

SUFFOLK  
COUNTY



ASSOCIATION OF  
MUNICIPAL  
EMPLOYEES, INC.

Association of  
Municipal  
Employees  
Financial Code



Amended as of 10/23/08  
Board of Directors Meeting

# AME FINANCIAL CODE

## I. Purpose

1. To guide the Suffolk County Association of Municipal Employees in carrying out the duties and obligations as set forth in the Association's Bill of Rights and Constitution and Bylaws.
2. The responsibility to implement this Financial Code shall rest with the Treasurer of the Association with the adoption by the Association's Board of Directors.
3. The Board of Directors may amend this Financial Code from time to time as it may be deemed necessary by a majority vote.

## II. Treasurer's Responsibilities

### 1. Custody of Funds

The Treasurer shall be responsible for the custody of all funds of the Association. Any and all funds received by the Association shall be placed directly into an insured financial institution not to exceed the maximum insured limits of such institution. All accounts must be in the name of Suffolk County Association of Municipal Employees, Inc. and shall bear the Association's Tax Identification Number. No officer shall invest funds in any way that will result in personal profit or advantage for any member of the Association.

### 2. Petty Cash

A Petty Cash Fund may be maintained by the Association not to exceed \$200.00. Expenditures from this fund must be recorded on a Petty Cash Voucher accompanied by a receipt and/or a signed Petty Cash Slip. The voucher must contain the date, amount and purpose of the transaction, in addition to the name. The Treasurer may designate a Custodian of the Fund. As replenishment is needed the voucher will be submitted to the Treasurer of the Association for verification and reimbursement. After reconciliation, the Treasurer will issue a check payable to the Custodian of the Fund. At no time may any other income be placed into this Fund nor shall the Fund ever exceed the established amount. A locked cash box should be utilized for the Petty Cash Fund.

### 3. Books & Records

The Treasurer shall be the custodian of all the financial books and records of the Association.

Said books and records shall remain within the premises of the Association and shall be available for inspection at AME to the Board of Directors and Audit Committee as provided for in the Association Bylaws.

#### 4. Accounting Records

The Treasurer shall maintain the following:

- A. The Treasurer shall use a computer program which will provide all bank account balances, expenses paid by category and income deposited by category so that the most up to date information will be available to the President and other members of the Executive Board as needed.
- B. All accounts of the Association shall be reconciled on a monthly basis.
- C. Paid Bills & Invoices – The documents must be marked with the check number, date, amount and account and purpose of expense.
- D. Petty Cash Vouchers – Maintain in accordance with procedure set forth herein.
- E. Ownership Documentation – Any and all receipts showing evidence of the purchase of any type of fixed assets belonging to the Association must be maintained.

#### 5. Financial Reporting

- A. Members shall have the right to a full and clear accounting of all union funds at all levels.
- B. The Treasurer shall keep an accurate account of all funds, receipts, and disbursements and all monies, securities and other property owned by the Association, and shall submit monthly itemized reports at each scheduled meeting of the Board of Directors, including all other reports the President may require.
- C. Each Unit is required to submit to the Treasurer all financial reports. The Treasurer is responsible for obtaining and maintaining the financial reports for each Unit. All Units of AME will be required to submit the following reports in order to qualify for a unit rebate.

- Financial Statement (Form 2)
- Disbursements (Form 2A)
- Photocopy of all monthly Bank Statements
- Copy of June 30<sup>th</sup>/December 31<sup>st</sup> Bank Reconciliations (Form 2B, 2C & 2D if Petty Cash is used)
- Budget Report (Form 1)
- Budget Report (Form 1A if Honoraria is used)
- Budget Report (Form 1B if Fixed Assets are to be purchased)
- Budget Report (Form 1C necessary only to amend original Budget)
- Audit Report

1. Any unit rebates that have not been remitted to the unit will be donated in the name of the unit to the AME Scholarship Fund after a period of 6 months from the appropriate filing dates. The Association shall supply the required blank financial reporting forms.
2. The Executive Board through the AME Treasurer shall notify the Board of Directors of any unit that is delinquent in their filings.

Unit funds will only be transferred to the Scholarship Fund with the approval of the Board of Directors.

3. The Board of Directors may grant an appropriate extension for such filings as needed.

- D. Financial Statement – An annual estimated unit income of \$2,500 or more requires the filing with AME of a December 31<sup>st</sup> and June 30<sup>th</sup> financial statement on or before January 31<sup>st</sup> and July 31<sup>st</sup> of each year.
- E. A certified audit of the Association's finances shall be performed once a year by an independent auditor, otherwise not connected with this Association.

