FINANCIAL OFFICERS HANDBOOK

CUPE

ABOUT THIS HANDBOOK

This handbook will help secretary-treasurers and union trustees understand and fulfil their roles within the union.

Together, you are known as the local's financial officers.

Your jobs are important because the work you do:
- keeps members' dues secure, and
- helps the local decide how to spend money in support of its members.

This handbook contains:

- > how-to sections
- > templates and samples of documents you will use in your role
- > examples of day-to-day responsibilities
- > tips and checklists to keep your work on track
- > a glossary that explains the words highlighted in yellow throughout the handbook

Support for secretary-treasurers and trustees

- **Workshops:** Union education courses are available to help you learn the skills you will need as a secretary-treasurer or trustee. Visit cupe.ca/UE to find out about workshops in your area or contact your region's education representative.
- **Website:** Find the latest information and tools, such as electronic ledgers, the monthly per capita forms, and the trustees' report package at cupe.ca/FO
- **National representative:** Your CUPE national representative can support and advise your local regarding its finances. Granting them full access to your financial records on a regular basis is a great way to catch any errors you might be making.
- **Financial representative:** Book a meeting with our Financial Representative, Linda Marcoux who can provide guidance and assistance with all your finance related questions. She can be reached at 1-800-363-2873, option #5 or lmarcoux@cupe.ca.

When you need answers...

Help with the ledgers: call **1-800-363-2873**, select option **#7** or email ledger@cupe.ca.

General questions: call **1-800-363-2873**, select option **#5** or email treasurers@cupe.ca.

Help for trustees: call **1-800-363-2873**, select option **#5** or email trustees@cupe.ca

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1 The role of secretary-treasurers and trustees

Summary of roles and responsibilities	
Secretary-Treasurer	**Trustee**
• Maintain and organize all financial records. • Keep an accurate record of all members who belong to the local. • Ensure per capita payments are sent to CUPE National every month, along with the appropriate per capita form. • Make regular financial reports to the local executive. • Submit a written report at each regular membership meeting. • Provide all the local's financial records to the trustees for an audit. • Respond in writing to any concerns or recommendations that the trustees make in their audit.	• Ensure that the secretary-treasurer carries out their responsibilities as outlined in the CUPE Constitution and local bylaws. • Examine all property and assets of the local at least once per year. • Audit the financial records at least once per year. • Examine all property and assets of the local at least once per year. • Make recommendations on the local's financial practices. • Submit an audit report to the local's president and secretary-treasurer for their response. • Provide a written report to the membership that includes the audit findings, recommendations and the written response about the audit from the secretary-treasurer. • Send the final trustees' report package to the National Secretary-Treasurer, with a copy to your national representative.

The role and duties of secretary-treasurers and trustees are outlined in the CUPE Constitution, *Appendix B: Bylaws Governing Chartered Organizations*.

Note: all references to *Constitution* refer to the CUPE Constitution as amended at the 2025 national convention. Article numbers may change after future conventions.

SECRETARY-TREASURER'S MAP

What a secretary-treasurer does to keep the local's finances in order

Prepare expense vouchers
Enter transactions into ledger

Pay invoices
Enter transactions into ledger

Pay per capita and affiliation fees
Enter transactions into ledger

Prepare bank deposits
Enter transactions into ledger

Make it a habit to enter each transaction into the ledger right away, by date.

Prepare bank reconciliation
Monthly

Prepare secretary-treasurer's report
Monthly

Prepare documents for audit
Once or twice a year

Prepare budget
Once per year

2 Understanding union dues

Union members set their dues' level democratically at a regular membership meeting, a special membership meeting, or by referendum vote. Union dues support the work of the union. They fund the cost of bargaining. They allow the local to enforce its collective agreement, and they support campaigns to defend and promote workers' interests. Dues also help the local cover the high costs of bringing grievances to arbitration and ensure that strike pay is available to members during conflicts through the National Strike Fund.

In Canada, union members pay dues based on a system called the Rand formula.

What is the Rand formula?

The Rand formula refers to an arbitration case decided by Justice Ivan Rand in 1946. The case involved a United Auto Workers' strike at a car factory in Windsor, Ontario.

The arbitration decision recognized the union as the bargaining agent for all workers at the plant. The judge ruled that union dues should be paid by all those who benefit from a union contract, not just by those who signed up to join the union.

The result of this legal ruling — and others that followed — is that employers have to deduct dues from all unionized employees' pay and forward the funds to the union. Known as dues check-off, this system is used in most provinces. It means that a local can bargain to include dues check-off in its collective agreement.

What is the value of the Rand formula?

It makes it legal to have automatic dues check-off from all workers covered by a collective agreement.

Without the Rand decision, and where dues check-off does not exist, unions must go to each union member each month to collect dues. The Rand decision means that unions have the financial stability to focus on the work of representing members instead of having to collect money to support that work.

3 Income

Monthly union dues

Union dues from members are the main source of income for your local. Dues make it possible for locals to cover their per capita payments, affiliation fees, operating costs, and costs for arbitration, negotiation and attendance at conferences or conventions.

The employer automatically collects union dues through payroll deductions, known as dues check-off. The employer then forwards the dues to your local once a month (more about this in chapter 4).

Some locals choose direct remittance of union dues (more about this in chapter 5). If your local uses direct remittance, the employer sends the dues directly to CUPE National, which collects the per capita amount and returns the balance as a rebate to the local.

You will also need to verify with your employer if dues are deducted from:

- **gross wages:** the total wages you are paid before taxes and deductions; or
- **regular wages:** does not include overtime or shift premiums. You can find a detailed list on page 6.

Check your local bylaws and record this information here for your reference:

Dues rate ________ (flat rate or percentage dues structure)

Dues are deducted from:

gross wages ______

regular wages ______

Note:

if your bylaws do not specify if dues are deducted from gross or regular wages, contact your employer's payroll department or your national representative.

Understanding regular monthly wages

This table describes what are and are not considered regular wages for monthly per capita reports.

Regular wages	Not regular wages
✓ Statutory holiday pay	✕ Overtime pay
✓ Vacation pay	✕ Statutory holiday worked and paid at a premium
✓ Sick leave pay	✕ Shift premiums or weekend premiums
✓ Sick days paid by the employer, but not those paid by insurance that kicks in after an employee is off sick for more than 5 days	✕ On-call premiums
✓ Training pay	✕ Allowances for vehicle use, kilometres driven, tools, clothing, meals, etc.
✓ Union leaves with pay (even if the local union reimburses the employer)	✕ Monies received in lieu of benefits
✓ Maternity/paternity/adoption leaves with pay (in cases where the employer pays only a portion of the salary to supplement maternity/paternity/adoption leaves, the employer paid top up salary is considered regular wages)	✕ Severance pay
✓ Employment Insurance: in cases where the employer pays only a portion of the salary to supplement E.I., the employer paid portion, or the "top up", is considered regular wages	✕ Vacation bonus and signing bonus
✓ Workers' Compensation Benefits (if an employee maintained full salary from the employer, and the WCB payments went to the employer, the full salary is to be included in regular wages; if the employer pays an employee the difference between monies received from Workers' Compensation and that employee's regular salary, the difference is to be included in the total regular wages)	✕ Other types of extra pay, allowances or bonuses
✓ Retro pay or Pay Equity – information is required for the period in which the retro or pay equity covers and the wage amount that it represents	
✓ Replacement or acting pay	
✓ Secondment or equalization pay	
✓ Jury duty pay	

Your local can amend its union dues

The local's monthly union dues may be changed through a bylaw amendment at a regular or special membership meeting or by referendum vote. Once the amendment to the local bylaws is approved by the members, and before notifying the employer of the change, it must be submitted to the National President's office for approval.

(Constitution: B.4.3)

Initiation fee

A local may charge an initiation fee when people apply for membership. Check your bylaws to determine if your local charges an initiation fee, and make a note of it if applicable:

Initiation fee ________

Members often pay the initiation fee in cash. Make sure to give the member a receipt for the fee and keep a copy for your records. This fee does not need to be remitted to CUPE National.

New members take an oath and receive a union membership card. You can order wallet-size membership cards at no cost from CUPE National at cupe.ca/orders-from-cupe/membership-card.

In rare cases, members of a bargaining unit can choose not to join the union. These employees are referred to as Rand formula payees.

- They pay union dues and are covered by the collective agreement, but they do not pay the initiation fee.
- The union represents them in grievances and arbitrations.
- They can participate in ratification and strike votes.
- They must not participate in any other union functions, such as membership meetings and local elections.

Dues remittance list

Once a month, the employer needs to provide your local with a dues remittance list. This is sometimes called a dues check-off list. Its purpose is to make sure that your local is getting the correct amount of union dues each month.

This list should include each member's name, employment status (full-time, part-time, temporary, or casual), classification or job title, regular earnings, gross earnings, hours worked, and dues deducted. An electronic spreadsheet makes it easy for you to double-check this information.

You must request the dues remittance list from your employer and bargain this requirement into your collective agreement. Speak to your national representative about resources and advice for bargaining.

Sample dues remittance list for CUPE 6789

PAY PERIOD: October 10 to 23

CUPE 6789 DUES: 2% 3 Full-time, 1 Part-time, 1 Casual

NAME	EMPLOYMENT STATUS	CLASSIFICATION /JOB TITLE	REGULAR EARNINGS	HOURS WORKED	DUES DEDUCTED
Ana Nunez	Full-time	Rehab technologist	$1,500.00	75	$30.00
Johanne Martin	Full-time	Client service agent	$1,312.50	75	$26.25
David McNeil	Full-time	Nursing aide	$1,125.00	75	$22.50
Amir Haddad	Part-time	Resource clerk	$ 600.00	40	$12.00
Suzanne Tremblay	Casual	Dietary aide	$150.00	10	$3.00
		Total	$4,687.50	275	$93.75

Banking options

CUPE National encourages its locals to bank with a credit union — a member-owned financial cooperative. Credit unions have a long history of building stronger communities. By banking with a credit union, your local supports people based in your community.

In this handbook, we use both “bank” and “your credit union.” In both cases, we mean your local’s financial institution.

Most locals have two bank accounts:

- Chequing: for day-to-day transactions
- Savings: to earn interest, if you have extra funds that will not earn much interest in a chequing account.

Some locals also operate an investment account:

- Funds not needed for a fixed period of time can go into an account such as a guaranteed investment certificate (GIC).
- GICs earn higher interest rates than savings accounts.
- Funds are locked in for the term of the investment, from six months to two years. Make sure your local will not need these funds before the investment comes due.

TIP

Ask your bank for a cheque image return service. This means a scanned image of the cheques you wrote throughout the month will be scanned and included in each monthly bank statement. This makes the bank reconciliation and trustee audits much easier.

Is your local producing surplus funds?

If you often have a surplus, consider whether the local is doing enough to advance members' interests. The best use of members' dues is to invest in actions such as:

- Union education to build members' capacity.
- Joining labour groups like CUPE councils, provincial divisions, district labour councils and federations of labour to build solidarity with allies.
- Campaigns to build support for bargaining proposals or other goals that matter to the membership.

If you continue to build surplus funds, talk with your credit union advisor to create an investment plan.

- Be clear about your goals and ensure that you will have access to the funds when your local needs them.
- Have the investment plan approved at a membership meeting before you transfer any funds.

Remember:

Interest your local earns from bank or credit union accounts and investments is considered income. Your financial institution will issue a statement of investment income or T5 form at tax time. Although unions do not pay income tax on investment income, you should keep the T5 form with your records.

Income checklist

- ✓ Receive and deposit union dues, from the employer or your rebate from CUPE National.
- ✓ Receive and deposit initiation fees.
- ✓ Record all interest earned.
- ✓ Ensure that incoming cheques are made out to the local (and not to the secretary-treasurer).
- ✓ Write a receipt for income the local receives in cash.
- ✓ Maintain a membership list to cross-reference the dues remittance list you receive from the employer.
- ✓ Keep and file each dues remittance list you receive from the employer.

4 Expenses – per capita payments

Per capita payments are what locals send to CUPE National on behalf of each person in the bargaining unit. These funds pay for all services that CUPE provides to its locals, including the National Defence Fund and the National Strike Fund.

The CUPE Constitution requires locals set a dues rate that is no less than the per capita rate (*Constitution: B.4.3 a*). The per capita payment rate is currently set at 0.85% of the average regular monthly wages of the bargaining unit (*Constitution: 13.1 d*).

Each month, local secretary-treasurers receive union dues from the employer, and must complete and send the monthly per capita form along with payment to CUPE National. We recommend sending the dues remittance list as well so numbers can be double-checked by the per capita department.

Note:

If your local has set up direct remittance for payment of per capita, go directly to Section 5.

If your local does not have direct remittance, read what follows but consider the advantages described in Section 5.

How to calculate regular monthly wages

A. If dues are deducted from regular wages:

Calculate the total regular wages by dividing the total union dues received for the month by the percentage at which your members pay union dues.

Example:

If the union dues structure is 2% of regular monthly wages, and monthly dues are $1,260.42:

$1,260.42 ÷ 2% = regular wages of $63,021.00

Enter $63,021.00 on line C-1 on the monthly per capita form.

B. If dues are deducted from gross wages:

While some locals collect dues on gross wages, per capita is calculated and paid to CUPE National on regular wages only. To facilitate your work, ask the employer to provide you with a list of regular wages. Use the regular wages table (page 6) to explain to them how regular wages are defined.

You will then be able to do the calculation in Section A above using only regular wages and record the other union dues collected for your local.

C. If you are on a flat rate dues structure (Constitution: B.4.3 b)

If your local's dues structure is based on a flat rate, there is no formula that will work to arrive at the regular wages.

Have your employer provide you with a dues remittance list that includes the amount of regular wages earned by members each month.

Then you will be able to do the calculation in Section A above and record the other union dues collected for your local.

Sample per capita form regular remittance

CUPE·SCFP *Canadian Union of Public Employees / Syndicat canadien de la fonction publique*

1375, boul. St. Laurent Blvd., Ottawa, ON K1G 0Z7 TEL. / TÉL. 1-800-363-2873 FAX: 613-237-5508

MONTHLY PER CAPITA FORM – FORMULAIRE MENSUEL DE LA CAPITATION

WHITE AND YELLOW COPIES TO BE SENT TO NATIONAL OFFICE – LES COPIES BLANCHE ET JAUNE DOIVENT ÊTRE ENVOYÉES AU BUREAU NATIONAL
PINK COPY TO BE RETAINED BY LOCAL – LA COPIE ROSE DOIT ÊTRE RETENUE PAR LA SECTION LOCALE

A	REGULAR REMITTANCE VERSEMENT RÉGULIER	MONTH MOIS	➡	PERIOD/PÉRIODE	LOCAL SECTION LOCALE	➡

			MEMBERSHIP – EFFECTIF	
		PER CAPITA LAST PAID (MONTH, YEAR) DERNIÈRE CAPITATION PAYÉE (MOIS, ANNÉE)	FULL TIME PLEIN TEMPS	PART TIME TEMPS PARTIEL
B	**DESCRIPTION**			
1	LAST MONTH MOIS DERNIER	TOTAL MEMBERSHIP REPORTED INCLUDING RAND FORMULA PAYEES TOTAL DE L'EFFECTIF INSCRIT Y COMPRIS LES COTISANTS EN RAISON DE LA FORMULE RAND		
	*** IT IS IMPERATIVE FOR ALL LOCALS TO COMPLETE SECTION B2 / IL EST IMPÉRATIF QUE TOUTES LES SECTIONS LOCALES COMPLÈTENT LA SECTION B2 ***			
2	CURRENT MONTH MOIS COURANT	TOTAL MEMBERSHIP REPORTED INCLUDING RAND FORMULA PAYEES FOR THE MEMBERS WHO PAID UNION DUES FOR THE CURRENT MONTH TOTAL DES MEMBRES QUI ONT PAYÉ LEURS COTISATIONS SYNDICALES POUR LE MOIS COURANT, Y COMPRIS CEUX QUI PAIENT EN VERTU DE LA FORMULE RAND		

THE CUPE CONSTITUTION REQUIRES PER CAPITA TO BE SENT NO LATER THAN THE LAST DAY OF THE FOLLOWING MONTH. INTEREST EQUAL TO THE PRIME RATE PAID BY CUPE +2% SHALL BE APPLIED TO PER CAPITA PAYMENTS OWING IN EXCESS OF 2 MONTHS. THE TIMELINESS OF YOUR PAYMENTS IS VITAL TO KEEPING CUPE STRONG AND EFFECTIVE.

