

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. Township Board

2.1 Township Board Authority

The township board is empowered by the Michigan Constitution and state laws to govern Township of Burt, Alger County. The township board has the exclusive authority, subject to applicable laws, to determine the scope, quality and quantity of township programs and services, to establish parameters and expectations of employee performance and conduct, to establish its own style of governance, and to require information from township personnel necessary and convenient to monitor township operations and compliance with board policies and directives.

The township board may authorize appointed officials and employees to take such actions and make decisions that are consistent with applicable federal and state laws, local ordinances, and township board policies.

2.2 Township Board Authority is Exercised by the Board

The township board must act only at a meeting held in compliance with the Open Meetings Act.

Township board authority must be exercised only through official board decisions recorded as votes taken, directives given or consensus established by the township board at a township board meeting.

No individual, committee or organization must represent its authority or action in a matter as that of the township board unless the township board has directed the individual, committee or organization to act on the township board's behalf in that matter.

2.3 Allocation of Resources

The township board must allocate township resources through the annual adoption of the township budget and quarterly budget amendments. The board must authorize the resources necessary to fulfill the township's mission as required by law and defined in the goals identified in the township strategic plan.

2.4 Budgeting for Results and Outcomes

The township board must budget for results and outcomes by linking strategic planning, long-range financial planning, performance measures, budgeting, and evaluation. The use of resources may be linked to objectives established or reaffirmed at the beginning of the budget development process. The township board may routinely monitor, evaluate and adjust budget allocations to align township resources with the strategic plan goals and objectives.

2.5 Responsibilities of Township Board Members

Township board members must:

- Keep current on issues affecting the township
- Vote upon all motions/resolutions unless there is a conflict of interest, absence, or specific reason for abstention
- Encourage the free expression of opinion by all board members
- Assist new members in understanding their role and responsibilities as board members
- Take no individual action that will compromise the township and respect confidentiality of privileged information

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.

2.9 Stewardship

The township board delegates to township officials and employees the responsibility to protect the township's assets, through such means that include insurance, and which include its land, buildings and property, as well as protecting its image through positive public relations.

2.10 Litigation

The initiation of any lawsuit, litigation, claim for injunctive relief, writ of mandamus or other legal proceeding requires a majority vote of the township board, except when there are extenuating circumstances. The township supervisor and/or clerk is authorized to remedy the circumstances as defined in this section.

"Extenuating circumstances" are defined as an emergency situation that cannot wait until a special or regular meeting of the board or a situation in which a violation of any state, federal or local ordinance constitutes a public nuisance or otherwise endangers the public and in which the continued existence of such a condition, emergency or violation is detrimental to the health, safety and welfare of the township.

"Extenuating circumstances" also include any situation where the continued existence of any condition, emergency or violation may jeopardize the legal position of the township in securing the intended remedy in any lawsuit, litigation, claim for injunctive relief, writ of mandamus or other legal proceeding.

The township board reserves the authority to authorize and direct the course and conduct of any lawsuit, litigation, claim for injunctive relief, writ of mandamus or other legal proceeding, notwithstanding its initiation for extenuating circumstances.

Requests and/or conversations with the township attorney for advice or opinions must be conducted by two or more board members in attendance.

2.11 Board Administration

The township board must govern township administration through the adoption of policies and procedures. Board policies and procedures must define what the township is to accomplish, through the adoption of a mission statement, strategic plan, and other adopted policies and procedures, in compliance with applicable laws.

Board policies and procedures must also define the manner in which the board will conduct its business, the relationship of the board to the township officials and employees, and limitations on the actions of township officials and employees.

2.12 Direction and Control of Administration

To promote efficient administration, the township board authorizes the supervisor to provide direction and control over all township activities and functions that are not assigned by state law to another official, and to provide a liaison between the board and the various township departments within the parameters established by the township board.

2.13 Board Member Concerns Regarding Township Employees

Township board members should make all inquiries, requests or complaints about department heads or employees to the supervisor. Any directives, complaints or requests made by a board member directly to a department head or employee, other than from a board member with statutory authority over the department head or employee, must be brought to the attention of the supervisor prior to initiating any response.

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
- Help the chair keep meeting moving
- Limit remarks to issue being considered
- Ask questions for clarification
- Respect colleagues' rights
- Refrain from interrupting other speakers
- Actively listen
- Listen courteously and attentively to all public discussions before the board
- Explain reasons behind significant decisions during the discussion before voting
- Raise concerns and objections at a meeting, rather than after
- Express disagreement verbally, rather than non-verbally
- Criticize constructively and in private
- Vote with a clear audible voice

2.19 Chairing Board Meetings

All board members will be treated with equal dignity and respect, and board members must have equal access to speak and to make motions.

The supervisor is charged with ensuring that the will of the board majority prevails on decisions, while giving board members who hold to a minority view an adequate opportunity to present their positions to the other board members.

The supervisor will keep discussions focused on the agenda items.

The supervisor will relinquish the “gavel” when he or she has a personal conflict of interest or is sufficiently conflicted on an issue that impartiality cannot be assured.

The supervisor will maintain proper decorum among board members and the public audience.

The supervisor will:

- Open the meeting at the specified time
- Restate audience questions
- Apply time limits consistently

- Recognize and deal with procedural objections
- Protect members and staff from verbal attack unrelated to official duties
- 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.

3. Ethics

3.1 Code of Ethical Conduct

The township board recognizes that to carry out its mission of service to the community, the township board, officials, employees and volunteers must earn the full confidence of the Burt Township community. The residents and taxpayers expect, and are entitled to, a local government that conducts affairs in a fair, ethical, transparent and accountable manner.

To accomplish these ends, the township board expects compliance with the following Code of Ethical Conduct:

- In conducting their official duties, township officials and employees must observe both the spirit and intent of all applicable laws, township ordinances, and township policies and procedures.
- Township officials must act in a fair, impartial manner.
- Actions of officials and employees must be consistent with the township's best interests, rather than for personal gain.
- The township must practice transparency in its affairs, unless there is a legal necessity for confidentiality.
- Civility and respect will be demonstrated in all governance processes and in the delivering township programs and services.

3.2 Applicability

The Code of Ethical Conduct includes the following policies that must apply to all elected and appointed officials, employees and volunteers.

3.3 Implementation

As an expression of the standards of conduct for elected and appointed officials, employees and volunteers expected by the township, the Code of Ethical Conduct is intended to be self-enforcing. It therefore becomes most effective when everyone is thoroughly familiar with it and embraces its provisions. For this reason, ethical standards must be included in the regular orientation for township board candidates, board and commissions applicants, newly elected and appointed officials, employees and volunteers. The township board must consider recommendations for updates to the Code of Ethical Conduct and will update it as necessary.

3.4 Compliance and Enforcement

The Ethical Code of Conduct expresses standards of ethical conduct expected for township board members, appointees, boards and commissions, employees and volunteers. Each person has the primary responsibility to assure that ethical standards are understood and met, and that the public can continue to have full confidence in the integrity of government.

The chairs of boards and commissions, department heads, managers and the supervisor have the additional responsibility to intervene when an individual's actions that appear to be in violation of the Code of Ethical Conduct are brought to their attention. The township board may impose sanctions on those individuals whose conduct does not comply with the township's Ethical Code of Conduct standards, such as reprimand, formal censure, loss of seniority or committee assignment, budget restriction, termination or other sanctions as identified by the board. The township board may also have the option to

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.

3.10 Gifts and Special Benefits

Gifts and special benefits with a value of more than \$25.00 will not be accepted from vendors or others who are in a position to benefit from township decisions. Township officials, appointees, employees and volunteers must refrain from accepting any gifts, favors or promises of future benefits that might compromise their independence of judgment or action, or give the appearance of being compromised.

3.11 Township Resources

Township resources will be utilized efficiently and effectively, with waste avoided. Township officials, appointees, employees and volunteers must not use public resources that are not available to the public in general, such as township staff time, equipment, supplies or facilities, for private gain, private purposes or personal purposes.

3.12 Personal or Political Benefit

Township resources will not be used for personal or political benefit.

A member or candidate for the township board must not solicit contributions or endorsements from township appointees, employees or volunteers. This provision is not intended to interfere with an employee's right to endorse or contribute on his/her own, or to prohibit soliciting contributions or endorsements from employee bargaining units.

