



**AME**

**UNIT FINANCIAL CODE**

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**DEFINITIONS**

For the purpose of this code, the following definitions shall be used:

**Subdivision:** Any Suffolk County A.M.E., Inc. recognized unit.

**Rebate:** That portion of dues collected from employees of a unit and refunded to the Treasury of that unit.

## FINANCIAL CODE

### Article I.

#### Purpose

##### Section 1.

Each and every subdivision of the ASSOCIATION OF MUNICIPAL EMPLOYEES, INC. shall be required to fulfill the requirements herewith set forth.

##### Section 2.

Rebates allocated to Units (subdivisions) from A.M.E., Inc. are given in trust by AME on behalf of the entire unit membership and agency shop fee payers. All funds received by Units shall be spent on behalf of its membership and agency shop (a/s) fee payers on the furtherance of official union business. The guiding principle shall be that funds shall be available to all members on an equal opportunity level. The officers of the Unit's Executive Board are expected to be ever mindful of their fiduciary responsibility to its membership and a/s fee payers, as well as the Association's membership and a/s fee payers at all times. If there is a question of authenticity in regards to income and expenditures of the unit, the Association's Treasurer must be consulted.

##### Section 3.

This code is the establishment of minimum standards to be met by the Unit. Nothing shall prohibit the Unit's Executive Board from creating additional, more stringent guidelines within its By-Laws, but in no case may the unit promulgate any guidelines which are less demanding than those enumerated herein. This code shall not be interpreted in any manner to alleviate the responsibilities placed on an elected officer by the Association's Bill of Rights, Constitution or By-Laws.

## ARTICLE II FUND RETENTION

##### Section 1.

Any and all funds received in trust for Unit membership and a/s fee payers shall be placed directly into a saving and/or checking account at a licensed banking institution. Accounts may be maintained at the following:

- A. Insured Commercial Banks
- B. Insured Savings & Loan Institutions
- C. Insured Credit Unions chartered by either the Federal or State Government

All accounts must be in the name of Suffolk County A.M.E., Inc. SC AME, Inc/Name of Unit (i.e.: Parks Unit) and the subdivisions body. Withdrawals or drafts drawn upon the Unit accounts shall require the signature of at least two officers of the Unit; 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.** Under no circumstances shall a check be drawn without the Unit Treasurer's signature.

Section 2.

No officer shall invest, or cause to invest, unit funds in any way that will result in personal profit or advantage for any officer or A.M.E. Representative.

Section 3.

A.M.E., Inc.'s Federal Tax Identification Number must be furnished to the appropriate financial institution upon the opening of any accounts. This number is available from the Association's Treasurer. In addition, the Association Treasurer must be notified in writing of any and all bank accounts, name of bank, address and account numbers and names of those authorized to make withdrawals. A copy of the AME Corporate Resolution shall be on file with the Treasurer of the Association.

Section 4.

A single petty cash fund may be utilized under the following limitations:

- A. 100 members or less - \$250.00
- B. 101 members to 500 members - \$50.00
- C. 501 members or more - \$100.00

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 a name. Recommended reimbursement to the fund is monthly. The Treasurer of the unit may designate another officer of the unit as custodian of the fund if the Unit Treasurer's work site is inconvenient to the daily operation of the unit. As replenishment is needed the voucher will be submitted to the Treasurer of the unit for verification. After reconciliation by the Unit President (a tally of the expenditures compared to the receipts and petty cash slips must accompany the voucher submitted to the Unit President) the Unit 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 maximum amount. A locked cash box should be utilized for the petty cash fund.

Section 5.

The Unit Treasurer shall be custodian of the financial books and records of the unit. The books and records shall be open at all times for the inspection of the Unit President, Unit Executive Board and Auditing Committee of the Unit. The Unit Treasurer is responsible for the safekeeping of these records.

Section 6.

The Unit Treasurer shall make available to the duly authorized representatives of the Association, at the request of the Association's President, Treasurer, or Audit Committee all records for inspection. If the Unit Treasurer fails to make the records available, or in the event that the furnished record are deemed to be inadequate after a review by the Association Audit Committee, the unit may be placed in interim trusteeship by the President of the Association subject to approval by the Board of Directors.

Section 7. Dissolution/Decertification

- In a case where a unit or units are restructured or dissolved the funds in the respective unit accounts 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.
- In the event that a unit decertified – all books, records, funds and property shall be delivered to the Treasurer of the Association and shall become the property of the Association.

