

Union of Part-Time Faculty, AFT Local 477, AFL-CIO

Schedule of Combined Expenses and Allocation between Chargeable and Non-Chargeable Expenses

For the Fiscal Year Ended June 30, 2016

	<u>Combined</u> <u>Expenses</u>	<u>Chargeable</u> <u>Expenses</u>	<u>Non-Chargeable</u> <u>Expenses</u>	<u>Notes</u>
Business Expenses (Per Capita Payments)				
Accidental Death Insurance	\$ 262	\$ -	\$ 262.48	1
AFL-CIO Metro	\$ 1,557	\$ -	\$ 1,556.50	2
AFL-CIO Michigan Expense	\$ 2,029	\$ -	\$ 2,029.20	3
AFT Liability Insurance	\$ 1,861	\$ -	\$ 1,860.73	4
AFT-Michigan Per Capitas	\$ 41,516	\$ 35,037	\$ 6,479.55	5
AFT-National Per Capitas	\$ 40,308	\$ 40,308	\$ -	6
Total Business Expenses (Per Capita Payments)	\$ 87,533	\$ 75,345	\$ 12,188.45	
Operating & Contract Expenses				
Banking Fees	\$ 573.05	\$ 573.05	\$ -	7
Fidelity Bond	\$ 60.00	\$ 60.00	\$ -	8
Rent Expense	\$ 3,504.00	\$ 3,504.00	\$ -	9
Office Phone	\$ -	\$ -	\$ -	10
Office Supplies	\$ 271.95	\$ 271.95	\$ -	11
postage	\$ 374.12	\$ 374.12	\$ -	12
Printing and Copying	\$ 2,402.08	\$ 2,402.08	\$ -	13
Equipment Purchases	\$ 993.62	\$ 993.62	\$ -	14
IT Expense	\$ 938.14	\$ 938.14	\$ -	15
Equipment lease & maintenance	\$ 807.93	\$ 807.93	\$ -	16
Rconciliation Discrepancies	\$ (0.39)	\$ -	\$ (0.39)	17
Total Operating Expenses	\$ 9,924.50	\$ 9,924.89	\$ -	
Donations	\$ 2,750.00	\$ -	\$ 2,750.00	18
Audit Fees	\$ 1,655.00	\$ 1,655.00	\$ -	19
Bookkeeping & Database management Fees	\$ 8,552.24	\$ 8,552.24	\$ -	20
Legal Fees	\$ -	\$ -	\$ -	21
Contract Services	\$ 10,207.24	\$ 10,207.24	\$ -	
Payroll Expenses				
Executive Director	\$ 49,578.48	\$ 49,578.48	\$ -	22
Office Manager	\$ 12,046.72	\$ 12,046.72	\$ -	23
Organizers' Payroll	\$ 10,980.86	\$ 10,980.86	\$ -	24
Employee Parking and Phone Stipends	\$ 1,794.00	\$ 1,794.00	\$ -	
Total Payroll Expenses	\$ 74,400.06	\$ 74,400.06	\$ -	
Total Membership and Growth	\$ 13,774.22	\$ 13,774.22	\$ -	25
TOTAL EXPENSES	\$ 198,589.23	\$ 183,651.17	\$ 12,188.45	
	\$ 198,589.23	\$ 183,651.17	\$ 12,188.45	
	100.0%	92.5%	6.1%	
Maximum Agency Fee rate through 06/30/2017 (dues at 2.05%).			1.90%	

The Union of Part-Time Faculty, AFT Local 477, AFL-CIO
Footnotes to Schedule of Combined Expenses and
Allocation between Chargeable and Non-Chargeable Expenses
For the Fiscal Year Ended June 30, 2016