3.13 Maintaining the Integrity of Office

A township board member who intends to enter into an office or position that is incompatible with his or her township board office must resign from township board office by submitting a letter of resignation to the township board stating the effective date of his or her resignation.

A township board member who intends to reside permanently outside the township must resign from township board office by submitting a letter of resignation to the township board stating the effective date of his or her resignation.

3.14 Truthfulness

All information provided by township officials, appointees, boards and commissions, employees and volunteers will be truthful and complete. The township board, appointees, boards and commissions, employees and volunteers must not knowingly make false or misleading statements, or use false or misleading information as the basis for making a decision.

3.15 Confidential Information

Any mail containing confidential information must be clearly marked "CONFIDENTIAL" on the outside of the envelope. Only the addressee shall open any envelope so marked.

Confidential information must not be disclosed without legal authorization. Township officials, appointees, boards and commissions, employees and volunteers, must respect the confidentiality of information concerning the property, personnel or affairs of the township. They must neither disclose confidential information without proper legal authorization, nor use such information to advance their personal, financial or other private interests.

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.

3.24 Participation in Decision-Making

Participants to policy decisions must listen carefully to other participants and must ask questions to gain greater understanding of the positions, views and opinions of others.

Township board members and appointees must perform their duties in accordance with the processes and rules of order established by their respective board or commission while governing the deliberation of public policy issues, meaningful involvement of the public, and implementation of policy decisions of the township board.

3.25 Meeting Inclusion

Relevant staff must be included in all meetings that affect their respective departments.

3.26 Public Input

Decisions made in an open meeting must be accompanied by opportunities for public input as stated in policy and in compliance with the Open Meetings Act.

3.27 Public Involvement

Expanded opportunities for public involvement in developing and evaluating township programs and services must be actively considered by all boards, commissions and committees.

3.28 Representation of Township Interests

When representing the township on a regional or multijurisdictional board or commission and confronted with an issue that pits the township's interests against the greater interests of the broader jurisdiction, the township board must be consulted for direction and guidance. When such guidance cannot be sought, representatives of the township must consider the broader regional or statewide implications of that body's decision and issues.

3.29 Interactions with Others

Interactions with others must demonstrate fairness, respect, impartiality and equitable treatment. To provide an environment that is free from unlawful discrimination, including discrimination or harassment that is based on any legally protected status, township officials, appointees, employees, and volunteers must not engage in any form of harassment defined by township policy. Any form of discrimination or harassment that violates policy will not be tolerated. This policy forbids any unwelcome conduct that is based on an individual's age, race, religion, sex, national origin, ancestry, marital status, veteran status, physical or mental disability, legally protected medical condition or association with anyone who has, or is perceived to have, any protected characteristic, or any other basis protected by state, federal or local law.

3.30 Interactions with Citizens

Preferential consideration of the request or petition of any individual citizen or groups of citizens must not be given. No person must receive special advantages, consideration or treatment beyond those that are available to any other citizen under similar circumstances.

3.31 Responsibility of Actions

Township officials, appointees, employees and volunteers will take responsibility for their own actions and decisions.

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.

3.39 Social Media

Township elected officials and employees are free to express themselves as private citizens on social media sites to the degree that their speech does not impair working relationships of this township for which loyalty and confidentiality are important, impede the performance of duties, impair discipline and harmony among coworkers, or negatively affect the public perception of the township. Please use discretion when posting anything regarding township business to social media.

3.40 Recording (Video or audio)

Township officials and employees have a reasonable expectation of privacy. Although legal in the state of Michigan, taping or recording an individual within the workplace without their consent is not permitted. No employee or township official may record, by any means, a conversation with another employee or coworker unless all of the following criteria are met: A legitimate purpose for the recording, a recording device in plain view, and consent from all parties involved in the conversation. If any of these recordings are used for township business purposes, they become the property of Burt Township are not exempt from the Freedom of Information act.

4. Financial Administration

4.1 Financial Administration

The township adopts the Michigan Department of Treasury's *Accounting Procedures Manual* and must comply to the extent possible with both the required policies and the best practices identified in that manual.

The following policies are intended to represent compliance with the *Accounting Procedures Manual* and the Township of Burt's administrative structure and procedures. No policy manual can anticipate all possibilities that may be encountered when administering the finances of the township. The following policies establish a framework for adequate controls over the financial administration processes. When questions arise, the township board must refer to this manual and agree to a solution to the question, and add, delete or amend this manual.

Budget

4.2 Development

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

- The budget must be based on expected revenues, including base revenues, any new revenue sources and the potential use of fund balance.
- The results or outcomes that matter most to citizens will be identified, and based on that, the township board must determine what programs are most important to their constituents.
- The budget allocations must be made in a fair and objective manner.
- The board must budget available dollars to the most significant programs and activities to maximize the benefit of the available resources.

4.3 Process

The proposed budget must be developed according to the following process:

Activity

Budget policies developed by township board

Informational meeting for department heads

Department heads submit proposed revenue and expenditure plans to budget officer

Budget officer meets with department heads

Budget officer presents proposed budget to township board

Township board adopts tentative budget

Budget public hearing held by township board

General Appropriations Act adopted

4.4 Methods

The township board must use the line item approach when developing the proposed budget.

The budget must be adopted at the revenue by source and expenditures by activity level.

4.5 Format

The proposed and adopted budgets must:

- Provide financial data on revenues, other resources and expenditures for at least a three-year period, including prior year actual, current year budget and/or estimated current year actual, and proposed budget

The proposed and adopted budgets must also include a narrative that:

- 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

4.13 Public Hearing

The planning commission, or township board, must hold a public hearing on the capital improvement plan prior to submitting the capital improvement plan to the township board. The township board may hold additional hearings on the capital improvement plan.

4.14 Adoption

Prior to beginning the development of the proposed township budget for the ensuing fiscal year, the township board must adopt the capital improvement plan as recommended or following any alterations deemed advisable. All parties involved in the development of the proposed township budget must address any implications of the capital improvement plan in the proposed budget.

Audit

4.15 Audit

The township board must contract with a certified public accountant to annually audit the financial systems of the township. The audit contract may be for a period up to three years, but must not exceed the current board's term of office.

Fiduciary Bonds

4.16 Fiduciary Bonds

The township must provide a surety bond for all township officials required by law to be bonded.

Financial Reports

4.17 Periodic Expenditure and Revenue Report

The clerk must prepare a quarterly financial report for the board. The report will be current through the last day of the previous month, and must be presented to the board. The financial report for each fund will show the following information for revenues and expenditures:

1. Account number
2. Description
3. Amended budget
4. Current period
5. Year to date
6. Budget balance

4.18 Investment Performance Report

The treasurer must prepare a monthly report of all interest-bearing activities, including the name of the financial institution, type of investment, anticipated yield and date of maturity.

4.19 Summary Report of Cash Activity by Fund

The treasurer must provide the township board with a monthly summary report of cash activity by fund and a summary report of cash activity by bank account, certificate of deposit and investment account.

4.20 Financial Reports Review

The clerk must review the financial reports prior to the board meeting, and must recommend to the board any necessary budget amendments or fund transfers.

Internal Controls

4.21 Financial Employee Training

The township must provide education and training for township officials and other personnel involved in financial administration on accounting procedures, investments, budgeting and fraud prevention as annually approved in the township budget.

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.

4.28 Authorized Depositories

This policy is applicable to all public funds belonging to the township and in the custody of the township treasurer. The treasurer is authorized to deposit funds in approved financial institutions and administration of investments in conformance with state and federal law and policies as set forth in this resolution.

The treasurer must recommend financial institutions for approval for the safekeeping of township funds based on an evaluation of the performance and solvency of the institution, as well as past performance in exercising due care and prudence in managing the custody of township funds held in trust, if applicable. The treasurer must periodically evaluate approved and potential financial depositories and must make recommendations as to appropriate changes in approved depositories when warranted.

In determining safekeeping and custody qualifications, financial institutions document a minimum capital requirement of at least \$10,000,000 and at least five years of operation. All financial institutions and brokers/dealers must be pre-qualified by supplying the following:

- Audited financial statements
- Proof of NASD certification, or FDIC or NCUA insurance
- Proof of state registration

The treasurer must annually examine the financial condition and registrations of qualified financial institutions and brokers/dealers by obtaining annual updates of the information listed above.

4.29 Control of Cash and Investments

All cash and investments must be under the control of the township treasurer. No other individual must hold cash of the township or open a bank account to hold township cash or investments.

