

## 22 COMPLIANCE WITH STATE AND FEDERAL LAWS

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

## ACCOUNTS RECEIVABLE

### 23 INVOICE PREPARATION

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The following positions shall be responsible for preparing invoices if needed for revenues due to the township:

<b>Official</b>	<b>Revenue Source</b>
Clerk	Fire Charges
Cemetery Sexton	Cemetery lots and grave openings

### 24 POSTING AND DISTRIBUTION OF ACCOUNTS RECEIVABLE

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A copy of all invoices or bills for money owed the township shall be given monthly 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 for receivables.

### 25 ACCOUNTING FOR ACCOUNTS RECEIVABLE

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For all payments received, the clerk shall credit the receivable.

## ACCOUNTS PAYABLE

### 26 ACCOUNTS PAYABLE

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The township clerk/deputy clerk shall be responsible for processing all accounts payable.

### 27 PROCESSING OF CLAIMS (PAYMENTS)

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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 township official 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. All invoices shall be mailed or emailed to the clerk.

Employees can email requests for reimbursement to the clerk ([clerk@greenwoodtownship.org](mailto:clerk@greenwoodtownship.org)) or drop them in the drop box at the clerk's house. Invoices or receipts must be attached. 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

All requests for payment shall be submitted to the clerk at least 7 days prior to the board meeting at which claims will be approved (no later than the Wednesday the week before the meeting).

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.

## **28 CLAIMS REPORTS**

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The clerk shall prepare a claims report (Bills Paid) to the board showing the fund, vendor name, and warrant number (i.e., check number).

Invoices and bills supporting the Bills Paid report shall be available for board member review in the board shared folder.

Board members are responsible for scrutinizing the bills prior to board approval.

Board members are responsible for initially the Bills Paid report directly after meeting in which the report is approved.

## **29 BOARD APPROVAL REQUIRED FOR ALL CLAIMS (BILLS)**

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All claims shall be approved by the township board prior to payment, with the exception of tax collection disbursements, and claims authorized by policy for post-auditing by the township board.

The supervisor, treasurer, and clerk shall be authorized to spend no more than \$200 at their own discretion for supplies and training deemed necessary for performance of their duties. Invoices must be given to the clerk no later than one week before the regular meeting. These payments shall be post-audited at the next board meeting.

## **30 BOARD POST-AUDIT AUTHORIZED FOR CERTAIN CLAIMS**

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

- All payroll checks if a regular board meeting must be canceled or rescheduled for more than a week after the regular meeting date.
- Utility bills (Phone, Electric, Fuel)
- Invoices with penalties that would be incurred if payment is not received prior to the board meeting where claims will be approved
- 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.

## **31 CHECK CONTROLS**

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Numerically controlled, pre-numbered checks shall be used. Checks shall not be signed prior to being completely filled out.

## **32 AUTHORIZED CHECK SIGNERS**

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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)

### **33 CHECK PROCESSING**

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Each check shall be signed by the clerk or deputy clerk to document board authorization of that payment and forward to the treasurer following the board meeting at which they were approved. If payment is made in compliance with the board-adopted post-audit policy, the signed check shall be forwarded to the treasurer after the check is signed by the clerk or deputy clerk.

The treasurer or deputy treasurer shall verify that the funds are available, sign the check and distribute it. Checks shall not be returned to the clerk/deputy clerk or the originating office for distribution.

### **34 ELECTRONIC PAYMENTS**

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Following township board approval, 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.

### **35 AUTHORITY TO ENTER INTO ACH ARRANGEMENTS AND ELECTRONIC TRANSFERS OF PUBLIC FUNDS**

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The township treasurer may enter into an ACH arrangement.

### **36 INTERNAL ACCOUNTING CONTROLS TO MONITOR USE OF ACH TRANSACTIONS MADE BY TOWNSHIP**

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The following system of internal accounting controls will be used to monitor the use of ACH transactions made by Greenwood 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 a Bills Paid report. The board approves all transactions prior to disbursement or by post audit if applicable.

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.

### **37 CREDIT CARD USE POLICY**

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The clerk is responsible for issuing, accounting for, monitoring, retrieving and generally overseeing compliance with the township's credit card policy. Greenwood Township keeps one credit card in the possession of the clerk.

Township credit cards may be used only for the purchase of goods or services for the official business of the township.

Township officers who make use of the township credit card shall, as soon as possible, submit a copy of the vendor's credit card slip to the clerk.

An official who is issued a credit card is responsible for its protection and custody. If a credit card is lost or stolen, the clerk shall be notified. The entity issuing the lost or stolen credit card shall be immediately notified to cancel the card.

The clerk shall review each credit card statement as soon as possible to ensure that transactions comply with this policy. Any transactions that appear on the statements that are not documented with a credit card slip or a signed voucher shall be immediately investigated. Transactions that do not appear to comply with this policy shall be reported to the township board.

The township board shall not approve a payment to the entity issuing the credit card until all transactions have been verified, including the approval of all transaction invoices if issued.

