

LOCAL UNION 569 EXPENSE AND PROCEDURES POLICY

In order to fulfill its responsibility for obtaining a proper accounting of all union expenditures, IBEW Local Union 569 hereby establishes procedures for the expenditure of Local Union funds, and for obtaining reimbursement of expenses incurred by persons engaged in activity on behalf of the Union.

These procedures were developed after a thorough review of the requirements imposed under the Labor-Management Reporting and Disclosure Act (LMRDA), proper accounting procedures, the IBEW Constitution and policies, and the Local Union's Bylaws, and will not conflict with same. Each rule within the procedure exists for a specific purpose. Compliance with all steps is necessary to protect both the individual and the Local Union. Failure to comply with these rules could result in:

1. Denial of all or part of the expense being submitted.
2. Unnecessary delay in receiving payment.
3. Violations of Governmental regulations, the IBEW Constitution and policies, and Local Union Bylaws.

As set forth herein, expenditures of Local Union funds must be for legitimate expenses necessary to transact, properly manage, and conduct its business, and shall not be diverted therefrom. As further set forth herein in Section I, with the exception of standing bills, all expenditures of Local Union funds must be approved by the Local Union.

Where the male gender is used in this policy, it shall also include the female gender.

I. **FUNDS**

1. The funds of this Local Union are for the legitimate expenses required in its conduct and maintenance and shall not be diverted there from. Disbursements shall be made in accordance with Article XVIII of the IBEW Constitution and the Local Union Bylaws.
2. The President shall appoint an auditing committee of three (3) members (or the President or the Executive Board, as the Local Union decides, shall employ a public accountant) to audit the books and accounts of the Local Union every three (3) months. A report of the audit must be made to the membership. The President shall inspect the bank books of the Treasurer to see that Local Union moneys turned over to the Treasurer have been properly and promptly deposited in the Local Union's name. The fiscal year shall be the twelve-month period ending December 31. A report of the audit must be made to the membership.
3. All revenue except as may be otherwise provided in the bylaws (i.e., COPE), shall be deposited in the General Fund.
4. All bills and expenditures except standing bills shall be approved by the Local Union prior to payment. Standing bills include the following:

STANDING BILLS

- a. Salaries, fringe benefits and authorized employee deductions for officers and employees engaged in Local Union business authorized by the Local Union.
- b. Office operating expenses: rent, telephone/cell phone, utilities, insurance, maintenance, subscriptions, stationery/printing supplies, postage and mailings, office machine/equipment maintenance, miscellaneous office supplies, drinking water, up to (20) t-shirts, building and ground maintenance, etc.
- c. All per capita and affiliation fees including but not limited to: I.O., SDICLC, SDCBCTC, CSAEW, SBCTC, ICBCTC.
- d. \$250.00 monthly Donation to International Office chartered committees EWMC-SD, RENEW-SD, Sparkies and The IBEW 569 Retiree Club.
- e. Workers' comp, unemployment comp, bonding, taxes, insurance.
- f. Newsletter, photographic, press secretary supplies.
- g. Per Diem expenses payments in flat amounts for delegates and members representing the Local Union on authorized Local Union business.
- h. Service maintenance, DMV registrations and gasoline credit card charges for union owned automobiles assigned to the Business Manager and Business Representatives.
- i. Picket duty pay expense in flat amounts.
- j. Conference and business travel expenses, staff meetings and general membership activity food expenses, seminar, education, stewards training, social activity expenses after the Local Union has approved authorization for the purpose.
- k. Monthly attorney retainer fees in flat amounts.
- l. Quarterly financials and annual audits.

NOTE – All Local Union expenses and bills not listed above shall be submitted for approval to a majority vote of the members at a regular Local Union monthly membership meeting.

The Local Union shall review and approve a list of standing bills on at least an annual basis.

II.

NO DIRECT BILLING UNLESS PREVIOUSLY AUTHORIZED

It must be understood that in no event will any member be entitled to incur indebtedness on behalf of the Local Union through a direct billing of the Local without prior approval from the Local Union. In an emergency, the Business Manager or his designated representative may grant conditional approval, which is subject to the approval of the Local Union membership. When direct billing has been authorized, an expense statement and receipts shall be submitted covering such expenditures.

III.