4.30 Authority to Make Bank Deposits

The township treasurer and deputy treasurer are responsible for making all bank deposits.

4.31 Notice of Investment Policy

The senior management of any firm, dealer, broker or financial institution must be given a copy of the township's investment policies prior to the treasurer investing or depositing any township funds in such institution.

Any provision of this resolution that conflicts with applicable statutory requirements and standards is void.

Investments

The treasurer may invest township funds in certificates of deposit, savings accounts, deposit accounts or depository receipts of a bank, but only if the bank, savings and loan association, or credit union meeting all criteria as a depository of public funds contained in state law. The standard of prudence to be used must be the "fiduciary" standard and must be applied in context of managing an overall portfolio.

The prior approval of the township board must be required for the treasurer to invest in any other lawful investment instruments. The township board's standard of prudence must be the "fiduciary" standard, which must be applied in context of managing an overall portfolio.

The township board may authorize the treasurer to invest in the following:

(a) Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

Commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and that matures not more than 270 days after the date of purchase.

(b) Repurchase agreements consisting of instruments listed in subdivision (a).

(c) Bankers' acceptances of United States banks.

(d) Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than 1 standard rating service.

(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.

4.35 Posting and Distribution of Accounts Receivable

A copy of all invoices or bills for money owed the township must be given to the treasurer.

The treasurer will use the invoice copy as verification when payment is received.

The clerk will use the invoice copy to record the receivables in the general ledger. Invoices are to be reconciled to the general ledger.

4.36 Accounting for Accounts Receivable

For all payments received, the clerk must credit the receivable. A listing of all amounts invoiced but not yet received must be prepared and reconciled to the general ledger.

4.37 Check Processing

Each check must be signed by the clerk or deputy clerk to document board authorization of that payment and forwarded to the treasurer's office following the board meeting at which they were approved.

The treasurer or deputy treasurer must verify that the funds are available, sign the check and distribute it.

4.38 Electronic Payments

Following township board approval or in compliance with the board policy for post-auditing payments, the clerk or deputy clerk must initiate electronic payments and the treasurer or deputy treasurer must review.

Electronic payments or ACH agreements are authorized if in compliance with the following policy provisions.

4.39 Electronic Payment (ACH) Definitions

"Automated clearing house" or "ACH" means a national and governmental organization that has authority to process electronic payments, including, but not limited to, the national automated clearing house association and the Federal Reserve System.

An "ACH arrangement" means the agreement between the originator of the ACH transaction and the receiver of an ACH transaction.

An "ACH transaction" means an electronic payment, debit or credit transfer processed through an automated clearinghouse.

An "ACH policy" means the procedures and internal controls as determined under this written policy developed and adopted by the township treasurer.

4.40 Authority to Enter into ACH Arrangements and Electronic Transfers of Public Funds

The township clerk may enter into an ACH arrangement.

4.41 Responsibility for ACH Agreements

The treasurer and the clerk are responsible for the township's ACH agreements, including payment approval, accounting, reporting and generally for overseeing compliance with the ACH policy.

The clerk must retain all ACH transaction documents and invoices for audit purposes.

4.43 Debit Card Use Policy

The clerk is responsible for issuing, accounting for, monitoring, retrieving and generally overseeing compliance with the township's debit card policy.

Township debit cards may be used only by an officer or employee of the township for the purchase of goods or services for the official business of the township.

Township officers and employees who use a township debit card must, as soon as possible, submit a copy of the vendor's debit card slip to the clerk. If no slip was obtained that described the transaction, the employee must submit a signed voucher that shows the name of vendor or entity from which goods or services were purchased, the date and the amount of the transaction, the official business that required the transaction, and the chart of account number indicating the line item to which the transaction is to be 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 other-wise 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.
- Social Security numbers may be obtained from creditors or vendors for tax reporting purposes.

4.50 Public Display

The township must not place more than four sequential digits of a Social Security number on identification cards, badges, time cards, employee rosters, bulletin boards, permits, licenses, or any other materials or documents designed for public display.

Documents, materials or computer screens that display all or more than four sequential digits of a Social Security number must be kept out of public view at all times.

4.51 Account Numbers

The township must not use all or more than four sequential digits of a Social Security number as a primary account number for an individual.

4.52 Computer Transmission

The township must not use or transmit all or more than four sequential digits of a Social Security number on the Internet or on a computer system or network unless the connection is secure or the transmission is encrypted.

4.53 Mailed Documents

Township documents containing all or more than four sequential digits of a Social Security number must be sent only in cases where state or federal law, rule, regulation, or court order or rule authorizes, permits or requires that a Social Security number appear in the document. Documents containing all or more than four sequential digits of a Social Security number that are sent through the mail must not reveal the number through the envelope window or otherwise be visible from outside the envelope or package.

4.54 Freedom of Information Act

Where all or more than four sequential digits of a Social Security number are contained within a document subject to release under the Freedom of Information Act, the Social Security number must be redacted (blacked out) or otherwise rendered unreadable before the document or copy of a document is disclosed.

4.55 Storage

All documents containing Social Security numbers must be stored in a physically secure manner. Social Security numbers must not be stored on computers or other electronic devices that are not secured against unauthorized access.

4.56 Access to Social Security Numbers

Only personnel who have legitimate business reasons to know must have access to records containing Social Security numbers. The department heads having access to records containing Social Security numbers must determine which other personnel within their departments have a legitimate reason in the township's ordinary course of business to have access to such Social Security numbers. Personnel using records containing Social Security numbers must take appropriate steps to secure such records when not in immediate use.

4.57 Disposal

Documents containing Social Security numbers must be retained in accordance with the requirements of state and federal laws. At such time as documents containing Social Security numbers may be disposed of, such disposal must be accomplished in a manner that protects the confidentiality of the Social Security numbers, such as shredding.

4.58 Unauthorized Use or Disclosure of Social Security Numbers

The township must take reasonable measures to enforce this privacy policy, and to correct and prevent the reoccurrence of any known violations. Any employee who knowingly obtains, uses or discloses Social Security numbers for unlawful purposes or contrary to the requirements of this privacy policy must be subject to discipline up to and including discharge. Additionally, certain violations of Public Act 454 of 2004, the Michigan Social Security Privacy Act, carry criminal and/or civil sanctions. The township will cooperate with appropriate law enforcement or administrative agencies in the apprehension and 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
- Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address)
- Social Security number presented that is the same as one given by another customer
- An address or phone number presented that is the same as that of another person
- A person fails to provide complete personal identifying information on an application when reminded to do so (however, by law Social Security numbers must not be required)
- A person’s identifying information is not consistent with the information that is on file for the customer

Suspicious Account Activity or Unusual Use of Account

- Change of address for an account followed by a request to change the account holder’s name
- Payments stop on an otherwise consistently up-to-date account
- Account used in a way that is not consistent with prior use (example: very high activity)
- Mail sent to the account holder is repeatedly returned as undeliverable
- Notice to the township that a customer is not receiving mail sent by the township
- Notice to the township that an account has unauthorized activity
- Breach in the township’s computer system security
- Unauthorized access to or use of customer account information

Alerts from Others

- Notice to the township from a customer, identity theft victim, law enforcement or other person that it has opened or is maintaining a fraudulent account for a person engaged in identity theft

4.62 Detecting Red Flags

New Accounts: In order to detect any of the Red Flags identified above associated with the opening of a new account, township personnel must take the following steps to obtain and verify the identity of the person opening the account:

- Require certain identifying information, such as name, date of birth, residential or business address, principal place of business for an entity, driver's license or other identification
- Verify the customer's identity (for instance, review a driver's license or other identification card)
- Review documentation showing the existence of a business entity
- Independently contact the customer

Existing Accounts: In order to detect any of the Red Flags identified above for an existing account, township personnel must take the following steps to monitor transactions with an account:

- Verify the identification of customers if they request information (in person, via telephone, via facsimile, via e-mail)
- Verify the validity of requests to change billing addresses
- Verify changes in banking information given for billing and payment purposes

4.63 Preventing and Mitigating Identity Theft

In the event township personnel detect any identified Red Flags, such personnel must take one or more of the following steps to prevent and mitigate identity theft, depending on the degree of risk posed by the Red Flag:

