

Rives Township Jackson County, Michigan

RESOLUTION NUMBER: 2025-5

RESOLUTION TO AUTHORIZE FRAUD RISK MANAGEMENT POLICY DATE
PROPOSED: FEBRUARY 6, 2025

DATE ADOPTED:

FRAUD RISK MANAGEMENT POLICY

POLICY

Rives Township recognizes the risks of potential fraud and that effective prevention strategies need to be put in place and monitored.

The purpose of this Fraud Risk Management policy is:

1. To ensure that all Rives Township personnel, including, but not limited to Township Board Members, employees, administrators, committee members, administrative staff, and other contractors associated with the Township, are aware of their responsibility to identify exposures to fraudulent activities.
2. To establish controls and procedures for preventing such fraudulent activity and/or detecting such fraudulent activity when it occurs.
3. To provide guidance to staff/volunteers/contractors as to action which should be taken where they suspect any fraudulent activity.
4. To provide a clear statement to staff/volunteers/contractors forbidding any illegal activity, including fraud for the benefit of the organization.
5. To provide assurance that any and all suspected fraudulent activity will be fully investigated.

Fraudulent Activity

Fraudulent Activity is defined as intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury.

Such activity includes, but is not limited to:

- Misappropriation of Township funds for personal use;
- Utilizing Township credit cards or accounts for personal use;

- Falsifying balance sheets;
- Submitting false expense reports with the expectation of reimbursement;
- Falsifying documentation and information related to a business entity in order to engage in self-dealing transactions;
- Intentionally issuing false citations, invoices, tax rolls, and bills;
- Falsifying public documents, including, but not limited to licenses, permits, minutes, agendas, resolutions;
- Forgery or alteration of any document belonging to the Township; and
- Forgery or alteration of a check, bank draft, or any other financial document.

Commitment to Policy

Rives Township will not tolerate fraud in any aspect of its operations. Township elected officials, employees, appointees, contractors, subcontractors, staff, volunteers, and other individuals conducting Township work are expected to comply with and assist as requested any and all investigations conducted in furtherance of this Policy.

Implementation of Policy

Rives Township will investigate any suspected acts of fraud, misappropriation, or other similar irregularity. Suspected activity shall be reported to the Township Supervisor, or if the activity concerns the Township Supervisor, the Township Treasurer and Township Clerk. An objective and impartial investigation, as deemed necessary, will be conducted regardless of the position, title, length of service, or relationship with the organization of any party who might be the subject of such investigation. Details of the investigation shall not be disclosed or discussed with anyone other than those that have a legitimate need to know.

The investigation will be conducted by a fraud investigation committee, appointed by the Township Board, which may use whatever reasonable internal and/or external resources it considers necessary to carry out the investigation. The Township may hire an independent consultant to perform a financial audit, if necessary. If the investigation leads to evidence supporting that fraudulent activity has occurred, the fraud investigation committee shall submit a written report to the Township Board, who shall determine the appropriate sanction for such behavior.

Any fraud will constitute grounds for termination as law allows. An elected Township official may be subject to sanctions, including reprimand and formal censure. Any serious case of fraud, whether suspected or proven, will be reported to the Michigan State Police.

Any person reporting a fraud, or a suspected fraud, will suffer no penalty in their employment.

The foregoing resolution offered by Supervisor Jerald Adams and supported by Trustee Adams

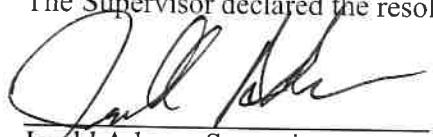
Roll Call: Jerald Adams Aye; Joseph Super Aye; Carol Schulz Aye;

Bryce Hammond Aye; Brandon Adams Aye

Nay: 0

Absent: 0

The Supervisor declared the resolution adopted.


Jerald Adams, Supervisor

Date

2025- 5 Resolution to authorize Fraud Risk Management Policy

I, Joseph Super, the duly elected and acting Clerk of Rives Township, hereby certify that the foregoing resolution was adopted by the Township Board of Rives Township, as presented at a regular meeting of said Board held on February 6, 2025, at which meeting a quorum was present by a roll call vote of said members as hereinbefore set forth; that said resolution was ordered to take immediate effect.


Joseph Super, Clerk

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Date