

CUPEU
Summary
Profit & Loss Statement
1/1/08 through 12/31/08

Income		
Membership Payroll Dues	\$339,505.49	
Membership Fees	\$130.00	
Investment Income	\$16,583.86	
Total Income		\$356,219.35
Expenses		
CSN Affiliation	\$239,650.93	
Employees	\$47,878.07	
General Assemblies	\$6,241.13	
Social Events for Members	\$7,133.05	
Executive Development	\$2,917.28	
CSN Conferences	\$4,141.65	
Executive	\$3,098.18	
Union Council	\$2,118.26	
Grievance	\$19,413.98	
Labor Relations	\$1,308.16	
Negotiations	\$126.69	
Mobilization	\$9.03	
Professional Development	\$55.81	
Meals	\$275.40	
Photocopying	\$110.56	
Telephone	\$765.22	
Fax	\$30.13	
Web Site Hosting	\$284.42	
Office Supplies	\$615.60	
Postage	\$35.22	
Bank Charges	\$4.20	
Charitable Donations	\$2,040.00	
Gifts/Cards	\$455.72	
Cash Shortage/Overage	\$2.00	
Depreciation	\$4,007.25	
Total Expenses		\$342,717.94
Net Profit/(Loss)		\$13,501.41

CUPEU

Balance Sheet

As of December 2008

Assets	
Banks	
Bank of Montreal	\$15,628.97
Total Banks	<u>\$15,628.97</u>
Concordia University	
AG2006	\$6,141.80
Total Concordia University	<u>\$6,141.80</u>
Petty Cash	
Office Admin Petty Cash	\$127.78
Treasurer Petty Cash	\$300.24
Total Petty Cash	<u>\$428.02</u>
Investments	
Nesbitt Burns Investments	\$414,551.82
Total Investments	<u>\$414,551.82</u>
Accounts Receivable	\$39,088.14
Fixed Assets	
Office Equipment	\$9,016.93
Office Equip Accumulated Depr	(\$5,257.15)
Furniture	\$700.39
Furniture Accumulated Depr	(\$636.03)
Total Fixed Assets	<u>\$3,824.14</u>
Total Assets	<u><u>\$479,662.89</u></u>
Liabilities	
Accounts Payable	\$26,870.28
Exec Development Payable	
President Exec Dev Payable	\$50.30
VP Communications Exec Dev Pay	\$1,500.00
VP Special Proj Exec Dev Pay	\$375.00
Total Exec Development Payable	<u>\$1,925.30</u>
Total Liabilities	<u>\$28,795.58</u>
Equity	
Retained Earnings	\$437,365.90
Current Earnings	\$13,501.41
Total Equity	<u>\$450,867.31</u>
Total Liability & Equity	<u><u>\$479,662.89</u></u>

CUPEU

Budget Comparison 2008

	Budgeted	Actual	Difference (Over)/Under
Income			
Membership Payroll Dues	\$317,000.00	\$339,505.49	(\$22,505.49)
Membership Fees	\$40.00	\$130.00	(\$90.00)
Investment Income	\$16,500.00	\$16,583.86	(\$83.86)
Total Income	\$333,540.00	\$356,219.35	(\$22,679.35)
Expenses			
CSN Affiliation	\$224,000.00	\$239,650.93	(\$15,650.93)
Employees	\$47,000.00	\$47,878.07	(\$878.07)
General Assemblies	\$9,000.00	\$6,241.13	\$2,758.87
Social Events for Members	\$7,200.00	\$7,133.05	\$66.95
Inter Union Council	\$125.00	\$0.00	\$125.00
Executive Development	\$9,375.00	\$2,917.28	\$6,457.72
CSN Conferences	\$4,200.00	\$4,141.65	\$58.35
Executive	\$4,000.00	\$3,098.18	\$901.82
Union Council	\$2,500.00	\$2,118.26	\$381.74
Grievance	\$26,000.00	\$19,413.98	\$6,586.02
Labor Relations	\$1,500.00	\$1,308.16	\$191.84
Negotiations	\$5,000.00	\$126.69	\$4,873.31
Mobilization	\$5,000.00	\$9.03	\$4,990.97
Professional Development	\$300.00	\$55.81	\$244.19
Meals	\$0.00	\$275.40	(\$275.40)
Photocopying	\$0.00	\$110.56	(\$110.56)
Telephone	\$850.00	\$765.22	\$84.78
Fax	\$370.00	\$30.13	\$339.87
Web Site Hosting	\$350.00	\$284.42	\$65.58
Office Supplies	\$1,500.00	\$615.60	\$884.40
Books/Journals	\$300.00	\$0.00	\$300.00
Computer Software	\$300.00	\$0.00	\$300.00
Postage	\$100.00	\$35.22	\$64.78
Bank Charges	\$10.00	\$4.20	\$5.80
Charitable Donations	\$2,000.00	\$2,040.00	(\$40.00)
Gifts/Cards	\$300.00	\$455.72	(\$155.72)
Cash Shortage/Overage	\$0.00	\$2.00	(\$2.00)
Equipment Repair/Maintenance	\$250.00	\$0.00	\$250.00
Miscellaneous	\$300.00	\$0.00	\$300.00
Equipment Damaged/Out of Use	\$500.00	\$0.00	\$500.00
Depreciation	\$5,000.00	\$4,007.25	\$992.75
Total Expenses	\$357,330.00	\$342,717.94	\$14,612.06
Net Profit/(Loss)	(\$23,790.00)	\$13,501.41	(\$37,291.41)

