

AFT Local# 4909



**INTERNAL AUDIT COMMITTEE  
AUDIT REPORT COVER SHEET**

Local Name: Cuesta College Federation of Teachers

State: CA

Fiscal Year End Date (mm/dd) 6/30/09  
(i.e. 6/30; 8/30, 9/30, 12/31)

Period covered: Beginning Date: 07/01/08 End Date: 06/30/09

Number of Members 350 of 550

SUBMITTED BY: Cireli Wushusen TITLE Financial Review Chair  
(PLEASE PRINT)

10 pages including cover

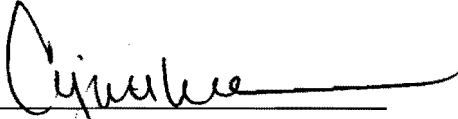
## Cuesta College Federation of Teachers Audit Report

March 18, 2011

I have examined the financial records for the Cuesta College Federation of Teachers for the period July 1, 2008 through June 30, 2009, and found them to be in good order. This examination was performed by a committee made of a member of the Cuesta College Federation of Teachers Council of Representatives and was not conducted in accordance with the generally accepted accounting principles. I have included some comments for the federation to take into consideration.

Based upon the examination, we consider the attached financial statements for the period July 1, 2008 through June 30, 2009 to be an accurate summary of transactions conducted during that period.

Sincerely,

A handwritten signature in black ink, appearing to read 'Cynthia B. Wilshusen', written over a horizontal line.

Cynthia B. Wilshusen, Chair  
CCFT Financial Review Committee

*Comments to Audit Report Prepared by the Financial Review Committee  
of the  
Cuesta College Federation of Teachers*

Comments/Recommendations:

1. Internal Controls:

- a. In the beginning of July 1, 2008 through June 20, 2009 year the Federation did not require two signatures on written checks. The federation changed this policy in later part of 2009 when the secretary treasure position moved to a new officer. It is recommended that the Federation continue to use two signatures on checks on a regular basis.
- b. There was an inconsistent use of checks in sequential order, it is recommended that when replacing the checkbook with checks that the number sequence is verified and remains in a sequential order. Using checks out of order could suggest misplacement or removal from a secure storage location. Ie: check number 2525 was used in 7/08 then check number 2411 was used in 7/08.
- c. The Executive Board minutes do a great job addressing all monetary items; budgeted or not. The minutes denote that the Treasure takes due diligence to identify any new non budgeted items that need approval. Additionally the treasure was responsible about making a verbal report to the Executive Board, however on a regular basis there was no written report or financial statements accompanied the meeting minutes. It is recommended that the secretary treasure present a current period Statement of Income and Expenses at the Executive Board Meeting to supplement the report.
- d. The budget presented to the financial review committee was very detailed, especially including items that appeared to be unused or from previous years. It is recommended that the treasure update the budget to exclude any items that are no longer used and show only non-zero accounts. It is also suggested that the chart of accounts be updated to be consistent with the use of names and account numbers. The budget could be cleaned up by grouping similar accounts and numbering them consistently. Ie: account 4818 does not have a name associated to it, only the account number.

2. Cash Receipts

- a. The treasure has taken a great deal of effort to ensure all deposits are made in a timely manner to ensure maximized usage.

3. Cash Disbursements

- a. All expenditures were paid by check, however as mentioned before the sequence of the checks was a concern. As mentioned in Internal Controls ensure that the checks are stored in sequence.

4. Reconcile Bank Accounts

- a. Checking accounts have been balanced monthly and accurately.

5. Reconcile Other Accounts

- a. Checking accounts have been balanced monthly and accurately.

6. Supporting Documents

- a. The Federation uses a Reimbursement Request Form and this provides a clear indication on how the funds were spent and categorized. It would be recommended that other expenses use a similar document so the supporting documents (Invoice/Bill) have notations for account assignment to make entering into the computerized system efficient.

7. Financial Statements

- a. As mentioned in Internal Controls, it is advised that the Statement of Income and Expenses is prepared more frequently to be presented at the Executive Board, or at least quarterly for verification.

