

Township Of Burt **Board and Administrative** **Policies**

Township of Burt, Alger County
PO Box 430
Grand Marais, MI 49839

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Township of Burt, Alger County

Board and Administrative Policies Manual

1. Introduction

1.1 Purpose

This policies manual is adopted to provide for the efficient and uniform application of policies and procedures in Township of Burt, Alger County, Michigan, where such procedures have not been provided for by law.

Compliance With and Enforcement of Township Policies

1.2 Elective or Appointive Positions

When a township board member or department head questions the applicability of a provision of any township policy or procedure to a particular situation, they may apply to the township board for a decision. The township board member or department head will have the opportunity to present his or her interpretation of the facts at issue and the applicable provisions of the policy or procedure before such advisory decision is made. The board may modify policy in light of facts presented.

A township board member or other elective or department head whose conduct does not comply with any township policy or procedure, including its ethical code of conduct, may be subject to actions including, but not limited to, internal reprimand, formal board censure, loss of a non-statutory committee assignment, or budget restriction, where such restriction is not prohibited by statute.

Violations of township policy may also be considered by the township board as just cause for removing members of appointive township boards and commissions from office, where removal is authorized by law.

1.3 Employees and volunteers

A township employee or volunteer who violates township policy may be subject to any of the following actions, depending on the severity of the policy violation, the number and frequency of policy violations, and the degree of adverse impact to the township or to the public:

- Counseling
- Verbal warning, accompanied by a written memo for the file
- Written reprimand
- Suspension without pay
- Termination of employment or termination of the volunteer position

1.4 Approval

The policies included in this manual were approved as official policy of the Township of Burt, Alger County on April 12, 2022. All township officials and personnel are bound by these policies, and any deviation from established policy is prohibited.

2.6 Board Consultants

The township board reserves to itself the authority to appoint the following consultants:

1. Attorney
2. Auditor
3. Engineer
4. Labor negotiator
5. Planner
6. Risk manager
7. Accountant

A letter of agreement will be executed between the board and any consultant that identifies the:

1. Term/length of the agreement
2. Services to be provided
3. Payment method (*retainer, hourly or by project*)
4. Payment schedule
5. Documentation of services provided for payment (*details to be included in statements*)
6. Method of resolving disputes
7. Township officials/employees authorized to direct work or assign tasks to consultant

2.7 Contracts

All contracts entered into on behalf of the township must be authorized by the township board. As the legal agent of the township, the supervisor has statutory authority to sign a contract that the township board has approved. The township board may direct other township board members to sign a contract that the board has authorized, in addition to or instead of, the supervisor.

2.8 Property

A township board resolution adopted by a majority of the board members serving is required for the township to acquire property for public purposes by purchase, gift, condemnation, lease, construction or otherwise, or to convey or lease township-owned property or any part of township-owned property not needed for public purposes.

A “majority of the board members serving” is calculated by taking the total number of board members and subtracting vacant positions and any member(s) abstaining on the vote. Members who are absent are counted.

2.14 Board Meeting Notices

The township clerk or deputy clerk is responsible for all regular, special and rescheduled township board meeting notice requirements in conformance with the Open Meetings Act and other state laws.

The township clerk must be responsible for seeing that notice of the time, place and reason(s) for any special meeting of the township is given to each township board member either in person or by leaving a written notice at the member's address or place of residence, at least 24 hours prior to the meeting time.

2.15 Regular Board Meeting Agenda

The township clerk must prepare the agenda and board packet at least 3 days prior to every township board meeting. Business items intended for board action may be placed on the agenda by any board member and/or department head, notifying the clerk at least 5 days prior to the meeting. Agenda items must normally be accompanied by a copy of the motion or resolution that will be placed before the board, along with background information helpful to board members for understanding the issue.

Board members who wish to bring an issue to the board's attention, but are not seeking board action, may bring up such issues under one of the report sections of the meeting.

A copy of the proposed agenda must be delivered or made available to every board member, along with all supporting documentation and correspondence addressed to the township board, prior to the board meeting.

