

Local 4092 Trustee Audit Report and Recommendations 2021-2022

Trustee Recommendations: July2021-June2022

Trustees Participating in this Report:

- Grace Park
- Olivier Faucher Boisjoli
- Francisco Javie Ortiz Urrieta

Location:

- CUPE Belfield Office, CUPE Local 4092

Auditing took place on the following dates for this report:

- February 20-21st, 26th 2024
- March 9th, 2024

Secretary-Treasurer Responses **(In Red)**:

- Laurent Roy (interim sec-treas) for David Lee

Report received:

- May 02, 2024

Response date:

- May 13, 2024

Approved at GMM w updated discussion/motions: 30May2024

Local 4092 Trustee Recommendations with interim Secretary-Treasurer responses 2021-2022

Executive Summary

This report presents the findings and recommendations from the trustees' audit for Local 4092. It addresses new concerns for 2021-2022 and aims to foster transparency, accountability, and by-law adherence, thereby enhancing Local 4092's financial and operational integrity.

- As trustees complete three years of audits in arrears, we shall not repeat unresolved findings from 2019-2020 and 2020-2021. They shall be addressed in the trustee audit for 2023-2024.

Finding #1: Local 4092 Base Monthly Income

- (*Component by-law 8.4.1*) The local received a monthly base income of \$600. This amount is inconsistent with previous years when the locals received \$3250 in base monthly income due to a yearly motion passed by Component.
- Trustees require an update from Local 4092 and Component as to the status in modifying the 2018 by-laws for Local 4092 (see report 2019-2020 Finding #5).

Interim Local Sec-Treas Response -May 2024:

The 2019 Component by-law 8.4.1 sets the base amount at \$600 for any Local with more than 2000 members and \$3250 for any Local with less than 2000 members. Until this bylaw is changed, any Local with more than 2000 members must put in a Component motion annually for the base amount to be augmented to \$3250. This augmentation was not approved for the year in question.

Finding #2: Insurance on Assets

- The trustees have identified a gap in protecting Local 4092's assets, as they are recorded but need insurance coverage. To reduce potential risks and safeguard the union's assets, it is recommended that Local 4092 acquire content insurance.

Interim Local Sec-Treas Response -May 2024:

We fully agree, in Summer 2023 we determined that the content insurance that was being provided to the Local by the company was under the umbrella of the company's general content insurance and the deductible on the plan was much higher than the value of our contents. We began rebuilding the inventory list for both H&S and main offices and we now have content insurance for both offices as of Mar 2024.

Local 4092 Trustee Recommendations with interim Secretary-Treasurer responses 2021-2022

Finding #3: Missing invoices.

- **May and June 2022:** Union Officer Porato phone invoices were required but were not included in the claim.

Interim Local Sec-Treas Response -May 2024:

Thank you, there were no expense charges for this officer in the months of May or Jun 2022, however upon further investigation, there were charges for Apr & May 2021 (paid in Aug 2021) and indeed the cell phone bills for those months are not found in the documentation. For more clarity: 4 months of claims were submitted at the same time (Apr-Jul2021), but only 2 of the 4 months of phone bills were attached at the time of audit review. We will be more diligent with this moving forward.

Finding #4: Child Care Expenses

- The current Excel expense forms allow more than \$70 to be inputted. However, there is no monthly overpayment as the Excel line for the total cannot exceed \$800.
 - Ex. Union Officer Speedie was able to input \$74.60 per day but the final calculation did not exceed \$800 per month so there was no overpayment.
- We recommend the Excel presets are changed so that amounts on each line cannot exceed the daily maximum of \$35 per child (total \$70). This allows for a cleaner audit from the officer signing off the expense sheet and from the trustees.

Interim Local Sec-Treas Response -May 2024:

Thank you, there are no spreadsheet max caps put in place on the daily maximums or monthly totals. It is the expectation that the individual claimant and the officer verifying the claims will catch these errors. We acknowledge this was a mistake in the month of July 2021 (paid Aug 2021) and we will be more diligent moving forward. Please note for findings 3&4 this was a transition month for the new Secretary-treasurer and this may account for some of these errors- they are likely part of the normal learning curve.

Local 4092 Trustee Recommendations with interim Secretary-Treasurer responses 2021-2022

Finding #5: Flight Releases

- For flight releases, the trustees recommend implementing a clearer and more detailed format that indicates who is responsible for paying for the flight release - whether it's the local union, a component level, or the national union.
- As Component accounting is done in-house and Component charges Local 4092, the Local Trustees should have access to an accurate breakdown to make sure the Local 4092 is not being overcharged.

Interim Local Sec-Treas Response -May 2024:

Thank you, we will aim to implement this as the standard moving forward along with the release times as requested in the 2019-2020 findings to make verification easier.