LES STATUTS DU SCFP EXIGENT QUE LA CAPITATION SOIT ENVOYÉE AU PLUS TARD LE DERNIER JOUR DU MOIS SUIVANT. L'INTÉRÊT ÉGAL AU TAUX PRÉFÉRENTIEL PAYÉ PAR LE SCFP +2% EST APPLIQUÉ AUX PAIEMENTS DE CAPITATION DUS DEPUIS PLUS DE 2 MOIS. LA PONCTUALITÉ DE VOS PAIEMENTS EST ESSENTIELLE AU MAINTIEN D'UN SCFP VIGOUREUX ET EFFICACE.

C	PER CAPITA - CAPITATION		RATES/TAUX	AMOUNT/MONTANT
1	TOTAL AVERAGE REGULAR WAGES FOR THE MONTH (full time and part time) TOTAL DES SALAIRES MENSUELS RÉGULIERS MOYENS (plein temps et temps partiel)		@0.85%	
2	STRIKE FUND LEVY ARTICLE 13.1(e) – AS PER THE TOTAL WAGES REPORTED ON LINE C1 PRÉLÈVEMENT CAISSE DE GRÈVE ARTICLE 13.1(e) – SELON LE TOTAL DES SALAIRES INSCRIT À LA LIGNE C1		@0.04%	N/A
3	ARREARS (ITEMIZE) ARRÉRAGES (DÉTAILLER)			
4	ADJUSTMENTS (PLEASE SPECIFY) AJUSTEMENTS (S.V.P. PRÉCISER)			

D	OTHER PAYMENTS - AUTRES PAIEMENTS					
1	PAYMENT OF INVOICES PAIEMENTS DES FACTURES	No(s)		5	LABOUR COLLEGE OF CANADA COLLÈGE CANADIEN DES TRAVAILLEURS	
2	INTEREST INTÉRÊT			6	CUPE GLOBAL JUSTICE FUND INC. FONDS DU SCFP POUR LA JUSTICE MONDIALE INC.	
3	BONDING CAUTIONNEMENT			7	OTHER (PLEASE SPECIFY) AUTRES (S.V.P. PRÉCISER)	
4	LOAN PRÊT			8	**SUB-TOTAL (LINES D.1 TO D.7 INCLUSIVE) SOMME PARTIELLE (LIGNES D.1 À D.7 INCLUSIVEMENT)**	

E	**SECRETARY-TREASURER: NAME/ADDRESS SECRÉTAIRE-TRÉSORIER (E) : NOM/ADRESSE**	CERTIFIED CORRECT - *CERTIFIÉ CONFORME* SIGNATURE OF SECRETARY-TREASURER - *SIGNATURE DU SECRÉTAIRE-TRÉSORIER(E)*	TOTAL REMITTED MONTANT REMIS	
			CHEQUE NO. N° DU CHÈQUE	
			VERIFIED VÉRIFIÉ	
		IF CHANGE IN SECRETARY-TREASURER PLEASE PRINT CLEARLY *SI CHANGEMENT DE SECRÉTAIRE -TRÉSORIER(E) S.V.P. IMPRIMER CLAIREMENT*	NAME / *NOM*	
			ADDRESS / *ADRESSE*	
			CITY / *VILLE*	
			PROVINCE	POSTAL CODE POSTAL
	cope/*sepb*	PHONE NO. / *N° DE TÉL.*:	HOME / *RÉS.* ( ) - WORK / *TRAVAIL* ( ) -	

This form is available at cupe.ca/local-per-capita-form // Ce formulaire est disponible à scfp.ca/rapport-mensuel-de-la-capitation

How to complete the monthly per capita form

A – Local information	
	Unless you are using a new blank form, CUPE National provides information for this section on the prefilled forms. Check to ensure it is correct. If not, insert the correct information. The last line of this section notes what is the last month paid. This helps to ensure that no months are missing or repeated.
B – Membership report	
Line B-1	The number of members reported on your last report. Note: CUPE National includes this on the prefilled form.
Line B-2	Insert the total number of full-time and part-time members, and any Rand formula payees who paid dues during the reporting month. Include casual members with part-time members. Note: This membership information determines the number of delegates your local can send to CUPE national conventions. Attendance at conventions is based on the average number of dues-paying members in the 12 months before the convention call is sent to locals.
C – Per capita tax calculation	
Line C-1 **Wages**	Insert the total **regular wages** paid to full-time, part-time, and casual members, and Rand formula payees during the month, as reported by your employer. Multiply the total **regular wages** for the month by 0.85% and enter that amount. **Example:** $173,897 × 0.85% = $1,478.12 Use the pay period **ending** dates to decide what month applies to your per capita form. For example, if there are two bi-weekly pay periods ending on October 7 and 21, you will calculate your per capita payment for the month of October, even if the employer sends the dues payment to the local in November. In months with three pay periods, the per capita is due on all pay periods even if no dues are deducted on that third pay period. We recommend that dues be deducted on all pays.

Line C-1 **Wages**	• If your pay cycle is weekly, there will be four months each year with a fifth pay period. • If your pay cycle is bi-weekly, there will be two months with a third pay period. If you use the pay ending dates as described above, you will always remit for the correct wages earned, in the right month. If your local paid **no dues** for a month because no one worked, or because of a strike or lockout, **you still need to submit a form**. You should add a short explanation and insert 0 on line C-1. **TIP:** Mark a calendar with all pay periods and monthly per capita deadlines. **REMINDER:** The per capita calculation is 0.85% of regular wages, **not** 0.85% of the dues cheque your local receives from the employer.
Line C-2 **Levy**	This line refers to the Strike Fund Levy set out in Article 13.1 e) of the CUPE Constitution. At this time, no levy is to be collected from locals.
Line C-3 **Arrears**	List any amounts the local owes.
Line C-4 **Adjustments**	Use this section for any adjustments such as: • a correction for a month when you sent only an estimate as payment; • overpayments or underpayments from previous per capita payments; • amounts that were overpaid or underpaid in the past. Explain what the adjustment refers to and provide any documents or receipts for CUPE National to review. Per capita for retroactive pay should be included on this line. • Outline the period when the retroactive pay was paid and the total wages it is based on. • Multiply the total wages by 0.85% and insert that number under “amount”. **REMINDER:** You do not need to report the membership numbers for the retroactive pay adjustment.

Section D – Other payments	
Line D-1 **Invoices**	All orders placed through the CUPE website must be prepaid unless your local uses direct remittance. Any amount showing in D-1 will be deducted from your rebate.
Line D-2 **Interest**	You do not need to insert anything here. CUPE National will insert interest owed on late per capita tax payments on this line.
Line D-3 **Bonding**	You do not need to insert anything here. CUPE National will bill you for bonding insurance premiums. Any outstanding amounts will appear on this line as set out in *Constitution: 12.5 & B.3.5*.
Line D-4 **Loan**	Insert monthly payment amount to CUPE National if your local was granted an interest-free loan to bargain your first collective agreement.
Line D-5 **Labour college**	These payments are based on a repayment plan that CUPE has approved.
Line D-6 **Global Justice Fund**	CUPE inserts the remaining amount of loan, for information purposes only.
Line D-7 **Other**	Insert your local's contribution to the Labour College of Canada, if this applies.
Line D-8 **Sub-total**	Insert your local's contribution to the CUPE Global Justice Fund, if this applies. cupe.ca/GJ

E – Totals and secretary-treasurer information	
Total remitted	Add sections C and D and insert the amount in the Total Remitted box. ✓ Write a cheque for the total amount. ✓ Make it payable to the Canadian Union of Public Employees or CUPE. ✓ Ensure that **two signing officers** sign the cheque. ✓ Make sure that the written and numeric amounts on the cheque are the same. For example: One hundred dollars and $100.00. ✓ Make sure the cheque date is correct. ✓ Complete this section on the form: • Indicate the total amount of payment. • Write the cheque number. **Note:** Locals can set up electronic funds transfer (EFT) with CUPE National for per capita payments.

Secretary-treasurer name/address	If you have a prefilled form, your name and address will appear here. If something is incorrect, enter the correct information in the space to the right. If you are a new secretary-treasurer, insert your information in the boxes on the right.
Certified correct	Before signing here, double-check all the information on the form, and your remittance amounts, to make sure there are no errors.
Mailing your form	Separate the third page (pink) for your records. Do not separate the first two pages (white and yellow). Send both copies, intact, to CUPE National. Use the return envelope provided. Mailing Address: CUPE National Attention: Per Capita 1375 St. Laurent Blvd Ottawa, ON K1G 0Z7 The yellow copy will come back to you, as a receipt for your files, along with next month's form. **REMINDER:** ✓ Prefilled per capita forms are sent to you only when CUPE National receives your payment. ✓ The local is responsible for sending in its monthly per capita form on time. ✓ You can obtain forms online at cupe.ca/capita
	If you are paying CUPE National by EFT, your completed form must be sent to treasurers@cupe.ca. **TIP:** Save all records of per capita payments in a secure place as well as print copies for the local's records.

Remember:
After you send the monthly per capita form to CUPE National, they will send a copy of the form back to you to prove they have received your payment. CUPE National will also send you a new monthly per capita form for next month's remittance. The prefilled form has some information already filled in for you.

If you do not have a prefilled form, you can download a blank monthly per capita form at cupe.ca/capita.

Errors and miscalculations

Even when we try our best, mistakes happen.

If CUPE National discovers an error in the way your local calculated or reported monthly per capita, it will recalculate all per capita going back three years. If your local ends up owing an amount to CUPE, you will be placed in arrears until the amount owing is paid off.

CUPE National does not charge interest on miscalculations.

If you discover a mistake in your monthly per capita, tell CUPE National right away. You are allowed to recalculate all per capita payments going back three years. CUPE will endeavour to promptly return any funds owing to your local.

Call CUPE National at the per capita helpline at **1-800-363-2873**, select option **#1** if you have questions.

TIP

The most common mistakes in per capita forms are:

- calculating 0.85% of the amount of dues collected by the employer instead of 0.85% of members' regular wages
- basing the per capita report on **gross** wages instead of **regular** wages
- using the wrong percentage in the formula to calculate regular wages
- not remitting on all pay periods
- locals on a flat rate using an averaging formula that is outdated.

Review your calculations to make sure that you are not making these errors.

5 Expenses – per capita direct remittance

Per capita direct remittance is a service CUPE offers. The goal is to make it easy for locals to manage their finances. More than half of CUPE locals use direct remittance to pay their per capita tax.

It works like this:

- CUPE National receives the dues and the dues remittance list directly from your employer.
- CUPE National then deducts the per capita amount and sends what is left to your local as a monthly rebate.
- You do not have to fill out a monthly per capita form or do any calculations. CUPE does that for you.

It takes two to three weeks from the time CUPE receive the dues from your employer until CUPE sends the rebate to your local. Delays can occur when employers do not provide the supporting documentation along with the dues amount. The process can be expedited when both the employer and the local sign up for EFT with CUPE as everything is done electronically instead of by mail.

Locals continue to set their own dues structure and control all other payments.

Sample per capita form — direct remittance

CUPE·SCFP Canadian Union of Public Employees / Syndicat canadien de la fonction publique

1375, boul. St. Laurent Blvd., Ottawa, ON K1G 0Z7 TEL. / TÉL. 1-800-363-2873 FAX: 613-237-5508

Vendor Number xxxxxxxxx

MONTHLY PER CAPITA FORM – FORMULAIRE MENSUEL DE LA CAPITATION

YELLOW COPY TO BE RETAINED BY LOCAL – COPIE JAUNE À CONSERVER PAR LA SECTION LOCALE

A	**DIRECT REMITTANCE VERSEMENT DIRECT**	**MONTH MOIS**	September/Septembre 2025	LOCAL SECTION LOCALE: 567
	PER CAPITA LAST PAID (MONTH, YEAR) DERNIÈRE CAPITATION PAYÉE (MOIS, ANNÉE)		August / Août 2025	**MEMBERSHIP – EFFECTIF**

B	**DESCRIPTION**		**FULL TIME PLEIN TEMPS**	**PART TIME TEMPS PARTIEL**
1	LAST MONTH MOIS DERNIER	TOTAL MEMBERSHIP REPORTED INCLUDING RAND FORMULA PAYEES TOTAL DE L'EFFECTIF INSCRIT Y COMPRIS LES COTISANTS EN RAISON DE LA FORMULE RAND	42	6
2	CURRENT MONTH MOIS COURANT	TOTAL MEMBERSHIP REPORTED INCLUDING RAND FORMULA PAYEES FOR THE MEMBERS WHO PAID UNION DUES FOR THE CURRENT MONTH TOTAL DES MEMBRES QUI ONT PAYÉ LEURS COTISATIONS SYNDICALES POUR LE MOIS COURANT, Y COMPRIS CEUX QUI PAIENT EN VERTU DE LA FORMULE RAND	42	9

C	**PER CAPITA - CAPITATION**		**RATES/TAUX**	**AMOUNT/MONTANT**
1	TOTAL AVERAGE REGULAR WAGES FOR THE MONTH (full time and part time) TOTAL DES SALAIRES MENSUELS RÉGULIERS MOYENS (plein temps et temps partiel) Use Wages / Utiliser Salaires ☐ OR/OU 2.0 %	$ 173,897.00	**@0.85%**	1,478.12
2	STRIKE FUND LEVY ARTICLE 14.1(e) – AS PER THE TOTAL WAGES REPORTED ON LINE C1 PRÉLÈVEMENT CAISSE DE GRÈVE ARTICLE 14.1(e) – SELON LE TOTAL DES SALAIRES INSCRIT À LA LIGNE C1		**@0.04%**	N/A
3	PREPAYMENT PAIEMENT D'AVANCE			
4	ADJUSTMENTS (PLEASE SPECIFY) AJUSTEMENTS (S.V.P. PRÉCISER)			
			REBATE / REMBOURSEMENT	1,907.82

D	**OTHER PAYMENTS - AUTRES PAIEMENTS**				
1	PAYMENT OF INVOICES PAIEMENTS DES — No(s)		5	LABOUR COLLEGE OF CANADA COLLÈGE CANADIEN DES TRAVAILLEURS	
2	INTEREST INTÉRÊT		6	CUPE GLOBAL JUSTICE FUND INC. FONDS DU SCFP POUR LA JUSTICE MONDIALE INC.	
3	BONDING CAUTIONNEMENT	92.00	7	OTHER (PLEASE SPECIFY) AUTRES (S.V.P. PRÉCISER)	
4	LOAN PRÊT		8	**SUB-TOTAL (LINES D.1 TO D.7 INCLUSIVE) SOMME PARTIELLE (LIGNES D.1 À D.7 INCLUSIVEMENT)**	$92.00

E	**SECRETARY-TREASURER : NAME/ADDRESS SECRÉTAIRE-TRÉSORIER (E) : NOM/ADRESSE**			
	Sukaina Singh 567 Union Way Unionville, NS B0W 2L8	IF CHANGE IN SECRETARY-TREASURER, PLEASE CONTACT US AT: 1-800-363-2873 OR PERCAPITA@CUPE.CA SI CHANGEMENT DE SECRÉTAIRE-TRÉSORIER (E), S.V.P. CONTACTEZ NOUS: 1-800-363-2873 OU CAPITATION@SCFP.CA	TOTAL REMITTED MONTANT REMIS	3,477.94
			PAYMENT NO. N° DE PAIEMENT	12345
			VERIFIED VÉRIFIÉ	
	cope/sepb	OFFICE USE ONLY / À USAGE INTERNE SEULEMENT		

Here is an example of a monthly per capita form — direct remittance

Total regular wages for the month of September are: $173,897.00

Total number of full-time members: 42

Total number of part-time members: 9

Local dues rate: 2% of regular wages

1. The employer sends a cheque or EFT to CUPE National for $3,477.94
   $173,897.00 × 2% = $3,477.94
2. CUPE calculates the per capita payment due:
   $173,897.00 × 0.85% = $1,478.12
3. CUPE calculates your rebate amount:
   $3,477.94 - $1,478.12 = $1,999.82
4. CUPE deducts any other amounts owing. In this example, the annual bonding insurance fee of $92.00 is also deducted.
   $1,999.82 - $92.00 = $1,907.82
5. CUPE sends Local 567 a rebate for $1,907.82 along with an email notification letting your local know a payment by electronic funds transfer was sent.
6. The email notification will contain a PDF document entitled “Payment Advice”. Open the attachment and click on the blue link under Description. This will bring you into a secure site and allow you to view the Monthly Per Capita form.
7. We recommend that you print the form for your records.

