



# Continuing education self-assessment

Participants enrolled in the Township Governance Academy (TGA), MTA's credentialing program, may obtain 2 elective credits for successful completion of this quiz. To obtain credit, participants must answer the following 10 multiple-choice questions by circling the correct answer and receive a minimum passing score of 70 percent. The questions are based on content from the article, "Taking financial oversight to a higher level". There is no charge for MTA members to take the quiz or to obtain TGA credit.

Completed quizzes should be faxed to (517) 321-8908 or mailed to: MTA, PO Box 80078, Lansing, MI 48917-0078. MTA will notify you of your results within two weeks after receiving your quiz. **IMPORTANT:** Please keep a copy of your completed quiz in your TGA binder. For information about TGA, call (517) 321-6467, email [tga@michigantownships.org](mailto:tga@michigantownships.org), or visit [www.michigantownships.org/learning/tga](http://www.michigantownships.org/learning/tga).

## TGA continuing education Taking financial oversight to a higher level

NAME: \_\_\_\_\_ TOWNSHIP & COUNTY: \_\_\_\_\_

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- As township boards practice the basics of financial oversight, it is less common for certain elements, such as \_\_\_\_\_, to become second nature.**
  - Budget development
  - Reviewing financial reports
  - Monitoring implementation of internal controls
  - Making prudent decisions
- Boards engaging in full "fiduciary mode":**
  - Consistently perform the basics of financial oversight.
  - Reach higher levels of public service.
  - Allow department heads to handle accountability for the use of taxpayer money.
  - Take care to follow *Robert's Rules of Order* when discussing financial matters.
- When receiving financial reports, township boards should:**
  - Take the time to analyze the information.
  - File the documents accordingly.
  - Avoid asking questions until the next report.
  - Stick to cash flow reports.
- Why should township boards consider annual audits, even if they aren't required by law?**
  - To reduce the workload for township employees.
  - To provide more frequent verification and assurance of their financial position.
  - To spot potential misconduct by employees.
  - To increase transparency with township residents.
- To avoid embezzlement and fraud, township boards should:**
  - Rely on outside auditors to detect problems.
  - Watch for property tax collections that are less than expected.
  - Regularly hire new staff who might catch the missing money.
  - Establish internal procedures to correct transaction errors and minimize risk.
- When townships don't have the staff to perform redundancies such as reviewing check registers, another option is to:**
  - Assign the tasks to individual board members.
  - Ask for community volunteers.
  - Hire a consultant.
  - Require overtime from current staff.
- Township boards can only achieve strong financial performance if they create consistency by articulating:**
  - A community vision plan.
  - Possible threats the board could face.
  - What is to be accomplished.
  - Five-year goals.
- What is the value of a mission statement to a board's financial oversight?**
  - It sets the moral tone for township employees.
  - It serves as a compass and keeps the township focused on what's most important.
  - It ensures compliance with laws and regulations.
  - It's a benchmark for proper stewardship of township finances and property.
- What is the "sweet spot" for township employee compensation levels?**
  - An above-average wage to attract the right employees.
  - A below-average wage out of responsibility to taxpayers.
  - Competitive with what other organizations pay while not paying more than necessary.
  - Competitive with the average wage for your township's region.
- Who is responsible for evaluating the township board's performance?**
  - A hired consultant
  - The board itself
  - Residents at a public hearing
  - Township employees