Congratulations on your appointment or election to the Local Secretary/Treasurer (S&T) position. The Local S&T serves as the backbone to the business operations of your Local Union. Your position comes with a high level of fiduciary responsibility. A fiduciary is any person who has the legal responsibility for managing somebody else's money. What this really means is that you have been placed in a position of trust and there may be consequences, legal or otherwise, for betrayal of that trust. As you transition into the job, you will want to ensure that there are no outstanding items, procedures and/or issues with your Local’s business operations.

The following steps will help you:

- determine what business processes have been completed to date;
- get a general sense of the accuracy of the data you've been provided;
- figure out what to tackle first, and when to request help.

1. **Review the guide titled “Successful Transition of Office for the New S&T.”**

Following the steps and information in this guide will help to make sure you receive all the data you should and will alert you to pieces that may be missing. Resources mentioned in this guide will give you a basic understanding of your position and get you on track with what must be accomplished each month.

**When to request help:**

- Your Local uses WinStabs, but you receive no WinStabs data from the outgoing officer.
- Your Local is not using WinStabs, but you would like to get started using WinStabs.
- You discover UNOPENED correspondence from the IRS and/or IRS transcripts indicate that many returns/tax payments are outstanding.

2. **Verify that all bank statements to date have been reconciled**

As a Local Treasurer, you will perform a variety of reconciliation activities each month. In accounting, “reconcile” means to compare two sets of records to make sure they are in agreement. In this case, you will compare the bank statement for the Local’s checking account with your accounting records. If your Local has other financial accounts (investment, savings) in addition to the checking account, those accounts would be reconciled against your account register. The checking account bank statement should be reconciled each month.
To verify that the bank statements have been reconciled, follow these steps:

In WinStabs, go to the “Disbursements” drop-down, then “Bank Activity Menu” and select “Reconcile Bank Statement in WinStabs.”

Next, you will see this form: The beginning bank balance will auto populate and should match the ending bank balance of the LAST bank statement that was reconciled.

Click on the drop-down menu for “Previous Cleared Statements”. Here you will see a list of each checking account statement that has already been reconciled for the year.

If the beginning balance and ending balance are the same amount for one month, WinStabs will not show that month in the “Previous Cleared Statements” dropdown. If a month is missing, locate the bank statement and review it.

If bank statement reconciliation is behind, catching up is one of the first things to be completed. (See pages 123-127 in the WinStabs manual for instruction on reconciling bank statements in WinStabs or view the WinStabs FAQ-Reconciling Checkbook video on YouTube here: https://youtu.be/3MsouniO5Bg)

When to request help:

- If the beginning balance for the first month that you need to reconcile does not match the bank statement
3. **Confirm that the billings are current**

Keeping up to date with SMART TD billings is an essential part of the Local Treasurer job. According to the SMART Constitution, Article 21B, Section 64: “The Treasurer shall promptly, but no later than the 20th day of each month remit to the General Secretary-Treasurer all monies due the International.”

To verify that the billings are current, follow these steps:

First, log into iLINK to determine what has been received at the SMART TD office. Under the “Alerts” section of your dashboard, review the “Local Billing Status” field. Any number greater than zero indicates that your Local billings are behind. This can indicate that the previous S&T did not work the billing or the worked billing was not mailed in to the SMART TD office. The following screenshot shows the Local is three months behind with its billing. The last billing received in the SMART TD office was September’s.

The next step is to determine what has been worked in WinStabs. Go to the “Disbursements” dropdown, then “International Payments Menu,” and select “Monthly Billing Coversheet.”
The “Monthly Billings” cover form will open. In our example here, it is the end of the year. We should see 12 posted billings for the year in WinStabs.

But upon inspection, it appears that this Local is three months behind, which matches what we discovered when we looked in iLINK. The bottom left corner of the form indicates that this blank form is record 10 of 10. Since Record 10 is blank, that means it has not been worked yet. If we click through the records, we’ll see nine billings have posted. The drop-down menu for “Billing Month/Current Year” will only show the months left to work for the current year. The menu shows October, November and December are yet to be worked.

If the billing is behind, this is another thing that must be caught up as quickly as possible. Review the “Guide for Maintaining Member Records” and the Secretary/Treasurer FAQ videos on the SMART TD website here: https://smart-union.org/td/secretary-treasurer-videos/.