- Continue to monitor an account for evidence of identity theft
- Contact the customer
- Change any passwords or other security devices that permit access to accounts
- Not open a new account
- Close an existing account
- Reopen an account with a new number
- Notify the township manager for determination of the appropriate step(s) to take
- Notify law enforcement
- Determine that no response is warranted under the particular circumstances

4.64 Protect Customer Identifying Information

In order to further prevent the likelihood of identity theft occurring with respect to township accounts, the township must take the following steps with respect to its internal operating procedures to protect customer identifying information:

- Ensure that its website is secure or provide clear notice that the website is not secure
- Ensure complete and secure destruction of paper documents and computer files containing customer information
- Ensure that office computers are password protected and that computer screens lock after a set period of time
- Keep offices clear of papers containing customer information
- Request only the last four digits of Social Security numbers (if any)
- Ensure computer virus protection is up to date
- Require and keep only the kinds of customer information that are necessary for utility purposes

4.65 Program Updates

This program must be periodically reviewed and updated to reflect changes in risks to customers and the soundness of the township from identity theft. The clerk must consider the township's experiences with identity theft situation, changes in identity theft methods, changes in identity theft detection and prevention methods, changes in types of accounts the township maintains and changes in the township's business arrangements with other entities. After considering these factors, the clerk must determine

whether changes to the program, including the listing of Red Flags, are warranted. If warranted, the clerk must present the township board with his/her recommended changes and the board must make a determination of whether to accept, modify or reject those changes to the program.

Expenditure Authorization

4.66 Expenditure Authorization

The township must not be responsible for any obligations incurred by an official or employee that is contrary to the provisions of these administrative policies and procedures or any other financial administration policies adopted by the township board.

Department heads must not consider appropriations contained in the budget as a mandate to expend township funds. No obligations must be incurred against, and no payment must be made from, any appropriation account unless there is a sufficient unencumbered balance in the appropriation and sufficient funds are or will be available to meet the obligation.

The township board must exercise supervision and control to ensure that expenditures are within appropriations, and must not issue any purchase order for expenditures that exceed appropriations.

Expenditures must follow the procedures set forth in the township's expenditure control, purchasing or bidding policies.

Bids and Quotes

4.68 Dollar Threshold Requiring Written Quotations

Any purchase for goods or services exceeding a cost of \$1000.00 must require the department head to obtain as many quotes possible, or up to 3. A department head may request permission from the township board to waive the bidding requirements when there is only one known supplier or there is some other compelling reason to waive the bid procedures.

Separating the work of vendors into smaller invoices is a violation of this policy.

4.69 Dollar Threshold Requiring Sealed Bids or Request for Proposals (RFPs)

Any purchase for goods or services exceeding an estimated cost of \$15,000.00 must require the solicitation of sealed bids. The supervisor in consultation with the department head, must develop bid specifications. A department head may request permission from the township board to waive the bidding requirements when there is only one known supplier or there is some other compelling reason to waive the bid procedures.

Separating the work of vendors into smaller invoices is a violation of this policy.

4.70 Exceptions

Quotes and competitive bids are not required for the following purchases:

- Small purchases up to \$1000.00
- Sole source
- Emergency purchases

4.71 Request for Sealed Bids or RFPs

The invitation to bid or the request for proposals for services must be published in the local newspaper, posted at local township venues, posted on the township's web site.

4.72 Specifications for Requests for Proposals

In order to receive comparable and informative bids and proposals, the township must prepare comprehensive specifications for prospective candidates.

The request should state the following items:

- The length of the contract period
- Any required qualifications, such as a certified public accountant license

- If attendance is required at township board or other meetings, and the number of meetings per year
- The amount of anticipated consultation time (*such as time for phone consultations included in bid, etc.*)
- The anticipated nature and number of the activities required, such as the average number of ordinance enforcement prosecutions for an attorney, the number and type of funds to be audited for an accountant, or the number of parcels for an appraiser
- The titles of the township official(s) authorized to direct or request services
- Whether the activity, such as auditing or appraisal, is to be performed at the township hall
- That all documents and records created in a governmental function are property of the township and will be subject to the Freedom of Information Act

As appropriate, a request for proposals will ask each candidate to describe:

- The individual or firm's municipal and township experience
- Specific experience with the service or project
- The names, credentials and references of the specific individuals who will be assigned to work with the township
- Specific certification, such as certified public accountant, or memberships in an appropriate association, such as the Public Law Section of the Michigan Bar Association
- Potential conflicts of interest, such as township property owned, interest owned in businesses located in the township, or other clients who may have interests that are potentially adverse to the township
- Services to be billed above the retainer amount, including the amount charged per hour, with a maximum amount for specific types of services such as additional meetings not covered under the retainer or whether the meetings are to be billed on a per diem or hourly basis
- The individual or firm's policy regarding reimbursement for travel time, phone bills, mileage, copying, postage and other incidental expenses
- The services the township requires and if those services are to be included in a retainer

4.73 Opening of Bids or RFPs

Sealed bids or RFPs must be opened by person(s) identified in the invitation to bid or the request for proposals at the stated time and place, and any interested party may be present for the bid or RFP opening.

4.74 Board Member Interest in Bidder

Any board member or department head who has any ownership or other interest in a company submitting a bid must disclose the conflict of interest to the board, and that official must not participate in awarding the bid.

5. Personnel Administration

5.1 Authority for Personnel Matters

The township board reserves all authority to hire, supervise, provide direction, discipline and terminate employees as collectively determined by the board of trustees.

5.2 Department Head Duties

The department head must do all of the following:

1. Develop job descriptions for all township positions
2. Update job descriptions as needed, and review the accuracy and currency of all job descriptions at least once every three years
3. Recruit applicants for position vacancies
4. Provide all new employees with a current copy of the necessary procedure's manual
5. Monitor changes in state and federal law that impact on township personnel practices
6. Recommend to the township board necessary changes in personnel policies and procedures manual
7. Provide interpretations of the township personnel policies and procedures when requested by department heads or employees. The interpretation of the department head must be considered final, unless an appeal of the interpretation is filed with the township board.
8. Recommend appropriate pay grade or compensation for all employees, subject to board policies and appropriations
9. Impose employee sanctions that exceed the severity of a verbal or written warning
10. Develop and implement a standard employee evaluation form for use in periodically evaluating the performance of employees under their supervision
11. Authorize the use of extended leave by employees pursuant to the township personnel policies and procedures manual

5.3 Policy Manuals

The township board must develop, periodically update and implement a personnel policies and procedures manual to help guide the board or employee supervisors and managers in the implementation of all employee workplace issues.

The provisions of the personnel policies and procedures manual may be changed at the sole discretion of the township board. Township board members, officials and employees may submit any suggested changes or additions to these policies and procedures to the township board or the department head.

5.4 Authorized Work Force

The township board must determine the number of employees assigned to the various township offices.

The department head shall discuss the need for the new position with the township board.

The township board may accept or reject the implementation of the new position. The board must not create any new position without prior adoption of any necessary budget amendments.

5.5 Independent Contractors

The township board may hire independent contractors to provide specialized or requested services on a project or as-needed basis. All independent contractors will have the following:

- A written contract between the township and the contractor
- A federal identification number or Social Security number if a sole proprietor
- Proof of liability and worker's compensation insurance
- A completed W-9 form
- Evidence of a business (e.g., business card or current advertisement)

5.6 Volunteers

The township board may hire volunteers to provide services for civic, charitable or humanitarian reasons without promise, expectation or receipt of compensation for the services rendered. Township volunteers must be reimbursed for mileage and reasonable expenses incurred at the expense reimbursement rates and expense reimbursement policies adopted by the township board.

5.7 Equal Opportunity Employment

The township is an equal opportunity employer and must employ, promote and transfer all employees and job applicants without regard to religion, race, national origin, ancestry, sex, disability, age, marital status, height, weight, arrest record, genetic information, medical condition, requests for a protected leave, or any other protected characteristic under local, state or federal law.

5.8 Employee Selection

The township must employ, promote and transfer all employees and job applicants on the basis of merit, qualifications and competence in compliance with all applicable employment laws.

