



# EXPENDITURE POLICY

*Nine members of Local 920 participated in the creation of this Expenditure Policy over a period of 21 meetings from February 19, 2014 to June 25, 2014. Crafted as a transparent, comprehensive document intended to be inclusive of the interests of all current and future members of Local 920, this policy was written to offer guidance and clarity in all financial matters in a non-discriminatory and respectful manner. The integrity of our membership past and present, the great works of those professionals involved and the honest efforts of each member who volunteers time to unite this local was reflected upon and utilized in this process. Therefore, we the Expenditure Policy Committee (EPC) of 2014, respectfully submit this document be accepted and adopted by the membership of Local 920 as a "Standing Motion" a policy governing the expenditures of Local 920, now and into the future.*

*In Solidarity,*

*Liz Arita, Anna Borgstrom, Glenda Tosh, MaryPat Egan, Arretta Eggleston, Susan Evans, Debra Lee, Ann Porwoll and Lucy Schwietz*

*By action of the General Membership on recommendation of the Executive Board, this Expenditure policy was approved by an MSA and is in effect as a "Standing Motion" as of August 7, 2014 and revised October 2, 2014. Third revision May 2017 by EPC contributors Anna Borgstrom, Jan Broz, MaryPat Egan, Arretta Eggleston, Sandi Kolby, Debra Lee, LariAnne Mazzitello, Glenda Tosh and Lorraine Swenson. Fourth revision: January 2019 by EPC contributors Liz Arita, Susan Bennett, Sandi Kolby, Gail Schiff, Roberta Suski, Patricia Thomas and Lori Thompson. Fifth Revision: May 28, 2019 by vote of the General Membership.*

**Sixth Revision: August 27, 2019 by vote of the General Membership.**

## **Precept**

For an expenditure policy or budget to be considered a "Standing Motion" authorized by the membership, which governs the approval of future expenditures, it must be voted on annually, approved by the membership with a motion, seconded and an approved (MSA) entered into the meeting minutes. This policy once approved, supersedes all prior MSAs in relation to any financial matters addressed in this Expenditure Policy.

1. The Financial Committee should present the succeeding year's budget draft to the E-Board for review in October and then present it to the membership for an MSA in November.
2. The Expenditure Policy Committee should begin review of the Expenditure Policy annually each January. If revisions are made, submit a final draft to the E-Board and General Membership for approval by MSA within 60 days.
3. A policy or budget that has any revisions made to it during the course of the year in which it was initially approved, must be authorized by an MSA and a footnote embedded at the bottom of the page to include the revision date of the policy by an MSA.
4. When the membership approves any policy or budget, it is with the understanding that the policy or budget becomes a "Standing Motion" which will govern future expenditures from that date forward until such time as this policy is revised and approved again by an MSA.
5. The Treasurer is expected to keep both a hard copy and an electronic copy of the most recent and updated version of this policy on file.
6. Audits are to be completed twice yearly within 90 days of the close of the audit period.

The first audit of the year will cover the time-period of January 1 – June 30 and should be completed by August 31<sup>st</sup> of that year. The second audit of the year will cover the time-period of July 1 – December 31 and should be completed by February 28<sup>th</sup> the following year.

Officer Trustees will receive a \$50 stipend after completion of each audit and only after a final report is submitted and accepted by MSA of the general membership.

## **DEFINITIONS**

### *MSA*

A motion properly made, seconded, approved and recorded in the meeting minutes of a General Membership or E-Board meeting.

### *Union Business Purpose (UBP)*

An event, activity or function whose expressed purpose is to educate or inform members in union activism, included but not limited to: Local and International Conventions, Union Women's Retreat/Workshop, SEPC Conference, Day on the Hill, Negotiations Assembly and other events deemed appropriate by an MSA.

### *Member in Good Standing*

A member in good standing is current on payment of their full dues and has not voluntarily withdrawn from membership, been suspended or expelled from the union for at least one year.