TIP

Ask your employer to provide you with a copy of your local’s dues remittance list. CUPE does not include a copy of the list with your rebate.

Moving your local to direct remittance

Your national representative can help you set up direct remittance with your employer.

CUPE has made it easy for your employer to provide the information we need.

Our direct remittance kit for employers includes:

- ✓ a sample cover letter to be sent along with the monthly dues and remittance list (Appendix C);
- ✓ information about the direct remittance process;
- ✓ a fact sheet on regular wages.

Employers can send the dues payment by cheque or EFT.

Our Per Capita staff can help if your employer has any questions.

Contact CUPE at percapita@cupe.ca to let us know that you have set up direct remittance. Tell us when we can expect to receive the first dues payment from your employer.

Note:

If your local is affiliated to a CUPE provincial division, or any other labour body, you must pay your per capita directly to that division or labour body. CUPE National **does not** do so on your local's behalf.

6 Expenses – local operations

"Funds can only be spent for the valid purposes of the Local Union and as permitted in the bylaws or as approved by a majority vote at a regular or special membership meeting. The funds cannot be divided among individual members."

(Constitution: B.4.4 Expenditures)

As secretary-treasurer, you need to understand what makes something a "valid purpose" for expenditures. You should also be familiar with any legislation, such as tax laws or restrictions on political spending, that may impact how your local handles its finances.

Valid purposes include:

- bargaining
- enforcing the collective agreement (grievances, mediation, and arbitration)
- campaigns to defend or promote union issues
- union education
- conventions and conferences (registration, accommodation, book-off fees, and per diems)
- executive and membership meeting costs
- promoting CUPE and the local to create a sense of identity and solidarity among the members
- promoting CUPE in the community.

DID YOU KNOW?

Locals may wish to provide gifts or awards to members on special occasions or during events. All monetary gifts, including gift cards, are considered **inappropriate** expenditures.

Instead, your local can offer non-monetary items such as t-shirts or jackets featuring the CUPE logo and/or the local number that help build visibility of the membership and promote solidarity. Items like posters or pins, which are part of an ongoing campaign, are also acceptable.

Fundraising prizes and retirement gifts should be non-monetary items.

Gifts of sympathy when someone is bereaved may include flowers and donations to a charity by the local.

Authorization of expenses

As secretary-treasurer, you must ensure that all the local's financial decisions are transparent. That means that everyone can easily see who made the decision to spend local funds, how the money was spent and why.

There are only three ways to authorize an expense:

1. **Bylaws:** your local's bylaws specifically allow the expense.
2. **Budget:** the expense is authorized by a budget approved by a majority of members present and voting at a regular or special membership meeting. Advanced notice that a budget will be presented at this meeting must be given to members.
3. **Motion:** the expenditure is raised as a motion and approved through a vote of the majority of members present and voting at a regular or special membership meeting.

DID YOU KNOW?

If your local does not have approved bylaws, **every** expense (except per capita payments) must be approved at a membership meeting. This can make daily operation of the local difficult. Therefore, it is important to work with your national representative to submit your bylaws to CUPE National for approval.

Read your local's bylaws. Do they provide enough detail to guide your work as secretary-treasurer? Work with your local's national representative or your bylaw committee to review your bylaws. They can suggest amendments to help the local manage its regular expenditures in a transparent and consistent way.

CUPE expects locals to put rules about finances in its bylaws, not in policies. If your local is using financial policies, you must add the policies as appendices to your bylaws. The amendment and approval process applies to policies and bylaws.

Working to prevent fraud

The best way to prevent fraud is to have clear guidelines in your bylaws and good financial controls in place.

Do	Do not
✓ Use expense vouchers to process all payments *(Appendix D)* ✓ Use pre-numbered cheques that show the local's name and address ✓ Require two signatures on all cheques ✓ Have three signing officers — usually the president, vice-president, and secretary-treasurer ✓ Ensure that the local president approves all expenses	✕ Sign blank cheques ✕ Make cheques payable to cash ✕ Let a signing officer sign cheques made out to themselves. The other two signing officers must sign these cheques

Note:

When paying any invoices or expenses electronically, the principles of approval, verification, and signing officers' oversight still apply. *(Constitution: B.4.4.)*

Bonding insurance

Bonding insurance reimburses your local if a member commits fraud against the local. CUPE National buys bonding insurance for all its locals and chartered organizations. *(Constitution: 12.5 & B.3.5)*

The insurance provides up to $100,000 coverage with a $5,000 deductible. The policy covers all signing officers. This means you do not need to request bonding for specific jobs within the local, or after you elect a new executive.

You will receive an invoice from CUPE National once a year, usually in the first quarter of the year. If your local is on direct remittance, CUPE will deduct the fee for bonding insurance from your rebate.

To be eligible to file a bonding insurance claim, you **must** send CUPE National your trustees' report within 9 months of your fiscal year end. Your local will not be covered if the trustee's report is not received.

Note:

Bonding insurance **only** covers your local in cases of fraud. It does not cover the local for any other claims, like general liability or theft.

Financial controls

Expense vouchers (Appendix D)

Expense vouchers allow the secretary-treasurer to ensure proper financial controls, and for the trustees to verify that expenses were authorized and paid the way they should be.

You can order expense vouchers from CUPE at cupe.ca/orderFO or create your own.

Use expense vouchers to process all payments, except for the per capita payment and affiliation fees.

A completed expense voucher must include:

- ✓ Name and address of person getting the money (the payee)
- ✓ Date of expense
- ✓ Reason for expense
- ✓ Signature of the person asking for payment
- ✓ Supporting documents, such as an invoice or original receipts (including electronic invoices and scanned receipts)
- ✓ Copy of the motion authorizing the expense and the date of the membership meeting when the vote took place
- ✓ Signature of the local president approving the expense
- ✓ Date of approval by the president
- ✓ Cheque number or electronic payment reference number.

Cheques and electronic payments

All expenses must be paid by cheque or electronic payment approved by the secretary-treasurer and the president or another signing officer. This is the best way to ensure good financial controls and to prevent fraud. There are some exceptions — see the information on credit cards that follows.

Order pre-numbered cheques that include the name and address of your local. This makes it easier to track missing cheques.

Review expense vouchers and supporting documents to ensure everything is correct before you prepare and sign a cheque.

TIP

If you make a mistake on a cheque, do not destroy it. Leave the cheque in the cheque book and write VOID on it. Include the cheque number in the ledger and write 'void' as the description. This will help trustees account for all cheques when they do the audit.

Credit cards

Some locals provide credit cards to executive members to use when they travel on union business. Credit cards can be useful if your local spans a large region and travel expenses by executive members are high. Even so, credit cards should be used carefully.

Guidelines for using a union credit card:

- Issue the card in the name of the local.
- Clearly define the types of payments that can be made on the credit card. The best practice is to define this in your local's bylaws. At minimum, you must have this approved by the members at a membership meeting.
- Set a reasonable maximum for charges that are allowed on the card.
- Set a reasonable credit limit on the card.
- Pay off the card monthly so the local does not have to pay interest charges.
- Review every transaction to ensure that it is an authorized expense before making a payment on the credit card.
- Pay the credit card by cheque or electronically and not with a pre-authorized bank debit.
- Attach all credit card receipts to the credit card statement.
- Make sure trustees check every item charged when they complete the audit.

Tax issues

Unions are not-for-profit organizations. Because your local is covered by the Income Tax Act, you need to consider the tax implications of certain payments.

Here are the most common tax issues for locals. For more detailed information, contact the Canada Revenue Agency (CRA) office in your region.

Honorariums

The Canada Revenue Agency (CRA) considers that honorariums paid to elected or appointed union officers ("tenure of office" per CRA) are pensionable, insurable and fully taxable. If your local provides honorariums to executive members, you need to:

1. **Register** the local with CRA to be assigned a business account number. Every local must have their own unique business account number. CUPE locals cannot become a sub-unit of CUPE National's business account.

2. **Withhold** income tax, Employment Insurance (EI), and Canada Pension Plan (CPP) contributions (employee portion).

3. **Calculate** the employer portion of EI and CPP withheld from the employee.

4. **Send the total** you have withheld to CRA, which means both the employee and employer portions.

5. **Issue a T4** at year-end to the member who received the honorarium.

Locals in Quebec will also need to comply with provincial requirements and issue an RL-1. For more information, consult the *Guide for employers: source deductions and contributions* at revenuquebec.ca/en/online-services/forms-and-publications/current-details/tp-1015-g-v/ .

Out-of-pocket expenses and per diem allowances

Payments for out-of-pocket expenses and per diems are not considered honorariums or income under the *Income Tax Act*. Instead, they are considered a reimbursement of money a member spent while on union business.

Out-of-pocket expenses and per diem allowances are not taxable. However, let members know they should keep all receipts for expenses, because any amount not covered by a receipt is taxable. They will be responsible for paying any tax owing if CRA asks to see receipts and they are unable to provide them.

The local's bylaws should clearly outline the **maximums** for out-of-pocket and per diem allowances.

Lost wages and book-offs

When members are booked-off on union business, the local should ask the employer to continue their wages and benefits while they are off and bill the local afterwards. The local can then reimburse the employer and account for this in the appropriate expenses category.

Why do we recommend this? So your local does not have to pay lost wages directly to members. Any payment of lost wages made directly by the local to a member is taxable. The local will be considered an employer and will have to withhold taxes, EI, and CPP and submit a T4 at the end of the fiscal year.

It is better for the local and its members if the wages and benefits earned while booked-off are paid by the employer as if the member had worked. You will not have to worry about the liability of incorrect payroll calculations. Your members can also be assured that they are getting paid the correct amount and not losing out on pension contributions and benefits.

Financial records

Your local must keep all financial records and support documents for a **minimum of seven years**.

You should keep electronic files in a secure, backed up electronic filing system.
CUPE recommends that you also keep paper copies of these important documents for your archives:

- ✓ Minutes
- ✓ Financial statements
- ✓ Ledgers
- ✓ Trustees' reports
- ✓ Bylaws
- ✓ Collective agreements.

> Canada Revenue Agency requires that all organizations, including not-for-profit, keep adequate books and reports.

7 Keeping the books

CUPE ledgers

The ledger is the main part of your local's financial books. Most locals use the CUPE electronic ledger, which is an Excel document. If your local is not using the electronic ledger, we recommend that you start using it.

- The ledger is a logbook for all the income and expense transactions of the local. Every time you receive a deposit and every time you make a payment, you will enter the date, the amount, and a description of the income or expense.
- The ledger provides a record of money spent based on the kind or category of expense. This will help you stay on track and plan the local's budget.
- The secretary-treasurer's and trustees' reports are always based on information recorded in the ledger.

The electronic ledger makes calculations for you and generates the secretary-treasurer's and trustees' reports. CUPE offers many different ledgers to suit your needs.

You can download ledgers at cupe.ca/ledgers or reach out to ledger@cupe.ca if you are unsure of which ledger to use.

Note:

CUPE's ledgers are updated every year. You should download the new version every January to make sure you have the most up-to-date information.

Some large locals use accounting software like QuickBooks to keep their books. Trustees must be provided with all the information that would be included in a CUPE ledger to perform their audit. Before buying accounting software, make it sure allows for the detailed information you will need to provide to trustees.

How to complete the CUPE electronic ledger

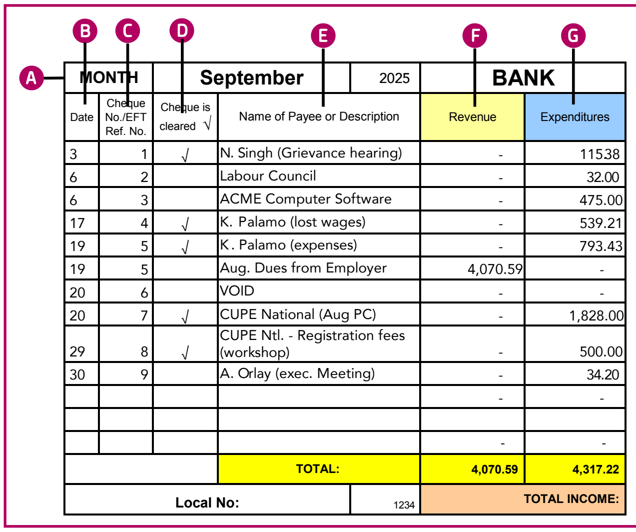
This is a sample month of a completed standard Jan-Dec fiscal year ledger.

CUPE 1234's total monthly regular wages for August 2025 were $203,529.31 and the union dues rate is 2%.

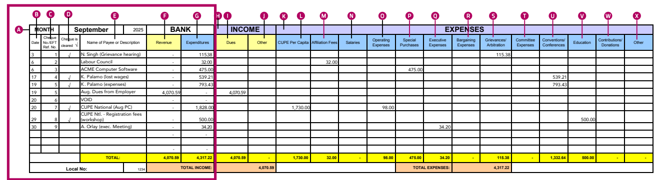
CUPE 1234 does not have direct remittance for per capita payments.