When a need to place an item on the agenda arises after the deadline, the business item may be added to the agenda upon approval of the agenda by the board.

The proposed agenda must be approved by majority vote of board members at each board meeting.

2.16 Special Board Meeting Notice/Agenda Considerations

The purpose(s) for which a special meeting is called must be stated in the special meeting notice.

If all township board members are present at a special meeting of the township board, then the board may add any lawful business to the special meeting agenda.

If any township board member is not present at a special meeting of the township board, then the business must be limited to the purpose(s) in the special meeting notice. No other agenda items may be added.

2.17 Board Meeting Logistics

The office administrator may be responsible for determining that the township hall and the board meeting room is properly set up for a public meeting.

2.18 Board Member Meeting Conduct

All board meetings must be conducted under *Robert's Rules of Order*.

If a quorum of the township board is present, a board meeting must be called to order promptly at the time announced for the meeting.

Each board member must fully participate in board meetings by doing the following:

- Prepare for board meetings by reading their packets ahead of time in order to fully participate in discussions

- Keep track of amendments to motions
- Restate motions before they are voted upon
- Call recesses during long meetings
- Reconvene at specified time
- Adjourn the meeting

2.20 Board Member Conflict of Interest

If a township board member has a conflict of interest regarding a matter on which the township board is required to vote, the board member will disclose that interest, and the township board member must recuse him- or herself, and refrain from participation in all deliberations, discussions and voting on that matter.

2.21 Public Participation

Members of the public who wish to address the board on any matter must address the board under Public Comment. They may speak for up to 2 minutes. The amount of time may be limited pending a large volume of comments regarding one subject.

2.22 Minutes

The clerk must ensure that minutes of board meetings record:

- Time, date and place of the meeting
- Board members present and absent
- Decisions made by the board at a meeting open to the public
- Roll-call votes taken at the meeting
- The purpose or purposes for which a closed session is held

In addition to the minute's contents listed above that are required by the Michigan Open Meetings Act, the minutes may list persons who addressed the board under general public comment periods and the topic of their remarks.

The content of minutes must reflect the collective will of the township board as expressed in official board decisions.

The board must make any corrections in the minutes at the next meeting after the meeting to which the minutes refer. Corrected minutes must be available to the board 10 days before the next subsequent meeting after correction. The corrected minutes must show both the original entry and the correction.

remove members of boards, commissions and committees as the law allows. A violation of this Ethical Code of Conduct must not be considered a basis for challenging the validity of a township board or commission's decision-making authority.

3.5 Reporting Improper Actions

Suspected improper actions must be reported to the appropriate authority.

Members of the township board must intervene when actions of elected and appointed officials are brought to their attention and appear to be in violation of the Code of Ethical Conduct. A board official who is made aware of the alleged violation must report the complaint to the township board. The township board will investigate the allegation and must provide a report of their findings to the involved elected or appointed official. The report must be presented to the township board at a public meeting. The township board will accept testimony on the matter and determine whether a violation of the code has occurred.

3.6 Conduct in Compliance with Laws

Township officials, employees and volunteers must comply with the applicable provisions of state law related to conflicts of interest and state laws regulating the conduct of public officials, employees and volunteers.

3.7 Uniformity of Enforcement

Township ordinances, policies, procedures, rules and regulations must be uniformly applied and enforced, unless consideration of extenuating circumstances, unintended consequences or undue hardship is explicitly authorized in the applicable ordinance, policy, procedure, rule or regulation.

3.8 Actions Not for Personal Gain

The township board, appointees, boards and commissions, employees, and volunteers must act in the best interest of the township, rather than for personal gain.

As stewards of the public interest, members of the township board, appointees, members of boards and commissions, employees and volunteers must not appear on behalf of the private interests of third parties before the township board, or any board, commission, committee or proceeding of the township, nor shall members of boards and commissions, or committees appear before their own bodies or before the township board on behalf of the private interests of third parties on matters related to the areas of service of their bodies.

