



American Federation
of Teachers, AFL-CIO

AFT Teachers
AFT PSRP
AFT Higher Education
AFT Public Employees
AFT Nurses and Health
Professionals

555 New Jersey Ave. N.W.
Washington, DC 20001
202-879-4400
www.aft.org

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May 17, 2016

Bob Baldwin, President
And Executive Board Members
Lane Community College Employees Federation
AFT Local 2417
PO BOX 7275
Springfield, Oregon 97477

Dear Mr. Baldwin and Board Members:

I have reviewed the accompanying statement of financial position arising from transactions of Lane Community College Employees Federation AFT 2417 as of December 31, 2015 and 2014 and the related statement of changes in net assets for the fiscal year then ended. These financial statements are the responsibility of the officers and executive board of Local 2417.

My review consisted of inquiries of the organization's officers and analytical procedures applied to the financial data. Based on my review, I am not aware of any material modifications that should be made to the financial statements referred to above. This letter summarizes my findings and recommendations.

REVIEW OF INTERNAL CONTROLS

My review of the Local's financial documents revealed certain reportable conditions, which are significant deficiencies in the design or operation of the internal control process for financial matters. These deficiencies could adversely affect the organization's ability to record, process, summarize, and report financial data.

Cash Disbursements

Supporting documentation for check disbursements should include copies of the disbursement request form, LCCC check with authorized signatures, check stub, and original invoices or other original document indicating the amount owed for legitimate business expenses. The following issues were noted:

Incomplete Documentation: No approval signature on Expense Form:

<u>Check Date</u>	<u>Check No.</u>	<u>Payee</u>	<u>Amount</u>
5/20/15	4758	Watson	\$120.72
7/06/15	4769	Brinkman	\$2,358.14
7/06/15	4770	Pearson	\$166.00

The American Federation of Teachers is a union of professionals that champions fairness; democracy; economic opportunity; and high-quality public education, healthcare and public services for our students, their families and our communities. We are committed to advancing these principles through community engagement, organizing, collective bargaining and political activism, and especially through the work our members do.



No Support documentation included in file:

<u>Check Date</u>	<u>Check No.</u>	<u>Payee</u>	<u>Amount</u>
4/13/15	4734	Baldwin	\$280.00

I *recommend* that the local ensures that each check disbursement request includes the proper support documentation prior to approving and sequentially filing the documents.

CONCLUSION

Other than the matters mentioned above, I found the financial records and internal controls to be in good condition. In order to improve the record keeping and internal controls, please implement the recommendation included in this letter. These changes will help assure fiduciary accountability on behalf of your members.

I am not independent of Lane Community College Employees Federation AFT Local 2417.



Martha Knight Winston, CPA as
Associate Director
AFT Financial Services

cc: Julie Hoffsten, Deputy Director, AFT Financial Services
Gerrard Friesz, Regional Director, AFT Western Regional Office

Lane County Community College. AFT 2417
Statement of Financial Position
December 31, 2015 and 2014

ASSETS	2015 Total	2014 Total
<u>Current Assets</u>		
Cash and Cash Equivalent (Note 1)	182,356	124,951
Total Current Assets	<u>182,356</u>	<u>124,951</u>
 Total Assets	 <u>182,356</u>	 <u>124,951</u>
 LIABILITIES		
<u>Current Liabilities</u>		
Payable Liabilities (Note 2)	111	397
Total Current Liabilities	<u>111</u>	<u>397</u>
 Total Liabilities	 <u>111</u>	 <u>397</u>
 NET ASSETS		
Unrestricted: Unallocated	182,245	124,554
Unrestricted: Allocated	-	-
Total Net Assets	<u>182,245</u>	<u>124,554</u>
 Total Liabilities & Net Assets	 <u><u>182,356</u></u>	 <u><u>124,951</u></u>

Lane County Community College. AFT 2417
Statement of Changes in Net Assets -- Cash Basis
Year Ended December 31, 2015 and 2014

<u>Changes in Unrestricted Net Assets</u>	2015 Totals	2014 Totals
<u>Unrestricted Revenues and Support:</u>		
Membership Dues and Assessments	315,768	295,807
Interest Income	111	112
 Total Unrestricted Revenues & Support	 <u>315,879</u>	 <u>295,919</u>
<u>Expenses and Losses:</u>		
Payments to Affiliates (Note 3)	205,879	235,831
Office Expenses (Note 4)	2,967	4,551
Salaries	14,502	11,175
Payroll Taxes	1,868	653
Other Staff Costs	1,071	1,177
Meals and Refreshments	406	1,950
Travel	10,948	8,452
Meetings and Conferences	5,883	4,328
Arbitration and Professional Fees	4,649	-
Accountant's Fees	2,375	1,440
Contributions/Donations	1,000	3,000
Insurance	-	409
Membership Meetings and Events	-	1,400
Payroll Tax Penalties	7,648	157
Miscellaneous Expenses	89	1,071
 Total Expenses and Losses	 <u>259,285</u>	 <u>275,594</u>
 Net Increase (Decrease) from Operations	 56,594	 20,325
 Net Assets, Beginning, Previously Stated	 124,554	 104,229
Adjustment - FY14 Beginning Balance	1,097	
Net Assets, End of Year	<u>182,245</u>	<u>124,554</u>

Notes to the financial statements are an integral part of this statement.

Lane County Community College. AFT 2417
Notes to the Financial Statements
Year Ended December 31, 2015 and 2014

	<u>2015</u> <u>Total</u>	<u>2014</u> <u>Total</u>
Note 1 - Cash and Cash Equivalent		
Checking Account	85,137	39,750
Savings Account	5	5
Money Market Account	41,301	41,198
Money Market -Key Bank	44,007	43,998
	<u>11,906</u>	
Total Cash and Cash Equivalent	<u><u>182,356</u></u>	<u><u>124,951</u></u>

Note 2 - Payroll Liabilities

Employee Deduction - FICA	90	217
Employee Deduction - OR-WH	-	40
Employee Deduction - FED-WH	-	7
Employee Deduction - Medicare	21	131
Employee Deduction - OR-WBF	-	2
Total Payroll Liabilities	<u><u>111</u></u>	<u><u>397</u></u>

Note 3 - Payment to Affiliates

American Federation of Teachers	57,005	87,718
AFT Oregon	144,759	131,497
Oregon AFL-CIO	4,115	14,815
Lane County Labor Council	-	1,801
Total Payment to Affiliates	<u><u>205,879</u></u>	<u><u>235,831</u></u>

Note 4 - Office Expenses

Supplies/Equipment	942	277
Printing and Copying	745	3,166
Postage, Mailing Service	457	814
Telephone/Fax	81	29
Office Rent	742	265
Total Office Expenses	<u><u>2,967</u></u>	<u><u>4,551</u></u>