Date	Cheque No./ EFT Ref. No.	Amount	Description
INCOME:			
Sept. 15		$20.00	Initiation fees paid by two new members (cash)
Sept. 19		$4,070.59	Dues payment received from the employer in the amount of $4,070.59
EXPENSES:			
Sept. 3	Cheque #1	$115.38	To employer for one day's lost wages to Lead Steward Nancy Singh for time at grievance hearing.
Sept. 6	Cheque #2	$32.00	To Labour Council for affiliation fee, July and August.
Sept. 6	Cheque #3	$475.00	To Acme Computer Company for word processing software.
Sept. 17	Cheque #4	$539.21	To employer for three days lost wages to local president Kalani Palamo for time at a CUPE provincial division Convention.
Sept. 19	Cheque #5	$793.43	To president Palamo for expenses while attending CUPE provincial division Convention.
Sept. 20	Cheque #6		Void cheque.
Sept. 20	Cheque #7	$1,828.00	To CUPE National for August Per Capita, $1,730 + $98 bonding premium for the local.
Sept. 29	Cheque #8	$500.00	To CUPE National for registration fees for two delegates to the CUPE Fall school.
Sept. 30	Cheque #9	$34.20	To vice-president Artem Orlay to reimburse for payment of halal pizza bought for executive dinner meeting.

Sample CUPE 1234: Ledger - regular remittance

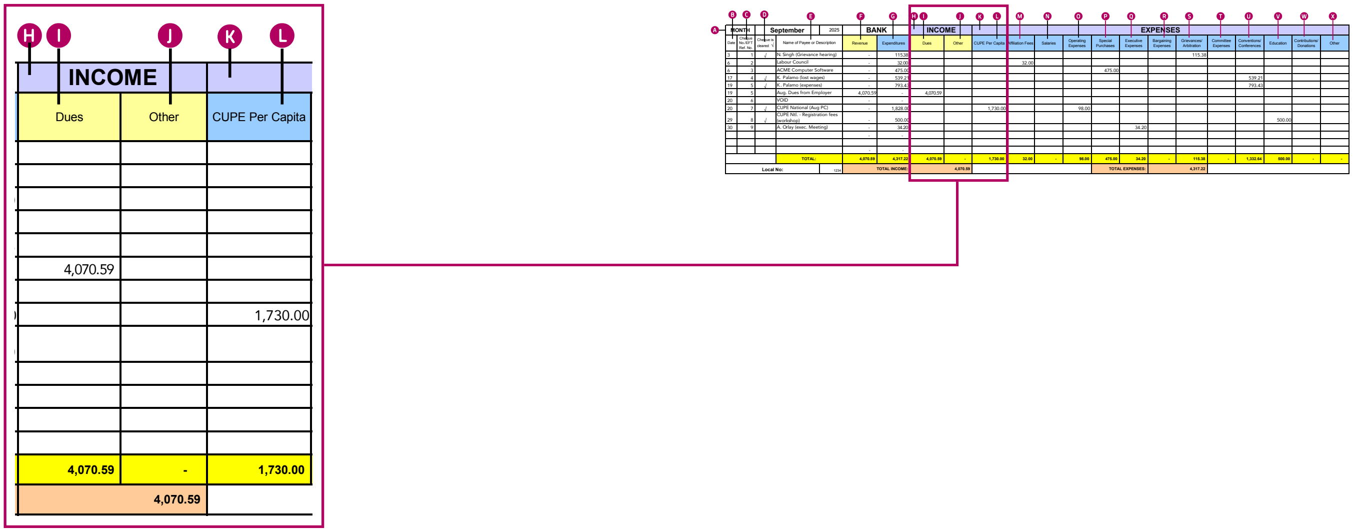


MONTH			September	2025	BANK
Date	Cheque No./EFT Ref. No.	Cheque is cleared √	Name of Payee or Description	Revenue	Expenditures
3	1	√	N. Singh (Grievance hearing)	-	11538
6	2		Labour Council	-	32.00
6	3		ACME Computer Software	-	475.00
17	4	√	K. Palamo (lost wages)	-	539.21
19	5	√	K. Palamo (expenses)	-	793.43
19	5		Aug. Dues from Employer	4,070.59	-
20	6		VOID	-	-
20	7	√	CUPE National (Aug PC)	-	1,828.00
29	8	√	CUPE Ntl. - Registration fees (workshop)	-	500.00
30	9		A. Orlay (exec. Meeting)	-	34.20
				-	-
				-	-
			TOTAL:	4,070.59	4,317.22
Local No:				1234	TOTAL INCOME:



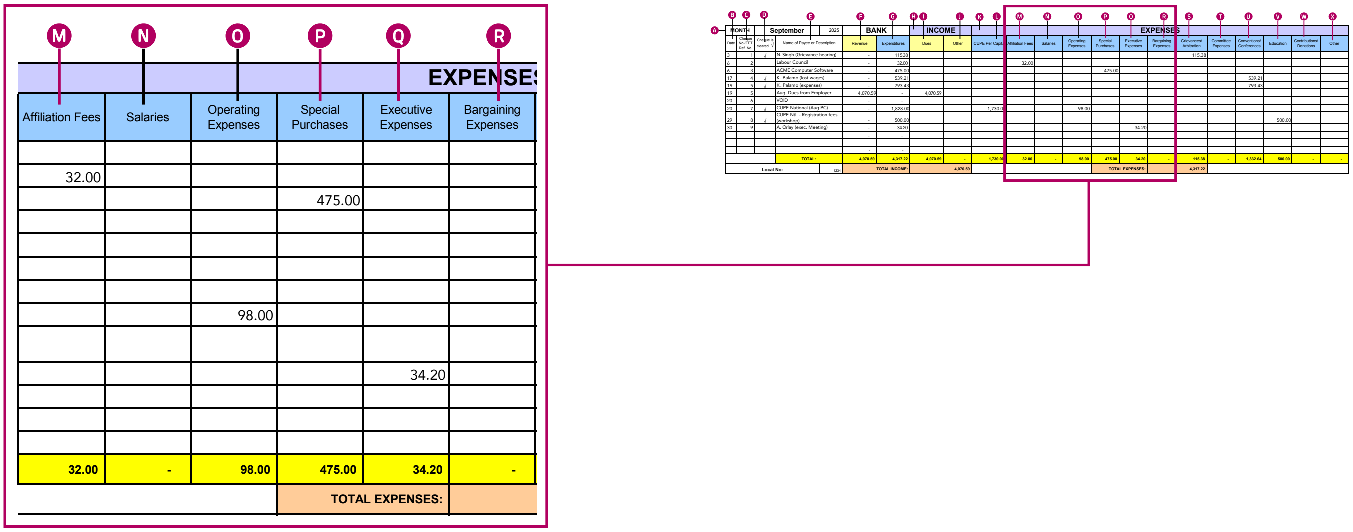
Section	What to do
A MONTH	The month "September" should already be prefilled. If using a different fiscal year ledger, when you enter your fiscal year period in the Begin here tab, each month will be prefilledas well.
B Date	Write the day of the month when the local receives any income or issues a cheque or electronic payment.
C Cheque No./EFT ref. no.	Record the cheque number for every cheque you write, including void cheques. Ensure that cheque numbers appear in numerical order, including the void cheques. Record the reference number for every electronic payment you make from the local's bank account.
D Cheque cleared √	At the end of the month, review your bank statement and select the checkmark from the dropdown menu for all cheques and payments that clear within the same month you issued them.
E Name of payee or description	Write two or three words to describe each transaction. For example: K. Palamo (lost wages) or (expenses)
F BANK: Revenue	Amounts will automatically be populated here based on your entries in the income columns. Its total represents the total amount of money the local received that month.
G BANK: Expenditures	Amounts will automatically be populated here based on your entries in the expenses columns. Its total represents the total amount of money the local spent that month.

Sample CUPE 1234: Ledger - regular remittance



Section	What to do
H **INCOME**	The entries you record in this section will be automatically totalled in the bank: Revenue column as well as in the total income field.
I **INCOME: Dues**	Record the dues income received from the employer (regular remittance) or the amount sent to CUPE National on your behalf (direct remittance) — see pages 35-36 (section i) for more information on how to enter data in your ledger.
J **INCOME: Other**	Record all other forms of income here. This includes bank interest, investment income, initiation fees, deposits received for hall rentals, etc.
K **EXPENSES**	This section provides details about expenses. The entries you record in this section will be automatically totalled in the bank: Expenditures column as well as the total expenses field. A payment that covers expenses from more than one category must be broken down. The amount that applies to each category must be put in the correct column. For example, if you wrote one cheque ($654.59) to the employer to cover the $115.38 in lost wages for N. Singh and $539.21 in lost wages for K. Palamo, you would need to list $539.21 under executive expenses and $115.38 under grievances/arbitrations.
L **CUPE Per capita**	Record all per capita payments paid to CUPE National.

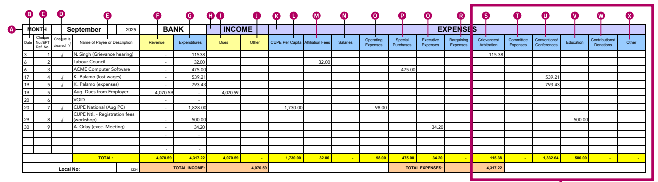
Sample CUPE 1234: Ledger - regular remittance



Section	What to do
M Affiliation fees	Record all fees associated with being a member of a CUPE provincial division, provincial sector group or district council, federation of labour, labour council, or CUPE occupational group.
N Salaries	Record wages and benefits for anyone the local hires to do a job, such as business agents, cleaners for the union office, clerical support, etc. **NOTE:** Do not include lost wages or honorariums for executive members here. They will be listed in the category that relates to the activity they are performing
O Operating expenses	Record all regular expenses such as meeting space or office rent, heat, light, phones, internet connections, bank charges, bonding, etc.
P Special purchases	Record all one-time expenses such as equipment purchases, office furniture, etc.
Q Executive expenses	Record all expenses that relate to executive members such as honorariums, lost wages, mileage, per diem, etc. Do not list expenses related to bargaining, grievances, arbitrations, or conventions/ conferences. They will be listed in other categories.
R Bargaining expenses	Record all expenses that relate to any member (including executive members) involved with bargaining and negotiations, such as lost wages, per diem, mileage, ratification vote meetings, renting meeting rooms, printing bulletins, etc.

Sample CUPE 1234: Ledger - regular remittance

S Grievances/ Arbitration	T Committee Expenses	U Conventions/ Conferences	V Education	W Contributions/ Donations	X Other
115.38					
		539.21			
		793.43			
			500.00		
115.38	**-**	**1,332.64**	**500.00**	**-**	**-**
4,317.22					



Section	What to do
S Grievances/ arbitrations	Record all expenses that relate to any member (including executive members) involved in processing grievances or that come from mediations or arbitrations, such as lost wages, per diem, mileage, arbitrator's and lawyer's fees, etc.
T Committee expenses	Record all expenses that relate to all other committee work such as your local's health and safety committee, women's committee, bylaws committee, etc.
U Conventions/ conferences	Record all expenses that relate to any member (including executive members) attending conventions and conferences, such as lost wages, per diem, accommodations, mileage, registration, etc.
V Education	Record all expenses that relate to any member (including executive members) attending union education workshops, such as lost wages, per diem, mileage, registration fees, etc.
W Contributions/ donations	Record all contributions towards the purchase of gifts for retiring members, ongoing campaigns, strike support donations, election donations, or contributions to other organizations.
X Other	Record any expense that does not fit into other categories, such as special campaigns, or transfer of funds to an investment, etc. **TIP:** We suggest using the transfer of funds ledger if your local has savings and investments.

Sample CUPE 567 : Ledger - direct remittance

MONTH		November		2023	BANK		INCOME		EXPENSES											
Date	Cheque No./EFT Ref. No.	Cheque is cleared √	Name of Payee or Description		Revenue	Expenditures	Dues	Other	CUPE Per Capita	Affiliation Fees	Salaries	Operating Expenses	Special Purchases	Executive Expenses	Bargaining Expenses	Grievances/ Arbitration	Committee Expenses	Conventions/ Conferences	Education	Contributions/ Donations	Other
					-	-															
					-	-															
22			Union dues remitted for Sept - Bonding fee - Direct remittance rebate $1,907.82		3,477.94	1,570.12	3,477.94		1,478.12			92.00									
					-	-															
					-	-															
					-	-															
					-	-															
					-	-															
					-	-															
					-	-															
			TOTAL:		3,477.94	1,570.12	3,477.94	-	1,478.12	-	-	92.00	-	-	-	-	-	-	-	-	-
Local No:			567		TOTAL INCOME:			3,477.94					TOTAL EXPENSES:			1,570.12					

Note:

The CUPE electronic ledgers have a glossary which includes more detailed examples of each expense category.

Direct remittance: recording per capita in the ledger

When a local is on direct remittance, the employer sends the dues directly to CUPE National. CUPE National then deducts the per capita amount and sends what is left to your local as a monthly rebate along with a monthly per capita form listing the details you need to complete your ledger (Appendix B).

You must enter both the total dues deducted by the employer and the per capita amount withheld into the ledger. The rebate amount only goes in the description column. The ledger will automatically do the math for you. The sample ledger on the previous page shows how direct remittance must appear in the local's ledger, following receipt of the rebate payment and the prefilled per capita form from CUPE National.

How to complete the bank reconciliation

Each month, you need to compare the amount of money that the books say should be in the local's bank account against the actual bank balance. This is called bank reconciliation.

It is rare that all the cheques you issue in a month clear the bank that same month. You will know a cheque has cleared by reviewing your bank statement withdrawals or the cheque images on the bank statement.

In the example below, because of outstanding cheques (cheques not cashed), the Bank Balance at the END of the month as per Bank Statement (A) amount is larger than your balance the last day of the month, or Ledger Bank Balance (E).

Sample CUPE 1234: Bank reconciliation

BANK RECONCILIATION			**September**
A **Bank Balance at the END of the month as per Bank Statement:**			**5,691.98**
Add	B **Income Not Recorded on Statement:**		
Deduct	C **Outstanding Cheques**		
D **Date cheque cleared**	**Cheque No.**	**Amount**	
	2	32.00	
	3	475.00	
	9	34.20	
	E **Total of Outstanding Cheques:**		**541.20**
	F ***Reconciled Bank Balance: (A)**		**5,150.78**
	* Reconciled Bank Balance (amount above - A) MUST equal the Ledger Bank Balance at End of Period in the Treasurer's Report to the Membership. A = A		
	**If an amount appears in the box to the right, your ledger is NOT balanced (see note above)		G

Section	What to do
A **Bank balance at the END of the month as per bank statement**	Record the balance at the end of the month as it appears on the bank statement. This is the amount of money in the account on the last day of the month. In the example, the local had $5,691.98 in its account on September 30.
B **Add income not recorded on statement**	Add any deposits that do not yet appear on the bank statement. This is rare because deposits are usually recorded on the day they are made. But, sometimes, a bank may record a deposit on the next business day, and it will then appear in next month's statement.

Sample CUPE. 1234: Bank reconciliation

Section	What to do
C **Deduct: Outstanding cheques**	After reviewing your bank statement and ticking each cheque and payment that has cleared, record the cheque numbers and amounts that did not clear within the month they were issued here. In the example, three cheques totalling $541.20 have not cleared the local's account as of September 30.
D **Date cheque cleared**	When the outstanding cheques in this bank reconciliation clear in subsequent months, return to the Bank Reconciliation of the month they were issued to record the date that they cleared the bank account. Do not tick the cheque is cleared column in the ledger as this will confuse the trustees. Cheques which do not clear in the same month they are issued should remain without a tick in the ledger.
E **Total of outstanding cheques**	The amounts completed in Section C will automatically be totalled here.
F **Reconciled bank balance**	This amount represents the bank balance at the end of the month (A) PLUS Income Not Recorded on Statement (B) MINUS Total of Outstanding Cheques (E). The sum of this calculation will automatically be populated here. **$5,691.98** – **$541.20** = **$5,150.78** Bank Balance – Outstanding Cheques = Reconciled Bank Balance
G **Is the ledger balanced?**	If the Ledger Bank Balance in the Bank Reconciliation section of the ledger and the Ledger Bank Balance in the Treasurer's Report to the Membership section do not match, an amount will appear in **red** in this box. Go over the entries in the ledger, secretary-treasurer's report, and bank reconciliation to see where the error occurred. Once the error is corrected, this box will be blank.