## **Expenses and Lost-Time**

1. Local 920 will reimburse members for expenses and lost-time incurred in the course of conducting official union business only in accordance with the policies and procedures set forth herein.
2. Reimbursement of expenses and payment of lost-time will be for meetings and other UBPs, which the member has been authorized to attend by this policy and by an MSA. By itself, an expenditure policy or budget does not authorize any particular expenditure. An expenditure is only authorized by an MSA of the membership and must be recorded in the meeting minutes. Expenditure motions should be made in advance of the event whenever possible.
3. To claim reimbursement download the most current version of the *Local 920 Expense Form* from Local 920's website. Expense forms must be completed correctly and signed by the union member claiming reimbursement. Forms should be submitted to the Treasurer in person or via US mail. Any form not correctly filled out will be returned to the member for correction and resubmission. All non-chair expense forms shall be reviewed and approved by two of the three signatories on the Local's checking account prior to a check being issued to a non-chair member.

Expense approval shall always be prior to a check being issued to a member. When expenses are expected to exceed \$50, a cash advance may be granted by an MSA. Advances on expenses should be requested as soon as possible and no later than one week prior to need to allow processing time.

4. All expense forms should be submitted promptly to the Treasurer no later than 15-days after the event for which the member is requesting reimbursement. Failure to comply with this requirement could result in non-payment, with the E-Board making final

determination. The Treasurer has 30 days upon receipt of the member's documentation to process. Expense forms and original receipts may be hand delivered to the Treasurer or submitted via US Mail. Expense forms will not be accepted through email.

5. In no instance will expense reimbursement be paid to any member of Local 920 under the policies and procedures specified herein, where said member is being reimbursed under any other expense policy that is, by another local or national union. A member may claim lost-time if they are receiving vacation pay from the employer.
6. Members receiving a reimbursement check from the Local's checking account must cash that check within 30 days of issuance. Checks not cashed in that time frame may be voided by the Treasurer. Should a check become lost or stolen, notify the Treasurer immediately. If the cost of voiding the check exceeds the face value of the check, the check will not be reissued and the member will be out those funds.
7. All cash advances (including per diem) require a member to sign a "Promise to Pay" form prior to receiving the funds. Promise to Pay Forms can be downloaded from Local 920's website. The Promise to Pay form requires a member to "promise" to pay back any unused portion of the calculated per-diem they were paid in advance of an event. Unused cash advances must be returned to the Local within 15 days of the end of the event.
8. All other expenses not covered by these guidelines must be approved in advance whenever feasible by MSA of Local 920's E-Board or by the General Membership. Expenses not in compliance with this policy or that exceed the amounts specified in this policy may be disapproved. Any member whose expense is disapproved shall have the right to appeal the matter to the E-Board.

### **Lost-Time Expense Authorization**

Any member of Local 920 shall be entitled to claim a lost-time payment at the individual's actual hourly rate of pay, including differential(s) which would have been received had the member been scheduled to work that day. Lost-time reimbursement will only cover actual regularly scheduled hours taken off from work and approved for UBP not to exceed the member's scheduled workday. If the UBP event is planned to last the majority of the scheduled workday but finishes early, the member will be reimbursed lost-time for the entire scheduled workday. Members submitting their expense report for lost-time are required to show proof of their hourly wage and number of hours being claimed.

### **Layoff and Unpaid Leave of Absence**

For a member on layoff or on an unpaid leave of absence, expense reimbursement will be allowed under the following conditions and UBP:

1. When serving on a committee for which lost-time and expense reimbursement has been specifically authorized by an MSA.
2. When serving on a lost-time assignment approved by an MSA.
3. When serving as a member of an International Union Advisory Committee to the extent that lost-time or expenses are not reimbursed by the International Union.
4. When serving as a member of the AFL CIO Executive and/or General Board under the New Alliance attending such meetings in that capacity.

All requests for lost-time reimbursement are processed by AFSCME Council 5's Payroll

Department, using Council 5's Local Union/Policy Committee Calendar (LUP) due dates for submittal. To facilitate timely payment, lost-time paperwork should be submitted by Local 920's Treasurer to Council 5's payroll department using the due dates listed in the LUP. Conventions, conferences, negotiation assemblies and retreats will have no lost-time paid under any circumstances for an employee's regular day of rest. The combination of lost-time and regular employee wages shall not exceed eighty (80) hours per pay period. Lost-time shall not be paid for missed overtime opportunities or for wages lost from employment other than employment with an employer with whom the Council 5 has a labor agreement.

