*Mergers with Other Unions***SECTION 1**

The policy of the Federation is to seek and foster other unions to merge with the Federation, where it is in the best interests in fostering the strength and goals of the Federation.

SECTION 2

To effectuate this policy, the National Executive Council, upon recommendation of the National President, shall have authority to approve such mergers. In implementation of mergers, the National President shall have the authority, with the approval of the NEC, without regard to any other provision of this Constitution, to create new officer positions with voting rights on the NEC and new staff positions in the National Headquarters and in the field, where the creation of such positions is necessary for consummation of a merger.

ARTICLE XXVIII*Amendments***SECTION 1**

This Constitution may be amended only by a two-thirds vote of the delegates present at any National Convention of AFGE.

SECTION 2

Amendments must be submitted so as to reach the National Secretary-Treasurer not less than 60 days prior to the date of the National Convention, and published immediately thereafter.

SECTION 3

By a two-thirds vote of any National Convention, amendments to the Constitution may be brought up on the floor of the National Convention, even though they have not been submitted to the NST 60 days prior to the National Convention.

ARTICLE XXIX

Initiating Proposals between National Conventions

SECTION 1

There is hereby reserved to all locals in good standing the power to petition or to initiate proposals, provided that copies of such petition or proposals are submitted to the National Secretary-Treasurer from locals representing at least ten percent of the membership of the Federation. When such requirements are fulfilled, the NST shall cause the petition or proposal to be published in the next issue of The Government Standard with an invitation for comments to be submitted within 60 days in favor of and in opposition to the petition or proposal. The comments shall be published in The Government Standard as received. At the end of the 60-day period, the NST shall provide for the taking of a vote on the petition or proposal in the manner and form set forth in Section 2 of this Article. No proposition under this Section shall be declared adopted unless a majority of the membership in good standing votes in favor thereof.

SECTION 2

The voting upon any proposition arising under this Article shall be conducted by the NST upon tally sheets and ballots transmitted by the NST to the locals. A vote shall be taken by the locals after notice to the membership at a regular meeting. The NEC shall appoint three tellers, all of whom shall receive, check, certify, and announce the result of the voting conducted by the locals. The tellers shall report the results of said vote to the NST, who shall cause it to be published in the next issue of The Government Standard. The action shall become effective immediately upon adoption unless otherwise provided for.

Appendix

Appendix A

AFGE RULES OF CONDUCT FOR AN ELECTION

APPENDIX A

AFGE RULES OF CONDUCT FOR AN ELECTION

PART I: DIRECT ELECTIONS:

LOCAL OFFICERS AND DELEGATES

SECTION 1. GENERAL PROVISIONS

SEC. 1(a). The rules within this Appendix shall govern matters arising in connection with the conduct of elections to the following AFGE offices:

- (1) All local officers which are designated by the local's constitution;
- (2) All delegates, alternate delegates, and proxy delegates to a district caucus, council meeting, or the AFGE National Convention. As used herein, "delegate" refers not only to delegates but also to alternate delegates and proxy delegates;
- (3) As used herein, "officer" or "office," unless otherwise specified, includes all the positions described above.

SEC. 1(b). These rules herein are integral provisions of the AFGE National Constitution. In the event another provision of the AFGE National Constitution concerns a matter addressed by these rules, to the extent the other provision is inconsistent, these rules shall control. If a provision within the constitution or bylaws of the AFGE entity conducting the election concerns a matter also addressed by these rules, to the extent that provision is inconsistent, these rules shall control.

SEC. 1(c). Officers shall be elected by secret ballot.

SEC. 1(d). Write-in candidates or write-in votes are prohibited and may not be counted as valid votes.

SEC. 1(e). To be qualified as an officer or candidate for office, an individual must meet the following qualifications:

- (1) Be a member in good standing;
- (2) Be a member for one year of an AFGE local, immediately preceding the closing of the nomination process. This requirement does not apply to newly created locals or to unit-specific positions in new units; and
- (3) Must not be a member in any labor organization not affiliated with the AFL-CIO.

SEC. 1(f). Candidates shall not run for more than one office in the same local election; however, candidacy as a delegate shall not be considered to be covered by this provision.

SEC. 2. ELECTION COMMITTEES

SEC. 2(a). An Election Committee shall be constituted to conduct each election. The Committee shall consist of not less than three members, and if a larger Committee is required, it shall contain

an odd number of members. Its members shall be selected, and it shall meet a reasonable time before the commencement of the nomination procedure.

SEC. 2(b). No member of the Committee may be an incumbent of or candidate for the office for which the election is being conducted.

SEC. 3. NOTICE OF NOMINATION AND ELECTION MEETINGS

SEC. 3(a). Members must be given a reasonable opportunity to nominate and elect candidates.

(1) Nominations and elections may be conducted either separately or combined at a meeting called for such purpose or by mail or secure and electronic option(s) as may be prescribed in the constitution or bylaws of the AFGE local conducting the election. Where nominations are conducted at a meeting called for that purpose, provisions should be made for the making and acceptance of nominations by alternative means for members who are absent from the meeting. Where an election is to be conducted at a meeting, provisions should be made to both reasonably accommodate the work or shift assignments of members and to allow for absentee ballots.

(2) Notices inviting members to submit nominations must inform all members of the offices to be filled, the time, date, place of the nomination meeting, if any, and the method for making nominations. If the nominations are to be made at a meeting, the notice also shall inform members of the manner whereby members who will be absent from the meeting may make and/or accept nominations.

(3) Notice of nominations only must be timely to provide members with a reasonable opportunity to nominate candidates. Such notice, at a minimum, must be given at least ten days prior to the date set for making nominations. If a single notice is used for nominations and elections, both the requirements relating to nominations and those relating to elections must be followed.

(4) Notices of election (whether the election is combined with the nomination or is a separate proceeding) must be mailed to each member at his or her last known home address not less than 15 days prior to the date of the election, or in the case of election by mail ballot, the date on which the ballot must be received to be counted. The notice shall specify the positions to be filled in the election, the time (including split-polling times if applicable), date, place, or manner of election (i.e., mail *or* manual ballot *or* secure and electronic option(s)), and provisions for runoff elections (including the same details as to procedures, time, and place, as required for the initial election). The notice also must provide instructions for absentee ballot where the election is to be conducted at a meeting, except at a combined nomination/election meeting.

SEC. 3(b). If any AFGE publication is to be used to provide notice for nominations or elections, such notice must be printed in a conspicuous place on the first page of the publication. If notice of the election is to be provided through the publication, it must be mailed to the members at least 15 days prior to the date of the election or, if the election is by mail ballot, the date on which the ballots must be returned.

SEC. 3(c). A quorum is not required for nominations and/or elections.

SEC. 3(d). When at the close of nominations a candidate is unopposed for the office, the Election Committee may choose to declare the candidate elected by acclamation and provide notice of such on the ballot.

SEC. 4. CAMPAIGN RULES

SEC. 4(a). All candidates for office must be treated equally with respect to the availability of lists of members and mailing of campaign literature. Upon request of a candidate, the AFGE local Election Committee conducting the election shall comply with all reasonable and timely requests of the candidate to distribute to the members at the candidate's expense, by mail or otherwise, campaign literature in aid of his or her candidacy, provided the same opportunity is provided to all candidates.

SEC. 4(b). No monetary or other resources of AFGE or any employer shall be contributed or applied to promote the candidacy of any candidate in an election. Such resources include, but are not restricted to, dues monies and assessments, publications, facilities, office equipment, union or employer email, stationery, or other supplies. While the preceding restrictions apply to use of AFGE resources to promote the candidacy of any candidate, such resources may be used for such things as notices, factual statements of issues not involving the candidates, and other expenses necessary to conduct an election.

SEC. 5. ELECTION PROCEDURES

SEC. 5(a). The election shall be conducted by one of the following methods, as prescribed by the constitution of the local conducting the election: manual ballot *or* mail ballot *or* secure and electronic option(s).

SEC. 5(b). The treasurer or secretary-treasurer shall furnish to the Election Committee the names and addresses of all members and an indication as to whether or not they are members in good standing. The Election Committee shall notify all members that nominations are invited; it also shall conduct the nomination and election process.

SEC. 5(c). The Election Committee shall prepare ballots. The candidates shall be listed either on the ballot, or if the election is conducted at a meeting and it proves necessary, by posting in the election area.

SEC. 5(d). Where an election is conducted by manual ballot:

(1) The Election Committee shall furnish to each member voting one ballot. The Committee also will provide for sealed ballot boxes in which members may deposit the ballots. Each ballot box will be under the personal supervision of a member of the Election Committee. The Committee will make appropriate arrangements to insure that each member votes a secret ballot such as, for example, individual booths, enclosures, or areas which provide such privacy to each member while voting.

(2) Members who are unable to attend the election polls, upon timely written request to the Election Committee, shall be furnished ballots and properly marked envelopes in which to

return their ballots to the Election Committee. If timely returned, the absentee ballots shall be opened and counted with the remainder of the ballots.

SEC. 5(e). Where the election is conducted by mail:

(1) The Election Committee shall mail ballots to all members in good standing at their last known home address along with properly marked envelopes in which to return their ballots to the Election Committee. The mailing shall include instructions concerning the voting procedure and specify a deadline by date and time for the return of ballots to a specified location. The return envelopes shall provide for the insertion of a blank envelope (containing the marked ballot) within another envelope bearing the voter's name so as to ensure voter secrecy.

(2) As soon after the deadline as possible, the Election Committee shall convene to tally the ballots. Any ballots either received after the deadline or in envelopes which do not identify the ballot as that of an eligible voter shall not be counted as valid ballots.

SEC. 5(f). Each candidate shall be afforded an opportunity to have a reasonable number of observers who are members present throughout the election procedure, including the tally of ballots.

SEC. 5(g). At the conclusion of the balloting, the Election Committee shall tally the total ballots cast (or in an election by mail the ballots received), the ballots challenged, the ballots voided, the number of valid votes cast for each candidate, and the total number of valid votes cast. The Election Committee shall prepare a written report and inform the members of the results as soon as possible.

SEC. 5(h). A majority of the valid votes cast is required for election to any office except delegates, alternate delegates, and proxy delegates. If warranted, a runoff election shall be held as soon as possible.

(1) For a single office, a runoff election is warranted when none of the candidates for an office receives a majority vote. The runoff shall be between the two candidates receiving the greatest number of votes, whose position on the ballot shall conform with the order of their nomination.

(2) For multiple same-type positions other than delegate, alternate delegate, and proxy delegate elections, a runoff election is warranted when (i) the number of candidates receiving a majority of the valid votes exceeds the number of positions to be filled, or, (ii) some positions remain unfilled because fewer candidates received a majority vote than the number of positions to be filled. The runoff shall be among those candidates receiving the highest number of votes, and the number of candidates will correspond to the number of positions remaining to be filled, plus one. In the runoff, the candidate receiving the least number of votes will be eliminated, and the other candidates will be elected to the position.

SEC. 5(i). A plurality of the valid votes cast is required for election of delegates and proxy delegates. The candidate(s) for delegate receiving the most number of votes will be elected to the position(s). If the number of delegate candidates exceeds the number of delegate positions to be filled, then the candidates receiving the greatest number of votes will be elected as delegates, and the remaining candidates will be elected as alternate delegates unless otherwise stated in local bylaws.

SEC. 5(j). All election-related documents (including those pertaining to nominations and the minutes of any meetings) must be sealed and preserved by the Election Committee (who has authority to reopen the records) through the protest period and then turned over to the local secretary for one year after the election, unless the records are requested by higher authority in the appeal process or are still relevant. Councils and district caucuses will forward the election records to the NST at the National Office.

SEC. 6. DELEGATES TO DISTRICT CAUCUSES, COUNCIL MEETINGS, OR THE NATIONAL CONVENTION

SEC. 6(a). Delegates to district caucuses, council meetings, or the AFGE National Convention must be elected by secret ballot of the members on whose behalf they will serve as delegates. Delegates, alternate delegates, and proxy delegates must be elected by name and by plurality vote.

SEC. 6(b). Delegates may be nominated and/or elected as part of a regular election of officers or in a separate proceeding as may be prescribed by the constitution of the AFGE entity conducting the election. Officers of the appropriate AFGE entity, by virtue of their election to office, may serve as delegates, if prescribed by the applicable constitution. In filling a vacancy without an election, only a person who is appointed or succeeds from a position in which the person was a delegate by virtue of election to the office may be a delegate by virtue of office in the new position.

SEC. 6(c). In the election for delegates, members will be afforded the opportunity to determine the number of delegates, up to the full entitlement as provided by the national or council constitution involved.

SEC. 6(d). In the event that the entity on whose behalf a delegate is elected is unable to authorize funds sufficient to fund a full allotment of delegates, then the authorization shall be applied in the following order: (1) delegates selected by virtue of their elected position within the entity in accordance with the established hierarchy of positions; (2) other delegates in accordance with the number of votes received by each. A decision by an entity to authorize funds for less than the full number of delegates elected does not preclude the remaining delegates from participating at their own expense as delegates.

SEC. 6(e). Alternate delegates shall be selected as replacements for delegates, as appropriate, in accordance with the number of votes received by each.

SEC. 6(f). Any notice(s) of nominations and election pertaining to delegates shall inform members of the manner whereby delegates will be elected, as prescribed by this Section.

SEC. 6(g). Members must be given a reasonable opportunity to nominate and elect delegates prior to nominating and voting for a proxy delegate. Proxy votes may be carried only by a delegate whose own election as a delegate is in accordance with these rules.

PART II. INDIRECT ELECTIONS:

NATIONAL PRESIDENT, NATIONAL SECRETARY-TREASURER, NATIONAL VICE PRESIDENT FOR WOMEN AND FAIR PRACTICES, NATIONAL VICE PRESIDENTS, NATIONAL FAIR PRACTICES AFFIRMATIVE ACTION COORDINATORS, NATIONAL WOMEN'S ADVISORY COORDINATORS, AND COUNCIL OFFICERS.

SECTION 1(a). The rules within this Part shall govern matters arising in connection with the conduct of elections to the following AFGE offices:

- (1) All national officers:
 - (i) National President, National Secretary-Treasurer, and the National Vice President for Women and Fair Practices;
 - (ii) National Vice Presidents.
- (2) All council officers designated by the council's constitution. As used herein, council includes state, district, and national councils of AFGE locals.
- (3) Fair Practices and Women's Coordinators.

SEC. 1(b). The provisions of Appendix A, Part I, Section 1(b)-1(e), relating to the application of elections rules, the election of officers by secret ballot, the prohibition against write-in votes, and qualifications for office respectively also shall apply to elections covered in this Part, except that the qualifications for the offices of National President, National Secretary-Treasurer, National Vice President for Women and Fair Practices, National Vice Presidents, National Fair Practices Affirmative Action Coordinators, and National Women's Advisory Coordinators shall be governed by Article VII, Section 1(a) of the AFGE National Constitution.

SEC. 1(c). All elections conducted pursuant to this Part shall be by delegates selected by members of their respective locals in accordance with the procedures prescribed in Appendix A, Part I.

SEC. 1(d). To be qualified as an officer or candidate for office for a position covered by this Part, an individual must meet both the requirements established by Appendix A, Part I, Section 1(e) and any other qualifications established for that particular office.

SEC. 1(e). Elections shall be conducted for each office in the following manner:

- (1) National President, National Secretary-Treasurer, and National Vice President for Women and Fair Practices at the AFGE National Convention. Special elections being held after the National Convention will be conducted by mail ballot or secure and electronic option(s).
- (2) National Vice Presidents, Fair Practices Coordinators, and Women's Coordinators at individual district caucuses, in accordance with the Rules established by the National Executive Council. Each district shall elect one National Fair Practices Affirmative Action Coordinator and one National Women's Advisory Coordinator. These Coordinators comprise the AFGE National Human Rights Committee (NHRC).
- (3) Council officers according to their constitutions.

SEC. 2. ELECTION COMMITTEES

SEC. 2(a). An Election Committee shall be constituted to conduct each election. The Committee shall be constituted in the manner prescribed by Appendix A, Part I, Section 2.

SEC. 2(b). The selection to the Election Committee for national officers at the National Convention shall be made by the National President. For council officers, the Election Committee shall be constituted by the governing body of the council.

SEC. 3. NOTICE OF NOMINATIONS AND ELECTIONS

SEC. 3(a). Nominations and elections shall be conducted in accordance with Appendix A, Part I, Section 3 except as provided in this Part.

SEC. 3(b). Nominations and elections for officers shall be conducted as appropriate at the National Convention or district caucus. Nominations and election for council office shall be conducted either at a meeting called for that purpose and attended by delegates from the locals comprising the council or by mail or secure and electronic option(s), as may be prescribed in the constitution of the council.

SEC. 4. CAMPAIGN RULES

SEC. 4(a). The campaign rules prescribed by Part I, Section 4, shall apply except as provided in this Part.

SEC. 4(b). All declared candidates for national offices covered by this Part will be provided upon timely request the following information:

- (1) A complete list of the names, business, and home addresses and business telephone numbers of the presidents, treasurers, and delegate(s) of each local participating in the election for which the candidacy has been declared.
- (2) One set of mailing labels for the presidents, treasurers, and delegate(s) covered by subsection (1) above. Additional sets will be supplied each candidate upon written request. Each candidate shall be charged for each additional set on an actual cost basis.
- (3) A list of the locals and their voting strengths as established by the AFGE National Constitution.

The above information shall be provided by the National Secretary-Treasurer.

SEC. 5. VACANCIES

SEC. 5(a). If a vacancy occurs in any office covered by this Part, the performance of the duties of that office and the election of a successor shall be conducted in accordance with the requirements of this Section.

SEC. 5(b). In the event of a vacancy in the office of National President, the National Secretary-Treasurer shall succeed to the office of National President.

SEC. 5(c). In the event of a vacancy in the office of the National Secretary-Treasurer or the National Vice President for Women and Fair Practices, the National President shall perform the duties of the vacated position until a successor has been elected by the NEC to fill the unexpired term. If such a vacancy occurs, the National President immediately shall issue a call for the convening of the NEC within 60 days for the purpose of filling the vacancy.

SEC. 5(d). In the event of a vacancy in the position of a National Vice President, the National Secretary-Treasurer will cause a special caucus to be held by the district within 60 days of a vacancy. Elections shall be conducted in accordance with the rules for the regular election of National Vice Presidents.

SEC. 5(e). In the event of a vacancy in the National Fair Practices Affirmative Action Coordinator or the National Women's Advisory Coordinator within the district, the respective National Vice President shall appoint a member within 60 days to fill the vacancy until the next district caucus.

PART III. ELECTION PROTESTS AND APPEALS

SECTION 1. All elected officers and delegates will assume their responsibilities after their respective elections and their installations as prescribed by the applicable constitution or bylaws, regardless of whether the election has been protested. They will remain in their respective offices until their terms expire or until newly elected officers are installed as a result of an ordered new or rerun election or a decision on a complaint or appeal by an Election Committee, a National Vice President, or the National President.

SEC. 2. Any affected member may protest the manner in which an election was conducted. All protests consisting of challenges to the eligibility of a member to vote or to the eligibility of a candidate or protests to any other conduct which occurred during an election shall be made by complaint in writing to the respective Election Committee. In local officer and delegate elections, such protests must be made to the local Election Committee prior to, during, or within ten days after the election. In council and caucus elections, such protests must be received by the respective Election Committee prior to, during, or within five days of adjournment of the council meeting or caucus. In National Convention elections, such protests must be received by the Election Committee prior to adjournment of the National Convention. The Election Committee shall consider and/or investigate the complaint and attempt to resolve the protest(s) or to render a decision within 15 days after receipt of the complaint. An extension of time up to 30 additional days is permissible for the Election Committee to render a decision, if it notifies the complainant(s) by certified mail of this extension.

SEC. 3. After a decision by the Election Committee or in absence of such a decision, the complainant may elevate the complaint by appeal within 15 days of the due date of the Election Committee's decision to:

- (a) The respective National Vice President if the election is for local officers or delegates;
- (b) The National President if the election is for officers of a council or officers at a district caucus. In a National Convention there is no appeal of a decision of the Election Committee.

All appeals must set forth the exact nature and specifications of the complaint and how the alleged infraction(s) affected the outcome of the election. If the Election Committee orders that an election be rerun, any adversely affected incumbent officer may appeal this order in the manner prescribed above.

SEC. 4. Upon receiving a timely appeal of an Election Committee's decision, the respective National Vice President when a local election is involved, or the National President when a council or caucus election is involved, shall consider all aspects of the complaint by investigation or other means, such as a hearing as he or she deems appropriate. If it is found that no violation has occurred, or if a violation has occurred which did not affect the outcome of the election, the National Vice President or the National President, as the case may be, shall dismiss the appeal. If it is found that a violation has occurred which may have affected the outcome of the election, the National Vice President or the National President shall order a new or rerun election under his or her supervision or a designated representative.

SEC. 5. A National Vice President's decision on an appeal from a local Election Committee's decision shall be issued within 30 days after receipt of the appeal and shall be the final determination. The National President has discretionary authority to review the National Vice President's decision if an appeal postmarked within 15 days of receipt or the due date of the National Vice President's decision contains the appeal to the National Vice President and his or her decision and provides evidence that the National Vice President committed the election irregularity. The National President also may entertain such an appeal of a National Vice President's decision if it is clearly demonstrated that:

- (a) The issues specifically raised are of significant and Federation-wide impact;
- (b) On its face, a determination or non-determination made by a National Vice President is so arbitrary and capricious that it abridges the members' basic rights in the electoral process.

If the National President entertains such an appeal, appropriate action may be taken based on further findings as to whether a violation occurred which may have affected the outcome of the election. There is no further appeal from the National President's decision.

Appendix B

Standard Local Constitution

APPENDIX B

Standard Local Constitution

ARTICLE I *Name*

SECTION 1. This local union shall be known as the American Federation of Government Employees, Local No. __, AFL-CIO, __ (agency, location) as set forth in its charter. See AFGE National Constitution, Article XIX, Section 1.

SEC. 2. The headquarters and mailing address of this local shall be prescribed in the local's bylaws.

ARTICLE II *Objectives and Methods*

SECTION 1. This local does not advocate the overthrow of the Constitutional form of government in the United States. The local does not discriminate with regard to race, creed, color, national origin, sex, age, political affiliation, disability, marital status, sexual orientation, or preferential or nonpreferential civil service status; and is not subject to corrupt influences or influences opposed to basic democratic principles.

SEC. 2. In the event any member(s) of the local is employed within a unit represented by an AFGE national bargaining council, the local shall affiliate with the national council(s). See AFGE National Constitution, Article XXI. The local shall pay dues and/or per capita tax to the national council for those members of the local employed within the unit represented by the council, as may be prescribed by the constitution of the council. See AFGE National Constitution, Article XXI, Section 1.

SEC. 3. This local is a separate, independent organization functioning in conformance with the AFGE National Constitution. Neither the local nor its officers, employees, members, or other persons has the authority to act, nor shall it be deemed to act on behalf of or as agent for the Federation or any of its other affiliates, unless such authority as applicable is expressly granted by the Federation by written authorization of the National President, or by an affiliate by written authorization in accordance with its governing procedures.

ARTICLE III *Membership*

SECTION 1. All persons eligible for AFGE membership as prescribed by Article III of the AFGE National Constitution and who come within the local's jurisdiction as defined by its charter shall be eligible for membership in this local.

ARTICLE IV
Dues and Initiation Fees

SECTION 1. Dues shall be established and adjusted as may be necessary to ensure that they allow adequate funds for the payment of per capita tax and sufficient funds for the operating expenses of the local. See AFGE National Constitution, Article XIX, Section 4(a)(6) and 4(b)(6). Any change in the dues structure shall be accomplished by:

- (a) Majority vote by secret ballot of the members in good standing voting at a general or special membership meeting after reasonable notice of the intention to vote upon such question; or
- (b) By majority vote of the members in good standing voting in a membership referendum conducted by secret ballot.

SEC. 2(a). The local shall establish in its bylaws the amount of its initiation fee and the amount of its membership dues. See AFGE National Constitution, Article XIX, Section 4(a)(4)-4(a)(6) and 4(b)(4)-4(b)(6). Dues may be paid by payroll deduction or by advance payment for such intervals as prescribed by the local: quarterly, semiannually, or annually. If payroll deduction is available, a local may adopt a bylaw requiring payment of dues by this method. The local may establish a separate dues rate for retired members.

SEC. 2(b). Members may be dropped if dues are not paid by Tuesday of the last full workweek of the month, provided, however, that a reasonable amount of time after notice of delinquency is given.

SEC. 2(c). Local representatives, collectors, and shop stewards shall make remittance of all dues and initiation fees collected to the Treasurer within ten days and no later than the Tuesday of the last full workweek of the month.

ARTICLE V
Financial Records and Reporting

SECTION 1. All receipts, checks, and cash disbursements shall be properly recorded and accounted for in the financial records.

SEC. 2. The Treasurer shall sign and the President shall countersign checks covering proper expenditures for the local. In the absence of either the Treasurer or the President, such other officer as prescribed by the local's bylaws may sign in place of the absent officer.

SEC. 3. The officers, agents, shop stewards, or other representatives or employees of this local who handle funds or property thereof shall be bonded in accordance with law and applicable regulations. See AFGE National Constitution, Article XXIV, Section 8.

SEC. 4. In order for the bond to be effective, the local shall file with the National Secretary-Treasurer a copy of its annual audit in the format prescribed by Article XXIV, Section 8(d) of the

AFGE National Constitution.

SEC. 5. All books, records, and financial accounts at all times shall be open to the inspection of the national officers or accredited representative of the National Executive Council and any duly authorized and accredited representative of the local. See AFGE National Constitution, Article XXIV, Section 9.

ARTICLE VI *Elected Officers*

SECTION 1(a). The general officers shall be elected by the total membership and shall constitute the Executive Board of this local, and shall consist of the President, Treasurer, and Secretary and such others as the local's bylaws may prescribe. The local may adopt a bylaw combining the offices of Treasurer and Secretary.

SEC. 1(b). The local may establish bylaws which provide for the election of officers who are elected solely by members of a particular unit or work area and may provide that these officers will serve on the Executive Board.

SEC. 2. It shall be the duty and obligation of all local officers and all other official representatives of the local, whether elected or appointed, to support, advance, and carry out all provisions of the AFGE National Constitution, the standard local constitution and bylaws, official policies of the Federation and, to the extent not inconsistent with the foregoing, all official policies of the local. See AFGE National Constitution, Article XX, Section 2.

SEC. 3. The President shall be the executive officer of this local; he or she shall exercise general supervision over the affairs of the local and see that other officers comply with the responsibilities of their office and constitutional duties; comply with the National and standard local Constitutions; keep the membership apprised of the goals and objectives of the Federation; serve as an ex-officio member of all committees except the Election Committee, Audit Committee, and committee of investigation, or trial committee when he or she is bringing the charges or is directly or indirectly involved in the matter which gave rise to the charges; automatically serve by virtue of election to office as a local delegate to the district caucus, council meetings, the AFGE National Convention, and such other meetings participated in by this local as the local may be entitled; preside at all local meetings; and sign all documents pertaining to the office. If the President is unable to perform his or her regular duties because of sickness, leave, TDY, or for some other legitimate reason, he or she shall delegate the responsibilities of that office to the officer designated in the local's bylaws as provided for in Section 4 of this Article.

SEC. 4. The local shall prescribe in its bylaws that the Treasurer or Secretary (or such other officer as the local may establish) shall assist the President in performing the duties of that office. If the President is absent from a local meeting, the officer so designated will preside. In the absence of the President and the officer so designated to assist him or her, a chair will be chosen by the members from among those in attendance.

SEC. 5. The duties of the Treasurer shall be to maintain a bookkeeping system as prescribed by the National Secretary-Treasurer; make a financial report at each regular meeting; keep an up-to-date roll of the members; receive all monies and/or dues paid into the local and receipt thereof; keep records of all transactions; deposit money in the bank to the credit of the local; make regular monthly reports to the NST, which includes furnishing names and addresses of all new members or members who have severed their affiliations with the local and furnishing notification of changes in members' addresses; forward per capita tax to the National Headquarters in accordance with the requirements of the AFGE National Constitution (For regular locals per capita tax is payable before the end of each month, and all monies owed the Federation must be forwarded to the NST not later than the 20th day of the following month. See AFGE National Constitution, Article XXIV, Section 5(a). For insured locals per capita tax is payable in advance to the NST before the first day of each month. See AFGE National Constitution, Article XXIV, Section 5 (b).); and perform additional duties and responsibilities as outlined in the AFGE *Financial Officers Manual*. Disbursements for payment of current bills (other than per capita tax, and approved budgeted expenditures) shall be approved by the local.

SEC. 6. The duties of the Secretary shall be to keep a complete record of the minutes of all meetings; maintain all election related documents (including copies of those pertaining to nominations, notices of meetings, and the minutes of any meetings, all of which must be sealed and preserved for one year after the election unless the records are requested by higher authority in the election appeal process or are still relevant), see AFGE National Constitution, Appendix A, Part I, Section 5(j); keep up-to-date the official copy of the bylaws of the local; conduct correspondence when directed by the President; and send out notices of meetings when required.

SEC. 7. No officer or agent of the local shall engage in any business or financial activities with or on behalf of this local which conflict with his or her fiduciary obligation to the local.

ARTICLE VII *Election Procedures*

SECTION 1. The local's elections shall be conducted in accordance with the AFGE National Constitution and Appendix A thereof. Officers shall be elected for such terms as prescribed by the local's bylaws. No term shall exceed three years.

SEC. 2(a). In accordance with Appendix A, Part I, Section 1(e) of the AFGE National Constitution, the minimum qualifications for candidacy to local office are that a member must:

- (1) Be a member in good standing;
- (2) Be a member for one year of an AFGE local, immediately preceding the closing of the nomination process. This requirement does not apply to newly created locals or to unit-specific positions in new units; and
- (3) Not be a member in any labor organization not affiliated with the AFL-CIO.

See AFGE National Constitution, Appendix A, Part I, Section 1(e).

SEC. 2(b). Candidates shall not run for more than one office in the same local election; however, candidacy as a delegate shall not be considered to be covered by this provision.

SEC. 2(c). No person who is identified with corrupt influences or who is affiliated with the Communist party or other totalitarian movements may serve as an officer of the local.

SEC. 3. The local shall prescribe in its bylaws the manner by which its elections will be conducted (*choose one*): manual ballot *or* mail ballot *or* secure and electronic option(s).

SEC. 4. In the case of a vacancy in the office of President, such officer as may be prescribed by the local's bylaws shall fill the office for the unexpired term. Vacancies in any other office unless otherwise prescribed by the local's bylaws shall be filled for the unexpired term by appointment by the Executive Board.

ARTICLE VIII
Executive Board and Committees

SECTION 1. The Executive Board shall meet at the call of the President.

SEC. 2. It shall be the duty of the Executive Board to devise and initiate such actions as may be necessary in the interim between the local's meetings, but such actions shall not be inconsistent with the objectives of the Federation and shall be subject to local approval.

SEC. 3. Expenditures by the Executive Board in excess of \$500 per month must have prior approval of the local's members either as authorized by the budget approved by the local or by separate vote of the local's members. All expenditures authorized by the Executive Board will be reported in writing at the next regular meeting of the local. Upon request a copy of such report will be made available to any member in good standing of the local.

SEC. 4. The Executive Board shall prepare an annual budget subject to the membership's approval, which shall ensure at a minimum that the local's revenues are sufficient to meet its financial obligations.

SEC. 5. Standing and special committees may be established in the manner prescribed by a local's bylaws.

ARTICLE IX
Delegates

SECTION 1. Delegates, alternate delegates, and proxy delegates to the AFGE National Convention, district caucus, and council meetings must be elected by name and in accordance with applicable provisions of the AFGE National Constitution. See AFGE National Constitution, Article VI, Article VIII and Appendix A, Part I, Section 6.

SEC. 2. The local's President if elected to that office shall serve as a delegate to the AFGE National Convention, district caucus, council meetings, and such other meetings at which the local is entitled to representation. If the local is entitled to additional delegates, the additional delegates shall be elected by an election called for that purpose, unless the local's bylaws prescribe that the local's other officers shall serve as delegates by virtue of election to their office. In filling a vacancy without an election, only a person who is appointed or succeeds from a position in which the person was a delegate by virtue of election to the office may be a delegate by virtue of office in the new position.

ARTICLE X
Offenses, Trials, Penalties, Appeals

SECTION 1. All offenses, trials, penalties, and appeals shall be accomplished in accordance with the AFGE National Constitution. See AFGE National Constitution, Article IX, Section 5 and Article XXIII.

ARTICLE XI
Bylaws

SECTION 1. The local shall establish bylaws, establishing among other things the frequency and location of regular meetings, provisions for calling special meetings, a regular order of business, provisions for a quorum, the date, manner and location of nominations and elections, and other operating procedures of the local.

SEC. 2. No bylaw shall conflict with the provisions of the AFGE National Constitution, this constitution or, if applicable, the constitution of a national bargaining council.

SEC. 3. Bylaws shall be adopted and amended only after a one month notice to the local's membership and by two-thirds vote of members, either present at a membership meeting and voting, with provision for absentee vote, or by mail ballot. Such bylaws do not require NEC approval. Locals shall send a copy of their bylaws, the notice and membership meeting minutes to the district office.

SEC. 4. Copies of this constitution and the local's bylaws shall be available upon request to the Secretary to all members in good standing of the local.

MODEL LOCAL BYLAWS

NOTE: THESE MODEL BYLAWS ARE INTENDED TO SERVE AS A GUIDE FOR LOCALS; THEY WILL NOT APPLY UNLESS ADOPTED BY A LOCAL.

SECTION 1. The headquarters of the local is __, __, __ (street or P.O. Box, city, state and zip code). [If different] The mailing address is __, __, __ (street or P.O. Box, city, state and zip code).

SEC. 2(a). Regular meetings of the local shall be held on the __, (first, second, third, last) __ (day of week) of the __ (month, quarter, year).

SEC. 2(b). The meetings shall be held (*choose one*: at a time and place selected by the local *or* the meetings shall be held at __ (location), commencing at __ (time)).

SEC. 3. Special meetings may be called by the President, two-thirds vote of the Executive Board or upon written petition of at least ten percent of the membership. Five days written notice of the specific purpose of the meeting must be given to the membership. No business other than that specified in the notice will be discussed.

SEC. 4. Only members of the local in good standing shall be allowed to vote.

SEC. 5. The regular order of business will be:

- (a) Roll call of officers
- (b) Reading of the minutes of the previous meeting
- (c) Report of financial condition by Local Treasurer
- (d) Reports of committees
- (e) Unfinished business
- (f) New business
- (g) Comments for the good of the local
- (h) Adjournment

SEC. 6. A quorum of this local shall consist of __ (number). A quorum of any committee shall consist of a majority of the members thereof.

SEC. 7. Unless otherwise specified by law (e.g., secret ballot election or dues) or by constitution, all questions before the local will be decided by vote of the members present first by voice vote, then by a showing of hands.

SEC. 8. The time allowed for debate of any particular issue before the local and the time allowed for speeches will be __ (number of minutes or hourly fraction). The time allowed for debate may be extended by a majority of those present and voting.

SEC. 9. The general officers of this local who comprise the Executive Board are as follows:

President

Treasurer (local may choose to combine the office of Treasurer and Secretary)

Secretary

__ (other officer, title)

__ (other officer, title)

__ (other officer, title)

NOTE: For officers other than President, Treasurer or Secretary (whose duties are prescribed by the standard local constitution, Article VI), if the local decides to establish other offices, its bylaws should reflect the duties to be performed by each, none of which should conflict with the duties prescribed in Article VI.

SEC. 10. The __ (title of officer) shall assist the President in the performance of the duties of that office. See standard local constitution, Article VI, Sections 3, 4.

SEC. 11. In the case of a vacancy in the office of President, the __ (title) shall fill the office for the unexpired term. See standard local constitution, Article VII, Section 4.

SEC. 12. A Sergeant-at-Arms shall be (*choose one*: elected by vote of the local's membership *or* appointed by the President). The Sergeant-at-Arms shall ensure that no one enters the meetings without proper authority; assist the presiding officer in the maintenance of order; welcome and introduce guests; see that each member's presence is recorded in a log; provide a roll to call should the recording of individual votes be necessary, and perform other duties as may be assigned by the presiding officer.

SEC. 13. A Chief Steward and such other stewards as may be necessary shall be (*choose one*: appointed by the Executive Board *or* elected by vote of the local's membership).

SEC. 14. Nominations of officers shall be held in __ (month) and elections and installation shall be held in __ (month) after proper notice to local members. A quorum is not required for nominations and/or elections. See AFGE National Constitution, Appendix A, Part I, Section 3. Candidates shall not run for more than one office in the same election; however, candidacy as a delegate shall not be considered to be covered by this provision. A runoff election, if necessary, shall be held as soon as possible at the same meeting or by mail ballot or secure and electronic option(s).

SEC. 15. An Election Committee shall be constituted at a meeting preceding the start of the nomination procedure. See AFGE National Constitution, Appendix A, Part I, Section 2.