3.9 Conflict of Interest

Township officials, appointees, boards and commissions, employees and volunteers must not enter into any business relationships that would put them into conflict with their obligations to the township.

When a decision or action would create a personal financial impact, the official, appointee, employee or volunteer must promptly disclose the conflict of interest and must not, directly or indirectly, participate in the decision or in any manner influence others who participate in the decision or action. Township officials, appointees, employees and volunteers must avoid even the appearance of conflict between public duties and personal interests and activities in all township public forums, pursuant to state law and township policies and procedures.

3.16 Information Acquired

Information acquired in one's public position will not be used for personal advantage.

3.17 Community Decisions

Community service is the prevailing role and responsibility in deciding matters of public policy and conducting township operations. All decisions must consider the greater good of the entire community. The needs and concerns of the public, township officials and staff must be monitored and considered in deliberations and decisions.

Township officials and appointees must demonstrate effective approaches to solving problems. Township officials and appointees must utilize their public forum to demonstrate how individuals with differing points of view can find common ground and seek compromises that benefit the community as a whole.

3.18 Community Role Models

Township officials, appointees, boards and commissions, employees and volunteers must conduct themselves as role models for residents, business people and other stakeholders involved in public debate. Township board members must support the maintenance of a positive and constructive workplace environment for township employees, and for citizens and businesses dealing with the township. Officials must recognize their special role in dealings with township employees and must in no way create the perception of inappropriate direction to staff.

3.19 Quality of Life

Township decisions and actions must be intended to improve the quality of life in the community and must consider the unique needs of the less fortunate.

3.20 Community Commitment

The township's care for and commitment to its community members must be conveyed through township decisions and actions.

3.21 Development of Public Policy

Policy decisions of board officials and appointees will be based on the merits of the issues, will consider diversity of opinions and, whenever possible, must reflect consensus of participants.

3.22 Transparency

Board officials and appointees must publicly share substantive information that is relevant to a matter under consideration by the board or boards and commissions, which they may have received from sources outside of the public decision-making process to provide the utmost transparency.

3.23 Avoiding Undue Influence on Other Township Boards and Commissions

Because of the value of the independent advice of boards, commissions and committees to the public decision-making process, members of the township board must refrain from using their position to unduly influence the deliberations, outcomes or recommendations of board, commissions and committee proceedings.

3.32 Promises

Township officials, appointees, employees and volunteers must not make promises that one would reasonably consider as unrealistic or which there are no intentions to ultimately honor.

3.33 Commitments

Township officials, appointees, employees and volunteer commitments must be followed through, they will keep others informed, and requests for information must be promptly responded to.

3.34 Credit

Township officials, appointees, employees and volunteers will give proper credit to those who contribute to the township's successes and accomplishments.

3.35 Discussions

Township officials, appointees, employees and volunteers' discussions must focus on the merits of positions, and must not include attacks on the motives, character or personality of others.

The professional and personal conduct of township officials, appointees, employees and volunteers must be above reproach and avoid the appearance of impropriety. While recognizing First Amendment rights, all should refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of other members of the township board, other township boards, commissions and committees, employees and volunteers.

3.36 Communication of Township Positions

Township officials, appointees, employees and volunteers must represent the official policies or positions of the township board, or other township boards, commissions or committees to the best of their ability when designated as delegates for this purpose. When presenting their individual opinions and positions, it should be explicitly stated that they do not represent their board, commission or committee or the township, nor will it be inferred that they do.

Township board members must represent the official policies or positions of the township board, commission or committee to the best of their ability when designated as delegates for this purpose. When presenting their individual opinions and positions, officials must explicitly state they do not represent the township board or the township.

3.37 Meeting Attendance

Township officials, appointees, employees and volunteers must come to meetings on time and be prepared to deliberate and make decisions.

3.38 Meeting Attendance—Decorum

Township officials, appointees, employees and volunteers must practice civility and decorum in discussions and debate. Difficult questions, tough challenges to a particular point of view, and criticism of the ideas and information are legitimate elements of a free democracy in action. Township officials, appointees, employees and volunteers will be respectful of diverse opinions.

