

ELK RAPIDS TOWNSHIP

Board and Administrative Policies Manual

Introduction

1.1 Purpose

This policies manual is adopted to provide for the efficient and uniform application of policies and procedures in Elk Rapids Township, 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 other elective or appointive official 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 other elective or appointive official 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 appointive official 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 Non-statutory Committees

Violations of township policy and procedures may be considered by the township board as just cause for removing members of non-statutory township committees. Other actions may be taken by the township board according to the other provisions of this policy, depending on whether the committee member is a township board member, other elective or appointive official, township employee or volunteer.

1.4 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,
- Written reprimand
- Suspension without pay
- Termination of employment or termination of the volunteer position

1.5 Approval

The policies included in this manual were approved as official policy of Elk Rapids Township on May 12, 2025. All township officials and personnel are bound by these policies, and any deviation from established policy is prohibited.

Principles of Township Governance Excellence

To maintain the high standards and traditions of Michigan townships, we embrace these dynamic principles of governance excellence to guide our stewardship, deliberations, constituent services, and commitment to safeguard our community's health, safety and general welfare.

We pledge to:

- Insist on the highest standards of ethical conduct by all who act on behalf of this township.
- Bring credit, honor, and dignity to our public offices through collegial board deliberations and through diligent, appropriate responses to constituent concerns.
- Actively pursue education and knowledge, and to embrace best practices.
- Treat all persons with dignity, respect, and impartiality, without prejudice or discrimination.
- Practice openness and transparency in our decisions and actions.
- Cooperate in all reasonable ways with other government entities and to consider the impact our decisions may have outside our township's borders.
- Communicate to the public township issues, challenges, and successes, and welcome the active involvement of stakeholders to further the township's well-being.
- Strive for compliance with state and federal statutory requirements.
- Refuse to participate in any decisions or activities for personal gain, at the expense of the best interests of the township.
- Further the understanding of the obligations and responsibilities of American citizenship, democratic government, and freedom.

These principles we pledge to our citizens, our state and to our country.

MISSION STATEMENT

Elk Rapids Township recognizes its responsibilities to each of its constituents and Township officials make this pledge as a statement of the Township's values and purpose as we conduct Township business.

- Elk Rapids Township will strive to serve its Township constituents with dependable and efficient service. The highest standards and lawfully executed service will be our goal.
- Elk Rapids Township will strive to be a place where employees are encouraged to expand their knowledge and fulfill their individual potentials. One of the

Township's premier goal is to be considered an invaluable work place by each of our employees.

- Elk Rapid Township will strive to conduct its affairs in a socially responsible, lawful manner while maintaining a kind and courteous workplace.

We will always strive to utilize ethical practices and compassion for the needs of those around us and to reflect those ideals in our Township decisions.

OFFICERS AND TRUSTEES

Township Supervisor

- Moderates Township Board meetings
- Chief assessing officer (if certified)
- Secretary to the Board of Review
- Township's legal agent as provided by law
- Maintains records of Supervisor's office
- Responsible for tax allocation board budget (if applicable)
- Develops Township budget
- Appoints some commission members
- May call special meetings
- May appoint a deputy

Township Treasurer

- Collects real and personal property taxes
- Keeps an account of Township receipts (revenues) and expenditures
- Issues Township checks
- Deposits Township revenues in approved depositories
- Invests Township funds in approved investment vehicles
- Collects delinquent personal property tax

- Responsible for jeopardy assessments in collecting property tax
- Collects mobile home specific tax
- Appoints a deputy
- Posts a surety bond

Township Clerk

- Maintains custody of all Township records
- Maintains general ledger
- Prepares warrants for Township checks
- Records and maintains Township meeting minutes
 - Minutes are a synopsis of Township meetings
 - The Clerk is not required to make transcripts of Township meetings
- Keeps the Township book of oaths
- Responsible for special meeting notices
- Keeps voter registration file and conducts elections
- Keeps Township ordinance book
- Prepares financial statements
- Delivers tax certificates to the Supervisor and county clerk by September
- Appoints a deputy
- Posts a surety bond

Township Trustee

- Township legislators, required to vote on all issues (unless there's a conflict of interest)
- Co-responsible for the Township's fiduciary health
- Other duties as assigned by the Township Board

Township Board

2.1 Township Board Authority

The township board is empowered by the Michigan Constitution and state laws to govern Elk Raids Township. 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 shall act only at a meeting held in compliance with the Open Meetings Act.

Township board authority shall 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 shall represent its authority or action in a matter of 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 shall allocate township resources through the annual adoption of the township budget and periodic budget amendments. The board shall 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 shall budget for results and outcomes by linking strategic planning, long-range financial planning, performance measures, budgeting, and evaluation. The use of resources shall be linked to objectives established or reaffirmed by the beginning of the budget development process. The township board shall routinely monitor,

evaluate, and adjust budget allocations to align township resources with the strategic plan goals and objectives.

2.5 Multi-Year Budgeting

The township board shall incorporate multi-year planning and budgeting in its budgeting and strategic planning process.

2.6 Strategic Planning

The township board shall focus its administrative and budgetary deliberations at a strategic level through the adoption and updating of a strategic plan to provide long-range direction over five years.

The strategic plan shall:

- Define long-term outcomes that the township board wishes to achieve.
- Facilitate introduction of new programs or services in a logical, rational manner.
- Link program objectives to resource development
- Be adjusted annually for changes in environment.
- Be reviewed as part of the budget process to align township resources with the strategic plan goals and objectives.

2.7 Evaluating Programs and Services

The township board shall establish, monitor, and evaluate measurable objectives in the strategic plan that define when success has been achieved. The township board may utilize: (surveys, forums, benchmarking, customer satisfaction surveys, complaint reporting, direct solicitation of stakeholder views and opinions, internal reviews, etc.) to evaluate the township's programs and services.

2.8 Responsibilities of Township Board Members

Township board members shall:

- Keep current on issues affecting the township.
- Attend all board meetings unless there is a conflict or unforeseen emergency.
- Vote upon all questions unless there is a conflict-of-interest present.
- 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.

2.9 Board of 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.
4. Payment schedule.
5. Documentation of services provided for payment.
6. Method of resolving disputes.
7. Township officials/employees authorized to direct work or assign tasks to consultant.

