

Fiscal Accountability: Is Your System up to Par? *Tips to Safeguard Your Org's Money*

Rick Gurba, EMT-P
President of Digital Planet, Inc.

Embezzlement of monies earned through fundraisers, bills for service, donations, grants and public funds from local government is becoming increasingly prevalent in emergency service organizations in recent years. In fact, some of these cases occur over several years and should make everyone sit up and ask the question about your organization...is our financial system up to par?

The prevalence of cases can be identified by typing key words of "embezzlement" and "fire department" or "ambulance" as into most internet search engines. The number of recent cases is staggering. They range from thousands to millions of dollars and can be found in Pennsylvania and across the United States in both large and small organizations.

A majority of the people providing bookkeeping and treasurer duties for emergency service organizations do so with the best of intent. However, organizations become complacent and often times neglect the oversight for the fiscal part of their business. The public places trust in how funds are managed, recorded and spent. A system should be in place and effectively monitored by organization leadership and boards of directors or trustees.

Emergency service organizations perform incredible services day in and day out. You train, plan, prepare, respond, debrief and maintain safety and accountability for your crews. Why isn't the same thing done when managing the money you work so hard to earn? Here are a few tips to help your organization have proper checks and balances in place to mitigate the chances of embezzlement.

1. More than one person, ideally not related to one another, should be handling your org's finances
2. Responsibilities of those handling income and expenses should be separate
3. Limit intake of cash and provide receipts for all monies received
4. Obtain fidelity bonds from your insurance company for individuals handling finances and money
5. Require two signatures on checks over \$500 and any check to company members
6. Utilize an accounting software application and computers owned by your organization
7. Conduct an annual audit of all financial records
8. Prepare an annual budget
9. Publish an annual report and distribute to the stakeholders of your organization
10. Seek professional advice and assistance when needed

Further guidance may be obtained from a local Certified Public Accountant, insurance company or business specializing in the management of finances. Also consider contacting an emergency service organization with established best practices in place.

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