Board members must honor the role of the supervisor in maintaining order and ensuring equal opportunity to provide input on matters of public policy. Board members will respect the role of the supervisor as moderator to focus discussion on current agenda items. Objections to the supervisor's actions should be voiced politely and with reason.

- Summarizes the major changes in priorities or service levels from the current year and the factors leading to those changes
- Identifies the priorities and key issues for the new budget period
- Identifies and summarizes major financial factors and trends affecting the budget, such as economic factors; long-range outlook; significant changes in revenue collections, tax rates or other changes; current and future debt obligations; and significant use of or increase in fund balance or retained earnings

Budget Adoption

4.6 Adoption

Prior to the beginning of each fiscal year, the township board must annually adopt a budget using a departmental method of adoption unless otherwise directed in the General Appropriations Act.

The board must monitor and amend the budget as needed to approve and control all expenditures.

4.7 Designation of Budget Officer

The supervisor, or a delegated board member, must be the township budget officer and must be responsible for the development and administration of the township budget.

4.8 Budget Monitoring

The township must use the following approaches to monitor the budget, as recommended by the Government Finance Officers Association:

- The board must establish measures of annual progress. These measures should spell out the expected results and outcomes and how they will be measured.
- The board must use periodic financial reporting and performance measures to compare actual versus budgeted results.
- The board must communicate performance results so that township personnel and the public will be informed of the results in an understandable format.

Capital Improvement Planning

4.11 Budget

The capital improvement budget must constitute those projects programmed for the first fiscal year of the six-year CIP. This capital improvement budget is enacted as a part of the annual budget adopted by the township board and will be the basis upon which funds are appropriated during the budget year for identified projects.

4.12 Project Requests

Department heads and elected officials must submit any suggested projects to be included in the capital improvement plan to the responsible party, who must develop a capital improvement plan that includes the following information on each project:

1. Priority of need within the requesting department
2. Justification for priority ranking
3. Estimated year project to commence
4. Estimated year project should be completed
5. Total estimated acquisition or construction cost
6. Proposed method of financing acquisition or construction
7. Annual debt service requirements of the project
8. Estimated annual operating expenses after completion
9. Method of financing operating expenses

4.22 Segregation of Duties

The functions of authorizations, recordkeeping and processing financial transactions must be segregated where possible.

4.23 Reconciliations

The cash balances of the various fund ledgers must be reconciled to the bank statements monthly. The treasurer must keep track of the total cash and investments allocable to each fund and must reconcile these amounts to each month's bank statements.

The treasurer must reconcile the cash and investments recorded in the general ledger to the bank statements directly.

Bank statements and reconciliations must be retained for audit purposes.

Cash Handling and Receipting

4.24 Receipting of Cash Receipts

The treasurer or deputy treasurer is responsible for all cash receipts. There must be a record of all individual cash transactions, including receipts in triplicate form. All cash transactions must be recorded using a sequentially pre-numbered document. The receipt must include the amount received, method of payment, name of the payer, purpose and name of staff receiving payment.

All remittance advices received must be attached to a duplicate pre-numbered document. Checks must be stamped for "deposit only" at the point and time of collection. Checks returned for insufficient funds or closed accounts should be forwarded to the treasurer for reconciling.

On a daily basis, authorized individuals who receive cash must turn over all cash and a copy of all issued receipts to the treasurer intact. The amount turned over should equal the total of the cash drawer receipts for the day. The treasurer must issue a receipt to the person/department for all cash received. Each cash register should be closed out or cleared at the register every time a deposit is made.

4.25 Posting of Cash Receipts

The treasurer must provide the clerk a record of all money received and the purpose of the amount received. The clerk must be provided with a copy of voided or canceled receipts marked "voided."

The clerk will post each receipt to the receipts journal in numerical order to the proper bank account, fund and revenue account.