In addition, any member eligible to claim lost-time who is a member of the MSRS, PERA, or TRA pension systems is also eligible to have that lost-time count for pension purposes. Upon request, the Council will withhold the normal employee pension contribution and pay the normal employer contribution for the member. The member should contact Local 920's Treasurer to complete the necessary paperwork (which needs to be submitted to Council 5 in conjunction with the expense report).

Any member who is on a lost-time assignment which extends one or more full pay periods in duration, and any E- Board member whose vacation and sick leave accruals are not held harmless by their employer, may claim reimbursement for lost vacation leave accruals.

### **Officer Allowances/Stipends**

Monthly allowances will be paid\* for the following positions 1 - 6.

1. President **\$150**
2. Vice President **\$100**
3. Secretary **\$150**
4. Treasurer **\$100** (the Treasurer will also receive a \$50.00 stipend per occurrence for preparation and submittal of the *Treasurer's Affidavit, LUAFR Report, Surety Bond* and twice-yearly Audit preparations)
5. Three (3) Non-Chair E-Board Officers **\$50**
6. Chief Steward **\$60** (if currently holding an elected position the Chief Steward will only receive an amount for the elected position)

Allowances (1-6 above) will be reported as "wages" to the IRS and will be processed through Council 5's payroll department who will withhold taxes and complete the necessary payroll tax reporting forms of both the federal and state government. Recipients of a monthly allowance do not submit this on an expense form. The Treasurer will notify Council 5 of the monthly allowance to be paid to Local 920 E-Board members and any change in board member status.

\*Positions 1 – 5 are required to attend twelve (12) monthly Executive Board meetings and twelve (12) General Membership meetings per year. Two consecutive, unexcused absences will result in the loss of that month's stipend. Four or more unexcused absences during a six-month period, by decision of the Executive Board, may result in removal from said position on the Executive Board.

### **Member Activities**

Before a motion is put before the membership to elect Local 920 delegates/alternates to send to an event, awareness of the amount of funding budgeted for this line item expense by the Budget Policy Committee in the current year's budget should be taken into full consideration as

well as the actual anticipated expenses for the event.

1. The line item amount budgeted for conventions, conferences and retreats should frame the discussion on how much and what type of expenses the Local will fund, if any, i.e., Lost-Time, Transportation, Lodging, Air Fare, Per Diem, etc.
2. After determining the type of expenses the Local will fund based upon the overall cost per member to attend, the discussion should then turn to the number of members the Local can afford to send.
3. When a motion is made, consideration should be given to the number of delegates the Local is funding to attend the Council 5 convention and/or the International convention. Members should ask themselves, "Where will the Local see the greatest return on their investment? Which of these convention events will give the greatest number of members the biggest benefit? Should both conventions be attended in the same budget year?"

A member elected as a delegate/alternate and representing Local 920 for UBP at a convention, conference or retreat, must be a member in good standing (as defined on page 2). This is an important position and due consideration should be given by the nominating member as to whom they are nominating as well as the member accepting the nomination. Being elected to a delegate/alternate position is an honor and a privilege. A delegate/alternate has the obligation to represent the Local by fully attending and actively participating in all aspects of the event.

Additionally, there is the expectation that members who attend an event as a delegate/alternate will report back to the general membership on the event by submitting a report in person or in writing at the next general membership meeting following the event.

All members attending any event for UBP, must meet and confer (caucus) with other Local 920 members also in attendance at the same event at least once per day. Members may claim lost-time and related expenses (mileage and meals if applicable) for the following activities in which they represent Local920 and where an MSA is in place:

1. As a delegate/alternate to Council 5's Annual Convention; Metro or Duluth.
2. As a delegate/alternate to the biennial AFSCME International Convention
3. As a delegate/alternate to the biennial Union Women's Retreat
4. Attending the annual Minnesota AFSCME Day-On-The-Hill
5. Attending the annual SEPC Policy Conference
6. Attending the Next Wave Conference
7. As a delegate to Negotiation Assemblies/Master Committee
8. When serving as a member of Local 920 E-Board and attending such meetings in that capacity (other than regularly scheduled E-Board meetings of Local 920) and as specifically approved by an MSA of the E-Board or General Membership.
9. Individual chair officers are authorized to claim lost-time and expenses to serve as fraternal delegates at meetings of other AFSME Councils or to attend meetings of Council 5 such as the President's meeting or to attend meetings at the request of Local 920.