2.10 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 member(s), superintendent, manager, attorney, other, as appropriate, to sign a contract that the board has authorized, in addition to or instead of, the supervisor.

2.11 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.

2.12 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.

2.13 Litigation

The initiation of any lawsuit, litigation, claim for injunctive relief, writ of mandamus or other legal proceedings requires a majority vote of the township board, except when there are extenuating circumstances. The supervisor 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 a 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.

Township Administration

2.14 Board Administration

The township board shall govern township administration through the adoption of policies and procedures. Board policies and procedures shall 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 shall 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.

2.15 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.

2.16 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.

Township Board Meetings

2.17 Board Meeting Notices

The township 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 shall 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 written notice at the member's address or place of residence, at least 24 hours prior to the meeting time.

2.18 Regular Board Meeting Agenda

The township clerk shall prepare the agenda and board packet at least two days prior to every township board meeting. Business items intended for board action may be placed on the agenda by any board member by notifying the clerk at least two days prior to the meeting. Agenda items shall 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.

A department head requesting to have any business placed on the proposed agenda shall notify the clerk with a cover memo and supporting documentation at least five days prior to the township board meeting.

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

A copy of the proposed agenda shall be delivered or made available to every board member, along with all supporting documentation and correspondence addressed to the township board, at least one day 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 by majority vote or general consent of the board.

The proposed agenda shall be approved by majority vote following the roll call of board members at each board meeting. The agenda shall conform to the following format:

1. Call to order.
2. Pledge to flag.
3. Roll call.

4. Approval of meeting agenda.
5. Approval of minutes. (if consent agenda is not used)
6. Approval of consent agenda. (if used)
7. Reports from board officers.
8. Correspondence.
9. Brief public comment.
10. Old business.
11. New business.
12. Extended public comment.
13. Adjournment.

2.19 Special Board Meeting Notice/Agenda Considerations

The purpose(s) for which a special meeting is called shall 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 shall be limited to the purpose(s) in the special meeting notice. No other agenda items may be added.

2.20 Board Correspondence

Board members shall receive with the board packet a copy of any written correspondence that was addressed to the board requesting board action at a regularly scheduled meeting. A motion may be made to consider the correspondence request under new business. If no motion is made to consider the request, the correspondence will be received and filed.

Informational written correspondence that does not require board action shall be summarized on the consent agenda as correspondence received, and copies shall be available to board members at the board meeting.

2.21 Consent Agenda

The clerk shall prepare a consent agenda for the board, which shall be provided to each board member prior to the meeting, as part of the meeting agenda. The consent agenda shall contain all routine items of business on which no disagreement or debate is anticipated, such as, but not limited to, the following:

1. Approval of the prior meeting minutes.
2. Receiving committee reports.
3. Receiving correspondence.
4. Financial reports.
5. Approval to pay bills
6. Introduction and first reading of ordinances.
7. Other.

Upon the request of any board member, an item shall be removed from the consent agenda and be placed on the regular agenda under new business.

Approval of all the items on the consent agenda shall be accomplished by a single majority vote to approve the items on the consent agenda.

2.22 Board Meeting Logistics

The clerk shall be responsible for determining that the township hall and the board meeting room is properly set up for a public meeting. This includes, but is not limited to, ensuring that:

- The parking lot, sidewalks, ramps, and stairs are clear of snow and ice during winter weather.
- The meeting room temperature has reached 68 degrees.
- Audio-visual equipment that may be used during the meeting is set up and tested.
- Adequate seating is available for the anticipated audience.
- Nameplates of township board members are placed on the board table.
- Copies of the proposed agenda and any other public materials are placed on a table along with any sign-in sheet and pens.
- The gavel is placed at the supervisor's seat.

2.23 Board Member Meeting Conduct

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

Each board member shall 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.

2.24 Chairing Board Meetings

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

The moderator 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 moderator will keep discussions focused on the agenda items.

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

The moderator will:

- Open the meeting at the specified time.
- Explain meeting procedures and decision-making process so that board members
- 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.

2.25 Board Member Conflict of Interest

A township board member shall vote upon all matters that require a vote of the township board unless the board member has a conflict of interest.

General law township: 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 shall recuse him – or herself, and refrain from participation in all deliberations, discussions and voting on that matter.

2.26 Public Participation

Members of the public shall have an opportunity, under Public Comment, to address the board for no more than three minutes on any matter.

Board discussion will precede public comment on items. Prior to calling for the question, the supervisor may ask any member of the public who wishes to speak on the agenda item to be recognized and no further public comment shall be entertained.

Members of the public who wish to address the board on an item not included on the agenda shall address the board under Extended Public Comment. They may speak for up to two minutes during Extended Public Comment.

2.27 Minutes

The clerk shall 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 of purposes for which a closed session is held.

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

The content of minutes shall reflect the collective will of the township board as expressed in official board decisions. Minutes shall not include personal comments or opinions of individuals unless authorized by a two-thirds vote of the township board members present.

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

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 Elk Rapids Township community. The residents and taxpayers expect, and are entitled to, a local government that conducts its 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 shall observe both the spirit and intent of all applicable laws, township ordinances, and township policies and procedures.
- Township officials shall act in a fair, impartial manner.
- Actions of officials and employees shall be consistent with the township's best interests, rather than for personal gain.
- The township shall 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 shall 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 shall be included in the regular orientation for township board candidates, board and commission applicants, newly elected and appointed officials, employees and volunteers. Township officials, appointees, employees and volunteers shall sign a statement affirming they have read and understood the Code of Ethical Conduct. In addition, the Code of Ethical Conduct shall be annually reviewed by the township board, boards and commissions, appointees, employees and volunteers. The township board shall 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 shall 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 shall be reported to the appropriate authority.

3.6 Reporting Improper Actions of Elected and Appointed Officials

Members of the township board shall 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 shall report the complaint to the Supervisor. The Supervisor will investigate the allegation and shall provide a report of their findings to the involved elected or appointed official. The report shall 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.

3.7 Conduct in Compliance with Laws

Township officials, employees and volunteers shall 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.

3.8 Uniformity of Enforcement

Township ordinances, policies, procedures, rules and regulations shall 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.

