

INDUSTRY FUND BEST PRACTICES*

1. Our local fund is set up as a common-law trust or a not-for-profit corporation.
 YES NO
2. If we are a common-law trust, we have a written trust document that spells out how the fund operates. Likewise, if we are a corporation, we have written bylaws.
 YES NO
3. The only language in our collective bargaining agreement references the existence of the Industry Fund, and requires payment by all (or almost all) signatories to the Fund. The local agreement does NOT require payment directly to the association.
 YES NO
4. There is zero involvement by the local union in the activities or administration of the Fund.
 YES NO
5. It is clearly spelled out in writing how trustees are named (and by whom).
 YES NO
6. Trustees are appointed for defined terms (even if there are no term *limits*) and the appointing body must review trustees before re-appointing them.
 YES NO
7. The number of trustees is clearly spelled out in the trust document/bylaws.
 YES NO
8. Our state law requires at least _____ meeting(s) of the trustees per year.
9. Our trustees meet the required number of times per year, with prior notice, a quorum, a written agenda, and written minutes.
 YES NO
10. SOMEWHERE in writing the PURPOSES for which the Industry Fund can spend (or not spend) money is clearly spelled out.
 YES NO
11. SOMEWHERE in writing, the trustees have authorized the transfer of monies from the trust/corporation to the association.
 YES NO
12. The Fund creates an annual budget. Some expenditures, which clearly benefit *all* contributing contractors, are paid directly out of the Fund.
 YES NO

13. The Fund does *not* reimburse the association for expenditures that benefit *only* members of the association.
 YES NO
14. SOMEWHERE in writing, the trustees have authorized the association and/or its EVP to act as the administrator of the Fund.
 YES NO
15. The trustees are insured under a Directors and Officers policy. If the association insures the trustees, the trustees are mentioned as "named insureds." The activities of the Fund have been reviewed by an insurance specialist to determine if any other coverages might be appropriate/required.
 YES NO
16. The Fund is audited at least once every three years.
 YES NO
17. The Fund has a written expense policy for trustee travel.
 YES NO
18. The assets of the Fund are kept in a separate account.
 YES NO
19. Investments of Fund reserves are kept separate (or if co-mingled to increase return, are at least tracked separately).
 YES NO
20. Contributors have access to the financial records of the Fund as described by the IRS.
 YES NO

Total Number YES _____

Total Number NO _____

Total Unknown _____

*** This document is provided as a part of a presentation by Stephen Lamb, and is intended to facilitate discussion. It is not intended to provide legal advice – questions of a legal nature should be directed to an attorney.**