## 2008-2009 Actuals vs. Budget Summary

7/1/08 through 6/30/09

Category	7/1/08 Actual	- Budget	6/30/09 Diff
<b>Inflows</b>			
AFT Plus Reimbursements:			
Ads Newsletters Reimbursements	80.00	40.00	40.00
Ads Website Reimbursements	0.00	40.00	-40.00
<b>Total AFT Plus Reimbursements</b>	<b>80.00</b>	<b>80.00</b>	<b>0.00</b>
Bank Interest:			
CD 2 yr April 02	-10,000.00	0.00	-10,000.00
CD 3 Yr April 04	22,194.36	0.00	22,194.36
Mid-State Checking	0.60	0.60	0.00
SESLOC Club Savings	0.47	0.60	-0.13
<b>Total Bank Interest</b>	<b>12,195.43</b>	<b>1.20</b>	<b>12,194.23</b>
Committees Inc:			
Peace&Justice	208.05	0.00	208.05
<b>Total Committees Inc</b>	<b>208.05</b>	<b>0.00</b>	<b>208.05</b>
Donations Income	1.00	0.00	1.00
Dues & F.S.Fees Income:			
Dues & F.S.Fees Income - Other	0.00	4,861.20	-4,861.20
CCFT Members	177,423.72	172,740.00	4,683.72
Discount Fair Share Fee	5,741.57	5,357.00	384.57
Full Fair Share Fees	34,492.91	32,924.00	1,568.91
Payroll Deduct.	4,861.20	0.00	4,861.20
Unidentified Faculty	485.75	500.00	-14.25
<b>Total Dues &amp; F.S.Fees Income</b>	<b>223,005.15</b>	<b>216,382.20</b>	<b>6,622.95</b>
Grants Legal Defense:			
AFT:			
4814 Leave of Absence	0.00	0.00	0.00
4818 Griev Arb	57,900.76	57,900.76	0.00
4819 Grievance	0.00	0.00	0.00
Legal Defense F	0.00	0.00	0.00
Old Cases:			
4807 Grievance	0.00	0.00	0.00
4808 Grievance	0.00	0.00	0.00
4809 Grievance	0.00	0.00	0.00
4810 Grievance	0.00	0.00	0.00
4811 ULP Smr2000	0.00	0.00	0.00
<b>Total Old Cases</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total AFT</b>	<b>57,900.76</b>	<b>57,900.76</b>	<b>0.00</b>
CFT:			
4814 Leave of Absence	0.00	0.00	0.00
4818 Griev Arb	5,913.87	5,913.87	0.00
4819 Grievance	0.00	0.00	0.00

## 2008-2009 Actuals vs. Budget Summary

7/1/08 through 6/30/09

Category	7/1/08 Actual	- Budget	6/30/09 Diff
Legal Defense F	0.00	0.00	0.00
Old Cases:			
4807 Grievance	0.00	0.00	0.00
4808 Grievance	0.00	0.00	0.00
4809 Grievance	0.00	0.00	0.00
4810 Grievance	0.00	0.00	0.00
4811 ULP Smr2000	0.00	0.00	0.00
<b>Total Old Cases</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total CFT</b>	<b>5,913.87</b>	<b>5,913.87</b>	<b>0.00</b>
<b>Total Grants Legal Defense</b>	<b>63,814.63</b>	<b>63,814.63</b>	<b>0.00</b>
Merchandise Income:			
T shirts	390.00	400.00	-10.00
<b>Total Merchandise Income</b>	<b>390.00</b>	<b>400.00</b>	<b>-10.00</b>
MiscellaneousInc:			
Various	0.00	0.00	0.00
<b>Total MiscellaneousInc</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Staff Funding</b>	<b>13,424.02</b>	<b>13,373.52</b>	<b>50.50</b>
<b>Total Inflows</b>	<b>313,118.28</b>	<b>294,051.55</b>	<b>19,066.73</b>
<b>Outflows</b>			
Fixed Expenses	0.00	0.00	0.00
Flexible Expenses:			
Bank Charge	0.00	0.00	0.00
Committees Exp:			
COPE	0.00	0.00	0.00
Peace&Justice	258.05	50.00	208.05
<b>Total Committees Exp</b>	<b>258.05</b>	<b>50.00</b>	<b>208.05</b>
Consultants:			
Insurance	0.00	0.00	0.00
Mediation,Conciliation	0.00	0.00	0.00
<b>Total Consultants</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Donations Gifts Exp:			
Cards and Flowers:			
Cards and Flowers - Other	3.21	50.00	-46.79
Reimb. for cards, etc.	0.00	0.00	0.00
<b>Total Cards and Flowers</b>	<b>3.21</b>	<b>50.00</b>	<b>-46.79</b>
CCFT Katy Tomes MemorialScholars	500.00	500.00	0.00
Disaster Relief	0.00	0.00	0.00

