

# **Trustee Report CUPE Local 4092**

July 2011 – June 2012

Trustees Participating in Report

Ivonne Alvarez-Mancia  
Citlali Suarez-Chacon  
Mark Tang

Location: CUPE Belfield Office  
Auditing took place on the following dates for this report:

September 26, 27, 29  
November 24, 25  
January 19, 20  
February 16, 17

### **Materials and Preparation**

We received training from CUPE National via the Financial Course on March 9-10, 2016.

We were provided with a CUPE Trustee Checklist and Suggested Recommendations document to assist us in our audit.

### **Updates on Past Recommendations**

Upon reviewing the Trustee Reports from 2008-2011, we have found the continued issue pertaining to the Local President signing their own cheques. As per the CUPE Trustee training, expenses may not be incurred and authorized by the same individual.

As previously suggested amendments to dependent care bylaws have not been implemented. Such as contact number of childcare provider/business and names of children.

There is currently no insurance for physical assets owned by CUPE Local 4092. The local office should implement a tracking system or list, for all physical assets purchased by the Local, as these are the properties of the membership. This recommendation has not been implemented. One of the yearly tasks of a trustee is to, "Inspect at least once a year any stocks, bonds, securities, office furniture and equipment, and titles or deeds to property that may at any time be owned by the Local, and report their findings to the Local Executive", as per section E.8.5 (f) of the Local bylaws. This task cannot be fully completed.

Flight releases are not detailed with assignments and as such cannot be verified. This recommended change has not been addressed.

## **Findings and Recommendations**

### **Finding #1**

Numerous occasions of incomplete expense claim vouchers for the Local President, John Reis. No signature under Signing Officer. Claims appeared to have been verified as these vouchers had corrections, however, no signature. Some expense claims did however have a Signing Officer signature. Therefore, there should have been no reason for this error to have occurred on numerous monthly expense claims over a 12 month period.

John Reis was also the authorized signing authority on cheques. Effectively, this person was signing their own cheques. There are three signing authorities, the President, Vice-President and Secretary Treasurer.

For John Reis, The following months had incomplete expense claim vouchers (missing Signing Officer signature): July, November, December, January, February, and March.

### **Recommendations**

According to the CUPE Trustees Checklist and Suggested Recommendations document that we received, "In order to have good accounting practices, a signing officer should never sign their own cheque". It is further recommended that, "The payee should ask the other two signing officers to sign his or her cheque". Since there are three signing authorities, there should be no reason for the President to sign his own cheques.

### **Finding #2**

A common practice for dependent care claims were receipts that only showed Name of Caregiver, however, no other contact information was included to verify services provided.

Child care receipts for Carmine Mastromattei indicated a name of caregiver, but no contact information.

Child care receipts for Victoria Primavera had a signature, but no clear name, and no contact information.

Caregiver receipts submitted by Amy Ng, did not provide phone number, address, or postal code of the business.

### **Recommendations**

The current local bylaws are not aligned with CRA requirements for the issuance of receipts.

According to the CRA

*Receipts you issue have to include all of the following information:*

- the name of the person you are preparing the receipt for*
- the name of the child of the person you are preparing the receipt for*
- the amount received for your services*
- the period you provided these services (from and to dates)*
- your name*
- your address*
- your social insurance number*
- your signature*
- the date you signed the receipt*

If a person has more than one child in your care, you have to issue a separate receipt for each child.

The current local bylaws regarding dependent care are not clearly defined in terms of qualifying age. Under Canada Revenue Agency rules, an eligible child is "a child who was dependent on you or your spouse or common-law partner...The child must have been under 16 years of age at some point in the year. However, the age limit does not apply if the child was mentally or physically infirm and dependent on you or your spouse or common-law partner". Furthermore, "when the child care services are provided by an individual resident in Canada, the receipt must show the caregiver's social insurance number".

In addition, we recommend the amendment of current bylaws to require proof of child or dependents being cared for. Claimants should provide a birth certificate that will be kept on file.

Childcare expense for the 2011-2012 fiscal year totaled \$42,490. The largest expense in the local office outside of flight releases. Although the local is independent of component, there should be no reason for the local bylaw to be at least as consistent as Component bylaws for dependent care. Section 15 (c) states, "Claims will not be paid for a spouse, partner or a family member who normally provides care without charges".

**Finding #3**

A review of cell phone bill claims for the Local President revealed that extra usage charges on top of monthly plan was consistently resulting in charges that were 3 to 5 times the monthly plan cost. These extra usage costs were the result of long distance calls made.

For example, Dec 2011, 142\$ in extra usage charges were paid on top of a \$65 plan.

**Recommendations**

It is recommended that any cell phone plans that is used and paid for by the local office should have an unlimited long distance plan included.

**Finding #4**

Upon reviewing the expense claims for PBS Representative, Jean-Pierre Nault, payment was made for days working from home rather than days spent at the office. We also discovered that expense claims did not match the dates the cheque corresponded to. A cheque for \$96.24 (Cheque 002646) covering the dates of November 13-17 did not correlate with the dates found on the expense claim form. The cheque should have indicated the payment was for November 24 to 27.

**Recommendations**

It is important to recognize that working from home does not allow individuals to claim expenses and thus signing authorities not to be mindful when signing cheques.

Such discrepancies do not validate the cheque given and creates confusion of money records. Given the amount of time that has elapsed, no action can be taken.

**Finding #5**

The claim for \$44.02 from Dea Pasini covering taxi expenses, did not provide a valid receipt for \$34.02 of that portion. Although \$10.00 receipt was provided for a separate day on December 1st.

**Recommendations**

No action can be taken because of elapsed time.

**Finding #6**

A cheque covering the cost for Air Quality Fume Blood Test for Maryse Neal of \$50.00 was provided but was not validated by any proof of approval.

**Recommendations**

Such claims should be approved by motions at meetings and documented in the minute book.

**This concludes our audit report for the fiscal year 2011 to 2012.**

Signed by:

  
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Ivonne Alvarez-Mancia

  
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Citlali Suarez-Chacon

  
\_\_\_\_\_  
Mark Tang

Submitted on February 17, 2017