Notes:

When you review the bank statement, make sure to record all the transactions listed by the bank in your ledger. If you miss something, your bank reconciliation will not balance.

Examples of bank transactions:

Income: interest earnings from investments deposited to the account

Expenses: withdrawals by the bank for new cheques or service charges.

TIP

Make sure that the bank cleared each cheque for the same amount written on the cheque itself.

DID YOU KNOW?

If your bank reconciliation is out of balance with your ledger, you will see an amount in **red** in the field at the bottom of the bank reconciliation section (G). If you can divide that amount by nine, you have made a transposition error.

What is a transposition error? It's when you accidentally reverse two digits in a number, like typing 91 instead of 19.

Example:

You entered a cheque as $91.75 that should have been $19.75

Bank reconciliation shows $72.00 in **red**

Divide 72 by 9 = 8

Go back over your bank statement and bank reconciliation and look for the transposition error and correct it.

Transposition errors are the most common mistakes that can happen in accounting.

How do I record a **stale-dated cheque***?*

After six months, cheques that have not been cashed can no longer be cashed. They become **stale dated**.

Contact the person or organization named on the cheque to let them know the cheque can no longer be cashed. It may be the cheque is missing or was never received. This is money already entered into the ledger as an expense, and you will need to reverse it in the following way:

1. In the current month's ledger sheet, enter a negative amount in the same expense category that the original cheque was written in. In the description column, write "reverse stale-dated cheque." Record the original cheque number in the cheque number column.
2. Remove the original cheque number from the outstanding cheques list on the bank reconciliation.
3. Re-issue a new cheque and enter it into the same expense category as the original cheque using the new cheque number and date.
4. If the new cheque remains outstanding (not cashed) at the end of that month, enter it in the bank reconciliation in the outstanding cheques list.

8 Secretary-treasurer's report to the membership

The secretary-treasurer must make monthly, written reports to the membership. *(Constitution: B.3.6)*

The monthly report should describe:

Income: how much money the local brought in

Expenses: how much money the local spent since the last report

Balances: how much money the local has in the bank at the beginning and at the end of the period under review

It is easy to present this information using the "Treasurer's Report to the Membership" that the CUPE electronic ledger generates for you each month. The report shows the monthly and year-to-date income, expenses, and balances. Make sure that the ledger bank balance in your report matches the bank reconciliation and print both pages with your report to share with the membership.

The example that follows uses the standard ledger with budget feature. It features an extra column in your report which shows the amounts remaining in the budget for each category. This will help you and the members anticipate possibly going over or under budget.

You can find the budget feature ledger (Jan-Dec) on CUPE's website cupe.ca/ledgers.

Sample CUPE 1234: Treasurer's report to the membership

	TREASURER'S REPORT TO THE MEMBERSHIP			September	
A	No. of Full-Time Members:	45	No. of Part-Time Members:	5	
B	Ledger Bank Balance for Beginning of Period:			5,379.41	
C	INCOME		September	Year to Date	Remaining budget (G)
	Dues		4,070.59	28,479.69	- 11,520.31
	Other		20.00	172.00	2.00
	Total Income:		4,090.59	28,651.69	- 11,518.31
D	EXPENSES		September	Year to Date	
	CUPE Per Capita		1,732.00	14,951.24	- 2,048.76
	Affiliation Fees		32.00	212.40	- 587.60
	Salaries		-	-	-
	Operating Expenses		98.00	330.15	- 2,169.85
	Special Purchases		475.00	475.00	- 1,025.00
	Executive Expenses		34.20	661.54	61.54
	Bargaining Expenses		-	-	-
	Grievances/ Arbitration		115.38	7,553.31	2,553.31
	Committee Expenses		-	-	-
	Conventions/ Conferences		1,332.64	4,125.64	625.64
	Education		500.00	500.00	- 500.00
	Contributions/Donations		-	-	-
	Other		-	73.50	- 76.50
	Total Expenses:		4,319.22	28,882.78	- 3,167.22
E	Surplus (Deficit) for the Period:		– 228.63		
F	*Ledger Bank Balance at End of Period: (A)			5,150.78	

Section	What to do
A Number of members	Enter the number of full and part-time members in your local for the month. You can find this on the Monthly Per Capita Form you sent to CUPE or, for locals under direct remittance, on the form that CUPE sent to you along with your rebate.

Section	What to do
B **Ledger bank balance for beginning of period**	This amount will automatically be populated using the Ledger Bank Balance at End of Period from the previous month's Treasurer's Report. In this example, $5,379.41 means that once the cheques written against the local's accounts up to August 31 have cleared, $5,379.41 will remain in the local's account.
C **INCOME**	The monthly and Year to Date amounts under both rows listed here will automatically be populated and totalled based on the data you inputted into the ledger.
D **EXPENSES**	The monthly and Year to Date amounts under the 13 rows listed here will automatically be populated and totalled based on the data you inputted into the ledger.
E **Surplus (deficit) for the period**	The amount that appears here is the difference between the Total Expenses and the Total Income. If the number has a negative symbol (-) at the beginning, the local has a deficit, meaning it spent more money than it brought in. If the number does not have a negative symbol, the local has a surplus. In the example, the local's income in September was $4,090.59. But the local spent $4,319.22. The local has a deficit of -$228.63 for the month.
F **Ledger bank balance at end of period (A)**	The amount that appears here is the difference between the Ledger Bank Balance for Beginning of Period (B) and the Surplus (Deficit) for the Period (E). In the example, the Ledger Bank Balance went from $5,379.41 (B) on September 1 to $5,150.78 on September 30 due to the $228.63 deficit for the period.
G **Remaining budget**	This column is automatically populated and represents the difference between the total amount of dollars allocated to that budget line and the Year to Date listed in the current month. It is a helpful tool to see how your actual earnings and expenditures are lining up with what you had budgeted for.

Presenting the report to the membership

Share copies of your report with members at a membership meeting. Prepare a presentation that gives a summary of the report and explains anything important or unusual. Be prepared to answer member questions.

Tell members how the local's actual day-to-day spending compares to what you budgeted for the year.

For example, as the secretary-treasurer of CUPE 1234, at the general membership meeting in October 2023, you should:

- Explain why the local had a deficit of $228.63 for the month of September.
- Explain the one-time cost of $475 for computer software and the $1,332.64 cost of sending the president to the CUPE provincial division convention.
- Remind members that these non-routine expenses were approved by the membership before any money was spent and refer to the budget and motion that approved the expenses. In this case, the local anticipated one-time expenses of convention and equipment purchases in the budget.

Part of your responsibility as secretary-treasurer is also to let members know how their dues are helping to solve problems the local faces. For example:

- Spending on grievances to solve workplace problems.
- Donating to a local during a strike appeal to help them win contract changes. Your local may build on this during your next round of bargaining.
- Spending to support allies in a campaign, to protect public water, for example, to give your local a positive profile in the community and protect public sector jobs.

9 Preparing a budget

Budgets help locals deal with issues facing the membership over time. The more a local can anticipate income and expenses on any given year, the more they can plan and be strategic about spending the members' money on things that will advance the union's strength and solidarity.

All CUPE ledgers have a budget tab which provides you with a table to compare the previous year's budget against the current year's budget and the current year's actual spending. This information will help you estimate what to budget for the following year. Mostly, the planning timeframe is a year.

A budget is also an important way to present the full picture of anticipated spending to the membership and have them vote to allow such spending all at once. Without a budget, all non-routine expenses must be brought to the members at a membership meeting or referendum to vote on. This can be challenging for many reasons, especially for locals who struggle to get quorum at membership meetings.

As secretary-treasurer, you are also the local's financial advisor. This role means you will need to:

- estimate the cost of any new or non-routine expenses and
- give the membership advice on what the local can afford to do without raising union dues or dipping into reserve funds.

For example, if local members are concerned their jobs may be contracted out and the local is considering spending money to fight privatization, members are likely to ask whether the local has enough money for this type of spending

These questions are hard to answer if you do not know how much money will be left over after the local pays all routine expenses.

A budget is an estimate of income and expenses for the coming year. It will help answer "can we afford it?" questions and help your local plan activities.

Gathering the information you need

To prepare a budget for the coming year, you need information on actual income and expenses from the previous year.

If you are preparing a budget for the first time, consult the secretary-treasurer's report to trustees from the previous year's ledger to find that year's income, expenses and expense categories.

If your local has been using budgets for a while, you will need to enter information from last year's budget and this year's budget in the budget worksheet in order to prepare next year's budget.

The Current Year Actual, Current Year Variance, and Variance Between Current and Last Year's budgets will populate automatically once the rest of the data is recorded.

Budgets are an estimate on spending. To give you the best chance of being as accurate as possible, there are two sections at the bottom of the budget that you can use:

- Expenses Incurred Last Year That Will Not Happen This Year
- Anticipated Increase or New Expenses for Next Year.

Review these sections in last year's ledger for any additional insight on expenses not anticipated for this current year and what the previous secretary-treasurer anticipated might increase.

At the end of your fiscal year, make sure to fill these out for the next person who will be preparing the local's budget.

Things to consider:

You need to see what the local spent, by budget category.

For instance: How much did the local spend on:

- Per capita
- Grievances
- Union education
- Operating expenses

Now estimate how much each source of income and each expense category will change in the coming year.

For instance:

- Will income from dues be higher because of higher salaries?
- Will income from dues decrease because of layoffs?
- Will the office rent increase?
- How many delegates will the local send to conventions next year?
- Did the local spend more or less than usual on grievances last year?
- Will the local need to set aside money to prepare for bargaining next year?
- Is the local spending enough money to train members to be stewards?

Some of these cost changes are easy to estimate. If you know how much wages will increase, it is easy to estimate next year's income from dues and CUPE per capita payments.

Other items are harder to estimate. For example, it is impossible to predict how many grievances will be filed next year, or how many will go to arbitration.

Once you have reviewed all the information and considered the questions above, enter amounts you feel comfortable with in the budget worksheet in the current year's ledger under the Next Year Budget column.

A sample budget worksheet

This sample budget worksheet was generated by a CUPE ledger. For CUPE 1234, this is what the budget worksheet looked like on December 31, 2023, in anticipation of presenting next year's budget at the February 2024 general membership meeting.

BUDGET						
LOCAL NO.	**1234**	Enter the budget amounts from this current year		Enter the budget amounts from last year		Enter the budget amounts that you predict for next year (usually done near end of current year)
CURRENT YEAR	**2025**					
G INCOME	A Current Year Actual	B Current Year Budget	C Current Year Variance	D Last Year Budget	E Variance between current and last year's budgets	F Next Year Budget
H Dues	41,045.59	40,000.00	1,045.59	39,000.00	1,000.00	42,276.96
I Other	172.00	170.00	2.00	120.00	50.00	170.00
TOTAL INCOME:	41,217.59	40,170.00	1,047.59	39,120.00	1,050.00	42,446.96
J **EXPENSES**						
CUPE Per Capita	17,429.36	17,000.00	429.36	15,500.00	1,500.00	17,952.74
Affiliation Fees	810.00	800.00	10.00	750.00	50.00	1,184.00
Salaries	-	-	-		-	
Operating Expenses	2,275.00	2,500.00	- 225.00	2,200.00	300.00	2,500.00
Special Purchases	1,200.00	1,500.00	- 300.00	-	1,500.00	-
Executive Expenses	661.54	600.00	61.54	600.00	-	675.00
Bargaining Expenses	-	-	-		-	5,000.00
Grievances/ Arbitration	7,553.31	5,000.00	2,553.31	4,000.00	1,000.00	5,000.00
Committee Expenses	-	-	-		-	
Conventions/ Conferences	4,125.64	3,500.00	625.64	1,500.00	2,000.00	3,000.00
Education	750.00	1,000.00	- 250.00	650.00	350.00	1,500.00
Contributions/ Donations	-	-	-		-	200.00
Other	73.50	150.00	- 76.50	150.00	-	650.00
TOTAL EXPENSES:	34,878.35	32,050.00	2,828.35	25,350.00	6,700.00	37,661.74
K SURPLUS/(DEFICIT):	6,339.24	8,120.00	-1,780.76	13,770.00	- 5,650.00	4,785.22 L

M Expenses Incurred Last Year That Will Not Happen This Year	Amount
not as many arbitrations	2,500.00
no National convention in the next year	2,000.00
no equipment purchases (special)	1,500.00
TOTAL SAVINGS:	6,000.00

N Anticipated Increase or New Expenses for Next Year	Amount
bargaining new collective agreement	5,000.00
more union education to prepare for bargaining	750.00
member mobilization material for bargaining (other)	500.00
TOTAL INCREASES:	6,250.00

Section	What to do
A **Current year actual**	Actual income and expenses for this year (automatically populates)
B **Current year budget**	Estimated income and expenses for this year
C **Current year variance**	The difference between estimated income and expenses and actual income and expenses (automatically populates)
D **Last year budget**	Estimated income and expenses last year
E **Variance between current and last year's budgets**	The difference between the estimated income and expenses for last year's budget and this year's budget (automatically populates)
F **Next year budget**	Best estimated income and expenses for next year.

Review the section below to understand the local's considerations in filling out the numbers for next year's budget.

Section	What to do
G **Income**	The local's income this year was $41,217.59 • $41,045.59 from dues • $172.00 from initiation fees and bank interest (see line 'other')
H **Dues**	Estimated dues (based on an average salary increase of 3%): Calculation: • 1,045.59 × 3% = $1,231.37 • $41,045.59 + $1,231.37 = $42,276.96

Section	What to do
I **Other**	Estimated bank interest: Belonging to a credit union has paid off in dividends. The local has received a rebate of $122.00 this year and $106.00 last year. The estimated bank interest for next year is $140.00. Estimated initiation fees: The number of new workers hired this year increased and this will not be the case next year. The amount of money from initiation fees the local received this year ($50) should be reduced by an estimated $20 for next year. Calculation: $50.00 – $20.00 = $30.00 The local can therefore estimate other income of $170.00 for next year. **Next year's estimated income:** Calculation: Dues + Other (Bank Interest + Initiation fees) = total estimated income: $42,276.96 + ($140.00 + $30.00) = **$42,446.96**
J **Expenses**	The local's total expenses this year was $34,878.35 in 13 categories. Below is the rationale for the amounts in the Next Year Budget column. CUPE per capita The actual per capita expense this year is $17,429.36. A 3% increase in income from dues will produce a 3% increase in per capita payments to CUPE National. Calculation: $17,429.36 × 3% = $522.88 $17,429.36 + $522.88 = $17,952.24 Total per capita budget: $17,952.24

Section	What to do
J **Expenses**	Affiliation fees The local spent $810 in affiliation fees this year. The fees are also based on a percentage of wages earned so we can expect it to increase by 3% as well. Calculation: $810 × 3% = $24.30 $810 + $24.30 = $834.30 Next year, the executive also wants to join (affiliate with) the CUPE District Council. This costs approximately $350 per year. The total budget for affiliation fees will be: $834 + $350 = $1,184 Operating expenses The secretary-treasurer expects operating expenses to remain about the same next year. The local will budget the same amount as this year: $2,500. Special purchases The local bought a laptop this year but is not planning to buy any other equipment in the next year (see M). Executive expenses The secretary-treasurer expects executive expenses to remain about the same and will therefore budget a little bit over what the actual cost was this year: $675. Bargaining expenses The local wants to budget $5,000 for bargaining because the current collective agreement will be renegotiated in the next year and based on previous bargaining years, this seems like a fair amount (see N). Grievances/arbitration The local believes that the $2,500 spent on two lengthy arbitrations this year is not likely to occur next year. It decides to budget the same as this year: $5,000 (see K).