FORMS FOR REPORTING EXPENSES

Special expense statements for reporting lost wages and expenses are available from the Local Union. These statements must be filled out, signed, with explanations where required, necessary receipts must be attached and received by the Local Union **WITHIN ONE MONTH OF THE DATE OF THE EXPENDITURE OR BILLING** to be valid

special cases. In general, these vouchers, when properly completed are sufficient to obtain payment of most expense items.

IV.
REIMBURSEMENT FOR LOST WAGES
(Policy Should Be Stated in the Local Union Bylaws)
(ONLY WHEN PREVIOUSLY AUTHORIZED)

1. Wages lost from regular employment as a result of authorized Union activity, for any day which the Officer, Steward, Delegate, or Member has been scheduled to work, shall be paid on the basis of actual scheduled hours lost at the individual's straight time hourly rate, **not to exceed forty (40) hours in any week.**
2. Lost wages of any member because of special assignment must be authorized by the Local Union or by the Business Manager or his designated representative.
3. There will be no wages reimbursed, except for special assignment for time off unless authorized IN ADVANCE by the Local Union or by the Business Manager or his designated representative.
4. Wages for lost time from normal work hours shall show from whom approval was obtained, i.e., Local Union, Business Manager or his designated representative, and be properly submitted on forms provided by the Local Union.
5. For the purpose of wage reimbursement, holidays and vacation time, whether regular or earned, shall be considered as time worked, and paid at straight time, not to exceed the regularly scheduled straight time hours in any one day.
6. Lost OVERTIME, whether emergency or prearranged will not be considered as reimbursable wage.
7. If approved by the Business Manager or his designee, reimbursement for lost wages is nevertheless subject to Local Union approval.

V.
HOTELS

1. Lodging will be paid when distances are too great to return home (in excess of 1 ½ hours one-way commuting distance) or when it would not be practicable to do so. (See Item #3)
2. Hotel and motel expense items **MUST** be accompanied by receipted bills.
3. In extenuating circumstances or in emergencies, which shall consist of but not be limited to road and weather conditions and those assignments that exceed the normal work day, lodging approval may be granted by the Business Manager or his designated representative. Such statements must be accompanied by an explanation of the expenditure, and will be subject to the approval of the Local Union.
4. **GUEST EXPENSES WILL NOT BE ALLOWED.** Where such individuals desire to have guests accompany them, reimbursable expenses to the Officer, Steward, Delegate, Staff, or Member shall be only that amount which would be allowed if the member were traveling or staying alone. Guest expenses shall be paid separately and **IN NO INSTANCE TO BE BILLED TO THE LOCAL UNION.**

VI.
TOTAL MILEAGE (WHEN USING PRIVATE AUTO)

1. Transportation costs will be allowed only if the actual expense is incurred and shall be reimbursed in accordance with a mileage allowance determined by the Local Union to the Staff, Officer, Steward, Delegate, or Member using a private automobile.
2. Mileage will be computed using the shortest possible practical highway route between the home city and the meeting city with only one (1) allowance per car regardless of the number of passengers. In no event shall the total mileage allowance amount exceed the value of a round trip coach airfare for the same trip.
3. Transportation within the city in connection with Union functions will be allowed based on actual necessary mileage driven. The need for the travel must be explained on the expense statement. Attendance at a meeting or assignment in a town other than the town of residence can be acceptable evidence that transportation expenses were incurred.
4. Mileage not normally expected as a result of the assignment must be explained and its relationship to the assignment shown.
5. Mileage in excess of that which is normal between two points must be explained and its relationship to the assignment shown.
6. Other allowable transportation costs are to be listed under "Other" on the expense statement. (See VII)
7. The mileage allowance per mile shall be the most current allowable amount set by the Internal Revenue Service (IRS).

VII.
MEALS

1. Meals will be allowable when a member is away from home overnight on Union business, or when occasioned in connection with REQUIRED attendance at Committee Meetings, Stewards' Meetings or other necessary meetings which prevent members from returning home for meals where assignment to a function requires purchase of a meal as part of the meeting business.
2. It is necessary to show that the meal expense was incurred. Union business overlapping a normal meal period is acceptable evidence that the meal expense was incurred.
3. Meal expense not shown normally to be required by the assignment must have an explanation on or with the expense statement.
4. Officers, delegates or other members who leave the jurisdiction of Local Union 569 on Local Union business shall receive up to \$75.00 per day in advance for receipted expenses. In addition, they shall receive transportation and lodging allowance. All such trips shall be approved by the Local Union. Should such a meeting or convention be held within the jurisdiction of Local Union 569, the same provision shall apply except the expense allowance shall be a maximum of up to \$75.00 a day.