3.9 Actions Not for Personal Gain

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

3.10 Actions on Behalf of Third Parties

As stewards of the public interest, members of the township board, appointees, members of boards and commissions, employees and volunteers shall 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 the 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.

3.11 Conflict of Interest

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

3.12 Gifts and Special Benefits

Gifts and special benefits will not be accepted from vendors or others who are in a position to benefit from township decisions.

3.13 Financial Relationships

Township officials, appointees, employees and volunteers shall disclose any personal transactions, in excess of \$100.00, entered into with any vendor that also does business with the township.

3.14 Township Resources

Township resources will be utilized efficiently and effectively, with waste avoided.

3.15 Personal or Political Benefit

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

3.16 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 shall 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 of the township shall resign from township board office by submitting a letter of resignation to the township board stating the effective date of his or her resignation.

3.17 Truthfulness

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

3.18 Confidential Information

Confidential information shall not be disclosed without legal authorization.

3.19 Information Acquired

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

3.20 Community Decisions

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

3.21 Community Role Models

Township officials, appointees, boards and commissions, employees and volunteers shall conduct themselves as role models for residents, business people and other stakeholders involved in public debate. Township board members shall support the

maintenance of a positive and constructive workplace environment for township employees, and for citizens and businesses dealing with the township. Officials shall recognize their special role in dealings with township employees and shall in no way create the perception of inappropriate direction to staff.

3.22 Quality of Life

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

3.23 Community Commitment

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

3.24 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, shall reflect consensus of participants.

3.25 Participation in Decision-Making

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

3.26 Meeting Inclusion

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

3.27 Public Input

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

3.28 Public Involvement

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

3.29 Public Interactions

Interactions by the public with township processes shall be as made as stress-free as possible.

3.30 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 shall 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.

3.31 Interactions with Others

Interactions with others shall demonstrate fairness, respect, impartiality and equitable treatment.

3.32 Interactions with Citizens

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

3.33 Responsibility of Actions

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

3.34 Promises

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

3.35 Commitments

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

3.36 Credit

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

3.37 Discussions

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

3.38 Communication of Township Positions

Individuals authorized to do so will, to the best of their abilities, accurately communicate official positions of the township. Personal opinions will not be misrepresented as the official position of the township.

3.39 Meeting Attendance

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

Financial Administration

4.1 Financial Administration

The township adopts the Michigan Department of *Treasury's Accounting Procedures Manual* and shall 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 Elk Rapids Township'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 shall use the following approaches to develop the budget, as recommended by the Government Finance Officers Association:

- The budget shall 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 shall determine what programs are most important to their constituents.
- The budget allocations shall be made in a fair and objective manner.
- The board shall budget available dollars to the most significant programs and activities to maximize the benefit of the available resources.

4.3 Timetable

The proposed budget shall be developed according to the following schedule:

Activity

Budget policies developed by township board.

Informal 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 shall use the line-item approach when developing the proposed budget. The budget shall be adopted at the revenue by source and expenditures by activity level.

4.5 Format

The proposed and adopted budgets shall:

- 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 shall 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 shall annually adopt a budget using an (activity, departmental, program) method of adoption unless otherwise directed in the General Appropriations Act.

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

4.7 Designation of Budget Officer

The supervisor shall be the township budget officer and shall be responsible for the development and administration of the township budget.

4.8 Budget Monitoring

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

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

Fund Balance

4.9 Fund Balance

The township board believes that sound financial management principles require that sufficient funds be retained by the township to provide a stable financial base at all times. In order to do so, the township needs to maintain a fund balance sufficient to fund all cash flows of the township, to provide for financial reserves for unanticipated one-time expenditures, revenue shortfalls, and/or emergency needs.

The purpose of this policy is to identify the size and composition of the township’s desired fund balance for governmental funds and to identify certain requirements for classifying fund balance in accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

1. **Classifications.** The following individual components shall constitute the fund balance for all of the township’s governmental funds.

Classification	Definition	Examples
Non-spendable	Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually Required to be maintained intact.	<ul style="list-style-type: none"> ● Inventories. ● Prepaid items. ● Long-term receivables.
Restricted	<p>Fund balance should be reported as restricted when constraints placed on the use of resources are either:</p> <p>a. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or</p> <p>a. Imposed by law through constitutional Provisions or enabling legislation.</p>	<ul style="list-style-type: none"> ● Restricted by state statute ● Unspent bond proceeds. ● Grants earned but not spent. ● Taxes dedicated to a specific purpose. ● Revenues restricted by enabling legislation.
Committed <i>(unrestricted)</i>	Used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision making authority. To be classified as “committed”, formal action must be taken by the township board prior to <u>March 31st</u> of that fiscal year.	<ul style="list-style-type: none"> ● Amounts the township board sets aside by resolution.
Assigned <i>(unrestricted)</i>	amounts that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed. These amounts can be “assigned” by	<ul style="list-style-type: none"> ● Township board delegates the authority to assign fund balance to the supervisor. ● Future roads, non-motorized Transportation are examples.

Unassigned
(unrestricted)

Unassigned fund balance is the residual classification for the general fund. This is fund balance that has not been reported in any other classification. The general fund is the only fund that can report a positive unassigned fund balance. Other governmental funds would report deficit fund balances as unassigned.

Committing Fund Balance in order to commit fund balance, the township board, as the highest level of decision-making activity, must pass a resolution to commitment funds for a specific purpose. These funds must be fully expended for their committed purpose. To make committed funds uncommitted, a new resolution must be passed by the board. Action must be taken before the last day of the fiscal year to commit funds for that year.

Assigning Fund Balance in order to assign fund balance, the township board designates the supervisor as the authority to assign fund balance.

2. Levels of Fund Balance – The township will establish and maintain levels of fund balance for the general fund as follows:

The goal of the township board shall be to maintain a minimum unassigned fund balance of no less than 50% of general fund expenditures. For purposes of this calculation, “expenditures” will be the annual budgeted expenditures amount less non-recurring capital expenditures. If unassigned fund balance levels fall below 50% of expenditures, the general fund budget for the following year will be adjusted to restore fund balance to the 50% level.

If unassigned fund balance approaches a level that greatly exceeds 100% of expenditures, the township board will consider using unassigned fund balance for the following purposes: pay down future debt (drains/bonds), transfer funds to capital projects fund for future capital improvements, and other future obligations of the township.

