

INSTRUCTIONAL PAGE FOR LOCAL FINANCIAL POLICY TEMPLATE

A Local Financial Policy (LFP) assists the Local in managing the funds of the Local, in the best interest of its members. All Officers should be familiar with the LFP to protect the Union's funds. The LFP sets policy and procedure for the Local's budget, voucher tracking, as well as travel.

This LFP Template is meant to provide the Local Executive Board with structure in creating their LFP, **not to print and sign**. The National Finance Committee should assist Local Executive Boards in creating or amending LFP's. Contact your regional NFC Member or RVP to start this process. If you have any question while crafting your LFP, please contact your NFC Member.

USING THE TEMPLATE

Items in (Red) are optional for a Local, suggested but not required. Contact your NFC Member for guidance on whether these are necessary for your Local.

Items in (Purple) are items that involve a decision on limits or selections. For example, meal limits can be adjusted if the listed amounts are not appropriate for the Local's funds.

After the LFP has been reviewed, change all text to black and remove unwanted formatting prior to adoption at the Local.

DEBIT CARDS

1. You may also set a debit card policy in your LFP. This may include but not limited to the following...
 - a. Who can be issued a debit card.
 - b. What is required when an unauthorized charge occurs, or a violation is found to have occurred.
 - c. A stand-alone policy for signature

CREATING A BUDGET OR SPENDING AUTHORIZATION

Locals should have some method of limiting spending. Spending can be controlled in one of two ways.

- **Budget:** This method preauthorizes spending by allocating funds to predetermined categories. The next year's budget should be presented to the Membership at the last meeting of the year. Changes to the budget are accomplished as a motion during membership or LEB meetings.
- **Spending Authorizations:** Allows the FacRep discretion to spend funds up to a certain limit. Any expenses over that limit will need to be authorized by the Membership or LEB if LEB meetings are held. Should you choose to use this method you may also craft additional language to allow for major events like convention or CFS without a vote.

In the template you will find sample language for both methods. Talk with your LEB and Membership about what would work well for your Local. It is ok to craft your own language to suit your purposes. If the local has a unique idea on how to control spending it can be crafted by the local and submitted to NFC for review.



**NATIONAL AIR TRAFFIC CONTROLLERS
ASSOCIATION LOCAL __, AFL-CIO**

Financial Policy

Introduction –

This policy applies to all activities funded through this Local's budget. It is the responsibility of the President and Treasurer to manage the Local's funds in the best interest of its members. All officers are required to protect the union's funds from misuse.

It is the Local's policy to reimburse members for expenses incurred while performing union-related duties and/or activities.

Purpose –

To establish guidelines and procedures for conducting union business in accordance with the Department of Labor and NATCA rules and regulations.

Any amendments to this policy shall be made in accordance with the Local Constitution and Robert's Rules of Order.

General –

The Local's fiscal year shall be from January 1st through December 31st

The Local's Treasurer shall maintain the business records of the Local. Tax and finance related documents shall be retained in accordance with NATCA's "Document Retention Policy" and the "Local Document Retention Schedule". The records shall include the following:

- The Local Constitution
- Membership and executive board meeting minutes
- Vouchers and original receipts
- Bank Statements
- Copies of cancelled checks
- Financial reports
- Tax Records (IRS, DoL forms)

All checks and vouchers shall be signed by two officers of the Local.

The Treasurer shall maintain current Asset/Property lists, in accordance with the National NATCA Asset List Guidelines.

The Treasurer shall prepare and file the Local's LM form in a timely manner with the DoL and ensure that the Local files properly with the IRS via the IRS Form 990EZ or 990N. The President of the Local is responsible for ensuring the forms are correct prior to signing.

A copy of the DoL and IRS forms shall be sent to the Regional National Finance Committee Member as proof of compliance.

Budget–

Annually, the Treasurer shall prepare a budget, for the next fiscal year, by (November 30). The budget must be submitted to the Local Executive Board for review and approval.

The total budget for expenditures shall not exceed the projected Local's income for the year. The use of reserved funds requires a majority vote of the Local Executive Board. Monies may be reallocated among budget lines with a majority vote of the Local Executive Board.

Spending Limits-

Any F&E (furniture & equipment) purchase in excess of \$_____ must be approved in advance by a majority vote of the Local's officers.

Vouchers –

All income and expenses shall be recorded through the Local's voucher form. Vouchers that are not filled out properly shall be returned unpaid. The Treasurer shall generate a voucher number for each voucher.

Vouchers must include original receipts. Itemized receipts for all meal expenses must be submitted. Receipts must have name and address of establishment, date, and amount of expense.

Requests for reimbursement must be made within __ days (not to exceed 180) of the date of the expense. Requests made after this time are no longer considered legitimate expenses of the Union and will not be processed for payment.

Use of Local credit/debit card for other than Union business is not authorized. (You may also set a debit card use policy, see instructions.)

Travel & Meals –

The President or Vice President shall authorize travel. Members conducting official union business beyond the local commuting area shall be considered in a travel status.

Airline Tickets: When purchasing airline tickets individuals should strive for the lowest rate in economy class. NATCA requires the use of only non-refundable tickets. Travelers may take advantage of upgrades if they are at no additional cost to the union.

Rental Car: All rentals must be mid-size or smaller. Full size or larger require justification for approval. Travelers may take advantage of upgrades if they are at no additional cost to the union.

Taxis/Ride Share: Receipts must have the “to” and “from” address, names of passengers, and the purpose of the trip.

Mileage: All mileage in personal vehicles must be documented with odometer readings. The Local will reimburse at the current maximum rate approved by the IRS. The mileage rate includes fuels costs. If an individual chooses to drive between cities instead of flying, the total reimbursed transportation costs cannot exceed the costs that would have been incurred if the traveler had traveled by air. Travelers electing to drive should submit a cost comparison and claim the lower of actual or comparable costs.

Hotel: Individuals should attempt to stay in the lowest priced business-class hotel within a reasonable distance from their travel destination. Individuals should also make a concerted effort to stay at Union hotels when such hotels are available in the immediate area.

Unauthorized Expenses: Expenditures for the following items will **not** be reimbursed by NATCA. Any exceptions to this Policy must be preauthorized by the President:

- Movies purchased during hotel stays
- Laundry (except in cases where travel exceeds seven days)
- Health clubs/spa facilities
- Fines for traffic or parking violations
- Car washes
- Theft of personal property, including articles stolen from a personal vehicle or rental car
- ATM fees

Meals: NATCA will reimburse reasonable cost of meals. Maximum amounts (before tax and tips) for reimbursement are as follows:

Breakfast: \$ ___(not to exceed
\$25)

Lunch: \$____(not to exceed
\$30)

Dinner: \$____(not to exceed \$60)

Alcohol shall be restricted to one drink per person per meal. Alcohol-only expenses will not be reimbursed.

If an individual is paying for the meals of others, the names and titles of those individuals and the business purpose of the meal must be documented on the voucher.

Meal expenses that are inappropriate, more than the amounts listed above, or include tips over 20% (unless for parties of six or more, in which case the dining establishment's customary and reasonable tipping practices may be followed) or lacking proper documentation will be disallowed.

President

Vice-President