1. The Union of Part-time Faculty (UPTF) purchases a \$5,000 accidental death and dismemberment insurance policy through the American Federation of Teachers (AFT) for members at a cost of \$0.05 per member per month. This insurance is purchased for members only. Accordingly, one hundred percent (100%) of the cost of the insurance is considered non-chargeable to non-member agency fee payers covered by the UPTF contract.
2. The UPTF pays per capita payments to the Metro Detroit Council of the American Federation of Labor – Council of Industrial Organizations (AFL-CIO) equal to \$0.30 per member per month. These payments do not contribute to the negotiation or enforcement of the contract between the UPTF and Wayne State University. Accordingly, one hundred percent (100%) of the cost of these per capita payments to the Metro Detroit AFL-CIO Council is considered non-chargeable.
3. The UPTF pays per capita payments to the AFT that are forwarded to the State (Michigan) Council of the AFL-CIO equal to \$0.40 per member per month. These payments do not contribute to the negotiation or enforcement of the contract between the UPTF and Wayne State University. Accordingly, one hundred percent (100%) of the cost of these per capita payments to the Metro Detroit AFL-CIO Council is considered non-chargeable.
4. The UPTF purchases a \$1,000,000 professional liability insurance policy through the AFT for members. The cost of this insurance is \$0.35 per member per month. Since this liability insurance does not contribute to the negotiation or enforcement of the contract between the UPTF and Wayne State University, one hundred percent (100%) of the cost of the insurance is considered non-chargeable.
5. The UPTF makes monthly per capita payments to AFT-Michigan. During the fiscal year ending June 30, 2016, AFT-Michigan recognized six categories of dues/fee payers that applied to the UPTF: full dues, full fees, half dues, half fees, quarter dues and quarter fees. Individuals who had annual earnings of \$35,000 or more were assigned to either the full dues or full fee categories; individuals making more than \$14,000 annually, but less than \$35,000 were assigned to either the half dues or half fees categories, while individuals who had earnings of less than \$14,000 were assigned to either the quarter dues or quarter fee categories. The full dues per capita rate was \$18.20 monthly and the full fees monthly per capita payment was \$14.07, a difference of \$4.13. Accordingly, \$4.13 per month per full dues member is considered non-chargeable. The rest of the per capita payment (\$14.07) is considered chargeable and 100% of the cost of the fees paid on behalf of a full agency fee payer (\$14.07) are considered chargeable. Half dues per capita

payment was \$9.10 per member compared to \$7.04 per month for a half-fee agency fee payer, a difference of \$2.06 per month per half-dues member. Accordingly, \$2.06 of the dues paid on behalf of a half-dues member in those months is considered non-chargeable. The rest of the per capita payment made on behalf of a half-dues member (\$7.04) in those months and 100% of the cost of the fees paid on behalf of a half-fee agency fee payer (\$7.04) are considered chargeable. The quarter dues payment was \$4.55 per month per member compared to \$3.52 per month for a quarter-fee agency fee payer, a difference of \$1.03 per month per quarter-dues member. Accordingly, \$1.03 of the dues paid on behalf of a quarter-dues member in those months is considered non-chargeable. The rest of the per capita payment made on behalf of a quarter-dues member (\$3.52) and 100% of the cost of the fees paid on behalf of a quarter-fee agency fee payer (\$3.52) are considered chargeable. Therefore, of the total of \$41,516.21 in per capita payments made to AFT-Michigan in FY 2015-16, \$35,036.66 is considered chargeable expenses that contribute to the negotiation and enforcement of the contract and the remaining \$6,479.55 is considered non-chargeable.

6. The UPTF makes monthly per capita payment to the AFT. During the fiscal year ending June 30, 2016, the AFT recognized eight categories of dues/fee payers that applied to the UPTF: full dues, full fees, half dues, half fees; quarter dues, quarter fees; and one-eighth dues and one-eighth fees. Individuals who had annual earnings of \$35,000 or more were assigned to either the full dues or full fee categories. Individuals who had earnings of less than \$35,000 but more than \$14,000 were assigned to either the half dues or half fee categories; individuals who had earnings of less than \$14,000, but more than \$8,500 were assigned to either the quarter dues or quarter fee categories; and individuals who had earnings of less than \$8,500 were assigned to the one-eighth dues or one-eighth fees categories. The full-dues monthly per capita payment is \$18.78 compared to \$18.78 for a full agency fee payer, a difference of \$0.00. Accordingly, \$0.00 of the dues paid on behalf of a full dues member is considered non-chargeable, the rest (\$18.78) is considered chargeable and 100% of the cost of fees paid on behalf of a full fees payer (\$18.78) is considered chargeable. The half dues per capita payment was \$9.39 per member compared to \$9.39 per month for a half-fee agency fee payer, a difference of \$0.00 per month per half-dues member. Accordingly, \$0.00 of the dues paid on behalf of a half-dues member in those months is considered non-chargeable. The rest of the per capita payment made on behalf of a half-dues member (\$9.39) in those months and 100% of the cost of the fees paid on behalf of a half-fee agency fee payer (\$9.39) are considered chargeable. The UPTF paid 4.70 in per capita payments per person for quarter-dues paying members compared to \$4.70 in per capita payments per person for quarter-fee agency fee payers, a difference of \$0.00. Accordingly, \$0.00 of the dues paid on behalf of a quarter-dues member in those months is considered non-chargeable. The rest of the per capita payment made on behalf of a quarter-dues member (\$4.70) in those months and 100% of the cost of the fees paid on behalf of a quarter-fee agency fee payer (\$4.70) are considered chargeable. The UPTF paid 2.35 in per capita payments per person for eighth-dues paying members compared to \$2.35 in per capita payments per person for eighth-fee agency fee payers, a difference of \$0.00. Accordingly, \$2.35 of the dues paid on behalf of