4.26 Deposit Procedures

Total cash collected must be reconciled to the sum of the pre-numbered receipts. The treasurer or deputy treasurer must make the actual physical deposit of all monies collected. Deposits must be made intact, with no reductions to deposits made for expenditures, and must be reconciled to official receipts. Deposit tickets (or attached listing) must list checks by name or number, and amount. Total cash collected must be deposited in the appropriate township bank account. Undeposited funds must be secured in locked safe in township offices.

Depositories

4.27 Bank Accounts

All bank accounts must be in the name of the township and the township treasurer. The use of the township's tax ID number must be strictly controlled by the treasurer, and it must not be used to open non-township bank accounts.

Tax collections must be deposited in a separate bank account in the name of the treasurer.

Bank signature cards must be kept current and the authorized signers limited to the township clerk, deputy clerk, treasurer and deputy treasurer.

(e) Mutual funds registered under the Investment Company Act of 1940, Title I of chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. However, a mutual fund is not disqualified as a permissible investment solely by reason of either of the following:

- (i) The purchase of securities on a when-issued or delayed delivery basis.
- (ii) The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned.
- (iii) The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.

(f) Obligations described in subdivisions (a) through (g) if purchased through an interlocal agreement under the Urban Cooperation Act of 1967, Public Act 7 of 1967 (Ex Sess), MCL 124.501, *et seq.*

(g) Investment pools organized under the Surplus Funds Investment Pool Act, Public Act 367 of 1982, MCL 129.111, *et seq.*

(h) The investment pools organized under the Local Government Investment Pool Act, Public Act 121 of 1985, MCL 129.141, *et seq.*

Levels of Risk

Decisions and actions involving the township's investment portfolio must meet the following criteria:

Safety: Safety of principle is the foremost objective of the township's investment practices.

Diversification: The investments must be diversified by avoiding over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities and insured certificates of deposits).

Liquidity: The investment portfolio must remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

Return on Investment: Return of investment is of secondary importance compared to safety and liquidity objectives. Investments must be selected to obtain a market average rate of return. The core of investments is limited to relatively low-risk securities.

The treasurer may elect to have certificates and other evidence of investments held by a financial institution, provided that the financial institution presents to the township treasurer on a quarterly basis, sufficient documentation and acknowledgment of the investment instruments held on behalf of the township.

Compliance with State and Federal Laws

The township must comply with all applicable statutes related to public fund investments. Any provisions of this resolution in conflict with applicable statutes is void.

4.32 Accounts Receivable

The clerk must be responsible for processing accounts receivable.

4.33 Invoice Preparation

The clerk is responsible for preparing invoices for revenues due to the township, for example: construction code (building, electrical, plumbing, mechanical), Intergovernmental contracts, Utility bills, etc.

All invoices must include a remittance advice or invoice to be returned to the township with payment. The remittance advice or invoice must include the name, amount invoiced, purpose and that payment is to be made to the township and mailed to the township treasurer.

4.34 Miscellaneous Deposits

All miscellaneous payments made to the township must be collected and receipted by the township treasurer or deputy treasurer on a timely basis.

charged. All debit card slips must include this information as well. Vouchers must also include a statement of why a slip was not obtained.

Officers and employees who use a township debit card in a manner contrary to this policy must be subject to disciplinary action, including possible termination of employment, reimbursement to the township for unauthorized expenditures, legal action or criminal liability.

Tax Account Disbursements

4.44 Tax Account Disbursements

The township treasurer must create a separate bank account in the name of the treasurer and must account for the tax fund separately from other township funds. The tax disbursements made must be compliant with Statutory Tax Collection Distribution Dates provided. A request is made by the treasurer's office to the clerk's office, where disbursement checks are issued to appropriate entity.

Expense Reimbursements

4.45 Expense Reimbursements

The township must reimburse all officials and employees for necessary expenses incurred in performing their duties. Authorization for any travel or business expense must be obtained prior to incurring the cost.