## 2008-2009 Actuals vs. Budget Summary

7/1/08 through 6/30/09

Category	7/1/08 Actual	- Budget	6/30/09 Diff
Gifts of Appreciation	118.68	121.89	-3.21
Lenore Erickson Scholarship	500.00	500.00	0.00
Robert Hartwig Scholarship	500.00	500.00	0.00
to Organizations	0.00	0.00	0.00
Various	0.00	0.00	0.00
<b>Total Donations Gifts Exp</b>	<b>1,621.89</b>	<b>1,671.89</b>	<b>-50.00</b>
Dues Expenses:			
AFT Dues:			
AFT Per Capitas	45,158.67	44,143.00	1,015.67
AFT Rebate Agency Fee	-2,282.79	-2,037.96	-244.83
Occup.Liab.Ins.	1,771.60	1,744.00	27.60
<b>Total AFT Dues</b>	<b>44,647.48</b>	<b>43,849.04</b>	<b>798.44</b>
Agency Fees	0.00	0.00	0.00
CFT Dues:			
CFT Dues F.S. Payers	4,513.38	0.00	4,513.38
CFT Dues Members	28,739.62	0.00	28,739.62
CFT Per Capitas	63,690.45	95,380.00	-31,689.55
<b>Total CFT Dues</b>	<b>96,943.45</b>	<b>95,380.00</b>	<b>1,563.45</b>
Credit	0.00	0.00	0.00
Dues,Fees Rmbrsmt	2,729.96	0.00	2,729.96
Fidelity Bond	50.00	50.00	0.00
Insurance	0.00	0.00	0.00
Reimburse Dues	0.00	946.79	-946.79
St.Affl.AFL-CIO	3,180.50	2,810.00	370.50
TriCountsLbrCcl	2,734.65	1,684.65	1,050.00
Underpayment	0.00	0.00	0.00
<b>Total Dues Expenses</b>	<b>150,286.04</b>	<b>144,720.48</b>	<b>5,565.56</b>
Gifts Given	48.10	0.00	48.10
Hosting Events:			
Copies	2.00	10.00	-8.00
Food,Beverages	94.56	200.00	-105.44
Lodging	0.00	0.00	0.00
Postage	38.64	50.00	-11.36
Supplies	0.00	100.00	-100.00
Vendors	0.00	0.00	0.00
<b>Total Hosting Events</b>	<b>135.20</b>	<b>360.00</b>	<b>-224.80</b>
Leave Fees	0.00	0.00	0.00
Legal Defense Grant	0.00	0.00	0.00
Legal Fees:			
4801 Retainer:			
4801 Copy,Fax	0.00	0.00	0.00

## 2008-2009 Actuals vs. Budget Summary

7/1/08 through 6/30/09

Category	7/1/08 Actual	- Budget	6/30/09 Diff
Total 4801 Retainer	0.00	0.00	0.00
4802 CC - ULP Brief	653.00	1,228.00	-575.00
4806 Negotiations	3,419.25	6,838.00	-3,418.75
4811 ULP Smr2000	48.75	97.50	-48.75
4812 Agency Fee	117.00	234.00	-117.00
4813 Misc. Billable	8,070.75	11,000.00	-2,929.25
4814 Leave of Absence	0.00	0.00	0.00
4815 PERB Circumv.	0.00	0.00	0.00
4816 Grievance	0.00	0.00	0.00
4817 Internal issues	1,018.00	1,451.00	-433.00
4818:			
4818	86,218.04	86,756.75	-538.71
Arbitrators	19,375.39	7,000.00	12,375.39
Court Reporters	3,401.43	3,401.43	0.00
<b>Total 4818</b>	<b>108,994.86</b>	<b>97,158.18</b>	<b>11,836.68</b>
4819 Griev	17,740.00	18,000.00	-260.00
4820-PERB	0.00	0.00	0.00
Arbitration Exp.	0.00	0.00	0.00
New Cases	0.00	5,000.00	-5,000.00
Old Cases:			
4805 Grievance	0.00	0.00	0.00
4807 Grievance	0.00	0.00	0.00
4808 Grievance	0.00	0.00	0.00
4809 Grievance	0.00	0.00	0.00
4810 Grievance:			
Various	0.00	0.00	0.00
<b>Total 4810 Grievance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Old Cases</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Salary Formula Greivance	0.00	0.00	0.00
<b>Total Legal Fees</b>	<b>140,061.61</b>	<b>141,006.68</b>	<b>-945.07</b>
Memberships	100.00	100.00	0.00
Merchandise Expenses:			
Pocket Calendars	113.33	33.33	80.00
T shirts	1,767.60	1,767.60	0.00
<b>Total Merchandise Expenses</b>	<b>1,880.93</b>	<b>1,800.93</b>	<b>80.00</b>
Misc	0.00	0.00	0.00
MiscellaneousExp	0.00	0.00	0.00
Negotiations	0.00	0.00	0.00
Operations:			
Audits Reviews	6,000.00	6,000.00	0.00
Copying, Binding:			
Meetings	224.72	0.00	224.72