Fund balance levels will be analyzed each fiscal year after the financial statement audit in June.

Capital Improvement Planning

4.10 Capital Improvement Plan

The township board shall be responsible for the development and updating of the township capital improvement plan, subject to final approval of the township board. The capital improvement plan will be reviewed annually, with such review completed at least two months prior to initiating the development of the proposed township operating budget.

4.11 Scope

The capital improvement plan shall address the medium – and long-range needs of the township regarding building, lands, major equipment and infrastructure. The capital improvement plan shall prioritize such needs for the next 6 years beyond the current fiscal year.

A capital improvement is defined as a major project or purchase that is generally not recurring, has a long-life expectancy, costs more than \$10,000.00 and generally fits into one of the following categories:

- Acquisition, lease or development of land.
- Construction of new buildings and facilities and/or additions, including design, engineering and other pre-construction costs. This includes major building improvements that are not routine expenses and that substantially enhance the value of a structure by adding capacity or square footage.
- Construction or extension of sewer and/or water systems.
- Construction or extension of roads or pathways.
- Acquisition of large vehicles/equipment (fire truck, ambulance, backhoe, etc.)

ELK RAPIDS TOWNSHIP FIX ASSET CAPITALIZATION POLICY

The Township of Elk Rapids will regard fixed assets as capitalized when all of the following criteria are met:

1. Assets purchased, built or leased have useful lives of one year or more.
2. The cost of the asset (including installation) is \$10,000 or more. Multiple assets whose cost is less than \$10,000 but the aggregate requestor total is \$10,000 or more are capitalized.

3. The cost of repairing or renovating the asset is \$10,000 or more and prolongs the life of the asset.

The township will regard the purchase software programs as fixed assets subject to the above capitalization policy, and will amortize over an estimated useful life of 3 years. Costs associated with software maintenance and customer support are considered expenditures and will not be capitalized.

Other Considerations:

1. REPAIR is an expenditure that keeps the property in ordinary efficient operating condition. The cost of the repair does not add to the value or prolong the life of the asset. All repair expenditures are charged to the appropriate department and fund.
2. IMPROVEMENTS are expenditures for additions, alterations and renovations that appreciably prolong the life of the asset, materially increase its value or adapt it to a different use. Improvements of the nature are capitalized.

EXAMPLES OF REPAIRS VS. IMPROVEMENTS

Repairs = Expenditures

Improvements = Capitalized Assets

All items – life less than one year

Life of more than one year

All items under \$10,000

All items \$10,000 or more

Property maintenance, wall repair

Property rebuilding

Replacement of machine parts to keep machine in normal operating condition

Replacement of motor and parts that prolong the useful life.

Property restoration (rebuilding for normal operations)

Property restoration for something different or better

Existing building repairs

Building regulation conformity

Replacement of small sections of wiring, pipes or light fixtures

Major replacement of wiring, lighting, pipes or sewer

Patching walls, minor repair of floors, painting, etc.

Installation of floor, wall, roof, wall-covering, etc.

Patching driveways

New driveway or major repair

Cleaning drapery, carpet, furniture

New drapery, carpets, furniture

DEPRECIATION METHOD – STRAIGHT LINE OVER THE FOLLOWING USEFUL LIVES:

Buildings	40-60 years
Building Improvement	15-30 years
Water and Sewer Lines	50-75 years
Roads	10-30 years, see State Recommendations attached
Infrastructure	See State Recommendations attached
Vehicles	3-5 years
Office Equipment	3-5 years
Computer Equipment	3-5 years

4.12 Budget

The capital improvement budget shall constitute those projects programmed for the first fiscal year of the six-year CIP. The capital improvement budget is enacted as 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.

4.13 Program Forms

One completed Project Request Form shall be submitted for each project being recommended for the CIP.

Departments are to prioritize their proposed projects and complete a Project Request Form for each one. The Project Request Form will be used as a tool to select projects for the draft CIP.

4.14 Project Requests

Department heads and elected officials shall submit any suggested projects to be included in the capital improvement plan to the Supervisor, who shall 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.

4.15 Public Hearing

If the township board develops the plan: The township board shall hold a public hearing on the capital improvement plan prior to adopting the plan.

4.16 Adoption

Prior to beginning the development of the proposed township budget for the ensuing fiscal year, the township board shall adopt the CIP as recommended or following any alterations the board deems advisable. All parties involved in the development of the proposed township budget shall address any implications of the CIP in the proposed budget.

Audit

4.17 Audit

The township board shall 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 shall not exceed the current board's term of office.

Fiduciary Bonds

4.18 Fiduciary Bonds

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

The township shall provide a public employee dishonesty bond for all employees authorized to handle money.

Financial Reports

4.19 Periodic Expenditure and Revenue Report

The treasurer shall prepare a monthly financial report for the board. The report will be current through the last day of the previous month, and shall be presented to the board at its first meeting of each month. 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

4.20 Periodic Balance Sheet Report

The clerk shall prepare quarterly balance sheet showing the assets, liabilities and equities for each fund.

4.21 Investment Performance Report

The treasurer shall 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.

4.22 Summary Report of Cash Activity by Fund

The treasurer shall 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.

4.23 Financial Reports Review

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

Internal Controls

4.24 Financial Employee Training

The township shall 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.

4.25 Segregation of Duties

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

4.26 Cross Training

Bookkeeping duties shall be periodically shifted between two or more employees (e.g., during vacations, etc.)

4.27 Reconciliations

The cash balances of the various fund ledgers shall 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.

A listing of all cash and investments, along with a copy of the bank reconciliations, must be provided by the treasurer each month.

The clerk must reconcile the cash and investments recorded in the general ledger to either the treasurer's reconciliation or to the bank statements directly.

Bank statements and reconciliations shall be retained for audit purposes.

Cash Handling and Receipting

4.28 Authorization to Receive Cash

The following employee positions are authorized to receive cash:

Clerk, deputy clerk, treasurer, deputy treasurer

4.29 Imprest Cash (Change Drawer)

The township treasurer shall maintain an imprest cash fund to exchange currency in order to make change for a cash financial transaction.