SEC. 16. All officers will be administered the "Oath of Union Officers" contained in the AFGE National Constitution upon their installation in office. Officers shall serve for __ year terms, beginning in __ (year). (Note: Terms shall not exceed three years from installation.)

SEC. 17. The current edition of *Robert's Rules of Order Newly Revised* shall govern the proceedings of all meetings of the local, when not inconsistent with the provisions of the standard local constitution, the AFGE National Constitution, or these bylaws.

SEC. 18. The local's delegates to the AFGE National Convention, district caucus, and national council meetings, after proper notice to the local's members (see AFGE National Constitution, Appendix A, Part I, Section 3), shall be elected at a meeting of the local, excepting the local's President who if elected to that office serves by virtue of office. At that or a subsequent meeting, the local shall vote upon the authorization of funds for the delegates' attendance at the National Convention, caucus, or council meetings. See AFGE National Constitution, Appendix A, Section 6(d).

SEC. 19. Such committees as may be established by the local shall be comprised of members (*choose one*: appointed by the President subject to the approval of the Executive Board (except for the Election Committee) *or* elected by the local's members). See Section 15 of these bylaws.

SEC. 20. The initiation fee for members shall be \$__ (amount).

SEC. 21. The dues shall be \$__ (amount) *or* the dues shall be \$__ (amount). The amount for retired members shall be \$__ (amount).

SEC. 22. This Local shall affiliate with any and all Central Labor Councils having jurisdiction over its members.

SEC. 23. The Local will be encouraged to develop a strategic action plan each year to include goals in all of, but not limited to, the following areas: Organizing and Workplace Representation to include Legislative and Political Mobilization, Strengthening the Local, Education, and Communications.

NOTE: The AFGE National Constitution at Article XIX, Sections 4(a)(6) and 4(b)(6) and the standard local constitution at Article IV, Section 1 require that each local establish and maintain a dues level high enough to allow adequate funds for the payment for the per capita tax and to provide sufficient funds for the operational expenses of the local. It is strongly recommended that each local consider as a minimum dues level an amount such that biweekly dues are at least equal to monthly per capita tax. Locals also are encouraged to adopt a bylaw which prescribes that the local's dues shall be increased automatically by the amount, if any, by which the National Convention increases the per capita tax. See standard local constitution, Article IV, Section 1 and Article XI, Section 3.

Appendix C

CONVENTION RULES

APPENDIX C

CONVENTION RULES

SECTION 1(a). Resolutions, including those calling for amendment to the AFGE National Constitution, shall be referred by the Convention Chair to the appropriate workshops for their consideration and report, unless otherwise directed by the Convention. Workshop delegates/participants shall elect a chair, reporter, and parliamentarian. The National President shall designate National Vice Presidents to serve as temporary chairs of each workshop for the sole purpose of electing chairs and other official positions of that workshop. NVPs and staff may serve otherwise as advisors to the workshops as designated by the National President. For the Workshop on Constitution and Internal Policy, the official parliamentarian of the National Convention shall serve as the parliamentarian of the Workshop. Workshop specialists shall be appointed by the National President. No resolution shall be received after 12:00 noon on the second day without the consent of two-thirds of the delegates present and voting.

SEC. 1(b). Each workshop shall report to the Convention on the matters submitted to it for consideration. With regard to resolutions, a report shall identify the resolutions referred to the workshop for its consideration. Each workshop shall make a separate recommendation for each resolution. Any resolution adopted by a workshop which will establish a program requiring additional funding from the general fund will be accompanied by a cost analysis and a statement of the per capita tax necessary to meet the new funding need.

SEC. 1(c)(1). Each delegate shall select a workshop that he or she desires to participate in, and may switch workshops until 4:00 p.m. Monday afternoon. Any duly seated delegate at the Convention is allowed to attend the Workshop on Constitution and Internal Policy, regardless of any other procedures in place. Alternate delegates may participate in workshop discussion but will not be permitted to vote.

SEC. 1(c)(2). A majority of the votes of delegates/participants in each workshop present and voting shall be required to submit the workshop report to the National Convention.

SEC. 1(c)(3). The Constitution and Rules Committee and Resolution Committee will continue to function and convene as they have in the past at National Conventions.

SEC. 2(a). All reports, main motions, substitute motions, or amendments before the National Convention shall be decided by a majority vote of the delegates present and voting excepting: (1) amendments to the AFGE National Constitution which require a two-thirds vote of the delegates present and voting, or (2) where stated otherwise herein.

SEC. 2(b). All questions before the National Convention will be decided by a vote of the delegates present and voting first by a yea or nay, then by a standing vote and then, if requested by delegates representing 25% of the delegates at the National Convention, the voting procedure will be by roll call.

SEC. 3. A delegate rising to address the National Convention first shall announce his or her name, local or council, and district number. Delegates must use the microphone assigned to their respective district.

SEC. 4. If a delegate while speaking is called to order at the request of the Chair, the delegate shall be seated until the question of order is resolved.

SEC. 5. Should two or more delegates rise to speak at the same time, the Chair shall decide who is to have the floor.

SEC. 6. No delegate shall interrupt another in his or her remarks save only to call a point of order.

SEC. 7. Speeches from the floor shall be limited to three minutes but may be extended by unanimous consent. Debate on any main motion together with any secondary motions made during its discussion shall be limited to 30 minutes to be divided equally between the proponents and the opponents of the pending question, with the exception of per capita tax and restructuring debate, which time may be extended by a two-thirds vote of the National Convention.

SEC. 8. No delegate shall speak more than once upon a question until after all those who wish to speak have had an opportunity to do so.

SEC. 9. A motion shall be open for discussion only after it has been seconded and stated from the Chair.

SEC. 10. A motion to reconsider shall be entertained only when made by a delegate voting in the majority, and in order to carry must receive a two-thirds vote of the National Convention.

SEC. 11. A member discussing the pending motion may not close his or her remarks with an undebatable motion.

SEC. 12. The reports of committees and workshops shall be subject to simple amendment from the floor. Substitutions and complex amendments shall be submitted to the Chair in writing for presentation to the Convention as are other motions and resolutions.

SEC. 13. All resolutions shall be duly authenticated as to source. Except while constitutional amendments are being considered on the floor, to be eligible for consideration resolutions must be officially submitted by a chartered local or council, the National Executive Council, or an official committee of the Federation.

SEC. 14. All committees and workshops shall report on all subject matters presented to them for consideration.

SEC. 15. Alternate delegates shall be permitted to sit in all the sessions of the National Convention in a set-aside area, but shall not have voice or vote in the deliberations of same except in the absence of an accredited delegate. Alternate delegates may be seated in the absence of

accredited delegates upon presenting to the district Sergeant-at-Arms credentials approved by the Credentials Committee and verification of the delegate's absence. An alternate delegate can become a delegate only if the delegate he or she is replacing: (a) is shown not to be seated at the Convention, (b) permanently leaves the Convention or (c) becomes incapacitated.

SEC. 16(a). The Convention shall meet in plenary session on Monday at 10:00 a.m.

SEC. 16(a)(1). The chair of the Election Committee will preside over matters pertaining to the nomination and election process. Nominations shall be made in writing stating the name of the candidate and signed by the delegate making the nomination. Nominations shall be received by the chair of the Election Committee before 4:00 p.m. on Monday.

SEC. 16(b). On Tuesday the Convention will reconvene in plenary session at 9:00 a.m.

SEC. 16(b)(1). The chair of the Election Committee will announce the members who have been nominated for office, giving each candidate the opportunity to accept or decline the nomination. No person may be a candidate for more than one office. The order of speeches by candidates for each office shall be determined by lot. Speeches shall be made only by the candidates and shall be limited to ten minutes per candidate. A candidate shall be declared elected if he or she is the only person nominated for that particular office or if the other nominee(s) for that office declines the nomination.

SEC. 16(b)(2). Workshops shall convene immediately after nominations or at 1:30 p.m. in separate sessions. The workshops shall remain in session until 6:00 p.m. unless extended by a vote of the delegates in any workshop.

SEC. 16(c)(1). On Wednesday the polls will be open for the election of officers from 7:30 a.m. through 11:30 a.m. In the event a runoff election is required, the chair of the Election Committee shall notify each workshop of the time for balloting.

SEC. 16(c)(2). On Wednesday at 9:00 a.m. each workshop will reconvene in separate session. Each workshop shall remain in session until it adopts a report to the National Convention.

SEC. 16(c)(3). Each workshop's report to the Convention shall be submitted to the Chair of the Convention immediately following the workshop's completion of its business but not later than Thursday at 6:00 a.m.

SEC. 16(c)(4). No committee working or council meeting shall be held while the National Convention is in session, except at the direction of the Chair and with the concurrence of the delegates present. No Convention business other than the election of officers will be in order while the workshops are in session.

SEC. 16(d). On Thursday the Convention will reconvene in plenary session at 9:00 a.m. to take up the Convention business.

SEC. 16(e). On Friday the Convention will reconvene in plenary session at 9:00 a.m. to take up the Convention business. The Convention shall adjourn upon the completion of such business or 5:00 p.m., whichever comes first. In the event there remains unfinished business, the Convention shall not be adjourned until the delegates are given an opportunity to consider and vote upon an omnibus resolution disposing of the remaining business.

SEC. 16(f). An outside independent organization for the conduct of elections, hereafter known as the organization, shall be responsible for the conduct of the election under the supervision of the Election Committee. The organization shall have the authority to prepare ballots, employ registration clerks, tally the ballots cast for a candidate, and certify the results of the vote to the chair of the Election Committee before the Committee's report to the National Convention. The representative of the organization shall have the right to make a report to the National Convention independent of the report of the Election Committee.

SEC. 16(g). The organization shall provide as many voting booths as is necessary to expedite the conduct of the election.

SEC. 16(h). In any case where there is more than one candidate for any office, elections shall be conducted by secret ballot. The organization shall prepare and supply ballots in printed or electronic form or secure and electronic option(s). If printed, each delegate shall be given ballots with a total numerical value equal to the total number of votes the delegate is entitled to cast, divided in such a manner as to best protect the secrecy of the votes. Any delegate representing one or more locals as a proxy delegate, if so requested, will be given separate ballots for each local the delegate represents. Write-in votes shall not be valid for any purpose.

SEC. 16(i). The Election Committee in conjunction with the organization shall provide suitable accommodations which will assure the delegates the opportunity to mark their ballots in secret and further shall provide and announce the location of polling booths at which delegates shall cast their ballots. Any candidate whose name is to appear on the ballot shall have the right to have present an official observer of his or her own choosing in all places where ballots bearing the candidate's name are to be cast or counted.

SEC. 16(j). The Credentials Committee shall supply to the organization books and records containing the list of locals represented at the National Convention, the number of votes to which each is entitled, and the names of the delegates from each local properly seated at the National Convention. As each delegate appears to vote, the delegate will present Convention identification before a ballot or ballots are issued or before the delegate is allowed to vote. If the delegate is authorized to cast all ballots on behalf of the delegate's local, the delegate also shall turn in the Voting Authorization Form properly signed by the other delegates from the delegate's local. If voting by manual paper ballot, after marking the ballot or ballots, the delegates shall place the ballots in a ballot box. If voting by electronic means, the delegates shall cast their votes by the prescribed means.

SEC. 16(k). A majority of the votes cast for any officer shall be required to elect. If no candidate receives a majority, then a new ballot shall be prepared which shall contain the names in the order of their nomination of the two candidates receiving the greatest number of votes, and a runoff

election shall be held as soon as possible after the new ballots have been prepared by the organization.

SEC. 16(l). In the event candidates for one of the offices cannot be reduced to two due to a tie, the candidate(s) with the leading plurality plus the candidate(s) involved in the tie at the next lesser plurality for the specific office shall be placed on the ballot in the order of their nominations.

SEC. 16(m). The organization will continue to conduct the election procedure by runoffs as necessary as soon as possible until a candidate has received the majority of votes for each office.

SEC. 16(n). The aforementioned ballots and the tabulations of each vote cast shall be sealed and for a period of one year placed in the custody of the organization.

SEC. 17. All complaints occurring during the National Convention against either officers or delegates must be submitted in writing and immediately referred without debate to the proper committees for appropriate action. Any delegate whose conduct tends to disrupt the National Convention or interfere with the maintenance of democratic procedure, upon a majority vote of the delegates present, may have his or her credentials temporarily suspended and be barred from the National Convention floor, until a committee composed of 12 Sergeants-at-Arms who have been appointed by 12 NVPs has rendered a determination as to the appropriate action, provided that the Chair first shall have warned the delegate that failure to abide by the Chair's instruction will result in such a vote.

SEC. 18. The current edition of *Robert's Rules of Order Newly Revised* shall be the guide on all matters not otherwise prescribed by these rules.

SEC. 19. These rules may be amended or suspended by a two-thirds vote of any National Convention of the American Federation of Government Employees.

OATH OF UNION OFFICERS

"I, _____, do hereby sincerely promise and pledge my honor that I will perform the duties of my office as prescribed by the Constitution and regulations of this Federation. I will be loyal and true to the American Federation of Government Employees, AFL-CIO.

"I will deliver to my successor in office all books, papers, and other property of this Union which may be in my possession at the close of my official term. I further agree to deliver such papers and property to the National President of the Union or his or her authorized agent upon demand. All this I solemnly promise." (Installing officer raps gavel one time to seat members, then continues.)

"Fellow members, I now present to you your officers for the ensuing term. May I exhort you to render them the fullness of your loyalty and repose in them your utmost confidence. I know with that loyalty and confidence -- and I feel certain it will be accorded -- these officers will have no difficulty in carrying on for this organization. I am grateful to you for the service you have rendered to the American Federation of Government Employees and know you will continue this service."

OATH OF UNION MEMBERSHIP

"I, _____, of my own free will and accord do hereby solemnly promise and pledge my honor that I will be loyal and true to the American Federation of Government Employees, AFL-CIO.

"I will abide by the laws and regulations as laid down in the National Constitution of the American Federation of Government Employees. I will support the products and services of organized labor by making purchases of such products and services whenever I can do so without serious injury to myself or my dependents. I will protect the interest and good name of the Federation at all times and will aid a fellow member whenever I can do so without injury to myself or those dependent upon me. I pledge my loyalty to the Government of the United States and the faithful performance of my official duties. All this I solemnly promise."

LIST OF EMERITUS, MEMORIALIZED AND DECEASED EMERITUS OFFICERS

EMERITUS OFFICERS

NATIONAL PRESIDENT

Kenneth T. Blaylock
1976-1988

Bobby L. Harnage, Sr.
1997-2003

John Gage
2003-2012

James H. Lynch, Jr.
District 15
1978-1988

Peter J. Grossi
District 1
1986-1996

Garret E. Anglin
District 11
1986-1998

NATIONAL SECRETARY-TREASURER

Nicholas J. Nolan
1974-1986

Rita R. Mason
1997-2000

Jim Davis
2000-2006

Jimmy R. Whitman
District 4
1988-1999

David J. Schlein
District 14
1988-2002

Mary Lynn Walker
District 5
1999-2002

DIRECTOR OF THE WOMEN'S DEPARTMENT

Mable Louise Smothers
1974-1980

Barbara Hutchinson
1980-1988

Joan C. Welsh
1988-1994

Kitty Peddicord
1994-2000

Jeffrey R. Williams
District 3
1990-2009

Roy Pannell
District 6
1988-1999

Rogelio "Roy" Flores
District 10
1996-2014

NATIONAL VICE PRESIDENT

Charles W. Carter, Sr.
District 13
1974-1990

Derrick F. Thomas
District 2
1998-2014

**MEMORIALIZED AND DECEASED
EMERITUS OFFICERS
LOCAL LEADERS, COUNCIL
PRESIDENTS, NATIONAL
REPRESENTATIVES, FAIR
PRACTICE AND WOMEN'S
COORDINATORS**

NATIONAL PRESIDENT

John F. Griner
1962-1972

Dennis Garrison
1976-1976

John N. Sturdivant
1988-1997

EXECUTIVE VICE PRESIDENT

Wayne F. Buckle
1982-1982

NATIONAL SECRETARY-TREASURER

Esther F. Johnson
1956-1970

Douglas H. Kershaw
1970-1974

Allen H. Kaplan
1986-1991

NATIONAL VICE PRESIDENT FOR
WOMEN AND FAIR PRACTICES

Andrea E. Brooks
2000-2009

NATIONAL VICE PRESIDENT

Frank H. Wright
District 4
1946-1970

John J. Smith
District 3
1967-1968

Rudolph A. Johnson
District 13
1967-1974

Morton J. Davis
District 11
1967-1986

Ralph B. Biser
District 14
1967-1973

Kermit I. Tull
District 9
1968-1976

Royal L. Sims
District 3
1968-1986

Harold E. McLeod
District 12
1975-1978 and 1986-1993

Ralph G. Fitch, Jr.
District 4
1970-1986

Daniel J. Kearney
District 1
1968-1976, 1978-1986

Kenneth C. Walsh
District 6
1974-1982

Sammy L. Penington
District 9
1976-1986

Glen J. Peterson
District 10
1976-1993

Oren D. Sanders
District 9
1986-1990

Charlotte G. Flowers
District 5
2002-2011

Robert C. Nelson
District 7
1986-2001

Bobby W. Ball
District 9
1990-1996

Virgel W. Miller
District 8

James S. Farrar
District 3
1987-1990

Dwight Bowman
District 14
2005-2013

Beverly J. Garrett
Local 1336

SOLIDARITY FOREVER

When the union's inspiration thru the worker's blood shall run,
There can be no power greater anywhere beneath the sun,
Yet what force on earth is weaker than the feeble strength of one,
But the union makes us strong.

CHORUS

They have taken untold millions that they never toiled to earn,
But without our brain and muscle not a single wheel could turn.
We can break their haughty power, gain our freedom when we learn,
That the union makes us strong.

CHORUS

In our hands is placed a power greater than their hoarded gold,
Greater than the might of armies magnified a hundred fold.
We can bring to earth a new world from the ashes of the old,
For the union makes us strong.

CHORUS

CHORUS:

Solidarity forever, Solidarity forever,
Solidarity forever, for the union makes us strong.

Labor-Management Reporting and Disclosure Act of 1959, As Amended

[Revised text¹ shows new or amended language in boldface type.]

Public Law 86-257, September 14, 1959, 73 Stat. 519-546, as amended by:

Public Law 89-216, September 29, 1965, 79 Stat. 888

Public Law 98-473, October 12, 1984, 98 Stat. 2031, 2133, 2134

Public Law 99-217, December 26, 1985, 99 Stat. 1728

Public Law 100-182, December 7, 1987, 101 Stat. 1266, 1269

AN ACT

73 Stat. 519.

To provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Labor-Management Reporting and Disclosure Act of 1959.”

¹This revised text has been prepared by the U.S. Department of Labor.

The information in this publication will be made available in alternate formats upon request. For more information, call 202-693-0123 (voice). TTY users may call this number through relay services.

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Declaration of Findings, Purposes, and Policy

(29 U.S.C. 401)

73 Stat. 519.

SEC. 2. (a) The Congress finds that, in the public interest, it continues to be the responsibility of the Federal Government to protect employees' rights to organize, choose their own representatives, bargain collectively, and otherwise engage in concerted activities for their mutual aid or protection; that the relations between employers and labor organizations and the millions of workers they represent have a substantial impact on the commerce of the Nation; and that in order to accomplish the objective of a free flow of commerce it is essential that labor organizations, employers, and their officials adhere to the highest standards of responsibility and ethical conduct in administering the affairs of their organizations, particularly as they affect labor-management relations.

(b) The Congress further finds, from recent investigations in the labor and management fields, that there have been a number of instances of breach of trust, corruption, disregard of the rights of individual employees, and other failures to observe high standards of responsibility and ethical conduct which require further and supplementary legislation that will afford necessary protection of the rights and interests of employees and the public generally as they relate to the activities of labor organizations, employers, labor relations consultants, and their officers and representatives.

(c) The Congress, therefore, further finds and declares that the enactment of this Act is necessary to eliminate or prevent improper practices on the part of labor organizations, employers, labor relations consultants, and their officers and representatives which distort and defeat the policies of the Labor Management Relations Act, 1947, as amended, and the Railway Labor Act, as amended, and have the tendency or necessary effect of burdening or obstructing commerce by (1) impairing the efficiency, safety, or operation of the instrumentalities of commerce; (2) occurring in the current of commerce; (3) materially affecting, restraining, or controlling the flow of raw materials or manufactured or processed goods into or from the channels of commerce, or the prices of such materials or goods in commerce; or (4) causing diminution of employment and wages in such volume as substantially to impair or disrupt the market for goods flowing into or from the channels of commerce.

61 Stat. 136;
29 U.S.C. 141.
44 Stat. 577;
45 U.S.C. 151.

Definitions

(29 U.S.C. 402)

73 Stat. 520.

SEC. 3. For the purposes of titles I, II, III, IV, V (except section 505), and VI of this Act—

(a) “Commerce” means trade, traffic, commerce, transportation, transmission, or communication among the several States or between any State and any place outside thereof.

(b) “State” includes any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, Wake Island, the Canal Zone, and Outer Continental Shelf lands defined in the Outer Continental Shelf Lands Act (43 U.S.C. 1331-1343).

(c) “Industry affecting commerce” means any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce and includes any activity or industry “affecting commerce” within the meaning of the Labor Management Relations Act, 1947, as amended, or the Railway Labor Act, as amended.

67 Stat. 462

(d) “Person” includes one or more individuals, labor organizations, partnerships, associations, corporations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in cases under Title 11 of the United States Code,² or receivers.

(e) “Employer” means any employer or any group or association of employers engaged in an industry affecting commerce (1) which is, with respect to employees engaged in an industry affecting commerce, an employer within the meaning of any law of the United States relating to the employment of any employees or (2) which may deal with any labor organization concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work, and includes any person acting directly or indirectly as an employer or as an agent of an employer in relation to an employee but does not include the United States or any corporation wholly owned by the Government of the United States or any State or political subdivision thereof.

(f) “Employee” means any individual employed by an employer, and includes any individual whose work has ceased as a consequence of, or in connection with, any current labor dispute or because of any unfair labor practice or because of exclusion or expulsion from a labor organization in any manner or for any reason inconsistent with the requirements of this Act.

(g) “Labor dispute” includes any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment, regardless of whether the disputants stand in the proximate relation of employer and employee.

(h) “Trusteeship” means any receivership, trusteeship, or other method of supervision or control whereby a labor organization suspends the autonomy otherwise available to a subordinate body under its constitution or bylaws.

(i) “Labor organization” means a labor organization engaged in an industry affecting commerce and includes any organization of any kind, any agency, or employee representation committee, group, association, or plan so engaged in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours, or other terms or conditions of employment, and any conference, general committee, joint or system board, or joint council so engaged which is subordinate to a national or international labor organization, other than a State or local central body.

(j) A labor organization shall be deemed to be engaged in an industry affecting commerce if it—

(1) is the certified representative of employees under the provisions of the National Labor Relations Act, as amended, or the Railway Labor Act, as amended; or

(2) although not certified, is a national or international labor organization or a local labor organization recognized or acting as the representative of employees of an employer or employers engaged in an industry affecting commerce; or

(3) has chartered a local labor organization or subsidiary body which is representing or actively seeking to represent employees of employers within the meaning of paragraph (1) or (2); or

(4) has been chartered by a labor organization representing or actively seeking to represent employees within the meaning of paragraph (1) or (2) as the local or subordinate body through which such employees may enjoy membership or become affiliated with such labor organization; or

²Section 320 of Public Law 95-598 (92 Stat. 2678), Nov. 6, 1978, substituted “cases under Title 11 of the United States Code” for “bankruptcy.”

73 Stat. 521.

61 Stat. 136;
29 U.S.C. 167.
44 Stat. 577;
45 U.S.C. 151.

(5) is a conference, general committee, joint or system board, or joint council, subordinate to a national or international labor organization, which includes a labor organization engaged in an industry affecting commerce within the meaning of any of the preceding paragraphs of this subsection, other than a State or local central body.

(k) "Secret ballot" means the expression by ballot, voting machine, or otherwise, but in no event by proxy, of a choice with respect to any election or vote taken upon any matter, which is cast in such a manner that the person expressing such choice cannot be identified with the choice expressed.

(l) "Trust in which a labor organization is interested" means a trust or other fund or organization (1) which was created or established by a labor organization, or one or more of the trustees or one or more members of the governing body of which is selected or appointed by a labor organization, and (2) a primary purpose of which is to provide benefits for the members of such labor organization or their beneficiaries.

(m) "Labor relations consultant" means any person who, for compensation, advises or represents an employer, employer organization, or labor organization concerning employee organizing, concerted activities, or collective bargaining activities.

(n) "Officer" means any constitutional officer, any person authorized to perform the functions of president, vice president, secretary, treasurer, or other executive functions of a labor organization, and any member of its executive board or similar governing body.

(o) "Member" or "member in good standing", when used in reference to a labor organization, includes any person who has fulfilled the requirements for membership in such organization, and who neither has voluntarily withdrawn from membership nor has been expelled or suspended from membership after appropriate proceedings consistent with lawful provisions of the constitution and bylaws of such organization.

(p) "Secretary" means the Secretary of Labor.

(q) "Officer, agent, shop steward, or other representative", when used with respect to a labor organization, includes elected officials and key administrative personnel, whether elected or appointed (such as business agents, heads of departments or major units, and organizers who exercise substantial independent authority), but does not include salaried nonsupervisory professional staff, stenographic, and service personnel.

(r) "District court of the United States" means a United States district court and a United States court of any place subject to the jurisdiction of the United States.

73 Stat. 522.

TITLE I—BILL OF RIGHTS OF MEMBERS OF LABOR ORGANIZATIONS

Bill of Rights

(29 U.S.C. 411)

SEC. 101. (a)(1) EQUAL RIGHTS.—Every member of a labor organization shall have equal rights and privileges within such organization to nominate candidates, to vote in elections or referendums of the labor organization, to attend membership meetings and to participate in the deliberations and voting upon the business of such meetings, subject to reasonable rules and regulations in such organization's constitution and bylaws.

(2) FREEDOM OF SPEECH AND ASSEMBLY.—Every member of any labor organization shall have the right to meet and assemble freely with other members; and to express any views, arguments, or opinions; and to express at meetings of the labor organization his views, upon candidates in an election of the labor organization or upon any business properly before the meeting, subject to the organization's established and reasonable rules pertaining to the conduct of meetings: *Provided*, That nothing herein shall be construed to impair the right of a labor organization to adopt and enforce reasonable rules as to the responsibility of every member toward the organization as an institution and to his refraining from conduct that would interfere with its performance of its legal or contractual obligations.

(3) DUES, INITIATION FEES, AND ASSESSMENTS.—Except in the case of a federation of national or international labor organizations, the rates of dues and initiation fees payable by members of any labor organization in effect on the date of enactment of this Act shall not be increased, and no general or special assessment shall be levied upon such members, except—

(A) in the case of a local organization, (i) by majority vote by secret ballot of the members in good standing voting at a general or special membership meeting, after reasonable notice of the intention to vote upon such question, or (ii) by majority vote of the members in good standing voting in a membership referendum conducted by secret ballot; or

(B) in the case of a labor organization, other than a local labor organization or a federation of national or international labor organizations, (i) by majority vote of the delegates voting at a regular convention, or at a special convention of such labor organization held upon not less than thirty days' written notice to the principal office of each local or constituent labor organization entitled to such notice, or (ii) by majority vote of the members in good standing of such labor organization voting in a membership referendum conducted by secret ballot, or (iii) by majority vote of the members of the executive board or similar governing body of such labor organization, pursuant to express authority contained in the constitution and bylaws of such labor organization: *Provided*, That such action on the part of the executive board or similar governing body shall be effective only until the next regular convention of such labor organization.

(4) PROTECTION OF THE RIGHT TO SUE.—No labor organization shall limit the right of any member thereof to institute an action in any court, or in a proceeding before any administrative agency, irrespective of whether or not the labor organization or its officers are named as defendants or respondents in such action or proceeding, or the right of any member of a labor organization to appear as a witness in any judicial, administrative, or legislative proceeding, or to petition any legislature or to communicate with any legislator: *Provided*, That any such member may be required to exhaust reasonable hearing procedures

73 Stat. 523.

(but not to exceed a four-month lapse of time) within such organization, before instituting legal or administrative proceedings against such organizations or any officer thereof: *And provided further*, That no interested employer or employer association shall directly or indirectly finance, encourage, or participate in, except as a party, any such action, proceeding, appearance, or petition.

(5) SAFEGUARDS AGAINST IMPROPER DISCIPLINARY ACTION.—No member of any labor organization may be fined, suspended, expelled, or otherwise disciplined except for nonpayment of dues by such organization or by any officer thereof unless such member has been (A) served with written specific charges; (B) given a reasonable time to prepare his defense; (C) afforded a full and fair hearing.

(b) Any provision of the constitution and bylaws of any labor organization which is inconsistent with the provisions of this section shall be of no force or effect.

Civil Enforcement

(29 U.S.C. 412)

SEC. 102. Any person whose rights secured by the provisions of this title have been infringed by any violation of this title may bring a civil action in a district court of the United States for such relief (including injunctions) as may be appropriate. Any such action against a labor organization shall be brought in the district court of the United States for the district where the alleged violation occurred, or where the principal office of such labor organization is located.

Retention of Existing Rights

(29 U.S.C. 413)

SEC. 103. Nothing contained in this title shall limit the rights and remedies of any member of a labor organization under any State or Federal law or before any court or other tribunal, or under the constitution and bylaws of any labor organization.

Right to Copies of Collective Bargaining Agreements

(29 U.S.C. 414)

SEC. 104. It shall be the duty of the secretary or corresponding principal officer of each labor organization, in the case of a local labor organization, to forward a copy of each collective bargaining agreement made by such labor organization with any employer to any employee who requests such a copy and whose rights as such employee are directly affected by such agreement, and in the case of a labor organization other than a local labor organization, to forward a copy of any such agreement to each constituent unit which has members directly affected by such agreement; and such officer shall maintain at the principal office of the labor organization of which he is an officer copies of any such agreement made or received by such labor organization, which copies shall be available for inspection by any member or by any employee whose rights are affected by such agreement. The provisions of section 210 shall be applicable in the enforcement of this section.

Information as to Act

(29 U.S.C. 415)

SEC. 105. Every labor organization shall inform its members concerning the provisions of this Act.

TITLE II—REPORTING BY LABOR ORGANIZATIONS, OFFICERS AND EMPLOYEES OF LABOR ORGANIZATIONS, AND EMPLOYERS

Report of Labor Organizations

(29 U.S.C. 431)

SEC. 201. (a) Every labor organization shall adopt a constitution and by-laws and shall file a copy thereof with the Secretary, together with a report, signed by its president and secretary or corresponding principal officers, containing the following information—

(1) the name of the labor organization, its mailing address, and any other address at which it maintains its principal office or at which it keeps the records referred to in this title;

(2) the name and title of each of its officers;

(3) the initiation fee or fees required from a new or transferred member and fees for work permits required by the reporting labor organization;

(4) the regular dues or fees or other periodic payments required to remain a member of the reporting labor organization; and

(5) detailed statements, or references to specific provisions of documents filed under this subsection which contain such statements, showing the provisions made and procedures followed with respect to each of the following: (A) qualifications for or restrictions on membership, (B) levying of assessments, (C) participation in insurance or other benefit plans, (D) authorization for disbursement of funds of the labor organization, (E) audit of financial transactions of the labor organization, (F) the calling of regular and special meetings, (G) the selection of officers and stewards and of any representatives to other bodies composed of labor organizations' representatives, with a specific statement of the manner in which each officer was elected, appointed, or otherwise selected, (H) discipline or removal of officers or agents for breaches of their trust, (I) imposition of fines, suspensions, and expulsions of members, including the grounds for such action and any provision made for notice, hearing, judgment on the evidence, and appeal procedures, (J) authorization for bargaining demands, (K) ratification of contract terms, (L) authorization for strikes, and (M) issuance of work permits. Any change in the information required by this subsection shall be reported to the Secretary at the time the reporting labor organization files with the Secretary the annual financial report required by subsection (b).

(b) Every labor organization shall file annually with the Secretary a financial report signed by its president and treasurer or corresponding principal officers containing the following information in such detail as may be necessary accurately to disclose its financial condition and operations for its preceding fiscal year—

(1) assets and liabilities at the beginning and end of the fiscal year;

(2) receipts of any kind and the sources thereof;

(3) salary, allowances, and other direct or indirect disbursements (including reimbursed expenses) to each officer and also to each employee who, during such fiscal year, received more than \$10,000 in the aggregate from such labor organization and any other labor organization affiliated with it or with which it is affiliated, or which is affiliated with the same national or international labor organization;

(4) direct and indirect loans made to any officer, employee, or member, which aggregated more than \$250 during the fiscal year, together with a statement of the purpose, security, if any, and arrangements for repayment;

(5) direct and indirect loans to any business enterprise, together with a statement of the purpose, security, if any, and arrangements for repayment; and

(6) other disbursements made by it including the purposes thereof, all in such categories as the Secretary may prescribe.

(c) Every labor organization required to submit a report under this title shall make available the information required to be contained in such report to all of its members, and every such labor organization and its officers shall be under a duty enforceable at the suit of any member of such organization in any State court of competent jurisdiction or in the district court of the United States for the district in which such labor organization maintains its principal office, to permit such member for just cause to examine any books, records, and accounts necessary to verify such report. The court in such action may, in its discretion, in addition to any judgment awarded to the plaintiff or plaintiffs, allow a reasonable attorney's fee to be paid by the defendant, and costs of the action.

(d) Subsections (f), (g), and (h) of section 9 of the National Labor Relations Act, as amended, are hereby repealed.

(e) Clause (i) of section 8(a)(3) of the National Labor Relations Act, as amended, is amended by striking out the following: “and has at the time the agreement was made or within the preceding twelve months received from the Board a notice of compliance with section 9(f), (g), (h)”.

73 Stat. 525

61 Stat. 143;
29 U.S.C. 159.

29 U.S.C. 158.

Report of Officers and Employees of Labor Organizations

(29 U.S.C. 432)

SEC. 202. (a) Every officer of a labor organization and every employee of a labor organization (other than an employee performing exclusively clerical or custodial services) shall file with the Secretary a signed report listing and describing for his preceding fiscal year—

(1) any stock, bond, security, or other interest, legal or equitable, which he or his spouse or minor child directly or indirectly held in, and any income or any other benefit with monetary value (including reimbursed expenses) which he or his spouse or minor child derived directly or indirectly from, an employer whose employees such labor organization represents or is actively seeking to represent, except payments and other benefits received as a bona fide employee of such employer;

(2) any transaction in which he or his spouse or minor child engaged, directly or indirectly, involving any stock, bond, security, or loan to or from, or other legal or equitable interest in the business of an employer whose employees such labor organization represents or is actively seeking to represent;

(3) any stock, bond, security, or other interest, legal or equitable, which he or his spouse or minor child directly or indirectly held in, and any income or any other benefit with monetary value (including reimbursed expenses) which he or his spouse or minor child directly or indirectly derived from, any business a substantial part of which consists of buying from, selling or leasing to, or otherwise dealing with, the business of an employer whose employees such labor organization represents or is actively seeking to represent;

(4) any stock, bond, security, or other interest, legal or equitable, which he or his spouse or minor child directly or indirectly held in, and any income or any other benefit with monetary value (including reimbursed expenses) which he or his spouse or minor child directly or indirectly derived from, a business any part of which consists of buying from, or selling or leasing directly or indirectly to, or otherwise dealing with such labor organization;

73 Stat. 526

(5) any direct or indirect business transaction or arrangement between him or his spouse or minor child and any employer whose employees his organization represents or is actively seeking to represent, except work performed and payments and benefits received as a bona fide employee of such employer and except purchases and sales of goods or services in the regular course of business at prices generally available to any employee of such employer; and

(6) any payment of money or other thing of value (including reimbursed expenses) which he or his spouse or minor child received directly or indirectly from any employer or any person who acts as a labor relations consultant to an employer, except payments of the kinds referred to in section 302(c) of the Labor Management Relations Act, 1947, as amended.

(b) The provisions of paragraphs (1), (2), (3), (4), and (5) of subsection (a) shall not be construed to require any such officer or employee to report his bona fide investments in securities traded on a securities exchange registered as a national securities exchange under the Securities Exchange Act of 1934, in shares in an investment company registered under the Investment Company Act or in securities of a public utility holding company registered under the Public Utility Holding Company Act of 1935, or to report any income derived therefrom.

(c) Nothing contained in this section shall be construed to require any officer or employee of a labor organization to file a report under subsection (a) unless he or his spouse or minor child holds or has held an interest, has received income or any other benefit with monetary value or a loan, or has engaged in a transaction described therein.