Section	What to do
J **Expenses**	<u>Conventions/conferences</u> There is no CUPE national convention in the coming year but the local will attend the CUPE provincial division convention and possibly send some delegates to the women's conference. The local decides to budget $3,000 instead of the $3,500 from this year's budget (see M). <u>Education</u> The local set aside $1,000 this year for education but only spent $750. It plans to send members of the bargaining committee to multiple workshops to help them prepare for bargaining. The local decides to increase this budget to $1,500 (see N). <u>Contributions/donations</u> This year, a motion was passed to budget $200 every year to donate to the Labour Day parade for kids' activities. <u>Other</u> The local doesn't generally spend much money in this category. But given the upcoming round of bargaining and the issues at stake, it wants to be ready to act quickly in support of the bargaining committee so it budgets $500 for buttons, flyers, and other materials, plus the usual $150 it budgets every year (see N). **Next year's estimated expenses:** Calculation: Sum of the totals in the green column from this section = **$37,661.74**
K **Surplus/(deficit)**	This row automatically fills in the difference between the total income and the total expenses in each column. Our current budget shows a surplus in each column except the Current Year Variance.

Section	What to do
L **Next year budget surplus/deficit**	This amount is automatically filled and represents your total estimated income minus total estimated expenses. Calculation: $42,446.96 − $37,661.74 = $4,785.22 **The budget surplus for next year will be: $4,785.22** **Tip:** You should always budget to a surplus. Over the course of the fiscal year, monitor your budget to see if things are lining up as you had planned. If expenses have increased significantly or income has not increased as predicted, you may want to find a way to cut spending somewhere along the way.
M **Expenses incurred last year that will not happen this year**	Review this section as you work on estimating the budget for next year. Fill in this section before the end of each fiscal year to help the next local executive make accurate estimates.
N **Anticipated increase or new expenses for next year**	Review this section as you work on estimating the budget for next year. Fill in this section before the end of each fiscal year to help the next local executive make accurate estimates.

Approval of the budget

Your local should aim to complete the budget process before the next fiscal year begins or shortly thereafter.

- Make sure that most of the current year's income and expenses are recorded in the ledger so that you have the most up-to-date totals for your budget calculations.
- Review the new proposed budget with the local executive. Some locals appoint a budget committee. Make changes, as needed.
- When you have a final budget, present it to the membership. Respond to any questions.

The members must vote to approve the budget. When the budget is presented for adoption, members may propose changes. If the changes are minor, and can be made quickly, the budget can be approved as amended at that same meeting. If the members vote for major changes to what is being proposed, you will have to make those changes and present the amended budget at a second membership meeting for approval.

TIP

It helps to provide details in a budget worksheet so that all parts of the budget are clear to members and they know exactly what they are approving.

Example:

A budget line for Conventions/Conferences set at $10,000 does not give members enough detail.

However, if you provide an exact amount for each convention or conference your local will attend, and the number of members going to each event, members can make an informed decision.

These details can be included as a new tab in the ledger.

Budget worksheet example:

Conventions/ Conferences	Explanation	$10,000
CUPE National Convention	2 delegates @ $3,000	$6,000
CUPE Division Convention	2 delegates @ $2,000	$4,000

A budget allows for adjustments in your local's finances during the year.

- If the local spends **more** than the budget allows in any category, you will need a motion at a membership meeting to approve an increase to that budget line.
- If the local spends **less** than what the budget allows in a category, that amount **cannot** be applied to a different category that may be overbudget. Instead, you need to ask the membership to approve changes to the budgeted amounts in each category at a membership meeting.

IMPORTANT:

Each amendment in a revised budget must be approved at a regular or special membership meeting.

How the local spends funds always requires the membership's approval. Your local bylaws should outline rules for spending and finances, including spending limits and decisions that require approval at membership meetings. If your local does not have approved bylaws, every expense must be approved at a membership meeting, which can make day-to-day operations difficult.

10 Trustees' audit

Trustees act as a committee that independently examines the books and accounts of the local. This process is called an audit.

An audit must occur at least once a year. *(Constitution: B.3.12 a)*

CUPE National recommends that an audit take place every six months, especially for larger locals with many transactions. Doing an audit more often makes the task simpler.

Trustees do more than check the books. They review the local's financial practices to be sure that:

- ✓ proper financial controls exist and are being used
- ✓ the ledger is up-to-date and correct
- ✓ the secretary-treasurer's report to the trustees for the period under review is completed as it should be
- ✓ monthly bank reconciliations are accurate
- ✓ estimated income is enough to cover estimated expenses
- ✓ extra (surplus) funds are invested appropriately
- ✓ the inventory of equipment and supplies is up-to-date
- ✓ the local's insurance covers replacement of all equipment
- ✓ the local's bylaws are approved by the CUPE National President

Request help from your national representative if you are having trouble completing the audit or if you suspect fraud or suspicious activity.

DID YOU KNOW?

- Three trustees will complete the audit. *(Constitution: B.2.1)*
- Locals may hire a qualified accountant or accounting firm to audit the local's books. However, trustees are still expected to supervise the local's finances and make written reports as set out in the Constitution. *(Constitution: B.3.13)*
- Locals with fewer than 20 members, and who cannot elect three trustees, may appoint a member of the executive who is **not** a signing officer to perform the duties of a trustee. The membership must approve the appointment. *(Constitution: B.3.11)*

Trustees' recommendations

A big part of any audit is checking to see if proper controls are in place and making recommendations to help the local improve its financial practices and controls.

CUPE National's Trustees' Checklist and Suggested Recommendations helps trustees learn about what practices are sound and which make the local vulnerable to fraud.

Each local receives a copy by email, along with other audit documents, in January. It is also available online at cupe.ca/audit.

What the trustees need from the secretary-treasurer

- [ ] A completed copy of the secretary-treasurer's report to the trustees
- [ ] Copies of all monthly per capita forms for the period under review
- [ ] The secretary-treasurer's completed ledger
- [ ] Bank statements with cheque images and bank deposit books for all the local's bank accounts
- [ ] Cheque stubs
- [ ] A copy of all bank reconciliations completed by the secretary-treasurer
- [ ] Supporting documents for all expenses incurred during the period (such as expense vouchers, invoices, and receipts)
- [ ] A copy of meeting minutes or other recording of motions that detail expenditures approved by the membership
- [ ] A copy of the local's bylaws
- [ ] Employer's dues check-off lists (or a similar document the secretary-treasurer uses to ensure dues are deducted properly)
- [ ] Receipt book (or similar document, in addition to the deposit book the secretary-treasurer uses to record money received by the local)

- ☐ A copy of all insurance policies held by the local on assets owned by the local
- ☐ A copy of any financial reports presented by the secretary-treasurer to the executive and the membership during the period under review
- ☐ All T5s that apply to the period under review
- ☐ If the local has rental income, a copy of any rental agreements
- ☐ A copy of request forms for leaves of absence submitted to the employer (or other forms that allow the trustees to identify members on leave for union business and the dates of such leave)
- ☐ If the local sells supplies, any records of these transactions
- ☐ A copy of the collective agreement
- ☐ A copy of the CUPE Constitution

IMPORTANT:

No local executive member may be present during the audit. However, the secretary-treasurer should be available to answer the trustees' questions when they are doing the audit.

The audit process

Follow these steps to complete the audit:

1. Gather all the documentation listed above. If you are having trouble getting the documentation you need, ask the local president for help. If they cannot help you, ask your national representative.
2. Answer each question in Sections 1-6 in the *Trustees' Checklist and Suggested Recommendations*. Have each trustee sign it once it is complete.
3. **If the local uses a paper ledger**, complete the paper version of the Trustees' Audit Report and sign it.
4. **If the local uses the electronic ledger**, print and sign the report which is automatically generated and located on the tab labelled Trustees.
5. Make note of the issues you uncovered while performing the audit and reflect on the recommendations which could address these issues in the future.
6. Use the template to prepare a written report for the local president and secretary-treasurer outlining your findings and recommendations, if any (Appendix G).
7. Receive the secretary-treasurer's response to the report (Appendix H).
8. Use the template to prepare a written report to the membership that includes the findings and recommendations of the audit, and the local secretary-treasurer's written response (Appendix I).

9. Present the report to a membership meeting. Explain any recommendations you have to change procedures.
10. Make copies of all reports and submissions prior to submitting them to CUPE National. Send the following documents to the CUPE National Secretary-Treasurer, with a copy to your national representative:
    - ☐ completed and signed Trustees’ Checklist and Suggested Recommendations
    - ☐ completed and signed Trustees’ Audit Report
    - ☐ completed and signed Secretary-Treasurer’s Financial Report to Trustees (including the bank reconciliation at fiscal year-end)
    - ☐ completed and signed Written report from Trustees to President and Secretary-Treasurer
    - ☐ completed and signed Written response from Secretary-Treasurer to Trustees
    - ☐ completed and signed Written report from Trustees to local membership

Email documents to: trustees@cupe.ca

or

Mail to:

CUPE National
Attention: National Secretary-Treasurer
1375 St. Laurent Blvd
Ottawa, ON K1G 0Z7

GLOSSARY

Affiliation	A CUPE local joins another labour group. These groups usually charge a monthly or quarterly fee or per capita tax for you to be “affiliated” with them. Locals often affiliate with: • a CUPE provincial division • a provincial sector group or provincial council of unions • a district labour council • a provincial federation of labour
Audit	The local’s trustees examine the local’s ledger (books) and accounts. A financial audit assures CUPE members that all the local’s statements and records are complete and accurate.
Bank reconciliation	This process sets out the difference between the local’s bank statement and the amount shown in the local’s financial records at the end of each month.
Bonding insurance	Insurance the covers the local against fraud.
Book-off	When a union member is away from work on union business, either with pay (from the employer or the union) or without pay. The employer must allow book-off for union business if your local has negotiated this into your collective agreement.
Books	The comprehensive, up-to-date, and official records of a local’s financial transactions, including ledgers, invoices, and expense reports.
Bylaws	Your local’s bylaws set out how the local is organized and what rules it must follow. Each local creates its own bylaws, which must comply with the CUPE Constitution.
CUPE Constitution	This document sets out CUPE’s structure, basic principles, and rules of operation.
Deficit	When your expenses are more than your income in any given period.
Direct remittance	A process by which the employer sends your local’s union dues directly to CUPE National each month.
Dues	Union dues are the way workers who are part of a union pay for the work of the union. Union dues fund the cost of bargaining, enforce the collective agreement, and allow CUPE National and its locals to launch campaigns aimed at protecting workers’ interests.

Dues check-off	Also known as the Rand formula, and which requires that all workers in a bargaining unit must pay union dues. Dues check-off requires the employer to deduct union dues from each worker's pay cheque. Once a month, the employer needs to provide your local with a dues remittance list, sometimes called a dues check-off list.
Electronic funds transfer (EFT)	A digital, computer-based way of moving money between bank accounts without paper checks or cash.
Expenses	All money spent by the local.
Fiscal year	Sometimes called a budget year, this is the accounting period for which your local must prepare a yearly financial statement. A fiscal year does not have to begin in January, but may be any twelve month period.
Flat rate dues structure	All members of a local pay the same amount in union dues, regardless of job type or earnings. This means lower income earners pay the same dues as higher-earning union members. A different dues structure is one based on a percentage of income.
Gross wages	The total wages paid to a worker before income tax, pension contributions, Employment Insurance premiums, union dues, and other items are deducted.
Honorarium	A payment that recognizes someone's work with the union. It helps the person cover their expenses and time.
Income	All money received by the local.
Initiation fee	A one-time fee the local may charge to those who apply to join the local. This fee does not need to be remitted to CUPE National.
Ledger or books	The main record for all the local's financial matters. The ledger provides all the details on income and expenses that the local needs to prepare its financial statements. The ledger is often called the book.
Local executive	Union members elected by the local to act on their behalf. The elected jobs may include president, vice-president, secretary-treasurer, and recording secretary. Their duties are set out in the local's bylaws and the CUPE Constitution.

Lockout	When the employer stops workers from working in order to pressure them to agree to its collective bargaining proposals. In order for a lockout to be legal, the employer must follow certain steps, just as the union must before going on strike. A lockout is legal only after the collective agreement has expired and bargaining has gone through the steps required by law.
Motion	A formal proposal to do something, put forward by a union member to the membership, for discussion and decision.
Outstanding cheque	This is a cheque written and recorded in the ledger, but not cashed before the end of a bank statement period.
Pay period	The schedule by which an employer pays workers. Examples of pay periods are: • weekly = 52 pay cheques in a year • every second week (bi-weekly) = 26 pay cheques in a year • twice monthly (semi-monthly) = 24 pay cheques in a year • monthly = 12 pay cheques in a year
Per capita payments	Per capita is a Latin term that means *for each person*. These payments are what locals must pay to CUPE National each month, based on the wages of each member.
Percentage dues structure	Members of a local contribute union dues based on a percentage of their regular pay. The opposite would be a flat dues structure.
Per diem	Per diem is Latin for *per day or for each day*, and refers to a daily allowance to cover a member's expenses while on union business.
Rand formula	A principle in labour law that requires all workers in a bargaining unit to pay union dues, whether or not they are members of the union.
Rebate	When CUPE National receives union dues from an employer, it deducts the per capita amount and sends the rest to the local as a monthly rebate.
Referendum vote	Referendum is a Latin word that means *to refer*. A referendum vote means referring a matter for all local members to vote on. This can be a single proposal, or a question and all members must be given the opportunity to participate in the vote.

Retroactive pay	A change of income that comes into effect on a date that has passed. For example, if your local's collective agreement expired six months ago, and the union negotiates a wage increase, members may be paid the increase in a lump sum that covers the last six months.
Severance pay	A worker receives payment when their job ends. Severance pay is usually based on how long someone has worked for the employer.
Stale-dated cheque	Any cheque that is older than six months. Stale-dated cheques cannot be cashed.
Strike	When workers stop working as a way to pressure the employer to settle the collective agreement. Strikes are legal only after the collective agreement expires and bargaining has gone through the steps required by law.
Surplus	When income (planned for in a budget) is more than expenses during a fiscal year.
Year-to-date	The period of time from the start of a fiscal year up to the present.