Optional: Petty Cash

The township treasurer shall maintain a petty cash fund to provide for the immediate purchase of emergency materials, supplies or service only. Routine or other non-emergency purchases shall not be made from the petty cash fund. The purchase requisition/purchase order procedure is required for all normal purchases.

Loans, cash advances, making change and personal check cashing are prohibited. Cash refunds shall not be issued for overpayments at the time of occurrence (*i.e., either a credit should be issued or a check refund generated through accounts payable*).

4.30 Receipting of Cash Receipts

The treasurer (*or other position, if authorized by the treasurer*) is responsible for all cash receipts. There must be a record of all individual cash transactions. All cash transactions must be recorded using a sequentially pre-numbered document. The receipt shall include the amount received, method of payment, name of the payer, purpose and name of staff receiving payment.

All remittance advices received shall 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 shall 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 shall 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.

4.31 Posting of Cash Receipts

The treasurer shall provide the clerk a record of all money received and the purpose of the amount received (i.e., the budgeted revenue account or the receivable account). The clerk shall 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.

4.32 Cash Receipt Report

A cash receipt report shall be run of each day's activity batched by deposit. A cash receipt report shall contain the detail of all daily transactions and a summary by general ledger line item, and shall agree with the day's deposits.

4.33 Deposit Procedures

Total cash collected shall be reconciled to the sum of the pre-numbered receipts. Deposits shall be made intact, with no reductions to deposits made for expenditures, and must be reconciled to official receipts. Deposit tickets (*or attached listing*) shall list checks by name or number, and amount. Total cash collected shall be deposited every business day (*a smaller unity with small transactions could deposit at least once a week*), in the appropriate township bank account. Undeposited funds shall be secured in locked vault.

Depositories

4.34 Bank Accounts

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

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

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

4.35 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 township board authorizes the following financial institutions as depositories of township funds: Alden State Bank.

The treasurer shall 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 shall periodically evaluate approved and potential financial depositories and shall 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 \$10,000.00 and at least five years of operation. All financial institutions and brokers/dealers shall be prequalified by supplying the following:

- Audited financial statements.
- Proof of NASD certification, or FDIC or NCUA insurance.
- Proof of state registration.
- Certification of having read, understood and agreement to comply with the Elk Rapids Township investment policy.

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

4.36 Control of Cash and Investments

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

4.37 Authority to Make Bank Deposits

The township treasurer is responsible for making all bank deposits. The treasurer may authorize other township personnel to make deposits if the township board has agreed to incorporate that function in the job description for that position.

The following positions are authorized by the treasurer to make bank deposits:

- Deputy Treasurer
- Clerk
- Deputy Clerk

Investments

4.38 Notice of Investment Policy

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

1. Comprehensive Version of Township Investment and Depository Designation Policy

Depositories

The township treasurer is authorized to manage funds belonging to the township, including depositing funds in approved financial institutions and administration of investments in conformance with MCL 41.77 and the policies in this manual.

The following financial institutions may be used as depositories of township funds:

Alden State Bank

The treasurer shall 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 shall periodically evaluate approved and potential financial depositories and shall make recommendations as to appropriate changes in approved depositories when warranted.

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

- Audited financial statements.
- Proof of NASD certification, or FDIC or NCUA insurance.
- Proof of state registration.
- Certification of having read, understood and agreement to comply with the township investment policy.

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

Investments

When the treasurer's analysis of the township's cash flow requirements reveals that surplus funds will not be required to meet current expenditures for a specific length of time, the treasurer is authorized to make prudent investments for a length of time that will provide a reasonable return on investment, yet ensure that such funds will be available when needed and will not be exposed to undue risk.

The treasurer is authorized to invest township funds in the following instruments (*select from among the list of lawful investments authorized under MCL 129.91*):

- (a) Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
- (b) Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution is eligible to be a depository of funds belonging to the state under a law or rule of this state or the United States.
- (c) 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.
- (d) Repurchase agreements consisting of instruments listed in subdivision (a).
- (e) Banker's acceptances of United States banks.
- (f) 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.
- (g) Mutual funds registered under the investment company act of 1940, title 1 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.

(h) 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.*

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

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

Accounts Receivable

4.39 Accounts Receivable

The clerk/treasurer shall be responsible for processing all accounts receivable.

4.40 Invoice Preparation

The clerk and/or treasurer shall be responsible for preparing invoices for revenues due to the township:

Revenue Source

- Construction code (building electrical, plumbing, mechanical)
- Business licenses
- Cemetery lots and grave openings
- Freedom of Information Act requests, miscellaneous income
- Intergovernmental contracts
- Parks and recreation activities
- Utility bills
- Zoning-related activities: special use permits, site plan reviews, Rezoning requests, variances

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

4.41 Posting and Distribution of Accounts Receivable

A copy of all invoices or bills for money owed the township shall be given daily to the treasurer and clerk.

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 control on a monthly basis.

4.42 Accounting for Accounts Receivable

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

4.43 Credit Card, Debit Card and Other Electronic Payments

In addition to payments made by cash or check, the township will accept payments made via debit cards, electronic fund transfers and the following credit cards:

- Visa
- MasterCard
- Discover
- American Express

The following types of payments may be made by credit card, debit card or other electronic fund transfers:

- Real and personal property taxes
- Special assessments payments

Accounts Payable

4.44 Accounts Payable

The township clerk/deputy clerk shall be responsible for processing all accounts payable. The clerk may designate other township personnel to process accounts payable if the township board has agreed to incorporate that function in the job description of that position.

4.45 Processing of Claims

Requests for payments to vendors shall be documented in writing by a vendor invoice or, in the few instances where no invoice is forthcoming, by a written request by the department head requesting payment. Except for rare exceptions, only original invoices shall be processed for payments, as statements or copies of invoices may result in duplicate payments. Appropriate documentation (supporting invoices) shall be attached for all disbursements. Original bills, not copies, must be used for documentation.

Employee expense requirements shall be documented on an expense voucher prepared by the employee. All invoices, departmental check requests and expense vouchers shall include the following:

1. Vendor name
2. Purpose of payment request
3. Unit price and units delivered (if applicable)
4. Date goods delivered or services rendered
5. The related purchase order (if applicable)

All requests for payments shall be approved by the department to which the expenses shall be posted by initialing the document.