48 Stat. 881;
15 U.S.C. 78a.
54 Stat. 789;
15 U.S.C. 80a-51.
49 Stat. 803;
15 U.S.C. 79.

Report of Employers

(29 U.S.C. 433)

SEC. 203. (a) Every employer who in any fiscal year made—

(1) any payment or loan, direct or indirect, of money or other thing of value (including reimbursed expenses), or any promise or agreement therefor, to any labor organization or officer, agent, shop steward, or other representative of a labor organization, or employee of any labor organization, except (A) payments or loans made by any national or State bank, credit union, insurance company, savings and loan association or other credit institution and (B) payments of the kind referred to in section 302(c) of the Labor Management Relations Act, 1947, as amended;

(2) any payment (including reimbursed expenses) to any of his employees, or any group or committee of such employees, for the purpose of causing such employee or group or committee of employees to persuade other employees to exercise or not to exercise, or as the manner of exercising, the right to organize and bargain collectively through representatives of their own choosing unless such payments were contemporaneously or previously disclosed to such other employees;

(3) any expenditure, during the fiscal year, where an object thereof, directly or indirectly, is to interfere with, restrain, or coerce employees in the exercise of the right to organize and bargain collectively through representatives of their own choosing, or is to obtain information concerning the activities of employees or a labor organization in connection with a labor dispute involving such employer, except for use solely in conjunction with an administrative or arbitral proceeding or a criminal or civil judicial proceeding;

(4) any agreement or arrangement with a labor relations consultant or other independent contractor or organization pursuant to which such person

73 Stat. 527.

undertakes activities where an object thereof, directly or indirectly, is to persuade employees to exercise or not to exercise, or persuade employees as to the manner of exercising, the right to organize and bargain collectively through representatives of their own choosing, or undertakes to supply such employer with information concerning the activities of employees or a labor organization in connection with a labor dispute involving such employer, except information for use solely in conjunction with an administrative or arbitral proceeding or a criminal or civil judicial proceeding; or

(5) any payment (including reimbursed expenses) pursuant to an agreement or arrangement described in subdivision (4);

shall file with the Secretary a report, in a form prescribed by him, signed by its president and treasurer or corresponding principal officers showing in detail the date and amount of each such payment, loan, promise, agreement, or arrangement and the name, address, and position, if any, in any firm or labor organization of the person to whom it was made and a full explanation of the circumstances of all such payments, including the terms of any agreement or understanding pursuant to which they were made.

(b) Every person who pursuant to any agreement or arrangement with an employer undertakes activities where an object thereof is, directly or indirectly-

(1) to persuade employees to exercise or not to exercise, or persuade employees as to the manner of exercising, the right to organize and bargain collectively through representatives of their own choosing; or

(2) to supply an employer with information concerning the activities of employees or a labor organization in connection with a labor dispute involving such employer, except information for use solely in conjunction with an administrative or arbitral proceeding or a criminal or civil judicial proceeding;

shall file within thirty days after entering into such agreement or arrangement a report with the Secretary, signed by its president and treasurer or corresponding principal officers, containing the name under which such person is engaged in doing business and the address of its principal office, and a detailed statement of the terms and conditions of such agreement or arrangement. Every such person shall file annually, with respect to each fiscal year during which payments were made as a result of such an agreement or arrangement, a report with the Secretary, signed by its president and treasurer or corresponding principal officers, containing a statement (A) of its receipts of any kind from employers on account of labor relations advice or services, designating the sources thereof, and (B) of its disbursements of any kind, in connection with such services and the purposes thereof. In each such case such information shall be set forth in such categories as the Secretary may prescribe.

(c) Nothing in this section shall be construed to require any employer or other person to file a report covering the services of such person by reason of his giving or agreeing to give advice to such employer or representing or agreeing to represent such employer before any court, administrative agency, or tribunal of arbitration or engaging or agreeing to engage in collective bargaining on behalf of such employer with respect to wages, hours, or other terms or conditions of employment or the negotiation of an agreement or any question arising thereunder.

(d) Nothing contained in this section shall be construed to require an employer to file a report under subsection (a) unless he has made an expenditure, payment, loan, agreement, or arrangement of the kind described therein. Nothing contained in this section shall be construed to require any other person to file a report under subsection (b) unless he was a party to an agreement or arrangement of the kind described therein.

73 Stat. 528.

(e) Nothing contained in this section shall be construed to require any regular officer, supervisor, or employee of an employer to file a report in connection with services rendered to such employer nor shall any employer be required to file a report covering expenditures made to any regular officer, supervisor, or employee of an employer as compensation for service as a regular officer, supervisor, or employee of such employer.

29 U.S.C. 158.

(f) Nothing contained in this section shall be construed as an amendment to, or modification of the rights protected by, section 8(c) of the National Labor Relations Act, as amended.

29 U.S.C. 157.

(g) The term “interfere with, restrain, or coerce” as used in this section means interference, restraint, and coercion which, if done with respect to the exercise of rights guaranteed in section 7 of the National Labor Relations Act, as amended, would, under section 8(a) of such Act, constitute an unfair labor practice.

Attorney-Client Communications Exempted

(29 U.S.C. 434)

SEC. 204. Nothing contained in this Act shall be construed to require an attorney who is a member in good standing of the bar of any State, to include in any report required to be filed pursuant to the provisions of this Act any information which was lawfully communicated to such attorney by any of his clients in the course of a legitimate attorney-client relationship.

Reports Made Public Information

(29 U.S.C. 435)

SEC. 205. (a)³ The contents of the reports and documents filed with the Secretary pursuant to sections 201, 202, 203, and 211 shall be public information, and the Secretary may publish any information and data which he obtains pursuant to the provisions of this title. The Secretary may use the information and data for statistical and research purposes, and compile and publish such studies, analyses, reports, and surveys based thereon as he may deem appropriate.

(b)⁴ The Secretary shall by regulation make reasonable provision for the inspection and examination, on the request of any person, of the information and data contained in any report or other document filed with him pursuant to section 201, 202, **203, or 211**.

(c)⁵ The Secretary shall by regulation provide for the furnishing by the Department of Labor of copies of reports or other documents filed with the Secretary pursuant to this title, upon payment of a charge based upon the cost of the service. The Secretary shall make available without payment of a charge, or require any person to furnish, to such State agency as is designated by law or by the Governor of the State in which such person has his principal place of business or headquarters, upon request of the Governor of such State, copies of any reports and documents filed by such person with the Secretary pursuant to section 201, 202, **203, or 211**, or of information and data contained therein. No person shall be required by reason of any law of any State to furnish to any

³Prior to amendment by section 2(a) of Public Law 89-216, the first sentence of section 205(a) read as follows: “Sec. 205. (a) The contents of the reports and documents filed with the Secretary pursuant to sections 201, 202, and 203 shall be public information, and the Secretary may publish any information and data which he obtains pursuant to the provisions of this title.”

⁴Prior to amendment by section 2(b) of Public Law 89-216, section 205(b) read as follows: “(b) The Secretary shall by regulation make reasonable provision for the inspection and examination, on the request of any person, of the information and data contained in any report or other document filed with him pursuant to section 201, 202, or 203.”

⁵Prior to amendment by section 2(c) of Public Law 89-216, the second sentence of section 205(c) read as follows: “The Secretary shall make available without payment of a charge, or require any person to furnish, to such State agency as is designated by law or by the Governor of the State in which such person has his principal place of business or headquarters upon request of the Governor of such State, copies of any reports and documents filed by such person with the Secretary pursuant to section 201, 202, or 203, or of information and data contained therein.”

officer or agency of such State any information included in a report filed by such person with the Secretary pursuant to the provisions of this title, if a copy of such report, or of the portion thereof containing such information, is furnished to such officer or agency. All moneys received in payment of such charges fixed by the Secretary pursuant to this subsection shall be deposited in the general fund of the Treasury.

73 Stat. 529.

Retention of Records

(29 U.S.C. 436)

SEC. 206. Every person required to file any report under this title shall maintain records on the matters required to be reported which will provide in sufficient detail the necessary basic information and data from which the documents filed with the Secretary may be verified, explained or clarified, and checked for accuracy and completeness, and shall include vouchers, worksheets, receipts, and applicable resolutions, and shall keep such records available for examination for a period of not less than five years after the filing of the documents based on the information which they contain.

Effective Date

(29 U.S.C. 437)

SEC. 207. (a) Each labor organization shall file the initial report required under section 201(a) within ninety days after the date on which it first becomes subject to this Act.

(b)⁶ Each person required to file a report under section 201(b), 202, 203(a), **the second sentence of section 203(b), or section 211** shall file such report within ninety days after the end of each of its fiscal years; except that where such person is subject to section 201(b), 202, 203(a), **the second sentence of section 203(b), or section 211**, as the case may be, for only a portion of such a fiscal year (because the date of enactment of this Act occurs during such person's fiscal year or such person becomes subject to this Act during its fiscal year) such person may consider that portion as the entire fiscal year in making such report.

Rules and Regulations

(29 U.S.C. 438)

SEC. 208. The Secretary shall have authority to issue, amend, and rescind rules and regulations prescribing the form and publication of reports required to be filed under this title and such other reasonable rules and regulations (including rules prescribing reports concerning trusts in which a labor organization is interested) as he may find necessary to prevent the circumvention or evasion of such reporting requirements. In exercising his power under this section the Secretary shall prescribe by general rule simplified reports for labor organizations or employers for whom he finds that by virtue of their size a detailed report would be unduly burdensome, but the Secretary may revoke such provision for simplified forms of any labor organization or employer if he determines, after such investigation as he deems proper and due notice and opportunity for a hearing, that the purposes of this section would be served thereby.

⁶Prior to amendment by section 2(d) of Public Law 89-216, section 207(b) read as follows: "(b) Each person required to file a report under section 201(b), 202, 203(a), or the second sentence of 203(b) shall file such report within ninety days after the end of each of its fiscal years; except that where such person is subject to section 201(b), 202, 203(a), or the second section of 203(b), as the case may be, for only a portion of such a fiscal year (because the date of enactment of this Act occurs during such person's fiscal year or such person becomes subject to this Act during its fiscal year) such person may consider that portion as the entire fiscal year in making such report."

Criminal Provisions

(29 U.S.C. 439)

SEC. 209. (a) Any person who willfully violates this title shall be fined not more than \$10,000 or imprisoned for not more than one year, or both.

(b) Any person who makes a false statement or representation of a material fact, knowing it to be false, or who knowingly fails to disclose a material fact, in any document, report, or other information required under the provisions of this title shall be fined not more than \$10,000 or imprisoned for not more than one year, or both.

73 Stat. 530.

(c) Any person who willfully makes a false entry in or willfully conceals, withholds, or destroys any books, records, reports, or statements required to be kept by any provision of this title shall be fined not more than \$10,000 or imprisoned for not more than one year, or both.

(d) Each individual required to sign reports under sections 201 and 203 shall be personally responsible for the filing of such reports and for any statement contained therein which he knows to be false.

Civil Enforcement

(29 U.S.C. 440)

SEC. 210. Whenever it shall appear that any person has violated or is about to violate any of the provisions of this title, the Secretary may bring a civil action for such relief (including injunctions) as may be appropriate. Any such action may be brought in the district court of the United States where the violation occurred or, at the option of the parties, in the United States District Court for the District of Columbia.

Surety Company Reports⁷

(29 U.S.C. 441)

88 Stat. 829;
29 U.S.C. 1001

SEC. 211. Each surety company which issues any bond required by this Act or the Employee Retirement Income Security Act of 1974 shall file annually with the Secretary, with respect to each fiscal year during which any such bond was in force, a report, in such form and detail as he may prescribe by regulation, filed by the president and treasurer or corresponding principal officers of the surety company, describing its bond experience under each such Act, including information as to the premiums received, total claims paid, amounts recovered by way of subrogation, administrative and legal expenses and such related data and information as the Secretary shall determine to be necessary in the public interest and to carry out the policy of the Act. Notwithstanding the foregoing, if the Secretary finds that any such specific information cannot be practicably ascertained or would be uninformative, the Secretary may modify or waive the requirement for such information.

⁷Section 211 was added by section 3 of Public Law 99-216 (79 Stat. 888); section 111(a)(2)(D) of Public Law 93-406 (88 Stat. 852), Sept. 2, 1974, substituted "Employee Retirement Income Security Act of 1974" for "Welfare and Pension Plans Disclosure Act".

Reports

(29 U.S.C. 461)

SEC. 301. (a) Every labor organization which has or assumes trusteeship over any subordinate labor organization shall file with the Secretary within thirty days after the date of the enactment of this Act or the imposition of any such trusteeship, and semiannually thereafter, a report, signed by its president and treasurer or corresponding principal officers, as well as by the trustees of such subordinate labor organization, containing the following information: (1) the name and address of the subordinate organization; (2) the date of establishing the trusteeship; (3) a detailed statement of the reason or reasons for establishing or continuing the trusteeship; and (4) the nature and extent of participation by the membership of the subordinate organization in the selection of delegates to represent such organization in regular or special conventions or other policy-determining bodies and in the election of officers of the labor organization which has assumed trusteeship over such subordinate organization. The initial report shall also include a full and complete account of the financial condition of such subordinate organization as of the time trusteeship was assumed over it. During the continuance of a trusteeship the labor organization which has assumed trusteeship over a subordinate labor organization shall file on behalf of the subordinate labor organization the annual financial report required by section 201(b) signed by the president and treasurer or corresponding principal officers of the labor organization which has assumed such trusteeship and the trustees of the subordinate labor organization.

(b) The provisions of section 201(c), 205, 206, 208, and 210 shall be applicable to reports filed under this title.

(c) Any person who willfully violates this section shall be fined not more than \$10,000 or imprisoned for not more than one year, or both.

(d) Any person who makes a false statement or representation of a material fact, knowing it to be false, or who knowingly fails to disclose a material fact, in any report required under the provisions of this section or willfully makes any false entry in or willfully withholds, conceals, or destroys any documents, books, records, reports, or statements upon which such report is based, shall be fined not more than \$10,000 or imprisoned for not more than one year, or both.

(e) Each individual required to sign a report under this section shall be personally responsible for the filing of such report and for any statement contained therein which he knows to be false.

Purposes for Which a Trusteeship May Be Established

(29 U.S.C. 462)

SEC. 302. Trusteeships shall be established and administered by a labor organization over a subordinate body only in accordance with the constitution and bylaws of the organization which has assumed trusteeship over the subordinate body and for the purpose of correcting corruption or financial malpractice, assuring the performance of collective bargaining agreements or other duties of a bargaining representative, restoring democratic procedures, or otherwise carrying out the legitimate objects of such labor organization.

73 Stat. 531.

(29 U.S.C. 463)

SEC. 303. (a) During any period when a subordinate body of a labor organization is in trusteeship, it shall be unlawful (1) to count the vote of delegates from such body in any convention or election of officers of the labor organization unless the delegates have been chosen by secret ballot in an election in which all the members in good standing of such subordinate body were eligible to participate or (2) to transfer to such organization any current receipts or other funds of the subordinate body except the normal per capita tax and assessments payable by subordinate bodies not in trusteeship: *Provided*, That nothing herein contained shall prevent the distribution of the assets of a labor organization in accordance with its constitution and bylaws upon the bona fide dissolution thereof.

(b) Any person who willfully violates this section shall be fined not more than \$10,000 or imprisoned for not more than one year, or both.

Enforcement

(29 U.S.C. 464)

SEC. 304. (a) Upon the written complaint of any member or subordinate body of a labor organization alleging that such organization has violated the provisions of this title (except section 301) the Secretary shall investigate the complaint and if the Secretary finds probable cause to believe that such violation has occurred and has not been remedied he shall, without disclosing the identity of the complainant, bring a civil action in any district court of the United States having jurisdiction of the labor organization for such relief (including injunctions) as may be appropriate. Any member or subordinate body of a labor organization affected by any violation of this title (except section 301) may bring a civil action in any district court of the United States having jurisdiction of the labor organization for such relief (including injunctions) as may be appropriate.

(b) For the purpose of actions under this section, district courts of the United States shall be deemed to have jurisdiction of a labor organization (1) in the district in which the principal office of such labor organization is located, or (2) in any district in which its duly authorized officers or agents are engaged in conducting the affairs of the trusteeship.

(c) In any proceeding pursuant to this section a trusteeship established by a labor organization in conformity with the procedural requirements of its constitution and bylaws and authorized or ratified after a fair hearing either before the executive board or before such other body as may be provided in accordance with its constitution or bylaws shall be presumed valid for a period of eighteen months from the date of its establishment and shall not be subject to attack during such period except upon clear and convincing proof that the trusteeship was not established or maintained in good faith for a purpose allowable under section 302. After the expiration of eighteen months the trusteeship shall be presumed invalid in any such proceeding and its discontinuance shall be decreed unless the labor organization shall show by clear and convincing proof that the continuation of the trusteeship is necessary for a purpose allowable under section 302. In the latter event the court may dismiss the complaint or retain jurisdiction of the cause on such conditions and for such period as it deems appropriate.

73 Stat. 532.

Report to Congress

(29 U.S.C. 465)

SEC. 305. The Secretary shall submit to the Congress at the expiration of three years from the date of enactment of this Act a report upon the operation of this title.

Complaint by Secretary

(29 U.S.C. 466)

SEC. 306. The rights and remedies provided by this title shall be in addition to any and all other rights and remedies at law or in equity: *Provided*, That upon the filing of a complaint by the Secretary the jurisdiction of the district court over such trusteeship shall be exclusive and the final judgment shall be res judicata.

Terms of Office; Election Procedures

(29 U.S.C. 481)

SEC. 401. (a) Every national or international labor organization, except a federation of national or international labor organizations, shall elect its officers not less often than once every five years either by secret ballot among the members in good standing or at a convention of delegates chosen by secret ballot.

(b) Every local labor organization shall elect its officers not less often than once every three years by secret ballot among the members in good standing.

(c) Every national or international labor organization, except a federation of national or international labor organizations, and every local labor organization, and its officers, shall be under a duty, enforceable at the suit of any bona fide candidate for office in such labor organization in the district court of the United States in which such labor organization maintains its principal office, to comply with all reasonable requests of any candidate to distribute by mail or otherwise at the candidate's expense campaign literature in aid of such person's candidacy to all members in good standing of such labor organization and to refrain from discrimination in favor of or against any candidate with respect to the use of lists of members, and whenever such labor organizations or its officers authorize the distribution by mail or otherwise to members of campaign literature on behalf of any candidate or of the labor organization itself with reference to such election, similar distribution at the request of any other bona fide candidate shall be made by such labor organization and its officers, with equal treatment as to the expense of such distribution. Every bona fide candidate shall have the right, once within 30 days prior to an election of a labor organization in which he is a candidate, to inspect a list containing the names and last known addresses of all members of the labor organization who are subject to a collective bargaining agreement requiring membership therein as a condition of employment, which list shall be maintained and kept at the principal office of such labor organization by a designated official thereof. Adequate safeguards to insure a fair election shall be provided, including the right of any candidate to have an observer at the polls and at the counting of the ballots.

73 Stat. 533.

(d) Officers of intermediate bodies, such as general committees, system boards, joint boards, or joint councils, shall be elected not less often than once every four years by secret ballot among the members in good standing or by labor organization officers representative of such members who have been elected by secret ballot.

(e) In any election required by this section which is to be held by secret ballot a reasonable opportunity shall be given for the nomination of candidates and every member in good standing shall be eligible to be a candidate and to hold office (subject to section 504 and to reasonable qualifications uniformly imposed) and shall have the right to vote for or otherwise support the candidate or candidates of his choice, without being subject to penalty, discipline, or improper interference or reprisal of any kind by such organization or any member thereof. Not less than fifteen days prior to the election notice thereof shall be mailed to each member at his last known home address. Each member in good standing shall be entitled to one vote. No member whose dues have been withheld by his employer for payment to such organization pursuant to his voluntary authorization provided for in a collective bargaining agreement shall be declared ineligible to vote or be a candidate for office in such organization by reason of alleged delay or default in the payment of dues. The votes cast by members of each local labor organization shall be counted, and the results published, separately. The election officials designated in the constitution and bylaws or the

secretary, if no other official is designated, shall preserve for one year the ballots and all other records pertaining to the election. The election shall be conducted in accordance with the constitution and bylaws of such organization insofar as they are not inconsistent with the provisions of this title.

(f) When officers are chosen by a convention of delegates elected by secret ballot, the convention shall be conducted in accordance with the constitution and bylaws of the labor organization insofar as they are not inconsistent with the provisions of this title. The officials designated in the constitution and bylaws or the secretary, if no other is designated, shall preserve for one year the credentials of the delegates and all minutes and other records of the convention pertaining to the election of officers.

(g) No moneys received by any labor organization by way of dues, assessment, or similar levy, and no moneys of an employer shall be contributed or applied to promote the candidacy of any person in an election subject to the provisions of this title. Such moneys of a labor organization may be utilized for notices, factual statements of issues not involving candidates, and other expenses necessary for the holding of an election.

(h) If the Secretary, upon application of any member of a local labor organization, finds after hearing in accordance with the Administrative Procedure Act that the constitution and bylaws of such labor organization do not provide an adequate procedure for the removal of an elected officer guilty of serious misconduct, such officer may be removed, for cause shown and after notice and hearing, by the members in good standing voting in a secret ballot conducted by the officers of such labor organization in accordance with its constitution and bylaws insofar as they are not inconsistent with the provisions of this title.

(i) The Secretary shall promulgate rules and regulations prescribing minimum standards and procedures for determining the adequacy of the removal procedures to which reference is made in subsection (h).

Enforcement

(29 U.S.C. 482)

SEC. 402. (a) A member of a labor organization—

(1) who has exhausted the remedies available under the constitution and bylaws of such organization and of any parent body, or

(2) who has invoked such available remedies without obtaining a final decision within three calendar months after their invocation, may file a complaint with the Secretary within one calendar month thereafter alleging the violation of any provision of section 401 (including violation of the constitution and bylaws of the labor organization pertaining to the election and removal of officers). The challenged election shall be presumed valid pending a final decision thereon (as hereinafter provided) and in the interim the affairs of the organization shall be conducted by the officers elected or in such other manner as its constitution and bylaws may provide.

(b) The Secretary shall investigate such complaint and, if he finds probable cause to believe that a violation of this title has occurred and has not been remedied, he shall, within sixty days after the filing of such complaint, bring a civil action against the labor organization as an entity in the district court of the United States in which such labor organization maintains its principal office to set aside the invalid election, if any, and to direct the conduct of an election or hearing and vote upon the removal of officers under the supervision of the Secretary and in accordance with the provisions of this title and such rules and regulations as the Secretary may prescribe. The court shall have power to take such action as it deems proper to preserve the assets of the labor organization.

(c) If, upon a preponderance of the evidence after a trial upon the merits, the court finds—

73 Stat. 534.

(1) that an election has not been held within the time prescribed by section 401, or

(2) that the violation of section 401 may have affected the outcome of an election,

the court shall declare the election, if any, to be void and direct the conduct of a new election under supervision of the Secretary and, so far as lawful and practicable, in conformity with the constitution and bylaws of the labor organization. The Secretary shall promptly certify to the court the names of the persons elected, and the court shall thereupon enter a decree declaring such persons to be the officers of the labor organization. If the proceeding is for the removal of officers pursuant to subsection (h) of section 401, the Secretary shall certify the results of the vote and the court shall enter a decree declaring whether such persons have been removed as officers of the labor organization.

(d) An order directing an election, dismissing a complaint, or designating elected officers of a labor organization shall be appealable in the same manner as the final judgment in a civil action, but an order directing an election shall not be stayed pending appeal.

Application of Other Laws

(29 U.S.C. 483)

SEC. 403. No labor organization shall be required by law to conduct elections of officers with greater frequency or in a different form or manner than is required by its own constitution or bylaws, except as otherwise provided by this title. Existing rights and remedies to enforce the constitution and bylaws of a labor organization with respect to elections prior to the conduct thereof shall not be affected by the provisions of this title. The remedy provided by this title for challenging an election already conducted shall be exclusive.

73 Stat. 535.

Effective Date

(29 U.S.C. 484)

SEC. 404. The provisions of this title shall become applicable—

(1) ninety days after the date of enactment of this Act in the case of a labor organization whose constitution and bylaws can lawfully be modified or amended by action of its constitutional officers or governing body, or

(2) where such modification can only be made by a constitutional convention of the labor organization, not later than the next constitutional convention of such labor organization after the date of enactment of this Act, or one year after such date, whichever is sooner. If no such convention is held within such one-year period, the executive board or similar governing body empowered to act for such labor organization between conventions is empowered to make such interim constitutional changes as are necessary to carry out the provisions of this title.

TITLE V—SAFEGUARDS FOR LABOR ORGANIZATIONS

Fiduciary Responsibility of Officers of Labor Organizations

(29 U.S.C. 501)

SEC. 501. (a) The officers, agents, shop stewards, and other representatives of a labor organization occupy positions of trust in relation to such organization and its members as a group. It is, therefore, the duty of each such person, taking into account the special problems and functions of a labor organization, to hold its money and property solely for the benefit of the organization and its members and to manage, invest, and expend the same in accordance with its constitution and bylaws and any resolutions of the governing bodies adopted thereunder, to refrain from dealing with such organization as an adverse party or in behalf of an adverse party in any matter connected with his duties and from holding or acquiring any pecuniary or personal interest which conflicts with the interests of such organization, and to account to the organization for any profit received by him in whatever capacity in connection with transactions conducted by him or under his direction on behalf of the organization. A general exculpatory provision in the constitution and bylaws of such a labor organization or a general exculpatory resolution of a governing body purporting to relieve any such person of liability for breach of the duties declared by this section shall be void as against public policy.

(b) When any officer, agent, shop steward, or representative of any labor organization is alleged to have violated the duties declared in subsection (a) and the labor organization or its governing board or officers refuse or fail to sue or recover damages or secure an accounting or other appropriate relief within a reasonable time after being requested to do so by any member of the labor organization, such member may sue such officer, agent, shop steward, or representative in any district court of the United States or in any State court of competent jurisdiction to recover damages or secure an accounting or other appropriate relief for the benefit of the labor organization. No such proceeding shall be brought except upon leave of the court obtained upon verified application and for good cause shown which application may be made ex parte. The trial judge may allot a reasonable part of the recovery in any action under this subsection to pay the fees of counsel prosecuting the suit at the instance of the member of the labor organization and to compensate such member for any expenses necessarily paid or incurred by him in connection with the litigation.

(c) Any person who embezzles, steals, or unlawfully and willfully abstracts or converts to his own use, or the use of another, any of the moneys, funds, securities, property, or other assets of a labor organization of which he is an officer, or by which he is employed, directly or indirectly, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

73 Stat. 536.

Bonding

(29 U.S.C. 502)

SEC. 502. (a)⁸ Every officer, agent, shop steward, or other representative or employee of any labor organization (other than a labor organization whose property and annual financial receipts do not exceed \$5,000 in value), or of a trust in which a labor organization is interested, who handles funds or other property thereof shall be bonded **to provide protection against loss by reason**

⁸Prior to amendment by section 1 of Public Law 89-216, the first sentence of section 502(a) read as follows: "Sec. 502(a). Every officer, agent, shop steward, or other representative or employee of any labor organization (other than a labor organization whose property and annual financial receipts do not exceed \$5,000 in value), or of a trust in which a labor organization is interested, who handles funds or other property thereof shall be bonded for the faithful discharge of his duties." Section 1 of Public Law 89-216 also added the proviso at the end of section 502(a).

organization's fiscal year and shall be in an amount not less than 10 per centum of the funds handled by him and his predecessor or predecessors, if any, during the preceding fiscal year, but in no case more than \$500,000. If the labor organization or the trust in which a labor organization is interested does not have a preceding fiscal year, the amount of the bond shall be, in the case of a local labor organization, not less than \$1,000, and in the case of any other labor organization or of a trust in which a labor organization is interested, not less than \$10,000. Such bonds shall be individual or schedule in form, and shall have a corporate surety company as surety thereon. Any person who is not covered by such bonds shall not be permitted to receive, handle, disburse, or otherwise exercise custody or control of the funds or other property of a labor organization or of a trust in which a labor organization is interested. No such bond shall be placed through an agent or broker or with a surety company in which any labor organization or any officer, agent, shop steward, or other representative of a labor organization has any direct or indirect interest. Such surety company shall be a corporate surety which holds a grant of authority from the Secretary of the Treasury under the Act of July 30, 1947 (6 U.S.C. 6-13), as an acceptable surety on Federal bonds: **Provided, That when in the opinion of the Secretary a labor organization has made other bonding arrangements which would provide the protection required by this section at comparable cost or less, he may exempt such labor organization from placing a bond through a surety company holding such grant of authority.**

61 Stat. 648.

(b) Any person who willfully violates this section shall be fined not more than \$10,000 or imprisoned for not more than one year, or both.

Making of Loans; Payment of Fines

(29 U.S.C. 503)

SEC. 503. (a) No labor organization shall make directly or indirectly any loan or loans to any officer or employee of such organization which results in a total indebtedness on the part of such officer or employee to the labor organization in excess of \$2,000.

(b) No labor organization or employer shall directly or indirectly pay the fine of any officer or employee convicted of any willful violation of this Act.

(c) Any person who willfully violates this section shall be fined not more than \$5,000 or imprisoned for not more than one year, or both.

Prohibition Against Certain Persons Holding Office

(29 U.S.C. 504)

SEC. 504. (a) No person who is or has been a member of the Communist Party⁹ or who has been convicted of, or served any part of a prison term resulting from his conviction of, robbery, bribery, extortion, embezzlement, grand larceny, burglary, arson, violation of narcotics laws, murder, rape, assault with intent to kill, assault which inflicts grievous bodily injury, or a violation of title II or III of this Act,¹⁰ **any felony involving abuse or misuse of such person's position or employment in a labor organization or employee benefit plan to seek or obtain an illegal gain at the expense of the members of the labor**

⁹The U.S. Supreme Court, on June 7, 1965, held unconstitutional as a bill of attainder the section 504 provision which imposes criminal sanctions on Communist Party members for holding union office (*U.S. v. Brown*, 381 U.S. 437, 85 S. Ct. 1707).

¹⁰The following text shows changes made by Public Law 98-473, Oct. 12, 1984, 98 Stat. 2031, 2133, 2134 and by Public Law 100-182, Dec. 7, 1987, 101 Stat. 1266, 1269. Public Law 99-217, Dec. 26, 1985, 99 Stat. 1728, changed the effective date for the amendment made by Public Law 98-473, 98 Stat. 2031, from Nov. 1, 1986, to Nov. 1, 1987; Public Law 100-182, 101 Stat. 1266, made that amendment applicable only to crimes committed after Nov. 1, 1987.

organization or the beneficiaries of the employee benefit plan, or conspiracy to commit any such crimes or attempt to commit any such crimes, or a crime in which any of the foregoing crimes is an element, shall serve or be permitted to serve—

(1) as a consultant or adviser to any labor organization,

(2) as an officer, director, trustee, member of any executive board or similar governing body, business agent, manager, organizer, employee, or representative in any capacity of any labor organization,

(3) as a labor relations consultant or adviser to a person engaged in an industry or activity affecting commerce, or as an officer, director, agent, or employee of any group or association of employers dealing with any labor organization, or in a position having specific collective bargaining authority or direct responsibility in the area of labor-management relations in any corporation or association engaged in an industry or activity affecting commerce, or

(4) in a position which entitles its occupant to a share of the proceeds of, or as an officer or executive or administrative employee of, any entity whose activities are in whole or substantial part devoted to providing goods or services to any labor organization, or

(5) in any capacity, other than in his capacity as a member of such labor organization, that involves decisionmaking authority concerning, or decisionmaking authority over, or custody of, or control of the moneys, funds, assets, or property of any labor organization,

during or for the period of thirteen years after such conviction or after the end of such imprisonment, whichever is later, unless the sentencing court on the motion of the person convicted sets a lesser period of at least three years after such conviction or after the end of such imprisonment, whichever is later, or unless prior to the end of such period, in the case of a person so convicted or imprisoned, (A) his citizenship rights, having been revoked as a result of such conviction, have been fully restored, or (B) if the offense is a Federal offense, the sentencing judge or, if the offense is a State or local offense, the United States district court for the district in which the offense was committed, pursuant to sentencing guidelines and policy statements under section 994(a) of title 28, United States Code, determines that such person's service in any capacity referred to in clauses (1) through (5) would not be contrary to the purposes of this Act. Prior to making any such determination the court shall hold a hearing and shall give notice of such proceeding by certified mail to the Secretary of Labor and to State, county, and Federal prosecuting officials in the jurisdiction or jurisdictions in which such person was convicted. The court's determination in any such proceeding shall be final. No person shall knowingly hire, retain, employ, or otherwise place any other person to serve in any capacity in violation of this subsection.

(b) Any person who willfully violates this section shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

(c) For the purpose of this section—

(1) A person shall be deemed to have been “convicted” and under the disability of “conviction” from the date of the judgment of the trial court, regardless of whether that judgment remains under appeal.

(2) A period of parole shall not be considered as part of a period of imprisonment.

(d) Whenever any person—

(1) by operation of this section, has been barred from office or other position in a labor organization as a result of a conviction, and

(2) has filed an appeal of that conviction, any salary which would be otherwise due such person by virtue of such office or position, shall

be placed in escrow by the individual employer or organization responsible for payment of such salary. Payment of such salary into escrow shall continue for the duration of the appeal or for the period of time during which such salary would be otherwise due, whichever period is shorter. Upon the final reversal of such person's conviction on appeal, the amounts in escrow shall be paid to such person. Upon the final sustaining of such person's conviction on appeal, the amounts in escrow shall be returned to the individual employer or organization responsible for payments of those amounts. Upon final reversal of such person's conviction, such person shall no longer be barred by this statute from assuming any position from which such person was previously barred.

Amendment to Section 302, Labor Management Relations Act, 1947

SEC. 505. Subsections (a), (b), and (c) of section 302 of the Labor Management Relations Act, 1947, as amended, are amended to read as follows:

29 U.S.C. 186.

¹¹ SEC. 302. (a) It shall be unlawful for any employer or association of employers or any person who acts as a labor relations expert, adviser, or consultant to an employer or who acts in the interest of an employer to pay, lend, or deliver, or agree to pay, lend, or deliver, any money or other thing of value-

(1) to any representative of any of his employees who are employed in an industry affecting commerce; or

(2) to any labor organization, or any officer or employee thereof, which represents, seeks to represent, or would admit to membership, any of the employees of such employer who are employed in an industry affecting commerce; or

(3) to any employee or group or committee of employees of such employer employed in an industry affecting commerce in excess of their normal compensation for the purpose of causing such employee or group or committee directly or indirectly to influence any other employees in the exercise of the right to organize and bargain collectively through representatives of their own choosing; or

73 Stat. 538.

(4) to any officer or employee of a labor organization engaged in an industry affecting commerce with intent to influence him in respect to any of his actions, decisions, or duties as a representative of employees or as such officer or employee of such labor organization.

(b)(1) It shall be unlawful for any person to request, demand, receive, or accept, or agree to receive or accept, any payment, loan, or delivery of any money or other thing of value prohibited by subsection (a).

92 Stat. 538.

(2) It shall be unlawful for any labor organization, or for any person acting as an officer, agent, representative, or employee of such labor organization, to demand or accept from the operator of any motor vehicle (as defined in section 10101 of Title 49)¹² employed in the transportation of property in commerce, or the employer of any such operator, any money or other thing of value payable to such organization or to an officer, agent, representative or employee thereof as a fee or charge for the unloading, or in connection with the unloading, of the cargo of such vehicle: *Provided*, That nothing in this paragraph shall be construed to make unlawful any payment by an employer to any of his employees as compensation for their services as employees.

¹¹This reprinted text of subsections (a), (b), and (c) of section 302 of the Labor Management Relations Act, 1947, does not reflect the amended text as originally found in the Labor-Management Reporting and Disclosure Act of 1959. It does, however, reflect the legislative changes which have occurred to those subsections from 1959 through October 1991.

¹²In subsection (b)(2) of section 302 of the Labor Management Relations Act, 1947, the phrase "section 10101 of Title 49" was substituted for the phrase "part II of the Interstate Commerce Act [49 U.S.C. 301 et. seq.]" by section 3(b) of Public Law 95-473, October 17, 1978.