### III. Budget

1. The fiscal year of the Association shall be from January 1 through December 31.
2. The President shall submit to the Board of Directors a Proposed Budget no later than October 1<sup>st</sup> of each year.
3. The Board of Directors shall adopt a Budget no later than December 1<sup>st</sup> of each year. The adopted budget shall be published in the next scheduled issue of the Association's publication, and a copy made available for member review at the Association's headquarters.
4. The Board of Directors shall approve all paid staff salaries including the President of AME. The beginning bi-weekly salary of the President shall be the difference of their present County, Town or retirement salary and the County equivalent of a Grade 31 Step 6. Salary Increments shall proceed accordingly through the Step System as per the current AME Contract.
5. The Board of Directors shall approve all expenditures not previously allocated in the Adopted Budget.

### IV. Income & Expenditures Procedures

1. Income and expenditures of the Association must be in accordance with the Adopted Budget as passed by the Board of Directors.
2. No member shall conduct any income producing Union activity without the prior consent of the Association's Executive Board.
3. Withdrawals or drafts drawn upon the Association accounts shall require the signature of at least two (2) officers of the Association; one (1) being the Treasurer; and the other being the President or the Executive Vice President. The use of ATM/CASH Cards is **strictly prohibited**.
4. Reimbursement of expenses shall be made upon approval of the Board of Directors, unless previously authorized in the Budget. A person seeking reimbursement shall submit to the Treasurer an accounting of the expenses on a form prescribed by the Association, including all receipts and documents supporting such expenses. Reimbursement shall not be paid to any member who has been reimbursed from another source. Advance payment of expenses can be made within ten (10) days prior to an event with the approval of the Executive Board.

Submission of Expense Vouchers should be made within thirty (30) days after the close of each event.

5. No contributions to any cause may be paid unless previously in the Budget established for such purposes. A maximum limit of \$150.00 (nominal value) per item is established for retirements and memorials to a deceased member or any member in need with the approval of the Executive Board.
6. No officer or member shall incur any indebtedness without the prior approval of the Board of Directors. All leases contracts or other agreements shall be submitted in advance of signing to Association counsel and shall not extend beyond six (6) months of the incumbent's term of office unless approved by the Board of Directors.
7. *Travel Vouchers* – all out-of-pocket expenses for the furtherance of official union business must be entered on an Association approved Travel Voucher. A receipt must document expenses listed and any other documentation deemed necessary. Mileage reimbursement shall be documented by actual odometer readings or the Suffolk County Mileage Chart. The rates for mileage reimbursement shall not exceed those rates contained in the Internal Revenue Services Tax Code, when adopted by the Executive Board.

The purpose of travel must also be stated. Vouchers must be submitted to the Treasurer on a monthly basis, not later than ninety (90) days following the month vouched for. Expenses claimed after this date are deemed to have been waived by the individual involved. Only under extreme circumstances may a voucher submitted after this date be considered by the Executive Board and payment may only occur after a properly carried motion of said Executive Board. All vouchers must be approved by the President and the Treasurer before reimbursement.

In the case of a voucher being submitted by either the President or Treasurer, the voucher must also be approved by the Secretary of the Association, in order to contain the signature of two unaffected parties.

8. An Executive Board Member wishing to attend a training conference or seminar must obtain the approval of the Association President, and the Executive Board. This approval must be attached to any voucher or claim for such expenses. When practical, association vehicles should be used for any A.M.E. related travel. In the event a personal automobile must be used for such travel, mileage will be reimbursed at a rate pursuant to the Association Financial Code.
9. *Honorariums* – The Board of Directors may establish honorariums for each Executive Officer of the Association in an amount to be determined by the Board of Directors. Honorariums for Executive Officers may not take effect during the current term of office of the incumbent to receive such increase. Any increase must be approved by the Board of Directors prior to the nomination of officers for the next term of office for which the position(s) is affected. Any newly created or change of honorarium shall be published in the official publication of the Association within thirty (30) days of the approved change. The monthly

allocation of monies honoraria as established by the Board of Directors on January 26, 1988, shall continue for the Executive Board Officers.

Pursuant to a vote of the Board of Directors on 12/17/02, the following honorariums are effective 7/1/03:

President	\$1,050
Exec Vice Pres.	\$ 800
Full Time Officer	\$ 550
Part Time Officer	\$ 150
Part Time Treas	\$ 250
Part Time Secy	\$ 200

Honoraria will be paid while active. Active shall mean any officer who has in the past and continues to consistently serve and attend meetings. The Association President must approve excused absences.

10. Each duly organized unit of the Association that has complied with all the provisions of the Association's Constitution and By-Laws, Bill of Rights and Financial Code shall have the room and board convention expenses of the mandated delegates paid for by the Association. Mandated delegates are defined as the Unit President and the required delegates of each unit as prescribed in the Constitution. Delegate expenses, meals, lodging and other delegate expenses cannot exceed the amounts authorized by AME Executive Board for such expenses.

