


AFSCME FINANCIAL STANDARDS CODE- REVISED MARCH 2024


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



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AFSCME'S FINANCIAL STANDARDS CODE

Article V Expenditures Authorization



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Goals

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

LEARN


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

UNDERSTAND

The types of authorizations for expenditures and minutes and budgets as part of the authorization process

ACCESS


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



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\$ Article V - Expenditures Authorization

- Union Money can only be spent with **Proper Authorization**
- Authorize **Prior** to incurring the Expense
- Only for **Legitimate Union Business Purposes**
- Executive Board has **Responsibility**



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\$ Expenditures - Authorization

There Are Four Types of Authorization:

- Law
- Constitution
- Contract
- Vote




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\$ Required By Law

The law states that you **Must** make this **Payment**

Examples include:

<p>Payroll Tax Deposits and Related Payments (FICA, Unemployment Taxes, etc.)</p>	<p>Possible Fines imposed by the IRS for late filing of Form 990 or 990-EZ</p>
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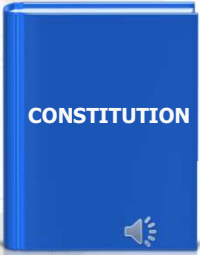
Payments required by law need **no Further Authorization**



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\$ Required by Union Constitution

- AFSCME International Constitution
- Council Constitution
- Local Union Constitution



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\$ Required by Union Constitution

- International and Council Per Capita Taxes
- Local Union rebates
- Payment of Surety Bond Premium to International

These payments also require no Further Authorization



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\$ Required by Contract

Payments to meet Contractual Obligations

Prior Authorization Required

- Equipment Rental
- Meeting Hall Rental

Attach Copy of Approved Contract to Minutes




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Authorized By Vote

- **Membership**
- **Executive Board**
- **Delegate Assembly**




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Expenditures - Authorization

- **Most Union's Expenditures are Authorized by Vote of Board or Membership**
- **Minutes should detail the Approval and the Union Purpose of the Payment**
- **Approval for recurring Expenditures may be handled through the Annual Operating Budget**




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Expenditures - Authorization

- **A Budget or Approval for a Recurring Expenditure is valid only for the Current Year**
- **Reauthorization must be Made at the Beginning of Each Year**
- **Approved Budget should be Attached to the Meeting Minutes**



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**Secretary-Treasurers
Online Resource Website**

www.afscmetreasurer.org

[Check it Out](#)



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