#### **Individual Meal Reimbursement Provision (Meals not covered by Per Diem)**

Local 920 will cover the cost of meals for union members on authorized UBP during normal

meal periods for the actual cost of meals not to exceed the IRS rate for the locality as posted on the IRS website. Whenever possible, requests for meal provisions not addressed below, should be made in advance of the event by an MSA and recorded in the meeting minutes.

Member expense forms requesting reimbursement for meals must clearly indicate the UBP and any other members in attendance. Expense forms must be accompanied by an itemized receipt. If no receipt is available, an Affidavit of No Receipt Form must accompany the expense form. Affidavit of No Receipt Form may be downloaded from Local 920's website.

A receipt for a restaurant or grocery store must include the name of the establishment, date and time of the purchase and purchase price. Expense reports need to be signed and dated by the member.

### **IRS Mealtime Rates Per Member**

The current allowable IRS meal rate for a locality will be posted on Local 920's website. Allowable meal rates would include food, beverage, tax, tip & delivery costs.

### **Group Meal Provision**

Expense forms requesting reimbursement for group meals must clearly indicate the UBP, any other members in attendance and must be accompanied by an itemized original receipt. The receipt from a restaurant, grocery store or catering company must include the name of the establishment, date and time of the purchase and purchase price. Group meal expense reports need to be signed and dated by the member who ordered the meal and arranged payment. Expenses must fall within the IRS meal rate per member. For the St. Paul locality, the 2019 meal rate/member is \$9 for breakfast, \$11 for lunch and \$16 for dinner.

1. General Membership Meetings - to provide meals to the members at their monthly membership meetings over the course of a year, authorization must be by MSA of the membership and the vote taken within 45 days of the Local E-Board elections to act as a Standing Motion covering the upcoming calendar year.
2. Special Meetings or Committee Meetings – to provide meals for a special meeting or for members of a committee during a mid-day or evening committee meeting which takes place over a meal period, whenever possible, authorization should be by an MSA of the general membership in the month preceding the committee meeting in which the meal will be provided.
3. Quarterly E-Board/Retreat or Strategy Meetings - for a meal and or refreshments to be provided at a Quarterly E-Board/Retreat or Strategy planning meeting, authorization must be by an MSA of the general membership in advance of the meeting.

In all of the above instances, the MSA authorizing a group meal provision must be recorded in the meeting minutes.

Lastly, members may request reimbursement for a single meal when participating in the following activities:

1. Audit meetings - If the audit is being performed over a meal period, the trustees are allowed reimbursement of the actual cost of the meal purchased not to exceed the IRS rate. The same meal allowance applies to the Treasurer and Secretary who are required to be available for questions when an audit is being performed.
2. E-Board meetings - With the exception of quarterly E-Board planning/strategy meetings (outlined above), E-Board members attending a monthly E-Board meeting held during a

meal period will be allowed reimbursement of the actual cost of one meal purchased once a month, regardless of the number of additional E-Board meetings held during a meal period and attended in a month. Meal purchase must not exceed the IRS rates.

In the two items above, it is the expectation that the individual member make their own arrangements to provide and pay for their own meal. Members may request reimbursement for this meal expense, but must do so by submitting an expense form to the Treasurer within 15-days of when the expense was incurred. Failure to submit an expense form to the Treasurer within the 15-day period may result in denial of the reimbursement.

Food purchases outside of this provision must be approved by an MSA in advance of the purchase.

Please Consider the Following When Purchasing Food/Refreshments For Group Gatherings:

1. Not all catering companies or restaurants deliver nor do they all accept payment by check. Research meal catering options to find a company willing to deliver, with reasonable delivery fee and acceptance of a union check for payment.
2. Care should be taken in estimating food quantities ordered so there is no shortage or overabundance. Prior to placing an order ascertain a headcount with an RSVP count from the meeting invite.
3. If a member has a dietary restriction, it is the member's responsibility to notify an E-Board Officer in advance of the meeting where a meal is to be served.
4. Cost per member must not exceed IRS mealtime rates.
5. When arranging payment, the Treasurer should be notified of the final catering cost (including tip & delivery fees) well in advance of food delivery to allow time to prepare a check with proper signatures.

