

**GRADUATE TEACHING FELLOWS FEDERATION LOCAL 3544
AND AFFILIATE**

CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2022



GRADUATE TEACHING FELLOWS FEDERATION LOCAL 3544 AND AFFILIATE
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Graduate Teaching Fellows Federation Local 3544 and Affiliate
Eugene, Oregon

We have reviewed the accompanying consolidated financial statements of Graduate Teaching Fellows Federation Local 3544 and affiliate (nonprofit organizations), which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Graduate Teaching Fellows Federation Local 3544 and affiliate and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Jones & Roth P.C.

Jones & Roth, P.C.
Eugene, Oregon
May 3, 2023

The Right People Beside You.

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CONSOLIDATED FINANCIAL STATEMENTS

GRADUATE TEACHING FELLOWS FEDERATION LOCAL 3544 AND AFFILIATE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2022

	Union	Health and Welfare Trust	Eliminations	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 208,855	\$ 799,947	\$ -	\$ 1,008,802
Accounts receivable	131,712	308,601	(82,144)	358,169
Certificate of deposit	108,575	-	-	108,575
Prepaid insurance premiums	86	-	-	86
Total current assets	449,228	1,108,548	(82,144)	1,475,632
Property and equipment				
Furniture and equipment	14,457	-	-	14,457
Leasehold improvements	1,813	-	-	1,813
Accumulated depreciation	(15,601)	-	-	(15,601)
Net property and equipment	669	-	-	669
Other assets				
Security deposits	500	-	-	500
Total assets	\$ 450,397	\$ 1,108,548	\$ (82,144)	\$ 1,476,801
 Liabilities and Net Assets				
Current liabilities				
Accounts payable	\$ 9,775	\$ 164,539	\$ (82,144)	\$ 92,170
Other liabilities	4,169	6,594	-	10,763
Payroll related liabilities	3,989	-	-	3,989
Total current liabilities	17,933	171,133	(82,144)	106,922
Net assets without donor restrictions	432,464	937,415	-	1,369,879
Total liabilities and net assets	\$ 450,397	\$ 1,108,548	\$ (82,144)	\$ 1,476,801

See independent accountant's review report and accompanying notes,
which are an integral part of these consolidated statements.

GRADUATE TEACHING FELLOWS FEDERATION LOCAL 3544 AND AFFILIATE
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

	Union	Health and Welfare Trust	Eliminations	Total
Revenues, gains, and other support				
Per capita dues	\$ 502,572	\$ -	\$ -	\$ 502,572
Premium receipts	-	10,951,188	-	10,951,188
Administrative fees	102,716	-	(102,716)	-
Other income	20,536	-	-	20,536
Interest income	2,506	22	-	2,528
	<u>628,330</u>	<u>10,951,210</u>	<u>(102,716)</u>	<u>11,476,824</u>
Expenses				
Program services	594,829	10,863,067	-	11,457,896
General and administrative	24,504	107,083	(102,716)	28,871
	<u>619,333</u>	<u>10,970,150</u>	<u>(102,716)</u>	<u>11,486,767</u>
Change in net assets without donor restrictions				
	8,997	(18,940)	-	(9,943)
Net assets, without donor restrictions, beginning of year	<u>423,467</u>	<u>956,355</u>	<u>-</u>	<u>1,379,822</u>
Net assets, without donor restrictions, end of year	<u>\$ 432,464</u>	<u>\$ 937,415</u>	<u>\$ -</u>	<u>\$ 1,369,879</u>

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GRADUATE TEACHING FELLOWS FEDERATION LOCAL 3544 AND AFFILIATE
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2022

	<u>Union</u>	<u>Health and Welfare Trust</u>	<u>Total</u>
Cash flows from operating activities			
Change in net assets	\$ 8,997	\$ (18,940)	\$ (9,943)
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Depreciation expense	907	-	907
(Increase) decrease in:			
Accounts receivable	(98,036)	23,693	(74,343)
Prepaid expenses	(86)	25,581	25,495
Increase (decrease) in:			
Accounts payable	(4,784)	171,133	166,349
Payroll liabilities	<u>1,023</u>	<u>-</u>	<u>1,023</u>
Net cash provided (used) by operating activities	(91,979)	201,467	109,488
Cash flows from investing activities			
Investment in certificate of deposit	<u>(1,867)</u>	<u>-</u>	<u>(1,867)</u>
Net increase (decrease) in cash and cash equivalents	(93,846)	201,467	107,621
Cash and cash equivalents, beginning of year	<u>302,701</u>	<u>598,480</u>	<u>901,181</u>
Cash and cash equivalents, end of year	<u>\$ 208,855</u>	<u>\$ 799,947</u>	<u>\$ 1,008,802</u>

See independent accountant's review report and accompanying notes,
which are an integral part of these consolidated statements.