(c) The provisions of this section shall not be applicable (1) in respect to any money or other thing of value payable by an employer to any of his employees whose established duties include acting openly for such employer in matters of labor relations or personnel administration or to any representative of his employees, or to any officer or employee of a labor organization, who is also an employee or former employee of such employer, as compensation for, or by reason of, his service as an employee of such employer; (2) with respect to the payment or delivery of any money or other thing of value in satisfaction of a judgment of any court or a decision or award of an arbitrator or impartial chairman or in compromise, adjustment, settlement, or release of any claim, complaint, grievance, or dispute in the absence of fraud or duress; (3) with respect to the sale or purchase of an article or commodity at the prevailing market price in the regular course of business; (4) with respect to money deducted from the wages of employees in payment of membership dues in a labor organization: *Provided*, That the employer has received from each employee, on whose account such deductions are made, a written assignment which shall not be irrevocable for a period of more than one year, or beyond the termination date of the applicable collective agreement, whichever occurs sooner; (5) with respect to money or other thing of value paid to a trust fund established by such representative, for the sole and exclusive benefit of the employees of such employer, and their families and dependents (or of such employees, families, and dependents jointly with the employees of other employers making similar payments, and their families and dependents): *Provided*, That (A) such payments are held in trust for the purpose of paying, either from principal or income or both, for the benefit of employees, their families and dependents, for medical or hospital care, pensions on retirement or death of employees, compensation for injuries or illness resulting from occupational activity or insurance to provide any of the foregoing, or unemployment benefits or life insurance, disability and sickness insurance, or accident insurance; (B) the detailed basis on which such payments are to be made is specified in a written agreement with the employer, and employees and employers are equally represented in the administration of such fund, together with such neutral persons as the representatives of the employers and the representatives of employees may agree upon and in the event the employer and employee groups deadlock on the administration of such fund and there are no neutral persons empowered to break such deadlock, such agreement provides that the two groups shall agree on an impartial umpire to decide such dispute, or in event of their failure to agree within a reasonable length of time, an impartial umpire to decide such dispute shall, on petition of either group, be appointed by the district court of the United States for the district where the trust fund has its principal office, and shall also contain provisions for an annual audit of the trust fund, a statement of the results of which shall be available for inspection by interested persons at the principal office of the trust fund and at such other places as may be designated in such written agreement; and (C) such payments as are intended to be used for the purpose of providing pensions or annuities for employees are made to a separate trust which provides that the funds held therein cannot be used for any purpose other than paying such pensions or annuities; (6) with respect to money or other thing of value paid by any employer to a trust fund established by such representative for the purpose of pooled vacation, holiday, severance or similar benefits, or defraying costs of apprenticeship or other training programs: *Provided*, That the requirements of clause (B) of the proviso to clause (5) of this subsection shall apply to such trust funds; (7) with respect to money or other thing of value paid by any employer to a pooled or individual trust fund established by such representative for the purpose of (A) scholarships for the benefit of employees, their families, and dependents for study at educa-

73 Stat. 539.

83 Stat. 133.

104 Stat. 138.

87 Stat. 314.

92 Stat. 2021.

tional institutions, (B) child care centers for preschool and school age dependents of employees, or (C) financial assistance for employee housing.¹³ *Provided*, That no labor organization or employer shall be required to bargain on the establishment of any such trust fund, and refusal to do so shall not constitute an unfair labor practice: *Provided further*, That the requirements of clause (B) of the proviso to clause (5) of this subsection shall apply to such trust funds; (8) with respect to money or any other thing of value paid by any employer to a trust fund established by such representative for the purpose of defraying the costs of legal services for employees, their families, and dependents for counsel or plan of their choice: *Provided*, That the requirements of clause (B) of the proviso to clause (5) of this subsection shall apply to such trust funds: *Provided further*, That no such legal services shall be furnished: (A) to initiate any proceeding directed (i) against any such employer or its officers or agents except in workman's compensation cases, or (ii) against such labor organization, or its parent or subordinate bodies, or their officers or agents, or (iii) against any other employer or labor organization, or their officers or agents, in any matter arising under the National Labor Relations Act, as amended, or this Act; and (B) in any proceeding where a labor organization would be prohibited from defraying the costs of legal services by the provisions of the Labor-Management Reporting and Disclosure Act of 1959; or (9) with respect to money or other things of value paid by an employer to a plant, area or industrywide labor management committee established for one or more of the purposes set forth in section 5(b)¹⁴ of the Labor Management Cooperation Act of 1978.¹⁵

[The remaining subsections, (d) through (g), of section 302 of the Labor Management Relations Act, 1947, are found at 29 U.S.C. 186(d) through (g).]

¹³Subsection (c)(7)(C) of section 302 of the Labor Management Relations Act, 1947, was added by section 1 of Public Law 101-273, April 18, 1990.

¹⁴Section 5(b) of the Labor Management Cooperation Act of 1978 probably means section 6(b) of Public Law 95-524 (92 Stat. 2020; 29 U.S.C. 175a note).

¹⁵Subsection (b)(7) of section 302 of the Labor Management Relations Act, 1947 was added by Public Law 91-86, Oct. 14, 1969; subsection (b)(8) by Public Law 93-95, Aug. 15, 1973; and subsection (b)(9) by section 6(d) of Public Law 95-524, Oct. 27, 1978.

TITLE VI — MISCELLANEOUS PROVISIONS

Investigations

(29 U.S.C. 521)

SEC. 601. (a) The Secretary shall have power when he believes it necessary in order to determine whether any person has violated or is about to violate any provision of this Act (except title I or amendments made by this Act to other statutes) to make an investigation and in connection therewith he may enter such places and inspect such records and accounts and question such persons as he may deem necessary to enable him to determine the facts relative thereto. The Secretary may report to interested persons or officials concerning the facts required to be shown in any report required by this Act and concerning the reasons for failure or refusal to file such a report or any other matter which he deems to be appropriate as a result of such an investigation.

(b) For the purpose of any investigation provided for in this Act, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (15 U.S.C. 49, 50), are hereby made applicable to the jurisdiction, powers, and duties of the Secretary or any officers designated by him.

38 Stat. 717.

Extortionate Picketing

(29 U.S.C. 522)

SEC. 602. (a) It shall be unlawful to carry on picketing on or about the premises of any employer for the purpose of, or as part of any conspiracy or in furtherance of any plan or purpose for, the personal profit or enrichment of any individual (except a bona fide increase in wages or other employee benefits) by taking or obtaining any money or other thing of value from such employer against his will or with his consent.

(b) Any person who willfully violates this section shall be fined not more than \$10,000 or imprisoned not more than twenty years, or both.

Retention of Rights under Other Federal and State Laws

(29 U.S.C. 523)

SEC. 603. (a) Except as explicitly provided to the contrary, nothing in this Act shall reduce or limit the responsibilities of any labor organization or any officer, agent, shop steward, or other representative of a labor organization, or of any trust in which a labor organization is interested, under any other Federal law or under the laws of any State, and, except as explicitly provided to the contrary, nothing in this Act shall take away any right or bar any remedy to which members of a labor organization are entitled under such other Federal law or law of any State.

(b) Nothing contained in titles I, II, III, IV, V, or VI of this Act shall be construed to supersede or impair or otherwise affect the provisions of the Railway Labor Act, as amended, or any of the obligations, rights, benefits, privileges, or immunities of any carrier, employee, organization, representative, or person subject thereto; nor shall anything contained in said titles (except section 505) of this Act be construed to confer any rights, privileges, immunities, or defenses upon employers, or to impair or otherwise affect the rights of any person under the National Labor Relations Act, as amended.

73. Stat. 540.

44 Stat. 577;
45 U.S.C. 151.

61 Stat. 136;
29 U.S.C. 167.

Effect on State Laws

(29 U.S.C. 524)

SEC. 604. Nothing in this Act shall be construed to impair or diminish the authority of any State to enact and enforce general criminal laws with respect to robbery, bribery, extortion, embezzlement, grand larceny, burglary, arson, violation of narcotics laws, murder, rape, assault with intent to kill, or assault which inflicts grievous bodily injury, or conspiracy to commit any of such crimes.

Service of Process

(29 U.S.C. 525)

SEC. 605. For the purposes of this Act, service of summons, subpoena, or other legal process of a court of the United States upon an officer or agent of a labor organization in his capacity as such shall constitute service upon the labor organization.

Administrative Procedure Act

(29 U.S.C. 526)

SEC. 606. The provisions of the Administrative Procedure Act shall be applicable to the issuance, amendment, or rescission of any rules or regulations or any adjudication, authorized or required pursuant to the provisions of this Act.

80 Stat. 381;
5 U.S.C. 551.

Other Agencies and Departments

(29 U.S.C. 527)

SEC. 607. In order to avoid unnecessary expense and duplication of functions among Government agencies, the Secretary may make such arrangements or agreements for cooperation or mutual assistance in the performance of his functions under this Act and the functions of any such agency as he may find to be practicable and consistent with law. The Secretary may utilize the facilities or services of any department, agency, or establishment of the United States or of any State or political subdivision of a State, including the services of any of its employees, with the lawful consent of such department, agency, or establishment; and each department, agency, or establishment of the United States is authorized and directed to cooperate with the Secretary and, to the extent permitted by law, to provide such information and facilities as he may request for his assistance in the performance of his functions under this Act. The Attorney General or his representative shall receive from the Secretary for appropriate action such evidence developed in the performance of his functions under this Act as may be found to warrant consideration for criminal prosecution under the provisions of this Act or other Federal law.

73 Stat. 541.

Criminal Contempt

(29 U.S.C. 528)

SEC. 608. No person shall be punished for any criminal contempt allegedly committed outside the immediate presence of the court in connection with any civil action prosecuted by the Secretary or any other person in any court of the United States under the provisions of this Act unless the facts constituting such criminal contempt are established by the verdict of the jury in a proceeding in the district court of the United States, which jury shall be chosen and empaneled in the manner prescribed by the law governing trial juries in criminal prosecutions in the district courts of the United States.

Prohibition on Certain Discipline by Labor Organization

(29 U.S.C. 529)

SEC. 609. It shall be unlawful for any labor organization, or any officer, agent, shop steward, or other representative of a labor organization, or any employee thereof to fine, suspend, expel, or otherwise discipline any of its members for exercising any right to which he is entitled under the provisions of this Act. The provisions of section 102 shall be applicable in the enforcement of this section.

Deprivation of Rights under Act by Violence

(29 U.S.C. 530)

SEC. 610. It shall be unlawful for any person through the use of force or violence, or threat of the use of force or violence, to restrain, coerce, or intimidate, or attempt to restrain, coerce, or intimidate any member of a labor organization for the purpose of interfering with or preventing the exercise of any right to which he is entitled under the provisions of this Act. Any person who willfully violates this section shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

Separability Provisions

(29 U.S.C. 531)

SEC. 611. If any provision of this Act, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

TITLE VII—AMENDMENTS TO THE LABOR MANAGEMENT RELATIONS ACT, 1947, AS AMENDED

[The text of sections 701 through 707 is not included here. However, the complete text of the Title VII, Amendments to the Labor Management Relations Act, 1947, As Amended, may be found in Public Law 86-257.]

Labor Management Reporting and Disclosure Act (LMRDA) Requirements for Local and Council Bonding

WHAT IS A BOND?

A bond is simply an insurance policy protecting your Local/Council assets, including cash, from theft or embezzlement.

WHO IS BONDED?

AFGE secures a blanket bond that provides coverage for all officers, employees, and stewards of an affiliate who handle funds or property of the Union.

HOW MUCH BOND COVERAGE DOES AN AFFILIATE NEED?

The affiliate must be bonded for at least 10% of the annual gross receipts and liquid assets. To determine the required coverage, add all cash balances at the beginning of the prior fiscal year (including cash, checking, savings, and investments) plus all monies received during the prior fiscal year and multiply by 10%. AFGE recommends that even though the law requires the Local or Council to cover 10% of their assets, that you should consider covering 100%.

BOND INSURANCE PREMIUMS

In keeping with our efficiency and savings goals per the delegates from the 2012 convention, AFGE now renews its bonds for a three-year term rather than annually. This practice has resulted in a savings to locals/councils. In addition to the actual dollar savings, bond premiums will not increase due to excessive claims filed from losses. AFGE bills locals/councils for their three-year bond premium in early January. The next triennial billing will be billed in January 2019 for the years 2019 through 2021.

HOW ARE BOND CLAIMS FILED?

If a local/council has a loss through fraud or embezzlement, it should be immediately reported to the NST's office. All transactions and correspondence are made between the local/council and the bond company through the NST's office. The NST will notify the bond company of the loss; the bond company issues proof of loss forms; the proof of loss forms are mailed by the NST's office to the local/council with an instruction letter; the proof of loss forms are completed by the local/council and returned to the NST's office which are in turn sent to the bond company. The bond company assigns a claims attorney to the case for investigation. Once the claims attorney reaches a finding, a check for the loss is issued.

WHO REQUIRES YOUR LOCAL OR COUNCIL TO HAVE A BOND?

The LMRDA requires all AFGE affiliates (Locals and Councils) to be bonded against losses due to fraud or embezzlement. Section 502(a) of the LMRDA and provisions of Section 7120 of the Civil Service Reform Act of 1978 (CSRA) establish bonding requirements for officers and employees of labor organizations. Every union covered by the LMRDA or the CSRA is subject to the bonding requirements.

Simplified Bond Calculation Worksheet

This worksheet will be useful for determining the minimum bond required by the LMRDA.

Description	Action	Your Numbers	Example
Cash Balance	(1)		\$ 75,000
+ Savings Balance	(1)		125,000
+ Investment Balance	(1)		50,000
+ Total Cash Receipts for the year			125,000
Subtotal			375,000
x Minimum bonding percentage		10%	10%
Minimum Bonding Requirement			\$ 37,500

- (1) These are balances as of the beginning of the previous fiscal year. For example, if you're calculating the bond amount for fiscal year 2017, the balances at the beginning of fiscal year 2016 should be used.

Conducting Audits in Small Unions

A Guide for Trustees to a 10-Step Audit



\$ 10-Step Audit

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
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Conducting Audits in Small Unions

A Guide for Trustees



U.S. Department of Labor
Hilda L. Solis, Secretary

Office of Labor-Management Standards
2010

A Message To Trustees

This Guide features a 10-step audit designed to help Trustees from small unions carry out their duties. For purposes of this Guide, a small union is considered to be one with annual receipts of less than \$50,000. Trustees from larger unions with more complex recordkeeping systems may also find this Guide helpful.

The Office of Labor-Management Standards (OLMS) has prepared this Guide to further the aims of the Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA). More commonly known as the Landrum-Griffin Act, the LMRDA has several provisions designed to promote the financial integrity of unions, including those pertaining to financial reporting, recordkeeping, bonding, and loans. The LMRDA applies to unions which represent private sector employees and U.S. Postal Service employees. The Civil Service Reform Act of 1978 (CSRA) has similar provisions which apply to most unions which represent federal government employees.

Your Role

As an elected or appointed Trustee you will play a key role in making sure that your union's funds and other assets are properly accounted for and used solely for the benefit of your union and its members. Few tasks could be more critical to the well-being of any organization.

Your specific duties and responsibilities may be outlined in your union's constitution and bylaws or otherwise defined by your parent body. However, your primary task as a Trustee is to ensure that all union resources (money/assets) are used for legitimate union purposes as authorized by your membership in accordance with your constitution and bylaws. In addition, you should ensure that your union is properly submitting per capita taxes to its parent body and is complying with legal requirements for financial reporting, recordkeeping, bonding, and loans.

What's in this Guide

This Guide is designed to be an easy-to-use reference based on the law and regulations as well as the knowledge and experience of OLMS staff. It will take you step by step through the audit process, help you identify your responsibilities during each step, and provide suggestions to make your job easier. Most of the seven chapters in the Guide refer to Figures (such as an audit planner, a financial records request, a questionnaire, worksheets, and an audit report) relating to the topics discussed. A fictitious union (Factory Workers Local 888) is used in several of the Figures to illustrate recommended procedures. A general overview of the way many unions maintain their financial records, a list of common financial terms and their meanings, and a four-page *Checklist for Conducting Audits in Small Unions* which summarizes the contents of this Guide are included as References at the end of this publication.

We realize that unions operate differently, using different constitutions and bylaws and audit procedures, and that Trustees and audit officials have varying degrees of responsibility. For example, some unions want a greater day-to-day financial role for Trustees (requiring that they sign all vouchers or co-sign checks) while others want only periodic reviews of financial records. Likewise, some unions have both Trustees and Audit Committees. Therefore, not all information in this Guide will apply to all unions. You should disregard the parts of the Guide that do not apply to you and consider the other parts as a supplement to the practices and procedures specified by your parent body.

Who Should Use this Guide

This Guide should be used by the union officials responsible for conducting audits (periodic examinations of local financial records). The general term “Trustee” is used in this Guide to refer to those individuals elected or appointed to serve in this capacity, or a similar capacity, whether for a full term or a specific record examination. Although the Guide covers the “basics” and is geared primarily to officials with little or no experience in conducting an audit, it can be helpful to more experienced officials as well.

How to Use this Guide

Trustees or other audit officials should become familiar with the contents of this Guide as soon as possible after being elected/selected. An initial review will provide an overview of the entire audit process and point out all the steps involved in conducting a meaningful examination of your union’s financial records.

You are not expected to remember all the procedures for conducting an audit after your first review of this Guide. Instead, before each step of your audit re-read the applicable chapter to refresh your understanding of what should be done. Refer to the Guide frequently during the audit process. Although we have tried to include all necessary information, the Guide does not specifically address every situation that may develop. Some record examinations may involve complex or unusual issues requiring you to seek further assistance.

Seeking Assistance

If you need advice or have questions about your responsibilities or provisions of your union’s constitution and bylaws, you should contact your union’s officers or parent body for help. In addition, OLMS staff in the field offices referred to at the end of this Guide can answer your questions about the LMRDA, related regulations, and this Guide.

Getting Started

Now that you are familiar with the purpose and contents of this Guide and how best to use it, it’s time to get started. Read Chapter 1 and begin preparing for your audit.

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Understanding Union Financial Records

Union Financial Definitions

Checklist for Conducting Audits in Small Unions

Chapter 1: Getting Ready

As you begin an audit of your union's financial records your job as a Trustee may seem intimidating, particularly if you have never conducted an audit or are unfamiliar with your union's books and records. However, if you think of the audit process as a series of separate steps and understand your responsibilities for each step, the entire process becomes more manageable. At this early stage preparation is very important since good planning and organization are key ingredients to conducting a meaningful audit. This chapter outlines the first steps you should take to prepare for your audit, including meeting with other Trustees to determine specific responsibilities, reviewing prior audit records and results, obtaining certain information from the principal financial officers of your union, and scheduling important audit activities.

Determining Responsibilities

The best way to get started is to review your union's constitution and bylaws to determine your specific responsibilities as a Trustee. At least one week before the audit you should discuss your roles with the other Trustees either in person or by telephone and select a chairperson or team leader if one is not already designated. If none of the Trustees has ever conducted an audit, you should consider contacting members who have served as Trustees in prior years to discuss their experiences, both positive and negative. You may also wish to contact your parent body, as needed, to seek advice or information about your duties.

Gathering Materials

After determining your general responsibilities, you should obtain and review the following:

- Any forms, manuals, or handbooks issued by your parent body which pertain to your duties.
- Your union's most recent constitution and bylaws, especially those provisions dealing with dues rates, officer salaries and expenses, lost time policies, officer duties, and procedures for approving the expenditure of union funds. Each Trustee should have a copy of relevant sections of these documents to refer to as necessary throughout the audit.
- Your union's most recent audit report.
- Your union's most recent LM-3 or LM-4 annual financial report filed with OLMS.

You should also review **Figures 1-4** on pages 23-30, which may be adapted for use in your audit.

Meeting with Principal Officers

Before the audit begins, you and your fellow Trustees should meet with the principal financial officers of your union to:

- Seek their cooperation and support. Keep in mind that no one likes to have someone "looking over their shoulder."
- Determine the person you should deal with to obtain access to the union's financial records and explanations regarding how these records are maintained. Find out whether any of the union's records are maintained on a computer. If so, make arrangements to obtain appropriate printouts of necessary financial information.
- Decide where your examination of records should take place and what equipment (calculators, photocopier, etc.) will be furnished by the union. Try to find a quiet place where you are unlikely to be disturbed and where you will have sufficient space to review the records.

(Meeting with Principal Officers continued)

Determine if and when “lost time” or other union payments will be made for your work. Recognize that it may be necessary to conduct some of this work on your “own time” in order to carry out your responsibilities.

It is important that you obtain this information early in the process and deal with the principal financial officers “up-front” in order to avoid any later misunderstandings or problems.

Scheduling the Audit

After talking to the principal financial officers, you should meet as a group to make some important decisions. First, decide the time frame (annual, semiannual, quarterly) that your audit will cover. This may be governed by your parent body constitution or local bylaws.

Next, decide when you want to begin the audit. If you have decided to review your union’s records for an entire year, then you may want to begin your audit shortly after your union’s annual financial report (LM-3 or LM-4) has been submitted to OLMS. This will ensure that your audit does not interfere with the ongoing operations of your union. You could also compare your own findings regarding the finances of your union with the information on the LM report.

Finally, develop a detailed plan which lists all the important phases of the audit or you may spend a lot of time and energy and still not get the job done right. This plan can be used to show your progress as you work your way through the 10-step audit and to identify specific responsibilities for each Trustee. A sample audit planner is provided as **Figure 1** on page 23.

Requesting Records

Your next task will be to create a list of financial records needed for your 10-step audit and provide this to the principal financial officers of your union. Otherwise, certain records such as membership meeting minutes may not be available when needed. A sample letter requesting financial records is provided as **Figure 2** on page 24. Feel free to modify this letter to conform with the records used in your union.

Financial records cannot be examined efficiently without some explanation of how they tie together. If you are not completely familiar with how your union’s financial records are maintained, consider creating a short questionnaire for the principal financial officers so that everyone has a common understanding. **Figure 3** on pages 25-27 can be modified for this purpose. A completed version of this questionnaire is provided as **Figure 4** on pages 28-30 to illustrate the type of information that should be obtained including any applicable constitutional provisions.

NOTE: Two references at the end of this guide should be reviewed by first-time Trustees before beginning an audit. *Understanding Union Financial Records* provides helpful illustrations of the types of financial records maintained by many unions and *Union Financial Definitions* provides easy to understand explanations of the financial terms used throughout this Guide. Use these References as needed during the audit.

Chapter 2: Audit Overview

Small unions may have hundreds of financial transactions every year. It would take a considerable amount of time to examine each of these transactions in detail. The next four chapters describe a 10-step audit which concentrates on reviewing key financial areas and is specifically designed to save you time, yet still provide for a meaningful, systematic review of your union's financial books and records. The 10-step audit is not a "traditional" audit, but rather a limited, focused review of financial records that was developed for use by Trustees from small unions with little or no financial training or experience. It is modeled after techniques successfully used by OLMS.

Audit Objectives

The 10-step audit, summarized below, has four primary objectives:

- To ensure that your union's funds and other assets are properly accounted for and used solely for the benefit of your union and its members.
- To confirm that your union is complying with legal requirements for financial reporting, recordkeeping, bonding, and loans.
- To determine whether the internal financial controls of your union are adequate or need to be improved.
- To ascertain whether your union is complying with the financial practices and procedures of your parent body.

Audit Design

The 10-step audit focuses on four major areas: disbursements, receipts, assets, and compliance with the requirements of the Labor-Management Reporting and Disclosure Act (LMRDA), as outlined below:

- Steps 1 and 2 (Chapter 3) will assist you in determining whether your union's disbursements have been properly recorded

and whether they were issued for approved, legitimate union purposes.

- Steps 3 and 4 (Chapter 4) will help you determine whether your union's receipts have been properly recorded and deposited into your union's bank accounts.
- Steps 5 and 6 (Chapter 5) will aid you in accounting for your union's assets (cash and equipment) and calculating their approximate value.
- Steps 7-10 (Chapter 6) will help you determine whether your union is complying with the LMRDA's requirements for financial reporting, recordkeeping, bonding, and loans.

Optional Steps

In addition to these ten audit steps, Chapters 3-5 include eight optional steps for disbursements, four optional steps for receipts, and three optional steps for assets. These optional steps were designed to give you the flexibility to tailor your audit to the specific circumstances of your union and to make your audit as meaningful as possible. They are particularly recommended for use by Trustees in larger unions.

10-Step Audit

- Step 1** - Trace cancelled checks to the bank statements and disbursements journal.
- Step 2** - Scan the disbursements journal and record unusual entries.
- Step 3** - Trace employer dues checkoffs to the receipts journal and bank statements.
- Step 4** - Confirm that receipts from all other sources have been properly recorded and deposited.
- Step 5** - Identify all bank accounts, verify their ending balances, and review withdrawals/transfers.
- Step 6** - Inventory fixed assets.
- Step 7** - Confirm that the LM annual financial report for the latest completed fiscal year was filed on time.
- Step 8** - Determine whether financial records were properly maintained.
- Step 9** - Ensure that all officers and employees who handle funds are adequately bonded.
- Step 10** - Confirm that no officers or employees were loaned more than \$2,000 by your union.

Audit Tips

- Be fair and objective. Don't jump to conclusions before you have gathered all the facts.
- Don't be afraid to ask for help from your fellow Trustees and the principal financial officers.
- Be persistent and stay focused. Avoid long interruptions in your work.
- Make sure that all necessary records are available at the start of each audit step.
- Consider assigning each person a separate part of the audit. For example, one Trustee could audit disbursements, while another is reviewing receipts, and a third is examining assets.
- Work together as a team even if each Trustee has individual assignments.
- Consider devoting an entire audit to one area, such as disbursements, if audits are performed frequently (quarterly). Complete the other steps later in the year.
- Concentrate on the completion of the 10-step audit before beginning any optional steps or consider limiting optional steps to one part of the audit, for example, receipts.
- Take notes of the work done, unresolved issues that may require further work, preliminary findings, and recommendations for improvements. These notes will help you complete your audit report and be an invaluable resource for the next audit.
- Don't write or make marks of any kind on the union records except as noted in this Guide.
- Keep the union's records in an orderly fashion so that they can be returned the same way.
- Refer often to the four-page *Checklist* at the end of this Guide and check the appropriate boxes to ensure that you have properly completed the 10-step audit.

NOTE: You will probably issue an audit report to document your work. If your parent body requires that you submit a standard audit report form that outlines the financial condition of your union, you should collect necessary information for this report as you complete the audit steps described in Chapters 3-6 of this Guide.

Chapter 3: Disbursements

Like any organization, your union must spend money to operate. Most unions have a checking account which is used to make disbursements. Typical disbursements from your union's checking account might include payments for per capita taxes, hall rentals, office supplies, and lost time to officers. Members expect that when their union spends money it will be for legitimate union purposes and that these expenditures will be properly authorized. Documents, such as your union's constitution, minutes of meetings, bills, and vouchers, will help you determine why disbursements were made and whether they were authorized by your membership in accordance with your constitution and bylaws.

Confirming that established disbursement practices are being followed is essential to ensuring that your union's funds are being handled responsibly on behalf of all members. Audit Steps 1 and 2 are designed to provide a simple but effective method for examining your local's disbursements. They will assist you in determining whether payments were for approved, legitimate union business. In addition, they will enable you to determine if payments were properly recorded in your union's records, allowing for accurate financial reporting to the members of your union, your parent body, and various government agencies.

To complete Audit Steps 1 and 2, as well as any optional steps you may select, you will need the following for the audit period: bank statements; cancelled checks; disbursements journal (or check stubs if a journal is not maintained); minutes of membership and Executive Board meetings; and all documents in support of disbursements such as bills, invoices, and vouchers. In addition, you will need any financial forms provided by your parent body. First-time Trustees may want to review the References "Understanding Union Financial Records" and "Union Financial Definitions" at the end of this Guide before beginning Audit Steps 1 and 2.

Step 1. Trace Cancelled Checks to the Bank Statements and Disbursements Journal

By completing Audit Step 1 you should be able to confirm the reliability and completeness of your union's disbursements records.

- Select at least two months in your audit period. Your selection of months may be made for a variety of reasons, including an unusually large number of checks written during a specific month or payments for non-routine items such as convention expenses or a union-sponsored picnic.
- Obtain the bank statements and all of the corresponding cancelled checks for the period you have selected. Arrange the cancelled

checks in numerical order. Keep the cancelled checks together with the bank statements on which they appear.

- Locate the cancelled checks for each of the entries on the bank statements. Place a check mark, in pencil, on the bank statements for each cancelled check. Make a list of any check numbers and amounts appearing on the bank statements for which you cannot find a cancelled check.
- Compare the amounts on each cancelled check with the corresponding entries on the bank statements. Make sure that the amounts on the cancelled checks are the same as on the bank statements. Watch for amounts which may have been changed after the checks were returned from the bank.



(Step 1 continued)

- Compare the information on these checks with the corresponding entries in your union’s disbursements journal. Make sure that the payee, the amount, the date, and the purpose on each cancelled check are properly recorded in the journal. Look for any discrepancies between the journal entries and the checks. Turn the checks over and examine the endorsements, making sure they match the payees on the front of the checks.

If no discrepancies are noted during Audit Step 1, proceed to the next step. However, if you find any questionable items or have some areas of concern, refer to “Common Problems and Solutions” and “Significant Discrepancies” on the next page.

Step 2. Scan the Disbursements Journal and Record Unusual Entries

By completing Audit Step 2 you should be able to determine whether the checks issued from your union’s bank account were for legitimate union purposes.

- Review the disbursements journal for the entire audit period. Look at the type and frequency of your union’s disbursements. You will probably see recurring payments for per capita tax, hall rental, and officer salaries and expenses. Approval for these disbursements should be found in the constitution and bylaws or the membership meeting minutes. Make a list of any entries which appear to be questionable or out of the ordinary, such as:
 - checks for unusually large amounts
 - checks for unusual purposes
 - large checks to unfamiliar payees
 - checks payable to cash
 - checks where no purpose is recorded

- checks written out of sequence
- duplicate payments for salaries or expenses to the same individual
- checks identified as loans (refer to Chapter 6)
- Review the supporting bills, vouchers, invoices, and membership meeting minutes for all of the checks you have listed. Determine whether they were for legitimate union purposes and whether they were properly authorized.

If you find any questionable items or have some areas of concern while conducting Audit Step 2, refer to “Common Problems and Solutions” and “Significant Discrepancies” at the end of this chapter.

Optional Steps

As time allows, consider conducting one or more of the following optional steps or proceed to Audit Step 3. Some of these optional steps may be required by your parent body.

- Reconcile total disbursements entered in your union’s disbursements records for the audit period with the total charges shown on your union’s bank statements for the audit period. This will further verify the accuracy of the entries recorded in your union’s disbursements records. **Figure 5** on page 31 shows how to reconcile disbursements.
- List all salary and expense payments to selected union officials. Review all supporting documents to verify that correct amounts have been paid.
- Examine selected claims for lost time to verify that appropriate amounts and purposes have been documented.
- Examine credit card use and payments. Look for personal or excessive charges and charges without supporting documents.

(Optional Steps continued)

Confirm that no checks listed as “void” in the disbursements journal have been cashed.

- Examine signatures of authorizing officials on checks. Look for unsigned checks or signatures on checks which appear to be different from a known signature.
- Review strike fund payments. Confirm that proper documents exist to support these payments.
- List per capita tax payments to your parent body and ensure that all required payments were made in a timely manner.

This is not an exhaustive list of optional audit steps. Based on your union’s recordkeeping system and any parent body requirements, you may choose to review other areas of disbursements.

Common Problems and Solutions

Even the best maintained disbursements records may have some problem areas. Frequently encountered problems are listed below with suggestions on how to resolve them:

Problem: Cancelled checks are not available.

Solution: Ask officers to obtain copies from the bank.

Problem: Bank statements indicate checks have been returned for non-sufficient funds (NSF).

Solution: Determine when the first NSF (“bounced”) check was returned by the bank. Look for delayed deposits during the period. Ask officers for an explanation of the NSF checks and, if necessary, suggest that the disbursements records be properly noted.

Problem: The disbursements journal entries do not match the corresponding information on the bank statements or on the cancelled checks.

Solution: Determine the reason for the discrepancies. Ask officers for an explanation, such as failure to reconcile the disbursements journal with the related monthly bank statements and, if necessary, suggest that the principal financial officers correct the records.

Problem: No records to support disbursements exist.

Solution: Review minutes for approval and, if necessary, ask officers about the payments.

Problem: The union does not maintain a disbursements journal.

Solution: Review check stubs and/or check register.

Significant Discrepancies

The situations listed below *may* suggest that your union’s financial records are unreliable or that union funds have been misused:

- Basic disbursements records have not been maintained.
- Serious discrepancies in the records have been detected which cannot be easily resolved.
- Missing disbursements records, such as cancelled checks, bills, or vouchers, are not produced as promised and an adequate explanation is not provided.
- Alterations have been made on cancelled checks.
- Your union’s checking account has a negative balance or frequently reflects “bounced” checks.

If you detect a serious problem in your union’s records or a possible misuse of union funds, contact your parent body or the nearest OLMS office for assistance.

Parent Body Requirements

Note any additional audit procedures or standard audit forms relating to disbursements which your parent body requires you to use:

Chapter 4: Receipts

Local unions receive most of their money from their members in the form of dues payments. A common method of paying union dues is through dues checkoff. In this arrangement the employer periodically withholds the amount of dues from members' wages and sends the money collected to the union or its parent body. In other instances, members pay their dues directly to the union. Generally these payments are deposited into the union's checking account. Members entrust their dues money to the responsible union representatives and expect that the funds paid in will be available for the union to draw upon for authorized union activities. Ensuring that all of the money received by your union has been deposited into your union's bank account is a key component to a successful audit. Audit Steps 3 and 4 will help you trace the receipts of your union into your union's bank account and verify that receipts from all sources have been recorded and deposited.

NOTE: To complete Audit Steps 3 and 4, as well as any optional steps you may select, you will need the following for the audit period: bank statements; deposit slips; receipts journal (or other records if a journal is not maintained); all documents which identify the source of your union's receipts, such as employer checkoff statements; individual dues receipts; and member ledger cards. In addition, you will need any financial forms provided by your parent body. First-time Trustees may want to review the References "Understanding Union Financial Records" and "Union Financial Definitions" at the end of this Guide before beginning Audit Steps 3 and 4.

Step 3. Trace Employer Dues Checkoffs to the Receipts Journal and Bank Statements

By completing Audit Step 3 you should be able to confirm that employer checkoff receipts are properly recorded in your union's receipts records and deposited into your union's bank account.

- Gather all of your union's checkoff receipts records for the entire period including checkoff statements from your employer or parent body.
- Compare, for each month in your audit period, the amounts posted on all the

checkoff statements with the corresponding entries in the union's receipts journal. Look for any discrepancies.

- Select at least two months from your audit period. Trace the checkoff receipt entries from the journal to related entries on your union's bank statement. Make a note of any discrepancies.

NOTE: The following *Alternate Step 3* must be substituted for Step 3 above *only* if all members' payments to the union (for dues, working dues, fees, etc.) are made directly to union officers or employees and not through employer checkoff.

Step 3. Trace Direct Dues Payments (*Alternate*) to the Receipts Journal and Bank Statements

By completing *Alternate Step 3* you should be able to confirm that cash and checks for dues paid directly to the union by members are properly recorded in your union's receipts journal and deposited into your union's bank account.

- Select five or ten members' names at random and choose at least two months from your audit period.

(Alternate Step 3 continued)

- Compare payments shown on individual dues receipts or member ledger cards for these members to individual entries or combined member totals in your union’s receipts journal.
- Trace the receipt entries from the journal to related entries on your union’s bank statements. Make a note of any discrepancies.

If no discrepancies are noted during Audit Step 3 or Alternate Audit Step 3, proceed to the next step. However, if you find any questionable items or have some areas of concern, refer to “Common Problems and Solutions” and “Significant Discrepancies” at the end of this chapter.

Step 4. Confirm That Receipts from All Other Sources Have Been Properly Recorded and Deposited

By completing Audit Step 4 you should be able to determine whether non-dues money coming into your union has been properly recorded in your union’s receipts records and deposited into your union’s bank account.

- Review the receipts journal for the entire audit period. Look for the type and frequency of non-dues money coming into your union, such as proceeds from:
 - the sale of jackets, hats, and other items
 - interest or dividends earned on your union’s bank accounts
 - checks identified as loan repayments (refer to Chapter 6)
 - income from hall rentals
 - vending machine receipts or rebates
 - union-sponsored raffles

- parent body payments for conventions, strike fund assistance, or per capita tax rebates

Make sure the amounts and frequency of these entries seem appropriate.

- Select at least two months from your audit period in which non-dues receipts were recorded. Trace these receipts from the union’s receipts journal to the corresponding entries on the union’s bank statement. (You may find the bank deposit slips to be helpful if several receipts were deposited at the same time and only the total amount of deposit appears on the bank statements.)

If you find any questionable items or have some areas of concern while conducting Audit Step 4, refer to “Common Problems and Solutions” and “Significant Discrepancies” at the end of this chapter.

Optional Steps

As time allows, consider conducting one or more of the following optional steps or proceed to Audit Step 5 on page 13. Some of these optional steps may be required by your parent body.

- Reconcile total receipts entered in your union’s receipts records for the audit period with the total deposits shown on your union’s bank statements for the audit period. This will further verify the accuracy of the entries recorded in your union’s receipts records. Figure 6 on page 32 shows how to reconcile receipts.
- Review the original initiation fee records for a one or two month period. Confirm that these fees, which may be paid either through checkoff from the employer or by direct pay from the member, have been properly recorded and deposited into your union’s bank account.

(Optional Steps continued)

- Complete Alternate Step 3 on page 9 **if some, but not all** dues are collected directly from members.
- Make a list of any non-dues receipts that appear to be out of the ordinary, such as recurring receipts that cease for no apparent reason, receipts from unusual sources, receipts where no source is identified, and receipts for unusual purposes or amounts. Examine supporting documents to confirm that all such receipts have been properly recorded and deposited into your union's bank account.

This is not an exhaustive list of optional steps. Based on your union's recordkeeping system and any parent body requirements, you may choose to review other areas of receipts.