### **Expense Form and Affidavit of No Receipt Form**

Members submitting an Expense Form to the Treasurer for payment are advised to make a copy of the submitted Expense Form for their records and all receipts before submitting. Improperly completed Expense Forms without proper documentation attached will not be accepted by the Treasurer and will be returned to the member to correct and resubmit.

If the member is missing a receipt but is claiming an expense, an Affidavit of No Receipt Form must accompany the Expense Form. The Affidavit of No Receipt Form can be downloaded from Local 920's website.

A properly completed Expense Form will –

1. Indicate the UBP
2. List any other members in attendance.
3. Have attached all itemized **original** receipts
  - Receipt must clearly indicate the name of the establishment, date and time of purchase
  - It is the member's responsibility to keep a copy of all documentation
4. If no receipt is available, an Affidavit of No Receipt Form must accompany the Expense Form.

5. Expense Form must be signed and dated by the member.

### **Out of Town Travel**

*Per Diem* - When a member is elected or appointed to represent Local 920 outside the State of Minnesota or outside the greater metro area which requires lodging, if requested, Local 920 will pay per diem to that member in advance, based upon the IRS approved per diem rate for incidental expenses and meals for that locale. Per Diem is an amount provided to a member to cover general daily costs. Out of town per diem is non-taxable providing –

1. The amount is equal to or less than the maximum federal rate, AND
2. an overnight stay was involved, AND
3. the trip was related to UBP, AND
4. an expense report is filed with the Treasurer with all corresponding receipts within 15 days of the occurrence documenting the UBP of the trip showing per diem and other costs incurred.

Members will not be paid per diem in excess of the allowable federal rate. Per diem rates are revised annually effective October 1 each year. The federal government provides a table of the maximum amount of per diem that can be paid in specific cities. Current government per diem rate will be posted on the Local 920's website.

Federal law allows payment of 75% of the out-of-town per diem rate for the first and last day of travel. An alternate way of calculating this amount would be to pay the full out-of-town per diem on the first day of travel, but only pay 50% of the out-of-town per diem rate on the last day of travel (day of return).

Members shall use good judgment in claiming meal reimbursement or per diem. Per Diem paid in advance and not used by the member as intended is required to be paid back to Local 920 within 15 days upon completion of UBP event. Claims may be denied when, in the judgment of Local 920's E-Board, the member should not have been in travel status or should have completed or not yet started union business during the normal meal period. All members accepting a cash advance payment of per diem must sign a Promise to Pay Form in advance of the per diem payment. The Promise to Pay Form is an agreement between the member and Local 920 to pay back any unused per diem for that specific event. Promise to Pay Forms can be downloaded from the Documents & Policies link from the Local 920's website.

*Mileage* - Local 920 will reimburse members on authorized UBP for actual miles spent traveling to and from meetings or other authorized union events at the current IRS standard business rate. Whenever feasible, carpooling is encouraged to mitigate costs. Note - when carpooling, only the member whose vehicle is being used may claim mileage reimbursement based on the current IRS mileage rate.

*Alternate Means of Transportation* - Members are encouraged to investigate and use other means of transportation, i.e. bus, taxi, train, Uber, etc., and whenever possible in lieu of expensive car rental fees.

*Car Rental* - Should be a last resort for transportation and requires prior approval from the general membership. The Local will not pay for any automobile insurance on a car rental. Insurance on a car rental is the responsibility of the member.

In all cases, members must report the start and ending location for each trip, as well as the purposes for the trip, with original receipts attached to an expense form. Members shall use

the most direct route possible. Deviation should be due only to poor driving conditions or the ability to make better time on a less direct route. Members on overnights or during meeting breaks should only claim mileage reimbursements for driving to a location for a meal in the immediate vicinity of their lodging or meeting location. If there is doubt as to the accuracy of the mileage claimed, the member may be required to submit additional documentation as needed to verify the claim.

When claiming lost-time, mileage must be calculated to and from the member's work location. On a non-workday, mileage must be calculated to and from the member's residence.