GRADUATE TEACHING FELLOWS FEDERATION LOCAL 3544 AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2022

	Program Services	General and Administrative	Total
Salaries and wages	\$ 158,632	\$ 8,349	\$ 166,981
Payroll taxes and benefits	66,888	3,519	70,407
Affiliation fees	248,365	-	248,365
Rent	25,993	1,368	27,361
Insurance	1,504	79	1,583
Utilities	10,286	541	10,827
Postage and shipping	238	12	250
Office supplies and expense	32,995	230	33,225
Conventions and conferences	250	-	250
Executive meetings and council meetings	14,575	-	14,575
Organizing, collective bargaining	3,395	-	3,395
Miscellaneous	59,750	-	59,750
Professional fees	300	14,728	15,028
Depreciation	862	45	907
Insurance premiums	10,833,863	-	10,833,863
	\$ 11,457,896	\$ 28,871	\$ 11,486,767

See independent accountant's review report and accompanying notes,
which are an integral part of these consolidated statements.

GRADUATE TEACHING FELLOWS FEDERATION LOCAL 3544 AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Description of Organization

The Graduate Teaching Fellows Federation Local 3544 (the Federation) is a nonprofit corporation and is the exclusive bargaining agent for graduate teaching fellows at the University of Oregon. The Federation negotiates and administers the bargaining units' employment contracts, works with the employer to settle grievances and disputes, represents employees in the bargaining unit, and maintains the associational existence of the local union. The dues collected from these professionals support the union.

Graduate Teaching Fellows Federation Health and Welfare Trust (the Trust) administers the Federation's health and welfare plan and purchases medical, dental, and vision insurance coverage under terms of the collective bargaining agreement between the Federation and the University of Oregon and assists beneficiaries in understanding and using the plan. The Trust contracts with independent insurance carriers to provide the medical, dental, and vision coverage.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Graduate Teaching Fellows Federation Local 3544 and the Graduate Teaching Fellows Federation Health and Welfare Trust (together known as the Organization). The Trust is consolidated because the Federation has both an economic interest in the Trust and control of the Trust through a majority voting interest in its governing board. All material inter-organization transactions have been eliminated. All members of the Federation are also members of the Trust. The Federation and the Trust share common facilities and personnel. The Trust pays a fee to the Federation for administering the Trust.

Basis of Accounting

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly, the consolidated financial statements reflect all significant receivables, payables, and other liabilities. U.S. GAAP requires the Organization to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. There were no net assets with donor restrictions at June 30, 2022.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Income Tax Status

The Federation is an unincorporated association exempt from state and federal income taxes to the extent of non-political deductions under Section 501(c)(5) of the Internal Revenue Code (IRC). The Trust is incorporated under the laws of the state of Oregon and is exempt from federal income taxes under IRC Section 501(c)(9). Therefore, no provision for income taxes has been made in the consolidated financial statements.

GRADUATE TEACHING FELLOWS FEDERATION LOCAL 3544 AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Cash and Cash Equivalents

Cash and cash equivalents represent deposits in checking, savings, and money market accounts. The Organization considers all investment securities with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable for the Organization is comprised primarily of amounts receivable from the University of Oregon for dues withheld from Federation member wages and the University's portion of member insurance premiums. Credit risk associated with receivables is periodically reviewed by management. Management considered accounts receivable fully collectible at June 30, 2022; therefore, no allowance has been recorded. Accounts receivable balances at the beginning and end of the fiscal year are as follows:

Accounts receivable, beginning of year	\$	365,970
Accounts receivable, end of year	\$	358,169

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 are capitalized. Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets, which range from five to seven years.