The township board must utilize the following procedures in filling any vacant employment positions:

- A notice of position vacancy must be developed, based on the current job description and discussions with the department head. The posting must provide the position title, brief description, education and experience requirements, application deadline, and the township's Equal Employment Opportunity policy.
- The position vacancy notice must be published in the local newspaper, township website, and three prominent businesses throughout the township.
- The applications or résumés submitted will be reviewed by the clerk for background checks, and the department head. A list of qualified candidates will be developed.
- Interviews will be conducted by the department head.
- The department head must select the candidate who best meets the job prerequisites for education, experience and management style, if appropriate.
- The selected candidate must be submitted to the township board.
- Following board concurrence, the candidate will be offered the position.

New employees shall be hired at the rate established by the Township Board as listed on the current fiscal year policy sheet. At no time is a department manager authorized to hire/fire employees without Township Board approval. Interviews for Department Manager positions can be conducted by the township board, by an advisory committee, or by the supervisor themselves.

In emergency situations, the Township Supervisor has the right to hire on an as needed basis, for up to 72 hours, subject to Board approval no later than the next scheduled meeting.

5.9 Employment of Relatives

The township permits the employment of qualified relatives of officials and employees.

For purposes of this policy, “relative” is defined as the following, including in-law, step or adopted relations:

- Spouse
- Child
- Parent
- Sibling
- Grandparent, grandchild
- Aunt, uncle
- First cousin, niece, nephew

The township board is responsible for, and will exercise sound business judgment in the placement of related employees in accordance with the following guidelines:

Employees who marry while employed are treated in accordance with these guidelines.

An applicant for township employment must notify the township on the application for employment, and a current employee must notify the township board in writing if a relationship identified in this policy exists.

5.10 Employee Classification

Each employee will be assigned to a particular job with its corresponding job description, pay range, and classification as follows: Exempt or Nonexempt; Full-time, Part-time, Temporary or Seasonal.

5.11 Employee Compensation

The township board must establish an equitable compensation system for township employees. The board must determine a pay range for all township positions. The township must use a compensation system that will determine the value of all jobs based on the skills, knowledge and behaviors required. The system will be designed to maintain control over compensation costs and to be objective and non-discriminatory in application and practice.

Each employee must be entitled to the annual salary or hourly wage determined by the township board and as appropriated in the township budget. Before the beginning of the next fiscal year, a policy sheet will be adopted determining appropriate compensation for each position.

5.12 Benefits

The township board, in its sole discretion, will determine what employment benefits may be provided to township officials or employees. Township board members, officials, department heads or employees may submit suggested changes or additions to the benefits to the township board.

5.13 Employee Supervision

Department heads must provide direction to employees in a manner that complies with the provisions of the township’s policies and procedures manual, employee handbook, as well as all federal and state laws, and township ordinances.

5.14 Progressive Discipline

The Township must use a progressive discipline policy, included in the Employment & Personnel Policies & Procedures manual.

Purpose- To establish rules pertaining to employee conduct, performance, and responsibilities so that all personnel can conduct themselves according to certain rules of good behavior and good conduct.

Policy- Degrees of discipline are generally progressive and are used to ensure that the employee has the opportunity to correct his or her performance. There is no set standard of how many oral warnings must be given prior to a written warning or how many written warnings must precede termination. Factors to be considered are:

- how many different offenses are involved
- the seriousness of the offense
- the time interval and employee response to prior disciplinary action(s)
- previous work history of the employee

5.15 Employee Safety

The township must provide a workplace free from recognized hazards that may cause or are likely to cause death or serious physical harm to employees. The township must provide an effective safety management program that includes both leadership and employee involvement and will provide employee training as necessary.

5.16 Non-Retaliation

The township must not tolerate retaliation against any employee or other person who, in good faith, reports a violation or perceived violation of township policies, or retaliation against any employee or other person who participates in any investigation as a witness or otherwise. Retaliation is a serious violation of this policy and is subject to discipline up to and including discharge. An employee must promptly report any acts of retaliation to his or her department head or to the supervisor.

Payroll

5.17 Payroll

The township must comply with Michigan wage and hour laws that regulate the method of payment of wages, the payment of wages upon termination of employment, allowable deductions, income tax withholding and payment of employment taxes, wage garnishments, recordkeeping and maintenance of payroll records.

5.18 Payment on Termination

An employee who voluntarily terminates employment will be paid all wages earned and due on the next regularly scheduled payday.

Discharged employees will be paid on the next regularly scheduled payday.

5.19 Time Cards

All completed time cards for non-exempt employees must be submitted to the clerk on the Monday following the end of each pay period. Time cards will be signed by both the employee and the employee's department head.

5.20 Deductions and Withholdings

The township must comply with federal and state laws regarding income tax and Social Security deductions. All voluntary deductions must be authorized in writing. The clerk must be notified at least 5 days prior to the end of the pay period of any changes in voluntary deductions or withholding allowances desired by an employee.

The township must make appropriate deductions to satisfy any court orders for garnishments or for child or spousal support orders.

5.21 Payroll Changes

A payroll change order or other documentation must be used to make any employee changes (e.g., setting or changing compensation, and deductions or withholdings) or to add a new employee to payroll. A payroll change order or other documentation must be signed by the department head.

A new employee change order must also be accompanied by the following:

- I-9 Form
- W-4 Form
- Direct deposit authorization and any other voluntary deduction forms

5.22 Pay Advances

Pay advances must not be authorized under any circumstances.

5.23 Payroll Problems

Employees must immediately notify the clerk of any problems or errors on their paychecks. A written account of the problem and its resolution must be created by the clerk.

5. Personnel Recordkeeping

5.24 Personnel Files

The township clerk must maintain a permanent personnel record of each township employee. The personnel records must be kept complete and accurate in compliance with federal and state laws and any applicable general record retention schedules adopted by the State of Michigan.

Each employee's personnel file shall contain the following:

1. Personnel data, including full name, Social Security number, current address, résumé or application submitted and physical examination (if required)
2. Performance evaluations
3. Use of authorized leaves
4. Commendations or disciplinary actions
5. Tax withholding information
6. Record of positions held
7. Insurance and pension records

5.25 Employee Access to Personnel File

Upon written request that describes the personnel record, any employee may examine the contents of his or her personnel file under the direct supervision of the clerk. If an employee demonstrates that he or she is unable to review his or her personnel record at the township, then the township, upon that employee's written request, must mail a copy of the requested record to the employee.

An employee may obtain a copy of the information or part of the information contained in the employee's personnel record.

5.26 Employer Access to Personnel Files

Board members and the department head must be allowed to view any personnel file when necessary within the scope of their authority and responsibility. Confidential information contained in a personnel file must be released to others only with written authorization of the employee.

The contents of an employee's personnel file must not be removed from the township offices by anyone.

The contents of the employee personnel files must be considered confidential.

5.27 Release of Personnel Records to a Third Party

The supervisor must review an employee or former employee's personnel record before releasing information to a third party and, except when the release is ordered in a legal action or arbitration to a

party in that legal action or arbitration, must delete disciplinary reports, letters of reprimand or other records of disciplinary action that are more than four years old.

When notice is required by law, the clerk must provide written notice to an employee or former employee of a release of the employee's personnel records.

5.28 Freedom of Information Requests for Personnel Records

Copies of documents contained in the personnel files that are requested pursuant to the Freedom of Information Act may be released only after information that is exempt from FOIA disclosure that may be contained on the document is redacted. The FOIA coordinator may contact the township attorney for advice in responding to a FOIA request involving personnel records.

6. Records Management

6.1 Applicability

This records management policy must apply to all officials, appointees, employees, agents, independent contractors and volunteers of the township. Each individual who creates, sends or receives official records is responsible for retaining those records in accordance with this policy.

6.2 Records Management Responsibilities

The clerk must be responsible for coordinating all records management procedures and activities for township offices, departments or services. Duties include the:

- Distribution of approved general record retention schedules
- Distribution of policies, guidelines and standards published by the State of Michigan, the township and other parties
- Coordinating all litigation holds to prevent the destruction of records that are relevant to a Freedom of Information Act request, investigation or litigation

6.3 Responsibility to Enforce

The clerk must ensure that township officials, appointees and employees are aware of and implement the township's record management policies. They must ensure that the township has the most updated record retention schedules that cover all records (regardless of form or format) that are created and used by the township.

The clerk must ensure that the digital files and e-mail (and other records) of former officials, appointees, employees, volunteers and consultants are retained in accordance with approved record retention schedules.

6.4 Separation from Township

Township officials, appointees, employees, volunteers and consultants/contractors must not take public records with them when they terminate office, employment or contract with the township, and they must not destroy records that have not yet fulfilled their approved retention period. The clerk is responsible for ensuring that the records, including e-mail and other digital records, of employees who are separating from the township are retained in accordance with the township's record retention policies.

