



State of Michigan Required Financial Policies for Local Governments

ACH (“Automatic Clearing House”) Policy – Under the Electronic Transactions of Public Funds Act, 2002 PA 738, MCL 124.301 et seq. <http://legislature.mi.gov/doc.aspx?mcl-Act-738-of-2002>

Capital Asset Policy – Under GASB #34 <https://gars.gasb.org/> Choose basic free version, go to “original pronouncements, then statements. Sample policy https://www.michigan.gov/libraryofmichigan/-/media/Project/Websites/libraryofmichigan/For-Libraries/Administration/Financial-Management/LM_2021_Financial_Management_Guide.pdf?rev

Credit Card – 1995 PA 266, MCL 129.241 et,seq. (<http://legislature.mi.gov/doc.aspx?mcl-Act-266-of-1995>)

Financial Transaction Device Payments (Government entities receiving payments via credit card, etc.) 1995 PA 280, MCL 129.221 et,seq <http://legislature.mi.gov/doc.aspx?mcl-Act-280-of-1995>

Fraud Risk Management (internal controls) – Several Michigan laws on Public Funds, Public Officials and Employees, Municipal financing, etc. An array of policies intended to demonstrate sound financial practices and reduce the opportunity and incidence of fraud or theft. Includes purchasing policies. https://www.michigan.gov/libraryofmichigan/-/media/Project/Websites/libraryofmichigan/For-Libraries/Administration/Financial-Management/LM_2021_Financial_Management_Guide.pdf?rev

Fund Balance Policy – Under GASB #54 <https://gars.gasb.org/> Choose basic free version, go to “original pronouncements, then statements. Sample Policy: https://www.michigan.gov/libraryofmichigan/-/media/Project/Websites/libraryofmichigan/For-Libraries/Administration/Financial-Management/LM_2021_Financial_Management_Guide.pdf?rev

Investment policy – Investment of surplus funds of political subdivisions – 1943 PA 20, MCL 129.91 et, seq. <http://legislature.mi.gov/doc.aspx?mcl-Act-20-of-1943> (policy -sect 5 – MCL 129.95 <http://legislature.mi.gov/doc.aspx?mcl-129-95>)

Pay/Payroll Policies – Under the Payment of Wages and Fringe Benefits Act, 1978 PA 390, MCL 408.471 et seq. <http://legislature.mi.gov/doc.aspx?mcl-Act-390-of-1978> – How, How often employees get paid, time keeping requirements, etc.

Sick/Vacation/Benefit policies - Under the Payment of Wages and Fringe Benefits Act, 1978 PA 390, MCL 408.471 et seq. <http://legislature.mi.gov/doc.aspx?mcl-Act-390-of-1978> – Benefit payments -and deductions and use/payment for certain benefits (unused leave, etc.)

Whistle Blower Policy – Michigan Whistleblowers Protection Act, 1980, PA 469; and several federal Laws as administered by the U.S. Department of Labor https://www.whistleblowers.gov/retaliation_by_subject#fraud-prevention Sample Policy - https://www.michigan.gov/libraryofmichigan/-/media/Project/Websites/libraryofmichigan/For-Libraries/Administration/Financial-Management/LM_2021_Financial_Management_Guide.pdf?rev

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