



# POLICY 11 — CENTRALIZED FINANCIAL CONTROL & COMPLIANCE

Centralized Finance • Procurement Control • Audit Compliance System

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## I. PURPOSE AND COMMAND INTENT

This policy establishes the mandatory financial control framework for all districts operating under the Wisconsin EMS Honor Guard Association.

The intent of this doctrine is to:

- Preserve the Association's 501(c)(3) compliance
- Maintain absolute financial accountability across all districts
- Standardize procurement, equipment, and purchasing practices
- Ensure complete audit readiness at all times
- Eliminate financial fragmentation and unauthorized activity

All district financial operations exist solely under the authority of the State Association and shall be executed in strict accordance with this policy.

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## II. EXECUTIVE SUMMARY — OPERATING MODEL

All financial activity is centralized at the State Association level.

Districts:

- Do NOT maintain independent bank accounts
- Do NOT operate as separate financial entities
- DO maintain tracked balances via State-managed ledgers

Core Requirements:

- All funds (fundraising, donations, grants) → REMOVED immediately to State
- All spending → PRE-APPROVED through procurement system
- All payments → PROCESSED by State Treasurer
- All records → RETAINED for audit and compliance

This system ensures:

- IRS compliance
  - Financial transparency
  - Standardized operations
  - Full audit traceability
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## III. AUTHORITY AND STRUCTURE

### 3.1 Command Authority

The Executive Board retains full financial authority over all district operations.

Districts are:

- Operational subdivisions
  - NOT independent financial bodies
  - NOT authorized to act outside Association policy
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### 3.2 Centralized Finance Standard (MANDATORY)

All financial activity SHALL be processed through the State Association.

The State will maintain:



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- District-specific balance sheets
- Individual income/expense ledgers
- Centralized banking and reporting structure

This provides:

- Separation of district funds (accounting)
- Unity of control (legal/financial)

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### **IV. FUNDS CONTROL AND HANDLING**

#### **4.1 Mandatory Remittance**

District Directors SHALL:

- Submit ALL funds without delay
- Include complete supporting documentation
- Maintain zero off-system funds

Accepted documentation includes:

- Receipts
- Donor records
- Grant awards
- Event summaries
- Deposit breakdowns

Failure to comply = policy violation

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#### **4.2 Donations, Grants, and Fundraising**

ALL financial activity must:

- Use the official Association name and EIN
- Comply with IRS 501(c)(3) regulations
- Receive prior approval for grant submissions

Districts are prohibited from:

- Independent grant applications
- Unauthorized fundraising structures
- Use of alternate accounts or identities

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### **V. PROCUREMENT AND EXPENDITURE CONTROL**

#### **5.1 Absolute Rule**

**NO PURCHASES WITHOUT PRIOR APPROVAL**

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#### **5.2 Required Process**

Every expenditure MUST include:

1. Purchase Request Submission
2. Justification and operational need
3. Quote or invoice (when applicable)
4. Approval (per authority level)
5. Payment by State Treasurer

Unauthorized purchases:



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- May be denied reimbursement
  - May trigger corrective action
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## **5.3 Equipment Standardization**

All equipment SHALL:

- Meet Association specifications
- Maintain uniform appearance
- Be sourced from approved vendors

No substitutions without:

- Formal request
- Executive approval

All equipment:

- Logged
  - Assigned
  - Accountable to a custodian
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## **VI. TRANSPARENCY, REPORTING, AND OVERSIGHT**

### **6.1 Full Access Requirement**

The Executive Board maintains unrestricted access to:

- Ledgers
  - Receipts
  - Approvals
  - Invoices
  - Reports
  - Supporting documents
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### **6.2 Mandatory Reporting**

Districts SHALL submit:

- Quarterly financial reports (minimum) and Additional reports as directed.

Each report includes:

- Balance summary
  - Income/expense breakdown
  - Fundraising activity
  - Outstanding issues
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## **VII. ROLES AND RESPONSIBILITIES**

District Director

- Collect and submit all funds
  - Maintain documentation integrity
  - Initiate purchase requests
  - Support reporting and audits
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State Treasurer



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- Receive and deposit funds
  - Maintain ledgers and balances
  - Execute approved payments
  - Retain all financial records
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### **Executive Board**

- Approve expenditures and budgets
  - Enforce compliance
  - Conduct audits
  - Issue corrective actions
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### **VIII. STANDARD FINANCIAL WORKFLOW**

District → Submission → State Review → Approval → Payment → Ledger Entry → Audit  
This workflow is mandatory for ALL transactions.