All requests for payment shall be submitted to the clerk at least 2 days prior to the board meeting at which claims will be approved.

The clerk shall verify the payee, amount, purpose and the disbursing fund of each request. After verification, the clerk shall prepare a warrant, enter it into the general ledger and make a copy for township records.

4.46 Claims Reports

The clerk shall prepare a claims report to the board showing the fund, vendor, name, nature of the expense, invoice number and warrant number (i.e., check number). Any items paid prior to board audit shall be noted on the warrant report or on a separate report.

Invoices and bills supporting the claims report shall be available for board members review in board packets the day of the board meeting. Board members are responsible for scrutinizing the bills prior to board approval.

4.47 Board Approval Required for all Claims

All claims shall be approved by the township board prior to payment, with the exception of tax collection disbursements.

4.48 Board Post-Audit Authorized for Certain Claims

Only the following types of claims may be paid by disbursements made prior to board audit and approval:

1. Payroll
2. Utility bills
3. Invoices with penalties that would be incurred if payment is not received prior to the board meeting where claims will be approved.
4. The supervisor may authorize emergency expenditures when deemed essential due to the imminent threat to the health, safety and welfare of the township.

Any claims authorized under this policy prior to board approval shall be post-audited at the next board meeting.

4.49 Check Controls

Numerically controlled, pre-numbered checks shall be used. Checks shall not be signed prior to being completely filled out. Cleared checks must be returned to the township or electronically stored.

4.50 Authorized Check Signers

The following officials are the only persons authorized to sign checks:

- Clerk or deputy clerk (to signify board approval)
- Treasurer or deputy treasurer (to make it a check)

Include this if check signature stamps, machines or electronic signatures are used: A check-signing (stamp, machine or electronic signature) shall be limited to use by the clerk or deputy clerk, and treasurer or deputy treasurer, respectively, and shall be (locked, password-protected) when not in use.

4.51 Check Processing

Each (warrant, check, voucher, payment, disbursement) shall be signed by the clerk or deputy clerk to document board authorization of that payment and forwarded to the treasurer by the next business day (or other time frame) following the board meeting at which they were approved. (Add if applicable: if payment is made in compliance with the board-adopted post audit policy, the signed (warrant, check, voucher, payment, disbursement) shall be forwarded to the treasurer not later than the next business day after the (warrant, check, voucher, payment, disbursement) is signed by the clerk or deputy clerk).

The treasurer or deputy treasurer shall verify that the funds are available, sign the (warrant, check, voucher, payment, disbursement) and distribute it.

4.52 Electronic Payments

Following township board approval (add if applicable: or in compliance with the board policy for post-auditing payments), the clerk or deputy clerk shall initiate electronic payments and the treasurer or deputy treasurer shall review and accomplish.

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

4.53 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.

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

The township treasurer may enter into an ACH arrangement.

4.55 Responsibility for ACH Agreements

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

The treasurer shall submit to the township board documentation detailing the goods or services purchased, the cost of the goods or services, the date of the payment, and the department levels serviced by each payment of public funds by electronic transfer. This report may be contained in the township's electronic general ledger software system or in a separate report to the township board.

4.56 Internal Accounting Controls to Monitor Use of ACH Transactions Made by Township

The following system of internal accounting controls will be used to monitor the use of ACH transactions made by Elk Rapids Township.

The treasurer shall prepare a list of vendors authorized to be paid by ACH transaction and provide that list to the clerk.

The clerk initiates the transaction upon receipt of an invoice included on the authorized ACH list approved by the appropriate township official. ACH invoices must be approved before payment. The clerk signs the ACH invoice, which then acts as the warrant.

The clerk presents the (warrant or check), a list of bills for payment, and a separate list of the electronic payments for township board approval. The board approves all transactions prior to disbursement. (if applicable, list the specific types of payments pre-authorized for post-audit by the board).

Following board approval, the treasurer signs the ACH warrant, initiates the electronic transaction with the vendor and makes the actual transfer of funds.

The treasurer shall retain all ACH transaction documents for audit purposes.

The clerk shall retain all invoices for audit purposes.

- EFT account
- Payroll account
- Property tax

4.57 Tax Account Disbursements

The township treasurer shall create a separate bank account in the name of the treasurer and shall account for the tax fund separately from other township funds. The treasurer shall provide the clerk with summaries of tax receipts and copies of all checks written from the tax account so the clerk can enter the information into the township's accounting system.

Expense Reimbursements

4.58 Expense Reimbursements

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

4.59 Expense Documentation and Requests

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

4.60 Allowed Expenses

All expenses requested for reimbursement shall 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, shall not be eligible for reimbursement. Commuting from residence to the township hall or the official or employee's official work location shall not be eligible for reimbursement. Board and commission members shall not receive mileage to attend board meetings that are a statutory duty of their office/position.

4.61 Travel Reimbursement

Travel shall 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 shall not be eligible for reimbursement. Township board and committee members shall not receive mileage to attend board meetings that are a statutory duty of their office.

Meals will only be paid if travel is greater than 50 miles from the township hall. Breakfast expenses will be paid only if travel commences before 6:30 a.m. and dinner will be paid only if travel extends beyond 7 p.m.

Reasonable meals and lodging expenses shall be reimbursed up to the following amounts:

Any reimbursement in excess of these amounts shall be approved by the township board prior to incurring the expenses.

Identity Theft Prevention

4.62 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 shall 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 shall be collected only where required by federal and state law or as otherwise permitted by federal and state law for legitimate reasons consistent with this privacy policy.

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

- Applicants may be required to provide a Social Security number for purposes of a pre-employment background check.
- Copies of Social Security cards may be obtained for purposes of verifying employee eligibility for reemployment.
- 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.

Bids and Quotes

4.63 Dollar Threshold Requiring Written Quotations

Any purchase for goods or services exceeding a cost of \$12,000.00 shall require the department head to obtain at least three written quotes prior to issuing a purchase order.

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

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

Any purchase for goods or services exceeding an estimated cost of \$100,000 shall require the solicitation of sealed bids. The supervisor in consultation with the department head, shall develop bid specifications. Bid specifications for purchases that will exceed \$100,000 shall be approved by the township board. 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.

