

[Audit Information](#)

Annually the Township of Menominee has an **audit of its financial records, accounts, and procedures**. [MCL 141.425](#) requires the township board to have an **annual audit** of the financial status of the township and Public Act 146 of 1996 amended MCL 141.425 to allow townships with a population of less than 4,000 to have the audit performed every two years.

Although our township population is below the 4000 mark - an annual audit is conducted due to its joint township operations for Fire Services and refuse disposal at the Transfer Station We also have a fiscal irregularity in that **Menominee Township has not required a Township Tax since 2004**. The State requires annual detailed reporting on how the State Revenue Share and other funds acquired are being expended and that we are functioning as we should be in accordance with state law..

If the township does not retain a certified public accountant (CPA) for this audit, **the State Treasurer must perform the audit or appoint a CPA at the township's expense**.

Section 141.425.

UNIFORM BUDGETING AND ACCOUNTING ACT (EXCERPT) Act 2 of 1968

141.425 Local units; audits. Sec. 5. (1) A local unit having a population of less than 4,000 shall obtain an audit of its financial records, accounts, and procedures not less frequently than biennially. However, if any audit under this subsection discloses a material deviation by the local unit from generally accepted accounting practices or from applicable rules and regulations of a state department or agency or discloses any fiscal irregularity, defalcation, misfeasance, nonfeasance, or malfeasance, the department of treasury may require an audit to be conducted in the next year.

City, Village, and Township Revenue Sharing (CVTRS) – (former EVIP Program). Some townships are eligible for City, Village and Township Revenue Sharing payments (statutory revenue sharing); **Menominee Township is too small and is not eligible**. Each eligible local unit must meet all of the requirements of Accountability and Transparency in order to receive the full CVTRS payments

Importance of the F-65 Report. The F-65 report is a report submitted by the auditor that provides the state with financial information and verifies that a township has policy & procedures in place that are required by State Law for Township Operations. Our financial standing has been excellent, and Menominee Township has received excellent reports for several years. The link to the Report (F-65) is found on the website. BSA website assists the township in reporting its financial status to the public that has been generated by the F-65 Report.

To ensure checks and balances are in place and that the Township Board is in compliance with State Law, a Policy Book was established to help manage the township operations and administration. The Township does not have a full-time manager and is not large enough to have a Superintendent. Having good policies in place that can be carried on from day to day; month to month & year to year without interruption is important; especially after an election year of new officials. Having a Policy Book also streamlines board meetings so as not to have the clerk always looking for important documents that are in place. In the Policy Book is an index, Policies & Procedures; Active Twp Resolutions; Ordinances; Joint Township Documents and Miscellaneous contracts and References. To ensure that the book is properly maintained, once every 4 years or as needed, one board member needs to go through each book for all 5 Board of Trustee officials to ensure that it is up-to-date and all books are standardized. Upon retirement of an official, the book is passed on to the newly elected/appointed official.

If an F-65 Report is not submitted or is not in compliance with State Law; the State of Michigan stops payment to the Township (Revenue Share is \$265,000.00 +) That is the real importance of passing an audit and ensuring that an F-65 is submitted to the State.