Audit Committee Report¹


for the period:

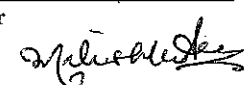
January 1, 2008
to
December 31, 2008

We, the members of the CUPEU Audit Committee, have reviewed the books and records of our union. In our opinion, the financial administration of CUPEU is being done extremely well, but we have some recommendations to make.

Date audit conducted: April 3 and 8, 2009

Date audit report submitted: May 8, 2009

Prepared by: Simon Horn 
Audit Committee member

Milushka Icaza 
Audit Committee member

Shelagh Peden 
Audit Committee member

Brenda Fewster 
Audit Committee observer

¹ This document was created by modifying the "Trustees Audit Program" as found online at the Canadian Union of Public Employees' website.

2008 Recommendations (includes follow-up on recommendations from 2007 audit)

Observation	Recommendation	Management Response
<p>1. Effective monitoring of financial transactions requires written policies and procedures that are widely distributed. The union does not have written by-laws or policies with regards to its finances.</p> <p>The value of an audit is hindered when there is insufficient governing documentation in place for evaluating financial transactions.</p>	<p><i>Carried over from 2006 & 2007 audit.</i></p> <p>A) Policy on Executive Development & Executive Computer Program Policies concerning the Executive Development Program and the Executive Computer Program are not clear. In both cases there should be a written policy to cover:</p> <ul style="list-style-type: none"> • a) eligibility (who can get money); • b) amounts (what are the annual or per-term limits); • c) allowable expenses. <p>B1) Policy on disbursements A policy on disbursements (expense claims, petty cash items, etc.) should be drafted to clarify the process by which each union instance (the Executive, the Council, the General Assembly) can authorize spending, and possibly setting specific spending limits at each level (such as, Executive: \$3,000, Council: \$10,000, General Assembly: unlimited).</p> <p><i>New recommendation</i></p> <p>B2) Policy on disbursements – allowable expenses In addition to defining authorization levels for spending, the policy on disbursements should clearly specify allowable and non-allowable expenses. The Audit Committee drafted a list of issues to be addressed by the “Policy on disbursements”.</p>	<p>A) The Treasurer has produced a document consisting of the current unwritten guidelines related to the Executive Development Program & the Executive Computer Program. This will be presented to the Executive Committee for modification / acceptance then to the Union council for modification / acceptance and then finally to the membership for approval. Once approved, this policy will be published on the union’s website.</p> <p>B1&B2) The Treasurer will produce a draft policy on disbursements within six months. This will be presented to the Executive Committee for modification / acceptance then to the Union council for modification / acceptance and then finally to the membership for approval. Once approved, this policy will be published on the union’s website.</p>

