

NYS Public Employees Federation

Annual Report of Division Audit Committee

Fiscal Year 2011-2012

Division 175

In accordance with Article IV, Section 2 of the Model Constitution, all Divisions must audit their Financial Records for an annual period beginning on April 1 and ending on March 31. The objectives of an audit are to:

1. Confirm that all assets (ie. cash, equipment, furniture) of the Division are properly protected and accounted for.
2. Ensure that all funds owed the Division are received by the Division; all funds disbursed by the Division were for proper and approved expenses; and that all financial transactions of the Division have been properly recorded.
3. Determine if the budget adopted by the Division is properly adhered to; and the financial reports prepared by the Division accurately reflect its activities for the past fiscal year and its current fiscal condition.
4. To ensure that the Division membership is kept informed and aware of how Division funds are used and accounted for.

The audit is to be conducted by a committee of at least three Division members (not fee payers) appointed by the council no later than April of each year. Only one member of this committee may be either currently serving as a steward or officer and/or have served as such during the audit period, although there is no requirement that they be part of the committee. The purpose of the rule of "only one steward or officer" is to provide a greater degree of independence and objectivity in the performance of the audit. A Division may not compensate the audit committee for its services, though expenses encountered by the members while performing the audit may be reimbursed.

The following is an Audit report form which is to be used and completed by the audit committee. It is designed to provide a comprehensive review of a Division's finances. You will note that responses to all questions must be made. If a question is not applicable to your Division, this should be indicated in the space provided. A completed audit report must be submitted to the Divisions Finance Office by the date specified in the letter that was sent to your treasurer with this report. If this report is late, the deposit of your Division's quarterly funding will be suspended until the report is submitted. If this report is delinquent ninety days or more, your Division's quarterly funding will be penalized.

If this report is not filled out properly and completely, it will be returned for proper completion and treated as if it was not received.

1. The questions below are related to the operating guidelines established by the PEF Executive Board and included in each Division Constitution. **Explain any questions answered no.**
 - A. Are minutes of the proceedings of each division and council meeting recorded and made available?
YES
 - B. Have copies of all approved motions regarding division finances been furnished to the division treasurer?
YES

2. In the space provided, add any additional comments, observations, or recommendations as they pertain to the operation of council or division meetings and the operation of the council or division as a whole within the guidelines and policies of PEF as defined in the division constitution, and the constitution and bylaws of PEF. (Attach additional sheets if necessary.)

Division 175 is still waiting for repayment from Dan Connors in the amount of \$125.00.

This money (\$125.00) was given to Dan on 9/7/10 as stipend for his attendance at the 2010 PEF Convention in Washington, DC since Dan was unable to attend this event, Division 175 requested that he return this money. Dan has not made any effort to do so.

A registered letter, dated 5-8-12 was sent to Mr. Connors^{*} requesting reimbursement by 7-15-12. No reply or payment has been received.
^{*}This letter was received and signed by Mr. Connors on May 8, 2012.

3. Does the Division have a petty cash fund? If yes, is a ledger maintained, and is it operated as an imprest fund (revolving fund, replenished periodically based on receipts and invoices received for the funds disbursed)

No

4. Does the Division own any fixed assets (office furniture or equipment, etc.) If yes, is a fixed asset inventory record on file?

Yes

5. Has the division obtained funding other than the quarterly per capita provided by PEF Central (eg. bank interest, fund-raisers, donations)? Please indicate the source. No other funding

6. Was a division budget adopted for the fiscal year just ended, as required? If not, explain.

Yes

7. Has a division budget been adopted for the current fiscal year and submitted to PEF Central as required? If not, explain.

Yes

8. Review the prior year's Audit Report. Have the recommendations in this report been adopted by the Division and have the conditions that prompted those recommendations been corrected? If not, explain.

No recommendations

9. Does the Division conduct events where a portion of the cost of admission to is paid to the Division by those attending the events? If yes, were these receipts deposited in the Division account and accounted for on the quarterly reports?

No events

10. With each quarterly per capita, the Division receives a computer printout of the division membership and agency fee payers, (potential members). Review these printouts, and in light of any recent layoffs or other program changes, determine if the trend in these figures shows an increase or decrease in membership. Increased division membership equals increased division funds. Divisions do not receive funding for agency fee payers. The trend in our division membership is: _____ Up Stable Down

The reasons for this are:

No hiring or retiring

Division Fixed Assets

11. Each Division is required to have approval by majority vote of the council to purchase any fixed assets costing from \$100 to \$1,000. Any item costing \$1,000 or more requires a majority vote of a division quorum at a division meeting, after obtaining bids from at least three (3) other vendors. If approved, written notice must be given to the PEF Secretary/Treasurer prior purchasing the item.

Once obtained, each asset is assigned a custodian and must be kept at a designated location. Bearing this in mind, obtain the fixed assets file from the division treasurer and inventory the items listed, noting whether or not each item listed is in custody of the individual indicated and that it is located where indicated. Are all fixed assets in good working condition and being used for division business?

Yes X No _____ If no, please explain.

12. In your review of the division fixed asset records, did you find them to be up to date and accurate? Yes X No _____ If no, please explain.

Audit Summary

13. Has the audit of the Division records found any indication that recommended policies and or procedures are not being followed by the Division? Yes _____ No X If no, please explain.

policies and procedures are being followed

14. Has the audit of the Division records found any indication that the Division Membership and or PEF Central are not being kept properly informed of the Division's financial activities? Yes _____ No X If no please explain.

Division members and PEF Central are informed

15. Has the previous year's audit report been presented to the membership? Has it been accepted by a majority vote of your Division's membership in attendance at a regularly scheduled Division membership meeting? Yes Date of meeting: 7/26/12 If no, please explain:

16. Please check the appropriate boxes below and submit copies of the documents listed with your report. Sign and date the report on the following page and forward to:

NYS PUBLIC EMPLOYEES FEDERATION
 Divisions Finance Office
 P.O. Box 12414
 Albany, NY 12212

- Completed audit form
 Division Budget with approved amendments.
 Division fixed assets inventory sheet. (If none, so state).
 Meeting minutes containing the names of the members who were elected and approved as part of the divisions audit committee.

Print Name	Signature	Membership ID#	Title	Date
Kathy A. Button	<i>Kathy A. Button</i>	kbutt 7363	CEI	
Brian T. Nisbet	<i>Brian T. Nisbet</i>	bnisb 5636	CEI	7/30/12
Jeremy W. Lebrink Cole	<i>[Signature]</i>	Jwild 1569	TA	7/31/12

You have completed the audit of your Division. You are encouraged to make any suggestions or recommendations that you feel are relevant to either the operation or finances of the Division, or the improvement of the audit procedure. Minority opinions are welcome and should be addressed to the PEF Secretary-Treasurer, in care of the Divisions Finance Office, at the above address.