6.5 Failure to Adhere to This Records Management Policy

Failure to adhere to the township's records management policies may result in applicable discipline, up to and including discharge from employment, termination of the contractor status, or termination of the volunteer relationship. Further, the removal, mutilation or destruction of public records may result in civil and criminal liability.

6.6 Records Are Maintained and Stored to Ensure Township Compliance with Law

Township officials, appointees, employees, volunteers and consultants/contractors must create, develop, organize, maintain, retain and store all township records to accommodate public inspection, FOIA compliance, record retention requirements, and minimize the township's exposure to litigation and risk.

The clerk must develop procedures to accommodate access for the purpose of public inspection of records, FOIA requests, and discovery or other litigation-related requests, when:

- Specific records are required by law or township policy to have limited access
- Specific records contain information exempt from disclosure
- Township records are kept or used in home offices

6.7 Record Retention Schedules

All township records must be retained in accordance with an approved record retention schedule. Records not listed on an approved record retention schedule are considered permanent records and may not be disposed of until a schedule is approved.

6.8 Litigation, Investigations and Freedom of Information Act Requests

The FOIA coordinator must keep a copy of all written requests for public records on file for no less than one year.

No records that are the subject of litigation, a pending investigation request or a pending FOIA request must be destroyed until the legal action or activity has ended, even if the records are otherwise scheduled for destruction pursuant to a relevant record retention schedule.

Any individual with knowledge of pending litigation, a pending investigation or a FOIA request must immediately inform the supervisor. In consultation with the township attorney, the supervisor must direct all relevant individuals to immediately cease disposal of all records relevant to the pending litigation, pending investigation or FOIA request.

If questions arise as to what records are relevant to a pending litigation, pending investigation, or FOIA request, the supervisor must direct the immediate cessation of the disposal of *all* records. The moratorium on the disposal of all records relevant to the pending litigation, pending investigation or FOIA request must remain in effect for the duration of the litigation or investigation, or until the FOIA request has been fully processed.

Inspection of Records

6.9 Public Inspection of Records

Upon receiving a verbal request to inspect township records, the township must furnish the requesting person with a reasonable opportunity and reasonable facilities for inspection and examination of its public records.

A person must be allowed to inspect public records during usual business hours, not less than four hours per day. The public does not have unlimited access to township offices or facilities, and a person may be required to inspect records at a specified counter or table, and in view of township personnel.

Township officials, appointees, staff or consultants/contractors assisting with inspection of public records must inform any person inspecting records that only pencils, and no pens or ink, may be used to take notes.

In coordination with the official responsible for the records, the clerk must determine on a case-by-case basis when the township will provide copies of original records, to allow for blacking out exempt information, to protect old or delicate original records, or because the original record is a digital file or database not available for public inspection.

The clerk is responsible for identifying if records or information requested by the public is stored in digital files or e-mail, even if the public does not specifically request a digital file or e-mail.

A person cannot remove books, records or files from the place the township has provided for the inspection.

No documents must be removed from the office of the custodian of those documents without permission of that custodian, except by court order, subpoena or for audit purposes. The official must be given a receipt listing the records being removed. Documents may be removed from the office of the custodian of those documents with permission of that custodian to accommodate public inspection of those documents.

6.10 Copies May Be Required to Enable Public Inspection of Records

In coordination with the official responsible for the records, the clerk will determine when the township will provide copies of original records, to allow for blacking out exempt information, to protect old or delicate original records, or because the original record is a digital file or database not available for public inspection.

Digital Files and E-mail Retention

6.11 E-mail Defined

Electronic mail (e-mail) is a means of exchanging messages and documents using telecommunications equipment and computers. A complete e-mail message not only includes the contents of the communication, but also the transactional information (dates and times that messages were sent, received, opened, deleted, etc., as well as aliases and names of members of groups), and any attachments.

6.12 Digital Files and E-mail Messages May Be Public Records

A digital file or e-mail message is a public record if it is prepared, owned, used, in the possession of or retained by a public body in the performance of an official function, from the time it is created.

6.13 Digital Files and E-mail Messages Are Public Property

All digital files and e-mail messages that are created, received or stored by the township are the property of the township. They are not the property of the township officials, appointees, employees, volunteers, consultants/contractors, vendors or customers. E-mail accounts are provided to township staff for conducting public business. No one should have an expectation of privacy when using the township's computer resources.

6.14 Digital Files and E-mail Retention and Disposal Schedules

Township business e-mails sent to personal account must be forwarded to office account. Digital files and e-mail must be retained according to the applicable record retention schedule for the type of record the digital file or e-mail represents.

Individual employees or consultants are responsible for deleting digital files and e-mail messages in accordance with the appropriate record retention schedule.

Record Storage and Maintenance

6.15 Record Storage

Township officials, appointees, employees, volunteers, consultants/contractors and departments must organize records to promote fast and efficient retrieval of information. Appropriate and cost-effective office equipment, indexes and tools must be used to maintain records.

The township clerk must periodically evaluate and make recommendations to the township board on the method(s) to be used to maintain and store records for their minimum retention periods. Records that will be retained for more than 10 years must be stored in an environment that facilitates the security and stability of the storage media. The township may utilize low-cost storage facilities for inactive records that have not fulfilled their retention requirements.

The clerk *must* work in conjunction with the information technology contractor to determine the most cost-effective and reliable method of maintaining digital and electronic records for their full retention period, so technology changes do not render them in accessible and unusable.

When reproducing township records for storage purposes, the township must comply with the applicable State of Michigan standards and best practices for record reproduction, as authorized by the Records Reproduction Act, MCL 24.401, *et seq.*

Records containing sensitive or confidential information must be protected against unauthorized access, especially records that are protected by state or federal laws, records containing private information, financial information, background checks, medical information and Social Security numbers. Individuals and offices must employ appropriate locks, passwords and other devices to protect the privacy of this information.

6.16 Record Disposal

Public records that have reached their minimum retention period, and which are no longer required for the efficient operation of the township, may be disposed of. All township offices must routinely review all records (regardless of format) to identify those that have fulfilled their retention requirements.

Disposal must be made by a method that is guaranteed to ensure the privacy of sensitive or confidential information. Records that contain confidential information will be disposed of in a manner that ensures they cannot be reconstructed.

- The township must destroy sensitive or confidential information by office shredder.
- The township must destroy open records by recycling or regular trash disposal.

Some records possess permanent or historical value. These records may be designated for eventual transfer to the Archives of Michigan for permanent preservation. The township must follow the Archives' procedures for transferring records.

6.17 Disaster Prevention and Recovery

Township records, books and papers must not be kept where they will be exposed to an unusual hazard of fire or theft or other damage.

In the event of damage to township records, township personnel, at the direction of the clerk:

- Determine the type of damage to records (fire, smoke, chemical, clean water, dirty water, heat, humidity)
- Determine which records have been damaged
- Determine the types of materials that have been damaged (paper, film/microfiche, computer files, CDs/DVDs, etc.)
- Begin salvage according to applicable State of Michigan standards and best practices for document salvage

7. Public Notice

7.1 Public Notice

The clerk must be responsible for giving public notice of all meetings of all public bodies of the township in conformance with the Open Meetings Act and other state laws.

The clerk must also be responsible for publishing and mailing all public notices required by state law.

Mail

7.2 Incoming Mail

The township office administrator must receive all incoming mail, and must open and date-stamp the letter or cover letter of all correspondence. Correspondence must be sorted and distributed immediately to the appropriate township department marked as such.

7.3 Township Letterhead

The township board must approve the design of all letterhead stationery. Statements made on township stationery may be construed as the official position of the township, so all officials, appointees and employees must make written statements representing the township only within the scope of their authority when using township stationery.

7.4 Outgoing Correspondence

All correspondence should be considered a public document, unless the contents are specifically excluded from disclosure by state law. Copies of correspondence will be provided to any board member or the public on request.

Department heads must provide the township board with a copy of all correspondence that addresses a citizen complaint or when the content may result in a lawsuit against the township. Where a department head is unsure of the necessity to provide the board with a copy of correspondence, department heads should err on the side of caution.

Public Contacts

7.5 Courtesy and Customer Service

The primary goal of the township is to serve the public. All officials and employees will respond to requests for township information from members of the public with courtesy and efficiency.