APPENDICES

Appendix A: Sample per capita — regular remittance

CUPE - SCFP *Canadian Union of Public Employees*
Syndicat canadien de la fonction publique

1375, boul St. Laurent Blvd, Ottawa, ON K1G 0Z7 TEL. / TÉL. 1-800-363-2873 FAX: 613-237-5508

MONTHLY PER CAPITA FORM - FORMULAIRE MENSUEL DE LA CAPITATION

WHITE AND YELLOW COPIES TO BE SENT TO NATIONAL OFFICE - LES COPIES BLANCHE ET JAUNE DOIVENT ÊTRE ENVOYÉES AU BUREAU NATIONAL
PINK COPY TO BE RETAINED BY LOCAL - LA COPIE ROSE DOIT ÊTRE RETENUE PAR LA SECTION LOCALE

A	**REGULAR REMITTANCE VERSEMENT RÉGULIER**	**MONTH MOIS**	08, 2023	PERIOD/PÉRIODE	LOCAL SECTION LOCALE	1234
		PER CAPITA LAST PAID (MONTH, YEAR) DERNIÈRE CAPITATION PAYÉE (MOIS, ANNÉE)		07, 2023	**MEMBERSHIP - EFFECTIF**	
B	**DESCRIPTION**				**FULL TIME PLEIN TEMPS**	**PART TIME TEMPS PARTIEL**
1	LAST MONTH MOIS DERNIER	TOTAL MEMBERSHIP REPORTED INCLUDING RAND FORMULA PAYEES TOTAL DE L'EFFECTIF INSCRIT Y COMPRIS LES COTISATIONS EN RAISON DE LA FORMULE RAND			45	5
* IT IS IMPERATIVE FOR ALL LOCALS TO COMPLETE SECTION B2 / IL EST IMPÉRATIF QUE TOUTES LES SECTIONS LOCALES COMPLÈTENT LA SECTION B2*						
2	CURRENT MONTH MOIS COURANT	TOTAL MEMBERSHIP REPORTED INCLUDING RAND FORMULA PAYEES FOR THE MEMBERS WHO PAID UNION DUES FOR THE CURRENT MONTH TOTAL DES MEMBRES QUI ONT PAYÉ LEURS COTISATIONS SYNDICALES POUR LE MOIS COURANT, Y COMPRIS CEUX QUI PAIENT EN VERTU DE LA FORMULE RAND			45	7

THE CUPE CONSTITUTION REQUIRES PER CAPITA TO BE SENT NO LATER THAN THE LAST DAY OF THE FOLLOWING MONTH. INTEREST EQUAL TO THE PRIME RATE PAID BY CUPE +2% SHALL BE APPLIED TO PER CAPITA PAYMENTS OWING IN EXCESS OF 2 MONTHS. THE TIMELINESS OF YOUR PAYMENTS IS VITAL TO KEEPING CUPE STRONG AND EFFECTIVE.

LES STATUTS DU SCFP EXIGENT QUE LA CAPITATION SOIT ENVOYÉE AU PLUS TARD LE DERNIER JOUR DU MOIS SUIVANT. L'INTÉRÊT ÉGAL AU TAUX PRÉFÉRENTIEL PAYÉ PAR LE SCFP +2% EST APPLIQUÉ AUX PAIEMENTS DE CAPITATION DUS DEPUIS PLUS DE 2 MOIS. LA PONCUTALITÉ DE VOS PAIEMENTS EST ESSENTIELLE AU MAINTIEN D'UN SCFP VIGOUREUX ET EFFICACE.

C	**PER CAPITA - CAPITATION**		**RATES/TAUX**	**AMOUNT/MONTANT**
1	TOTAL AVERAGE REGULAR WAGES FOR THE MONTH (full time and part time) TOTAL DES SALAIRES MENSUELS RÉGULIERS MOYENS (plein temps et temps partiel)	$203,529.41	@0.85%	1,730.00
2	STRIKE FUND LEVY ARTICLE 14.1(e) - AS PER THE TOTAL WAGES REPORTED ON LINE C1 PRÉLÈVEMENT CAISSE DE GRÈVE ARTICLE 14.1(e) - SELON LE TOTAL DES SALAIRES INSCRIT À LA LIGNE C1		@0.04%	N/A
3	ARREARS (ITEMIZE) ARRÉRAGES (DÉTAILLER)			
4	INITIATION FEES ARTICLE 14.1(f) (REMIT $1.00 FOR EACH NEW MEMBER INITIATED) DROITS D'ADHÉSION ARTICLE 14.1(f) (PAYEZ 1,00$ POUR CHAQUE NOUVEAU MEMBRE)			
5	ADJUSTMENTS (PLEASE SPECIFY) AJUSTEMENTS (S.V.P. PRÉCISER)			

D	**OTHER PAYMENTS - AUTRES PAIEMENTS**					
1	PAYMENT OF INVOICES PAIEMENTS DES FACTURES	No(s)		5	LABOUR COLLEGE OF CANADA COLLEGE CANADIEN DES TRAVAILLEURS	
2	INTEREST INTÉRÊT			6	CUPE GLOBAL JUSTICE FUND INC. FONDS DU SCFP POUR LA JUSTICE MONDIALE INC.	
3	BONDING CAUTIONNEMENT		98.00	7	OTHER (PLEASE SPECIFY) AUTRES (S.V.P. PRÉCISER)	
4	LOAN PRÊT			8	**SUB-TOTAL (LINE D.1 TO D.7 INCLUSIVE) SOMME PARTIELLE (LIGNES D.1 À D.7 INCLUSIVEMENT)**	98.00

E	SECRETARY-TREASURER : NAME/ADRESS SECRÉTAIRE-TRÉSORIER(E) : NOM/ADRESSE		
		TOTAL REMITTED MONTANT REMIS	1,828.00
		CHEQUE NO. No DU CHÉQUE	011
		VERIFIED VÉRIFIÉ	

Paula Machendagoose

CERTIFIED CORRECT - CERTIFIÉ CONFORME
SIGNATURE OF SECRETARY-TREASURER-SIGNATURE DU SECRÉTAIRE-TRÉSORIER

Paula Machendagoose
1234 Union Lane
Unionville, AB
T0Y 2L8

IF CHANGE IN SECRETARY-TREASURER PLEASE PRINT CLEARLY SI CHANGEMENT DE SECRÉTAIRE-TRÉSORIER(E) S.V.P. IMPRIMER CLAIREMENT	NAME / NOM:	
	ADRESSE / ADRESSE:	
	CITY / VILLE:	
	PROVINCE :	POSTAL CODE POSTAL:

PHONE NO: / No DE TÉL.: HOME / RÉS. :
WORK / TRAVAIL:

cope/sepb

Appendix B: Sample per capita — direct remittance

CUPE·SCFP Canadian Union of Public Employees / Syndicat canadien de la fonction publique

1375, boul. St. Laurent Blvd., Ottawa, ON K1G 0Z7 TEL. / TÉL. 1-800-363-2873 FAX: 613-237-5508

MONTHLY PER CAPITA FORM – FORMULAIRE MENSUEL DE LA CAPITATION

YELLOW COPY TO BE RETAINED BY LOCAL – COPIE JAUNE À CONSERVER PAR LA SECTION LOCALE

A	DIRECT REMITTANCE VERSEMENT DIRECT	MONTH MOIS	09, 2023	LOCAL SECTION LOCALE	567
		PER CAPITA LAST PAID (MONTH, YEAR) DERNIÈRE CAPITATION PAYÉE (MOIS, ANNÉE)	08, 2023	**MEMBERSHIP – EFFECTIF**	

B		DESCRIPTION	FULL TIME PLEIN TEMPS	PART TIME TEMPS PARTIEL
1	LAST MONTH MOIS DERNIER	TOTAL MEMBERSHIP REPORTED INCLUDING RAND FORMULA PAYEES TOTAL DE L'EFFECTIF INSCRIT Y COMPRIS LES COTISANTS EN RAISON DE LA FORMULE RAND	42	6
2	CURRENT MONTH MOIS COURANT	TOTAL MEMBERSHIP REPORTED INCLUDING RAND FORMULA PAYEES FOR THE MEMBERS WHO PAID UNION DUES FOR THE CURRENT MONTH TOTAL DES MEMBRES QUI ONT PAYÉ LEURS COTISATIONS SYNDICALES POUR LE MOIS COURANT, Y COMPRIS CEUX QUI PAIENT EN VERTU DE LA FORMULE RAND	42	9

C	PER CAPITA - CAPITATION		RATES/TAUX	AMOUNT/MONTANT
1	TOTAL AVERAGE REGULAR WAGES FOR THE MONTH (full time and part time) TOTAL DES SALAIRES MENSUELS RÉGULIERS MOYENS (plein temps et temps partiel) Use Wages / Utiliser Salaires ☐ OR/OU 2.0 %	$ 173,897.00	@0.85%	1,478.12
2	STRIKE FUND LEVY ARTICLE 14.1(e) – AS PER THE TOTAL WAGES REPORTED ON LINE C1 PRÉLÈVEMENT CAISSE DE GRÈVE ARTICLE 14.1(e) – SELON LE TOTAL DES SALAIRES INSCRIT À LA LIGNE C1		@0.04%	N/A
3	PREPAYMENT PAIEMENT D'AVANCE			
4	INITIATION FEES ARTICLE 14.1(f) (REMIT $1.00 FOR EACH NEW MEMBER INITIATED) DROITS D'ADHESION ARTICLE 14.1(f) (PAYEZ 1,00 $ POUR CHAQUE NOUVEAU MEMBRE)			
5	ADJUSTMENTS (PLEASE SPECIFY) AJUSTEMENTS (S.V.P. PRÉCISER)			
			REBATE / REMBOURSEMENT	1,907.82

D	OTHER PAYMENTS - AUTRES PAIEMENTS				
1	PAYMENT OF INVOICES PAIEMENTS DES — No(s)		5	LABOUR COLLEGE OF CANADA COLLÈGE CANADIEN DES TRAVAILLEURS	
2	INTEREST INTÉRÊT		6	CUPE GLOBAL JUSTICE FUND INC. FONDS DU SCFP POUR LA JUSTICE MONDIALE INC.	
3	BONDING CAUTIONNEMENT	92.00	7	OTHER (PLEASE SPECIFY) AUTRES (S.V.P. PRÉCISER)	
4	LOAN PRÊT		8	**SUB-TOTAL (LINES D.1 TO D.7 INCLUSIVE) SOMME PARTIELLE (LIGNES D.1 À D.7 INCLUSIVEMENT)**	92.00

E	SECRETARY-TREASURER : NAME/ADDRESS SECRÉTAIRE-TRÉSORIER (E) : NOM/ADRESSE	IF CHANGE IN SECRETARY-TREASURER, PLEASE CONTACT US AT: 1-800-363-2873 OR PERCAPITA@CUPE.CA	TOTAL REMITTED MONTANT REMIS	3,477.94
	Sukaina Singh 567 Union Way Unionville, NS B0W 2L8	SI CHANGEMENT DE SECRÉTAIRE-TRÉSORIER (E), S.V.P. CONTACTEZ NOUS: 1-800-363-2873 OU CAPITATION@SCFP.CA	PAYMENT NO. N° DE PAIEMENT	12345
			VERIFIED VÉRIFIÉ	LM
	cope/sepb	OFFICE USE ONLY / À USAGE INTERNE SEULEMENT		

Appendix C: Direct remittance cover letter

Employer: **Unionville Public Library**
Address: **123 Employer Ave, Unionville, NS B0W 2L8**
Contact name: **Hugo Boss**
Email: **hboss@upl.ca**

Date: **October 16, 2023**

Canadian Union of Public Employees
1375 St. Laurent Blvd.
OTTAWA, Ontario
K1G 0Z7

Attention: Per Capita

Re: Deduction of Union Dues
CUPE Local No. 567

Enclosed please find a payment in the amount of **$ 3,477.94**.

This covers the month of **September 2023**. During this month, the local had **42** full-time members and **9** part-time/casual members**.**

The union dues structure is as follows: **2.0%**.

Total regular wages earned during the month was **$ 173,897.00**.

Dues remittance list must be attached or sent by email to CUPE National.

Distribution of Dues Remittance List:

	Yes	No
• Local Secretary-Treasurer received a copy	X	
OR		
• A duplicate copy is attached		X

Inquiries: 613-237-1590
Fax: 613-237-5508
Email: percapita@cupe.ca

cope 491
May 2020

Appendix D: Expense voucher

CUPE·SCFP

Expense Voucher **Compte de dépenses**

Name
Nom ....
Address
Adresse ....

Date Submitted
Date de présentation ....
Reason for Expense
Raisons des dépenses ....

Date Expense Incurred Dates des dépenses encourues	Full Details of Expense Détails des dépenses	Receipt "R" Attached Reçu «R» inclus	TOTAL

Please attach necessary receipts and mark "R" in appropriate column where a receipt applies.
Veuillez joindre vos reçus et inscrire «R» dans la colonne réservée à cet effet.

CERTIFICATE – CERTIFICAT

This is to certify that the amounts shown on this statement were incurred by me on behalf of CUPE and/or its Local ……………….

Je certifie que les montants ci-dessus ont été dépensés par moi pour le compte du SCFP et/ou de la section locale ………………………

Signature …**X**……………………………………………………………

Payment recommended by:
Paiement recommandé par : ……………………………………………

Approved by:
Approuvé par : ……………………………………………………………

Paid by Cheque No.:
Payé par chèque no. : …………………………………………………

Date: ………………………………………………………………………

Distribution of Charges Répartition des frais		
Account – Compte	$	¢
TOTAL		

:jvp/cope/sepb 491

CUPE | Canadian Union of Public Employees

SECRETARY-TREASURER'S FINANCIAL REPORT TO THE TRUSTEES - PAPER VERSION *

DISREGARD this paper version if your local uses the CUPE electronic ledger.
There is NO need to fill this out.

PRINT THE TWO PAGE TREASURER'S REPORT FROM THE ELECTRONIC LEDGER

Local Union No: ______

For the period ____________________, 20 ______ to ____________________________, 20 ______

* If your local is doing manual bookkeeping, complete this report and give it to the Trustees, making sure the bank reconciliation page is **completed and balanced** to the ledger.