The balance, including interest due on an extension of credit under the credit card arrangement, shall be paid for within not more than 60 days of the initial statement date.

Any board member who uses a township credit card in a manner contrary to this policy shall be subject to disciplinary action, including possible termination of employment, reimbursement to the township for unauthorized expenditures, legal action or criminal liability.

## TAX ACCOUNT DISBURSEMENTS

### 38 TAX ACCOUNT DISBURSEMENTS

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

## EXPENSE REIMBURSEMENT

### 39 EXPENSE REIMBURSEMENTS

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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.

### 40 EXPENSE DOCUMENTATION AND REQUESTS

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Expenses requested for reimbursement shall be substantiated 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.

### 41 ALLOWED EXPENSES

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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.

## 42 TRAVEL REIMBURSEMENT

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Travel shall be reimbursed at the IRS mileage rate when the employee uses his or her own vehicle to conduct township business.

Meals will 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.

Board officials, employees or citizens serving the Township on election days, for Board of Review sessions or attending local meetings/workshops that extend beyond four (4) hours in one day will be supplied with a meal.

The maximum reimbursement allowed is \$12 for breakfast, \$14 for lunch, and \$22 for dinner.

## 43 MEETING AND TRAINING REIMBURSEMENT

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Board members and employees shall not be reimbursed for attending regular board meetings, township scheduled workshops, special meetings, budget meetings or any meeting they are statutorily obliged to attend.

Other meetings may be reimbursed at a rate of \$50 per meetings less than 4 hours and \$125 per meeting more than 4 hours.

Employees shall be reimbursed \$60 for a half-day of training ( 4 hours or less) and \$125 for a full day of training.

Board members may be reimbursed for attending conferences at a rate of \$60 for a half-day ( 4 hours or less) and \$125 for a full day.

Board members may be reimbursed for attending training at a rate of \$60 for a half-day ( 4 hours or less) and \$125 for a full day as long as such training is not statutorially mandated.

## 44 TRUSTEE COMPENSATION

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This policy has been established to determine what duties are included as part of their salary. The following is a list of responsibilities that have been established without extra compensation:

- Research & study important decisions and meeting packet information before voting
- Check on road brining and road damage complaints
- Trash put out for trash pick-up
- Respond to Township hall complaints
- Website Administration
- Set Township hall up for meetings
- Check on storm damage at the cemetery
- Blight complaints-with/without Supervisor
- Alarm response-anytime
- Check on Township Hall weekly
- Maintain Township hall supplies
- Maintain/update website with/without clerk

Trustees are often asked to preform additional duties and hold other responsibilities by township board action. They should be will willing to do so for the best interest of the township. They may be compensated for these additional duties, provided the compensation is determined prior to being done.

## 45 EXPENDITURE AUTHORIZATION

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

## SALES TAX

### 46 EXEMPTION FROM MICHIGAN SALES TAX

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As a governmental unit, Greenwood Township is exempt from sales and use taxes . Townships are classified as IRS Code Section 509(a)(1) tax-exempt organizations.

Sales to the United States government, the State of Michigan and its political subdivisions, departments and institutions are not subject to tax, if the sales are ordered on the government's form or purchase order and are paid for directly to the seller by warrant on government funds. Sales to employees of the government for their own use are subject to tax.

- All purchases by Board members or township employees on behalf and for Greenwood Township must exclude MI State Sales Tax.
- As may be required in advance, a copy of the official verification document, #3372 Michigan Sales and Use Tax Certificate of Exemption, is available from the Township Clerk.
- The Township will not reimburse a Board member, Township Employee or vendor for MI State Sales Tax.
- This Policy is intended to substantiate good business practices
- township shall not be responsible for any obligations incurred by an official or employee that is contrary to the provisions of these administrative policies and procedures or any other financial administration policies adopted by the township board.

## CAPITALIZATION

### 47 CAPITALIZATION POLICY

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The township of Greenwood will regard fixed assets as capitalized when all of the following criteria are met:

- Assets purchased, built or leased have useful lives of one year or more.
- The cost of the asset (including installation) is \$5,000.00 or more. Multiple assets whose cost is less than \$5,000, but the aggregate requestor total is \$5,000.00 or more are capitalized.
- The cost of repairing or renovating the asset is \$5,000.00 or more and prolongs the life of the asset.
- The township will regard the purchase of software programs as fixed assets subject to the above capitalization policy, and will amortize over an estimated useful life of 3 years. Cost associated with software maintenance and customer support are considered expenditures and will not be capitalized.

Other Considerations:

- REPAIR is an expenditure that keeps the property in ordinary efficient operation 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.
- 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.