The delegate count will be computed using the membership as of the last payroll in June for Fall Conventions and the last payroll in December for Spring Conventions.

11. When reasonable and necessary, advances approved by the Executive Board, may be paid by the Treasurer, no sooner than ten (10) days before the event. The purpose of the advance is to help with expenses that normally would have to be out-of-pocket before the individual could be reimbursed by the Union. The advance process is as follows:
  - a) The individual seeking the advance should present to the Treasurer the purpose of the advance and any supporting documents.
  - b) The treasurer shall approximate the actual costs and issue a check for an amount not to exceed the approximation.

c) Within thirty (30) days after the close of the event for which the advance was sought, the advance must be reconciled. If the advance was more than the actual expenditures, as documented by the voucher, the individual must pay back the balance. If the advance was less than the actual expenditures, as documented by the voucher, the Treasurer shall issue a check for balance due the individual. If the advance is not settled in full within thirty (30) days after the event, no additional advances may be made to the individual. In addition, the Treasurer must deduct the advance from any and all vouchers, salary or honoraria until the advance is repaid. If the individual receiving the advance is not subject to deductions, vouchers, salary or honoraria the Treasurer shall take such steps as are necessary to recover any outstanding advances.

12. All expenditures shall be made by check only with the limited exceptions of a petty cash fund. No checks will be made out to "cash".
13. Purchase for goods or services costing in excess of \$2,000 must be put out to bid to at least two (2) independent vendors. If two or more bids are received and the lowest bidder is not selected to provide such goods or services, an explanation for such decision must be provided.
14. All vouchers paid by the Treasurer must clearly indicate which account(s) are to be debited, including the amount debited each account.

## V. DUES

1. *Members.* Members of the Association shall pay through a bi-weekly payroll of \$16.00\* for each pay period in the official County calendar year, or by direct payment to the Association for the annual amount equal to the bi-weekly dues deduction times the calendar year bi-weekly payments. One-half (1/2) which shall be due by December 1 of the year preceding the annual period of membership and the second payment due on or before June 1 of the current year of membership. Part-time employees, except Crossing Guards, contractually unique as determined by the Board of Directors, i.e., College Aides, shall pay one-half (1/2) the annual dues in the same manner as above. When contractual modifications amend the number of bi-weekly payrolls, the Executive Board may decrease the annual amount of dues with the approval of the Board of Directors.

\*( $\$15.00$  Effective the first full payroll period in 2007.  $\$16.00$  Effective the first full payroll period in 2008.)

*Associate Members.* Associate members shall pay through a bi-weekly payroll deduction of \$16.00\* for each pay period in the official County calendar year, or by direct payment to the Association for the annual amount equal to the bi-weekly dues deduction times the calendar year bi-weekly payments. One-half (1/2) which shall be due by December 1 of the year preceding the annual period of membership and the second payment due on or before June 1 of the current year of membership.

\*( \$15.00 Effective the first full payroll period in 2007. \$16.00 Effective the first full payroll period in 2008.)

2. *Agency Shop.* Agency shop fee payers shall contribute an agency shop fee through biweekly payroll deductions of \$14.40\* for each pay period in the official County calendar year.  
\*( \$13.50 Effective the first full payroll period in 2007. \$14.40 Effective the first full payroll period in 2008.)
3. *Retired Members* – The annual membership of a Retired Member shall be \$25.00\* annually payable once each year directly to the Association by December 1<sup>st</sup> of the preceding year of membership. If a member retires in the second half of the fiscal year, the dues shall be pro-rated accordingly.  
\*(Effective January 1, 2007.)
4. *Laid off Members* – Any member in good standing of the Association who has been laid off and placed on a preferred list, shall be granted a gratuitous membership for a period of one (1) year following such layoff, provided the member requests such benefits within thirty (30) days of the effective date of the layoff.
5. *Disabled Members* – Any member in good standing of the Association who has become disabled by accident or illness, and as a result is placed on leave without pay shall be granted a gratuitous membership for the duration of such disability, provided the member requests such benefit within thirty (30) days of such leave.
6. *Gratuitous Membership* – Gratuitous Membership will also be afforded to those members who are on unpaid leave under the Family and Medical Leave Act of 1993.
7. *Members on Military Leave* - When a member in good standing is called to active military duty and is placed on leave without pay, the member shall be granted a gratuitous membership for the period of active service, with the approval of the Executive Board.

