



PA 53
“Audit”
Requirement

Public Act 53 requires...

- “By July 1 of each year, each exclusive bargaining representative that represents public employees in this state shall have an independent examiner verify the exclusive bargaining representative's calculation of all expenditures attributed to the costs of collective bargaining, contract administration, and grievance adjustment during the prior calendar year and shall file that verification with the commission. The commission shall make the exclusive bargaining representative's calculations available to the public on the commission's website. The exclusive bargaining representative shall also file a declaration identifying the local bargaining units that are represented. Local bargaining units identified in the declaration filed by the exclusive bargaining representative are not required to file a separate calculation of all expenditures attributed to the costs of collective bargaining, contract administration, and grievance adjustment. ”

Independent Examiners Verification of Union Expenditures Registration Form

- Each bargaining representative must register with the commission prior to filing their "audit".
- Complete the registration form and email a pdf copy to MERC at unionaudits@michigan.gov
- MERC will then provide each bargaining representative with a unique identifying number that must accompany any future communications or filings regarding the union audits.

Independent Examiner's Verification of Union Expenditures Registration Form

- The registration form requires you to provide the following:
 - Organization name, address and phone number
 - Information regarding the reporting designee:
 - Name, title, phone & facsimile numbers, and email address

The reporting designee will be responsible for ensuring the audit is submitted and will most likely be an Officer of the bargaining representative.

Who can be a labor organization designee for "audit" ...

- a different local treasurer
- an independent person that is not part of the reporting bargaining unit
- MEA
- an independent accounting firm

Local Treasurer or Independent Person

- Complete the Independent Examiner's Verification of Union Expenditures Coversheet or create your own form. The form must include the total expenditure amounts for collective bargaining, contract administration and grievance adjustment.
- Provide a completed form and disbursement support for review.
- Once reviewed and any necessary adjustments made, the independent examiner should provide their name, title and phone number in the space provided on the form.
- The completed form should then be emailed in pdf format to unionaudits@michigan.gov. Note, mailed, faxed or hand delivered material will not be accepted.

MEA

- Complete the Independent Examiner's Verification of Union Expenditures Coversheet
- Email completed form and disbursement support for review to PA53@mea.org
- Once reviewed and any necessary adjustments are made, the independent examiner from the finance department will sign and provide requested information.
- MEA will email completed form in pdf format to unionaudits@michigan.gov with a copy to audit designee.

Independent Accounting Firm

- Provide documentation to accounting firm as requested by firm.
- Completed form with registration number should be emailed in pdf format to unionaudits@michigan.gov. Note, mailed, faxed or hand delivered material will not be accepted.

What should be reported?

- Total calendar year expenditures related to:
 - Collective bargaining
 - Contract administration
 - Grievance adjustment

Expenditures for stipends should be broken down if necessary according to time spent on each of the above.

Conference reimbursements or expenses should be included if training was obtained on any of the above.



Do we have to file if we have no expenditures in these areas?

Yes

You will need to submit a zero dollar “audit” by July 1.



Questions?