4.46 Expense Documentation and Requests

Expenses requested for reimbursement must be substantiated with actual detailed receipts or other documentation such as a mileage log. All requests for expense reimbursement must be made on the proper expense reimbursement form.

4.47 Allowed Expenses

All expenses requested for reimbursement must be for amounts that a reasonable, prudent person would conclude benefits the township. Personal expenses that are unnecessary in conducting township business, such as entertainment and alcohol consumed, must not be eligible for reimbursement. Commuting from residence to the township hall or the official or employee's official work location must not be eligible for reimbursement. Board and commission members must not receive mileage to attend board meetings that are a statutory duty of their office/position.

4.48 Travel Reimbursement

Travel must be reimbursed at the IRS mileage rate when the employee uses his or her own vehicle to conduct township business. Commuting from residence to the township hall or the employee's official work station must not be eligible for reimbursement. Township board and committee members must not receive mileage to attend board meetings that are a statutory duty of their office.

Identity Theft Prevention

4.49 Social Security Number Privacy Policy

It is the policy of the township to protect the confidentiality of Social Security numbers obtained in the ordinary course of township business from employees, vendors, contractors, customers or others. No person must knowingly obtain, store, transfer, use, disclose or dispose of a Social Security number that the township obtains or possesses except in accordance with the Michigan Social Security Privacy Act (Public Act 454 of 2004) and this privacy policy.

Social Security numbers must be collected only where required by federal and state law or as otherwise permitted by federal and state law for legitimate reasons consistent with this privacy policy.

Legitimate reasons for collecting a Social Security number include, but are not limited to:

- Applicants may be required to provide a Social Security number for purposes of a pre-employment background check.
- Copies of Social Security cards may be obtained for purposes of verifying employee eligibility for employment.
- Social Security numbers may be obtained from employees for tax reporting purposes, for new hire reporting or for purposes of enrollment in any township employee benefit plans.

prosecution of any person who knowingly obtains, uses or discloses Social Security numbers through the township for unlawful purposes.

Red Flags Rule Policy

4.59 Purpose

To establish an Identity Theft Prevention Program designed to detect, prevent and mitigate identity theft in connection with the opening of a covered account or an existing covered account and to provide for continued administration of the program in compliance with the Federal Trade Commission's Red Flags Rule (Part 681 of Title 16 of the Code of Federal Regulations) implementing Sections 114 and 315 of the Fair and Accurate Credit Transactions Act (FACTA) of 2003.

4.60 Definitions

"Identifying information" means any name or number that may be used, alone or in conjunction with any other information, to identify a specific person, including: name, address, telephone number, Social Security number, date of birth, government-issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number, unique electronic identification number, computer's Internet Protocol address, or routing code.

"Identify theft" means fraud committed or attempted using the identifying information of another person without authority.

A "covered account" means:

- An account that a financial institution or creditor offers or maintains, primarily for personal, family, or household purposes that involves or is designed to permit multiple payments or transactions. Covered accounts include credit card accounts, mortgage loans, automobile loans, margin accounts, cell phone accounts, utility accounts, checking accounts and savings accounts; and
- Any other account that the financial institution or creditor offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the financial institution or creditor from identity theft, including financial, operational, compliance, reputation or litigation risks.

A "red flag" means a pattern, practice or specific activity that indicates the possible existence of identity theft.

4.61 Identification of Red Flags

The township identifies the following red flags, in each of the listed categories:

Suspicious Documents

- Identification document or card that appears to be forged, altered or inauthentic
- Identification document or card on which a person's photograph or physical description is not consistent with the person presenting the document
- Other document with information that is not consistent with existing customer information (such as if a person's signature on a check appears forged)
- Application for service that appears to have been altered or forged

Suspicious Personal Identifying Information

- Identifying information presented that is inconsistent with other information the customer provides (example: inconsistent birth dates)
- Identifying information presented that is inconsistent with other sources of information (for instance, an address not matching an address on a credit report)
- Identifying information presented that is the same as information shown on other applications that were found to be fraudulent