Certificate of Deposit

The Organization holds a certificate deposit which matures October 2022. The certificate of deposit asset is recorded at cost plus interest earned.

Revenue Recognition

The Federation recognizes dues revenue from its members when earned, generally on a monthly basis as services are provided to members which is considered satisfaction of the performance obligation. The Trust recognizes insurance premium receipts revenue on a monthly basis as members are provided access to insurance, which is considered satisfaction of the performance obligation under the terms of the written contract with the University of Oregon and the implied contract with the members. There are no elements of variable consideration in the contracts. Revenue is considered without restrictions and is recorded as such in the consolidated statement of activities.

Expense Allocation

Expenses are categorized as either program services or general and administrative. Program services include direct and indirect costs related to providing services and performing activities to support the purpose for which the Organization exists. General and administrative expenses include costs related to supporting activities. Expenses are allocated directly or indirectly, according to estimated time incurred by the Organization's employees related to these areas.

GRADUATE TEACHING FELLOWS FEDERATION LOCAL 3544 AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

3. Per Capita Dues

Per capita dues are set forth in the Federation’s bylaws as determined by a vote of the membership. Currently, per capita are 2.10 percent for monthly income below \$1,110, 2.2 percent for monthly income between \$1,111 and \$1,944 and 2.3 percent for monthly income \$1,945 or higher of each Teaching Fellow’s gross wages per month.

4. Leases

Effective January 1, 2016, the Federation entered into a long-term lease agreement that expires December 31, 2027, with options to renew for subsequent terms. Rental expense under this lease was \$27,361 for the year ended June 30, 2022. Future minimum lease payments required under the existing lease agreement are as follows:

Year Ending June 30,		
2023	\$	25,685
2024		24,179
2025		24,663
2026		25,156
2027		25,659
Thereafter		12,956
Total	\$	138,298

5. Labor Force

The Federation is a proponent of organized labor, and accordingly, hires members of the Graduate Teaching Fellow Federation Staff Union (Union) to work in its organization. The collective bargaining agreement between the Federation and the Union was in effect through June 15, 2023.

6. Employee Benefits

The Federation sponsors an unfunded, untrusted employee medical reimbursement program. Any part of the benefit not used to reimburse employee medical expenses reverts to the employee upon leaving the employ of the Federation.

As of June 30, 2022, accrued expenses included separation allowances payable in lieu of unused vacation and holiday wages to Federation employees in the amount of \$4,169.

GRADUATE TEACHING FELLOWS FEDERATION LOCAL 3544 AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

7. Concentrations of Deposit and Credit Risk

Financial instruments that potentially subject the Organization to concentrations of deposit and credit risk consist primarily of cash and cash equivalents and accounts receivable. The Organization places its cash primarily with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA). Amounts in excess of FDIC/NCUA coverage limits are not insured. Throughout the year cash and cash equivalent balances may periodically exceed FDIC/NCUA coverage based on the balance held by the financial institution. At June 30, 2022, the Federation had no uninsured cash and certificate of deposit balances. At June 30, 2022, the Trust had an uninsured cash balance of \$554,705.

As of June 30, 2022, 99.14 percent of accounts receivable for the Organization was due from the University of Oregon.

8. Retirement Plan

The Federation provides a voluntary staff retirement plan (the Plan) that is available to all Federation staff members employed at a minimum of .5 FTE. The Plan is a tax sheltered 403(b) plan. The Federation will match participant contributions dollar for dollar up to a maximum of 7 percent of participant wages. Total matching contributions made during the year ended June 30, 2022, were \$12,294.

9. Liquidity and Availability of Resources

The Organization has a policy to manage its liquidity and reserves in order to meet its needs to fund operating expenditures. At June 30, 2022, the Organization's financial assets available for general expenditures within one year are comprised of the following:

Cash and cash equivalents	\$ 1,008,802
Certificate of deposit	108,575
Receivables	<u>358,169</u>
Financial assets available for general expenditure	<u>\$ 1,457,546</u>

10. Subsequent Events

Management evaluates events and transactions that occur after the consolidated statement of financial position date as potential subsequent events. Management has performed this evaluation through the date of the independent accountant's review report.