All officials and employees must communicate with the public in such a way as to portray the image of the township government as friendly, courteous and efficient.

All visitors to the township hall must be greeted in a friendly, helpful manner. Under the day-to-day supervision of the supervisor, the receptionist must assist the public by directing them to the appropriate official, employee or department.

Township officials and employees must make every effort to see visitors who need their assistance. When workload or other commitments do not allow for an immediate meeting, the visitor will be asked to make an appointment at a mutually convenient time.

7.6 Complaints and Problems

If an official or employee receives a citizen complaint that is outside their authority or responsibility, the official or employee must direct the citizen to the appropriate official, employee or department.

Complaints or other concerns received from a citizen must be received with courtesy. The official or employee will make every effort to resolve a complaint or problem, within the official's or employee's scope of authority. Department heads will be notified of all complaints.

The township board must also be notified in writing of any citizen complaint arising from official or employee conduct or the administration of a department or township board policy or procedure. The notice must include the name and address of the citizen, the nature of the complaint and how the complaint was resolved. The township board may make a subsequent inquiry with the citizen to determine whether the issue was resolved and whether any additional action is required.

8. Property Management

8.1 Identifying Township Assets

Assets that have a value must be identified and inventoried, and safeguarded to prevent loss.

8.2 Inventory of Assets

The clerk must maintain an inventory of the township's assets, and must add or remove assets from the inventory at the time of acquisition or disposal. Department heads must inventory all assets assigned to their department, at least annually and at the time of acquisition, and must submit the inventory to the clerk.

The inventory of assets must include the following information on each asset:

- Acquisition date
- Name and address of vendor
- Description of asset
- Responsible department
- Location
- Acquisition cost (if gift, estimated fair value at time of donation)
- Fund or cost center (from which it was purchased)
- How acquired (purchase, lease/purchase, construction, condemnation, tax foreclosure, gift)
- Estimated life
- Date and method of authorized disposition
- Permanent identification number

8.3 Lost or Damaged Township Property or Equipment

Any lost or damaged equipment must be reported immediately to the township board.

8.4 Disposal of Fixed Assets

Department heads must notify the clerk of any equipment that would be appropriate for disposal. The clerk must prepare a list of all such equipment recommended for disposal and must submit the recommended disposal of fixed assets list to the township board for approval.

The township must not make a gift or donation of township property with any remaining value.

The township board must determine, on a case-by-case basis, the method of disposal, which may include sealed bids, public auction, negotiated sale or disposal.

Township officials and employees are not eligible to purchase township fixed assets by negotiated sale without the approval of the board. An elected official must refrain from voting on any negotiated sale involving the elected official.

Intellectual Property

8.5 Intellectual Property

Documents and files written or otherwise created by township officials, appointees, employees, volunteers and consultants/contractors in connection with performing their township duties, or for the township's use, are the creative and intellectual property of the township.

Township Facilities

8.6 Township Board Authority for Township Facilities

Township facilities are public property, but they are not open to public use unless the township board has so directed. The township board must determine which township facilities will be open to public access and use, and the degree of public access and use. The township board must establish procedures for opening, closing and the security of township facilities.

8.7 Emergency Closing

The supervisor shall have the authority to close the township office in an emergency situation. Emergency situations include, but are not limited to, severe weather, failure of heating/mechanical systems, electrical failure, or any unusual situation that would either prohibit the normal operation of the township offices, or jeopardize the safety of the officials, employees or public.

If a closing is deemed necessary prior to normal business hours, the supervisor must notify the officials and employees by telephone at least one-half hour prior to the usual starting time, or as soon as possible.

8.9 Building Opening and Closing Procedures

The first person arriving each morning should make sure that:

- All public access doors are unlocked
- The copier is turned on

Prior to leaving, each employee will make his or her work station secure by checking that computers, typewriters, calculators and lights are secure, filing cabinets and cash drawers are locked, and windows and doors are locked.

Persons working after hours are responsible for turning off the lights and office machines used, and checking that all doors and windows are secure.

Outside lights must be turned on prior to any evening meeting and must be turned off by the last person leaving the meeting.

8.10 Smoking

Smoking indoors is prohibited at all township buildings and facilities. An individual must not smoke at a meeting of a township body, or in any enclosed, indoor area owned or operated by the township, including township facilities not open to the public or available only to township staff. There is no exception for private functions held at township facilities.

The township must clearly and conspicuously post “no smoking” signs or the international, “no smoking” symbol at the entrances to and in every township building, and must remove all ashtrays and other smoking paraphernalia from indoor township facility.

Township staff must inform individuals smoking in violation of this act that they are in violation of state law and subject to penalties.

Persons wishing to smoke on township property must smoke outside at least 20 feet away from any entrance. Cigarette butts and packaging must not be left on the grounds.

Security

8.11 Keys

If a key is lost, the supervisor must be informed immediately. A replacement key must be issued. If the supervisor has reason to believe that the missing key may be used for unauthorized entry, new locks will be installed.

Upon termination of employment, the employee must return his or her office keys to the township supervisor. Depending on circumstance, code entry may be changed.

No person must duplicate a key without authorization from the township supervisor or make a key available to any unauthorized person.

Each department head must determine who must be issued a key to the department's door or any secured facilities, such as a safe, cash drawer or filing cabinet, within the department.

8.12 Valuables

Township officials, appointees, employees, volunteers and consultants/contractors must not keep money or other valuables in their desks or at their work stations. The township must not be responsible for the loss of any personal property.

8.13 Safety

All township facilities will be maintained for compliance with OSHA and liability insurance standards as they apply to fire hazards, flammable materials and other safety hazards as established by board policy and procedures.

Public Use of Township Facilities

8.14 Availability

Township facilities that are open to public use must be used only in compliance with township policies and procedures.

The township board authorizes limited public access to and use of the township facilities.

8.15 Denial of Facilities

The township board reserves the right to refuse use of the facilities for cause.

8.16 Reservations

Township facilities are available for use by any individual or organization on a first-come, first-served basis. The office administrator must record each reservation on a facility calendar, on a first-come, first-served basis.

Rental agreements must be used to secure use of township facilities and to establish the terms such reservations are subject to. The rental agreement must include a waiver that will hold the township harmless for any actions related to the event. This agreement may be amended from time to time as determined appropriate by the township attorney.

Rental agreements must be made available at the township offices.

8.17 Fees and Deposits

The township board reserves the right to establish a fee schedule and periodically adjust the fees as necessary for use of township facilities by township board resolution.

Fees charged are based on a rate schedule provided at the township offices.

The fee must be paid at the time the reservation is made. In the case of a cancellation, the fee must be returned.

8.18 Damages

A damage deposit must be required.

No later than the day prior to the scheduled use, a township staff member and a representative of the renter must complete an inventory form recording the current condition of the facility. The condition inventory must be compared to the facility on the business day following the scheduled event. The deposit will be returned after the office administrator determines that damage to the facility has not occurred.

If damage to the facility has occurred, the township must use the deposit to repair the damage. If damage has occurred, the renter must be notified. The township must repair the damage, and if damages exceed the deposit, an invoice covering the cost of the repairs must be submitted to the renter for payment.

Failure to reasonably clean the facility after use must result in forfeiture of a portion of the damage deposit to pay for cleaning expenses.

8.19 Facility Use Rules-

Rules listed in the rental agreement and the following list must be followed by renter.

- No smoking is allowed within any part of the building.
- Chairs and other equipment must be returned to their place of storage by the renter.
- Floors must be swept.
- Counters and tabletops must be wiped clean.
- Any trash must be deposited appropriately.
- Kitchen equipment and utensils must be washed and returned to their original storage.

8.20 Alcoholic Beverages

If alcohol beverages will be served, the renter agrees to do so in accordance with Federal, State, and Local laws. The renter further assumes total responsibility and liability for any and all occurrences or accidents and agrees to hold harmless the township board and its employees.

Use of Township Property by Township Personnel

8.21 Personal Use of Township Property

The personal use of the township premises, equipment, machines, tools, supplies, postage or personal use of township labor, must be prohibited.

8.22 Personal Mail

Personal mail and parcels may be sent from the township office by township personnel. The sender must reimburse the township for all costs.

The township is a business address, and all mail and deliveries received at township facilities are subject to township policies regarding how mail and deliveries will be received and whether mail or deliveries will be opened by the township.

