


AFSCME FINANCIAL STANDARDS CODE- REVISED MARCH 2024


- Article I - Article XI
- Appendices
- Glossary of Terms
- Trustees Audit Guide
- Trustee Audit Checklist



1

AFSCME'S FINANCIAL STANDARDS CODE

Article VII Expenditures Documentation



2

Goals

- LEARN**
- UNDERSTAND**
- ACCESS**

LEARN


The important provisions of Article VII of the AFSCME Financial Standards Code

UNDERSTAND

The supporting documentation for taxable and non-taxable union payments & the use of union credit cards.

ACCESS

AFSCME's website to see other FSC Videos and the Financial Standards Code



3

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Article VII Expenditures Documentation

**Receipts and Invoices Must Be
Maintained to support all Payments**




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4

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Payment Types



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Taxable Payments

Non-Accountable Plan:

- **No Expense Reports**
- **Taxable Income** to recipient
- **Payroll Taxes** must be **Withheld** and **Reported**

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6



Payroll & Payroll Taxes

The Officer as an Employee:

Allowances/Stipends, Reimbursed Dues and Lost Time paid to officers are **Wages** subject to tax withholdings



7



Examples of W-2 Payroll Items

- Local executive board member receives a \$50.00 **Meeting Allowance/Stipend** for attending a meeting or an officer workshop
- Local stewards have their **Union Dues Reimbursed** by the local union
- Local President receives **Lost Time Payment** for Contract Negotiations



8



Undocumented Payments to Officers are W-2 Payroll Items



No **Receipts** or **Expense Reports** on file to substantiate payments



9

Payroll Tax Preparation

PayChex

ADP

Accounting Firm

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10

Non-Taxable Payments

Accountable Plan = Expense Report

You are Reimbursing actual expenses

which are Non-Taxable to recipient

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11

Examples of Reimbursed Expenses

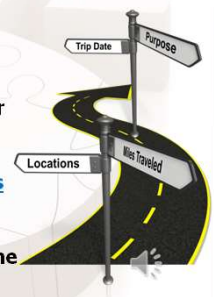
- Local president purchases Office Supplies for the local union and submits the Expense Report & Receipt for payment
- Local officers are paid up to 67 Cents Per Mile for all union related Mileage during 2024

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12

\$ Mileage Payments

- Maintain a log with **Trip Date, Purpose**, beginning and ending location and **Total Miles Traveled**
- Approved **Federal Mileage Rate** for 2024 is **67 Cents** per mile
- If **Mileage** is paid **In Excess** of the federal rate, the **Excess Mileage Payment** becomes **Taxable W-2** income



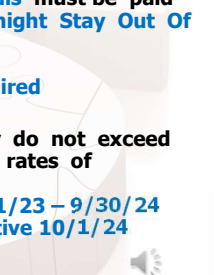
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13

\$ Per Diem Payments

- **Per Diem** payments for **Meals** must be paid in conjunction with an **Overnight Stay Out Of Town**
- **Meal receipts** will not be required
- **Reimbursed Expense** if they do not exceed applicable federal per diem rates of

\$59 to \$79 Per Night 10/01/23 – 9/30/24
\$68 to \$92 Per Night effective 10/1/24

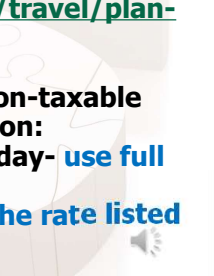


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14

\$ Federal Per Diem Rates

- Use the **M&IE** rate at <https://www.gsa.gov/travel/plan-book/per-diem-rates>
- **Maximum allowable non-taxable per diem rate calculation:**
 - **All days except last day- use full rate**
 - **Last day- use 1/2 of the rate listed**





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\$ Per Diem- Lodging

- Obtain Receipts to Document Overnight Stays for meal per diem payments
- Attach Receipts to Expense Reports






16

\$ Expense Reports

Officers, Members and Employees are Required to submit an Expense Report

Document all Reimbursements






17

\$ Expense Reports

Expense items reimbursed must have receipts or other adequate supporting documentation attached showing:

1. Date
2. Amount
3. Specific Union Purpose

18

Expense Reports and Timeliness



- Expense Reports should be **filed in a timely manner**
- **Timeliness** may be specified in affiliate policy- we suggest a **policy** requiring submittal within **30 to 60 days**.




19

Expense Reports
Meal or Entertainment Items List must have:

- Name(s) and union relationship of person(s) entertained
- Explanation of specific union business discussed






20

Expense Reports

Expense reports are required for all costs paid directly by the affiliate for:

- Charges on Union-Owned Credit Cards
- Direct Hotel Billings
- Direct Payments to Airlines or Travel Agencies

21

Expense Reports

The Officers Expense Reports must be Approved by the Executive Board-Someone Other than the Preparer.

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Union-Owned Credit Cards

AFSCME allows the use of union-owned credit cards to pay for legitimate union business expenses

Affiliates authorizing the use of a union credit card must closely monitor the card activity

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Union-Owned Credit Cards

No Payments can be made on a union-owned credit card Without All The Charges being adequately Documented.

Credit Card Files


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24

\$ Credit Card Procedures

Each Credit Card Charge must be on an Itemized Expense Report to include the following:



- Explanation of Specific Union Business Purpose for Each Charge
- Credit Card Receipt for each Charge
- Itemized Sales Slip for Each Charge



25

\$ Credit Card Procedures

- Personal Charges are strictly Prohibited. Statements should be reviewed to verify proper usage.
- Do Not reimburse a Credit Card Company for an officer's personal credit card

26

\$ Secretary-Treasurers Online Resource Website

www.afscmetreasurer.org

Check it Out



27