## 2008-2009 Actuals vs. Budget Summary

7/1/08 through 6/30/09

Category	7/1/08 Actual	- Budget	6/30/09 Diff
Publishing	160.66	200.00	-39.34
Reprographics	59.32	125.00	-65.68
Various	0.00	250.00	-250.00
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Total Copying,Binding	444.70	575.00	-130.30
Equipment Supplies:			
ComputrSupplies	277.00	277.00	0.00
Hardware	40.05	40.05	0.00
Software	0.00	0.00	0.00
Supplies:			
Supplies - Other	0.00	0.00	0.00
Exec. Board	143.45	100.00	43.45
GenerlMembrshp	49.90	100.00	-50.10
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Total Supplies	193.35	200.00	-6.65
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Total Equipment Supplies	510.40	517.05	-6.65
Food,Beverages	0.00	100.00	-100.00
Insurance:			
Fidly Bond Fee	0.00	0.00	0.00
Union Liab Insr	0.00	0.00	0.00
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Total Insurance	0.00	0.00	0.00
Phone,Fax:			
Cell Phone	0.00	0.00	0.00
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Total Phone,Fax	0.00	0.00	0.00
Postage	91.91	47.49	44.42
Release Leave Stipends:			
Communications Chair	0.00	0.00	0.00
COPE Chair	1,500.00	0.00	1,500.00
Grievance Officer	229.43	229.43	0.00
Newsletter Format	400.00	400.00	0.00
Part-Time Fac Ch	2,681.50	2,681.00	0.50
President	7,245.10	13,041.00	-5,795.90
PT Fac Negotiations	3,863.29	1,600.00	2,263.29
Sec.-Treas.	0.00	0.00	0.00
Secretary	0.00	0.00	0.00
Stipend	0.00	0.00	0.00
Student Help	0.00	0.00	0.00
Treasurer	0.00	0.00	0.00
Vice President	2,843.04	8,843.00	-5,999.96
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Total Release Leave Stipends	18,762.36	26,794.43	-8,032.07
WWWWeb,ISP,Email:			
Web Host Server Charges	239.11	225.00	14.11
Webmaster	3,845.83	4,000.00	-154.17

## 2008-2009 Actuals vs. Budget Summary

7/1/08 through 6/30/09

Category	7/1/08 Actual	- Budget	6/30/09 Diff
Total WWWeb,ISP,Email	4,084.94	4,225.00	-140.06
Total Operations	29,894.31	38,258.97	-8,364.66
Travel Conference:			
Conference Fees	359.00	500.00	-141.00
Food	648.21	1,468.21	-820.00
Lodging	1,707.95	4,320.11	-2,612.16
Transit:			
Transit - Other	4.00	0.00	4.00
Airfare	518.00	0.00	518.00
Gas	198.58	0.00	198.58
Mileage	912.84	2,463.56	-1,550.72
Parking Permit	142.00	388.00	-246.00
Rental Car	0.00	0.00	0.00
Taxi	24.00	24.00	0.00
Total Transit	1,799.42	2,875.56	-1,076.14
Total Travel Conference	4,514.58	9,163.88	-4,649.30
Total Flexible Expenses	328,800.71	337,132.83	-8,332.12
Outflows - Other	0.00	0.00	0.00
<b>Total Outflows</b>	<b>328,800.71</b>	<b>337,132.83</b>	<b>-8,332.12</b>
<b>Net Inflows/Outflows</b>	<b>-15,682.43</b>	<b>-43,081.28</b>	<b>27,398.85</b>