### **Article III**

#### Accounting Records

##### Section 1.

- It is desirable that all unit records be computerized utilizing Quick Books Pro. All incoming funds by category as well as all checks and cash expenditures by category shall be reconciled on a monthly basis in a timely manner. All bank statements and records of expenditures should be available to members of the Unit Executive Board on a timely basis.
- Paid bills and invoices. The documents must be marked with the check number, date, amount and account and purpose of expense. In addition, all minutes of unit membership and Executive Board meetings pertaining to authorization of expenditures or reimbursement of expenditures shall be maintained.
- Ownership documentation. Any and all receipts showing evidence of the purpose of any type of fixed assets belonging to the unit shall be maintained.

### **Article IV**

#### Fundraising Activities

All fund-raisers shall be proposed and approved by the Association's Executive Board accompanied by:

- 1) Itemized list of anticipated expenses
- 2) Itemized list of anticipated revenues
- 3) Projected profit margin

Collections for social events and fund-raisers shall be on pre-numbered tickets or forms. The Committee shall be responsible for accountability to the Unit President. The stubs of the used tickets or forms, multiplied by the ticket price, shall equal the money returned. The stubs of used and unused tickets, or forms shall be submitted to the Unit Treasurer for retention.

No expense will be disbursed without a receipt and the approval of the Unit President.

A report will be filed quarterly with the Association's President. Such report shall contain:

- 1) An itemized list of actual revenues
- 2) An itemized list of actual expenses

3) An actual profit figure

This report will be signed by the Chairperson of the Committee and submitted in duplicate, one copy to the Unit President and the second to the Unit Treasurer.

**Article V**

Income and Expenditure Authorization

Section 1.

Income and expenditures of the unit must be in accordance with the adopted budget as passed by the Unit Executive Board and filed with the Association's Treasurer.

Section 2.

Budget Overruns

No expenditures of Union funds shall be made without proper authorization. The Unit's Executive Board shall be required to approve any expenses in excess of amounts budgeted per line item.

Section 3.

No Unit shall conduct any income producing activity without the prior consent of the Association's Executive Board. All requests to conduct income producing activity shall be submitted in writing to the AME Executive Board at least one (1) month prior to the commencement of the anticipated income producing activity.

**Article VI**

Reimbursement for an Individual

Section 1.

Money reimbursed to an individual for expenses incurred during the official furtherance of union business may only be paid as follows:

A. HONORARIA - Honoraria shall be determined by the size of the unit, financial condition of the unit, time demands upon an officer, and the amount of unreimbursed expenses incurred by said officer for the unit. The unit Executive Board may establish honoraria or increase the amount only during a unit election year, to take affect with the new term of office. Upon said creation or change, notice to the unit membership shall be widely distributed. A copy of the unit's Board minutes containing the properly carried motion, along with amounts, names, addresses and social security numbers of the affected officers shall be forwarded to the Association's Treasurer by January 15th of each year for the prior year for income tax purposes. These amounts of monies must be reported on the individuals income tax return and the burden of said reporting falls upon the individuals. The total amount of honoraria for a unit shall not exceed twenty-five percent (25%) of said units annual rebate.

B. TRAVEL VOUCHERS - All out-of-pocket expenses for the furtherance of official union business must be entered on an Association approved travel voucher. Expenses listed must be documented by a receipt 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 Service Tax Code. The purpose of travel must also be stated. Vouchers must be submitted to the Unit Treasurer on a monthly basis. All vouchers must be submitted to the Unit Treasurer no later than the 30th of the month following the

close of the month voucher for. Expenses claimed after this date are deemed to have been waived by the individual involved. Only under an extreme circumstance may a voucher submitted after this date be considered by the Unit Executive Board and payment may only occur after a properly carried motion of said Board. All vouchers must be approved by the Unit President and the Unit Treasurer before reimbursement. In the case of a voucher being submitted by either the Unit President or Unit Treasurer the voucher must also be approved by the Secretary of the unit in order to contain the signature of two unaffected parties.

C. Reimbursements for expenses may not be made by the unit to any individual who has been reimbursed from any other source. If the Unit Treasurer has any questions concerning reimbursements from other sources, the Association's Treasurer must be contacted.

#### Section 2.

Reimbursement for delegate expenses, including travel, meals, lodging and other delegate expenses cannot exceed the amounts authorized by AME, Inc. for such reimbursements.

#### Section 3.

When reasonable and necessary, advances, in amounts not exceeding the amounts approved by the Association may be paid by the Units Treasurer. Advances may be paid no sooner than ten (10) days before the event for which the advance is sought. 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 Unit Treasurer the purpose of the advance and any supporting documents (example: meeting notice).