Common Problems and Solutions

As with your union's disbursements records, you may have encountered some difficulties while completing Audit Steps 3 and 4. Even the best kept receipts records may have some problem areas. Frequently encountered problems are listed below with suggestions on how to resolve them:

Problem: Bank records are not available.

Solution: Ask officers to obtain copies from the bank.

Problem: Original checkoff records are not available.

Solution: Ask officers to obtain copies from the employer.

Problem: Other original receipt records are not available.

Solution: Ask officers for an explanation.

Problem: The receipts journal entries do not match corresponding information on the bank statements or deposit slips.

Solution: Determine the reason for the discrepancy. Ask officers for an explanation, such as failure to reconcile the receipts journal with the related monthly bank statements, and, if necessary, suggest that the principal financial officers correct the records.

Problem: The entire amount of the checkoff check is not deposited into your union's primary account.

Solution: Look at the other bank accounts for deposits of the remainder of these funds. Ask officers for an explanation of the disposition of these funds.

Significant Discrepancies

As with the review of your union's disbursements records, you might have reasons to doubt the accuracy of the union's receipts records. The situations listed below may suggest that your union's financial records are unreliable or that union funds have been misused:

- Basic receipts records are not maintained.
- Serious discrepancies in the records have been detected which cannot be easily resolved.
- Missing receipts records, such as employer checkoff statements, are not produced as promised and an adequate explanation is not provided.
- Bank deposits are less than monies received for the same period.
- Undue delays occur between receipt dates and bank deposit dates.
- Cash receipts are frequently received but little or no cash is deposited into the union's bank account.
- Your union's checking account has a negative balance.

If you detect a serious problem in your union's records or a possible misuse of union funds, contact your parent body or the nearest OLMS office for assistance.

Parent Body Requirements

Note any additional audit procedures or standard audit forms relating to receipts which your parent body requires you to use:

Chapter 5: Assets

When auditing assets, keep in mind that your union not only has money in its bank accounts, which may be in the form of a checking account, a savings account, or a certificate of deposit (liquid assets), but it may also own various types of equipment, such as a computer, a photocopier, or a file cabinet (fixed assets). The value of these assets must be included and accounted for during your audit. Both liquid assets and fixed assets might be overlooked during your audit unless your union keeps accurate and reliable records. Audit Steps 5 and 6 will help you identify, account for, and determine the total value of your union's liquid and fixed assets. By completing these audit steps you will ensure that your union has an accurate, current inventory of all your union's liquid and fixed assets, which can easily be updated as the need arises.

NOTE: To complete Audit Steps 5 and 6, as well as any optional steps you may select, you will need the bank statements, receipts and disbursements journals for the audit period (or check stubs if journals are not maintained), any inventory of fixed assets prepared prior to your audit, and any forms provided by your parent body.

Step 5. Identify All Bank Accounts, Verify Their Ending Balances, and Review Withdrawals/Transfers

By completing Audit Step 5 you should be able to identify the bank accounts maintained by your union during the audit period, determine the total amount of money in these accounts, and verify that withdrawals from these accounts were used for legitimate union purposes.

- Make a list of the name, location, type of account, and account number for each of your union's bank accounts. Determine what happened to the proceeds from any union accounts closed during the audit period. Determine whether the initial deposit into any accounts opened during the audit period can be traced from one of the union's other bank accounts.

- Prepare a liquid assets inventory, as illustrated in [Figure 7](#), which shows the ending balances for each of your union's bank accounts.
- Determine that all withdrawals from your union's savings, money market, or certificate of deposit accounts during the audit period were used for legitimate union purposes as approved by your membership.

If no discrepancies are noted during Audit Step 5, proceed to the next step. However, if you find any questionable items or have some areas of concern, refer to "Common Problems and Solutions" and "Significant Discrepancies" at the end of this chapter.

Step 6. Inventory Fixed Assets

By completing Audit Step 6 you should be able to identify the fixed assets owned by your union and verify the location of these assets.

- Determine if your union prepared an inventory of fixed assets prior to your audit period and, if so, verify the existence of all items on the list. Confirm that any missing items were properly disposed of as approved by the membership. Suggest that principal financial officers add or delete items to update the inventory as appropriate.

(Step 6 continued)

- Assist the principal financial officers in creating an inventory of fixed assets if one was not previously prepared. Use **Figure 8** on page 34 as a guide and list each item; the approximate date of purchase; either the original cost, the estimated current value, or the value carried in your union's books for the asset (cost less depreciation); and the location of each asset.

If you find any questionable items or have some areas of concern while conducting Audit Step 6, refer to “Common Problems and Solutions” and “Significant Discrepancies” at the end of this chapter.

Optional Steps

As time allows, consider conducting one or more of the following optional steps or proceed to Audit Step 7 on page 16. Some of these optional steps may be required by your parent body.

- Reconcile the ending balances for each union bank account. This will establish the amount of the ending cash in banks for the audit period. **Figure 9** on page 35 shows how to calculate this amount.
- Inspect the contents of any union owned safe or safe deposit box. Determine if any assets such as certificates of deposit, stock certificates, or old passbooks are missing, or if any assets not previously identified are found. Confirm union ownership of these assets.
- Review signature cards for union bank accounts. Confirm that only current officers are signatories on your union's accounts. Suggest that principal officers have any outdated signature cards removed.

This is not an exhaustive list of optional steps. Based on your union's recordkeeping system and any parent body requirements, you may

choose to review other areas of your union's assets.

NOTE: Because small unions typically do not incur significant liabilities (debts), the 10-step audit does not address this area. However, if your union has significant liabilities such as delinquent taxes or unpaid bills, you may want to review them as time permits.

Common Problems and Solutions

You may encounter some obstacles as you inventory your union's assets. These may range from poor recordkeeping to a question on how best to record the value of an asset. Two frequently encountered problems are listed below with suggestions on how to resolve them:

Problem: Bank statements are not available.

Solution: Ask officers to obtain copies from the bank.

Problem: The entire amount of a withdrawal from the union's savings account is not deposited into your union's checking account.

Solution: Look at the other bank accounts for the deposit of the remainder of these funds. Ask officers for an explanation of what happened to these funds.

Significant Discrepancies

It is easy to lose track of a fixed asset, or sometimes even a bank account, if accurate records are not maintained. The situations listed below *may* suggest that your union's financial records are unreliable or that union funds or assets have been misused:

- A union bank account was closed or a withdrawal was made from an existing account with no indication of what happened to the money.



(Significant Discrepancies continued)

- Unexplained differences exist between a previous inventory of fixed assets and your current inventory of fixed assets, such as a missing computer or photocopier.
- Missing records, such as savings passbooks or stock certificates, are not produced as promised and an adequate explanation is not provided.

- Assets such as stocks, bonds, and bank accounts are held in the name of individuals instead of the union.

If you detect a serious problem in your union's records or a possible misuse of union funds or assets, contact your parent body or the nearest OLMS office for assistance.

Parent Body Requirements

Note any additional audit procedures or standard audit forms relating to assets which your parent body requires you to use:

Chapter 6: LMRDA Compliance

In 1959, Congress passed the Labor-Management Reporting and Disclosure Act, as amended (LMRDA). The LMRDA has at least ten provisions designed to promote the financial integrity of unions which are outlined in **Figure 10** on page 36. Four of these provisions will require special attention during the course of your audit. Essentially, they require that unions file annual financial reports with OLMS, maintain records that are sufficient to clarify or support the information shown on these reports, secure adequate bonding to provide protection against losses due to fraudulent or dishonest actions, and restrict the amounts of loans made to officers and employees. Audit Steps 7 through 10 will help you determine whether your union is complying with the LMRDA's requirements for financial reporting, recordkeeping, bonding, and loans.

Step 7. Confirm That the LM Annual Financial Report for the Latest Completed Fiscal Year Was Filed on Time

The LMRDA requires unions to submit an annual financial report (an LM report) to OLMS within 90 days after the end of their fiscal year. Unions with annual receipts more than \$200,000 must file an LM-2 report. Unions with annual receipts less than \$200,000 may file a shorter LM-3 report. Unions with annual receipts less than \$10,000 may file an abbreviated LM-4 report.

- Locate your union's LM report for the latest completed fiscal year.
- If the LM report was filed but your union did not keep a copy, contact the nearest OLMS office to obtain a copy of the report. Determine whether this report was filed on time, and if not, remind the principal financial officers that it must be filed on time in the future.
- If the LM report for the latest completed fiscal year was not filed, advise the principal financial officers to complete and submit the report to OLMS as soon as possible or contact OLMS for assistance.

Step 8. Determine Whether Financial Records Were Properly Maintained

The LMRDA requires unions to keep financial records for five years after the applicable LM reports are filed which are sufficient to clarify or verify the information shown on these reports, as explained in Figure 11 on page 37.

- Make a list of any significant financial records which you identified (during Audit Steps 1-6) that were not maintained by your union, such as employer checkoff statements, bank statements, bills, vouchers, and invoices. Advise the principal officers of your union that these records must be maintained for a period of at least five years, as required by the LMRDA.

Step 9 Ensure That All Officers and Employees Who Handle Funds Are Adequately Bonded

The LMRDA requires that all unions with property and annual receipts greater than \$5,000 secure a bond for at least 10% of the receipts and assets handled by union officers and employees during the prior fiscal year

(Step 9 continued)

to ensure against losses resulting from fraudulent or dishonest acts. If bonding is required, your union should have a bonding certificate, or other proof of bonding, which indicates the total amount recoverable if a loss of union funds occurs. Many parent bodies obtain coverage for their affiliate unions.

- Verify that your union is covered by a current bond.
- Confirm that the amount of the bonding coverage is at least 10% of the receipts and assets handled during the prior fiscal year. You may use Figure 12 on page 38 to calculate the approximate amount of coverage required by the LMRDA. If your union does not have a bond or the bond coverage is not adequate, you should suggest that the principal financial officer contact your parent body for assistance. In addition, OLMS can provide the names of companies on the U.S. Treasury

Parent Body Requirements

Note any additional audit procedures or standard audit forms relating to financial reporting, recordkeeping, bonding, and loans which your parent body requires you to use:

Department list of approved bonding companies.

Step 10 Confirm That No Officers or Employees Were Loaned More than \$2,000 by Your Union

The LMRDA places certain restrictions on the type and amount of loans that can be made by a union. The law provides that loans made to a union officer or union employee may not exceed \$2,000 in total indebtedness at any time, and all loans must be reported on the appropriate LM report. Your parent organization may also have restrictions or prohibitions regarding loans.

- Verify that any loans made by your union to officers and employees did not exceed \$2,000 in total indebtedness at any time. If any loan exceeded this amount, advise the principal officers that this is prohibited by the LMRDA and appropriate repayments should be sought.

Chapter 7: Wrapping Up

By now you have spent a lot of time and energy examining your union's books and records to complete your 10-step audit. Your fellow members and your parent body will be very interested in what you found. But first you must review your findings, resolve any loose ends, decide how to document your work, and report your findings. In many respects, wrapping up is the most important part of your audit.

Taking Stock

Until now, you and the other Trustees may have been looking at your union's receipts, disbursements, and assets on an individual basis rather than as a group. Now you must get together to:

- Review and organize your audit materials.
- Confirm that the 10-step audit and any selected optional steps have been completed.
- Determine whether changes are needed to comply with LMRDA requirements for financial reporting, recordkeeping, bonding, and loans.
- Make a list of any internal financial control weaknesses (for example, officers signing blank checks) or "problem areas" (for example, late or incomplete payment of per capita taxes, failure to record receipts and disbursements on forms provided by the parent body, etc.) and recommendations for improvements. For further information about internal financial controls see **Figure 13** on page 39.
- Decide the best way to handle any unresolved issues.

Meeting with Principal Officers

Unless significant discrepancies have been detected in the union's records and parent

body or other assistance has been requested to help resolve these issues, you should meet with the principal financial officers of your union to discuss your preliminary findings, resolve any remaining concerns, and recommend changes to improve compliance with LMRDA requirements and adherence with sound internal financial controls and with parent body financial practices and procedures.

Reporting Your Findings

At this point, your union's members and parent body probably want to know what the general financial condition of your organization is, whether your audit disclosed any problems and, if so, how they were resolved. If your union has standard forms to document your work and report your findings to the membership, fill them out. Otherwise, you may want to review the sample audit report shown as **Figure 14** which can be modified to better suit your situation.

Completion of the 10-step audit allows you to make some broad statements about the financial books and records of your union. For example, if no significant problems for the audit period were uncovered, you can say your audit indicates:

- The union's disbursements were accurately reflected in the records and made for legitimate purposes.



(Reporting Your Findings continued)

- The union’s receipts were accurately reflected in the records and deposited to your union’s bank accounts.
- The union’s assets were properly accounted for.
- The union appears to be complying with the LMRDA’s provisions for financial reporting, recordkeeping, bonding, and loans.
- The union appears to be using good internal financial controls to safeguard its assets.
- The union appears to be complying with the financial practices and procedures of your parent body.

Any additional findings or recommendations can be incorporated in your report as shown in **Figure 14** on pages 40 and 41. If the 10-step audit has verified the accuracy of your union’s books and records it should also be relatively easy to create a balance sheet like that found in this figure to report the general financial condition of your union.

Once you have decided what to say and how to say it, you should probably select a spokesperson to respond to any questions. Your audit report should then be submitted to your Executive Board, membership, and parent body, as applicable. Copies of your report could also be posted on union bulletin boards or cited in your union’s newsletter.

A Final Word from OLMS

Now that you have completed your audit, we would like to say “thanks.” In your role as a Trustee, you have helped to ensure that your union’s funds and other assets are safeguarded and expended appropriately for the benefit of your union and its members.

As a final step, you should place a copy of your audit report and all related work papers, notes, etc., in a folder for use by your union’s Trustees when the next audit is conducted. Be sure to include a copy of this publication which we hope you found helpful in fulfilling your important responsibilities as a Trustee.

- Figures -

<h1>Audit Planner</h1>	
Date Completed	Activity
	Chairperson selected. (Chapter 1)
	Constitution/bylaws and other governing documents reviewed. (Chapter 1)
	Latest audit report and LM annual financial report reviewed. (Chapter 1)
	Initial meeting with principal financial officers to make arrangements for audit held. (Chapter 1)
	Time frames for audit determined. (Chapter 1)
	Principal financial officers notified of audit starting date and records needed. (Chapter 1)
	Financial Questionnaire prepared if necessary. (Chapter 1)
	Disbursements reviewed. (Chapter 3)
	Receipts reviewed. (Chapter 4)
	Assets examined. (Chapter 5)
	Latest LM annual financial reporting confirmed. (Chapter 6)
	Recordkeeping reviewed. (Chapter 6)
	Bonding coverage confirmed. (Chapter 6)
	Loan analysis completed. (Chapter 6)
	Audit Report completed. (Chapter 7)
	Audit Report to parent body and membership submitted. (Chapter 7)

Figure 1

Letter Requesting Access to Financial Records

January 10, 2001

Treasurer Richard Roe
Factory Workers, Local 888
2210 Elm Street
West Falls, VA 21521

Dear Mr. Roe:

As you know, the Trustees plan to start our quarterly audit of Local 888's financial books and records on Saturday, January 20, 2001 at the union hall at 8:00 a.m. Please make available the latest Trustee Audit Report, the latest LM annual financial report, and the following records for the period October 1, 2000 - December 31, 2000:

- Recording Secretary's Minutes Book
- Receipts Journal
- Bank Deposit Slips
- Disbursements Journal
- Savings Account Passbook
- Certificates of Deposit
- Checking Account Bank Statements
- Cancelled Checks
- Check Stubs
- Vouchers
- Receipts
- Invoices
- Member Ledger Cards
- Dues Checkoff Statements
- Fixed Assets Inventory

If we need any additional records or information, we will let you know. Your cooperation is greatly appreciated.

Sincerely,

John Smith
Trustee

Figure 2

Financial Questionnaire

	Yes	No
1. What sources of receipts does the union have?		
Dues/initiation fees by checkoff	<input type="checkbox"/>	<input type="checkbox"/>
Dues/initiation fees paid directly by members	<input type="checkbox"/>	<input type="checkbox"/>
Member assessments (building corporation, death benefit, etc.)	<input type="checkbox"/>	<input type="checkbox"/>
Interest (savings, certificates of deposit, etc.)	<input type="checkbox"/>	<input type="checkbox"/>
Rent	<input type="checkbox"/>	<input type="checkbox"/>
Other Receipts:	<input type="checkbox"/>	<input type="checkbox"/>
2. How is this money recorded in the union's financial records?		
3. Who is responsible for making these entries in the union's financial records?		
4. What kinds of receipts records are maintained?	Yes	No
Employer Checkoff Statements	<input type="checkbox"/>	<input type="checkbox"/>
Individual Receipts	<input type="checkbox"/>	<input type="checkbox"/>
Member Ledger Cards	<input type="checkbox"/>	<input type="checkbox"/>
Receipts Journal	<input type="checkbox"/>	<input type="checkbox"/>
Deposit Slips	<input type="checkbox"/>	<input type="checkbox"/>
Check Stubs	<input type="checkbox"/>	<input type="checkbox"/>
Bank Statements	<input type="checkbox"/>	<input type="checkbox"/>
Savings Passbook	<input type="checkbox"/>	<input type="checkbox"/>
Other Receipts Records:	<input type="checkbox"/>	<input type="checkbox"/>

Figure 3

5. Where is the union’s money kept on deposit?

Type of Account	Bank	Account Number
Checking Account		
Savings Account		
Certificate of Deposit		
Money Market		
Other:		

6. Does the union have any investments such as stocks or bonds? If so, list.

7. Does the union have an inventory of fixed assets showing date of purchase and cost?

8. Does the union have a safe or safe deposit box? If so, specify location/contents.

9. Are all disbursements made by check?

10. What kinds of disbursements records are maintained?	Yes	No
Check Stubs	<input type="checkbox"/>	<input type="checkbox"/>
Cancelled Checks	<input type="checkbox"/>	<input type="checkbox"/>
Bank Statements	<input type="checkbox"/>	<input type="checkbox"/>
Savings Passbook	<input type="checkbox"/>	<input type="checkbox"/>
Savings Withdrawal Slips	<input type="checkbox"/>	<input type="checkbox"/>
Disbursements Journal	<input type="checkbox"/>	<input type="checkbox"/>
Vouchers	<input type="checkbox"/>	<input type="checkbox"/>
Payroll Records	<input type="checkbox"/>	<input type="checkbox"/>
Bills/Invoices	<input type="checkbox"/>	<input type="checkbox"/>
Other Disbursements Records:	<input type="checkbox"/>	<input type="checkbox"/>

Figure 3 (continued)

11. How are disbursements approved, made, and recorded in the union's financial records?

12. Did any special situations occur (salary increases, convention expenses, financial support from parent body, office break-in and related insurance claims, etc.) during the audit period?

Key Constitutional Provisions

Officer Duties:

Officer Entitlements:

Spending Authorization:

Other:

Figure 3 (continued)

Completed Financial Questionnaire Factory Workers Local 888

- | | Yes | No |
|--|-------------------------------------|-------------------------------------|
| 1. What sources of receipts does the union have? | | |
| Dues/initiation fees by checkoff | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Dues/initiation fees paid directly by members | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Member assessments (building corporation, death benefit, etc.) | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Interest (savings, certificates of deposit, etc.) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Rent | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Other Receipts: <i>Proceeds from 50/50 raffle at union meetings.</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

2. How is this money recorded in the union's financial records?

Individual receipts are issued for all money received except checkoffs. Copies of receipts are maintained in bound books. All receipts (including bank interest) are recorded once a week in receipts journal. At end of month all receipts deposited to checking account.

3. Who is responsible for making these entries in the union's financial records?

Treasurer Richard Roe

- | | Yes | No |
|---|-------------------------------------|-------------------------------------|
| 4. What kinds of receipts records are maintained? | | |
| Employer Checkoff Statements | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Individual Receipts | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Member Ledger Cards | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Receipts Journal | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Deposit Slips | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Check Stubs | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Bank Statements | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Savings Passbook | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Other Receipts Records: | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Figure 4

5. Where is the union's money kept on deposit?

Type of Account	Bank	Account Number
Checking Account	National City	2215607
Savings Account	National City	2215608
Certificate of Deposit	First Federal	1607126
Money Market	None	None
	Other:	None None

6. Does the union have any investments such as stocks or bonds? If so, list.

Six shares of employer stock so we get company reports.

7. Does the union have an inventory of fixed assets showing date of purchase and cost?

Yes. Copy obtained. No changes during audit period.

8. Does the union have a safe or safe deposit box? If so, specify location/contents.

No. Important papers locked in Treasurer's desk. Cash receipts also locked in Treasurer's desk until deposited.

9. Are all disbursements made by check?

Yes. We never make disbursements from undeposited cash. We do not have a petty cash fund.

10. What kinds of disbursements records are maintained?

	Yes	No
Check Stubs	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Cancelled Checks	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bank Statements	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Savings Passbook	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Savings Withdrawal Slips	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disbursements Journal	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vouchers	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Payroll Records	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bills/Invoices	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other Disbursements Records:	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Figure 4 (continued)

11. How are disbursements approved, made, and recorded in the union's financial records?

All checks are recorded sequentially in the disbursements journal and on the check stubs. President and Treasurer must sign all checks. All disbursements for month read to members for approval at monthly membership meetings. All bills/invoices kept in separate folders and marked to show check number/date paid.

12. Did any special situations occur (salary increases, convention expenses, financial support from parent body, office break-in and related insurance claims, etc.) during the audit period?

Officer salaries increased in November. See bylaw change approved by International in October. In December the International began sending per capita rebate (from surplus in their accounts). See entries in receipts journal and related correspondence kept in monthly receipts folders.

Key Constitutional Provisions

Officer Duties: *Article 40, Section 1-12 -- The President shall sign all vouchers and countersign all checks issued by Treasurer. Recording Secretary will sign all vouchers and keep minutes of meetings. Treasurer will receive all income, issue receipts, make deposits, write checks, maintain a property inventory, and prepare monthly financial report for membership meetings. The Trustees shall audit the records quarterly using forms provided by the International. They will confirm that all funds are deposited and that the financial officers are bonded. They will issue a report to the local with a copy to the International. If inaccuracies appear the General Secretary Treasurer has the authority to conduct an audit and, if necessary, schedule a hearing.*

Officer Entitlements: *Article 50, 51 -- Lost time will be paid only when official union business requires that a member forfeit salary from his employer. Travelers are entitled to reimbursement for the actual cost of lodging and transportation and a meal allowance of \$30/day. Officers are entitled to salaries specified in the local bylaws.*

Spending Authorization: *Article 46 -- All disbursements must be approved by the membership.*

Other: *Article 6, 48 -- Per capita taxes will be paid on the fifteenth of each month. The International will provide bonding coverage for all local officers and employees who handle funds.*

Figure 4 (continued)

Disbursements Reconciliation Worksheet
 Factory Workers Local 888
 Audit Period Ending 12/31/00

Month	Disbursements Per Union ⁽¹⁾	Disbursements Per Bank ⁽²⁾
October	\$2,397.22	\$2,614.82
November	2,056.19	2,731.53
December	3,199.32	2,680.32
Total	\$7,652.73	\$8,026.67
⁽³⁾ Plus Service Charges	+ 88.20	N/A
⁽⁴⁾ Less Outstanding Checks at Beginning of Audit Period	N/A	- 312.09
⁽⁵⁾ Plus Outstanding Checks at End of Audit Period	N/A	+ 526.35
⁽⁶⁾ Less Transfers	N/A	- 500.00
⁽⁷⁾ Adjusted Total	\$7,740.93	\$7,740.93

Notes

- (1) If your union maintains check stubs rather than a journal, you will have to add the amounts posted on each check stub for the month to arrive at the total monthly disbursements.
- (2) This amount will generally be shown on the first page of the monthly bank statement.
- (3) Normally, monthly service charges and fees for check printing, “bounced” checks, etc., will be included in the total disbursements per bank. If your union records do not include these charges, add the total amount for your audit period to the total “Disbursements per Union.”
- (4) Checks are considered to be outstanding when they are written during a designated period but do not clear the bank until a later period. Like service charges, an adjustment must be made for outstanding checks. To adjust for outstanding checks at the beginning of the period you will have to subtract the total amount of outstanding checks from the total “Disbursements per Bank.”
- (5) To adjust for outstanding checks at the end of the period, you will have to add the total amount of outstanding checks to the total “Disbursements per Bank.”
- (6) Funds transferred from one of your union’s accounts into another of your union’s accounts are not considered to be union disbursements and should not be included in the calculation of total disbursements. The bank statement will reflect the amount of the transfer as a disbursement. To adjust for a transfer of funds, subtract the amount of the transfer from the total “Disbursements per Bank.”
- (7) The adjusted totals posted in each column should agree. If significant discrepancies are detected, double-check the accuracy of the amounts posted in your union’s disbursements records. If you have not done so already, use an adding machine tape to confirm the totals.

Figure 5

Receipts Reconciliation Worksheet

Factory Workers Local 888
Audit Period Ending 12/31/00

Month	Receipts Per Union ⁽¹⁾	Receipts Per Bank ⁽²⁾
October	\$2,796.50	\$2,938.55
November	2,566.80	2,832.45
December	2,724.35	2,602.25
Total	\$ 8,087.65	\$8,373.25
⁽³⁾ Plus Interest	+ 37.60	N/A
⁽⁴⁾ Less Outstanding Checks at Beginning of Audit Period	N/A	- 398.00
⁽⁵⁾ Plus Outstanding Deposits at End of Audit Period	N/A	+ 650.00
⁽⁶⁾ Less Transfers	N/A	- 500.00
⁽⁷⁾ Adjusted Total	\$8,125.25	\$8,125.25

Notes

- ⁽¹⁾ If your union maintains check stubs rather than a journal, you will have to add the amounts posted as receipts on each check stub for the month to arrive at the total monthly receipts.
- ⁽²⁾ This amount will generally be shown on the first page of the monthly bank statement.
- ⁽³⁾ The bank will frequently include interest in the total receipts per bank. If your union records do not include interest, add the total amount for your audit period to the total "Receipts per Union."
- ⁽⁴⁾ Outstanding deposits (also called deposits in transit) are deposits made to the bank and entered in the union records during a designated period which do not appear on the bank statement until a subsequent period. Like interest, an adjustment must be made for outstanding deposits. To adjust for outstanding deposits at the beginning of the period, you will have to subtract the total amount of the outstanding deposits from the total "Receipts per Bank."
- ⁽⁵⁾ To adjust for outstanding deposits at the end of the period you will have to add the total amount of the outstanding deposits to the total "Receipts per Bank."
- ⁽⁶⁾ Funds transferred from one of your union's accounts into another of your union's accounts are not considered to be union receipts and should not be included in the calculation of total receipts. The bank statement will reflect the amount of the transfer as a deposit. To adjust for a transfer of funds, subtract the amount of the transfer from the total "Receipts per Bank."
- ⁽⁷⁾ The adjusted totals posted in each column should agree. If significant discrepancies are detected, double-check the accuracy of the amounts posted in your union's receipts records. If you have not done so already, use an adding machine tape to confirm the totals.

Figure 6

Liquid Assets Inventory
 Factory Workers Local 888
 Audit Period Ending 12/31/00

Calculation of Ending Cash in Banks - All Accounts

Account No. 1

Name of Account	General Fund	
Location of Account	National City	
Type of Account	Checking Account	
Account Number	2215607	
Balance per Bank Statement		\$1,378.11

Account No. 2

Name of Account	General Fund	
Location of Account	National City	
Type of Account	Savings Account	
Account Number	2215608	
Balance per Bank Statement		\$2,510.50

Account No. 3

Name of Account	General Fund	
Location of Account	First Federal	
Type of Account	Certificate of Deposit	
Account Number	1607126	
Balance per Bank Statement		\$1,500.00

Total Ending Balance		\$5388.61
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Figure 7

Fixed Assets Inventory

Factory Workers Local 888
Audit Period Ending 12/31/00

<u>Item</u>	<u>Location</u>	<u>Purchase Date</u>	<u>Cost or Current Value</u>
1. Filing Cabinet	Office	1/7/75	\$150.00
2. Typewriter	Recording Secretary's Home	8/16/95	\$250.00
3. Desk	Office	1/7/75	\$241.00
4. Chairs(4)	Office	11/5/91	<u>\$295.00</u>
5. Photocopier	Office	2/12/94	\$300.00
		Total	\$1,195.00

Note: No fixed assets were sold, donated, or otherwise disposed of during the audit period.

Figure 7

Ending Bank Balance Reconciliation Worksheet

Factory Workers Local 888
Audit Period Ending 12/31/00

General Fund Checking
National City #2215607

Ending Balance Per Bank:		\$1,378.11
Plus Outstanding Deposits:	Christmas Raffle	+ 650.00
		<u>650.00</u>
		\$2,028.11
Less Outstanding Checks:	1701	50.10
	1704	450.00
	1709	26.25
		- 526.35
		<u>526.35</u>
Adjusted Bank Balance:		\$1,501.76*

* This amount should agree with the figures shown in the union records. If significant discrepancies are detected, double-check the figures and, if necessary, seek an explanation from the principal financial officers.

Figure 9

LMRDA Requirements Relating to Union Funds

The Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA), establishes a number of requirements relating to the handling and reporting of union funds:

Reports - Unions must file annual financial reports with the Office of Labor-Management Standards (OLMS) on one of three forms depending on the reporting union's total annual receipts. Unions with \$200,000 or more in receipts and those in trusteeship must file the Form LM-2. Unions with less than \$200,000 in total annual receipts which are not in trusteeship may file the shorter Form LM-3 and unions with less than \$10,000 in total annual receipts which are not in trusteeship may file the abbreviated Form LM-4. The reports are public information and are available from OLMS for any person to examine or purchase copies.

Records - Unions must retain the records necessary to verify the annual financial reports (Form LM-2/3/4) for at least five years after the reports are filed and must permit members to examine the records for just cause.

Bonding - In unions with more than \$5,000 in property and annual receipts, officers and employees who handle union funds or property must be bonded to provide protection against losses by acts of fraud or dishonesty on their part.

Fiduciary Responsibility - Union officers have a duty to manage the funds and property of the union solely for the benefit of the union and its members in accordance with the union's constitution and bylaws.

Embezzlement - A union officer or employee who steals or otherwise misappropriates union funds or other assets commits a federal crime punishable by a fine and/or imprisonment.

Loans - A union may not have outstanding loans to any one officer or employee at any time that in total exceed \$2,000.

Fines - A union may not pay the fine of any officer or employee convicted of any willful violation of the LMRDA.

Elections - Union funds or other assets may not be used to promote the candidacy of any candidate in an election of union officers.

Trusteeships - If a union is in trusteeship, no funds of the union can be transferred to its parent body other than the normal per capita tax and assessments payable by subordinate bodies not in trusteeship.

Office Holding/Employment Prohibition - Persons convicted of certain crimes may not hold union office or employment for up to 13 years after conviction or after the end of imprisonment.

If you have any questions about the LMRDA, contact the nearest OLMS office for assistance.

Figure 10

LMRDA Recordkeeping Requirements

Section 206 of the Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA), outlines the general recordkeeping requirements for unions. The Office of Labor-Management Standards (OLMS) finds that about thirty-five percent of the unions audited by OLMS failed to maintain adequate records. The overwhelming majority of these violations were unintentional; the responsible union officials often did not understand what specific records had to be kept for the required five-year period. However, because of the wide diversity of recordkeeping systems used by international and national unions and their affiliates, it is not possible for OLMS to precisely define what records must be maintained by every union.

As a general rule, all types of records used in the normal course of doing business must be maintained by unions for five years. This includes such financial records as receipts and disbursements journals, cancelled checks and check stubs, bank statements, dues collection receipts, per capita tax reports, vendor invoices, and payroll records. OLMS has found that, for the most part, unions do maintain these types of basic financial records but often fail to keep other records which help explain or clarify financial transactions such as:

- - credit card slips and itemized receipts for each credit card charge
 - member ledger cards for former members
 - the union's copy of bank deposit slips
 - bank debit and credit memos
 - vouchers for union expenditures
 - internal union financial reports and statements
 - minutes of all membership and Executive Board meetings
 - accountant's work papers and other internal worksheets used to prepare financial statements

All types of financial records and other related records that clarify or verify financial transactions must be maintained for five years after the applicable LM reports are filed. If the principal financial officers or Trustees have any questions about recordkeeping responsibilities, the union records in question should be retained or advice from the nearest OLMS field office should be sought.

Figure 11

LMRDA Bonding Requirements

Section 502(a) of the Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA), establishes bonding requirements for certain union officers and employees. Every union covered by the LMRDA is subject to these bonding requirements except for unions whose property and annual receipts do not exceed \$5,000 in value.

Essentially the law provides that any person who “handles” union funds or property must be bonded for at least 10% of the funds handled during the union’s preceding fiscal year up to a maximum of \$500,000. An individual is considered to be “handling” funds or other property of a union if the union could suffer a loss if the individual performed his/her duties fraudulently or dishonestly. Handling funds is not limited to physical contact with money but is based on various factors. For example, a person who receives dues, fees, etc., from members clearly handles union funds. Also, however, any officer or employee who has authority to sign checks or make withdrawals from a savings account is handling union funds even if he/she has no physical contact with the funds. Individuals who typically handle funds include union officers (both elected and non-elected), employees such as business agents, trustees, key administrative and professional staff, and clerical personnel. The required bond must be obtained from a company on the U.S. Treasury Department list of approved bonding companies.

An easy way to compute the approximate amount of bonding coverage required using information from your union records or from your union’s most recently completed LM report follows:

Cash on hand and on deposit at the start of the year		\$	
Plus total receipts for the year	+		
Equals total funds handled	=		
Multiply by 10%	X		.10
Equals amount of coverage required	=	\$	

If you have any questions about the bonding requirements or their application to your union, contact the nearest OLMS office and request copies of an explanatory pamphlet, “Bonding Requirements Under the LMRDA and CSRA,” which includes a checklist to more accurately calculate the amount of coverage required by the LMRDA. Copies of the LMRDA bonding regulations, 29 CFR Part 453, are also available from OLMS.

Figure 12

Internal Financial Controls

Section 501 of the LMRDA outlines the general fiduciary responsibilities for officers and employees of unions. Union officials occupy positions of trust and therefore must ensure that the union's funds and other assets are used solely for the benefit of the union and its members. Unfortunately, if a union or other organization does not have an adequate system of internal financial controls, some individuals may use or be tempted to use some of the organization's funds for their own purposes or become careless and mix the organization's money with their own.

To prevent, or at least deter, the misuse or embezzlement of their funds, most organizations including corporations, banks, international unions, etc., establish internal controls over the handling of their finances. Adequate and effective internal controls require a separation of functions and responsibilities among a number of individuals who are actively involved in handling the union's finances and who provide a system of "checks and balances" over each other's activities. An entirely adequate system of internal controls is not always possible in small unions which employ no more than one full-time or part-time officer or employee to handle the union's financial affairs and cannot afford the services of an independent accountant. However, some effective internal controls can usually be established even in one- person operations. For example, union executive boards or other governing bodies should consider taking the following actions to safeguard union funds by requiring that:

- the union's financial officer issue pre-numbered receipts to members for all money collected from them and maintain records showing the dues payment status of each member.
- the union's financial officer make regular, frequent deposits of dues and other union funds to the union's bank account.
- the union's financial officer maintain receipts and disbursements journals (or similar records) to record all monies received and spent by the union.
- there are constitutional provisions or membership or executive board meeting authorizations for the level of salary, allowances, and expenses, if any, to which the union's officers are entitled.
- prior authorization be obtained for large or unusual financial transactions.
- signature stamps not be used on checks and that checks be signed only after they are completely filled out and the cosigner knows the purpose and legitimacy of each transaction.
- all checks drawn on the union's bank account have a second signature.
- the financial officer give a report of the union's finances at each membership or executive board meeting.
- Trustees or Audit Committees conduct periodic audits and provide reports to the membership.

Although establishment of internal financial controls will not absolutely prevent misuse or embezzlement of union funds, internal controls such as those listed above will deter most individuals from misusing union funds. Trustees and other union officers who have further questions about internal financial controls should seek the advice of their parent body or the nearest OLMS field office.

Figure 13

Completed Audit Report

Factory Workers Local 888
 Period: 10/1/00 - 12/31/00

On 2/3/01 the undersigned Trustees completed an examination of the books and records and certify that to the best of our knowledge the information in this report is true and correct:

Primary Findings

1. Disbursements were accurately reflected in the union's records and issued for legitimate purposes.
2. Receipts were accurately reflected in the union's records and deposited to the union's bank accounts.
3. Assets (cash and equipment) were properly accounted for.
4. The union appears to be complying with the Labor-Management Reporting and Disclosure Act's provisions for financial reporting, recordkeeping, bonding, and loans with the following exceptions:

Checkoff statements for the period were not initially available. Copies were obtained from the employer and the Treasurer has promised to retain future copies received.

The bank statement and cancelled checks for October 2000 were not available. Copies were obtained from the bank and placed with other records.

Original bills for the Christmas party were not retained. The Treasurer said he will tell the committee chairman to keep and turn over all Christmas party bills next year.