4.65 Exceptions

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

- Small purchases up to \$25,000.
- Sole source procurement (where only a single source is available or when the Township is participating in a purchasing pool, such as the "Buy Michigan First" or MiDEAL programs provided by the State of Michigan).
- Emergency purchases (identify what constitutes an emergency and when board approval will be required). Fire, Sewer, Storm, etc. Township supervisor can make decision.

4.66 Request for Sealed Bids or RFP's

The invitation to bid or the request for proposals for services shall be in the Elk Rapids News, posted on the building bulletin board and posted on the township website. At least 14 days prior to the date given; and shall be (mailed/emailed) to known vendors or other parties who have notified the township of their interest in submitting bids on the goods or services being purchased.

4.67 Specifications for Requests for Proposals

In order to receive comparable and informative bids and proposals, the township shall 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 averse 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.

4.68 Opening of Bids or RFP's

Sealed bids or RFP's shall 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.

4.69 Award of Bids

The supervisor may award any bid or request for proposals for services that is for an amount of \$100,000 or less. Bids or requests for proposals for services exceeding this amount shall be awarded by the township board.

The criteria for awarding bids or requests for proposals shall be as follows:

- Cost
- Experience
- Reliability
- Sufficiency of equipment
- Insurance
- References
- Good communication

4.70 Board Member Interest in Bidder

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

Personnel Administration

5.1 Authority for Personnel Matters

General Law:

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 Personnel Officer's Duties

The clerk shall 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 township personnel policies and procedures 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, and provide all employees with copies of amendments to the personnel policies and procedures manual.

5.3 Policy Manuals

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

5.4 Authorized Work Force

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

5.5 Independent Contractors

The township board may hire independent contractors to provide specialized or requested services on a project or as-need 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 Equal Opportunity Employment

The township is an equal opportunity employer and shall 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.

5.7 Employee Compensation

The township board shall establish an equitable compensation system for township employees. The board shall determine a pay range for all township positions. The township shall 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.

Payroll

5.8 Payroll

The township shall comply with Michigan wage and hour laws that regulate the method of 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.

5.9 Payment on Termination

An employee who voluntarily terminates employment will be paid all wages earned and due as soon as the amount can be determined, or at the latest, on the next regularly scheduled payday.

Discharged employees will be paid as soon as the correct amount is determined, or within four days of termination.

5.10 Time Cards

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

5.11 Deductions and Withholdings

The township shall comply with federal and state laws regarding income tax and Social Security deductions. All voluntary deductions shall be authorized in writing. The clerk shall 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 shall make appropriate deductions to satisfy any court orders for garnishments or for child or spousal support orders.

5.12 Pay Advances

Pay advances shall not be authorized under any circumstances.

5.13 Payroll Problems

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

5.14

Elk Rapids Township Earned Sick Time Act Policy Resolution #2025-08

All qualifying employees including full-time, part-time, seasonal, and temporary workers not already covered are eligible to accrue paid sick time. Employees will accrue one (1) hour of paid sick time for every 30 hours worked. Sick time will begin accruing on an employee's first day of employment but cannot be accessed until after 90 days of employment.

Employees can use earned sick time for any of the following reasons:

(a) The employee's mental or physical illness, injury or health condition; medical diagnosis, care or treatment of the employee's mental or physical illness, injury, or health condition; or preventative medical care for the employee.

(b) For the employee's family member's mental or physical illness, injury, or health condition; medical diagnosis, care or treatment of the employee's family members' mental or physical illness, injury or health condition; or preventive medical care for a family member of the employee.

(c) If the employee or the employee's family member is a victim of domestic violence or sexual assault, for medical care or psychological or other counseling for physical or psychological injury or disability; to obtain services from a victim services organization; to relocate due to domestic violence or sexual assault; to obtain legal services; or to participate in any civil or criminal proceedings related to or resulting from the domestic violence or sexual assault.

(d) For meetings at a child's school or place of care related to the child's health or disability, or the effects of domestic violence or sexual assault on the child; or

(e) For the closure of the employee's place of business by order of a public official due to a public health emergency; for an employee's need to care for a child whose school or place of care has been closed by order of a public official due to a public health emergency; or when it has been determined by the health authorities having jurisdiction or by a health care provider that the employee's or employee's family member's presence in the community would jeopardize the health of others because of the employee's or family member's exposure to a communicable disease, whether or not the employee or family member has actually contracted the communicable disease.

For the purposes of this policy, "family member" includes all the following:

(a) Biological, adopted or foster child, stepchild, or legal ward, a child of a domestic partner, or a child to whom the employee stands in loco parentis.

(b) Biological parent, foster parent, stepparent, or adoptive parent or a legal guardian of an employee or an employee's spouse or domestic partner or a person who stood in loco parentis when the employee was a minor child.

(c) A person to whom the employee is legally married under the laws of any state or a domestic partner.

(d) A grand parent.

(e) A grandchild.

(f) A biological, foster or adopted sibling.

(g) Any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.

Unused, accrued paid sick time will be carried over into the next benefit year. However, only a maximum of 72 hours of accrued sick time can be used in a year. Sick time will be paid at the employee's regular rate of pay. For the purposes of this policy, a year is defined as January 1 through December 31. All unused, accrued sick time will be forfeited at the time of separation. Employees are asked to provide notice no more than 7 days in advance if they are aware of the need to use sick time or as soon as reasonably practicable. Employees will not be penalized or retaliated against in any way for requesting or using accrued paid sick time for the purposes designated above.

At the regular board meeting on March 10, 2025, the Elk Rapids Township Board, on motion made by Jensen and seconded by Hults passed Resolution 2025-08 to be in compliance with the requirements of the Earned Sick Time Act, effective February 21, 2025.

5.15 Personnel Recordkeeping

The township clerk shall maintain a permanent personnel record of each township employee. The personnel records shall 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.

