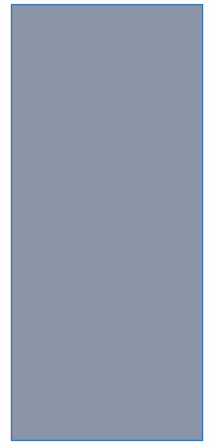




BEST PRACTICES FOR DIVISIONS FINANCE

Checkbook Program



PEF CONTACTS

518-785-1900 OR 800-342-4306



PEF Divisions Department

- Kristie Furman – Director of Divisions
 - Ext. 231, kfurman@pef.org
- Nicole Harris – Divisions Fiscal Analyst – Purchase Card
 - Ext. 233, nharris@pef.org
- Cathryn Doraby- Senior Divisions Assistant - Elections
 - Ext. 337, cdoraby@pef.org
- Nicholas Watt – Divisions Assistant - Checkbook
 - Ext. 232, nwatt@pef.org

BEST PRACTICES OF DIVISIONS IN GOOD STANDING



1. **TIMELY**- Completes all the required forms (budget, audit, and quarterly reports)
2. **SUPPORTIVE** - Maintains a financially responsible council
3. **ORGANIZED** - Provides all itemized receipts and attendance lists
4. **COMMUNICATION** - Regularly in contact with division members and with PEF Divisions Finance staff.

DIVISION FUNDING



- Per Capita Payments are deposited every quarter
 - Payments are made at the end of June, September, December, and March
- Reporting needs to be up to date in order to receive your divisions quarterly allotment
- You need to have a financially responsible council in order to be eligible for payment
- Your division must not be over the max in order to receive payment
 - Over the max means a Division's balance may not be more than:
 - the sum of the last four quarterly payments
 - or \$5,000 (whichever is greater)

QUARTERLY DEPOSIT CALCULATION



- The calculation to determine each per capita payment is based upon the members on file as of the prior quarter, which can be found on the “Quarterly Member Counts” listing
- Current per PEF Member amount (April 2026)
 - \$37.87 for first 200 members per year or \$9.47 per member per quarter
 - \$30.31 for members over 200 per year or \$7.76 per member per quarter

CHECKBOOK DIVISIONS



- Signatories - must have at least 2 (dual signature on checks)
 - Recommend Leader & Treasurer
 - Recommend at least 3 signers in case one is not available
 - Forms for updating signatories are available from Finance Department
- Monthly bank statements are emailed to the Council Leader and Treasurer directly from Bank of America – please keep your email address up to date!
- Additional checks can be ordered through the PEF Divisions Finance Department

BUDGET



- PEF's Fiscal Year runs from April 1st - March 31st
- Budget is to be approved by the Division Council on or before April 1st
- Approved budget is due to PEF Finance by April 30th (meeting minutes **MUST** be submitted with completed budget)
- Penalties begin to accrue on June 1st

BUDGET



- Don't forget to include your March 31st Ending balance
- Your budget does not have to zero out
- Submit your meeting minutes with completed budget

PEF Division # _____ Budget for Fiscal Year 2022-2023

Division balance as of March 31, 2021 (refer to March 2021 bank statement) _____

Estimated yearly per capita payments (total of the last 4 per capita deposits) _____

Total of 3/31/21 balance and estimated yearly per capita payments (above) _____

2021-2022 anticipated expenses:

Meetings and Travel (Membership/Steward)	\$ _____
Member Recognition (plaques, certificates)	\$ _____
Postage/Office Supplies	\$ _____
Convention Stipends	\$ _____
Programs and Education (conferences)	\$ _____
Scholarships	\$ _____
Good and Welfare (donations)	\$ _____
Giveaways (calendars, pens, shirts, etc)	\$ _____
Picnic	\$ _____
Holiday Party	\$ _____
Ending Balance After Expenses	\$ _____