Our LM-3 report for fiscal year ending 12/31/99 was timely submitted to OLMS. The Treasurer is working on our LM-3 report for fiscal year ending 12/31/00 and will file it before the March 31, 2001 deadline.

Figure 14

5. The union appears to be using good internal financial controls with the following exception:

The President has been pre-signing checks. He has agreed to sign them only after they have been fully completed.

6. The union appears to be complying with the financial practices and procedures of our parent body with the following exceptions:

Per capita tax payments were usually submitted 1-2 months late. The Treasurer has promised to submit them on time in the future.

We have not been using all the forms (receipts, vouchers, journals) required by our parent body. New forms have been ordered and will be used in the future.

Financial Condition Statement

Cash Balance (Last Audit Report)	<u>\$5,004.29</u>
Plus: Total Receipts	<u>\$8,125.25</u>
Less: Total Disbursements	<u>\$7,740.93</u>
Cash Balance (This Audit Report)	<u>\$5,388.61</u>
Members at End of Period	<u>201</u>

Attachments

1. Fixed Assets Inventory
2. Ending Bank Balance Reconciliation Worksheet

Signatures

John Smith 2/8/01
Mary Brown 2/8/01
Frank Miller 2/8/01

Figure 14 (continued)

- References -

Understanding Union Financial Records

Unions receive money, deposit it into bank accounts, and spend it for a variety of reasons. The LMRDA requires that records of every union financial transaction be maintained and that summaries of these transactions be reflected on the Labor Organization Annual Report (LM-2, LM-3, or LM-4). Typical receipts, disbursements, assets, and liabilities records maintained by Factory Workers Local 888, a fictitious union, are described below.

Receipts

Unions obtain their funds chiefly from dues paid by union members. Other sources may include fees, assessments, interest, and dividends. All funds going into a union are referred to as "receipts." Receipts records generally consist of dues checkoff statements and individual dues receipts issued to members who pay their dues directly to the union. The checkoff statement which is sent by the employer along with the dues check should be retained in your union records. A typical checkoff statement and check are illustrated below:

Employee Name	Clock Number	Dues Withheld	Key
Abel, Joe	2225	\$ 37.00	1
Barnhart, Benjamin	3210	0.00	4
Charles, Jeanne	1111	37.00	1
Fleming, Marianne	5555	74.00	2
Lewis, Lynn	3333	37.00	1
Lewis, Lynn	3333	65.00	3
Roe, Richard	4444	37.00	1
Smith, Walter	6789	37.00	1
Tolliver, Susan	7890	37.00	1
Winters, Jack	7654	37.00	1
TOTAL AMOUNT OF DUES DEDUCTED		<u>\$2883.85</u>	

KEY: 1=1 month dues 2=2 months dues 3=initiation fee 4=sick leave or vacation/no dues deducted

Johnson Controls, Inc. A Division of Marc Industries 1234 Industry Parkway East Falls, VA 21524	12-35/000	No. 122387 DATE <u>July 8, 2000</u>
PAY TO THE ORDER OF <u>Factory Workers Local 888</u>		<u>\$2883.85</u>
<u>Twenty Eight Hundred Eighty-Three and 85 Cents</u>		
George Wilson Bank And Trust Olde Towne Branch West Falls, VA 21521		<u>Marc Johnson</u> <u>Samuel Johnson</u>
<u>June 2000 Dues Payment</u> 17235498 01306723-264 122387		

In this **checkoff statement** you will notice that dues were not deducted for Benjamin Barnhart for the month of June. He must pay his dues directly to the union's Treasurer.

DISBURSEMENTS JOURNAL										
Check	Date	Payee	Amount	Net Salary	Gross Salary	Per Check	Rest	Supplies	Phone	Tax with.
1606	7/20/00	AT&T	25.00							
1607	7/20/00	Walter Smith	118.27	134.00					25.56	15.73
1608	7/13/00	Fidelity - Savings	300.00							300.00
1609	7/13/00	AT&T-CO	300.00							
1610	7/20/00	Walt Union	1475.00				1475.00			
1611	7/13/00	Johnson Company	25.00						23.84	
1612	7/13/00	Office Max	224.47						20.56	200.00
Totals				1182.27	1175.00	150.00	22.64		20.56	500.00

All cancelled checks will be reflected on your monthly bank statements. These statements will generally identify the check numbers and the amounts of the checks which were charged against your union's account during the month. In the following illustration, check number 1607 to Walter Smith for \$118.27 was negotiated and charged against the union's account on July 14, 2000. The voucher (and any attached documents), check stub, disbursements journal, and cancelled check all explain (or support) the disbursements shown on these bank statements. Many unions require that all disbursements be approved by their members. In these instances, the membership meeting minutes may provide further details regarding the purpose of these disbursements.

National City Bank		Factory Workers Local 888		CHECKING ACCOUNT 6000210607	
West Falls, VA 21521		2210 Elm Street West Falls, VA 21521		Beginning Date July 1, 2000	
				Ending Date July 20, 2000	
				Beginning Balance \$1,238.70	
				Total Deposits \$2,228.70	
				Total Checks \$2,171.26	
				Ending Balance \$2,296.14	

Transact/Check	Date	Debit Amount	Credit Amount	Check Number
Check 1605	June 29, 2000	\$ 2.13		
Check 1606	July 6, 2000	\$ 25.00		
Deposit	July 13, 2000		\$2,805.86	
Check 1607	July 14, 2000	\$ 118.27		
Check 1608	July 13, 2000	\$ 300.00		
Check 1609	July 13, 2000	\$ 300.00		
Check 1610	July 20, 2000	\$ 1,475.00		
Check 1611	July 20, 2000	\$ 25.00		
Check 1612	July 21, 2000	\$ 224.47		
Local Memo	July 21, 2000		\$ 7.85	

Assets

Unions retain both liquid (cash, or easily convertible to cash) and fixed (furniture, computers, etc.) assets. The assets of most concern in an audit are liquid assets, which most often are in the form of checking and savings accounts, certificates of deposit, cash, and sometimes stock in the employer company. An illustration of a passbook savings account follows:

Factory Workers Local 888		PASSBOOK SAVINGS	
2210 Elm Street West Falls, VA 21521		ACCOUNT #2015608 NATIONAL CITY BANK	
Date	Withdrawal	Deposit	Interest
11/29/99		\$ 100.00	\$ 700.83
12/15/99		\$ 100.00	\$ 620.83
12/31/99			\$ 603.83
01/15/00		\$ 100.00	\$ 538.22
02/15/00		\$ 100.00	\$ 473.22
03/15/00		\$ 100.00	\$ 408.22
04/15/00		\$ 100.00	\$ 343.22
05/15/00		\$ 100.00	\$ 278.24
06/15/00		\$ 100.00	\$ 213.24
07/15/00		\$ 100.00	\$ 148.25

A statement savings account may also be maintained. Periodic statements (monthly, quarterly or semi-annually) will be sent from the bank and reflect the transactions during the period.

Another common form of savings for a union is a certificate of deposit (CD). Unlike a passbook savings account, the money in the CD cannot be easily withdrawn for a designated time period without payment of a penalty. Interest is paid by the bank on the CD and may be deposited to the union's checking or savings account or deposited into the certificate. These terms should be specified on the CD or clarified with your union officers. In the illustration below, the certificate of deposit specifies that the interest on this CD will be applied to the CD when it matures on August 6, 2001.

Factory Workers Local 888		CERTIFICATE OF DEPOSIT	
2210 Elm Street West Falls, VA 21521		08/01 - FEBRUARY 6, 2001	
		has deposited the amount of \$1,500.00	
is a certificate of deposit account with First Federal. The term of this account is twelve months with a maturity date of August 6, 2001. This account will automatically renew at maturity. The interest rate for this account is a fixed rate and the maturity date.			
A fixed rate interest of 5.40% with an annual percentage yield of 5.71% will be computed using a daily rate of 1/365 of the annual rate for each day. Interest will be compounded daily.			
This certificate is NON-NEGOTIABLE AND NON-TRANSFERABLE. The minimum opening deposit for this account is \$1,000.00.			
Date: 7/20/00 By: [Signature]		07 88-1027108 ACCOUNT NUMBER	

Some unions own stock for investment purposes or buy stock in the company that employs their members so they can get financial statements about their employer. The stock certificate will generally identify the number of shares of stock held by the union. In the illustration below, Factory Workers Local 888 is the owner of six shares of stock in Johnson Controls Incorporated.

FACTORY WORKERS LOCAL 888		JOHNSON CONTROLS, INC.	
2210 Elm Street West Falls, VA 21521		C/OFP 618621 10 1	
This is to certify that FACTORY WORKERS LOCAL 888 is the owner of six shares of stock in Johnson Controls, Inc.			
The shares are owned by the Factory Workers Local 888 and are not to be sold, transferred, or otherwise disposed of without the approval of the Union. This certificate is non-negotiable and non-transferable. The minimum opening deposit for this account is \$1,000.00.			
Date: July 21, 2000		Chairman of the Board	

Unions also retain fixed assets like buildings, automobiles, computer equipment, and furniture. In addition to inventories of fixed assets showing their original cost, estimated current value, or book value, unions should also retain various documents showing ownership of these assets, such as

property deeds, mortgage payment statements, car titles, and equipment warranties. These documents should be kept in a secure place, such as a safe deposit box at the union's bank.

Liabilities

Any bill owed by a union but not yet paid is considered to be a liability. Liabilities might include an electric bill which has not been paid, taxes payable to the IRS, mortgage payments, or any other financial obligation. Another example of a liability would be per capita taxes owed to your parent body. In the monthly per capita tax report shown below, Factory Workers Local 888 is submitting a late payment (in September 2000) for its June 2000 per capita taxes.

MONTHLY PER CAPITA TAX REPORT FACTORY WORKERS LOCAL 888 MONTH - June - 20 00			
	Number of Members	Amount of Per Capita Owed by Each Member	Total
Regular Month Dues	72	@\$17.00	\$1,224.00
Initiation Fees	3	@\$32.00	\$ 96.00
Refined Member Dues	1	@\$10.00	\$ 10.00
Adjustments	0	@ 0	\$ 0
TOTAL			\$1,330.00
 TREASURER, Local 888		September 15, 2000 Date	

Some parent bodies require that their affiliates use prescribed forms to record their receipts, disbursements, assets, and liabilities. If you have any questions concerning the types of records which are required by your parent body, you should review your constitution or contact your parent body for assistance.

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Union Financial Definitions

A

accounting - A system of recording and conveying information about an individual or organization in financial terms.

asset - Anything of value owned by the union such as cash, furniture, etc.

audit - A systematic examination of financial books and records involving analyses, tests, and confirmations to determine their accuracy, completeness, and compliance with established standards.

authorization - An established process in which purchases and/or other disbursements are approved by union officers or members.

B

bank balance - The amount of money in a bank account on a particular date as recorded by the financial institution on bank statements.

bank statement - A statement sent by the bank to a checking account customer, such as a union, showing deposits, checks cleared, service charges, interest earned, and ending balances for a specified period, usually one month.

bond - Insurance protecting an organization, such as a union, against financial loss through fraud or dishonesty.

book balance - The amount of money in a bank account on a particular date as recorded by the union in its financial records.

book value - The amount shown in the union's records for a particular asset, normally the cost of the asset less accumulated depreciation.

C

cancelled check - An original check which has cleared through the bank.

cash - Money, negotiable checks, certificates of deposit, and balances in savings and checking accounts.

cash reconciliation - A comparison of the union's account balances with the records of the bank (bank statement), listing differences to bring the balances into agreement.

certificate of deposit - A certificate from a bank stating that a customer, such as a union, has a specified sum on deposit which will earn a specific rate of interest for a specific period of time.
 checkoff - The authorized withholding of dues, fees, or other assessments from union members' wages by an employer for transmittal to the union.

check stub - The part of a check or receipt retained as a record of payment.

credit memo - An internal memorandum used by banks to increase the fund balance in an account containing a brief explanation of why the account was increased. A duplicate copy of the memorandum is forwarded to the customer with the regular bank statement.

D

debit memo - An internal memorandum used by banks to decrease the fund balance in an account containing a brief explanation of why the account was decreased. A duplicate copy of the memorandum is forwarded to the customer with the regular bank statement.

deposit slip - A bank document prepared by the account holder, such as a union, that reflects the amount deposited into an account.

depreciation - A systematic process by which the original cost of a long term asset, such as a building, is reduced and carried on the union's books at a lesser figure. (See book value)

direct pay - Payments of dues or other fees made directly to the union by members by cash or check (as opposed to payments received indirectly through a checkoff arrangement with the employer).

disbursements - Money paid out by the union.

disbursements journal - A chronological list of all union payments made in which the date, check number, amount, payee, and purpose are recorded.

disbursements reconciliation - A comparison of the union's disbursement records with the records of the bank (bank statements), listing differences to bring the balances into agreement.

dues - A periodic payment to a union by members which establishes them as members in good standing. The amount is generally included in the bylaws and constitution and is approved by a secret ballot vote of the membership.

E

endorser - One to whom ownership of a negotiable document, such as a check, is transferred by endorsement.

endorsement - Signature appearing on the back of a union check as evidence of the legal transfer of ownership, especially in return for cash or credit indicated on its face.

F

fiduciary duty - The requirement in law that union officers hold and manage union funds only for legitimate union purposes.

financial officer - The union's constitutional officer whose responsibilities include the handling of union receipts, disbursements, and assets.

financial records - All records relating to the receipt, management, and disbursement of union funds. These include, but are not limited to, receipts records, minutes of meetings in which financial decisions are made, bank statements, expense vouchers, cancelled checks, debit memoranda, receipts and disbursements journals, etc.

fixed assets - Those assets acquired for use by the union with no intention of selling them until their usefulness is diminished, such as land, buildings, office equipment, furniture, etc.

I

interest - Money earned on union bank accounts or investments or the charge or cost for using money, frequently expressed as a rate per period, usually one year, called the interest rate.

invoice - A detailed list of goods purchased by a union or services rendered to a union with an account of all costs.

L

liability - An obligation or a debt.

liquid asset - Cash, or assets that can be easily converted to cash, such as savings accounts and certificates of deposit.

lost time - Time spent by an individual, away from his/her regular job, on union business.

lost time payment - Reimbursement for wages lost while conducting union business.

M

member ledger cards - Individual collection records for union members which contain all of the pertinent information concerning a member's dues, fees, and assessment payments to the union.

N

negotiate - To transfer ownership of a financial instrument (like a check) to another (such as a bank) in return for a thing of value (usually cash).

non-sufficient funds (NSF) - A situation where the balance in an account is not sufficient to cover the amount of checks written on the account. Such checks are commonly referred to as "bounced" checks.

O

outstanding checks - Checks written by the union which have not yet been deducted from the union's checking account balance by the bank.

outstanding deposits - Deposits that have been recorded by a union but have not yet been received (and recorded) by the bank. Also called "deposits in transit."

P

payee - A person to whom money is paid.

per capita tax - A per member assessment, usually by a parent body, that unions must remit periodically.

R

receipt - A document which the union provides to confirm that money has been collected or which a vendor provides to confirm that goods or services have been provided to the union.

receipts - Can refer to documents cited above or money received by a union.

receipts journal - A chronological listing of union receipts including the date, amount, source, and purpose of each receipt.

receipts reconciliation - A comparison of the union's receipts records with the records of the bank (bank statement), listing differences to bring the balances into agreement.

reconcile - A method of calculating the correct amount of cash in a bank account by taking the opening balance of the account, adding any receipts, deducting any disbursements (not including outstanding checks), and comparing the result with the bank statement ending balance.

S

signatory - The individual authorized by the union to sign checks.

signature cards - Cards signed at the bank, for a specific account, with the signatures of those authorized to make transactions on the account.

supporting documents - Checkoff lists, bills, invoices, and other documents maintained by the union to verify the accuracy of the entries made in the union records and deposits and withdrawals made on the union's accounts.

T

trace - To follow a receipt of a payment (to the union) to an entry in the union's receipts journal and then from these entries to a related deposit slip and corresponding entry on the union's bank statement; or to follow a union disbursement from authorization of expenditure through the invoice, bill, check stub or other record into the union's disbursements journal and then from the journal to the related cancelled check and corresponding entry on the union's bank statement.

transfer of funds - The movement of cash between accounts held by the union. Such transactions do not represent receipts or disbursements, as the union neither receives nor disburses cash.

V

void check - A union check made invalid because of a mistake made in its preparation.

voucher - A union claim form for reimbursement of expenses, mileage, lost time, etc., which documents the date, amount, and purpose of the payment owed to the preparer of the voucher.

W

withdrawal slip - Bank document prepared by the account holder, such as a union, that reflects the amount withdrawn from an account.

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Checklist for Conducting Audits in Small Unions

This checklist has been developed by the Office of Labor-Management Standards (OLMS) to help Trustees and other persons with financial responsibilities in small unions (annual receipts less than \$50,000) audit the financial records of their unions and ensure compliance with certain requirements of the Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA). This checklist features a 10-step audit that concentrates on reviewing key financial areas and is specifically designed to save time, yet still provide for a meaningful, systematic review of financial books and records. The 10-step audit is not a “traditional” audit but rather a limited, focused review that was developed for Trustees from small unions with little or no financial training or experience. It is modeled after techniques successfully used by OLMS. The 10-step audit should help Trustees carry out their primary responsibility to ensure that union funds and other assets are properly accounted for and used solely for the benefit of their union and its members.

Planning

- Meet with the other Trustees or audit officials to discuss general responsibilities, assign duties, and select a team leader.
- Review any forms, manuals, and handbooks created by your parent body which outline your duties and responsibilities, including any required standard audit report forms. Also review your union’s constitution and bylaws, especially those provisions dealing with dues rates, officer salaries and expenses, lost time policies, officer duties, and spending approval procedures.
- Obtain and review your union’s most recent audit report and LM-3 or LM-4 annual financial report.
- Meet with the principal financial officers of your union to seek their cooperation and support. Find out if any special situations occurred (salary increases, convention, supplemental financial support from parent body, office break-in and related insurance claims, etc.) during the audit period.
- Determine the person you should deal with to obtain access to necessary financial records and explanations on how these records are maintained.
- Select an audit period, develop a general timetable for completion of your work, and confirm that all necessary financial records (including Executive Board and membership meeting minutes) will be available.
- Contact your union’s parent body or one of the OLMS offices listed on the last page of this pamphlet if questions arise about any phase of your audit.

10-Step Audit

Disbursements – Steps 1 & 2

- Trace cancelled checks to the bank statements and disbursements journal. Locate all cancelled checks for at least two months in your audit period and confirm that the amounts of each check match the amounts for the corresponding entries on your union’s bank statements. Compare these checks with the corresponding entries in the disbursements journal. Confirm that the payee, date, and purpose are properly recorded in the disbursements journal.

- Scan the disbursements journal and record unusual entries.

Examine your union's disbursements journal for the entire audit period and make a list of any disbursements that appear to be unusual or out of the ordinary. Review the supporting bills, vouchers, invoices, and membership meeting minutes for all of these disbursements and confirm that they were made for legitimate union purposes, as approved by the membership.

Receipts – Steps 3 & 4

- Trace employer dues checkoffs to the receipts journal and bank statements.

Locate all checkoff statements for the period and confirm that each checkoff check is recorded in your union's receipts journal. Select at least two months and confirm that the amounts recorded in the receipts journal match corresponding entries on your union's bank statements. Alternatively, if all dues are received directly from members, conduct similar procedures to make sure that this dues money was properly recorded and deposited.

- Confirm that receipts from all other sources have been properly recorded and deposited.

Locate all original receipts for at least two months and confirm that all non-dues checkoff income (interest, rent, refunds) cited on these records matches corresponding entries in the receipts journal. Trace these entries from the journal to corresponding entries on your union's bank statements.

Assets – Steps 5 & 6

- Identify all bank accounts, verify their ending balances, and review withdrawals/ transfers.

Locate all bank statements for the audit period. If any bank accounts were closed during the period find out what happened to the proceeds from these accounts. Make a list of all active bank accounts at the end of your audit period. Record the ending balances for each bank account as shown on your union's bank statements. Add together these figures to calculate the total liquid assets at the end of the audit period. Determine that all withdrawals during the audit period from savings accounts, money market accounts, or certificates of deposit were used for legitimate union purposes, as approved by the membership.

- Inventory fixed assets.

Prepare an updated inventory of your union's fixed assets such as a computer, a photocopier, or a filing cabinet by determining whether any assets previously held were disposed of during the audit period and whether any assets were acquired during the audit period. Create a list showing all fixed assets at the end of the audit period; either their original cost, estimated current value, or value as carried in your union's books; and their location.

While completing Steps 1 - 6 you may well encounter difficulties understanding your union's records or the necessary records to complete the steps may not be immediately available. If this occurs, you should talk to the principal financial officers to resolve these concerns. However, you may also encounter significant problem areas such as altered checks, falsified records, missing assets, or a possible misuse of funds. If this occurs, you should contact your parent body or the nearest OLMS office for assistance.

LMRDA Compliance – Steps 7 – 10

- Confirm that the LM annual financial report for the latest completed fiscal year was filed on time.

Locate your union's LM-3 or LM-4 annual financial report for the latest completed fiscal year and confirm that it was filed on time (within 90 days after the end of your union's fiscal year) with OLMS. If not, advise the principal financial officers to complete and submit it to OLMS as soon as possible.

- Determine whether financial records were properly maintained.

Verify that the records maintained by your union are sufficient to clarify or verify the information shown on your union's LM-3 or LM-4 annual financial reports. If not, advise the principal financial officers that these records must be maintained for at least 5 years after these reports are filed.

Ensure that all officers and employees who handle funds are adequately bonded.

Confirm that all officers or employees (in unions with property and annual receipts greater than \$5,000) who handle funds are bonded for at least 10% of the funds handled during the previous year to ensure against losses due to fraudulent or dishonest acts. If not, suggest that the principal financial officer contact your parent body or OLMS for assistance.

Confirm that no officers or employees were loaned more than \$2,000 by your union.

Determine whether your union made any loans to its officers or employees during the audit period or had any such loans outstanding during the audit period. If any loan exceeded \$2,000 at any time, advise the principal financial officers that this is prohibited by the LMRDA and that appropriate repayments should be sought.

Audit Report

Meet with the other Trustees to discuss the overall findings, to confirm that all audit steps have been completed, and to determine whether any unresolved issues remain.

Develop recommendations for improving compliance with the LMRDA's provisions for financial reporting, recordkeeping, bonding, and loans, and adherence with sound internal financial controls and parent body financial practices and procedures.

Meet with the principal financial officers of your organization to discuss your findings, resolve any remaining concerns, and request consideration for your recommendations.

Prepare an audit report which includes summary information about the completion of the 10-step audit, a brief statement of the financial condition of your union, and any related issues or recommendations.

Present the audit report to your Executive Board and membership, as appropriate, and respond to any questions.

Submit your audit report to your union's parent body, if required.

Office of Labor-Management Standards Field Offices

Atlanta, GA	Dallas, TX	Kansas City, MO	New Orleans, LA	San Francisco, CA
Birmingham, AL	Denver, CO	Los Angeles, CA	New York, NY	Seattle, WA
Boston, MA	Detroit, MI	Miami, FL	Newark, NJ	Tampa, FL
Buffalo, NY	Grand Rapids, MI	Milwaukee, WI	Philadelphia, PA	Washington, DC
Chicago, IL	Guaynabo, PR	Minneapolis, MN	Phoenix, AZ	
Cincinnati, OH	Honolulu, HI	Nashville, TN	Pittsburgh, PA	
Cleveland, OH	Houston, TX	New Haven, CT	St. Louis, MO	

For the address and telephone number of our field offices, please consult local telephone directory listings under United States Government, Labor Department, Office of Labor-Management Standards, or view our online organizational listing at <http://www.dol.gov/olms/contacts/lmskeyp.htm>.

Audit Committee Checklist

Ref	Source Documents	Review For
<input type="checkbox"/>	A Checking, Savings, and Investment Accounts	Ensure reconciliations are performed on a regular basis. For most bank accounts this should be monthly; however, some savings and investment account statements are only available quarterly. Therefore, those statements should be reconciled quarterly.
<input type="checkbox"/>	B Cancelled Checks	Ensure that all cancelled or voided checks are accounted for.
<input type="checkbox"/>	C Cash Receipts	Scan amounts recorded as cash receipts. Look for unusual or missing transactions. For instance, if the affiliate receives dues directly from members, the monthly deposits for these dues should be relatively consistent.
<input type="checkbox"/>	D Cash Disbursements	In addition to reviewing select transactions for proper supporting documentation, review the disbursements for unusual amounts.
<input type="checkbox"/>	E Dues Deduction Listings	Review the listing for unusual trends and if the affiliate is not on the AFGE tape process, reconcile the listing totals to the checking account.
<input type="checkbox"/>	F Tape Reports	For those Locals on the AFGE tape process, select a few of the tape reports and trace the refunded amounts to the Local's checking account.
<input type="checkbox"/>	G Local Constitution & Bylaws	All AFGE affiliates are required to attach any changes to their organizing documents to the annual LM filing with the DOL. These documents should also be attached to the Form 41 filing with the National Secretary-Treasurer.
<input type="checkbox"/>	H Meeting Minutes	Review the minutes of membership and E-board meetings for impact on the affiliate's finances. For instance, if the minutes reflect an increase in the dues structure, follow through to ensure the increase was implemented.
<input type="checkbox"/>	I Previous LM Reports	Review the last couple years LM reports filed with the DOL. Look for unusual increases or decreases in reported revenue and expenses. Scan the detail reports for possible related party transactions with attorneys or other professionals.
<input type="checkbox"/>	J IRS 990 Reports	Like the LM reports, compare prior year reports for unexpected trends
<input type="checkbox"/>	K IRS 1099s	Evaluate the 1099s from prior years and compare to the current year.
<input type="checkbox"/>	L Budgets	Track the selected disbursements to ensure they are valid budgeted expenditures. Also, compare the actual financial category totals to the approved budgeted categories.
<input type="checkbox"/>	M Prior Audit Committee Reports	Review prior year's audit reports for open issues to determine if corrective action, if necessary, was taken.
<input type="checkbox"/>	N Prior Form 41s	Review the past few AFGE Form 41s filed with the National Office for information to include on the current year form.
<input type="checkbox"/>	O Current Roster	Scan the current Local roster for duplicate members and calculate an approximate dues amount to compare to the actual dues collected for a pay period. The numbers won't be exact, but they should be in the ball park.
<input type="checkbox"/>	P Fixed Asset Inventory (If applicable)	Check the policy for tracking the Local or Council's fixed assets. These are items such as computers, printers, phones, and pads, etc. Users should return these items to the Local when their term is completed.
<input type="checkbox"/>	Q Payroll Tax Reports (if applicable)	If the Local or Council has employees, check to ensure the payroll reports have been filed.

Appendix G - AFGE Form 41 Sample Annual Audit

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES
 Affiliated with the AFL-CIO
 80 F St NW, Washington, DC 20001-1583

ANNUAL AUDIT CERTIFICATION

Date prepared 01/15/2025

1. AFGE Local or Council No. L9998. The fiscal year covered by the attached LM-2, LM-3 or LM-4, and annual budget is from 01/01/2025 to 12/31/2025.

2. Name(s) and address(es) of all banks or credit unions in which the Local or Council has checking accounts, and the number of each account (list each account separately.): (Attach a separate sheet if additional space is needed)

Wells Fargo Bank, N.A. 1100 Sanders St., NW Washington, DC 20001 Checking account #: 34343334-123		
--	--	--

3. Name(s) and address(es) of all banks, savings institutions, or credit unions in which the Local or Council has savings accounts, and the number of each account (list each account separately), as well as the amount and number of every certificate of deposit or other financial/investment instrument: (Attach a separate sheet if additional space is needed)

Wells Fargo Bank, N.A. 1100 Sanders St., NW Washington, DC 20001 Savings account #: 11211212-123	Wells Fargo Bank, N.A. 1100 Sanders St., NW Washington, DC 20001 CD account #: 9998989999	
---	--	--

4. Current number of members (as of the close of the fiscal year): 350

5. Total monies handled during the past fiscal year (total of all cash balances at the beginning of the fiscal year, including checking and savings accounts balances, and investments, plus all monies received during the fiscal year): \$241,150.00

6. Amount of bond carried by the Local or Council: \$100,000.00

7. The undersigned members of the Audit Committee of AFGE Local or Council L9998 (or accountant of an auditing firm if employed to complete this audit) hereby certify that they have reconciled the balances in all checking and savings accounts with the Local or Council records and have verified that the expenditures of the Local or Council conformed with the approved annual budget. They also certify that they have verified that the minutes of Local or Council meetings provide authorization for ALL expenditures not contained in the approved annual budget.

8. The undersigned members of the Audit Committee of AFGE Local or Council L9998 (or accountant of an auditing firm if employed to complete this audit) hereby certify that they have examined the books of the Local or Council, for the period shown above and on the attached LM-2, LM-3 or LM-4 and annual budget, and have satisfied themselves that financial and other information contained therein is true and correct to the best of their ability.

<u>John Doe</u>	<u>1/15/2025</u>
<u>Jane Smith</u>	<u>1/15/2025</u>
<u>Sandra Wilkins</u>	<u>1/15/2025</u>

If prepared by accountants outside of the Local or Council, they should so identify themselves, provide a telephone number for contact purposes, and certify that they are the persons involved in the auditing of the books of the Local or Council.

This form must be accompanied by a LM-2, LM-3 or LM-4, and an annual budget and be submitted to the National Secretary-Treasurer within 90 days of the close of the fiscal year.

**PROVIDE ONE COPY TO NATIONAL SECRETARY-TREASURER, ONE COPY TO NATIONAL VICE PRESIDENT,
 AND ONE COPY TO LOCAL OR COUNCIL FILE.**

5/10/2016

DOL Form Report (Disclosure)

[Return](#)

FORM LM-2 LABOR ORGANIZATION ANNUAL REPORT

Form Approved
Office of Management and Budget
No. 1245-0003
Expires: 08-31-2016

U.S. Department of Labor
Office of Labor-Management Standards
Washington, DC 20210

MUST BE USED BY LABOR ORGANIZATIONS WITH \$250,000 OR MORE IN TOTAL ANNUAL RECEIPTS AND LABOR ORGANIZATIONS IN TRUSTEESHIP

This report is mandatory under P.L. 86-257, as amended. Failure to comply may result in criminal prosecution, fines, or civil penalties as provided by 29 U.S.C. 439 or 440.

READ THE INSTRUCTIONS CAREFULLY BEFORE PREPARING THIS REPORT.

1. FILE NUMBER [REDACTED]	2. PERIOD COVERED From 01/01/2015 Through 12/31/2015	3. (a) AMENDED - Is this an amended report: No (b) HARDSHIP - Filed under the hardship procedures: No (c) TERMINAL - This is a terminal report: No
4. AFFILIATION OR ORGANIZATION NAME GOVERNMENT EMPLOYEES AFGE AFL-CIO		
5. DESIGNATION (Local, Lodge, etc.) LOCAL UNION		
6. DESIGNATION NBR [REDACTED]		
7. UNIT NAME (if any) [REDACTED]		
8. MAILING ADDRESS (Type or print in capital letters) First Name [REDACTED] Last Name [REDACTED] P.O. Box - Building and Room Number [REDACTED] Number and Street [REDACTED] City [REDACTED] State [REDACTED] ZIP Code + 4 [REDACTED]		
9. Are your organization's records kept at its mailing address? No		

Each of the undersigned, duly authorized officers of the above labor organization, declares, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned individual's knowledge and belief, true, correct and complete (See Section V on penalties in the instructions.)