Page

cope491/January 2025

Appendix E: Secretary-treasurer's financial report to the trustees

STATEMENT OF INCOME AND EXPENSES

For the period of ________________ , 20 ________ to ________________ , 20 ________

	MONTH 1		MONTH 2		MONTH 3		TOTAL MONTHS 1 - 3
INCOME							
Union Dues		+		+		=	
Other:							
Initiation Fees		+		+		=	
Interest on Investments		+		+		=	
Miscellaneous		+		+		=	
TOTAL INCOME		+		+		=	
EXPENSES							
CUPE Per Capita		+		+		=	
Affiliation Fees:							
Provincial Divisions		+		+		=	
Labour Councils		+		+		=	
District Councils		+		+		=	
Provincial Council of Unions		+		+		=	
Salaries		+		+		=	
Operating Expenses:							
Office Rent		+		+		=	
Office Supplies		+		+		=	
Equipment Leases		+		+		=	
Phone/Internet		+		+		=	
Bonding Premiums / Insurance		+		+		=	
Bank Charges		+		+		=	
Other Operating Expenses		+		+		=	
Special Purchases		+		+		=	
Executive Expenses		+		+		=	
Bargaining Expenses		+		+		=	
Grievances/Arbitration		+		+		=	
Committee Expenses		+		+		=	
Conventions/Conferences		+		+		=	
Education		+		+		=	
Contributions/Donations		+		+		=	
Other (please specify)							
		+		+		=	
		+		+		=	
TOTAL EXPENSES		+		+		=	

2

Appendix E: Secretary-treasurer's financial report to the trustees

STATEMENT OF INCOME AND EXPENSES

For the period of ____________, 20______ to ____________, 20______

	MONTH 4		MONTH 5		MONTH 6		TOTAL MONTHS 4 - 6
INCOME							
Union Dues		+		+		=	
Other:							
Initiation Fees		+		+		=	
Interest on Investments		+		+		=	
Miscellaneous		+		+		=	
TOTAL INCOME		+		+		=	
EXPENSES							
CUPE Per Capita		+		+		=	
Affiliation Fees:							
Provincial Divisions		+		+		=	
Labour Councils		+		+		=	
District Councils		+		+		=	
Provincial Council of Unions		+		+		=	
Salaries		+		+		=	
Operating Expenses:							
Office Rent		+		+		=	
Office Supplies		+		+		=	
Equipment Leases		+		+		=	
Phone/Internet		+		+		=	
Bonding Premiums / Insurance		+		+		=	
Bank Charges		+		+		=	
Other Operating Expenses		+		+		=	
Special Purchases		+		+		=	
Executive Expenses		+		+		=	
Bargaining Expenses		+		+		=	
Grievances/Arbitration		+		+		=	
Committee Expenses		+		+		=	
Conventions/Conferences		+		+		=	
Education		+		+		=	
Contributions/Donations		+		+		=	
Other (please specify)							
		+		+		=	
		+		+		=	
TOTAL EXPENSES		+		+		=	

3

Appendix E: Secretary-treasurer's financial report to the trustees

STATEMENT OF INCOME AND EXPENSES

For the period of ____________________, 20__________ to ______________________________, 20__________

	MONTH 7		MONTH 8		MONTH 9		TOTAL MONTHS 7 - 9
INCOME							
Union Dues		+		+		=	
Other:							
Initiation Fees		+		+		=	
Interest on Investments		+		+		=	
Miscellaneous		+		+		=	
TOTAL INCOME		+		+		=	
EXPENSES							
CUPE Per Capita		+		+		=	
Affiliation Fees:							
Provincial Divisions		+		+		=	
Labour Councils		+		+		=	
District Councils		+		+		=	
Provincial Council of Unions		+		+		=	
Salaries		+		+		=	
Operating Expenses:							
Office Rent		+		+		=	
Office Supplies		+		+		=	
Equipment Leases		+		+		=	
Phone/Internet		+		+		=	
Bonding Premiums / Insurance		+		+		=	
Bank Charges		+		+		=	
Other Operating Expenses		+		+		=	
Special Purchases		+		+		=	
Executive Expenses		+		+		=	
Bargaining Expenses		+		+		=	
Grievances/Arbitration		+		+		=	
Committee Expenses		+		+		=	
Conventions/Conferences		+		+		=	
Education		+		+		=	
Contributions/Donations		+		+		=	
Other (please specify)							
____________________		+		+		=	
____________________		+		+		=	
TOTAL EXPENSES		+		+		=	

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Appendix E: Secretary-treasurer's financial report to the trustees

STATEMENT OF INCOME AND EXPENSES

For the period of ______________________, 20__________ to ________________________________, 20__________

	MONTH 10		MONTH 11		MONTH 12		TOTAL MONTHS 10 - 12
INCOME							
Union Dues		+		+		=	
Other:							
Initiation Fees		+		+		=	
Interest on Investments		+		+		=	
Miscellaneous		+		+		=	
TOTAL INCOME		+		+		=	
EXPENSES							
CUPE Per Capita		+		+		=	
Affiliation Fees:							
Provincial Divisions		+		+		=	
Labour Councils		+		+		=	
District Councils		+		+		=	
Provincial Council of Unions		+		+		=	
Salaries		+		+		=	
Operating Expenses:							
Office Rent		+		+		=	
Office Supplies		+		+		=	
Equipment Leases		+		+		=	
Phone/Internet		+		+		=	
Bonding Premiums / Insurance		+		+		=	
Bank Charges		+		+		=	
Other Operating Expenses		+		+		=	
Special Purchases		+		+		=	
Executive Expenses		+		+		=	
Bargaining Expenses		+		+		=	
Grievances/Arbitration		+		+		=	
Committee Expenses		+		+		=	
Conventions/Conferences		+		+		=	
Education		+		+		=	
Contributions/Donations		+		+		=	
Other (please specify)							
____________________		+		+		=	
____________________		+		+		=	
TOTAL EXPENSES		+		+		=	

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Appendix E: Secretary-treasurer's financial report to the trustees

STATEMENT OF INCOME AND EXPENSES

For the period of ____________________, 20________ to ____________________, 20________

	TOTALS FOR THE MONTHS 1 - 3		TOTALS FOR THE MONTHS 4 - 6		TOTALS FOR THE MONTHS 7 - 9		TOTALS FOR THE MONTHS 10 - 12		TOTALS BY CATEGORY FOR TRUSTEES REPORT 1 - 12
INCOME									
Union Dues		+		+		+		=	
Other:									
Initiation Fees		+		+		+		=	
Interest on Investments		+		+		+		=	
Miscellaneous		+		+		+		=	
TOTAL INCOME		+		+		+		=	
EXPENSES									
CUPE Per Capita		+		+		+		=	
Affiliation Fees:									
Provincial Divisions		+		+		+		=	
Labour Councils		+		+		+		=	
District Councils		+		+		+		=	
Provincial Council of Unions		+		+		+		=	
Salaries		+		+		+		=	
Operating Expenses:									
Office Rent		+		+		+			
Office Supplies		+		+		+			
Equipment Leases		+		+		+		}	
Phone/Internet		+		+		+			
Bonding Premiums / Insurance		+		+		+			
Bank Charges		+		+		+			
Other Operating Expenses		+		+		+			
Special Purchases		+		+		+		=	
Executive Expenses		+		+		+		=	
Bargaining Expenses		+		+		+		=	
Grievances/Arbitration		+		+		+		=	
Committee Expenses		+		+		+		=	
Conventions/Conferences		+		+		+		=	
Education		+		+		+		=	
Contributions/Donations		+		+		+		=	
Other (please specify)									
____________________		+		+		+		}	
____________________		+		+		+			
TOTAL EXPENSES		+		+		+		=	

6

BANK RECONCILIATION

As at the end of audit period - ____________________________, 20 ______

Bank Balance at the end of the month as per Bank Statement:		$	
Add	Income Not Recorded on Statement: (*this is very rare and usually an outstanding deposit)*	+	
Deduct	Outstanding Cheques:	-	

Cheque No.	Amount

Deduct	Total of outstanding cheques:	-		
	RECONCILED BANK BALANCE:	=		**A**

CONTROL

(to verify that the reconciled bank balance equals the ledger bank balance)

LEDGER BALANCE FORWARD FROM PREVIOUS REPORT $ ____________ **B**

Add:

Total Income for the months 1 to 12 + ____________

Appendix E: Secretary-treasurer's financial report to the trustees

ASSETS AND LIABILITIES OF LOCAL AS AT LAST DAY OF PERIOD COVERED BY THIS REPORT: ____________________, 20 ________

ASSETS

Ending ledger balance (amount from line C on page 7)*	$ ____________
Other bank account, ie. Savings	$ ____________
Union dues owed to the local	$ ____________
Bonds owned by the local	$ ____________
Property and equipment owned by the local	$ ____________
Other Assets (please specify):	
____________________	$ ____________
____________________	$ ____________
____________________	$ ____________
____________________	$ ____________
TOTAL ASSETS	$ ____________

LIABILITIES

Per capita tax owed to CUPE National	$ ____________
Other per capita tax or affiliation fees owed (please specify):	
____________________	$ ____________
____________________	$ ____________
____________________	$ ____________
____________________	$ ____________
Other invoices owed by the local union (please specify):	
____________________	$ ____________
____________________	$ ____________
____________________	$ ____________
____________________	$ ____________
TOTAL LIABILITIES	$ ____________

CUPE Canadian Union of Public Employees

TRUSTEES' AUDIT REPORT - PAPER VERSION

DISREGARD this paper version if your local uses the CUPE electronic ledger. There is NO need to fill this out.
PRINT THE ONE PAGE TRUSTEES' AUDIT REPORT FROM THE ELECTRONIC LEDGER

LOCAL UNION NO. ____________

Are you reporting on behalf of a sub local? YES _____ NO _____

FOR THE SIX OR TWELVE MONTHS ENDED: ______________________ 20 ____________
(date)

ENDING LEDGER BALANCE FROM PREVIOUS TRUSTEES' AUDIT REPORT $ ____________ C

INCOME:

- Total union dues received from employer **(i)** ____________
  ↓ *(as detailed and equal to summary below)*
- Initiation fees received ____________
- Other money received (specify)

____________ ____________
____________ ____________
____________ ____________

TOTAL ACCUMULATED INCOME $ ____________ A

(SUM of current period income **PLUS** previous balance amount from Box C - above)

(i) Total union dues received from employer for the months of: ____________ to ____________

Indicate the union dues deposited into the local's bank account in the month the deposits took place.

If your local is on direct remittance, it is the Total Remitted amount sent to National by the Employer as indicated at the bottom of your per capita form. Don't forget to include any prepayments from section C-3 of the per capita form.

	Union Dues $	Number of Members	
		Full-Time	Part-Time
Month 1			
Month 2			
Month 3			
Month 4			
Month 5			
Month 6			
Month 7			
Month 8			
Month 9			
Month 10			
Month 11			
Month 12			
TOTAL (i)			

1

EXPENSES:

- Per capita tax paid to CUPE National

  If your local is on direct remittance, amount of per capita withheld by CUPE National, line C-1 of per capita form

	$	
Month 1	______	
Month 2	______	
Month 3	______	
Month 4	______	
Month 5	______	
Month 6	______	
Month 7	______	
Month 8	______	
Month 9	______	
Month 10	______	
Month 11	______	
Month 12	______	______

- Affiliation Fees:
  - Provincial Divisions ______
  - Labour Councils ______
  - District Councils ______
  - Provincial Council of Unions ______
- Other affiliations (specify) ______ ______
- Salaries ______
- Operating expenses (recurring expenses such as room rentals for meetings, office rent, office supplies, equipment leases, insurance, telecommunications, bonding premiums, bank charges, etc.) ______
- Special Purchases ______
- Executive Expenses ______
- Bargaining Expenses ______
- Grievances/Arbitration ______
- Committee Expenses ______
- Convention/Conferences ______
- Education ______
- Contributions/Donations ______
- Other (specify) ______ ______

TOTAL EXPENSES	**$**	**B**
ENDING LEDGER BALANCE (A minus B) ***(this should not result in a negative amount)***	**$**	**C**
	(to be carried forward to next page)	

↓

2

ASSETS AND LIABILITIES OF LOCAL UNION

ASSETS

ENDING LEDGER BALANCE (enter amount from line C on page 2)		$
Other bank account, ie. savings		
Union dues owed to the local		
Bonds owned by the local		
Property owned by the local		
Investments		
Other assets (specify)		
	TOTAL ASSETS	$

LIABILITIES

Per capita tax owed to National Office		$
Other per capita tax owed (specify)		
Other invoices owed (specify)		
	TOTAL LIABILITIES	$

Appendix F: Trustees' audit report

UNION DUES CALCULATED ON: ______________________________

(Verify Local Bylaws)

(specify type **and** rate of dues: percentage, hourly, monthly flat rate)

(example: 1.5%, 2 hours pay rate per month, monthly flat rate of $35.00)

MEMBERSHIP REPORT AS AT ______________________________ 20 ________

(date)

Number of members as of previous trustees report ________

DURING CURRENT REPORTING PERIOD

Number of new members (+) ________

Number of members removed from the list (-) ________

Number of employees paying under Rand Formula * (=) ________

** "Rand Formula" comes from the name of the judge who ruled that employees who decided not to join a union still had to pay union dues*

This paper report must also be accompanied by the paper Secretary-Treasurer's Financial Report
Don't forget to also send the Trustees' Checklist and Suggested Recommendations

☐ We, the undersigned, have examined the books and records of the local for the period above, and have found everything in order; therefore, **NO** comments are indicated below.	In compliance with Article B.3.12 of the CUPE Constitution, the **three** Trustees shall examine the books and records of the Secretary-Treasurer and inspect or examine all properties, bonds and all other assets of the local at least once a year.
☐ We, the undersigned, have examined the books and records of the local for the period above, and have found everything in order, however, we have the following comments and/or recommendations as indicated below:	
If more space is needed, a separate written report may also be prepared.	
	Send to the attention of: Candace Rennick
	CUPE NATIONAL
	1375 St. Laurent Blvd., Ottawa, ON K1G 0Z7
	or
	email **signed** documents to: trustees@cupe.ca
	Assistance: 1-800-363-2873, option #5
TRUSTEES SIGNATURES: x ________ (Print name x ________ and phone no.) x ________	Four copies for distribution as follows : 1 - National Secretary-Treasurer 2 - Assigned Servicing representative 3 - Trustee's copy 4 - Local's copy

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Appendix G: Template report to executive

DATE: ____________________________

TO: CUPE Local ________ ***(local number)***

President ____________________ ***(name)***

Secretary-treasurer ____________________ ***(name)***

SUBJECT: Local ________ audit for period: ______________ to _____________ ***(insert dates)***

We, the Trustees of CUPE Local ________ performed an audit of the local's books on __________________. ***(insert dates)***

The audit consisted of using CUPE's *Trustees' Audit Report* and *Trustees' Checklist and Suggested Recommendations* along with all supporting documentation provided by the secretary-treasurer.

SUMMARY OF FINDINGS: ***(if any, list below)***

- ***list any concerns that came up while performing the audit. (E.g., receipts missing, only one signature on cheques, etc.)***

SUMMARY OF FINDINGS: ***(if none)***

We have examined the books and records of the local for the period above, and have found everything in order; therefore, **NO** comments are indicated below.

RECOMMENDATIONS: ***(if any, list them below)***

We have examined the books and records of the local for the period above, and have found everything in order, however, we have the following recommendations as indicated below:

1. ***list any recommendations using the Checklist as a guide***

RECOMMENDATIONS: ***(if none)***

We have examined the books and records of the local for the period above, and have found everything in order; therefore, **NO** recommendations are indicated below.

SIGNED:

Appendix H: Secretary-treasurer's response to trustees template

DATE: ____________________________

TO: CUPE Local ________ ***(local number)***

Trustee #1 ____________________ ***(name)***

Trustee #2 ____________________ ***(name)***

Trustee #3 ____________________ ***(name)***

SUBJECT: Local ________ audit for period: ______________ to _____________ ***(insert dates)***

Thank you for your recent audit of our local's books.

We have reviewed your summary and recommendations as an executive, and would like to give the following written response:

1. ***Respond to each recommendation in the same format as was given***

SIGNED:

SECRETARY-TREASURER NAME: ________________________________ ***(signature)***

Appendix I: Template report to membership

DATE: ____________________________

TO: CUPE Local ________ ***(local number)*** membership

SUBJECT: Local ________ audit for period: ______________ to _____________ ***(insert dates)***

We, the Trustees of CUPE Local ________ performed an audit of the local's books on __________________. ***(insert dates)***

The audit consisted of using CUPE's *Trustees' Audit Report* and *Trustees' Checklist and Suggested Recommendations* along with all supporting documentation provided by the secretary-treasurer.

SUMMARY OF FINDINGS: ***(if any, list below)***

- ***list any concerns that came up while performing the audit. (E.g., receipts missing, only one signature on cheques, etc.)***

SUMMARY OF FINDINGS: ***(if none)***

We have examined the books and records of the local for the period above, and have found everything in order; therefore, **NO** comments are indicated below.

RECOMMENDATIONS: ***(if any, list them below)***

We have examined the books and records of the local for the period above, and have found everything in order, however, we have the following recommendations as indicated below:

1. ***list any recommendations using the Checklist as a guide***

RECOMMENDATIONS: ***(if none)***

We have examined the books and records of the local for the period above, and have found everything in order; therefore, **NO** recommendations are indicated below.

SECRETARY-TREASURER'S RESPONSE:

We have reviewed the responses received by the Local Secretary-Treasurer and can report that ***(give the details of whether or not the local will be following the recommendations)***