DATE APPROVED _____

Printed Name of Division Leader

Signature of Division Leader

Printed Name of Division Assistant Leader

Signature of Division Assistant Leader

Printed Name of Division Secretary

Signature of Division Secretary

Printed Name of Division Treasurer

Signature of Division Treasurer

Approved, completed and signed budget is to be returned to PEF Divisions Finance by April 30, 2022
PEF, PO Box 12414, ATTN: DIVISIONS FINANCE DEPT, ALBANY, NY 12212
MEETING MINUTES MUST BE SUBMITTED WITH APPROVED BUDGET

AUDIT/INVENTORY REPORT



- Three members are required to complete the audit. Only one can be a steward or officer.
- The one steward/officer CANNOT be the Treasurer
- Approved Audit and Inventory forms are due June 30th
- Penalties will begin to accrue on July 31st

AUDIT WORKSHEET

- Please remember the beginning balance should be from the previous fiscal year
- Your ending balance should match the 3/31 statement balance



“Exhibit A”

Instructions for completing “Exhibit A” are located on page 9.

PEF Division Audit Worksheet

Division# 1234

PEF _____

Name _____

Year Ended 03/31/ 23

A) Cash on Hand 04/01/ 22 Bank Name _____ \$ 5,000.00

B) Cash Receipts 04/01/ 22 to 03/31/ 23

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Per Caps	<u>1,000.00</u>	<u>1,000.00</u>	<u>1,000.00</u>	<u>1,000.00</u>	<u>4,000.00</u>
Other Cash Receipts (Attach List)					<u>0.00</u>
Total Cash Receipts \$					<u>4,000.00</u>

C) Total Funds Available for Fiscal Year: Add (A) and (B) \$ 9,000.00

D) Cash Disbursements 04/01/ 22 to 03/31/ 23

Description	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Meetings	<u>200.00</u>	<u>200.00</u>	<u>200.00</u>	<u>100.00</u>	<u>700.00</u>
Picnic	<u>0.00</u>	<u>1,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,000.00</u>
Convention	<u>0.00</u>	<u>0.00</u>	<u>300.00</u>	<u>0.00</u>	<u>300.00</u>
Scholarships	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,000.00</u>	<u>2,000.00</u>
Plaques	<u>50.00</u>	<u>0.00</u>	<u>50.00</u>	<u>0.00</u>	<u>100.00</u>
Holiday Party	<u>0.00</u>	<u>0.00</u>	<u>3,000.00</u>	<u>0.00</u>	<u>3,000.00</u>
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Expenses	<u>250.00</u>	<u>1,200.00</u>	<u>3,550.00</u>	<u>2,100.00</u>	<u>7,100.00</u>

E) Total Cash On Hand, Fiscal Year Ended 03/31/ 0 (C) less (D) 1,900.00

F) Cash on Hand 03/31/ 23 Bank Name _____ \$ _____

Total Cash on Hand (should be equal to (E) above) \$ 1,900.00

QUARTERLY REPORTS



- 1st Quarter (April, May, June)
 - ❖ Due July 31st
- 2nd Quarter (July, August, September)
 - ❖ Due October 31st
- 3rd Quarter (October, November, December)
 - ❖ Due January 31st
- 4th Quarter (January, February, March)
 - ❖ Due April 30th

Penalties will be assessed beginning 1 month after the due date of the report

SUPPORTING DOCUMENTATION



- Attendance Lists
 - All members must sign an attendance list for all meetings, picnics, parties etc.
- Vendor Receipts – Scanned is acceptable – Receipts **NEED TO BE ITEMIZED!**
- Any additional documents that are needed to substantiate the expense.
- If Expenses Are Not Properly Documented
 - It can delay quarterly payments
 - Penalties may be incurred
 - The undocumented purchases will be deducted from future payments.

ALLOWABLE EXPENSES



All expenses must be approved by the Division Council and have a union purpose!