B. The Unit 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 travel voucher, the individual must pay back the balance. If the advance was less than the actual expenditures, as documented by the travel voucher, the Treasurer shall issue a check for balance owed 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 travel vouchers or honoraria until the advance is repaid.

### **ARTICLE VII**

#### Qualifications, Income and Expenses.

##### Section 1.

A. Gifts of appreciation to any cause may not be made by the unit except those that directly benefit members and a/s payers, and may include such items as acknowledgement of retirements, memorials to deceased members or a/s fee payers or any members in need with the approval of the Unit Executive Board. Expenses of this nature shall not exceed \$100.00 per expenditure.

B. Contributions to outside organizations or AME sponsored activities may be made only with the prior approval of the Association's Executive Board.

Section 2.

No contributions may be made, or any expenses incurred, by the unit for any political cause. Any and all such requests should be addressed to the President of AME - PAC, Inc.

Section 3.

No unit shall incur any indebtedness nor shall any other financial obligation be incurred. "Indebtedness" shall be defined as any loans, advances, overdrafts, or mortgages from any bank, credit union, finance company or retail credit company.

Section 4.

No unit is authorized to enter into any lease, contract or other agreement without prior approval of the Association's Executive Board.

Section 5.

No unit may make any loans to any individual, corporation or other entity.

Section 6.

In order to avoid duplication of services and unnecessary costs, no Unit may appropriate funds for any professional services provided by the Association.

Section 7.

All expenditures shall be made by check. No check will be made out to "Cash".

Section 8

No check shall be issued without proper documentation. Documentation shall consist of receipts or unit board minutes.

Section 9

At the time a check is issued, the date, amount, payee and purpose of the check shall be entered on the check stub. The checkbook balance shall be adjusted accordingly.

## Article VIII

### Reporting

#### Section 1

**Financial Reports** - All Units of A.M.E. will be required to submit the following reports in order to qualify for a unit rebate. Any unit rebates that have not been remitted to the unit will be donated in the name of the unit to the A.M.E. Scholarship Fund after a period of 6 (six) months from the appropriate filing dates.

#### Required Financial Reports:

- Financial Statement (Form 2 supplied by Association)
- Financial Statement Itemization (Form 2A supplied by Association)
- Fixed Asset Inventory Report (Form 2B supplied by Association)
- Copy of all monthly Bank Statements
- Copy of June 30<sup>th</sup>/Dec 31<sup>st</sup> Bank Reconciliations
- Budget Report Form 1, supplied by Association
- Audit Report

#### Section 2.

**Financial Statement** - An annual estimated unit income of \$2,500. or more requires the filing with A.M.E. of a December 31st and June 30th financial statement on or before January 31<sup>st</sup> and July 31<sup>st</sup> each year. Unit incomes of less than \$2,500 are required to file an annual report on or before January 31<sup>st</sup> of each year. These reports shall be presented to the unit Executive Board. These reports shall be made available to the unit's entire membership and posted on the unit's bulletin boards for a period of not less than 30 (thirty) days.

#### Section 3.

**Budget Report.** On or before December 1 of each year, the unit's Executive Board shall approve a unit budget. The budget shall be prepared by the Unit's or the Association's Budget Committee. The Unit Treasurer shall be a member of the Budget Committee. The budget shall be prepared on an Association approved form and accompanied by supporting schedules. The budget report shall be filed with the Association on or before January 31<sup>st</sup> of each year. This report shall be made available to the Unit's entire membership and posted on the Unit's bulletin boards for a period of not less than thirty (30) days.

#### Section 4.

**Audit Report.** All Units shall be required to submit an annual audit report to the Association on or before January 31<sup>st</sup> of each year. This report shall be made available to the Unit's entire membership and posted on the Unit's bulletin boards for a period of not less than thirty(30) days.

**Article IX**

Miscellaneous

Section 1.

The fiscal year will be from January 1 to December 31 of the same year.

Section 2.

The Unit President shall notify the Association's Treasurer within seven days of any changes in the office of the Unit Treasurer or if the Unit Treasurer is unavailable for an extended period of time.

Section 3.

The Suffolk County Association of Municipal Employees, Inc. is not exempt from sales tax.

This Financial Code was amended and adopted at a Special Board of Directors meeting held on August 5, 1986, with the exception of Article V, Section 3; and Article VII, Section 7 which were adopted at the Board of Directors meeting held on September 24, 1986.\_\_\_\_\_.

This Financial Code was amended and adopted at a Special Board of Directors meeting held on June 28, 2001.

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Mary Ann De Costanzo  
Secretary