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### **IX. REQUIRED RECORD SYSTEM (NON-NEGOTIABLE)**

Every transaction must include:

- Source documentation
  - Remittance form
  - Purchase request
  - Invoice/quote
  - Approval record
  - Proof of payment
  - Ledger entry
  - Quarterly summary inclusion
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### **X. ENFORCEMENT AND COMPLIANCE**

Violations of this policy may result in:

- Denial of reimbursement
  - Suspension of purchasing authority
  - Removal from position
  - Formal corrective action by the Executive Board
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### **XI. DISTRICT DIRECTOR — COMMAND QUICK GUIDE**

- Turn in ALL funds immediately
  - NEVER hold or manage funds independently
  - ALWAYS submit documentation
  - NEVER purchase before approval
  - USE standardized equipment only
  - RETAIN copies of all submissions
  - PREPARE for audit at any time
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## XII. OFFICIAL DOCTRINE DECLARATION

This document is the official financial control doctrine of the Wisconsin EMS Honor Guard Association, Inc. This doctrine is: FINAL, ENFORCEABLE, MANDATORY, NON-NEGOTIABLE.

No district, officer, or member is authorized to deviate from this system.

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## XIII. EXECUTIVE AUTHORIZATION

Approved by Order of the Executive Board

State Commander: \_\_\_\_\_ Date: \_\_\_\_\_

Executive Officer: \_\_\_\_\_ Date: \_\_\_\_\_

Treasurer: \_\_\_\_\_ Date: \_\_\_\_\_

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**Form A — District Financial Submission / Remittance Form**

*Use for fundraising proceeds, donations, grants, or other district income being turned in to the State Association.*

District		Date Submitted	
Submitted By		Phone / Email	
Type of Funds	<input type="checkbox"/> Fundraising <input type="checkbox"/> Donation <input type="checkbox"/> Grant <input type="checkbox"/> Other	Amount Submitted	
Source / Event / Donor		Date Funds Received	
Purpose / Notes			
Supporting documents attached	<input type="checkbox"/> Receipts <input type="checkbox"/> Donor list <input type="checkbox"/> Grant record <input type="checkbox"/> Event summary <input type="checkbox"/> Deposit detail	Number of pages attached	
District Director Signature		Date	
State Received By		Date Received	

Submission checklist:  Funds counted    Documentation attached    Copy retained by district    Packet sent to State

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**Form B — District Purchase Request**



*Use before any purchase is made. Unauthorized purchases may be denied reimbursement.*

District		Request Date		Needed By	
Requested By		Email / Phone		Budget Line	
Item or Service Requested					
Justification / Operational Need					
Vendor		Estimated Cost		Quote / Invoice Attached	<input type="checkbox"/> Yes <input type="checkbox"/> No
Standardized item?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Alternative requested?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Reason for exception	
District Director Approval		Date		Board Approval Required	<input type="checkbox"/> Yes <input type="checkbox"/> No
Executive Board Approval		Date		Payment Status	<input type="checkbox"/> Pending <input type="checkbox"/> Paid

Payment processing note: after approval, the invoice is paid by the State Association and filed in the district ledger.

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 Form C — Quarterly District Finance Report



*Submit quarterly, or more frequently if directed.*

District		Quarter Ending		Prepared By	
Beginning Balance		Total Income		Total Expense	
Ending Balance	Fundraising Activity Summary				
Outstanding Reimbursements / Invoices					
Equipment Purchased This Quarter					
Issues Needing Board Review					
District Director Signature		Date		State Review	

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**Form D — Executive Board Audit / Review Checklist**

*Use during periodic review, corrective action, or year-end reconciliation.*

#	Audit item	Result	Notes/corrective action
1	District funds were promptly remitted to the State Association.	<input type="checkbox"/> Pass <input type="checkbox"/> Needs follow-up	
2	Each deposit had supporting source documentation.	<input type="checkbox"/> Pass <input type="checkbox"/> Needs follow-up	
3	District ledger balances matched supporting records.	<input type="checkbox"/> Pass <input type="checkbox"/> Needs follow-up	
4	Approved purchase requests supported purchases.	<input type="checkbox"/> Pass <input type="checkbox"/> Needs follow-up	
5	Quotes or invoices were attached when required.	<input type="checkbox"/> Pass <input type="checkbox"/> Needs follow-up	
6	Payments were made by the State Association rather than the district, spending outside the process.	<input type="checkbox"/> Pass <input type="checkbox"/> Needs follow-up	
7	Equipment purchases matched approved standards and custodianship records.	<input type="checkbox"/> Pass <input type="checkbox"/> Needs follow-up	
8	Quarterly reports were submitted on time.	<input type="checkbox"/> Pass <input type="checkbox"/> Needs follow-up	
9	Exceptions or corrective actions were documented.	<input type="checkbox"/> Pass <input type="checkbox"/> Needs follow-up	
10	Records were filed and accessible for board review.	<input type="checkbox"/> Pass <input type="checkbox"/> Needs follow-up	

Reviewed By		Review Date	
Overall Status	<input type="checkbox"/> Compliant <input type="checkbox"/> Minor corrections <input type="checkbox"/> Corrective action required	Follow-Up Due	