70. SIGNED: [REDACTED] Telephone Number: [REDACTED] PRESIDENT
 Date: Mar 29, 2016 [REDACTED] telephone Number: [REDACTED] TREASURER
 Form LM-2 (Revised 2010)

ITEMS 10 THROUGH 21

10. During the reporting period did the labor organization create or participate in the administration of a trust or a fund or organization, as defined in the instructions, which provides benefits for members or beneficiaries? No

11(a). During the reporting period did the labor organization have a political action committee (PAC) fund? No

11(b). During the reporting period did the labor organization have a subsidiary organization as defined in Section X of these Instructions? No

12. During the reporting period did the labor organization have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative? Yes

20. How many members did the labor organization have at the end of the reporting period? FILE NUMBER: [REDACTED] 1,175

21. What are the labor organization's rates of dues and fees?

Dues/Fees	Rates of Dues and Fees	
	Amount	Unit
(a) Regular Dues/Fees	22per	biweekly
(b) Working Dues/Fees	0per	0
(c) Initiation Fees	0per	0
(d) Transfer Fees	0per	0
(e) Work Permits	0per	0

DOL Form Report (Disclosure)

5/10/2016

13. During the reporting period did the labor organization discover any loss or shortage of funds or other assets? (Answer "Yes" even if there has been repayment or recovery.) No

14. What is the maximum amount recoverable under the labor organization's fidelity bond for a loss caused by any officer, employee or agent of the labor organization who handled union funds? \$17,500

15. During the reporting period did the labor organization acquire or dispose of any assets in a manner other than purchase or sale? No

16. Were any of the labor organization's assets pledged as security or encumbered in any way at the end of the reporting period? No

17. Did the labor organization have any contingent liabilities at the end of the reporting period? No

18. During the reporting period did the labor organization have any changes in its constitution or bylaws, other than rates of dues and fees, or in practices/procedures listed in the instructions? No

19. What is the date of the labor organization's next regular election of officers? 10/2018

Form LM-2 (Revised 2010)

FILE NUMBER: [REDACTED]

STATEMENT A - ASSETS AND LIABILITIES

ASSETS

ASSETS	Schedule Number	Start of Reporting Period (A)	End of Reporting Period (B)
22. Cash		\$120,879	\$141,812
23. Accounts Receivable	1	\$0	\$0
24. Loans Receivable	2	\$0	\$0
25. U.S. Treasury Securities		\$0	\$0
26. Investments	5	\$0	\$0
27. Fixed Assets	6	\$22,891	\$22,891
28. Other Assets	7	\$0	\$0
29. TOTAL ASSETS		\$143,770	\$164,703

LIABILITIES

LIABILITIES	Schedule Number	Start of Reporting Period (A)	End of Reporting Period (B)
30. Accounts Payable	8	\$0	\$0
31. Loans Payable	9	\$0	\$0
32. Mortgages Payable		\$0	\$0
33. Other Liabilities	10	\$0	\$0
34. TOTAL LIABILITIES		\$0	\$0

35. NET ASSETS		\$143,770	\$164,703
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Form LM-2 (Revised 2010)

<https://olms.dol-esa.gov/query/orgReport.do>

5/10/2016

DOL Form Report (Disclosure)

STATEMENT B - RECEIPTS AND DISBURSEMENTS

FILE NUMBER: [REDACTED]

CASH RECEIPTS	SCH	AMOUNT	CASH DISBURSEMENTS	SCH	AMOUNT
36. Dues and Agency Fees		\$539,048	50. Representational Activities	15	\$33,666
37. Per Capita Tax		\$0	51. Political Activities and Lobbying	16	\$0
38. Fees, Fines, Assessments, Work Permits		\$0	52. Contributions, Gifts, and Grants	17	\$2,500
39. Sale of Supplies		\$0	53. General Overhead	18	\$90,466
40. Interest		\$0	54. Union Administration	19	\$149,330
41. Dividends		\$0	55. Benefits	20	\$242,153
42. Rents		\$0	56. Per Capita Tax		\$0
43. Sale of Investments and Fixed Assets	3	\$0	57. Strike Benefits		\$0
44. Loans Obtained	9	\$0	58. Fees, Fines, Assessments, etc.		\$0
45. Repayments of Loans Made	2	\$0	59. Supplies for Resale		\$0
46. On Behalf of Affiliates for Transmittal to Them		\$0	60. Purchase of Investments and Fixed Assets	4	\$0
47. From Members for Disbursement on Their Behalf		\$0	61. Loans Made	2	\$0
48. Other Receipts	14	\$0	62. Repayment of Loans Obtained	9	\$0
49. TOTAL RECEIPTS		\$539,048	63. To Affiliates of Funds Collected on Their Behalf		\$0
			64. On Behalf of Individual Members		\$0
			65. Direct Taxes		\$0
			66. Subtotal		\$518,115
			67. Withholding Taxes and Payroll Deductions		
			67a. Total Withheld		\$0
			67b. Less Total Disbursed		\$0
			67c. Total Withheld But Not Disbursed		
			68. TOTAL DISBURSEMENTS		\$518,115

Form LM-2 (Revised 2010)

SCHEDULE 1 - ACCOUNTS RECEIVABLE AGING SCHEDULE

FILE NUMBER: [REDACTED]

Entity or Individual Name (A)	Total Account Receivable (B)	90-180 Days Past Due (C)	180+ Days Past Due (D)	Liquidated Account Receivable (E)
N/A	\$0	\$0	\$0	\$0
Total of all itemized accounts receivable	\$0	\$0	\$0	\$0
Totals from all other accounts receivable	\$0	\$0	\$0	\$0
Totals (Total of Column (B) will be automatically entered in Item 23, Column(B))	\$0	\$0	\$0	\$0

Form LM-2 (Revised 2010)

SCHEDULE 2 - LOANS RECEIVABLE

FILE NUMBER: [REDACTED]

List below loans to officers, employees, or members which at any time during the reporting period exceeded \$250 and list all loans to business enterprises regardless of amount. (A)	Loans Outstanding at Start of Period (B)	Loans Made During Period (C)	Repayments Received During Period		Loans Outstanding at End of Period (E)
			Cash (D)(1)	Other Than Cash (D)(2)	
Name: N/A					
Purpose: N/A	\$0	\$0	\$0	\$0	\$0
Security: N/A					
Terms of Repayment: N/A	\$0	\$0	\$0	\$0	\$0
Total of loans not listed above	\$0	\$0	\$0	\$0	\$0
Total of all lines above	Item 24	Item 61	Item 45	Item 69	Item 24

<https://dlms.dol-esa.gov/query/orgReport.do>

DOL Form Report (Disclosure)

5/10/2016

Totals will be automatically entered in...	Column (A)	with Explanation	Column (B)
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Form LM-2 (Revised 2010)

SCHEDULE 3 - SALE OF INVESTMENTS AND FIXED ASSETS

FILE NUMBER: [REDACTED]

Description (if land or buildings give location) (A)	Cost (B)	Book Value (C)	Gross Sales Price (D)	Amount Received (E)
N/A	\$0	\$0	\$0	\$0
Total of all lines above	\$0	\$0	\$0	\$0
Less Reinvestments				
(The total from Net Sales Line will be automatically entered in Item 43.)				
Net Sales				
Total				
\$0				

Form LM-2 (Revised 2010)

SCHEDULE 4 - PURCHASE OF INVESTMENTS AND FIXED ASSETS

FILE NUMBER: [REDACTED]

Description (if land or buildings, give location) (A)	Cost (B)	Book Value (C)	Cash Paid (D)
N/A	\$0	\$0	\$0
Total of all lines above	\$0	\$0	\$0
Less Reinvestments			
(The total from Net Purchases Line will be automatically entered in Item 60.)			
Net Purchases			
Total			
\$0			

Form LM-2 (Revised 2010)

SCHEDULE 5 - INVESTMENTS

FILE NUMBER: [REDACTED]

Description (A)	Amount (B)
Marketable Securities	
A. Total Cost	\$0
B. Total Book Value	\$0
C. List each marketable security which has a book value over \$5,000 and exceeds 5% of Line B.	
N/A	\$0
Other Investments	
D. Total Cost	\$0
E. Total Book Value	\$0
F. List each other investment which has a book value over \$5,000 and exceeds 5% of Line E. Also, list each subsidiary for which separate reports are attached.	
N/A	\$0
G. Total of Lines B and E (Total will be automatically entered in Item 26, Column(B))	
Total	
\$0	

SCHEDULE 6 - FIXED ASSETS

FILE NUMBER: [REDACTED]

Description (A)	Cost or Other Basis (B)	Total Depreciation or Amount Expensed (C)	Book Value (D)	Value (E)
A. Land (give location)				
Land 1 : N/A	\$0		\$0	\$0
B. Buildings (give location)				
Building 1 : N/A	\$0		\$0	\$0
C. Automobiles and Other Vehicles				
	\$0		\$0	\$0

https://olms.dol-esa.gov/query/orgReport.do

5/10/2016

DOL Form Report (Disclosure)

D. Office Furniture and Equipment	\$22,891	\$0	\$22,891	\$0	\$22,891
E. Other Fixed Assets	\$0	\$0	\$0	\$0	\$0
F. Totals of Lines A through E (Column(D) Total will be automatically entered in Item 27, Column(B))	\$22,891	\$0	\$22,891	\$0	\$22,891

Form LM-2 (Revised 2003)

SCHEDULE 7 - OTHER ASSETS

FILE NUMBER: [REDACTED]

Description (A)	Book Value (B)
N/A	\$0
Total (Total will be automatically entered in Item 28, Column(B))	\$0

Form LM-2 (Revised 2010)

SCHEDULE 8 - ACCOUNTS PAYABLE AGING SCHEDULE

FILE NUMBER: [REDACTED]

Entity or Individual Name (A)	Total Account Payable (B)	90-180 Days Past Due (C)	180+ Days Past Due (D)	Liquidated Account Payable (E)
N/A	\$0	\$0	\$0	\$0
Total for all itemized accounts payable	\$0	\$0	\$0	\$0
Total from all other accounts payable	\$0	\$0	\$0	\$0
Totals (Total for Column(B) will be automatically entered in Item 30, Column(D))	\$0	\$0	\$0	\$0

Form LM-2 (Revised 2010)

SCHEDULE 9 - LOANS PAYABLE

FILE NUMBER: [REDACTED]

Source of Loans Payable at Any Time During the Reporting Period (A)	Loans Owed at Start of Period (B)	Loans Obtained During Period (C)	Repayment During Period Cash (D)(1)	Repayment During Period Other Than Cash (D)(2)	Loans Owed at End of Period (E)
N/A	\$0	\$0	\$0	\$0	\$0
Total Loans Payable	\$0	\$0	\$0	\$0	\$0
Totals will be automatically entered in...	Item 31 Column (C)	Item 44	Item 62	Item 69 with Explanation	Item 31 Column (D)

Form LM-2 (Revised 2010)

SCHEDULE 10 - OTHER LIABILITIES

FILE NUMBER: [REDACTED]

Description (A)	Amount at End of Period (B)
N/A	\$0
Total Other Liabilities (Total will be automatically entered in Item 33, Column(D))	\$0

Form LM-2 (Revised 2010)

SCHEDULE 11 - ALL OFFICERS AND DISBURSEMENTS TO OFFICERS

FILE NUMBER: [REDACTED]

(A) Name	(B) Title	(C) Status	(D) Gross Salary Disbursements (before any deductions)	(E) Allowances Disbursed	(F) Disbursements for Official Business	(G) Other Disbursements not reported in (D) through (F)	(H) TOTAL
A [REDACTED]			\$0	\$5,400	\$1,706	\$0	\$7,106
B PRESIDENT							

https://dlms.dol-esa.gov/query/orgReport.do

DOL Form Report (Disclosure)

5/10/2016

C	C	Schedule 15 Representational Activities	Schedule 16 Political Activities and Lobbying	Schedule 17 Contributions	Schedule 18 General Overhead	Schedule 19 Administration		
I		20 %		0 %		30 %	50 %	
A	SECRETARY			\$0	\$779	\$0	\$2,579	
B				\$1,800				
C								
I		20 %		0 %		30 %	50 %	
A				\$0	\$500	\$0	\$2,300	
B	SECRETARY/TREASURER			\$1,800				
C								
I		0 %		0 %		50 %	50 %	
A				\$0	\$1,293	\$0	\$2,643	
B	SECRETARY/TREASURER			\$1,350				
C								
I		0 %		0 %		50 %	50 %	
A				\$0	\$4,278	\$0	\$14,628	
B				\$10,350				
C								
Total Officer Disbursements							\$0	\$14,628
Less Deductions								\$0
Net Disbursements								\$14,628
Form LM-2 (Revised 2010)								

FILE NUMBER: [REDACTED]

SCHEDULE 12 - DISBURSEMENTS TO EMPLOYEES

I	Schedule 15 Representational Activities	Schedule 16 Political Activities and Lobbying	Schedule 17 Contributions	Schedule 18 General Overhead	Schedule 19 Administration
Total Employee Disbursements	\$0	\$0	\$0	\$0	\$0
Less Deductions					
Net Disbursements					\$0
Form LM-2 (Revised 2010)					

FILE NUMBER: [REDACTED]

SCHEDULE 13 - MEMBERSHIP STATUS

Category of Membership (A)	Number (B)	Voting Eligibility (C)
PART-TIME ACTIVE PCT	19	Yes
ACTIVE REGULAR PCT	1,147	Yes
RETIRED PCT	9	Yes
Members (Total of all lines above)	1,175	
Agency Fee Payers*	0	
Total Members/Fee Payers	1,175	
*Agency Fee Payers are not considered members of the labor organization.		
Form LM-2 (Revised 2010)		

FILE NUMBER: [REDACTED]

DETAILED SUMMARY PAGE - SCHEDULES 14 THROUGH 19

SCHEDULE 14 OTHER RECEIPTS	
1. Named Payer Itemized Receipts	\$0
2. Named Payer Non-itemized Receipts	\$0

SCHEDULE 17 CONTRIBUTIONS, GIFTS & GRANTS	
1. Named Payee Itemized Disbursements	\$0
2. Named Payee Non-itemized Disbursements	\$0

DOL Form Report (Disclosure)

5/10/2016

3. To Officers	\$0
4. To Employees	\$0
5. All Other Disbursements	\$2,500
6. Total Disbursements	\$2,500

SCHEDULE 18 GENERAL OVERHEAD	
1. Named Payee Itemized Disbursements	\$27,679
2. Named Payee Non-itemized Disbursements	\$7,194
3. To Officers	\$5,378
4. To Employees	\$0
5. All Other Disbursements	\$50,215
6. Total Disbursements	\$90,466

SCHEDULE 19 UNION ADMINISTRATION	
1. Named Payee Itemized Disbursements	\$12,418
2. Named Payee Non-itemized Disbursements	\$65,333
3. To Officers	\$7,315
4. To Employees	\$0
5. All Other Disbursements	\$64,264
6. Total Disbursements	\$149,330

3. All Other Receipts	\$0
4. Total Receipts	\$0

SCHEDULE 15 REPRESENTATIONAL ACTIVITIES	
1. Named Payee Itemized Disbursements	\$5,840
2. Named Payee Non-itemized Disbursements	\$25,889
3. To Officers	\$1,937
4. To Employees	\$0
5. All Other Disbursements	\$0
6. Total Disbursements	\$33,666

SCHEDULE 16 POLITICAL ACTIVITIES AND LOBBYING	
1. Named Payee Itemized Disbursements	\$0
2. Named Payee Non-itemized Disbursements	\$0
3. To Officers	\$0
4. To Employees	\$0
5. All Other Disbursements	\$0
6. Total Disbursement	\$0

Form LM-2 (Revised 2010)

SCHEDULE 14 - OTHER RECEIPTS

FILE NUMBER: [REDACTED]

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
Total Itemized Transactions with this Payee/Payer			
Total Non-Itemized Transactions with this Payee/Payer			
Total of All Transactions with this Payee/Payer for This Schedule			
-1			\$0

Form LM-2 (Revised 2010)

SCHEDULE 15 - REPRESENTATIONAL ACTIVITIES

FILE NUMBER: [REDACTED]

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
[REDACTED]	RETAINER/LEGAL	02/04/2015	\$5,840
[REDACTED]			\$5,840
[REDACTED]			\$25,889
[REDACTED]			\$31,729
Total Itemized Transactions with this Payee/Payer			
Total Non-Itemized Transactions with this Payee/Payer			
Total of All Transactions with this Payee/Payer for This Schedule			
LEGAL			

Form LM-2 (Revised 2010)

SCHEDULE 16 - POLITICAL ACTIVITIES AND LOBBYING

FILE NUMBER: [REDACTED]

There was no data found for this schedule.

SCHEDULE 17 - CONTRIBUTIONS, GIFTS & GRANTS

FILE NUMBER: [REDACTED]

DOL Form Report (Disclosure)

5/10/2016

There was no data found for this schedule.

SCHEDULE 18 - GENERAL OVERHEAD

FILE NUMBER: [REDACTED]

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
[REDACTED]			
[REDACTED]			
[REDACTED]			
Total Itemized Transactions with this Payee/Payer \$7,194			
Total Non-Itemized Transactions with this Payee/Payer \$7,194			
Total of All Transactions with this Payee/Payer for This Schedule			
COMPUTER SERVICE			
Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
[REDACTED]			
[REDACTED]		11/19/2015	\$10,685
[REDACTED]		12/10/2015	\$16,994
Total Itemized Transactions with this Payee/Payer \$27,679			
Total Non-Itemized Transactions with this Payee/Payer \$0			
Total of All Transactions with this Payee/Payer for This Schedule \$27,679			
CATERING/FOOD SERVICE Form LM-2 (Revised 2010)			

SCHEDULE 19 - UNION ADMINISTRATION

FILE NUMBER: [REDACTED]

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
[REDACTED]			
[REDACTED]			
[REDACTED]		08/13/2015	\$7,418
Total Itemized Transactions with this Payee/Payer \$7,418			
Total Non-Itemized Transactions with this Payee/Payer \$7,333			
Total of All Transactions with this Payee/Payer for This Schedule \$14,751			
REGISTRATION FEES			
Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
[REDACTED]			
[REDACTED]		03/23/2015	\$5,000
Total Itemized Transactions with this Payee/Payer \$5,000			
Total Non-Itemized Transactions with this Payee/Payer \$58,000			
Total of All Transactions with this Payee/Payer for This Schedule \$63,000			
NEW MEMBER INCENTIVES Form LM-2 (Revised 2010)			

SCHEDULE 20 - BENEFITS

FILE NUMBER: [REDACTED]

https://olms.dol-esa.gov/query/orgReport.do

DOL Form Report (Disclosure)

5/10/2016

Description (A)	To Whom Paid (B)	Amount (C)
Total of all lines above (Total will be automatically entered in Item 55.) Form LM-2 (Revised 2010)		

FILE NUMBER: [REDACTED]

69 - ADDITIONAL INFORMATION SUMMARY
 Address of Record: [REDACTED]
 Question 12: Review completed by [REDACTED]
 Schedule 13, Row3: RETIRED PCT - PAY FULL DUES.
 Schedule 13, Row1: PART TIME ACTIVE PCT - 30 HOURS OR LESS. PAY FULL DUES.
 Schedule 13, Row2: ACTIVE REGULAR PCT - GREATER THAN 30 HOURS. PAY FULL DUES.
 Form LM-2 (Revised 2010)

5/10/2016

DOL Form Report (Disclosure)

[Return](#)

FORM LM-3 LABOR ORGANIZATION ANNUAL REPORT

Form Approved
Office of Management and Budget
No. 1245-0003
Expires: 08-31-2016

U.S. Department of Labor
Office of Labor-Management Standards
Washington, DC 20210

FOR USE ONLY BY LABOR ORGANIZATIONS WITH LESS THAN \$250,000 IN TOTAL ANNUAL RECEIPTS

This report is mandatory under P.L. 86-257, as amended. Failure to comply may result in criminal prosecution, fines, or civil penalties as provided by 29 U.S.C. 439 or 440.

READ THE INSTRUCTIONS CAREFULLY BEFORE PREPARING THIS REPORT.

For Official Use Only	1. FILE NUMBER [REDACTED]	2. PERIOD COVERED From 01/01/2015 Through 12/31/2015	3. (a) AMENDED - Is this an amended report: (b) TERMINAL - Is this a terminal report: No No
4. AFFILIATION OR ORGANIZATION NAME GOVERNMENT EMPLOYEES AFGE AFL-CIO			
5. DESIGNATION (Local, Lodge, etc.) LEADERSHIP COUNCIL		6. DESIGNATION NBR [REDACTED]	
7. UNIT NAME (if any) [REDACTED]			
8. MAILING ADDRESS (Type or print in capital letters)			
First Name [REDACTED]		Last Name [REDACTED]	
P.O. Box - Building and Room Number			
Number and Street [REDACTED]			
City [REDACTED]			
State [REDACTED]		ZIP Code + 4 [REDACTED]	
9. Are your organization's records kept at its mailing address? No			

Each of the undersigned, duly authorized officers of the above labor organization, declares, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned individual's knowledge and belief, true, correct and complete (See Section V on penalties in the instructions.)

26. SIGNED: [REDACTED] in [REDACTED] Date: Apr 05, 2016
PRESIDENT [REDACTED] CONTACT INFO: [REDACTED]
TREASURER [REDACTED] CONTACT INFO: [REDACTED]

Form LM-3 (Revised 2010)

19. How many members did your organization have at the end of the reporting period? 822
FILE NUMBER: [REDACTED]

20. What is the maximum amount recoverable under your organization's fidelity bond for a loss caused by any officer or employee of your organization? \$35,000

21. During the reporting period, did your organization have any changes in its constitution or bylaws (other than rates of dues and fees) or in practices/procedures listed in the instructions? No

22. What is the date of the labor organization's next regular election of officers? 08/2016

During the Reporting Period Did Your Organization:
10. Have a "subsidiary organization" as defined in Section X of the instructions? No
11. Create or participate in the administration of a trust or other fund or organization which provides benefits for members or their beneficiaries? No

5/10/2016

DOL Form Report (Disclosure)

23. What are the labor organization's rates of dues and fees?

	Rates of Dues and Fees				
	Dues/Fees	Amount	Unit	Minimum	Maximum
(a) Regular Dues/Fees	0per	0per	1	3.36	3.36
(b) Initiation Fees	0per	0per	0	0	0
(c) Transfer Fees	0per	0per	0	0	0
(d) Work Permits	0per	0per	0	0	0

No
No
No
No
No
No
No

- 12. Have a Political Action Committee (PAC) fund?
- 13. Acquire or dispose of any goods or property in any manner other than purchase or sale?
- 14. Have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative?
- 15. Discover any loss or shortage of funds or other property? (Answer "Yes" even if there has been repayment or recovery.)
- 16. Have any officer who was paid \$10,000 or more by your organization and also received \$10,000 or more as an officer or employee of another labor organization or of an employee benefit plan?
- 17. Pay any employee salary, allowances, and other expenses which, together with any payments from affiliates, totaled more than \$10,000?
- 18. Have loans totaling more than \$250 to any officer, employee, or member, or make any loans to a business enterprise?

Form LM-3 (Revised 2010)

24. ALL OFFICERS AND DISBURSEMENTS TO OFFICERS

FILE NUMBER: [REDACTED]

(A) Name (List all persons who held office during the reporting period even if they received no salary or other disbursements)	(B) Title (Enter title of officer, such as PRESIDENT or TREASURER)	(C) Status *	Gross Salary (before taxes and other deductions) (D)	Allowances and Other Disbursements (E)	TOTAL (F)
[REDACTED]	President	C	\$0	\$1,257	\$1,257
[REDACTED]	1st Vice President	C	\$0	\$1,965	\$1,965
[REDACTED]	2nd Vice President	C	\$0	\$1,408	\$1,408
[REDACTED]	Treasurer	C	\$0	\$674	\$674
[REDACTED]	Secretary	C	\$0	\$810	\$810
Total Disbursements to Officers and Employees			\$0	\$6,114	\$6,114
				Less Deductions	\$0
				Net Disbursements	\$6,114
			(If any officer was not elected at a regular election in accordance with your organization's constitution and bylaws, explain in Item 56.)		
The Total from Net Disbursements will be entered in Item 45					\$6,114

** Code (C) Status: past officer - P; continuing officer - C; new officer during the reporting period - N.
Form LM-3 (Revised 2004)

STATEMENT A - ASSETS AND LIABILITIES

FILE NUMBER: [REDACTED]

ASSETS	Start of Reporting Period (A)	End of Reporting Period (B)	LIABILITIES	Start of Reporting Period (C)	End of Reporting Period (D)
25. Cash	\$89,395	\$115,198	32. Accounts Payable	\$0	\$0
26. Loans Receivable	\$0	\$0	33. Loans Payable	\$0	\$0
27. U.S. Treasury Securities	\$0	\$0	34. Mortgages Payable	\$0	\$0
28. Investments	\$0	\$0	35. Other Liabilities	\$0	\$0
29. Fixed Assets	\$0	\$0	36. TOTAL LIABILITIES	\$0	\$0

<https://dms.dol-esa.gov/query/orgReport.do>

DOL Form Report (Disclosure)

5/10/2016

30. Other Assets	\$0	\$0	
29. TOTAL ASSETS	\$115,198	\$89,395	\$115,198
37. NET ASSETS			\$89,395

STATEMENT B - RECEIPTS AND DISBURSEMENTS

CASH RECEIPTS	AMOUNT	CASH DISBURSEMENTS	AMOUNT
38. Dues	\$68,504	45. To Officers (from item 24)	\$6,114
39. Per Capita Tax	\$0	46. To Employees (less deductions)	\$0
40. Fees, Fines, Assessments, Work Permits	\$0	47. Per Capita Tax	\$0
41. Interest and Dividends	\$49	48. Office and Administrative Expense	\$16
42. Sale of Investments and Fixed Assets	\$0	49. Professional Fees	\$0
43. Other Receipts	\$5,391	50. Benefits	\$0
44. TOTAL RECEIPTS	\$73,944	51. Contributions, Gifts, and Grants	\$0
If total receipts reported in Item 44 are \$250,000 or more, your organization must file Form LM-2 instead of this form.			
		52. Purchase of Investments and Fixed Assets	\$0
		53. Loans Made	\$0
		54. Other Disbursements	\$42,011
		55. TOTAL DISBURSEMENTS	\$48,141

Form LM-3 (Revised 2004)

56. ADDITIONAL INFORMATION SUMMARY

Address of Record: [REDACTED]

Form LM-3 (Revised 2004)

FILE NUMBER: [REDACTED]

5/10/2016

DOL Form Report (Disclosure)

[Return](#)

FORM LM-4 LABOR ORGANIZATION ANNUAL REPORT

Office of Management and Budget
No. 1245-0003
Expires: 08-31-2016

U.S. Department of Labor
Office of Labor-Management Standards
Washington, DC 20210

FOR USE ONLY BY LABOR ORGANIZATIONS WITH LESS THAN \$10,000 IN TOTAL ANNUAL RECEIPTS

This report is mandatory under P.L. 86-257, as amended. Failure to comply may result in criminal prosecution, fines, or civil penalties as provided by 29 U.S.C. 439 or 440.

READ THE INSTRUCTIONS CAREFULLY BEFORE PREPARING THIS REPORT.

For Official Use Only	1. FILE NUMBER 503-606	2. PERIOD COVERED From 01/01/2015 Through 12/31/2015	3. (a) AMENDED - Is this an amended report: (b) TERMINAL - Is this a terminal report: No No
4. AFFILIATION OR ORGANIZATION NAME GOVERNMENT EMPLOYEES AFGE AFL-CIO			
5. DESIGNATION (Local, Lodge, etc.) LOCAL UNION		6. DESIGNATION NBR	
7. UNIT NAME (if any)			
8. MAILING ADDRESS (Type or print in capital letters)			
First Name		Last Name	
P.O. Box - Building and Room Number			
Number and Street			
City			
State		ZIP Code + 4	

Each of the undersigned, duly authorized officers of the above labor organization, declares, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned individual's knowledge and belief, true, correct and complete (See Section V on penalties in the instructions.)

26. SIGNED: [Redacted] Date: Mar 25, 2016
PRESIDENT [Redacted] Date: Mar 25, 2016
Contact Info: [Redacted] Contact Info: [Redacted] TREASURER [Redacted]

Form LM-4 (Revised 2000)

ITEMS 9 THROUGH 18

9. During the reporting period, did your organization have any changes in its constitution and bylaws (other than rates of dues and fees) or in practices/procedures listed in the instructions? (If the constitution and bylaws have changed, attach two new dated copies. If practices/procedures have changed, see instructions.)	No	14. Enter the total value of your organizations assets at the end of the period (cash, bank accounts, equipment, etc.).	\$7,607
10. Did your organization change its rates of dues and fees during the reporting period? (If "Yes," report the new rates in Item 19 on page 1.)	No	15. Enter the total liabilities (debts) of your organization at the end of the period (unpaid bills, loans owed, etc.).	\$0
		16. Enter the total receipts of your organization during the reporting period (dues, fees, interest received, etc.). (If \$10,000 or more, your organization must file Form LM-2 or LM-3 instead of this form.)	\$675

<https://olms.dol-esa.gov/query/orgReport.do>

5/10/2016

- 11. Did your organization discover any loss or shortage of funds or property during the reporting period? (If "Yes," provide details in Item 19. Answer "Yes" even if there has been repayment or recovery.)
- 12. Was your organization insured by a fidelity bond during the reporting period? If "Yes," enter the maximum amount recoverable under the bond for loss caused by any person.
- 13. How many members did your organization have at the end of the reporting period?

Form LM-4 (Revised 2000)

19. ADDITIONAL INFORMATION SUMMARY

Form LM-4 (Revised 2000)

FILE NUMBER

██████████

DOL Form Report (Disclosure)

- No 17. Enter the total disbursements made by your organization during the reporting period (per capita tax, loans made, net payment to officers, payments for office supplies, etc.).
- No 18. Enter the total payments to officers and employees made by your organization during the reporting period (gross salaries, lost time payments, allowances, expenses, etc.).

\$2,343

\$1,785

Form **990**

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2015

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.
Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2015 calendar year, or tax year beginning January 01, 2015, and ending December 31, 2015

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization American Federation of Government Employees
 Doing business as _____
 Number and street (or P.O. box if mail is not delivered to street address) _____ Room/suite _____
 City or town, state or province, country, and ZIP or foreign postal code _____

D Employer identification number _____
E Telephone number _____
G Gross receipts \$ _____

F Name and address of principal officer Sandra Renee _____

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list (see instructions)

I Tax-exempt status 501(c)(3) 501(c) () * (insert no) 4947(a)(1) or 527

J Website: _____ **H(c)** Group exemption number 0194

K Form of organization Corporation Trust Association Other UNION **L** Year of formation _____ **M** State of legal domicile _____

Part I Summary

1 Briefly describe the organization's mission or most significant activities: Fair and equal treatment for employees and to represent our members to the best of our ability.

2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets.

3 Number of voting members of the governing body (Part VI, line 1a) 3 821

4 Number of independent voting members of the governing body (Part VI, line 1b) 4 0

5 Total number of individuals employed in calendar year 2015 (Part V, line 2a) 5 0

6 Total number of volunteers (estimate if necessary) 6 8

7a Total unrelated business revenue from Part VIII, column (C), line 12 7a 0

7b Net unrelated business taxable income from Form 990-T, line 34 7b 0

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	277,484	290,284
9 Program service revenue (Part VIII, line 2g)	0	0
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	57	0
11 Other revenue (Part VIII, column (A), lines 5, 6, 8c, 9, 10, and 11e)	0	0
12 Total revenue—add lines 8 through 11 (must equal Part VII, column (C), line 12)	277,541	290,284
13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	
14 Benefits paid to or for members (Part IX, column (A), line 4)	0	
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	19,485	20,670
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b Total fundraising expenses (Part IX, column (D), line 25) ▶		
17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	238,326	280,033
18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	257,720	299,803
19 Revenue less expenses. Subtract line 18 from line 12	19,821	-9,519

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	287,841	279,290
21 Total liabilities (Part X, line 26)	0	0
22 Net assets or fund balances. Subtract line 21 from line 20	287,841	279,290

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer _____
 Type or print name and title _____

Paid Preparer Use Only

Print/Type preparer's name _____ Preparer's signature _____
 Firm's name _____
 Firm's address _____

May the IRS discuss this return with the preparer shown above? (see instructions) _____

For Paperwork Reduction Act Notice, see the separate instructions.

SCANNED MAY 2 2016

SAMPLE
IRS FORM 990

Received LB 010
APR 21 2015

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:

N/A

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ including grants of \$) (Revenue \$)

N/A

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

N/A

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

N/A

4d Other program services (Describe in Schedule O.)
(Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4e Total program service expenses ▶ 0

SAMPLE
IRS FORM 990

Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		✓
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?		✓
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		✓
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		✓
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		✓
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		✓
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		✓
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		✓
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		✓
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V		✓
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a	✓
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	✓
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11c	✓
d	Did the organization report an amount for other assets in Part X, line 14 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	✓
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	✓
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	✓
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	✓
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	✓
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	✓
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	✓
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	✓
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	✓
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	✓
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	✓
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	✓
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	✓

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		✓
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		✓
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		✓
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		✓
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		✓
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		✓
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		✓
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		✓
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		✓
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		✓
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		✓
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		✓
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		✓
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		✓
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		✓
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		✓
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		✓
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		✓
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		✓
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		✓
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		✓
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		✓
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		✓
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		✓
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		✓
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		✓
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	✓	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		<input checked="" type="checkbox"/>
3b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		<input checked="" type="checkbox"/>
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		<input checked="" type="checkbox"/>
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		<input checked="" type="checkbox"/>
5c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		<input checked="" type="checkbox"/>
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 70(c).		
7a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		<input checked="" type="checkbox"/>
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		<input checked="" type="checkbox"/>
d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		<input checked="" type="checkbox"/>
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		<input checked="" type="checkbox"/>
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		<input checked="" type="checkbox"/>
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		<input checked="" type="checkbox"/>
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		<input checked="" type="checkbox"/>
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the sponsoring organization make any taxable distributions under section 4966?		<input checked="" type="checkbox"/>
9b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		<input checked="" type="checkbox"/>
10	Section 501(c)(7) organizations. Enter:		
10a	Initiation fees and capital contributions included on Part VIII, line 12	0	
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11a	Gross income from members or shareholders	0	
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		<input checked="" type="checkbox"/>
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		<input checked="" type="checkbox"/>
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
13b	Enter the amount of reserves on hand	0	
13c		0	
14a	Did the organization receive any payments for indoor tanning services during the tax year?		<input checked="" type="checkbox"/>
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year 1a 821 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
b	Enter the number of voting members included in line 1a, above, who are independent 1b 0		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? 2		<input checked="" type="checkbox"/>
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? 3		<input checked="" type="checkbox"/>
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 4		<input checked="" type="checkbox"/>
5	Did the organization become aware during the year of a significant diversion of the organization's assets? 5		<input checked="" type="checkbox"/>
6	Did the organization have members or stockholders? 6		<input checked="" type="checkbox"/>
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? 7a		<input checked="" type="checkbox"/>
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? 7b	<input checked="" type="checkbox"/>	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body? 8a		<input checked="" type="checkbox"/>
b	Each committee with authority to act on behalf of the governing body? 8b		<input checked="" type="checkbox"/>
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O 9		<input checked="" type="checkbox"/>

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates? 10a		<input checked="" type="checkbox"/>
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? 10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11a		<input checked="" type="checkbox"/>
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13 12a		<input checked="" type="checkbox"/>
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12b		
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done 12c		
13	Did the organization have a written whistleblower policy? 13		<input checked="" type="checkbox"/>
14	Did the organization have a written document retention and destruction policy? 14		<input checked="" type="checkbox"/>
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official 15a		<input checked="" type="checkbox"/>
b	Other officers or key employees of the organization 15b		<input checked="" type="checkbox"/>
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16a		<input checked="" type="checkbox"/>
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? 16b		

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ▶ Washington
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records: ▶
 Eva Murchison, Secretary-Treasurer, 2313 164th St E, Tacoma, WA 98445

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) [REDACTED]	40			✓			0	0	0	
(2) [REDACTED]	40			✓			600	0	0	
(3) [REDACTED]	30			✓			3,300	0	0	
(4) [REDACTED]	30			✓			6,000	0	0	
(5) [REDACTED]	30			✓			250	0	0	
(6) [REDACTED]	25			✓			800	0	0	
(7) [REDACTED]	15			✓			900	900	0	
(8) [REDACTED]	5			✓			900	0	0	
(9) [REDACTED]	3			✓			380	0	0	
(10) [REDACTED]	3			✓			380	0	0	
(11) [REDACTED]	3			✓			300	0	0	
(12)										
(13)										
(14)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Sub-total							19,770	900	0	
c Total from continuation sheets to Part VII, Section A.							0	0	0	
d Total (add lines 1b and 1c)							19,770	900	0	

SAMPLE
IRS FORM 990

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		✓
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		✓
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		✓

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
N/A		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶

0

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a 0				
	b Membership dues	1b 290,284				
	c Fundraising events	1c 0				
	d Related organizations	1d 0				
	e Government grants (contributions)	1e 0				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 0				
	g Noncash contributions included in lines 1a-1f \$	0				
	h Total. Add lines 1a-1f	▶ 290,284				
Program Service Revenue	Business Code					
	2a	0	0			
	b	0	0			
	c	0	0			
	d	0	0			
	e	0	0			
	f All other program service revenue .	0	0			
g Total. Add lines 2a-2f	▶ 0					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)	▶ 0				
	4 Income from investment of tax-exempt bond proceeds ▶	0				
	5 Royalties	0				
	6a Gross rents	(i) Real	0			
		(ii) Personal services	0			
		b Less: rental expenses	0	0		
		c Rental income or (loss)	0	0		
	d Net rental income or (loss)	0	0			
	7a Gross amount from sales of assets other than inventory	(i) Securities	0	0		
		(ii) Other	0	0		
		b Less: cost or other basis and sales expenses	0	0		
		c Gain or (loss)	0	0		
	d Net gain or (loss)	▶ 0				
	8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a	0			
b Less: direct expenses		b 0				
c Net income or (loss) from fundraising events . . ▶		0				
9a Gross income from gaming activities. See Part IV, line 19	a	0				
	b Less: direct expenses	b 0				
	c Net income or (loss) from gaming activities . . ▶	0				
10a Gross sales of inventory, less returns and allowances	a	0				
	b Less: cost of goods sold	b 0				
	c Net income or (loss) from sales of inventory . . ▶	0				
Miscellaneous Revenue		Business Code				
11a		0	0			
	b	0	0			
	c	0	0			
	d All other revenue	884	884			
e Total. Add lines 11a-11d	▶ 0					
12 Total revenue. See instructions.	▶ 291,168					

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Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 . . .	0			
2 Grants and other assistance to domestic individuals. See Part IV, line 22	0			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 . . .	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	19,770			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . .	0			
7 Other salaries and wages	900			
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	0			
9 Other employee benefits	0			
10 Payroll taxes	0			
11 Fees for services (non-employees):				
a Management	0			
b Legal	0			
c Accounting	0			
d Lobbying	0			
e Professional fundraising services. See Part IV, line 17	0			
f Investment management fees	0			
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expense on Schedule O.) . .	0			
12 Advertising and promotion	0			
13 Office expenses	21,311			
14 Information technology	0			
15 Royalties	0			
16 Occupancy	0			
17 Travel	6,217			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	28,610			
20 Interest	0			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	0			
23 Insurance	0			
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Per Capita	175,638			
b Donations	4,948			
c				
d				
e All other expenses	42,409			
25 Total functional expenses. Add lines 1 through 24e	299,803			
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

SAMPLE
IRS FORM 990

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X.

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash—non-interest-bearing	250,932	1	242,348
	2 Savings and temporary cash investments	36,909	2	36,942
	3 Pledges and grants receivable, net	0	3	0
	4 Accounts receivable, net	0	4	0
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0	6	0
	7 Notes and loans receivable, net	0	7	0
	8 Inventories for sale or use	0	8	0
	9 Prepaid expenses and deferred charges	0	9	0
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	0		
	b Less: accumulated depreciation	0	10c	0
	11 Investments—publicly traded securities	0	11	0
	12 Investments—other securities. See Part IV, line 11	0	12	0
	13 Investments—program-related. See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets. See Part IV, line 11	0	15	0
16 Total assets. Add lines 1 through 15 (must equal line 34)	287,841	16	279,290	
Liabilities	17 Accounts payable and accrued expense	0	17	0
	18 Grants payable	0	18	0
	19 Deferred revenue	0	19	0
	20 Tax-exempt bond liabilities	0	20	0
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	0	25	0	
26 Total liabilities. Add lines 17 through 25	0	26	0	
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	0	27	0
	28 Temporarily restricted net assets	0	28	0
	29 Permanently restricted net assets	0	29	0
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds	0	30	0
	31 Paid-in or capital surplus, or land, building, or equipment fund	0	31	0
	32 Retained earnings, endowment, accumulated income, or other funds	0	32	0
33 Total net assets or fund balances.	0	33	0	
34 Total liabilities and net assets/fund balances.	287,841	34	279,290	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	279,290
2	Total expenses (must equal Part IX, column (A), line 25)	2	276,176
3	Revenue less expenses. Subtract line 2 from line 1	3	3,114
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	0
5	Net unrealized gains (losses) on investments	5	0
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	3,114

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		<input checked="" type="checkbox"/>
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		<input checked="" type="checkbox"/>
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		<input checked="" type="checkbox"/>
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

SAMPLE
IRS FORM 990

**SCHEDULE O
(Form 990 or 990-EZ)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

Open to Public
Inspection

Name of the organization

Employer identification number

Part III: Line 4d - No program service

Part V: Line 3b - Left blank because 3a is marked no.

Part V: Line 13a - Marked no because we do not issue health plans.

Part V: Line 14b - Marked no because we have no tanning services.

Part VI: Line 1a - The number of members eligible to vote in Local 1502.

Part VI: 11b - Delegation of governing board's authority to the executive committee is outlined in Constitution & By-Laws of Local 1502.

Part VII: No compensation marked in column F.

Part IX: Line 11g - No expenses noted.

Part IX: Line 24e - does not exceed 10% of total expenses.

