INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Frank V. Líma
General Secretary-Treasurer

Local Union Financial Audit Report and Review Guidance Document

Every IAFF Local must submit the Local Union Financial Audit Report and Review to the General Secretary-Treasurer annually as required by Article XIII, Section 9 of the IAFF Constitution and By-Laws. This document seeks to provide guidance on the submission and answer some of the most frequently asked questions.

At the top of the first page, the Local shall include its four-digit local number in the following format L0000. The *Local Name* shall be entered as it appears on the Local's charter. Industrial Locals shall be entered as I0000 and State/Provincial Associations as A0000. The Fiscal Year ended shall include the month, day, and year; for example, September 30, 2023 would be correct.

On the front of the form

Each of the 17 questions on the front of the report shall be answered by marking the YES or NO box. If there are any boxes that are marked NO, please provide an explanation on a separate sheet.

For questions 13 and 14, if the principal officers have downloaded the IAFF's Local Union Financial Responsibilities Manual and Manual of Common Procedures or are in the process of reviewing them, please make note of that as well. If others within the local leadership have reviewed the documents, please highlight that information too.

Question 15 references the Labor Organization Bond. The Labor-Management Reporting and Disclosure Act (LMRDA) requires locals representing private employers in the US to have a bond in the amount of 10% of assets. IAFF affiliates in the US and Canada representing only municipal, county and/or state/provincial employees are not required by law to maintain that level bonding, but it is considered a best practice to maintain that level of bond for all locals.

The Director's and Officer's Insurance information asked about in question 15 can be obtained by reaching out to the IAFF-FC. Note: The IAFF General Secretary-Treasurer (GST) is also the Chief Financial Officer of the IAFF-FC. You can be connected to the IAFF-FC through the Office of the GST.

As noted, please attach any tax form or government-required filing to the report.

- For US Locals, this includes all 990 forms and LM forms (if applicable). Please also include a copy of your EIN filing form (only if you received a new EIN this year).
- For Canadian Locals, this includes T1044 and any GST/HST filing form.

On the rear of the form

Under Revenue

Initiation fees (line 1) include any fees collected for the purpose of joining the IAFF or any affiliate, including IAFF state/provincial associations or other labor councils (AFL-CIO, CLC, etc).

Per Capita (line 2) shall include any dues collected from members whether it is then passed through to the IAFF or another affiliate or stays within the local treasury.

Interest (line 3) is any interest earned on any accounts of the Local including benevolent funds.

Other revenue (line 4) shall include any fundraisers, t-shirt sales, pop funds, or any other funds collected by the local that do not fit the categories listed above. When submitting a list of this other revenue, please include totals along with a brief description.

Under Expenses

Salaries and payroll (line 9) is something many locals will not have any amount to enter. Those that do shall include payroll taxes and any benefits, excluding travel expenses such as per diem.

Per Capita Tax and fees (line 10) shall account for IAFF per capita and the per capita paid to any affiliate, including state/provincial associations. Initiation fees paid to the IAFF or the state/provincial association shall be included on this line.

Other expenses (line 11) shall include rent, utilities, office supplies, subscriptions, equipment, printing, charitable donations etc. When submitting a list of these other expenses, please include total dollar amounts along with a brief description.

Under Assets and Liabilities

Cash, savings, and investments (line 13) shall include all accounts of the local. Accounts to include are checking and savings accounts, money market accounts, certificates of deposit, and any investments under management.

Land and buildings (line 14 is self-explanatory and will likely be a zero answer for most locals).

Other assets (line 15) shall also be listed with a total dollar amount and a brief description on a separate attachment.

The purpose of this form is to encourage the local to conduct a review of its financial health by a group that is independent of its principal officers. As such, it is preferred that those submitting this form be elected trustees or members of an audit/finance committee. If no such positions exist in the local, two members at large can fill out and submit the form. If your local is interested in establishing a board of trustees or an audit committee and needs assistance, please reach out to your District Vice President or the office of the General Secretary-Treasurer at gstoffice@iaff.org.

If there are additional questions or if more detailed assistance is needed in filing out this IAFF Local Union Financial Report, please reach out to the office of the GST at gstoffice@iaff.org.

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