an eighth-dues member in those months is considered non-chargeable. The rest of the per capita payment made on behalf of a eighth-dues member (\$2.35) in those months and 100% of the cost of the fees paid on behalf of a eighth-fee agency fee payer (\$2.35) are considered chargeable. Accordingly, of the total of \$36,460.84 in per capita payments made to the AFT in FY 2015-16, all \$36,460.84 is chargeable and \$0.00 is non-chargeable.

7. The UPTF paid Banking Fees of \$386.25 in the year ending June 30, 2016. 100% of these fees are considered chargeable.
8. The UPTF pays a fidelity bond to insure against officer fraud. 100% of this expense is a chargeable expense.
9. The UPTF pays the AAUP-AFT a proportional part of the expenses for the office space that our sister Union provides us. This Rent expense totaled \$3,504 for the FY ending June 30, 2016. Since it is necessary to maintain an office to negotiate and enforce the contract, this expense is 100% chargeable.
10. The UPTF has not been charged for a phone line since we moved to a university phone line.
11. The UPTF spent a total of \$271.95 for office supplies, postage and mailing. Since maintaining an office is essential for negotiating and enforcing the contract, 100% of the cost of these supplies is considered chargeable.
12. The UPTF spent \$374.12 in postage. This expense is 100% chargeable.
13. Printing and Copying fees totaled 2402.08. These expenses were for contract administration and internal organizing and are 100% chargeable.
14. Equipment purchases totaled \$993.62 and are necessary to maintain the office. Therefore, these are 100% chargeable.
15. IT expense in the amount of \$1746.07 for software purchases and licensing. This expense is 100% chargeable.
16. Equipment lease and maintenance costs were \$807.93 for the year. These are 100% chargeable as they are necessary to maintain the office.
17. There was a reconciliation discrepancy of one cent (\$0.39) in the year. This is considered non-chargeable.
18. The UPTF made \$2,750 in donations. This is 100% non-chargeable.
19. Audit fees for the FY totaled \$1,655.00. This is a legal requirement, 100% of the cost of the audit is considered chargeable.
20. The UPTF paid \$8,552.24 for bookkeeping and database management fees. These expenses are necessary to maintain the UPTF financial and membership records. As such, they are 100% chargeable.
21. The Local had no legal expenses in the FY ending June 30, 2016.
22. The UPTF full-time Executive Director cost the local \$49,578.48 in salary, taxes and benefits. His salary is paid by the local, but AFT Michigan serves as the payroll agent, AFT Michigan pays the salary, and invoices the local, which then reimburse AFT Michigan. The E.D. spends 3 hours weekly doing volunteer work. For the year, he spent 30 hours doing nonchargeable political work. All of this is considered volunteer time. The rest of his time

was spent negotiating, doing grievance work, and internal organizing. Thus his salary is 100% chargeable.

23. The UPTF employed a part-time office manager during the FY. As with the Executive Director, AFT pays the payroll and then invoices the local, which then reimburses AFT Michigan. Salary and taxes totaled \$12,046.72. 100% of this is chargeable.
24. AFT-Michigan paid 80% of the cost of the local's part-time organizers during the FY. UPTF's portion of this cost was \$10,980.86. Per the time sheets, 100% of the time of UPTF part-time organizing staff was spent on activities directly involved in internal organizing and enforcement of the contract. Thus 100% of the salary, benefits, and payroll taxes is chargeable.
25. The UPTF and GEOC participated in a joint internal organizing project to during the FY. AFT national and FT Michigan picked up half of the salary expenses. The UPTF's share of the expenses was \$68,705.14. This work is necessary to the conduct of UPTF business directly related to the negotiation and enforcement of the contract. Accordingly, 100% of UPTF portion is considered chargeable.
26. The UPTF paid a total of \$13,774.22 in conference fees, training costs, and travel expenses so that officers and members could attend training and directly related to the negotiation and enforcement of the contract. One hundred percent of these training expenses are considered chargeable.

For the Fiscal Year going forward the allowable Agency Fee rate will be 1.9% of salary. The Local has left the rate for FY 2016-17 at 1.7% of salary.