VIII. OTHER EXPENSES

To obtain reimbursement on other expenses, it is necessary to show that an expense was: actually incurred, reasonable, and necessary to represent the Union properly. Thus, it is necessary to supply details of the Union activity if the title of a Committee, Conference, etc., does not indicate the scope of the assignment.

1. TRANSPORTATION –PLANE, TAXI OR BUS

- a. Transportation costs will be allowed only for actual cost of common carrier where used by the Officer, Steward, Staff, Delegate, Council Member or Committee Member, including delegates to Central Labor Councils.
- b. Transportation by car, train, or other inter-urban carrier may be used when it is necessary to save time or when more reasonable alternatives are not available, subject to approval by the Local Union, or the Business Manager or his designated representative.
- c. All commercial air or rail travel shall be economy class and whenever possible the ticket shall be purchased at the lowest fare from a unionized common carrier.
- d. Rental car use only with prior Business Manager or membership approval.

2. PARKING TOLLS

- a. Allowable where such are incurred in the course of Union business and accompanied by an itemized receipt.

3. Most PURCHASE supplies OF can be obtained by making a request from the Local Union office. Purchase of materials, supplies, etc., must be necessary for union business and accompanied by itemized receipts.

IX. ADVANCES

1. When assigned or elected to attend out-of-town functions requiring two (2) or more overnight stays, members may request an advance to cover meals, hotel and other required expenses. The advance shall not include any reimbursement for lost wages.
2. An expense statement shall be completed with attached receipts, following the individual's attendance covering all expenses incurred, including those covered by the advance and any amount in excess of that amount. All expense statements shall be reviewed by the Business Manager or his designated representative prior to approval and final payment by the Local Union. **Any advanced amount that exceeds that which was actually incurred and accounted for under this policy must be returned to the Local Union within five (5) days from the member's return.**

X.
MEMORIALS

Upon timely notification to the Local Union office an appropriate tribute as determined by the Local Union will be presented to the immediate family upon the death of an active member in good standing.

XI.
UNION OWNED/LEASED AUTOMOBILES

Local Union 569 IBEW, shall maintain its Union owned/leased automobiles under the following policy:

1. The Local shall maintain Union owned/leased automobiles to provide transportation for the Business Manager and his Business Agents/Representatives and Organizers.
2. Purchased or leased automobiles shall be made in a U.S. plant under contract with the U.A.W. or C.A.W and shall be full-size Union-Made American automobiles. Automobiles shall be equipped with automatic transmission, power steering, power brakes, radio, heater, seat belts, driver side air bags (if available), windshield washer, side view mirrors, air-conditioner, tinted glass, heavy duty rear suspension, radial tires, cruise control, tilt steering wheel and body side molding.
3. Each automobile shall be subject to replacement when it has accumulated in excess of 100,000 miles or as determined by the terms of the lease contract or at such time as may be deemed necessary subject to Item 4 below.
4. The basis for determining replacement shall be made by relating Kelley Blue Book Values, maintenance cost and other items to provide the greatest economy to the Local Union.
5. Mileage will be recorded with each purchase of gas and submitted to the Local Union.
6. All license fees, insurance, maintenance and operating expenses shall be borne by the Local Union.
7. Union owned/leased automobiles are for use on Union business only including commuting to the office or other location of regular reporting. Other personal use is prohibited.

XII.

LOCAL UNION CREDIT CARDS

- This policy applies to all employees of IBEW Local union 569 who are assigned a Union Credit Card.
- All cardholders are responsible for ensuring that they adhere to this Union Credit Card Policy, thereby ensuring adequate controls are exercised to minimize the risk that Union credit cards are used for any other purposes than which they are intended.
- This credit card policy is subject to change and update at the discretion of the Business Manager/Executive Board.
- Failure to comply with these rules could result in:
 - a) Denial of all or part of the expense being submitted.
 - b) Unnecessary delay in receiving payment.
 - c) Violations of the IBEW Constitution and policies, and Local Union 569 Bylaws
 - d) Credit Card privileges being revoked