*Travel with Airline Ticket Purchase* - When it is necessary for a member to use air travel to conduct union business:

1. When possible travel will be by fourteen (14) day advance purchase. Local 920 will allow one additional night's lodging before or after the date of the actual event to allow travel and rest time.
2. Travel insurance for trip cancellation must be purchased in conjunction with the airline ticket. If the member fails to purchase travel insurance and there is a cancellation, the member is responsible for all expenses incurred. In the event that the Local advanced funds for the ticket purchase, the member will be required to repay the Local.
3. Personal injury insurance expenses related to the travel event are the sole responsibility of the individual member.
4. Local 920 will reimburse union members the cost of round-trip ground transportation to the airport for out-of-state business, and will pay the cost of taxi or other ground transportation for necessary travel to conduct union business during the stay. Receipts are required to be submitted with an expense report to document reimbursement.

*Parking* - Local 920 will reimburse union members on UBP for actual parking ramp, lot or metered expenses, including airport parking at official conventions or meetings. Receipts are required to be submitted with an expense report to document reimbursement. Whenever feasible, keep parking expenses to a minimum.

*Lodging* - Local 920 will reimburse union members on UBP for the single room rate of lodging in a hotel (preferably union friendly) at official conventions and/or meetings held outside of the metro area. For local conventions held inside the metro area, coverage of lodging expenses by the Local should be considered if extended travel time or a mobility issue creates a hardship making transportation difficult (see below). In all cases, reimbursement by the Local requires an MSA of the general membership.

For all UBP activities involving lodging, it is highly recommended that the following guidelines be considered:

1. Check the convention call mailed to the President for a list of preferred lodgings
2. Members are encouraged to share rooms to mitigate costs
3. Receipts are required for all lodging. Reimbursement requests must be accompanied by original hotel receipt on a properly submitted expense report
4. When a cancellation is necessary, the member is responsible to notify the hotel by their no-fee cancellation deadline and also notify the Local's Treasurer by phone/email. For any cost related to the cancellation, the member will be responsible, except in extenuating situations. The E-Board will make the final determination concerning

extenuating circumstances.

5. Extended Travel Time - Overnight lodging will be granted to a member if the member would have to travel 90 minutes or more in order to attend an 8:00 AM meeting
6. With an approved MSA, lodging should be granted to members with mobility/disability considerations or other extenuating circumstances who want to attend an event and transportation is difficult
7. With an approved MSA, one night's lodging should be granted to members traveling to/from the district offices
8. Lodging will be approved for an overnight when the cost of the lodging and accompanying meals would be equal to or less than the cost of mileage for driving numerous times to attend the union event
9. Should an additional nights lodging be necessary due to extenuating circumstances, the E-Board will make the final determination for reimbursement

### **Credit Card Use**

Local 920 currently does not possess a credit card. Acquisition of a credit card is not recommended.

### **E-Board Expenditures**

The E-Board has the authority to spend up to \$250.00 per E-Board approved MSA to conduct Local 920 business without approval of the full membership. All MSAs for expenditures will be recorded in the meeting minutes.

### **Past and Present E-Board Members & Trustees**

An E-Board member who retires during their scheduled term of office will continue to have their valid MSA approved expenses paid until completion of their current year term.

Upon retirement from state service, a \$100.00f monetary gift will be given in recognition and appreciation to any current or former Chair Officer E-Board member (in good standing) who has faithfully served Local 920 for at least a year and notifies Local 920 in writing of their retirement. Retirees have the option of a \$100.00 monetary gift or one year of retiree dues paid by the Local at the current rate.

Any member who faithfully served Local 920 for at least one year in the capacity of E-Board Member or Trustee is eligible for a \$50.00 monetary gift upon leaving state service or taking a job represented by another AFSCME Local. Members must notify the Local in writing.

### **Good and Welfare**

A member in good standing is eligible to receive a \$25.00 VISA gift card for a life changing event defined as one of the following: birth or adoption of child(ren), death of dues paying member; spouse or child, hospitalization for illness or accident or upon retirement. An MSA must be recorded in the meeting minutes for a member (or their spouse in the case of a death) to receive this gift.

### **Forms**

All forms can be downloaded from Local 920's website.

**Mailing Address**

Please direct all correspondence to:

**AFSCME Local 920**

**P.O. Box 3703**

**101 South Fifth Street, Suite 150**

**St. Paul, MN 55101**