The township is a public entity, and mail and deliveries received at township facilities may be subject to public disclosure if they constitute public records. Township officials, appointees, employees, volunteers and consultants/contractors have no expectation of privacy regarding personal mail or deliveries at township facilities.

8.23 Office Supplies

Township office supplies must not be used for non-township purposes.

8.24 Vehicles

Employees may be directed by a department head to take a township vehicle to their residence due to the nature of their work, such as responding to emergency calls. Department heads may also authorize a township vehicle to be driven to and from work because of the lack of a secure place to store the vehicle during hours the office is closed. The use of a township vehicle is not an employee fringe benefit, and

personal use is prohibited. Employees may use the vehicle for personal errands, such as making a stop on the way to and from work, so long as no additional mileage or other cost is incurred to the township.

8.25 Township Facility Phone Use

Employees are permitted to make brief personal phone calls.

Cell Phone Use

8.26 Cell Phone Use

The purpose of this policy is to provide a set of guidelines governing the use by township officials or employees of township-owned or leased cellular telephones. The clerk and department head must be responsible for oversight of cell phone usage and must monitor and review such usage on a monthly basis to ensure that use is appropriate and that prudent fiscal management guidelines are followed. Department heads must be responsible for enforcing this policy and taking corrective action where there is a violation of the policy.

8.27 Type of Cell Phone

The make and model of cell phones furnished for official or employee use must be as determined by the township board. An official or employee who wishes to upgrade the phone must do so only with the approval of the township board and at their own expense.

8.28 Damaged or Lost Phone

The theft, damage to or loss of a phone must be reported to the department head or clerk within 24 hours of the event. In the first instance of phone loss or damage, the township will pay for the cost of replacement or repair. Should there be any subsequent loss or damage to the phone due to negligence of the employee, then the employee must be responsible for the cost.

Computer and E-mail Use

8.29 Computer Use

The township's computer systems (including all hardware and software) are the exclusive property of the township and are provided for creating and transmitting business-related information. The township treats all computer files, including e-mail sent or received, as business information belonging to the township. In that regard, the township has the capability and reserves the right, with or without notice, to access, monitor, review, copy or delete any computer files, including e-mail sent or received, and all website communications and/or transactions. All computer users have the responsibility to use these resources in a professional, ethical and lawful manner.

8.30 E-mail Use

Some employees may have access to the township's e-mail system for township-related purposes. When transmitting messages via e-mail, employees should consider that e-mail messages can be read by persons other than the addressee and that the message may be later disclosed to outside parties or a court in connection with litigation. The public may have a right to request a copy of e-mail sent or received via the township e-mail system. Because of these concerns, employees must maintain the highest standards of courtesy and professionalism when transmitting e-mail.

8.31 Internet

Some employees may have access to the township's Internet connection for township-related purposes. Any incidental use of the Internet for personal use must be conducted with the highest levels of professionalism.

The public may have a right to request a record of the sites an employee has visited. The township has the capability to review website access. Employees should not have any expectation of privacy regarding the websites accessed through the computer system. Computer systems may "leave tracks" at websites

8.32 Online Forums

The township recognizes that participation in some forums might be important to the performance of an employee's job. For instance, an employee might find the answer to a technical problem by consulting members of a news group devoted to the technical area. However, any messages or information sent on township-provided facilities to one or more individuals via an electronic network—for example, Internet mailing lists, bulletin boards and online services—are statements identifiable and attributable to the township. The public may have a right to request a record of messages or information sent on township-provided facilities.

8.33 Personal Use

Limited, occasional or incidental use of township computer systems for sending or receiving e-mail for personal, non-business purposes is understandable and acceptable, but such personal use must be kept to a minimum and must not interfere with work responsibilities or work time.

Employees should not expect personal files or e-mail to be protected from review by other employees. As a result, employees should not use the township computer system to create or transmit any information they wish to keep private.

8.34 Township Access to Employee Communications

Generally, electronic information created and/or communicated by an employee using e-mail, word processing, utility programs, spreadsheets, voicemail, telephones, Internet and bulletin board system access, and similar electronic media is not reviewed by the township. However, the following conditions should be noted:

Electronic communications generated by township resources are potentially subject to Freedom of Information Act requests.

The township reserves the right to gather logs for most electronic activities or monitor employee communications directly, e.g., telephone numbers dialed, websites accessed, call length, and time at which calls are made, for the following purposes:

1. Cost analysis
2. Resource allocation
3. Optimum technical management of information resources
4. Detecting patterns of use that indicate employees are violating township policies or engaging in illegal activity

The township reserves the right, at its discretion, to review any employee's electronic files and messages to the extent necessary to ensure electronic media and services are being used in compliance with the law, this policy and other township policies.

Employees should not assume electronic communications are completely private. Accordingly, if they have sensitive information to transmit, they should use other means.

8.35 Software

The unauthorized use of township software is prohibited. Employees must not make or use unauthorized copies of software programs. Employees must not install or run outside software on township computers unless approved by the township board. All outside software or documents must be virus-scanned before being installed or run on township equipment.

8.36 Procedure for Reporting Abuse of Computer Privileges or Violation of This Policy

A township official, employee or volunteer who is harassed or discriminated against through the use of the township computer system must immediately report this to the supervisor.

8.37 Violations

Any township official, employee or volunteer who abuses the privilege of their access to e-mail or the Internet in violation of this policy will be subject to corrective action, including possible termination of employment, legal action and criminal liability.

Prohibited Uses of Township Property

8.38 Prohibited Uses of Township Property

An official or employee must not use township facilities, property or equipment including, but not limited to, township mail, township websites, bulletin boards, offices, cellular or other phones, computers, e-mail, wired or wireless networks or the Internet, for the following prohibited uses:

- Visiting pornographic sites, or acquiring, possessing or transmitting pornographic, obscene or sexually harassing material
- Knowingly creating, transmitting, retrieving, circulating, publishing or storing any communication that is:
 - * Discriminatory, harassing or offensive. Offensive messages include any messages that contain sexual implications, racial slurs, gender-specific derogatory or demeaning comments, or other comments that offensively address race, age, sexual orientation, religious or political beliefs, national origin, height, weight, marital status or disability. Any unprofessional or harassing comments, regardless of whether they are covered by legally protected classifications, are prohibited.
 - * Derogatory to any individual or group
 - * Obscene, sexually explicit or pornographic
 - * Defamatory or threatening
 - * In violation of any license governing the use of software
 - * Engaged in for any purpose that is illegal or contrary to the township's policy or public interests
- Violating copyright
- Unlawfully soliciting or promoting commercial ventures, religious or political causes, or outside organizations
- Transmitting information to individuals who are not authorized to receive it
- Engaging in dialogue about confidential, proprietary or non-public information involving the township or any employee, citizen or vendor
- Except in cases in which the township board has granted explicit authorization, employees are prohibited from engaging in, or attempting to engage in:
 - * Monitoring or intercepting the files or electronic communications of other employees or third parties
 - * Hacking or obtaining access to systems or accounts they are not authorized to use
 - * Using other people's log-ins or passwords
 - * Breaching, testing or monitoring computer or network security measures
- Sending e-mail or other electronic communications that attempt to hide the identity of the sender or represent the sender as someone else
- Using electronic media and services in a manner that is likely to cause network congestion or significantly hamper the ability of other people to access and use the system

9. Capitalization Policy

9.1 Capitalization Policy

This accounting policy establishes the minimum cost (capitalization amount) that shall be used to determine the capital assets that are to be recorded in Burt Township's annual financial statements (or books)

A "Capital Asset" is defined as a unit of property that: 1) has an economic useful life that extends beyond 12 months; and 2) was acquired or produced for a cost of \$1,000 or more. Capital assets must be capitalized and depreciated for the financial statements or bookkeeping purposes.

The Township of Burt establishes \$1,000 as the threshold amount for minimum capitalization. Any items costing below this amount should be expensed in the Burt Township's financial statements or books.

All Capital assets are recorded at historical cost as of the date acquired.

Tangible assets costing below the aforementioned threshold amount are recorded as an expense for Burt Township's annual financial statements. Alternatively, assets with an economic useful life of 12 months or less are required to be expensed for the financial statement purposes, regardless of the acquisition or production costs.

Invoice substantiating an acquisition cost of each unit of property shall be retained for a minimum of four years.