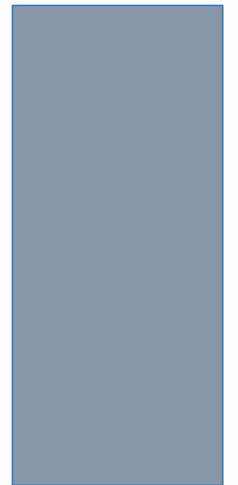




# **BEST PRACTICES FOR DIVISIONS FINANCE**

Checkbook Program



# PEF CONTACTS

518-785-1900 OR 800-342-4306



## PEF Divisions Department

- Kristie Furman – Director of Divisions
  - Ext. 231, [kfurman@pef.org](mailto:kfurman@pef.org)
- Nicole Harris – Divisions Fiscal Analyst – Purchase Card
  - Ext. 233, [nharris@pef.org](mailto:nharris@pef.org)
- Tara Bentley - Senior Divisions Assistant - Elections
  - Ext. 337, [tbentley@pef.org](mailto:tbentley@pef.org)
- Susan Dunckle – Divisions Assistant - Checkbook
  - Ext. 232, [sdunckle@pef.org](mailto:sdunckle@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 (November 2018)
  - \$31.40 for first 200 members per year or \$7.85 per member per quarter
  - \$25.12 for members over 200 per year or \$6.28 per member per quarter

# BUDGET



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

# BUDGET



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

<b>PEF Division # _____</b>		<b>Budget for Fiscal Year 2022-2023</b>	
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)			_____
<b>2021-2022 anticipated expenses:</b>			
	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	\$	_____
	<b>Ending Balance After Expenses</b>	\$	_____
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	
<p><b>Approved, completed and signed budget is to be returned to PEF Divisions Finance by April 30, 2022</b>  <b>PEF, PO Box 12414, ATTN: DIVISIONS FINANCE DEPT, ALBANY, NY 12212</b>  <b>MEETING MINUTES MUST BE SUBMITTED WITH APPROVED BUDGET</b></p>			

# QUARTERLY REPORTS



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

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



# 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



# 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
- Operating Expenses
- Steward traveling expenses (meals/mileage, etc.)
- Scholarship Fund
- Convention Stipend for Delegates max of \$150
- 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)

# PROHIBITED EXPENSES



- Expenses not directly funded by a Divisions Budget
  - Statewide Committees such as LM, H&S, Standing & Special Interest
- Political contributions
- Single rooms for Convention Delegates
- Reimbursement Of Members Dues
- Expenses already reimbursed by PEF
- Internal Caucus/Partisan Union Activities
- Salaried Employees
- Legal Fees
- Cash Gifts this includes Visa/Amex Gift Cards
  - Gift Cards can be given out as door prizes, raffle items, and retirement gifts
  - Keep record of who received the gift cards, we will need to receive this information when you submit your quarterly reports





# 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 [www.pef.org/divisionsfinance](http://www.pef.org/divisionsfinance)
- Any bounced checks will incur a charge of \$50.00 to the division

# 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!**