A Local Union credit card is solely for expenses incurred while carrying out the business of the Local Union or to make purchases on behalf of the Local Union that are necessary. Use of Local Union-issued credit cards is a privilege, which the Local Union may withdraw in the event of serious or repeated abuse. Any credit card the Local Union issues must be used for business purposes only, in conjunction with the applicable person's job duties. Such credit cards shall not be used for any non-business purpose, i.e., for any personal purchase or any other transaction that is not authorized. Employees must pay for personal purchases with their own funds or personal credit cards. The Local Union will not regard expenses for one's own business-related use, such as lodging and meals while on Local Union approved business trips, as personal purchases. If any employee uses a Local Union Credit Card for personal purchases in violation of this policy, the cost of such purchase(s) shall be reimbursed to the Local Union immediately.

Eligibility

- The Business Manager/Financial Secretary, Assistant Business Manager(s), Lead Organizer, and the Local Union President are eligible to be issued (1) Union Credit Card.

Limits

- Each card with the exception of the Business Manager's card will have a limit of up to \$5000 as determined by the Business Manager. Exceptions to this limit will be made on a case by case basis as determined by the Business Manager.
- Subject to limits on the amount of spending for any of the items, as set forth in this policy and Local 569 Bylaws.

Conditions of Use

- The Union Credit Card cannot be used to obtain ATM withdrawals, cash advances, and cash back at point of purchase, cash access checks or any

- other type of cash withdrawal. No Debit Cards will be allowed.
- The Union Credit Card can only be used by the individual whose name is listed on the card.
- The Union Credit Card is to be used for official union business, not personal expenses. Charging personal transactions to Union credit cards is not acceptable under any circumstance. Cardholder transactions will be scrutinized to ensure compliance with this policy.
- Alcohol purchases are strictly prohibited unless authorized by the Business Manager and will only be approved on a case by case basis.
- All itemized receipts should include the proper documentation and be turned in to the Bookkeeper in a timely manner (see Documentation Requirements below for more information).
- Infractions of the conditions of this policy could result in cancellation of the Union Credit Card and withdrawal of Union credit card privileges.

Authorized Uses

- Lodging (Laundry service only when necessary, Hotel Internet service, Hotel phone calls, Room service, Business meals and entertainment, Copying costs), transportation (Airline tickets and fees, Airline meals, Train and commuter fees, Taxis, Authorized rental cars/gas) and meal expenses while traveling on official union business.
- Meeting expenses for official union business.
- Equipment and supplies needed to conduct union business.
- Fuel, maintenance and pre-approved by Business Manager repairs to company issued vehicles as needed to keep said vehicles in proper working condition to maximize performance.
- Gas cards assigned to agents solely for use with the vehicle assigned to the agent. Rental vehicle gas purchases will be reimbursed.
- All parking related expenses while traveling, attending meetings, jobsite visits and general union business.
- Properly authorized purchases on behalf of the Local Union.

Frequent Flier Miles/Hotel Points

The Local Union recognizes that officers and employees are required to travel out of town on occasion. It is the policy of Local Union that frequent flyer miles, hotel awards points, or other such benefits accrued in connection with the officer or **employee's own travel** on behalf of the Local Union are for the possession, benefit, and use of the officer or employee, and may be used for personal travel. No officer or employee of the Local Union may receive frequent flyer miles, hotel awards points, or other such benefits that are not accrued in connection with the officer or employee's own travel. For example, any frequent flyer miles, hotel awards points, cash back, or other benefits that accrue from the use of a Local Union credit card shall be used exclusively for Local Union expenses.

Documentation Requirements

1. All original, itemized receipts for each credit card charge, including itemized hotel invoices, transportation cost, and itemized meal receipts from restaurants.
 - a. All receipts should include your name at the top so the bookkeeper knows whose card it was charged to.
 - b. An itemized receipt should show exactly what you were purchasing. If it is not clear you should write it in.
 - c. If the item purchased is for a specific event you should write that on the receipt.
 - d. What we are charging the items to; Organizing, Education, Member Relations, etc. (see attached list).
2. For group meal expenses, in addition to above the union records must also include:
 - a. A written explanation of the specific union business conducted. (It is insufficient to simply record "union business" you must be more specific than that.)
 - b. The Full names and titles of all persons incurring the food and beverage charges.