When to request help:

- If you are unable to locate the Local’s copy of the SMART TD bill for the months that need to be worked.
- If iLINK shows one thing and your WinStabs data show a different thing.
- If, and ONLY IF, you have reviewed the training materials, have made a valid attempt at working the billing and you are still stumped.
4. Make sure officers/members were not paid/reimbursed incorrectly

There are several menus in WinStabs that are used for specific types of payments called disbursements. When paying salary or lost time disbursements to Local officers or if the need requires, Local members, the Local must withhold and pay the employee portion and pay the employer portion of the required payroll taxes. In addition, if a member is reimbursed for business-related expenses or paid lost time, the Local is required to collect and document corresponding evidence to support the disbursement. These types of disbursements should be made through the “Wage & Reimbursed Expense Menu” in WinStabs, and you will want to verify that these disbursements were done correctly. The easiest way to verify this is to make sure that wage/lost time/reimbursement payments were not made incorrectly in the “Vendor & Other Disbursements” menu.

In WinStabs, go to the “Disbursements” dropdown and select “Vendor & Other Disbursements.”

Scroll through the disbursement records that pop up. The ONLY type of payment that you should see to a member of your Local in this Disbursements menu is for a refund, as shown below. The other types of payments that you are likely to find here are bank charges, tax payments for years prior to the current year (which indicates they were not paid on time) and payments to outside vendors for things like meeting expenses.

When to request help:
- If you see anything that looks like it is a salary or lost time payment in the Vendor & Other Disbursements menu.
5. Ensure that taxes have been paid and reported accurately

The quickest way to get your Local into trouble is to ignore IRS, state and local payroll tax requirements. If Local officers/members receive salary and/or lost time payments, the Local must **pay AND report** payroll taxes to all their tax authorities.

Check first to see if tax payments have been generated by WinStabs. In WinStabs, go to the “Disbursements” drop-down menu and select “Pay Tax Menu” > “Tax Report Menu” and click on “**Taxes – All (Total Liability)**”. This report will show you if taxes were owed for that month.

![WinStabs Tax Report Menu](image)

<table>
<thead>
<tr>
<th>Tax Type</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
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<td>165.89</td>
<td>165.89</td>
<td>165.89</td>
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<td>2,571.28</td>
<td></td>
</tr>
</tbody>
</table>

Then in WinStabs, go to the “Disbursements” drop-down and select “Pay Tax Menu” > “Tax Report Menu” and click on “**Taxes – Amt & Check#**”. This report will show you if tax payments were logged in WinStabs, the date of the payment, check number, tax type and amount. Most Locals are required to pay their taxes monthly. If a tax amount was generated by WinStabs, you should see a corresponding monthly payment. In our example here, payments were not made monthly, but the total owed has been paid. This Local probably was charged a late fee and interest on the amounts that were paid late.

![WinStabs Tax Deposited Report](image)
Since WinStabs does not have a direct link to the tax authorities or the Local bank account, the next step is to check the information from WinStabs against the Local’s bank statement, EFTPS account or IRS transcripts to verify that the taxes were actually paid.

In addition to paying the appropriate taxes, Locals must report on the taxes by filing returns with the appropriate tax authority. Go through the Local’s paper records to look for the Local copy of any filed returns. Compare what is found in the paper records with what the IRS transcripts report.

When to request help:

- If you believe Local officers/members have been paid salary/lost time, but you do not see any taxes generated in WinStabs.
- If you see taxes generated in WinStabs, but you do not see any tax disbursements made in WinStabs.
- If the WinStabs information does not match the Local bank statement, EFTPS account or IRS transcripts.
- If you cannot find any evidence of tax reporting or you find discrepancies between your records.
- If you discover unanswered correspondence from the IRS or any other tax authority.

6. Verify that payments were recorded for the correct fund

Every Local treasurer has at least two funds he or she manages: the Local fund and an LCA fund for each LCA tied to the Local. All the money belonging to all of the funds is kept together in the Local’s bank account(s). Proper records must be kept in WinStabs to properly account for the funds.

With proper authorization, the Local fund is used for:

- Local officer salaries/lost time and associated payroll taxes;
- Local expenses for office supplies, mileage, per diem, etc.;
- Local meeting expenses;
- Election expenses;
- Charitable/social spending;
- Bank fees;
- Bond.

With proper authorization, LCA funds are used for:

- Their own LCA officer salaries/lost time and associated payroll taxes;
- Their own LCA expenses for office supplies, mileage, per diem, etc.;

You will want to verify that all disbursements have been made from the proper fund. The easiest way to do this is to review the disbursements ledger.
In WinStabs, go to the “Disbursements” dropdown and select “Disbursement Reports Menu” > “Print Ledger Menu” and click on “Disbursement Ledger.”

Use the buttons at the bottom of the screen to scroll through the document. Review the disbursements to ensure Local officers and Local chairmen are paid out of the correct fund. You will also want to review any other disbursement to make sure it is categorized correctly and that it was paid out of the correct fund.

