

October 17, 2020

**Trustee Report, Fiscal Year ending February 28, 2019**

The by-laws of CUPE 3906 and the CUPE National Constitution require an annual audit of all financial transactions of the Local by elected trustees. As the trustees, it is our duty to examine these financial transactions and confirm that they adhere to the procedures in the Local's by-laws and policies and follow the best practices set out by CUPE National. Overall, the Local's finances are being managed well, but there is still room for improvement. The current Treasurer, Christopher Fairweather, was able to answer most of our questions to our satisfaction and showed us the processes and proof of transactions as requested.

With the guidance of the "CUPE Trustees' Checklist and Suggested Recommendations" document, we examined the financial transactions conducted by the Local from March 1, 2019 through February 29, 2020. The Local's by-laws and minutes from both General Membership Meetings and Executive Meetings were reviewed to verify prior approval for all expenditures. Financial transactions were checked for proper documentation, from initial expense authorization and cheque creation to reconciliation with our accounts.

Regarding our recommendations from last year (and the prior year), the off-site backup has not yet been achieved and we recommended that it be made a priority, so this year once again it should be addressed to eliminate the risk of losing data permanently. Electronic versions of minutes are still not available so we have added this to our current year recommendations as well.

It was our great pleasure and honour to complete this audit of the Local's finances, and it is our privilege to submit this full and complete report to the Membership of CUPE 3906.

In solidarity,

Kyle Morrison  
CUPE 3906 Trustee

Kseniia Hladkikh  
CUPE 3906 Trustee

Tuoyu Wu  
CUPE 3906 Trustee

## Summary of Recommendation for 2019-20 Fiscal Year

1. Section 1.4: Backup for office files is recommended to be stored off-site (repeated from 2019 audit, which was repeated from 2018 and 2017 audits). Suggest looking at encrypted cloud storage.
2. Section 4: Improvement of Meeting Minutes (repeated from 2018 audit, which was repeated from the 2017 audit). Electronic versions of minutes (Executive Committee and GMM) should be saved as PDF documents to allow quick searches of relevant information during the audit process and to allow backup of this information along with financial data. These should be saved on the Local's computer, and made available to the Trustees during the annual audit and for future reference. This did not occur so we are keeping it in the recommendations, as the audit takes much longer without this information.
3. We recommend that all signed vouchers be scanned and kept in a secure online storage. This helps easier organization of the conduct of business, ensures accountability and protects the documents in case of loss of hard copies.
4. Language should be changed in the Trustee Checklist to include non-binary pronouns, i.e. 'they/them', instead of 'he/him' and 'she/her'. It is our recommendation that CUPE National be made aware of this language and make the appropriate changes.

October 18, 2020

**Trustee Report, fiscal period ending August, 2020**

The by-laws of CUPE 3906 and the CUPE National Constitution require an annual audit of all financial transactions of the Local by elected trustees. As the trustees, it is our duty to examine these financial transactions and confirm that they adhere to the procedures in the Local's by-laws and policies and follow the best practices set out by CUPE National. Overall, the Local's finances are being managed well, but there is still room for improvement. The current Treasurer, Christopher Fairweather, was able to answer most of our questions to our satisfaction and showed us the processes and proof of transactions as requested.

With the guidance of the "CUPE Trustees' Checklist and Suggested Recommendations" document, we examined the financial transactions conducted by the Local from March 1, 2020 through August 31, 2020. The Local's by-laws and minutes from both General Membership Meetings and Executive Meetings were reviewed to verify prior approval for all expenditures. Financial transactions were checked for proper documentation, from initial expense authorization and cheque creation to reconciliation with our accounts.

Regarding our recommendations from last year (and the prior year), the off-site backup has not yet been achieved and we recommended that it be made a priority, so this year once again it should be addressed to eliminate the risk of losing data permanently. Electronic versions of minutes are still not available so we have added this to our current year recommendations.

It was our great pleasure and honour to complete this audit of the Local's finances, and it is our privilege to submit this full and complete report to the Membership of CUPE 3906.

In solidarity,

Kyle Morrison  
CUPE 3906 Trustee

Kseniia Hladkikh  
CUPE 3906 Trustee

Tuoyu Wu  
CUPE 3906 Trustee

## Summary of Recommendations for 2019-20

1. Section 1.4: We recommend that the backup for office files be stored off-site. (repeated from 2019, 2018 and 2017 audits). Encrypted cloud storage should be chosen as soon as possible and all files should be backed up.
2. Section 4: Improvement of Meeting Minutes (repeated from 2019, 2018 and 2017 audits) Electronic versions of minutes (Executive Committee and GMM) should be saved as PDF documents to allow quick searches of relevant information during the audit process and to allow backup of this information along with financial data. These should be saved on the Local's computer, and made available to the Trustees during the annual audit and for future reference. This did not occur so we are keeping it in the recommendations, as the audit takes much longer without this information.
3. We recommend that all signed vouchers be scanned and kept in a secure online storage. This helps easier organization of the conduct of business and protects the documents in case of loss of hard copies.
4. We also suggest a summary of monthly and annual Union Income Dues.
5. Language should be changed in the Trustee Checklist to include non-binary pronouns, i.e. 'they/them', instead of 'he/him' or 'she/her'. It is our recommendation that CUPE National be made aware of this language and make the appropriate changes.
6. We recommend that PayPal transactions and foreign transactions are avoided where possible, in order to prevent the incurring banking fees.
7. We recommend that all outstanding refunds are followed up and managed in a more organized manner. This may potentially save a significant amount of funds and will generally keep the conduct of business more organized and transparent.
8. We recommend that the TA Award be addressed and voted on in the next GMM.
9. We strongly recommend that the By-laws Committee review the Sections of the By-laws regarding Voting of Funds, and clarify the language used to explain voting on expenses of less than \$500. It is somewhat ambiguous that Section 16 only mentions the procedure relating to the expenses which exceed \$500, but not those that are below this threshold.
10. We strongly recommend that the Benefits Committee develop an effective plan to ensure that the Union is not generating large surplus of unused funds.
11. Lastly, we strongly urge the Executive Committee to develop a plan for the management of the funds that are budgeted for each year (i.e. childcare), but end up stockpiling in the account or transferred to the Strike Fund.

### **Other findings**

We also found that only one of the four four-hundred-dollar cheques for attending the Canadian Labour Council Conference, which was postponed due to COVID-19, was cashed. We strongly advise that the Treasurer follows up on this. The bank statement does not reflect what is noted in the Ledger.