Repairs = Expenditures

- All items – life less than one year
- All items under \$5,000.00
- Property maintenance, wall repair
- Replacement of machine parts to keep machine in normal operating condition
- Property restoration (rebuilding) for normal operations
- Existing building repairs
- Replacement of small sections of wiring, pipes or light fixtures
- Patching walls, minor repair of floors, painting, etc.
- Patching driveways
- Cleaning drapery, carpet, furniture

Improvements = Capitalized Assets

- Life of more than one year
- All items \$5,000.00 or more Property rebuilding
- Replacement of motor and parts that prolong the useful life.
- Property restoration for something different or better
- Building regulation conformity
- Major replacement of wiring, lighting pipes or sewer
- Installation of floor, wall, roof wall coverings, etc.
- New driveway or major repair New drapery, carpets, furniture

Depreciation Method – Straight Line over the following useful lives:


- |                                       |             |
|---------------------------------------|-------------|
| • Buildings                           | 50 Years    |
| • Building Improvement                | 20 Years    |
| • Sewer Lines                         | 50-75 Years |
| • Roads                               | 20 Year     |
| • Infrastructure (bridges)            | 20 Years    |
| • Vehicles                            | 10 Years    |
| • Office Equipment/Computer Equipment | 3-5 Years   |
| • Furniture/Fixtures                  | 10 Years    |
| • Other equipment                     | 10 Years    |

The forgoing resolution was offered by Jess McClaughry, and supported by board Member Gail Garrity.

The following board members voted AYE: Jess McClaughry, Rachel Mackson, Jan Hegwoord, Gail Garrity, James Gross.

The Supervisor declared the policy adopted.

I, Rachel Mackson, the duly elected Clerk of Greenwood Township, hereby certify that the forgoing resolution was adopted by the Township Board at the regular meeting of the Board held on May 11, 2022 at which a quorum was present. That said resolution was ordered to take effect immediately.

A handwritten signature in cursive script that reads "Rachel Mackson".

Rachel Mackson ~ Greenwood Township Clerk



**General Fund  
Bills Paid  
As of May 11, 2022**

	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Accrual Basis Amount</u>	<u>Transfers</u>
<b>000-001 · HB 2431 Checking</b>					
	04/15/2022		Monthly Bank Fee	-5.00	
	04/27/2022	ACH	Amazon	-27.96	
	04/14/2022	2160	Barbara Pitcavage {B.O.R}	-251.18	
	04/14/2022	2161	Brownwyn Asplund {BOR}	-286.29	
	04/14/2022	2162	Cheryl A Sandstrom {BOR}	-230.87	
	04/14/2022	2163	Sherry Snyr {B.O.R.}	-286.28	
	04/14/2022	2164	Gail Garrity	-8.00	
	04/21/2022	2165	David A Lawrence {Regular}	-42.94	
	04/25/2022	2166	Transfer Metro Funds to Road Fund	-	-20,991.00
	05/11/2022	2167	Rachel Mackson {Regular}	-1,141.63	
	05/11/2022	2168	Randall Gorski	-31.28	
	05/11/2022	2169	Tina M Wright	-1,065.80	
	05/11/2022	2170	Claire Wey	-55.41	
	05/11/2022	2171	Gail Garrity {Regular}	-738.39	
	05/11/2022	2172	Janette Hegwood {Regular}	-1,112.34	
	05/11/2022	2173	Jesse J McClaghry {Regular}	-720.98	
	05/11/2022	2174	Laura List {Regular}	-112.00	
	05/11/2022	2175	Lesa Boshears	-120.05	
	05/11/2022	2176	Arthur Ferrett	-620.00	
	05/11/2022	2177	Cons Energy Co	-95.40	
	05/11/2022	2178	AT&T	-86.55	
	05/11/2022	2179	ISP MGT	-114.60	
	05/11/2022	2180	Arnold Vasher	-400.00	
	05/11/2022	2181	Clare County Cleaver	-108.00	
	05/11/2022	2182	Election Source	-18.00	
	05/11/2022	2183	Fahey Schultz Burzych Rhodes	-156.00	
	05/04/2022	Deposit	Gleaners Life Insurance	-	34,182.71
	05/11/2022	2184	National Financial Services	-	-33,127.28
	05/11/2022	2185	Gail Garrity	-40.00	
	05/11/2022	2186	Jesse McClaghry	-32.38	
	05/11/2022	2187	Cons Energy Co	-112.91	
	05/11/2022	2188	Election Source	-615.00	
	05/11/2022	2189	Claire Wey	-48.48	
	05/11/2022	2190	VOID	0.00	
	05/11/2022	2191	Harrison Lumber	-68.70	
	05/07/2022	2192	Julie Fulton (Christmas Tree)	-10.00	
<b>Total 000-001 · HB 2431 Checking</b>				<b>-8,762.42</b>	

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>	<u>Transfers</u>
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**Road Fund  
Bills Paid**

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
			<u>NONE</u>
			<i>NONE</i>

*Total*

**Lily Lake Fund  
Bills Paid**

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
			<u>NONE</u>
			<i>NONE</i>

*Total 000-002 · HB 5769 Money Now*

**Rubbish Fund  
Bills Paid**

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
		GFL Environmental	<u>29,093.23</u>
			<i>29,093.23</i>

*Total*