- Membership Meeting Expenses (food, room, supplies, etc.)
- Operating Expenses (postage, printing, etc.)
- Steward traveling expenses (meals/mileage, etc.)
- Scholarship Fund
- Convention Stipend for Delegates (up to max allowed by policy)
- Tickets and contributions for local functions where the division should be represented
- Gifts to Members - (non-cash only gifts)
 - What is done for one member needs to be financially possible and made available for all members if requested
- Donations (Charitable contributions)
- Membership engagement and seasonal events

PROHIBITED EXPENSES



- Expenses not directly funded by a Divisions Budget
 - Statewide Committees such as LM, H&S, Standing & Special Interest
- Political activities
- Single rooms for Convention Delegates
- Reimbursement Of Members Dues
- Expenses already reimbursed by PEF
- Internal Caucus/Partisan Union Activities
- Salaried Employees
- Direct payment to members in excess of actual expenses
- Legal Fees
- Cash Gifts this includes Visa/Amex Gift Cards

GIFT CARDS



- No Visa/Amex gift cards allowed
- Gift cards can be given out as door prizes, raffle items, and retirement gifts
 - Providing gift cards to the entire membership is essentially a rebate of dues and is prohibited
- Keep list of recipients for gift cards



GIVEAWAYS

- Can be used to encourage membership engagement
 - Raffle items at membership meetings, door prizes at picnics and holiday parties, union trivia contest prizes
- Required Documentation
 - Must be in the budget or voted on by the Steward Council
 - Specification of the union purpose/event and the date and time where items are distributed
 - Itemized receipt for the purchased items
 - List of recipients for items valued at \$30.00 or more each

PENALTY STRUCTURE EXAMPLE



A portion of a Division's quarterly payment may be forfeited if reports, such as the quarterly report, budget or equipment inventory are more than 30 days late. Penalty schedule is below.

- QTR1 journal register report – due July 31st
 - If received by:
 - August 31 1/3 of the per cap payment may be forfeited
 - September 30 2/3 of the per cap payment may be forfeited
 - October 31 Entire per cap payment may be forfeited

- QTR2 journal register report – due October 31st
 - If received by:
 - November 30 1/3 of the per cap payment may be forfeited
 - December 31 2/3 of the per cap payment may be forfeited
 - January 31 Entire per cap payment may be forfeited

- QTR3 journal register report – due January 31st
 - If received by:
 - February 28 1/3 of the per cap payment may be forfeited
 - March 31 2/3 of the per cap payment may be forfeited
 - April 30 Entire per cap payment may be forfeited

- QTR4 journal register report – due April 30th
 - If received by:
 - May 31 1/3 of the per cap payment may be forfeited
 - June 30 2/3 of the per cap payment may be forfeited
 - July 31 Entire per cap payment may be forfeited

BENEFICIAL ASSISTANCE



- The division does not have access to a checkbook or purchase card
- PEF Division Finance staff manages your division expenditures directly
- All payment requests are handled by PEF Divisions Finance
 - Payment to vendors can be made by check with 7 business days notice or via credit card payment over the phone with 2 business days notice
 - Supporting approval documentation need to be submitted prior to the payment being made
 - Attendance lists need to be submitted no later than 7 calendar days after the conclusion of the event

NOTES...



- Monthly statements from Bank of America are emailed once the statement cycle closes
- Quarterly reports are emailed to the Division Leader and Treasurer
- Reminder emails will be sent if quarterly documents are not submitted
- Only those having purchasing authority and a completed purchasing authority form on file can make internal PEF charges

NOTES...



- We are not sales tax exempt. Any product or service that you purchase for your division should include sales tax
- All financial forms can be found at <https://www.pef.org/departments/divisions/division-finance/>
- Any bounced checks will incur a charge of \$50.00 to the division
- Only members with a completed Application for Purchasing Authority on file can make internal PEF charges

THANK YOU!



We thank you for your contributions to PEF and for taking an active role in your division. Working together we can remain **UNION STRONG!**