**Disbursement Control Ledger 2017**

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<th>Check No</th>
<th>Date</th>
<th>Payer</th>
<th>Ins &amp; TB</th>
<th>Int1 Does</th>
<th>Int1 Other</th>
<th>UTU PAC</th>
<th>Offsite Total</th>
<th>LCA Salary</th>
<th>LCA Expense</th>
<th>Local Expense</th>
<th>Local Other</th>
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<td>607.50</td>
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</tbody>
</table>

When to request help:

- If you believe Local officers/members have been paid salary/lost time/reimbursements out of the incorrect fund.
- If you believe any disbursement has been categorized incorrectly.
- If you see anything suspicious.
7. **Verify that LCA fund deposits post correctly**

In the same way that Local Treasurers must ensure that disbursements are drawn from the correct fund, they need to verify that monies are posted to the correct fund as well. Money is deposited into funds as part of the four-step billing process. If figures are not entered into the billing cover during Step 4 of the process in a certain way, LCA funds may post incorrectly to the general ledger.

To check LCA fund postings in WinStabs, go to the “Disbursements” dropdown, select “International Payments Menu” and click on “View List of LCA & Deposited Amounts”.

For every month of SMART TD bills worked, you should see a deposit into each associated LCA fund. In the example below, March, April, May and June are missing deposits. SMART TD bills are always worked in order. You should never see skipped months.

<table>
<thead>
<tr>
<th>Month</th>
<th>Fund</th>
<th>Amount</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>JANUARY</td>
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<td>$944.00</td>
<td>01/02/2017</td>
</tr>
<tr>
<td>FEBRUARY</td>
<td>017</td>
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<td>02/01/2017</td>
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<tr>
<td>JULY</td>
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<td>07/01/2017</td>
</tr>
<tr>
<td>AUGUST</td>
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<td>$992.00</td>
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</tr>
<tr>
<td>SEPTEMBER</td>
<td>017</td>
<td>$1,152.00</td>
<td>09/01/2017</td>
</tr>
</tbody>
</table>

**When to request help:**

- If you do not see a deposit for each LCA fund for every month of SMART TD bills that has been worked.
8. Verify that dues and tax rates are correct in WinStabs

At the beginning of each year, WinStabs must be set up with the current dues rates, fund balances and tax rates. Failure to do so will generate incorrect records in WinStabs. With proper authorization, dues rates can also be changed any time they are changed.

To check dues rates and fund balances in WinStabs, go to the “Tools” dropdown, select “Initial Set Up Menu” and click on “Update Dues Rates & Set Fund Balances”.

Verify that the rates set on each form are correct. The beginning balances are the amounts rolled over from the previous year. The mileage rate is set by the IRS. SMART TD typically releases a memo that notifies Local Treasurers of the new rate.
To check tax rates in WinStabs, go to the “Tools” dropdown, select “Initial Set Up Menu” and click on “[Check] Rail Tax Rates” and/or “[Check] Fica Tax Rates”. (Rail Locals use both, Bus/Air Locals only use FICA).

Verify that the tax rates are correct for the year.

When to request help:

- If any of the amounts/rates are incorrect and have been posted or used to figure disbursements.
9. **Check for ledger adjustments**

If necessary, money can be transferred from one fund to another. Fund transfers should only be initiated with the guidance of a SMART TD Field Auditor and have accompanying documentation.

To look to see if any fund transfers have been processed for your Local, in WinStabs, go to the Tools drop-down > select **Transfer Funds**.

Review the funds transfer menu and look for any entries.

**When to request help:**
- If you discover any Transfer of Funds entries without proper documentation.
10. Verify that Social Security numbers and addresses for officers/members receiving salary and/or lost time payments are correct.

Obtaining accurate Social Security number (SSN) for your members can be a challenge but an accurate SSN is an absolute requirement for any wage/lost time earner. An inaccurate SSN can adversely affect retirement benefits and personal income tax records. Forms filed with incorrect SSNs may require both the Local and the wage/lost time earner to amend prior returns. Incorrect SSNs can also trigger audits from various reporting authorities.

To verify correct SSNs and addresses for wage/lost time earners, in WinStabs, go to the “Member Records” dropdown, select “View All Member Records”. If you know who your wage/lost time earners are, use the search menu to open each of their records. Wage/Lost time earners should have the wage field filled out. If they are an officer their position should be filled out as well. Verify that their SSNs and mailing addresses are correct.

It is a good idea to double check the wage/lost time earner’s individual tax rates while you are verifying SSNs too. These can be found in the “Tools/Reports” section of the Member Record.

When to request help:
- If you discover any wage/lost time earners with incorrect SSNs.