Part XII: Line 1 - Marked with the accounting method we have always used

**SAMPLE
IRS FORM 990**

Form **990-EZ**

Short Form
Return of Organization Exempt From Income Tax

OMB No 1545-1150

2015

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

Open to Public Inspection

▶ Information about Form 990-EZ and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

A For the 2015 calendar year, or tax year beginning January 1, 2015, and ending December 31, 20 15

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization: _____
 Number and street (or P O box, if mail is not delivered to street address) Room/suite _____
 City or town, state or province, country, and ZIP or foreign postal code _____

D Employer identification number: _____
E Telephone number: _____

F Group Exemption Number ▶ 0194

G Accounting Method: Cash Accrual Other (specify) ▶ _____

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

I Website: ▶ _____

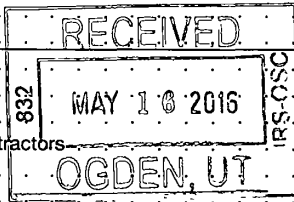
J Tax-exempt status (check only one) – 501(c)(3) 501(c) (5) ◀ (insert no) 4947(a)(1) or 527

K Form of organization: Corporation Trust Association Other **UNION**

L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ. ▶ \$ 84,202

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)
 Check if the organization used Schedule O to respond to any question in this Part I

		1	2	3	4	5a	5b	5c	6a	6b	6c	6d	7a	7b	7c	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Revenue	1	Contributions, gifts, grants, and similar amounts received																								0			
	2	Program service revenue including government fees and contracts																								0			
	3	Membership dues and assessments																								48,287			
	4	Investment income																								19			
	5a	Gross amount from sale of assets other than inventory															0												
	5b	Less: cost or other basis and sales expenses															0												
	5c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)																								0			
	6	Gaming and fundraising events																											
	6a	Gross income from gaming (attach Schedule G if greater than \$15,000)															0												
	6b	Gross income from fundraising events (not including \$500 & contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)															0												
6c	Less: direct expenses from gaming and fundraising events																								0				
6d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)																								0				
7a	Gross sales of inventory, less returns and allowances															0													
7b	Less: cost of goods sold															0													
7c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)																								0				
8	Other revenue (describe in Schedule O)																								0				
9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8																								48,306				
Expenses	10	Grants and similar amounts paid (list in Schedule O)																								1,205			
	11	Benefits paid to or for members																								0			
	12	Salaries, other compensation, and employee benefits																								0			
	13	Professional fees and other payments to independent contractors																								5,342			
	14	Occupancy, rent, utilities, and maintenance																								0			
	15	Printing, publications, postage, and shipping																								1,121			
	16	Other expenses (describe in Schedule O)																								24,879			
17	Total expenses. Add lines 10 through 16																								32,547				
Net Assets	18	Excess or (deficit) for the year (Subtract line 17 from line 9)																								15,759			
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)																								68,443			
	20	Other changes in net assets or fund balances (explain in Schedule O)																								0			
	21	Net assets or fund balances at end of year. Combine lines 18 through 20																								84,202			



SCANNED JUN 21 2016

D 1

Part II Balance Sheets (see the instructions for Part II)

Check if the organization used Schedule O to respond to any question in this Part II

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments	68,443	82,582
23 Land and buildings	0	0
24 Other assets (describe in Schedule O)	0	0
25 Total assets	68,443	84,202
26 Total liabilities (describe in Schedule O)	0	0
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)	68,443	84,202

Part III Statement of Program Service Accomplishments (see the instructions for Part III)

Check if the organization used Schedule O to respond to any question in this Part III

What is the organization's primary exempt purpose? **LABOR ORGANIZATION**

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.

Expenses
(Required for section 501(c)(3) and 501(c)(4) organizations; optional for others.)

28 REPRESENT GOVERNMENT WORKERS, 247		
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	28a	0
29 PROVIDE ADDITIONAL BENEFITS TO UNION MEMBERS THRU UNION SPONSORED AGREEMENTS, 247		
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	29a	0
30 REPRESENT NON-UNION MEMBERS IN PERSONNEL MATTERS, 247		
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	30a	0
31 Other program services (describe in Schedule O) (Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	31a	0
32 Total program service expenses (add lines 28a through 31a)	32	0

Part IV List of Officers, Directors, Trustees, and Key Employees (list each one, even if not compensated - see the instructions for Part IV)

Check if the organization used Schedule O to respond to any question in this Part IV

(a) Name and title	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC) (if not paid, enter -0-)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
[REDACTED]	40	0	0	0
[REDACTED]	2	0	0	0
[REDACTED]	5	0	0	0
[REDACTED]	5	0	0	0
[REDACTED]	2	0	0	0
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				

Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V) Check if the organization used Schedule O to respond to any question in this Part V

	Yes	No
33 Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O		✓
34 Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O (see instructions)		✓
35a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?		✓
b If "Yes," to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O		✓
35b		✓
35c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III		✓
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N		✓
37a Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ 37a		
b Did the organization file Form 1120-POL for this year?		✓
37b		✓
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?		✓
b If "Yes," complete Schedule L, Part II and enter the total amount involved	38b	
39 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on line 9	39a	
b Gross receipts, included on line 9, for public use of club facilities	39b	
40a Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ ; section 4912 ▶ ; section 4955 ▶		
b Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	40b	✓
c Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
d Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization		
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T	40e	✓
41 List the states with which a copy of this return is filed ▶ N/A		
42a The organization's books are in care of ▶ [redacted] Telephone no. ▶ [redacted] Located at ▶ [redacted] ZIP + 4 ▶ [redacted]		
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).	42b	✓
c At any time during the calendar year, did the organization maintain an office outside the U.S.? If "Yes," enter the name of the foreign country: ▶	42c	✓
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 —Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43		
44a Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44a	✓
b Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44b	✓
c Did the organization receive any payments for indoor tanning services during the year?	44c	✓
d If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	44d	✓
45a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	45a	✓
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ (see instructions)	45b	✓

SAMPLE IRS FORM 990-EZ

		Yes	No
46	Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		✓
46			

Part VI Section 501(c)(3) organizations only

All section 501(c)(3) organizations must answer questions 47–49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI

		Yes	No
47	Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		✓
48	Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		✓
49a	Did the organization make any transfers to an exempt non-charitable related organization?		✓
49b	If "Yes," was the related organization a section 527 organization?		✓

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
NONE				

f Total number of other employees paid over \$100,000 0

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation
NONE		

d Total number of other independent contractors each received more than \$100,000

52 Did the organization complete Schedule A? **Note:** All completed Schedule A

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has knowledge.

Sign Here	Signature of officer	
	Type or print name and title	
Paid Preparer Use Only	Pprint/Type preparer's name	Preparer's signature
	Firm's name	
	Firm's address	

May the IRS discuss this return with the preparer shown above? Yes No

SAMPLE
IRS FORM 990-EZ

**SCHEDULE O
(Form 990 or 990-EZ)**

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

OMB No 1545-0047

2015

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

LINE 10:

1,205 PER CAPITA TAX

LINE 16:

364.24 DOOR PRIZES FOR YEAR END MEETING

1,361.78 FOOD FOR MEETINGS

39.00 BANK SERVICE CHARGE

98.54 FURNITURE & EQUIPMENT

341.08 OTHER OFFICE SUPPLIES & EXPENSE

6,500.00 RECRUITMENT REBATES - ORGANIZING EXPENSE

82.03 IN TOWN TRAVEL, OFFICER

3,696.00 OUT OF TOWN TRAVEL, OFFICER - AIRFARE

858.43 OUT OF TOWN TRAVEL, OFFICER - GROUND TRANSPORTATION

4,540.24 OUT OF TOWN TRAVEL, OFFICER - LODGING

1,531.08 OUT OF TOWN TRAVEL, OFFICER - MEALS

110.20 OUT OF TOWN TRAVEL, OFFICER - PARKING

150.00 OUT OF TOWN TRAVEL, OFFICER - REGISTRATION FEES

758.40 OUT OF TOWN TRAVEL, OTHERS - AIRFARE

95.85 OUT OF TOWN TRAVEL, OTHERS - GROUND TRANSPORTATION

3,284.22 OUT OF TOWN TRAVEL, OTHERS - LODGING

781.00 OUT OF TOWN TRAVEL, OTHERS - MEALS

13.00 OUT OF TOWN TRAVEL, OTHERS - PARKING

NOTE: MONIES FOR OFFICERS AND OTHERS PAID FOR TRAINING AND CONFERENCES AND TO REIMBURSE MEMBERS FOR

AUTHORIZED EXPENSES.

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Cat No 51056K

Schedule O (Form 990 or 990-EZ) (2015)

**SAMPLE
IRS FORM 990-EZ**

Document Retention

General Local or Council Files

Document Type	Period to store
By-Laws and Amendments	Permanent
Correspondence	5 years
Election Records	2 years beyond term of office
Local Memoranda's of Understanding	Permanent
Minutes of Meetings	Permanent
Items that Document Local History	Permanent

Membership Records

Document Type	Period to store
Dues Deduction Forms (1187, 1188, etc.)	3 years
EEO Case Files	5 years
Grievance Case Files	5 years
(MSPB) Case Files	5 years
Workers' Compensation Case Files	5 years

Financial Records

Document Type	Period to store
Correspondence	5 years
IRS Filings (990, W2, 1099, etc.)	5 Years
DOL Filings (LM-2, LM-3, LM-4, etc.)	5 years
Financial Statements & Reports	Permanent
Officer Bonds	Permanent
Bills, Invoices, & Credit Card Statements	6 Years
Bank Statements, Checks & Deposits	6 Years

Financial Officers Checklist

Duties of financial officers are critical and at times overwhelming. The checklist below includes many of the tasks that should be considered for each Local and Council. It's important to understand that the list below is not "all-inclusive." Your Local or Council will likely have additional items. If you are a new officer, use this list as a basis for performing your duties.

#	Item Description	Due Date	Description
A. Board and Membership Meetings			
A1	Update your accounting records	Continuously	You'll be reporting your financial condition at each Board and membership meeting. Keep your accounting records current and accurate.
A2	Reconcile all cash accounts	Monthly	As soon as possible after the close of each month.
A3	Review transactions posted to your accounting system (QuickBooks)	Monthly	After posting all the receipts and disbursements to your accounting system and you've reconciled the cash accounts, review the transactions posted by printing a detailed general ledger to ensure you've posted items to the proper accounts.
A4	Print financial statements to report to the Board and Membership	Monthly	After confirming that the revenues and expenses were posted to the proper accounts, print a balance sheet and treasurer's (revenue/expense) report to present at your meetings.
A5	Prepare and get approved a budget for the next fiscal year	Third-Fourth Quarter of each year for the subsequent year	Each Local and Council is required by the AFGE Constitution to prepare a detailed budget of revenue and expenditures for the upcoming year. This budget should be approved by the Board and Membership.
B. Internal Revenue Service & State Taxing Agency (non-payroll)			
B1	Prepare & mail IRS Form 1099s to payees	January 31	You're required to prepare and mail an IRS form 1099 for every non-corporate entity (except employees) and every law firm you pay fees in excess of \$600.
B2	Prepare IRS Form 1096 as a summary of the IRS Form 1099s you are sending to the IRS	January 31	
B3	Prepare and file appropriate IRS Form 990 to IRS	15 th day of the 5 th month	IRS Form 990, 990-EZ or 990-N

B4	Prepare and file any returns required by your State (if applicable)	As required	As long as your Local or Council is in good standing as to their tax exemption, most states do not require any additional annual filings except that you've filed the IRS Form 990. However, you should check with your State's Department of Assessments and Taxation to ensure you have no filing requirement.
B5	Prepare and file any required State Use Tax Return	As required	Some states require organizations to pay use tax on items purchased that have not had sales tax charged. An example would be buying a product from an Internet merchant and no sales tax is charged. Check with your State for applicability.
C. Department of Labor			
C1	Prepare & file the appropriate LM report.	90 days after the close of your year-end	Check the article on DOL filings requirements for the LM in this issue. Also note, the 90-day period is exactly 90 days after the close of your fiscal year-end and not the end of the third month. This means your due date could change depending on the month of your close and if it's a leap year.
D. AFGE			
D1	Evaluate the Bond amount	Continuously	Several times a year evaluate your Local or Council's bond coverage to ensure it's adequate to cover potential financial losses and that it meets the DOL minimum standard. Request any changes to your bond coverage with AFGE's NST office.
D2	Transmit a copy of your Local or Council's approved budget to AFGE		Each Local or Council is required by the AFGE Constitution to send its approved budget to the National Secretary-Treasurer.
D3	Prepare and submit AFGE Annual Audit Certification (Form 41)	90 days after the close of your fiscal year	Each Local or Council is required by the AFGE Constitution to certify an audit (or review) of its organization's finances. This form cannot be signed by an individual with signatory authority of the bank or investment accounts.
D4	Submit a copy of the organizations filing of the IRS Form 990	After filing	
D5	Submit a copy of the organizations filing of the DOL LM report	After filing	AFGE Constitution requires all affiliated organizations to send their completed LM report to the National Secretary-Treasurer.
D6	Evaluate the Bargaining Size of the Local or Council and report on My Local or My Council	Continuously	Accurate Information is critical to the success of any organization. For AFGE's management purposes, it's important that we're able to evaluate our growth potential as well as the potential of the Locals.

D7	Review your Local membership and make appropriate updates on My Local.	Each pay period	One of your primary responsibilities is to manage your membership and update any roster changes. Unless all of the members in your Local is on the tape process, it's important that you manage the members added and dropped by your Local.
D8	Review Local Roster for members with a Bad Address Code and update as needed. Also update the member's phone and home email addresses.	Each pay period	Many of our members drop because of a failure to keep them informed on issues affecting their employment. There's no way for us to communicate through mail or e-mail unless we have their current contact information.
D9	Submit Officer changes	As needed	All officer changes should be reported to the AFGE Office of the NST. When new officers are elected (or appointed), transmit the tally sheet and/or minutes of the meeting approving the change.
D10	Submit Constitution and By-law changes.	As needed	Locals and Councils should transmit their latest Constitution and By Laws to the NST office.
D11	Locals on Tape: review dues deduction (tape) reports	Each pay period	For those Locals on the tape process, your dues deduction reports are available online at My Local 3. Review the reports for membership changes and refund amounts.
D12	Review AFGE Billing Statement	Monthly	Review the Local billing statement online. For non-insured Locals statements are normally available on the 1st or 2nd day of the month. Billing statements for Insured Locals are available on 10th or 11th day of the month.
D13	Review Local/Council AFGE Ledger	Monthly	Your AFGE financial ledger is available online through My Local 3. The data on the ledger is updated in real-time and you should review it each month to find your balance due and to verify its accuracy.

AFGE Electronic Dues Processing

General

For the convenience of AFGE Locals, many represented member agencies (employers) have made arrangements to have their members' dues deductions paid directly to the AFGE national office. From this payment, AFGE calculates the amount to withhold and applies it to the Local's account. Any remaining balance is then refunded to the Local by AFGE. This refunded amount is commonly referred to as a dues refund. The calculation of the amount withheld depends on the pay period sequence. The sequence could be a one, two, or three. A detailed explanation of these calculations is provided on the last page of this report.

Electronic Process (Tape) Example:

Refund calculations are based on pay sequences. Normally, each month has two pay periods. The first is considered a Sequence One and the process withholds 50% of the PCT (\$10.46) for every member on the dues deduction report with a deduction amount greater than zero. This amount is applied to your Local's PCT account and the excess balance is refunded. The second pay period in the month is a Sequence Two and the process looks at the balance in the Local's PCT account. If there is a balance due in the account, the process withhold enough to clear the balance due and refund the difference.

A File Example: If your local have 135 active members and 4 retired members, your PCT total will be \$2,830.85. $(135 \times \$20.91 + 4 \times \$2 = \$2,830.85)$.

Let say your local have 135 members on payroll and their dues deduction is \$20 per pay per member:

1st payroll file:	$135 \times \$20 = \$2,700.00$
Tape applies to the Local's account:	$135 \times \$10.46 = \$1,412.10$
Tape refunds Local:	$135 \times \$9.55 = \$1,287.90$
2nd payroll file:	$135 \times \$14 = \$2,700.00$
Tape applies to the Local's account:	\$1,418.75 (additional \$4 for retired members)
Tape refunds Local:	\$1,281.25

Tape Sequences

Each of the 26 pay periods is pre-assigned a sequence number. For the months with two pay periods, the payment for the first is considered a Sequence 1 and the second is considered a Sequence 2. For the two months that have three pay periods, there will be a Sequence 3 payment.

Local Refund Calculations

In determining the amount of the dues deduction payment to apply or refund to the Local, AFGE National takes into consideration the Sequence of the payment.

Sequence 1

The refund amount for a Sequence 1 tape payment is determined by counting the number of members listed on the tape (dues deduction listing) with a dues deduction and multiplying this count by one half of the monthly AFGE PCT for an active member. There are two exceptions where this rate is adjusted. First, if the Local is considered an Insured Local, then AFGE will withhold an additional 50¢ (approximately 1/2 of the monthly insurance rate). Secondly, one half of any applicable Bargaining Councils dues billed by AFGE will be withheld. Calculations for all Sequence 1 refunds ignore any outstanding balance on the Local's account.

Sequence 2

To determine the amount AFGE refunds a Local in the case of a Sequence 2 payment, the tape process will look at the balance of the Local's account as well as any upcoming PCT billing. For instance, if a tape is received on the 28th of the month for an Insured Local, the process will withhold an amount equal to the accounts receivable balance plus the PCT billing due on the 1st of the next month. If the payment is insufficient to satisfy the Local's account balance, the entire payment will be withheld and applied.

Sequence 3

Payments received for Sequence 3 pay periods are treated identical to a Sequence 2. As long as the Local is current on its PCT billings, the entire Sequence 3 payment will be refunded.

Membership Management

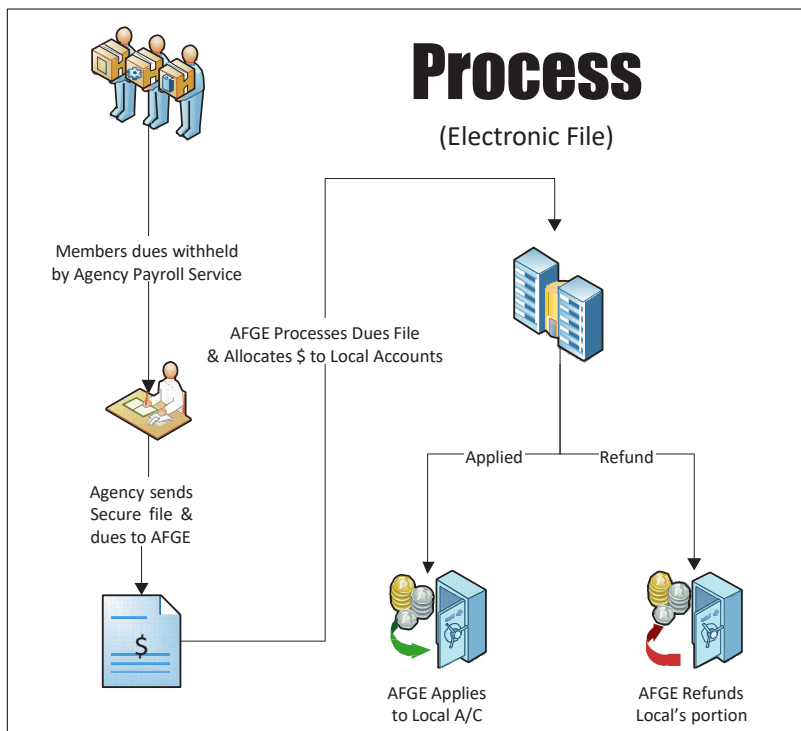
In addition to managing the dues from the Agency Dues Deduction Report, the AFGE Electronic File Process also manages the Locals' members that appear on the report. It's important to understand that the tape process matches member records using their social security numbers (SSN). Therefore, when adding members, it's important to include an accurate SSN.

No Match Action

A no match action happens when a member SSN appears on one Agency's pay period dues deduction report and is not on the following report. In this case, the Local has the option to have the process automatically drop the member (a Drop Local) or change the member pay group to manual (a Change Local). When the member is changed to manual, the Local is billed for the PCT and is responsible for collecting the dues directly from the member.

3 Time Zero Deduction

Any member that shows on a tape report with three consecutive deductions of zero will automatically be dropped by the process. If dues resume, the member is reinstated.



AFGE Contact List

Department	Phone Number	Fax Number
President's Office	202-639-6435	202-639-6490
National Secretary-Treasurer's Office	202-639-6438	202-639-6437
Women's/Fair Practices Department (WFP)	202-639-6417	202-639-4107
Communications	202-639-6419	202-639-6441
Finance and Information Services (FIS)	202-639-6445	202-639-6442
General Counsel	202-639-6415	202-639-6441
PAC & Issues Mobilization	202-639-6457	202-639-6492
Legislative & Political Action Department	202-639-6413	202-639-6947
Membership & Organization	202-639-6410	202-827-7950
Membership Benefits	202-639-6483	202-827-7950
Public Policy	202-639-6408	202-639-6492
Data Processing	202-639-6947	202-639-6442
Service Department	202-639-6427	202-639-6442
Information Services (http://helpdesk.afge.org)	202-639-4015	-
Human Resources	202-639-6494	202-639-4019
Education & Leadership	202-639-6406	202-777-3070
Field Services & Education	202-639-8507	202-777-3070
District 2	732-828-9449	732-828-9215
District 3	570-883-9572	570-883-9575
District 4	410-480-1820	410-558-6483
District 5	770-907-2055	770-907-2051
District 6	317-755-2093	317-755-2107
District 7	312-421-6245	312-421-6283
District 8	952-854-3216	952-854-6257
District 9	405-670-2656	952-854-6257
District 10	210-735-8900	210-735-0909
District 11	360-253-2616	360-882-5022
District 12	760-233-7600	760-233-7606
District 14	202-639-6447	202-639-6467

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

LOCAL/COUNCIL _____

Expense Reimbursement Voucher

Name: _____

Date: _____

Purpose

Date of Expense	Description	Expense Amount	Notes

***Receipts must be attached for all expenditures with the exception of claims for per diem.**

Submitted by: _____

Date: _____

Approved by: _____

Date: _____

Check Number: _____



**SAMPLE
TRUE & CERTIFIED STATEMENT**

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES LOCAL/COUNCIL

MEMORANDUM

Date

TO

FROM

SUBJECT: True & Certified Statement For Lost of _____ Receipt

This is a true and certified statement that I _____ lost my receipt from _____ that I purchased on _____ in the amount of _____ for the purpose of _____.

If you need any additional information regarding this matter, please contact me.

Signature

Date

(MEMO MUST BE SIGNED BY THE PERSON WHO LOST THE RECIEPT)

Note: This statement should not be used as a substitute for the original receipts per Title II of the Labor Management Reporting and Disclosure Act of 1959 (LMRDA).



AFGE Structure

Union Profile

The American Federation of Government Employees was formed in 1932. AFGE joined the American Federation of Labor in 1932 and has been an affiliate of the AFL-CIO since the two organizations merged in 1955. AFGE, the largest federal employee union, represents 600,000 federal and D.C. government workers nationwide and overseas. Over 300,000 of this group are dues paying members. AFGE members inspect the food we eat and the places we work, they protect citizens from the illicit flow of drugs, maintain the safety of our nation's borders, care for our nation's veterans, serve as a vital link to Social Security recipients, and keep our national defense systems prepared for any danger. The majority of our members work in federal offices across the nation in a diverse variety of occupations including mechanics, lawyers, correctional officers, environmentalists, nurses, and mine inspectors.

Geographic Spread. The union is headquartered in Washington, D.C., and divided into 12 geographical Districts consisting of some 1,100 locals. Of the 1.75 million people employed by the federal government, only 250,000 are based in the Washington, D.C. metropolitan area. Over one-half of AFGE's members are consolidated into agency wide bargaining units. Agencies with the highest concentration of union membership include the Department of Defense, the Department of Veterans Affairs, the Social Security Administration and the Department of Justice.

AFGE Governance and Organizational Structure

AFGE Constitution

The AFGE Constitution sets forth the rules by which the union conducts its business. Just like the Constitution of the United States, it is a living, changing document. It has the legal force of a contract. The democratically elected delegates to the AFGE convention have the power to change or amend the Constitution.

National Convention

This is the highest governing authority of the Union. AFGE holds its convention every 3 years, usually in August. Once the Convention makes a decision, that decision stands, and it must be carried out by every single officer and employee of the Union--at both the local and national levels. Convention action can be changed only by a later Convention or by a referendum of the membership.

Delegates to the AFGE Convention are elected by Local unions with the number of delegates per



Local determined by membership strength as specified in the AFGE Constitution. Any chartered national, regional, state or district council is entitled to two delegates.

Locals

AFGE has approximately 1100 chartered local unions in the United States and its territories. Members elect the officers and delegates of their Local and send them as representatives to the AFGE National Convention. All AFGE members including National Officers, National Vice Presidents, District Coordinators, and Local Officers, must be members in good standing in their home Local.

National Bargaining Councils

AFGE has more than 121 chartered Councils who have been approved by the union's National Executive Council. Only locals in good standing may be affiliated with AFGE Councils. Of this number, approximately 30 are Bargaining Councils.

National Executive Council

Between AFGE National Conventions, the NEC is the policy making and governing body of the Union. The NEC monitors legislative matters directly affecting federal and D.C. government employees and initiates legislative action as directed by the National Convention.

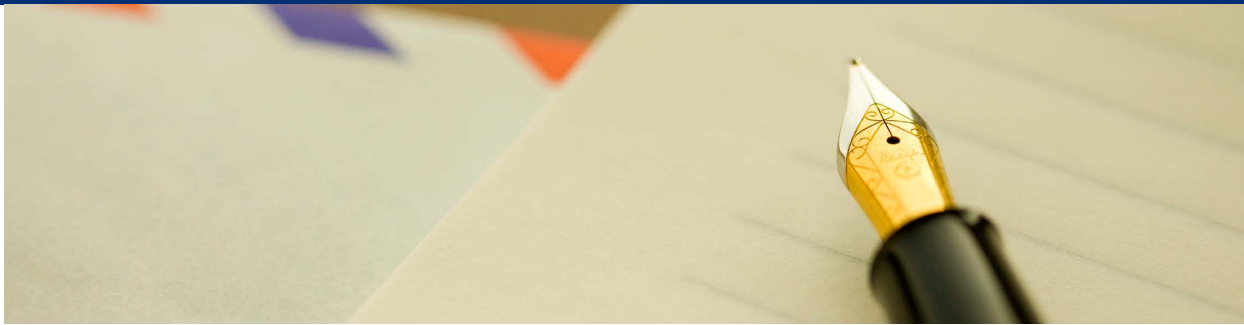
The Executive Board consists of the:

- National President
- National Secretary-Treasurer
- Director of the Women's Department
- Twelve National Vice Presidents

The NEC has the responsibility for instructing locals to affiliate and actively cooperate with central, state, district, or regional labor bodies in their respective localities. The NEC is empowered by the National Constitution to use every legitimate means to consolidate or merge locals, regardless of district boundaries, with the purpose of creating stronger union entities and eliminating fragmented organizations.

AFGE DISTRICTS

AFGE is structured into 12 geographic Districts. Each District has a National Vice President (NVP) and staff. The Districts are responsible for carrying out the goals and programs of AFGE. Delegates representing the Locals within each District elect a National Vice President every three years at a District caucus.



Notes for the Chair

- The Chair should make sure that all reports given at the meeting are brief and to the point. This will help keep the meeting short and focused. People are more likely to attend meetings that are run efficiently and end on time!
- When a motion is made it must be seconded.
- The Chair should then state the motion and call for discussion: “It has been moved and seconded. State: Is there any discussion?”
- Sometimes an amendment to the motion on the floor may be offered. An amendment must be seconded and then discussed.
- The Chair should say: “An amendment has been made and seconded. State: Is there any discussion on the amendment?”
- A vote is first taken on the amendment. After the amendment is decided on, the discussion returns to the main motion as amended if the amendment was passed.
- A vote is then taken on the main motion.
- During a discussion of a motion or amendment, make sure that each member speaks only once until all other members have had an opportunity to speak.
- It is a good idea to alternate speakers for and against the motion. If members begin responding to and addressing remarks to each other, remind the group that all comments should be addressed to the Chair.
- The discussion and debate is for the group as a whole to participate in. It is not an argument between a couple of members.
- A member may raise a “Point of Information.” This means that I don’t understand the intent of this motion.
- The Chair should then clarify the intent of the motion or provide the information being requested.
- You may have to remind the member that a point of information is a question, not a statement.
- Sometimes a member may rise on a “Point of Order,” saying something like: “Point of Order. This discussion does not pertain to the motion on the floor.”
- The Chair should make a ruling. Example: “Your point is well taken and I direct the member speaking to address the motion on the floor.”
- There are times when discussion on a topic begins. But no motion is on the floor. For instance, the Chair may call for a motion by saying, “Does the Chair hear a motion to _____?” Of course, this motion must be seconded and the Chair should re-state the motion before asking if there is discussion.



How to Chair a Meeting

Call to Order

- Start Your Meeting on Time.
- Rap your gavel and state: “I call this meeting to order.” Wait for quiet, and then begin the meeting.

Roll Call of Officers

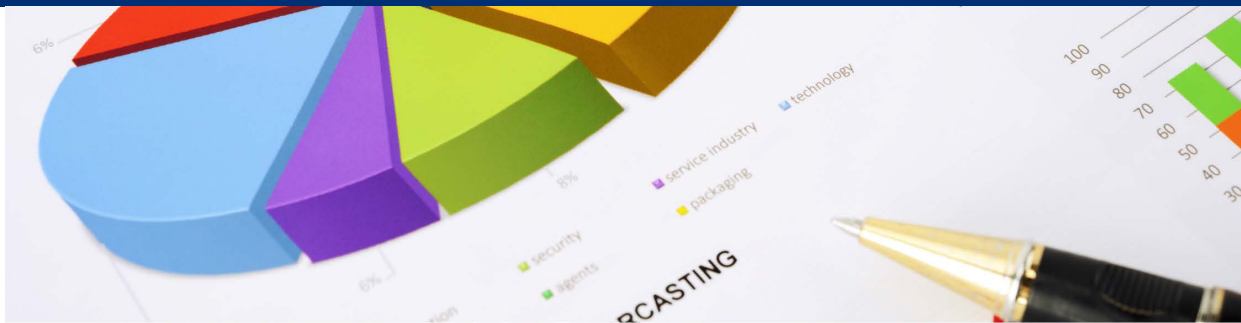
- The Chair says: “The Recording Secretary will call the Roll of Officers.”
- The Recording Secretary then calls the roll in a loud, clear voice, with pauses for response.

Reading of Minutes

- The Chair says: “The Secretary will read minutes of the last meeting.” Alternatively, copies of the minutes can be distributed at the meeting and the Chair says: “Instead of having the Secretary read the minutes, copies have been distributed for your review.”
- After the minutes are read or reviewed, the Chair asks: “Are there any additions or corrections to the minutes?” [Pause.] If not, the minutes will stand approved as read.
- If corrections to the minutes are made, ask for unanimous consent for additions or corrections at this time. If there is an objection to any addition or correction, it will be necessary to adopt a motion to make that change.

Reading of Correspondence

- The Chair says: “The Recording Secretary will now read the correspondence.”
- The Recording Secretary should then read any important correspondence summarizing the content when appropriate.
- Any letter requiring action by the membership should be discussed by the Executive Board prior to the membership meeting. At the membership meeting, the letter should be read along with the recommendations of the board. A motion should be made to adopt the board’s recommended action. That motion should then be discussed and voted on by the members.
- Routine letters should not be taken up at the membership meeting.



Reports of Officers

- The President's Report might include such topics as:
 - Problems facing the local
 - Updates on issues affecting the members discussed at the latest Executive Board meeting or actions that the Executive Board recommends that the local take.
- If the President's Report contains any actions recommended by the Executive Board, a motion should be made to adopt the board's recommended action. That motion is then discussed and voted on by the members.
- To initiate discussion, the Chair may say: "Does the Chair hear a motion to accept the Executive Board's recommendation?"
- Secretary-Treasurer's Report should be copied and passed out at the meeting.
- The Chair asks: "Does everyone have a copy of the Secretary-Treasurer's Report? [Pause.] Are there any questions? [Pause.] If there are no objections, the Secretary-Treasurer's Report will stand approved."
- If someone raises an objection, a motion of approval is required.

Reports of Committees

- This may include the latest information on political and legislative issues, organizing campaigns, important grievances, council activities, an update on contract negotiations, or any other information of current interest to the membership.

Committee Reports:

- Before the membership meeting, the President should talk with each committee chairperson and go over his/her Committee Report. Reports from any given committee should be made only when there is something worthwhile to report.
- To introduce these reports, the Chair would say: "We will now hear a report from the _____ Committee."
- If a committee report contains specific recommendations, which call for membership action, then after the report is given the Chair would say:



- “You have heard the report _____ Committee, with the recommendation that the membership authorize _____. Does the Chair hear a motion to adopt the _____ Committee’s recommendation?”

Good and Welfare

- A local may have a Good and Welfare Committee. If it does not, this part of the meeting can be used to discuss such things as sending cards or flowers to hospitalized members, soliciting donations for community food banks, announcing happy events like marriages and births, etc.
- It may also be used for some planned activity, such as a visiting speaker or training. Consider moving this item earlier in the agenda if such an activity is planned.
- The Chair asks: “Is there any Good and Welfare?”

Adjournment

- **Adjourning the Meeting:** When the business of the meeting is finished, and if no one has made a motion to adjourn, the Chair should ask for one by saying:
- “Do I hear a motion to adjourn?”
- A motion to adjourn must be seconded, and is voted on without debate.



Why Meeting Minutes Are Important

No one should be intimidated by the term “minutes” since it’s actually a little misleading. During the Membership or Executive Board meeting it is not a requirement to capture every word, but it is important to capture the essence of the meeting, including details such as:

- Decisions made (motions made, votes, etc.)
- Any motions that includes authorization to spend the local union’s funds.
- All appointments of officers by the Membership and Executive Board
- Next steps planned
- Identification and tracking of action items

What are Membership and Executive Board Meeting Minutes?

Minutes provide a summary of what was discussed at a meeting, what actions were agreed to, who will action any issues and by when. They also contain a list of those who are present at the meeting and/or those absent. Minutes are a tangible record of the meeting for the members who were unable to attend.

Why Do We Need Meeting Minutes?

Minutes act as an aid memoir for those who attended the meeting and are also a useful summary for anyone who was unable to attend. The recording secretary should sign the minutes to confirm what is recorded is reliable and this prevents any later arguments regarding what actions were agreed to at the meeting.

For regular meetings it is good practice to check through the previous meeting minutes prior to the beginning of the next meeting and note whether the actions mentioned have been taken. This is often the first thing on the agenda.

What Does The Minutes Taker Do?

Normally the secretary, recording secretary or secretary-treasurer is responsible for taking the minutes will make notes of what transpires in the meeting and distribute them to all who attended to vote on. Sometimes a full recording of who said what is required. On other occasions minutes may consist only of a brief note of what was discussed and what actions were agreed upon.

Most importantly, minutes should be issued at the beginning of the meeting allowing those members enough time to review them prior to the vote.



What Laws Apply to Membership and Executive Board Members?

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. The labor organization must maintain adequate records for 5 years after LM reports are filed by which information on the reports can be verified, explained, and clarified.

In some cases, meeting minutes can act as a reference point, for example:

Before you start taking notes, it's important to understand the type of information you need to record at the meeting:

- When a meeting's outcomes impact other collaborative activities or projects within the organization
- Minutes can serve to notify or remind individuals of tasks assigned to them and/or timelines
- Anytime a motion includes spending the members money- the intended purpose should be accurately recorded in the minutes

Your union may require certain content and a specific format that you'll need to follow, but generally, meeting minutes usually include the following:

- Date and time of the meeting
- Names of those in attendance and those unable to attend
- Acceptance or corrections/amendments to previous meeting minutes
- Decisions made about each agenda item, for example: Actions taken or agreed to be taken
- Unfinished or Old business
- New business
- Voting outcomes (necessary details regarding who made motions; who seconded and approved or via show of hands, etc.)
- Motions taken or rejected
- Items to be held over
- Next Steps
- Next meeting date and time
- Signature of Recording Secretary and date and start and ending time of meeting.



Sample Union Meeting Minutes

Minutes of the meeting of (Date)

President called the meeting of Local _____ to order at (time).

1. Roll call of officers was taken by Recording Secretary _____ (record who was present or excused).

2. The minutes of the previous meeting were distributed, read, amended as necessary and approved.

3. The president asked the recording secretary to read the local's correspondence. Letters were read from the Human Rights Committee asking the local to send the Chairperson and Vice President to the Human Rights Training in Pittsburg, PA, August 19-23.

4. Reports of the Officers:

A. The president reported on the executive board meeting held on January 15, 2021. It was moved by _____, seconded and carried that the report be accepted.

B. Secretary-Treasurer _____ distributed and reviewed the monthly financial report for December (a copy is attached). After questions and discussion, it was moved by _____, seconded and carried that the report be accepted.

5. Committee Reports:

A. Organizing Committee Chairperson _____ reported that 22 new members had been signed up in December and 5 members dropped.

B. Steward Committee Vice President _____ reported that a group grievance was being filed over the recent change in the dress code.

C. Human Rights Committee Chairperson _____ reported that the committee was conducting survey together information on the concerns of women members.



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