

Finance Committee Report June 30, 2014

Since the March 30, 2014 Board Meeting, the Finance Committee met on June 6-7, 2014.

April 2014 Financials

The current financials shows a deficit of \$48,805, compared to a year-end budgeted net deficit of \$294,630. Our current financials reflect approximately a twelve (12) month reserve.

We are in our fourth (4rd) year of .50 rebate from the SEIU International (~\$450,000 per year). We continue with our full contract bargaining with several sessions scheduled for the month of July.

The new Member Database CRM build is live for the most part and IT is currently working on the grievance tracking and meeting management portions. New membership cards will be printed and sent out to members in the near future with a 2D bar code that can be scanned to note attendance at Chapter meetings or other functions both at Chapter or Statewide level. Samples are being distributed to the Board during this meeting for review.

2013 FINANCIAL AUDIT

CSUEU 2012 audit and Chapter audit has been completed with no adjustments or recommendations. The Hudson activity report was run during third week in May and sent out on 5/23 to allow for them to be received by fee payers and nonmembers by 5/31. The new fee payer rate for 2013-14 is .998 and the fee objector rate is 66.40.

I am including the following information for our local since we became incorporated in 2005.

AUDIT INFO FROM 2005-2012

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Assets	\$3.6	\$4.2	\$4.8	\$6.1	\$7.1	\$6.9	\$6.33	\$6.0	\$5.75
Revenues	\$6.0	\$6.5	\$6.9	\$7.4	\$6.8	\$6.41***	\$6.69***	\$6.69***	\$6.60***
Expenses	\$6.3	\$6.0	6.3	\$6.2	\$6.9	\$6.47	\$6.32	7.23****	6.36
Net > OR ()	(\$259,708)	\$517,700	\$625,589	\$1.2*	(\$34,206)**	(\$54,197)**	\$360,656	(\$541,970)**	\$246,244****
Net Assets	\$3.1	\$3.6	\$4.2	\$5.5	\$5.5	\$5.4	\$5.8	\$5.27	\$5.51

*received full Unity Fund Rebate (>\$900k)

**loss in revenue due to loss of represented members (962 since 6/2010), 2009-10 temporary dues reduction due to furloughs and CSUEU portion of legal fees for FSF lawsuit.

***includes 50% rebate from SEIU International ~\$450k per year since 2010 & expires after 2015

****due to realization of loan debt from pension merger with SEIU after payoff by L1000 in 2011

*****mostly due to Outside Labor Compensation (reimbursable union leave unbilled)

HUDSON NOTICE 2009-2013

CSUEU	2009	2010	2011	2012	2013	2014
Fee Payer Rate	99.1%	99.7%	99.7%	99.9%	99.6%*	99.8%
Fee Objector Rate	60.69%	70.4%	70.1%	70.39%	71.63%	66.40%
Fee Objectors		323	312	289	249	

*reduction due to death benefit payout for 2012 \$21500

Chapter Budgets/Forfeitures

There currently are no Chapters in forfeiture status. There are several who are over but have planned events. Just be reminded that you need to have those events as your next monthly rebate may put your Chapter further over the maximum as per CSUEU PF 505.04c.

Chapter's with a Petty Cash account must submit a copy of bank statements to Chapter Finance, Patty Volo, pvolo@calcsea.org. Those documents for this 2nd Quarter are due to Patty Volo by July 20, 2014.

Chapter Grant Requests

The Chapter Grant line item is funded solely by chapter forfeitures.

DATE	CHAPTER		PURPOSE	AMOUNT	OUTCOME
6/2/14	314	Dominguez Hills	Bargaining	\$500.00	Approved
2/21/14	303	San Francisco	Branding for activists(jackets)	\$1000.00	Denied

The Finance Committee would like to remind Chapters that grant requests are to be submitted to VP for Finance at least 30 days prior to the anticipated event/activity, not several days before or even a week before the event. This is stated on the Grant Request form as it takes time for the Committee to review. If a Chapter submits a request and it is denied but want to then apply for another event or item, a new grant request must be submitted.

Statewide Supplement Requests

The Finance Committee discussed the need for another mechanism to support Chapters who volunteer to host statewide activities at their campus such as full contract bargaining, promote statewide campaigns, and host Steward Trainings. This new request is made via e-mail by the Chapter President to the VP for Finance stating the statewide activity the Chapter is hosting and that they would like to receive a supplement. The amount of the supplement will be determined by the VP for Finance based on event, Chapter size, and activity planned. These supplements will be included in the Finance Committee report and the Chapter President will be responsible to share with the Board how the supplement helped the Chapter with their efforts.

Outstanding Travel Advances

We continue to make strides in keeping these to a minimum as expense claim processing turnaround time is faster and direct billing of rooms for Committee meetings really helps in addition to Swabiz for Board of Director travel. Jamie Steele in Accounting will be sending out letters again at the end of this quarter.

CSUEU Travel Policies

The Finance Committee has had ongoing discussions about developing more specific policies with regards to all aspects of travel. A list is included in Board binders for review.

Treasurer's Training

If you have a new Treasurer, please let me know so the appropriate Finance Committee member liaison can come out to do a one-on-one training. Send me an e-mail, lorettas@csueu.org or call me (415) 244-7288.

Finance Committee Liaisons to Chapters

The Finance Committee members have been assigned as follows:

Pat Hanson: Humboldt, Chico, Sonoma, San Francisco, East Bay, & Maritime.

Kathleen Hidalgo: Sacramento, San Jose, Stanislaus, San Luis Obispo and Channel Islands.

Shirley Staton: Fresno, Bakersfield, Northridge, San Bernardino, Los Angeles, and Dominguez Hills.

Sherry: Chancellor's Office, Long Beach, Pomona, San Marcos, Fullerton and San Diego.

Board of Directors Online Registration-<http://www.csueuguardian.org>

Board and Committee members need to be reminded that in addition to registering for events on Guardian, you also need to use Guardian to make any changes to arrival time or date so that Dayna can be notified and make the necessary adjustments.

The Board approved the use of Guardian to register **ALL** Committee meetings. This practice has been in force now and the Finance Committee will continue to work with both Dayna to make improvements or updates as needed.

SWABIZ & DIRECT BILLING FOR HOTEL

Currently Swabiz privileges are limited to the Board of Directors only. Direct bill has been expanded to include Committee and BUC meetings.

CSUEU 2014 BUDGET

The Finance Committee was directed to discuss adjustments to the 2014 CSUEU budget should the decision in Harris vs. Quinn case impact fair share fees. CSUEU received \$2,000,000 in fair share fee revenue in 2013. This means a possible \$1,000,000 cut to the 2014 CSUEU budget in addition to the already \$294,000 budgeted deficit for the current year. About 40% will come from staff salaries and benefits; reduction in SEIU per capita payments; the rest from programs and other areas as well as meetings, travel and accommodations.

CSUEU 2015 Budget

The Finance Committee recommends that the Board review the CSUEU 2014 budget at the November 2014 meeting and finalize the CSUEU 2015 budget. The Finance Committee also recommends that the Board consider these items that will impact the CSUEU budget for 2015:

- CSUEU Statewide Election Meeting in June 2015-\$150k
- General Council Elections
- 2015 General Council currently not in CSUEU or CSEA Central Support ~\$50k

Respectfully submitted,

Loretta Seva'aetasi, VP for Finance