8. *Political Action Committee* - An amount approved according to the Constitution and Bylaws of ten percent (10%) of the Annual Dues shall be included in the Association Dues for legislative and political action purposes. Any dues paying member of the Association who objects to such appropriation shall be entitled to a rebate of such portion of dues, upon written request to the President of the Association. Requests for rebate of political action contributions can be made once each year and must be received on or before December 1<sup>st</sup> each year. The President shall direct AME, PAC Inc., to remit to the objector the amount of 10% of their total dues paid for the current calendar year. Effective the first full payroll period in 2000.
9. *Amending of Dues* - The membership dues of the Association can only be amended by a majority vote of the delegates at a duly constituted convention.

**VI. Rebates**

1. Each Duly organized Unit of the Association must comply with all of the provisions of the Association Constitution and Bylaws and the Financial Standard Code in order to receive the rebate payment.
2. Rebates will be paid in April and October based upon 7.75% of the membership dues and agency Shop fees collected in the Unit through December 31 and June 30 respectively.
3. An additional .65% of Membership Dues and Agency Shop fees from each unit shall be placed into a Common Rebate Fund, which will be divided according to unit size using the following formula:

<b>DISTRIBUTION RATE OF COMMON REBATE FUND</b>
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<b>1-125 Members</b>	<b>50% of the Common Rebate Fund</b>
<b>126-250 Members</b>	<b>33% of the Common Rebate Fund</b>
<b>251-500 Members</b>	<b>15% of the Common Rebate Fund</b>
<b>501 +</b>	<b>2% of the Common Rebate Fund</b>

4. All units within each indicated range will share equally the specific percentage of the Common Rebate Fund.
5. The Retiree Unit shall receive an annual payment of 20% of their Membership Dues and be exempt from participation in the Common Rebate Fund.

6. All rebates shall be paid during the months of April and October of each year.
7. All funds to be rebated to units are rebated in trust on behalf of the Members and Agency Shop payers of the unit. All rebated funds to units shall be used for the benefit of its members and the furtherance of legitimate union business in accordance with the AME Financial Code and the Unit Financial Code.

## **VII. Financial Committees**

1. The Association maintains as standing committees a Budget Committee, Audit Committee and an Investment Committee. The AME Treasurer shall be the Executive Board Liaison with these three standing committees. The President with the approval of the Executive Board shall appoint Committee Chairpersons selected from the Association membership. In addition the approval of the Board of Directors is needed when appointing members to the Audit Committee.
2. *Budget Committee* – The Budget Committee will consist of not less than three (3) members, none of whom shall be officers of the Executive Board of the Association. This Committee shall prepare an Annual Operating Budget subject to the approval of the Executive Board and the Board of Directors.
3. *Audit Committee* – The Audit Committee shall consist of not less than three (3) members, none of whom shall be officers of the Executive Board of the Association. This Committee shall have the responsibility of periodically auditing the books of the Association through the fiscal year and submitting a written report of its findings to the President and the Board of Directors. The President of the Association may direct the Audit Committee to audit the books of any unit, which fails to submit an audit of its records to the Association. Unit Audits will routinely be conducted at the end of each unit election cycle.
4. *Investment Committee* – The Investment Committee shall consist of not less than three (3) members, none of who shall be officers to the Executive Board of the Association. This Committee will operate under guidelines established by the Board of Directors. No member or officer shall invest or cause to invest, union funds in any manner without the recommendation of the investment committee.

## **VIII. Dissolution**

In the event that the Association is dissolved, all books, records, funds and property of the Association shall be placed in escrow for one (1) year for the purpose of reorganization.

**IX. Unit Dissolution**

1. In a case where a unit or units are restructured or dissolved the funds in the respective unit account as well as any entitled rebate funds shall be apportioned in such a manner as the unit members are assigned into new units. The Executive Board will determine the disposition of any fixed assets if necessary.
2. In the event that a unit decertifies – all books, records, funds and property shall be delivered to the Treasurer of the Association.

**X. Ethics**

1. A relative of the Executive Board may serve in a paid or unpaid capacity as an employee or consultant to the union during the term of office of that officer with the approval of the Board of Directors
2. No officer of AME, their spouse or an immediate family member shall benefit in a business way with AME or AME related contractors/vendors/providers. Examples are SC Employees Medical Health Insurance participants or SC Deferred Compensation or AME Benefit Fund.

**XI. Constitution and Bylaws Amendments**

Any amendment to the Association's Constitution and Bylaws which affects this Financial Code shall supersede said codes and the codes shall be deemed automatically amended to coincide with the Association's Constitution and Bylaws and implemented into the Unit Financial code.

This Financial Code was amended and adopted at the Board of Directors meeting held on October 23, 2008.

  
Kathleen Malloy  
Secretary