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Observation	Recommendation	Management Response
<p>2. Part of the audit program cannot be completed as CUPEU does not receive the cancelled cheques from the bank.</p>	<p><u>C) Policy on insurance and the sale of physical assets</u> A policy should be developed to cover issues related to physical assets.</p>	<p>C) The task of developing a policy on insurance has been assigned to the Vice-President, Special Projects. The audit committee will follow-up accordingly.</p> <p>Issues related to the "sale of physical assets" are covered in the proposed policy on the Executive Computer Program.</p>
<p>3. The bank reconciliation and the union's financial statements are not presented to the Executive Committee at least every four months as per the constitution.</p>	<p>The union should pay the bank to receive cancelled cheques so that the audit committee can verify the authorization signatures on the cheque as well as the endorsing signature.</p>	<p>The Treasurer will photocopy all out-going cheques after they are signed, allowing the audit committee to verify the payee and the authorizing signatures. The audit committee will be allowed to request a sample of 10 cheques of their choosing be returned from the bank during future audits to verify endorsing signatures. Our current account type does not permit routine monthly return of cheques, and the executive does not feel the benefit to be gained justifies the effort required to change accounts, nor the expense of recalling all cheques at \$5 per cheque.</p> <p>The Treasurer will reconcile the monthly bank statement within 30 days of receiving it and will present it at the next available executive meeting. The executive did not consider it necessary to receive financial statements every 4 months. The executive will look at amending the constitution to this effect during the current year.</p>

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Handwritten initials/signature

Observation	Recommendation	Management Response
<p>4. As a general rule, all financial transactions should be recorded in a timely manner. During the course of the audit, we noted some large expense claims processed before year-end contained receipts dating back several months.</p>	<p>All expense reimbursements in excess of \$400.00 should be claimed within 60 days of the actual expense. With the exception of per-diem reimbursements to Executives (i.e., cellular and internet expenses) which may be claimed once a year.</p>	<p>The executive feels this item is ambiguous and requires clarification before responding. Does the \$400 limit apply to single item expenditures, or does it apply to the total of all bills accumulated by the claimant?</p>
<p>5. Deposits of union dues collected from the University are not made on a timely basis.</p>	<p>In general, standard accounting practices dictate that all deposits (cash and cheques) should be made intact and in a timely manner. Given normal institutional processing and mailing delays at Concordia, and the volunteer nature of the CUPEU position of Treasurer, deposits should be made within 15 business days.</p>	<p>Agree. There were two events that seriously impacted the Treasurer's ability to make timely deposits. Normally, the deposits are made during the first free lunch hour available to the Treasurer. Effort will be made to comply with this policy.</p>
<p>6. The current Banner reports available to review the transactions posted to the internal account are not conducive to performing an efficient audit.</p>	<p>A summary of FWRODTA (January to December in one document) would be helpful to the committee.</p>	<p>Agree. Since the union's fiscal year does not coincide with the University's fiscal year. The treasurer will provide the FWRODTA report in two parts (January 1 to May 31st and June 1st to December 31st)</p>
<p>7. We were unable to determine the basis for the payment of invoices for arbitration fees. Information related to grievance cases is not available to the Treasurer. Without this information there is a risk of making duplicate payments or paying for services not rendered.</p>	<p>The Vice-President, Grievance should provide the following information to the Treasurer in a timely manner:</p> <ul style="list-style-type: none"> • grievance number and relevant date(s) • arbitrator name associated to the case • type of service rendered (cancellation / audience took place) 	<p>Agree. The VP Grievance will provide the Treasurer with the required information, including the date the service was rendered.</p>

CUPEU

Budget 2009

Anticipated Income		
Membership Payroll Dues	\$339,000.00	
Membership Fees	\$60.00	
Investment Income	\$15,500.00	
Total Anticipated Income		\$354,560.00
Anticipated Expenses		
CSN Affiliation	\$239,300.00	
Employees	\$42,500.00	
General Assemblies	\$9,000.00	
Social Events for Members	\$11,000.00	
Inter Union Council	\$250.00	
Executive Development	\$7,250.00	
CSN Conferences	\$1,000.00	
Executive	\$4,000.00	
Union Council	\$2,500.00	
Grievance	\$15,000.00	
Labor Relations	\$1,500.00	
Negotiations	\$5,000.00	
Mobilization	\$5,000.00	
Professional Development	\$300.00	
Telephone	\$850.00	
Web Site Hosting	\$350.00	
Office Supplies	\$1,500.00	
Books/Journals	\$300.00	
Computer Software	\$500.00	
Postage	\$100.00	
Bank Charges	\$10.00	
Charitable Donations	\$2,200.00	
Gifts/Cards	\$500.00	
Equipment Repair/Maintenance	\$250.00	
Miscellaneous	\$500.00	
Equipment Damaged/Out of Use	\$500.00	
Depreciation	\$3,400.00	
Total Anticipated Expenses		\$354,560.00
Anticipated Surplus		\$0.00