Records Management

6.1 Applicability

This records management policy shall 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 shall be responsible for coordinating all records management procedures and activities for the township offices, departments or services. Duties include the:

- Distribution of approved general record retention schedules.
- Development, review and approval of township-specific record retention schedules.
- Distribution of policies, guidelines and standards published by the State of Michigan, the township and other parties.
- Arranging off-site storage facilities for inactive records.
- Arranging microfilm and digital imaging services.
- Arranging the destruction of confidential records with a vendor.
- 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 shall ensure that township officials, appointees and employees are aware of and implement the township's record management policies. They shall 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 shall ensure that the digital files and email (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 shall not take public records with them when they terminate office, employment or contract with the township, and they shall 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, up to and including a penalty of not more than two years in state prison or a fine of not more than \$1,000.

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

Township officials, appointees, employees, volunteers and consultants/contractors shall 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 shall develop procedures to accommodate access by the clerk 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 shall 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 shall 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 shall 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 shall immediately inform the FOIA coordinator. In consultation with the township attorney, the FOIA coordinator shall direct all relevant individuals to immediately cease disposal of all records relevant to the pending litigation, pending investigation or FOIA request. If the relevant records are in electronic form (including e-mail), the FOIA

coordinator shall notify (information technology personnel or specialists) for retrieval procedures.

If questions arise as to what records are relevant to a pending litigation, pending investigation, or FOIA request, the FOIA coordinator shall 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 shall 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 shall furnish the requesting person with a reasonable opportunity and reasonable facilities for inspection and examination of its public records.

A person shall be allowed to inspect public records during usual business hours, not more 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 shall 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 FOIA coordinator shall 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 shall 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 shall 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 FOIA coordinator will determine (by policy, on a case-by-case basis, or both) 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.

A fee will be charged for copies made to enable public inspection of records, according to the township's FOIA policy.

6.11 Record Fees

In all cases, township personnel shall use the most economical means available to make copies of public records, including digital copies of documents or recordings. E-mail may be used to distribute or mail records.

“Actual, incremental cost” means the cost to the township over and above the cost to the township if the request had not been made. Overhead costs shall not be included in an “actual, incremental cost.”

The township shall charge the actual, incremental copying cost to make a copy subject to a FOIA request for a copy or made to accommodate a request to inspect.

The township shall charge a labor cost to make the copy which is the hourly wage of the lowest paid township employee capable of making the copy, as determined for each request.

The unpaid balance of a previous FOIA request shall not be deducted from separate or later FOIA requests for different records submitted by the same person. The unpaid balance of a previous FOIA request shall not be deducted from any other fees, taxes, charges or other bills paid to the township by that person.

Digital Files and E-mail Retention

6.12 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.

6.13 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.

6.14 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 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.

6.15 Digital Files and E-mail Retention and Disposal Schedules

Digital files and e-mail shall be retained according to the applicable record retention schedule for the type of record the digital file or e-mail represents.

Record Storage and Maintenance

6.16 Record Storage

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

The township clerk shall 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 shall 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 shall work in conjunction with the information technology personnel to determine the most cost-effective and reliable method of maintaining digital 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 shall 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 shall 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 shall employ appropriate locks, passwords and other devices to protect the privacy of this information.

6.17 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 shall routinely review all records (regardless of format) to identify those that have fulfilled their retention requirements.

Disposal shall 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 shall destroy sensitive or confidential information by shredder.
- The township shall 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 shall follow the Archives' procedures for transferring records.

6.18 Disaster Prevention and Recovery

Township records, books and papers shall 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 shall:

- Contact the township's risk manager and insurance agent.
- 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/DVD/s, etc.)
- Begin salvage according to applicable State of Michigan standards and best practices for document salvage.

Property Maintenance

7.1 Responsibility for Maintenance

The township supervisor shall be responsible for monitoring the need for repairs and improvements to the township property.

The supervisor shall use the township purchasing and bidding procedures for procuring the following services as applicable.

- Cleaning
- Lawn maintenance
- Snow removal
- Fire extinguisher inspections
- Non-emergency repairs to township buildings, land, equipment and vehicles

7.2 Emergency Repairs

The supervisor is authorized to contract for emergency repairs up to a cost of \$50,000 without prior board approval, when a delay in initiating repair will have a significant impact on township operations or finances.

Township Facilities

7.3 Hours of Business

The township office shall be open to the public at 9:00 am and shall be closed at 3:00 pm on every normal business day.

7.4 Emergency Closing

The supervisor, with concurrence from the clerk, 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 shall notify the officials and employees by telephone at least one-half hour prior to the usual starting time, or as soon as possible. The township board members (and local radio station, other), shall also be notified of any closing.

7.5 Building Opening and Closing Procedures

The first person arriving each morning should make sure that:

- All public access doors are unlocked
- The copier is on
- Lights are turned on
- Check drop box

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

The last person to leave the township hall at night shall check to see that:

- The copier and other office machines are turned off
- Computers are in log off/sleep mode so updates can be generated
- All doors and common area windows are locked
- All lights are turned off, except for designated security lights
- The security system is activated

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

7.6 Smoking

Smoking indoors is prohibited at all township buildings and facilities. An individual shall 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 shall clearly and conspicuously post “no smoking” signs or the international “no smoking” symbol at the entrances to and in every township building, and shall remove all ashtrays and other smoking paraphernalia from indoor township facility.

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

Security

7.7 Keys

The following positions are authorized to receive a key to the main door:

- Supervisor
- Clerk
- Treasurer
- Key cards at the Boards' choice
-

If a key is lost, the clerk shall be informed immediately. A replacement key shall 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 shall return his or her office keys to the township supervisor.

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

Each department head shall determine who shall 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.

7.8 Valuables

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

7.9 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.

No boxes, files and other items shall be stored in hallways, stairs and landings. Flammable liquids and power equipment shall not be stored in the township hall. Other flammable materials will not be stored in the furnace room.

In the event of a fire, all employees will immediately exit the building. All employees shall gather at the fire station for a head count.

Public Use of Township Facilities

7.10 Availability

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

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

- Council chambers
- Conference room
- Kitchen
- Fire/rescue training room

7.11 Denial of Facilities

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

Use of Township Property by Township Personnel

7.12 Personal Use of Township Property

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

7.13 Bulletin Boards

The township board shall establish policies and procedures governing the use of a township bulletin board for public notices, township business, citizen requests and other notices as approved by the clerk. Employees who wish to post notices on township bulletin boards must have the prior approval of the clerk.

Prohibited Uses of Township Property

7.14 Prohibited Uses of Township Property

An official or employee shall 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