



## **NATCA Local Treasurer Guidelines**

This briefing sheet is intended for a Treasurer who desires a short briefing of his/her duties. It is not intended to be all-inclusive, but rather hit the main points.

Learn the “rules” by which you must operate, and follow them. Be aware that laws, like the LMRDA, drive the requirements, which must be followed. Most rules are contained in various documents including: The National Constitution and Standing Rules, Local Constitution, resolutions passed by the Local, and decisions of the membership and e-board as documented in the meeting minutes. Note: Standing Rules are abbreviated with an SR followed by the section and number. SRF-21 is Standing Rule F-21 from the National Constitution.

I recommend you read your Local Constitution and any standing policies. Many Locals have financial policies (as passed by the e-board or membership); become familiar with these items.

Familiarize yourself with the Local’s assets, normal income (and source of income), and normal expenditures.

Know that there are many knowledgeable individuals in NATCA that can answer (or direct you to who can answer) any questions you may have; all you have to do is ask.

### **Standard Duties:**

- Ensure the signature card on file with the financial institution is up to date and remains up to date with the individuals in the Local authorized to sign or “countersign” checks.
- Obtain (download if necessary) the financial institution’s statements and cancelled checks (both front and back). When obtaining the statement online, be sure it is a statement and not just a list of transactions or online register.
- Maintain a register for each account (don’t rely on the financial institution’s register), and reconcile the account registers with the financial institution’s statements. Utilizing a financial software program (i.e. Quicken) for the account registers can simplify preparing some reports.
- Ensure each expenditure is documented on a voucher (as required by SRF-21) with signatures, and ensure each voucher has receipts documenting who provided the product or service, the date, and the amount for each expenditure.
- Ensure each check is signed in accordance with SRF-21 (usually two authorized signers).
- Document the source of all income. The National Office emails the FacRep when the quarterly dues rebate has been deposited. The dues rebate analysis and EFT are available from UnionWare and need to be downloaded and checked to ensure the list of members paying dues is correct. Retain the deposit slips for any other deposits, document who provided the funds and for what purpose. Reimbursement of an overpayment, initiation fee payment, payment for an asset being sold, contribution in accordance with SRF-16, and collection for a shared expense are some possible reasons for other deposits.

### **Regular Reports:**

- Membership and Executive Board Meetings: The report can be relatively simple to highly detailed, but typically includes total cash assets, liabilities, and the income and expenditures since the last report to the group. Annually, a year-end report should also be prepared, and be more detailed. The year-end report can be separate from the minutes, and should include the total of all assets and liabilities, while the income and expenditures should be categorized.

- **Inventory-Asset Report:** This report is done annually, at the end of the year, and should list all assets of the Local. Normally, it is broken into two sections: Liquid Assets and Fixed Assets. The Liquid Assets section includes the amounts held in financial institutions, any petty cash, and items for sale. The Fixed Assets section includes the more durable items, such as computers and furniture. Fixed assets depreciate in value over time; be sure to reflect this depreciation on each succeeding inventory asset list until the scrap value is reached. Fixed assets valued at \$0 remain on the report until sold, donated, or thrown away.
- **IRS Report:** NATCA and the Locals are 501(c)(5) exempt labor organizations. All exempt organizations are required to file an annual tax return in accordance with current tax laws (Title 26). If a Local had less than \$50,000 in gross receipts, then IRS form 990N (e-Postcard) must be filed online; if gross receipts are \$50,000 to \$200,000, then form 990-EZ needs to be filed. In addition, if the Local runs a candy/soda fund or a similar, unrelated fund that had more than \$1,000 in gross receipts, then form 990-T (unrelated business income tax return) must be filed. May 15 is the deadline to file all the 990 forms.

**IRS information about Exempt Organization Required Filings:**

<http://www.irs.gov/Charities-&-Non-Profits/Other-Non-Profits>

**IRS form 990N (e-Postcard):**

<http://epostcard.form990.org>

- **Department of Labor (DoL) Report:** The LMRDA (Labor-Management Reporting and Disclosure Act) requires every labor organization to disclose certain financial information, which is more detailed than the IRS report. This requirement is met by filing a LM report. If the Local has less than \$10,000 in gross receipts, then the LM-4 form is filed; if gross receipts are \$10,000 to \$250,000, then the LM-3 needs to be filed. March 30 is the deadline to file. The report can be submitted online via the Electronic Forms System (EFS).

**DoL EFS help and guides to prepare the LM-3 or LM-4:**

<http://www.dol.gov/olms/regs/compliance/efs/efshelp.htm>

**DoL EFS registration and sign-in page:**

<https://efs.dol-esa.gov/efsui/>

The LMRDA requires unions to maintain records, which will provide in sufficient detail, the information and data necessary to verify the accuracy of any forms filed. The records (bank statements, vouchers, receipts, deposit slips, financial reports, etc.) and policies (Constitution, minutes, standing rules, etc.) in effect or generated during the year supporting the information disclosed on the form must be kept for five (5) years from the date the form was filed. If the form for the 2010 fiscal year was filed on March 15, 2011, then the 2010 information needs to be kept until at least March 15, 2016.

Finally, to satisfy SRD-8, provide NATCA a copy of the IRS and DoL reports filed. The forms are channeled through the appropriate regional administrative assistant for proper credit.